

THE GOVERNOR'S

# Budget

STATE OF KANSAS

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# Report

VOLUME 1 FISCAL YEAR 2010

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The Governor's

Budget Report

Fiscal  
Year  
2010

Volume 1

State  
of  
Kansas



*Kathleen Sebelius*

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KATHLEEN SEBELIUS, GOVERNOR

January 12, 2009

Dear Fellow Kansans:

With the submission of this report, I present my budget recommendations for the fiscal years 2009 and 2010 for consideration by the 2009 Kansas Legislature.

As Kansans we face a very challenging financial situation. The Kansas economy has slowed, and we are in the midst of a national recession. As a result, expected income to the State General Fund has dropped. In order to balance expenditures with these revenues, the already approved FY 2009 budget must be significantly revised, and many further reductions applied in FY 2010.

My budget recommendations resolve the gap between State General Fund expenditures and revenues without raising taxes, while protecting our state's investment in public education, funding human service caseload costs, and keeping basic state services intact.

If you would like additional information or if you have questions, I encourage you to contact my office or the Division of the Budget.

Sincerely,



KATHLEEN SEBELIUS  
Governor

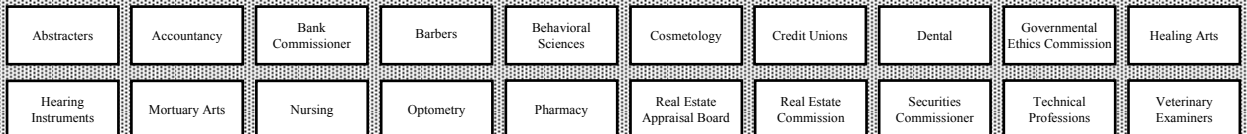
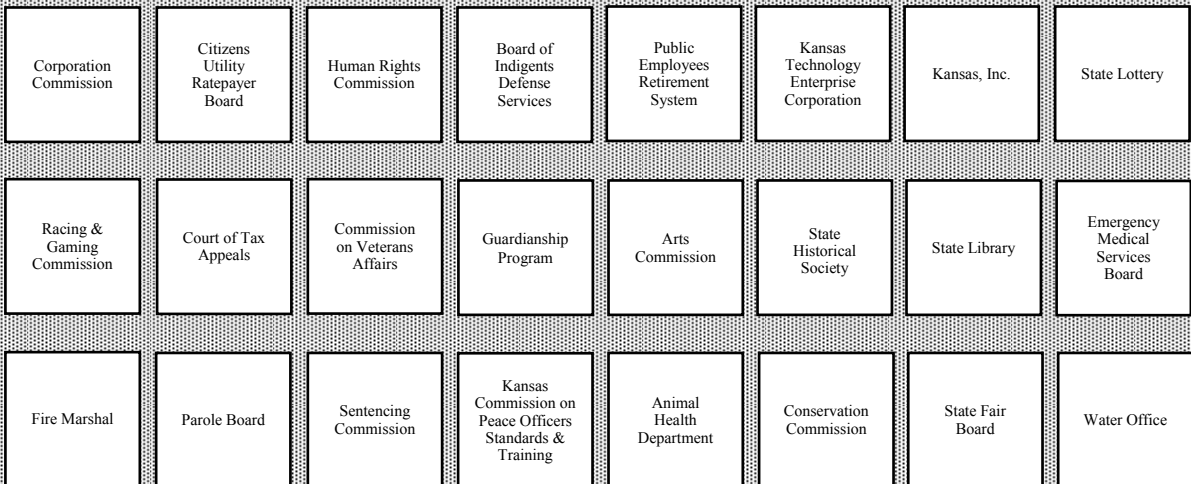
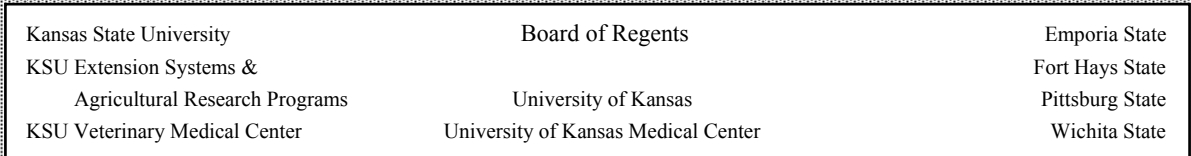
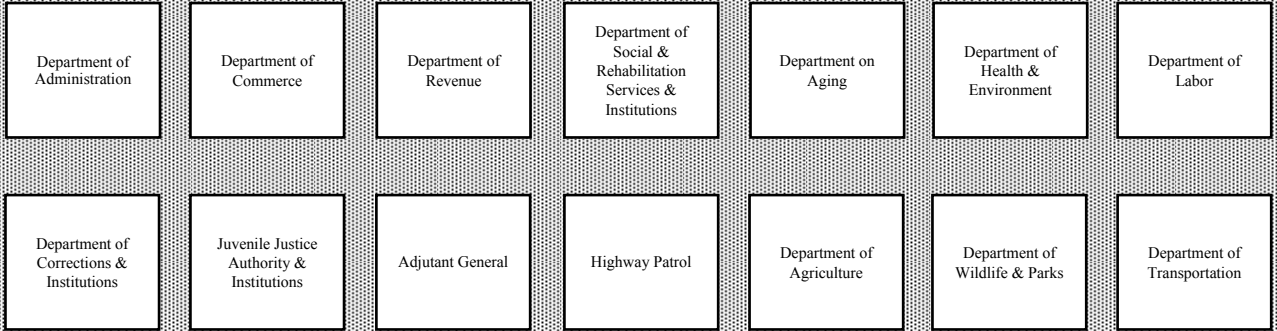
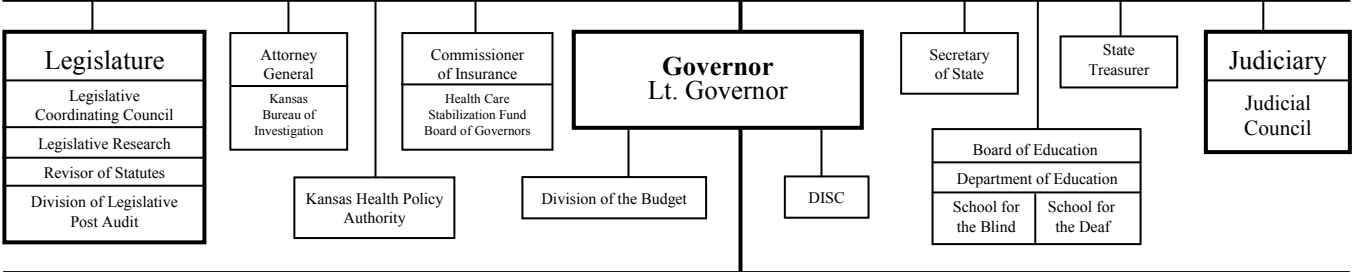
**The Governor's**  
**Budget**  
**Report**

**Volume 1**

**Descriptions  
and  
Budget Schedules**

**Fiscal Year 2010**

# Voters of Kansas



Readers of *The FY 2010 Governor's Budget Report* can access this information on the Kansas Division of the Budget's website at <http://budget.ks.gov>.

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# Budget Summary

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Kansas, like many other states, faces a very challenging financial situation. State costs for public education and Medicaid have increased substantially, but revenue expectations have diminished due to slower economic growth in Kansas and a national recession. The most recent revenue estimates no longer support approved FY 2009 expenditures, and building a new FY 2010 budget following previous standards would lead to a gap between expenditures and available resources of over \$900 million.

Within this difficult financial context, Governor Kathleen Sebelius presents a revised budget for FY 2009 and a new balanced budget for FY 2010. Five basic principles guide the Governor's budget recommendations:

**Resolve the State General Fund budget gap in a realistic way without raising taxes;**

**Protect the state's investment in public education;**

**Fund human service caseload costs;**

**Ensure the public safety of Kansans, and the continuation of basic state services; and**

**Include all state agencies in the budget solution.**

	<b>Budget Totals</b>			
	<i>(Dollars in Millions)</i>			
	SGF	Percent Change	All Funds	Percent Change
FY 2008 Actual	\$ 6,101.8	--	\$ 12,688.7	--
FY 2009 Apprv. (May 2008)	6,404.4	5.0%	13,487.1	6.3%
FY 2009 Apprv. with Shifts	6,440.7	5.6%	13,523.4	6.6%
FY 2009 Gov. Est.	6,348.6	4.0%	13,600.1	7.2%
FY 2010 Gov. Rec.	6,153.5	(3.1%)	12,881.4	(5.3%)

## Expenditures

Expenditures in almost every State General Fund agency have been reduced in FY 2009, and then reduced further in FY 2010. In addition, State General Fund debt has been restructured, a 9-month

moratorium proposed on payments into the KPERS Death and Disability Fund, as well as a 7-pay period moratorium on payments to the state employees' health fund.

Total expenditures to fund public education in 2010 remain flat from the approved FY 2009 amount. The budget includes human service caseload costs. The Governor proposes that state employees receive a 1.0 percent general salary increase, but expects agencies to absorb the cost of the increase.

## Changes to Revenue

The Governor does not recommend any tax increases as part of her budget, but does propose changes to transfers in and out of the State General Fund. Expenditures in special revenue fund agencies are reduced and the resulting savings plus any other balances transferred to the State General Fund. Available revenue from new gaming operations is proposed to be transferred. Transfers out of the State General Fund are suspended or limited.

The budget also recommends improving revenue through several tax policy changes to suspend the phase-out of the estate and corporate franchise taxes, eliminate the community service credit, accelerate severance tax collections and attribute a larger portion of liquor taxes to the State General Fund.

The next revenue projection will be made in mid-April, following income tax season. While this proposed budget uses updated November estimates, the state's financial situation is still fluid. Further action may be required once the spring estimates are made.

## Ending Balance

Together, all of the steps proposed to resolve the budget gap yield an ending State General Fund balance of \$58.3 million in FY 2009 and \$0.6 million in FY 2010. Under the current extraordinary circumstances, building a realistic budget without tax increases that projects a 7.5 percent ending balance is not possible. A brief budget that meets statutorily required balances is included in the back of this report.

**State General Fund Outlook--Without Solutions**

**Approved FY 2009 Budget Plus Consensus Amounts for Caseloads and School Finance**

*(Dollars in Millions)*

	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>
Beginning Balance	\$ 935.0	\$ 526.6	\$ (142.0)
November 4, 2008 Updated Revenues	<u>5,693.4</u>	<u>5,781.2</u>	<u>5,782.4</u>
Total Available	\$ 6,628.4	\$ 6,307.8	\$ 5,640.4
Expenditures			
Aid to K-12 Schools	\$ 3,065.1	\$ 3,222.4	\$ 3,357.9
School Finance Consensus Adjustments	--	3.7	--
Higher Education	829.1	852.6	852.6
Health/Human Services Caseloads	831.7	886.9	923.2
Consensus Caseload Adjustments	--	5.4	--
Undermarket Salary Adjustments	--	--	8.5
All Other Expenditures	1,370.1	1,442.5	1,442.5
Reappropriations from FY 2008	<u>--</u>	<u>36.3</u>	<u>--</u>
Total Expenditures	\$ 6,096.0	\$ 6,449.8	\$ 6,584.8
Ending Balance	\$ 532.4	\$ (142.0)	\$ (944.4)
<i>As Percent of Expenditures</i>	8.7 %	(2.2%)	(14.3%)

**State General Fund Outlook--With Solutions**

**Governor's Proposed Balanced Budget**

*(Dollars in Millions)*

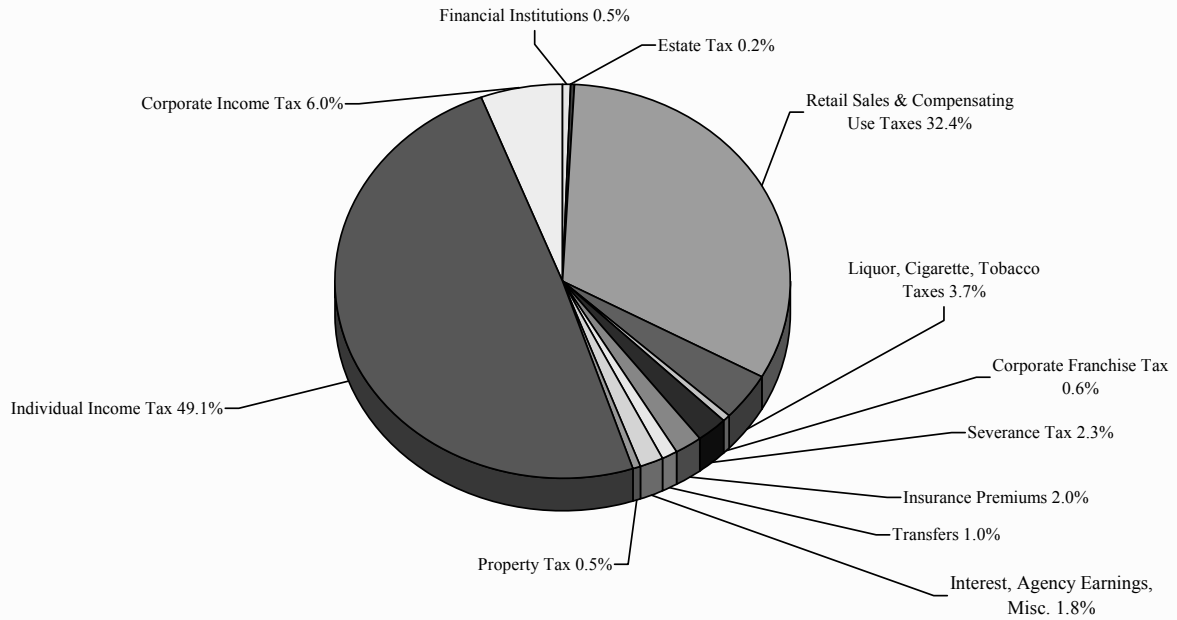
	<u>FY 2008</u> <u>Actual</u>	<u>FY 2009</u> <u>Gov. Rec.</u>	<u>FY 2010</u> <u>Gov. Est.</u>
Beginning Balance	\$ 935.0	\$ 526.6	\$ 58.3
November 4, 2008 Updated Revenues	5,693.4	5,781.2	5,782.4
Governor's Revenue Adjustments	<u>--</u>	<u>99.2</u>	<u>313.4</u>
Total Available	\$ 6,628.4	\$ 6,407.0	\$ 6,154.1
Expenditures			
Aid to K-12 Schools	\$ 3,065.1	\$ 3,223.5	\$ 3,181.9
Higher Education	829.1	830.0	773.0
Health/Human Services Caseloads	836.1	883.8	870.6
All Other Expenditures	<u>1,371.5</u>	<u>1,411.3</u>	<u>1,328.0</u>
Total Expenditures	\$ 6,101.8	\$ 6,348.6	\$ 6,153.5
Ending Balance	\$ 526.6	\$ 58.3	\$ 0.6
<i>As Percent of Expenditures</i>	8.6 %	0.9%	--

## Steps to Resolve Budget Gap

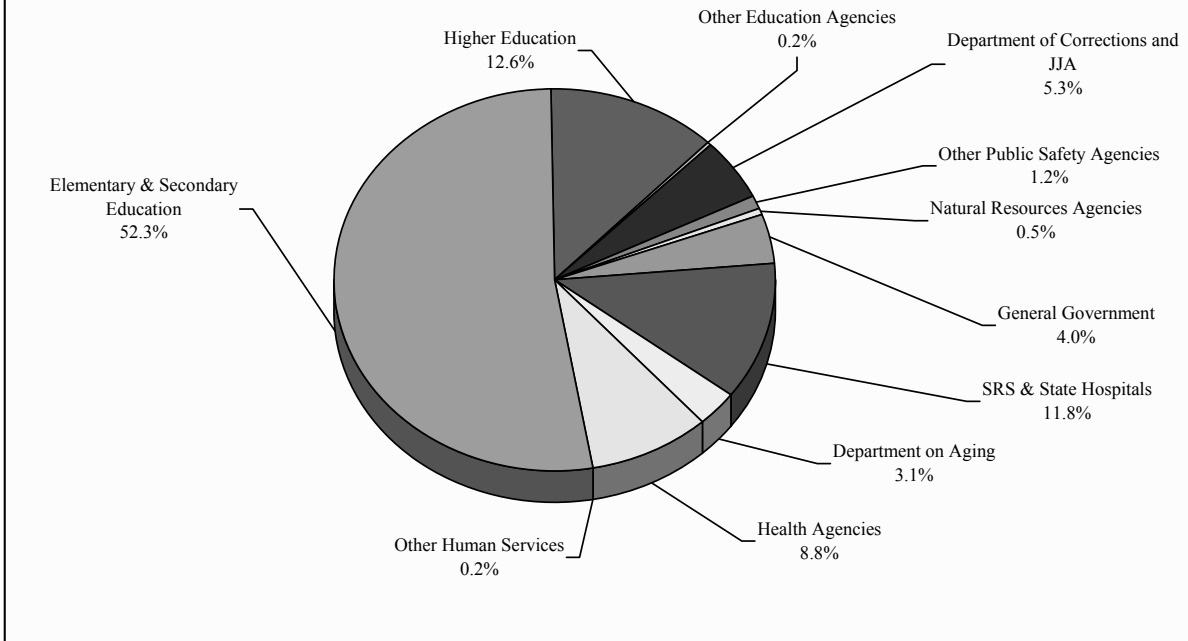
*(Dollars in Millions)*

	FY 2009	FY 2010
<b>Changes to State General Fund Expenditures</b>		
Reduce Current Year Approved Budgets	101.2	--
Reduce FY 2010 Budgets	--	431.3
Require Agencies to Absorb FY 2010 1% Salary Increase	--	--
<b>Changes to State General Fund Revenues</b>		
Transfers In:		
Reduce CIF Expenditures and Transfer Balance	--	9.2
Reduce EDIF Expenditures and Transfer Balance	--	3.5
Reduce non-SGF Agencies and Transfer Balances	2.2	2.9
Transfer Other Special Revenue Balances	29.0	2.2
End KSIP and Transfer Balances	4.2	--
Transfer Unallocated Gaming Revenue	(1.6)	56.7
KPERS D&D Moratorium Spec. Rev. Fund Savings	--	5.1
Health Insurance Moratorium	--	23.7
Limit Transfers Out:		
Stop Highway Fund Loan Repayment	30.9	30.9
Stop Other Fund Loan Repayments	3.8	3.8
Limit Bioscience Authority Transfer (\$35M FY '09 \$40M FY '10)	12.0	20.0
Suspend Transfers to SCCHF, SWPF, Health Care Stab.	19.1	19.1
Suspend Deferred Maintenance Transfer to Regents	--	15.0
Reduce Regents Research Corp. for Debt Restructuring	--	5.0
Limit Housing Trust Fund Transfer	--	2.0
Suspend Restoration of LAVTR Transfer	--	13.5
Suspend Property Tax Slider	--	45.3
Net of All Other Changes	(0.4)	(5.0)
Tax Policy Changes:		
Suspend Phase-Out of Corporate Franchise Tax	--	14.0
Suspend Phase-Out of Estate Tax	--	5.0
Eliminate Community Service Credit	--	4.4
Accelerate Severance Tax Due Date	--	10.0
Attribute all Liquor Taxes to State General Fund	--	27.2
<b>Total of All Changes</b>	<b>\$ 200.4</b>	<b>\$ 744.7</b>

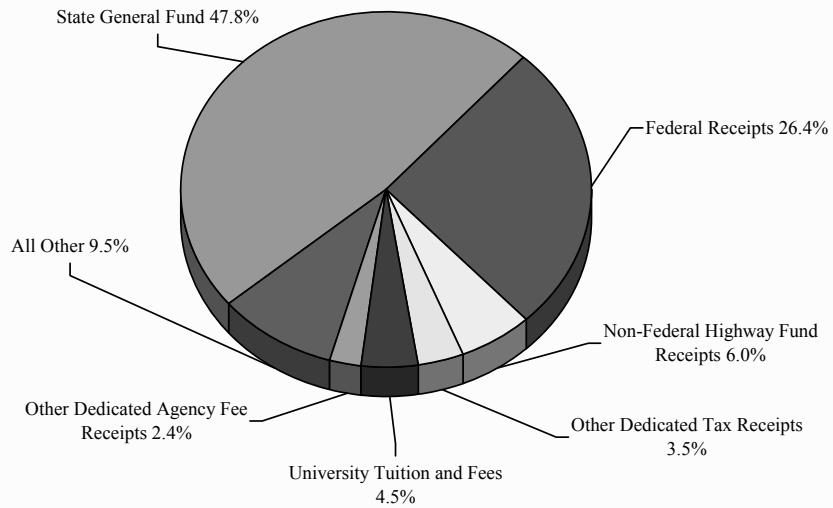
**Where State Dollars Come From  
State General Fund  
FY 2010**



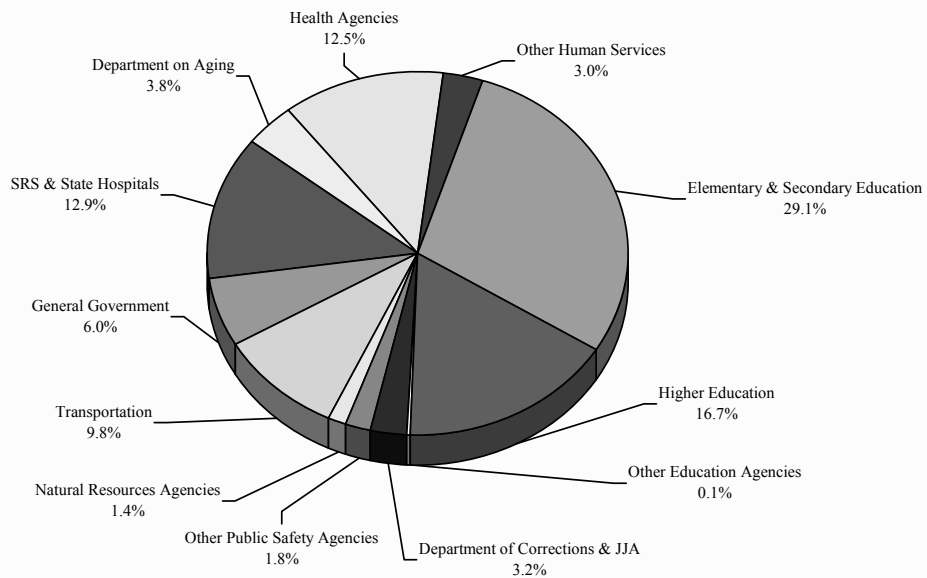
**Where State Dollars Go  
State General Fund  
FY 2010**



**How the All Funds Budget Is Financed**  
 All Sources of Funding  
 FY 2010



**Where All Funds Go**  
 All Sources of Funding\*  
 FY 2010



\* Excludes non-reportable expenditures.



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# State General Fund

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# State General Fund Balances

## Ending Balance Requirements

State law requires that an ending balance of at least 7.5 percent of total expenditures and demand transfers be built into the State General Fund budget. When established in 1990, the balance requirements were designed to ensure financial solvency and ensure the state can meet its obligations in a timely manner and prepare in the event of a downturn in tax receipts. For the past eight years, from FY 2002 through FY 2009, the Legislature has suspended the legal requirement in appropriation language.

ending balance just above zero. In the intervening years, the recovery of the state's economy and operating efficiencies provided the state with ever larger balances.

A recent slowdown in the state's economy, coupled with the state's increasing expenditure commitments to school districts have spent down these balances. As outlined elsewhere in this report, the current difficult circumstances make budgeting for a 7.5 percent ending balance unrealistic. However, a budget scenario that does meet the statutory ending balance requirement is detailed at the end of this volume.

<b>State General Fund Balances</b>				
<i>(Dollars in Millions)</i>				
Fiscal Year	Receipts	Expend.	Balances	Percent
1996	3,448.3	3,439.2	379.2	11.0
1997	3,683.8	3,538.1	527.8	14.9
1998	4,023.7	3,799.1	756.3	19.9
1999	3,978.4	4,196.2	540.7	12.9
2000	4,203.1	4,367.6	378.0	8.7
2001	4,415.0	4,429.6	365.7	8.3
2002	4,108.3	4,466.1	12.1	0.3
2003	4,245.6	4,137.5	122.7	3.0
2004	4,518.9	4,316.5	327.5	7.6
2005	4,841.3	4,690.1	478.7	10.2
2006	5,394.4	5,139.4	733.6	14.3
2007	5,809.0	5,607.7	935.0	16.7
2008	5,693.4	6,101.8	526.6	8.6
2009	5,880.4	6,348.6	58.3	0.9
2010	6,095.8	6,153.5	0.6	--

The proposed budget for FY 2009 and FY 2010 uses the revenue forecast in the November Consensus Revenue Estimate, with numerous adjustments to transfers and several tax sources explained later in this section. The projected balance in the State General Fund at the end of FY 2010 is \$0.6 million.

## Cashflow

The budget is based on an estimate of annual receipts and the Governor's recommendation for total expenditures over the course of a fiscal year. However, the amount of receipts to the State General Fund varies from month to month, and an agency may spend any or all of its appropriation at any time during the fiscal year. In particular, the multi-year school finance plan enacted during the 2006 Legislative Session has shifted large state expenditures to the beginning of the fiscal year, while sizeable tax revenues, such as income tax are not received until late in the fiscal year.

The table above depicts a history of State General Fund receipts, expenditures, and year end balances for the fifteen-year period from FY 1996 through FY 2010. In FY 2002, receipts to the State General Fund dropped by 6.9 percent from the previous year, leaving an extremely low balance of \$12.1 million. During FY 2003, two emergency allotment reductions were implemented within three months. It was in this timeframe when Governor Sebelius proposed her first budget in January 2003 that projected a positive

At times when State General Fund balances are at a low level, the state has been forced to borrow from other funds by issuing certificates of indebtedness. Without the certificate, the State General Fund would have insufficient idle cash with which to make expenditures, such as for payroll and grants to local governments, primarily school districts. At this point, the 7.5 percent ending balance no longer meets the state's cashflow needs.

# State General Fund Consensus Revenues

Estimates for the State General Fund are developed using a consensus process that involves the Division of the Budget, the Kansas Legislative Research Department, the Department of Revenue, and three consulting economists, one each from the University of Kansas, Kansas State University, and Wichita State University. The Governor’s budget uses the State General Fund Consensus Revenue Estimating Group’s estimates for FY 2009 and FY 2010 as a base and adjusts them to reflect the recommendations of the Governor that affect State General Fund receipts. This section covers the revenue projected by the consensus estimating process. The next section will cover the adjustments proposed by the Governor for annual and one-time transfers and concludes with a table that adds the consensus numbers and the revenue adjustments to produce a new total for State General Fund revenues.

## Estimating Process

Each year members of the Consensus Revenue Estimating Group meet in October with other individuals from specific business areas to discuss basic economic trends in Kansas, the Midwest, and the nation. Using information and assumptions developed in this meeting, each member of the group independently develops estimates for the different sources from which the State General Fund realizes

receipts. An “in common” economic forecasting model is not used. The group reconvenes in November to discuss and compare the individual estimates of the members. During that meeting, the group comes to consensus on each State General Fund revenue source for both the current and upcoming fiscal year. These estimates become the basis upon which both the Governor and the Legislature build the annual state budget. The consensus group meets again in April of each year to revise the estimates.

Described below are the basic economic assumptions developed during the November consensus meeting. These assumptions were used, along with actual receipts from prior years and the first four months of FY 2009, to form the basis for the current set of revenue estimates. Detailed data concerning the assumptions that the consensus group used are contained in *The Governor’s Economic and Demographic Report*.

## Basic Economic Assumptions

The slowing of the national and state economies that began in 2007 has taken a significant turn for the worse this fall. Recent measures of consumer spending and confidence indicate that the economy is sliding deeper into a major downturn, the depth and

<b>Key Economic Indicators</b>				
<i>(Dollars in Thousands)</i>				
	<u>CY 2007</u>	<u>CY 2008</u>	<u>CY 2009</u>	<u>CY 2010</u>
Consumer Price Index for All Urban Consumers	2.7 %	4.3 %	2.4 %	1.9 %
Real U.S. Gross Domestic Product	2.2	1.2	1.3	3.4
Nominal U.S. Gross Domestic Product	4.9	3.6	3.5	5.1
Nominal U.S. Personal Income	6.2	4.0	3.0	4.8
Corporate Profits before Taxes	3.9	(7.0)	(4.0)	3.0
Nominal Kansas Gross State Product	5.5	3.5	3.5	5.0
Nominal Kansas Personal Income:				
Dollars in Millions	\$102,069	\$105,530	\$108,907	\$113,590
<i>Percentage Change</i>	6.4 %	4.2 %	3.2 %	4.3 %
Nominal Kansas Disposable Income:				
Dollars in Millions	\$90,206	\$94,716	\$98,126	\$102,443
<i>Percentage Change</i>	5.9 %	4.9 %	3.6 %	4.4 %
Interest Rate for State General Fund (based on fiscal year)	5.3	4.3	2.6	2.7
Kansas Unemployment Rate	4.1	4.4	4.7	4.7

severity of which remained unclear as of early November. The accelerating financial crisis engulfing the housing, credit, and stock markets makes the level of uncertainty regarding this Consensus estimate much higher than normal. Although forecasts of virtually all major income-related economic variables for the nation and the state have been lowered since April, the possibility remains that the relative health of certain key sectors of the state's economy, including aviation manufacturing and energy, could enable Kansas to experience a milder contraction than the country as a whole. These estimates in fact are based on the assumption that Kansas Gross State Product will grow by 3.5 percent in 2008 and 2009 before accelerating to 5.0 percent in 2010.

The national economy is expected to grow at a slower pace over the next two years. Nominal Gross Domestic Product (GDP) was 4.9 percent in 2007, and it is expected to finish 2008 at an annual nominal growth rate of 3.6 percent, then decrease slightly to 3.5 percent in 2009 and increase to 5.1 percent in 2010. Real GDP is expected to grow by 1.2 percent, 1.3 percent, and 3.4 percent, respectively. U.S. personal income is expected to finish 2008 with a growth rate of 4.0 percent, but fall to 3.0 percent in 2009. In 2010, the growth rate is expected to be 4.8 percent.

**Kansas Personal Income.** Nominal Kansas Personal Income (KPI) is expected to realize an annual growth rate of 4.2 percent in 2008. The growth rate is expected to decrease to 3.2 percent in 2009 and to increase in 2010 to 4.3 percent.

**Employment.** Employment in the Kansas private sector has been slowing throughout 2008. The statewide unemployment rate for 2007 was 4.1 percent. For 2008, the unemployment rate is expected to increase to 4.4 percent. In CY 2009, the unemployment rate is expected to increase to 4.7 percent and it is expected to remain at that level for 2010. These figures compare favorably to current national unemployment forecasts of 5.6 percent for 2008; 6.2 percent for 2009; and 6.1 percent for 2010.

**Agriculture.** Net farm income in 2007 was significantly higher than 2006, but the outlook for 2008 is uncertain as a result of higher input prices, especially energy and fertilizer costs, and the recent collapse in commodity prices tied to problems with the national economy. The All Farm Products Index of Prices

received by Kansas farmers was 158 in September, compared with 147 a year prior. Using the current forecasts for 2008 production and prices, the value of production for the four major crops will be 24.0 percent above the 2007 level. The 2008 Kansas wheat crop forecast of 356.0 million bushels represents significant growth over the previous year. It should be noted that the crop in 2007 was only 284.0 million bushels, reflecting abandonment of 1.8 million acres, the largest abandonment in 11 years.

**Oil & Gas.** The average price per taxable barrel of Kansas crude oil is estimated to be \$80 in FY 2009, declining to \$70 in FY 2010. Gross oil production in Kansas is expected to increase from 38.0 million barrels in FY 2008 to 40.0 million in FY 2009 and then return to 38.0 million barrels in FY 2010.

The price of natural gas is expected to increase from the FY 2008 level of \$6.13 per mcf to \$6.25 in FY 2009 and then decrease to \$5.75 in FY 2010. Natural gas production in FY 2008 was 378.9 million cubic feet. Production is projected to increase to 390.0 million cubic feet in FY 2009 and remain at that level for FY 2010.

**Inflation.** The rate of inflation, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), for 2008 is expected to finish the year at 4.3 percent. The forecasted rate in 2009 lowers to 2.4 percent. In 2010, the inflation rate is expected to decline to 1.9 percent.

**Interest Rates.** The Pooled Money Investment Board is authorized to make investments in U.S. Treasury and agency securities; highly rated commercial paper; as well as repurchase agreements, government securities, and certificates of deposit with Kansas banks. In FY 2008, the state finished the year with an earned interest rate of 4.3 percent on its State General Fund portfolio. The average rate of return forecasted for FY 2009 is 2.6 percent and 2.7 percent for FY 2010.

## Consensus Receipt Estimates

Since 1975, with the exception of only four years, State General Fund receipts have increased from the previous year. Only in FY 1986, FY 1999, FY 2002,

and now FY 2008 did the total receipts actually fall below the levels in the prior fiscal year. Between FY 1985 and FY 1986, receipts fell by 1.0 percent and by 1.1 percent between FY 1998 and FY 1999. The dramatic 6.9 percent drop between FY 2001 and FY 2002 receipts is the largest in recent history. Between FY 2007 and FY 2008, receipts declined by 2.0 percent.

In FY 2003, receipts to the State General Fund rebounded by 3.3 percent, bringing receipts to only slightly above the FY 2002 level. However, the receipts for FY 2004 recovered and posted a 6.4 percent increase. In FY 2005, the increase was 7.1 percent and in FY 2006, it was even higher at 11.4 percent. For FY 2007, revenues increased by 7.7 percent. Revenues declined in FY 2008 by 2.0 percent and are expected to increase only slightly in FY 2009. The table on this page presents a complete list of State General Fund receipts from FY 1975 through FY 2008.

### FY 2009

For FY 2009, the consensus estimate was decreased by \$211.4 million, or 3.5 percent, below the previous estimate made in April and subsequently adjusted for legislation in June. The overall revised State General Fund estimate of \$5,781.2 million is 1.5 percent above FY 2008 receipts. This slight increase from FY 2008 receipts can largely be attributed to a reduction in the amount of money being transferred out of the State General Fund.

The consensus reduction of \$211.4 million reflects a few major reductions as well as slight increases in a few revenue sources. Individual income tax receipts account for \$179.4 million of the projected decline, while sales and compensating use tax account for \$58.7 million. Other revenue sources that were decreased include the financial institutions income tax (\$8.0 million); insurance premiums (\$1.0 million); and miscellaneous taxes (\$1.0 million). On the other hand, the severance tax estimate was increased by \$5.4 million, the cigarette tax by \$3.0 million, the liquor gallonage tax by \$200,000, and other revenue sources were increased by a net of \$19.3 million, which can mainly be attributed to a \$27.9 million recovery of a settlement payment from the federal government reflected in agency earnings.

### FY 2010

The initial consensus estimate for FY 2010 is \$5,782.4 million, which is virtually unchanged from the revised FY 2009 figure. The growth rate for total taxes in FY 2010 is expected to be 1.9 percent. Factors taken into account for FY 2010 include continued phasing out of the estate and corporation franchise taxes; the expectation that very modest growth will be returning to the major tax sources; the removal of the one-time federal drawdown from agency earnings; and a

<u>Fiscal Year</u>	<u>Actual Receipts</u>	<u>Year to Year % Change</u>
1975	\$627.6	N/A %
1976	701.2	11.7
1977	776.5	10.7
1978	854.6	10.1
1979	1,006.8	17.8
1980	1,097.8	9.0
1981	1,226.5	11.7
1982	1,273.0	3.8
1983	1,363.6	7.1
1984	1,546.9	13.4
1985	1,658.5	7.2
1986	1,641.4	(1.0)
1987	1,778.5	8.4
1988	2,113.1	18.8
1989	2,228.3	5.5
1990	2,300.5	3.2
1991	2,382.3	3.6
1992	2,465.8	3.5
1993	2,932.0	18.9
1994	3,175.7	8.3
1995	3,218.8	1.4
1996	3,448.3	7.1
1997	3,683.8	6.8
1998	4,023.7	9.2
1999	3,978.4	(1.1)
2000	4,203.1	5.6
2001	4,415.0	5.0
2002	4,108.3	(6.9)
2003	4,245.6	3.3
2004	4,518.9	6.4
2005	4,841.3	7.1
2006	5,394.4	11.4
2007	5,809.0	7.7
2008	5,693.4	(2.0)

significant increase in the amount of money transferred out of the State General Fund.

## **FY 2011 & Beyond**

Although no official estimate has yet been made for years beyond FY 2010, there are a number of provisions in statute that will reduce State General Fund receipts in future years. Legislation enacted in 2007 that provides new tax credits for contributions earmarked for deferred maintenance at postsecondary educational institutions; certain capital improvements at community colleges; and deferred maintenance and certain technology or equipment at technical colleges is expected to reduce receipts by \$20.0 million in FY 2011, \$20.0 million in FY 2012, and \$20.0 million in FY 2013. The 2007 Legislature also passed legislation to phase-out the franchise tax. The phase-out began in FY 2008 and will reduce future estimates \$37.0 million in FY 2011 and \$48.0 million in FY 2012.

Legislation enacted in 2006 that decouples the Kansas estate tax from the federal law beginning in 2007, as

well as eliminates the Kansas tax in 2010, will reduce estate tax receipts by \$47.0 million in FY 2011 and \$52.0 million in FY 2012. Another piece of legislation enacted during the 2006 session established a new transfer to assist taxing subdivisions in alleviating any property tax shifts that are associated with the property tax exemption on investment machinery and equipment. These transfers have come to be known as “the Slider” and are estimated to be \$32.0 million in FY 2011 and \$11.5 million in FY 2012. This legislation also provided a partial restoration of the Local Ad Valorem Tax Reduction Fund transfer beginning in FY 2010. These transfers are capped at \$27.0 million in FY 2011, \$40.5 million in FY 2012, and \$54.0 million in FY 2013 and all subsequent years. This legislation also caused motor carrier property tax receipts to the State General Fund to be reduced by \$5.6 million in FY 2011, \$7.4 million in FY 2012, and \$8.4 million in FY 2013.

Legislation enacted in 2005 will reduce severance tax receipts to the State General Fund by \$10.9 million in FY 2011 and \$14.4 million in FY 2012.

## Consensus Revenue Estimate

(Dollars in Thousands)

	FY 2008 Actual		FY 2009 Estimate		FY 2010 Estimate	
	Amount	Percent Change	Amount	Percent Change	Amount	Percent Change
Property Tax:						
Motor Carrier	29,032	12.5	30,500	5.1	28,500	(6.6)
Income Taxes:						
Individual	2,896,653	6.9	2,890,000	(0.2)	2,990,000	3.5
Corporation	432,078	(2.3)	340,000	(21.3)	365,000	7.4
Financial Inst.	33,160	0.2	32,000	(3.5)	32,000	--
Total	\$3,361,891	5.6 %	\$3,262,000	(3.0) %	\$3,387,000	3.8 %
Estate/Inheritance	\$44,247	(20.4)	\$32,000	(27.7)	\$15,000	(53.1)
Excise Taxes:						
Retail Sales	1,711,398	(3.1)	1,715,000	0.2	1,750,000	2.0
Compensating Use	246,277	(13.6)	220,000	(10.7)	225,000	2.3
Cigarette	112,705	(2.2)	111,000	(1.5)	110,000	(0.9)
Tobacco Prod.	5,548	4.6	5,600	0.9	5,800	3.6
Cereal Malt Beverage	2,228	6.6	2,200	(1.3)	2,200	--
Liquor Gallonage	17,579	3.1	18,000	2.4	18,400	2.2
Liquor Enforcement	49,983	6.0	52,000	4.0	54,000	3.8
Liquor Drink	8,903	3.9	9,500	6.7	9,700	2.1
Corporate Franchise	46,659	(2.6)	32,000	(31.4)	20,000	(37.5)
Severance	148,172	27.7	156,700	5.8	130,200	(16.9)
Gas	91,511	14.9	92,300	0.9	80,000	(13.3)
Oil	56,662	55.7	64,400	13.7	50,200	(22.0)
Total	\$2,349,452	(2.6) %	\$2,322,000	(1.2) %	\$2,325,300	0.1 %
Other Taxes:						
Insurance Prem.	117,588	3.3	118,000	0.4	119,000	0.8
Miscellaneous	5,233	(4.7)	2,500	(52.2)	2,500	--
Total	\$122,821	3.0 %	\$120,500	(1.9) %	\$121,500	0.8 %
Total Taxes	\$5,907,443	1.9 %	\$5,767,000	(2.4) %	\$5,877,300	1.9 %
Other Revenues:						
Interest	111,258	20.6	51,000	(54.2)	50,000	(2.0)
Net Transfers	(379,193)	(172.0)	(118,200)	68.8	(199,500)	(68.8)
Agency Earnings	53,875	(16.4)	81,400	51.1	54,600	(32.9)
Total Other Revenue	(\$214,060)	-- %	\$14,200	106.6 %	(\$94,900)	(768.3) %
Total Receipts	\$5,693,383	(2.0) %	\$5,781,200	1.5 %	\$5,782,400	-- %

Totals may not add because of rounding.

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## State General Fund Revenue Adjustments

While using the revenue estimates developed through the consensus process outlined in the previous section, the Governor also makes adjustments to State General Fund consensus revenues. Generally, these adjustments are made to revenue transfer funds moved into or out of the State General Fund. Because there are a substantial number of transfers that affect the State General Fund, they are enumerated in this section. The Governor also proposes five policy changes that affect State General Fund tax receipts in this budget, but do not increase any tax rates.

### Transfer Adjustments

The Governor's recommendation contains adjustments to the transfers incorporated in the consensus revenue estimates for both FY 2009 and FY 2010. The table below shows a "short-hand" list of all the anticipated revenue adjustments that have been incorporated in the Governor's budget for FY 2009 and FY 2010. The tables on pages 18 and 19 show the details for FY 2009. The FY 2010 details are shown on page 20. The final table in this section, which is shown on page 21, combines the Governor's adjustments with the original November consensus estimates in order to present a total view of State General Fund revenues as they are estimated in the Governor's proposed budget. The following section explains the adjustments to transfers.

#### FY 2009

In FY 2009, the Governor's recommendation includes a variety of adjustments. The first adjustment relates to the budget reductions imposed on state agencies. The budgets of agencies that operate with special revenue monies were reduced and those funds are recommended for transfer into the State General Fund. These reductions and transfers total \$32.2 million. Similar transfers were done in FY 2004, with the expectation that some of the transfers would be repaid. In FY 2009, \$34.6 million would be repaid to the Department of Transportation, Insurance Department and Department of Health and Environment. It is recommended that these repayments not be made.

In the November CRE, it was estimated that the transfer of income tax withholdings to the Bioscience Authority would be \$47.0 million. It is recommended that this transfer be capped at \$35.0 million in FY 2009, saving \$12.0 million. As mentioned elsewhere, \$10.1 million is transferred to the Special City County Highway Fund, but in FY 2009, it is recommended that this transfer be suspended, as is the annual \$6.0 million transfer to the Water Plan Fund, the \$3.0 million transfer to the Health Care Stabilization Fund, as well as the \$500,000 biodiesel producer incentive. Although the FY 2009 "slider" transfer to local governments is included in the Governor's budget for FY 2009, it may have to be suspended, in the event tax receipts fall below the November Consensus Revenue Estimate. Also, it is recommended that the Kansas Savings Incentive Program be eliminated, and the \$4.2 million in monies set aside by agencies be swept to the State General Fund.

Two adjustments require additional monies from the State General Fund. The first is the transfer of \$1,948,893 to the State Emergency Fund. This money will be used by Kansas State University for a wide variety of repairs needed after a tornado that struck the campus in June 2008. This adjustment reflects action taken by the State Finance Council on December 15, 2008. Second, gaming revenues of \$7.1 million were supposed to be transferred to the State General Fund to finance a check to KPERS retirees. Given recent withdrawals of proposed gaming facilities, it is believed that only \$5.5 million will be deposited, or \$1.6 million less than what was spent.

#### FY 2010

**Tax Policy Changes.** In order to generate additional revenue for the State General Fund, but without increasing any tax rate beyond current levels, the Governor recommends five specific changes to state law relating to several state tax sources. First, the Governor recommends that 95.0 percent of liquor tax collected be attributed to the State General Fund. Currently, 25.0 percent is deposited with the SGF, while 70.0 percent is distributed to local governments. The other 5.0 percent goes to the Department of Social



and Rehabilitation Services for alcoholism and intoxication programs, which would not be changed in the Governor's proposal. This change is estimated to bring an additional \$27.2 million to the SGF in FY 2010.

The 2007 Legislature enacted a phase-out of the franchise tax over four years. Prior to the phase-out, enforcement of this tax was transferred from the Secretary of State to the Department of Revenue, and collections increased dramatically as a result. The

### Adjustments to the Consensus Revenue Estimates

*(Dollars in Thousands)*

#### FY 2009

Transfers:

State Agencies	Operating Budget Reductions and Cash Sweeps	32,227
KDOT/Insurance/KDHE	Stop Repayment of Previous Transfers	34,646
Bioscience Authority	Cap Annual Transfer	12,000
State Treasurer	Suspend Special City County Highway Fund Transfer	10,064
Water Plan Agencies	Suspend Transfer to Water Plan Fund	6,000
State Agencies	End KSIP and Sweep Balances	4,236
Health Care Stabilization Fund	Suspend Transfer	3,000
Revenue	Ks. Qualified Biodiesel Fuel Producer Incentive	500
Lottery	Expanded Lottery Act Revenues Fund	(1,560)
Department of Administration	State Emergency Fund (KSU Storm Damage)	(1,949)
Total FY 2009 Adjustments		\$ 99,164

#### FY 2010

Liquor Excise Tax	Attribute 95% Liquor Drink Tax to the State General Fund	27,200
Franchise Tax	Suspend Franchise Tax Phase-Out	14,000
Severance Tax	Accelerate Mineral Tax Due Date	10,000
Estate Tax	Suspend Estate Tax Phase-Out	5,000
Income Tax	Community Service Credit	4,400
Transfers:		
Lottery	Expanded Lottery Act State Revenues	56,719
State Treasurer	Suspend Machinery & Bus Equip. Transfer	45,263
KDOT/Insurance/KDHE	Stop Repayment of Previous Transfers	34,646
State Agencies	Moratorium on Health Insurance for 7 Payroll Cycles	23,685
Bioscience Authority	Cap Annual Transfer	20,000
Regents Institutions	Suspend Deferred Maintenance Transfer	15,000
State Treasurer	Suspend Restoration of LAVTR	13,500
State Treasurer	Suspend Special City County Highway Fund Transfer	10,064
KEY Fund	Transfer Balance	9,205
Water Plan Agencies	Suspend Transfer to Water Plan Fund	6,000
State Agencies	KPERS Death & Disability 9-Month Moratorium	5,061
Regents Institutions	Restructure Research Corp. Debt Payment	4,975
State Agencies	Operating Budget Reductions and Cash Sweeps	2,215
Department of Commerce	Economic Dev't Initiatives Fund Savings	3,534
Health Care Stabilization Fund	Suspend Transfer	3,000
State Agencies	Operating Budget Reductions and Cash Sweeps	2,725
Ks Dev't Finance Authority	Reduce Housing Trust Fund	2,000
State Fair	Suspend Capital Improvements Transfer	200
Department of Administration	Emergency Fund	(5,000)
Total FY 2010 Adjustments		\$313,392

maximum amount any business may pay is \$20,000 a year. Under the Governor's proposal, the tax rate will be left at the 2008 rate.

The Governor also recommends suspension of the estate tax phase-out. The 2007 Legislature provided for the three-year phase-out. The Governor recommends freezing the rate at tax year 2008 levels, increasing FY 2010 tax receipts to the State General Fund by \$5.0 million, and FY 2011 taxes by an estimated \$11.0 million.

Currently, oil and gas producers have two months to remit mineral taxes to the state. The Governor proposes an acceleration of when the payments are due to one month, resulting in a one-time gain of \$10.0 million to the State General Fund in FY 2010.

Lastly, the Governor targets the community service credit for elimination, generating \$4.4 million for the State General Fund in FY 2010. Business firms making contributions to community service organizations or governmental agencies engaging in the activities of providing community services gain an income tax write-off from this credit.

As with FY 2009, the Governor's recommendation makes numerous transfer adjustments to the consensus revenue estimate in FY 2010.

**Transfers In.** It is recommended that all state revenue gained from expanded gaming be deposited in the State General Fund. It is currently anticipated that \$56.7 million will be received. Additional monies in the KEY Fund are recommended for transfer to the State General Fund of \$9.2 million in FY 2010.

Consolidation and streamlining of the state's economic development agencies generates \$3.5 million in budget savings from the Economic Development Initiatives Fund, making it available for transfer to the SGF.

Cancellation of the state aid program for school districts' driver's education programs will allow transfer of \$1.3 million from the Safety Fund in the Department of Education, which is generated by driver's license fees. Operating budget reductions

frees up \$2.9 million from other funds for transfer to the SGF.

Lastly, the Governor proposes a temporary suspension of payments to the state's employee health benefits program, as well as to the KPERS Death & Disability Fund. These changes to agency expenditures generates savings of \$23.7 million and \$5.1 million, respectively, in special revenue funds that may be swept to the State General Fund. No federal monies are included in the transfer, although expenditures from the federal funds will also be reduced.

**Transfers Out.** Given the state's difficult financial status, it is recommended that the FY 2010 machinery and business equipment transfer of \$45.3 million be suspended. As with FY 2010, \$34.6 million not be repaid to specific funds in the Departments of Transportation, Insurance and Health and Environment. The Regents deferred maintenance transfer of \$15.0 million is recommended for suspension as well.

The Bioscience Authority transfer is capped at \$40.0 million in the Governor's budget, a savings of \$20.0 million from what was estimated in the November CRE. No State Water Plan Fund transfer is included for FY 2010, and neither is the \$3.0 million Health Care Stabilization Fund transfer, nor the \$200,000 State Fair capital improvements transfer.

As part of the debt restructuring initiative, the Regents Research Corporation debt service is reduced by \$5.0 million to save on the principal payment in FY 2010. Realizing additional monies will be required to address past weather-related disasters, \$5.0 million is set aside in the Emergency Fund within the Department of Administration. Release will require Finance Council approval.

The 2007 Legislature authorized a phased-in reinstatement of the Local Ad Valorem Tax Reduction Fund, a transfer that was made prior to FY 2004. In FY 2010, this transfer was to be \$13.5 million, but is not included in the Governor's budget. The Housing Trust Fund transfer is reduced in half from \$4.0 million to \$2.0 million.

### FY 2009 Transfers In to the State General Fund

		FY 2009 <u>Approved</u>	Nov. CRE <u>Adjustments</u>	November <u>Cons. Rev. Est.</u>	Governor's <u>Adjustments</u>	FY 2009 <u>Gov. Rec.</u>
<b>Transfers In:</b>						
State Agencies	End KSIP and Sweep Monies	--	--	--	4,235,542	4,235,542
State Agencies	Operating Budget Reductions	--	--	--	2,215,786	2,215,786
Department of Administration	Cancelled Warrants	2,132,897	(207,548)	1,925,349	--	1,925,349
Kansas Corporation Comm.	Conservation Fee Fund	--	--	--	2,500,000	2,500,000
	KETA Development Fund	--	--	--	1,000,000	1,000,000
KPERS	Bond Payment for 13th Check	3,703,152	41,848	3,745,000	--	3,745,000
Kansas Lottery	Gaming Revenues Fund	23,040,000	(500,000)	22,540,000	--	22,540,000
	Special Veterans Benefit Game	960,000	500,000	1,460,000	--	1,460,000
	Exp. Lottery Act Rev. Fund Receipts	7,060,000	--	7,060,000	(1,560,000)	5,500,000
Racing & Gaming	Racing & Gaming Reserve Fund	450,000	--	450,000	--	450,000
PMIB	PMIB Investment Portfolio Fee Fund	3,700,000	(600,000)	3,100,000	--	3,100,000
Department of Revenue	Ethyl Alcohol Producer Incentive	--	--	--	500,000	500,000
	Special Co. Mineral Production Tax Fund	--	--	--	2,000,000	2,000,000
	County Drug Tax Fund	--	--	--	400,000	400,000
	Cigarette & Tobacco Products Reg. Fund	--	--	--	380,000	380,000
Bank Commissioner	Bank Commissioner Fee Fund	--	--	--	800,000	800,000
	Consumer Education Settlement Fund	--	--	--	500,000	500,000
Board of Optometry	Optometry Fee Fund	--	--	--	100,000	100,000
Real Estate Commission	Real Estate Fee Fund	--	--	--	50,000	50,000
	Real Estate Recovery Revolving Fund	--	--	--	550,000	550,000
Securities Commissioner	Transfer Balance	7,148,102	912,630	8,060,732	--	8,060,732
Attorney General	Medicaid Fraud Prosecution Rev. Fund	--	--	--	1,500,000	1,500,000
Insurance Department	Service Regulation Fund	--	--	--	5,000,000	5,000,000
	Workers Compensation Fund	--	--	--	3,000,000	3,000,000
State Treasurer	Bond Services Fee Fund	--	--	--	250,000	250,000
Social & Rehabilitation Svcs.	Prior Year Correction	--	15,000	15,000	--	15,000
Osawatomie State Hospital	General Fees Fund	--	--	--	541,202	541,202
Department on Aging	Long Term Care Loan and Grant Fund	--	--	--	805,000	805,000
Dept. of Health & Environment	Undrgrd. Storage Tank Release Trust Fund	--	--	--	1,250,000	1,250,000
	Abvgrd. Storage Tank Release Trust Fund	--	--	--	1,950,000	1,950,000
	Voluntary Clean Up Fund	--	--	--	500,000	500,000
	Subsurface Hydrocarbon Storage Fund	--	--	--	250,000	250,000
	Radiation Control Ops Fee Fund	--	--	--	250,000	250,000
Department of Labor	Workers Compensation Fund	--	--	--	600,000	600,000
	Human Resources Special Projects Fund	--	--	--	100,000	100,000
Department of Education	Keeping Education Promises Trust Fund	122,700,000	--	122,700,000	--	122,700,000
	State Safety Fund	1,700,000	--	1,700,000	--	1,700,000
Board of Regents	Bond Payment	2,500,000	--	2,500,000	--	2,500,000
Wichita State University	Housing System Operations Fund	26,350	--	26,350	--	26,350
Highway Patrol	Training Center Fund	500,000	--	500,000	150,000	650,000
	General Fees Fund	--	--	--	300,000	300,000
Department of Transportation	Hwy. Fund Transfer for Highway Patrol	31,301,567	--	31,301,567	72,556	31,374,123
	Overhead Payment/Purchasing	210,000	--	210,000	--	210,000
Water Office	Water Marketing Fund	26,381	(12,685)	13,696	54,541	68,237
	Water Supply Storage Assurance	50,913	(14,515)	36,398	794,602	831,000
Adjutant General	Adjutant General Expense Fund-Haz. Mit.	--	--	--	1,883,892	1,883,892
	National Guard Life Ins. Prem. Reimb.	--	--	--	319,657	319,657
Ks Bureau of Investigation	Private Detective Fee Fund	--	--	--	100,000	100,000
Ks. Comm. Peace Off. Stds/Trng	Comm on Peace Officers Fee Fund	--	--	--	500,000	500,000
Department of Agriculture	Grain Warehouse Inspection Fee Fund	3,796	--	3,796	--	3,796
Total Transfers In		\$ 207,213,158	\$ 134,730	\$ 207,347,888	\$ 33,842,778	\$ 241,190,666

**FY 2009 Transfers Out of the State General Fund**

		FY 2009 <u>Approved</u>	Nov. CRE <u>Adjustments</u>	November <u>Cons. Rev. Est.</u>	Governor's <u>Adjustments</u>	FY 2009 <u>Gov. Rec.</u>
<b>Transfers Out:</b>						
Department of Transportation	Special County/City Highway Fund	(10,063,664)	--	(10,063,664)	10,063,664	--
	Loan Repayment from 2003 Session	(30,896,209)	--	(30,896,209)	30,896,209	--
Department of Education	School District Cap. Improvements Fund	(74,238,000)	(1,141,000)	(75,379,000)	--	(75,379,000)
Water Plan Agencies	State Water Plan Fund	(6,000,000)	--	(6,000,000)	6,000,000	--
State Fair	Capital Improvements	(300,000)	--	(300,000)	--	(300,000)
Board of Regents	Regents Faculty of Distinction Program	(6,000,000)	1,759,771	(4,240,229)	--	(4,240,229)
	Regents Research Corporation Bonds	(9,583,000)	(332,259)	(9,915,259)	--	(9,915,259)
	Infrastructure Maintenance Fee Fund	(7,000,000)	--	(7,000,000)	--	(7,000,000)
Attorney General	Tort Claims	(2,640,623)	782,994	(1,857,629)	--	(1,857,629)
	Interstate Water Litigation Fund	(1,560,000)	--	(1,560,000)	1,560,000	--
Department of Administration	Federal Cash Management Fund	(1,500,000)	200,000	(1,300,000)	--	(1,300,000)
	State Emergency Fund (KSU Storm)	--	--	--	(1,948,893)	(1,948,893)
Bioscience Authority	Biosciences Initiative	(47,000,000)	--	(47,000,000)	12,000,000	(35,000,000)
Ks Dev't. Finance Authority	State Housing Trust Fund	(4,000,000)	--	(4,000,000)	--	(4,000,000)
Health Care Stab. Fund	Reimbursement for Claims & Expenses	(3,000,000)	--	(3,000,000)	3,000,000	--
KPERS	Non-Retirement Administration	--	(230,000)	(230,000)	--	(230,000)
Insurance Department	Repayment to Workers Comp. Fund	(1,000,000)	--	(1,000,000)	1,000,000	--
Secretary of State	HAVA Match Monies	--	(223,176)	(223,176)	--	(223,176)
State Treasurer	State Treasurer Operating Fund	--	(16,225)	(16,225)	--	(16,225)
	Spirit Aerosystems Incentive	(6,000,000)	1,500,000	(4,500,000)	--	(4,500,000)
	Eaton MDH Spec. Qual. Indus. Mfg. Fund	(600,000)	100,000	(500,000)	--	(500,000)
	Cessna Incentive	(4,150,000)	1,150,000	(3,000,000)	--	(3,000,000)
	Tax Increment Finance Replacement Fund	(965,662)	(34,938)	(1,000,600)	--	(1,000,600)
	Learning Quest Matching Funds	(100,000)	(175,000)	(275,000)	--	(275,000)
	Property Tax Reimb. to Local Tax Subdiv.	(44,846,000)	--	(44,846,000)	--	(44,846,000)
Real Estate Commission	Prior Year Correction	--	(1,154)	(1,154)	--	(1,154)
Racing & Gaming	Racing & Gaming Reserve Fund	(450,000)	--	(450,000)	--	(450,000)
Dept. of Education	Keeping Education Promises Trust Fund	(37,170,000)	--	(37,170,000)	--	(37,170,000)
Dept. of Health & Environment	Repayment to Waste Tire Mgmt. Fund	(250,000)	--	(250,000)	250,000	--
	Repymt. to Ungd. Petrol. Trust Fund	(2,500,000)	--	(2,500,000)	2,500,000	--
Water Office	Prior Yr. Correction (Clean Drinking Fees)	--	(3,073,743)	(3,073,743)	--	(3,073,743)
Total Transfers Out		\$ (301,813,158)	\$ 265,270	\$ (301,547,888)	\$ 65,320,980	\$ (236,226,908)
Interest		(25,010,000)	1,010,000	(24,000,000)	--	(24,000,000)
Net Transfers		\$ (119,610,000)	\$ 1,410,000	\$ (118,200,000)	\$ 99,163,758	\$ (19,036,242)

## FY 2010 Transfers In and Out of the State General Fund

		November	Governor's	FY 2010
		<u>Cons. Rev. Est.</u>	<u>Adjustments</u>	<u>Gov. Rec.</u>
<b>Transfers In:</b>				
State Agencies	KPERS Death & Disability 9-Mo. Moratorium	--	5,061,144	5,061,144
State Agencies	Health Ins. 7 Payroll Cycle Moratorium	--	23,684,911	23,684,911
State Agencies	Operating Budget Reductions	--	2,940,086	2,940,086
Department of Administration	Cancelled Warrants	2,132,897	--	2,132,897
Department of Commerce	EDIF Savings	--	3,533,611	3,533,611
KPERS	Bond Payment for 13th Check	3,537,100	--	3,537,100
Kansas Lottery	Gaming Revenues Fund	23,540,000	--	23,540,000
	Special Veterans Benefit Game	1,460,000	--	1,460,000
	Exp. Lottery Act Rev. Fund Receipts	--	56,719,383	56,719,383
PMIB	PMIB Investment Portfolio Fee Fund	2,600,000	--	2,600,000
Securities Commissioner	Transfer Balance	9,605,054	--	9,605,054
Veterinary Examiners	Transfer Balance	--	125,000	125,000
KEY Fund	Transfer Balance	--	9,205,165	9,205,165
Osawatomic State Hospital	General Fees Fund	--	323,928	323,928
Department of Education	State Safety/Motorcycle Safety Fund	1,700,000	1,311,572	3,011,572
	Keeping Education Promises Trust Fund	37,170,000	--	37,170,000
Board of Regents	Bond Payment	5,000,000	--	5,000,000
Wichita State University	Housing System Operations Fund	26,350	--	26,350
Highway Patrol	Training Center Fund	500,000	--	500,000
	Motor Vehicle Fund	--	300,000	300,000
	Vehicle Identif. Number Fee Fund	--	100,000	100,000
Department of Transportation	Highway Fund Transfer for Highway Patrol	35,321,194	(215,079)	35,106,115
	Overhead Payment/Purchasing	210,000	--	210,000
Water Office	Water Marketing Fund	13,696	54,541	68,237
	Water Supply Storage Assurance	36,398	--	36,398
<b>Transfers Out:</b>				
Department of Transportation	Special County/City Highway Fund	(10,063,664)	10,063,664	--
	Loan Repayment from 2003 Session	(30,896,209)	30,896,209	--
Department of Education	School District Cap. Improvements Fund	(80,000,000)	--	(80,000,000)
Water Plan Agencies	State Water Plan Fund	(6,000,000)	6,000,000	--
State Fair	Capital Improvements	(200,000)	200,000	--
Board of Regents	Regents Faculty of Distinction Program	(4,000,000)	--	(4,000,000)
	Regents Research Corporation Bonds	(9,918,695)	4,975,000	(4,943,695)
Attorney General	Tort Claims	(1,635,521)	--	(1,635,521)
Department of Administration	Federal Cash Management Fund	(1,500,000)	--	(1,500,000)
	Emergency Fund	--	(5,000,000)	(5,000,000)
Bioscience Authority	Biosciences Initiative	(60,000,000)	20,000,000	(40,000,000)
Ks Dev't. Finance Authority	State Housing Trust Fund	(4,000,000)	2,000,000	(2,000,000)
KPERS	Non-Retirement Administration	(245,000)	--	(245,000)
Health Care Stab. Fund	Reimbursement for Claims & Expenses	(3,000,000)	3,000,000	--
Insurance Department	Repayment to Workers Comp. Fund	(1,000,000)	1,000,000	--
State Treasurer	Spirit Aerosystems Incentive	(5,000,000)	--	(5,000,000)
	Eaton MDH Spec. Qual. Indus. Mfg. Fund	(500,000)	--	(500,000)
	Cessna Incentive	(4,150,000)	--	(4,150,000)
	Tax Increment Finance Replacement Fund	(1,000,600)	--	(1,000,600)
	Property Tax Reimb. to Local Tax Subdiv.	(45,263,000)	45,263,000	--
	Local Ad Valorem Tax Reduction Fund	(13,500,000)	13,500,000	--
Board of Regents	Infrastructure Maintenance Fee Fund	(15,000,000)	15,000,000	--
Dept. of Health & Environment	Repayment to Waste Tire Mgmt. Fund	(250,000)	250,000	--
	Repymt. to Ungd. Petrol. Trust Fund	(2,500,000)	2,500,000	--
Total Transfers		\$ (176,770,000)	\$ 252,792,135	\$ 76,022,135
Interest		\$ (22,730,000)	--	(22,730,000)
Net Transfers		\$ (199,500,000)	\$ 252,792,135	\$ 53,292,135

**Consensus Revenue Estimate**  
**As Adjusted for the Governor's Recommendations**  
*(Dollars in Thousands)*

	FY 2008 Actual		FY 2009 Gov. Estimate		FY 2010 Gov. Rec.	
	Amount	Percent Change	Amount	Percent Change	Amount	Percent Change
Property Tax:						
Motor Carrier	29,032	12.5	30,500	5.1	28,500	(6.6)
Income Taxes:						
Individual	2,896,653	6.9	2,890,000	(0.2)	2,994,400	3.6
Corporation	432,078	(2.3)	340,000	(21.3)	365,000	7.4
Financial Inst.	33,160	0.2	32,000	(3.5)	32,000	--
Total	\$3,361,891	5.6 %	\$3,262,000	(3.0) %	\$3,391,400	4.0 %
Estate/Inheritance	\$44,247	(20.4)	\$32,000	(27.7)	\$20,000	(37.5)
Excise Taxes:						
Retail Sales	1,711,398	(3.1)	1,715,000	0.2	1,750,000	2.0
Compensating Use	246,277	(13.6)	220,000	(10.7)	225,000	2.3
Cigarette	112,705	(2.2)	111,000	(1.5)	110,000	(0.9)
Tobacco Prod.	5,548	4.6	5,600	0.9	5,800	3.6
Cereal Malt Beverage	2,228	6.6	2,200	(1.3)	2,200	--
Liquor Gallonage	17,579	3.1	18,000	2.4	18,400	2.2
Liquor Enforcement	49,983	6.0	52,000	4.0	54,000	3.8
Liquor Drink	8,903	3.9	9,500	6.7	36,900	288.4
Corporate Franchise	46,659	(2.6)	32,000	(31.4)	34,000	6.3
Severance	148,172	27.7	156,700	5.8	140,200	(10.5)
Gas	91,511	14.9	92,300	0.9	86,000	(6.8)
Oil	56,662	55.7	64,400	13.7	54,200	(15.8)
Total	\$2,349,452	(2.6) %	\$2,322,000	(1.2) %	\$2,376,500	2.3 %
Other Taxes:						
Insurance Prem.	117,588	3.3	118,000	0.4	119,000	0.8
Miscellaneous	5,233	(4.7)	2,500	(52.2)	2,500	--
Total	\$122,821	3.0 %	\$120,500	(1.9) %	\$121,500	0.8 %
Total Taxes	\$5,907,443	1.9 %	\$5,767,000	(2.4) %	\$5,937,900	3.0 %
Other Revenues:						
Interest	111,258	20.6	51,000	(54.2)	50,000	(2.0)
Net Transfers	(379,193)	(172.0)	(19,036)	(95.0)	53,292	(380.0)
Agency Earnings	53,875	(16.4)	81,400	51.1	54,600	(32.9)
Total Other Revenue	(\$214,060)	-- %	\$113,364	(153.0) %	\$157,892	39.3 %
Total Receipts	\$5,693,383	(2.0) %	\$5,880,364	3.3 %	\$6,095,792	3.7 %

*Totals may not add because of rounding.*

# State General Fund Expenditures

The budget from the State General Fund accounts for 47.8 percent of all state spending proposed by the Governor. The Governor recommends a revised FY 2009 State General Fund budget of \$6,348.6 million and an FY 2010 budget of \$6,153.5 million. The tables on the following pages detail the major adjustments for both the current and budget years.

## FY 2009

At the beginning of FY 2009 the State General Fund had an unencumbered balance of \$526.6 million. The size of the beginning balance has decreased from previous years, as more State General Fund monies were appropriated for aid to school districts, with no accompanying revenue source.

The November 2008 Consensus Revenue Estimate projects receipts of \$5,781.2 million, and the Governor made a variety of adjustments to agency budgets and transfers in and out of the State General Fund. When those receipt amounts are added to the beginning balance, \$6,406.9 million is available for FY 2009.

The 2008 Legislature originally approved an FY 2009 budget of \$6,404.4 million. At the end of FY 2008 \$36.3 million of expenditure authority carried forward, making a revised approved FY 2009 budget of \$6,440.7 million.

Realizing that budget reductions would be necessary to ensure a positive ending balance for FY 2009, the Governor ordered agencies in her cabinet to reduce their current year budgets by 3.0 percent and advised other agencies to plan for the same. In those instances where agencies did not provide reductions, they were applied by the Division of the Budget.

The Governor now recommends a revised FY 2009 budget \$92.1 million lower than the approved, although \$5.4 million was added from the consensus meeting that was held in the fall of 2008 to review health and human service aid programs.

Expenditures are expected to outpace receipts by over \$468.2 million. The expected State General Fund balance at the end of FY 2009 is \$58.3 million, or 0.9 percent.

<b>State General Fund FY 2009</b> <i>(Dollars in Millions)</i>	
Beginning Balance	\$ 526.6
Revenue:	
November Consensus Revenue Est.	5,781.2
Reduce Agencies and Sweep Cash	32.7
Stop Repayment to State Funds	34.6
Cap Annual Bioscience Transfer	12.0
Suspend SCCHF Transfer	10.1
Suspend Water Plan Fund Transfer	6.0
End KSIP and Sweep Cash	4.2
Other Transfer Adjustments	1.4
Emergency Fund--KSU Storm Damage	(1.9)
Total Available	\$6,406.9
Expenditures:	
Approved Budget (May 2008)	6,404.4
Expenditure Authority Shifting from FY 2008	36.3
Current Approved Budget	\$6,440.7
School Finance Consensus Estimates	3.7
Human Services Consensus Estimates	5.4
Revised Total	\$6,449.8
Operating Budget Reductions	(38.8)
Debt Restructuring	(14.0)
School Finance Held Flat	(17.7)
Regents System Reductions	(24.6)
KHPA--Switch to Fees Fund	(8.5)
SRS--HCBS PD Waiver	8.4
Close DOC Facilities	(1.6)
Close Atchison Juv. Correc. Fac.	(2.0)
Delay Osawatomie 30-Bed Unit	(1.8)
Net of Other Adjustments	(0.6)
Total Expenditures	\$6,348.6
Ending Balance	\$ 58.3

## FY 2010

The November Consensus Estimate for FY 2010 totals \$5,782.4 million. To that total, the Governor proposes additions to the revenue estimate of \$313.4 million.

**State General Fund  
FY 2010**

*(Dollars in Millions)*

Beginning Balance	\$ 58.3
Revenue:	
Consensus Revenue Est.	5,782.4
Liquor Drink Tax to SGF	27.2
Hold Franchise Tax at 2008 Level	14.0
Hold Estate Tax at 2008 Level	5.0
Accelerate Mineral Tax Due Date	10.0
Community Service Credit	4.4
Suspend LAVTR/SCCH/M+E	68.8
Gaming Revenues	56.7
Stop Repayment of Loans to State Funds	34.6
KPERS Death/Disab. and Health Insur.	28.7
All Other Transfer Adjustments	63.9
Total Available	<u>\$6,154.1</u>
Expenditures:	
FY 2009 Approved Budget	6,404.4
School Finance Consensus	135.5
Human Services Consensus	36.3
Undermarket Salary Adjustments	8.5
Revsied Total	<u>\$6,584.7</u>
School Finance CPI Increase	(108.4)
Special Education Increase	(37.9)
Other School Finance Increases	(18.7)
Regents System Reductions	(56.3)
Kan-Ed Shift to KUSF	(2.0)
KUMC--WCGME	(2.5)
Caseload Policy Changes:	
Freeze Nursing Home Rates	(6.0)
KHPA Switch SGF to Fee Funds	(5.7)
KHPA--Administrative Initiatives	(9.6)
SRS--New Foster Care Contract	(14.1)
MedKan/GA 18-month Limit	(12.3)
CINC Policy	(3.8)
CMHC Grants	(7.0)
CDDO Grants	(2.0)
DOC Facility Closures	(7.8)
Close Atchison Juv. Correc. Fac.	(3.7)
KHP--Suspend New Trooper Class	(1.0)
KPERS D&D 3-Quarter Moratorium	(30.4)
Health Ins. 7-Payroll Cycle Moratorium	(32.0)
Debt Restructuring	(34.1)
Net of Other Adjustments	<u>(36.0)</u>
Total Expenditures	\$6,153.5
Ending Balance	\$ 0.6

Most of these adjustments are to transfers, although some tax policy changes are proposed as well. Changes to transfers account for \$252.8 million

The beginning balance, plus the revenue estimate combined with the Governor's adjustments, equal \$6,154.1 million available for the FY 2010 budget. It should be noted that the tax revenue amount for FY 2010 is only 3.0 percent, or \$170.9 million, greater than the FY 2009 amount, because revenues were adjusted downward to account for legislation that reduces the share of sales and use taxes retained by the State General Fund as well as the reduction or phase-out of other tax sources.

Recommended expenditures in FY 2010 decrease by \$195.1 million, or 3.1 percent, from FY 2009, despite holding state aid to schools essentially harmless from budget cuts. A variety of changes were made to balance the budget while holding schools harmless. They are detailed throughout this report, and a few major items are shown on the table on this page. The planned salary increases for certain classified staff as recommended by the State Employee Compensation Oversight Commission is left in the budget, as appropriated by the 2008 Legislature.

The ending balance at the close of FY 2010 is projected to be \$0.6 million. For a discussion of the ending balance, refer to that section of this volume. The pie charts on page 4 show FY 2010 proposed expenditures by function and the sources from which State General Fund revenues are received.

**Outlook**

The table on page 24 outlines a multi-year scenario for the State General Fund. In the scenario for FY 2011, revenue from taxes is presumed to grow 4.0 percent, and various revenue transfers are continued. FY 2011 expenditures are held flat, except for the addition of human service caseloads. The table shows that, after taking these assumptions into account, current programs can be continued while still leaving a positive ending balance at the end of FY 2011.



## Outlook for the State General Fund

(Dollars in Millions)

	<u>FY 2008</u> Actual	<u>FY 2009</u> Gov. Est.	<u>FY 2010</u> Gov. Rec.	<u>FY 2011</u> Projected
Beginning Balance	\$ 935.0	\$ 526.6	\$ 58.3	\$ 0.6
Revenues				
Revenue from Taxes	5,907.4	5,767.0	5,932.9	6,170.2
Interest	111.3	51.0	50.0	50.0
Agency Earnings	53.9	81.4	54.6	55.0
Transfers:				
Special County/City Highway Fund	(10.1)	--	--	--
School Capital Improvement Aid	(69.1)	(75.4)	(80.0)	(85.0)
Water Plan Fund	(6.0)	--	--	--
Regents Faculty of Distinction	(4.1)	(4.2)	(4.0)	(4.0)
Regents Research Corp Debt Service	(8.8)	(9.9)	(4.9)	(4.9)
Reinstate LAVTR	--	--	--	--
Keeping Educ. Promises Trust Fund	(122.7)	85.5	37.2	--
ELARF Payment for KPERS Check	--	5.5	--	--
Statewide Maint. & Disaster Relief	(60.5)	--	--	--
Bioscience Initiative	(35.9)	(35.0)	(40.0)	(40.0)
Business Incentives	(5.4)	(8.0)	(9.7)	(9.7)
Property Tax Slider--2006 HB 2583	(25.9)	(44.8)	--	--
Highway Patrol	30.2	31.3	35.3	37.3
KDOT Loan Repayment	(30.9)	--	--	--
All Other Transfers	<u>(30.2)</u>	<u>36.0</u>	<u>124.4</u>	<u>50.0</u>
Total Available	\$ 6,628.3	\$ 6,406.9	\$ 6,154.1	\$ 6,219.6
Expenditures				
Aid to K-12 Schools	3,065.1	3,223.5	3,181.9	3,181.9
Higher Education	829.1	830.0	773.0	773.0
Human Services Caseloads	836.1	883.8	870.6	930.6
All Other Expenditures	1,371.5	1,411.3	1,319.4	1,319.4
Undermarket Salary Adjustments	<u>--</u>	<u>--</u>	<u>8.5</u>	<u>8.5</u>
Total Expenditures	\$ 6,101.8	\$ 6,348.6	\$ 6,153.5	\$ 6,213.5
Ending Balance	\$ 526.6	\$ 58.3	\$ 0.6	\$ 6.1
As Percentage of Expenditures	8.6%	0.9%	0.0%	0.1%

Totals may not add because of rounding.

Revenues for FY 2009 and FY 2010 reflect CRE of November 4, 2008 with the Governor's recommended adjustments.

Revenues for FY 2011 reflect a 4.0% rate of growth for taxes.

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# Budget Issues

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## Children's Initiatives Fund

### KEY Fund

All proceeds from the national settlement with tobacco companies are deposited in a trust fund, which has been named the Kansas Endowment for Youth (KEY) Fund. Policymakers determined that settlement proceeds should be used for programs that benefit Kansas children. Money in this endowment fund is invested and managed by KPERS to provide ongoing earnings that may be used for children's programs in addition to the proceeds.

During FY 2000 the state received \$68.2 million in tobacco settlement payments. Payments totaled \$52.9 million in FY 2001, \$61.5 million in FY 2002, \$61.5 million in FY 2003, \$52.5 million in FY 2004, \$53.1 million in FY 2005, \$48.8 million in FY 2006 and \$51.1 million in FY 2007. In FY 2008, the state received \$66.3 million, of which approximately \$14.7 million is from the Strategic Contribution Fund of the Master Settlement Agreement. The current estimate for payments is \$66.9 million in FY 2009 and \$66.1 million in FY 2010. Of the estimates for FY 2009 and FY 2010, \$15.2 million and \$14.0 million is estimated to come from the Strategic Contribution Fund of the settlement agreement, respectively. The amount and timing of the estimated payments could change depending on the profitability of the companies, the legal actions pursued by individual states and the federal government, as well as interest accrued on delayed payments.

On July 1, 2000, \$20.3 million from the endowment fund repaid the State General Fund for children's programs begun in FY 2000. The next \$70.7 million was transferred directly from the KEY fund to the State General Fund. The next \$30.0 million was transferred to the Children's Initiatives Fund. In FY 2002, \$16.0 million was transferred to the State General Fund and \$40.0 million was transferred to the Children's Initiatives Fund.

In FY 2003, \$24.3 million, the balance of the fund, was transferred to the State General Fund and \$45.0 million was transferred to the Children's Initiatives Fund. In FY 2004, \$42.5 million was transferred from the KEY fund to the Children's Initiatives Fund and \$9.9 million was transferred to the State General Fund. In FY 2005, \$51.1 million was transferred from the KEY fund to the Children's Initiatives Fund. In FY 2006, \$49.5 million was transferred from the KEY fund to the Children's Initiatives Fund. In FY 2007 and FY 2008, \$47.4 million and \$62.9 million was transferred from the KEY fund to the Children's Initiatives Fund, respectively. The Governor's recommendation for FY 2009 leaves the transfer from the KEY fund to the Children's Initiatives Fund at the approved level of \$64.5 million. The FY 2009 recommendation includes the expenditure of \$500,000, appropriated in FY 2008 to the Attorney General for enforcement of the Master Settlement Agreement. The Attorney General will add 4.00 FTE positions to support enforcement efforts.

#### Kansas Endowment for Youth Fund Summary

	FY 2007 <u>Actual</u>	FY 2008 <u>Actual</u>	FY 2009 <u>Gov. Est.</u>	FY 2010 <u>Gov. Rec.</u>
Beginning Balance	\$ 208,555	\$ 4,635,676	\$ 8,457,177	\$ 10,638,752
Released Encumbrances	100	9,355	--	--
Adjusted Balance	\$ 208,655	\$ 4,645,031	\$ 8,457,177	\$ 10,638,752
Revenues	51,977,584	52,755,628	51,700,000	52,100,000
Strategic Contribution Fund Revenue	--	14,680,000	15,200,000	14,000,000
Transfer to CIF	(47,361,933)	(62,922,205)	(64,458,892)	(66,867,010)
Transfer to State General Fund	--	--	--	(9,205,165)
Transfer to Attorney General	--	(500,000)	--	(385,540)
Total Available	\$ 4,824,306	\$ 8,658,454	\$ 10,898,285	\$ 281,037
Children's Cabinet Admin. Expend.	188,630	201,277	259,533	259,533
Ending Balance	\$ 4,635,676	\$ 8,457,177	\$ 10,638,752	\$ 21,504

### Children's Initiatives Fund Summary

	FY 2007 <u>Actual</u>	FY 2008 <u>Actual</u>	FY 2009 <u>Gov. Est.</u>	FY 2010 <u>Gov. Rec.</u>
Beginning Balance	\$ 3,708,489	\$ 743,550	\$ 12,747,981	\$ 600,515
Released Encumbrances	355,827	300,233	--	--
Lapses	--	--	--	--
Adjusted Balance	\$ 4,064,316	\$ 1,043,783	\$ 12,747,981	\$ 600,515
Revenues:				
Transfer from KEY Fund	47,361,933	62,922,205	64,458,892	66,867,010
Transfer to KEY Fund	--	--	--	--
Transfer to State General Fund	(648,789)	--	--	--
Transfer from State General Fund	--	--	--	--
Transfer to CIRF	(3,303,809)	--	--	--
Transfer from CIRF	--	825,952	825,952	825,952
Total Available	\$ 47,473,651	\$ 64,791,940	\$ 78,032,825	\$ 68,293,477
Expenditures	46,730,101	52,043,959	77,432,310	68,293,477
Ending Balance	\$ 743,550	\$ 12,747,981	\$ 600,515	\$ --

For FY 2010, a transfer of \$66.9 million is recommended to the CIF and \$9,205,165 to the SGF. The FY 2010 recommendation also includes \$259,533 for administrative expenditures of the Children's Cabinet, located within the budget of the Department of Social and Rehabilitation Services. The Governor's recommendations will leave a balance of \$21,504 at the end of FY 2010. The table on the previous page summarizes the Kansas Endowment for Youth Fund for FY 2007 through FY 2010.

### Fund Summary

The table above summarizes the Children's Initiatives Fund for FY 2007 through FY 2010. As explained earlier, this fund receives infusions of money from the KEY Fund. For FY 2009, the Governor recommends \$77,432,310 in expenditures for children's programs from this funding source. Although budget reductions were made in many parts of the budget, the recommendations for CIF programs match the approved amount.

For FY 2010, the Governor recommends total expenditures of \$68,293,477 from the Children's Initiatives Fund. The Governor's recommended budget is based on the recommendations of the Kansas Children's Cabinet. The Cabinet recommended that funding from the Children's Initiatives Fund for four programs be discontinued in FY 2010. The four programs are Community Services for Child Welfare in the Department of Social and Rehabilitation

Services (SRS), Healthwave in the Kansas Health Policy Authority (KHPA), Medical Assistance in KHPA, and Special Health Services in the Department of Health and Environment. The Community Services for Child Welfare program is partially funded through other sources in the FY 2010 recommendation. Both the Healthwave and Medical Assistance programs in KHPA are funded through alternate sources to maintain services, while funding for the Special Health Services program is suspended completely. In addition, funding from the Children's Initiatives Fund for the Immunization Outreach program has been suspended. The budget includes a transfer from the KEY Fund to the Children's Initiatives Fund that is large enough to cover recommended expenditures. Each of the programs recommended for FY 2010 is listed in the table on the next page and described in detail in this section. In addition, Schedule 2.3 at the back of this volume provides expenditure data by program and by agency for FY 2009 and FY 2010. A complete listing of the state's programs that benefit children from all funding sources is included in the Children's Services Budget section of this publication.

## FY 2010 Recommendations

### Early Childhood Initiative

Each of the programs or projects funded through the Children's Initiatives Fund and included in the

Governor's Early Childhood Initiative are described in detail below.

**Early Childhood Block Grants.** The Governor recommends that additional tobacco settlement funds from the Strategic Contribution Fund revenue be earmarked for early childhood programs. The budget includes \$11.1 million in both FY 2009 and FY 2010 for the new Early Childhood Block Grant (ECBG), which is administered by the Children's Cabinet. The funds can be used for grants to school districts, child care centers and homes, Early Head Start sites, Head Start sites, and community-based programs that

provide research-based child development services for at-risk infants, toddlers and their families, and preschool for three- and four-year olds. The grant process is driven by accountability measures and research-based programming, as well as a focus on at-risk children and underserved areas. At least thirty percent of all block grant funds will be set aside for programs geared to at-risk children ages birth to three. The Children's Cabinet works to leverage block grant funds to draw down private investment to expand the state's network of quality early learning opportunities for all children ages birth to five. While new money for early childhood programs will be directed to the ECBG, the Governor supports a system-wide review of all programs to ensure that funds are allocated efficiently and effectively, with strong coordination in all programs and agencies.

<b>Children's Initiatives Fund</b>	
Program or Project	FY 2010
<b>Early Childhood Initiative</b>	
Social & Rehabilitation Services	
KS Early Childhood Block Grants	11,098,462
Smart Start Kansas	8,442,190
Early Head Start	3,452,779
Child Care Quality Initiative	500,000
Total--SRS	\$ 23,493,431
Health & Environment--Health	
Newborn Screening and Services	2,327,682
Healthy Start/Home Visitor	250,000
Infants & Toddlers Program	5,700,000
Total--KDHE	\$ 8,277,682
Department of Education	
Parents as Teachers	7,539,500
Pre-K Pilot	5,000,000
Total--KSDE	\$ 12,539,500
Total--Early Childhood Initiative	\$ 44,310,613
<b>Other CIF Programs</b>	
Social & Rehabilitation Services	
Children's MH Initiative	3,800,000
Family Centered System of Care	5,000,000
Child Care Services	1,400,000
Children's Cabinet Account. Fund	541,802
Family Preservation	3,241,062
Total--SRS	\$ 13,982,864
Health & Environment--Health	
Smoking Prevention Grants	\$ 1,000,000
Juvenile Justice Authority	
Juvenile Prevention Grants	5,579,530
Juvenile Graduated Sanctions	3,420,470
Total--Juvenile Justice Authority	\$ 9,000,000
Total--Other CIF Programs	\$ 23,982,864
Total	\$ 68,293,477

**Smart Start Kansas.** The Governor recommends \$8.4 million for Smart Start Kansas, a Children's Cabinet program that has been in place for several years now. Grants are awarded to selected early childhood programs that are research-driven and outcome-based, as well as compatible with the "Communities That Care" model.

**Early Head Start.** The purpose of this program is to enhance children's development, enable parents to be better care givers and teachers, and help parents meet their own goals of self-sufficiency. Early Head Start provides comprehensive early intervention services, including health care, nutrition, social services, parental involvement, and child care. The Governor recommends \$11.3 million from all funding sources to serve 1,177 children in FY 2010. The Governor's recommendation for FY 2010 includes \$3.5 million from the Children's Initiatives Fund.

**Child Care Quality Initiative.** The Governor recommends \$500,000 from the Children's Initiatives Fund to continue the Child Care Quality Initiative administered by the Children's Cabinet. The program was new in FY 2008 and it enhances infant services through targeted initiatives to improve quality and increase the availability of care for infants. The initiative uses evidence-based strategies to improve family and center-based care.

**Newborn Metabolic & Hearing Screening.** The Division of Health will provide services to provide laboratory and assessment services to screen for 29

metabolic disorders for approximately 41,000 newborns. The screening program assures early diagnosis/treatment to prevent serious disability or death. The program includes laboratory tests at the KDHE laboratory, nursing follow-up services, and specialized treatment and consultation services that are made available through the Children with Special Health Care Needs program. The Governor recommends funding of \$2.3 million from the Children's Initiatives Fund for FY 2010.

**Healthy Start.** The Governor recommends FY 2010 expenditures of \$250,000 from the Children's Initiatives Fund for the Healthy Start program that focuses on prenatal care and follow-up visits. The Healthy Start Program is part of the Division's Maternal & Infant Health/Child Health Program that will serve approximately 8,500 mothers and 45,000 infants and children in FY 2010.

**Infants & Toddlers Program.** The Governor recommends total FY 2010 expenditures of \$9.7 million, including \$5.7 million from the Children's Initiatives Fund, \$116,339 from the State General Fund, and federal funding of \$3.8 million that is distributed through 36 local networks that provide services for infants and toddlers who have developmental delays. Approximately 6,800 infants and toddlers will be served by the program during FY 2010.

**Parent Education.** Kansas follows the "Parents as Teachers" model to provide expectant parents and parents of infants and toddlers with advice, resource materials, parenting, and other skills to ensure children are ready for school. Funds totaling \$7.5 million from the Children's Initiatives Fund are recommended for FY 2009 and FY 2010 for this program.

**Pre-K Pilot Program.** The Governor recommends \$5.0 million from the Children's Initiatives Fund in FY 2009 and FY 2010 for a program to prepare four-year-olds for success in school. All classrooms the program will be required to meet teacher qualification requirements, implement a research-based curriculum, maintain low teacher-child ratios, complete at least 15 hours of teacher training annually, and provide referrals to additional community services for families that need them. The program will be implemented in a mix of school and community based early childhood programs.

## **Other Children's Initiatives Fund Programs**

**Children's Mental Health Initiative.** The Governor recommends \$3.8 million for the Children's Mental Health Waiver Program. The program expands community-based mental health services for children with severe emotional disturbances to provide early intervention, help in maintaining family custody, and prevention of more costly and restrictive treatment. SRS estimates that an average of 4,923 children will receive services in FY 2010. The funding for this waiver is included in the mental health Prepaid Ambulatory Health Plan.

**Family Centered System of Care.** The Governor recommends \$5.0 million for the statewide Family Centered System of Care Program in FY 2010. The program provides mental health and prevention services for children with severe emotional disturbances.

**Child Care Services.** The Governor recommends \$1.4 million for child care services. Child care services are available to parents participating in SRS job preparation programs or family preservation services, children with disabilities, and parents in the first year of employment after leaving welfare. Recommended expenditures for child care assistance total \$80.1 million from all funding sources.

**Children's Cabinet Accountability Fund.** The Governor recommends \$541,802 for the Children's Cabinet Accountability Fund. This fund is used to fund an evaluation process to ensure that tobacco settlement monies are being targeted effectively and to assess programs and services that are being funded. The Children's Cabinet uses the results of the evaluation process to make its recommendations.

**Family Preservation.** The Governor recommends a total of \$10.5 million for family preservation services, including \$3.2 million from the Children's Initiatives Fund. Family Preservation provides services to approximately 2,598 families each month. Assistance is provided to families where there is a high likelihood that a child may be removed from the home.

**Smoking Prevention Grants.** These grants are targeted for tobacco use prevention programs statewide. The funds can be distributed as grants to non-profit organizations or be used to implement new

prevention programs with the Division of Health. The Governor recommends expenditures of \$1.0 million from the Children's Initiatives Fund for FY 2010.

**Prevention Program Grants.** In both FY 2009 and FY 2010, the Governor recommends \$5.6 million from the Children's Initiatives Fund for prevention programs that reduce juvenile criminal activity. The Governor's recommendation allows for the establishment and maintenance of community-based delinquency prevention programs. These programs include

mentoring, family support services, truancy prevention, and after school recreation programs.

**Graduated Sanctions Grants.** The Governor recommends \$3.4 million from the Children's Initiatives Fund in both FY 2009 and FY 2010 for community services to juveniles placed in community correction programs. This funding will be used to provide supervision for youth through intake and assessment, intensive supervision, as well as community case management.



# Expanded Lottery Act Revenues Fund

The Governor proposes transferring the resources of the Expanded Lottery Act Revenues Fund to the State General Fund in both FY 2009 and FY 2010.

## Fund Summary

The Expanded Lottery Act Revenues Fund (ELARF) is capitalized through transfers from the Kansas Lottery with revenue collected from four destination casinos and from electronic gaming machines at parimutuel racetracks authorized by the Kansas Expanded Lottery Act. The Kansas Racing and Gaming Commission indicates it is planning for the first state-owned destination casino to open in Ford County in FY 2010. At the time this report was prepared, no parimutuel racetrack was expected to open with electronic gaming machines in either FY 2009 or FY 2010.

Three gaming facility managers, which had been awarded contracts to manage destination casinos at three separate locations across the state, withdrew their applications before the contract became binding. The Kansas Lottery is now required to reopen the bidding process in order to receive new proposals from potential managers. With the time necessary to select and negotiate management contracts with new gaming facility managers, it is unlikely that additional destination casinos authorized under the Kansas Expanded Lottery Act will open before FY 2011.

A meeting to estimate expanded gaming revenues was held in November 2008. The Governor adjusted those estimates on ELARF revenue in both FY 2009 and FY 2010 based on events occurring after the meeting. The

November Consensus Revenue Estimate for ELARF assumed the gaming facility manager selected in Wyandotte County would pay its privilege fee in FY 2009 and begin operations in FY 2010. Since the manager of this facility withdrew its application in December 2008, it is now estimated that the ELARF will receive the \$25.0 million privilege fee in FY 2010 and no gaming facility revenues will be generated at this facility in FY 2010 as was earlier estimated.

The ELARF has already received the \$5.5 million from the gaming facility manager selected in Ford County. This is the only source of ELARF revenue that is expected to be received in FY 2009. It is estimated that newly selected gaming facility managers in Wyandotte and Sumner Counties will each pay a \$25.0 million privilege fee when management contracts are awarded in FY 2010. At this time, it is unlikely that a gaming facility manager will pay the \$25.0 million privilege fee to place a gaming facility in either Crawford or Cherokee County.

The gaming facility in Ford County is estimated to generate a total of \$30,542,648 in gaming revenue in FY 2010. The distribution of gaming facility revenue is based on a formula detailed in the Kansas Expanded Lottery Act and by the contract between each gaming facility manager and the Kansas Lottery. The table below details where these dollars will go. The ELARF is estimated to receive 22.0 percent of the revenue, which is estimated to be \$6,719,383. The gaming facility manager in Ford County will receive 73.0 percent of the revenue, or an estimated \$22.3 million. Dodge City and Ford County will receive a total of 3.0 percent of the revenue, which is estimated to be \$916,279, and the Problem Gambling and Addictions

### Distribution of Lottery Gaming Facility Revenue

	FY 2009 Nov. CRE	FY 2009 Gov. Rec.	FY 2010 Nov. CRE	FY 2010 Gov. Rec.
Transfer to ELARF	--	--	23,535,942	6,719,383
PGAGF	--	--	2,139,631	610,853
Cities & Counties	--	--	3,209,447	916,279
Lottery Gaming Facility Managers	--	--	78,096,534	22,296,133
Total	\$ --	\$ --	\$106,981,554	\$ 30,542,648

Grant Fund (PGAGF) will receive an estimated \$610,853, or 2.0 percent of the revenue.

The Kansas Expanded Lottery Act requires racetrack gaming facility managers to pay a one-time privilege fee of \$2,500 per electronic gaming machine placed at each racetrack gaming facility. Revenue from electronic gaming machines at racetrack gaming facilities is distributed by a formula detailed in the Kansas Expanded Lottery Act. Currently, no racetrack gaming facility manager has entered into a contract with the Kansas Lottery to place electronic gaming machines at a parimutuel racetrack.

The table below shows the estimated revenue that will be available in the ELARF. The Governor recommends transferring all monies in the ELARF to the State General Fund in both FY 2009 and FY 2010. Under the Governor’s recommendations, the ELARF will have a \$0 balance at the end of FY 2009 and FY 2010.

The 2008 Legislature approved transferring \$7,060,000 from the ELARF to the State General Fund in FY 2009 to reimburse the State General Fund for providing a one-time \$300 payment to certain Kansas Public Employees Retirement System retirees and disabled members. Since only \$5.5 million is expected to be received by the ELARF in FY 2009, the State General Fund will be responsible for funding the remaining \$1,560,000 that was to be transferred to the State General Fund to cover the cost of providing this benefit.

The 2008 Legislature made only one direct appropriation from the ELARF for the expansion of the University of Kansas School of Pharmacy. In both FY 2010 and 2011, \$15.0 million was appropriated. The Governor now recommends lapsing these appropriations and recommends instead \$30.0 million in additional bonding authority to complete this project.

**Expanded Lottery Act Revenues Fund Summary**

	FY 2009 Nov. CRE	FY 2009 Gov. Rec.	FY 2010 Nov. CRE	FY 2010 Gov. Rec.
Beginning Balance	\$ --	\$ --	\$ 23,440,000	\$ --
Transfers In:				
Lottery Gaming Facility Privilege Fees	30,500,000	5,500,000	25,000,000	50,000,000
Lottery Gaming Facility Revenue	--	--	23,535,942	6,719,383
Total Available	\$30,500,000	\$ 5,500,000	\$ 71,975,942	\$ 56,719,383
Expenditures & Transfers Out:				
KU School of Pharmacy	--	--	15,000,000	--
Transfer to SGF	7,060,000	5,500,000	--	56,719,383
Total Expenditures & Transfers Out	\$ 7,060,000	\$ 5,500,000	\$ 15,000,000	\$ 56,719,383
Ending Balance	\$23,440,000	\$ --	\$ 56,975,942	\$ --

# Lottery Revenues

The State Gaming Revenues Fund (SGRF) is capitalized through monthly transfers from the Kansas Lottery from revenues generated by lottery ticket sales. Transfers are then made from the SGRF to funds dedicated to economic development initiatives, prison construction and maintenance projects, local juvenile detention facilities, treatment of pathological gamblers, and the State General Fund.

## Fund Summary

According to statute, the first \$50.0 million of receipts is divided by a formula which first transfers \$80,000 to the Problem Gambling and Addictions Grant Fund (PGAGF). Then 85.0 percent of the rest is transferred to the Economic Development Initiatives Fund (EDIF), 10.0 percent to the Correctional Institutions Building Fund (CIBF), and 5.0 percent to the Juvenile Detention Facilities Fund (JDFF). Any receipts to the SGRF in excess of \$50.0 million must be transferred to the State General Fund in the fiscal year in which the revenues are recorded. In FY 2008, a \$270,000 transfer was made to the National Guard Museum Assistance Fund (NGMAF) of the Adjutant General to provide assistance for the expansion of the 35th Infantry Division Museum and Education Facility.

As shown in the table on this page, the transfer to the State General Fund of \$24.0 million in FY 2009 and \$25.0 million in FY 2010 reflect the proceeds from the sale of lottery ticket that is deposited in the State Gaming Revenues Fund in each year, minus \$50.0 million in combined transfers to the enumerated funds.

## Lottery

The Lottery is required to make a minimum monthly transfer of proceeds from the sale of lottery tickets to the SGRF of no less than \$4.5 million. Once a total of \$54.0 million is transferred to the SGRF during the fiscal year, the agency is no longer required to make the minimum monthly transfer; however, the agency is expected to meet or exceed the minimum transfer set for the entire fiscal year. Because of lower than expected ticket sales in FY 2008, the Lottery was

unable to make its required \$73.0 million minimum annual transfer amount and was able to transfer only \$70.0 million.

For FY 2009, the Governor recommends a minimum transfer of \$74.0 million to the SGRF, which is the amount approved by the 2008 Legislature. Lottery ticket sales are estimated to be \$248.0 million in FY 2009, including an estimated \$4.0 million from the year-round veterans benefit games.

The Governor recommends total transfers of \$75.0 million to the SGRF on estimated total ticket sales of \$256.0 million for FY 2010. The Lottery estimates \$4.0 million in veterans benefit games which are included in the overall FY 2010 sales target.

	FY 2008	FY 2009	FY 2010
Transfers Out:			
EDIF	42,432	42,432	42,432
JDFF	2,496	2,496	2,496
CIBF	4,992	4,992	4,992
PGAGF	80	80	80
Total by Formula	50,000	50,000	50,000
NGMAF	270	--	--
SGF	19,730	24,000	25,000
Total Transfers	\$70,000	\$74,000	\$75,000

The table above deals only with Lottery transfers made in the normal course of business. No recommendation is made in the Governor's budget for additional transfers beyond those represented in the table.

## Racing

Receipts from parimutuel racing activities are transferred to the State Racing Fund for agency operations. Any excess receipts, as determined by the Executive Director and the Director of Accounts and Reports, are transferred to the SGRF. Currently, there are no operating parimutuel racetracks in the state and it is not anticipated that transfers to the SGRF will resume in FY 2009 or FY 2010. The agency last made a transfer to the SGRF in FY 2004.

## Economic Development Initiatives Fund

The Governor targets the limited resources of the Economic Development Initiatives Fund to support the economic, technological, and workforce development needs of the state.

from the EDIF to help finance conservation and other types of projects. FY 2009 expenditures reflect the lapse of \$8,789 that was appropriated to the Finance Council for the pay plan, but was not needed when salary calculations were made later in the year.

### Fund Summary

The Governor's budget reorganizes EDIF expenditures in FY 2010 to achieve significant savings while still maintaining vital economic development programs. KTEC and Kansas, Inc. are eliminated as separate agencies and their key programs and duties transferred to the Department of Commerce.

The Governor recommends reducing the amount transferred from the EDIF to the Kansas Qualified Biodiesel Fuel Producer Incentive Fund (KQBFPIF) in FY 2010, from \$400,000 to \$200,000. The Department of Revenue indicates that production levels of biodiesel fuel should require no more than \$200,000 in producer incentives to be paid in FY 2010. The Public Use General Aviation Airport Development Fund (PUGAADF) of the Kansas Department of Transportation will receive a transfer of \$1.0 million in FY 2010 from the EDIF to support air passenger service in Manhattan. A summary of the status of the EDIF is presented in the table below.

The EDIF will receive \$750,000 in FY 2009 from the Labette Redevelopment Planning Authority for the repayment of the Parsons Ammunition Facility Road Grant that it received from the Department of Commerce in FY 2008. The State Water Plan Fund (SWPF) receives an annual transfer of \$2.0 million

The Governor also recommends a total of \$3,774,687 to be transferred from the EDIF to the State General Fund in FY 2010. The recommendation includes

<b>Economic Development Initiatives Fund Summary</b>				
	FY 2007 Actual	FY 2008 Actual	FY 2009 Gov. Est.	FY 2010 Gov. Rec.
Beginning Balance	\$ 3,136,491	\$ 4,034,032	\$ 4,980,302	\$ 3,204,654
Released Encumbrances	248,783	1,253,077	--	--
Adjusted Balance	\$ 3,385,274	\$ 5,287,109	\$ 4,980,302	\$ 3,204,654
Revenues:				
Lottery Revenues	42,432,000	42,432,000	42,432,000	42,432,000
Interest & Other Revenues	1,813,974	1,724,149	1,400,000	1,000,000
Transfer to KEOIF	(3,160,000)	(3,000,000)	(1,250,000)	(3,250,000)
Transfer to SECPDPF	--	(150,000)	--	--
Transfer to KQBFPIF	--	(400,000)	(400,000)	(200,000)
Transfer to SWPF	(2,000,000)	(2,000,000)	(3,043,985)	(2,000,000)
Transfer to PUGAADF	--	--	--	(1,000,000)
Parsons Road Transfer	--	--	750,000	--
Death & Dis. Transfer	--	--	--	(46,665)
Health Insur. Transfer	--	--	--	(194,411)
Transfer to SGF	--	--	--	(3,533,611)
Total Available	\$ 42,471,248	\$ 43,893,258	\$ 44,868,317	\$ 36,411,967
Expenditures	38,437,216	38,912,956	41,663,663	36,411,967
Ending Balance	\$ 4,034,032	\$ 4,980,302	\$ 3,204,654	\$ --

transferring \$46,665 in savings from the KPERS death and disability moratorium, \$194,411 in savings from the health insurance moratorium, and a special one-time transfer of \$3,533,611 to provide additional revenue to the State General Fund.

The EDIF is capitalized through transfers from the State Gaming Revenues Fund. Currently, 85.0 percent of the receipts deposited in the State Gaming Revenues Fund, after the statutory transfer of \$80,000 is made to the Problem Gambling and Addictions Grant Fund, are transferred to the EDIF. The Gaming Revenues Fund is limited to \$50.0 million each year, so transfers to the EDIF can reach \$42.4 million in a fiscal year. "Other revenue" includes interest, transfers from other funds, reimbursement of loans, and recoveries from prior years.

For the most part, revenues to the Economic Development Initiatives Fund are very stable. Its share of lottery revenues is predictable and facilitates planning for expenditures in the affected agencies. Carryover balances from one year to the next are largely the result of the agencies' not spending all monies that are appropriated. Under the Governor's recommendation, it is anticipated that the EDIF will have a zero balance at the end of FY 2010.

## FY 2010 Recommendations

The Governor's recommendations for FY 2010 are summarized in the table on this page and then described in detail by agency and by program. They are also listed in Schedule 2.4 at the back of this report for FY 2008 through FY 2010.

### Department of Commerce

For FY 2010, the Governor recommends \$25,923,979 for the Department of Commerce. The Department works to deliver the highest level of business development, workforce, and marketing services to build a healthy and expanding Kansas economy.

**Operating Grant.** The \$15,408,558 operating grant from the EDIF supports the Department of Commerce's traditional programs, including Attraction

Development Grants in its Travel and Tourism Division and the Kansas Industrial Training and Retraining programs in its Workforce Services Division.

**Older Kansans Employment Program.** The Governor recommends \$323,779 from the EDIF for the Older Kansans Employment Program in FY 2010. This program is designed to provide older Kansans, 55 and over, with an employment placement service. The emphasis is on providing permanent full-time or part-time jobs in the private sector taking into account non-traditional patterns of employment.

<b>Economic Development Initiatives Fund</b>	
Program or Project	FY 2010
Department of Commerce	
Operating Grant	15,408,558
Older Kansans Employment Program	323,779
Rural Opportunity Program	2,056,395
KTEC Grant Programs	7,534,430
Senior Community Service Employment	4,234
Kansas Commission on Disability Concerns	229,127
Strong Military Bases Program	367,456
Total--Commerce	\$25,923,979
Board of Regents	
Vocational Education Capital Outlay	2,565,000
Technology Innovation & Internship	180,500
Total--Board of Regents	\$ 2,745,500
Kansas State University	
ESARP	293,911
Wichita State University	
Aviation Research	4,948,577
Aviation Classroom Training Equipment	2,500,000
Total--Wichita State University	\$ 7,448,577
Total	\$36,411,967

**Rural Opportunity Program.** The Governor recommends \$2,056,395 from the EDIF for the Rural Opportunity Program in FY 2010. This program helps attract investment, business development, and job growth in rural areas of the state. This program provides funding for the Center for Entrepreneurship, Kansas Main Street Program, and Capacity Building Grants.

**KTEC Grant Programs.** The Governor recommends restructuring and consolidating the operations of KTEC into the Department of Commerce in FY 2010.

The Governor recommends \$7,534,430 from the EDIF to allow the Department of Commerce to manage KTEC's grant programs. The Department of Commerce will manage the Experimental Program to Stimulate Competitive Research (EPSCoR) and Strategic Technology and Research (STAR) Fund which provides matching dollars for grants aimed at funding basic research in science and engineering at state universities. Seven innovation and commercialization corporations that provide business development and financing to start-up technology-based businesses in Kansas will continue to receive operational support under the management of the Department of Commerce.

Five Centers of Excellence, which are university-based research centers that provide technical assistance to Kansas businesses, each with a different technology specialization, will also continue to receive operational support. Mid-America Manufacturing Technology Center will continue to provide business assistance in improving manufacturers' technical capabilities and allow companies to become more competitive through the adoption of advances in technological processes. The KTEC Board of Directors will continue to function as a part of the Department of Commerce to make recommendations on grant awards and to make decisions on the investment portfolio of KTEC Holdings, Inc., which is the holding company created by KTEC to make direct investments in early-stage companies.

**Senior Community Service Employment Program.** The Governor recommends \$4,234 for the Senior Community Service Employment Program, which provides Kansans aged 55 and over with employment placement services with emphasis on employment in the private sector. This program was previously funded from the State General Fund.

**Kansas Commission on Disability Concerns.** The Governor recommends \$229,127 for the Kansas Commission on Disability Concerns (KCDC) which provides policy recommendations to the State of Kansas on changes to laws, regulations, and programs that affect people with disabilities. The KCDC also provides information and training to the public on legislative activities, Americans with Disabilities Act (ADA) requirements and rights, and emergency preparedness for communities and people with disabilities. This program was previously funded from the State General Fund.

**Strong Military Bases Program.** The Governor recommends \$367,456 for the Strong Military Bases Program in FY 2010. This program supports ongoing efforts of the Governor's Military Council to prevent the closure or downsizing of the state's military bases. This program was previously funded from the State General Fund.

**Wind Energy Manufacturing Incentive.** The Governor recommends increasing the EDIF transfer to the Kansas Economic Opportunities Initiatives Fund in FY 2010 from \$1,250,000 to \$3,250,000 to provide economic benefits to a wind energy manufacturer. Kansas has been identified as one of the leading states in the U.S for wind energy production and it is projected that Kansas will have significant growth in the number of Kansas wind farms, as well as their energy output levels over the next ten years. The Department of Commerce indicates the \$2.0 million will be used to attract a manufacturer that supplies turbine components to the industry. It is estimated that the manufacturing facility will employ 400 employees in the state and will lead to additional investments and growth opportunities in wind energy manufacturing in Kansas.

### **Kansas Technology Enterprise Corp.**

**Operations.** The Governor recommends transferring the programs previously managed by KTEC to the Department of Commerce in FY 2010 in order to generate significant cost savings by consolidating the state's economic development efforts into a single agency. The Department of Commerce will manage the grant programs of KTEC with considerably lower overhead expenses. The Department of Commerce will continue to operate the EPSCoR/STAR Fund Program and provide operational support to the Centers of Excellence, Business Assistance Incubators, and MAMTC.

### **Kansas, Inc.**

**Operations.** For FY 2010, the Governor recommends that Kansas, Inc. be abolished. The economic development policy research and strategic planning of the State of Kansas will now solely be managed within the existing resources of the Department of Commerce.

## **Board of Regents**

**Vocational Education Capital Outlay.** For FY 2010, the Governor recommends \$2,565,000 for the Vocational Education Capital Outlay grant from the Economic Development Initiatives Fund. The financing is primarily through the EDIF, but also includes \$76,305 from the State General Fund. The grants are distributed to community colleges and technical institutions by the Board of Regents and are used for the purchase of equipment. The grants require a 50.0 match from the receiving institutions.

**Technology Innovation and Internship.** The Governor recommends \$180,500 for a Technology Innovation and Internship grant for community colleges and technical schools and colleges. The grant requires a one-to-one match by the receiving institution and is frequently an in-kind match. The grant allows instructors to intern for short periods in private industry, and provides funding for innovative equipment for students.

## **Kansas State University—ESARP**

**Operations.** For the Extension System and Agriculture Research Programs' (ESARP) Cooperative Extension Program, the Governor recommends \$293,911 from the Economic Development Initiatives Fund for FY 2010. Kansas State will use these monies for a variety of operating expenses.

**Wichita State University**

## **Wichita State University**

**National Institute for Aviation Research Grant.** The Governor recommends \$4,948,577 to finance aviation research at Wichita State University's National Institute for Aviation Research. This funding will build on previous state initiatives and help ensure the continuation of a strong aviation infrastructure in the state. The funding will also assist in securing federal resources.

**Aviation Classroom Training Equipment.** The Governor recommends \$2.5 million from the EDIF in support of the state's aviation industry. The state is a partner with Wichita aviation companies, the City of Wichita, and Sedgwick County in the development of the National Center for Aviation Training. The Center will enable thousands of Kansans to be trained for high paying jobs in the aviation industry. The state funding will be administered by Wichita State University to provide equipment and assistance with the program's curriculum.

**Department of Commerce  
Outcome Measures**

	FY 2008 <u>Actual</u>	FY 2009 <u>Gov. Estimate</u>	FY 2010 <u>Gov. Estimate</u>
Jobs created or retained by projects utilizing KDOC assistance	37,852	35,000	35,000
Payroll generated by projects utilizing KDOC assistance	\$282,300,000	\$215,000,000	\$215,000,000
Capital investment in Kansas resulting from projects utilizing KDOC assistance	\$245,800,000	\$250,000,000	\$250,000,000
Funds leveraged through match in projects utilizing KDOC assistance	\$26,349,163	\$25,000,000	\$25,000,000
Individuals trained through workforce development programs	17,843	11,000	11,000
Sales generated by projects utilizing KDOC assistance	\$249,369,722	\$155,000,000	\$155,000,000
Increase in visitation resulting from KDOC tourism promotion efforts	230,934	225,000	225,000
Kansans served with counseling, technical assistance, or business services	98,930	125,000	125,000
Number of communities receiving community assistance services	126	150	150
Number of grants provided to Kansas businesses, communities, and families	560	500	500
Number of businesses affected by funding from KDOC	2,885	2,800	2,800



# State Water Plan Fund

## Water Plan Objectives

The Kansas Water Authority (KWA) annually reviews and prepares the *Kansas Water Plan*, which provides the framework for the management, conservation, restoration, and protection of the state’s water resources. The Authority establishes objectives of the Kansas Water Plan after extensive research and public debate. The KWA and the Governor’s Natural Resources Sub-Cabinet recommend projects that facilitate specific solutions to water quality and quantity issues. Priorities include preserving the life of the High Plains/Ogallala Aquifer, developing watershed restoration and protection plans, and creating regional public water supply strategies.

The 2009 Kansas Water Authority Annual Report published by the Kansas Water Office listed three priorities for the state. First, secure state-owned storage in our federal reservoirs for use now and in the future. Second, protect our investment and maintain healthy watersheds through conservation easements and streambank stabilization. Third, restore impaired streams and riparian areas to extend the life of our reservoirs.

In addition, the existing objectives of the State Water Plan are as follows:

**Public Water Supply.** The intent of the Water Authority is to ensure that sufficient surface water storage will be available to meet projected year 2040 state supply needs. The Authority also intends to ensure that all public suppliers have adequate water treatment, storage, and distribution systems as well as the managerial and financial capability to meet federal Safe Drinking Water Act regulations.

**Water Conservation.** The number of public water suppliers with excessive “unaccounted for” water usage will be reduced by targeting those with unaccounted water usage of 30.0 percent or more.

**Flood Management.** The Authority aims to reduce vulnerability to flood damage within identified areas. This is achieved by preventing inappropriate development in flood-prone areas, improving forecasting and warning systems, restoring and protecting wetland areas, and using structural measures, such as dams, levees, and channel modifications.

<b>State Water Plan Fund</b>				
	FY 2007 <u>Actual</u>	FY 2008 <u>Actual</u>	FY 2009 <u>Gov. Est.</u>	FY 2010 <u>Gov. Rec.</u>
Beginning Balance	\$ 9,591,892	\$ 9,052,462	\$ 2,846,479	--
Released Encumbrances	63,989	981,099	1,087,010	421,709
Adjusted Balance	\$ 9,655,881	\$ 10,033,561	\$ 3,933,489	\$ 421,709
<b>Revenues:</b>				
Fee Revenue	9,692,834	9,605,356	16,072,278	12,898,756
<i>Kansas v. Colorado</i> Suspense Fund	--	584,217	525,729	--
Transfer from State General Fund	6,000,000	6,000,000	--	(16,152)
Transfer from the EDIF	2,000,000	2,000,000	3,043,985	2,000,000
Transfer to GMD #3	--	(739,964)	--	--
Transfer to KCC for Well Plugging	(400,000)	(400,000)	(320,000)	(288,000)
Total Available	\$ 26,948,715	\$ 27,083,170	\$ 23,255,481	\$ 15,016,313
<b>Expenditures:</b>				
State Water Plan Expenditures	17,896,253	23,652,474	22,729,752	15,016,313
<i>Kansas v. Colorado</i> Suspense Fund	--	584,217	525,729	--
Ending Balance	\$ 9,052,462	\$ 2,846,479	\$ --	\$ --

**Water Management.** The Authority plans to promote water management programs such as cost share and incentive programs in targeted areas to reduce the water level decline rates in the Ogallala Aquifer.

**Water Quality Protection.** The KWA intends to reduce the average concentration of bacteria and

dissolved solids, nutrients, metals, and pesticides that adversely affect the water quality of lakes and streams.

**Riparian & Wetland Management.** The Authority aims to maintain, enhance, or restore priority wetlands and riparian areas to prevent soil erosion.

**Water-Based Recreation.** The Kansas Water Authority will strive to increase the number of recreational opportunities at public lakes and streams.

**Data & Research.** The Authority expects that data collection, research projects, and information-sharing activities will focus on specific water resource issues as identified in the *Kansas Water Plan*.

**Public Information & Education.** It is the intent of the KWA to develop public information activities that ensure public awareness of the status of water resource issues in the state.

<b>State Water Plan Fund</b>	
Project or Program	FY 2010
University of Kansas	
Geological Survey	28,800
Department of Agriculture	
Basin Water Resources Mgt.	737,536
Interstate Water Issues	337,379
Water Use Study	49,700
Total--Dept. of Agriculture	\$ 1,124,615
State Conservation Commission	
Water Resources Cost-Share	2,351,510
Nonpoint Source Pollution Asst.	2,501,102
Water Transition Assistance	81,011
Conservation District Aid	2,255,919
Watershed Dam Construction	759,600
Buffer Initiatives	216,000
Riparian & Wetland Program	181,283
Lake Restoration/Management	718,896
Total--Conservation Commission	\$ 9,065,321
Health & Environment--Environment	
Contamination Remediation	567,216
Local Environmental Protec. Programs	1,066,942
Nonpoint Source Technical Asst.	291,241
WRAPS Program	481,042
TMDL Initiatives	210,780
Total--Health & Environment	\$ 2,617,221
Kansas Water Office	
Assessment & Evaluation	532,500
GIS Database Management	177,500
MOU--Operations & Maintenance	216,550
Technical Assist. to Water Users	443,692
Water Resource Education	55,314
Weather Stations	56,800
Weather Modification	156,200
Wichita Aquifer Recharge Project	300,000
Neosho River Basin Issues	213,000
Total--Kansas Water Office	\$ 2,151,556
Wildlife & Parks	
Stream Monitoring	28,800
<b>Total</b>	<b>\$ 15,016,313</b>

<b>State Water Plan Fee Revenue</b>	
	FY 2010
Municipal Water Fees	3,785,991
Fertilizer Registration Fees	2,940,000
Industrial Water Fees	1,079,103
Pesticide Registration Fees	965,000
Sand Royalty Receipts	170,000
Stock Water Fees	404,176
Clean Drinking Water Fees	3,469,486
Fines	85,000
<b>Total</b>	<b>\$12,898,756</b>

## Fund Summary

Projects related to water issues are largely financed through the State Water Plan Fund. The table on the first page of this section summarizes actual and estimated State Water Plan Fund revenues and expenditures for FY 2007 through FY 2010 to illustrate the financial status of the fund.

The approved level of State Water Plan expenditures for FY 2008 was \$30,082,428; however, actual expenditures for the year were only \$24,236,691, leaving an unexpended balance. Of the unexpended

amount, the natural resource agencies requested that all unspent funds be included in planned expenditures for FY 2009. The current year expenditures reported in the table reflect the lapse of \$2,776 that had been appropriated to the Finance Council for the pay plan, but was not needed when salary calculations were made later in the year.

FY 2010 fee fund revenue estimates are shown in the table on the previous page. User fee receipts, which make up a large portion of the fund's revenue, have been relatively stable during FY 2006 through FY 2008. Legislation passed in 2005 shifted revenue from the Clean Drinking Water Fee Fund from the State General Fund to the State Water Plan Fund, beginning in FY 2008. The revenue to be deposited to the State Water Plan Fund was mistakenly sent to the State General Fund. A correction was made, but not before the end of FY 2008. Therefore, the 2008 and 2009 fee amounts both appear in the FY 2009 column of the Water Plan Fund table, making the FY 2009 amount appear inflated.

In addition to the fee revenue attributable to this fund, there are two annual transfers to the State Water Plan Fund: \$6.0 million from the State General Fund and \$2.0 million from the Economic Development Initiatives Fund. There is also an annual transfer out of the State Water Plan Fund to the Kansas Corporation Commission (KCC) for the investigation, remediation, and plugging of oil and gas wells that were abandoned prior to July 1, 1996. For both FY 2009 and FY 2010, the Governor suspends the \$6.0 million transfer from the State General Fund and also reduces the amount of the transfer to the KCC. Because this action reduces revenue to the Water Plan Fund, expenditures for programs across the natural resource agencies have been reduced for both the current and budget years to balance to available resources.

## FY 2010 Recommendations

The Governor's recommendations for expenditures from the State Water Plan Fund total \$15,016,313 for FY 2010 and are summarized in the table on the previous page, followed by more detailed descriptions of the recommendations. In addition, State Water Plan Fund projects are listed in Schedule 2.5 at the back of this report.

## University of Kansas

**Geological Survey.** Included in the Governor's recommendation for the State Water Plan budget for FY 2009 and FY 2010 is funding for the Geological Survey used for continuing analysis of water depletion in the Ogallala Aquifer. The study began in FY 2002 as a water resource priority. The recommended base expenditure level of \$40,000 has been reduced in both FY 2009 and FY 2010 to \$32,000 and \$28,800, respectively.

## Department of Agriculture

The Governor recommends a total of \$1,124,615 from the State Water Plan Fund for the Department of Agriculture. This recommendation will fund three programs charged with management of the state's water resources.

**Basin Management.** The basin management program works in cooperation with water right holders and local, state, and federal agencies to address stream flow depletions and groundwater declines in specific river basins. The project is operated through a group of basin teams that include the environmental scientists familiar with the geology and hydrology of the basin. These scientists analyze the basins and develop strategies to address water management issues. The Governor recommends \$737,536 to support these activities.

**Interstate Water Issues.** The Governor's recommendation includes \$337,379 from the State Water Plan Fund for the Department to continue to protect Kansas' interests on the Arkansas River and the Republican River and to ensure interstate compact compliance related to the water lawsuit settlements for both rivers.

**Water Use Study.** Included in the Governor's recommendation for the State Water Plan budget is \$49,700 for the Water Use Study Program. This study is used to ensure quality water control within the state by collecting a variety of data, and preparing public water supply reports for data entry; maintaining and updating mailing lists for water use reports; collecting public water supply rate information; and assisting with irrigation water use reports for follow-up activities.

## State Conservation Commission

**Water Resources Cost Share Program.** State Water Plan expenditures of \$3.1 million in FY 2009 and \$2.4 million in FY 2010 are recommended by the Governor to enhance and conserve natural resources through the use of financial incentives to implement best management practices in partnership with farmers, ranchers, and other landowners.

**Nonpoint Source Pollution Assistance.** State Water Plan funding will enable the agency to assist landowners in planting native vegetation or establishing a variety of other conservation practices that protect surface and ground water quality. The Governor recommends expenditures of \$3,134,138 for FY 2009 and \$2,501,102 for FY 2010.

**Water Transition Assistance Program (WTAP).** The Governor recommends State Water Plan Fund expenditures of \$2.2 million in FY 2009 and \$81,011 in FY 2010 for this program that reduces irrigation water usage in targeted areas. The goal is to restore base flows in streams in need of recovery and to recharge aquifers in over-appropriated areas within the High Plains Aquifer through the acquisition or paid retirement off water rights. The WTAP started as a pilot project in FY 2007.

**Conservation District Aid.** The Governor recommends funding of \$2.3 million in both FY 2009 and FY 2010 from the State Water Plan Fund for the program that distributes monies to local county conservation districts. The funding is for natural resource conservation efforts according to a formula in statute that requires state funding to match the contributions made by counties.

**Watershed Dam Construction Projects.** The Governor recommends State Water Plan expenditures of \$938,493 in FY 2009 and \$759,600 in FY 2010 for the program that seeks to achieve flood reduction benefits to agricultural land, roads, bridges, utilities, and urban areas at a monetary level which exceeds dam construction costs by an average of 150.0 percent. The construction of flood detention and grade stabilization dams can also reduce or prevent sediment from depositing into public water supply lakes.

**Buffer Initiatives.** In order to enhance state participation under the federal Conservation Reserve

Program (CRP) for the installation of riparian forest buffers and grass filter strips, the program provides state per acre rental payments in targeted water quality areas. This reduces nonpoint source pollution runoff from cropland and marginal pasture acres enrolled in the program which improves water quality. The Governor recommends State Water Plan expenditures of \$363,210 in FY 2009 and \$216,000 in FY 2010.

**Riparian and Wetland Protection Program.** The program provides planning assistance to local conservation districts in the development of protection plans to restore riparian areas, wetlands, and wildlife habitats. Recommended expenditures from the State Water Plan Fund total \$242,598 in FY 2009 and \$181,283 in FY 2010.

**Lake Restoration.** The goal of this program is to assist local agencies in need of assistance for the restoration or renovation of public water supply systems by providing financial assistance in situations where systems are near the end of their service life or have reduced capacity because of sedimentation. Recommended funding from the State Water Plan Fund is \$798,773 in FY 2009 and \$718,896 in FY 2010.

**Horsethief Reservoir.** The reservoir project has been financed by a combination of state, federal, and local resources and has been included in the SCC Multipurpose Small Lakes Program. The program assists local entities in need of a new or restored project for water supply, flood reduction, and/or recreational facilities by providing state financial assistance. The reservoir, located on Buckner Creek in Hodgeman County, will provide flood control and recreation. The total cost for Horsethief Reservoir, currently under construction, is \$15,920,000. Funding requested from the State Water Plan Fund is \$4.5 million. FY 2009 was the final year for state payments for the project, and \$1,123,176 was requested. The Governor's recommendation reduces that amount by \$224,635 for a total recommendation of \$898,541.

## Health & Environment—Environment

**Contamination Remediation.** This program addresses environmental contamination at sites where there is no responsible party identified or where the

responsible party is unable to pay for the needed corrective action. The funding is used for site assessments, investigations, corrective actions, and emergency responses. The Governor recommends State Water Plan support of \$783,698 in FY 2009 and \$567,216 in FY 2010.

**Local Environmental Protection Program.** The Governor recommends monies from the State Water Plan Fund of \$1,202,279 in FY 2009 and \$1,066,942 in FY 2010 that will be distributed as aid to counties so that each county has the funding to implement approved environmental protection plans.

**Nonpoint Source Technical Assistance.** This program provides technical assistance as well as demonstration projects for nonpoint source pollution management at the local level. The Governor recommends expenditures of \$315,430 for FY 2009 and \$291,241 for FY 2010.

**Watershed Restoration & Protection Plans (WRAPS).** State Water Plan Fund expenditures of \$600,613 in FY 2009 and \$481,042 in FY 2010 will be used to assist local groups to work together to identify water quality and water resource issues within watershed districts, and then develop and implement local solutions to address those problems.

**TMDL Initiatives.** A TMDL (total maximum daily load) is the maximum amount of pollution a river or lake can receive without violating surface water quality standards. Funding of \$241,590 in FY 2009 and \$210,780 in FY 2010 is recommended by the Governor to continue efforts to obtain flow data in basins where TMDLs are established.

## **Kansas Water Office**

**Assessment & Evaluation Program.** Program staff members collect and compile information pertaining to a wide range of water resource conditions for statewide and basin-specific issues. All funding for the program is for studies targeted to implement priority water projects. The Governor recommends expenditures from the State Water Plan Fund of \$720,143 for FY 2009 and \$532,500 for FY 2010.

**GIS Database Management.** Information recorded in the agency's database is used to determine whether

sufficient water storage will be available to meet projected year 2040 public water supply needs. The base funding amounts for the current and budget year have been reduced to \$200,000 for FY 2009 and \$177,500 for FY 2010.

**MOU—Operations & Maintenance.** In order to maintain and operate the reserve storage space purchased through a 1985 Memorandum of Understanding with the U.S. Corps of Engineers, the Governor recommends expenditures of \$241,134 for FY 2009 and \$216,550 for FY 2010.

**Technical Assistance to Water Users.** State Water Plan support is used by program staff members to provide technical assistance to municipalities through a contract with the Kansas Rural Water Association and to irrigators through contracts with Kansas State University. For FY 2009, the Governor recommends expenditures of \$632,918 and expenditures of \$443,692 for FY 2010.

**Water Resource Education.** The Governor recommends expenditures of \$97,200 in FY 2009 and \$55,314 in FY 2010 for the program that funds scholarships through the Kansas Environmental Leadership Program sponsored by Kansas State University and the Kansas Center for Agricultural Resources.

**Weather Stations.** The recommendation of \$80,000 for FY 2009 and \$56,800 for FY 2010 will be used to encourage innovative approaches for the management of crop watering such as irrigation-scheduling weather stations, mobile irrigation labs, and field demonstration projects.

**Weather Modification.** The Governor recommends expenditures of \$192,200 for FY 2009 and \$156,200 for FY 2010 for the contracts issued by the Kansas Water Office to pilots who release silver iodide into clouds to reduce crystal formation, thereby reducing hail damage.

**Wichita Aquifer Storage & Recovery Project.** The recommendation of \$660,000 from the State Water Plan Fund for FY 2009 is a reduction from the approved amount of \$1.0 million. The Governor recommends funding of \$300,000 for FY 2010. The recovery program injects treated surplus surface flows from the Little Arkansas River water into the equus

beds aquifer for storage and later recovery. In addition to storage, the project also involves a hydraulic barrier to a brine plume adjacent to the river near Burton.

**Neosho River Basin Issues.** A number of water quality issues related to sedimentation exist in the Neosho River Basin, including algae blooms at Marion Reservoir, and the sedimentation has reduced available water storage capacity. The Governor recommends expenditures of \$768,000 for FY 2009 and \$213,000 for FY 2010.

## **Department of Wildlife & Parks**

**Stream Monitoring.** Stream monitoring is used by the Department of Wildlife and Parks in order to determine the potential adverse effects of pollution on fish and wildlife and to measure the state's progress toward reducing surface water pollution. To continue this program in FY 2009, the Governor recommends \$32,000 from State Water Plan Fund. For FY 2010, the Governor recommends \$28,800 from the State Water Plan Fund.

# State Employees

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## Salaries

### FY 2010 Pay Plan

Despite enormous challenges in preparing the state's budget, the Governor recommends that the base pay of state employees increase by 1.0 percent for FY 2010. Because the state's resources are so limited, no specific funding is added to agencies' budgets. Rather, operations will have to be trimmed in order to locate the resources to absorb the additional costs of the higher pay. It is estimated that the additional 1.0 percent will cost \$22.8 million from all funding sources, including \$10.7 million from the State General Fund.

### Classified Employee Compensation Review

A report commissioned by the Legislature and generated by the Hay Group in late 2006 showed that the level of competitiveness of both pay ranges and actual pay lag the market for many classified employees. For those 1,533 employees more than 25.0 percent below average market pay according to salary surveys, an additional 5.0 percent salary increase was granted for FY 2008. This increase was in addition to the 2.0 percent adjustment given to all employees, as well as the \$860 bonus granted for December 2007. A similar differential was provided to those classified employees in positions most undermarket for FY 2009.

To undertake further study of this issue, the State Employee Compensation Oversight Commission was created during the 2007 Legislative Session and was charged with the development of a new pay plan for classified employees for the Governor and the 2008 Legislature to consider. The Commission's final report was issued November 30, 2007, which recommended that the structure of the classified pay plans be altered to address the market conditions and the wide variety of jobs held by state employees.

It was recommended that five pay plans be created for state employees in the classified service, with different

opportunities for pay increases to acknowledge the vastly different types of work performed by state employees:

A **management pay plan** for those limited number of classified employees involved in the managerial functions of planning, leading, organizing, controlling, motivating and innovating. Actual supervision of various activities is largely delegated to others and pay increases will be solely based on performance.

A **professional individual contributor pay plan** will be for employees in positions requiring knowledge of principles and theories of a professional discipline that is normally obtained through a college curriculum. Pay will be set within broad bands to reflect different levels of work and performance against established standards.

A **protective service pay plan** will be created for uniformed officers of the Department of Corrections, Juvenile Justice Authority, Highway Patrol troopers, and all other classifications that meet the definition of police or law enforcement officer. Salary progression will rely on achievement of milestone and certification events, as well as time on the job and performance.

The **basic vocational pay plan** will be for employees assigned to jobs that perform structured, routine work where performance can be measured on a pass/fail basis. Salary progression will follow the traditional step movement approach, for time on the job.

Finally, the **general classified pay plan** will be for those employees who do not fall within the definition and parameters of the other four plans. Differences will be made for employees who are exempt from Fair Labor Standards Act requirements for hours worked, and for those who are non-exempt. The pay ranges will have steps below the market rate and an open range above the market rate.

Implementing five new pay plans required the development of a statewide performance management plan, completed in the summer of 2008. The Governor recommended and the Legislature provided 1.00 additional position for the Division of Personnel Services to begin this task, as well as to assist with

future salary surveys, assist agency managers in administering the necessary job class studies and employee evaluations to implement the new compensation system for classified staff.

Rather than waiting many years between salary surveys, they will be done on a continual basis, with at most, three years between the surveys. Rather than purchase salary data from other organizations, the Division will perform its own surveys and target more frequent surveys on those job classes that need more frequent attention, such as nurses.

The timeframe to fully implement the market adjustments outline here is five years. The Division of Personnel Services proposed a year ago to divide classified employees into three groups in order to first address those who have the greatest disparity to the market. In each subsequent year, there will be a general increase for all employees, to avoid losing ground relative to other employers, as well as targeted increases to the appointed groups of employees.

In the first year, FY 2009, the basic vocational classes, as well as those isolated worst cases were addressed. The Governor recommended funding of \$16.0 million in her budget to finance the first year, including \$8.5 million from the State General Fund and also the estimated future year costs for the market adjustments. The Legislature appropriated State General Fund amounts through FY 2013. These remain in the Governor's recommended budget for FY 2010. Because the amounts are appropriated to the Finance Council for distribution to agencies, the specific amounts were left as a separate item in the budget, not included in any agency's budget for FY 2010. They are shown as a single lump sum at the end of the schedules in the back of this volume.

### **Longevity Bonus Program**

Payments under the current Longevity Bonus Program are calculated on the basis of \$50 per year of service times the number of years of service for employees with at least ten years of service with the state. The current maximum payment is \$1,250: \$50 per year of service times 25 years. For FY 2010, the Governor recommends funding the third year of the longevity bonus at this higher level. The program applies to classified employees in the Executive Branch, non-

judicial personnel at the Judiciary, and most unclassified employees in agencies of the Legislative Branch. Based on action of the 2008 Legislature, it will not apply to those hired on or after June 15, 2008. The total budget for longevity payments for FY 2010 is \$12.7 million from all funding sources, with \$6.2 million of that amount from the State General Fund.

### **Military Benefits**

Included in the Governor's budget for FY 2009 is \$250,000 from the State General Fund for death benefits to pay out state funds to beneficiaries of the last service member who was killed. This provides death benefits equal to those provided to other guard members killed in action.

### **Fringe Benefits**

The Governor's proposed salary expenditures in agency budgets are based on fringe benefit rates established by law or certified by agencies to the Division of the Budget for the budget instructions, which are used by agencies to prepare their budgets.

**Moratorium on Employer Contributions to the State Health Plan.** In addition, the Governor recommends suspending employer contributions to the Health Insurance Premium Reserve Fund for all state agencies for seven payroll periods in FY 2010, beginning with the fiscal year's first pay period. The fund has a sufficient balance to allow for a suspension of payments without affecting employee health benefits. This moratorium is estimated to save \$66.1 million from all funding sources, including \$32.0 million from the State General Fund. In addition, the Governor recommends sweeping amounts from special revenue funds that would have been spent on employer state health plan contributions to the State General Fund. Approximately \$23.7 million will be transferred from these funds, not including any federal funds.

**KPERS Death & Disability Moratorium.** For FY 2010, the Governor recommends a nine-month moratorium on employer contributions to the KPERS Death and Disability Group Insurance Fund. The fund has a sufficient balance to suspend payments on a temporary basis without affecting employee benefits



during FY 2010. The moratorium saves approximately \$37.7 million in contributions from all funding sources, including \$30.4 million from the State General Fund. Included in these amounts are savings of approximately \$24.0 million from KPERS—School contributions in the Department of Education budget. Expenditures of each state agency that budgets for this item have been adjusted accordingly. In addition, the Governor recommends sweeping amounts from special revenue funds that would have been spent on KPERS Death and Disability employer contributions to the State General Fund. Approximately \$5.1 million will be transferred from these funds, which does not include any federal funds.

The 2004 Legislature authorized a multi-year statutory increase to the maximum KPERS employer contribution rate to make the KPERS Fund actuarially sound. For FY 2009 and FY 2010, the rate will increase by 0.6 in both years to 7.57 percent in FY 2010 and by that same rate thereafter until the KPERS Fund reaches the point at which the fund is financially able to cover all retirement benefit obligations.

## State Workforce

### Changes to the Workforce

A year ago, when the budget for FY 2009 was approved, the number of authorized positions totaled 43,358.97. Of this amount, 42,083.78 were FTE positions and 1,275.19 were non-FTE unclassified permanent positions. The Governor's revised budget for the current fiscal year now totals 43,232.19, of which 41,808.64 are FTE positions and 1,423.55 are non-FTE positions. The changes result in a net decrease of 126.78 positions.

The most significant reductions in the revised FY 2009 budget occur in the Racing & Gaming Commission, which planned in its budget to reduce staff in FY 2009 and FY 2010 in response to declined activity in the racing industry. The Department of Commerce FTE position count was reduced to pattern it closer to actual staffing patterns. The Board of Healing Arts has hired several new staff in order to augment its regulatory activities. Notably, the universities, which have no

restriction on the number of positions, dropped by 31.80.

For FY 2010, the total number of positions in the Governor's recommendation equals 43,007.30, 41,616.16 of which are FTE positions and 1,391.14 are non-FTE positions. The FY 2010 total is lower than the Governor's revised estimate for FY 2009 by 192.48. The 21.50 positions for the two economic development agencies proposed for elimination are reduced from the budget. In the Department of Health & Environment, 15.00 vacant positions that were appearing in the position count were removed in FY 2010. The Judiciary position count increases by 6.00, and there is one new DNA lab scientist recommended for the KBI lab to address a backlog of cases.

### Counting the State Workforce

The state workforce includes all positions that are permanently assigned. It excludes temporary help, both those on the state payroll and those used on a contractual basis through temporary employment services. The permanent positions fall into two groups. The first includes full-time equivalent (FTE) positions, some of which are constrained by a limitation in the appropriation bill, while others are not. The second group, named non-FTE unclassified permanent positions, are employed by the authority of KSA 2008 Supp. 75-2935(i) and are approved by the Governor's Office for most Executive Branch positions of this type. They are not limited in number by the appropriations process. As unclassified employees, they are not subject to civil service regulations. However, they are permanent because employees in these positions participate in the state retirement system in the same manner as permanent FTE positions.

As an example, the Department of Health and Environment is a frequent user of these unclassified positions. When the agency accepts federal grant funds, there can be personnel requirements that accompany the funding, often stipulating the number and type of positions that must be hired for proper grant implementation. The agency, therefore, is required at times to hire additional unclassified non-FTE positions to meet federal guidelines. Other agencies that receive federal funding must often follow similar procedures.

Although the state workforce has traditionally been counted according to the FTE limitations established by appropriation bills, there are other views that count positions differently. Accordingly, two tables, Schedules 9.2 and 9.3 at the back of this report, illustrate these methods. The first is “headcount,” representing a statewide average of all biweekly payrolls based on the number of paychecks issued for FY 2006, FY 2007 and FY 2008.

The second table, 9.3, restores the original concept of FTE by representing the state workforce as the number of positions mathematically equated to full time. What is currently called FTE positions has become an artificially inflated total, because reductions for shrinkage and other budget reductions to salaries prevent many agencies from filling the positions they are authorized. To balance their budgets, they must leave positions vacant for all or part of a fiscal year. Therefore, the legal FTE count remains higher than what the budget can really support.

This table represents a view that mathematically equates to full time the number of positions actually filled for the fiscal years indicated, including overtime and any leave time in which employees are in pay status. For example, if an agency is legally authorized 10.00 FTE positions but one of them was vacant for half of the fiscal year, this table would report that agency’s mathematical FTE total as 9.50. This table presents a more accurate picture of FTE positions, a view that indicates the number of positions that the budgets of state agencies can actually support.

## **FTE Limitations**

For many years, a limitation on the number of permanent positions equated to full time has been imposed on select agencies through the appropriations process. Limiting the number of positions is intended to control not only the staffing level of these agencies, but the overall size of the state workforce. However, there are reasons to suggest that FTE limitations no longer serve the purpose originally intended.

A large portion of the state workforce, 46.6 percent, is not subject to FTE limitations because exemptions are granted to the Regents institutions, the Judiciary, the Legislative Branch, the Governor’s Office, the

Lieutenant Governor’s Office, and several other Executive Branch agencies. As indicated previously, KSA 75-2935(i) allows Executive Branch agencies, with the approval of the Governor’s Office, to appoint permanent positions as unclassified “temporaries” that are no different from FTE positions, except the authority by which they are appointed allows them to avoid the FTE limitation. Therefore, whatever measure of control is exercised by these limitations under current practices is inconsistent and largely ineffectual. Because the amount of funds available in the budget for salaries is the most effective control over an agency’s staffing level, the question is raised whether FTE limitations have outlived their usefulness and should be abolished.

*The Governor’s Budget Report* and the *Budget Analysis* of Legislative Research both report the state’s workforce on the basis of FTE position limitations. Shrinkage, a salary adjustment for vacant positions, is a common “budget-balancing” technique. Therefore, the dollars available for salaries in many budgets cannot fund the authorized staffing level. There is no longer a clear connection between the budget and the level of staffing an agency can sustain. Therefore, the effect of budget reductions or layoffs and positions held vacant is difficult to gauge.

Once again, no specific recommendation is made at this time to change the current method of counting FTE positions. However, consideration should be given to the possibility of modifying the way FTE positions are reported and abolishing controls on them altogether.

## **Statewide Summary of Salaries**

The table on page 50 details expenditures for salaries and wages for all agencies, including the salaries of several agencies that would ordinarily be excluded from reportable expenditures to avoid double counting. In this way, a complete view of salaries and wages can be presented. The base salary components are presented in the upper part of the table, and the benefits are itemized below those. The salaries for Regents universities, including the proposed salary plan, are shown in the table in the same way as other state agencies for illustration purposes.

## Statewide Salaries & Wages

	FY 2008 Actual	FY 2009 Gov. Estimate	FY 2010 Base Budget	FY 2010 Enhance. Pkg.	FY 2010 Gov. Rec.
<b>Authorized Positions</b>					
Classified Regular	743,336,210	861,949,136	862,597,727	11,135,002	859,585,173
Classified Temporary	11,010,936	11,113,518	12,595,494	93,016	12,551,720
Unclassified Regular	878,274,140	1,069,801,281	1,071,477,765	8,285,026	1,069,789,749
Other Unclassified	218,084,867	139,632,741	137,986,173	1,214,067	138,400,126
Authorized Total	\$ 1,850,706,153	\$ 2,082,496,676	\$ 2,084,657,159	\$ 20,727,111	\$ 2,080,326,768
Shift Differential	3,728,840	3,287,833	3,269,291	314,561	3,250,623
Overtime	15,776,019	12,318,438	12,369,013	652,706	12,313,646
Holiday Pay	60,203,123	3,979,895	3,968,524	14,244	3,907,803
Longevity	12,614,144	11,965,661	12,729,816	8,063	12,709,003
Total Base Salaries	\$ 1,943,028,279	\$ 2,114,048,503	\$ 2,116,993,803	\$ 21,716,685	\$ 2,112,507,843
<b>Employee Retirement</b>					
KPERS	63,728,738	82,299,799	88,933,151	898,238	80,922,549
Deferred Compensation	431,992	472,602	464,757	--	434,153
TIAA	54,883,460	70,566,318	70,591,046	--	65,021,409
Kansas Police & Fire	6,508,195	6,728,646	6,212,208	171,579	6,143,325
Judges Retirement	6,013,976	6,217,827	5,794,560	50,897	5,711,118
Security Officers	6,033,351	7,519,695	7,917,020	53,170	7,166,542
Retirement Total	\$ 137,599,712	\$ 173,804,887	\$ 179,912,742	\$ 1,173,884	\$ 165,399,096
<b>Other Fringe Benefits</b>					
FICA	131,167,621	148,671,275	149,229,818	887,456	148,902,756
Workers Compensation	22,368,471	24,500,697	33,047,386	204,036	32,966,981
Unemployment	1,749,162	3,410,473	2,411,598	14,797	2,405,919
Retirement Sick & Annual Leave	9,725,878	10,527,647	12,017,748	75,956	11,989,772
Employee Health Insurance	177,473,471	190,387,379	198,446,858	991,254	143,069,629
Family Health Insurance	35,246,300	37,990,050	39,725,145	102,544	28,572,093
Total Fringe Benefits	\$ 515,330,615	\$ 589,292,408	\$ 614,791,295	\$ 3,449,927	\$ 533,306,246
Subtotal: Salaries & Wages (Shrinkage)	\$ 2,458,358,894 --	\$ 2,703,340,911 (111,564,736)	\$ 2,731,785,098 (102,309,913)	\$ 25,166,612 (106,633)	\$ 2,645,814,089 (110,268,408)
Undermarket Salary Adjustment	\$ --	\$ --	\$ --	\$ --	\$ 8,534,972
Total Salaries & Wages	\$ 2,458,358,894	\$ 2,591,776,175	\$ 2,629,475,185	\$ 25,059,979	\$ 2,544,080,653
State General Fund Total	\$ 1,157,770,811	\$ 1,217,759,177	\$ 1,236,880,873	\$ 22,158,723	\$ 1,195,395,587
FTE Positions	41,609.25	41,808.16	41,836.90	189.75	41,615.68
Non-FTE Unclassified Perm. Pos.	1,294.84	1,424.03	1,409.97	13.80	1,391.62
Total State Positions	42,904.09	43,232.19	43,246.87	203.55	43,007.30

*Dollar amounts include all Off Budget expenditures for the Department of Administration.*

*State General Fund total does not include the KPERS debt service payment in the Board of Regents.*

# Homeland Security

The federal government began distributing homeland security funds to the states following the September 11, 2001 terrorist attacks to guard against future threats. Funds provided by the federal government to Kansas or any local governments, for the purpose of improving the state's capability to prevent, respond to, and recover from incidents of terrorism involving chemical, biological, explosive, or radiological weapons are reported in this section.

## Financing

Kansas receives funding from several federal sources to support these activities. These funding sources are mainly from the Department of Homeland Security, the Department of Justice, the Center for Disease Control, the Department of Agriculture, the Health and Human Services Administration, the Federal Highway Administration, the Transit Administration, and the Environmental Protection Agency. The state also receives funds from the Office of Domestic Preparedness (ODP). The majority of the funding received is passed on to local jurisdictions in the amount of 80.0 percent. The state may use the remaining 20.0 percent of the funds for operations as required by the homeland security strategy that has been developed as a requirement of this program.

The Highway Patrol has been designated by the Governor as the state agency that receives and distributes these funds on behalf of the state. The Highway Patrol's Homeland Security Program provides funds to each of the state's seven homeland security regions for the purpose of preventing, planning for, responding to, and recovering from an act of terrorism. The Program also strives to enhance the abilities of first responders to respond to an act of terrorism through the efficient provision of funds for specialized training, exercises, and equipment.

## Recommendations

The FY 2008 actual homeland security expenditures were \$45.7 million. The Governor's recommendation

<b>Homeland Security Funds</b>		
Program or Project	FY 2009 Gov. Est.	FY 2010 Gov. Rec.
Department of Commerce		
IT Development & Security	\$ 11,186	\$ --
Health & Environment--Health		
Real ID	25,000	--
Information Services	77,516	--
Hospital Preparedness	764,884	762,642
Aid to Local Governments	3,836,974	3,836,974
Pandemic Influenza	80,000	--
Total--H & E--Health	\$ 4,784,374	\$ 4,599,616
Kansas State University		
Research Projects	\$ 4,863,006	\$ 2,545,151
University of Kansas		
Research & Security Projects	\$ 3,600,000	\$ 3,600,000
University of KS Medical Center		
Bioterrorism Training	\$ 10,000	\$ --
Adjutant General		
Domestic Preparedness	2,250,372	1,228,899
Emergency Management	3,153,048	1,108,723
Total--Adjutant General	\$ 5,403,420	\$ 2,337,622
State Fire Marshal		
Bomb & Explosives Unit	\$ 369,501	\$ --
Highway Patrol		
Aid to Local Governments	9,517,790	4,572,258
Operating Expenditures	471,454	290,786
Total--Highway Patrol	\$ 9,989,244	\$ 4,863,044
Kansas Bureau of Investigation		
ACCIS--Intelligence System	134,028	45,000
Air Cards	17,913	--
Information Technology	85,519	--
Total--KBI	\$ 237,460	\$ 45,000
Department of Agriculture		
Planning and Training	\$ 137,374	\$ 347,804
Animal Health Department		
Miscellaneous Equipment	\$ 50,600	\$ 50,600
Health & Environment--Environ.		
Clinical Lab Improvement	\$ 930,779	\$ 662,234
Transportation		
Interoperability	\$ 7,162,403	\$ 2,134,124
Total	\$37,549,347	\$21,185,195

totals \$37.5 million in FY 2009 and \$21.2 million in FY 2010.

Homeland security funding Kansas has received has been declining in recent years because of federal priorities and federal budget considerations. The amount of funds Kansas receives each year can vary because of several factors. For example, a state agency may be awarded a grant for a one-time project or there may be unspent funds that are added on to new funds for the current fiscal year. Below are descriptions of some current homeland security projects in Kansas.

Kansas State University currently has 18 homeland security projects underway. That number will fall to six in FY 2010 as projects are completed. Many of the research projects relate to biosecurity. The University of Kansas' projections assume the award of additional grants in FY 2009 and FY 2010. The university's research ranges from seismic imaging to terrorism risk assessment. The University of Kansas Medical Center has completed its project to prepare a multidisciplinary Kansas first responder workforce in FY 2008.

The Kansas Department of Transportation (KDOT) will use homeland security funding to improve the statewide radio communication system, which is a step toward interoperability. Interoperability, one of the state's communication priorities, will allow law enforcement, fire departments, and other first responders to communicate simultaneously. KDOT will purchase controllers and auxiliary equipment for the statewide trunking system. Additionally, the funds will be utilized to upgrade all Highway Patrol and KDOT dispatch consoles to operate in the new digital environment.

The Adjutant General will use its homeland security funding for the Emergency Management Performance Grant Program, which is designed to help state and local emergency managers develop, maintain, and improve emergency management capabilities, which are key components of a comprehensive national emergency management system for all hazards.

The table on the previous page summarizes which agencies have programs receiving federal homeland security funds.

## Disaster Relief

In the past two years, Kansas has experienced several major weather related disasters that qualified for federal assistance. In late December 2006 through early January 2007, western Kansas was overcome by winter weather, which included heavy snow and ice. In early May 2007, a tornado completely destroyed the City of Greensburg, while wind destruction and flooding impacted numerous counties in Kansas. In early July 2007, flooding occurred in 24 counties primarily in southeast Kansas. In December 2007 there was another ice storm that covered much of the state. In 2008 there was flood and wind damage in June and flooding and tornadoes in September. The most expensive of these disasters was the winter storm that started in December 2006 and lasted into January 2007, causing destruction estimated to cost over \$34.9 million in state funds. The federal share is estimated at \$168.5 million and the local share at about \$33.7 million. The table on this page details the costs of these recent disasters.

A detail of each disaster's state matching funds are in the table on the next page. The table shows that \$18,699,694 is yet to be appropriated for disasters in future years, although \$5.0 million is recommended to be set aside for FY 2010, as explained on the next page. It takes several years for repairs to be completed. Therefore, not all of the money needed to finance the disasters are funded in one fiscal year.

There are two types of federal declarations that the Governor may request. The first is an Emergency Declaration which allows the state to receive direct federal assistance. The second is a Presidential Declaration which allows for Public Assistance (PA), Individual Assistance (IA), as well as Hazardous Mitigation if the required thresholds are met.

There are four kinds of federal reimbursement grant programs that the state can request from the federal government to receive assistance: direct federal assistance, public assistance, individual assistance, and hazardous mitigation. The state provides matching funds only for disasters that are federally declared.

All state funding for disaster relief is managed by the Kansas Department of Emergency Management (KDEM) of the Adjutant General's Office. KDEM not only assists in receiving the federal disaster grants, but it also assists in managing disaster response and recovery. KDEM has two alternatives to request funds to pay for the state's share of federally declared disasters. First, KDEM can request funds through the normal budget process, which is approved by the Legislature. Also, KDEM can request action by the State Finance Council to release State General Fund monies from the Emergency Fund. KDEM requests funds from the State Finance Council only if it does not have enough already appropriated to pay estimated

<b>Estimated Total Cost of Recent Disasters</b>				
<b>Disaster</b>	<b>State</b>	<b>Local</b>	<b>Federal</b>	<b>Total</b>
January 7, 2007 Western Kansas Winter Storm	34,945,495	33,700,703	168,503,515	237,149,713
May 6, 2007 Greensburg Tornado and Other Flooding	13,685,637	8,024,228	40,121,140	61,831,005
July 2, 2007 Southeast Kansas Flooding	3,873,059	2,455,526	12,277,632	18,606,217
December 6, 2007 Ice Storm	8,406,957	2,118,767	10,593,834	21,119,558
June 2008 Wind, Tornado, and Flooding	4,631,744	5,913,007	29,565,035	40,109,786
September 11, 2008 Flooding & Tornadoes	386,447	579,671	2,898,353	3,864,471
<b>Total</b>	<b>\$ 65,929,339</b>	<b>\$ 52,791,902</b>	<b>\$ 263,959,509</b>	<b>\$ 382,680,750</b>

costs until the Legislature reconvenes and passes a bill to appropriate additional funds for that fiscal year. The State Finance Council has the authority to release up to \$10.0 million for disasters from the State Emergency Fund. Amounts approved are transferred from the State General Fund to the State Emergency

Fund, upon certification by the Director of the Budget. In addition to the \$10.0 million, it is also recommended that \$5.0 million be transferred to the Emergency Fund in FY 2010. This money will serve as a contingency fund for when repairs are made and state matching monies are needed.

<b>Disaster Response State Matching Funds</b>						
	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009*</b>	<b>FY 2010</b>	<b>FY 2011 +</b>	<b>Other</b>
<b>Expenditures</b>						
Disasters Previous to Jan 7, 2007	6,449,984	5,245,649	1,341,970	296,531	--	--
January 7, 2007						
Western Kansas Winter Storm	3,227,638	5,686,531	5,923,989	5,178,124	14,929,213	--
May 6, 2007						
Greensburg Tornado & Floods	225,541	6,604,495	3,618,737	1,259,337	1,977,527	--
July 2, 2007						
Southeast Kansas Flooding	--	1,875,543	1,672,112	226,932	98,472	--
December 6, 2007						
Ice Storm	--	4,643,114	3,698,736	65,107	--	--
June 2008						
Wind, Tornado, and Flooding	--	--	2,375,381	561,881	1,694,482	--
September 11, 2008						
Flooding & Tornadoes	--	--	386,447	--	--	--
Direct Federal Assistance for Tornado	--	--	1,647,966	--	--	--
and Floods						
Emergency Operations Center Tasks	6,063	2,500	--	--	--	--
Emergency State Active Duty	402,767	178,211	--	--	--	--
State Active Duty Management Costs	203,376	584,674	388,212	230,348	--	--
Individual Assistance	--	1,112,434	--	--	--	--
<b>Total</b>	<b>\$ 10,515,369</b>	<b>\$ 25,933,151</b>	<b>\$ 21,053,550</b>	<b>\$ 7,818,260</b>	<b>\$ 18,699,694</b>	<b>\$ --</b>
<b>State Appropriated Funds</b>						
Reappropriation from Prior Year	35,320	8,333,229	9,013,004	--	--	--
Legislature Appropriated	11,357,240	22,494,346	12,040,546	--	--	--
Dec 4, 2006 Finance Council	2,456,038	--	--	--	--	--
Disaster Relief						
June 6, 2007 Finance Council	5,000,000	--	--	--	--	--
Greensburg Disaster						
June 6, 2007 Finance Council	--	--	--	--	--	2,500,000
Greensburg Business Assistance						
Aug 3, 2007 Finance Council	--	--	--	--	--	5,000,000
SE Kansas Business Assistance						
Oct 17, 2007 Finance Council	--	--	--	--	--	5,000,000
Housing Assistance						
Dec 10, 2007 Finance Council	--	4,118,580	--	--	--	--
Disaster Matching Funds						
Governor's Budget Recommendation	--	--	--	7,818,260	--	--
Unspent Funds to Reappropriate	(8,333,229)	(9,013,004)	--	--	--	--
<b>Total</b>	<b>\$ 10,515,369</b>	<b>\$ 25,933,151</b>	<b>\$ 21,053,550</b>	<b>\$ 7,818,260</b>	<b>\$ --</b>	<b>\$ 12,500,000</b>

\* FY 2009 expenditures include actual dollars spent and estimated payments that are yet to be paid.

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## Motor Vehicles

In November 2003, Governor Sebelius initiated changes that have significantly altered the way the state manages motor vehicles. The size of the state's fleet of cars and pickups has been dramatically reduced. A two-year moratorium on the purchase of new vehicles has been successfully completed. A process has been put in place to replace high-mileage vehicles only when necessary.

**FY 2010 Recommendations.** Because of the state's financial challenges, no funding for vehicles was added in the Governor's budget recommendations. In FY 2010, agencies may still consider replacing high-mileage vehicles, but must do so within existing fund limitations. Requests for any vehicle replacements must be submitted to the Division of the Budget. The Division will determine if the agency has the resources to pay for the replacement vehicle and if the agency has followed the replacement policy that is outlined below.

**FY 2009 Vehicle Purchases.** As part of the approved FY 2009 budget, agencies were appropriated \$511,300 from the State General Fund and \$4,688,574 from all funding sources to purchase 279 replacement vehicles.

However, not all of those vehicles will be purchased in FY 2009. As part of the effort to reduce current expenditures, many agencies have decided to forgo vehicle purchases.

**Replacement Policy.** Vehicle purchases must meet three criteria. First, a vehicle can be purchased only to replace another vehicle in the fleet. Second, the vehicle to be replaced must have reached 100,000 miles if it is a car, and 140,000 miles if it is a pickup truck. Third, the vehicle purchased must be similar in type and size to the vehicle it is replacing. Limited exceptions can be granted if repairs of a lower mileage car would be more costly than replacement, or if purchasing a new vehicle would allow an agency to eliminate a long-term rental contract.

**Fleet Size.** The size of the state's basic fleet of vehicles has been reduced from 4,279 in November 2003 to 3,414 five years later. The basic fleet size is determined by starting with the grand total of all "tagged vehicles" and then subtracting trailers, large trucks, vehicles owned by the Regents, and vehicles owned by the Highway Patrol. Agencies have been encouraged to explore all options before replacing their vehicles.





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# General Government

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# General Government Summary

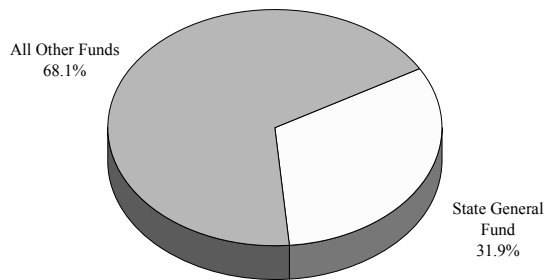
The General Government function includes agencies that provide overall policy guidance to state government, collect and distribute state revenues, and perform regulatory functions. This function of government includes the budgets of elected officials; the Judiciary; administrative agencies, such as the Corporation Commission, the Insurance Department, and the Kansas Racing and Gaming Commission; and other professional licensing and regulatory boards. Included in this function are 20 agencies with biennial budgets.

conservation, public broadcasting digital conversion, as well as the KPERS pension obligation bonds.

In order to generate significant cost savings and to consolidate the state's economic development efforts, the Governor recommends abolishing KTEC and Kansas, Inc. in FY 2010. The Department of Commerce will manage the grant programs of KTEC with considerably lower overhead expenses. The economic development policy research and strategic planning of the State of Kansas which was previously performed by Kansas, Inc. will now solely be managed within the existing resources of the Department of Commerce.

The budget contains a significant reduction in staff and expenditures for the Kansas Racing and Gaming Commission budget in response to the closing of the Woodlands Racetrack and the withdrawal of three gaming facility managers, which had been awarded contracts to manage destination casinos, but subsequently decided not to proceed.

## How It Is Financed



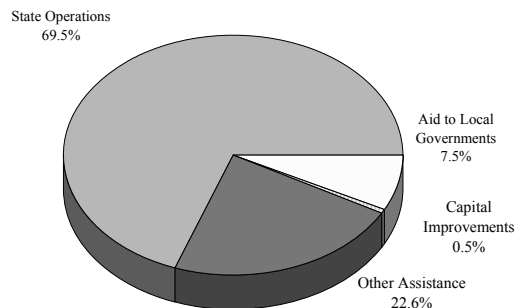
Fiscal Year 2010

The Governor recommends a total of \$819.5 million in FY 2009 and \$778.4 million in FY 2010. These totals include \$266.4 million in FY 2009 and \$248.3 million in FY 2010 from the State General Fund.

The Governor recommends that the Department of Revenue's Division of Vehicles Modernization Project continue as planned for both FY 2009 and FY 2010. The new system will enhance the efficiency, safety, compliance, and enforcement of vehicle operations. The general government budget also supports ongoing implementation of a new state financial management system and indigents defense caseload costs.

The Department of Administration will experience a reduction of reportable expenditures of \$11.9 million in FY 2009 and \$24.1 million in FY 2010, all from the State General Fund. These savings are from re-financing the principal portion of several bond issues, including the Capitol Restoration Project, energy

## How It Is Spent



Fiscal Year 2010

The budgets for the Judicial Branch and Legislative Branch are included as requested, adjusted only for the reductions in health insurance and KPERS death and disability costs.

FY 2010 marks the beginning of the two-year budget cycle for the biennial agencies. The budget includes reductions in all biennial budgets with the savings transferred to the State General Fund.

# Executive Branch Agencies

## Department of Administration

For FY 2009, the Governor recommends \$86,058,477 from all funding sources, including \$69,100,104 from the State General Fund for the portion of the budget that is considered reportable. For the portion of the Department’s budget that is not reportable, commonly referred to as the “off budget,” the Governor recommends \$100,936,634 for FY 2009. The total recommendation will fund 760.45 FTE positions and 94.90 non-FTE unclassified permanent positions.

Of the \$69,100,104 recommended from the State General Fund in FY 2009, approximately \$52.0 million (or 71.0 percent) is for debt service payments on various bond issues, including bonds for the statehouse renovation, the KDOT Comprehensive Transportation Program, and the KPERS pension obligation. The table below illustrates amount recommended by the Governor for debt service payments in the budget of the Department of Administration, and has been adjusted for the debt restructuring recommendation, as discussed in the Debt Service Section.

<b>Department of Administration SGF Debt Service Payments</b>		
	FY 2009 Gov. Est.	FY 2010 Gov. Rec.
KPERS Pension Oblg.	\$26,076,303	\$25,731,305
KDOT--CTP	16,148,175	8,848,975
Capitol Renovation	8,862,858	7,264,264
Docking Chillers	494,829	483,885
Public Broadcasting	296,376	286,376
Judicial Center	101,170	28,260
Energy Conservation	55,313	3,780
Total	\$52,035,024	\$42,646,845

Excluding these debt service payments, the budgets for the various divisions of the Department have been reduced by approximately 3.2 percent from what was approved, or \$568,551. Reductions have been made evenly across all of the divisions and most of the savings will be generated by holding vacant positions open.

For FY 2010, the Governor recommends reportable expenditures of \$69,293,237, including \$58,930,652 from the State General Fund. For the “off budget,” the Governor recommends \$116,534,143 from all funding sources. The total recommendation will fund 760.45 FTE positions and 94.90 non-FTE unclassified positions, which is the same as in FY 2009.

Excluding debt service payments in the above table, the FY 2010 State General Fund operating budget for the various divisions of the Department has been reduced by approximately 4.6 percent from the Governor’s revised FY 2009 budget, or \$782,273. As in FY 2009, most of these savings will be generated from holding vacant positions open.

**Financial Management System (FMS).** In FY 2009, the FMS project moves into the implementation phase, and is on target for project completion date of July 1, 2010. The project will bring the state a new set of financial tools to operate state government, as the state’s current accounting system is outdated and does not easily or quickly provide detailed management information. Contracts for the main software vendors for the project were signed in July and August 2008. Project financing has included an initial State General Fund appropriation, with agency fees which began in FY 2008, along with a transfer from the Department of Transportation’s State Highway Fund.

**Public Broadcasting Council Operating Grants.** Included in the Department’s budget is a recommendation of \$2,193,044 from the State General Fund in FY 2009 for operating grants to the Public Broadcasting Council. This recommendation is a 3.0 percent reduction from the approved budget, and is the same reduction other divisions of the Department of Administration received. For FY 2010, the Governor recommends expenditures of \$2,193,044 from the State General Fund. For both years, these are used by public broadcasting stations for operating costs and the purchase of equipment.

## Kansas Corporation Commission

The Kansas Corporation Commission is the regulatory agency that oversees rates for major utilities,

petroleum exploration and production, as well as some facets of the transportation industry. The primary function of the agency is to protect the public's interest through efficient and impartial resolution of jurisdictional issues.

The Governor recommends a FY 2009 revised budget of \$21,472,537, which is an increase of \$443,399 from the FY 2009 approved budget. The revised budget includes \$447,840 for a technology infrastructure project to improve the agency's docket and case management system and to allow more e-filing options. The Governor reduced expenditures by \$630,875, or 3.0 percent of the FY 2009 approved amount. The resulting savings are being transferred to the State General Fund. The Governor's 3.0 percent reduction includes expenditures for the Kansas Electric Transmission Authority (KETA). The revised budget recommended for KETA is \$99,438. The Governor also recommends transferring \$1.0 million from the KETA Development Fund to the State General Fund in FY 2009.

The Governor's recommendation for FY 2009 also includes reducing the transfer from the State Water Plan Fund to the Conservation Fee Fund from \$400,000 to \$320,000. In addition, the Governor recommends transferring \$2.5 million from the Conservation Fee Fund to the State General Fund.

For FY 2010, the Governor recommends a budget of \$20,515,226, the majority of which is financed from fees assessed against regulated industries. The remainder of the Commission's budget is financed with federal funds. The recommended budget for FY 2010 includes \$116,480 to complete the technology infrastructure project from FY 2009. Excluding the statewide agency adjustments related to benefits, the Governor's recommendation includes a reduction of \$864,000 in expenditures, which equals 4.0 percent of the agency's FY 2010 request. This amount will be transferred to the State General Fund. The Governor also recommends \$98,413 in fee fund expenditures to continue financing the operations of KETA. The KETA recommendation represents a 4.0 percent reduction from the FY 2009 approved amount.

**Abandoned Oil & Gas Well Plugging.** During the 1996 Legislative Session, the Abandoned Oil and Gas Well Fund was created for the purpose of investigating, remediating, and plugging oil and gas

wells which were abandoned prior to July 1, 1996. These wells present a threat to public health and the environment. By statute, the fund is authorized to receive \$400,000 each year from the State General Fund, the State Water Plan Fund, and the Conservation Fee Fund. No transfer has been made from the State General Fund since FY 2004, and no transfer is recommended during FY 2010. For FY 2010, the Governor recommends that the transfer from the State Water Plan Fund be reduced from \$400,000 to \$288,000. The Governor recommends expenditures of \$2,547,373 from this fund to maintain the current pace of plugging wells.

### **Citizens Utility Ratepayer Board**

The primary responsibility of the Citizens Utility Ratepayer Board (CURB) is to represent the interests of residential and small business utility consumers in proceedings before the Kansas Corporation Commission. The Governor recommends a FY 2009 revised budget of \$859,619, which represents a reduction of \$24,100, or 3.0 percent, from the FY 2009 approved amount. In FY 2010, the Governor recommends expenditures in the amount of \$765,919. Excluding the statewide agency adjustments related to benefits, the Governor's recommendation represents a reduction in expenditures of \$32,565, which equals 4.0 percent of the agency's FY 2010 request. The savings resulting from the Governor's recommended reductions in FY 2009 and FY 2010 will be transferred to the State General Fund.

### **Kansas Human Rights Commission**

The Kansas Human Rights Commission strives to eliminate and prevent discrimination in the workplace, housing, and public accommodations throughout the state. In addition, the Commission also receives, reviews, and investigates complaints alleging racial discrimination and profiling in conjunction with traffic stops.

For FY 2009, the Governor recommends a revised budget of \$2,191,624, with \$1,724,014 from the State General Fund. The Governor's recommendation represents a 3.0 percent reduction in State General Fund expenditures from the FY 2009 approved amount.

The Governor recommends \$2,027,585 in expenditures for FY 2010, with \$1,639,149 from the State General Fund. Excluding the statewide agency adjustments related to benefits, the Governor's recommendation represents a reduction in State General Fund expenditures of \$52,090, which equals 3.0 percent of the agency's FY 2010 base budget.

### **Board of Indigents Defense Services**

The Board of Indigents Defense Services provides legal defense services to individuals who are charged by the state with a felony and judged indigent by the courts. The Board operates ten main and two satellite trial-level public defender offices, an appellate defender office, two conflicts offices, and two death penalty defense units. It utilizes appointed and contract counsel to provide defense services.

For FY 2009, the Governor recommends \$23,329,268 from all funding sources, including \$22,464,268 from the State General Fund. The recommendation for FY 2009 reduces expenditures by 2.0 percent from the State General Fund. The 2.0 percent reduction was applied across all programs, including a reduction of \$100,000 from both the Legal Services for Prisoners Program and the Capital Defense Program. Additionally, the Governor recommends \$9,265,000 for assigned counsel funding, which was determined through a consensus caseload process involving the Division of the Budget, the Kansas Legislative Research Department, and the agency. The estimate for assigned counsel expenditures is based on the current \$80 per hour assigned counsel rate passed by the 2006 Legislature. However, some districts have negotiated to a reduced rate of either \$62 or \$69 per hour. The previous rate was \$50 per hour. The caseload process was used only for the assigned counsel portion of the agency's budget.

In FY 2010, the Governor recommends \$23,054,068 from all funding sources, including \$22,189,068 from the State General Fund. This includes \$9,265,000 for assigned counsel funding, as determined through the consensus caseload process involving the Division of the Budget, the Kansas Legislative Research Department, and the agency.

The Governor's recommendation for both fiscal years provide for 195.00 FTE positions and allow the agency

to offer adequate defense services for the state's indigent defendants.

### **Health Care Stabilization Fund Board of Governors**

The Health Care Stabilization Fund Board of Governors mandates basic professional liability insurance for all active Kansas health care providers. The agency establishes and authorizes the Health Care Stabilization Fund and the Health Care Provider Insurance Availability Plan. For FY 2009, the Governor recommends expenditures of \$33,496,715. This amount includes a decrease of \$251,834 associated with the recommended elimination of the Kansas Savings Incentive Program (KSIP). The recommendation includes the transfer of the savings to the State General Fund. For FY 2010, the Governor recommends expenditures of \$34,845,104 to continue the operations of the Health Care Stabilization Fund Board of Governors and its 17.00 FTE positions. All expenditures are from the Health Care Stabilization Fund.

### **Kansas Public Employees Retirement System**

The mission of KPERS is to pay benefits to eligible retirees by safeguarding the system's assets. This is accomplished by adhering to the highest standards of fiduciary and professional care, to comply strictly with the law, and to conduct business in a courteous, timely, and effective manner. For FY 2009, the Governor recommends expenditures of \$53,578,481 from all funding sources, including \$10,270,948 from the State General Fund. Expenditures from the State General Fund are the same as the approved amount for FY 2009, as these comprise debt service payments for the KPERS 13th Check (\$3,210,948), as well as the one-time payment of \$300 that was paid to retirees in November 2008 (\$7,060,000).

For FY 2010, the Governor recommends expenditures of \$43,137,174 from all funding sources, including \$639,134 from the State General Fund. The State General Fund portion represents the interest payment that will be made for the KPERS 13th Check bond issue, as the principal amount of \$2,575,000 will be

refinanced through the Governor’s debt restructuring program.

**KPERS Death & Disability Moratorium.** For FY 2010, the Governor recommends a three-quarter moratorium on employer contributions to the KPERS Death and Disability Group Insurance Fund. This moratorium saves approximately \$37.7 million in contributions from all funding sources, including \$30.4 million from the State General Fund. Included in these amounts are savings of approximately \$24.0 million from KPERS—School contributions in the Department of Education budget. Expenditures of each state agency that budgets for this item have been adjusted accordingly. The fund has a sufficient balance to suspend payments on a temporary basis without affecting employee benefits.

<b>Death &amp; Disability Fund Status</b>		
	FY 2010 No Moratorium	FY 2010 Gov. Rec.
Beginning Balance	\$ 48,703,040	\$48,703,040
Employer Contrib.	67,929,426	18,833,314
Investment Income	1,760,844	1,054,208
Total Revenues	\$ 69,690,270	\$19,887,522
Expenditures	55,827,356	55,827,356
Ending Balance	\$ 62,565,954	\$12,763,206

As shown in the table above, the KPERS Death and Disability Fund is estimated to have a beginning balance of \$48.7 million at the beginning of FY 2010. This balance not only includes state contributions, but also other employer contributions at the local government level. At the end of the Governor’s proposed three-quarter moratorium, the Fund is estimated to have a remaining balance of \$12.8 million. It should be noted that in addition to savings of \$37.7 million at the state level, local governments will save approximately \$11.4 million in employer contributions to KPERS with the Governor’s proposal.

**Department of Commerce**

The Department of Commerce works to deliver the highest level of business development, workforce, and marketing services to build a healthy and expanding

Kansas economy. The Governor recommends \$129,406,155 in FY 2009, including \$608,376 from the State General Fund and \$19,574,729 from the Economic Development Initiatives Fund (EDIF). The Governor’s recommendation includes lapsing \$1,136,206 from the EDIF, including \$370,879 identified by the agency to reduce its FY 2009 EDIF approved budget by 2.0 percent, \$183,289 to reduce EDIF funded salary and wages by 3.0 percent, and \$582,038 to eliminate half of the agency’s EDIF block grant reappropriation. The agency continues to receive significant federal dollars from two National Emergency Grants from the U.S. Department of Labor related to the tornado in Greensburg and the Southeast Kansas flooding that occurred in the spring and summer of 2007. The agency anticipates it will spend a total of \$6.7 million in FY 2009 for ongoing clean-up efforts and training for new careers of individuals affected by these disasters. The Governor recommends 314.75 FTE positions in FY 2009, which is a decrease of 103.99 FTE positions. This reduction will help align the agency’s actual FTE count with its approved FTE position limitation.

The Governor recommends \$129,866,995 in FY 2010, including \$25,923,979 from the EDIF. The agency had requested \$607,034 in State General Fund expenditures to support the Strong Military Bases Program, Kansas Commission on Disability Concerns, and Senior Community Service Employment Program. With limited State General Fund resources, these programs will now be funded from the EDIF in FY 2010. The recommendation also includes reducing the agency’s salaries and wages that are paid by the EDIF by 3.0 percent or \$185,414. The Governor increases the transfer from the EDIF to the Kansas Economic Opportunities Initiatives Fund (KEOIF) by \$2.0 million for a total of \$3,250,000 in FY 2010. Kansas has been identified as one of the leading states for wind energy production. The Department will use the \$2.0 million to attract a manufacturer that supplies wind turbine components to the state.

The Governor recommends restructuring and consolidating the operations of KTEC into the Department of Commerce in FY 2010. The Department of Commerce will be responsible for managing KTEC’s grant programs, including the EPSCoR/STAR Fund Program, Centers of Excellence, Business Assistance Incubators, and MAMTC. The Governor recommends \$7,534,430 from the EDIF and



\$1,510,000 in federal funds to allow the Department of Commerce to manage these programs. The KTEC Board of Directors will continue to function as a part of the Department to make recommendations on grant awards and to make decisions on the investment portfolio of KTEC Holdings, Inc., which is the holding company created by KTEC to make direct investments in early-stage companies. Under the restructuring of KTEC into the Department of Commerce, no new investment dollars are provided, however it will be necessary for the Board to make decisions on prior investments. The operating expenses of managing the KTEC grant programs, including expenses of the Board, will be funded from the existing resources of the EDIF Block Grant. Further discussion of the agency's budget can be found in the section on the Economic Development Initiatives Fund.

### **Kansas Technology Enterprise Corp.**

The Kansas Technology Enterprise Corporation (KTEC) provides research support, direct company investments, and business assistance. The Governor recommends \$13,144,797, including \$11,083,876 from the EDIF in FY 2009. The Governor's recommendation for FY 2009 includes lapsing \$1,387,566 from its EDIF appropriation, including reducing expenditures in the Investment Program by \$1.0 million, reducing contractual services expenditures by \$240,645, and by substituting agency fee funds and federal funds for \$146,921 in expenditures that were previously funded from the EDIF. If the agency has already spent all or part of the of the funds that are to recommended to be reduced from the Investment Program, then operating expenses of the agency will have to be reduced.

The Governor recommends transferring the business development programs of KTEC to the Department of Commerce in FY 2010 in order to generate cost savings by consolidating the state's economic development efforts into one agency. The Department of Commerce will manage the grant programs of KTEC with considerably lower overhead expenses. While funding for the Investment Program is temporarily suspended in FY 2010, the Department of Commerce will continue to operate the EPSCoR/STAR Fund Program and provide operational support to the Centers of Excellence, Business Assistance Incubators, and MAMTC.

### **Kansas, Inc.**

Kansas, Inc. is the state's economic development "think tank." It undertakes planning for the economic development of the state. The Governor recommends \$586,456, including \$321,139 from the EDIF in FY 2009 for the agency's operating budget and research program. The Governor's recommendation for FY 2009 includes lapsing \$94,224 from its EDIF appropriation, including \$8,307 identified by the agency to reduce its FY 2009 EDIF approved budget by 2.0 percent, \$20,827 to eliminate a part-time Office Assistant Position, and by substituting agency fee funds for \$65,090 in expenditures that were previously financed from the EDIF.

For FY 2010, the Governor recommends that Kansas, Inc. be abolished. The economic development policy research and strategic planning of the State of Kansas will now be solely managed within the existing resources of the Department of Commerce.

### **Kansas Lottery**

The Kansas Lottery strives to produce the maximum amount of revenue for the state and to maintain the integrity of all games. The Kansas Expanded Lottery Act authorizes the Kansas Lottery to be the owner of electronic gaming machines at parimutuel racetracks and at gaming operations at four state-owned destination casinos. The Kansas Lottery will be responsible for collecting and distributing revenue from state-owned gaming facilities. Lottery expenditures are funded through revenues generated from the sale of lottery tickets and through the reimbursement of expanded lottery expenses directly from gaming facility managers. The Kansas Lottery is mandated by statute to remit all excess revenues from the sale of lottery tickets to the State Gaming Revenues Fund (SGRF). The agency does not receive monies from the State General Fund, and no tax-generated revenue sources are used to support the Kansas Lottery.

The Governor recommends total expenditures of \$50,901,225 with 99.00 FTE positions for FY 2009, a substantial decrease in expenditures as compared to the approved budget. The reduction is a result of eliminating \$25.6 million that was estimated to be paid to gaming facility managers and to cities and counties

where gaming facilities were anticipated to open in FY 2009. However, a number of factors have delayed the opening of gaming facilities. Parimutuel racetrack owners have been unable to reach an agreement with the Kansas Lottery on a contract to place electronic gaming machines at their facilities. Three gaming facility managers, which had been selected to manage destination casinos at three separate locations across the state, withdrew their applications before the management contract became binding. The Kansas Lottery is now required to reopen the bidding process in order to receive new proposals from potential managers.

For FY 2009, the Governor recommends a minimum transfer of \$74.0 million to the SGRF, which is the amount approved by the 2008 Legislature. Lottery ticket sales are estimated to be \$248.0 million in FY 2009, including an estimated \$4.0 million from veterans benefit games. The Governor recommends the agency reduce its operating expenditures and to find new ways to increase its lottery ticket sales in order to make the required \$74.0 million transfer in FY 2009. The Expanded Lottery Act Revenues Fund (ELARF) is estimated to receive \$5.5 million in FY 2009 from the privilege fees paid by the lottery gaming facility manager in Ford County.

The Governor recommends \$76,732,650 in expenditures with 99.00 FTE positions for FY 2010. It is estimated that the destination casino in Ford County will begin operations in FY 2010. It is estimated that gaming facility managers will receive \$22.3 million in FY 2010, which will be paid out of the Kansas Lottery's budget. In addition, Dodge City and Ford County will receive a total of \$916,279 in payments for FY 2010.

The Governor recommends total transfers of \$75.0 million to the SGRF on estimated total ticket sales of \$256.0 million for FY 2009. The Lottery estimates \$4.0 million in veterans benefit games which are included in the overall FY 2010 sales target. The Governor recommends that the agency continue to reduce its operating expenditures and to find new ways to increase its lottery ticket sales in order to make the recommended \$75.0 million transfer in FY 2010. The ELARF is estimated to receive \$56,719,383 in FY 2010, including \$50.0 million from privilege fees paid by lottery gaming facility managers and \$6,719,383 from gaming facility revenue generated at the Ford

County casino. A complete explanation of receipts to the Expanded Lottery Act Revenues Fund and the State Gaming Revenues Fund can be found in the Budget Issues section of this volume.

## **Kansas Racing & Gaming Commission**

The Racing and Gaming Commission consists of three separate programs: Racing Operations, Expanded Lottery Act Regulation, and Tribal Gaming Regulation.

**Racing Operations.** The Racing Operations Program regulates statewide horse and dog racing activities across the state, including the conduct of races, parimutuel wagering, and the collection of parimutuel taxes, admission taxes, and licensing fees. These fees are deposited in the State Racing Fund, with any excess receipts going to the State Gaming Revenues Fund, which supports economic development, capital projects at adult correctional institutions, and local juvenile detention facilities. However, the revenue from racing activities has continued to decline and the agency has not made a transfer to the State Gaming Revenues Fund since FY 2004.

The Governor recommends \$1,652,163 for the Racing Operations Program in FY 2009, including, \$729,296 from the State Racing Fund and \$922,867 from agency fee funds. This program regulated the racing activity that occurred at the Woodlands Racetrack before it closed in August 2008. Racetrack owners indicate that they are unable to make a sufficient profit operating a parimutuel racetrack with electronic gaming machines under the current revenue distribution formula. It appears that all parimutuel racetracks will remain closed for the foreseeable future. This program will continue to have expenditures for the remainder of FY 2009 related to auditing, licensing, and closing down operations. The Racing Operations Program will spend the remaining balances of its racing related fee funds in FY 2009. The Governor recommends 6.47 FTE positions for the Racing Operations Program in FY 2009. Unless a parimutuel racetrack reopens, no expenditures or FTE positions will be required for the Racing Operations Program in FY 2010.

**Expanded Lottery Act Regulation.** The Expanded Lottery Act Regulation Program ensures compliance with the Kansas Expanded Lottery Act and ensures

that gaming is conducted in accordance with applicable laws. Responsibilities include background investigations on all gaming employees, management contractors, manufacturers and distributors seeking licensure at gaming facilities located in this state; investigation of any alleged violations of the Kansas Expanded Lottery Act; and auditing of net gaming revenue at each gaming facility.

The Governor recommends \$6,688,216 for the Expanded Lottery Act Regulation Program in FY 2009. The Governor's recommendation includes \$3,449,070 in additional expenditures compared to the agency's FY 2009 approved budget. The Expanded Lottery Act Regulation Program will now be responsible for a larger share of the remaining FY 2009 overall agency overhead expenses due to the substantial reductions in the Racing Operations Program related to the closing of the Woodlands Racetrack. Additional expenses will also be required to allow the agency to provide the necessary regulation and oversight of the gaming facility in Ford County, including the inspection of electronic gaming machines before they are placed at the new casino. The agency will be responsible for the additional expenses related to the Lottery Gaming Facility Review Board, which will be responsible for reviewing and selecting the three new managers of destination casinos in locations that have been reopened to new proposals. The Board will select each manager that will provide the highest economic benefits to the state.

A Pooled Money Investment Board loan financed the initial expenses of the agency's regulation activities and it was to be repaid once gaming facility managers are selected. The delay in selecting new managers delays repayment of the agency's loan in FY 2009. The Governor recommends extending the date required to repay the loan by one year until June 30, 2010, which will allow newly selected gaming facility managers to be assessed all of the costs of regulation and allow the agency to repay the loan with interest. The Governor encourages the agency to continue to monitor and evaluate current and future staffing needs of its Expanded Lottery Act Regulation Program. With uncertainty as to when additional gaming facilities will be operational, the agency must proceed with caution. The recommendation also includes decreasing the FTE limitation for this program from 58.75 FTE positions to 49.53 FTE positions in FY 2009.

The Governor recommends \$6,485,908 for the Expanded Lottery Act Regulation Program in FY 2010. The recommendation will allow the agency to provide the necessary regulation and oversight of the gaming facility set to open in Ford County in fall 2009 and to regulate the operations of newly selected gaming facility managers, which could begin operations in early FY 2011. It is estimated that the Racing and Gaming Commission will repay its \$5.0 million loan plus interest in FY 2010 with revenue collected from selected gaming facility managers. To avoid double counting expenditures, the \$5.0 million loan principal payment is shown as a non-reportable expenditure in the Expanded Lottery Act Regulation Program since the agency has previously made reportable expenditures from these loan proceeds. The \$679,730 in interest payments on this loan is shown as a reportable expenditure in the debt service expenditure category. The Governor recommends 49.53 FTE positions for the Expanded Lottery Act Regulation Program in FY 2010.

**Tribal Gaming Regulation.** The Tribal Gaming Regulation Program fulfills the state's responsibilities relative to the State-Tribal Compacts and the Tribal Gaming Oversight Act in the regulation of tribal gaming in Kansas. Responsibilities include conducting background checks of tribal gaming employees, monitoring compliance with internal controls and gaming rules, and monitoring compliance with licensing criteria. The Governor recommends \$1,897,270 for the Tribal Gaming Regulation Program in FY 2009, which is a reduction of \$38,646 or 2.0 percent from its FY 2009 approved budget. The Governor recommends \$1,819,338 in FY 2010. The Governor recommends 24.00 FTE positions for the Tribal Gaming Regulation Program in both FY 2009 and FY 2010. All expenses of the Tribal Gaming Regulation Program are financed through the Tribal Gaming Fund, which is capitalized through assessments to the state's four tribal casinos.

## **Department of Revenue**

The Department of Revenue collects taxes for the state. The Department's responsibilities also include registration of motor vehicles, licensure of drivers, and regulation of the alcoholic beverage industry. The Governor recommends \$100,536,669 from all funding sources for FY 2009, which includes \$20,795,859

from the State General Fund. The revised total budget represents an increase of approximately \$2.3 million from the agency's approved budget. It should be noted, though, that approximately \$1.9 million of this increase is associated with increased expenditures from the Special County Production Tax Fund, a distribution of monies to local governments. This increase is offset by a 3.0 percent reduction across all agency programs from the State General Fund; a decrease of \$200,000 from the Kansas Qualified Biodiesel Fuel Producer Incentive Fund; and reduced expenditures from the Division of Vehicles Operating Fund of \$565,000. The Governor's recommendation also includes suspending a transfer of \$800,000 from the State General Fund to the Kansas Retail Dealers Incentive Fund and increasing budgeted staff turnover by approximately \$170,000.

For FY 2010, the Governor recommends \$117,593,076 from all funding sources, which includes \$19,473,899 from the State General Fund. The increase in total expenditures over the current year is attributable to implementation of the Division of Vehicles Modernization Project which was authorized by the 2008 Legislature and funded from a special assessment on motor vehicle registrations. The Governor's recommendation also includes increasing budgeted staff turnover by approximately \$1.0 million; reducing expenditures from the Kansas Qualified Biodiesel Fuel Producer Incentive Fund by \$200,000; and replacing \$400,000 from the State General Fund with additional expenditure authority from the Division of Vehicles Operating Fund. Additionally, the Governor recommends increasing the agency's budget by approximately \$155,000 to fund operating expenditures for the Information Network of Kansas.

The recommendations for both fiscal years is planned to finance 1,111.50 positions, including other operating expenses, and allow the agency to provide necessary services for the public.

## **Court of Tax Appeals**

The 2008 Legislature renamed the Board of Tax Appeals, the Court of Tax Appeals. The purpose of the agency is to ensure that all property in the state is assessed in an equal and uniform manner. The agency is a specialized court within the executive branch that hears appeals from taxpayers regarding property tax issues concerning exemptions or valuation questions. The Court resolves conflicts on issues between many taxing authorities and the taxpayers of the state, corrects tax inequities, determines when properties qualify for an exemption from taxation, authorizes taxing subdivisions to exceed current budget limitations, and issues no-fund warrants.

For FY 2009, the Governor recommends \$2,272,903 from all funding sources, including \$1,626,669 from the State General Fund. The recommendation for FY 2009 reduces expenditures by 3.0 percent from all funding sources. An additional reduction of \$145,000 from the State General Fund was applied and offset with additional expenditure authority from the agency's fee fund.

For FY 2010, the Governor recommends \$2,136,902 from all funding sources, including \$1,586,859 from the State General Fund. In both fiscal years the remainder of the Court's financing is from fee funds, in support of 26.00 FTE positions.

## Biennial Budget Agencies

<b>Biennial Agencies</b>				
	<u>FY 2009 Approved</u>	<u>FY 2009 Gov. Est.</u>	<u>FY 2010 Gov. Est.</u>	<u>FY 2011 Gov. Rec.</u>
Abstracters Board	21,814	21,160	21,207	21,854
Board of Accountancy	366,775	315,893	304,992	326,861
State Bank Commissioner	9,136,999	8,438,921	8,347,308	8,914,436
Board of Barbering	155,851	142,692	137,655	144,251
Behavioral Sciences Board	657,222	610,371	581,336	624,847
Board of Cosmetology	856,333	798,593	755,501	790,229
Department of Credit Unions	894,662	877,990	876,497	949,371
Kansas Dental Board	395,501	380,950	361,976	382,560
Governmental Ethics	715,706	699,843	659,613	699,828
Board of Healing Arts	3,259,578	3,601,944	3,755,815	3,941,681
Hearing Instruments Board	29,511	28,626	29,922	31,297
Board of Mortuary Arts	307,620	269,488	265,102	287,975
Board of Nursing	1,907,532	1,869,488	1,767,760	1,817,328
Board of Optometry	130,411	126,499	138,149	144,936
Board of Pharmacy	836,725	694,115	734,616	786,435
Real Estate Appraisal Board	326,818	316,050	309,299	341,118
Real Estate Commission	1,305,754	1,091,988	1,182,193	1,276,092
Securities Commissioner	3,231,078	2,875,503	2,767,572	2,944,146
Technical Professions	635,160	584,269	576,291	619,188
Veterinary Examiners	268,925	262,051	261,162	282,293
<b>Total</b>	<b>\$ 25,439,975</b>	<b>\$ 24,006,434</b>	<b>\$ 23,833,966</b>	<b>\$ 25,326,726</b>

The 1994 Legislature authorized a biennial budgeting process for regulatory agencies, beginning in FY 1996. These agencies are general government agencies that regulate a profession or an industry. At the time biennial budgets were initiated, all agencies were funded entirely from fees charged to licensees. In FY 2001, the Governmental Ethics Commission became the only biennial agency with a State General Fund appropriation.

Biennial agencies are relatively small both in size of budget and number of staff. Recommended amounts in FY 2011 range from \$21,854 for the Abstracters Board to \$8,914,436 for the Banking Department. One agency employs no full-time staff, the Abstracters Board, and the Banking Department's recommended

99.00 FTE positions represent the largest staff among this group of agencies.

The 2007 Legislature enacted the current budget for FY 2009 for the biennial agencies. As with all state agencies, the Governor recommends operating reductions, and in the case of the fee agencies, transferring the amount saved by the reductions to the balances of the State General Fund. The total amount swept from agency fee funds and transferred to the State General Fund resulting from these budget reductions is \$1,433,541 in FY 2009.

The Governor's budget recommends \$23.8 million for all 20 biennial agencies for FY 2010, the first year of the new biennium, and \$25.3 million for FY 2011.

This includes a State General Fund appropriation of \$478,031 in FY 2010 and \$520,214 in FY 2011 for the Governmental Ethics Commission. Again, operating reductions were applied in FY 2010 to create savings that may be transferred to the State General Fund. The total amount swept from agency fee funds and transferred to the State General Fund equals \$1,350,693.

The table on the previous page displays the Governor's recommendations for the biennial agencies. As no new program or initiative is recommended for any of the agencies, no specific description is provided. Agency by agency detail can be found in the schedules later in this volume, or on each agency's page in Volume 2 of *The Governor's Budget Report*.

## **Executive Branch Elected Officials**

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### **Office of the Governor**

Within the Office of the Governor, there are 38 staff members who work in the main office, the Governor's Residence, the Hispanic and Latino American Affairs Commission, the Advisory Commission on African American Affairs, and the Federal and Other Grants Office. As part of the FY 2009 reductions imposed, the Governor's budget was reduced \$360,519 by applying operating cuts to all programs.

For FY 2010, the Governor recommends a budget totaling \$12,987,747 from all funding sources, of which \$7,838,048 is from the State General Fund, \$6,413,360 is from federal funds, and \$164,964 is from special revenue funds. Operating reductions were applied across all programs to save \$247,488 from the State General Fund.

In the Federal and Other Grants Office, financing is provided to continue grants to private organizations, local governments, and other state agencies for the S.T.O.P. Violence against Women Act, Victims of Crime Act, Family Violence Prevention and Services Act, State Access and Visitation Program, Sexual Violence Prevention and Education, the Governor's portion of Safe and Drug Free Schools and Communities Act, Byrne Memorial Justice Assistance Grant, Residential Substance Abuse Treatment, National Forensic Sciences Improvement Act, and Bullet Proof Vest Program.

### **Office of the Lieutenant Governor**

With its staff of 3.50 FTE positions, the current year budget for the Lieutenant Governor was reduced 19.8 percent from the approved level to \$203,947. For FY 2010, \$173,210 from the State General Fund is recommended in ongoing support of the Office, a reduction of 15.0 percent from the current year.

### **Attorney General**

The Attorney General is a constitutionally-elected officer of the state's Executive Branch of government

and is responsible for defending the legal interests of the State of Kansas in all actions and proceedings, civil or criminal. Key responsibilities of the office include enforcement of the state's Consumer Protection, Charitable Solicitations, and Charitable Trust Acts. Coordination of the Crime Victims Compensation Board and the Child Death Review Board are also major responsibilities.

For FY 2009, the Governor recommends \$19,550,997, including \$5,111,224 from the State General Fund. The recommendation includes reducing State General Fund expenditures by \$148,907 in order to account accurately for actual filled positions and other reductions to the operating budget. The recommendation also includes an \$185,221 switch of funding from the State General Fund to agency fee funds. Also, the recommendation includes 4.00 FTE positions to support the enforcement of the Tobacco Master Settlement Agreement. The agency was given \$500,000 from the Kansas Endowment for Youth Fund during the 2008 Legislative Session, to support the new positions.

The agency carried forward approximately \$1.3 million in its Interstate Water Litigation Fund from FY 2008 into FY 2009. Also, \$1,560,000 was transferred from the State General Fund to the Interstate Water Litigation Fund in July 2008. This fund in FY 2008 had expenditures of \$350,857. Therefore, the recommendation is to transfer the \$1,560,000 back to the State General Fund, leaving approximately \$1.3 million for the agency to spend on water litigation expenditures. Furthermore, the FY 2009 recommendation includes transferring \$1.5 million from the Medicaid Fraud Prosecution Revolving Fund to the State General Fund.

The Governor recommends \$17,544,017, including \$4,955,463 from the State General Fund for FY 2010. The recommendation includes a reduction to the State General Fund of \$85,102 for operating expenditures. The recommendation also includes switching \$185,747 of expenditures from the State General Fund to agency fee funds. Although the agency included \$2,188,880 for interstate water litigation expenditures in its request, it was reduced as it is estimated that the agency will have funds to carry forward into FY 2010.

## Insurance Department

The Insurance Department works to protect the insurance consumers of Kansas to assure an affordable, accessible, and competitive insurance market and to serve the public interest through the supervision, control, and regulation of persons and organizations authorized to transact the business of insurance in the state. The Insurance Department is divided into seven programs: Insurance Company Regulation, Insurance Company Examination, Firefighters Relief Fund, Workers' Compensation, Group-Funded Workers Compensation, Municipal Group-Funded Pools, and Debt Service and Capital Improvements. The Insurance Company Regulation program is composed of several divisions including Administrative, Legal, Consumer Assistance, Financial Surveillance, Accident and Health, Property and Casualty, Life, Anti-Fraud, and Government and Public Affairs. Taxes, fees, or special assessments on insurance companies generate most of the agency's revenues.

The Governor recommends \$24,040,565 from all funding sources for FY 2009. The recommendation includes a reduction of \$472,357 to transfer to the State General Fund. Also for FY 2009, the Governor also recommends one-time transfers of \$5.0 million from the Insurance Department Service Regulation Fund and \$3.0 million from the Workers Compensation Fund to the State General Fund. The Governor recommends \$24,133,586 from all funding sources for FY 2010. The recommendation includes a transfer of \$497,961 to the State General Fund. This reduction increases the agency's shrinkage rate to 8.3 percent for FY 2010. Although the agency's budget is reduced and monies are slated to be transferred out, the agency will continue its regulatory functions.

## Secretary of State

The primary duties of the Office of the Secretary of State are to register corporations doing business in the state; supervise and provide assistance to local election officers in all elections; implement the Help America Vote Act; and administer the State Uniform Commercial Code. The Secretary of State also appoints notaries public, maintains a registry of trademarks, and supervises the engrossing of all legislative acts and compilation of the *Session Laws of*

*Kansas*. The Governor recommends a revised FY 2009 budget of \$6,029,428, which represents a reduction in expenditures of \$186,500, or 3.0 percent, from the FY 2009 approved amount. The resulting savings are recommended to be transferred to the State General Fund

For FY 2010, the Governor recommends expenditures totaling \$7,568,735. The FY 2010 recommendation includes \$165,117 in fee fund expenditures for the agency to begin the process of making adjustments to the federal decennial census; \$1,454,960 in additional federal fund expenditures for the Help America Vote Act (HAVA) program; and \$250,000 in fee fund expenditures for publishing a complete set of *Kansas Administrative Regulations*. Factoring out these additional expenditures and excluding the statewide agency reductions related to benefits, the FY 2010 recommendation represents a reduction of approximately 4.0 percent from the revised FY 2009 recommendation. The Governor's recommendation for FY 2010 includes transferring \$241,600 to the State General Fund.

## State Treasurer

A statewide elected officer, the State Treasurer is responsible for the timely receipt and deposit of all monies, excluding those of the Kansas Public Employees Retirement System, to state bank accounts. The Municipal Bond Services Program is responsible for the registration of all municipal bonds issued in the state. The Unclaimed Property program administers disposition of the Unclaimed Property Act which provides that the State Treasurer takes possession of specified types of abandoned intangible property, becomes the custodian in perpetuity, and attempts to return the property to the rightful owner. The Postsecondary Education Savings Program permits people to contribute to education savings accounts to pay postsecondary education expenses for individuals they designate or for themselves. Investment of state monies and the money of cities, counties, schools and other local governments is made by the State Treasurer through the Pooled Money Investment Board and the Municipal Investment Pool to maximize interest earnings. The Governor recommends \$62,156,713 for FY 2009 and includes an estimated \$12.5 million in property claim payouts and \$44.8 million for the Business Machinery Equipment and the Railroad



Machinery & Telecommunication transfers to local governments. The FY 2009 recommendation includes \$3,435,713 from all funding sources for the operation of the State Treasurer's office. The recommendation includes a reduction of \$105,419 in the agency's program operating expenditures. The funds are transferred to the State General Fund in FY 2009.

For FY 2010, the Governor recommends \$17,338,590 from all funding sources. The recommendation includes a reduction of \$193,614 from the various program's operating expenditures. The Governor does not recommend the State General Fund transfer for the Business Machinery Equipment and the Railroad Machinery & Telecommunication transfer to locals in FY 2010, nor does she include the LAVTR transfer.

**Pooled Money Investment Board.** The Pooled Money Investment Board is responsible for its own

administrative functions, although it is a part of the State Treasurer's budget. The 7.00 FTE positions in this program manage the investment pool of state monies and designate various state bank depositories for state and special monies in demand deposit and interest-bearing accounts. For FY 2009, the Governor recommends \$783,487 from the program's fee fund. The Governor also recommends a transfer of \$25,716 in FY 2009 from the agency's fee fund to the State General Fund. For FY 2010, the Governor recommends \$754,526, all from the agency's fee fund. The FY 2010 recommendation includes a transfer of \$30,710 from the agency's fee fund to the State General Fund. The Pooled Money Investment Board's responsibilities include active management and administration of the Kansas Municipal Investment Pool. Total balances, which include deposits and earned interest for cities, counties, and schools were \$908.0 million at the end of October 2008.

## Legislative Branch Agencies

In support of the Legislature's operations, four staff agencies and the Legislature itself each have separate budgets. These agencies reduced their current year operations by 2.0 percent, or \$941,337. No operating reduction has been applied to FY 2010. For these five legislative agencies, \$28,866,684 from all funding sources are included in the Governor's budget for FY 2010, of which \$28,737,477 is from the State General Fund and \$129,207 is from special revenue funds in the Legislature's budget. These totals are the same as what the legislative agencies submitted, except they have been adjusted for the proposed statewide adjustments that were applied to all state agencies, providing savings in expenditures to the KPERs Death and Disability Fund and the state health insurance program. FTE positions for the legislative agencies are estimated to total 146.50 for FY 2010.

### Legislative Coordinating Council

The Legislative Coordinating Council coordinates the delivery of administrative services on behalf of the Legislature. Members of the Council receive reimbursement for travel expenses when attending meetings. The primary expense in this budget is for Legislative Administrative Services, with salaries and operating expenses for 11.00 FTE positions. For FY 2010, the Governor includes \$779,855 for this agency, all of which is from the State General Fund.

### Legislature

The Governor's budget totals \$18,174,555 from all funding sources for the Kansas Legislature. Of that amount, \$18,045,348 is from the State General Fund and the balance is from the Legislative Special Revenue Fund. The Legislative Branch Computer Strategic Plan Initiative has been placed on hold for FY 2010.

### Legislative Research Department

Estimated expenditures for the Legislative Research Department total \$3,673,620 from the State General Fund. The Department's FTE positions will remain at 40.00. The budget includes temporary staff to collect and digitize precinct maps in preparation of the 2010 census.

<b>Legislative Agencies</b>		
	FY 2009 Gov. Est.	FY 2010 Gov. Rec.
Legislative Coord. Council	\$ 799,381	\$ 779,855
Legislature	18,550,279	18,174,555
Leg. Research Dept.	3,849,709	3,673,620
Legislative Post Audit	2,808,623	2,750,359
Office of the Revisor	3,838,714	3,488,295
Total	\$ 29,846,706	\$ 28,866,684

### Legislative Division of Post Audit

Included in the Governor's budget for the Legislative Division of Post Audit is \$2,750,359, all of which is from the State General Fund. This level of funding will allow the Division to maintain the same level of staff at 27.00 FTE positions. Funds of \$220,500 are included in FY 2009 and \$214,000 for FY 2010 for the statewide financial-compliance audit.

### Revisor of Statutes

For FY 2010, a total of \$3,488,295 from the State General Fund is included in the Governor's budget. The Revisor's Office provides bill drafting services for the Legislature and publishes annual supplements and replacement volumes for the *Kansas Statutes Annotated*. The budget plans \$407,565 for printing costs in FY 2010.

# Judicial Branch Agencies

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## Judiciary

The seven-member Supreme Court, Kansas' highest court, is charged with the supervision of the state's unified court system. The 13-member Court of Appeals is an intermediate appellate court and has jurisdiction over all appeals for the district courts, except appeals from a district magistrate judge and direct appeals to the Supreme Court. The state has 31 judicial districts, 167 district court judges and 79 magistrates. One district judge can serve several counties in sparsely populated areas. In the more populated counties a district could have multiple judges. In Wichita, the 18th Judicial District, there are 28 district court judges.

In FY 2009, the district courts have 1,697.80 FTE employees, while the Judiciary as a whole has 1,855.30 FTE employees. In FY 2010, the Judiciary plans to add the 14th Court of Appeals Judge and two support staff and three staff members to implement the new risk level assessment program for felons subject to supervision beginning in FY 2011. The program was established by the 2008 Legislature.

With the enactment of KSA 75-3718, the Governor is required to submit the Judiciary's budget to the Legislature without recommendations. The Judiciary's budget requests includes funding for the Kansas Supreme Court, Court of Appeals, judicial and professional review boards and commissions, and most of the personnel costs of 105 courts. The Judiciary request for FY 2009 is \$126,889,082, including \$112,424,310 from the State General Fund. The Judiciary has chosen to carry forward \$562,112 of its State General Fund budget from FY 2009 into FY 2010. Planned expenditures for FY 2009 would be \$126,326,970, including \$111,862,198 for the State General Fund.

For FY 2010 the request is \$128,018,808, including \$113,879,888 from the State General Fund. A reduction of \$3,639,032, including \$3,328,272 from the State General Fund was made consistent with all

other state agencies' reductions in health insurance and KPERS death and disability costs to bring the budget to \$124,379,776, including \$110,551,616 from the State General Fund. The State General Fund supports approximately 89.0 percent of expenditures and with docket fees the second largest source of funding.

## Judicial Council

The Judicial Council was created in 1927 to review the volume and condition of business in the courts, the methods of court procedure, the time between the initiation of litigation and its conclusion, and the condition of dockets compared to finished business at the close of the term. This is still true; however, its responsibilities have increased. The Council recommends legislation based on its findings and prepares and publishes numerous documents for use by the legal community.

The 2006 Legislature created the independent Kansas Commission on Judicial Performance. The Judicial Council hired three employees to provide staffing for the Commission making a total of seven employees. The Commission is charged with developing and conducting performance evaluations of Kansas judges and distributing its findings. Funding is from increased docket fees and is included in the Council's budget. The 2007 Legislature created the Recodification Commission. This independent 16-member commission is charged with the recodification of criminal statutes.

For FY 2009, the Governor recommends \$1,441,525, including \$158,210 from the State General Fund. That includes a \$3,000 reduction from the agency's State General Fund request. The recommendation for FY 2010 is \$1,438,064. As part of the FY 2010 recommendation, the State General fund was exchanged for special revenue funds. This funding is identified for the Recodification Commission, which sunsets at the end of FY 2010. The change in funding will not have an affect on the operation of the agency.

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# Human Services

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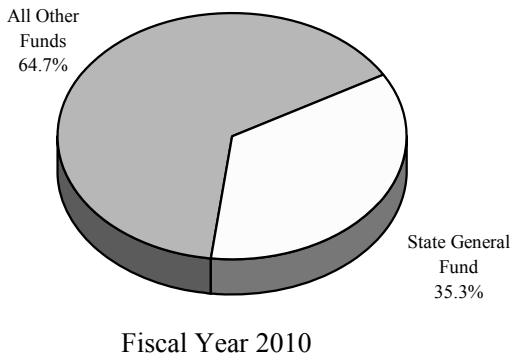


# Human Services Summary

The Human Services function of state government contains the agencies that provide a variety of financial assistance programs to Kansans. The services provided include welfare assistance; medical services; unemployment insurance benefits; care and counseling for veterans, the elderly, developmentally disabled, and mentally ill; and preventive health services through local health departments.

The budget also funds the anticipated number of children in reintegration and foster care for children awaiting permanent homes. For FY 2010, efficiencies were gained in streamlining and reducing administrative costs of foster care case management into one contract in each of the five regions, rather than having foster care services as a requirement in both the contracts of family preservation and foster care. The Governor's recommendation reflects a reduction of \$15.1 million, including \$14.1 million from the State General Fund, to reflect these renegotiation savings.

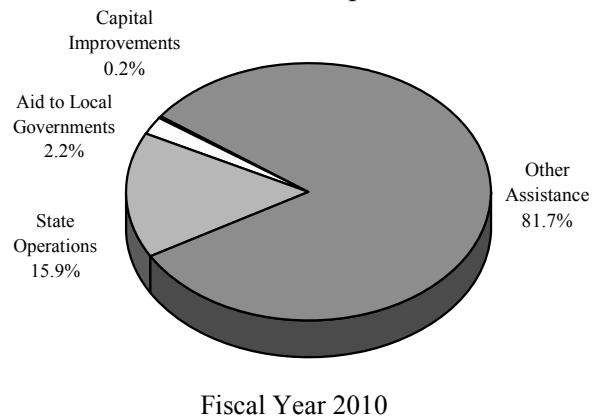
## How It Is Financed



The Governor recommends expenditures totaling \$4,237.7 million in FY 2009, of which \$1,506.8 million is from the State General Fund. For FY 2010, a total of \$4,148.0 million is recommended, of which \$1,462.6 million is from the State General Fund. The Governor recommends funding for 8,209.13 FTE positions and 343.07 non-FTE unclassified permanent positions in FY 2010.

The Medicaid Regular Medical Program is estimated to increase by \$86.3 million in FY 2010 because of rising health care costs as well as increases in the number of estimated people served. However, the Governor has recommended several cost saving initiatives that will reduce expenditures by an estimated \$32.6 million, including \$22.8 million from the State General Fund. The budget recommendation includes total caseload expenditures for welfare and medical assistance to the poor, disabled, and aged of \$2.2 billion from all funding sources. Expenditures from the State General Fund for these caseload items total \$870.6 million.

## How It Is Spent



The recommendation includes funding to serve over 18,000 Kansans in a cost-effective manner that respects their desire for independence by providing them the choice to remain in the comfort and stability of their own home and community. The FY 2010 budget also includes funds for long-term care, the Senior Care Act, nutrition services, and a dental services waiver for the frail elderly. Funding will provide 3.5 million meals to the elderly under the Older Americans Act Meals Program, financed partly by the income tax Meals on Wheels Check-off. Health and Environment's budget contains \$317,876 from the Children's Initiatives Fund for Newborn Screening. Unemployment benefits paid to individuals are expected to be \$354.4 million for FY 2009 and \$317.6 million in FY 2010. Additional resources are provided to Larned State Hospital to address higher census levels.

## Social & Rehabilitation Services

The Governor's recommendations for the Department of Social and Rehabilitation Services total \$1,604.5 million for FY 2009 and \$1,513.5 million for FY 2010. They include State General Fund expenditures of \$686.6 million in the current year and \$637.6 million in FY 2010. The recommended budget includes salaries and wages for 3,754.43 positions in FY 2010. Of the FY 2010 expenditures recommended by the Governor, \$1,158.3 million, or 76.2 percent, finances assistance payments to individuals or to vendors who provide medical or other services to individuals in need. A total of \$39.1 million, or 2.6 percent, finances aid to local governments, which in turn provide services to agency clients. The recommendation for state operations in FY 2010 totals \$308.5 million, including the staffing costs for coordinating social services, administering SRS area offices and associated branch offices, and providing vocational rehabilitation services to agency clients. Finally, the Governor recommends \$10.8 million in FY 2010 for capital improvements at state institutions and agency offices. The capital improvement recommendation includes debt service for past bond issues for a state security hospital at Larned and for rehabilitation and repair projects at Larned and Osawatomie State Hospitals.

enforcement procedures, and established work requirements for those families receiving cash assistance.

The TANF Program is funded from a \$101.9 million appropriation from the federal government and a state match of \$62.0 million. The state match is known as maintenance of effort and is the minimum amount the state must spend, as required by the federal government to receive the TANF block grant. The state was able to reduce its maintenance of effort from \$70.4 million in FY 1998 to the current level by successfully complying with federal back-to-work requirements for welfare recipients. Beginning in FY 2001, SRS was also allowed to count refunds paid through the Earned Income Tax Credit as part of the state maintenance of effort. As part of the program expenses, the agency will transfer up to \$7.2 million to the Social Services Block Grant to finance existing social service programs. A yearly transfer is also made to the Child Care Development Fund (CCDF), which is used to finance the state's day care programs for low-income working families. The table below shows that the Temporary Assistance to Families Program caseloads are expected to increase in FY 2010 by \$2.6 million.

## Economic & Employment Assistance

**Welfare Reform.** The federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 replaced the original welfare program, Aid to Families with Dependent Children. The new law ended the statutory entitlement to assistance and instituted a five-year lifetime eligibility limit. The new Temporary Assistance for Needy Families (TANF) Program, illustrated in the table on this page, provides financial assistance to poor families with dependent children based on income and family size. Families with income less than 32.0 percent of the federal poverty level may qualify for assistance. All families receiving Temporary Assistance to Families, the state's version of TANF, are eligible for Medicaid. Welfare reform also gave Kansas more flexibility to design public assistance programs, but it also added reporting requirements on the state, mandated child support

### Temporary Assistance to Needy Families

(Dollars in Millions)

	FY 2008	FY 2009	FY 2010
Beginning Balance	\$14.5	\$18.5	\$18.1
Revenue:			
Federal TANF Grant	101.9	101.9	101.9
Total Revenue Available	\$116.5	\$120.4	\$120.1
Transfers:			
Child Care Development Fund	(23.3)	(23.4)	(23.4)
Social Services Block Grant	(7.2)	(7.2)	(7.2)
Expenditures:			
Administration	3.2	3.8	3.8
Program Staff	12.6	14.7	14.3
Temporary Assistance for Families	18.2	18.4	21.0
Employment Services	11.2	12.4	12.4
Children's Services	20.9	21.0	23.2
Alcohol & Drug Abuse Services	1.4	1.4	1.4
Total Expenditures	\$67.5	\$71.7	\$76.1
Ending Balance	\$18.5	\$18.1	\$13.4

\* Totals may not add because of rounding.

**Child Care Rates & Caseloads.** As part of its welfare reform strategy, the state places a priority on keeping low-income families working, rather than providing direct cash assistance. To this end, the agency encourages work by providing child care assistance. To be eligible, families must work at least 30 hours each week and be at or below 185.0 percent of the federal poverty level. To ensure compliance with federal reimbursement guidelines, the rates are reviewed biennially. The Governor's recommendation provides the resources necessary to subsidize child care for an average of 22,000 children each month in FY 2009 and 21,181 children each month in FY 2010. The Governor's recommendation fully funds the current estimates for child care needs. The table on this page details the history of the program.

Child Care					
Fiscal Year	Persons Served	Percent Change	Total (\$000)	Avg. Cost	Percent Change
2002	16,151	5.5	50,815	262.19	3.3
2003	16,723	3.5	54,487	271.52	3.6
2004	17,358	3.8	57,285	275.02	1.3
2005	18,721	7.9	63,090	280.84	2.1
2006	19,527	4.3	74,748	319.00	13.6
2007	21,025	7.7	76,928	304.91	(4.4)
2008	21,211	0.9	78,060	306.68	0.6
2009	22,000	3.7	81,840	310.00	1.1
2010	21,181	(3.7)	80,115	315.20	1.7

**Temporary Assistance to Families.** In FY 2009, the Governor recommends \$48.2 million to finance benefits for an average of 34,280 persons each month. For FY 2010, caseloads are expected to increase to an average of 38,605 persons each month, for total assistance of \$50.0 million. In addition, the Governor's recommendation for FY 2010 integrates the Grandparents as Caregivers Program into the Temporary Assistance to Families Program which adds \$812,736 from TANF funds for total program expenditures of \$50.8 million. The Grandparents as Caregivers Program provides financial assistance to low income grandparents or relatives who care for a grandchild. This recommendation will continue benefits to grandparents and relatives with TANF funding. In two areas, program requirements are more lenient in the Temporary Assistance for Families Program. While the Grandparents as Caregivers Program requires the adult's income to fall below 130.0 percent of the federal poverty level, no income

is considered in the relative TAF program. In addition, grandparents and relatives would be relieved of the requirement to obtain legal custody of the child. However, the programs differ in two respects: the benefits under the TAF program are lower, and the grandparent or relative will be required to cooperate in securing child support. The Governor considers the latter change constructive in that it affirms the responsibility that parents have for their children. This shift allows the use of TANF balances to replace the State General Funds presently used to finance the Grandparents as Caregivers Program. By providing almost similar services with federal sources, other more harmful State General Fund reductions may be avoided. The recommendations for this program are shown in the consensus caseload table on page \*\* along with amounts from prior years.

**General Assistance.** The consensus caseload table also displays actual and budgeted expenditures for General Assistance. The Governor recommends expenditures of \$9.6 million in FY 2009 and \$7.1 million in FY 2010. The FY 2009 amount will fund benefits to an average of 4,546 persons each month. The recommendation for FY 2010 includes limiting eligibility for General Assistance to 18 months. The General Assistance program serves low income adults with disabilities who do not qualify for any other SRS program. Cash assistance is limited to 24 months; however, a hardship provision allows extensions. A policy change in September 2006 divided the General Assistance Program into those presumed to meet federal disability requirements and those with severe but insufficiently acute disabilities to meet federal standards. Those presumed to meet the social security disability standards receive cash assistance and the broader array of medical services under the Medicaid Regular Medical Program. Those not meeting the federal standards also receive cash assistance, but receive a more limited form of medical coverage under the state-funded MediKan program. This recommendation limits those unable to meet federal disability standards to 18 months of eligibility, and revokes the hardship provision. The current consensus estimate for the General Assistance program is 4,734 monthly adults. It is estimated that 1,503 adults, representing 32.7 percent of the General Assistance caseload, will lose eligibility under this reduction. The reduction saves \$2.9 million from the State General Fund in FY 2010. This recommendation is also reflected in the SRS Regular Medical budget, where



MediKan mental health expenditures are booked and in the Medicaid Regular Medical budget of the Kansas Health Policy Authority, where MediKan medical expenditures are booked. Between the two programs the reduction totals \$14.4 million from the State General Fund. However, the recommendation adds back \$5.0 million to the KHPA budget to modernize the program by providing some basic health care and employment services aimed at re-entry into the workforce and achieving self-sufficiency. The Governor's recommendation will provide employment training to more than 23,725 low-income or disabled Kansans each month during FY 2010. The recommended budget includes \$12.5 million for employment assistance to TAF recipients and Food Stamp recipients and \$21.9 million for vocational rehabilitation.

**Funeral Assistance.** The Funeral Assistance program contributes a maximum of \$675 for funeral expenses. To receive funeral assistance, the deceased must have been a recipient of SRS services. Those qualifying for funeral assistance must have assets below \$2,000. The Governor's recommendation eliminates the Funeral Assistance Program in FY 2010. The elimination of the Funeral Assistance Program is not a reflection of the merits of the Funeral Assistance program.

However, when this program is weighed against others that affect and shape the safety and well being of children, families, and persons who are elderly and disabled, the Governor is obliged to advance this reduction.

## Health Care Programs

**Home & Community-Based Services.** In an attempt to curb Medicaid costs in nursing homes, the federal government allows states to design community programs as an alternative to institutional placements. The waived programs are matched at the state Medicaid rate. SRS currently administers five waiver programs and the Department on Aging has two. The table below illustrates the expenditures by program for home and community-based services. It illustrates the rapid growth and popularity of these programs over the past five years. The State of Kansas currently serves over 18,000 Kansans in a cost-effective manner that respects their desire for independence by providing them the choice to remain in the comfort and stability of their own home and community.

**Home & Community-Based Services for the Physically Disabled.** This waiver targets disabled

<b>Home &amp; Community-Based Services Waivers</b>					
<i>(Dollars in Thousands)</i>					
	<u>FY 2006 Actual</u>	<u>FY 2007 Actual</u>	<u>FY 2008 Actual</u>	<u>FY 2009 Gov. Est.</u>	<u>FY 2010 Gov. Rec.</u>
<b>Social &amp; Rehabilitation Services</b>					
Physically Disabled	80,981	94,424	109,428	128,418	108,121
Head Injured	5,615	8,277	8,775	8,037	8,037
Technology Assisted	185	180	121	21,573	21,573
Developmentally Disabled	221,150	248,146	274,843	289,844	285,149
Autism	--	--	16	1,248	1,248
Total SRS Waiver Programs	\$ 307,930	\$ 351,027	\$ 393,183	\$ 449,119	\$ 424,128
State General Fund Portion	\$ 121,296	\$ 138,427	\$ 157,347	\$ 178,307	\$ 169,975
<i>Percent Change</i>	<i>4.7%</i>	<i>14.0%</i>	<i>12.0%</i>	<i>14.2%</i>	<i>(5.6%)</i>
<b>Department on Aging</b>					
Frail Elderly	55,707	63,264	65,780	72,282	71,941
Targeted Case Management	4,030	4,408	5,209	5,800	5,858
Total Aging Waiver Programs	\$ 59,737	\$ 67,673	\$ 70,989	\$ 78,082	\$ 77,799
State General Fund Portion	\$ 23,562	\$ 26,880	\$ 28,349	\$ 31,296	\$ 30,878
<i>Percent Change</i>	<i>3.4%</i>	<i>13.3%</i>	<i>4.9%</i>	<i>10.0%</i>	<i>(0.4%)</i>

people between the ages of 16 and 64 who need assistance to perform normal daily activities and who are eligible for nursing facility care. The Governor recommends \$128.4 million in the current year and \$108.1 million in FY 2010. The State General Fund portions total \$51.5 million in FY 2009 and \$43.3 million in FY 2010. Since March 2008 there has been a significant increase in people eligible for this waiver and expenditures have risen considerably. The waiver currently serves more than 7,000 people and has been growing at a rate of 100 new people per month since March. The approved budget assumed 40 additional people per month and supports an average monthly caseload of approximately 5,500 people. The Governor's recommendation for FY 2009 adds \$21.0 million, including \$8.4 million from the State General Fund, in order to serve people currently on the waiver. However, beginning December 1, 2008, SRS has frozen access to the program. Through natural attrition program participants will decrease by FY 2010 and no one will have to be removed from the program.

**Home & Community-Based Services for Traumatic Brain Injuries & Technology Assistance.** These waivers target people with traumatic head injuries resulting in long-term disability and children dependent on medical technology. These waivers address one-time expenses for equipment and services, as well as respite and personal services. The Governor's budget recommendations provide \$8.0 million for traumatic brain injuries in FY 2009 and FY 2010. Unlike other waivers that SRS administers, the Traumatic Brain Injury Waiver is a rehabilitation waiver focused on assisting persons to return to the highest possible level of independence. It is important to start services as soon as possible to have the most effective treatment for persons who have experienced a traumatic brain injury. Requiring people to wait for services would reduce the effectiveness of treatment and decrease the functional outcomes for the persons waiting to be served. The Governor recommends \$21.6 million in FY 2009 and FY 2010 for the Technology Assistance waiver. Beginning in FY 2009, children who were previously served in the Attendant Care for Independent Living program were moved to the TA Waiver. This change was necessary in order to avoid losing federal Medicaid funding.

**Home & Community-Based Services for the Developmentally Disabled.** This waiver targets

adults and children who are born with a variety of developmental disabilities. Through institutional downsizing, clients are often shifted out of state hospitals or intermediate care facilities for the developmentally disabled, allowing more individuals to be served for the same amount of money. The Governor's recommendation for FY 2009 totals \$289.8 million, of which \$114.5 million is from the State General Fund. For FY 2010, the Governor recommends \$285.2 million for the developmental disabilities waiver. The amount of State General Fund monies is \$114.3 million.

**Home & Community-Based Services for the Frail Elderly.** The Governor's recommendation provides \$71.9 million for the Frail Elderly waiver and \$5.9 million for Targeted Case Management for FY 2010. The programs target elderly persons age 65 and over who meet the requirements for nursing home placement. The functional eligibility score to qualify for the programs is 26, which coincides with minimum eligibility for nursing facility placement.

**Mental Health Services.** The Mental Health Reform Act provides for increased community services and establishes a timetable for a corresponding reduction in hospital beds. The act charges the community mental health centers with the responsibility of being the "gatekeepers" of the public mental health system. All admissions to state hospitals go through the participating community mental health centers. The act also requires community mental health centers to provide services to all clients regardless of ability to pay, but emphasizes services to adults with severe and persistent mental illnesses and children with severe emotional disturbances. For community mental illness programs, the Governor recommends a total of \$36.3 million from all funding sources for FY 2010. This includes \$10.2 million in state aid to community mental health centers, the same amount as FY 2009, and \$26.1 million for grants to community mental health providers and the statewide Family Centered Systems of Care Program. The remainder of the mental health budget totals \$220.8 million and appears as part of consensus caseload estimates for SRS—Regular Medical. These expenditures are included in both the Consensus Caseloads table on page 83 and the Medicaid table on page 89. The Governor recommends that \$3.8 million from the Children's Initiatives Fund be used for the Children's Mental Health Waiver Program in FY 2010. This initiative

strengthens the natural support from their families and communities for children affected by severe disturbances. The program expands community-based mental health services to provide early intervention, help in maintaining family custody, and prevention of more costly and restrictive treatment. The Department estimates that an average of 4,923 children will receive services in FY 2010. The funding for this waiver is included in the mental health Prepaid Ambulatory Health Plan. The FY 2009 and FY 2010 request for mental health included an additional \$17.0 million from the State General Fund that was first approved in FY 2007. This additional funding was added to replace federal dollars that could no longer be claimed as SRS ended the practice of claiming certified match. For FY 2009, the Governor's recommendation reduces these particular grants to community mental health centers by \$1.8 million from the State General Fund. For FY 2010, the Governor's recommendation reduces these grants to community mental health centers by \$7.0 million from the State General Fund. The switch to managed care in Medicaid mental health has provided the community mental health centers with risk-free funding for that population. The base grant funding plus the additional \$10.0 million is more than adequate for the level of services that the centers are currently providing to people who are not Medicaid eligible.

**Community Support Services.** To enable people with developmental and physical disabilities to live in community settings, the Department provides funding to a variety of community organizations and programs across the state. The Governor recommends \$26.8 million in FY 2010 for aid to 28 community developmental disability organizations to coordinate services, such as assisted living and sheltered workshops. This is a reduction of \$2.0 million from the budget request. The Governor also recommends \$14.4 million in FY 2010 for intermediate care facilities for the mentally retarded. These facilities provide 24-hour care for an average of 197 individuals each month, but the caseload is declining as more community services are provided.

## Consensus Caseloads

**Caseload Process.** Consensus caseload is a process through which the Division of the Budget and the Legislative Research Department meet twice a year

with social service and health agencies that have entitlement programs to estimate expenditures for the current and upcoming fiscal year. The first meeting is normally held in the fall so that the estimates can be included in the Governor's budget recommendation. In April, another meeting is held to update the estimates. Any changes may be presented in a Governor's budget amendment to be considered during the "wrap-up" session of the Legislature. Those programs that are entitlement programs include Medicaid Regular Medical, Medicaid Nursing Facilities, Temporary Assistance to Families, Nursing Facilities for Mental Health, General Assistance, and Reintegration/Foster Care. In the past, the two agencies that administered these programs were the Department of Social and Rehabilitation Services and the Department on Aging.

Beginning in FY 2007, the Medicaid Regular Medical Program is administered by the Kansas Health Policy Authority, so representatives from that agency joined the process. Certain mental health services, addiction treatment services, and case management services for the developmentally disabled that are a part of the Regular Medical Assistance Program remain with the Department of Social and Rehabilitation Services. The Division of the Budget, Legislative Research Department, Department of Social and Rehabilitation Services, Kansas Health Policy Authority, and Department on Aging met on October 30, 2008, to revise the estimates on caseload expenditures for FY 2009 and to make initial estimates for FY 2010. The table on the next page outlines actual expenditures in caseload programs in FY 2006, FY 2007, and FY 2008 and the Governor's recommendation for FY 2009 and FY 2010.

**Caseload Adjustments.** For FY 2009, the total caseload estimate is an increase of \$11.5 million over the approved budget. The State General Fund portion is an increase of \$5.3 million. The increase is due largely to increased estimates for SRS Mental Health services and Temporary Assistance to Families expenditures. These increases are partially offset by small decreases in other areas including Reintegration/Foster Care. In addition, increases in the portion of expenditures anticipated to be funded by the federal government for the Medicaid program reduced the amount of State General Fund required for matching. The SRS Mental Health increase reflects an increase in beneficiaries and an increase in the payment rates for

### Consensus Caseloads

(Dollars in Thousands)

	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual	FY 2009 Gov. Est.	FY 2010 Gov. Rec.
<b>Department of Social &amp; Rehab. Services</b>					
Temporary Assist. to Families	63,865	56,715	48,045	48,209	50,813
General Assistance	8,748	8,539	8,982	9,600	7,114
Reintegration/Foster Care	121,675	137,478	142,622	157,509	138,199
Nursing Facil. for Mental Health	11,750	13,233	14,484	15,211	15,500
Regular Medical	193,902	217,482	249,846	249,980	255,227
Total--SRS Caseload Programs	\$ 399,941	\$ 433,449	\$ 463,979	\$ 480,509	\$ 466,853
State General Fund Portion	\$ 186,528	\$ 191,212	\$ 254,906	\$ 269,994	\$ 248,069
<i>Percent Change</i>		8.4%	7.0%	3.6%	(2.8%)
<b>Division of Health Policy &amp; Finance</b>					
Regular Medical	\$ 1,185,203	\$ --	\$ --	\$ --	\$ --
State General Fund Portion	\$ 386,815	\$ --	\$ --	\$ --	\$ --
<b>Kansas Health Policy Authority</b>					
Regular Medical	\$ --	\$ 1,161,149	\$ 1,267,080	\$ 1,263,690	\$ 1,317,400
State General Fund Portion	\$ --	\$ 444,588	\$ 435,813	\$ 463,216	\$ 475,240
<i>Percent Change</i>			9.1%	(0.3%)	4.3%
<b>Department on Aging</b>					
Nursing Facilities	318,615	343,881	355,567	370,000	365,113
HCBS--Targeted Case Management	4,030	4,408	5,209	5,800	5,858
Total--Aging Caseload Programs	\$ 322,645	\$ 348,290	\$ 360,776	\$ 375,800	\$ 370,971
State General Fund Portion	\$ 126,419	\$ 138,368	\$ 145,347	\$ 150,621	\$ 147,241
<i>Percent Change</i>		7.9%	3.6%	4.2%	(1.3%)
Total--Consensus Caseloads	\$ 1,907,789	\$ 1,942,887	\$ 2,091,836	\$ 2,119,999	\$ 2,155,224
State General Fund Portion	\$ 699,762	\$ 774,169	\$ 836,066	\$ 883,831	\$ 870,550

both the Prepaid Ambulatory Health Plan (PAHP) and the Psychiatric Residential Treatment Facilities. The Temporary Assistance to Families increase of \$3.3 million from all funding sources is mainly attributable to two eligibility policy changes implemented for this program. These policy changes were made in response to federal work participation requirements, one in late FY 2008 and the other in January 2009.

The FY 2010 initial estimate is \$2.2 billion, including \$923.2 million from the State General Fund. The estimate is an increase of \$107.4 million from all funding sources and a State General Fund increase of \$30.9 million over the revised FY 2009 estimate. Increases in the portion of expenditures anticipated to be funded by the federal government for the Medicaid program reduced the amount of State General Fund required for matching. Certain benefits which have a correlation to changes in the economic conditions in the state have been made, but additional adjustments may be necessary in the April estimate. Regular Medical expenses for KHPA were increased by \$26.3 million from the State General Fund and \$86.3 million

from all funding sources. The increase is due to estimated increases in caseloads and higher per person expenditures. Nursing Facility expenditures were increased by \$10.2 million from all funding sources, including \$2.6 million from the State General Fund. A slight decrease in the estimated number of residents was offset by an increase in costs due to re-calculating rates to reflect a three-year average of costs using the three most recent years of cost data as approved by the 2007 Legislature. The SRS Mental Health increase of \$7.0 million in all funds and \$2.1 million in State General Fund in FY 2010 is tied to estimated increases in beneficiaries and an increase in the monthly payment rates for the Prepaid Ambulatory Health Plan (PAHP). The Temporary Assistance to Families increase of \$1.8 million from all funding sources mainly is attributable to annualization of the eligibility policy changes.

**Policy Changes to Caseloads.** The Governor's budget recommendation did make adjustments to fully fund all caseload items and match the consensus caseload estimate that was made on October 30, 2008.

For FY 2009, the Governor's recommendation includes funding switches of \$2.5 million from the State General Fund to the Medical Programs Fee Fund and \$6.0 million from the State General Fund to the Health Care Access Improvement Fund. For FY 2010, the State General Fund portion of the estimate was \$923.2 million, which required the addition of \$30.9 million. However, after those additions were included, the Governor recommends several policy changes and a funding switch that conserve State General Fund dollars. For the Nursing Facilities Program in the Department of Aging, the Governor's recommendation is \$6.0 million lower than the consensus estimate which reflects a one-time freeze of the automatic rate increase that nursing facilities receive each year. For the Kansas Health Policy Authority, the Governor's recommendation for the Medicaid Regular Medical Program is \$22.8 million lower than the consensus estimate of State General Fund expenditures. The recommendation reflects \$800,000 in savings that will result from expanding the Preferred Drug List to include mental health drugs, \$9.6 million in savings that will result from the agency's administrative initiatives to better manage the program, and a funding switch of \$5.7 million to use the agency's anticipated fee fund balance. The recommendation also includes savings of \$11.7 million from the State General Fund that will result from an 18-month time limit on General Assistance and MediKan participation. However, \$5.0 million is added back to fund alternative services for MediKan participants. Therefore, the net savings from the institution of the MediKan time limit will be \$6.7 million from the State General Fund.

For the Department of Social and Rehabilitation Services, the Governor's recommendation is \$24.0 million lower than the consensus estimate. The recommendation includes savings of \$2.9 million in the General Assistance Program and \$2.7 million in SRS mental health that will result from the 18-month time limit. The recommendation for Foster Care is \$18.4 million lower than the consensus estimate for State General Fund expenditures. The agency's renegotiation of the provider contracts will yield savings of \$14.1 million. Recommended policy changes regarding children in need of care will yield savings of \$4.3 million, however, \$500,000 from the State General Fund is added back to other SRS programs for different types of services for these children. These changes to the State General Fund

amounts included in the Governor's recommendation for the consensus caseload programs bring the total expenditures to \$870.6 million. Further detail on these changes follows in this section.

## **Children & Family Policy**

**Reintegration/Foster Care.** An amount of \$157.5 million is recommended by the Governor in the current year and \$138.2 million in FY 2010 for foster care and family reintegration services. Foster Care includes payments to families and group foster homes for care and services provided to children placed in the homes. SRS also provides clothing, transportation, counseling, and other goods or services on behalf of a specific child. Beginning in FY 2006, there are no longer separate contracts for foster care and adoption services. Under a separate contract, the statewide Adoption Resource Recruitment contractor provided recruitment and training for families interested in foster parenting or adoption. This contract totaled \$3.9 million in FY 2008 and \$3.1 million in FY 2009 and was no longer a part of consensus caseload.

For FY 2010, there will be no separate contract and the recruitment of adoptive families will be the responsibility of foster care providers. Most children who require out-of-home placement have been abused or neglected and have significant developmental, physical, and emotional needs that require an array of service and care options. The preferred placement for children is with relatives. When no relatives are available, family foster homes are the next placement option. When possible, children are to be placed in settings which allow them to continue to attend the same school they attended prior to out-of-home placement. Siblings are to be placed together whenever possible. Some children require more structured treatment-oriented settings in group homes, residential centers, or Medicaid funded inpatient psychiatric facilities. These Medicaid expenditures are included in the Mental Health Division budget. Adoption subsidy payments are made to families who adopt a child with special emotional or physical needs. Expenditures are for ongoing subsidy payments and, when appropriate, for non-recurring costs associated with the adoption of a special needs child. The Governor recommends \$27.7 million in FY 2009 and \$31.2 million in FY 2010 for these purposes. Because enhanced funding is not available, SRS reduced

salaries and will make other operating reductions in order to serve more children in both years.

The Governor's recommendation funds the consensus caseload estimates for Reintegration and Foster Care, however, after the consensus caseload estimate was reached, SRS completed renegotiations of the foster care contracts. Efficiencies were gained in streamlining and reducing administrative costs of foster care case management into one contract in each of the five regions, rather than having foster care services as a requirement in both the contracts of family preservation and foster care. The Governor's recommendation reflects a reduction of \$15.1 million, including \$14.1 million from the State General Fund, to reflect these renegotiation savings.

In addition, the Governor recommends a change in policy for older children in the foster care system. Currently, young adults may remain in the custody of SRS until age 21. The Governor's recommendation will end a young adult's custody at age 18. However, an exception will be made for young adults who turn 18 while attending high school. These youth will remain in custody until June. This proposal will affect an estimated 141 different youth each year, and reduce the foster care average monthly caseload by 94. This difficult choice is premised on these young adults being the least vulnerable in out-of-home care relative to the greater need for safety and security for younger children. The Department will increase efforts in the area of individual planning for the older children's transition to independent living. Generally, these young adults are eligible and will receive services through other state programs to assist with housing and living expenses, education or training assistance, and health insurance. This recommendation requires a change to the Kansas Child In Need of Care code regarding jurisdiction and age of youth. The change will limit the court's jurisdiction to the age of 18 or until June 1 of the school year during which the youth reaches age 18. The budget savings associated with this policy change total \$1.7 million, including \$1.5 million from the State General Fund.

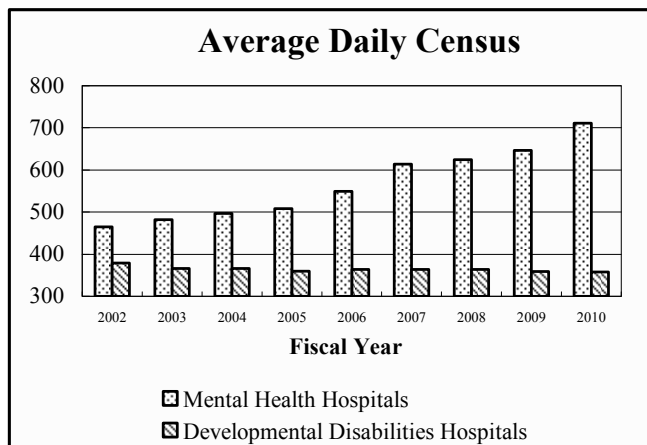
The recommendation includes another change in policy in the Foster Care program. Foster care services are provided when the court finds a child to be in need of care and the parents are not able to meet the safety and care needs of the child. Most youth

who require foster care have been abused or neglected and have significant developmental, physical, and emotional needs, which require an array of services and care options. However, some youth who are not abused or neglected may be placed in foster care for reasons such as out-of-control behavior, truancy, overwhelmed parents, and running away from home. The Governor believes that youth age 16 or older should continue to be placed in the custody of the Secretary for reasons of maltreatment. However, youth with circumstances such as out-of-control behavior, truancy, or running away should be addressed through in-home services and should not be placed in the Secretary's custody. This recommendation will reduce the foster care average monthly caseload by 170. The Governor does not propose severing services. Some of the foster care savings arising from this decision are offset by an increase in services designed to support the youth and their family by addressing behavior and conflict. SRS and communities will support families with case management through family preservation, family services, or other programs to address non-abuse/neglect. The effective date for this reduction will be July 1, 2009. Court jurisdiction will continue for youth currently in the custody of the Secretary of SRS for non-abuse or neglect reasons on June 30, 2009. However, additional youth would not be added after July 1, 2009. Current law allows a child to be placed into SRS custody for non-abuse or neglect reason. This proposal will require a change to the Kansas Child In Need of Care code regarding orders for removal of a youth from the custody of a parent when the youth has not experienced maltreatment or abandonment and the youth is age 16 or older. This recommendation reduces the consensus estimate for Foster Care by another \$3.1 million, including \$2.8 million from the State General Fund. However, \$500,000 from the State General Fund is added back to the Family Preservation and Family Services programs.

**Family Preservation.** The Governor's recommended budget provides \$12.2 million in FY 2009 and \$12.7 million FY 2010 to provide services to families at risk of having children removed from the home and placed in the custody of SRS. The main parts of these services are the contract for family preservation services and family services provided directly by SRS caseworkers.

## State Hospitals

Kansas has operated state hospitals since the Osawatomie Insane Asylum was established in 1863. For many years, the system of state hospitals included four mental health institutions and four institutions for the developmentally disabled. Institutions for the developmentally disabled began to be closed as those involved in the care of the developmentally disabled became more certain that, for most developmentally disabled people, homes in the community provided a more fully participatory life. In 1988, Norton State Hospital closed and its clients were relocated to homes in the community and the remaining developmental disability hospitals. By 1998, both Topeka State Hospital and Winfield State Hospital had also been closed, with the majority of residents moving to homes in their communities.



**Shift to Community Service.** In recent years, the primary statewide issue facing mental health and developmental disability institutions has been the shift from institutional to community-based treatment programs. There has been a concerted effort to avoid “warehousing” of the mentally ill and developmentally disabled and to treat clients in the least restrictive environment possible. As a result, through expansion in state aid to community mental health centers and organizations for the developmentally disabled, the community delivery system has grown considerably to accommodate people who had previously been institutionalized. Through new programs within the community infrastructure and with the advent of antipsychotic medications, clients who might have previously faced life-long institutionalization are now able to avoid institutionalization altogether or are

treated at state hospitals for relatively short periods of time.

Unexpectedly, these advances have not resulted in a decline in populations at facilities for the mentally ill. As recently as five years ago, it appeared that the need for mental health inpatient facilities would continue to decrease just as the need for inpatient facilities for the developmentally disabled had. While long-term hospitalization is much less frequent, the widespread closure of inpatient mental health facilities at community hospitals along with the difficulty in maintaining continuity of services to outpatients has shifted a much larger population to the state mental health hospitals than was previously projected, leading not only to higher average daily census numbers, but to substantially increased admission rates.

Though the state is being forced to make many programmatic cuts in order to balance its budget, sufficient resources continue to be needed to ensure quality state hospital services are available to the Kansans who need them. In recent years, the state hospitals have experienced challenges to the adequacy of their resources. The state hospitals operate 24 hours a day, seven days a week; patients and clients need to be cared for and supervised constantly. As a result, overtime pay, shift differential, and stand-by pay continue to be an issue for the hospitals. The state hospitals were asked to reduce their budgeted expenditures from the State General Fund by 1.0 percent in both FY 2009 and FY 2010. Because a reduction in expenditures beyond that 1.0 percent would affect patient care and negatively affect the hospitals’ operations, the Governor’s recommendation allows for the hospitals to utilize available hospital fee funds to replace the cut in State General Fund monies.

### Mental Health Hospitals

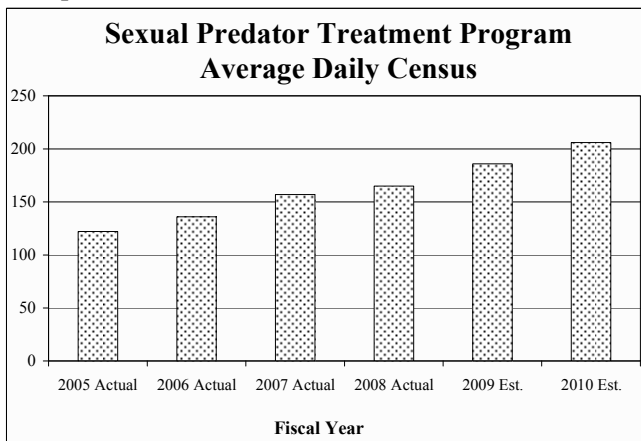
For FY 2010, the three state mental health hospitals, Larned State, Osawatomie State, and Rainbow Mental Health Facility, project a combined average daily census of 711 patients. The Governor’s recommended budget includes \$89.9 million in expenditures for the operation of these hospitals. This funding will come

from three main sources: the State General Fund, the individual hospital fee funds, and federal Medicaid Title XIX funds. The hospital fee funds come from patient health insurance, Medicare, Social Security, and payments from patients and their families. In the mental health institutions, only children, adolescents, and the elderly qualify for Medicaid reimbursements. Capital improvements for the hospitals are funded through the State Institutions Building Fund and are not included in the table on the previous page. The recommendations for each institution are summarized below.

<b>Mental Health Hospitals</b>			
	Daily Census	Operating Budget	Daily per Client (\$)
Larned	490	54,631,971	305
Osawatomie	171	27,136,536	435
Rainbow	50	8,143,089	446
Total	711	\$89,911,596	346

### **Larned State Hospital**

For FY 2010, the Governor recommends \$54.6 million, of which \$42.6 million is from the State General Fund. Through this funding, the Hospital will provide residential and medical services to an average resident population of 490 patients. The Governor’s recommendation will fund 976.20 FTE and 16.98 non-FTE positions.



This Hospital evaluates and treats persons committed by the courts of criminal jurisdiction, as well as correctional inmates. In response to the increasing

demand for services for those referred by the Unified Judicial System or the Department of Corrections, a new state security hospital was opened in June 2005. The State Security Hospital has the capacity to house 250 residents. The FY 2010 estimated average resident population will be 191. For FY 2010, the Governor recommends \$15.9 million, of which \$13.4 million from the State General Fund, to operate the State Security Hospital Program.

Larned State Hospital also maintains the state’s Sexual Predator Treatment Program. The demand for services in this program grew dramatically between FY 2003 and FY 2004. During FY 2005 census growth remained stable, but began to grow again in FY 2006 and is expected to maintain similar growth through FY 2009 and FY 2010. In FY 2007, the budget for the Sexual Predator Transition Program at Osawatomie State Hospital, which had been a part of the SRS budget, was transferred to Larned State Hospital’s Sexual Predator Treatment Program to allow for better planning and oversight. As the Sexual Predator Treatment Program continues to grow, the Hospital has developed policies that allow the Hospital to request funding for required expansions as it is needed. For FY 2009, the Governor recommends \$12.2 million from the State General Fund for the combined programs of the Sexual Predator Treatment Program. This amount includes supplemental funding of \$323,928 from the State General Fund to increase capacity in the Sexual Predator Transition Program. For FY 2010, the Governor recommends \$12.0 million from the State General Fund for these two programs.

### **Osawatomie State Hospital**

For FY 2009, the Governor recommends delaying the opening of the newly remodeled 30-bed unit at Osawatomie to save operating expenses associated with the expansion. This recommendation will save \$1.4 million in FY 2009 and \$3.0 million in FY 2010. For FY 2010, the Governor recommends funding of \$27.1 million, of which \$17.0 million is from the State General Fund. The recommendation will fund 441.4 FTE positions. The average daily census is expected to be 171 patients.

### **Rainbow Mental Health Facility**

The Governor recommends \$8,143,089 for FY 2010, of which \$5,525,712 is from the State General Fund.



The recommendation will fund 122.20 FTE positions. The facility expects to have an average daily census of 50 patients in FY 2010.

Operating expenditures are funded mainly from the State General Fund, fee funds, and federal Medicaid Title XIX funds. Additional federal funding is available for community programs.

### Developmental Disability Hospitals

For FY 2009, the estimated average daily census in the two state developmental disability hospitals will be 358. To serve these residents, the Governor recommends \$53.2 million for the developmental disability hospitals. Shown below are the recommended operating expenditures, average daily census, and daily cost per client for each hospital in FY 2010.

<b>Developmental Disability Hospitals</b>			
	<u>Daily Census</u>	<u>Operating Budget</u>	<u>Daily per Client (\$)</u>
KNI	160	28,379,109	486
Parsons	198	24,794,984	343
Total	358	\$53,174,093	829

### Kansas Neurological Institute

For FY 2010, the Governor recommends \$28.4 million for the Kansas Neurological Institute, of which \$11.4 million is from the State General Fund. The amount recommended will support a staff of 570.20 FTE positions who will care for an average daily population of 160 residents at the Institute.

### Parsons State Hospital & Training Center

The Governor’s recommendation for Parsons State Hospital and Training Center totals \$24.8 million and includes \$10.4 million from the State General Fund for FY 2010. The Governor’s budget funds 497.20 FTE positions. This level of funding will allow the Hospital to provide residential and medical services to an average population of 198.

## Kansas Health Policy Authority

In FY 2006, the Division of Health Policy and Finance of the Department of Administration was designated the single state agency for Medicaid and administered the State Medicaid Program and selected other programs that had been transferred from SRS. Effective July 1, 2006, the Kansas Health Policy Authority (KHPA) was designated the single state agency for Medicaid. KHPA is now responsible for administration of the State Medicaid Plan, drawing down all Medicaid funding for all state agencies, and

performing all federal reporting activities. The table below contains actual expenditures for FY 2007 and FY 2008 and recommendations for FY 2009 and FY 2010 in the major Medicaid programs. The table excludes funding not reported in the state budget or Medicaid funding used for administrative purposes, such as salaries and contracts for administration.

KHPA also assumed responsibilities Medicaid Regular Medical, HealthWave, Ticket to Work, and the

<b>Major Medicaid Programs</b>				
<i>(Dollars in Thousands)</i>				
	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>	<u>FY 2010</u>
	Actual	Actual	Gov. Est.	Gov. Rec.
<b>Social &amp; Rehabilitation Services</b>				
HCBS--Physically Disabled	94,424	109,428	128,418	108,121
HCBS--Head Injured	8,277	8,775	8,037	8,037
HCBS--Technology Assisted	180	121	21,573	21,573
HCBS--Developmentally Disabled	248,146	274,843	289,844	285,149
HCBS--Autism	--	16	1,248	1,248
Nursing Facilities for Mental Health	13,233	14,484	15,211	15,500
Intermed. Care Facil./MR	17,079	16,606	18,613	14,434
Regular Medical	217,482	249,846	249,980	255,227
State Hospitals	44,690	45,057	45,064	43,990
Total--SRS Medicaid Programs	\$ 643,511	\$ 719,176	\$ 777,986	\$ 753,279
State General Fund Portion	\$ 217,804	\$ 276,045	\$ 300,091	\$ 289,885
<b>Kansas Health Policy Authority</b>				
Regular Medical	\$ 1,161,149	\$ 1,267,080	\$ 1,263,690	\$ 1,317,400
State General Fund Portion	\$ 444,588	\$ 435,813	\$ 463,216	\$ 475,240
<b>Department on Aging</b>				
Nursing Facilities	343,881	355,567	370,000	365,113
All-Inclusive Care for the Elderly	3,029	3,245	4,130	5,798
HCBS--Frail Elderly	63,264	65,780	72,282	71,941
HCBS--Targeted Case Management	4,408	5,209	5,800	5,858
Total--Aging Medicaid Programs	\$ 414,583	\$ 429,801	\$ 452,212	\$ 448,710
State General Fund Portion	\$ 164,694	\$ 172,903	\$ 181,247	\$ 178,096
<b>Department of Health &amp; Environment</b>				
Teen Pregnancy Prev. & Oral Health	\$ 460	\$ 467	\$ 467	\$ 467
State General Fund Portion	\$ 230	\$ 230	\$ 230	\$ 230
<b>Juvenile Justice Authority</b>				
Level V & VI Group Homes	\$ 18,300	\$ 9,646	\$ 10,039	\$ 10,240
State General Fund Portion	\$ 8,364	\$ 3,897	\$ 4,024	\$ 4,124
Total--Major Medicaid Programs	\$ 2,238,005	\$ 2,426,171	\$ 2,504,394	\$ 2,530,096
State General Fund Portion	\$ 835,681	\$ 888,888	\$ 948,808	\$ 947,575

Medicaid Management Information System. The Governor recommends total expenditures by KHPA for FY 2009 of \$1.4 billion, including \$503.2 million from the State General Fund. The Governor adopts the consensus caseload estimate for Medicaid Regular Medical of \$1.3 billion and fully funds the expected caseload of the State Children's Health Insurance Program (SCHIP), which is not a consensus program. The recommended amount for State General Fund expenditures in the Medicaid Regular Medical Program is \$8.5 million less than the approved amount. These savings can be attributed to higher than anticipated FY 2009 revenues of \$2.5 million to the Medical Programs Fee Fund, and a balance of \$6.0 million that has accumulated in the Health Care Access Improvement Fund. Current estimates for FY 2009 for the SCHIP Program are \$2.7 million lower than the approved amount. After adjusting for these estimates, the budget reflects a savings of \$689,687 from the State General Fund. The FY 2009 budget is also decreased by \$4.6 million from the approved amount to reflect lower expenditures for salaries, travel, printing and advertising, communication, office furniture and contractual services. The State General Fund portion of the reductions totals \$1.6 million.

For FY 2010, the Governor recommends total expenditures of \$1.5 billion, including \$515.0 million from the State General Fund. Again in FY 2010, the Governor adopts the consensus caseload estimate for Medicaid Regular Medical of \$1.3 billion and fully funds the expected caseload of SCHIP. After the consensus caseload estimate was reached, KHPA identified \$23.9 million in program savings that it expects to realize from several administrative initiatives. The State General Fund portion of these savings totals \$9.6 million, and include: improving cost reimbursement for drugs administered in an office setting; improving cost avoidance and third party liability on pharmacy claims; accelerating the review of generic drug pricing limits; implementing home health, durable medical equipment, transportation and hospice reforms; and ensuring that Medicare pays its share of hospital costs for those who are eligible for both Medicaid and Medicare. Another change from the consensus caseload estimate reduces State General Fund expenditures by \$5.7 million and increases expenditures from the Medical Programs Fee Fund by the same amount. This recommendation reflects a new revenue estimate that more accurately reflects recent experience.

**The Preferred Drug List.** The Preferred Drug List for the Medicaid Regular Medical Program has been in use for several years and has helped in controlling pharmacy expenditures which had been growing exponentially. However, state law currently prohibits management of mental health prescription drugs dispensed under Medicaid. The Governor's recommendation includes \$800,000 in savings from the State General Fund that will result from expanding the Preferred Drug List to include mental health drugs and using the newly created Mental Health Preferred Drug List (PDL) Advisory Committee to recommend appropriate medically-indicated management of mental health drugs dispensed under the Medicaid program. Over the past three fiscal years, mental health drugs have been the highest drug expenditure by class of medications and the most-prescribed drugs by volume. This has led to cost growth in pharmacy services that exceeds growth in other services. Pharmacy management tools such as a PDL and automated prior authorization (PA) improve patient safety; help ensure timely access to medications, support systematic, best-practice guidance for providers, and lower overall costs. The use of a PDL is standard practice in most private health insurance plans.

According to KSA 39-7,121b, "no requirements for prior authorization or other restrictions on medications used to treat mental illnesses such as schizophrenia, depression or bipolar disorder may be imposed on Medicaid recipients." This provision provides for unlimited access to all mental health drugs, regardless of medical condition, provider experience in treating mental health disorders, or cost. This level of access differs in practice from other major purchasers, public and private, including the Kansas state employee health plan, Medicare, and the Veterans Administration, and distinguishes management of Medicaid mental health drug services from the level of management applied to many other critical services for sensitive medical conditions. It also prevents the use of standard pharmacy management tools to ensure patient safety, for example, in cases where mental health drugs are being prescribed for off-label uses that lack scientific justification. To support the expansion of the Medicaid PDL to mental health drugs, KHPA will ensure both timely access and a transparent process that guides PDL and PA decisions with recommendations from mental health professionals. In 2008, the Legislature directed KHPA to implement a

preferred drug formulary that includes mental health drugs for the state-funded MediKan program. KHPA is convening a specialized Mental Health PDL Advisory Committee, composed of mental health experts such as psychiatrists, psychologists, psychiatric pharmacists, and other stakeholders. The Committee will examine the issue of mental health drugs in FY 2009 in order to implement the expanded MediKan PDL.

The expanded Medicaid PDL will be subject to the same legal protections governing the existing Medicaid PDL, but will also be guided by recommendations from the new Mental Health PDL Advisory Committee for mental health drugs. Long-standing federal requirements ensure that Medicaid beneficiaries have access to any prescribed drug, even when the drug is not listed on a state's PDL, if established prior authorization criteria are met. The mental health PDL will be developed after the implementation of an automated prior authorization system, allowing requests that meet the PA criteria to be approved quickly at the point of sale. Automated PA will be just one of the tools available to the mental health PDL advisory committee as it develops recommendations for safe and sustainable management of mental health drugs.

**Time Limited MediKan.** The Governor's recommendation includes \$6.7 million in State General Fund savings that will be realized from modernization of the MediKan Program. This proposal places a firm lifetime limit on the receipt of MediKan benefits. The savings from this limitation would total \$11.7 million. However, the recommendation adds back \$5.0 million to redirect funding to offer a package of services consisting of basic health care and employment services aimed at re-entry into the workforce and achieving self-sufficiency.

MediKan provides health care coverage to persons with significant impairments, as determined by the Presumptive Medical Disability Team (PMDT), who do not meet the level of disability necessary to receive Medicaid and are unlikely to meet Social Security Disability criteria. However, people eligible for MediKan are required to pursue Social Security benefits as a condition of eligibility. Although a lifetime limit of 24 months currently exists in the MediKan program, the limit can be waived if the individual is still

attempting to receive Social Security benefits, creating a "hardship exception." Almost 30.0 percent of the current MediKan caseload receives coverage under the hardship exception. This current practice of requiring an individual to apply for a benefit they are unlikely to receive is counter-productive and may actually diminish the individual's ability to return to work. The process itself promotes the idea that the individual is too disabled to work and discourages employment even though the person will not be eligible for Social Security benefits.

The agency's goal with the modernized MediKan program is that instead of having individuals continue to pursue disability benefits, some MediKan funds will be redirected to provide services that address their barriers to work. Ultimately a MediKan individual will become employed and self-sufficient, which will include obtaining private health insurance. An example might be someone who has only done manual labor and now has a back condition that limits, but does not prevent, employment. Support services can be used to retrain the person to do a less physical job that will provide a living wage and benefits. Based on information from Kansas Vocational Rehabilitation Services, people who have the potential to return to work would be able to do so within 18 to 24 months.

**Children's Initiatives Fund.** The Governor adds \$5.0 million from the Medical Programs Fee Fund to replace funding from the Children's Initiatives Fund in the Medicaid Regular Medical Program and the HealthWave Program. The Children's Cabinet proposed altering which programs receive CIF support, and the Governor agreed, recommending the redirection of those Children's Initiatives Fund dollars to other programs that more closely adhere to the focus on programs for children ages birth to five. The recommendation for FY 2010 does not include \$500,000 from the Children's Initiatives Fund for Immunization Outreach.

**Other Budget Reductions.** The agency's operating budget for FY 2010 is decreased by \$4.6 million from the approved amount to reflect lower expenditures for salaries, travel, printing and advertising, communication, office furniture and contractual services. The State General Fund portion of the reductions totals \$1.6 million.

## Other Human Services Agencies

### Department on Aging

The Kansas Department on Aging utilizes public and private resources to improve the security, dignity, and independence of Kansas seniors and Kansans living in adult care homes. The agency also provides support to seniors' families and caregivers. The agency strives to promote healthy aging with personal and financial independence by providing an array of choices in services and supports for seniors.

The Governor's recommendation for FY 2009 includes the lapse of all unspent State General Fund monies from a variety of the agency's administration and program accounts totaling \$4.3 million. Savings found in the PACE program were the result of revised estimates of the number of individuals receiving services. The revised estimates allow for the lapse of unneeded State General Fund monies from the agency while still providing the current level of services.

The Governor's recommendation of \$487,791,892 for FY 2010 includes \$189,634,386 from the State General Fund to finance nursing home services, community-based services, case management, the Senior Care Act, nutrition services, and other services to Kansans over the age of 65. The recommendation suspends the core funding provided to the Area Agencies on Aging, which was new in the FY 2009 budget.

**Long-Term Care.** Included in the FY 2010 recommendation is \$448.7 million for long-term care for elderly Kansans who are eligible for the Medicaid Program. The recommendation includes \$71.9 million for the Home and Community-Based Services for the Frail Elderly (HCBS-FE) Waiver Program, of which \$28.6 million is from the State General Fund.

The budget includes the cost of nursing home care for the elderly who are eligible for Medicaid. Nursing facility services are estimated to be \$365.1 million, of which \$144.9 million is from the State General Fund. The estimate includes an adjustment in the nursing facility rate methodology in order to contain costs for the program. Essentially, rates paid to nursing facility providers will be maintained at the FY 2009 rate with no adjustments on cost indices. In addition, the budget

includes funding for the Program of All-Inclusive Care for the Elderly (PACE). Funding for PACE totals \$5.8 million, of which \$2.3 million is from the State General Fund. Finally, the budget includes \$5.9 million for Targeted Case Management, of which \$2.3 million is from the State General Fund. The following table shows the budget based on caseload estimates for nursing facilities.

	FY 2008 Actual	FY 2009 Gov. Est.	FY 2010 Gov. Rec.
Nursing Facilities:			
Budget	\$ 355.6	\$ 370.0	\$ 365.1
Persons	10,581	10,586	10,318
Percent Change	3.4	4.0	(1.3)

The funding for long-term care programs reflects continued emphasis on the use of community-based treatment for people who benefit from that kind of care. Nursing home placement is reserved for elderly people who need specialized care that cannot be delivered in a community-based setting. More people are requesting Home and Community-Based Services in order to stay independent within their home. Home and Community-Based Services includes adult day care, sleep cycle support, personal emergency response, health care attendant services, wellness monitoring, and respite care.

**Nutrition & Meals.** The Governor recommends \$10.8 million, \$3.5 million of which is from the State General Fund, for the Department's Nutrition Program. This level of funding will provide nutrition grants for 3,546,250 meals to the elderly under the Older Americans Act Meals Program. The table

	FY 2008 Actual	FY 2009 Gov. Est.	FY 2010 Gov. Rec.
Agency Budget	\$10,589,930	\$10,878,382	\$10,834,513
Local Resources	6,882,356	9,895,115	9,895,115
Total	\$17,472,286	\$20,773,497	\$20,729,628
Number of Meals	3,517,659	3,546,250	3,546,250
Cost per Meal	\$5.17	\$5.20	\$5.20

below compares the number and cost per meal in FY 2009 and FY 2010 to actual FY 2008 amounts. With the exception of the Senior Farmers Market Nutrition Program, no budget reduction was applied to this program to avoid affecting the program's beneficiaries.

**General Community Grants.** The Senior Care Act Program, funded through the State General Fund, provides general community grants that allow the customer to remain in a community-based setting, rather than an institutional one. The agency also provides services for older Americans, especially those at risk of losing their independence, through federal Older Americans Act funding. The act provides for supportive in-home and community-based services, nutrition, transportation, and case management. Actual expenditures for Senior Care Act Services in FY 2008 totaled \$7.5 million, of which \$3.0 million was from the State General Fund. For FY 2009, the Governor recommends expenditures totaling \$7.7 million, of which \$3.2 million is from the State General Fund.

The Governor recommends \$11.8 million for general community grants in FY 2010, including \$6.5 million for Senior Care Act Services. The Governor's recommendation for the Senior Care Act in FY 2010 includes reductions totaling \$1.4 million from the State General Fund. The reductions include suspending both the STEPS Program and the Senior Companion Program, as well as reducing direct services and associated administration. Beginning in FY 2006, funding for the Senior Care Act was split, with \$4.5 million coming from the Social Services Block Grant and the remainder from the State General Fund. Participants in the Senior Care Act have higher income levels than those who participate in the HCBS-FE Waiver Program.

### **Kansas Guardianship Program**

The Kansas Guardianship Program, with 12.00 FTE positions, recruits volunteers to serve as court-appointed guardians or conservators for disabled adults found to be in need of these services by the courts. The Governor's recommendation provides \$1,201,849 from the State General Fund for FY 2010. Although the current and next year's budget is cut, the budget will allow the agency to provide guardians or conservators to an anticipated 1,361 individuals.

## **Health & Environment—Health**

The mission of the Division of Health of the Department of Health and Environment is to protect and promote the health of Kansans by providing a variety of community health services and to ensure adequate sanitary conditions in public facilities. Health programs are designed to ensure healthy and safe child care and health care facilities and improve access to medical care.

For FY 2009, the Governor recommends \$160.7 million, including \$25.3 million from the State General Fund. The recommendation reduces the State General Fund approved budget by \$919,386 and includes reductions to general operating expenditures in Administration and Health; WIC Farmer's Market; Primary Health Care Clinic Aid Program; Pregnancy Maintenance; as well as unspent carryforward funds of \$52,639. As of October 1, 2008, the Food and Lodging Inspection Program was transferred to the Department of Agriculture, reducing expenditures for the program in the Division of Health in FY 2009, and eliminating the positions associated with the program in FY 2010. The Governor's recommended expenditures from the Children's Initiatives Fund (CIF) show increased expenditures for FY 2009 because of a shift of \$4.6 million in funding to the CIF from the State General Fund beginning in FY 2009, and the addition of \$2.2 million for the expansion of the Newborn Screening Program. Funding for Newborn Screening is split between the Division of Health and the Division of Environment. Funding for Healthy Start, Tobacco Use Prevention, and Children with Special Health Care Needs maintain base funding amounts that were approved for FY 2008.

The Governor recommends funding of \$159.1 million, including \$23.7 million from the State General Fund for FY 2010. Recommended expenditures for aid to local governments, as well as grants to agencies and individuals total \$65.9 million. Recommended expenditures from the Children's Initiatives Fund include \$5.7 million for the Infants & Toddlers Program, \$1.0 million for Tobacco Use Prevention, \$250,000 for Healthy Start, and \$442,876 for approved programs for newborns. The majority of funding for Newborn Screening appears in the Division of Environment budget for lab expenditures; however, \$317,876 is recommended for the Division of Health in FY 2010. The FY 2010 recommendation does not

include \$208,000 for the Children with Special Health Care Needs program. This item was not recommended by the Children's Cabinet or the Governor.

**Aid to Local Health Departments.** The Governor's recommendation includes \$5.0 million in funding for both FY 2009 and FY 2010. The program provides funding to all county health departments that provide services such as immunizations, screenings, and laboratory testing.

**Immunization Program.** An important program in the Bureau of Disease Control and Prevention is the Immunization Program. The goal of the program is to increase the percentage of children in Kansas who have completed the age-appropriate vaccination series recommended by the Centers for Disease Control and Prevention to 90.0 percent. Using state and federal funds, the program distributes vaccines to local health departments and private providers for administration to underinsured children. A record of all immunizations given in the state, from birth to death, is maintained on the Kansas Immunization Registry. The Governor recommends State General Fund expenditures of \$505,871 in FY 2009 and \$539,000 in FY 2010. Actual statewide immunization rates for FY 2008 reached 86.0 percent for the Diphtheria, Tetanus, Pertussis (DPT) and Measles; 82.0 percent for the above vaccinations plus the Hepatitis B and Influenza B vaccine; and 74.0 percent for the above vaccinations plus the Varicella (chickenpox) vaccine. The Division expects to increase those percentages in FY 2009 and FY 2010.

**Community-Based Services.** The Governor recommends expenditures of \$6.7 million from the State General Fund for Primary Health Care Community-Based services in both FY 2009 and FY 2010. Through this program, communities establish comprehensive and continuous primary health care services for clients and facilitate access to hospitals and specialty care. Collectively, these local clinics are referred to as the "Safety Net." Local health departments and nonprofit organizations are eligible to apply for funding. The program supports integrated primary health care and reduces duplication by encouraging local organizations to link services to facilitate access. Providing effective and regular primary and preventive care produces cost savings by reducing hospitalizations and visits to emergency departments.

**Pregnancy Maintenance Initiative.** The Governor recommends \$300,000 from the State General Fund for the program in FY 2009 to provide services for approximately 478 women including medical care, substance abuse treatment, housing assistance, adoption guidance, and parenting education. The program is not funded for FY 2010.

**Women, Infants & Children (WIC).** Expenditures of \$51.0 million in federal funding in FY 2009 and \$53.0 million in FY 2010 will provide services that include nutrition screening, counseling, education, and food supplements for infants, children, pregnant women, and breast-feeding women. The goal of the program is to improve the health status and nutrition of program participants.

**Infants & Toddlers Services.** The Governor recommends total funding of \$8.9 million in FY 2010, including \$181,952 from the State General Fund, \$5.7 million from the Children's Initiatives Fund, and \$3.1 in federal funds. The program supports community networks that serve developmentally delayed infants and toddlers from birth to three years of age. The program will serve 6,800 children in FY 2010.

**Newborn Screening.** Of the total amount of \$2.2 million recommended by the Governor for the program in FY 2010, \$317,876 is budgeted in the Division of Health, which maintains base funding approved for FY 2009. The program is funded by the Children's Initiatives Fund.

## **Department of Labor**

The Department of Labor serves to advance the economic well-being of all Kansans through responsive workforce services. In cooperation with the U.S. Department of Labor, the Division of Employment Security administers the Unemployment Insurance (UI) Program. The UI Program assists eligible unemployed workers by providing monetary benefits during a temporary period of unemployment. Industrial Safety and Health's program reduces the frequency and severity of workplace accidents and illnesses.

The Workers Compensation Services administers the Kansas Workers Compensation Act and is entirely funded by assessments made on insurance carriers and

self-insured employers. The Labor Relations and Employment Standards Program enforces laws relating to employment standards, labor relations, and public employee relations. The Labor Market Information Services (LMIS) collects, reports, and analyzes data pertaining to all facets of the labor market. The Governor recommends \$402,709,389 from all funding sources, including \$564,139 from the State General Fund for FY 2009. The recommendation includes reductions of \$32,768 from the State General. The Governor recommends \$364,018,435 from all funding sources, including \$544,385 from the State General Fund for FY 2010. The recommendation includes a reduction of \$29,381 from the State General Fund and an increase of \$29,381 in the Federal Indirect Cost Offset Fund for Labor Relations and Employment Standards expenditures.

**Unemployment Benefits.** Unemployment payments provided to individuals to replace part of their wages lost as a result of involuntary unemployment are expected to be \$354.4 million for FY 2009 which includes \$46.4 million in extended unemployment compensation. The agency estimates \$317.6 million in unemployment benefits for FY 2010, or 10.4 percent less than the current year. The unemployment rate for Kansas is estimated to be 4.5 percent for FY 2009 and 4.6 percent for FY 2010. While other states have experienced low trust fund balances, the Kansas Department of Labor estimates an Unemployment Insurance Trust Fund balance of \$585.0 million in FY 2009 and \$542.0 million in FY 2010.

**Workers Compensation.** The Kansas Workers Compensation Act constitutes self-contained, no-fault legislation that requires most employers operating in Kansas to provide benefits in the form of salary indemnification and medical treatment to employees who suffer accidental, physical injury, or occupational diseases arising out of and in the course of employment. The Governor's recommendation to support this program totals \$8.3 million in FY 2010.

## **Commission on Veterans Affairs**

To fulfill its mission of providing assistance to Kansas veterans and their dependents in obtaining U.S. Department of Veterans Affairs benefits, as well as providing assisted living and long-term care, and a system of veterans cemeteries, for FY 2009 the

Governor recommends \$22,962,754 from all funding sources, with \$9,227,492 from the State General Fund. For FY 2010, the Governor recommends \$22,262,464 from all funding sources, with \$8,956,372 from the State General Fund. These recommendations reduce the State General Fund budget by \$243,965 and the total FY 2010 budget by \$520,551, while allowing the agency to maintain essential services.

**Administration & Veteran Services.** For FY 2009, the Governor recommends \$521,298 from the State General Fund for the Administration program, which provides central management and staff support to the four agency programs. For FY 2010, \$491,774 from the State General Fund is recommended. The Governor recommends \$1,982,977 to support the Veteran Services Program in FY 2009 and \$1,894,051 for FY 2010, with \$1,749,078 and \$1,647,543, respectively, from the State General Fund. In both cases, the recommendation will allow the agency to operate veteran services centers throughout Kansas, as well as the Veteran Claims Assistance Program, administered by the Veterans of Foreign Wars and the American Legion.

**Veterans Homes.** Funding for the operation of the two veterans homes in Kansas, which provide domiciliary, assisted living and long-term care for veterans, their spouses, and dependent children, comes from three sources: the State General Fund, fee revenue and federal funds based on the census of each Home. In late FY 2009, the Kansas Soldiers Home expects to realize an additional funding stream through Medicare- and Medicaid-related reimbursements. To avoid budget problems next year, only a small amount of reimbursement is included in the budget, in the event reimbursements do not come through. For FY 2009, the Governor recommends \$8,326,891 from all funding sources, with \$2,813,996 from the State General Fund. For FY 2010, the Governor recommends \$8,414,040 from all funding sources, with \$2,814,298 from the State General Fund.

In late FY 2010, the Kansas Veterans Home in Winfield expects to begin collecting Medicare and Medicaid reimbursement as well, also adding a significant new source of funding for the Home. The Governor recommends \$9,813,634 from all funding sources for the Home in FY 2009, with \$3,428,923 from the State General Fund. For FY 2010, the Governor recommends \$9,504,722 from all funding sources, with \$3,260,331 from the State General Fund.



In both Homes, the Governor's recommendations will allow resident care to remain the highest priority, and each Home expects to maintain current services.

**Cemeteries.** The Kansas State Veterans Cemetery Program operates three cemeteries in Kansas: one at Fort Dodge, which was dedicated in 2003, one at

WaKeeney, opened in 2004, and one at Winfield, also opened in 2004. In February, 2009, interments will commence at the newest cemetery, located at Fort Riley, Kansas. The dedication of this cemetery is scheduled for April, 2009. To operate the cemeteries, the Governor recommends \$778,093, with \$742,426 from the State General Fund for FY 2010.

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Education

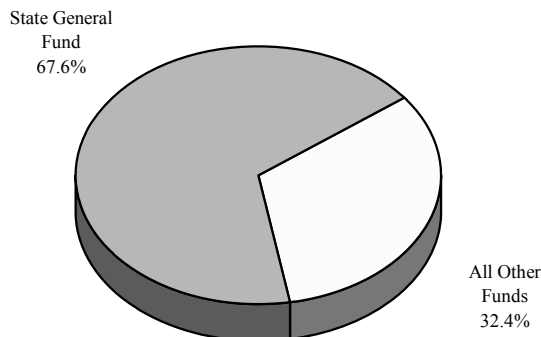
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# Education Summary

The Education function includes expenditures for state support of primary, secondary, and higher education. Agencies in this function are the Department of Education, including the Schools for the Deaf and Blind; Board of Regents and the institutions under its jurisdiction; the State Historical Society; the Kansas Arts Commission; and the State Library.

## How It Is Financed



Fiscal Year 2010

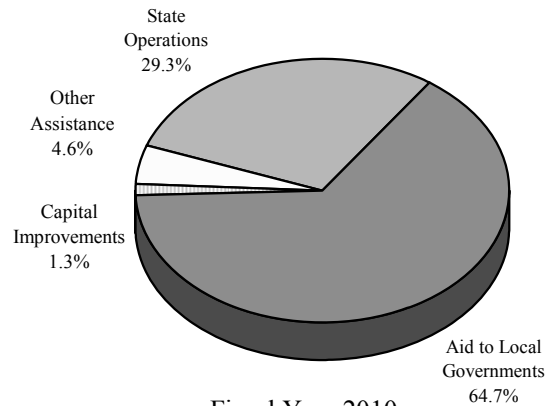
For Education, the Governor recommends \$6.1 billion in FY 2009 and \$5.9 billion in FY 2010. Of these amounts, \$4.1 billion in FY 2009 and \$4.0 billion in FY 2010 are from the State General Fund. For both FY 2009 and FY 2010, the Governor’s recommended budget for K-12 education keeps spending at the local school district level the same as what was approved by the 2008 Legislature. The Governor recommends \$3,129.9 billion in state spending for aid programs including General State Aid, Special Education, Local Option Budgets, KPERS—School employer contributions and Capital Outlay Aid. Expenditures by the Department of Education also include the state’s quarterly payments for local school district employer retirement contributions.

For postsecondary education in FY 2009, the Governor recommends approximately \$2.3 billion, including \$830.0 million from the State General Fund.

For FY 2010, the Governor recommends approximately \$2.1 billion, including \$773.0 million from the State General Fund. The recommendation reflects the limited state financing with a three percent State General Fund reduction from the approved budget in FY 2009 and another four percent reduction in FY 2010, plus reductions to a few specific programs. However, the Governor does recommend approximately \$13.7 million more than usual from the Educational Building Fund for university repair and rehabilitation for a total of \$28.7 million. This funding will be distributed by the Board of Regents. No reductions were applied to student financial aid.

The Governor’s recommendation for the State Library in FY 2010 will continue to support grants to public libraries, specialized services to children, including a summer reading program for every library in Kansas, and support for the Talking Books Program.

## How It Is Spent



Fiscal Year 2010

Funding recommended by the Governor for the Historical Society in FY 2009 and FY 2010 includes funding from the State General Fund for each fiscal year to allow the agency to replace the museum humidification system in order to preserve irreplaceable state historical artifacts.

# Elementary & Secondary Education

The ten-member State Board of Education is given responsibility by the *Kansas Constitution* for general supervision of public schools and educational institutions, except those delegated to the State Board of Regents. Under the guidance of the State Board of Education and the Board’s appointed Commissioner of Education, the Department of Education provides funding and program guidance in carrying out federal and state law for 295 unified school districts.

## State Aid to School Districts

The state’s largest category of expenditure, state aid to school districts, is circulated through various aid programs, including general state aid, through which monies are distributed to school districts on a per pupil basis; supplemental general state aid which is the state’s share of the cost for local option budgets; special education; and the employer’s cost for teacher retirement benefits through KPERS. The Governor’s recommendations in these areas are enumerated in this section. The cost of educating students enrolled in public schools is divided between local, state, and federal resources. On page 103, a full-page table shows the budgeted amounts by major aid program that includes state, federal, and local sources.

Kansas follows a foundation formula, which provides for a base funding amount that is multiplied by a weight for each student. The weight factor varies depending on the attributes defined in the formula.

For example, varying funding levels are provided to students enrolled in vocational programs or bilingual education programs, and to students enrolled in smaller school districts.

As shown in the table below, when the 2008 Legislature adjourned, \$3,779.3 million in state aid expenditures were budgeted for local school districts in FY 2009, including \$560.1 million from the 20-mill uniform statewide property tax levy. The Governor recommends the same expenditures in total for the revised FY 2009 budget as this approved amount. However, the Governor has adjusted expenditures from the State General Fund to recognize the consensus estimate for expenditures from the 20-mill property tax levy of \$570.9 million. Schools will realize no difference in their general fund budgets in the current year. For FY 2010, the Governor recommends overall expenditures to remain flat at \$3,779.3 million. It should be noted that the 2008 Legislature appropriated \$37,170,000 from the State General Fund for General State Aid in FY 2010. The Governor’s recommendation for FY 2010 incorporates this appropriation in the budget recommendations for General State Aid.

**Funding for Current School Finance Formula.** The expenditures required to meet the school finance formula contained in statute are calculated twice each year, once in the fall and once in the spring, through a consensus estimating process. The Division of the Budget, the Legislative Research Department and the

<b>Key Expenditures for Aid to Schools</b>					
	Approved FY 2009	Consensus FY 2009	Gov. Rec. FY 2009	Consensus FY 2010	Gov. Rec. FY 2010
General State Aid	\$ 2,183,419,242	\$ 2,197,321,000	\$ 2,183,920,915	\$ 2,245,217,000	\$ 2,126,235,466
Special Education Aid	427,753,137	432,035,493	427,753,137	465,718,765	427,753,137
Local Option Budget	332,676,369	324,146,000	324,146,000	339,212,000	339,212,000
KPERS Employer Contributions*	249,998,012	249,989,121	249,989,121	282,188,282	274,111,409
Capital Outlay Aid	25,439,522	22,600,000	22,600,000	25,600,000	25,600,000
Subtotal--SGF	\$ 3,219,286,282	\$ 3,226,091,614	\$ 3,208,409,173	\$ 3,357,936,047	\$ 3,192,912,012
20 Mill Property Tax Levy	\$ 560,060,359	\$ 570,937,468	\$ 570,937,468	\$ 586,434,629	\$ 586,434,629
Total School Funding	\$ 3,779,346,641	\$ 3,797,029,082	\$ 3,779,346,641	\$ 3,944,370,676	\$ 3,779,346,641

\*KPERS--School expenditures are before the proposed FY 2010 KPERS Death & Disability Moratorium.

Department of Education met in November 2008 to calculate the costs contained in the table below. Estimates were developed on key issues, including property tax revenue, student enrollment levels, as well as applicable student weightings, increased costs for children receiving special education services, and adopted local option budgets.

To fund the school finance formula under current law for FY 2010, the total amount of state aid, excluding special education and related services, would need to increase at a minimum by the CPI-U from the preceding year, as certified by the Director of the Budget and the Director of the Legislative Research Department to the Commissioner of Education. In a letter dated August 15, 2008, the CPI-U index was certified at 3.7 percent between July 2007 and June 2008, as published by the U.S. Department of Labor. In order to finance this rate increase, taking into account current enrollment levels agreed to during the November 2008 consensus meeting, the Commissioner of Education states that \$108.4 million in additional spending over FY 2009 levels would be required to fund the CPI-U provision of the school finance formula, excluding excess costs for special education. With special education excess costs factored in, the total increase would be approximately \$142.0 million.

**General State Aid.** The total Governor's recommendation for FY 2009 for general state aid is \$2,212.9 million, including \$2,183.9 million from the State General Fund and \$29.0 million from the State School District Finance Fund. For FY 2010, the Governor recommends \$2,155.2 million, including \$2,216.2 million from the State General Fund and \$29.0 million from the School District Finance Fund.

**Local Option Budgets.** The state's share of local option budgets is paid through supplemental general state aid. As local school boards or district voters allow for the increase in the size of their local option budgets, the state's expenses grow. Districts are allowed to adopt local option budgets up to 31.0 percent of the general fund budget in FY 2010; for many years, the maximum was 25.0 percent.

The Governor's FY 2009 recommendation includes \$324.1 million to fund the state's share of local option budgets. For FY 2010, the Governor recommends expenditures of \$339.2 million from the State General Fund. These recommendations are based on estimates

agreed upon by the Department of Education, the Division of the Budget, and the Legislative Research Department through the school finance consensus process in November 2008 for local option budgets.

**Special Education Services Aid.** For special education services, the Governor recommends expenditures of \$427.8 million from the State General Fund for FY 2009 Special Education Service Aid. This recommendation will cover 91.1 percent of excess costs for special education. For FY 2010, the Governor recommends the same expenditures for special education from the State General Fund as FY 2009 of \$427,753,137. This will cover approximately 84.5 percent of excess costs for special education. Federal support for special education in FY 2010 is expected to be \$101.7 million, an increase of only \$1.5 million over FY 2009.

**KPERS—School Employer Contributions.** Although employees of unified school districts are not state employees, the employer's cost of providing their retirement benefits rests with the state. An annual State General Fund appropriation is made to the Department of Education to cover quarterly payments to KPERS for this cost. The Governor's recommendation in FY 2009 for this appropriation is \$250.0 million, a \$29.2 million increase over FY 2008 actual expenditures. As salaries rise at the district level, the state's costs rise proportionately. Also affecting the state's cost for this expenditure are planned increases in the state's contribution rate to the KPERS Fund to ensure future viability of the fund.

For FY 2010, the Governor recommends \$250.1 million for KPERS—School employer contributions. This amount is anticipated only to grow by approximately \$100,000 in anticipation of an average 1.0 percent teacher salary base increase over FY 2009, as well as a reduction of expenditures of \$24.0 million from the KPERS Death & Disability moratorium for employer contributions. This separate fund has sufficient balances to allow for a three-quarter moratorium on payments to the fund while still making benefit payments. Without the moratorium, KPERS-School contributions would have required an appropriation of \$274.1 million from the State General Fund.

**Bond & Interest State Aid.** A revenue transfer from the State General Fund of \$75.4 million is included in FY 2009 to aid school districts with bond and interest

payments. For FY 2010, the transfer is estimated at \$80.0 million. State law establishes a formula upon which state aid is determined. This amount is transferred from the State General Fund to a special revenue account in the Department for expenditures for affected districts and is not considered a State General Fund expenditure.

**Capital Outlay State Aid Demand Transfer.** Created by the 2005 Legislature, state aid for capital outlay purchases by schools is budgeted at \$22.6 million in FY 2009 and \$25.6 million in FY 2010. One criticism of the previous school finance law was that districts were allowed to impose a mill levy with no state aid to equalize the funds across school districts. Those districts with lesser tax bases were unable to raise equivalent funds than wealthier districts. This new state aid program equalizes the local mill levy. This is currently the only demand transfer from the State General Fund. As such, it is shown as an expense of the State General Fund and is not accounted for as a transfer.

## Department of Education

The Governor's recommended budget in FY 2009 is \$3,767.8 million, of which \$3,235.3 million is from the State General Fund. The FY 2010 recommendation is \$3,727.2 million, with \$3,192.9 million of State General Fund financing. The table on the following page outlines state, local, and federal support of elementary and secondary education. It does not include operating costs of the Department of Education.

**Professional Development Aid.** Professional development activities help educators improve their teaching skills and enhance student achievement. Research studies show that between 20.0 and 40.0 percent of the variation of student achievement is attributable to teacher expertise. For FY 2009, the Governor recommends funding this state aid program at \$1.75 million, all from the State General Fund. The Governor recommends no funding for this aid in FY 2010 as a result of budget reduction priorities. Requests for state aid are dependent on a written plan submitted by the district and approved by the State Board of Education.

**Mentor Teacher Program.** The Department of Education has a program to assist teachers in their first

year of serving in the classroom. Assistance at this time helps new teachers be successful, keeping them in the classroom. Bonuses in the amount of \$1,000 are paid to those senior teachers who serve as mentors to new teachers and \$500 for the second year. The Governor recommends expenditures of \$1,650,000 from the State General Fund for this program in FY 2009. For FY 2010, the Governor recommends expenditures of \$1,450,000, which is a reduction of \$200,000 from FY 2009. However, this recommendation does fund the program at the same level as was spent in FY 2008.

**Governor's Teaching Excellence Award.** In addition to addressing the needs of new teachers, the Governor continues support for the National Board Certification Program for the state's finest experienced teachers. Several years ago, the Department of Education and Emporia State University collaborated to establish a program promoting teacher excellence through meeting standards established by the National Board for Professional Teaching Standards. National Board Certification is voluntary and open to all teachers who have a baccalaureate degree and three years of classroom experience in either a public or private school.

Teachers who attain National Board Certification receive a master teacher's certificate from the State Board, valid for ten years, and a bonus of \$1,000 in each of those ten years. In the program's first year, the Department of Education received \$40,000 to provide 40 scholarship grants of \$1,000 each to teachers to pay one-half the cost of participation. Teachers and their school districts provided the other half. Federal resources were tapped through the National Board to help defray a portion of the teacher's responsibility.

With the success of this program, funding for this program is recommended at \$250,000 in FY 2009 and \$260,525 in FY 2010. It is anticipated that 277 bonus awards for teachers who are certified and for those seeking certification will be paid. By obtaining National Board Certification, the teacher has demonstrated the ability to make sound professional judgments about students' best interests and to act effectively on those judgments.

**Parent Education.** The Governor recommends continued funding for the state's program to assist parents of younger children. For FY 2009 and FY 2010, the Governor recommends \$7.5 million from the

## State, Local & Federal Support of Elementary & Secondary Education in Kansas

(Dollars in Thousands)

	FY 2008 Actual		FY 2009 Gov. Est.		FY 2010 Gov. Rec.	
	SGF	All Funds	SGF	All Funds	SGF	All Funds
<b>State Aid:</b>						
General State Aid	2,088,627	2,118,114	2,183,921	2,213,021	2,126,235	2,155,235
Supplemental General State Aid	307,861	307,861	324,146	324,146	339,212	339,212
Bond & Interest Aid	--	69,128	--	75,379	--	80,000
Capital Outlay Aid	23,087	23,087	22,600	22,600	25,600	25,600
Declining Enrollment Aid	3	3	50	50	50	50
Special Education Aid	403,274	502,545	427,753	527,903	427,753	529,403
Deaf-Blind Program Aid	110	110	110	110	110	110
KPERS Employer Contribution	220,813	220,813	249,989	249,989	250,079	250,079
Teachers' Professional Development	1,748	1,748	1,750	1,750	--	--
Teacher Mentoring	1,383	1,383	1,650	1,650	1,450	1,450
Teacher Excellence Grants	256	256	285	285	296	315
Pre-K Pilot	--	--	--	5,000	--	5,000
Juvenile Detention Grants	6,847	6,847	7,706	7,706	7,706	7,706
Optometric Vision Study and Services	--	300	--	100	--	--
Parent Education Grants	7,539	7,539	--	7,540	--	7,540
Driver Education Program Aid	--	1,809	--	614	--	--
Alcohol & Drug Abuse	--	2,128	--	1,750	--	1,750
Other State-Funded Grants	1,061	1,111	1,038	1,088	930	980
<b>No Child Left Behind &amp; Other Federal Aid:</b>						
Elem. & Secondary Education Prog.	--	105,819	--	111,078	--	108,990
Improving Teacher Quality	--	20,890	--	21,042	--	20,535
21st Century Community Learning	--	4,823	--	6,850	--	6,650
Rural & Low Income Schools	--	114	--	115	--	115
Language Acquisition State Grants	--	3,142	--	3,300	--	3,400
Ed. Research and Innovative Prog.	--	4,507	--	5,474	--	4,902
Vocational Education	--	5,094	--	5,100	--	5,000
School Food Assistance	2,510	134,822	2,510	137,750	2,510	140,800
<b>Subtotal State &amp; Federal Funding</b>	<b>\$ 3,065,121</b>	<b>\$ 3,543,996</b>	<b>\$ 3,223,509</b>	<b>\$ 3,731,389</b>	<b>\$ 3,181,931</b>	<b>\$ 3,694,822</b>
<i>Amount Change from Prior Year</i>	<i>246,069</i>	<i>259,820</i>	<i>158,388</i>	<i>187,393</i>	<i>(41,577)</i>	<i>(36,567)</i>
<i>Percent Change from Prior Year</i>	<i>8.7%</i>	<i>7.9%</i>	<i>5.6%</i>	<i>5.3%</i>	<i>(1.3%)</i>	<i>(1.0%)</i>
Local General Fund Budgets	--	967,018	--	1,020,462	--	1,068,539
Districts' Share of Local Option Budget	--	530,013	--	582,050	--	603,044
<b>Subtotal Local Funding</b>	<b>\$ --</b>	<b>\$ 1,497,031</b>	<b>\$ --</b>	<b>\$ 1,602,512</b>	<b>\$ --</b>	<b>\$ 1,671,583</b>
<i>Amount Change from Prior Year</i>	<i>--</i>	<i>141,864</i>	<i>--</i>	<i>105,481</i>	<i>--</i>	<i>69,071</i>
<i>Percent Change from Prior Year</i>	<i>--</i>	<i>10.5%</i>	<i>--</i>	<i>18.3%</i>	<i>--</i>	<i>4.3%</i>
<b>Total State, Local &amp; Federal Funding</b>	<b>\$ 3,065,121</b>	<b>\$ 5,041,027</b>	<b>\$ 3,223,509</b>	<b>\$ 5,333,901</b>	<b>\$ 3,181,931</b>	<b>\$ 5,366,405</b>
<i>Amount Change from Prior Year</i>	<i>246,069</i>	<i>401,684</i>	<i>158,388</i>	<i>292,874</i>	<i>(41,577)</i>	<i>32,504</i>
<i>Percent Change from Prior Year</i>	<i>8.7%</i>	<i>8.7%</i>	<i>5.2%</i>	<i>5.8%</i>	<i>(1.3%)</i>	<i>0.6%</i>



Children's Initiatives Fund for this program. The Parent Education Program provides expectant parents and parents of infants and toddlers with advice and resource materials related to parenting skills, positive approaches to discipline, and development of self-esteem.

**Driver's Education Program.** The budget recommends the reduction of state funding from the State Safety Fund and the Motorcycle Safety Fund subsidizing driver's education programs in FY 2009, and the elimination of the subsidy in FY 2010. This recommendation will reduce expenditures by approximately \$1.0 million in both FY 2009 and FY 2010. Further, the Governor recommends transferring the unencumbered balance of the funds to the State General Fund in both years. Transfers from the State Safety Fund are estimated to be \$1.7 million in FY 2009 and \$2.9 million in FY 2010. For the Motorcycle Safety Fund, the transfer in FY 2010 is estimated to be \$132,587. Responsibility for funding these programs will shift to local districts.

**Juvenile Detention Facilities.** The state provides special support to meet the educational needs of students housed in juvenile detention facilities and a variety of other alternative juvenile placements, such as the Flint Hills Job Corps Center. School districts receive aid based on twice the base state aid per pupil or the actual expenses of providing the educational services, whichever is less. In FY 2009 and FY 2010, the Governor provides \$7.7 million from the State General Fund.

**Miscellaneous Grants.** Included in the budget of the Department of Education are several pass-through grants to local organizations. For FY 2010, The Governor recommends \$10,000 from the State General Fund for the school safety hotline, \$35,000 for Agriculture in the Classroom, and \$550,000 for grants to be distributed at the discretion of the State Board.

## **School for the Blind**

Efforts to reduce statewide expenditures will require the School for the Blind to reduce its State General Fund budget of by \$146,000 in FY 2009. This recommendation by the Governor includes using \$106,000 from the School's fee fund balances to offset State General Fund dollars in the current year and also includes a \$40,000 reduction to contractual service

expenditures. The reduction will place the revised budget in line with FY 2009 approved levels. For the current year, the Governor recommends total expenditures of \$6,641,347 from all funding sources including \$5,807,841 from the State General Fund.

For FY 2010, the Governor recommends \$6,664,811 from all funding sources, including \$5,645,696 from the State General Fund, for the School's operating expenses and capital improvement projects. The recommendation includes a State General Fund reduction of \$82,000. Of this amount, \$32,000 of the School's projected fee fund balances will be used to offset State General Fund expenditures and \$50,000 will be from suspending the Visually Impaired Experience Work Success (VIEWS) program in FY 2010. The VIEWS program provides career education and vocational training to visually impaired students in communities across the state. While suspending the program will not require eliminating instructor positions at the School, approximately 40 students statewide will be affected as a result of the reduction.

State law requires that teachers at the School for the Blind receive a level of compensation that is equal to the salary and benefits paid to teachers employed in the Olathe school district. To match the most recent teacher pay plan approved by USD 233, the School's expenditures for salaries and wages will need to be increased by \$163,757 from the State General Fund for FY 2010. The Governor recommends that the teachers' salary increases be funded from reductions made to other areas of the School for the Blind's FY 2010 budget. Enhanced funding for the salary increases is not recommended.

The School for the Blind provides educational, residential, outreach, and health care services for children with visual or other impairments until the age of 21. The School's curriculum includes all academic subjects necessary for accreditation by the Department of Education. An Individual Education Plan is developed to measure each student's progress and plan for future educational goals. In addition to academics, many students receive intensive instruction in specific learning skills, such as cane travel, technology, daily living, and Braille. Students residing in the dormitory receive additional hours of instruction related to academics and living skills in order to develop into independent adults. The School expects to have 85.0 percent of graduates enroll in a post-secondary or vocational-technical education program. A staff of

93.50 FTE positions will serve approximately 175 students at the Kansas City campus during the regular and summer term and 235 students through its statewide outreach program.

## **School for the Deaf**

The Governor recommends reducing the School for the Deaf's revised FY 2009 budget by \$215,793 from the State General Fund. The reductions will require the School to maintain vacant positions (\$155,355); reduce the use of substitute instructors and other contract labor (\$20,240); and reduce operating expenditures (\$40,198). The Governor recommends a total FY 2009 budget of \$9,962,461 from all funding sources including \$9,157,444 from the State General Fund.

For FY 2010, the Governor recommends \$9,900,309 from all funding sources, including \$9,127,454 from the State General Fund, for the School's operating and capital expenses. The budget includes funding for educational, residential, and outreach services. Included in the State General Fund amount is a \$28,485 reduction from not filling support positions that are vacant.

State law requires that teachers at the School for the Deaf also receive a level of compensation that is equal

to the salary and benefits paid to Olathe school district teachers. To match the most recently approved USD 233 teacher pay plan, the School's salary and wage expenditures will need to be increased by \$211,919 from the State General Fund in FY 2010. The Governor recommends that the teachers' salary increases be funded from reductions made to other areas of the School for the Deaf's FY 2010 budget. The Governor does not recommend enhanced funding for the salary increases.

The School for the Deaf provides services that include educational, residential, outreach, and health care for children with hearing and other impairments until the age of 21. The School's curriculum includes all academic subjects necessary for accreditation by the Department of Education, and students acquire a high school diploma upon completion of coursework. An Individual Education Plan is developed to measure each student's progress. Students also receive intensive instructions in learning skills that are specific to their disability with a special emphasis on speech and communication skills at the elementary level. Students residing in the dormitory receive additional hours of instruction related to academics and special needs to help foster independent living. The School expects to have over 85.0 percent of its students scoring proficient or higher in math and reading. A staff of 173.50 FTE positions will provide services to approximately 395 students for FY 2010.

# Postsecondary Education

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Postsecondary education for Kansas is coordinated through the Board of Regents. The state provides varying levels of financial support to the six Regents universities, a medical school, a veterinary medical school, 19 community colleges, six technical colleges and schools, as well as Washburn University. For FY 2010, more than \$2.1 billion in funding is provided for the state's postsecondary education system. The funding includes approximately \$30.0 million in financial aid to students attending both public and private institutions. The funding also includes capital improvements.

## Board of Regents

The Board of Regents develops policy for postsecondary education, reviews institutions' missions, goals and performance measures, and approves and presents a unified budget for postsecondary institutions. Funding is requested for office operations, the state support for community colleges, technical institutions, and new funding for Regents universities. In addition, many student financial aid programs flow through the Board's office. Funding and programs that are administered by the Board of Regents are described below. Included in the Governor's recommendations for FY 2009, is a 3.0 percent reduction in approved State General Fund expenditures and for FY 2010, a 4.0 percent reduction for postsecondary education institutions. Debt service and student financial aid are exempted from the reductions. Some debt service, paid with State General Fund dollars, will be refinanced, thereby eliminating the principal payment and some programs will be adjusted.

## Postsecondary Institutions Operating Grant

The Postsecondary Institutions Operating Grant represents new funding for the Regents universities, community colleges, vocational-technical schools and colleges as well as Washburn University. In developing the amount of the grant to be awarded, the Governor does not use a formula, but rather takes into

account variables such as the economy, the needs of the institutions, and spending mandates. FY 2009 is the first year that the grant has been for all postsecondary institutions rather than just the Regents universities. The Governor combined the funding at the request of the Board of Regents last year to allow them greater flexibility. The funding is appropriated to the Board, which then distributes it to the institutions as it thinks appropriate. For FY 2010, limited resources in the budget require a decrease to FY 2007 operating grant levels.

## Community Colleges

Community colleges in Kansas provide educational opportunities for workforce development, lifelong learning, cultural opportunities, and traditional education. For many it is a way to increase job skills and for others it is a step toward a bachelors degree. The 19 community colleges throughout the state served 71,847 students in the fall of 2008. The Governor recommends \$106,362,631 for FY 2009 and \$101,976,543 for FY 2010 from the State General Fund for operating expenditures. Community colleges are also eligible for the Technical Education Technology and Equipment Grant, from the Economic Development Initiatives Fund, with a two-to-one match by the college. In addition, capital improvement assistance is available.

## Vocational-Technical Schools & Colleges

There are 16 area vocational-technical schools and colleges operating in Kansas. The institutions provide training opportunities to meet the needs of local businesses. They also meet the traditional role of educating high school and postsecondary students in vocational and technical fields of study. The institutions served 4,013 students in the fall of 2008. For FY 2009, the Governor recommends \$43,201,226; including \$34,041,622 from the State General Fund, \$2,565,000 from the Economic Development Initiatives Fund, and \$6,594,604 in federal funding. For FY 2010, the Governor recommends \$41,637,066; including \$32,637,844 from the State General Fund,

\$2,565,000 from the Economic Development Initiatives Fund, and \$6,434,222 in federal funding. Also, capital improvement assistance is available.

**Postsecondary Technical Education Authority.** The Legislature authorized the 12-member Technical Education Authority that began in FY 2008 and will sunset in six years on June 30, 2014. The Legislature also made provisions for 5.00 FTE positions acting as support staff to the Authority. Expenditures are housed in the Board of Regents' Administration Program. The purpose of the Authority is to coordinate statewide planning for technical education, new programs, and contract training with business; as well as the development of a seamless system for the delivery of technical education between the secondary and the postsecondary school levels. It will make recommendations to the Board of Regents on a variety of issues on technical education, including funding. From the State General Fund, the Governor recommends \$769,336 for FY 2009 recommends \$757,080 for FY 2010.

### **Washburn University**

Washburn University has received partial funding from the state since 1961. The Board of Regents administers the funding going to Washburn University including new funding distributed through the Postsecondary Institution Operating Grant. The Governor recommends \$12,137,349 for FY 2009 and \$11,636,840 for FY 2010 in base funding from the State General Fund. The university served 7,110 students in the fall of 2008. It also provides the community with a variety of educational and cultural opportunities.

### **Adult Basic Education**

The Adult Education Program provides technical assistance and job development opportunities through the 30 federally- and state-funded programs in Kansas. The program assists adults in becoming literate and obtaining the knowledge and skills necessary to improve employment opportunities, assist parents in obtaining the educational skills necessary to be involved in their children's education, and assist adults in completing a secondary school education and continuing their education. The Governor

recommends \$1,548,998, which will match \$3.6 million from federal funds in both FY 2009 and FY 2010.

### **KAN-ED**

KAN-ED network operates and maintains a broadband technology-based network to which hospitals, schools, and libraries can connect for broadband Internet access for distance learning and for other communication needs. The network was implemented January 1, 2003. For FY 2009, the Governor recommends \$8,415,709 from the Kansas Universal Service Fund and \$1,944,471 from the State General Fund for FY 2009. For FY 2010, the Governor recommends approximately \$10.0 million, all from the Kansas Universal Service Fund. The Kansas Universal Service Fund revenues are derived from an assessment on users of intrastate telecommunication services.

### **Other Board of Regents Programs**

**Kansas Academy for Mathematics & Science.** The 2006 Legislature established the Kansas Academy of Mathematics & Science (KAMS). It is a two-year residential program of study for talented high school students culminating in both a high school diploma and college credits equivalent to an associate of arts or science. Planning for this program began in FY 2009 with \$295,000 from the State General Fund. Because of the state's financial position, the Governor recommends the funding be removed in both FY 2009 and FY 2010, and that the program be delayed.

**Nursing Faculty & Supplies Grant.** FY 2010 is the fourth year of this ten-year program designed to increase the nursing faculty and required teaching supplies at postsecondary institutions. For the State General Fund financed program the Governor recommends approximately \$1.9 million in both FY 2009 and FY 2010. The grant must be matched on a two to one basis by the institution receiving the funding.

**Postsecondary Database System.** The Administration Program in the Board of Regents has received a \$600,000 annual appropriation from the State General Fund and 4.00 FTE positions for the development and implementation of postsecondary education database.

The Governor recommends that the funding continue for FY 2009 and FY 2010. This project was begun in FY 2002 to enhance the management of the postsecondary institutions under the Board of Regents. At one time, this database was projected to have a completion date, but now it is considered an ongoing project.

**Research Initiative.** The 2002 Legislature authorized \$120.0 million in bonding authority to fund four research projects: construction of a life science center at the University of Kansas Medical Center, construction of a food safety research facility at Kansas State University, expansion of an aeronautical engineering complex at Wichita State University, and equipping a research facility at the University of Kansas. The 2005 Legislature authorized an additional \$5.0 million in bonding authority to expand the program for an aviation de-icing tunnel at Wichita State University. However, because of a shift in the need of the aviation industry, \$3.0 million of the bond proceeds was made available to Pittsburg State University for the Polymer Research Center.

<b>Research Initiative Debt Service</b>			
<i>Funded through a transfer from SGF</i>			
<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>
\$2,006,586	\$76,414	\$7,452,570	\$8,757,827
<u>FY 2009</u>	<u>FY 2010*</u>	<u>FY 2011 est.</u>	<u>FY 2012 est.</u>
\$9,915,259	\$4,943,695	\$9,585,000	\$6,429,649
<u>FY 2013 est.</u>	<u>Total State Obligation</u>		
\$833,000	\$50,000,000		

\* Bond refinancing eliminates principal payment in this year.

The state is responsible for the first \$50.0 million in debt service, not to exceed \$10.0 million a year. For FY 2010, the Governor recommends the bonds be refinanced, eliminating the principal payment for that year. More than \$18.2 million has been paid through FY 2008. After the state's obligation has been fulfilled, the universities will assume responsibility and the debt service will be paid from revenues generated by the facilities.

**Midwestern Higher Education Compact (MHEC).** In FY 2009, Compact membership dues increased to \$95,000 from the State General Fund with the notation that the MHEC Commission has decided to keep the dues at this level through FY 2011. The Governor's

recommendations do not include the \$5,000 increase for FY 2009 and eliminates the dues for FY 2010.

**Southwest Kansas Access Project.** The Access program was implemented in FY 2004 to make education more accessible to residents in the southwestern portion of the state. Universities offer courses in that area and when they do not have sufficient enrollment to cover costs, the university is reimbursed from the Access Fund. The Board reports that funding has not been needed to subsidize enrollment and the program has approximately a \$1.0 million reserve. The customary annual appropriation of \$200,000 from the State General Fund is not needed. The Governor recommends no additional funding for FY 2010.

### Student Financial Assistance

Included in the Board of Regents are financial aid programs, which are discussed in detail below. The Governor has recommended that no reductions be applied to financial aid. Some of the programs are administered directly by the Board of Regents staff and some are dispersed to the universities and other postsecondary educational institutions to make the awards. It will appear that some of the programs have a greater degree of funding in FY 2009 than in FY 2010. In reality, the funding for FY 2009 includes unused funds from FY 2008 that were unspent and carried over for expenditure in FY 2009. For all of these programs, the Governor recommends \$24,520,370, including \$22,857,878 from the State General Fund, for FY 2009 and \$23,161,189, including \$21,790,163 from the State General Fund, for FY 2010.

**Kansas Ethnic Minority Scholarship.** This scholarship is designed to assist financially needy, academically competitive students who are members of any of the following ethnic group: African American, American Indian or Alaskan Native; Asian or Pacific Islander; or Hispanic. Scholarships average \$1,850 per student per year from the State General Fund. The Governor recommends \$384,189 to help 208 students in FY 2009 and \$315,213 to help 170 students in FY 2010.

**Kansas Teachers Service Program.** During the 2007 Legislative Session, the four teacher scholarship

programs were consolidated into one program. The new program requires that at least 70.0 percent of the funding be used for scholarships. The additional funding may be used for the Teacher Education Competitive Grant. This grant focuses on creating ways to increase the supply of teachers in Kansas. The scholarship portion of the Teacher Service Scholarship program provides a \$4,000 a year scholarship that requires the recipient, upon graduation, to teach in special education, mathematics, science, music, foreign language, and English as a second language or in underserved areas of the state. Recipients sign agreements to teach one year for each year of scholarship support. The Governor recommends \$2,057,259 from the State General Fund in FY 2009 to help 514 students and \$1,962,859 from the State General Fund in FY 2010, to help 490 students.

**Nursing Service Scholarship Program.** The Nursing Service Scholarship is funded jointly by the state and a medical provider or sponsoring facility. The maximum scholarship stipend is not to exceed 70.0 percent of the cost of attendance in a school of nursing. The scholarship is approximately \$3,000 annually and the cost is split between the state and the sponsor. The amount the sponsoring facility pays is based on their location. The student is required to work one year at the facility for each year of scholarship support. The Governor recommends \$822,790, including \$714,592 from the State General Fund for FY 2009 and \$551,717, including \$443,592 from the State General Fund for FY 2010. The Board of Regents estimates that this will finance approximately 274 students in FY 2009 and 184 in FY 2010.

**Nurse Educator Grant.** This \$200,000 State General Fund grant will be distributed to registered nurses who are enrolled in a masters or doctorate program of nursing. The grant requires a two to one match by the universities, making a total of \$600,000 available. The grant could not exceed 70.0 percent of the cost of attendance. The Governor recommends \$269,402 for FY 2009 and \$200,000 for FY 2010.

**State Scholarship.** The State Scholarship is to assist the top 20.0 to 40.0 percent of Kansas high school graduates who are designated as state scholars. This designation is based on completion of a specific curriculum, students' grade point average, and ACT composite score. For this State General Fund financed

scholarship, the Governor recommends \$1,443,235 for FY 2009 and \$1,108,199 in FY 2010. The scholars may receive up to \$1,000 a year based on financial need.

**Kansas Comprehensive Grants.** The Comprehensive Grants are available to Kansas residents with financial need enrolled full-time at eighteen private colleges and universities located in Kansas, the six state universities, and Washburn University. The purpose of the grant is to help ensure that higher education remains open to all students who qualify. The funding allows approximately one in three eligible students to receive awards ranging from \$200 to \$3,000 at private institutions and \$100 to \$1,100 at public institutions. The Governor recommends \$16,451,614, including \$15,689,878 from the State General Fund, for both FY 2009 and FY 2010. Based on an average award of \$1,563, approximately 10,526 awards will be made in FY 2009 and in FY 2010.

**Vocational Scholarships.** This scholarship is available for students enrolled in approved vocational programs at community or technical colleges and some two-year programs at four-year institutions. The scholarship amount per applicant is \$500. The Governor recommends, from the State General Fund, \$278,717 in FY 2009 and \$121,275 in FY 2010.

**Kansas Osteopathic Medical Service Scholarship.** Recipients receive \$15,000 per year for up to four years of study at nationally accredited osteopathic schools. Preference for the award goes to first year students. Participants must serve in a rural area of Kansas one year for each year of assistance. Approximately 49 students will receive scholarships in FY 2009 and 30 students in FY 2010. From the repayment fund, the Governor recommends \$735,072 in FY 2009 and \$450,000 in FY 2010.

**Kansas Optometry Service Scholarship.** To encourage optometrists to establish a practice in Kansas, the scholarship helps pay the difference between resident and nonresident tuition at eligible out-of-state institutions. Recipients must return one year of practice for each year of assistance. The maximum scholarship is \$12,400 per year. The Governor recommends \$169,630, including \$113,850 from the State General Fund, for both FY 2009 and FY 2010. This amount would fund 23 scholarships annually.

**ROTC Scholarship Program.** The Reserve Officer Training Corps Scholarship average award is \$1,800 and is funded through the State General Fund. The Governor recommends \$254,125 in FY 2009 and \$186,401 in FY 2010.

**National Guard Educational Assistance.** This program provides \$1,800 in tuition assistance to each participating National Guard member. The assistance is designed to encourage participation in the Guard. The Governor recommends \$928,730 in FY 2009 and \$925,838 in FY 2010 from the State General Fund. The funding will allow 516 awards in FY 2009 and 514 in FY 2010.

**Tuition & Fee Waivers.** Waivers are available to young people raised in foster care, dependents and spouses of deceased public safety officers and military personnel, and prisoners of war. The Foster Care Tuition Waiver program reflects only students who were recipients of the waiver prior to FY 2007. The

Department of Social and Rehabilitation Services now administers the program and postsecondary institutions continue to waive tuition and fees but are not reimbursed. The Governor recommends \$90,000, from the State General Fund, in both FY 2009 and FY 2010. In FY 2008, 18 waivers were given and approximately 30 waivers are expected in both FY 2009 and FY 2010.

## Regents Universities

In recent years the universities have gained increased flexibility in the way they use their revenue. The universities have, with the Board of Regents approval, significantly increased their tuition. In addition, the state has provided funding for the universities deferred maintenance projects. The total funding for Regents universities is shown in the table below.

Funding for Regents Universities						
	State General Fund	Infrastructure Funds	Tuition*	EDIF/CIF/WP	Other Funds	Total
<b>FY 2009</b>						
ESU	\$ 34,528,235	\$ 4,661,014	\$ 22,496,422	--	26,185,016	\$ 87,870,687
FHSU	36,528,949	3,304,040	17,363,183	--	33,424,571	90,620,743
Kansas State U.	113,870,142	19,134,276	134,766,152	--	266,855,619	534,626,189
KSU--ESARP	54,440,049	--	--	300,000	68,990,242	123,730,291
KSU--Vet. Med. Ctr.	11,248,645	--	11,248,645	--	11,851,711	34,349,001
PSU	37,598,900	4,250,604	24,767,992	--	25,562,172	92,179,668
KU	150,214,632	18,571,328	210,500,000	32,000	194,724,472	574,042,432
KU Med. Ctr.	123,293,470	7,076,545	28,200,001	394	116,990,625	275,561,035
WSU	76,162,534	6,954,340	53,828,317	7,502,042	76,245,030	220,692,263
<b>Total</b>	<b>\$ 637,885,556</b>	<b>\$ 63,952,147</b>	<b>\$ 503,170,712</b>	<b>\$ 7,834,436</b>	<b>\$ 820,829,458</b>	<b>\$ 2,033,672,309</b>
<b>FY 2010</b>						
ESU	\$ 32,050,175	\$ 486,000	\$ 19,702,132	--	25,864,203	\$ 78,102,510
FHSU	33,857,186	631,000	19,830,954	--	33,387,357	87,706,497
Kansas State U.	106,798,338	3,000,000	128,091,784	--	261,488,159	499,378,281
KSU--ESARP	50,099,569	--	--	293,911	67,983,832	118,377,312
KSU--Vet. Med. Ctr.	10,593,209	--	10,593,209	--	10,646,518	31,832,936
PSU	35,239,492	773,000	24,253,708	--	24,870,886	85,137,086
KU	140,713,529	2,676,000	207,233,977	28,800	181,783,962	532,436,268
KU Med. Ctr.	112,832,904	570,935	24,780,891	--	112,429,251	250,613,981
WSU	67,558,998	1,232,000	53,190,290	7,448,577	75,667,975	205,097,840
Board Transfers**	--	28,700,000	--	--	--	28,700,000
<b>Total</b>	<b>\$ 589,743,400</b>	<b>\$ 38,068,935</b>	<b>\$ 487,676,945</b>	<b>\$ 7,771,288</b>	<b>\$ 794,122,143</b>	<b>\$ 1,917,382,711</b>

\* Tuition expenditure estimates for FY 2009 are based on FY 2008 student enrollment. Tuition expenditure estimates for FY 2010 are based on FY 2008 student enrollment and FY 2009 tuition rates. Tuition could increase in FY 2010, but the amount will not be determined until the summer of 2009.

\*\* These funds are transferred by the Board of Regents to state universities.

In FY 2008, the universities began receiving additional funding for infrastructure and building support. Each university directly receives interest earnings from its General Fees Fund, Restricted Use Fund, and Sponsored Research Overhead Fund, as well as the housing funds from which they previously retained interest. In addition, the Board of Regents distributed \$30.0 million in FY 2008 and \$20.0 million in FY 2009 for deferred maintenance projects. The Governor does not recommend the scheduled \$15.0 million State General Fund distribution in FY 2010 because of the current economic conditions.

The Governor recommends a State General Fund reduction of 3.0 percent from the FY 2009 approved budget and 4.0 percent in FY 2010. Other reductions include reducing both the funding for the aviation infrastructure at Wichita State University and WCGME by \$2.5 million from the State General Fund. For the KU School of Pharmacy, the Governor recommends \$30.0 million in bonding authority rather than a \$15.0 million per year transfer in FY 2010 and FY 2011.

**Enrollments.** Enrollment at the universities increased by 1,809 students between FY 2008 and FY 2009. Included in the increase were 255 Kansas residents and 1,554 non-residents. This is the largest enrollment increase since FY 2002 when it was 2,681. It is difficult to determine, but the change could be due to a change in the economy, which usually moves in the opposite direction of enrollment.

<b>University Headcount Enrollment</b>			
	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2009</u>
Univ. of Kansas	26,773	26,342	26,999
KU Med. Ctr.	2,840	2,918	3,103
Kansas State	23,141	23,332	23,520
Wichita State	14,298	14,442	14,612
Emporia State	6,473	6,354	6,404
Pittsburg State	6,859	7,087	7,127
Fort Hays State	9,122	9,588	10,107
Total Regents	89,506	90,063	91,872

**Tuition.** Over the past seven years, Kansas public universities have had large increases in tuition. Tuition rates are shown in the table below. In FY 2008 the increases ranged between \$82 at Fort Hays State University and \$227 at Kansas State University, an average increase of 7.2 percent. In FY 2009 the increases ranged between \$92 at Fort Hays State

University and \$221 at the University of Kansas, an average increase of 5.9 percent. The comparisons for FY 2008 and FY 2009 exclude the two state medical schools. Tuition rates for FY 2009 were set in the summer of 2008.

<b>Resident Tuition &amp; Fees</b>			
	<u>FY 2007</u>	<u>FY 2008</u>	<u>FY 2008 Increase</u>
KU	\$ 3,299	\$ 3,521	6.7 %
KUMC	11,475	12,100	5.4
KSU	3,117	3,314	6.3
KSU--Vet. Med.	6,125	6,489	5.9
WSU	2,402	2,542	5.8
ESU	1,963	2,068	5.3
PSU	2,030	2,161	6.5
FHSU	1,668	1,770	6.1

The Regents universities estimate that they will spend over \$503.1 million from tuition revenues in FY 2009. In making the estimate of available revenues for budgetary purposes, the universities assume the number of students will be at the FY 2008 level. The expenditure of tuition receipts could change as new students are added or subtracted. In FY 2009, the University of Kansas and Kansas State University resident tuition and fees were more than ten percent above their peers.

### **Emporia State University**

Emporia State University's (ESU) instructional programs include baccalaureate and graduate degrees, intellectual stimulation for students, and specialized lifelong learning for professional practitioners. Its nationally recognized teacher education programs are drawn from throughout the university. Research indicates one in six teachers in Kansas holds at least one degree from ESU and 92.0 percent remain in the field three years after graduation. ESU is the only university in a nine-state Great Plains region to offer a library and information management graduate program.

For FY 2009, the Governor recommends \$87,870,687, including \$34,528,235 from the State General Fund. For FY 2010, the Governor recommends \$78,102,510, including \$32,050,175 from the State General Fund. The State General Fund financing includes



approximately \$230,000 for the Reading Recovery Program and \$140,000 for the National Board Certification/Future Teacher Academy. ESU's tuition and fees increased \$105 in FY 2009 and headcount enrollment increased by 50 students.

### **Fort Hays State University**

Fort Hays State University (FHSU) is a regional university principally serving western Kansas and provides instruction within a computerized environment. Its primary emphasis is undergraduate liberal education. However, students may select a major field of study from 30 departments. They may obtain an associate degree in office technology or radiologic technology; take pre-professional studies then transfer to a medical or law school; or obtain a bachelor's and master's degrees. FHSU also has a Virtual College that delivers 500 courses electronically throughout Kansas and the world.

For FY 2009, the Governor recommends \$90,620,743, including \$36,528,949 from the State General Fund. For FY 2010, the Governor recommends \$87,706,497, including \$33,857,186 from the State General Fund. It is also recommended that the Academy for Math and Science not be funded for FY 2009 or FY 2010 and its implementation be delayed. FHSU's tuition and fees increased \$92 in FY 2009 and headcount enrollment increased by 519 students. The University consistently outperforms other Regents universities with low tuition increases and high increases in enrollment.

### **Kansas State University**

Kansas State University was founded in 1863, the first land-grant college in the nation established under the provisions of the Morrill Act of 1862. The University's land-grant mandate, based on federal and state legislation, is focused on instructional, research, and extension activities, which is unique among the Regents institutions. The University's main campus is in Manhattan, which will be the site of the new National Bio and Agro-Defense Facility, a \$451 million research laboratory. The Salina campus began as the Kansas College of Technology, which was merged with the University in 1991. The Governor recommends base funding of \$534,626,189, including \$113,870,142 from the State General Fund, for FY

2009 and \$499,378,281 including \$106,798,338 from the State General Fund, for FY 2010.

### **Kansas State University—ESARP**

In FY 1993, the Agricultural Experiment Station; Cooperative Extension Service; International Grains, Meat and Livestock Programs were transferred to a newly established Extension Systems and Agriculture Research Program (ESARP). ESARP conducts research and provides community services in nutrition, agricultural industry competitiveness; health and safety; youth, family, and community development; and environmental management. The Governor recommends \$123,730,291, including \$54,440,049 from the State General Fund for FY 2009 and \$118,377,312, including \$293,911 from the Economic Development Initiatives Fund and \$50,099,569 from the State General Fund for FY 2010. Funding includes approximately \$8.7 million annually from the federal land grant.

### **KSU—Veterinary Medical Center**

The College of Veterinary Medicine was established in 1919 and was included within the main campus until 1978 when it became the Kansas State University Veterinary Medical Center. Since it was established, more than 5,000 women and men have received a Doctorate in Veterinary Medicine. The teaching hospital is one of the largest in the nation. Each year, 17,000 animals are treated in this state-of-the-art facility. Animal owners are encouraged to use the Center, thereby generating teaching cases for the veterinary students. The Governor recommends \$34,349,001, including \$11,248,645 from the State General Fund for FY 2009 and \$31,832,936, including \$10,593,209 from the State General Fund for FY 2010. The FY 2010 funding includes \$100,000 for the fourth year of the Veterinary Training Program for Rural Kansas service scholarship.

### **Pittsburg State University**

Pittsburg State University is organized into four colleges. They are arts and sciences, business, education, and technology. The College of Technology is the center of excellence for technology

in Kansas. The College of Technology is particularly focused on supporting economic development both in the region and nationally. The Governor recommends \$92,179,668, including \$37,598,900 from the State General Fund, for FY 2009 and \$85,137,086, including \$35,239,492 from the State General Fund, for FY 2010. The University's armory/recreation/classroom facility will participate in the bond refinancing in both FY 2009 and FY 2010, eliminating the principal payment in those years.

## **University of Kansas**

The University of Kansas was established by the 1864 Legislature. It is a major comprehensive research and teaching university that serves as a center for learning, scholarship, and creative endeavor. It is the only Regents institution to hold a membership in the Association of American Universities, a select group of 62 public and private research universities that represent excellence in graduate and professional education and the highest achievements in research internationally. The Governor recommends \$574,042,432, including \$150,214,632 from the State General Fund, for FY 2009 and \$532,436,268, including \$140,713,529 from the State General Fund, for FY 2010. The recommendation also includes \$30.0 million in bonding authority for the School of Pharmacy rather than funding it directly through the Expanded Lottery Act Revenues Fund. Gaming has not produced the expected revenues and State General Fund resources are limited to the point that monies for this program, while important to the state, are not available in this budget.

## **University of Kansas Medical Center**

The University of Kansas Medical Center, an integral and unique component of the University of Kansas and the Board of Regents system, is composed of the School of Medicine, located in Kansas City and Wichita, and the Schools of Nursing, Allied Health, and a Graduate School. The Center was established in 1905 through a merger of a number of proprietary medical schools to form a four-year school directed by the University of Kansas. The governance of the Center's hospital changed from the Kansas Board of Regents to a new hospital authority in FY 1999. The Kansas City campus covers 50 acres and includes

more than 50 buildings. The Wichita branch of the Center was established in 1973 to increase the opportunities for clinical education in the state.

The Governor recommends \$275,561,035, including \$123,293,470 from the State General Fund, for FY 2009 and \$250,613,981, including \$112,832,904 from the State General Fund, for FY 2010. As part of the recommendation, the Governor continues to include approximately \$5.0 million for support of the new Cancer Center. The Cancer Center will deliver state-of-the-art care. The Medical Center's goal is to attain the National Cancer Institute designation by 2010. The Governor's recommendation, however, does eliminate \$2.5 million from the State General Fund in FY 2010 for the Wichita Center for Graduate Medical Education.

**Medical Student Loan Program.** The Medical Student Loan Program is designed to provide an increased supply of general practice physicians to rural areas. The program provides tuition and a \$2,000 monthly stipend for students at the School of Medicine. Students must enter a primary care specialty and then practice in a non-urban county. Failure to satisfy the service commitment requires repaying the loan plus a substantial interest penalty. For FY 2010, the Governor recommends \$5,423,325 including \$2,786,764 from the State General Fund, \$400,000 from the Medical Student Loan Program Provider Assessment Fund, and \$2,236,561 from the Medical Loan Repayment Fund. This amount supports 120 loans.

## **Wichita State University**

Wichita State University is located in the largest metropolitan area in Kansas and provides educational opportunities to nearly 15,000 students annually. The University began as Fairmount College in 1895 with 16 students. It became a Municipal University of Wichita in 1926 and Wichita State University in 1963. Wichita is a center for the aviation manufacturing industry. The industry and the University have collaborated on research projects vital to the aviation industry. FY 2009 was the sixth year with appropriations for aviation research, which addresses the industry's most pressing problems that are identified by manufacturers' representatives. The problems are matched to the University's faculty with

appropriate interests and expertise. In FY 2010, the Governor includes \$4.9 million for this research and \$2.5 million for aviation industry worker training. These amounts are appropriated from the Economic Development Initiatives Fund. For FY 2009, the Governor recommends \$220,692,263, including

\$76,162,534 from the State General Fund. For FY 2010, the Governor recommends \$205,097,840, including \$67,558,998 from the State General Fund. The University's Aviation Research debt service is included in the bond refinancing in FY 2010, eliminating the principal payment in that year.

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## Other Education Agencies

### **Kansas Arts Commission**

The Kansas Arts Commission offers grants and technical assistance to a variety of artists and arts organizations throughout the state. For FY 2009, the Governor recommends \$2,291,547 with \$1,499,361 from the State General Fund. This recommendation reflects a reduction to the State General Fund of \$269,871 from the FY 2009 amount approved by the 2008 Legislature. The reduction was accomplished through use of other state funds and operating budget cuts. Some grant amounts are expected to be reduced in response to the reduction as well.

To support the Commission's mission in FY 2010, the Governor recommends \$2,201,138 from all funding sources, with \$1,526,671 from the State General Fund. Of the total recommended budget, \$1,496,774 is for arts programming and \$704,364 is for administration. Funding for the agency is primarily from State General Fund appropriations and grants from the National Endowment for the Arts. The Governor's recommendation will support 8.00 FTE positions, and reflects a reduction of \$108,912 from the FY 2010 State General Fund base request. This reduction will affect funds available for grants to support artists and arts projects.

### **Historical Society**

The mission of the Historical Society is to assist the public in understanding and appreciating the state's heritage and how it relates to the present. For FY 2009, the Governor recommends \$9,915,729 from all funding sources, with \$6,351,599 from the State General Fund. Budget reductions similar to those applied to other agencies were also applied to the Historical Society, however, the sudden failure of the Museum's humidification system required the addition of monies, spread across FY 2009 and FY 2010. A combination of fee funds, rehabilitation and repair

monies, with new State General Fund monies makes the replacement possible. For FY 2010, the Governor recommends \$9,519,946 from all funding sources, with \$6,037,933 from the State General Fund to support 138.00 FTE positions in achieving the agency's mission through collection, interpretation, and dissemination of materials and information. The Governor's recommendation reflects a reduction to the State General Fund budget of \$386,907 and an addition of \$163,185 to finish the museum humidification project begun in FY 2009. In response to the reduction, the agency expects to close three buildings, including the Native American Heritage Museum in Highland, Kansas, and reduce funding for 1.00 FTE position.

Pass-through grants to the Kansas Humanities Council and the Heritage Center in Dodge City are a part of the State Historical Society budget, and for both FY 2009 and FY 2010, the Governor recommends \$76,183 for the Humanities Council and \$27,372 for the Heritage Center, reflecting small reductions for both grants in both years.

### **State Library**

The mission of the State Library is to provide, promote, and support excellent library and information services to legislators, state government, and all Kansans. To fund that mission, for FY 2009, the Governor recommends \$7,193,492 from all funding sources, with \$5,376,662 from the State General Fund. This recommendation reflects a reduction of \$166,289 from the State General Fund amount appropriated by the 2008 Legislature, and will cause a decrease in funds available for aid to local governments. For FY 2010, the Governor recommends \$6,669,362 from all funding sources, with \$4,933,312 from the State General Fund. The FY 2010 recommendations include suspension of the Homework Kansas program for a savings of \$265,000 from the State General Fund.



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Public Safety

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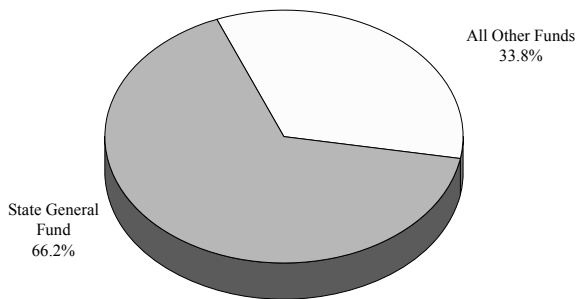


# Public Safety Summary

The primary purpose of the Public Safety Function is to preserve the safety of Kansas citizens. Agencies in this function include the Department of Corrections and eight adult correctional facilities, the Juvenile Justice Authority and four juvenile correctional facilities, the Adjutant General, the Emergency Medical Services Board, the State Fire Marshal, the Highway Patrol, the Kansas Bureau of Investigation, the Parole Board, the Sentencing Commission, and the Kansas Commission on Peace Officers Standards and Training. Public Safety agencies ensure the safety of Kansas citizens by managing the state correctional system, investigating crimes, regulating emergency services, enforcing fire regulations, serving the public in emergencies, and enforcing state laws.

that were released in September 2008. As part of the effort to reduce State General Fund expenditures, the day reporting centers in Topeka and Wichita are closed, the correctional conservation camps in Labette County are also closed, state funding for the adult residential centers in Johnson and Sedgwick counties is eliminated, offender programs are reduced, and operations at the minimum security work facilities in Osawatomie, Toronto, and Stockton are suspended. Resources have been preserved at the eight correctional facilities to allow the current level of inmate security to be maintained to ensure the safety of the Department's employees and Kansas citizens. Inmate health care and food service contracts are maintained in FY 2010.

How It Is Financed

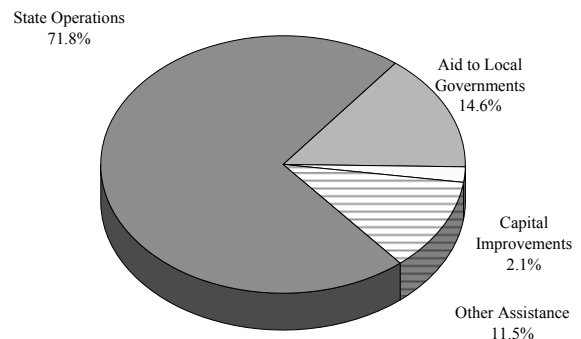


Fiscal Year 2010

The Governor recommends a budget of \$734.3 million from all funding sources, including \$430.1 million from the State General Fund, for this function in FY 2009. For FY 2010, \$606.9 million from all funding sources, including \$401.5 million from the State General Fund, is recommended. For FY 2010, 4,992.20 FTE positions and 578.63 non-FTE positions are recommended, for a total of 5,570.83.

The Governor's recommendation for operation of the adult correctional facilities is based on an average daily population (ADP) of 8,707 inmates in FY 2009 and 8,737 inmates in FY 2010. These ADP estimates are based on the official adult prison population projections from the Kansas Sentencing Commission

How It Is Spent



Fiscal Year 2010

Funding was added to the Juvenile Justice Authority budget to cover increasing Purchase of Services costs, but reductions were achieved in both FY 2009 and FY 2010 by closing the Atchison Juvenile Correctional Facility.

The Adjutant General's budget contains adequate funding to provide the state match for disaster costs. For FY 2010, the Governor recommends the addition of \$75,000 from the State General Fund for operating expenditures at the Regional Training Center in Salina.

To reduce the backlog in DNA analysis at the KBI, the Governor recommends \$83,300 from the State General Fund for 1.00 new DNA Scientist FTE position.



# Adult Corrections

## Department of Corrections

The Kansas Correctional System consists of eight prison facilities and community corrections agencies throughout the state. The eight adult prison facilities are located in the Cities of Norton, Winfield, Ellsworth, Larned, El Dorado, Hutchinson, Topeka, and Lansing. Additionally, there are 31 community corrections agencies that receive grants from the Department of Corrections to provide highly structured supervision of offenders in Kansas communities. Some agencies serve a single county, such as Sedgwick, Reno, Leavenworth, and Johnson Counties, while others serve multiple counties.

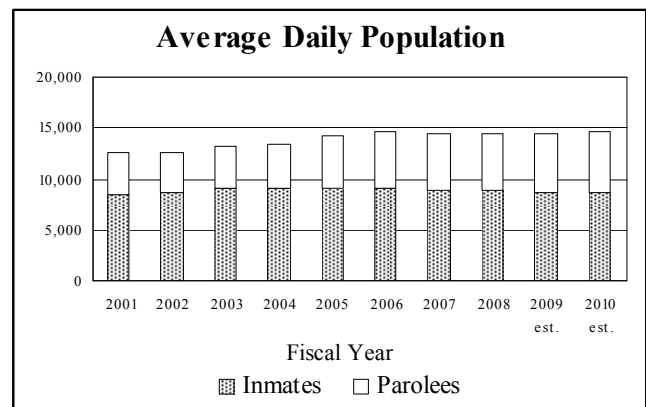
To reduce expenditures in FY 2009, the Governor recommends several program changes for the Department of Corrections. Currently, the agency contracts for operations of the day reporting centers in Topeka and Wichita. It is recommended that this contract be ended effective January 15, 2009, and that the Parole Services Program provide partial continuation of services including Global Positioning System (GPS) monitoring of 140 high risk offenders, substance abuse treatment, domestic violence assessments, and job skills development. Ending the private contracts and reallocating funds to the Parole Services program will save \$737,117. The Governor also recommends that the female correctional conservation camp located in Labette County be closed January 1, 2009, reducing FY 2009 State General Fund expenditures by \$483,000. This community corrections option has not been used to its fullest extent, resulting in excess capacity at the camp.

Also for FY 2009, the Governor recommends suspending operations at the minimum security correctional facilities in Toronto and Osawatomie which will yield savings of \$374,000 from the State General Fund. Added bed capacity in the eight main correctional facilities will allow the 150 inmates from these satellite facilities, which provide labor to local governments and state agencies, to rejoin the general inmate population. The above closures plus other recommended reductions and savings will total \$7.9 million from the State General Fund in FY 2009.

For FY 2010, the Governor recommends reductions totaling \$20.1 million which will also require changes

to Department of Correction’s programs in the budget year. This will include terminating a project to upgrade the agency’s offender management database, reducing offender programs, eliminating aid to local governments for adult residential centers, using more Correctional Industries Funds to offset State General Fund support for the inmate health care contract, and restructuring debt service.

Facilities that are recommended to be closed in FY 2009 are recommended to remain closed in FY 2010. This includes the day reporting centers, the Toronto and Osawatomie satellite correctional facilities, and the female correctional camp. Attaining the above savings will require additional closings in FY 2010 including the Labette Correctional Conservation Camp for male offenders and the Stockton Correctional Facility. All reductions and savings achieved in FY 2009 and FY 2010 will allow resources to be preserved at the eight correctional facilities to ensure that security of the inmate population is maintained.



## Adult Prison Population

Each year, the Kansas Sentencing Commission releases its adult inmate prison population projections in September. At the end of FY 2009, the Commission estimates the total prison population will be 8,743. This is a reduction of 340 inmates from the estimate made by the Commission last year. At the end of FY 2010, the Commission estimates a population of 8,698 inmates, which is a decrease of 235 inmates from last year’s projections. By the end of FY 2018, the Commission projects a population of 9,477 inmates, an increase of 839 inmates over a ten-year period.

The Department of Corrections uses the Sentencing Commission's official estimates to project an average daily population for each facility. Many of the Department's budgeted expenditures are based on the average daily population for each facility, including the medical and food service contracts. The graph on the previous page shows the history of the system's average daily population from FY 2001 through FY 2008 and the projected levels for FY 2009 and FY 2010.

### Central Office Programs

For FY 2010, the Governor recommends \$122.6 million from all funding sources for the Department of Corrections, including \$109.7 million from the State General Fund. This funding level will allow the Secretary of Corrections to continue oversight of the correctional system and to provide managerial and technical assistance to the state's adult correctional facilities and community-based programs. The Governor's recommended budget, summarized in the table below, provides financial support for administrative costs, community-based programs, offender programs, Kansas Correctional Industries, debt service, and capital improvements.

<b>Central Office Programs</b>	
	<u>FY 2010</u>
<b>Expenditures:</b>	
Operations	9,668,180
Inmate Medical/Mental Health Care	46,459,495
Food Service	13,766,482
Offender Programs	7,620,478
<b>Community Supervision:</b>	
Community Corrections	16,955,892
Parole & Post Release Supervision	12,636,755
Day Reporting Centers & Re-Entry	6,708,631
Correctional Conservation Camps	--
Special Programs	922,375
Debt Service & Capital Improvements	7,884,764
Total	\$122,623,052
<b>Funding:</b>	
State General Fund	109,667,055
Corr. Institutions Building Fund	5,051,461
Inmate Benefit Fund	2,364,653
Federal Funds	1,054,199
Other Funds	4,485,684
Total	\$122,623,052

**Operations.** The Governor recommends \$9.7 million for FY 2010 for expenditures related to the administrative activities of the Department including policy development, fiscal management, staff training programs, and information technology. Of the total recommended amount, \$9.3 million is from the State General Fund which includes a \$450,000 reduction from terminating a project to upgrade the Department's offender management database.

**Medical & Mental Health Care.** The Department of Corrections contracts with Correct Care Solutions, Inc. for inmate medical care. The contract covers all medical and mental health expenses for inmates residing in the state's correctional facilities. For FY 2010, the Governor recommends \$46.5 million to fund adult offender health care services. Of this amount, \$44.8 million is from the State General Fund, \$1.2 million is from the Correctional Industries Fund, \$436,819 is from the federal alien incarceration grant, and \$42,000 is from inmate sick call fees. The State General Fund amount includes enhanced funding of \$646,400 for base contract increases to continue health care services for offenders.

**Food Service.** To pay for the food service contract with Aramark Corporation in FY 2010, the Governor recommends \$13.8 million from the State General Fund. All contract expenditures for the eight correctional facilities are funded through the Central Office to minimize administrative costs.

**Offender Programs.** For FY 2010, the Governor recommends \$7.6 million from all funding sources for offender programs, including \$3.4 million from the State General Fund to continue rehabilitative programs and services for felony offenders in the state's correctional facilities, including vocational and technical education, and therapeutic communities for substance abuse rehabilitation. The recommendation represents a \$3.3 million reduction in State General Fund resources and includes notable decreases in inmate educational programs and community residential treatment beds.

**Community Corrections.** Community Corrections is a state and local partnership that provides highly structured community supervision to felony offenders, holding offenders accountable to their victims and communities, and improving offenders' ability to live productively and lawfully. The Department is responsible for the oversight of 31 community corrections agencies. Included in this program is

funding for adult residential centers in Johnson and Sedgwick counties. The centers provide housing and treatment for offenders in their local communities which allow them to work and support their families. Because of the need to reduce statewide expenditures in FY 2010, the Governor recommends that state grant funding totaling \$2.1 million from the State General Fund for the adult residential centers be eliminated. For FY 2010, the Governor recommends expenditures of \$17.0 million from the State General Fund for community corrections agencies.

**Parole & Post-Release Supervision.** For parole and post-release supervision in FY 2010, the Governor recommends expenditures of \$12.6 million from all funding sources, including \$12.0 million from the State General Fund. The State General Fund amount includes resources that will be reallocated to the Parole Services Program from the day reporting centers, which are recommended to be closed in FY 2009. The reallocated funds will be used to continue some services that are provided by the day reporting centers including GPS monitoring of high risk offenders, substance abuse treatment, domestic violence assessments, and job skills development.

**Day Reporting Centers & Re-Entry Programs.** For FY 2010, the Governor recommends \$6.7 million from all funding sources for the state's reentry programs in Shawnee, Sedgwick, and Wyandotte counties. Of this total amount, \$6.1 million is from the State General Fund. As previously stated, the day reporting centers in Topeka and Wichita are to be closed in FY 2009. The Governor's recommendation will allow the Department to maintain funding for programs that were started in FY 2008 through grants from the Justice/Equality/Human Dignity/Tolerance (JEHT) Foundation. The JEHT Foundation has agreed to provide funds over a three-year period, beginning in FY 2007. The program will establish services to support implementation of the Department's Re-Entry and Risk Reduction Plan and Strategy; however, the state must sustain financing once the original JEHT funds are utilized.

The re-entry programs work with community service providers, volunteers, neighborhood representatives, victim services, and family members to prepare high-risk offenders for a successful return to Kansas communities. The program provides housing and credit counseling and conducts pre-release substance abuse assessments for offenders soon to be released.

**Correctional Conservation Camps.** To reduce expenditures in FY 2010, the Governor recommends closing the Labette Correctional Conservation Camp for male offenders. Closing the camp will provide State General Fund savings of \$3.4 million in FY 2010. The female conservation camp located in Oswego, Labette County is recommended to be closed in FY 2009. The camps serve as community correctional facilities that are available to the courts and to the Department of Corrections as alternative placement options for offenders. However, the camps have been underutilized.

**Special Programs.** This program includes expenditures from federally financed activities and initiatives with systemwide effect. Also, included are expenditures for the Department's Victims Services Program. The Governor recommends \$922,375 from all funding sources for FY 2010, including \$540,539 from the State General Fund.

## Correctional Facilities

The Governor recommends total expenditures of \$149.9 million from all funding sources including \$147.7 million from the State General Fund for the eight correctional facilities in FY 2010. The table below summarizes the recommended level of expenditures and the estimated average daily populations for each facility. The Governor's recommendation

Adult Correctional Facilities			
	FY 2009	FY 2010	
	Gov. Est.	Gov. Rec.	ADP
Correctional Facility:			
Ellsworth	12,238,883	12,386,324	822
El Dorado	24,083,634	23,604,500	1,330
Hutchinson	28,779,392	28,659,063	1,725
Lansing	37,239,012	36,950,008	2,380
Larned Mntl. Hlth.	9,579,267	9,685,690	320
Norton	14,542,143	12,874,793	745
Topeka	13,647,939	13,262,051	597
Winfield	12,606,555	12,450,943	681
From Central Office	2,231,144	--	
Total	\$154,947,969	\$149,873,372	8,600
Funding:			
State General Fund	150,939,236	147,725,715	
Federal Funds	578,863	635,099	
CIBF *	1,620,529	--	
Other Funds	1,809,341	1,512,558	
Total	\$154,947,969	\$149,873,372	

\* Funds for FY 2010 are budgeted in the central office.

includes suspending operations at the Stockton Correctional Facility, which houses 128 minimum security offenders that provide labor to local governments and state agencies. As with Osawatomie Correctional Facility and Toronto Correctional Facility, which are recommended to be closed in FY 2009, additional minimum security bed capacity in the eight main correctional facilities will allow the inmates from the Stockton satellite facility to rejoin the general inmate population. This action will provide a sufficient amount of resources for the facilities to continue the current level of inmate security and to ensure the safety of the Department's employees and Kansas citizens.

## **Kansas Correctional Industries**

The Governor recommends expenditures of \$8.9 million from the Correctional Industries Fund for Kansas Correctional Industries (KCI). KCI is entirely self-supporting from the manufacture and sale of a variety of products and services sold to state agencies and local governments. The Governor recommends transferring \$2.1 million in FY 2010 from the Correctional Industries Fund to the Department of Corrections General Fees Fund, an increase of approximately \$1.1 million from the transfer made in FY 2008. The additional monies will be used to support the inmate health care contract in FY 2010.

# Juvenile Justice

The mission of the Juvenile Justice Authority is to assist youth to become successful and productive citizens. The agency intends to accomplish this by providing leadership and support by preventing youth from becoming involved in the juvenile justice system and providing community supervision for youth who are in the juvenile justice system. The Authority will also provide a safe, secure, humane, and restorative confinement of youth to enhance public safety. Further, the agency will hold youth accountable for their behavior and improve their ability to live productively and responsibly in their communities.

Duties of the agency and the Commissioner of Juvenile Justice are outlined in the Juvenile Justice Reform Act of 1996. The Juvenile Justice Authority assumed responsibility for all juvenile offenders and operation of the juvenile correctional facilities on July 1, 1997.

In December 2008, the Atchison Juvenile Correctional Facility suspended operations. Because of the suspension, \$2.0 million from the State General Fund will be lapsed in FY 2009. In FY 2010, the state will see a net savings of \$3.7 million from the State General Fund. Youth who were at the Atchison facility have been transferred to the facilities in Larned and Topeka. The Juvenile Justice Authority is currently overseeing the conversion of the Atchison facility to a youth residential center.

## Juvenile Justice Authority

For FY 2009, the Governor recommends \$69.6 million from all funding sources for the Juvenile Justice Authority, including \$39.9 million from the State General Fund. Included in this recommendation are salaries and wages for 42.00 FTE positions and 18.00 non-FTE unclassified permanent positions. State General Fund expenditures that will be lapsed total \$856,424. Of that amount, \$547,000 is from the agency's incentive funding program, \$209,424 is state matching funds from a sex offender grant, and \$100,000 is from other operating expenses. In addition, the Governor recommends \$961,059 from the State General Fund for additional purchase-of-

services funding. The additional funding will allow the agency to provide necessary services to eligible youth. The Governor's budget recommendations do not include any reductions to graduated sanctions community funding in FY 2009.

In FY 2010, Governor recommends \$68.9 million from all funding sources, including \$40.2 million from the State General Fund that will finance a total of 42.00 FTE positions and 18.00 non-FTE unclassified permanent positions. The Governor's recommended budget includes a continuation of \$3.5 million from the State General Fund for increased funding for graduated sanctions programs. The increase was recommended by the Governor for FY 2009 and approved by the 2008 Legislature.

The Governor recommends \$700,000 from the State General Fund to continue an incentive grant program that encourages local judicial districts to provide more

<b>Central Office Programs</b>	
	<u>FY 2010</u>
<b>Expenditures:</b>	
Administration	2,883,754
Management Information Systems	1,143,212
Contracts & Audits	2,062,362
<b>Community Programs:</b>	
<b>Graduated Sanctions:</b>	
Intake & Assessment	5,345,643
Community Corrections	5,186,767
Community Case Management	9,609,869
Incentive Funding	700,000
Delinquency Prevention	5,896,697
Aid to Local Governments	4,537,522
Purchase-of-Services	26,689,036
Subtotal--Community Programs	\$ 57,965,534
Debt Service & Capital Improvements	4,796,211
Total	\$ 68,851,073
<b>Funding:</b>	
State General Fund	40,174,319
Children's Initiatives Fund	9,000,000
State Institutions Building Fund	4,796,211
Federal Funds	9,947,376
Other Funds	4,933,167
Total	\$ 68,851,073

funding for juvenile justice programs. The Central Office Programs table on the previous page provides a summary of the programs managed by the Juvenile Justice Authority central office for FY 2010, which also includes the funding sources for the programs.

Community-based funding helps ensure that placement of youth in a juvenile correctional facility is reserved for the most violent and chronic offenders, which is a goal of the Juvenile Justice Reform Act. Youth who are not placed in a juvenile correctional facility are rehabilitated through a network of community-based programs, consisting of five components: graduated sanctions, incentive funding, delinquency prevention, aid to local governments, and purchase-of-services. During FY 2010, \$58.0 million will be distributed to providers for these community-based programs.

**Graduated Sanctions.** The graduated sanctions community programs consist of three core programs, for which the Governor recommends \$20.1 million from all funding sources, including \$16.7 million from the State General Fund. Included in the Governor’s budget in FY 2010 is \$5.3 million for intake and assessment, \$9.6 million for community case management, and \$5.2 million for community corrections.

**Incentive Funding.** The Governor is recommending \$700,000 from the State General Fund for incentive grant programming during FY 2010. The incentive grant program allows local judicial districts to receive state funding for enhanced services for juveniles if the district provides a dollar for dollar match.

**Delinquency Prevention.** The Governor recommends \$5.9 million from all funding sources for FY 2010 for delinquency prevention programs, which provides assistance to juveniles not yet adjudicated, but who exhibit at-risk behavior.

**Aid to Local Governments.** Funding for these programs includes financial assistance to local juvenile districts, prevention and intervention programs, and debt service payments for local juvenile detention facilities. For aid to local government programs, the Governor recommends \$4.5 million from all funding sources in FY 2010.

**Purchase-of-Services.** The purchase-of-services budget is funding to place youth in out-of-home placements. Various providers where youth can be placed include group homes, psychiatric residential

treatment facilities, and other types of providers. Actual FY 2008 purchase-of-services expenditures were \$27.4 million from all funding sources, including \$21.1 from the State General Fund. For FY 2009, the Governor is recommending \$27.5 million from all funding sources, including \$18.0 million from the State General Fund, an increase of \$961,059 from the FY 2009 approved budget. For FY 2010, the Governor recommends \$26.7 million from all funding sources, including \$18.0 million from the State General Fund.

## Juvenile Correctional Facilities

The Juvenile Justice Authority oversees the three juvenile correctional facilities in Beloit, Larned and Topeka. The facilities house juvenile offenders ages ten to 23 who have been adjudicated under Kansas law and who have been ordered by the court to be held in state custody. Female juvenile offenders are housed at Beloit. The table on this page displays the budgets for each of the juvenile correctional facilities, along with the funding sources included in the budgets.

In December 2008, the Atchison Juvenile Correctional Facility suspended operations. Juveniles at the facility were transferred to the facilities in Topeka and Larned. By suspending operations at Atchison, the state will see net savings of \$2.0 million, which will be lapsed back to the State General Fund in FY 2009 and \$3.7 million in FY 2010. Of the agency’s 99.00 FTE positions, 16.00 FTE positions will be transferred to the Topeka facility and 11.00 FTE positions will be

<b>Juvenile Correctional Facilities</b>		
	FY 2009 Gov. Est.	FY 2010 Gov. Rec.
Juvenile Corr. Facility:		
Atchison Juv. Corr. Fac.	3,094,880	386,868
Beloit Juv. Corr. Fac.	4,028,698	3,946,555
Larned Juv. Corr. Fac.	8,496,062	8,837,568
Kansas Juv. Corr. Comp.	16,262,420	16,278,196
Total	\$ 31,882,060	\$ 29,449,187
Funding:		
State General Fund	31,042,586	28,676,279
Federal Funds	717,707	675,219
Other Funds	121,767	97,689
Total	\$ 31,882,060	\$ 29,449,187

transferred to the Larned facility, while 69.00 vacant FTE positions will be eliminated. The remaining 3.00 FTE positions are for a small staff that will oversee the daily maintenance needs at Atchison.

Additional State General Fund expenditures that will be lapsed in FY 2009 include \$68,780 at Beloit, \$160,486 at Larned, and \$127,270 at the Kansas Juvenile Correctional Complex. Positions are being held vacant and operating expenditures are reduced.

For FY 2009, the Governor recommends expenditures of \$31.9 million from all funding sources, including

\$31.0 million from the State General Fund, for the operation of the three juvenile correctional facilities and the former facility at Atchison. In FY 2010, the Governor recommends \$29.4 million including, \$28.7 million from the State General Fund. Included in the Governor's recommendation are salaries and wages to finance 585.50 FTE positions and 29.00 non-FTE unclassified permanent positions in FY 2009. For FY 2010, there is financing for 516.50 FTE positions and 23.00 non-FTE unclassified permanent positions. The agency is estimating an average daily population of 463 juveniles in FY 2009 and 486 in FY 2010. The FY 2008 actual average daily population was 423.

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## Other Public Safety Agencies

### Adjutant General

Preservation of peace, order, health, and public safety is the mission of the Adjutant General's Department. The Department must also be ready to serve as part of America's Army and Air Force. The Adjutant General manages operations of the Kansas National Guard and the state's Division of Emergency Management. State funds are provided for administrative support and operating costs related to buildings and facilities. These facilities include National Guard armories, the State Defense Building in Topeka, and the Air National Guard Facilities at McConnell Air Force Base in Wichita and Forbes Field in Topeka.

The Governor recommends \$200,427,259, including \$28,053,635 from the State General Fund, in FY 2009. This is an increase from all funding sources of approximately \$54.8 million from the agency's approved budget. The increase is mainly for disaster relief, which includes \$8.0 million of reappropriated funds from the State General Fund. The recommendation includes \$110,379 in State General Fund reductions for operating expenditures. Included in the recommendation is also a reduction of \$100,000 from the State General Fund for the study of a second regional training center.

Also in FY 2009, the recommendation includes lapsing \$95,591 mainly from the National Guard Life Insurance Premium Reimbursement account of the State General Fund. These funds are no longer needed for this purpose because the federal government is providing this payment. For the same reason, \$319,657 from the National Guard Life Insurance Premium Reimbursement Payment Fund will be transferred back to the State General Fund. An amount of \$1,883,892 will be transferred from the Adjutant General Expense Fund to the State General Fund. These funds were intended for hazardous mitigation expenditures; however, these funds are not planned to be spent at the end of FY 2009.

For FY 2010, the Governor recommends \$103,585,882, including \$15,136,285 from the State General Fund. The recommendation includes \$75,000 from the State General Fund for operating expenditures at the Regional Training Center in Salina.

To finance the federally declared disasters, the budget includes \$66,455,210, including \$7,818,260 from the State General Fund. Furthermore, \$365,000 from the State General Fund for Emergency Management Performance Grant matching funds is not part of the agency's FY 2010 budget. These funds are part of the FY 2009 budget.

**Death Benefits.** Included in the Governor's budget for FY 2009 is \$250,000 from the State General Fund for a death benefit of \$250,000 in state funds to beneficiaries of the last service member who was killed. This provides death benefits equal to those provided to other guard members killed in action.

### Emergency Medical Service Board

Ensuring that quality out-of-hospital care is available throughout Kansas is the mission of the Emergency Medical Services Board. The Board continues to meet its mission by education, inspection, and regulation of the emergency medical services profession. The Board's FY 2009 revised budget was reduced by \$99,999, which will be transferred to the State General Fund. The reductions consisted of lowering \$23,060 in other operating expenditures, \$17,692 in capital outlay, \$6,000 from the Kansas Emergency Medical Information System, \$4,000 from the Education Incentive Grant program, \$2,325 from the EMS Regional Councils, and \$46,922 from the Kansas Savings Incentive Program. For FY 2009, the Governor recommends expenditures of \$2,494,249 from all funding sources, including \$1,431,813 from the Emergency Medical Services Operating Fund.

In FY 2010, the Governor recommends \$2,124,043 from all funding sources, including \$1,329,211 from the Emergency Medical Services Operating Fund, which will fund 14.00 FTE positions. Also included in the Governor's budget recommendation are reductions of \$68,993, including \$35,385 from the Education Incentive Grant program and \$33,608 in capital outlay expenditures. The entire amount saved will be transferred to the State General Fund. To carry out its mission, a 0.25 percent levy on fire insurance premiums provides the Emergency Medical Services Board with revenues with which to operate.



## **State Fire Marshal**

The mission of the State Fire Marshal is to protect the lives and property of Kansas citizens from the hazards of fire and explosion by promoting prevention, education, life safety, and investigating activities to mitigate incidents and deter crimes. The agency's FY 2009 revised budget was reduced by lowering commodities \$43,209, \$86,418 was reduced from other operating expenditures, and \$30,970 was taken from the agency's Kansas Savings Incentive Program account. All of the budget savings will be transferred to the State General Fund. To carry out its mission, the Governor recommends \$4,941,259 from all funding sources, including \$3,772,648 from the Fire Marshal Fee Fund in FY 2009.

For FY 2010, the Governor recommends expenditures of \$4,339,644 from all funding sources, including \$3,559,425 from the Fire Marshal Fee Fund. The Governor recommends operating reductions of \$42,274 to commodities and \$40,000 to contractual services, which will also be transferred to the State General Fund. The Governor's recommendation will finance 53.00 FTE positions and 3.00 non-FTE unclassified permanent positions in FY 2010.

The Governor recommends continuing a transfer of \$50,000 from the Fire Marshal Fee Fund to the Hazardous Materials Emergency Fund to allow the agency to repay a loan that was initiated in FY 2004. In addition, the Governor's recommendation will allow the agency discretion over how much may be transferred and the timing of each transfer.

## **Highway Patrol**

The Highway Patrol's mission is to provide service, courtesy, and protection to the citizens of Kansas through responding to the concerns of citizens, enforcement of traffic and other state laws, and preserving individual dignity and constitutional rights. Some of the Highway Patrol's major responsibilities include policing the Kansas Turnpike Authority, providing security to the Capitol Complex, and administering federal homeland security funds.

For FY 2009, the Governor recommends \$89,621,434 from all funding sources, including \$37,406,194 from the State General Fund. The Patrol's FY 2009 State General Fund budget was reduced by \$1.1 million.

This was accomplished by delaying the expenditure of \$331,901 for information technology equipment replacement. Also, \$149,271 will be lapsed by reducing the amount of new uniforms ordered for sworn officers. The Highway Patrol Training Center Fund will assume a greater portion of the agency's operating costs in the amount of \$222,756 from the State General Fund and \$8,500 will be saved by reducing paper usage. Finally, the Governor recommends switching salary and wage expenditures of \$412,545 from the State General Fund to the agency's Program Clearing Fund, General Fees Fund, and KHP Operations Fund.

The Governor recommends a transfer of \$300,000 from the agency's General Fees Fund and \$150,000 from the Highway Patrol Training Center Fund to the State General Fund in FY 2009. Fuel prices have fluctuated dramatically over the past year. To accommodate potential price increases during FY 2009, the Governor's recommendation includes \$1.0 million from agency fee funds for additional fuel expenditures.

In FY 2010, the Governor recommends \$79,999,358 from all funding sources, including \$35,106,115 from the State General Fund in FY 2010. In FY 2010, the agency will have 859.00 FTE positions and 38.00 non-FTE unclassified permanent positions. Included in the Governor's recommendation is a reduction of \$1,473,559 from all funding sources, including \$1,039,953 from the State General Fund to eliminate one trooper recruit class for FY 2010. Typically, the agency conducts two trooper classes during each fiscal year. In addition, the Governor recommends switching \$75,453 for salaries and wages from the State General Fund to the agency's General Fees Fund. Included in the Governor's budget are transfers of \$300,000 from the agency's Kansas Highway Patrol Motor Vehicle Fund and \$100,000 from the Vehicle Identification Number Fee Fund to the State General Fund in FY 2010.

## **Kansas Bureau of Investigation**

The mission of the Kansas Bureau of Investigation is to provide professional investigative and laboratory services to Kansas criminal justice agencies. The agency also collects and disseminates criminal information for the purpose of promoting public safety and the prevention of crime. The agency will continue

to assist local law enforcement agencies in the investigation of predominantly violent crimes, perform investigations at the request of the Attorney General, maintain a criminal records database, and provide laboratory services for state and local law enforcement agencies.

The Governor recommends \$27,273,989, including \$16,094,392 for FY 2009. The recommendation includes a State General Fund reduction of \$606,545 for staff turnover to reflect filled positions along with reductions to operating expenditures. The recommendation also includes a reduction of \$50,000 to the State General Fund for capital improvement projects. Furthermore, it is recommended that \$301,062 of expenditures be switched from the State General Fund to agency fee funds. In addition, the recommendation includes transferring \$100,000 from the Private Detective Fee Fund to the State General Fund.

For FY 2010, the Governor recommends \$26,257,703, including \$15,567,663 from the State General Fund. The recommendation includes a reduction of \$340,000 from the State General Fund for replacement vehicles. No vehicles are recommended in the FY 2010 budget for any agency. The recommendation also includes switching \$342,462 of expenditures from the State General Fund to the Record Check Fee Fund. Furthermore, the recommendation includes increasing projected staff turnover by \$342,462 from the Record Check Fee Fund. The Governor does recommend \$83,300 for 1.00 new DNA Scientist FTE position to assist in reducing the agency's backlog in DNA analysis.

### **Kansas Commission on Peace Officers Standards & Training**

The 2006 Legislature amended current law to remove regulation of peace officers from the University of Kansas where it resided with the Law Enforcement Training Center, and made it a separate state agency. The new agency began operation in FY 2008. It is responsible of the adoption and enforcement of rules and regulations related to training and certification of law enforcement officers. The Commission is also responsible for the establishment and maintenance of a central registry for Kansas law enforcement officers. As circumstances require, the staff may conduct investigations and the Commission may conduct

administrative hearings related to the qualifications of an officer. The Governor recommends \$643,000 for FY 2009 and \$644,624 for FY 2010 from docket fees. This will bring the agency's expenditures in line with revenue and allow adequate funding for operations. Also, by the end of FY 2008, the agency had built up a \$758,555 balance in its fee fund. The Governor recommends that \$500,000 be transferred to the State General Fund.

### **Kansas Parole Board**

The Kansas Parole Board enhances the safety of the citizens of the state by determining the suitability of incarcerated offenders to return to Kansas communities. This mission is put into practice by conducting parole suitability and parole revocation hearings; special hearings; full board reviews; and public comment sessions. All hearings are adjudicated by the three board members who are provided staff from the Department of Corrections. The Governor recommends a revised FY 2009 budget of \$502,669 from the State General Fund, which includes a \$20,231 reduction to out-of-state travel expenditures. For FY 2010, the Governor recommends expenditures of \$488,386 for the Board, all from the State General Fund. Resources for in-state travel are maintained to allow the Board to achieve its statutory obligations of attending hearings across Kansas.

### **Kansas Sentencing Commission**

The mission of the Kansas Sentencing Commission is to develop monitoring and reporting procedures to determine the effect of sentencing guidelines on the Kansas adult correctional system. The agency also provides the annual Juvenile Justice Authority population projections upon request from the agency. In addition, the agency is responsible for the implementation and management of alternative sentencing for offenders convicted of drug possession under 2003 SB 123. All offenders who are sentenced under this law are placed under the supervision of community corrections. The agency manages all payments to treatment providers.

For FY 2009, the Governor recommends a total of \$9,809,768 from all financing sources. Of that total, \$9,342,428 is from the State General Fund. The recommendation includes a 3.0 percent reduction from

the approved budget for the agency's Alternative Sentencing Program, which was based on an analysis of actual expenditures in previous fiscal years and projected expenditures for the current year.

For FY 2010, the Governor recommends a total of \$9,805,869 from all financing sources, of which \$8,955,513 is from the State General Fund. This

recommendation also includes full financing of the alternative sentencing program at \$9,111,869, which is 1.0 percent above actual expenditures in FY 2008, also based on an examination of prior year expenditures.

The Governor's recommendation for both fiscal years provide for 10.00 FTE positions and allows the agency to offer adequate services and fulfill its mission.

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# Agriculture & Natural Resources

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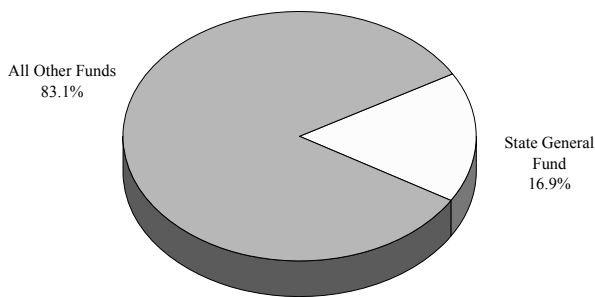
# Agriculture & Natural Resources Summary

Seven agencies manage the agriculture and natural resources functions of the State of Kansas by promoting, protecting, improving, and restoring the state's natural resources through each agency's specific mission and goals. The Department of Agriculture regulates and develops agricultural products, implements interstate water agreements, and protects against exotic pests, while its Animal Health Department carries out management of preventive health maintenance and eradication of infectious diseases affecting livestock and domestic animals.

the State Water Plan Fund. This recommendation reflects reductions to amounts approved by the 2008 Legislature of \$1.2 million from the State General Fund and \$5.9 million from the State Water Plan Fund.

Basic services provided by the agriculture and natural resources agencies will be maintained in FY 2010, with expenditures of \$180.8 million, including \$30.5 million from the State General Fund and \$15.0 million from the State Water Plan Fund. The \$6.0 million transfer from the State General Fund to the State Water Plan Fund has been eliminated for both FY 2009 and FY 2010. Because of this, expenditures for both years have been reduced as part of a 20.0 percent reduction in expenditures from the State Water Plan Fund for both FY 2009 and FY 2010. Although current base funding from this source for the Aid to Conservation Districts will be maintained at \$2.3 million in both FY 2009 and FY 2010.

How It Is Financed

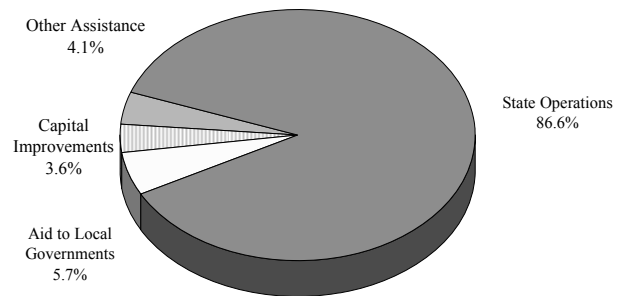


Fiscal Year 2010

Environmental protection is a function of the Department of Health and Environment, and the Conservation Commission has oversight of conservation and soil and water resources management. A statewide system of wildlife areas, state parks, and state fishing lakes is maintained by the Department of Wildlife and Parks. The State Water Office develops policy, provides technical assistance, and studies water resources for the entire state. Promotion of Kansas products is accomplished through the State Fair.

For FY 2009, the Governor recommends \$216.0 million from all funding sources, with \$35.6 million from the State General Fund and \$23.2 million from

How It Is Spent



Fiscal Year 2010

The Department of Agriculture assumed responsibility for the state's food service and lodging facility inspection program from the Department of Health and Environment on October 1, 2008. The reduction in fees to state parks remains in place in the FY 2010 budget.

# Agriculture & Natural Resources Agencies

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## Department of Agriculture

The mission of the Department of Agriculture is to protect food safety for human consumption through the regulation of the production and sale of meat, poultry, dairy products, agricultural grains, seeds, retail grocery stores and other food processing facilities, along with the state's natural resources and provide water resource allocation for the citizens of Kansas. In addition, the agency also assists and represents the agricultural industry and the Kansas economy through the development and promotion of agriculture policy. The Department collects, analyzes and disseminates state agriculture information and is a national leader in the research and prevention of agricultural economic threats. The agency monitors agriculture products, regulates weights and measures and administers the development of water resources through various agency programs. The Department also coordinates with other natural resource agencies to endure efficient use of resources.

The Governor's recommendation for the Department of Agriculture for FY 2009 is \$28,751,854 from all funding sources, including \$11,695,253 from the State General Fund expenditures and \$1,245,979 from the State Water Plan Fund. The recommendation is a decrease of \$477,466 from the FY 2009 approved budget and includes a reduction of \$361,708 from the State General Fund and \$157,522 from the State Water Plan Fund. The Governor's recommendation includes a projected staff turnover rate of 6.4 percent, a reduction in professional fees for the Administration program, and a reduction in State Water Plan expenditures.

For FY 2010, the Governor recommends for the Department of Agriculture \$27,846,890 from all funding sources, including \$10,948,668 from the State General Fund and \$1,124,615 from the State Water Plan Fund. The Governor's recommendation increases the agency's staff turnover rate to 7.8 percent and reduces professional fees for the Administration Program. The Governor recommends the agency utilize fee funds to replace support from the State General Fund. The Governor recommends \$1,124,615 from the State Water Plan Fund, a decrease of \$181,885 from the agency's FY 2010 request. The

recommendation includes \$337,379 for interstate water issues to protect Kansas' interest on the Arkansas River and the Republican River and to ensure interstate compact compliance related to the water lawsuit settlements for both rivers. The remaining funds include \$49,700 for the Water Use program and \$737,536 for the Basin Management program for monitoring and protecting water rights and improving hydrologic sustainability.

## Animal Health Department

The Animal Health Department's goal is to ensure the public health and safety of Kansas citizens and enhance the economic viability of the state's livestock production through identification, emergency management, prevention, control and eradication of infectious diseases that affect the health and well-being of livestock and domestic animals. The Department regulates facilities that produce, sell, board, train, offer for adoption, or harbor companion animals. The agency is also responsible for registering and inspecting livestock brands to identify lost or stolen livestock. The effectiveness and responsiveness of the agency's activities have prevented the spread of tuberculosis in the state. As a result, the state was designated a "tuberculosis free" state in 2002. The state is also considered free of brucellosis and pseudorabies. The Governor recommends for FY 2009, \$2,886,773, including \$913,027 from the State General Fund. The Governor's recommendation includes a 3.0 percent reduction from the State General Fund of \$28,238 for in-state travel and subsistence in the Animal Disease Control program. For FY 2010, the Governor recommends \$2,637,714 from all funding sources, including \$864,525 from the State General Fund. The recommendation includes reductions for in-state travel and subsistence in the Animal Disease Control and Animal Facilities programs.

## State Conservation Commission

The State Conservation (SCC) protects and conserves Kansas' natural resources through the implementation of conservation programs. A nine-member commis-

sion governs the agency, which establishes policy and delegates responsibility for the programs. For FY 2009, the Governor recommends \$17,043,594, including \$884,917 from the State General Fund, \$15,210,497 from the State Water Plan Fund, and \$948,180 from federal and fee funds. For FY 2010, the recommendation includes \$832,406 from the State General Fund, \$9,056,321 from the State Water Plan Fund, and \$880,209 from federal and fee funds.

**Administration.** Expenditures for administering the programs established by the State Conservation Commission are financed by the State General Fund and include funding for 12.00 of the 14.00 FTE positions. The Governor recommends funding of \$884,917 for FY 2009 and \$832,406 for FY 2010. The reduced funding is the result of reductions in travel and other operating expenditures in both years.

**Aid to Conservation Districts.** The Governor recommends funding of \$2.3 million in both FY 2009 and FY 2010 from the State Water Plan Fund for the program that is distributed to local county conservation districts for natural resource conservation efforts according to a formula in statute that requires state funding to match the contributions made by counties.

**Water Resources Cost Share Program.** State Water Plan Fund expenditures of \$3.1 million in FY 2009 and \$2.4 million in FY 2010 are recommended by the Governor to enhance and conserve natural resources through the use of financial incentives to implement best management practices in partnership with farmers, ranchers, and other landowners.

**Watershed Dam Construction Projects.** The Governor recommends State Water Plan expenditures of \$938,493 in FY 2009 and \$759,600 in FY 2010 for the program that seeks to achieve flood reduction benefits to agricultural land, roads, bridges, utilities, and urban areas at a monetary level which exceeds dam construction costs by an average of 150.0 percent. The construction of flood detention and grade stabilization dams can also reduce or prevent sediment from depositing into public water supply lakes.

**Riparian & Wetland Protection Program.** The program provides planning assistance to local conservation districts in the development of protection plans to restore riparian areas, wetlands, and wildlife

habitats. Recommended expenditures from the State Water Plan Fund total \$242,598 in FY 2009 and \$181,283 in FY 2010.

**Water Quality Buffer Initiative.** In order to enhance state participation under the federal Conservation Reserve Program (CRP) for the installation of riparian forest buffers and grass filter strips, the program provides state per acre rental payments in targeted water quality areas. This reduces nonpoint source pollution runoff from cropland and marginal pasture acres enrolled in the program. The Governor recommends State Water Plan expenditures of \$363,210 in FY 2009 and \$216,000 in FY 2010.

**Lake Restoration.** The goal of this program is to assist local agencies in need of assistance for the restoration or renovation of public water supply systems by providing financial assistance in situations where systems are near the end of their service life or have reduced capacity because of sedimentation. Recommended funding from the State Water Plan Fund is \$798,773 in FY 2009 and \$718,896 in FY 2010.

**Water Transition Assistance Program (WTAP).** The Governor recommends State Water Plan Fund expenditures of \$2.2 million in FY 2009 and \$81,011 in FY 2010 for this program that seeks to reduce irrigation water usage in targeted areas. The goal is to restore base flows in streams in need of recovery and to recharge aquifers in need of restoration in over-appropriated areas within the High Plains Aquifer through the acquisition or paid retirement off water rights. The WTAP started as a pilot project in FY 2007.

**Horsethief Reservoir.** The reservoir project has been financed by a combination of state, federal, and local resources and has been included in the SCC Multipurpose Small Lakes Program. The program assists local entities in need of a new or restored project for water supply, flood reduction, and recreational facilities by providing state financial assistance. The reservoir, located on Buckner Creek in Hodgeman County, will provide flood control and recreation. The total cost for Horsethief Reservoir, currently under construction, is \$15,920,000. Funding requested from the State Water Plan Fund is \$4.5 million. FY 2009 was the final year for state payments for the project, and \$1,123,176 was requested. The



Governor's recommendation reduces that amount by \$224,635 for a total recommendation of \$898,541.

**Surface-Mining Land Conservation & Reclamation Program.** The program provides for the reclamation and conservation of land affected by surface mining of sand, gravel, limestone, sandstone, gypsum, and other minerals. Surface mine operators are licensed and must have an approved reclamation plan and post a performance bond to ensure reclamation is completed. Fees collected from mine operators fund the program. The Governor recommends expenditures of \$130,885 in FY 2009 and \$135,376 in FY 2010.

## Health & Environment—Environment

The Division of Environment of the Department of Health and Environment is organized into five programs within the Division that implement regulatory activities to limit exposure to materials that are potentially harmful to the environment. The Division also assesses environmental conditions within the state and implements plans to remediate contamination with the goal of protecting public health and the environment.

The Governor's budget a year ago included an appropriation of \$680,000 from the State General Fund for the 10.0 percent required matching funds to receive Superfund designation in southeast Kansas that has contamination resulting from a long history of mining in the area. The funding from Superfund and state match was intended to negotiate the "buyout" of the City of Treece, as well as the remediation for Galena and two smaller sites in the area. Congress has not yet appropriated the federal money for the project, therefore, the appropriation of \$680,000 from the State General Fund has been suspended pending the notification of receipt of the federal funding required to complete the remediation and buyout.

The Governor's recommendation from all funding sources for FY 2009 is \$74.2 million, including \$9.5 million from the State General Fund, \$3.1 million from the State Water Plan Fund, and \$1.9 million from the Children's Initiatives Fund for the Newborn Screening Program at the Health and Environmental Laboratories. For FY 2010, expenditures are reduced to \$70.7 million; \$8.9 million from the State General Fund, \$2.6 million from the State Water Plan Fund; and, \$1.8 million from the Children's Initiatives Fund.

**Contamination Remediation.** The program goal is to address environmental contamination at sites where there is no responsible party identified or where the responsible party is unable to pay for the needed corrective action. The funding is used for site assessments, investigations, corrective actions, and emergency responses. The Governor recommends State Water Plan Fund monies of \$783,698 in FY 2009 and \$567,216 in FY 2010.

**Local Environmental Protection Program.** The Governor recommends State Water Plan Fund monies of \$1,202,279 in FY 2009 and \$1,066,942 in FY 2010 that will be distributed as aid to counties so that each county has the funding to implement approved environmental protection plans.

**Watershed Restoration & Protection Plans (WRAPS).** State Water Plan expenditures of \$600,613 in FY 2009 and \$481,042 in FY 2010 will be used to assist local groups to work together to identify water quality and water resource issues within watershed districts, and then develop and implement local solutions to address those problems.

## Kansas State Fair

The State Fair is held annually in the City of Hutchinson over a ten-day period in early September. Attendance at the 2008 State Fair was 319,104, a decrease of 21,059 or 6.2 percent from the 2007 fair. The fairgrounds also attract approximately 200,000 to the more than 300 non-fair events held throughout the year. Non-fair events include recreational vehicle rallies, car shows, flea markets, horse and livestock shows, auctions, weddings, training schools, arts and craft shows, garage sales, and company picnics. These non-fair events generate revenues for utilization of the fair grounds and facilities during the days the State Fair is not held.

For FY 2009, the Governor recommends \$6,417,698 from all funding sources, including \$1,130,821 from the State General Fund and \$68,600 from the Economic Development Initiatives Fund (EDIF). The EDIF is for promotion and ticket marketing and exhibit premiums during the fair. This is a decrease of \$1,400 from the approved amount. For FY 2010, the Governor recommends \$5,606,498 from all funding sources. The Governor's recommendation removes the EDIF support for promotion and ticket marketing

and exhibit premiums. The Governor does not recommend the \$200,000 transfer for the State General Fund match to the State Fair Capital Improvements Fund in FY 2010. The State Fair's debt service is included in the bond refinancing proposal, eliminating the principal payment in FY 2010.

## **Kansas Water Office**

The Kansas Water Office develops water policy by coordinating the water resource operations of state agencies, local governments, and the federal government. The office also provides the necessary staffing and assistance to the Kansas Water Authority, a 24-member authority that represents water users, environmental interests, and the general public. Agency heads for water-related agencies are ex-officio members of the Authority that meets five to six times per year, and advises the Governor and the Legislature on water policy issues. The Authority also makes expenditure recommendations to the Governor and the Legislature regarding the State Water Plan Fund. For FY 2009, the Governor recommends total expenditures of \$19,822,620, including \$2,824,403 from the State General Fund, \$3,591,395 from the State Water Plan Fund, and \$9.8 million for a one-time grant from the Water Conservation Projects Fund to Groundwater Management District #3 in western Kansas. The \$9.8 million was originally deposited with the Kansas Water Office in 2005 as part of the damage award received from the State of Colorado. Action by the 2008 Legislature required that the funding go to the area in western Kansas most affected by the shortages of water as documented in *Kansas v. Colorado*.

The Governor recommends expenditures of \$7,070,341 for FY 2010, including \$2,025,746 from the State General Fund, \$2,151,556 from the State Water Plan Fund, and \$2,893,039 from agency fee funds. The recommendation shifts \$233,306 from the State General Fund to the Water Marketing Fund for salaries and wages of employees who work in the agency's public water supply program.

**Assessment & Evaluation Program.** Program staff members collect and compile information pertaining to a wide range of water resource conditions for statewide and basin-specific issues. All funding for the program is for studies targeted to implement priority water projects. The Governor recommends

expenditures from the State Water Plan Fund of \$720,143 for FY 2009 and \$532,500 for FY 2010.

**Technical Assistance to Water Users.** State Water Plan Fund support is used by program staff members to provide technical assistance to municipalities through a contract with the Kansas Rural Water Association and to irrigators through contracts with Kansas State University. For FY 2009, the Governor recommends expenditures of \$632,918 and expenditures of \$443,692 for FY 2010.

**Wichita Aquifer Storage & Recovery Project.** The recommendation of \$660,000 from the State Water Plan Fund for FY 2009 is a reduction from the approved amount of \$1.0 million. The Governor recommends funding of \$300,000 for FY 2010. The recovery program injects treated surplus surface flows from the Little Arkansas River water into the equus beds aquifer for storage and later recovery. In addition to storage, the project also involves a hydraulic barrier to a brine plume adjacent to the river near Burton, Kansas.

## **Department of Wildlife & Parks**

The mission of the Department of Wildlife and Parks is to conserve and enhance Kansas' natural heritage, its wildlife, and its habitats. In managing the state's natural systems, the agency seeks to strike a balance between natural resource integrity and human benefits, such as sport hunting and fishing, camping, land use, and development. The Department strikes this balance through the operations of the major programs of the agency, Parks, Grants-in-Aid, and Fisheries and Wildlife, all of which focus on conserving natural resources and providing recreational opportunities.

For FY 2009, the Governor recommends \$66,896,569 from all funding sources, with \$8,704,441 from the State General Fund. This recommendation reflects a 3.0 percent reduction of \$264,671 to the State General Fund amount appropriated by the 2008 Legislature and a reduction to the State Water Plan Fund appropriation of \$8,000. In addition, prior year unspent monies of \$1,005,329 from the State General Fund for state park repairs was lapsed and returned to the State General Fund.

For FY 2010, the Governor recommends \$56,081,009 from all funding sources, with \$6,541,544 from the

State General Fund. The State General Fund amount includes reductions to the agency's base request of \$2,154,734. A portion of the savings to the State General Fund was achieved through reducing \$434,814 from state park capital improvements funding, and offsets to parks capital improvements funding through the use of \$385,000 from the Land and Water Conservation Fund. Additionally, reductions were made to the State General Fund amount intended for state park operations.

**Parks Program.** Beginning in the second half of FY 2006, fees for vehicle admissions to the state parks were reduced by one-half and have been maintained at that level since. In order to maintain current services and fees at the state parks, for FY 2010, the Governor recommends \$11,733,730 from all funding sources, with \$4,274,601 from the State General Fund. The State General Fund recommendation includes a reduction of \$1,295,602 from the agency's base request for state parks operations. In FY 2006, the

Legislature authorized the Department to use Department Access Roads Fund monies to fund parks operations. For FY 2010, the Governor recommends a similar funding plan, using \$1.0 million of Department Access Roads Fund to offset a like amount of State General Fund allocated for parks operations. An additional \$200,000 from the State General Fund has been offset through the use of monies from the agency's Cabin Revenue Fund.

**Ongoing Parks Rehabilitation & Repair.** For FY 2009, the Governor recommends \$1,451,640 from the State General Fund to be used for rehabilitation and repair projects at the state parks. This amount reflects a reduction of \$48,630 from the amount appropriated by the 2008 Legislature. The Governor's recommendation for FY 2010 is \$680,186 from the State General Fund, a reduction of \$819,814 from the agency's base request. This reduction is partially offset, however, by \$385,000 from the Land and Water Conservation Fund—Local.

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# Transportation

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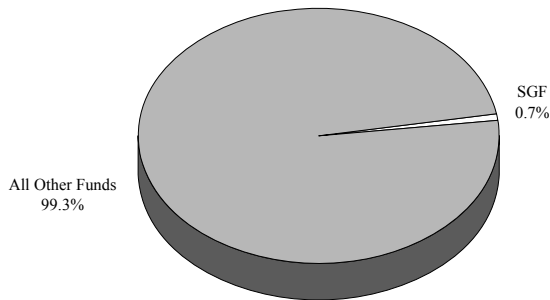
# Transportation Summary

The Kansas Department of Transportation (KDOT), and the Department of Administration are the only agencies in the Transportation function. KDOT is responsible for maintaining and improving the state highway system, which contains approximately 10,000 miles of roadway. It also provides planning, design, project development, and financial assistance to local governments to improve the overall quality and safety of local streets. The Kansas Department of Transportation uses the Comprehensive Transportation Program (CTP) as its model for determining the best course to accomplish these initiatives. The Department of Administration is responsible for administering a portion of the debt service authorized by the 2004 Legislature to support the CTP.

registration fees, a dedicated portion of the state sales tax, and the federal government. The 2004 Legislature increased the amount of sales and use tax deposited in the State Highway Fund, rather than the State General Fund, beginning in FY 2007 and again in FY 2008.

In FY 2004, the \$94.6 million transfer was not made from the State General Fund to the State Highway Fund to bolster the balances at a time when the State General Fund was experiencing financial problems. In FY 2007, the Highway Fund began to receive these dollars back from the State General Fund. For FY 2009 and FY 2010, the Governor recommends that the repayments to the State Highway Fund from the State General Fund be cancelled, given the financial difficulties the state is once again facing.

How It Is Financed

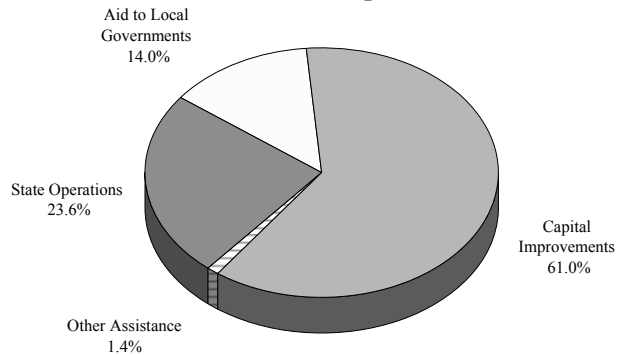


Fiscal Year 2010

The Governor recommends a total of \$1,513,253,409 in FY 2009 and \$1,250,305,733 in FY 2010. The State Highway Fund will fund the majority of these expenditures for both fiscal years, with \$1,357,988,381 and \$1,078,289,102 being spent in FY 2009 and FY 2010, respectively. The State General Fund will finance \$16,148,175 of the FY 2008 recommendation to pay the debt service on \$210.0 million in State General Fund-backed CTP bonds that were issued in 2006 through the Department of Administration's budget. In FY 2010, the debt service paid by the Department of Administration will be \$8,848,975.

Financing for activities of KDOT comes primarily from the State Highway Fund. The Highway Fund receives income from motor fuel taxes, motor vehicle

How It Is Spent



Fiscal Year 2010

In the FY 2009 approved budget, a revenue transfer moves State General Fund money to the Special City and County Highway Fund (SCCHF) to aid local governments in road construction. The SCCHF also receives income from motor fuel taxes. The fund received only half of its scheduled transfer in FY 2003 and did not receive any transfer from the State General Fund in FY 2004. The FY 2004 aid was still distributed, however, using uncommitted fund balances. In FY 2005, the State General Fund transfer to the SCCHF was reinstated as a \$10.1 million revenue transfer where it remained through FY 2008. The Governor recommends that no State General Fund transfer be made in FY 2009 or FY 2010.

# Transportation Agencies

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## Department of Transportation

**FY 2009.** The Governor recommends \$1,497,105,234 in expenditures for FY 2009. This amount is approximately \$103.1 million less than the agency's FY 2009 approved budget from a year ago. The decrease in expenditures can be attributed mainly to the delay of three projects in the Comprehensive Transportation Program (CTP). The Governor's revised estimate of expenditures for FY 2009 decreases the operating budget from the State Highway Fund by \$7.3 million, or approximately 2.6 percent. The Governor's recommendation also includes a reduction of \$10.1 million in expenditures from the Special City County Highway Fund to reflect the reduction in revenues to this fund from not making the State General Fund transfer.

For FY 2009, the Governor recommends 3,113.50 FTE positions. This represents a reduction of 37.00 FTE positions. The agency is reducing its workforce as the CTP enters its final years.

**FY 2010.** The Governor recommends expenditures of \$1,241,456,758 for FY 2010 and 3,113.50 FTE positions. This total represents a reduction of \$255.6 million when compared to the revised FY 2009 estimates. The majority of the decrease (\$248.7 million) is found in capital improvement expenditures, as the CTP activities wind down and the agency focuses on preservation and maintenance of the state highway system. The Governor's recommendation includes transferring \$35,106,115 from the State Highway Fund to the State General Fund for operation of the Highway Patrol, as has been done in recent years.

The recommended budget includes expenditures for improvements to the agency's own buildings of approximately \$5.6 million. Projects in the program include rehabilitation and repair, replacement of deteriorating roofs on existing buildings, construction of equipment storage sheds to protect equipment, and miscellaneous renovation and construction projects.

The status of the highway system continues to show that the Department of Transportation maintains a safe

and convenient system. The Department estimates that 80.0 percent of non-interstate highway miles will be rated as having a "good" or "acceptable" surface condition in FY 2010. In addition, the Department will maintain bridges so that 90.0 percent of all bridges meet traffic demands and will be rated as structurally sound.

In a study released in July 2008, the Kansas Department of Transportation was recognized as maintaining the fifth-best state-owned road and highway system in the nation, according to a California research foundation. The Reason Foundation recognized KDOT following a study that measured the performance of state-owned roads and highways in 12 different categories. Kansas was ranked first in the national study in two categories – rural interstates and urban interstates with miles in poor condition. Kansas has no miles in either category that rated as poor. The 2008 report was the second year in a row that Kansas was rated in the top five nationally.

## Comprehensive Transportation Program

The 1999 Legislature enacted the ten-year Comprehensive Transportation Program to plan, develop, and operate the various modes of transportation in Kansas. The plan provides funding to preserve, modernize, and enhance the existing Kansas highway system and provides increased support for local roads, airports, railroads, and public transportation. FY 2009 marks the end of the CTP. As originally passed, the CTP would have provided \$12.8 billion in improvements. Because of financial difficulties the state is currently facing, three projects (K-61, US-50, and US-169) have been delayed. All other identified improvements are scheduled to be let by the end of FY 2009.

Governor Sebelius created the Transportation-Leveraging Investments in Kansas (T-LINK) Task Force to begin looking at the transportation needs of Kansas after the CTP concludes in FY 2009. T-LINK

is charged with developing a set of recommendations for a new strategic transportation approach. The Governor requested that the recommendations be developed based on a commitment to keeping roads and bridges safe and in good repair; a collaborative project selection process that aligns transportation investments with the state's economic priorities; and a new approach that reflects today's fiscal realities, but also creates a framework to prepare Kansas for the future.

### Project Categories

The CTP continues to make use of the same four categories of improvement that were used during the original Comprehensive Transportation Program that ended in FY 1998:

**Regular Maintenance** activities are designed to preserve, repair and restore the roadway system to accepted standards. These activities are typically performed by the Department's workforce.

**Substantial Maintenance** projects protect the public's investment in the state highway system by undertaking improvements that preserve the original condition for as long as possible. These projects are typically let out to contract.

**Major Modifications-Priority Bridge** projects improve the safety and service of the existing system. Projects include reconstruction or rehabilitation of pavement, widening traffic lanes, adding or widening shoulders, and eliminating steep hills or sharp curves. Priority bridge projects replace or rehabilitate substandard bridges on the system.

**System Enhancement** projects include additions to the state highway system or projects which substan-

tially improve safety, relieve traffic congestion, improve access, or enhance the state's economic development.

### CTP Financing

**Transfers.** When the CTP started, one of its main sources of funding was an annual transfer from the State General Fund to the State Highway Fund based on a percentage of the state sales tax as established by statute. However, difficult financial times for the State General Fund a few years ago forced the transfers to be reduced and eventually eliminated altogether. In FY 2002, the transfer was initially in the amount of \$94.2 million. However, because the State General Fund could not actually afford to make the transfer at that time, the 2002 Legislature transferred \$94.6 million, \$400,000 more than the original transfer, back to the State General Fund. The intent was to repay the State Highway Fund by the end of FY 2003. At the end of FY 2003, however, the amount was not repaid, because the conditions of the State General Fund had not sufficiently improved. Because of continuing financial difficulties, the scheduled FY 2003 and FY 2004 transfers were not made at all. The 2004 Legislature eliminated future transfers entirely as part of a larger restructuring of the CTP. As a result, a new repayment schedule was put into place, and payments were made in FY 2007 and FY 2008. However, the state is once again presented with financial problems, and the Governor recommends that the remaining payments be cancelled.

**Bonding.** With the loss of the transfers in prior years, measures had to be taken during that time to complete the CTP without State General Fund support. Therefore, the 2001 Legislature granted additional bonding authority of \$277.0 million and increased motor fuel taxes to pay off the bonds.

The 2004 Legislature authorized the issuance of an additional \$150.0 million in bonds to finance the CTP. The 2004 Legislature also approved up to \$60.0 million in bonds but only if needed to offset potential shortfalls in anticipated federal receipts. That made the total potential bonding authority \$210.0 million during that year. Ultimately, the Department needed the full amount; therefore, the State Finance Council authorized the issuance of this entire \$210.0 million in bonds in January 2006.

<b>Transportation Program Construction Costs</b> <i>(Dollars in Thousands)</i>		
	<u>FY 2009</u>	<u>FY 2010</u>
Routine Maintenance	\$140,760	\$140,235
Substantial Maintenance	192,410	189,518
Major Mods.-Priority Bridge	447,641	287,243
System Enhancements	165,359	61,903
Total	\$946,170	\$678,899



For FY 2009, the Governor recommends \$16,148,175 to cover the scheduled debt service payments for these bonds, of which \$9,138,175 is interest and \$7,010,000 is principal. In FY 2010, the Governor recommends \$8,848,975 from the State General Fund to cover the scheduled debt service interest payment. These payments are reflected in the Department of Administration's budget.

**Sales Tax.** The 2004 Legislature also granted KDOT a greater portion of the dedicated state sales tax to help with CTP financing. Rather than depositing all state sales tax in the State General Fund, KDOT's portion is netted out and directed to the State Highway Fund. In FY 2007, this portion of the tax went from .25 percent

to .38 percent, and it increased further in FY 2008 to .65 percent. KDOT's increased portion of the sales tax rate is estimated to be approximately \$170.0 million in both FY 2009 and FY 2010.

### **Transportation Program Cashflow**

The Transportation Program cashflow reflects the financing changes that have been made in previous years, and it reflects both the financing and project delays discussed above for FY 2009. The Governor's recommendations for FY 2009 and FY 2010 are projected to leave the CTP with a positive ending balance in FY 2010. The table on the next page highlights this fact.

## Transportation Program Cashflow

(Dollars in Thousands)

	2003	2004	2005	2006	2007	2008	2009	2010
Beginning Balance	826,877	718,181	645,367	714,065	647,203	516,817	599,584	376,331
Revenues:								
SGF Sales Tax Transfer	--	--	--	--	--	--	--	--
All Other Receipts	1,118,580	1,027,667	1,117,171	1,151,324	1,310,881	1,488,883	1,332,498	1,303,801
Subtotal	\$ 1,118,580	\$ 1,027,667	\$ 1,117,171	\$ 1,151,324	\$ 1,310,881	\$ 1,488,883	\$ 1,332,498	\$ 1,303,801
Net from Bond Sales	2,043	258,770	347,000	--	--	870	--	--
SGF-Backed Bond Revenues	--	--	--	210,000	--	--	--	--
Net TRF Loan Transactions	--	--	(15,000)	15,000	(10,000)	(10,000)	--	(5,000)
Total Receipts	\$ 1,120,623	\$ 1,286,437	\$ 1,449,171	\$ 1,376,324	\$ 1,300,881	\$ 1,479,753	\$ 1,332,498	\$ 1,298,801
Available Resources	\$ 1,947,500	\$ 2,004,618	\$ 2,094,538	\$ 2,090,389	\$ 1,948,084	\$ 1,996,570	\$ 1,932,082	\$ 1,675,132
Expenditures:								
Maintenance	245,075	283,796	299,811	314,444	306,168	300,519	315,803	377,178
Construction	475,476	568,402	520,426	542,242	467,085	458,327	613,000	349,146
Modes	21,719	19,515	21,645	23,238	31,869	24,633	38,165	26,301
Local Support	247,989	258,461	276,179	294,813	326,527	318,474	277,121	323,301
Management	53,001	58,600	57,970	56,103	66,799	63,327	72,963	69,765
Transfers Out*	67,548	87,657	97,159	95,836	99,324	101,824	114,293	118,246
Subtotal	\$ 1,110,808	\$ 1,276,431	\$ 1,273,190	\$ 1,326,676	\$ 1,297,772	\$ 1,267,104	\$ 1,431,345	\$ 1,263,937
Debt Service	118,511	82,820	107,283	116,510	133,495	129,882	124,406	171,841
Total Expenditures	\$ 1,229,319	\$ 1,359,251	\$ 1,380,473	\$ 1,443,186	\$ 1,431,267	\$ 1,396,986	\$ 1,555,751	\$ 1,435,778
Ending Balance	718,181	645,367	714,065	647,203	516,817	599,584	376,331	239,354
Minimum Ending Balance Requirement**	132,250	159,577	159,948	180,791	163,575	158,837	195,664	193,461
Available Ending Balance	585,931	485,790	554,117	466,412	353,242	440,747	180,667	45,893

\* Transfers Out are shown as expenditures for this cashflow table but are actually revenue transfers.

\*\* Required ending balances reflect:

Amounts required to satisfy debt service on bonds.

Funds allocated by statute for distribution to specific programs.

Amount necessary to provide for orderly payment of bills.



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# Children's Budget

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# Children's Budget Summary

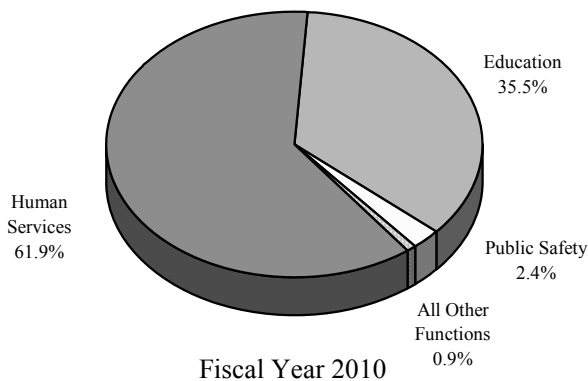
Created by action of the 1992 Legislature, the Children's Budget presents information concerning the state's efforts in meeting the needs of children. The information presented in this section meets the requirements of KSA 75-3717 et seq. that establish the Children's Budget.

this item is such a comparatively large amount, it is left out for illustration purposes here.

**Social Services.** Social services provide a number of support functions designed to prevent or relieve conditions of neglect, abuse, and exploitation of children. For example, children and family services provided by SRS include a number of therapeutic and family preservation activities. Some families require direct cash assistance from the state to meet their day-to-day living needs. Social services make up 18.3 percent of the Children's Budget.

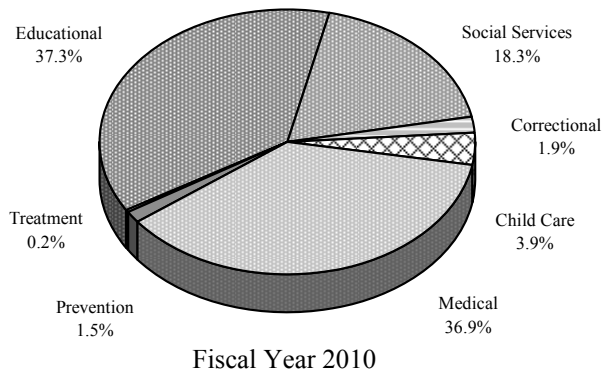
**Expenditures by Function**

*Totals Exclude Operating Aid to USDs*



**Expenditures by Category**

*Totals Exclude Operating Aid to USDs*



Each children's activity is classified according to the following service categories:

**Medical & Health Services.** Medical services are provided through several state and federally-funded programs. For example, the Medicaid Program makes reimbursements for medical services provided to eligible patients. The HealthWave Program serves eligible children in the state. Expenditures for medical and health services make up 36.9 percent of the Children's Budget.

**Child Care Services.** State-supported child care services benefit children. These services provide early childhood education opportunities. Child care services provided through SRS support parents in becoming self-sufficient. The Child Care Licensing Program at the Department of Health and Environment ensures safety in care facilities. Child care services make up 3.9 percent of the Children's Budget.

**Education & Training Programs.** The State of Kansas provides a variety of education programs for children and their parents. Children receive the education and social skills necessary to live successfully in the society through the public school system. Welfare-to-Work programs funded through the Department of Commerce and SRS help parents attain the skills necessary to avoid poverty. Through these programs, parents can improve the quality of life for their families. Expenditures for educational programs make up 37.3 percent of the Children's Budget, excluding operating aid to USDs. Because

**Correctional Activities.** Rehabilitation services for adjudicated youth are provided by three juvenile correctional facilities. In addition, the state provides grants to support community prevention and corrections programs. Correctional activities make up 1.9 percent of the Children's Budget.

**Prevention Services.** These programs reduce the need for future costly services that remove a child from the home and avoid institutionalization, if

possible. An example of this category of service is preventive health services provided by the Department of Health and Environment, which include services delivered through local health departments. Prevention services make up 1.5 percent of the Children's Budget.

**Institutional & Treatment Services.** Included in this category are the services of the state mental health and developmental disability hospitals. Many clients who were formerly served in these institutional settings are now being provided services through the community programs and the Home and Community-Based Services Waiver Programs. Institutional and treatment services now make up 0.2 percent of the Children's Budget.

Following is a description of children's programs by agency that are included in the Governor's budget recommendations. The program descriptions contain only approximate levels of funding in many cases. The table following these descriptions contains precise funding amounts.

## General Government

In the General Government function, the major program expenditures for the benefit of children are related to the support of juveniles involved in judicial actions and administration of the child support enforcement efforts of the district courts. General Government expenditures included in the Children's Budget for FY 2010 total \$19.5 million, of which \$11.6 million is from the State General Fund.

## Department of Revenue

Arrearage in child support payments can be treated as debts owed to SRS under certain circumstances. In such circumstances, any Kansas income tax refund which would otherwise be due to the party owing the support can be subjected to the debt set-off policy to help satisfy the support arrearage. Support arrearages may also be addressed by establishing a lien on certain personal property, such as a motor vehicle. The Department of Revenue assigns 2.00 FTE positions to fulfill the requirements of law in this area. These positions are financed by an annual transfer from the

Social Welfare Fund of SRS. A total of \$60,000 will be transferred to the Department of Revenue to finance the program in FY 2010.

## Office of the State Bank Commissioner

**Credit Counseling.** The Office of the State Bank Commissioner will spend \$208,000 to finance credit counseling for families in FY 2010. Of the total, \$70,000 is to provide consumer credit education training for primary and secondary teachers and \$138,000 is for housing and consumer credit counseling.

## Office of the Governor

The Governor's Grants Office administers programs benefiting children with financing from the State General Fund as well as federal funds.

**Drug Free Schools.** These programs focus on the eradication of drug use and violence in schools and communities, while involving parents and communities. Federal funds totaling \$456,153 will benefit approximately 13,000 children in FY 2010.

**Sexual Violence Prevention & Education.** Sexual violence prevention services and crisis intervention are provided by numerous local agencies across the state. The programs work to decrease the incidence of first time perpetration of sexual violence against women. Approximately \$284,484 will be administered through this federal grant program in FY 2010 for these educational programs.

**Family Violence Prevention & Services.** This program funds not-for-profit domestic violence programs that provide shelter and related assistance to families who are victims of domestic violence. Approximately \$1.2 million, including \$923,242 from the State General Fund, will reach 6,300 children in FY 2010.

**Victims of Crime Act.** This grant program funds state and local governments, Native American tribes, and not-for-profit, community, and faith-based organizations that provide direct assistance to crime victims. Expenditures of \$469,738 for FY 2010 will be awarded through this grant program. The program

is anticipated to benefit 6,500 children. Funds are available to support community-based not for profit organizations whose primary purpose is to operate programs and shelters for victims of domestic violence and their dependents and provide counseling, advocacy and self-help services to victims and their children. All programs must be accredited by the Kansas Coalition Against Sexual and Domestic Violence.

**Child Visitation Centers.** Funds in the amount of \$99,600 for FY 2010 will reach approximately 1,000 children in the Child Exchange and Visitation Centers Program. The goal of these centers is to facilitate non-custodial parents' access to their children by means of activities, including remediation, counseling, and education.

**Safe Havens.** Approximately \$128,865 for FY 2010 will reach 200 children in the federal Safe Havens Program to provide supervised visitation and safe exchanges of children in situations involving domestic violence, child abuse, sexual assault, or stalking.

**Byrne Justice Assistance Grant.** This grant program provides state and local governments, Native American tribes, and not-for-profit, community, and faith-based organizations funding for enhancing the criminal justice system. A portion of the funds is used for prevention efforts regarding drug abuse among children and youth and intervention for abused children. Funds in the amount of \$45,291 will be used in FY 2010. This program will benefit an estimated 680 children.

**Children's Advocacy Centers.** State General Fund monies are used for the multidisciplinary team approach to investigating and intervening in cases of suspected child abuse, primarily sexual abuse, in a safe place for children to be heard without further victimization. The program will assist an estimated 2,250 children with approximately \$1.0 million.

## Attorney General

**Child Visitation Centers.** The goal of these centers is to facilitate non-custodial parents' access to their children by means of activities, including remediation counseling and education. For FY 2010, the Governor

recommends expenditures of \$330,000 for this program.

**Child Death Review Board.** The Child Death Review Board was created by the 1992 Legislature to focus on unexplained child deaths, primarily those deaths that are the result of abuse or neglect. National data indicate that 80.0 percent of unnatural child deaths are preventable. For FY 2010, the Governor recommends \$75,000 from the State General Fund for this program.

**Child Abuse & Neglect Programs.** The Governor's budget includes \$200,000 for FY 2010 from the Crime Victims Assistance Fund to provide grants to private agencies working to combat child abuse.

**Programs for Domestic Abuse Victims & Dependents.** This program's goal is to provide grants to programs that offer services for domestic abuse and sexual assault victims and their dependents. Children may be indirect as well as direct victims of domestic abuse and violence. Victims and their children will receive assistance, such as emergency food, clothing, and shelter; counseling; and education about domestic abuse through programs funded in the Governor's budget. For FY 2010, the Governor recommends \$970,000 from the Protection from Abuse Fund to continue the support of programs for domestic abuse and sexual assault victims and their dependents.

**DARE Program Coordination.** The Governor recommends \$70,000 in FY 2010 from the State General Fund, for coordination of the DARE (Drug Abuse Resistance Education) Program. The program coordinator assists local law enforcement agencies and schools to create local programs, provide training of the curriculum, and provide material and information.

## Judiciary

**Child Support Enforcement.** Child Support Enforcement is a federal program under the Social Security Act, also known as the IV-D Program. Through a cooperative reimbursement agreement with the Department of Social and Rehabilitation Services, the Judiciary provides information and other services for child support enforcement programs. To serve 160,000 children the Governor recommends



\$2,415,633, including \$307,983 from the State General Fund, in FY 2009 and \$2,466,028, including \$307,983 from the State General Fund, for FY 2010. The State General Fund portion matches federal funding.

**Child Welfare.** This federally funded program administered through the Court Improvement Program is designed to assess and improve foster care and adoption procedures, laws, and regulations. Federal law requires that the state complete a reassessment of child welfare and the court system and create a five-year plan. Funding is used to create education programs for judges, prosecutors, guardians *ad litem*, state child welfare attorneys, and others working in the Kansas child welfare system. Funding the program requires \$840,207, including \$121,244 from the State General Fund, in FY 2009 and \$839,939, including \$120,641 from the State General Fund, in FY 2010.

**Court Service Officers—Civil.** Court service officers serve 12,100 children and families annually. The court service officers assist judges by gathering information and performing investigations in areas other than criminal justice. Some of the duties include supervising children in need of care as directed by the court, participating in child community-based program planning and activities, and conducting investigations and report on custodial arrangements for children involved in domestic action. The Governor recommends \$9,787,081, including \$8,821,879 from State General Fund in FY 2009 and \$10,004,161, including \$9,065,671 from the State General Fund, in FY 2010.

**Permanency Planning.** The Permanency Planning program provides grants to Court Appointed Special Advocate (CASA) programs and Citizen Review Boards. A CASE volunteer is appointed to advocate for the child's best interests and assists the court in obtaining the most permanent, safe, and home-like placement possible. The program also assists in developing and monitoring these volunteer programs designed to assist children in need. Kansas currently has Review Boards servicing 11 judicial districts and CASA programs servicing 26 judicial districts.

In addition, the Office of the Judicial Administrator assists in training judges and court service officers in juvenile matters. This program serves approximately 3,300 children annually, at an expected cost of

\$789,936 in FY 2009 and \$658,528 in FY 2010 from special revenue funds.

## Human Services

The Human Services function comprises a variety of programs in support of children and their families. This function includes the Department of Social and Rehabilitation Services and its institutions, the Kansas Health Policy Authority, the Department of Health and Environment, and the Department of Labor. The recommendation for FY 2010 totals \$1,449.0 million, including \$536.8 million from the State General Fund.

## Social & Rehabilitation Services

**AAPS—PIHP.** Addiction and Prevention Services administers and manages Medicaid funded community-based alcohol and drug abuse treatment services through the Prepaid Inpatient Health Plan (PIHP). Medicaid eligible Kansans in need of treatment services can access intermediate and residential treatment services, intensive outpatient, and outpatient and case management services from more than 125 enrolled providers located across the state. SRS purchases these services through a managed care organization, Value Options. Value Options assists AAPS in meeting its mission by contracting with treatment providers across the state to provide quality, accessible, effective treatment services to the greatest number of persons. SRS estimates that 1,828 children will receive treatment in FY 2010 at a cost of \$10.0 million.

**Children & Family Substance Abuse Treatment Services.** Children, youth and families are served through a statewide continuum of treatment services. Specialized programs for women with dependent children exist in locations throughout the state. Kansas also has funding for one residential youth program and outpatient youth programs. A total of \$3.4 million, including \$857,969 from the State General Fund will serve 1,160 families and 1,631 children in FY 2010.

**Children & Family Substance Abuse Prevention Services.** Prevention services for both children/youth and families are delivered statewide through the

Regional Prevention Centers, professional training programs and the Kansas Regional Alcohol and Drug Awareness Resource (RADAR) Center network. The budget includes \$2.5 million in FY 2010 for children and family prevention services.

**Attendant Care for Independent Living (ACIL).** As of July 1, 2008, the ACIL program was ended. See the Home and Community-Based Services Waiver for Individuals in need of Technical Assistance (HCBS/TA) later in this section.

**Adoption Resource Recruitment.** The purpose of the Adoption Resource Recruitment contract is to develop a pool of Kansas families who are willing to adopt a child in foster care. The contract funds the recruitment and training of potential adoptive families, and prepares them for the experiences they may face. These families may serve as foster parents of children prior to the adoption. For FY 2009, \$3.1 million is budgeted to serve 198 families. Beginning in FY 2010 the functions performed under this contract will be performed by foster care providers.

**Adoption Support.** Adoption Support provides assistance for the needs of children placed in permanent adoptive homes. Assistance may include medical services; ongoing monthly financial subsidy for children who have significant medical, emotional, or developmental needs; time limited payment(s) for specific needs that cannot be met through Medicaid, subsidy, or other resources; and/or one-time payment to provide for legal fees related to the adoption. For FY 2010, \$31.2 million, including \$16.5 million from the State General Fund, will serve 8,044 children.

**Autism Waiver.** The Autism Waiver is designed to provide intensive early intervention services to children with autism spectrum disorders. Studies show that early intensive intervention for these children is the most effective method for increasing functional skills, replacing challenging behavior, and improving quality of life. The services funded by the Autism Waiver include respite care to provide relief to primary caregivers, parent support and training, intensive individual supports which will provide the therapy needed to assist the child in acquiring, retaining, improving, and generalization of the self-help, socialization, and adaptive skills needed. Consultative clinical and therapeutic services and family adjustment counseling are also provided. In FY

2010 \$1.2 million, including \$500,000 from the State General Fund, will serve 45 children.

**Behavior Management Services.** This program was for the purchase of room and board charges for custody and non-custody children in Therapeutic Foster Care and Level V Residential Placements. These costs were paid by the state's Medicaid fiscal agent through the MMIS. In FY 2008, new residential placement categories were implemented that will eliminate these specific expenses. Most of the costs of the new placements will be paid entirely by Medicaid through the Disability and Behavioral Health Services budget or become the responsibility of the Child Welfare Community Based Services contractors.

**Child Care Assistance.** The purpose of Child Care Assistance is to enable low-income families to enter the workforce and retain employment, while providing safe and developmentally appropriate care for children. To be eligible for child care, families must have incomes below 185.0 percent of the federal poverty level, have a need for child care, and must comply with Child Support Enforcement requirements. Families with incomes above 70.0 percent of the poverty level are required to pay a share of the child care cost. Assistance is provided for children up to age thirteen. Child care is provided by centers, licensed providers, registered providers, relatives, and persons in the child's home. The amount of assistance provided varies by location, family income and size, the number of children in care, the type of child care setting, and hours of care. For FY 2010, \$80.1 million, including \$20.3 million from the State General Fund, will provide care for 19,607 families.

**Child Care Quality.** The majority of child care quality expenditures are devoted to resource and referral services. Resource and referral programs serve as a central component of the state's child care infrastructure. While their core role is to provide information to parents about child care available in their communities and referrals to other programs in response to family needs, they also maintain databases on child care programs, build the supply of child care by providing training and technical assistance to new and existing providers, and improve child care quality by offering training for family child care providers, center staff, and directors. Because of the lack of affordable care for infants, SRS also funds training, technical assistance, and resources specific to infant

and toddler caregivers. The Department also contracts for literacy activities and assists in supporting the Kansas Enrichment Network. The budget includes \$3.6 million from federal sources for this program in FY 2010.

**Child Support Enforcement (CSE).** Federal law requires each state to establish: an effective statewide uniform CSE Program to improve the quality of life for children; to reduce expenditures for cash assistance, food stamps, foster care, and medical assistance; to help families become independent of public assistance; and to return the responsibility of supporting children to parents whenever possible. Failure to meet federal requirements in this program will result in fiscal sanctions to both the Temporary Assistance for Needy Families Block Grant and CSE Program. The program must provide a full range of child and medical support services from the establishment of orders to modification and enforcement of those orders. Services are provided in all areas of Kansas by CSE regional staff, and through contracts with prosecuting attorneys, court trustees, and private sector providers such as private attorneys, credit bureaus, process servers, and paternity testing facilities. These services are not just for low-income persons receiving other SRS benefits. Any custodial parent may ask for CSE's unique absent parent location and child support enforcement services. No other private or government agency has the legal authority to provide these services. In FY 2010, \$26.2 million will serve 129,691 families.

**Community Based Child Abuse Prevention (CBCAP).** CBCAP monies are used for programs designed for the primary prevention of child abuse and neglect. Approximately 16 grants totaling \$966,120 are supporting establishment of child abuse prevention services in communities.

**Community Services Funding.** The Community Services Program funds local collaborative efforts to provide services to children and their families to prevent unnecessary placements of children into Foster Care. These efforts are primarily directed at children who are safe from abuse and/or neglect by their care givers, but who need preventive services, either because of their own behaviors, or the parent's need for support. These could be children with behavioral problems, truants, or children with serious medical or mental health needs. These services are designed to be

provided by community providers to prevent SRS from becoming involved with the family through an abuse/neglect or non-abuse/neglect assessment. This program is funded by Children's Initiative Funds.

**DD Targeted Case Management (TCM).** Developmental Disability TCM will assist the individual who is developmentally disabled and the individual's support network to identify, select, obtain, coordinate, and use both paid services and natural supports as may be available to enhance the individual's independence, integration, and productivity consistent with the person's capabilities and preferences as outlined in the individual's person-centered support plan. Case management includes the following elements: assessment, support planning, support coordination, advocacy and transition planning. The FY 2010 budget includes \$5.2 million, including \$2.1 million from the State General Fund, for this consensus caseload item.

**DD Waiver.** The Home and Community-Based Services Waiver for the Developmentally Disabled (HCBS/DD) provides Medicaid funds for services for individuals who would otherwise be served in more expensive and more restrictive public or private Intermediate Care Facilities for the Mentally Retarded (ICF/MR). Since 1992, the HCBS/DD waiver has served children five through eighteen years of age in addition to adults who are MR/DD. SRS charges a sliding parental fee for children on this waiver, but waives parental income measures for eligibility determination. Children can access these services directly if their family income and situation qualifies them to be eligible for Medicaid. In FY 2010, 2,656 children will receive services at a cost of \$54.4 million, including \$21.8 million from the State General Fund.

**Disability Determination Services.** Disability Determination Services makes disability decisions for Kansas claimants applying for Social Security and Supplemental Security Income (SSI) benefits. Kansans may be entitled to benefits based upon disability or blindness as defined by the Social Security Act. Children from birth up to age 18 may apply for SSI and /or SSDI benefits. In order to qualify, they must have a disability and they must have little or no income and resources. For FY 2010, \$1.5 million will be spent on these services.

**Early Childhood Block Grants.** Early Childhood Block Grants sends money to school districts, Early

Head Start sites, Head Start sites, and community-based programs that provide research-based child development services for at-risk infants, toddlers and their families, and preschool for three- and four-year-olds. The grant process is driven by accountability measures and research-based programming, as well as a focus on at-risk children and under-served areas. At least 30.0 percent of all block grant funds will be set aside for infant and toddler programs.

**Early Childhood Initiatives Grant.** The Children's Cabinet was awarded a \$50,000 Early Childhood Initiatives Grant from the National Alliance of Children's Trust Funds to implement a family strengthening approach to reducing child abuse and neglect. The Cabinet is partnering with the Kansas Association of Child Care Resource and Referral Agencies to implement this grant in FY 2008 and FY 2009.

**Energy Assistance for Low Income Households.** The Low Income Energy Assistance Program (LIEAP) provides a one-time annual benefit to low-income households for energy bills and to avoid the shutoff of utility services. To qualify for energy assistance, households must have incomes below 130.0 percent of the federal poverty level, must have made recent payments on their energy bills, and must pay directly for utility costs or must pay rent which includes utility costs. Assistance levels vary depending on household income, the type of dwelling, the number of household members, and energy type. Payments are sent directly to the utility provider, and the payments are credited to the household's bill.

The primary determinant of the number of LIEAP participants is energy costs, as the caseload has risen significantly in years where residential energy costs have spiked. Congressional appropriations for energy assistance have varied greatly in the past five years, ranging from \$15.0 to \$28.0 million, resulting in significant swings in the amount of assistance available to households each year. The program is funded by a combination of a block grant and emergency appropriations from the U.S. Department of Health and Human Services. Both funding sources are discretionary. For FY 2010, SRS estimates expenditures of \$8.3 million for assistance to 18,930 families.

**Family Preservation.** Family Preservation in-home services are intensive services offered to families who

are at imminent risk of having a child removed from their home and put into SRS custody. These services assist the family in identifying and understanding the problems within the family that place a child at risk of out-of-home placement, and assist them in finding ways to change how the family unit functions. While most issues are resolved within the first 90 days of referral, the providers are responsible for services 12 months from the time of referral. SRS received \$500,000 from the Kansas Legislature to fund demonstration programs aimed at keeping children in their own homes. CFS has developed two model programs that will target at risk families. In FY 2010, \$10.5 million will be used to serve 2,600 families.

**Family Services.** Children and family safety as well as prevention of out-of-home placement are the primary goals of Family Services. The purpose is to enhance the safety and mitigate risk factors affecting the family's capacity to care for their children. These services address the stresses that are impairing family functioning, enable parents to be in charge of their children, and build on resources of the family and community. Services may be offered by SRS staff or through referrals to other community agencies

Family Services recognizes the inherent integrity and value of the family. Whether a child is in need of protection or is in conflict with home or community, the use of family-centered services is an effective approach for preserving the family and the family's safe functioning. These services are primarily delivered to the family unit rather than to individual family members. However, individual family members may also receive specific services. Services may be court ordered, recommended by SRS, or requested by the family. In FY 2010, \$2.1 million will be expended to aid 500 families.

**Family Supports.** Family Support Grants provide funding to families to help raise and care for their children who are developmentally disabled and living at home, including some children who are over 21 years of age. Services include such support as respite, direct cash payments, in home attendant care, family training, surrogate parenting, home modifications, or van lifts. The number served is reported by Community Developmental Disabilities Organizations.

**Funeral Assistance.** The Funeral Assistance program contributes a maximum amount for funeral expenses.

To receive funeral assistance, the deceased must be a cash, medical, or food stamp recipient at the time of death. Those qualifying for funeral assistance have very few assets: resources of the family or estate of the deceased and other assets at the time of death must fall below \$2,000. The request for funeral assistance must be made within six months from the date of death. This assistance is paid directly to funeral homes. For FY 2010, the budget does not include funding for this item.

**Grandparents as Caregivers.** The Grandparents as Caregivers Program began in January 2007. A grandparent is eligible for cash assistance if he or she is at least fifty-years old, has custody of a grandchild through state placement, legal guardianship or other legal means, and has an annual income below 130.0 percent of the federal poverty level. Grandparents receive \$200 per child per month, not to exceed \$600 a month. Close relatives who are the legal guardian or who have legal custody of the child may be eligible if they meet the program criteria. Grandparents are not eligible for the program if a parent who is liable for the support of the child resides in the household.

Uptake on this program has been much lower than was estimated at its inception. For FY 2010, benefits to grandparents and relatives will continue with TANF funding. In two areas, program requirements are more lenient in the Temporary Assistance for Families Program. While the Grandparents as Caregivers Program require the adult's income to fall below 130.0 percent of the federal poverty level, no income is considered in the relative TAF program. In addition, grandparents and relatives would be relieved of the requirement to obtain legal custody of the child. However, the programs differ in two respects: the benefits under the TAF program are lower, and the grandparent or relative would be required to cooperate in securing child support. The latter change is constructive in that it affirms the responsibility that parents have for their children.

**Independent Living & Life Skills Services.** Youth ages fifteen and over in out-of-home placement, are provided life skills services by the Child Welfare Community-Based Service providers. Providers assist youth to prepare for adulthood and self-sufficiency by providing an array of services and supports including daily living skills; housing, transportation and community resources; money management; self-care;

social development; and work and study skills. Youth between the ages of 15 and 23, who are no longer in out-of-home placement, may also be eligible for services and supports to help make the transition to self-sufficiency. These services are provided by the local SRS offices to all youth who are eligible for Chafee or Education and Training Voucher (ETV) funding and were in SRS, JJA, or tribal custody. Financial assistance is also available to eligible youth for post-secondary education, certified training programs, and monthly independent living subsidies. In FY 2010, these services will be provided for 865 youth at a cost of \$1.5 million, including \$300,997 from the State General Fund.

**Kansas Coalition on Sexual & Domestic Violence Grant.** The Kansas Coalition on Sexual and Domestic Violence and SRS jointly developed a training course that illustrates the implications of domestic violence on Child Protective Services efforts when battered women and children are involved. Social workers who participate in this training will be able to offer appropriate interventions to the entire family when domestic violence is indicated in the investigation and to develop family-centered plans that capitalize upon the strengths of the protective parent, including safety plans to help family members remain safe and free from abuse. KCSDV has provided funding for one training position in Children and Family Services Central Office. This grant is financed entirely by federal funds.

**Kansas Early Head Start.** The Kansas Early Head Start program provides early intervention to enhance children's development during their formative years, enables parents to be better caretakers and teachers to their children, and helps parents meet their own goals, including economic independence. Comprehensive services available to program participants include: weekly home visits, physical and mental health education, nutrition education, social services, parental involvement and education, services for children with disabilities, job seeking and retention support, and child care for parents who are working or are in school. The Head Start Collaboration Office within SRS strives to improve the coordination of policies and initiatives among early childhood programs within the state. Kansas Early Head Start grants are awarded to 13 early learning programs in 48 counties serving 1,117 children from birth to four, and their families. For FY 2010, \$11.3 million will fund this program.

**Kansas Youth Empowerment Academy.** The Kansas Youth Empowerment Academy provides outreach activities to young people with disabilities that encourage work over public assistance as a lifestyle. Specific projects and activities conducted are Disability Mentoring Day, the Disability Heritage Project, the annual Youth Leadership Forum and self-advocacy training in developing Individualized Education Plans. The budgeted amount for FY 2010 is \$150,000, including \$120,000 from the State General Fund. An estimated 200 children will be served.

**MH Family Centered System of Care.** This program continues the KanFocus project model and will focus on collaboration, be family focused and community-based, and be culturally competent. A broad range of stakeholders in a community will collaborate to leverage needed mental health services for children. Funding of \$5.0 million from the Children's Initiatives Fund will serve an estimated 15,000 families in FY 2010.

**Mental Health Grants & State Aid.** Mental Health Grants and State Aid are awarded to local community mental health centers to implement programs and services that assist children and youth with serious emotional disturbances and their families. The services provided are intended to control symptoms by providing treatment in the least restrictive and most normal setting; develop skills to enhance independent functioning; acquire resources to assist the client/family in directing their own lives; and advocate with the family unit as they set their own goals which focus on helping them develop their strengths and supports while increasing community integration. For FY 2010, \$7.0 million, including \$6.5 million from the State General Fund, will provide services for 4,080 children.

**MH PAHP.** SRS is assisted with its purchasing of Medicaid funded community mental health services through a managed care contract with Kansas Health Solutions (KHS). Under the Prepaid Ambulatory Health Plan (PAHP), community mental health providers, including community mental health centers and other private mental health practitioners, are responsible for providing Medicaid eligible persons with a comprehensive array of timely, quality, accessible, and effective mental health services in all areas of the state. The consensus caseload estimate for FY 2010 for this program is \$59.5 million, including

\$20.2 million from the State General Fund. It is estimated that 17,300 children will receive services through the PAHP in FY 2010.

**MH PRTF.** A Psychiatric Residential Treatment Facility (PRTF) provides comprehensive mental health treatment to children and adolescents who, due to mental illness, substance abuse, or severe emotional disturbance, are in need of treatment that can most effectively be provided in a psychiatric residential treatment facility. PRTF programs are designed to offer a short term, intense, focused treatment program to promote a successful return of the child or adolescent to the community. The residential treatment facility is expected to work actively with the family, other agencies, and the community to offer strengths-based, culturally competent, medically appropriate treatment designed to meet the individual needs of the resident including those residents identified with emotional and behavioral issues. The consensus caseload estimate for FY 2010 for this program is \$34.9 million, including \$13.6 million from the State General Fund, to serve an average of 355 children per month.

**Modified Foster Care Diversion Program.** The Modified Foster Care Diversion Program will continue in FY 2009. This program is a grant to the Center for Counseling and Consultation, a local Mental Health Center in Barton County. A key element to the program is a clinical assessment of the child and the family situation within the first 72 hours of the disruption in the home. The program pairs a clinician with a Juvenile Intake and Assessment Services worker to perform a clinical assessment of the child and the family. This assertive outreach results in children and their families receiving services at the critical point of family disruption. This function will become a part of the Family Preservation contract in FY 2010.

**Therapeutic Preschool & School Violence Prevention.** These programs were funded for the purpose of early identification of pre-school and school aged children who are experiencing or are at risk of developing serious emotional disturbances (SED). These programs are no longer funded in FY 2009 or FY 2010.

**Permanent Custodianship.** Permanent Custodianship is an option which is explored when there are

compelling reasons why reintegration and adoption are not the preferred permanency option. This option may be more appropriate for older children, those with strong family bonds, or when cultural traditions influence the permanency decision. When custodianship is established, a subsidy may be provided to assist families willing to assume the responsibility of establishing a permanent home for older children and their siblings. Once eligibility is determined and an agreement is in place, the subsidy can continue until the child reaches eighteen years of age, or until the child completes his or her high school education in the year the child turns 18. The budget includes \$1.3 million to serve 372 children in FY 2010.

**Positive Behavior Support.** Community Support Providers and Community Developmental Disability Organizations use Positive Behavior Support (PBS) to assist them with designing and implementing successful service strategies for persons with severe behavior challenges. PBS is a set of research-based strategies that are intended to increase quality of life and decrease problem behaviors by designing effective environments and teaching individuals appropriate social and communication skills. PBS is the integration of valued outcomes, behavioral and biomedical science, validated procedures, and systems change to enhance an individual's quality of life and reduce problem behaviors. This service is provided to children under the age of 21 with a developmental disability, a diagnosis of autism, or who have sustained a traumatically inflicted brain injury, and who are at risk of out-of-home placement. The consensus caseload estimate for FY 2010 is \$255,300, including \$101,329 from the State General Fund.

**Pre-K Pilot.** The Pre-K Pilot program, previously administered by the Children's Cabinet, was transferred to the Department of Education effective FY 2009.

**Quality Initiative for Infants & Toddlers.** Quality Initiative for Infants and Toddlers funding, \$500,000 from the Children's Initiatives Fund, will increase access and improve quality of care for young children. The program will increase the number of local Infant/Toddler Specialists that provide services to regulated child care providers who care for children under age three. The program is administered by the Children's Cabinet.

**Reintegration/Foster Care.** Foster care services are provided to children and families when the court has found the child to be in need of care and the parents are not able to meet the safety and care needs of the child. Most children who require foster care have been abused or neglected and have significant developmental, physical, and emotional needs, which require an array of services and care options. However, some children who are not abused or neglected may be placed in foster care for reasons such as out-of-control behavior, truancy, overwhelmed parents, and running away from home. Services can range from placement with a relative to inpatient psychiatric care. Family foster homes are the most frequently used placement resources, but some children require more structured settings, such as a group home, or residential center, including Medicaid funded inpatient psychiatric residential treatment facilities (PRTFs). CFS' partners in service delivery are the Child Welfare Community Based Services (CWCBS) providers who are responsible for providing foster care services including case planning, placement, life skills and foster parent recruitment and training. SRS social workers are responsible for monitoring the safety of the children and monitoring the progress made toward permanency. In addition to the payments made to the CWCBS providers, the cost of the PRTF placements and other medical costs are accounted for elsewhere in the budget. The consensus caseload estimate for FY 2010 is \$138.2 million, including \$97.0 million from the State General Fund, to serve an average of 5,418 children per month.

**Smart Start Kansas.** The goal of Smart Start Kansas is to help children enter school ready to succeed. It is a framework or model for community planning and decision-making. Smart Start allows flexibility to meet local needs, yet provides structure by requiring implementation of core services proven effective by research. The program's core services are family support services, including the availability of high quality, affordable early learning experiences for families who need or choose them and health services for children. Smart Start Kansas serves as a pilot to test the success of local decision-making and accountability for results. Smart Start is outcome-based, utilizes known research on early childhood and relies upon an evaluation to determine the effectiveness of services. Currently, the 17 Smart Start Kansas sites serve 47 counties in Kansas. In addition, Smart Start funds expended for family

support activities are used to match federal Community Based Child Abuse Prevention (CBCAP) funds. All together, these grantees affected 26,734 children in FY 2008. The budget includes \$8.4 million from the Children's Initiatives Fund in FY 2010 for this program.

**Systems of Care Grant.** The Family Centered Systems of Care Grant was a five-year demonstration grant to improve child welfare outcomes by focusing on child and family involvement in developing the plan of care by focusing on strengths of the family. The demonstration included statewide and local steering committees as well as family advisory councils. In addition to implementing the principles statewide, work was done with two pilot communities, Cherokee and Reno Counties. The pilot communities, based upon community assessment results, focused community collaboration efforts on the development of services to prevent out-of-home placements. This has strengthened the network of supports within each pilot community to assist children and families they serve. While the demonstration grant ended September 30, 2008, there are plans from the pilot communities to continue meeting to work on projects like local truancy review boards and increasing membership in the Kansas Family Advisory Network. The Kansas Family Advisory Network is funded through a contract utilizing General Administration and Family Centered Systems of Care funds in FY 2009.

**TA Waiver.** The Home and Community-Based Technology Assistance Waiver provides Medicaid funds for individuals in need of mechanical supports to remain alive, who would otherwise be served in more expensive public or private institutions. Children on the TA Waiver receive case management by advanced registered nurse practitioners or registered nurses who coordinate their care. Beginning in FY 2009, children who were receiving services through the Attendant Care for Independent Living Program are now served through the TA Waiver. The budget includes \$21.6 million, including \$8.6 million from the State General Fund, for FY 2010.

**Temporary Assistance for Families.** The Temporary Assistance for Families program provides cash assistance for basic needs, such as clothing, housing, utilities, and transportation, to severely low-income families while they strive to become self-sufficient. To qualify for assistance, families must have very few assets and little or no income. Almost all families with

an adult must participate in work activities and seek employment through the TAF Employment Services program. Cash assistance ceased to be an entitlement following the Welfare Reform Act of 1996 and is limited to 60 months, with provisions for extended assistance if the family meets hardship criteria. Families eligible for cash assistance are also eligible for medical assistance. Cash assistance recipients must cooperate with the Child Support Enforcement Program, which establishes paternity and assists in obtaining child and medical support. The consensus caseload estimate for FY 2010 is \$62.9 million, including \$29.8 million from the State General Fund.

**Vocational Rehabilitation Case Services.** Rehabilitation Services helps secondary students with severe disabilities prepare for employment through the Vocational Rehabilitation Program. Without these services, research has demonstrated that most special education students leaving high school will not acquire appropriate employment, and many of the functional abilities gained through special education would be lost. The budget includes \$2.5 million to serve 2,492 children.

**Wichita School District Collaboration Project.** For FY 2009, Rehabilitation Services has entered into a collaborative project with Wichita USD 259, the Kansas Health Policy Authority/Medicaid Infrastructure Grant, and the University of Kansas Center for Research on Learning. The project is designed to inspire, prepare, and support transition-aged youth with disabilities for employment success, whether it be through direct entry into the labor market or through post-secondary education focused on career development.

## **Larned State Hospital**

**Children's Services.** Larned State Hospital provides mental health services to children and adolescents who require full-time inpatient treatment and/or extended inpatient evaluation. These individuals range in age from five to 18 years old. Each child has an individualized treatment program, and regular and special education services are provided to all children and adolescents in the psychiatric programs. For FY 2010, the Governor recommends \$2,623,280, of which \$1,945,274 is from the State General Fund, for these programs.



## **Parsons State Hospital & Training Center**

**School-Age Children's Services.** The Governor recommends funding of \$2,391,480 for school-age children's services. Of this amount \$932,677 is from the State General Fund and the balance is financed from federal Medicaid monies and charges collected from the children's families.

**Special Purpose School.** Special education services are provided to school-aged residents of Parsons State Hospital through a contract with the Southeast Kansas Regional Educational Service Center (USD 609). For FY 2010, the Governor recommends \$394,593 from the State General Fund for education services for residents.

**Day Care Operation.** Reduced-cost child day care is available at Parsons State Hospital to state employees in the Parsons area. A nonprofit corporation operates the child care services in a state-owned building, with utilities and maintenance provided by the state. The Hospital will contribute \$37,100 to defray operating costs in FY 2010. Of this amount, \$14,098 is from the State General Fund. The facility expects to serve 175 children in FY 2010.

## **Kansas Health Policy Authority**

**Children's Health Insurance.** In FY 2010, the health needs of approximately 172,000 children in Kansas will be provided through the Medicaid Regular Medical Program. The cost of these services is estimated at \$697.9 million, including \$260.6 million from the State General Fund and \$3.0 million from the Children's Initiatives Fund. The health needs of approximately 40,500 children who are not eligible for Medicaid will be provided through the State Children's Health Insurance Program (SCHIP). The cost of these services is estimated at \$63.9 million, including \$15.7 million from the State General Fund.

## **Health & Environment—Health**

**School Health.** The goal of this program is to provide funding for collaboration between school nurses and public health nurses to assure continuity in screening, community referral systems, and follow-up services for school-aged children. The Governor recommends

funding of \$534,982 from the State General Fund in FY 2010.

**Cerebral Palsy Posture Seating.** This program provides evaluations and wheelchair fittings for children with severe physical disabilities. The Governor recommends total funding of \$156,400, including \$110,000 from the State General Fund for FY 2010 that will provide services for 628 children.

**Child Care Licensing.** The Division of Health licenses or registers all types of child care facilities, including day care, residential care, preschool, and child placement agencies. The objectives of the program are to ensure safe, healthy, and appropriate care opportunities for children placed in out-of-home care. The Governor's recommended funding for FY 2010 totals \$5,121,194, including \$1,544,767 from the State General Fund that will be used to regulate facilities for 146,100 children.

**Child Lead Poisoning Prevention.** The program seeks to increase public awareness and education regarding the prevention of lead poisoning and to maintain a statewide infrastructure for childhood lead poisoning case management and reporting. The Governor recommends federal funding of \$718,945 for FY 2010 that will benefit 75,000 children.

**Children with Special Health Care Needs.** The Governor recommends funding of \$2.7 million, including \$563,477 from the State General Fund in FY 2010 to serve 7,000 children. The program provides nursing case management services to help families obtain appropriate medical specialty services, medications, durable medical equipment, and financial assistance for their children with disabling medical conditions or chronic diseases. The program operates a toll-free number so that information for families is easily accessible.

**Community-Based Primary Care.** The Division of Health, through this aid program, supports primary care clinics that provide family-oriented services to the medically underserved. The Governor recommends State General Fund financing of \$3.1 million to provide preventive, acute, and chronic care services to 86,460 persons in FY 2010.

**Immunizations.** The goal of this program is to halt the spread of preventable diseases. The Division of

Health provides all childhood vaccines recommended by Centers for Disease Control (CDC) including the Diphtheria-Tetanus-Pertussis (DPT), Polio, Measles-Mumps-Rubella (MMR), Varicella, Hepatitis B, as well as other vaccines. The vaccines are administered through local health departments for infants, children, and adolescents. The Governor recommends expenditures of \$889,000, including \$539,000 from the State General Fund that will serve 489,514 children in FY 2010.

**Infant-Toddler Services.** The Governor recommends FY 2010 expenditures of \$9.7 million, including \$5.6 million from the Children's Initiatives Fund, \$116,339 from the State General Fund, and federal funding of \$3.8 million that is distributed through 36 local networks that provide services for infants and toddlers who have developmental delays. Approximately 6,800 infants and toddlers will be served by the program during FY 2010.

**Migrant Health & Refugee Health Assessment.** Primary care services are provided to seasonal farm workers, refugees, and their families. Federal funding of \$190,000 will provide preventive, acute, and chronic care services to 1,879 persons in FY 2010.

**Newborn Hearing Aid Loaner Program.** The goal of this program is to help provide small children with temporary hearing assistance devices until they receive their permanent devices. The Governor recommends program funding of \$50,000 from the Children's Initiatives Fund in FY 2010 to serve 50 children.

**Newborn Metabolic & Hearing Screening.** The Division of Health will provide services to provide laboratory and assessment services to screen for 29 metabolic disorders for approximately 41,000 newborns. The screening program assures early diagnosis and treatment to prevent serious disability or death. The program includes laboratory tests at the KDHE laboratory, nursing follow-up services, and specialized formula and treatment products that are made available through the Children with Special Health Care Needs program. The Governor recommends funding of \$2.2 million from the Children's Initiatives Fund for FY 2010.

**Teen Pregnancy Prevention (includes Black Infant Mortality.)** The goals of these projects are to reduce teen pregnancy rates in high-risk communities and

help teens achieve their full potential. Projects are of three types: school-community education; case management services for pregnant Medicaid-eligible teens; and black infant mortality reduction through youth services grants. The Governor recommends total funding of \$578,364 including \$298,660 from the State General Fund in FY 2010 to serve approximately 10,000 youth and their parents.

**Women, Infants, & Children (WIC) Program.** The program will offer nutrition screening, counseling, education, and food supplements for approximately 94,000 persons, including women, infants, and children. Federal funding of \$53.0 million is recommended by the Governor for FY 2010.

**Kansas Mentors Program.** The program seeks to increase the public's awareness of and involvement in statewide mentoring efforts, while serving as a resource center for existing and emerging mentoring organizations. The Governor's recommendation for FY 2010 includes \$343,000 from the State General Fund.

**Maternal & Infant Health/Child Health (includes Healthy Start.)** Federal Maternal Child Health (MCH) grants will provide services to approximately 8,500 women and 45,000 children in FY 2010. Local health department nurses and home visitors provide prenatal care and care coordination to high-risk pregnant women, and those with infants. Infants, preschoolers, and school-aged children receive well-child checkups, immunizations, hearing and vision screenings, and referrals to private doctors. The Governor recommends expenditures of \$4.1 million, including \$1.9 million from the State General Fund, \$1.9 million in federal funds, and \$250,000 from the Children's Initiatives Fund.

## Department of Labor

**Child Labor Enforcement, Presentations & Education.** The Department of Labor provides services on behalf of children by reviewing Workers Compensation accident reports concerning minors and investigates complaints of possible child labor violations. The Department also refers potential child labor violations to the United States Department of Labor. The Kansas Department of Labor also provides presentations to employer's groups and educational groups regarding the type of work minors are allowed

to perform or not perform, the number of hours permissible for minors to work, and other information relating to employment of minors. For FY 2010, the Department expects expenditures of \$2,700 from the State General Fund to serve 1,010 individuals through these programs.

## Education

By far the largest expenditures for children's programs occur in the Education function. They total \$3.8 billion, or 71.1 percent, of the recommended expenditures for children's programs for FY 2010. The recommendations include major expenditures of \$2.9 billion for operating aid to school districts. The Education function also includes funding for the state's Schools for the Blind and Deaf. In addition, funding is recommended for programs conducted by the Regents institutions, the Arts Commission, the Historical Society, and the State Library.

### Department of Education

**Operating Aid to USDs.** The state provides aid to more than 469,000 children in the state's 296 unified school districts for basic operating aid, the employers' contribution to the retirement program for teachers and other staff, additional funding for districts that provide education services at county juvenile detention facilities, and equalization aid for districts with a local option budget. These state aid programs total \$2.9 billion in FY 2010. Federal aid totaling \$144.0 million also is distributed to districts by the Department of Education to support various programs, including educational services to low-income, migrant, homeless and other at-risk students, improved mathematics, science and reading instruction, enhanced library services and instructional media materials, and integrated technology training.

**Pre-K Pilot.** The Governor recommends \$5.0 million from the Children's Initiatives Fund for a pre-kindergarten program to prepare four-year-olds for success in school. This program was previously in the budget of the Department of Social and Rehabilitation Services. All classrooms in the pilot will be required to meet teacher qualification requirements, implement a research-based curriculum, maintain low teacher-child ratios, complete at least 15 hours of teacher

training annually, and provide referrals to additional community services for families that need them. The pilot will be implemented in a mix of school and community based early childhood programs.

**Capital Improvement Aid.** Voter-approved general obligation bonds are used by school districts for construction, remodeling, and major equipment purchases. The payback of these bonds is partially paid by this state aid program, totaling \$80.0 million in FY 2010. The portion of each bond's debt service paid by the state varies among districts, but is based on the property wealth (assessed valuation per pupil) of each district. This variation among districts enables school districts with lower valuation levels to provide educational facilities of comparable quality to those in wealthier districts. This particular state aid program has been changed from a demand transfer to a revenue transfer and is no longer shown as an expenditure from the State General Fund.

**Capital Outlay Aid.** This program was created by the 2005 Legislature to provide more equity in capital outlay levies to comply with the Supreme Court order to increase state aid to school districts. These funds, totaling \$25.6 million in FY 2010, are used for such things as the purchase of equipment, school buses, and remodeling, construction, and major repairs to buildings.

**Nutrition Services.** The U.S. Department of Agriculture administers several nutrition programs in which federal funds totaling \$140.8 million in FY 2010 will be passed through the Department of Education to school districts as well as child and adult care centers. The funds provide nutritious breakfasts, lunches, and afternoon milk in schools. Meals and snacks are also provided for children in child care facilities and after-school programs. Adults in their own day care facilities receive nutrition services as well. The state serves approximately 525,000 people through these programs.

**Special Education Services.** The state distributes \$529.3 million in aid for special education services to school districts to help pay the transportation and other costs associated with educating 80,597 students with special needs and students identified as gifted. Federal funding to assist with the costs of these special education services is estimated at \$101.7 million in FY 2010.

**Vocational Education.** In FY 2010, approximately \$5.3 million will be distributed by the Department of Education to Kansas schools in order to integrate academic, technical, and workplace skills, as well as to support career and technical student organizations.

**Parent Education.** Kansas follows the “Parents as Teachers” model to provide expectant parents and parents of infants and toddlers with advice, resource materials, parenting skills, a positive approach to discipline, and other skills to ensure children are ready for school. Funds totaling \$7.6 million from the Children’s Initiatives Fund are recommended for FY 2010 to serve 27,500 children and their families.

**Other Aid to Schools.** Schools are provided a combined \$4.8 million from various sources to support safety education, drug abuse education, and other special programs for FY 2010.

## **School for the Blind**

For the Kansas School for the Blind, the Governor recommends \$6,664,811, including \$5,645,696 from the State General Fund, for FY 2010. The School’s 93.50 FTE positions provide various services, including educational, residential, outreach and health care for children with visual and other impairments until the age of 21. Students residing in the dormitory receive additional hours of instruction related to academics and life skills in order to develop into independent adults. The School expects to have 85.0 percent of its graduates enrolled in a post-secondary or vocational-technical education program. Also in the School’s budget is funding for the Accessible Arts, which provides technical assistance to enhance the arts for vision-impaired students. Enrollment at the Kansas City campus during the regular school year and summer term is estimated to be 175 students. The School expects to serve an additional 235 students through its statewide outreach program and provide approximately 880 students with books, instructional material, and specialized technology.

## **School for the Deaf**

For FY 2010, the Governor recommends \$9,900,309 from all funding sources, including \$9,127,454 from

the State General Fund, for operating expenditures and capital improvements for the Kansas School for the Deaf. The School expects to serve a total of 395 students. Of this amount, it is estimated that 135 students will participate in residential and educational programs at the Olathe campus and 260 students will be provided outreach services. The School also provides early intervention assistance to promote communication skills and leases auditory training units to school districts statewide. The School for the Deaf is staffed by 173.50 FTE positions and anticipates that 85.0 percent of its students to improve their math and reading scores and from the previous year.

## **Emporia State University**

**Center for Early Childhood Education.** The Center for Early Childhood Education provides care for children of Emporia State University students, faculty, staff, and the community members. The licensed capacity of the Center is 86 children; however, with part-time enrollments, it serves 140 children between the ages of 12 months and ten years. The Governor recommends expenditures of \$391,900 in both FY 2009 and FY 2010 from federal and fee funds.

**Reading Related Services.** This program provides reading and science instruction to 544 school-age children, ages six through eight. Pre-service teachers provide individual and small group lessons. Practicum students also test, diagnose, and remediate children with reading problems. This program is funded through the State General Fund. Expenditures are expected to be \$25,590 in FY 2009 and \$29,814 in FY 2010.

**Expanding Your Horizons Conference.** Approximately 270 girls in grades six through eight will attend this one-day conference with their parents and teachers on the Emporia State University Campus. Goals of the conference include: increasing girls’ interest in science and mathematics; fostering awareness of career opportunities for women in mathematics and science related fields; and providing girls with the opportunity to meet and form personal contacts with successful women. Expenditures in both FY 2009 and FY 2010 are expected to be \$16,550, including \$11,000 from the State General Fund. Participants will contribute approximately \$5,000 in registration fees.

**Sonia Kovalesky Mathematics Day.** The Sonia Kovalesky Mathematics Day conference, named for a famous 19th-century mathematician, is designed to honor and encourage 65 to 75 high school women in their junior year to continue in their math studies. Funding for this program is provided through a \$1,500 corporate grant.

**Master It.** The Mathematics and Science to Explore Careers—Investigating Together (Master It) is a one-week summer residential program for 24 young women at Emporia State University. Participants live in a residence hall chaperoned by college women and have the opportunity to interact with University faculty, women professionals, and other participants. The Governor recommends expenditures for both FY 2009 and FY 2010 of \$23,200, including \$18,400 from the State General Fund. The funding also includes registration fees of approximately \$4,000.

**Family Literacy Program.** America Reads\Counts Program provides reading and mathematical tutorial help for children in eight of the eleven local public and private schools in Emporia. The program uses college students in the University's Teacher Education Program as tutors. Last year, 17 University students provided tutorial help in math and reading for 513 children. Expenditures are expected to be \$32,594, including \$399 from the State General Fund, in both FY 2009 and FY 2010. The majority of the program's funding comes from special revenue funds paid as stipends to the tutors.

## **Fort Hays State University**

**Herndon Clinic.** The Herndon Speech, Language, Hearing Clinic provides comprehensive diagnostics and treatment to 485 children from western Kansas. It is administered by Fort Hays State University personnel in local offices throughout western Kansas. Expenditures are expected to be \$277,909, including \$268,238 from the State General Fund, in both FY 2009 and FY 2010.

**Tiger Tots Nurtury Center.** The Fort Hays State University's Tiger Tots Nurtury Center provides child care and pre-school for 25 children of the University's students and staff. The Governor recommends expenditures of \$103,965 in both FY 2009 and FY 2010 from special revenue funds.

## **Kansas State University**

**Hoeflin Stone House Child Care Center.** Stone House provides full-day, full-year, early education for three groups of children: infants and toddlers, aged six weeks through three years; toddlers, ranging from 15 to 30 months of age; and preschoolers, aged two and a half to five years. The program serves a total of 51 children. Only those children eligible for Early Head Start services are enrolled in this infant and toddler program. The Governor recommends expenditures of \$308,675, including \$60,872 from the State General Fund, in both FY 2009 and FY 2010 for this child care center.

**Early Childhood Laboratory.** The Early Childhood Laboratory is located in the Hoeflin House Child Care Center. A total of 29 children participate in four part-day preschool classrooms for a portion of the year. The program integrates children who have identified developmental delays and disabilities with children who are typically developing. The University sponsors the child care programs for the education of teachers, the observation and interpretation of human growth and development, and research in a natural setting for faculty and students. Expenditures for the laboratory are expected to be \$52,497, including \$21,581 from the State General Fund, for both FY 2009 and FY 2010.

**After School Child Care at Grade Schools.** This program located at Roosevelt Elementary School in Manhattan, operates before and after each kindergarten session, provides a developmentally appropriate, comprehensive early care and education service for 30 children in part-day kindergarten. The after-school program for elementary-aged children operates from 3:30 to 5:30 and serves 32 children. The cost of the After School Child Care is \$22,783, including \$11,642 from the State General Fund, in both FY 2009 and FY 2010.

**KSDE Food Program.** The Food Program provides nutritious meals and snacks to all children in the Early Childhood Lab program, the Hoeflin Stone House Child Care program and the After School Child Care program at Theodore Roosevelt Elementary School. These meals and snacks meet the Child and Adult Care Food Program guidelines. For FY 2010, \$36,883 from all funding sources is recommended for this program.

**Family Center.** The Center has provided applied educational training to students and family-related educational programs, counseling, and consultation services to the community. KSU students, under faculty supervision, offer marriage and family therapy and family life education. Projects include those that are designed to address the placement of minority children in foster care, mediation for divorce, and therapy for juvenile sex offenders. These services will be used by 370 families at a cost of \$139,650, including \$93,491 from the State General Fund, in both FY 2009 and FY 2010.

**Kansas Child Care Training Opportunities.** The Kansas Child Care Training Opportunities (KCCTO, Inc.) is a statewide organization established to offer training opportunities for 16,390 child care givers in licensed or registered child care facilities. The Governor recommends \$95,029 from special revenue funds for this training in both FY 2009 and FY 2010.

**USD 383 Manhattan-Ogden Public Schools Program.** This program provides teachers and staff to work with developmentally delayed children enrolled in the Early Childhood Laboratory programs and the Speech and Hearing Programs at Kansas State University. Approximately 210 children will be served at a cost of \$113,102 from special revenue.

**Speech & Hearing Center.** The Speech and Hearing Center serves children with speech, language, and hearing problems from birth to adulthood. Services include evaluation and intervention for children with conditions resulting from communication disorders such as cleft palate, cerebral palsy, autism, deafness, vocal misuse/abuse and retardation. The Center will serve 194 children and the Governor recommends \$73,565, including \$65,207 from the State General Fund, for both FY 2009 and FY 2010.

## **Kansas State University—ESARP**

**4-H Program.** The mission of the 4-H Program is to provide educational strategies and opportunities for youth and adults to work in partnership as they develop life skills to become healthy, self-directed, contributing members of society. The program focuses on the development of five life skills for children: a positive self-concept, an inquiring mind, a concern for the community, healthy interpersonal

relationships, and sound decision-making skills by creating nearly 1,000 ongoing program sites across the state. The multi-faceted program serves approximately 145,000 children. The Governor recommends for both FY 2009 and FY 2010, \$901,603 including \$745,075 from the State General Fund.

**Youth Leadership & Community Involvement Initiative.** This initiative establishes older youth leadership training in partnership with the Kansas 4-H Foundation. Participants master small and large group facilitation skills, the intricacies of public policy development through democratic government, valuing diversity, and how to serve on public boards and in communities as advocates for youth perspective. Approximately 40,000 young people are involved in this training annually. The Governor recommends for both FY 2009 and FY 2010 \$245,135, including \$98,135 from the State General Fund.

**Army Youth & Teen Center Technical Assistance.** As part of a U.S. Army initiative to establish 4-H clubs on army posts throughout the world, this program provides high quality, predictable environments for youth dependent in an increasingly mobile, all-volunteer army. Technical assistance provided by Kansas State University staff includes development of army personnel and management strategies for youth centers that go beyond recreation to support social skills, and workforce development. Staff also provides and supports curriculum for army sites as well as establishment of computer lab homework and learning facilities at each youth center. The program serves 3,000 children at an annual cost of \$41,741, including \$20,870 from the State General Fund.

**Community Youth Development & Training.** This program provides opportunities for teen leaders, organizational leaders, and others from non-affiliated community youth development groups to increase their individual and organizational skills. Many communities have local youth organizations that lack affiliation with larger youth organizations. Kansas State University Extension Systems holds a unique position with expertise in paid and volunteer staff development, experiential learning curricula, leadership, and establishing effective adult-youth partnership as well as management skills to establish and maintain youth groups. The expected cost for in initiative is \$110,300, including 30,000 from the State General Fund, for both FY 2009 and FY 2010.

**Learning & Social Readiness.** Kansas State University students provide activities and learning experiences for children, in partnership with other organizations. Activities include reading to pre-school children each week and demonstrating science experiments to children in a variety of settings. Approximately 801 children participate in activities throughout the year. The program is expected to cost \$41,741, including \$13,044 from the State General Fund in both FY 2009 and FY 2010.

**Improve Parenting Skills & Family Relationships.** Kansas State Research and Extension Family and Consumer Sciences is committed to developing and delivering educational programs that contribute to effective parenting and successful family relationships. It provides programs throughout the state; Basic Living Skills, Families and Divorce, Stepping Stones for Stepfamilies, Parent's University, and Family Financial Management. It is estimated that these programs reach 100,100 families each year. The Governor recommends \$1,586,152, including \$1,017,433 from the State General Fund in both FY 2009 and FY 2010.

**Promote Healthier & Safer Lives—Nutrition.** The Expanded Food and Nutrition Education Program reaches 250,250 families annually and provides nutrition and wellness information to young, low-income parents and their children. Classes are offered across the state at cooperating agency locations and in-home visits. Instruction is available on budgeting of food dollars, healthy food choices and preparation, food safety skills, and how to establish positive meal times and diet attitudes within the family. The Governor recommends \$3,652,324, including \$474,802 from the State General Fund in both FY 2009 and FY 2010.

**Health Education.** This community initiative bridges all aspects of the University's Family Studies and Human Services Department and 4-H Youth Development to provide 10,010 families with the education and skills to lead mentally and physically healthy lives. The program includes "Kids a Cookin' and Movin'" television show, DVD production, and curriculum featuring Kansas children learning simple recipes that they can make at home for themselves and their families. The program cost \$208,704 in both FY 2009 and FY 2010 from special revenue.

**Build Strong Healthy Communities.** The University is helping young people lead a movement to develop,

promote, and use walking trails to address the problem of lack of physical activity. The Family and Consumer Sciences Department works to expand peoples' capacity to address many problems that communities face today. Education to improve leadership skills help adults and youth effectively address public issues and take action to improve themselves, their organizations, and their communities. Approximately 10,010 families participate in the Communities program. The Governor recommends \$773,249, including \$459,149 from the State General Fund in both FY 2009 and FY 2010.

## **Pittsburg State University**

**Pre-School Lab.** This is a learning laboratory conducted by the Department of Family and Consumer Sciences for children three and a half to five years old. It serves as a training facility for students majoring in Early Childhood Development and Early Childhood Education. The pre-school laboratory provides opportunities to interact with young children under the guidance of skilled instructors. The Governor recommends \$45,000, including \$17,007 from the State General Fund, to serve 37 children in FY 2009 and \$45,000, including \$18,000 from the State General Fund, to serve 38 children in FY 2010.

**Kansas Council on Fitness.** This statewide program is administered by Pittsburg State University on behalf of the Governor. Third graders from the surrounding counties participate in activities designed to promote and encourage fitness and healthy lifestyle activities. Each student receives information on nutrition, exercise habits, drug, alcohol, and tobacco. The program will serve approximately 18,000 children in both FY 2009 and FY 2010 at a cost of \$22,500 annually. Funding is from special revenue funds.

**America Reads Challenge.** This program is a federally funded work-study program designed to provide support to communities and schools to improve local reading programs. America Reads Challenge provides reading tutorial help for 540 children in area public and private schools. The goal is to have all children read well and independently by the end of third grade. The program uses college students as tutors. Expenditures are expected to be \$35,491, including \$2,691 from the State General Fund, in both FY 2009 and FY 2010.

**Science Day.** The Physics, Biology and Chemistry Departments at Pittsburg State University sponsor a secondary student competition in science to promote awareness of physical concepts. Approximately 715 students will demonstrate their knowledge. In addition to traditional tests, students compete in a variety of events that require hands-on science. For example, student will put physics principles to work in the Paper Tower, Mousetrap Car, and a variety of competitions. The Governor recommends \$1,430 from special revenue funds in both FY 2009 and FY 210.

**Career Exploration.** Approximately 1,776 secondary students are expected to participate in Technology Days, Nursing Career Day, and Annual Opportunities in the Business Profession, which introduces them to opportunities in these areas. The program is expected to cost \$3,768 from special revenue funds in both FY 2009 and FY 2010.

**Curriculum & Instruction.** The Young Authors Conference is sponsored by the Department of Curriculum and Instruction at Pittsburg State University. An estimated 350 young authors, in grades one through six, and many of their parents are expected to attend. The students, who have all written and illustrated their own books, will have the opportunity to meet nationally known children's book authors and illustrators. Their parents will hear from literacy specialists. The cost of this program is approximately \$9,000 from special revenue funds in both FY 2009 and FY 2010.

## University of Kansas

**Hilltop Child Development Center.** This tax-exempt Center's mission is to provide quality child care services to the University community. In addition to providing child care to 260 children, Hilltop provides on-the-job training to 50 to 60 students each semester. Students earn course credit by volunteering or observing at the Center. University faculty and students conducting research involving young children often use Hilltop as a study site. The Governor recommends expenditures of \$1,464,978, including \$1,768 from the State General Fund for FY 2009 and \$1,846,675, including \$1,768 from the State General Fund for FY 2010.

**Edna A. Hill Child Development Center.** This Child Development Center serves approximately 85

children, ages two weeks to six years. All programs are full-day and serve children with disabilities, those at risk for developmental delays, and normally developing children in the same classroom. Children's classrooms serve as research and teacher training sites, and contribute to high quality education for both university students and young children. The University of Kansas states that the Center has successfully attained a national and international reputation for its research and approach to early childhood educational and teacher training. Expenditures are expected to be \$365,000 in both FY 2009 and FY 2010 from special revenue funds.

**KU Center on Developmental Disabilities—Services for Children with Special Care Needs—Telehealth Program.** The Telehealth Program is designed to link telemedicine services of the University of Kansas Medical Center to rural areas to meet specific needs that are difficult to meet locally. Specifically, this program is designed to provide diagnosis and consultation regarding autism and challenging or aberrant behavior of young children. The cost of this program is expected to be \$1,000 from special revenue funds in both FY 2009 and FY 2010. It serves approximately 23 children annually.

**KU Center on Developmental Disabilities—Infant & Toddler Services.** This program coordinates activities for children but does not provide direct services. The cost of the service is \$18,000 annually from special revenue funds.

**Assistive Technology for Kansans.** The University of Kansas' Assistive Technology for Kansans program is designed to provide a variety of programs and services to children and families, focusing on the utilization of assistive technology. Assistive technology is any device that can be used to increase the independence or productivity of a person with a disability or chronic health condition. The program has five regional access sites in Kansas that provide demonstrations of the devices. The sites loan devices to those who need them, put refurbished durable medical equipment into use, and provide assistance in identifying public and private funding resources. The program serves 500 families. The Governor recommends expenditures of \$150,000 in both FY 2009 and FY 2010 from special revenue funds.

**Respite Care for Families.** This program provides assistance for caregivers of disabled or aging loved



ones. Services are provided in the person's home or community, and allow caregivers a break from the challenging task of caring for loved ones. The program serves approximately 295 families. The cost of the program is \$75,000 in both FY 2009 and FY 2010 from special revenue.

## **University of Kansas Medical Center**

**Center for Child Health.** The Center evaluates and identifies a syndrome or delay in a child's behavior or physical ability. The Center also works with professionals from the community to teach them the signs of various syndromes and the potential treatments. Approximately 1,050 children are evaluated annually. The Governor recommends \$14,955 from special revenue funds in both FY 2009 and FY 2010.

**Services for Children with Special Health Care Needs.** The Developmental Disabilities Center coordinates special clinics to: provide early identification of children at risk, with disabilities, or with chronic diseases; assure availability of diagnostic and treatment services; and promote skills of children who have a disability or chronic disease by providing or supporting a system of specialty health care. Patients are seen in the following special health services clinics: Spina Bifida, Cystic Fibrosis, Seating Clinic, Cerebral Palsy, and Cleft Lip or Cleft Palate. The program services approximately 1,400 children and costs \$149,540 from special revenue funds annually.

**Cystic Fibrosis Grant.** This grant helps fund the Cystic Fibrosis clinic which provides a multi-disciplinary approach to treat children with this disorder. The program works as a team and staff members involved in the clinic stay current on the latest treatment regimens. Children attend the clinic three times a week. This clinic treats approximately 130 children annually at a cost of \$26,630 from special revenue funds.

**Spina Bifida Clinic.** The clinic is available twice a week and provides a team approach for the interdisciplinary evaluation, treatment and follow-up for children who have been diagnosed with Spina Bifida. The program's expenditures are \$5,200 from special revenue funds annually and it will serve 63 patients in FY 2009 and 69 in FY 2010.

**PKU/Hypothyroidism Cell Screening Program.** The program provides neonatal screening for congenital hypothyroidism and phenylketonuria to allow early detection and treatment of diseases that result in mental retardation. The program has now been expanded to include galactosemia. Approximately 2,100 screenings are done each year. The Governor recommends \$56,299 from special revenue funds for both FY 2009 and FY 2010 for this program.

**Pediatric Seizure Clinic.** The clinic provides ongoing outpatient clinical, educational, and counseling services to families with children affected by seizures. One pediatric neurologist provides clinical services for the diagnosis, treatment, management, and follow-up of children with seizure disorders. The program also has a counselor/educator. Expenditures for the program are \$19,200 annually. The Clinic expects to serve 410 children in FY 2009 and 420 children in FY 2010.

**Project EAGLE, an Early Head Start Program.** This program blends public and private dollars to assure that pregnant women and young children and their families succeed in life. This Head Start Program serves approximately 900 children and their families in Wyandotte County. Family support advocates work in partnership with families in identifying needs, establishing goals, coordination, and linking families with the appropriate community resources. Interagency agreements exist with 60 community agencies that provide and assist with complex and comprehensive needs of families. Weekly home visits include the infusion of a developmentally appropriate early childhood educational plan for all children and their parents. Emphasis is also placed on assisting adult family members to acquire the skills they need to move toward economic self-sufficiency. Expenditures are \$3,092,340 annually, which include 61.6 percent federal funding, 32.8 percent state funding, and 5.6 percent local funding.

**Sutherland Institute for Facial Rehabilitation.** The Institute provides evaluation, treatment and follow-up services to children with a variety of craniofacial anomalies such as cleft lip, cleft palate, and other deformities. The Institute team includes specialists in plastic surgery, dentistry, speech pathology, genetics, psychology, and social work. The Governor recommends \$35,000 from special revenue funds annually to serve 60 children in both FY 2009 and FY 2010.

**Project HOPE—Teen Pregnancy Case Management.** The Project provides comprehensive case management services for pregnant or parenting teens. The program receives support, supervision and direction from the staff of Project HOPE. The program is aimed at increasing levels of maternal self-sufficiency, health education, and delaying the birth of a second child until basic education and vocational training have been completed. The Project serves approximately 85 young women in the Kansas City area and costs \$190,922 from special revenue funds annually.

**Pediatric Consultation Services.** Consultation services are provided for several clinics at the Medical Center. In addition, the pediatricians staff special clinics for children and provide training courses for physicians, nurses, and other health care professionals in areas related to providing services for children with special health care needs. The Governor recommends \$10,760 from special revenue funds in both FY 2009 and FY 2010 to serve 275 children annually.

**Other Services.** The University of Kansas Medical Center provides a number of medical programs at no cost or on a fee for service basis. They are enumerated in the table following this narrative, and include a Neonatal Intensive Care Unit Developmental Follow-Up Clinic, an Audiology Clinic, a Feeding Clinic, a Cerebral Palsy Clinic, a Seating Clinic, and the Hartley Family Center for the Deaf & Hard of Hearing.

## **Wichita State University**

**Speech-Language-Hearing Clinic.** The Clinic provides diagnosis and treatment to children and adults who have speech, language, and hearing problems. Services are available on a fee-for-services basis to University students, staff, and faculty, as well as residents of surrounding communities. Recommendations are provided to the parents/families of the children evaluated so that proper services can be implemented as soon as possible. The Clinic serves 4,500 children. For FY 2009, the Governor recommends \$499,500, including \$93,330 from the State General Fund, and for FY 2010 the recommendation is \$503,500, including \$94,300 from the State General Fund.

**Dental Hygiene Clinic.** The Clinic operates a 24 chair treatment facility in Ahlberg Hall providing both

preventive and prophylactic services to the public. Children receive a dental examination, radiographs, dental prophylaxis, fluoride treatment, oral hygiene instructions and approximately 100 of those children require a sealant. In addition, dental hygiene students go into the community to provide dental health education to groups of children, including children with developmental disabilities. Approximately 2,870 patients are seen in the Hygiene Clinic each year. The program is expected to cost \$43,486, including \$39,000 from the State General Fund, in both FY 2008 and FY 2009.

**School of Nursing—Health Screenings.** University nursing faculty and students provide health screenings for elementary age children at selected schools each year. In addition, health education presentations are provided for children at elementary schools. They also provide primary care in a variety of clinics, including not-for-profit and free clinics. Approximately 2,000 children are screened each year at a cost of \$9,300 per year from the State General Fund.

**School of Nursing—Services Provided by Nursing Students.** Approximately 6,000 children hear presentations made nursing students on health topics at high schools and community groups. The students also provide assistance in school health rooms in the Wichita area schools. The Governor recommends \$17,250 from the State General Fund for these services in both FY 2009 and FY 2010.

**Physician Assistant—Healthy Options for Planeview.** This program is sponsored by seven universities. Healthy Options for Planeview is a health education and outreach center serving low-income neighborhoods throughout Sedgwick County. Programs offered include: Moms & Mentors, a parenting program; Healthy Kids; Smart Kids—Oral Health Initiative; physician assistant clinics; summer youth camps; child care; and special events. Transportation is provided for children to health care partners when needed. The program is expected to serve 3,300 children and families in FY 2009 and FY 2010. The Governor recommends \$3,000 for Planeview in both FY 2009 and FY 2010. Funding is from special revenue funds.

**Physician Assistants—West High School Health Science Program.** Wichita State University's College of Health Professions Physician Assistant Department

provides instruction and support to junior and senior students enrolled in the Health Sciences Program at West High School in Wichita. The University's faculty and students provide instruction in basic health topics for the high school's students as a service learning project. The program is expected to serve 73 students at a cost of \$9,500 in FY 2009 and 80 students at a cost of \$10,000 in FY 2010. Funding is from special revenue funds.

**Physician Assistants—High School Sports Physicals.**

Physician Assistant faculty and students travel to Stafford County and conduct sports physicals, required before participation in any sporting activity for high school students. Approximately 260 physicals are given to high school students each year at a cost of \$15,600 from special revenue funds.

**Physician Assistant—Minority Recruitment & Retention Grant.**

Since FY 2007, Wichita State University has received three grants to increase the diversity in the physician assistant program. Three area high schools, with high levels of diversity and special programs emphasizing the health professions, were identified to participate in this initiative. The program serves approximately 200 students each year. The University students teach classes and each high school has a student assigned for 20 hours a week during the school year to assist in the work. The cost of this program is \$30,000 from special revenue funds per year.

**Health Professions High School Tours.** During the fall semester at Wichita State University, the College of Health Professions offers area high school juniors and seniors the opportunity to tour the College's classroom/ laboratories and learn about health professions academic programs. The tours include presentations and demonstrations in each of the professional programs. Approximately 875 to 900 students attended the tour at a cost of \$20,000 in both FY 2009 and FY 2010. Funding is from special revenue funds.

**Upward Bound.** Upward Bound is designed to generate the skills and motivation necessary for success in education beyond secondary school. This program provides secondary school students with limited income, first generation, and persons with disabilities an opportunity to improve their academic, social and personal skills while preparing for a postsecondary education. Services include tutoring,

test preparation, study skills, campus visits, and summer residential program. The programs services 150 students in grades 9-12 in the Wichita area. This federally funded program will expend \$387,361 in both FY 2009 and FY 2010.

**Upward Bound Regional Math/Science Program.**

For 100 high school students in grades eight to 12, this Upward Bound federally funded program advances interest in mathematics, science, and computer technology. The program includes a six to eight week summer residential program at Wichita State University. Participants receive academic instruction, research opportunities, tutorial support, career counseling, and computer instruction during their time in the program. The federal grant for this program is expected to be \$297,304 in both FY 2009 and FY 2010.

**Upward Bound Communication.**

The program is designed to generate the skills and motivation necessary for success in education beyond secondary school for students who have an interest in communication. The program serves 52 students at a cost of \$190,000 in FY 2009 and \$250,000 in FY 2010 from special revenue.

**Talent Search—Project Discovery.**

This program provides assistance to 1,500 middle and high school students whose families have not typically attended postsecondary education. Assistance is offered on pre-college course planning and selection, completing college admission applications and financial aid forms, and preparing for entrance examinations. The program also provides mentoring, tutorial services, and summer school enrichment for middle school students. Guidance is also provided in achieving a high school diploma. The Governor recommends \$513,873 in both FY 2009 and FY 2010 from special revenue for this program.

**GEAR UP (Gaining Early Awareness & Readiness for Undergraduate Programs).**

GEAR UP serves students in kindergarten through twelfth grade who are first generation, or in foster or adoptive care with limited income. Services provided include tutoring, mentoring, college preparation workshops for students and parents, workshops for teachers and counselors, college campus tours, and cultural activities. The program is funded by a U.S. Department of Education grant, whereby Wichita State University receives approximately \$2.5 to \$3.0 million annually for five

years to administer this statewide program for 3,500 children. FY 2008 was the end of a grant and the University filed for a one-year no-cost extension which will allow the program to operate on remaining funds. FY 2010 will mark the beginning of a new grant.

**Training & Technology Team.** The Team at Wichita State University is actively involved in the support of approximately 662 children experiencing serious emotional disturbances and their families. The focus is on the training of case managers who provide coordination and services to these children. The training is provided to groups of direct service providers statewide. The program is tied to the Medicaid waiver granted to the state for Home and Community Based Services for Seriously Emotionally Disturbed Children. The Governor recommends \$80,000, including \$19,000 from the State General Fund, in both FY 2009 and FY 2010.

**Haskett Center.** The mission of the program is to promote and offer quality programs and service dedicated to improving the physical, emotional, intellectual, occupational, and social well being. The Center offers three categories of programs to teach children a variety of skills. The aquatics program teaches children to swim and dive and can lead to Red Cross certification. Other instructional programs include gymnastics, sports camp, Tae Kwon Do, and rock climbing. The instruction is generally introductory but offers children the opportunity to learn advanced skills. The Haskett Center services approximately 258 children a year with expenditures of \$2,100 in both FY 2009 and FY 2010.

**WSU Child Development Center.** This child care facility is a non-profit organization, operated with restricted use funds. The Center provides daycare services for the children of Wichita State University students, faculty, staff, and alumni. Children from the community attend on a space available basis. The Center can care for 188 children. The Governor recommends \$624,736 in FY 2008 and \$627,037 in FY 2009 for the Center.

**America Reads Challenge.** This federal work-study program pays college students to tutor children in kindergarten through second grade in reading. This program serves 600 children annually with expenditures of \$85,000 per year.

**Partnership with Communities in Schools.** The Wichita State University Cooperative Education Partnership with Communities in Schools provides university students the opportunity to work with at-risk children in a school setting. The program supports community efforts already in place to effectively intervene with 1,500 at-risk elementary and secondary students. The Governor recommends expenditures of \$16,063 from special revenue funds in both FY 2009 and FY 2010.

**Teacher Education Majors.** The Wichita State University Cooperative Education Project for Teacher Education Majors is designed to provide financial assistance to university students by providing work as tutors and teaching assistants working with disadvantaged students in the Wichita public schools. The university students provide one-on-one tutoring or small group assistance to students struggling to learn reading and math. The program serves 600 students and costs \$16,719 in FY 2009 and \$21,254 in FY 2010 from special revenue funds.

**Child Development Center.** The Wichita State University Child Development Center is a nonprofit organization, financed with restricted use funding. The Center provides care for children of University students, faculty, staff, and alumni. It is also open to the community on a space available basis. The Center services 600 children at a cost of \$644,462.

## **Kansas Arts Commission**

**Arts Grants & Technical Assistance.** For FY 2010, the Governor recommends \$1,518,070, with \$1,234,236 from the State General Fund, for grants and technical assistance to artists of all ages and to arts organizations serving Kansans of all ages. Through these programs, the Commission enriches children's appreciation of art by supporting and extending children's art programming. The Commission expects to serve more than 1.0 million children in 66 counties in FY 2010.

## **Historical Society**

Through its Education-Outreach Division, the Kansas State Historical Society provides educational programs

for children throughout Kansas. Curriculum used by Kansas schools in teaching Kansas history is developed by staff at the Society, and Society-sponsored traveling resource trunks provide historical materials relating to Kansas history and culture in classrooms throughout the state. The Society participates in Kansas Day activities and the state History and Environmental Fair, and programs for children are conducted at state-owned historic sites, the Museum of History, the Stach School, and Discovery Place, a hands-on gallery. In addition, the Society provides summer workshops on Kansas history at the Museum for students in kindergarten through sixth grade. To directly serve approximately 90,000 children, the Governor recommends a total of \$37,000 from the State General Fund for FY 2010.

## **State Library**

The State Library considers service to children in Kansas one of its primary functions. In addition to services for all ages, such as grants to public libraries, and support of the Talking Books Program and interlibrary loan programs, the Library provides specialized services to children by making available as much consultation and training as possible to augment children's services in public libraries, as well as by sponsoring a summer reading program for every public library in the state.

For FY 2010, the Governor recommends \$911,304 from the State General Fund to provide services to library users, including 485,000 children. During FY 2009, the agency administered Homework Kansas, an online tutoring program, through which school children receive real-time help from qualified teachers via the Internet. For FY 2010, this program will be suspended because State General Fund support will not be available.

## **Public Safety**

Children's services expenditures for the Public Safety function come primarily from the Juvenile Justice Authority and the four juvenile correctional facilities. The total recommended Public Safety budget of \$57.6 million for FY 2010 constitutes 1.1 percent of the state's total children's services expenditures.

## **Juvenile Justice Authority**

The Juvenile Justice Authority is responsible for all juvenile offenders in Kansas. The Authority provides intervention and prevention programs, including mentoring, after-school, and parent training programs. In addition, the agency is responsible for the oversight of the three juvenile correctional facilities. In December 2008, the Atchison Juvenile Correctional Facility suspended operations, and youth were transferred to the facilities in Larned and Topeka. For FY 2009, the Governor recommends \$25.1 million, including \$17.2 million from the State General Fund. The Governor recommends \$27.4 million, including \$17.4 million from the State General Fund in FY 2010.

Local judicial districts provide community programs to juvenile offenders. Each district receives funding from the Juvenile Justice Authority through a graduated sanctions formula. These community programs include intake and assessment, intensive supervision, and community case management. The intake and assessment program provides assistance to law enforcement with the placement of juveniles taken into custody and provides an assessment for the needs of the juvenile and their families.

Intensive supervision provides community supervision of youth through face-to-face visits, employment visits, substance abuse testing, and individualized supervision plans. Community case management provides foster family care, group homes, and temporary placements. Providers are reimbursed through purchase of service funding. Services that are reimbursed include out-of-home placements, detention, counseling, and other services.

## **Atchison Juvenile Correctional Facility**

The Atchison Juvenile Correctional Facility suspended operations in December 2008. Previously, it housed male juvenile offenders with a designed capacity to hold up to 121 juveniles. Programs offered at the facility included recreation, counseling, and education. For the first half of FY 2009, the Governor recommends \$3,094,880, including \$3,014,899 from the State General Fund. The Governor recommends \$386,868, including \$379,770 from the State General Fund in FY 2010. The FY 2010 recommendation is for a small staff to oversee the daily maintenance needs of the facility.

## **Beloit Juvenile Correctional Facility**

The Beloit Juvenile Correctional Facility is the only facility in the state that houses female juvenile offenders. Rehabilitation of juveniles is provided through various recreational and educational programs. In FY 2009, the Governor recommends expenditures of \$4,028,698, including \$3,936,905 from the State General Fund and \$3,946,555, including \$3,847,762 from the State General Fund for FY 2010.

## **Kansas Juvenile Correctional Complex**

The Kansas Juvenile Correctional Complex houses male juvenile offenders between the ages of 13 and 23 and has a maximum capacity of 270 beds. The facility houses the state's most serious juvenile offenders. Programs provided at this facility include counseling, recreation programs, and academic and vocational education. For FY 2009, the Governor recommends \$16,262,420 including \$15,704,777 from the State General Fund. The Governor recommends \$16,278,196, including \$15,721,236 from the State General Fund in FY 2010.

## **Larned Juvenile Correctional Facility**

The Larned Juvenile Correctional Facility houses male juvenile offenders between the ages of 10 and 23 who require mental health or substance abuse treatment. The facility has a designed capacity of 152 beds. The Governor recommends \$8,496,062, including \$8,386,005 from the State General Fund for FY 2009. In FY 2010, the Governor recommends \$8,837,568, including \$8,727,511 from the State General Fund.

## **Adjutant General**

The Governor recommends \$820,000 in FY 2010 to support the Adjutant General's "Starbase" Program. This program provides 4th, 5th, and 6th grade students a better understanding of math, science, and technology concepts during the summer months. This program will reach an estimated 4,500 children in FY 2010.

## **Agriculture & Natural Resources**

The Governor recommends \$576,748 for FY 2010 for children's programming for the Agriculture and Natural Resources function. These funds support educational programs related to agricultural practices and the outdoors. The Kansas State Fair and the Department of Wildlife and Parks participate in bringing these important programs to the youth of the state.

### **Kansas State Fair**

The Kansas State Fair provides several education and competitive programs for youth. The 4-H/FFA Program at the Kansas State Fair represents the culmination of 4-H activities for the year. Approximately 3,826 participants are expected to participate in FY 2010. The State Fair provides exhibit buildings for both Boy and Girl Scouts at Lake Talbott Park with 150 participants projected for FY 2010. The Do-Arts program provides over 3,600 children an opportunity to explore art in a hands-on environment that increases self-understanding and personal enrichment.

The Kansas Largest Classroom program was initiated in 1991 to assist teachers in planning and organizing educational field trips to the Kansas State Fair. The Fair anticipates 5,074 students will take part in FY 2010. A marching band program will bring approximately 6,300 students to the State Fair in FY 2010. For FY 2010, the State Fair expects approximately 19,080 to participate in these programs at a cost of \$192,227.

### **Department of Wildlife & Parks**

**Archery in the Schools.** Archery in the Schools is a two-week program, coordinated by the Department, but taught by local elementary and secondary physical education instructors. For FY 2010, the Governor recommends \$40,000 to serve 2,800 children. An equal amount of funding is provided by the Archery Trade Association.

**Hunter Education Program.** Anyone born after July 1, 1957 is required to take a Hunter Education class in

order to obtain a Kansas hunting license. The Hunter Education Program teaches persons of all ages hunter ethics and safety, wildlife management, firearm safety, alcohol and drug education, wildlife education, and first aid. In FY 2010, an estimated 7,750 young people will take one of these classes at a cost to the Department of \$140,696.

**Fishing Clinics.** Department-sponsored fishing clinics provide children from kindergarten through high school opportunities to have fun and develop civic values, while improving their relationships with their families and communities. In FY 2010, these clinics are expected to serve 29,750 children at a cost of \$158,000.

**Wildlife Education Service.** Through the Wildlife Education Service, public and private school districts in Kansas are given the opportunity to borrow a free reference center, consisting of films, videotapes, computer software, and learning kits, to help young people learn ways to protect the environment. The program also provides instructional booklets for students and guides for teachers that are distributed throughout the public education system in Kansas. For FY 2010, the agency expects to provide this service to 18,200 children at a cost of \$40,000.

**Kansas Furharvester Education Program.** One of only 15 states to operate such a program, Kansas requires that all individuals, born after July 1, 1966, who wish to obtain a furharvester license, complete this six-hour course. The course, which is intended to promote safe, responsible behavior, with an emphasis on the role that wildlife laws and regulations play in maintaining safety, is available by correspondence or through a certified instructor. The Department estimates that approximately 750 young people will be served by this program at a cost of approximately \$5,300.

**Youth Hunter Education Challenge.** A collaboration between the Kansas Wildlife Officer Association, the International Hunter Education Association, the Department's Hunter Education section, and the National Rifle Association, the Youth Hunter Education Challenge is an advanced hunter education program intended to promote the further development of hunting skills and to reinforce responsible hunting techniques. The program provides an opportunity for approximately 50 young people to take part in archery,

shotgun, rifle, and muzzleloader events, as well as to practice wildlife identification, safe trailing while hunting, and how to orient themselves in unfamiliar territory. For FY 2010, the agency expects the cost of the program to be \$525.

## Transportation

### Department of Transportation

The Governor recommends \$714,300 in FY 2010 for children's educational programs promoting highway and traffic safety. These programs are financed primarily with federal funds and are expected to serve approximately 231,300 children in FY 2010.

**Pedestrian/Bicycle Safety Program.** The Governor recommends \$20,000 from federal funding sources to serve 19,000 children by providing bicycle safety brochures and producing a pedestrian school crossing guard manual for all Kansas school districts.

**Child Passenger Safety.** The Governor recommends \$100,000 to provide assistance to 5,500 children in all Kansas counties. This program provides for child passenger safety instructors and technicians affiliated with loaner programs and fitting stations across the state. This program targets populations of minority groups and low-income families.

**Youth Leadership Summit.** This program provides leadership workshops and retreats for youth of all ages. The Governor's FY 2010 recommendation includes \$98,000 to allow 1,000 teens to obtain insight, awareness, and planning skills related to drinking and drug-free measures in their communities.

**Teen Safe Driving.** This program promotes youth traffic safety to prevent injuries and deaths in the student population in Kansas. The Governor recommends \$15,000 for 800 students in FY 2010.

**Care/Call Underage Drinking Prevention Media Campaign.** The Governor recommends \$156,300 to serve 120,000 teens. This program is aimed at enforcing underage drinking laws by targeting communities, law enforcement, schools, and parents to

prevent and report underage drinking parties. The program will achieve this goal through the use of brochures, news releases, and related promotional items.

**Traffic Safety Resource Office.** The Governor recommends \$325,000 for the Traffic Safety Resource Office (TSRO) in FY 2010. The TSRO will administer and implement a statewide program providing public education, information, technical

assistance, research, and evaluation aimed at reducing the incidence of alcohol-related crashes, reducing underage drinking, and increasing the seat belt use in Kansas. The TSRO will enhance current safe driving activities through speaking opportunities, distributing educational materials, producing a quarterly newsletter, assisting in child seat check lanes, and serving as an overall resource to traffic-safety related questions. The Governor's recommendation will allow the TSRO to serve 85,000 children.





**Children’s Budget**—The following table displays program expenditures and numbers served by children’s programs. For each program, next to the first “Number Served” amount, there is a code letter “C,” “F,” or “N.” The letter “C” means that the number served refers to individual children. “F” refers to the number of families served. The “N” signifies that the number of children or families cannot be determined accurately. The table is organized by function of government and by agency. It shows actual expenditures and the number of children or families served for FY 2008, the Governor’s revised estimates for FY 2009, the agencies’ requests for FY 2010, and the Governor’s recommendation for FY 2010.

## Expenditures for Children's Programs by Agency and Activity

	FY 2008 Actual Expenditures				FY 2009 Governor's Estimate		
	Type Served	Number Served	State General Fund	All Funding Sources	Number Served	State General Fund	All Funding Sources
<b>General Government</b>							
Department of Revenue							
Child Support Enforcement	N	--	--	56,567	--	--	60,000
Office of the State Bank Commissioner							
Credit Counseling	F	29,369	--	475,680	29,369	--	208,000
Office of the Governor							
Byrne Justice Assistance	C	739	--	71,754	680	--	46,670
Child Visitation Centers	C	1,001	--	104,150	1,000	--	111,288
Child Advocacy Centers	C	1,721	933,691	933,691	2,000	1,042,992	1,042,992
Drug Free Schools	C	14,730	--	532,804	14,750	--	588,459
Family Violence Prev. & Serv.	C	5,032	365,428	629,210	5,100	460,040	724,259
Outreach Services	C	888	--	560,191	900	618,845	618,845
Safe Havens	C	--	--	--	50	--	32,216
Sexual Violence Prevention	N	--	--	345,463	--	--	294,622
Victims of Crime Act	C	7,369	--	596,123	4,000	--	541,396
Total--Office of the Governor			\$ 1,299,119	\$ 3,773,386		\$ 2,121,877	\$ 4,000,747
Attorney General							
Child Death Review Board	C	624	70,936	70,936	650	75,000	75,000
Child Visitation Centers	F	1,074	--	329,980	1,100	--	330,000
DARE Program	C	12,000	66,233	76,233	13,000	70,000	80,000
Child Abuse & Neglect Prog.	C	39,898	--	195,415	40,000	--	200,000
Domestic Abuse Programs	F	36,114	--	934,385	36,500	--	940,000
Total--Attorney General			\$ 137,169	\$ 1,606,949		\$ 145,000	\$ 1,625,000
Judiciary							
Child Support Enforcement	C	159,658	502,894	2,088,839	160,000	307,983	2,415,633
Child Welfare	N	--	52,763	316,476	--	121,244	840,207
Court Serv. Officers--Civil	C	12,065	9,012,422	9,519,427	12,100	8,821,879	9,787,081
Permanency Planning	C	3,248	--	833,719	3,300	--	789,936
Total--Judiciary			\$ 9,568,079	\$ 12,758,461		\$ 9,251,106	\$ 13,832,857
<b>Total--General Government</b>			<b>\$ 11,004,367</b>	<b>\$ 18,671,043</b>		<b>\$ 11,517,983</b>	<b>\$ 19,726,604</b>
<b>Human Services</b>							
Social & Rehabilitation Services							
AAPS--PIHP Medicaid	C	1,828	3,886,310	9,629,114	1,828	3,992,249	9,960,701
AAPS--Women w/ Children	F	1,160	730,060	2,920,241	1,160	730,060	2,920,241
AAPS--Youth Treatment	C	1,631	127,909	511,637	1,631	127,909	511,637
AAPS Children & Family	F	5,487	1,099,270	2,528,768	5,487	1,099,270	2,528,768
ACIL	N	361	7,910,088	19,593,050	--	--	--
Adopt. Resource Recruitment	F	247	2,092,206	3,913,872	198	1,379,187	3,132,176
Adoption Support	C	6,456	12,320,441	24,783,517	6,835	14,446,461	27,652,882
Autism Waiver	F	8	3,386	8,345	45	500,000	1,247,505
Behavior Management Svcs.	C	15	(8,530)	79,314	--	--	--
Child Care Assistance	F	19,717	19,823,863	78,060,251	20,448	24,813,578	81,840,000
Child Care Quality	F	--	--	3,099,468	--	--	3,608,411
Child Support Enforcement	F	129,001	3,803,248	24,279,087	128,487	--	26,407,015
Child Abuse Prevention	N	--	--	1,079,582	--	--	966,120

## Expenditures for Children's Programs by Agency and Activity

	Type Served	FY 2010 Base Budget			FY 2010 Governor's Recommendations		
		Number Served	State General Fund	All Funding Sources	Number Served	State General Fund	All Funding Sources
<b>General Government</b>							
Department of Revenue							
Child Support Enforcement	N	--	--	60,000	--	--	60,000
Office of the State Bank Commissioner							
Credit Counseling	F	29,369	--	208,000	29,369	--	208,000
Office of the Governor							
Byrne Justice Assistance	C	680	--	45,291	680	--	45,291
Child Visitation Centers	C	1,000	--	99,600	1,000	--	99,600
Child Advocacy Grants	C	2,250	988,136	988,136	2,250	988,136	988,136
Drug Free Schools	C	13,000	--	456,153	13,000	--	456,153
Family Violence Prev. & Serv.	C	6,300	923,242	1,180,305	6,300	923,242	1,180,305
Outreach Services	C	--	--	--	--	--	--
Safe Havens	C	200	--	128,865	200	--	128,865
Sexual Violence Prevention	N	--	--	284,484	--	--	284,484
Victims of Crime Act	C	6,500	--	469,738	6,500	--	469,738
Total--Office of the Governor			\$ 1,911,378	\$ 3,652,572		\$ 1,911,378	\$ 3,652,572
Attorney General							
Child Death Review Board	C	650	75,000	75,000	650	75,000	75,000
Child Visitation Centers	F	1,100	--	330,000	1,100	--	330,000
DARE Program	C	13,000	70,000	80,000	13,000	70,000	80,000
Child Abuse & Neglect Prog.	C	40,000	--	200,000	40,000	--	200,000
Domestic Abuse Programs	F	36,500	--	970,000	36,500	--	970,000
Total--Attorney General			\$ 145,000	\$ 1,655,000		\$ 145,000	\$ 1,655,000
Judiciary							
Child Support Enforcement	C	160,000	307,983	2,466,028	160,000	307,983	2,466,028
Child Welfare	N	--	120,641	839,939	--	120,641	839,939
Court Serv. Officers--Civil	C	12,100	9,065,671	10,004,161	12,100	9,065,671	10,004,161
Permanency Planning	C	3,300	--	658,528	3,300	--	658,528
Total--Judiciary			\$ 9,494,295	\$ 13,968,656		\$ 9,494,295	\$ 13,968,656
<b>Total--General Government</b>			<b>\$ 11,550,673</b>	<b>\$ 19,544,228</b>		<b>\$ 11,550,673</b>	<b>\$ 19,544,228</b>
<b>Human Services</b>							
Social & Rehabilitation Services							
AAPS--PIHP Medicaid	C	1,828	3,992,249	9,960,701	1,828	3,992,249	9,960,701
AAPS--Women w/ Children	F	1,160	730,060	2,920,241	1,160	730,060	2,920,241
AAPS--Youth Treatment	C	1,631	127,909	511,637	1,631	127,909	511,637
AAPS Children & Family	F	5,487	1,099,270	2,528,768	5,487	1,099,270	2,528,768
ACIL	N	--	--	--	--	--	--
Adopt. Resource Recruitment	F	--	1,399,228	3,132,176	--	--	--
Adoption Support	C	6,279	12,407,121	24,369,403	8,044	16,509,484	31,219,205
Autism Waiver	F	45	500,000	1,247,505	45	499,999	1,247,504
Behavior Management Svcs.	C	--	--	--	--	--	--
Child Care Assistance	F	20,705	24,813,578	84,604,000	19,607	20,324,557	80,114,979
Child Care Quality	F	--	--	3,618,411	--	--	3,618,411
Child Support Enforcement	F	129,691	--	26,359,839	129,691	--	26,233,699
Child Abuse Prevention	N	--	--	966,120	--	--	966,120

## Expenditures for Children's Programs by Agency and Activity

FY 2008 Actual Expenditures					FY 2009 Governor's Estimate		
	Type Served	Number Served	State General Fund	All Funding Sources	Number Served	State General Fund	All Funding Sources
<b>Social &amp; Rehabilitation Services, Cont'd.</b>							
Community Funding	C	4,181	--	1,656,791	4,083	--	1,616,899
DD TCM	C	2,289	1,984,409	4,916,772	2,335	2,099,890	5,239,246
HCBS DD Waiver Svcs.	F	2,442	19,785,040	49,021,407	2,656	21,805,293	54,404,423
Disability Determination Svcs.	C	3,204	22,462	1,517,735	3,204	22,462	1,517,735
Early Childhood Block Grant	C	--	--	--	7,225	--	11,100,000
Early Childhood Initiatives	N	--	--	24,238	--	--	50,996
Low Income Energy Assist.	C	18,861	585,884	10,345,005	64,446	--	38,473,076
Family Preservation	C	2,531	1,322	9,853,893	2,443	--	9,844,083
Family Services	F	404	15,635	1,733,802	487	14,726	2,090,657
Family Supports	F	1,418	3,567,688	3,567,688	1,418	3,567,688	3,567,688
Funeral Assistance	C	134	88,409	88,409	139	93,650	93,650
Grandparents as Caregivers	F	206	648,389	648,389	225	746,520	746,520
Independent Living	C	868	383,554	1,917,764	865	573,838	1,910,691
Coalition on Dom. Violence	N	416	--	56,397	450	--	64,854
KS Early Head Start	C	1,177	1,852,213	11,342,397	1,177	--	11,342,397
Empowerment Academy	C	194	120,000	150,000	200	120,000	150,000
MH Family Centered Care	F	14,679	--	5,000,000	15,000	--	5,000,000
Mental Health Grants	C	4,080	4,442,678	4,943,482	4,080	4,442,678	4,943,482
MH PAHP	C	17,300	20,205,596	59,511,679	17,300	20,206,000	59,500,000
MH PRTF	C	302	11,661,335	29,434,293	349	13,502,447	34,262,028
MH School Violence Prev.	C	3,040	--	228,000	--	--	--
MH State Aid	C	4,080	2,078,383	2,078,383	4,080	2,080,000	2,080,000
MH Therapeutic Preschool	C	3,040	--	1,000,000	--	--	--
Modified Foster Care Project	C	32	80,000	80,000	20	50,000	50,000
Permanent Custodianship	C	260	975	913,632	324	876,157	1,126,157
Positive Behavior Support	C	42	98,798	245,283	37	102,324	255,300
Pre-K Pilot	C	--	--	5,207,061	--	--	--
Quality Initiative for Infants	N	--	--	500,000	--	--	500,000
Reintegration/Foster Care	C	5,635	99,716,148	142,622,093	5,402	116,239,056	157,509,392
Smart Start Kansas	C	26,734	--	8,986,263	25,000	--	8,443,282
Systems of Care	N	--	--	394,521	--	--	54,961
Temp. Assist. for Families	F	26,134	29,821,028	59,089,114	34,280	29,921,028	60,251,773
Vocational Rehab. Svcs.	C	2,407	452,967	2,126,607	2,475	528,757	2,482,425
Wichita Collaboration Proj.	C	--	--	--	45	8,265	77,609
Total--SRS			\$ 249,401,164	\$ 589,687,344		\$ 264,089,493	\$ 639,524,780
<b>Larned State Hospital</b>							
Children's Services	N	11	1,928,950	2,539,291	11	1,901,343	2,579,282
<b>Parsons St. Hospital &amp; Training Ctr.</b>							
Day-Care Operation	C	146	11,524	30,326	160	12,768	33,600
School Age Children	C	25	859,082	2,202,775	28	932,677	2,391,480
Special Purpose School	C	13	394,593	394,593	15	394,593	394,593
Total--Parsons State Hospital			\$ 1,265,199	\$ 2,627,694		\$ 1,340,038	\$ 2,819,673
<b>Kansas Health Policy Authority</b>							
Medicaid Regular Medical	C	153,763	230,834,920	616,459,322	166,740	245,356,156	659,122,033
SCHIP	C	37,568	17,217,358	60,678,503	38,646	15,718,383	64,133,138
Total--KHPA			\$ 248,052,278	\$ 677,137,825		\$ 261,074,539	\$ 723,255,171

## Expenditures for Children's Programs by Agency and Activity

	Type Served	FY 2010 Base Budget			FY 2010 Governor's Recommendations		
		Number Served	State General Fund	All Funding Sources	Number Served	State General Fund	All Funding Sources
<b>Social &amp; Rehabilitation Services, Cont'd.</b>							
Community Funding	C	4,083	--	1,616,899	4,083	1,601,259	1,601,259
DD TCM	C	2,335	2,099,890	5,239,246	2,335	2,099,890	5,239,246
HCBS DD Waiver Svcs.	F	2,656	21,805,293	54,404,423	2,656	21,805,293	54,404,423
Disability Determination Svcs.	C	3,204	22,462	1,517,735	3,204	22,462	1,517,735
Early Childhood Block Grant	C	7,225	--	11,100,000	7,225	--	11,100,000
Early Childhood Initiatives	N	--	--	--	--	--	--
Low Income Energy Assist.	C	18,930	--	8,381,109	18,930	--	8,381,109
Family Preservation	C	2,539	--	10,230,083	2,600	239,432	10,469,515
Family Services	F	487	14,726	2,090,657	500	1,269,724	2,146,258
Family Supports	F	1,418	3,567,688	3,567,688	1,418	3,567,688	3,567,688
Funeral Assistance	C	139	93,650	93,650	--	--	--
Grandparents as Caregivers	F	350	1,165,320	1,165,320	--	--	--
Independent Living	C	865	577,823	1,781,813	730	300,997	1,504,987
Coalition on Dom. Violence	N	450	--	65,409	450	--	65,409
KS Early Head Start	C	1,177	--	11,342,397	1,177	--	11,342,397
Empowerment Academy	C	200	120,000	150,000	200	120,000	150,000
MH Family Centered Care	F	15,000	--	5,000,000	15,000	--	5,000,000
Mental Health Grants	C	4,080	4,442,678	4,943,482	4,080	4,442,678	4,943,482
MH PAHP	C	17,300	20,206,000	59,500,000	17,300	20,206,000	59,500,000
MH PRTF	C	1,100	12,178,200	30,958,020	355	13,602,612	34,851,060
MH School Violence Prev.	C	--	--	--	--	--	--
MH State Aid	C	4,080	2,080,000	2,080,000	4,080	2,080,000	2,080,000
MH Therapeutic Preschool	C	--	--	--	--	--	--
Modified Foster Care Project	C	--	--	--	--	--	--
Permanent Custodianship	C	139	180,000	430,000	372	1,078,379	1,328,379
Positive Behavior Support	C	43	102,324	255,300	37	101,329	255,300
Pre-K Pilot	C	--	--	--	--	--	--
Quality Initiative for Infants	N	--	--	500,000	--	--	500,000
Reintegration/Foster Care	C	5,722	116,759,349	160,081,744	5,418	96,999,099	138,199,105
Smart Start Kansas	C	25,000	--	8,443,282	25,000	--	8,443,282
Systems of Care	N	--	--	--	--	--	--
Temp. Assist. for Families	F	28,118	29,921,028	56,961,698	38,605	29,921,028	62,855,069
Vocational Rehab. Svcs.	C	2,492	528,142	2,479,540	2,492	528,142	2,479,540
Wichita Collaboration Proj.	C	240	8,265	77,609	240	8,265	77,609
Total--SRS			\$ 260,942,253	\$ 604,675,905		\$ 243,277,805	\$ 591,324,117
<b>Larned State Hospital</b>							
Children's Services	N	11	1,945,274	2,623,280	11	1,945,274	2,623,280
<b>Parsons St. Hospital &amp; Training Ctr.</b>							
Day-Care Operation	C	175	14,098	37,100	175	14,098	37,100
School Age Children	C	28	932,677	2,391,480	28	932,677	2,391,480
Special Purpose School	C	15	394,593	394,593	15	394,593	394,593
Total--Parsons State Hospital			\$ 1,341,368	\$ 2,823,173		\$ 1,341,368	\$ 2,823,173
<b>Kansas Health Policy Authority</b>							
Medicaid Regular Medical	C	172,172	260,634,580	697,861,022	172,172	260,634,580	697,861,022
SCHIP	C	40,474	17,360,548	68,339,387	37,841	15,718,383	63,893,338
Total--KHPA			\$ 277,995,128	\$ 766,200,409		\$ 276,352,963	\$ 761,754,360

## Expenditures for Children's Programs by Agency and Activity

	Type Served	FY 2008 Actual Expenditures			FY 2009 Governor's Estimate		
		Number Served	State General Fund	All Funding Sources	Number Served	State General Fund	All Funding Sources
<b>Health &amp; Environment--Health</b>							
Cerebral Palsy Posture	C	628	110,000	156,400	628	110,000	156,400
Child Care Licensing	F	145,808	1,485,465	4,838,034	146,000	1,570,176	5,164,080
Child Lead Poison Prevention	C	65,000	--	741,609	65,000	--	699,789
Child Special Health Service	F	7,000	979,477	2,754,772	7,000	771,477	2,898,505
Commun. Based Primary Care	F	55,536	1,400,000	1,400,000	66,000	1,400,000	1,400,000
Immunizations	C	489,514	869,598	1,435,860	489,514	869,598	1,375,469
Infant & Toddler Services	C	6,643	3,521,305	8,099,803	6,800	271,952	9,859,483
Kansas Mentors Program	N	--	319,501	319,501	--	351,285	351,285
Maternal & Child Health	F	54,427	1,895,808	3,959,260	54,400	1,899,835	4,085,776
Migrant Health	F	1,320	--	176,000	1,505	--	180,000
Newborn Hearing Loaner Prog.	C	50	50,000	50,000	50	--	50,000
Newborn Metabolic/Hearing	C	41,000	1,327,592	1,327,592	41,000	--	2,221,556
School Health	C	--	58,691	176,744	--	550,000	550,000
Teen Pregnancy Prevention	C	10,000	587,029	817,364	10,000	587,029	817,364
WIC	F	92,838	--	49,953,339	94,000	--	51,000,000
Total--Health & Environ.--Health			\$ 12,604,466	\$ 76,206,278		\$ 8,381,352	\$ 80,809,707
<b>Department of Labor</b>							
Child Labor Enforcement	C	958	1,675	1,675	975	1,700	1,700
Child Labor Education	C	8	775	775	10	975	975
Total--Department of Labor			\$ 2,450	\$ 2,450		\$ 2,675	\$ 2,675
<b>Total--Human Services</b>			<b>\$ 513,254,507</b>	<b>\$ 1,348,200,882</b>		<b>\$ 536,789,440</b>	<b>\$ 1,448,991,288</b>
<b>Education</b>							
<b>Department of Education</b>							
After School Program	C	4,928	692,242	692,242	4,950	775,000	775,000
Agriculture Education	C	25,000	35,000	35,000	25,000	35,000	35,000
Capital Improvement Aid	C	282,940	--	69,127,760	282,960	--	75,739,000
Capital Outlay Aid	C	377,253	23,086,626	23,086,626	377,280	22,600,000	22,600,000
Career & Technical Ed.	C	21,000	150,386	5,394,857	21,000	147,231	5,394,462
Communities in Schools	C	13,000	35,000	85,000	13,000	35,000	85,000
Drug Abuse Education	C	471,566	--	2,128,424	471,600	--	1,750,000
Environmental Education	C	25,000	35,000	35,000	25,000	35,000	35,000
History Education	C	326,500	50,000	50,000	326,500	50,000	50,000
Kansas Career Pipeline	C	255,000	212,500	212,500	255,000	107,620	107,620
Nutrition Services	C	525,000	2,510,486	134,822,334	525,000	2,510,486	137,750,486
Operating Aid to Schools	C	471,566	2,627,538,811	2,796,321,767	471,600	2,769,497,197	2,946,455,697
Parent Education	C	19,050	7,566,769	7,566,769	19,050	27,500	7,567,000
Pre-K Pilot	C	--	--	--	2,000	--	5,000,000
Safety Education	C	18,116	--	1,809,364	17,900	--	1,613,600
Special Education Services	C	79,927	403,383,815	502,655,112	79,900	427,753,137	527,453,137
Vision Services	C	400	--	300,000	1,000	--	100,000
Total--Department of Education			\$ 3,065,296,635	\$ 3,544,322,755		\$ 3,223,573,171	\$ 3,732,511,002
<b>School for the Blind</b>							
Education of Blind Children	C	1,250	5,852,506	6,312,080	1,265	6,431,994	6,760,033
<b>School for the Deaf</b>							
Education of Deaf Children	C	395	9,053,140	9,733,139	395	9,280,438	10,075,540

## Expenditures for Children's Programs by Agency and Activity

	Type Served	FY 2010 Base Budget			FY 2010 Governor's Recommendations		
		Number Served	State General Fund	All Funding Sources	Number Served	State General Fund	All Funding Sources
<b>Health &amp; Environment--Health</b>							
Cerebral Palsy Posture	C	628	110,000	156,400	628	110,000	156,400
Child Care Licensing	F	146,100	1,544,767	5,121,194	146,100	1,544,767	5,121,194
Child Lead Poison Prevention	C	75,000	--	718,945	75,000	--	718,945
Child Special Health Service	F	7,000	771,477	2,897,843	7,000	771,477	2,689,843
Commun. Based Primary Care	F	86,460	3,061,055	3,061,055	86,460	3,061,055	3,061,055
Immunizations	C	489,514	850,000	1,389,000	489,514	850,000	889,000
Infant & Toddler Services	C	6,800	271,952	9,859,483	6,800	116,939	9,742,544
Kansas Mentors Program	N	--	343,000	343,000	--	343,000	343,000
Maternal & Child Health	F	54,400	1,899,835	4,085,776	54,400	1,899,835	4,085,776
Migrant Health	F	1,879	--	190,000	1,879	--	190,000
Newborn Hearing Loaner Prog.	C	50	--	50,000	50	--	50,000
Newborn Metabolic/Hearing	C	41,000	--	2,221,556	41,000	--	2,221,556
School Health	C	--	54,934	54,934	--	539,000	539,000
Teen Pregnancy Prevention	C	10,000	587,029	817,364	10,000	348,029	578,364
WIC	F	94,000	--	53,000,000	94,000	--	53,000,000
Total--Health & Environ.--Health			\$ 9,494,049	\$ 83,966,550		\$ 9,584,102	\$ 83,386,677
<b>Department of Labor</b>							
Child Labor Enforcement	C	1,000	1,725	1,725	1,000	1,725	1,725
Child Labor Education	C	10	975	975	10	975	975
Total--Department of Labor			\$ 2,700	\$ 2,700		\$ 2,700	\$ 2,700
<b>Total--Human Services</b>			<b>\$ 551,720,772</b>	<b>\$ 1,460,292,017</b>		<b>\$ 532,504,212</b>	<b>\$ 1,441,914,307</b>
<b>Education</b>							
<b>Department of Education</b>							
After School Program	C	4,950	775,000	775,000	4,950	775,000	775,000
Agriculture Education	C	25,000	35,000	35,000	25,000	35,000	35,000
Capital Improvement Aid	C	282,960	--	74,238,000	282,960	--	80,000,000
Capital Outlay Aid	C	377,280	26,040,022	26,040,022	377,280	25,600,000	25,600,000
Career & Technical Ed.	C	21,000	148,282	5,296,564	21,000	148,282	5,296,564
Communities in Schools	C	13,000	35,000	85,000	13,000	35,000	85,000
Drug Abuse Education	C	471,600	--	1,750,000	471,600	--	1,750,000
Environmental Education	C	25,000	35,000	35,000	25,000	35,000	35,000
History Education	C	326,500	50,000	50,000	326,500	50,000	50,000
Kansas Career Pipeline	C	--	--	--	--	--	--
Nutrition Services	C	525,000	2,510,486	140,800,486	525,000	2,510,486	140,800,486
Operating Aid to Schools	C	471,600	2,813,360,545	2,987,071,520	471,600	2,725,028,174	2,898,739,149
Parent Education	C	19,050	27,500	7,567,000	19,050	27,500	7,567,000
Pre-K Pilot	C	2,000	--	5,000,000	2,000	--	5,000,000
Safety Education	C	17,660	--	790,540	--	--	--
Special Education Services	C	79,900	427,681,455	529,331,455	79,900	427,753,137	528,953,137
Vision Services	C	1,000	--	200,000	--	--	--
Total--Department of Education			\$ 3,270,698,290	\$ 3,779,065,587		\$ 3,181,997,579	\$ 3,694,686,336
<b>School for the Blind</b>							
Education of Blind Children	C	1,285	6,654,810	7,168,510	1,285	5,645,696	6,184,927
<b>School for the Deaf</b>							
Education of Deaf Children	C	395	9,637,491	10,166,561	395	9,127,454	9,900,309



## Expenditures for Children's Programs by Agency and Activity

FY 2008 Actual Expenditures					FY 2009 Governor's Estimate		
	<u>Type Served</u>	<u>Number Served</u>	<u>State General Fund</u>	<u>All Funding Sources</u>	<u>Number Served</u>	<u>State General Fund</u>	<u>All Funding Sources</u>
Emporia State University							
Center for Early Childhood Ed.	C	155	15,205	296,202	140	--	391,900
Expanding Your Horizons	C	269	10,434	10,434	270	11,000	16,550
Family Literacy Program	C	513	399	32,798	513	399	32,594
MASTER-IT	C	13	18,241	18,241	24	18,400	23,200
Reading Related Services	C	537	25,544	25,544	544	29,590	29,590
Sonia Kovalevsky Math Day	C	52	--	965	65	--	1,500
Total--Emporia State University			\$ 69,823	\$ 384,184		\$ 59,389	\$ 495,334
Fort Hays State University							
Herndon Clinic	F	480	255,465	264,675	485	268,238	277,909
Tigers Tots Nursery Center	C	25	--	99,014	25	--	103,965
Total--Ft. Hays State University			\$ 255,465	\$ 363,689		\$ 268,238	\$ 381,874
Kansas State University							
After School Child Care	C	48	11,414	22,336	49	11,642	22,783
ECHO Projects	C	146	--	12,899	--	--	--
Early Childhood Laboratory	C	28	21,158	51,468	29	21,581	52,497
Family Center	F	363	91,658	136,912	370	93,491	139,650
Hoeflin Stone House	C	50	59,678	302,623	51	60,872	308,675
Kansas Child Care Training	N	16,390	--	92,261	16,390	--	95,029
KSDE Food Program	C	146	--	36,160	149	--	36,883
Speech & Hearing Center	C	190	73,565	65,207	194	75,036	66,511
USD 383 Manhattan-Ogden	C	210	--	113,102	214	--	115,364
Total--Kansas State University			\$ 257,473	\$ 832,968		\$ 262,622	\$ 837,392
Kansas State University--ESARP							
4-H Program	C	145,000	742,846	898,906	145,000	745,075	901,603
Army Youth & Teen Center	C	3,000	20,808	41,616	3,000	20,870	41,741
Strong, Healthy Communities	C	10,000	457,776	770,936	10,010	459,149	773,249
Community Youth Dev.	N	30,000	28,091	109,970	30,000	28,175	110,300
Health Education	F	10,000	--	208,080	10,010	--	208,704
Improve Parenting Skills	F	100,000	1,014,390	1,581,408	100,100	1,017,433	1,586,152
Learning & Social Readiness	C	800	13,005	41,616	801	13,044	41,741
Promote Healthier Lives	C	250,000	473,382	3,641,400	250,250	474,802	3,652,324
Youth Leadership Program	F	40,000	98,838	244,494	40,000	99,135	245,227
Total--KSU--ESARP			\$ 2,849,136	\$ 7,538,426		\$ 2,857,683	\$ 7,561,041
Pittsburg State University							
America Reads Challenge	C	473	2,357	27,146	540	2,691	35,491
Career Exploration	C	1,776	--	3,768	1,776	--	3,768
Curriculum & Instruction	C	349	--	10,191	350	--	10,000
Kansas Council on Fitness	C	17,578	--	22,500	18,000	--	22,500
Preschool Lab	C	32	16,450	43,500	37	17,007	45,000
Science Day	C	715	--	1,430	715	--	1,430
YES Program	C	577	18,043	38,418	540	16,886	35,491
Total--Pittsburg State University			\$ 36,850	\$ 146,953		\$ 36,584	\$ 153,680
University of Kansas							
Assistive Technology	F	496	--	150,000	500	--	150,000
E.A. Hill Child Dev. Center	C	80	1,712	355,515	85	--	365,000
Hilltop Child Dev. Center	C	260	1,768	1,414,191	260	1,768	1,464,978

## Expenditures for Children's Programs by Agency and Activity

		FY 2010 Base Budget			FY 2010 Governor's Recommendations		
	Type Served	Number Served	State General Fund	All Funding Sources	Number Served	State General Fund	All Funding Sources
<b>Emporia State University</b>							
Center for Early Childhood Ed.	C	140	--	391,900	140	--	391,900
Expanding Your Horizons	C	270	11,000	16,550	270	11,000	16,550
America Reads Program	C	513	399	32,594	513	399	32,594
MASTER-IT	C	24	18,400	23,200	24	18,400	23,200
Reading Related Services	C	544	29,814	29,814	544	29,814	29,814
Sonia Kovalevsky Math Day	C	75	--	1,500	75	--	1,500
Total--Emporia State University			\$ 59,613	\$ 495,558		\$ 59,613	\$ 495,558
<b>Fort Hays State University</b>							
Herndon Clinic	F	485	268,238	277,909	485	268,238	277,909
Tigers Tots Nursery Center	C	25	--	103,965	25	--	103,965
Total--Ft. Hays State University			\$ 268,238	\$ 381,874		\$ 268,238	\$ 381,874
<b>Kansas State University</b>							
After School Child Care	C	49	11,642	22,783	49	11,642	22,783
ECHO Projects	C	--	--	--	--	--	--
Early Childhood Laboratory	C	29	21,581	52,497	29	21,581	52,497
Family Center	F	370	93,491	139,650	370	93,491	139,650
Hoeflin Stone House	C	51	60,872	308,675	51	60,872	308,675
Kansas Child Care Training	N	16,390	--	95,029	16,390	--	95,029
KSDE Food Program	C	149	--	36,883	149	--	36,883
Speech & Hearing Center	C	194	75,036	66,511	194	75,036	66,511
USD 383 Manhattan-Ogden	C	214	--	115,364	214	--	115,364
Total--Kansas State University			\$ 262,622	\$ 837,392		\$ 262,622	\$ 837,392
<b>Kansas State University--ESARP</b>							
4-H Program	C	145,000	745,075	901,603	145,000	745,075	901,603
Army Youth & Teen Center	C	3,000	20,870	41,741	3,000	20,870	41,741
Strong, Healthy Communities	C	10,010	459,149	773,249	10,010	459,149	773,249
Community Youth Dev.	N	30,000	28,175	110,300	30,000	28,175	110,300
Health Education	F	10,010	--	208,704	10,010	--	208,704
Improve Parenting Skills	F	100,100	1,017,433	1,586,152	100,100	1,017,433	1,586,152
Learning & Social Readiness	C	801	13,044	41,741	801	13,044	41,741
Promote Healthier Lives	C	250,250	474,802	3,652,324	250,250	474,802	3,652,324
Youth Leadership Program	F	40,000	99,135	245,227	40,000	99,135	245,227
Total--KSU--ESARP			\$ 2,857,683	\$ 7,561,041		\$ 2,857,683	\$ 7,561,041
<b>Pittsburg State University</b>							
America Reads Challenge	C	540	2,691	35,491	540	2,691	35,491
Career Exploration	C	1,776	--	3,768	1,776	--	3,768
Curriculum & Instruction	C	350	--	9,000	350	--	9,000
Kansas Council on Fitness	C	18,250	--	22,500	18,250	--	22,500
Preschool Lab	C	38	18,000	45,000	38	18,000	45,000
Science Day	C	715	--	1,430	715	--	1,430
YES Program	C	540	16,886	35,491	540	16,886	35,491
Total--Pittsburg State University			\$ 37,577	\$ 152,680		\$ 37,577	\$ 152,680
<b>University of Kansas</b>							
Assistive Technology	F	500	--	150,000	500	--	150,000
E.A. Hill Child Dev. Center	C	85	--	365,000	85	--	365,000
Hilltop Child Dev. Center	C	290	1,768	1,846,675	290	1,768	1,846,675

## Expenditures for Children's Programs by Agency and Activity

	Type Served	FY 2008 Actual Expenditures			FY 2009 Governor's Estimate		
		Number Served	State General Fund	All Funding Sources	Number Served	State General Fund	All Funding Sources
<b>University of Kansas, Cont'd.</b>							
KU Ctr. on Dev. Disabilities	N	--	--	18,000	--	--	18,000
Respite Care for Families	F	287	--	75,000	295	--	75,000
Tele-Health Clinic	C	21	--	1,000	23	--	1,000
Total--University of Kansas			\$ 3,480	\$ 2,013,706		\$ 1,768	\$ 2,073,978
<b>University of Kansas Medical Center</b>							
Audiology Clinic	F	1,700	--	--	1,700	--	--
Center for Child Health	C	1,033	--	14,955	1,041	--	14,955
Cerebral Palsy Clinic	F	66	--	--	73	--	--
Cystic Fibrosis Grant	F	115	--	26,630	125	--	26,630
Feeding Clinic	F	73	--	--	80	--	--
Hartley Family Center	F	45	--	--	45	--	--
NICU Dev. Follow-up Clinic	C	180	--	--	200	--	--
PKU Screening Program	C	1,900	--	73,982	2,010	--	56,299
Pediatric Consultation Services	F	275	--	10,760	275	--	8,880
Pediatric Seizure Clinic	F	398	--	19,200	410	--	19,200
Project EAGLE	F	900	--	3,092,340	900	--	3,092,340
Project HOPE--Teen Pregnancy	F	85	--	190,922	85	--	190,922
Seating Clinic	C	52	--	2,925	58	--	2,925
Special Health Care Svcs.	F	1,709	--	149,540	1,360	--	149,540
Spina Bifida Clinic	F	57	--	5,200	63	--	5,200
Sutherland Institute	C	55	--	35,000	60	--	35,000
Total--KU Medical Center			\$ --	\$ 3,621,454		\$ --	\$ 3,601,891
<b>Wichita State University</b>							
America Reads Challenge	C	700	--	40,717	100	--	23,010
Health Professions Tour	C	850	--	19,800	875	--	20,000
Upward Bound--Comm.	F	--	--	--	52	--	190,000
Dental Hygiene Clinic	F	2,870	38,126	42,529	2,870	39,000	43,486
GEAR UP	C	4,574	--	2,310,339	3,500	--	662,329
Heskett Center	F	218	--	1,520	258	--	2,100
Healthy Options for Planeview	F	3,200	--	2,900	3,300	--	3,000
High School Sports Physicals	C	260	--	15,600	260	--	15,600
Minority Recruitment Grant	C	200	--	30,000	200	--	30,000
Health Career Pathways	C	65	--	8,750	73	--	9,500
Nursing Health Screenings	C	2,000	9,300	9,300	2,000	9,300	9,300
Nursing Students Services	C	6,000	17,250	17,250	6,000	17,250	17,250
Speech Lang. Hearing Clinic	F	4,100	93,330	499,500	4,500	94,300	503,500
Talent Search--Proj. Disc.	F	1,541	--	513,873	1,500	--	513,873
Training and Technology	F	662	19,000	80,000	662	19,000	80,000
Upward Bound	F	150	--	387,381	150	--	387,381
Regional Math/Science Prog.	F	128	--	297,034	100	--	297,034
Child Development Center	C	188	--	598,303	188	--	644,462
Cooperative Education	C	1,148	--	16,080	1,500	--	16,063
Teacher Education Majors	C	600	--	16,719	600	--	16,719
Total--Wichita State University			\$ 177,006	\$ 4,907,595		\$ 178,850	\$ 3,484,607
<b>Kansas Arts Commission</b>							
Promotion of the Arts	N	1,564,766	1,299,196	1,583,239	1,643,004	1,363,811	1,778,315

## Expenditures for Children's Programs by Agency and Activity

	FY 2010 Base Budget				FY 2010 Governor's Recommendations				
	Type Served	Number Served	State General Fund	All Funding Sources	Number Served	State General Fund	All Funding Sources		
<b>University of Kansas, Cont'd.</b>									
KU Ctr. on Dev. Disabilities	N	--	--	18,000	--	--	18,000		
Respite Care for Families	F	295	--	75,000	295	--	75,000		
Tele-Health Clinic	C	23	--	1,000	23	--	1,000		
Total--University of Kansas		\$	1,768	\$	2,455,675	\$	1,768	\$	2,455,675
<b>University of Kansas Medical Center</b>									
Audiology Clinic	F	1,700	--	--	1,700	--	--		
Center for Child Health	C	1,050	--	14,955	1,050	--	14,955		
Cerebral Palsy Clinic	F	78	--	--	78	--	--		
Cystic Fibrosis Grant	F	130	--	26,630	130	--	26,630		
Feeding Clinic	F	80	--	--	80	--	--		
Hartley Family Center	F	45	--	--	45	--	--		
NICU Dev. Follow-up Clinic	C	235	--	--	235	--	--		
PKU Screening Program	C	2,100	--	56,299	2,100	--	56,299		
Pediatric Consultation Services	F	275	--	8,880	275	--	8,880		
Pediatric Seizure Clinic	F	420	--	19,200	420	--	19,200		
Project EAGLE	F	900	--	3,092,340	900	--	3,092,340		
Project HOPE--Teen Pregnancy	F	85	--	190,922	85	--	190,922		
Seating Clinic	C	65	--	2,925	65	--	2,925		
Special Health Care Svcs.	F	1,400	--	149,540	1,400	--	149,540		
Spina Bifida Clinic	F	69	--	5,200	69	--	5,200		
Sutherland Institute	C	60	--	35,000	60	--	35,000		
Total--KU Medical Center		\$	--	\$	3,601,891	\$	--	\$	3,601,891
<b>Wichita State University</b>									
America Reads Challenge	C	600	--	85,000	600	--	85,000		
Health Professions Tour	C	900	--	20,000	900	--	20,000		
Upward Bound--Comm.	F	52	--	250,000	52	--	250,000		
Dental Hygiene Clinic	F	2,870	39,000	43,486	2,870	39,000	43,486		
GEAR UP	C	3,500	--	3,000,000	3,500	--	3,000,000		
Heskett Center	F	258	--	2,100	258	--	2,100		
Healthy Options for Planeview	F	3,300	--	3,000	3,300	--	3,000		
High School Sports Physicals	C	260	--	15,600	260	--	15,600		
Minority Recruitment Grant	C	200	--	30,000	200	--	30,000		
Health Career Pathways	C	80	--	10,000	80	--	10,000		
Nursing Health Screenings	C	2,000	9,300	9,300	2,000	9,300	9,300		
Nursing Students Services	C	6,000	17,250	17,250	6,000	17,250	17,250		
Speech Lang. Hearing Clinic	F	4,500	94,300	503,500	4,500	94,300	503,500		
Talent Search--Proj. Disc.	F	1,500	--	513,873	1,500	--	513,873		
Training and Technology	F	662	19,000	80,000	662	19,000	80,000		
Upward Bound	F	150	--	387,381	150	--	387,381		
Regional Math/Science Prog.	F	100	--	297,034	100	--	297,034		
Child Development Center	C	188	--	644,462	188	--	644,462		
Cooperative Education	C	1,500	--	16,063	1,500	--	16,063		
Teacher Education Majors	C	600	--	21,254	600	--	21,254		
Total--Wichita State University		\$	178,850	\$	5,949,303	\$	178,850	\$	5,949,303
<b>Kansas Arts Commission</b>									
Promotion of the Arts	N	1,579,272	1,299,196	1,597,968	1,500,308	1,234,236	1,518,070		

## Expenditures for Children's Programs by Agency and Activity

	FY 2008 Actual Expenditures				FY 2009 Governor's Estimate		
	Type Served	Number Served	State General Fund	All Funding Sources	Number Served	State General Fund	All Funding Sources
Historical Society							
KS History Education	C	91,163	37,200	37,200	90,000	37,000	37,000
State Library							
Interlibrary Loan Develop.	C	496,000	156	156	485,000	150,857	150,857
KS Talking Books Services	C	395	37,821	37,821	395	37,821	37,821
Resource Sharing--Databases	C	469,000	--	250,000	485,000	--	250,000
Homework Kansas	C	469,000	265,000	265,000	485,000	265,000	265,000
Statewide Children's Services	C	496,000	941,515	941,515	455,826	867,255	867,255
Total--State Library			\$ 1,244,492	\$ 1,494,492		\$ 1,320,933	\$ 1,570,933
<b>Total--Education</b>			<b>\$ 3,086,432,402</b>	<b>\$ 3,583,291,880</b>		<b>\$ 3,245,672,481</b>	<b>\$ 3,771,322,620</b>
<b>Public Safety</b>							
Juvenile Justice Authority							
Community Case Mgt.	C	2,693	4,586,481	6,200,816	2,700	6,189,399	7,759,759
Incentive Funding	C	--	--	--	3,500	453,000	453,000
Intake & Assessment	C	21,483	4,398,672	4,398,672	21,500	5,345,643	5,345,643
Intensive Supervision	C	2,961	4,187,555	4,187,555	3,000	5,236,774	5,236,774
JABG	C	3,260	--	346,269	340	--	35,983
Delinquency Prevention	C	1,433	--	322,134	1,500	--	362,524
Prevention Trust Fund	C	4,830	--	205,510	5,200	--	336,252
Prevention/Intervention	C	53,411	--	7,385,565	40,350	--	5,579,530
Total--Juvenile Justice Authority			\$ 13,172,708	\$ 23,046,521		\$ 17,224,816	\$ 25,109,465
Atchison Juvenile Correctional Facility							
Operations	C	101	5,601,677	5,863,448	45	3,014,899	3,094,880
Beloit Juvenile Correctional Facility							
Operations	C	73	4,057,730	4,343,588	75	3,936,905	4,028,698
Kansas Juvenile Correctional Complex							
Operations	C	676	15,364,468	16,357,631	759	15,704,777	16,262,420
Larned Juvenile Correctional Facility							
Operations	C	246	8,476,546	8,572,648	250	8,386,005	8,496,062
Adjutant General							
Starbase	C	3,661	--	500,189	4,500	--	710,000
<b>Total--Public Safety</b>			<b>\$ 46,673,129</b>	<b>\$ 58,684,025</b>		<b>\$ 48,267,402</b>	<b>\$ 57,701,525</b>
<b>Agriculture &amp; Natural Resources</b>							
Kansas State Fair							
4H & FFA	C	3,896	--	170,120	3,826	--	169,879
Boy Scouts & Girl Scouts	C	125	--	7,357	149	--	10,792
Do Arts	C	3,397	--	2,484	3,647	--	2,308
Kansas Largest Classroom	C	6,942	--	3,723	5,074	--	4,704
Marching Bands	C	6,397	--	2,091	6,339	--	2,790
Total--Kansas State Fair			\$ --	\$ 185,775		\$ --	\$ 190,473
Department of Wildlife & Parks							
Archery in the Schools	C	1,120	--	40,000	2,000	--	40,000
Fishing Clinics	C	29,100	--	152,300	29,250	--	155,000

## Expenditures for Children's Programs by Agency and Activity

	FY 2010 Base Budget				FY 2010 Governor's Recommendations		
	Type Served	Number Served	State General Fund	All Funding Sources	Number Served	State General Fund	All Funding Sources
Historical Society							
KS History Education	C	90,000	37,000	37,000	90,000	37,000	37,000
State Library							
Interlibrary Loan Develop.	C	485,000	150,857	150,857	485,000	150,857	150,857
KS Talking Books Services	C	380	37,821	37,821	--	--	--
Resource Sharing--Databases	C	485,000	--	250,000	--	--	--
Homework Kansas	C	485,000	265,000	265,000	--	--	--
Statewide Children's Services	C	485,000	922,685	922,685	399,612	760,447	760,447
Total--State Library			\$ 1,376,363	\$ 1,626,363		\$ 911,304	\$ 911,304
<b>Total--Education</b>			<b>\$ 3,293,369,501</b>	<b>\$ 3,821,097,403</b>		<b>\$ 3,202,619,620</b>	<b>\$ 3,734,673,360</b>
<b>Public Safety</b>							
Juvenile Justice Authority							
Community Case Mgt.	C	2,720	6,189,399	9,609,869	2,720	6,189,399	9,609,869
Incentive Funding	C	5,000	1,000,000	1,000,000	5,000	700,000	700,000
Intake & Assessment	C	22,000	5,345,643	5,345,643	22,000	5,345,643	5,345,643
Intensive Supervision	C	3,030	5,186,767	5,186,767	3,030	5,186,767	5,186,767
JABG	C	320	--	33,428	320	--	33,428
Delinquency Prevention	C	3,000	--	606,970	3,000	--	606,970
Prevention Trust Fund	C	5,100	--	317,167	5,100	--	317,167
Prevention/Intervention	C	40,350	--	5,579,530	40,350	--	5,579,530
Total--Juvenile Justice Authority			\$ 17,721,809	\$ 27,679,374		\$ 17,421,809	\$ 27,379,374
Atchison Juvenile Correctional Facility							
Operations	C	--	386,061	393,159	--	379,770	386,868
Beloit Juvenile Correctional Facility							
Operations	C	75	3,979,637	4,078,430	75	3,847,762	3,946,555
Kansas Juvenile Correctional Complex							
Operations	C	775	16,193,865	16,750,825	775	15,721,236	16,278,196
Larned Juvenile Correctional Facility							
Operations	C	250	9,006,045	9,116,102	250	8,727,511	8,837,568
Adjutant General							
Starbase	C	4,800	--	820,000	4,800	--	820,000
<b>Total--Public Safety</b>			<b>\$ 47,287,417</b>	<b>\$ 58,837,890</b>		<b>\$ 46,098,088</b>	<b>\$ 57,648,561</b>
<b>Agriculture &amp; Natural Resources</b>							
Kansas State Fair							
4H & FFA	C	3,826	--	171,633	3,826	--	171,633
Boy Scouts & Girl Scouts	C	150	--	10,792	150	--	10,792
Do Arts	C	3,700	--	2,308	3,700	--	2,308
Kansas Largest Classroom	C	5,074	--	4,704	5,074	--	4,704
Marching Bands	C	6,330	--	2,790	6,330	--	2,790
Total--Kansas State Fair			\$ --	\$ 192,227		\$ --	\$ 192,227
Department of Wildlife & Parks							
Archery in the Schools	C	2,800	--	40,000	2,800	--	40,000
Fishing Clinics	C	29,750	--	158,000	29,750	--	158,000

## Expenditures for Children's Programs by Agency and Activity

	FY 2008 Actual Expenditures				FY 2009 Governor's Estimate			
	Type Served	Number Served	State General Fund	All Funding Sources	Number Served	State General Fund	All Funding Sources	
<b>Department of Wildlife &amp; Parks, Cont'd.</b>								
Furharvester Education	F	589	--	4,945	625	--	5,100	
Hunter Education	F	6,848	--	160,138	7,500	--	146,035	
Wildlife Education Service	C	17,240	--	54,780	17,000	--	34,969	
Youth Challenge	C	42	--	500	45	--	510	
Total--Wildlife & Parks			\$ --	\$ 412,663	\$	--	\$ 381,614	
<b>Total--Agriculture &amp; Natural Resources</b>			\$ --	\$ <b>598,438</b>	\$	--	\$ <b>572,087</b>	
<b>Transportation</b>								
Kansas Department of Transportation								
Call/Care	C	140,000	--	184,381	120,000	--	156,300	
Child Passenger Safety	C	1,400	--	49,422	5,500	--	100,000	
KS Drunk Driving Prevention	C	25,000	--	70,910	--	--	--	
KS Safety Belt Education	C	10,000	--	63,744	--	--	--	
Pedestrian/Bicycle Safety	C	19,000	--	21,325	19,000	--	19,000	
Teen Safe Driving	C	300	--	3,434	800	--	15,000	
Traffic Safety Res. Office	C	50,000	--	190,946	85,000	--	325,000	
Youth Leadership Summit	C	1,000	--	88,413	1,000	--	98,000	
Total--KS Dept. of Transportation			\$ --	\$ 672,575	\$	--	\$ 713,300	
<b>Total--Transportation</b>			\$ --	\$ <b>672,575</b>	\$	--	\$ <b>713,300</b>	
<b>Total--Children's Programs</b>			\$ <b>3,657,364,405</b>	\$ <b>5,010,118,843</b>	\$ <b>3,842,247,306</b>	\$ <b>5,299,027,424</b>		

## Expenditures for Children's Programs by Agency and Activity

	FY 2010 Base Budget				FY 2010 Governor's Recommendations			
	Type Served	Number Served	State General Fund	All Funding Sources	Number Served	State General Fund	All Funding Sources	
<b>Department of Wildlife &amp; Parks, Cont'd.</b>								
Furharvester Education	F	750	--	5,300	750	--	5,300	
Hunter Education	F	7,750	--	140,696	7,750	--	140,696	
Wildlife Education Service	C	18,200	--	40,000	18,200	--	40,000	
Youth Challenge	C	50	--	525	50	--	525	
Total--Wildlife & Parks			\$ --	\$ 384,521		\$ --	\$ 384,521	
<b>Total--Agriculture &amp; Natural Resources</b>			\$ --	\$ 576,748		\$ --	\$ 576,748	
<b>Transportation</b>								
Kansas Department of Transportation								
Call/Care	C	120,000	--	156,300	120,000	--	156,300	
Child Passenger Safety	C	5,500	--	100,000	5,500	--	100,000	
KS Drunk Driving Prevention	C	--	--	--	--	--	--	
KS Safety Belt Education	C	--	--	--	--	--	--	
Pedestrian/Bicycle Safety	C	19,000	--	20,000	19,000	--	20,000	
Teen Safe Driving	C	800	--	15,000	800	--	15,000	
Traffic Safety Res. Office	C	85,000	--	325,000	85,000	--	325,000	
Youth Leadership Summit	C	1,000	--	98,000	1,000	--	98,000	
Total--KS Dept. of Transportation			\$ --	\$ 714,300		\$ --	\$ 714,300	
<b>Total--Transportation</b>			\$ --	\$ 714,300		\$ --	\$ 714,300	
<b>Total--Children's Programs</b>			\$ 3,903,928,363	\$ 5,361,062,586	\$ 3,792,772,593	\$ 5,255,071,504		





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Debt Service

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# Debt Service Summary

## Types of Debt

The State of Kansas uses debt financing to pay for certain state expenditures. Debt can be divided into five distinct categories.

**Traditional Bonds.** The first category is traditional debt financing through the issuance of bonds.

Except for the Kansas Department of Transportation, which issues bonds to finance highways and other transportation projects, the Kansas Development Finance Authority (KDFA) is the issuer of revenue bonds for the state and some local governments. KDFA was created by the Legislature in 1987 as an independent instrumentality of the state to operate as a public corporation rather than as a state agency. The Authority is charged by the Legislature with providing state agencies and other public and private organizations with access to the capital markets.

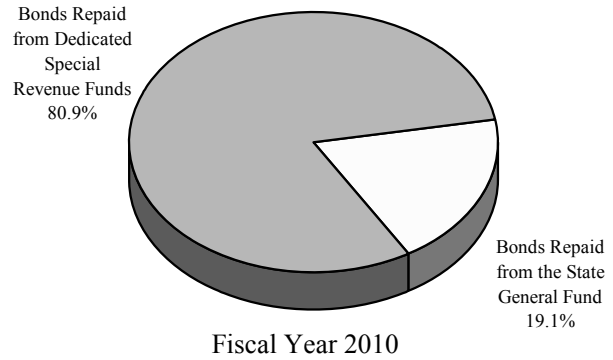
KDFA accomplishes this purpose in part by issuing debt to fund capital improvements and certain public purpose programs. KDFA issues debt for local government projects, acquisition, and renovation of state office space, construction and renovation of state university facilities, prison construction and expansion, and energy conservation improvements. KDFA also issues bonds or other debt instruments to finance health care facilities, affordable multifamily housing, and beginning farmer loans. Most of the debt issued by KDFA can be characterized as pledge-of-revenue debt, meaning that bonds are debt serviced by a dedicated stream of revenue, such as a pledge of dormitory or parking garage revenues.

The remaining obligations KDFA issues on behalf of the state can be characterized as State General Fund appropriation bonds, such as those bonds issued to renovate the Capitol Building. Of the state's total bonded indebtedness, only 19.1 percent is an obligation of the State General Fund, as illustrated by the pie chart.

Provisions in the *Kansas Constitution* allow for the limited issuance of general obligation bonds subject to certain restrictions. However, no bonds have been

issued under these provisions for decades. No other provisions in the constitution or state law limit the amount of debt that can be issued for Kansas agencies.

Total Bond Indebtedness



As of June 30, 2008, various state agencies had legislatively authorized but unissued debt of \$479.3 million. These appear in the schedule following this section where a principal balance appears, but no payments are reflected. Although the amount of debt for financing capital improvement projects has increased in the past several years, debt service still constitutes a small part of the overall state budget. The state has consistently demonstrated strong fiscal management practices, carefully maintaining expenditures in line with revenues, thereby avoiding the need for restrictive statutory debt limits.

**PMIB Loans.** The second category consists of a few loans issued by the Pooled Money Investment Board. These loans usually charge interest sufficient to recoup the loss of earnings that would otherwise be made on the investment of idle funds. The legal authorization to finance the 27th payroll that occurred in FY 2006 makes provision for a PMIB loan up to \$6.0 million in case the other financing mechanisms fail to provide sufficient resources to cover the obligation. To date no such loan has been necessary.

**Facilities Conservation Improvement Program.** The third category includes the financing of energy improvements for state facilities under a program administered by the Department of Administration, the

Facilities Conservation Improvement Program. The financing is provided through lease purchase agreements with a financial institution, and the debt service is repaid from the energy savings generated by the improvements.

**Master Lease Purchase Program.** The fourth category is the Master Lease Purchase Program administered by the Department of Administration. This program often finances equipment acquisitions by state agencies and represents a line-of-credit concept.

**Third Party & Other Debt.** Third Party debt is used by agencies to make purchases, and the vendor maintains an affiliation with a finance company in order to provide financing to the purchasing agency. The finance company constitutes the third party. There are other similar financing arrangements. In some cases the vendor itself provides financing, or the vendor recovers the cost of sales promotions by adjusting the price structure accordingly.

## Ratings

Although the state has no general obligation debt, and thus no general obligation debt rating, KDFA works with the rating agencies to facilitate the state's issuer "shadow" credit rating. Standard & Poor's "AA+" credit rating reflects the state's general creditworthiness. Credit factors include a very low debt burden, continued economic diversification, and historically conservative and responsible fiscal management.

The issuer rating assigned by Moody's Corporation remains "Aa1." Moody's rating is an issuer rating, which like the Standard & Poor's rating, can be characterized as an implicit general obligation rating that reflects the state's history of favorable financial management, the strength and stability of the Kansas economy, and relatively low debt levels. The rating is based on Kansas' traditionally strong fiscal discipline.

## Debt Restructuring

As part of the effort to balance the FY 2009 and FY 2010 budgets, a portion of the state's bonded indebtedness is being restructured to achieve budgetary relief. Where possible, State General Fund

serviced bonds will be restructured so that interest on the debt is still paid from the State General Fund, but FY 2009 and FY 2010 principal payments will be deferred and spread over the remaining years of the loan. The restructuring will be done in three transactions, one in the spring of 2009, another in the fall of 2009, and the final transaction in the spring of 2010. The bond restructuring lowers expected debt service payments by \$14.0 million in FY 2009 and by \$39.0 million in FY 2010. The table below shows the agencies affected and the amount of budgetary savings in each agency.

	Principal Refinanced	
	FY 2009	FY 2010
Department of Administration	\$11,927,500	\$24,050,000
KPERS	--	2,575,000
Board of Regents	--	6,380,000
Pittsburg State University	160,000	165,000
University of Kansas	--	720,000
Wichita State University	--	1,340,000
Department of Corrections	40,000	835,000
Kansas Bureau of Investigation	280,000	300,000
Adjutant General	1,195,000	1,455,000
Kansas State Fair	410,000	1,210,000
	\$14,012,500	\$39,030,000

## Debt Projects

Following are brief descriptions of new, changing, or expanded projects that are debt financed.

### Department of Administration

**Statehouse Renovation.** For several years now, the Statehouse has undergone extensive renovations. The 2000 Legislature approved an original issuance of bonds totaling \$40.0 million for renovation of the Statehouse, starting with the east wing. The 2001 Legislature, with the approval of the State Finance Council, authorized the issuance of another \$15.0 million in bonds for an underground parking garage. The 2004 Legislature authorized an additional \$19.8 million for Phase II of the Statehouse renovation. Another \$26.9 million was authorized by the 2005 Legislature to complete Phase III, the west wing. The 2006 Legislature authorized an additional \$16.2

million to cover cost increases experienced since the original bonding amounts were authorized. The 2007 Legislature authorized \$55.0 million in bonds for the south wing. Another \$38.0 million was authorized by the 2008 Legislature for the exterior masonry renovation, but these bonds have not been issued yet. The remaining areas scheduled for renovation include the north wing and the visitor center. In December 2008, however, the Capitol Restoration Commission opted not to request any additional bond authorization. Total bonds authorized to date equal \$210.9 million.

**Pension Obligation Bonds.** The Governor recommends refinancing the principal payment of these bonds for FY 2009 and FY 2010. As a result, the Governor recommends interest-only payments of \$26,076,303 in FY 2009 and \$25,731,305 in FY 2010, all from the State General Fund. These bonds were issued in FY 2004 in the amount of \$500.0 million to help finance the unfunded liability of the KPERS system.

## **Kansas Racing & Gaming Commission**

**Expanded Lottery.** The 2007 Legislature approved the Kansas Expanded Lottery Act, which authorizes electronic gaming machines at parimutuel racetracks and four new destination casinos located across the state. The act requires gaming facility managers to pay for the costs of regulation. The Commission can receive a loan of up to \$5.0 million from the Pooled Money Investment Board (PMIB) to finance the initial expenses of its Expanded Lottery Act Regulation Division. The loan is required to be repaid with interest by June 30, 2009. Three gaming facility managers, which had been awarded contracts to manage destination casinos at three separate locations across the state, withdrew their applications before the contract became binding. New gaming facility managers will not be selected until FY 2010. The Governor recommends extending the date required to repay the loan by one year until June 30, 2010, which will allow newly selected gaming facility managers to be assessed the costs of regulation and allow the agency to repay the loan with interest. The Commission indicates that it will repay the \$5.0 million in principal and \$679,730 in interest payments by the end of FY 2010 with revenue from selected gaming facility managers.

## **Board of Regents**

**Research Initiative Debt Service.** To encourage and finance research at state universities, the Legislature authorized the issuance of \$125.0 million in bonds. Those projects include the Life Science Research Center at the University of Kansas Medical Center, the Biosecurity Research Institute at Kansas State University, equipping a research facility at the University of Kansas, the Engineering Research Laboratory at Wichita State University, and the Polymer Research Center at Pittsburg State University. The state is responsible for the first \$50.0 million in debt service, financed through a transfer from the State General Fund to a special revenue account at the Board of Regents. The Governor recommends that the transfer for the principal portion of the debt service be stopped for FY 2010. That year's principal payment of \$4,975,000 will be made through the bond refinancing program.

## **University of Kansas**

**School of Pharmacy.** The expansion of the School of Pharmacy consists of a new building on the Lawrence campus and an addition and partial renovation of the Roberts Center for Research in Wichita. The expanded capacity will assist the state in meeting the need for new pharmacists and tie in with the state's bioscience industry. The 2008 Legislature authorized \$20.0 million in bonding authority and \$15.0 million in both FY 2010 and FY 2011 from the Expand Lottery Act Revenue Fund (ELARF.) However, revenue to ELARF did not materialize as expected. The Governor recommends \$30.0 million in bonding authority in FY 2010 to complete the expansion project rather than direct cash appropriations.

**Johnson County Education Research Triangle.** Johnson County voters recently authorized a one-eighth cent sales tax to support the Johnson County Education Research Triangle which will fund projects at the Edwards Campus, the University of Kansas Medical Center, and Kansas State University. The Governor recommends \$4,950,000 in bonding authority for building number four on the Edwards Campus. The 75,000 gross square feet facility will support the expansion of programs in business, engineering, science and technology, and provide space for support staff.

The Governor also recommends \$25.0 million in bonding authority for the KU Clinical Research Center. The project will renovate an office building in Fairway, Kansas to house the Heartland Institute for Clinical and Translation Research program and clinical trials for cancer. This is part of the University's effort to achieve National Cancer Institute comprehensive cancer center designation. The building will be transferred to the University from the Hall Family Foundation before renovations begin. Debt service for both of these projects will be paid with the local sales tax.

**Jayhawker Towers Renovation, Phase Two.** The 2008 Legislature authorized bonding for phase one of the Jayhawker Towers Renovation. The Towers were built in 1967 as privately-owned housing and were acquired by the University in 1981. The complex has four towers, each with 75 apartments. The mechanical systems are aging and the interior brick walls and poor lighting make the apartments dark and unattractive. The Governor recommends \$6,950,000 in bonding authority in FY 2010 with debt service to be paid with housing system revenue funds.

## **Department of Corrections**

**RDU Relocation Debt Service.** To fund the debt service payment related to the relocation of the Reception and Diagnostic Unit from Topeka Correctional Facility to El Dorado Correctional Facility, the Governor recommends expenditures of \$1,361,000 from the State General Fund for FY 2009. Of the total amount, \$715,000 is for principal and \$646,000 is for interest. For FY 2010, \$1,358,000 is recommended from the State General Fund, including \$750,000 for principal and \$608,000 for interest. The principal amounts for both fiscal years include reductions of \$40,000 as a result of the Governor's recommendation to restructure the debt service.

**Labette Correctional Conservation Camp Debt Service.** For FY 2009, the Governor recommends a debt service payment of \$160,000 from the State General Fund, including \$150,000 for principal and \$10,000 for interest. For FY 2010, the Governor recommends \$4,000 for interest from the State General Fund. The principal payment of \$150,000 will not be required in FY 2010 because of the Governor's recommendation to restructure the debt service. The

proceeds from this bond issue were used for a 100-bed expansion project that was authorized in 1997.

**Facility Infrastructure Improvements Debt Service.** To provide additional funding for substantial infrastructure needs at the correctional facilities, the Department of Corrections was authorized to issue \$19.2 million in bonds in FY 2007. Some of the projects included replacing locking systems, upgrading utility tunnels, adding water treatment systems, ensuring ADA compliance, and upgrading security and fire alarm systems. For FY 2009, the Governor recommends \$751,000 from the State General Fund for the debt service payment. Of this amount, \$625,000 is for principal and \$126,000 is for interest. The interest payment includes a reduction of \$798,000 as a result of one-time capitalized interest savings. For FY 2010, the Governor recommends an interest payment of \$897,000 from the State General Fund for the debt service. The principal payment of \$645,000 will not be required in FY 2010 because of the Governor's recommendation to restructure the debt service.

**Prison Capacity Expansion Projects Debt Service.** The 2008 Legislature approved bonding authority for the Department of Corrections totaling \$19.5 million for prison capacity expansion projects at Ellsworth, El Dorado, Stockton, and Yates Center when inmate population projections indicated that additional capacity was required. However, because expansion would not be required in the near term, the Legislature prohibited any money from being spent on expenditures related to the actual construction of prison capacity expansion projects before July 1, 2009. The agency was allowed to use a portion of the bond proceeds to finance the planning and preparation of prison capacity expansion projects prior to this date. The Governor recommends \$130,461 from the Correctional Institutions Building Fund for the debt service related to the planning of the projects. Of this amount, \$95,000 is for principal and \$35,461 is for interest. Completing the planning phase will reduce the time required to build, once a determination has been made that additional capacity for the varying security levels of offenders is required.

## **Adjutant General**

**Armory Rehabilitation Plan.** The agency was authorized to issue \$22.0 million in bonds to fund the Armory Rehabilitation Plan over a five-year period

starting in FY 2001. The plan has rehabilitated selected state-owned armories and replaced other armories. Bonds were issued totaling \$2.0 million in November 2000, \$2.0 million in November 2001, \$6.0 million in June 2003, \$6.0 million in June 2004, and \$6.0 million in November 2005. The 2005 Legislature authorized the issuance of an additional \$9.0 million in bonds to complete the Amory Renovation Plan. The bonds will be issued in \$3.0 million increments each, starting in FY 2007 and ending in FY 2009.

For FY 2009, the Governor recommends \$1,086,807 from the State General Fund to finance the debt service for bonds issued for the Armory Rehabilitation Plan. Of the total, \$95,000 will be principal and \$991,807 will be interest. The Governor recommends \$1,084,739 in FY 2010 from the State General Fund to finance the debt service interest payment.

**Readiness Center.** The agency was authorized by the 2005 Legislature to issue \$1,450,711 in bonds to fund the Pittsburg State University/Kansas National Guard Readiness Center project. The Adjutant General is constructing an armory, classroom, and recreation center in cooperation with Pittsburg State. The bonds were issued in October 2006, and the first debt service payment was in FY 2008. The Governor recommends \$60,188 from the State General Fund in FY 2009 to finance interest portion of the debt service. For FY 2010, the Governor recommends \$57,988 from the State General Fund to finance the interest portion of the debt service payment. Pittsburg State University and the Adjutant General's Office share the responsibility of the debt service for this \$5.5 million project. Of the total amount, Pittsburg State University is responsible for \$4,025,763 and the Adjutant General's Office is responsible for \$1,450,711.

**Training Center.** The 2007 Legislature approved \$9.0 million in bonding authority for a training center in Salina. The training center will assist the state in meeting training requirements and improve the proficiency and capabilities of all first responders and public safety organizations as well as the National Guard. For FY 2009, the Governor recommends

\$677,189 from the State General Fund to finance the first debt service payment on the bonds issued for the construction of the training center. Of this amount, \$290,000 will be used for principal and \$387,189 for interest. For FY 2010 the recommendation is \$719,331 from the State General Fund to finance the debt services payment. Of that amount, \$300,000 is for principal and \$419,331 is for interest.

## **Kansas Bureau of Investigation**

**Headquarters Building Debt Service.** The Governor recommends \$26,850 in FY 2009 from the State General Fund and \$9,293 in FY 2010 from the State General Fund to finance the debt service interest portion of the debt service payments on the headquarters building in Topeka.

## **Kansas State Fair**

**Debt Service.** In 2001, the State Fair was authorized the issuance of bonds up to a total of \$29.0 million to finance capital improvements. The bond proceeds allowed the State Fair to make extensive improvements to the fairgrounds in Hutchinson, as specified in the Board's capital improvement master plan.

At the end of the fiscal year, the State Fair is required by law to transfer 5.0 percent of its gross receipts from the State Fair Fee Fund to its State Fair Capital Improvements Fund. At the beginning of the following fiscal year, a matching amount of up to \$300,000 is transferred from the State General Fund to the same State Fair Capital Improvements Fund. The Governor does not recommend the match be transferred in FY 2010. The Governor does recommend \$1,041,861 from all funding sources for debt service interest in FY 2010. This includes \$341,861 from the State General Fund and \$700,000 from the State Fair Capital Improvements Fund. The debt service principal of \$1,210,000 is part of the debt service restructuring plan.



## Indebtedness of the State

	FY 2007 Actual	FY 2008 Actual	FY 2009 Estimate	FY 2010 Estimate	Prin. Balance June 30, 2010 Estimate
<b>State General Fund Budgeted Debt Service</b>					
Department of Administration					
Principal--Statehouse Renovations	2,895,000	3,405,000	4,390,000	--	118,225,000
Interest	4,542,134	4,410,733	5,677,885	5,536,983	
Principal--Judicial Center Improvements	65,000	65,000	70,000	--	660,000
Interest	36,653	34,020	31,170	28,260	
Principal--Energy Conservation	695,000	575,000	--	--	--
Interest	85,990	50,754	--	--	
Principal--Public Broadcasting Digital	354,128	295,000	315,000	--	3,905,000
Interest	305,011	282,891	296,736	296,736	
Principal--KPERs Actuarial Liability	--	--	10,070,000	--	500,000,000
Interest	15,000,000	26,076,303	26,076,303	25,731,305	
Kansas Public Employees Retirement System					
Principal--13th Check Repayment	2,786,547	2,816,161	2,465,000	--	14,190,000
Interest	425,201	833,093	745,948	639,134	
Kansas Board of Regents					
Principal--KPERs Obligation	1,290,000	1,295,000	1,350,000	--	7,945,000
Interest	500,629	461,004	406,004	349,376	
Principal--Postsecondary Inst. Improve.	--	--	2,500,000	5,000,000	40,000,000
Interest	--	--	680,469	1,356,250	
Pittsburg State University					
Principal--Armory/Classroom Project	--	150,000	--	--	4,065,000
Interest	--	45,082	166,999	160,598	
University of Kansas					
Principal--Pharmacy School Construction	--	--	--	--	20,000,000
Interest	--	--	--	1,096,309	
University of Kansas Medical Center					
Principal--Energy Conservation Projects	350,000	370,000	395,000	415,000	10,670,000
Interest	533,344	524,595	513,000	501,441	
Wichita State University					
Principal--Aviation Research Facilities	1,159,852	1,215,000	1,275,000	--	7,265,000
Interest	188,912	286,507	440,348	414,471	
Adjutant General					
Principal--Armory Rehab & Repair	1,060,000	1,095,784	--	--	21,200,000
Interest	917,892	870,525	842,394	796,844	
Principal--Training Center	--	--	290,000	300,000	8,580,000
Interest	--	--	387,190	419,331	
Principal--Armory/PSU Facility	--	55,000	--	--	1,465,000
Interest	--	25,496	60,188	57,988	
Department of Corrections					
Principal--Facilities Improvements	303	70,303	765,303	880,303	23,665,000
Interest	505,994	505,000	1,353,000	1,132,303	
Principal--Ellsworth Correctional Facility	1,505,000	1,580,000	--	--	--
Interest	115,877	40,000	--	--	

## Indebtedness of the State

	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>Prin. Balance</b>
	<b>Actual</b>	<b>Actual</b>	<b>Estimate</b>	<b>Estimate</b>	<b>June 30, 2010</b>
					<b>Estimate</b>
<b>Department of Corrections, Cont'd.</b>					
Principal--Labette Conservation Camp	135,000	140,000	150,000	--	150,000
Interest	28,666	16,497	10,000	3,300	
Principal--El Dorado Rec./Diagnostic Unit	125,939	730,000	715,000	750,000	11,820,000
Interest	646,864	629,735	646,000	608,000	
<b>Kansas Bureau of Investigation</b>					
Principal--Headquarters Acquisition	250,000	270,000	--	--	600,000
Interest	57,200	24,858	26,850	9,293	
<b>Kansas State Fair Board</b>					
Principal--Fairground Improvements	1,080,000	1,120,000	410,000	--	14,325,000
Interest	1,167,251	1,128,884	1,085,821	1,041,861	
<b>Department of Transportation</b>					
Principal--Transportation Bonds	--	6,735,000	7,010,000	--	195,745,000
Interest	4,992,724	9,390,942	9,138,175	8,848,975	
<b>Total</b>					
<b>Principal</b>	<b>\$ 13,751,769</b>	<b>\$ 21,982,248</b>	<b>\$ 32,170,303</b>	<b>\$ 7,345,303</b>	<b>\$ 1,004,475,000</b>
<b>Interest</b>	<b>\$ 30,050,342</b>	<b>\$ 45,636,919</b>	<b>\$ 48,584,480</b>	<b>\$ 49,028,758</b>	
<b>Total--SGF Budgeted Debt Service</b>	<b>\$ 43,802,111</b>	<b>\$ 67,619,167</b>	<b>\$ 80,754,783</b>	<b>\$ 56,374,061</b>	

## Special Revenue Fund Budgeted Debt Service

<b>Department of Commerce</b>					
Principal--Impact Program	11,035,000	11,470,000	13,380,000	9,815,000	45,065,000
Interest	2,503,638	3,909,468	3,031,968	2,354,805	
Principal--1430 Topeka Fac. Improvement	65,000	70,000	70,000	75,000	1,230,000
Interest	68,768	66,045	63,070	60,068	
<b>Social &amp; Rehabilitation Services</b>					
Principal--State Security Hospital Const.	1,695,000	1,765,000	1,850,000	1,945,000	36,870,000
Interest	2,038,239	1,975,477	2,057,100	1,962,225	
Principal--St. Hospital Rehab. & Repair	1,200,000	1,230,000	1,265,000	1,305,000	26,195,000
Interest	1,247,082	1,303,654	1,320,000	1,282,050	
<b>Department of Labor</b>					
Principal--Unemp. Ins. Benefit IT Sys.	1,745,000	1,810,000	1,875,000	1,950,000	13,575,000
Interest	894,512	290,989	763,000	689,276	
Principal--Headquarters Improvement	150,000	155,000	160,000	165,000	2,550,000
Interest	127,508	122,554	118,358	113,158	
<b>Health &amp; Environment--Health</b>					
Principal--Vital Statistics Data System	430,000	450,000	470,000	490,000	--
Interest	69,011	51,095	31,620	11,698	
Revolving Fund Water Projects	--	--	--	--	544,485,000
<b>Kansas Board of Regents</b>					
Principal--Crumbling Classrooms	11,450,000	12,045,000	12,665,000	13,305,000	27,406,000
Interest	3,550,000	2,955,000	2,332,210	1,694,472	
Principal--Research Initiative	6,220,562	4,025,000	4,765,000	--	104,740,000
Interest	1,232,009	4,725,000	5,150,259	4,943,695	

## Indebtedness of the State

	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>Prin. Balance</b>
	<b>Actual</b>	<b>Actual</b>	<b>Estimate</b>	<b>Estimate</b>	<b>June 30, 2010</b>
					<b>Estimate</b>
Emporia State University					
Principal--Student Housing	332,378	385,000	380,000	375,000	8,205,000
Interest	86,819	375,757	358,343	346,068	
Principal--Student Union Refurbishing	122,379	124,136	131,000	131,000	--
Interest	550	550	550	550	
Principal--Student Rec. Bldg. Addition	110,000	115,000	120,000	125,000	1,860,000
Interest	77,535	109,300	104,298	98,958	
Fort Hays State University					
Principal--Student Housing	150,000	155,093	160,000	160,000	4,275,000
Interest	200,465	182,736	190,350	185,022	
Principal--Lewis Field Renovation	60,000	60,000	65,000	65,000	725,000
Interest	34,651	20,034	34,770	33,796	
Principal--Memorial Hall Renovation	--	285,000	300,000	310,000	6,895,000
Interest	--	311,740	298,428	286,413	
Kansas State University					
Principal--Salina Student Housing	50,000	60,000	60,000	60,000	360,000
Interest	23,373	25,735	22,885	20,335	
Principal--Student Housing	1,062,093	1,250,000	1,405,000	1,450,000	67,340,000
Interest	202,316	3,184,345	3,032,546	2,985,296	
Principal--Student Union Parking	--	--	335,000	350,000	17,170,000
Interest	--	--	760,930	748,870	
Principal--Ackert Hall Restoration	95,000	100,000	105,000	110,000	825,000
Interest	69,907	61,713	56,613	51,205	
Principal--Rec. Complex Improvements	460,000	480,000	505,000	530,000	2,395,000
Interest	209,653	186,653	163,853	142,390	
Principal--Farrell Library Expansion	170,000	180,000	190,000	200,000	1,820,000
Interest	131,173	122,550	113,205	103,160	
Principal--Energy Conservation Projects	695,000	725,000	765,000	800,000	16,510,000
Interest	834,532	764,270	796,826	774,499	
Principal--Student Union Renovation	375,000	390,000	410,000	430,000	5,260,000
Interest	286,248	289,562	302,460	283,190	
Principal--Salina Student Life Ctr. Const.	--	--	--	--	1,600,000
Interest	--	--	69,133	81,600	
Principal--Child Care Center Construction	--	--	--	--	6,000,000
Interest	--	--	--	--	
Pittsburg State University					
Principal--Student Housing	125,000	185,000	220,000	230,000	26,540,000
Interest	211,101	201,947	201,756	193,208	
Principal--Overman Stu. Ctr. Renovation	100,000	100,000	100,000	105,000	1,950,000
Interest	95,864	92,295	88,328	84,162	
Principal--H. Mann Adm. Bldg. Renovation	140,000	145,000	150,000	160,000	2,250,000
Interest	108,453	106,699	96,322	89,833	

## Indebtedness of the State

	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>Prin. Balance</b>
	<b>Actual</b>	<b>Actual</b>	<b>Estimate</b>	<b>Estimate</b>	<b>June 30, 2010</b>
					<b>Estimate</b>
<b>Pittsburg State University, cont'd.</b>					
Principal--Scientific Research Fac. Const.	--	--	--	--	--
Interest	77,896	77,169	--	--	--
Principal--Student Health Center Const.	--	--	--	--	3,750,000
Interest	--	--	--	--	--
Principal--Parking Expansion	--	--	--	--	4,000,000
Interest	--	--	--	--	--
University of Kansas					
Principal--Student Housing	654,578	770,000	795,000	938,303	48,155,000
Interest	1,184,445	1,352,780	1,163,388	1,299,226	--
Principal--Continuing Ed. Bldg. Const.	140,000	150,000	--	--	--
Interest	52,963	49,909	--	--	--
Principal--Child Care Facility Renovation	125,959	130,000	135,000	145,000	1,900,000
Interest	107,224	103,809	97,833	91,353	--
Principal--Parking Improvements	395,000	700,000	140,000	140,000	9,510,000
Interest	252,238	281,561	38,973	325,453	--
Principal--Parking Garage Construction	431,338	205,125	750,000	785,000	3,525,000
Interest	233,866	274,451	234,750	201,750	--
Principal--Stu. Rec. Ctr. Improvements	900,000	1,130,000	1,185,000	1,230,000	13,906,000
Interest	328,661	601,367	504,598	580,760	--
Principal--Regents Center Restoration	--	--	--	--	5,365,000
Interest	--	--	--	--	--
Principal--Law Enforcement Ctr. Restor.	--	--	670,000	695,000	16,855,000
Interest	--	--	593,613	648,424	--
Principal--Student Union Addition	350,000	365,000	380,000	395,000	1,380,000
Interest	96,814	85,770	71,729	78,410	--
University of Kansas Medical Center					
Principal--Research Support Fac. Const.	225,000	230,000	240,000	250,000	4,120,000
Interest	211,023	205,123	200,279	190,839	--
Principal--Ctr. for Health in Aging Const.	120,000	125,000	130,000	135,000	1,785,000
Interest	96,642	89,850	76,694	73,704	--
Principal--Parking Garage Construction	120,000	125,000	130,000	130,000	11,375,000
Interest	143,800	140,200	136,450	132,550	--
Principal--Ambulatory Care Facility Const.	--	--	--	--	66,000,000
Interest	--	--	--	--	--
Wichita State University					
Principal--Campus Parking Improvements	315,000	335,000	350,000	370,000	2,725,000
Interest	177,568	194,168	199,945	180,520	--
Principal--Student Housing	490,000	510,000	520,000	540,000	8,695,000
Interest	315,872	386,249	433,698	416,798	--
Department of Corrections					
Principal--Facilities Improvements	1,689,697	1,689,697	--	--	--
Interest	--	--	--	--	--

## Indebtedness of the State

	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>Prin. Balance</b>
	<b>Actual</b>	<b>Actual</b>	<b>Estimate</b>	<b>Estimate</b>	<b>June 30, 2010</b>
					<b>Estimate</b>
Juvenile Justice Authority					
Principal--Topeka & Larned Fac. Restor.	1,885,000	1,975,000	2,075,000	2,180,000	32,795,000
Interest	2,104,174	2,015,340	1,922,763	1,819,013	
Principal--Juv. Detention Fac. Restoration	475,000	485,000	505,000	525,000	1,235,000
Interest	123,691	108,091	90,870	71,680	
Highway Patrol					
Principal--Salina Training Center Restor.	470,000	470,000	--	--	--
Interest	43,390	19,975	--	--	
Principal--Fleet Acquisition/Service	210,000	220,000	230,000	240,000	2,425,000
Interest	161,281	152,293	142,325	130,575	
Principal--Olathe Inspect. Fac. Restoration	45,000	45,000	45,000	50,000	215,000
Interest	15,650	14,756	13,406	12,056	
Department of Transportation					
Principal--Highway Projects	53,020,000	50,330,000	52,990,000	99,930,000	1,586,560,000
Interest	68,623,027	70,935,675	69,113,021	69,666,399	
<b>Total</b>					
<b>Principal</b>	<b>\$ 100,098,984</b>	<b>\$ 97,749,051</b>	<b>\$ 103,171,000</b>	<b>\$ 143,319,303</b>	<b>\$ 2,800,372,000</b>
<b>Interest</b>	<b>\$ 88,653,632</b>	<b>\$ 98,523,704</b>	<b>\$ 96,593,516</b>	<b>\$ 95,539,512</b>	
<b>Total Special Rev. Fund Debt Service</b>	<b>\$ 188,752,616</b>	<b>\$ 196,272,755</b>	<b>\$ 199,764,516</b>	<b>\$ 238,858,815</b>	

### Off Budget

Department of Administration					
Principal--Memorial Hall Restoration	235,000	250,000	260,000	275,000	3,205,000
Interest	198,993	187,441	176,480	164,305	
Principal--Eisenhower Building Restoration	1,090,000	1,129,687	1,180,000	1,230,000	28,715,000
Interest	1,150,029	1,027,655	1,059,095	1,032,015	
Principal--Facilities Improvement Projects	380,000	390,000	410,000	425,000	6,375,000
Interest	396,412	377,413	360,837	343,925	
<b>Total</b>					
<b>Principal</b>	<b>\$ 1,705,000</b>	<b>\$ 1,769,687</b>	<b>\$ 1,850,000</b>	<b>\$ 1,930,000</b>	<b>\$ 38,295,000</b>
<b>Interest</b>	<b>\$ 1,745,434</b>	<b>\$ 1,592,509</b>	<b>\$ 1,596,412</b>	<b>\$ 1,540,245</b>	
<b>Total--Off Budget Debt Service</b>	<b>\$ 3,450,434</b>	<b>\$ 3,362,196</b>	<b>\$ 3,446,412</b>	<b>\$ 3,470,245</b>	

### Pool Money Investment Board Loans

Department of Administration					
Principal--Public Broadcasting	--	--	--	--	2,300,000
Interest	--	--	--	--	
Kansas State University-ESARP					
Principal--Grain Science Center	1,000,000	1,350,000	--	--	--
Interest	38,031	19,974	--	--	
Kansas Water Office					
Principal--Water Storage	232,039	--	--	--	--
Interest	5,906	--	--	--	

## Indebtedness of the State

	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>Prin. Balance</b>
	<b>Actual</b>	<b>Actual</b>	<b>Estimate</b>	<b>Estimate</b>	<b>June 30, 2010</b>
					<b>Estimate</b>
Kansas Racing & Gaming Commission					
Principal	--	--	--	5,000,000	--
Interest	--	--	--	679,730	--
Department of Wildlife & Parks					
Principal--Tuttle Creek	700,000	--	--	--	--
Interest	15,153	--	--	--	--
<b>Total</b>					
Principal	\$ 1,932,039	\$ 1,350,000	\$ --	\$ 5,000,000	\$ 2,300,000
Interest	\$ 59,090	\$ 19,974	\$ --	\$ 679,730	
<b>Total--PMIB Loans</b>	<b>\$ 1,991,129</b>	<b>\$ 1,369,974</b>	<b>\$ --</b>	<b>\$ 5,679,730</b>	
<b>Off Budget</b>					
Department of Administration					
Principal	738,988	178,347	176,836	187,164	--
Interest	52,607	6,581	27,523	12,132	
<b>Total--Off Budget PMIB Loans</b>	<b>\$ 791,595</b>	<b>\$ 184,928</b>	<b>\$ 204,359</b>	<b>\$ 199,296</b>	
<b>Master Lease Program</b>					
Department of Administration					
Principal	10,797	11,405	12,047	7,160	--
Interest	2,009	1,401	759	140	
Social & Rehabilitation Services					
Principal	18,958	86,087	34,646	34,646	--
Interest	3,254	2,488	--	--	
Osawatomie State Hospital					
Principal	121,215	109,636	80,652	62,353	4,749
Interest	19,008	10,907	5,987	2,990	
Health & Environment--Health					
Principal	223,853	199,105	329,480	335,488	1,628,842
Interest	118,657	112,173	119,621	104,204	
Department of Labor					
Principal	56,116	68,316	71,743	82,214	204,204
Interest	18,236	18,514	15,087	17,411	
Fort Hays State University					
Principal	--	34,581	35,699	36,854	117,867
Interest	--	7,276	6,158	5,003	
Board of Regents					
Principal	10,062	10,625	11,219	11,847	37,948
Interest	4,708	4,145	3,551	2,923	
Kansas State University					
Principal	1,932,873	517,581	583,176	557,550	473,254
Interest	95,596	51,254	55,423	35,800	
Pittsburg State University					
Principal	96,161	11,354	10,671	9,163	5,115
Interest	3,193	1,003	882	470	

## Indebtedness of the State

	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>Prin. Balance</b>
	<b>Actual</b>	<b>Actual</b>	<b>Estimate</b>	<b>Estimate</b>	<b>June 30, 2010</b>
					<b>Estimate</b>
University of Kansas Medical Center					
Principal	975,530	1,138,255	964,811	541,952	197,622
Interest	101,076	81,508	52,342	15,481	
Emporia State University					
Principal	15,783	21,088	22,306	23,595	30,439
Interest	4,722	4,942	3,724	2,435	
Beloit Juvenile Correctional Facility					
Principal	--	--	40,338	40,338	48,605
Interest	--	--	5,292	5,292	
Highway Patrol					
Principal	413,789	435,323	963,703	998,275	506,887
Interest	119,477	97,943	96,989	62,417	
Kansas Bureau of Investigation					
Principal	--	458,956	321,163	331,952	487,227
Interest	--	65,562	38,029	27,240	
Department of Wildlife & Parks					
Principal	4,771	--	--	--	--
Interest	29	--	--	--	--
	<b>Principal</b>	<b>Interest</b>			
	<b>\$ 3,879,908</b>	<b>\$ 489,965</b>	<b>\$ 3,481,654</b>	<b>\$ 3,073,387</b>	<b>\$ 3,742,759</b>
<b>Total--Master Lease Program</b>	<b>\$ 4,369,873</b>	<b>\$ 3,561,428</b>	<b>\$ 3,885,498</b>	<b>\$ 3,355,193</b>	

### Off Budget

Department of Administration					
Principal	1,578,356	1,496,054	1,505,403	1,128,439	1,642,558
Interest	187,829	175,967	166,470	107,608	
<b>Total--Off Budget Master Lease</b>	<b>\$ 1,766,185</b>	<b>\$ 1,672,021</b>	<b>\$ 1,671,873</b>	<b>\$ 1,236,047</b>	

## Facilities Conservation Improvement Program

Insurance Department					
Principal	58,745	60,861	63,054	65,325	444,434
Interest	8,084	21,257	19,892	17,621	
Kansas Neurological Institute					
Principal	114,895	119,995	125,320	128,071	1,345,487
Interest	75,419	71,375	66,050	63,299	
Parsons State Hospital & Training Center					
Principal	109,118	113,619	113,666	123,392	1,462,678
Interest	77,977	74,109	74,109	64,399	
School for the Blind					
Principal	25,276	26,494	27,770	29,108	289,435
Interest	18,055	16,720	15,465	14,820	
School for the Deaf					
Principal	54,197	56,464	58,826	61,286	726,480
Interest	38,591	36,495	34,447	31,986	

## Indebtedness of the State

	<b>FY 2007</b>	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>Prin. Balance</b>
	<b>Actual</b>	<b>Actual</b>	<b>Estimate</b>	<b>Estimate</b>	<b>June 30, 2010</b>
					<b>Estimate</b>
Emporia State University					
Principal	12,378	13,096	13,856	14,659	16,297
Interest	3,836	3,118	2,358	1,555	
Fort Hays State University					
Principal	183,046	200,276	194,258	209,590	3,822,718
Interest	176,246	179,000	169,808	161,709	
Kansas State University					
Principal	337,221	344,257	344,534	360,286	1,169,877
Interest	110,175	93,818	79,471	63,720	
Pittsburg State University					
Principal	452,198	475,265	504,738	529,227	5,111,256
Interest	309,881	285,091	272,529	248,039	
University of Kansas					
Principal	739,303	387,458	725,782	688,383	14,296,091
Interest	806,444	772,055	784,392	821,791	
El Dorado Correctional Facility					
Principal	177,517	186,376	193,772	201,462	1,133,778
Interest	74,460	65,601	58,205	50,515	
Ellsworth & Labette Correctional Facilities					
Principal	77,088	79,934	77,097	77,097	470,977
Interest	27,175	24,396	27,660	27,660	
Hutchinson Correctional Facility					
Principal	248,112	258,895	259,000	259,000	921,329
Interest	80,551	69,373	70,000	70,000	
Lansing Correctional Facility					
Principal	328,842	340,753	353,097	365,887	1,600,965
Interest	103,240	91,687	78,668	67,355	
Larned Correctional Mental Health Facility					
Principal	14,762	15,306	14,762	14,762	90,187
Interest	5,222	4,676	5,294	5,294	
Norton Correctional Facility					
Principal	149,535	155,637	161,988	168,598	746,060
Interest	53,784	48,228	41,877	35,267	
Topeka Correctional Facility					
Principal	62,957	65,311	64,015	64,015	391,108
Interest	23,809	21,331	22,961	22,961	
Winfield Correctional Facility					
Principal	125,201	130,311	130,911	130,911	624,657
Interest	45,091	39,755	39,780	39,780	
<b>Total</b>					
<b>Principal</b>	<b>\$ 3,270,391</b>	<b>\$ 3,030,308</b>	<b>\$ 3,426,446</b>	<b>\$ 3,491,059</b>	<b>\$ 34,663,814</b>
<b>Interest</b>	<b>\$ 2,038,040</b>	<b>\$ 1,918,085</b>	<b>\$ 1,862,966</b>	<b>\$ 1,807,771</b>	
<b>Total--FCI Program</b>	<b>\$ 5,308,431</b>	<b>\$ 4,948,393</b>	<b>\$ 5,289,412</b>	<b>\$ 5,298,830</b>	



## Indebtedness of the State

	FY 2007 Actual	FY 2008 Actual	FY 2009 Estimate	FY 2010 Estimate
<b>Third Party and Other Debt</b>				
Department of Administration				
Principal	58,240	64,329	40,650	28,688
Interest	24,221	18,132	12,329	9,550
Attorney General				
Principal	42,655	42,655	42,655	--
Interest	--	--	--	--
Citizens Utility Ratepayer Board				
Principal	1,527	577	1,680	1,995
Interest	--	--	--	--
Kansas Corporation Commission				
Principal	45,579	46,528	46,528	46,528
Interest	--	--	--	--
Judiciary				
Principal	36,282	34,781	34,781	34,781
Interest	--	--	--	--
Social & Rehabilitation Services				
Principal	--	--	714,417	234,152
Interest	--	--	35,234	5,847
Osawatomie State Hospital				
Principal	105,384	99,434	48,975	48,975
Interest	15,074	8,328	4,465	4,465
Kansas State University				
Principal	798,066	802,951	136,014	138,502
Interest	42,633	40,013	34,476	30,531
Pittsburg State University				
Principal	194,259	188,555	197,464	146,795
Interest	7,916	6,027	4,673	2,229
University of Kansas				
Principal	2,655,000	310,133	310,133	310,133
Interest	--	--	--	--
University of Kansas Medical Center				
Principal	694,132	472,900	492,161	505,386
Interest	393,133	344,193	269,922	40,071
Wichita State University				
Principal	468,286	624,637	649,522	675,399
Interest	241,649	465,233	440,348	414,471
Kansas Water Office				
Principal	479,067	509,853	527,480	672,483
Interest	667,155	644,378	626,749	794,804
<b>Total</b>				
Principal	\$ 5,578,477	\$ 3,197,333	\$ 3,242,460	\$ 2,843,817
Interest	\$ 1,391,781	\$ 1,526,304	\$ 1,428,196	\$ 1,301,968
<b>Total--Third Party Debt</b>	\$ 6,970,258	\$ 4,723,637	\$ 4,670,656	\$ 4,145,785

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# Capital Budget

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# Capital Budget Summary

## FY 2009 Expenditures

The capital budget approved by the 2008 Legislature for FY 2009 totaled \$1,106,521,312 from all funding sources. Of that total, \$29,569,232 was approved from the State General Fund. The Governor's revised estimate of capital expenditures for the same fiscal year now totals \$1,200,662,279, with \$25,046,472 from the State General Fund.

Because of the long-term nature of capital projects, every year a significant portion of the funds appropriated for them remain unspent at the end of the fiscal year and carry over into the following fiscal year to become available for expenditure there. As a consequence, the current fiscal year typically shows a higher level of expenditure, because it includes this carryover money in addition to the regular appropriation of funds for new projects.

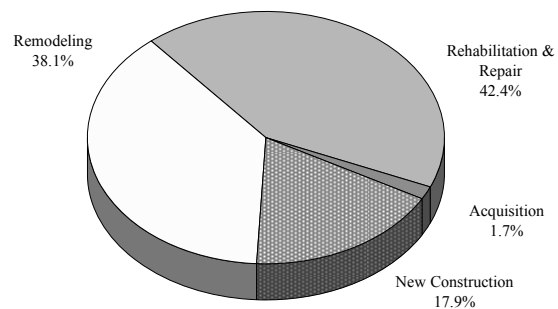
## FY 2010 Expenditures

The capital budget recommended by the Governor for FY 2010 is \$877,203,794 from all funding sources, of which \$13,700,340 is from the State General Fund. Other major funding sources include \$764,803,454 financed from the State Highway Fund, \$58,912,816 from the aggregate of the three building funds, and the remaining \$40,217,184 from an assortment of other funds. Expenditures from all funding sources for capital improvements decrease by \$322,328,485 below the Governor's recommended expenditures for FY 2009. Most of this decrease can be attributed to the carryover of State Highway Fund monies in the current fiscal year not present in FY 2010. Meanwhile capital expenditures financed by the State General Fund are \$11,346,132 below FY 2009 SGF expenditures. The differences are attributable to the Governor's recommendation to reduce existing debt principal payments. This will create State General Fund savings of \$14.0 million in FY 2009 and \$39.0 million in FY 2010.

Several notable new projects for FY 2010 include \$13.7 million from the Educational Building Fund for additional rehabilitation and repair projects for state

universities; \$401,805 from the State Institutions Building Fund to replace building roofs at the School for the Blind; \$242,000 from the State Institutions Building Fund to upgrade the electrical distribution system at the School for the Deaf; and, \$219,136 of special revenue funds for the Historical Society to make improvements to the Cottonwood Ranch House and Pawnee Rock.

How It Is Spent



Fiscal Year 2010

The pie chart above illustrates capital expenditures by project type in accordance with the categories provided by the Budget Instructions, as published by the Division of the Budget. Rehabilitation and repair, the largest category at 42.4 percent, includes projects intended to keep facilities in working order. Renovation and remodeling, the second largest project category at 38.0 percent, is more extensive than just repairs, often converting facilities to a different use. New construction involves the erection of a facility where none existed before or one in which the old facility was totally demolished and then rebuilt. The smallest category is 1.7 percent for acquisition, which represents the purchase of property or an existing facility.

## Capital Budget Process

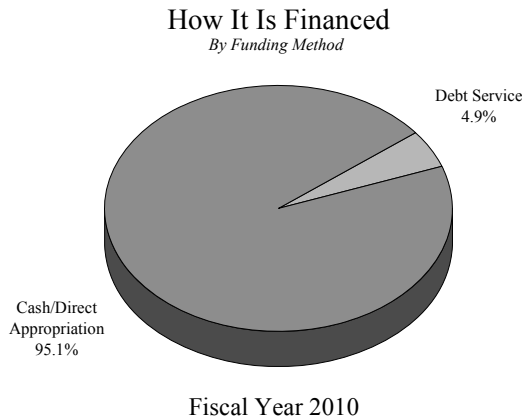
Agencies requesting expenditure authority for capital projects submit a five-year facilities plan each July 1, consisting of the forthcoming fiscal year and the following four years. Capital projects are reviewed by

the Division of the Budget for development of the Governor’s recommendations. They are also reviewed by the Kansas Legislative Research Department as staff to the Joint Committee on State Building Construction as well as the “appropriation” committees of the Kansas House and Senate. In addition, the Division of Facilities Management in the Department of Administration provides technical support to the State Building Advisory Commission, an Executive Branch body responsible for reviewing the cost estimates and technical aspects of projects.

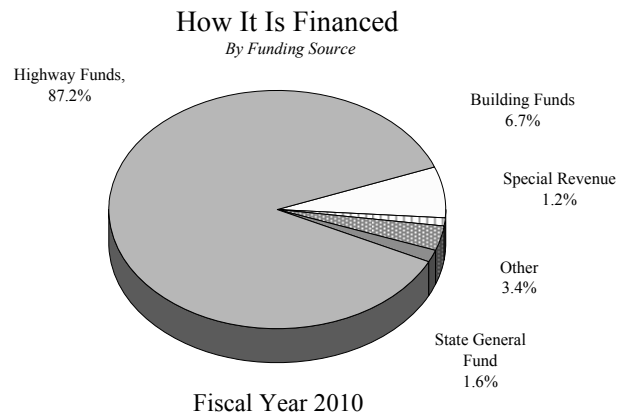
The state gives priority to maintaining its existing facilities before considering new construction. Other criteria for assessing the priority of capital projects include safety for state employees and visitors, compliance with prevailing building codes, modifications to enhance accessibility for the disabled, physical modifications caused by program changes, and cost effectiveness. Most projects are funded through direct appropriations in the State General Fund and special revenue funds. However, revenue bonds for financing capital projects are used in those cases where an appropriate stream of revenue is available to repay the debt.

**Financing**

The following pie chart illustrates the portion of the capital budget that is debt financed compared to the portion financed from direct appropriations of cash. Only the principal portion of the debt service is considered a capital improvement.



Transportation projects are by far the largest part of the state’s capital budget. They constitute 87.1 percent of the FY 2010 expenditures for capital improvements, as indicated by the pie chart below showing expenditures by funding source. The State Highway Fund in the Transportation function is the single largest source of funding for capital improvements in the state budget. The fund receives its revenues primarily through highway user fees on motor fuel, vehicle registrations, a dedicated portion of sales and use tax, and federal funds.



The three dedicated funding sources that make up most of the remainder of the capital budget are the Educational Building Fund (EBF), the State Institutions Building Fund (SIBF), and the Correctional Institutions Building Fund (CIBF). The EBF receives revenues from a statewide one-mill property tax levy and a portion of motor vehicle property tax receipts. The SIBF receives revenues from a 0.5 mill tax levy and a portion of motor vehicle property tax receipts. The CIBF receives its revenues from gaming activities. The table on the next page shows the status of the building funds, including the past two complete fiscal years, the current year, the forthcoming year, and estimates for two future years.

**Building Funds**

The one-mill tax on real property is expected to generate approximately \$29.8 million in FY 2009 for the Educational Building Fund. Budgeted expenditures from the fund, all of which are dedicated to the improvement of facilities at state universities, total

\$39.0 million for FY 2009, excluding the \$475,000 for the insurance premium on state facilities. Of expenditures for FY 2009, \$12.7 million is earmarked for the debt service on Crumbling Classroom bonds. For FY 2010, the Governor recommends \$13.3 million for Crumbling Classroom debt service and \$28.7 million for rehabilitation and repair projects.

A number of agencies depend on monies available in the State Institutions Building Fund for capital improvements, including the state hospitals under SRS, juvenile correctional facilities, the School for the Blind, the School for the Deaf, and the Commission on

Veterans Affairs. Revenues to the fund, which are derived from a half-mill levy on real property, are estimated to be \$14.7 million for FY 2009 and \$15.7 million for FY 2010.

The 2006 Legislature enacted legislation to exempt certain business equipment and machinery from property tax as an economic incentive. Starting in FY 2008, the law will reduce property tax receipts both to the EBF and the SIBF. Another provision of the same law, the so-called "slider," to some extent will mitigate the effect of this revenue loss. These adjustments are shown in the building funds table below.

<b>Status of State Building Funds</b>						
	FY 2007 Actual	FY 2008 Actual	FY 2009 Gov. Rec.	FY 2010 Estimate	FY 2011 Estimate	FY 2012 Estimate
<b>Educational Building Fund</b>						
Beginning Balance	\$ 9,788,177	\$ 13,772,498	\$ 17,546,663	\$ 9,191,612	\$ 67,119	\$ 5,264,106
Released Encumbrances/Adjs.	--	--	--	--	--	--
Property Tax	28,485,793	29,796,356	29,780,202	31,379,040	32,006,621	32,646,753
"Slider" Return of Funds	--	300,973	420,662	355,330	250,666	250,666
Motor Vehicle Taxes	3,188,231	3,230,647	3,316,137	3,316,137	3,414,700	3,399,041
Other Receipts/Recoveries	1,852,167	196,002	--	--	--	--
Resources Available	\$ 43,314,368	\$ 47,296,476	\$ 51,063,664	\$ 44,242,119	\$ 35,739,106	\$ 41,560,566
Expenditures	\$ 29,541,870	\$ 29,749,813	\$ 41,872,052	\$ 44,175,000	\$ 30,475,000	\$ 30,475,000
<b>State Institutions Building Fund</b>						
Beginning Balance	\$ 10,951,248	\$ 12,813,718	\$ 12,179,517	\$ 7,538,296	\$ 7,933,868	\$ 6,840,947
Released Encumbrances/Adjs.	3,815	49,315	--	--	--	--
Property Tax	14,302,651	14,899,682	14,679,756	15,689,520	16,003,310	16,323,376
"Slider" Return of Funds	--	150,502	210,338	177,670	177,670	177,670
Motor Vehicle Taxes	1,594,113	1,615,321	1,666,647	1,708,313	1,759,088	1,759,088
Other Receipts/Refunds	915,137	--	--	--	455,000	--
Resources Available	\$ 27,766,964	\$ 29,528,538	\$ 28,736,258	\$ 25,113,799	\$ 26,328,936	\$ 25,101,081
Expenditures	\$ 14,953,246	\$ 17,349,021	\$ 21,197,962	\$ 17,179,931	\$ 19,487,989	\$ 19,487,989
<b>Correctional Institutions Building Fund</b>						
Beginning Balance	\$ 1,510,453	\$ 1,913,101	\$ 2,739,338	\$ 453,835	\$ 349,835	\$ 245,835
Released Encumbrances/Adjs.	413,992	--	--	--	--	--
Gaming Revenues	4,992,000	4,992,000	4,992,000	4,992,000	4,992,000	4,992,000
Other Receipts/Recoveries	--	20,332	--	--	--	--
Resources Available	\$ 6,916,445	\$ 6,925,433	\$ 7,731,338	\$ 5,445,835	\$ 5,341,835	\$ 5,237,835
Expenditures	\$ 5,003,344	\$ 4,186,095	\$ 7,277,503	\$ 5,096,000	\$ 5,096,000	\$ 5,096,000

# Recommendations

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Following is a description of capital improvement projects by agency that are included in the Governor's recommendations. Capital expenditures are listed by agency in Schedules 6.1 and 6.2 and by project in the table at the end of this section.

## General Government

### Department of Administration

**Capitol Complex Maintenance.** The Governor recommends expenditures from the State General Fund of \$2,910,000 in FY 2009 and \$2,822,400 in FY 2010 for ongoing capitol complex maintenance projects in FY 2010. This recommendation will fund various deferred maintenance projects that have built up over the years.

**Statehouse & Cedar Crest Rehabilitation & Repair.** The Governor recommends expenditures of \$207,753 in FY 2009 and \$188,160 in FY 2010 from the State General Fund for Statehouse and Cedar Crest rehabilitation and repair projects. These expenditures will allow a contingency for unplanned emergency maintenance projects.

**Judicial Center Rehabilitation & Repair.** The Governor recommends expenditures from the State General Fund of \$97,000 in FY 2009 and \$94,080 in FY 2010 for various Judicial Center rehabilitation and repair projects. This recommendation allows the Department to address emergency repair projects.

**Statehouse Improvements—Debt Service.** The 2008 Legislature authorized \$38.8 million in additional bonding authority for the Capitol Restoration Project to be used for exterior masonry renovation and repair. This latest bond issue brings the total amount of bonds authorized for the project to \$218.7 million. To pay for the debt service on all the bonds that have been previously authorized and issued, the Governor recommends State General Fund expenditures of \$8,862,858 in FY 2009, of which \$3,200,000 is for principal and \$5,662,858 is for interest. For FY 2010,

the Governor recommends \$7,265,264 from the State General Fund, all for interest.

**Judicial Center Improvements—Debt Service.** The Governor recommends \$101,170 from the State General Fund for Judicial Center improvements in FY 2009. This amount is for debt service on bonds that were financed over a 16-year period, beginning in FY 2002. Of the debt service, \$70,000 is for principal and \$31,170 is for interest. In FY 2010, the Governor recommends an interest payment of \$28,260 from the State General Fund.

**Docking State Office Building Chillers—Debt Service.** The Governor recommends \$494,829 in FY 2009 from the State General fund to finance the debt service payment for the Docking State Office Building Chillers. Of this amount, \$406,190 is for principal and \$88,639 is for interest. For FY 2010, \$483,885 is recommended for the debt service payment, including \$400,000 for principal and \$83,885 for interest. The building's aging chillers were replaced in FY 2007.

**Energy Conservation Improvements Program—Debt Service.** The Governor recommends \$55,313 for FY 2009 from the State General Fund for the debt service interest payment on the energy conservation improvement bonds issued by the Kansas Development Finance Authority prior to FY 1999. For FY 2010, the Governor recommends an interest-only payment of \$3,780 from the State General Fund. Bond proceeds are used to finance energy conservation improvements at state facilities, with the utility savings from these projects to be returned to the State General Fund to pay off the bonds.

**Paint & Grounds Shop Debt Service (Off-Budget).** The Governor's recommendation contains funding to make debt service payments to the City of Topeka for the property that includes the old police garage. The Division of Facilities Management demolished the garage and constructed a parking lot in its place. Expenditures for debt service total \$38,238 from the State Building Operating Fund in FY 2009 and FY 2010. Expenditures in FY 2009 include \$26,228 for principal and \$12,010 for interest. For FY 2010, \$28,688 is for principal and \$9,550 is for interest.

**Printing Plant Rehabilitation & Repair (Off Budget).** The Governor recommends expenditures of \$75,000 from the Printing Services Depreciation Fund for rehabilitation and repair projects at the Printing Plant in FY 2009 and FY 2010.

**State Complex West Rehabilitation & Repair (Off Budget).** The Governor recommends expenditures of \$60,353 in FY 2008 and in FY 2010 from the State Buildings Operating Fund for various rehabilitation and repair projects at the State Complex West. The complex was formerly part of Topeka State Hospital.

**State Buildings Rehabilitation & Repair (Off Budget).** The Governor recommends expenditures of \$400,000 in FY 2009 and FY 2010 from the State Buildings Depreciation Fund for various rehabilitation and repair projects at several state-owned buildings, including the Curtis State Office Building, Memorial Hall, the Docking State Office Building, and the Landon State Office Building. Projects include general maintenance, asbestos abatement, and minor building refurbishments.

**Memorial Hall—Debt Service (Off Budget).** The debt service on the renovation of Memorial Hall, all of which is from the State Buildings Operating Fund, totals \$436,480 for FY 2010, including \$260,000 for principal and \$176,480 for interest. For FY 2010, total debt service payments total \$439,305, of which \$275,000 is for principal and \$164,305 is for interest.

**Printing Plant—Debt Service (Off Budget).** The Governor recommends FY 2009 expenditures of \$184,895 from the Intragovernmental Printing Service Fund to finance the debt service payment for the original construction of the State Printing Plant. Of the total amount, \$179,970 is for principal and \$4,925 is for interest. For FY 2010, the recommended debt service payment totals \$184,924, including \$181,607 for principal and \$3,320 for interest.

**Eisenhower Building—Debt Service (Off Budget).** In FY 2000, the state purchased the Security Benefit Group building located at 700 SW Harrison for \$18.5 million. In 2002, the Legislature approved the bonding of \$10.6 million for renovation and rehabilitation of the building. The resulting debt service is paid from the State Buildings Operating Fund. In FY 2009, the Governor recommends expenditures of \$2,239,096, which includes

\$1,180,000 for principal and \$1,059,096 for interest. For FY 2010, the Governor recommends expenditures of \$1,032,015 for interest.

**Improvements to State Facilities—Debt Service (Off Budget).** The Governor recommends \$770,838 for FY 2009, including \$410,000 for principal and \$360,838 for interest, for state facilities' improvements, all from the State Buildings Depreciation Fund. For FY 2010, the Governor recommends \$768,925 for debt service payments, including \$425,000 for principal and \$343,925 for interest. Projects involved under this umbrella include the Capitol Complex consolidation, which has involved remodeling the Landon State Office Building after the relocation of several departments; the Capitol Complex steam system, which was upgraded by developing a steam heat boiler system for the Curtis Building and upgrading the steam lines for heating the existing buildings in the Capitol Complex; the Brigham Building at the State Complex West, which has been remodeled for use as the SRS Staff Development and Training Center; the KDHE lab at Forbes Building No. 740, which has been remodeled to meet the needs of the remaining laboratory operations; and the Woodward Building at the State Complex West, which has been remodeled for Kansas Services for the Blind to house clients attending training at the Rehabilitation Center for the Blind.

## Department of Commerce

**Replace Roof at Kansas City Workforce Building.** The Governor recommends \$110,000 in FY 2009 to replace the roof at the Kansas City Workforce Building. The project will be financed with \$65,000 from the federal Wagner Peyser Fund and \$45,000 from the Reimbursement and Recovery Fund. Leaks have formed and the roof replacement would alleviate further chances of structural and content damage. The project costs include \$91,000 for construction, \$4,000 for consulting fees, and \$15,000 for project contingency costs.

**Rehabilitation & Repair.** The Governor recommends \$20,000 in FY 2009 and \$80,000 for FY 2010 for general rehabilitation and repair. The costs will be financed from the Wagner Peyser Federal Fund. This money will be used for upkeep on various buildings across the state owned by the Department. The



projects include roofing, overlaying of parking lots, mudjacking or replacing sidewalks, painting, carpeting, and caulking.

**Topeka Workforce Building Debt Service.** Bonds were issued originally by the Department of Labor, when this building was its responsibility, to purchase the property located at 1430 SW Topeka Blvd. to accommodate the Department's workforce program. The property was transferred under Executive Reorganization Order No. 31, approved by the 2004 Legislature, to the Department of Commerce. Debt payments associated with the property are financed by the Reimbursement and Recovery Fund. The debt payment in FY 2009 includes \$70,000 for principal and \$63,070 for interest. In FY 2010, the payment for principal is \$75,000 and the interest is \$60,068.

## Insurance Department

**Rehabilitation & Repair.** For FY 2009 and FY 2010, the Governor recommends \$60,000 from agency fee funds for routine maintenance for the Insurance Department building. Plans involve carpet repairs and replacement, upgraded exterior lighting, enhanced surveillance systems, elevator repairs, and asphalt and guttering repairs.

**Energy Conservation Projects.** The Insurance Department completed an energy efficient HVAC project in 2006 with upgrades to the heating and cooling system made to the agency's building. For FY 2009, the Governor recommends \$82,946 from agency fee funds with \$63,054 for the principal payment and \$19,892 for the interest payment. The Governor recommends for FY 2010, \$65,325 for the principal payment and \$17,621 for the interest payment, for a total of \$82,946 from agency fee funds. The final payment is scheduled for FY 2016.

## Human Services

### Social & Rehabilitation Services

**Rehabilitation & Repair—Chanute Office Building.** SRS funds routine maintenance and rehabilitation of

its Chanute Office Building with rental revenues. For FY 2009 and FY 2010, the Governor recommends \$200,000. SRS will use the funding to continue upgrading lighting and electrical systems and replace ceilings.

**State Security Hospital.** In FY 2003, SRS issued \$50.1 million in bonds to finance the construction of the new State Security Hospital. Debt service payments on those bonds are made from the State Institutions Building Fund. For FY 2009, the Governor recommends \$3.9 million, which includes \$1,850,000 for principal and \$2,057,100 for interest. The Governor also recommends \$3.9 million for FY 2010, which includes \$1,945,000 for principal and \$1,962,225 for interest.

**Rehabilitation & Repair—State Institutions.** In FY 2005, SRS received a one-time appropriation of \$7.0 million from the State Institutions Building Fund and was allowed to issue bonds totaling \$35.0 million to address a backlog of rehabilitation and repair projects at the state hospitals for the mentally ill. Debt service payments on those bonds are paid from the State Institutions Building Fund. For FY 2009, the Governor recommends \$2.6 million, including \$1,320,000 for interest and \$1,265,000 for principal. The Governor also recommends \$2.6 million for FY 2010, including \$1,282,050 for interest and \$1,305,000 for principal.

For current rehabilitation and repair projects at the State Institutions, the Governor recommends \$7.6 million from the State Institutions Building Fund, which is the approved amount. For FY 2010, the Governor recommends \$4.1 million from the State Institutions Building Fund. Projects include plumbing repairs, code compliance, renovations, and other ongoing maintenance needs.

## Kansas Neurological Institute

**Energy Conservation Debt Service.** The Kansas Neurological Institute participated in the Department of Administration's Facilities Conservation Improvement Program. The program was implemented by the state to help facilities capture savings in energy costs by performing various improvements in energy management systems, lighting retrofits, mechanical improvements, and water conservation measures. The

debt service is then paid by the savings generated by the improvements. For both FY 2009 and FY 2010, the Governor recommends \$195,111 for the Institute's energy conservation debt service payments. Of this amount, \$124,895 is for the principal portion of the debt service payment in each year.

## **Parsons State Hospital & Training Center**

**Energy Conservation Debt Service.** Parsons State Hospital & Training Center participated in the Department of Administration's Facilities Conservation Improvement Program. The program was implemented by the state to help facilities capture savings in energy costs by performing various improvements in energy management systems, lighting retrofits, mechanical improvements, and water conservation measures. The debt service is then paid by the savings generated by the improvements. For both FY 2009 and FY 2010 the Governor recommends \$187,779 for energy conservation debt service payments. Of this amount \$113,670 is for the principal payment in each year.

## **Department of Labor**

**Rehabilitation & Repair.** The Department of Labor's FY 2010 building repairs will include roofing, overlaying of parking lots, repairing sidewalk, painting, carpeting, and caulking. The Governor recommends for the agency's FY 2010 rehabilitation and repairs, \$80,000 from all funding sources.

**Renovation of 1309 Topeka Blvd.** The Governor also recommends \$232,204 from special revenue funds for the second phase of the renovation of the building at 1309 Topeka Blvd. in Topeka for FY 2010. The 1309 Topeka Blvd. building houses the Department of Labor's Information Technology Unit. The second phase would complete the first floor and the renovation of the basement by remodeling restrooms, office space, training rooms, and hallways. The renovation will allow the Department to implement a facility plan that will relocate the agency's staff from leased space into owned space. The first phase of the renovation was completed in 2007.

**Headquarters Debt Service.** Bonds were issued on behalf of the Department of Labor to finance

renovation of 401 SW Topeka Blvd. in Topeka, the Department's headquarters. For FY 2009, the Governor recommends \$160,000 for the principal payment and \$118,358 for the interest payment. The Governor recommends for FY 2010, \$165,000 for the principal payment and \$113,158 for the interest payment. These debt service payments are financed by the Special Employment Security Fund.

**Renovation of the Eastman Building.** The Kansas Department of Labor (KDOL) purchased the Eastman Building on the former Topeka State Hospital grounds from the Kansas Department of Administration in FY 2006. KDOL is using the Department of Administration's Master Lease Program to finance \$511,980 of the renovations. The Governor recommends \$82,214 for principal and \$17,411 for interest in FY 2010. These payments are financed by the Special Employment Security Fund. The Eastman Building is currently being used for the Unemployment Insurance Call Center operations.

## **Commission on Veterans Affairs**

**Rehabilitation & Repair.** During FY 2010, the Kansas Soldiers Home plans to continue a multi-year program aimed at keeping the cottages in good repair by replacing water heaters, plumbing, floor covering, roofing and upgrading bathrooms. In addition, the Home will complete the second year of a three-year project to repair the stone foundations on the historic buildings, and will continue a five-year project, begun in FY 2008, to repair, maintain, and replace streets, curbs, sidewalks, and parking areas in Fort Dodge. The Home also plans to replace the existing single-pane windows on Pershing Hall, a building constructed in 1867, and currently used to house the Community Based Outpatient Center. The Governor recommends \$418,279 from the State Institutions Building Fund (SIBF) to complete these repairs.

Among other rehabilitation and repair projects planned for the Kansas Veterans Home in Winfield, is replacement of gravel in the parking lots and the purchase and implementation of software necessary for preventive maintenance of the facilities. The Home also plans to begin a three-year project to replace the existing windows in Donlon Hall with energy efficient double-pane windows. For these projects at the Veterans Home during FY 2010, the

Governor recommends \$261,505 from the State Institutions Building Fund.

**Veterans Cemetery at Fort Riley.** For FY 2010, the Governor recommends \$500,000 from the Veterans Cemeteries Federal Construction Grant Fund to complete construction of the new veterans cemetery at Fort Riley, which is expected to open in January of 2009. When development of the system of veterans cemeteries in Kansas was first begun, the state provided \$455,000 from the State Institutions Building Fund for planning expenses. Upon completion of the fourth, and final, cemetery at Fort Riley, these planning monies will be reimbursed to the state and repaid to the SIBF. The agency expects that repayment to take place in FY 2010.

## Education

### School for the Blind

**Rehabilitation & Repair.** For general maintenance of the Kansas City campus, the Governor recommends expenditures of \$104,936 for FY 2009 and \$78,079 for FY 2010 from the State Institutions Building Fund.

**Drainage System Installation.** To allow storm water to drain properly from the campus grounds and correct land erosion problems, the Governor recommends \$796 from the State Institutions Building Fund in FY 2009 to continue the installation of an underground drain.

**Brighton Building Roof Replacement.** The Governor recommends \$83,263 from the State Institutions Building Fund to continue re-roofing the Brighton Building in FY 2009. The building, which is a student recreation center, has an irregularly shaped roof that does not drain rainwater effectively. As a result, standing water on the roof leaks into the building and damages its interior.

**Install Key Card Entry System.** The School uses three different metal key systems to control access into campus buildings and the rooms within each building, which makes securing the campus inefficient and cumbersome. For FY 2009, the Governor recommends \$210,472 from the State Institutions

Building Fund to continue the installation of an electronic key card system. An electronic key card system will increase the safety and security of the student population by providing efficient control of access to buildings and rooms.

**Energy Conservation Debt Service.** To finance the debt incurred to implement energy conservation upgrades for the School for the Blind, the Governor recommends \$43,235 for FY 2009 from the State General Fund. Of this amount, \$27,770 is for the principal payment and \$15,465 is for interest. For FY 2010, the Governor recommends \$43,928 for debt service which includes \$29,108 for principal and \$14,820 for interest.

**Roof Replacements.** The Vogel Building, the Johnson Building, and the Health Center also are experiencing water leakage into building interiors including student classrooms, therapy and mobility service areas, and medical offices. To prevent further water damage to rooms and equipment, the Governor recommends \$401,805 from the State Institutions Building Fund for FY 2010 to replace the roofs of these campus buildings. The roofs for the Vogel Building and the Johnson Building were last replaced in 1987. The roof for the Health Center was last replaced in 1980.

### School for the Deaf

**Rehabilitation & Repair.** For general campus maintenance and repair projects, the Governor recommends expenditures of \$221,544 for FY 2009 and \$200,000 for FY 2010 from the State Institutions Building Fund. The projects include masonry and metal work; repairs to electrical motors, plaster walls, boiler systems, and sidewalks, some of which are repairs as a result to safety inspections.

**Install Fire Resistant Doors.** The State Fire Marshal mandates that the School for the Deaf be able to enclose the interior stairways of the Roth Administration building to prevent a fire from spreading to other floors. To comply with these regulations, access to each of the three floors from the east and west stairways must have fire resistant doors installed. The Governor recommends \$162,000 from the State Institutions Building Fund for FY 2009 to continue the installation of fire resistant doors.

**Energy Conservation Debt Service.** To finance the debt service payments related to the replacement of heating and air conditioning systems, the Governor recommends \$93,272 for FY 2009 and the same amount in FY 2010 from the State General Fund. For FY 2009, \$58,825 is for principal and \$34,447 is for interest. For FY 2010, \$61,286 is for principal and \$31,986 is for interest.

**Upgrade Electrical Distribution System.** The Governor recommends enhanced funding of \$242,000 in FY 2010 from the State Institutions Building Fund to upgrade the School's electrical distribution system. The existing system has become inadequate to meet the current levels of energy usage. A switch that supplies power to the Roth Administration Building and the Roberts Academic Building needs to be replaced to correct the deficiency.

## Board of Regents

For the Board of Regents and Regents universities, the Governor recommends \$120.6 million in FY 2009 and \$80.3 million in FY 2010 for capital improvements. These improvements are funded from a variety of sources and do not include physical plant expenditures at universities or potential private contributions for deferred maintenance projects which are not recorded in the state budget. The portion of the Governor's recommendation that applies to the Board of Regents office is \$22.2 million in FY 2009 and \$48.7 million in FY 2010 all from funding sources. The following text explains the recommendation for the Board, and the table on the next page outlines capital project funding by university.

**Rehabilitation & Repair from the Educational Building Fund.** For FY 2009, the Board of Regents distributed \$15.0 million from the Educational Building Fund (EBF) to the public universities for rehabilitation and repair of their facilities. The Governor recommends another \$28.7 million in FY 2010 from the EBF for this same purpose. The Board distributes the funding to universities at the beginning of the fiscal year for projects it has approved. As a general rule, the amount of the distribution is based on the square footage of each university's buildings. The source of revenue for the Educational Building Fund is a one-mill levy applied on taxable property across the state.

**Crumbling Classroom Debt Service.** The 1996 Legislature approved the Governor's recommendation for a \$160.0 million bond issue for rehabilitation and repair of university buildings. In FY 2005, the bond issue was restructured. This generated savings from lower interest rates, which provided an additional \$1.1 million for projects. The debt service remained essentially unchanged at \$15.0 million per year. For FY 2009 the principal is \$12,665,000 and the interest is \$2,335,000. For FY 2010 the principal is \$13,305,000 and the interest is \$1,695,000. Debt service on the bonds is financed through the Educational Building Fund.

**Research Initiative Debt Service.** To encourage and finance research at state universities, the Governor and Legislature authorized the issuance of \$125.0 million in bonds. Those projects included the Life Science Research Center at the University of Kansas Medical Center, the Biosecurity Research Institute at Kansas State University, equipping a research facility at the University of Kansas, the Engineering Research Laboratory at Wichita State University, and the Polymer Research Center at Pittsburg State University.

<b>Research Initiative Debt Service</b>			
<i>Funded through a transfer from SGF</i>			
<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>
\$2,006,586	\$76,414	\$7,452,570	\$8,757,827
<u>FY 2009</u>	<u>FY 2010*</u>	<u>FY 2011 est.</u>	<u>FY 2012 est.</u>
\$9,915,259	\$4,943,695	\$9,585,000	\$6,429,649
<u>FY 2013 est.</u>	<u>Total State Obligation</u>		
\$833,000	\$50,000,000		

*\* Bond refinancing eliminates principal payment in this year.*

The state is responsible for the first \$50.0 million in debt service, financed through a transfer from the State General Fund to a special revenue account at the Board of Regents. After the first \$50.0 million in debt service, the universities will assume responsibility for paying the obligation from revenue generated by the facilities. The table above shows the scheduled state payments by fiscal year. For FY 2009 the debt service principal is \$4,765,000 and the interest is \$5,150,259, and for FY 2010 the debt service interest is \$4,943,695. The principal of \$4,975,000 is part of the bond restructuring project; therefore, it is not included in the FY 2010 budget recommendation.

**Educational Institution Long-Term Infrastructure Maintenance Program.** The 2007 Legislature adopted a five-year program to address maintenance problems at postsecondary institutions. The program is administered by the Board of Regents. Three different plans can be identified within this program. First, annual transfers are made to the Board of Regents for distribution to the universities to fund various deferred maintenance projects. On July 1, 2007, the Board of Regents received a \$30.0 million transfer from the Statewide Maintenance and Disaster Relief Fund to its Infrastructure Maintenance Fund. The Statewide Maintenance and Disaster Relief Fund within the Department of Administration derived its original revenue from the State General Fund. The \$30.0 million was then transferred to the Regents universities.

On July 1, 2008, \$13.0 million was similarly transferred. In addition, \$7.0 million was transferred directly from the State General Fund to the Board's Infrastructure Maintenance Fund, for a total of \$20.0 million. In FY 2010 and FY 2011, the State General Fund transfer was to be \$15.0 million annually and then drop to \$10.0 million in FY 2012. The Governor recommends that the \$15.0 million transfer from the State General Fund for FY 2010 not be made because of the state's financial position.

Second, the Legislature authorized tax credits for contributions to: universities for deferred maintenance projects; community colleges for capital improvements; and to technical colleges for maintenance and technical equipment. The credits will be in effect for tax years 2008 through 2012. Tax credits for contributions to each community and technical college will be limited to \$78,125 for tax year 2008, \$156,250 for 2009, and \$208,233 per year for 2010, 2011, and 2012.

The third part of the 2007 program addresses issues at Washburn University, the community colleges, and technical colleges. The Legislature authorized bonding to finance infrastructure improvement projects at these campuses. In total, the bonds cannot exceed \$100.0 million. No more than \$20.0 million can be issued in any single year, and not more than \$15.0 million in bonds can be issued for any single institution. The first bond issue occurred in FY 2008. Debt service interest on the bonds is paid by the state with institutions paying the principal. The principal

for FY 2009 is \$2.5 million and \$5.0 million for FY 2010, with the state covering the costs from the State General Fund.

## **Regents Universities**

The Governor recommends \$120.6 million in FY 2009 and \$51.6 million in FY 2010 for capital improvements at Board of Regents universities. These improvements are funded from a variety of sources and do not include transfers to the Board of Regents that have not yet been distributed to universities, physical plant expenditures or potential private contributions for deferred maintenance projects. Listed on the previous page is an explanation of the various capital projects the universities will complete, grouped by funding source. A comprehensive table on the following page lists by institution the dollar amount in each category.

**Rehabilitation & Repair from the Educational Building Fund.** The first of these sources is the Educational Building Fund also discussed in the Board of Regents section. The universities usually receive a \$15.0 million distribution from the Board based on the gross square feet of their facilities. It is common that the funds are not all expended and the balance is carried forward to the following year. The universities show that \$14,334,813 was expended in FY 2008 and that \$26,397,052 is available in FY 2009. No funding is shown here for FY 2010 because that distribution of \$28.7 million has not yet taken place. Most of the projects funded by the Educational Building Fund are small.

**Special Revenue Funds.** As they are responsible for numerous campus facilities, the universities always have a number of capital improvement projects that are financed with special revenue funds such as parking and housing fee funds. This category also included \$15.0 million from the Extended Lottery Act Revenues Fund (ELARF) for the expansion of the School of Pharmacy at the University of Kansas. Given delays in the opening of gaming facilities, ELARF is not available as expected; therefore the Governor is recommending \$30.0 million in bonding authority for the completion of the School in FY 2010. For capital improvements financed with university special revenue funds, the Governor recommends \$16.3 million in FY 2009 and \$7.7 million in FY 2010.

**Regents Universities Capital Improvement Projects**  
**Governor's Recommendation**

	Educ. Bldg. Fund	Other State Funds	Interest Earnings	Infrastructure Maintenance	Debt Service Principal	Total
<b>FY 2009</b>						
Board of Regents	\$ 2,335,000	\$ --	\$ --	\$ --	\$ 19,930,000	\$ 22,265,000
ESU	2,302,556	90,000	459,604	1,898,854	631,000	5,382,014
FHSU	1,309,040	700,000	613,000	1,382,000	719,258	4,723,298
Kansas State U.	6,590,276	1,189,446	4,500,000	11,044,000	4,141,076	27,464,798
KSU--ESARP	--	--	--	--	--	--
KSU--Vet. Med. Ctr.	--	--	--	--	--	--
PSU	2,097,604	1,370,000	773,000	1,380,000	974,738	6,595,342
KU	10,000,499	12,993,242	3,977,431	4,593,399	4,794,982	36,359,553
KU Med. Ctr.	1,816,571	--	570,935	4,859,974	895,000	8,142,480
WSU	2,280,506	--	1,007,383	3,666,451	2,794,522	9,748,862
<b>Total</b>	<b>\$ 28,732,052</b>	<b>\$ 16,342,688</b>	<b>\$ 11,901,353</b>	<b>\$ 28,824,678</b>	<b>\$ 34,880,576</b>	<b>\$ 120,681,347</b>
<b>FY 2010</b>						
Board of Regents	\$ 30,395,000	\$ --	\$ --	\$ --	\$ 18,305,000	\$ 48,700,000
ESU	--	90,000	486,000	--	631,000	1,207,000
FHSU	--	3,500,000	631,000	--	744,590	4,875,590
Kansas State U.	--	789,446	3,000,000	--	4,314,557	8,104,003
KSU--ESARP	--	--	--	--	--	--
KSU--Vet. Med. Ctr.	--	189,400	--	--	--	189,400
PSU	--	870,000	773,000	--	1,024,227	2,667,227
KU	--	1,800,000	2,676,000	--	5,457,583	9,933,583
KU Med. Ctr.	--	500,000	400,000	--	930,000	1,830,000
WSU	--	--	1,232,000	--	1,565,399	2,797,399
<b>Total</b>	<b>\$ 30,395,000</b>	<b>\$ 7,738,846</b>	<b>\$ 9,198,000</b>	<b>\$ --</b>	<b>\$ 32,972,356</b>	<b>\$ 80,304,202</b>

**University Interest Earnings.** The universities have the authority to use interest earnings from several funds for rehabilitation and repair of their facilities. Previously, the State General Fund benefitted from these earnings. The universities estimate that they will spend \$11,901,353 in FY 2009 and \$9,198,000 in FY 2010 for maintenance projects financed by these interest earnings.

**Educational Institution Long-Term Infrastructure Maintenance Program.** The Educational Institution Long-Term Infrastructure Maintenance Program is discussed under the Board of Regents section. Below is the portion of the program that applies to the universities. In early FY 2009, \$20.0 million was transferred to the Board of Regents, which distributed it to the universities for infrastructure support. The universities also had a balance of \$8,824,678 in FY 2008 that they carried forward into FY 2009, for a total of \$28,824,678. For FY 2010 the Governor does not recommend the scheduled \$15.0 million State General Fund transfer.

**Debt Service—Principal Payments.** In the budget, the principal portion of debt service is shown in capital improvements rather than showing the expenditure of the actual bond proceeds. Those principal payments are shown in the table later in this section. Universities also have bonding and debt service that is “off-budget,” meaning that the debt service is paid with private funding and is not included in the table above. An example of this would be debt service paid by an endowment association or athletic corporation. The Governor recommends \$14.9 million in FY 2009 and \$14.6 million in FY 2010 for principal payments on debt service, which excludes payments made by the Board of Regents on the universities’ behalf. University Research Initiative projects are discussed in the Board of Regents narrative.

**Historical Society**

**Museum steam humidification system replacement.** In order to preserve irreplaceable artifacts, the State

Historical Society must carefully control the humidity level in the collections at the Kansas Museum of History. In 2004, a facility evaluation of the mechanical, electrical, and other engineered infrastructure systems at the Kansas Museum of History identified the entire humidification system as one of the agency's highest priorities for replacement. In late FY 2008, an important component of the system failed, and with the approval of the Joint Committee on State Building Construction, the agency hired an engineering firm to prepare project plans and specifications and prepared to take bids for a new electricity-to-steam zoned humidification system, which is expected to cost \$476,370.

Recognizing the importance of replacing this system in the face of reductions to State General Fund revenue in the coming year, the agency proposed to split its request for funding over two years, and found additional funding within its budget to further reduce the amount of its request. For both FY 2009 and FY 2010, the Governor recommends \$188,185 from the State General Fund to replace the museum humidification system.

**Rehabilitation & Repair.** The Kansas State Historical Society typically requests \$125,000 each fiscal year from the State General Fund for routine and emergency repairs at the Museum and at the agency's 16 historic sites. This amount was appropriated by the 2008 Legislature for FY 2009. The Governor recommends that \$25,000 of this funding be applied to the cost of the museum humidification system. For FY 2010, the Governor recommends \$122,500 from the State General Fund, and again, recommends that \$25,000 of that amount be applied to the cost of the museum humidification system.

**Pawnee Rock Restoration.** The monument at Pawnee Rock is one of western Kansas' best-known historic sites. Over the years, the site and the obelisk have been damaged by vandals and suffered from the effects of the weather. For FY 2010, the Governor recommends that the Historical Society be authorized to spend \$174,674 in Federal Transportation Enhancement funds for restoration of the site.

**Shawnee Indian Mission Basement Drainage Improvements.** Three years ago, new heating equipment was installed in the basement of the north building at the Shawnee Indian Mission, and state

architectural services designed a system to divert groundwater away from the building. Unfortunately, that system did not work as intended, and groundwater is now seeping into the basement, causing the heating equipment to rust. The Governor recommends that the agency be authorized to spend \$25,000 in private funds in FY 2010 for the repairs necessary to keep groundwater out of the basement of this building.

**Cottonwood Ranch House & Outbuilding Site Improvements.** In order to paint and make site accessibility improvements at Cottonwood Ranch in Sheridan County, Kansas, the Governor recommends that the Historical Society be authorized to spend \$44,462 in private funds in FY 2010.

## Public Safety

### Department of Corrections

**Rehabilitation & Repair.** To fund rehabilitation and repair projects at the correctional facilities, the Governor recommends \$3.9 million in FY 2009 and \$3.2 million in FY 2010 from the Correctional Institutions Building Fund. The Department of Corrections is responsible for disbursing the funds to the correctional facilities based on the needs of each facility and systemwide considerations.

**RDU Relocation Debt Service.** To fund the debt service payment related to the relocation of the Reception and Diagnostic Unit from Topeka Correctional Facility to El Dorado Correctional Facility, the Governor recommends expenditures of \$1,361,000 from the State General Fund for FY 2009. Of the total amount, \$715,000 is for principal and \$646,000 is for interest. For FY 2010, \$1,358,000 is recommended from the State General Fund, including \$750,000 for principal and \$608,000 for interest. The principal amounts for both fiscal years include reductions of \$40,000 as a result of the Governor's recommendation to restructure the debt service.

**Labette Correctional Conservation Camp Debt Service.** For FY 2009, the Governor recommends a debt service payment of \$160,000 from the State General Fund, including 150,000 for principal and

\$10,000 for interest. For FY 2010, the Governor recommends \$4,000 for interest from the State General Fund. The principal payment of \$150,000 will not be required in FY 2010 because of the Governor's recommendation to restructure the debt service. The proceeds from this bond issue were used for a 100-bed expansion project that was authorized in 1997.

**Revenue Refunding Bonds Debt Service.** The Governor recommends \$2,259,000 for FY 2009 from all funding sources to pay the debt service related to the construction of El Dorado Correctional Facility and Larned Correctional Mental Health Facility. Of this amount, \$1,830,000 is for principal and \$429,000 is for interest. The amount budgeted for the principal payment from the Correctional Institutions Building Fund is \$1,689,697 with the remaining \$140,303 from the State General Fund. For FY 2010, the Governor recommends \$2,264,000 from all funding sources. Of this amount, \$1,925,000 is for principal and \$339,000 is for interest. Of the total principal payment, \$235,303 will be from the State General Fund and \$1,689,697 will be paid from the Correctional Institutions Building Fund.

**Facility Infrastructure Improvements Debt Service.** To provide additional funding for substantial infrastructure needs at the correctional facilities, the Department of Corrections was authorized to issue \$19.2 million in bonds in FY 2007. Some of the projects included replacing locking systems, upgrading utility tunnels, adding water treatment systems, ensuring ADA compliance, and upgrading security and fire alarm systems. For FY 2009, the Governor recommends \$751,000 from the State General Fund for the debt service payment. Of this amount, \$625,000 is for principal and \$126,000 is for interest. The interest payment includes a reduction of \$798,000 as a result of one-time capitalized interest savings. For FY 2010, the Governor recommends an interest payment of \$897,000 from the State General Fund for the debt service. The principal payment of \$645,000 will not be required in FY 2010 because of the Governor's recommendation to restructure the debt service.

**Prison Capacity Expansion Projects Debt Service.** The 2008 Legislature approved bonding authority for the Department of Corrections totaling \$19.5 million for prison capacity expansion projects at Ellsworth, El Dorado, Stockton, and Yates Center in the event

inmate population projections indicated that additional capacity was required. However, because expansion was not required in the near term, the Legislature prohibited any money from being spent on expenditures related to the actual construction of prison capacity expansion projects before July 1, 2009. The agency was allowed to use a portion of the bond proceeds to finance the planning and preparation of prison capacity expansion projects prior to this date. The Governor recommends \$130,461 from the Correctional Institutions Building Fund for the debt service related to the planning of the projects. Of this amount, \$95,000 is for principal and \$35,461 is for interest. Completing the planning phase will reduce the time required to build once a determination has been made that additional capacity is required.

**Kansas Correctional Industries—Industries Buildings.** For FY 2009, the Governor recommends \$1,594,000 from the Correctional Industries Fund to construct a 30,000 foot square industry building and a metal storage structure. In FY 2010, the Governor recommends \$170,000 to expand the Clothing Division workspace by 5,000 square feet. All construction will take place at Lansing Correctional Facility to enhance manufacturing capacity as a result of increases in demand for products constructed and produced by inmate workers.

## **El Dorado Correctional Facility**

**Rehabilitation & Repair.** For FY 2009, the Governor recommends a total of \$85,976 from the Correctional Institutions Building Fund for rehabilitation and repair projects. Of this amount, \$84,700 will be transferred from the Department of Corrections and \$1,276 was reappropriated from the previous fiscal year for continuing projects.

**Facilities Conservation Improvement Program.** For El Dorado Correctional Facility, the Governor recommends \$251,977 from the State General Fund in FY 2009 for debt service related to participation in the Facilities Conservation Improvement Program. Of this amount, \$193,772 is principal and \$58,205 is interest. The total amount recommended for FY 2010 is the same with \$201,462 for principal and \$50,515 for interest. Each of the correctional facilities participates in the program, which is administered by the Department of Administration. The program allows



the facilities to replace toilets, showerheads, boilers, and other energy-consuming devices with more efficient equipment. Financing is provided through a line of credit, and each facility will repay its ten-year obligation from the budget savings it realizes as a result of installing more energy-efficient equipment.

### **Ellsworth Correctional Facility**

**Rehabilitation & Repair.** The Governor recommends \$30,745 from the Correctional Institutions Building Fund for general maintenance projects in FY 2009. This amount was transferred from the Department of Corrections.

**Facilities Conservation Improvement Program.** The Governor recommends \$104,757 from the State General Fund in FY 2009 for this debt service. Of this amount, \$77,097 is for principal and \$27,660 is for interest. Identical amounts from the State General Fund are recommended for FY 2010.

### **Hutchinson Correctional Facility**

**Rehabilitation & Repair.** For FY 2009, the Governor recommends \$180,259 from the Correctional Institutions Building Fund for rehabilitation and repair projects. Of this amount, \$165,240 was transferred from the Department of Corrections and \$15,019 was reappropriated from the previous fiscal year for on-going projects.

**Facilities Conservation Improvement Program.** For FY 2009, the Governor recommends \$329,000 from the State General Fund for the debt service related to participation in this program. Of this amount, \$259,000 is for principal and \$70,000 is for interest. Identical amounts from the State General Fund are recommended for FY 2010.

### **Lansing Correctional Facility**

**Rehabilitation & Repair.** For general repairs and facility maintenance, the Governor recommends \$150,876 in FY 2009 from the Correctional Institutions Building Fund. Of this amount, \$75,480 was transferred from the Department of Corrections

and \$75,396 was reappropriated from the previous fiscal year for continuing projects.

**Facilities Conservation Improvement Program.** The Governor recommends \$431,765 from the State General Fund in FY 2009 for debt service. Of this amount, \$353,097 is for principal and \$78,668 is for interest. The total amount recommended for FY 2010 is \$433,242 with \$365,887 for principal and \$67,355 for interest.

### **Larned Correctional Mental Health Facility**

**Rehabilitation & Repair.** The Governor recommends \$139,337 from the Correctional Institutions Building Fund for rehabilitation and repair projects in FY 2009. Of this amount, \$100,000 was transferred from the Department of Corrections and \$39,337 was reappropriated from the previous fiscal year for continuing projects.

**Facilities Conservation Improvement Program.** For 2009, the Governor recommends \$20,056 from the State General Fund for this debt payment. Of this amount, \$14,762 is for principal and \$5,294 is for interest. Identical amounts from the State General Fund are recommended for FY 2010.

### **Norton Correctional Facility**

**Rehabilitation & Repair.** The Governor recommends \$227,745 from the Correctional Institutions Building Fund for FY 2009 for general maintenance. Of this amount, \$203,938 was transferred from the Department of Corrections and \$23,807 was reappropriated from for continuing projects.

**Facilities Conservation Improvement Program.** The Governor recommends \$203,865 from the State General Fund in FY 2009. Of this amount, \$161,988 is for principal and \$41,877 is for interest. The total amount recommended for FY 2010 is the same with \$168,598 for principal and \$35,267 for interest.

### **Topeka Correctional Facility**

**Rehabilitation & Repair.** The Governor recommends \$408,831 from the Correctional Institutions Building

Fund for rehabilitation and repair projects in FY 2009. Of this amount, \$69,850 was transferred from the Department of Corrections and \$338,981 was reappropriated from the previous fiscal year for ongoing projects.

**Facilities Conservation Improvement Program.** For this debt payment, the Governor recommends \$86,976 from the State General Fund for in FY 2009. Of this amount, \$64,015 is for principal and \$22,961 is for interest. Identical amounts from the State General Fund are recommended for FY 2010.

### **Winfield Correctional Facility**

**Rehabilitation & Repair.** For general repairs and maintenance in FY 2009, the Governor recommends \$396,760 from the Correctional Institutions Building Fund. Of this amount, \$123,000 was transferred from the Department of Corrections and \$273,760 was reappropriated from the previous fiscal year for continuing projects.

**Facilities Conservation Improvement Program.** The Governor recommends \$170,691 from the State General Fund for debt service in FY 2009. Of this amount, \$130,911 is for principal and \$39,780 is for interest. Identical amounts from the State General Fund are recommended for FY 2010.

### **Juvenile Justice Authority**

**Rehabilitation & Repair.** The Governor recommends \$724,280 in FY 2009 and \$797,198 in FY 2010 from the State Institutions Building Fund for rehabilitation and repair projects at the juvenile correctional facilities. Projects that will be completed in FY 2009 include upgrading the monitoring system in a living unit at Beloit and repairing storm drainage issues at the Kansas Juvenile Correctional Complex. The projects to be completed in FY 2010 include replacing carpet in the living units at Larned and installing security cameras at the Kansas Juvenile Correctional Complex.

**Facility Construction Debt Service.** For FY 2009, the Governor recommends \$2,075,000 from the State Institutions Building Fund for the principal payment and \$1,922,763 for the interest payment on the debt for facility construction and expansion of the juvenile

correctional facilities. For FY 2010, the Governor recommends \$2,180,000 for the principal payment and \$1,819,013 for the interest payment. Bonds were issued in FY 2002 to build new juvenile correctional facilities in Larned and Topeka and renovate a living unit at the facility in Beloit. The Beloit renovation was completed in May 2002; the new Larned facility opened in June 2003; and the new Topeka facility, the Kansas Juvenile Correctional Complex, opened in September 2004.

**Maintenance Building Razing—Atchison.** For FY 2009, the Governor recommends \$87,682 from the State Institutions Building for the razing of the former maintenance building at the Atchison Juvenile Correctional Facility. Construction of the replacement maintenance building will be completed during FY 2009.

**Maintenance Building Construction—Atchison.** For FY 2009, the Governor recommends \$2,086 from the State Institutions Building to complete the construction of a new maintenance building at the Atchison Juvenile Correctional Facility. The above amount was reappropriated from FY 2008.

**Living Units Razing—Kansas Juvenile Correctional Complex.** For the Kansas Juvenile Correctional Complex, the Governor recommends \$420,004 from the State Institutions Building Fund in FY 2009 for the razing of two living units, which are no longer in use.

### **Kansas Juvenile Correctional Complex**

**Rehabilitation & Repair.** The Governor recommends \$19,581 from the State Institutions Building Fund in FY 2009 to fund various rehabilitation and repair projects at the Kansas Juvenile Correctional Complex. Of the above amount, \$18,300 was transferred from the Juvenile Justice Authority and \$1,281 was reappropriated from FY 2008.

### **Adjutant General**

**Armory Repair Debt Service.** The agency was authorized to issue \$22.0 million in bonds to fund the Armory Rehabilitation Plan over a five-year period starting in FY 2001. Selected existing state-owned

armories across the state are being rehabilitated, and certain armories are being replaced. Bonds were issued totaling \$2.0 million in November 2000, \$2.0 million in November 2001, \$6.0 million in June 2003, \$6.0 million in June 2004, and \$6.0 million in November 2005. The 2005 Legislature authorized the issuance of an additional \$9.0 million in bonds to complete the Armory Renovation Plan. The bonds will be issued in \$3.0 million increments each, starting in FY 2007 and ending in FY 2009.

For FY 2009, the Governor recommends \$1,086,807 from the State General Fund to finance the debt service payment on bonds issued for the Armory Rehabilitation Plan. Of the recommended amount, \$95,000 will be used for principal and \$991,807 for interest. The Governor recommends \$1,084,739 in FY 2010 from the State General Fund to finance the interest payment.

**Armory Repair.** In addition to the bond proceeds, the Adjutant General receives federal money to assist in the renovation of armories. The state matches these federal funds dollar for dollar. In each of FY 2009 and FY 2010, the Governor recommends \$1.0 million from federal funds for armory renovation projects. The federal money is used to replace roofs, doors, windows, plumbing systems, electrical systems, and HVAC systems.

**Armory Construction.** For FY 2009, the Governor recommends \$60,188 from the State General Fund to finance the interest payment on bonds issued for the construction of the Armory/Classroom/Recreation Center at Pittsburg State University. For FY 2010, the Governor recommends \$57,988 from the State General Fund to finance the interest payment on bonds. Pittsburg State University and the Adjutant General's Office share the responsibility of the debt service for this \$5.5 million Readiness Center project. Of the total amount, Pittsburg State University is responsible for \$4,025,763 and the Adjutant General's Office is responsible for \$1,450,711.

**Training Center.** The 2007 Legislature approved \$9.0 million in bonding authority for one training center in Salina. For FY 2009, the Governor recommends \$677,189 from the State General Fund to finance the first debt service payment on bonds issued for the construction. Of this amount, \$290,000 will be used for principal and \$387,189 for interest. For FY

2010, the Governor recommends \$719,331 from the State General Fund. Of this amount, \$300,000 will be used for principal and \$419,331 for interest. The training center will assist the state in meeting training requirements and improve the proficiency and capabilities of all first responders and public safety organizations as well as the National Guard.

## Highway Patrol

**Rehabilitation, Repair & Scale Replacement.** The Governor recommends \$262,000 in FY 2009 and \$267,800 in FY 2010 for repairs to KHP facilities and scale replacement. Of these amounts, \$50,000 in FY 2009 and \$50,800 in FY 2010 is from the KHP Training Center Fund and \$212,000 for FY 2009 and \$217,000 for FY 2010 is from the Operations Fund.

**Fleet Facility Debt Service.** In FY 2009, for the purpose of paying the debt service principal on construction of the Highway Patrol fleet facility, the Governor recommends \$230,000 from the KHP Operations Fund and \$240,000 in FY 2010. The facility was purchased for \$3,955,000 using bonds that were issued in November 2001.

**Vehicle Inspection Facility Debt Service.** The Governor recommends \$45,000 from the Vehicle Identification Number Fee Fund in FY 2009 to finance the debt service on bonds issued for the purchase of the Vehicle Inspection Facility in Olathe. In FY 2010, the Governor recommends \$50,000 for the same purpose. These amounts represent the principal portion of the debt.

**KHP Training Academy Roof & Boiler Replacement.** To fund the replacement of five roofs and a boiler at the Highway Patrol Training Academy in Salina, the Governor recommends \$845,199 in FY 2009 and \$579,917 in FY 2010 from the Highway Patrol Training Center Fund.

## Kansas Bureau of Investigation

**Rehabilitation & Repair.** For FY 2009, the Governor recommends \$50,000 from the State General Fund to finance various rehabilitation and repair projects. The agency will prioritize the projects for its headquarters building and regional offices.

**Headquarters Building Debt Service.** The Governor recommends \$26,850 in FY 2009 and \$9,293 both from the State General Fund to finance the interest portion on the debt service payments. The final debt service payment will be in FY 2010.

**KBI Complex.** The 2007 Legislature approved \$124,000 from the State General Fund for FY 2008 to purchase land and homes in the same block as the existing KBI headquarters building in Topeka. In addition, the money can be used to demolish the homes on the purchased land. The Governor recommends \$180,000 from the agency's fee funds in FY 2009 to complete the buyout and demolition project.

On the purchased land, the agency plans to build a new forensic science laboratory and a storage facility. The 2007 Legislature approved \$50,000 from the State General Fund to finance part of a site master plan. The Governor recommends \$90,000 from the agency's fee funds to complete an overall KBI Complex site master plan. The site master plan will define space utilization, general appearance, traffic flow, utilities, code compliance, and phasing of the entire project.

## Agriculture & Natural Resources

### Kansas State Fair

**Rehabilitation & Repair.** The Governor recommends \$112,064 for FY 2009 and \$114,306 for FY 2010 from the State Fair Capital Improvements Fund for miscellaneous and contingency repair projects on the State Fairgrounds in Hutchinson. For FY 2010, \$75,000 is for maintenance contract expenditures to allow the agency to contract with an electrical company and a plumbing company during the State Fair, and the remaining expenditures are for maintenance needs that result from weather, and special needs to accommodate State Fair patrons, or a non-fair event.

**Master Plan Debt Service.** In FY 2002, the Kansas Development Finance Authority issued revenue bonds totaling \$29.0 million to finance a capital improvement master plan to upgrade the facilities at the Kansas State Fair. The Governor recommends

\$1,830,821 for the FY 2009 debt service payment. This includes \$745,000 for the principal and \$1,085,821 for the interest. Of the \$1,830,821, \$1,130,821 is from the State General Fund, \$400,000 is from the State Fair Debt Service Special Revenue Fund, and \$300,000 is from the City of Hutchinson and Reno County.

The Governor recommends \$1,041,861 for the FY 2010 debt service interest payment. The financing of FY 2010 debt service interest payment includes \$341,861 from the State General Fund, \$400,000 from the State Fair Debt Service Special Revenue Fund, and \$300,000 from the City of Hutchinson and Reno County.

## Department of Wildlife & Parks

**Rehabilitation & Repair.** The Department of Wildlife and Parks is responsible for the care, upkeep, and accessibility of the state's parks, wildlife areas, and public lands throughout Kansas. The main areas of responsibility for rehabilitation and repair are general rehabilitation and repair and road and bridge maintenance. For FY 2009, the 2008 Legislature authorized funding for these purposes in the amount of \$6,179,500. For the revised FY 2009 budget, the Governor recommends funding from all sources in the amount of \$12,528,388. The amount recommended includes carry-forward balances from ongoing projects in previous years, as well as \$780,000 for dam repair approved by the State Finance Council of the 2008 Legislature. For FY 2010, the Governor recommends \$3,126,342 from all sources.

For maintenance of the facilities managed by the Department, which is a part of general rehabilitation and repair, for FY 2009, the Governor recommends \$8,740,231 from all funding sources. Of this amount, \$1,451,640 is from the State General Fund, \$506,016 is from the Parks Fee Fund, \$2,579,994 is from the Wildlife Fee Fund, \$111,614 is from the Wildlife Fund—Federal, \$2,130,700 is from the Land and Water Conservation Fund, \$1,255,582 is from the Other Federal Grants Fund, \$295,000 is from the Wildlife Conservation Fund, \$111,943 is from the Wildlife Conservation Fund—Federal, \$30,692 is from the Migratory Waterfowl Fund, \$233,050 is from the Tuttle Creek State Park Mitigation Project fund, and \$34,000 is from the Department Gift/Donations Fund.

The total recommended for rehabilitation and repair for FY 2010 is \$2,308,872, including \$492,872 from the State General Fund, \$150,000 from the Wildlife Fee Fund, \$650,000 from the Wildlife Fund—Federal, \$421,000 from the Other Federal Grants Fund, and \$595,000 from the Land and Water Conservation Fund

One of the responsibilities of the Department is to provide well maintained and safe access roads and bridges in state parks, public lands, wildlife areas, and other facilities it manages. For FY 2009, the Governor recommends \$3,788,157 from the State Highway Fund for roads and bridges. Of this amount, \$3,472,180 is for access roads and \$315,977 is for bridges. For FY 2010, the Governor recommends totals \$817,470 from the State Highway Fund, of which \$617,470 is for roads and \$200,000 is for bridges.

**Land/Wetland Acquisition & Development.** Land and wetlands are acquired and developed by the Department to provide wildlife viewing, habitat preservation, hunting and other recreational opportunities. For FY 2009, the Governor recommends \$1,002,790 for land acquisition and \$395,667 for wetlands acquisition, all from special revenue funds. Of this amount, \$950,000 was approved by the 2008 Legislature. Funding for these projects comes from the Wildlife Fee Fund, the Wildlife Conservation Fund and Wildlife Conservation Fund—Federal, and the Migratory Waterfowl Propagation and Protection Fund.

The Governor recommends \$1,618,532 for FY 2010, with \$1,351,732 for land acquisition and \$266,800 for wetlands acquisition. The funding for these projects comes from the Wildlife Conservation Fund, the Wildlife Fee Fund, and the Migratory Waterfowl Propagation and Protection Fund.

**River Access.** For FY 2009, the Governor recommends \$233,115 from special revenue funds to allow the Department to continue its long-range program to increase river access in Kansas, and for FY 2010, the Governor recommends \$70,000 from the Boating Fee Fund.

**Motorboat Access.** The U.S. Fish and Wildlife Service requires at least 10.5 percent of the federal funds received by the Department to be used for motorboat access projects, which include lighting, parking, toilet facilities, boat ramps, and fish cleaning

stations. To respond to this requirement in FY 2009, the Governor recommends \$2,694,478 in special revenue funds. Of this amount, \$430,000 was approved by the 2008 Legislature. For FY 2010, the Governor recommends \$1,100,000, also from special revenue funds.

**Cabin Site Preparation.** To continue the Department's successful program of providing cabins at state parks and other public lands, for FY 2010, the Governor recommends \$250,000 from the Department Cabin Revenue Fund for site preparation, which includes construction of foundations and provision of utilities, for about 15 cabins. The cabin program is self-supporting through revenue from the use of cabins by the public.

**Special Assessment on Kaw River State Park.** The Department was notified in late FY 2008 that the City of Topeka had created an improvement district for the construction of a roundabout at the intersection of Wanamaker Road as it intersects with Sixth Avenue. The Kaw River State Park is included in this improvement district, and for FY 2010, the Governor recommends \$187,314 from the State General Fund allocation for parks rehabilitation and repairs to pay for this special assessment.

**Grounds Maintenance Storage Building Addition.** For an addition to the existing law enforcement storage facility at the Department's Operations Headquarters Facility in Pratt, the Governor recommends \$40,000 from special revenue funds for FY 2010. This addition will house equipment and personnel currently housed in an old shed and barn that are no longer structurally sound.

## Transportation

### Department of Administration

**Comprehensive Transportation Program (CTP) Bonds.** The 2004 Legislature authorized the issuance of \$210.0 million in bonds to support the Department of Transportation's CTP. The bonds are repaid through appropriations from the State General Fund to the Department of Transportation. For FY 2009, the Governor recommends debt service payments totaling

\$16,148,175, including \$7,010,000 for principal and \$9,138,175 for interest. For FY 2010, the Governor recommends a State General Fund interest-only payment of \$8,848,975.

**Kansas Department of Transportation**

The Governor recommends \$1,289,986,861 in FY 2009 and \$764,803,454 in FY 2010 for the Department of Transportation’s capital improvement projects. Included in the FY 2010 budget are funds for rehabilitation and repair projects; replacement of deteriorated roofs on the agency’s facilities; replacement of deteriorated equipment storage sheds at the area and sub-area shops; and construction of equipment bay extensions and chemical storage bunkers. The table on this page summarizes the Governor’s recommendations for expenditures that are

related to the Comprehensive Transportation Program by major classification of expenditure. The totals in the table do not match the total for capital improvement expenditures cited above, because the table includes only the Routine and Substantial Maintenance Programs as well as the agency’s Priority Bridge and System Enhancement projects.

<b>Transportation Program Construction Costs</b> <i>(Dollars in Thousands)</i>		
	<u>FY 2009</u>	<u>FY 2010</u>
Routine Maintenance	\$140,760	\$140,235
Substantial Maintenance	192,410	189,518
Major Mods.-Priority Bridge	447,641	287,243
System Enhancements	165,359	61,903
Total	\$946,170	\$678,899

## Expenditures for Capital Improvements by Project

	FY 2008 Actual	FY 2009 Gov. Estimate	FY 2010 Base Budget	FY 2010 Enhance. Pkg.	FY 2010 Gov. Rec.
<b>Educational Building Fund</b>					
Board of Regents					
Rehabilitation & Repair	--	--	15,000,000	--	28,700,000
Crumbling Classroom Debt Service	12,045,000	12,665,000	13,305,000	--	13,305,000
Emporia State University					
Rehabilitation & Repair	697,523	2,302,556	--	--	--
Fort Hays State University					
Rehabilitation & Repair	1,086,904	1,309,040	--	--	--
Kansas State University					
Rehabilitation & Repair	2,792,527	6,590,276	--	--	--
Pittsburg State University					
Rehabilitation & Repair	1,212,962	2,097,604	--	--	--
University of Kansas					
Rehabilitation & Repair	5,558,499	10,000,499	--	--	--
University of Kansas Medical Center					
Rehabilitation & Repair	1,777,105	1,816,571	--	--	--
Wichita State University					
Rehabilitation & Repair	1,210,080	2,280,506	--	--	--
<b>Subtotal--EBF</b>	<b>\$ 26,380,600</b>	<b>\$ 39,062,052</b>	<b>\$ 28,305,000</b>	<b>\$ --</b>	<b>\$ 42,005,000</b>
Crumbling Classrooms Interest	2,955,000	2,335,000	1,695,000	--	1,695,000
State Building Insurance Premium	415,000	475,000	--	475,000	475,000
<b>Total--EBF</b>	<b>\$ 29,750,600</b>	<b>\$ 41,872,052</b>	<b>\$ 30,000,000</b>	<b>\$ 475,000</b>	<b>\$ 44,175,000</b>
<b>State Institutions Building Fund</b>					
Social & Rehabilitation Services					
State Hospital Rehabilitation & Repair	3,923,580	7,590,406	5,107,650	5,632,210	4,062,950
State Hospital Rehab. & Repair Debt Serv.	1,230,000	1,265,000	1,305,000	--	1,305,000
State Security Hospital Debt Service	1,765,000	1,850,000	1,945,000	--	1,945,000
LSH--Construct Crisis Stabilization Unit	--	--	--	8,751,770	--
OSH--Expansion of SPTP	--	--	--	2,538,800	--
OSH--Expansion of SPTP Planning	--	--	--	581,552	--
Commission on Veterans Affairs					
KSH--Rehabilitation & Repair	319,512	540,380	150,000	--	150,000
KSH--Backup Generator Grant	51,284	68,788	--	--	--
KSH--HIPAA Compliant Nurses Station	32,500	--	--	--	--
KSH--Replace Windows at Pershing Hall	--	--	38,279	--	38,279
KSH--Repair Stone Foundations	--	--	130,000	--	130,000
KSH--Street Repair & Replacement	--	--	100,000	--	100,000
Soldiers Home Facility Conserv. Improv.	559,202	--	--	--	--
KVH--Rehabilitation & Repair	303,313	153,531	85,000	--	85,000
KVH--Emergency Exit Sidewalks	12,000	--	--	--	--
KVH--Tornado Shelter/Window Replacement	423,337	98,556	--	--	--
KVH--Replace Windows at Donlon Hall	--	--	176,505	--	176,505
School for the Blind					
Rehabilitation & Repair	41,210	104,936	74,361	3,718	78,079
Drainage System Installation	36,719	796	--	--	--
Reroof Brighton Building	--	83,263	--	--	--
Install Key Card Entry System	--	210,472	--	--	--
Enclose Breezeway	--	--	--	47,250	--
Install Backup Emergency Generator	--	--	--	115,763	--
Replace Air Conditioning Units	--	--	--	230,000	--
Replace & Reseal Driveway	--	--	--	80,078	--
Replace Roofs: Vogel, Johnson, Health Bldgs.	--	--	--	401,805	401,805
Replace Various Windows	--	--	--	187,500	--
Upgrade Campus Security System	--	--	--	105,236	--

## Expenditures for Capital Improvements by Project

	FY 2008 Actual	FY 2009 Gov. Estimate	FY 2010 Base Budget	FY 2010 Enhance. Pkg.	FY 2010 Gov. Rec.
School for the Deaf					
Rehabilitation & Repair	163,456	221,544	195,000	5,000	200,000
Roth Building Roof Repair	8,090	--	--	--	--
Roth Dorm Renovation	623	--	--	--	--
Roth Building Window Replacement	125,000	--	--	--	--
Install Fire Resistant Doors	--	162,000	--	--	--
Roth Building Exterior Repairs	--	--	--	198,000	--
Architect Fees for Roth Bldg. Dormitory	--	--	--	254,085	--
Upgrade Electrical Distribution System	--	--	--	242,000	242,000
Juvenile Justice Authority					
Rehabilitation & Repair	263	723,403	797,198	--	797,198
AJCF--Maintenance Building Construction	535,706	2,086	--	--	--
AJCF--Raze Maintenance Building	--	87,682	--	--	--
KJCC--Raze Living Units	--	420,004	--	--	--
Facility Construction Debt Service	1,975,000	2,075,000	2,180,000	--	2,180,000
BJCF--Raze Guest House	--	--	--	15,024	--
KJCC--Renovate Administration Building	--	--	--	3,074,411	--
Atchison Juvenile Correctional Facility					
Rehabilitation & Repair	193,594	877	--	--	--
Beloit Juvenile Correctional Facility					
Rehabilitation & Repair	193,822	--	--	--	--
Kansas Juvenile Correctional Complex					
Rehabilitation & Repair	128,783	19,581	--	--	--
Larned Juvenile Correctional Facility					
Rehabilitation & Repair	16,004	--	--	--	--
<b>Subtotal--SIBF</b>	<b>\$ 12,037,998</b>	<b>\$ 15,678,305</b>	<b>\$ 12,283,993</b>	<b>\$ 22,464,202</b>	<b>\$ 11,891,816</b>
SRS Projects--Interest	3,279,131	3,377,100	3,244,275	--	3,244,275
Juvenile Justice Projects--Interest	2,015,340	1,922,763	1,819,013	--	1,819,013
State Building Insurance Premium	66,126	95,844	100,000	--	100,000
LSH--City Water Treatment Support	--	124,827	124,827	--	124,827
<b>Total--SIBF</b>	<b>\$ 17,398,595</b>	<b>\$ 21,198,839</b>	<b>\$ 17,572,108</b>	<b>\$ 22,464,202</b>	<b>\$ 17,179,931</b>
<b>Correctional Institutions Building Fund</b>					
Department of Corrections					
Rehabilitation & Repair	84,280	3,890,823	3,231,303	--	3,231,303
Revenue Refunding Debt Service	1,689,697	1,689,697	1,689,697	--	1,689,697
Prison Capacity Expansion Projects Debt Serv.	--	--	--	--	95,000
El Dorado Correctional Facility					
Rehabilitation & Repair	104,651	85,976	--	--	--
Ellsworth Correctional Facility					
Rehabilitation & Repair	141,771	30,745	--	--	--
Hutchinson Correctional Facility					
Rehabilitation & Repair	340,521	180,259	--	--	--
Lansing Correctional Facility					
Rehabilitation & Repair	122,646	150,876	--	--	--
Larned Correctional Mental Health Facility					
Rehabilitation & Repair	221,880	139,337	--	--	--
Norton Correctional Facility					
Rehabilitation & Repair	934,061	227,745	--	--	--
Topeka Correctional Facility					
Rehabilitation & Repair	396,868	408,831	--	--	--
Winfield Correctional Facility					
Rehabilitation & Repair	95,827	396,760	--	--	--
<b>Subtotal--CIBF</b>	<b>\$ 4,132,202</b>	<b>\$ 7,201,049</b>	<b>\$ 4,921,000</b>	<b>\$ --</b>	<b>\$ 5,016,000</b>
State Building Insurance Premium	53,893	76,454	80,000	--	80,000
Department of Corrections Projects--Interest	--	--	--	--	35,461
<b>Total--CIBF</b>	<b>\$ 4,186,095</b>	<b>\$ 7,277,503</b>	<b>\$ 5,001,000</b>	<b>\$ --</b>	<b>\$ 5,131,461</b>



## Expenditures for Capital Improvements by Project

	FY 2008 Actual	FY 2009 Gov. Estimate	FY 2010 Base Budget	FY 2010 Enhance. Pkg.	FY 2010 Gov. Rec.
<b>State General Fund</b>					
Department of Administration					
Statehouse-Cedar Crest Rehab. & Repair	223,500	207,753	196,000	--	188,160
Judicial Center--Rehabilitation & Repair	100,000	97,000	98,000	127,000	94,080
Statehouse Renovation Debt Service	3,051,049	3,200,000	5,870,000	--	--
Judicial Center Improvements Debt Service	81,092	70,000	70,000	--	--
Energy Conservation Improvement Debt Serv.	575,000	--	70,000	--	--
Docking State Office Building Chillers	460,686	494,829	483,885	--	483,885
Comprehensive Transportation Prog. Debt Serv.	6,735,000	7,010,000	7,300,000	--	--
Utility Tunnel Repair	314,810	--	--	--	--
Capital Complex Maintenance	--	2,910,000	2,940,000	--	2,822,400
Docking Building--Fire Alarm Upgrade	--	--	--	269,927	--
Docking Building--Reconstruction Plan	--	--	--	1,000,000	--
Landon Building--Replace Controls	--	--	--	520,300	--
Landon Building--Emergency Stairwell Repairs	--	--	--	80,080	--
Landon Building--Fire Protection Upgrades	--	--	--	5,570,860	--
Landon Building--Chiller Replacement	--	--	--	4,142,351	--
Memorial Hall--Chiller Replacement	--	--	--	800,000	--
Memorial Hall--Stone Repair	--	--	--	575,000	--
Judicial Center Sprinkler System	--	--	--	1,075,000	--
Judicial Council					
Agency Move	30,834	--	--	--	--
Social & Rehabilitation Service					
Rehabilitation & Repair	2,098	--	--	--	--
Kansas Neurological Institute					
Energy Conservation Improvement Debt Serv.	158,800	--	--	--	--
Osawatomie State Hospital					
Rehabilitation & Repair	7,205	--	--	--	--
Parsons State Hospital					
Energy Conservation Improvement Debt Serv.	113,683	--	--	--	--
Rainbow Mental Health Facility					
Rehabilitation & Repair	100,665	--	--	--	--
Commission on Veterans Affairs					
Kansas Veterans Cemetery--Ft. Riley	1,875	--	--	--	--
KSH--Emergency Rehabilitation & Repair	15,214	--	--	--	--
School for the Blind					
Rehabilitation & Repair	1,695	--	--	--	--
Energy Conservation Improvement Debt Serv.	26,494	27,770	29,108	--	29,108
School for the Deaf					
Energy Conservation Improvement Debt Serv.	56,464	58,825	61,286	--	61,286
Board of Regents					
Postsecondary Ed. Institutions Debt Serv.	--	2,500,000	5,000,000	--	5,000,000
Kansas State University					
Lease-Purchase of Aeronautical Center	189,446	189,446	189,446	--	189,446
Kansas State University--ESARP					
Rehabilitation & Repair	78,286	--	--	--	--
Pittsburg State University					
Energy Conservation Improvement Debt Serv.	132,866	148,532	155,348	--	155,348
Readiness Center Debt Service	150,000	--	165,000	--	--
Rehabilitation & Repair	67,426	--	--	--	--
University of Kansas					
Rehabilitation & Repair	1,096,889	--	--	--	--
School of Pharmacy Planning	--	100,000	--	--	--
Energy Conservation Improvement Debt Serv.	687,458	725,782	688,383	--	688,383
University of Kansas Medical Center					
Rehabilitation & Repair	5,013	--	--	--	--
Energy Conservation Improvement Debt Serv.	370,000	395,000	415,000	--	415,000

## Expenditures for Capital Improvements by Project

	FY 2008 Actual	FY 2009 Gov. Estimate	FY 2010 Base Budget	FY 2010 Enhance. Pkg.	FY 2010 Gov. Rec.
Wichita State University					
Aviation Research Initiative Debt Service	1,215,000	1,275,000	1,340,000	--	--
Historical Society					
Steam Humidification System Replacement	--	188,185	--	--	188,185
Rehabilitation & Repair	135,783	100,000	125,000	--	97,500
Goodnow House Restoration	--	--	--	174,775	--
Grinter Place Exterior Restroom ADA Remodel	--	--	--	35,000	--
John Brown Museum Improvements	--	--	--	65,375	--
Native American Heritage Museum Repairs	--	--	--	47,250	--
Department of Corrections					
Rehabilitation & Repair	27,199	--	--	1,689,697	--
Revenue Refunding Bonds Debt Service	70,303	140,303	235,303	--	235,303
Ellsworth Correctional Facility Debt Service	1,580,000	--	--	--	--
Labette Conservation Camp Debt Service	140,000	150,000	150,000	--	--
Labette Conservation Camp Rehab. & Repair	100,910	50,067	--	--	--
RDU Relocation Bonds Debt Service	730,000	715,000	790,000	--	750,000
Infrastructure Projects Debt Service	--	625,000	645,000	--	--
Prison Capacity Expansion Projects Debt Serv.	--	--	--	90,000	--
El Dorado Correctional Facility					
Energy Conservation Improvement Debt Serv.	186,376	193,772	201,462	--	201,462
Ellsworth Correctional Facility					
Energy Conservation Improvement Debt Serv.	79,934	77,097	77,097	--	77,097
Hutchinson Correctional Facility					
Energy Conservation Improvement Debt Serv.	258,895	259,000	259,000	--	259,000
Lansing Correctional Facility					
Energy Conservation Improvement Debt Serv.	340,753	353,097	365,887	--	365,887
Larned Correctional Mental Health Facility					
Rehabilitation & Repair	22,335	--	--	--	--
Energy Conservation Improvement Debt Serv.	15,306	14,762	14,762	--	14,762
Norton Correctional Facility					
Energy Conservation Improvement Debt Serv.	155,637	161,988	168,598	--	168,598
Topeka Correctional Facility					
Energy Conservation Improvement Debt Serv.	65,311	64,015	64,015	--	64,015
Winfield Correctional Facility					
Rehabilitation & Repair	2,603	--	--	--	--
Energy Conservation Improvement Debt Serv.	130,311	130,911	130,911	--	130,911
Atchison Juvenile Correctional Facility					
Rehabilitation & Repair	--	--	--	--	--
Beloit Juvenile Correctional Facility					
Rehabilitation & Repair	19,071	--	--	--	--
Boiler Replacement	--	40,338	40,338	--	40,338
Kansas Juvenile Correctional Complex					
Rehabilitation & Repair	28,585	--	--	--	--
Larned Juvenile Correctional Facility					
Rehabilitation & Repair	4,890	--	--	--	--
Adjutant General					
Armory Repair Debt Service	1,095,784	95,000	1,395,000	--	--
Armory Construction at PSU	55,000	--	60,000	--	--
Great Plains Regional Training Ctr. Debt Serv.	--	290,000	300,000	--	300,000
Construct Great Plains Training Site #2	--	--	--	4,378,644	--
Liberal Vehicle Storage Expansion	--	--	--	370,428	--
Kansas Bureau of Investigation					
Rehabilitation & Repair	99,577	50,000	100,000	--	--
KBI Complex - Site Master Plan	--	50,000	--	--	--
Headquarters Land Acquisition	22,640	101,360	--	--	--
Back-up Generator Replacement	--	--	--	100,000	--
Topeka Forensic Science Laboratory	--	--	--	507,600	--

## Expenditures for Capital Improvements by Project

	FY 2008 Actual	FY 2009 Gov. Estimate	FY 2010 Base Budget	FY 2010 Enhance. Pkg.	FY 2010 Gov. Rec.
<b>Kansas Bureau of Investigations, Cont'd.</b>					
KC Forensic Laboratory Expansion	--	--	--	36,560	--
Great Bend Office/IMA Bldg. Renovation	148,196	--	--	--	--
Vehicle, Equipment, Evidence Storage Facility	--	--	--	140,400	--
Great Bend Office Rehab & Repair	--	--	--	140,000	--
Headquarters Building Acquisition Debt Serv.	270,000	--	315,000	--	--
Kansas State Fair					
Electrical Sub-Metering Equipment	25,000	--	--	--	--
Master Plan Debt Service	715,000	335,000	780,000	--	--
Department of Wildlife & Parks					
Parks Rehabilitation & Repair	1,258,653	1,451,640	1,500,000	--	492,872
Pratt Office Renovation	35,000	--	--	--	--
Kaw River State Park Development	83,550	--	--	--	--
Kaw River State Park Special Assessment	--	--	--	187,314	187,314
<b>Total--State General Fund</b>	<b>\$ 23,951,150</b>	<b>\$ 25,046,472</b>	<b>\$ 32,788,829</b>	<b>\$ 22,123,561</b>	<b>\$ 13,700,340</b>
<b>Expanded Lottery Act Revenues Fund</b>					
University of Kansas					
School of Pharmacy Expansion	--	--	15,540,000	--	--
Department of Wildlife & Parks					
Parks Rehabilitation & Repair	--	--	--	3,000,000	--
Purchase Riparian Easements	--	--	--	300,000	--
Webster Reservoir Water Rights	--	--	--	750,000	--
<b>Total--ELARF</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ 15,540,000</b>	<b>\$ 4,050,000</b>	<b>\$ --</b>
<b>Regents Restricted Funds</b>					
Board of Regents					
Research Initiative	4,025,000	4,765,000	4,975,000	--	--
Infrastructure Maintenance	--	--	15,000,000	--	--
Emporia State University					
Rehabilitation & Repair	204,132	--	--	--	--
Student Recreation Center	115,000	120,000	125,000	--	125,000
Residence Halls	335,000	--	--	--	--
Student Union Renovation	124,136	131,000	131,000	--	131,000
Twin Towers Renovation	50,000	380,000	375,000	--	375,000
Parking Lot Improvements	157,206	90,000	90,000	--	90,000
Infrastructure Maintenance	1,607,242	2,358,458	486,000	--	486,000
Fort Hays State University					
Rehabilitation & Repair	610,046	1,113,000	3,731,000	--	3,731,000
Infrastructure Maintenance	474,779	1,382,000	--	--	--
Energy Conservation Debt Service	200,276	194,258	209,590	--	209,590
Memorial Hall Renovation	290,808	300,000	310,000	--	310,000
Lewis Field Stadium Renovation	60,000	65,000	65,000	--	65,000
Student Housing	159,186	160,000	160,000	--	160,000
Parking Improvements	19,084	200,000	400,000	--	400,000
Kansas State University					
Rehabilitation & Repair	1,718,513	--	--	--	--
Repairs from Tornado	10,793,145	--	--	--	--
Student Union Renovation Debt Service	390,000	410,000	430,000	--	430,000
Parking Facility Debt Service	--	335,000	350,000	--	350,000
Energy Conservation Debt Service	1,069,257	1,109,534	1,160,285	--	1,160,285
Farrell Library Expansion Debt Service	180,000	190,000	200,000	--	200,000
Student Recreation Complex Debt Service	480,000	505,000	530,000	--	530,000
Ackert Hall Renovation Debt Service	100,000	105,000	110,000	--	110,000
Jardine Student Housing Debt Service	1,250,000	1,405,000	1,450,000	--	1,450,000
Salina Student Housing Debt Service	60,000	60,000	60,000	--	60,000
Steam Tunnel Repair	18,974	21,542	24,272	--	24,272
Parking Lot Improvements	1,238,799	1,000,000	600,000	--	600,000
Infrastructure Maintenance	2,768,722	15,544,000	3,000,000	--	3,000,000

## Expenditures for Capital Improvements by Project

	FY 2008 Actual	FY 2009 Gov. Estimate	FY 2010 Base Budget	FY 2010 Enhance. Pkg.	FY 2010 Gov. Rec.
Kansas State University--ESARP					
Rehabilitation & Repair	1,187,635	--	--	--	--
Grain Science Ctr. Feed Mill Debt Service	1,350,000	--	--	--	--
KSU--Veterinary Medical Center					
Rehabilitation & Repair	308,307	--	189,400	--	189,400
Pittsburg State University					
Rehabilitation & Repair	1,072,994	--	--	--	--
Energy Conservation Improvements Debt Serv.	342,399	356,206	373,879	--	373,879
Bonita Terrace Debt Service	55,000	85,000	85,000	--	85,000
Willard Hall Debt Service	130,000	135,000	145,000	--	145,000
Horace Mann Hall Debt Service	145,000	150,000	160,000	--	160,000
Jack H. Overman Student Center Debt Serv.	100,000	100,000	105,000	--	105,000
Student Housing	1,246,582	500,000	500,000	--	500,000
Parking Lot Improvements	213,356	100,000	100,000	--	100,000
Student Hospital	87,128	520,000	20,000	--	20,000
Jack H. Overman Student Center	--	250,000	250,000	--	250,000
Infrastructure Maintenance	2,567,319	2,153,000	773,000	--	773,000
University of Kansas					
Rehabilitation & Repair	10,596,957	2,651,242	1,000,000	--	1,000,000
Infrastructure Maintenance	11,066,476	8,570,830	2,676,000	--	2,676,000
Child Care Facility	2,123,045	155,036	145,000	--	145,000
Parking Improvements	--	800,000	800,000	--	800,000
Student Housing	770,000	795,000	825,000	--	825,000
Parking Facilities	905,125	890,000	925,000	--	925,000
Continuing Education Building	984,804	--	--	--	--
Student Recreation & Fitness Center	1,130,000	1,185,000	1,230,000	--	1,230,000
Student Union Addition	365,000	380,000	395,000	--	395,000
Energy Conservation Debt Service	--	14,200	14,200	--	14,200
Law Enforcement Training Center	--	670,000	695,000	--	695,000
Renovate Smissman Hall	--	2,338,000	--	--	--
School of Architecture	--	7,078,000	--	--	--
Student Health Facility	369,036	5,964	--	--	--
University of Kansas Medical Center					
Rehabilitation & Repair	936,621	--	500,000	--	500,000
Center for Health in Aging Debt Service	125,000	130,000	135,000	--	135,000
Research Support Facility Debt Service	230,000	240,000	250,000	--	250,000
Parking Improvements	125,000	130,000	130,000	--	130,000
Infrastructure Maintenance	871,252	5,430,909	400,000	--	400,000
Wichita State University					
Rehabilitation & Repair	1,112,412	--	--	--	--
Repair Campus Parking Lots	335,000	--	--	--	--
Energy Conservation Project Debt Service	624,637	649,522	675,399	--	675,399
Student Housing Debt Service	510,000	520,000	520,000	--	520,000
On-Campus Parking Improvements Debt Serv.	335,000	350,000	370,000	--	370,000
Infrastructure Maintenance	2,333,312	4,673,834	1,232,000	--	1,232,000
<b>Total--Regents Restricted Funds</b>	<b>\$ 73,153,702</b>	<b>\$ 73,950,535</b>	<b>\$ 49,591,025</b>	<b>\$ --</b>	<b>\$ 29,616,025</b>
<b>Special Revenue Funds</b>					
Department of Administration					
Landon State Office Building Facade Repair	2,081,859	--	--	--	--
Macvicar Avenue Assessment	--	1,285,749	--	--	--
Department of Commerce					
Rehabilitation & Repair	22,134	20,000	80,000	--	80,000
Topeka Workforce Building Debt Service	70,000	70,000	75,000	--	75,000
KC Workforce Bldg. Roof Replacement	--	110,000	--	--	--
Judicial Council					
Agency Move	1,531	--	--	--	--

## Expenditures for Capital Improvements by Project

	FY 2008 Actual	FY 2009 Gov. Estimate	FY 2010 Base Budget	FY 2010 Enhance. Pkg.	FY 2010 Gov. Rec.
Insurance Department					
Rehabilitation & Repair	51,601	60,000	60,000	--	60,000
Energy Conservation Improvement Debt Serv.	82,118	63,054	65,325	--	65,325
Social & Rehabilitation Services					
Rehabilitation & Repair	75,030	--	--	--	--
Chanute Office Building Rehab. & Repair	74,533	200,000	200,000	--	200,000
Kansas Neurological Institute					
Energy Conservation Improvement Debt Serv.	--	124,895	124,895	--	124,895
Osawatomie State Hospital					
Rehabilitation & Repair	22,908	--	--	--	--
Parsons State Hospital					
Energy Conservation Improvement Debt Serv.	--	113,670	113,670	--	113,670
Department of Labor					
Rehabilitation & Repair	49,109	40,000	80,000	--	80,000
Eastman Building--Purchase & Renovate	--	1,615,417	--	--	--
Remodel IT Unit at 1309 Topeka Blvd	--	--	232,304	--	232,304
Eastman Building Renovation Debt Service	68,316	71,743	82,214	--	82,214
Headquarters Renovation Debt Service	155,000	160,000	165,000	--	165,000
Commission on Veterans Affairs					
KSH--Rehabilitation & Repair	6,994	--	--	--	--
KSH--Backup Generator Grant	1,133,761	35,808	--	--	--
KVH--Rehabilitation & Repair	40,164	--	--	--	--
KVH--Tornado Shelter/Window Replacement	783,053	--	--	--	--
Kansas Veterans Cemetery--Fort Riley	5,503,039	676,694	500,000	--	500,000
Historical Society					
Historic Sites Preservation & Development	284,499	--	--	--	--
Cottonwood Ranch House Improvements	--	--	44,462	--	44,462
Museum Steam Humidification System	--	50,000	--	--	--
Pawnee Rock Structure Restoration	--	--	174,674	--	174,674
Shawnee Indian Mission Bridge Replacement	20,413	--	--	--	--
Shawnee Indian Mission Improvements	60,336	--	25,000	--	25,000
Department of Corrections					
Facility Rehabilitation & Repair	2,331,663	101,867	--	--	--
Correctional Industries Rehab. & Repair	5,969	--	--	--	--
Construct Industry Building at Hutchinson CF	316,938	--	--	--	--
Construct Industry Buildings at Lansing CF	--	1,594,000	170,000	--	170,000
Showroom Expansion at Topeka CF	376,419	--	--	--	--
El Dorado Correctional Facility					
Rehabilitation & Repair -- North Unit	9,808	--	--	--	--
Lansing Correctional Facility					
Construct Temporary Clinic	150,000	--	--	--	--
Beloit Juvenile Correctional Facility					
Rehabilitation & Repair	5,122	--	--	--	--
Kansas Juvenile Correctional Complex					
Rehabilitation & Repair	15,045	14,590	14,590	--	14,590
Adjutant General					
Armory Rehabilitation & Repair	2,496,074	1,000,000	1,000,000	--	1,000,000
Fusion Center	387,200	1,225,300	--	--	--
Highway Patrol					
Rehabilitation & Repair	1,715	--	--	--	--
Training Academy Debt Service	470,000	--	--	--	--
Fleet Facility Debt Service	220,000	230,000	240,000	--	240,000
Vehicle Inspection Facility Debt Service	45,000	45,000	50,000	--	50,000
Rehabilitation & Repair/Scale Replacement	126,772	262,000	267,800	--	267,800
Training Academy Roof & Boiler Replacement	--	845,199	579,917	--	579,917
Kansas Bureau of Investigation					
Renovate Headquarters	23,555	--	--	--	--
Headquarters Site Master Plan	--	90,000	--	--	--
Headquarters Land Acquisition	--	180,000	--	--	--

## Expenditures for Capital Improvements by Project

	FY 2008 Actual	FY 2009 Gov. Estimate	FY 2010 Base Budget	FY 2010 Enhance. Pkg.	FY 2010 Gov. Rec.
<b>Kansas State Fair</b>					
Grandstand & Pride of Kansas Roof Repair	246,182	--	--	--	--
Rehabilitation & Repair	146,871	112,064	114,306	--	114,306
Master Plan Debt Service	405,000	410,000	430,000	--	--
<b>Department of Wildlife &amp; Parks</b>					
Parks Rehabilitation & Repair	135,775	2,636,716	210,000	--	595,000
Other Facilities Improvement	102,951	86,118	421,000	--	421,000
Sebelius Reservoir Minimum Pool Increase	1,000,000	--	--	--	--
Pratt Office Renovation	95,477	--	--	--	--
Pratt Storage Building	--	--	40,000	--	40,000
Hatchery Improvements	1,174,102	282,751	--	--	--
Milford Fish Hatchery Renovation	32,405	--	--	--	--
Coast Guard Boating Projects	1,296	--	--	--	--
Tuttle Creek Mitigation Project	--	233,050	--	--	--
Bridge Maintenance	216,120	315,977	200,000	--	200,000
Roads Maintenance	2,478,410	3,472,180	1,617,470	--	617,470
Boating Access/Development	638,383	2,694,478	--	--	--
River Access	--	233,115	70,000	--	70,000
Federally Mandated Boating Access	329,948	--	1,100,000	--	1,100,000
Public Lands Major Maintenance	1,550,029	3,124,956	150,000	--	150,000
Kaw River State Park Development	47,000	--	--	--	--
Wetlands Acquisition/Development	--	395,667	266,800	--	266,800
Land Acquisition	897,343	1,002,790	1,351,732	--	1,351,732
Repair Shawnee State Fishing Lake Dam	--	780,000	--	--	--
Repair Scott State Fishing Lake Dam	--	--	650,000	--	650,000
General Dam Repair	--	145,000	--	--	--
Cabin Site Preparatiior	3,239	--	250,000	--	250,000
Webster Reservoir Water Rights	--	--	--	250,000	--
<b>Total--Special Revenue Funds</b>	<b>\$ 27,068,209</b>	<b>\$ 26,209,848</b>	<b>\$ 11,216,159</b>	<b>\$ 250,000</b>	<b>\$ 10,171,159</b>
<b>State Highway Fund</b>					
Kansas Department of Transportation					
KDOT Buildings--Rehab. & Repair	4,525,040	11,046,648	7,837,439	--	5,642,439
Substantial Maintenance	162,238,107	192,410,000	189,518,000	--	189,518,000
Debt Service on Highway Projects	50,330,000	52,990,000	99,930,000	--	99,930,000
City/County Construction	130,948,847	246,334,500	176,263,000	--	176,263,000
Construction Contracts	144,185,000	345,282,600	182,689,000	--	182,689,000
Construction Operations	115,793,898	136,598,056	85,383,938	1,427,946	83,624,598
Design Contracts	19,633,018	28,853,091	27,136,417	--	27,136,417
<b>Total--State Highway Fund</b>	<b>\$ 627,653,910</b>	<b>\$ 1,013,514,895</b>	<b>\$ 768,757,794</b>	<b>\$ 1,427,946</b>	<b>\$ 764,803,454</b>
<b>Total--State Capital Improvements</b>	<b>\$ 794,377,771</b>	<b>\$ 1,200,663,156</b>	<b>\$ 923,403,800</b>	<b>\$ 50,315,709</b>	<b>\$ 877,203,794</b>
<b>Off-Budget Expenditures</b>					
Department of Administration					
State Buildings Rehabilitation & Repair	104,324	400,000	400,000	--	400,000
Printing Plant Rehabilitation & Repair	--	75,000	75,000	--	75,000
Complex West Rehabilitation & Repair	60,354	60,353	60,353	--	60,353
State Facilities Improvements Debt Service	390,000	410,000	425,000	--	425,000
Printing Plant Debt Service	170,849	179,970	181,607	--	181,607
Memorial Hall Debt Service	250,000	260,000	275,000	--	275,000
Paint & Grounds Shop Debt Service	24,727	26,228	28,688	--	28,688
Eisenhower Building Debt Service	1,129,687	1,180,000	1,230,000	--	1,230,000
<b>Total--Off-Budget Expenditures</b>	<b>\$ 2,129,941</b>	<b>\$ 2,591,551</b>	<b>\$ 2,675,648</b>	<b>\$ --</b>	<b>\$ 2,675,648</b>



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# The Budget Process

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The purpose of this primer is to describe briefly the annual budget and appropriations process for the state.

The Governor, by KSA 75-3721, must present spending recommendations to the Legislature. *The Governor's Budget Report* reflects expenditures for both the current and upcoming fiscal years and identifies the sources of financing for them.

The Legislature uses *The Governor's Budget Report* as a guide as it appropriates the money necessary for state agencies to operate. Only the Legislature can authorize expenditures by the State of Kansas. The Governor recommends spending levels, while the Legislature chooses whether to accept or modify those recommendations. The Governor may veto legislative appropriations, although the Legislature may override any veto by a two-thirds majority vote.

**Fiscal Years.** It is important when reading the budget to consider which fiscal year is being discussed. The state *fiscal year* runs from July 1 to the following June 30 and is numbered for the calendar year in which it ends. The *current fiscal year* is the one which ends the coming June. The *actual fiscal year* is the year which concluded the previous June. The *budget year* refers to the next fiscal year, which begins the July following the Legislature's adjournment. Finally, *out-years* refer to the years beyond the budget year. In *The FY 2010 Governor's Budget Report*, the actual fiscal year is FY 2008, the current fiscal year is FY 2009, and the budget year is FY 2010.

By law, *The Governor's Budget Report* must reflect actual year spending, the Governor's revised spending recommendations for the current fiscal year, state agency spending requests for the budget year, and the Governor's spending recommendations for the budget year. The budget recommendations cannot include the expenditure of anticipated income attributable to proposed legislation. Expenditure data are shown by agency and category of expenditure in the schedules at the back of this volume. Those same data are included, by agency and program, in *Volume 2 of The Governor's Budget Report*.

**Annual-Biennial Budgets.** Appropriations for agency operating expenditures have been made on an annual

basis since 1956. With enactment of legislation in 1994, the budgets of 20 state agencies were approved on a biennial basis starting with FY 1996. They were all financed through fee funds. Since then, two of these merged and a non-fee agency was added, leaving the total at 20.

**Financing of State Spending.** Frequent reference is made to *State General Fund* expenditures and expenditures from *all funding sources*. Expenditures from all funding sources include both State General Fund expenditures and expenditures from special revenue funds. All money spent by the state must first be appropriated by the Legislature, either from the State General Fund or from special revenue funds.

The State General Fund receives the most attention in the budget because it is the largest source of the "uncommitted" revenue available to the state. It is also the fund to which most general tax receipts are credited. The Legislature may spend State General Fund dollars for any governmental purpose.

Special revenue funds, by contrast, are dedicated to a specific purpose. For instance, the Legislature may not spend monies from the State Highway Fund to build new prisons. The State Highway Fund, which is the largest state special revenue fund, can be used only for highway purposes. It consists primarily of motor fuel taxes, federal grants, vehicle registration fees, and a dedicated portion of sales and use tax. Other examples of special revenue funds are the three state building funds, which are used predominantly for capital improvements; federal funds made available for specific purposes; and the Board of Accountancy Fee Fund, which can be used only to support operations of the Board. The Economic Development Initiatives Fund, the Children's Initiatives Fund, the Kansas Endowment for Youth Fund, the Expanded Lottery Act Revenues Fund, and the State Water Plan Fund are special revenue funds. However, these funds function the same as the State General Fund.

**Revenue Estimates.** The tool used by both the Governor and the Legislature to determine State General Fund revenue is the "consensus revenue estimate" prepared by the Consensus Revenue Estimating Group.

The consensus revenue estimate is important because both the Governor and the Legislature base their budget decisions on it. The estimate is categorized by major source and covers a two-year period: the current year and the budget year. In addition, KSA 75-6701 requires that the Director of the Budget and the Director of the Legislative Research Department certify a joint estimate of State General Fund resources to the Legislature. The revenue estimating process is the source of that estimate.

The Consensus Revenue Estimating Group is composed of representatives of the Division of the Budget, the Department of Revenue, the Legislative Research Department, and one consulting economist each from the University of Kansas, Kansas State University, and Wichita State University. The Director of the Budget serves as unofficial chairperson.

The Consensus Revenue Estimating Group meets each spring and fall. Before December 4 (typically in November) of each year, the group makes its initial estimate for the budget year and revises its estimate for the current year. The results are reported to the Governor, Legislature, and public in a joint memorandum from the Director of Legislative Research and the Director of the Budget. The group meets again before April 20 to review the fall estimate and additional data. The group then publishes a revised estimate which the Legislature may use in adjusting expenditures, if necessary.

The consensus revenue estimate is the official revenue projection for the State General Fund. Estimates of revenues to other funds are prepared by individual state agencies, reviewed by the Division of the Budget, and included in *The Governor's Budget Report*.

The State General Fund consensus revenue estimate for FY 2010 is \$5.8 billion, which is subject to revision in April 2009. This estimate and the assumptions upon which it is based are discussed in the State General Fund Revenues section of this volume. A complete discussion of the economy is included in *The Governor's Economic and Demographic Report*. This report is prepared by the Division of the Budget and a Wichita State University economist.

**Budget Balancing Mechanisms.** This term refers to KSA 75-6701 to 75-6704. The purpose of the law is

to ensure an adequate operating balance in the State General Fund. The practical effect of this provision is to target the ending balance in the State General Fund to be at least 7.5 percent of authorized expenditures and demand transfers in the budget year. The statutory provisions were suspended for the first time for FY 2003, and the suspension was continued in FY 2004, FY 2005, 2006, 2007, 2008 and 2009.

The "spending lid" statute requires *The Governor's Budget Report* and actions of the Legislature to comply with its provisions. An "Omnibus Reconciliation Spending Limit Bill" must be the last appropriation bill passed by the Legislature. The purpose of the bill is to reconcile State General Fund expenditures and revenues by reducing expenditures, if necessary, to meet the provisions of the "spending lid."

The final provision of the "spending lid" act allows the Governor to reduce State General Fund expenditures in the current fiscal year, when the Legislature is not in session, by an amount not to exceed that necessary to retain an ending balance in the State General Fund of \$100.0 million. The Governor must make the reductions "across the board" by reducing each line item of expenditure by a fixed percentage. The only exceptions are debt service obligations, state retirement contributions for school employees, and transfers to the School District Capital Improvements Fund. The reductions must be approved by the State Finance Council.

In addition to the "spending lid" act, the Governor has the authority under a statutory allotment system to limit expenditures of the State General Fund and special revenue funds when it appears that available monies are not sufficient to satisfy expenditure obligations. This authority applies to agencies of the Executive Branch but not the Legislature or the Judiciary. Allotments can be made on a case-by-case basis and do not have to be across the board. Agencies have the right to appeal any allotment amount and the Governor makes the final determination. The allotment system had not been used for 30 years; however, budget problems in FY 2003 required reductions to be made twice under this law.

**Classification of State Spending.** The State of Kansas classifies state spending by function of government and by category of expenditure. Function of government is a grouping of agencies which make

expenditures for similar programs and purposes. There are six functions of government: general government, human services, education, public safety, agriculture and natural resources, and transportation. Category of expenditure classifies expenditures according to budgeting and accounting objects of expenditure (state operations; aid to local governments; other assistance, grants, and benefits; and capital improvements).

Each of the six functions of government is discussed in a section of this volume. The following is a brief description of each function.

<b>FY 2010 Expenditures by Function</b>		
<i>(Dollars in Millions)</i>		
	<u>SGF</u>	<u>All Funds</u>
General Government	\$ 248.3 4.0%	\$ 778.4 6.0%
Human Services	\$ 1,462.6 23.8%	\$ 4,148.0 32.2%
Education	\$ 3,993.2 64.9%	\$ 5,908.4 45.9%
Public Safety	\$ 401.5 6.5%	\$ 606.9 4.7%
Agriculture & Natural Resources	\$ 30.5 0.5%	\$ 180.8 1.4%
Transportation	\$ 8.8 0.1%	\$ 1,250.3 9.7%
Undrmkt. Sal. Adj.	\$ 8.5 0.1%	\$ 8.5 0.1%
Total	\$ 6,153.5 100.0%	\$ 12,881.4 100.0%

*Totals may not add because of rounding.*

*General Government* includes state agencies with both administrative and regulatory functions. These agencies include elected officials (the Governor, Secretary of State, etc.) and the Department of Administration. The Board of Nursing, the Kansas Corporation Commission, the Racing and Gaming Commission, and the Department of Revenue are examples of agencies that perform a regulatory function. Other general government agencies include

the Legislature and the Judiciary. Approximately 6.0 percent of total expenditures and 4.0 percent of State General Fund expenditures recommended by the Governor for FY 2010 are for General Government.

Agencies in the *Human Services* function provide services to individuals. Such services include the nutrition programs of the Department on Aging; care of the developmentally disabled as well as financial assistance and social services by the Department of Social and Rehabilitation Services; health care programs administered by Kansas Health Policy Authority; services to veterans provided by the Kansas Commission on Veterans Affairs; job training placement assistance provided by the Department of Labor; and Division of Health programs in the Department of Health and Environment. Expenditures recommended for Human Services for FY 2010 constitute 32.2 percent of all recommended expenditures and 23.8 percent of State General Fund expenditures.

The *Education* function agencies provide various educational services to Kansans. While Regents institutions and the Board of Education provide direct education services, services by agencies such as the State Library are indirect in nature. Recommended Education expenditures represent 45.9 percent of total expenditures for FY 2010 and 64.9 percent of the State General Fund expenditures.

*Public Safety* agencies ensure the safety and security of Kansas citizens. Agencies in this function include the Department of Corrections and law enforcement agencies. Also included are the Juvenile Justice Authority and the juvenile correctional facilities, the Highway Patrol, and the Kansas Bureau of Investigation. Public Safety expenditures constitute 4.7 percent of the total recommended expenditures for the FY 2010 budget and 6.5 percent of recommended expenditures from the State General Fund.

*Agriculture and Natural Resources* agencies protect the natural and physical resources of the state and regulate the use of those resources. The FY 2010 expenditures recommended by the Governor constitute 1.4 percent of total expenditures and 0.5 percent of State General Fund expenditures. Agencies included in this function are the Department of Agriculture, the Division of Environment of the Department of Health and Environment, and the Department of Wildlife and Parks.

*Transportation* includes only the Department of Transportation and bond payments in the Department of Administration. Responsibilities of this agency include maintenance and construction of highways in Kansas. Recommended expenditures constitute 9.7 percent of the total recommended budget for FY 2010 and 0.1 percent of the recommended State General Fund expenditures.

Categories of expenditure are based on accounting objects of expenditure. The four general categories are state operations; aid to local governments; other assistance, grants, and benefits; as well as capital improvements. The first three categories constitute what are called operating expenditures.

Following is a brief guide to the general categories of expenditure:

*State Operations* includes expenditures incurred conducting the day-to-day business of state government. The largest category of these costs is the salaries and wages paid to state employees. Expenditures in this category constitute 29.8 percent of the FY 2010 total budget and 24.2 percent of the State General Fund budget.

*Aid to Local Governments* consists of payments made to governments which provide services at the local level and in most cases have taxing authority. General State Aid to school districts is an example; it consists of more than \$2,126.2 million for FY 2010. This category constitutes 32.9 percent of the FY 2010 total budget and 55.2 percent of the State General Fund budget.

*Other Assistance, Grants, and Benefits* constitutes payments to individuals and agencies that are not governments. Medicaid payments, financial aid for postsecondary education, nutrition assistance for mothers and their babies, and temporary assistance for needy families are examples. This category includes 30.5 percent of total expenditures in FY 2010 and 20.4 percent of the State General Fund.

*Capital Improvements* include highway construction costs as well as the cost of rehabilitation and repair, razing, remodeling, and construction of state-owned buildings and other facilities. Some of these projects are financed by bond issues. The cost of that portion of the debt service payment on bonds that represents

the principal is also included in this category. By far the largest portion of the expenditures in this category is highway construction costs. Capital improvement expenditures represent 6.8 percent of total expenditures in FY 2010 and 0.2 percent of State General Fund expenditures. Included in this volume are separate sections on capital improvements and debt service.

<b>FY 2010 Expenditures by Category</b>		
<i>(Dollars in Millions)</i>		
	<u>SGF</u>	<u>All Funds</u>
State Operations	\$ 1,488.7 24.2%	\$ 3,833.3 29.8%
Aid to Local Governments	\$ 3,394.1 55.2%	\$ 4,241.1 32.9%
Other Assistance, Grants, & Benefits	\$ 1,256.9 20.4%	\$ 3,929.8 30.5%
Capital Improvements	\$ 13.7 0.2%	\$ 877.2 6.8%
Total	\$ 6,153.5 100.0%	\$ 12,881.4 100.0%

*Totals may not add because of rounding.*

**State Employees.** A major part of the state operations category of expenditures is salary and wage payments to employees in the State Civil Service. For FY 2010, 19.1 percent of all expenditures are budgeted for salaries and wages.

The State Civil Service, by KSA 75-2935, includes the classified and the unclassified service. Employees hired to fill positions in the classified service must be hired on the basis of merit as determined by standardized requirements for knowledge, skills, and abilities. These employees are also promoted and discharged according to rules and regulations established for administration of the Kansas Civil Service Act.

The classified personnel service includes *regular* full-time and part-time positions. The classified service also includes the following special types of appointments:

*Limited Term* appointments are made in cases where the position will be eliminated at the end of a predetermined length of time as stipulated in a federal

grant or contractual agreement. Except for this time factor, which means an employee in one of these positions has no layoff rights, limited term appointments are the same as classified positions.

*Temporary* positions may be either classified or unclassified. Those positions in the classified service require the employee filling the position to work no more than 999 hours in a 12-month period. The unclassified temporary category in the SHARP personnel and payroll system consists of two groups: those that truly are temporary and non-FTE unclassified permanent positions. Positions in the second group are counted as part of the state workforce because they participate in the state retirement system.

The regular unclassified service includes full-time and part-time positions specifically designated as being in the unclassified service. Typically these positions are defined by certain agencies, or types of agencies, for particular purposes. Examples are all employees of the Legislature; teaching, research, student, and health care employees of the Regents institutions; and all employees of the courts. Unclassified positions are governed by rules and regulations of the appointing agencies and are not subject to Civil Service Act rules and regulations.

**Children’s Budget.** KSA 75-3717(a)(2) requires that the Governor include in *The Governor’s Budget Report* a listing of all state agency programs that “provide services for children and their families.” The information is summarized in the Children’s Budget, which includes expenditures from all funding sources and from the State General Fund, by agency and by project; the number of children or families served in each program; and a brief description of each of the agency programs.

**Budget Process.** Producing a budget is a continuous process. However, it does have certain discrete phases. In the Executive Branch, the budget process begins as soon as the legislative session ends. At that time, the budget staff prepares *The Comparison Report*. This report compares the budget recommended by the Governor for the current and budget fiscal years to the budget approved by the Legislature.

In June, budget instructions are distributed by the Division of the Budget to state agencies. These

instructions include allocations that each Executive Branch agency uses in budget preparation and instructions for preparing a capital budget for the budget year based on the approved budget for the current fiscal year, as adjusted for one-time expenditures, caseloads, and the annualization of partial-year funding. Enhancement packages and reduced resource packages are also a part of budget preparation.

On July 1, agencies use the budget instructions to submit a capital budget. The capital budget contains a five-year plan, which includes the capital improvement requests for the current year, the budget year, and four out-years following the budget year.

Concurrent with preparation of financial segments of the agency budget is completion of agency strategic plans that are submitted with the budget in September. Agency strategic plans establish a clear definition of mission and a direction for the future; develop agency-wide work plans and agency-specific objectives as well as strategies for fulfilling the agency mission; and allocate resources according to priority and ensure accountability for the use of those resources. As part of the strategic planning process, agencies identify an agency mission, agency philosophy, goals and objectives, and performance measures to track progress toward the plan.

Agencies are requested to prepare one complete operating budget for submission on September 15. For Executive Branch agencies, the submission is based on an allocation prepared by the Division of the Budget in June. Each Executive Branch budget submission also includes reduced resource packages that detail how the services provided by the agency would be affected under a reduced resource scenario. The Division of the Budget also prepares a reduction amount for these agencies to use in preparing their reduction packages. Agencies may also submit requests for incremental additions to their base budgets in the form of enhancement packages that represent new programs or the expansion of existing ones. All of the budget components are intended to reflect program priorities.

According to law, the Governor cannot make a recommendation with respect to the budget request submitted by the Judiciary. As a matter of policy, the Governor treats the legislative budgets in the same way, although pay plan adjustments are made.

Therefore, the Governor includes these budgets as requested to present a complete state budget that accounts for all demands for state funds. Modification to the Judiciary and Legislative Branch budgets, if any, is now the responsibility of the Legislature.

The individual budgets submitted by state agencies show program expenditures with appropriate funding sources for each program within the agency. These data are shown for the actual fiscal year, the current year, and the budget year. Budget submissions also document performance that relates to the outputs and outcomes identified in the agency's strategic plan. Evaluation of performance provides a means for weighing budget alternatives.

Beginning September 15, analysts in the Division of the Budget review agency budget requests. The Division of the Budget recommendations, based on those analyses, are provided to each state agency by November 10. The agencies then have ten days to determine whether to appeal those recommendations to the Secretary of Administration. Many appeal the recommendations in writing; some also request an appointment to present an oral appeal.

Once the appeal process has been completed, the Division of the Budget staff prepares its presentations for the Governor. An analysis of the difference between the Division of the Budget recommendations and the agency's request, including the effect on performance, is presented to the Governor. The analysis includes the agency's request and the basis for it, the Division of the Budget recommendation and the basis for it, and the agency's appeal, if any. The Governor uses this information to make budget determinations for all Executive Branch agencies. The Division of the Budget then aggregates final recommendations and prepares *The Governor's Budget Report*.

During this same period, between September 15 and commencement of the legislative session in January, the Legislative Research Department's fiscal staff also is analyzing agency budgets. Following receipt of the Governor's recommendations, legislative fiscal analysts update their analysis for each agency to reflect the recommendations of the Governor. These updated budget analyses are printed in the Legislative Research Department's annual analysis and copies are distributed to each legislator.

**Consideration by Legislature.** The Governor's budget recommendations are drafted into appropriation language by the Office of the Revisor of Statutes. Appropriations are usually divided into three parts: supplemental appropriations, capital improvement appropriations, and budget year expenditure authority for all agencies except biennial agencies, whose expenditure authorizations cover a two-year period. The appropriations are simultaneously considered by the Ways and Means Committee of the Senate and the Appropriations Committee of the House.

The Chairperson of the Ways and Means Committee appoints Senate Subcommittees and the Speaker appoints House Budget Committees to consider appropriations for various agencies. They vary in size; usually between two and nine persons are named to a subcommittee or budget committee. After reviewing the budget requests, the subcommittee or budget committee drafts a report which details all budgetary adjustments to the Governor's budget recommendations. The House Budget Committees make recommendations to the House Appropriations Committee. The budget committee or subcommittee report may contain administrative or programmatic recommendations.

The subcommittee or budget committee report is presented to the full committee for consideration. A committee may adjust the recommendations of its subcommittee or budget committee in any area or it may adopt the entire report as submitted. The appropriations are reprinted in order to reflect the recommendations of the full committee. The appropriations are then presented to either the House or Senate, which may amend or reject them.

**Conference Committee Action.** Upon completion of consideration of the appropriations by both chambers, the bills typically go to a conference committee so that differences between the House and Senate versions can be reconciled. Each chamber then votes to accept or reject this appropriation bill. If either chamber rejects the conference committee report on the appropriation bill, it is returned to the conference committee for further review and for possible modification.

**Omnibus Appropriation Bill.** Traditionally, this has been the last appropriation bill of the session. It contains any appropriation necessary to carry out the intent of the Legislature that has not yet been included in another appropriation bill. Since the advent of the statutory requirement for an Omnibus Reconciliation

Spending Limit Bill to be passed at the end of the session, the Omnibus Appropriation Bill has served as the reconciliation bill.

**State Finance Council.** The State Finance Council is a statutory body that provides a mechanism for making certain budgetary and personnel adjustments when the Legislature is not in session. The Council consists of nine members: the Governor, the Speaker of the House, the President of the Senate, the House and Senate majority leaders, minority leaders, as well as Ways and Means and Appropriations Committee chairpersons.

The Governor serves as chairperson of the Finance Council. Meetings are at the call of the Governor, who also prepares the agenda. Items are eligible to receive Finance Council consideration only if they are characterized as a legislative delegation to the Finance Council. Approval of Finance Council items typically requires the vote of the Governor and a majority of the legislative members.

Present statutes characterize the following items of general application to state agencies as legislative delegations, allowing them to receive Finance Council approval under certain circumstances:

1. Increases in expenditure limitations on special revenue funds and release of State General Fund appropriations.
2. Authorization for state agencies to contract with other state or federal agencies, if the agencies do not already have such authorization.

3. Authorization of expenditures from the State Emergency Fund for purposes enumerated in the statutes.
4. Increases in limitations on positions imposed by appropriation acts on state agencies.
5. Approval of the issuance of certificates of indebtedness to maintain a positive cashflow for the State General Fund.
6. Approval to issue bonds for capital projects when an agency has been granted bonding authority.

Certain other items of limited application are characterized as legislative delegations by individual legislative acts, allowing them to be subject to Finance Council action. The Finance Council cannot appropriate money from the State General Fund, authorize expenditures for a purpose that specifically was rejected by the previous legislative session, or commit future legislative sessions to provide funds for a particular program.

The chart on the next page is intended to capture the essential elements of the budget process on a single page over the course of a complete yearly cycle and to depict the roles and interactions of the primary agencies involved in developing and approving the state budget.

*Prepared by the Division of the Budget in cooperation with the Legislative Research Department.*



# Kansas Budget Cycle

	June	July	August	September	October	November	December	January	February	March	April	May
<b>State Agencies</b>	Prepare 5-year capital improvement plans for submission July 1		Prepare budgets in budget system & submit to Budget Division & Legislative Research							Review budgets & request amendments to update the Governor's recommendations		
<b>Governor &amp; Budget Division</b>	Budget Division issues instructions & allocations to agencies in developing budget requests	Budget Division conducts agency budget training, analyzes capital projects, & makes on-site agency visits		Budget staff analyzes agency budget requests & makes preliminary recommendations	Budget Division recommendations to agencies & agency appeals are heard	Governor develops recommendations to the Legislature & Budget Division prepares budget documents	Governor submits <i>Budget Report</i> to Legislature by 8th calendar day of the Session (21st day for new Governor)	Budget Division prepares fiscal notes on legislative bills, drafts introduced version of appropriation bills, tracks legislative adjustments to Governor's recommendations, & prepares amendments to Governor's original recommendations for the Omnibus Bill	Budget Division reconciles final budget numbers with legislative fiscal staff & prepares post-session report			
<b>Consensus Revenue Estimating Group</b>					Project State General Fund revenues						Project State General Fund revenues	
<b>Legislative Fiscal Staff</b>	Legislative fiscal staff prepares <i>Fiscal Facts, Appropriations Report</i> , & works with interim legislative committees			Legislative fiscal staff analyzes agency budget requests, begins to prepare Budget Analysis, & continues to work with interim committees			Fiscal staff analyzes Governor's budget recommendations & Senate completes the Budget Analysis	Legislative fiscal staff works with subcommittees & budget committees of Senate Ways & Means & House Appropriations on finalizing the budget	Fiscal staff prepares items for Omnibus Bill consideration & works with Legislature to develop Omnibus Bill	Legislative fiscal staff reconciles final budget numbers with Budget Division & prepares post-session report		
<b>Legislature</b>	Legislative interim committees review assigned topics; House Appropriations, Senate Ways & Means, Legislative Post Audit, & State Building Committee tour state (October of odd numbered years)											
								Subcommittees of House Appropriations & Senate Ways & Means begin review of agency budgets	Appropriations bills are reviewed & acted upon in the House & Senate	Conference Committees resolve differences in appropriations bills	Omnibus Bill considered & acted upon	Legislature adjourns

The State of Kansas observes the following financial policies to manage fiscal affairs responsibly.

### **Operating Policies**

The state, through performance budgeting principles, allocates available public resources in keeping with the goals and objectives of state agencies as embodied in their strategic plans.

The state emphasizes the preservation of existing capital facilities over the construction of new ones. A major portion of the Educational Building Fund for universities, Correctional Institutions Building Fund for correctional facilities, and State Institutions Building Fund for hospitals and juvenile correctional facilities is dedicated to rehabilitation and repair.

### **Revenue Policies**

The state maximizes the use of fee funds, federal funds, and other special revenues to preserve the integrity of the State General Fund and ensure budgetary flexibility.

The state uses consensus revenue estimates developed by executive and legislative professional staff as well as university economist consultants as the basis for budgetary decisionmaking.

The state collects taxes, penalties and interest, and other revenues. Internally, state collection units make multiple efforts to collect amounts due the state by using administrative procedures and liens against property. Persistent delinquencies are pursued through legal proceedings and, after exhausting all remedies, may be referred to a private collection agency.

### **Cash Management Policies**

On a daily basis, the state monitors receipts into, and expenditures out of, the state treasury. Ensuring the state has adequate resources at the time obligations occur is the primary goal. Certificates of indebtedness are the first tool used to meet this goal. Managing the timing of expenditures is a secondary tool.

The state invests idle funds to match these anticipated cashflow needs by using commercial paper, repurchase agreements, government securities and collateralized bank deposits to provide safety, liquidity, and yield in that order.

### **Debt Service Policies**

The state incurs debt through the issuance of revenue bonds mainly to finance capital improvements, equipment, certain grant programs, and reducing the unfunded liability of the KPERS Fund. The use of debt financing for operating expenses in state government is limited.

The constitution allows for the issuance of general obligation bonds subject to certain restrictions. However, the state has not exercised this authority for many years.

The most recent issuer credit ratings for the State of Kansas are AA+ by Standard and Poor's and Aa1 by Moody's Corporation. These ratings indicate that the state has a strong capacity to meet its financial commitments and reflect the following credit factors: a relatively diverse economic base, conservative fiscal management, and a low debt burden.

### **Reserve Policy**

State law requires an ending balance of at least 7.5 percent of total expenditures in the State General Fund for the Governor's budget recommendations and the legislative-approved budget.

### **Accounting, Auditing, & Reporting Policies**

The state prepares financial statements in accordance with generally accepted accounting principles, and an independent certified public accounting firm conducts a financial and compliance audit of those statements. As a part of that statewide audit, compliance and control audits of individual agencies are performed at least once every three years. For budgeting, the state avoids double counting expenditures by treating non-expense items and a number of "off budget" expenses as non-reportable.

# Basis of Budgeting

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## Revenue

Receipts to funds in Kansas generally are credited on a cash basis, not as accounts receivable. However, each July 1 for cashflow purposes, the Educational Building Fund, Correctional Institutions Building Fund, and State Institutions Building Fund are credited with receipts totaling 95.0 percent of each fund's actual receipts in the previous fiscal year. In a similar manner, the Children's Initiatives Fund, the Economic Development Initiatives Fund, and the Kansas Endowment for Youth Fund receive credits at the beginning of the year for cashflow needs.

## Encumbrances

For budgeting purposes, encumbrances are treated as reportable expenditures; therefore, no distinction is made between cash outlays or liquidated and unliquidated encumbrances. Encumbrances, along with the funds to liquidate them, are attributed to the fiscal year in which they were incurred.

## Expenditures

Expenditures are separated into two categories: reportable and non-reportable. Reportable expenses are direct cash outlays and encumbrances for salaries and wages; other operating expenditures; aid to local governments; other assistance, grants, and benefits; and capital improvements incurred by state agencies. In general, the dollars reported throughout the budget, especially the accumulated totals in statewide tables and schedules, are reportable expenditures.

With debt-financed projects, the debt service is reported, not the cost of the project. The interest portion of capital projects is an operating expense, whereas the principal portion is a capital expense.

The budgeting and accounting systems differ in their reporting of certain capital costs. For example, a facility purchased by bonds through the Kansas Development Finance Authority and leased to a state agency is reported as a lease/rental cost to the agency in the accounting system. In budgeting, it is reported

as a capital improvement cost because a facility is being added to the state's inventory of capital assets.

For budgeting purposes, there are several kinds of non-reportable expenditures. Chief among these are so-called "off budget" expenditures in the Department of Administration. Dollars spent in many state agencies' budgets for printing services, for example, are spent again to operate the Printing Plant. The agencies' costs are treated as reportable and the Printing Plant's non-reportable to avoid counting the same dollars twice. These non-reportable expenditures are included separately in the budget reports, but they are not included in statewide totals.

Other non-reportable expenditures are clearing and suspense funds, revolving funds, inmate or patient benefit and trust funds, bond proceeds, and non-expense items, such as refunds. Bond proceeds are not included in the budget report, except for those of the Comprehensive Transportation Program.

## Balances

Beginning and ending fund balances for budgeting purposes generally reflect unencumbered cash balances only. For example, if an encumbrance in a prior fiscal year has not been liquidated, the accounting system still shows the amount of the cash reserve set aside to liquidate that encumbrance. Budget reports, on the other hand, deduct the amount from the balance in the prior fiscal year, so none of the fund activity of the prior fiscal year distorts activity in later years. Thus, for trend analysis and other budgeting purposes, it is important to show fund activity in the fiscal year to which it is attributed. The current cash status reports of the accounting system, by contrast, are more important for cash management.

Funds that become unencumbered when a cash outlay is made are shown as an addition to the beginning balance of the fiscal year following the year from which the funds were unencumbered, except released encumbrances from the State General Fund are credited to the 27th Payroll Adjustment Account. The effect is to increase available funds; however, reported expenditures in prior fiscal years are not adjusted for the unencumbered amounts.

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## Budget Preparation

Budget preparations for the FY 2010 budget cycle were affected by the downturn in the national economy and a declining State General Fund revenue forecast.

General instructions for budget preparation were sent to agencies in June 2008, but soon after, the Governor issued a directive to cabinet agencies and a request to other state agencies to immediately begin taking steps to cut spending so that the approved FY 2009 budget could be reduced by 1.0 to 2.0 percent. Agencies were instructed to incorporate their 1.0 to 2.0 percent reductions as part of their revised FY 2009 budget request. The Governor's directive did not apply to school finance, human service caseloads, or debt service.

In July 2008, the Division of the Budget provided agencies with allocated amounts for the use of State General Fund and Economic Development Initiatives Fund in FY 2010. Agencies were instructed to build their base FY 2010 budget requests within the allocated amounts.

Allocations were based on an agency's approved FY 2009 budget minus 2.0 percent. Limited amounts were added to the allocation to cover expected increased costs for state employee health care, KPERs contributions, and workers compensation.

Agencies that wished to request funds beyond the amounts allocated were instructed to ask for the funding as an enhancement. Also, agencies were directed to submit reduced resource packages that outlined how their allocated budget amount could be reduced by 5.0 percent, if necessary.

The Legislative and Judicial Branches of government were not given allocations as part of their budget

instructions, nor were they expected to submit reduced resource packages, although the Governor did formally request that the other two branches of government participate in current year reductions. As a matter of practice, the budget requests of these branches of government have been included in the Governor's recommendations as requested, and without changes other than adjustments applied to all agencies for employee benefit costs.

Agency budget requests were due to the Division of the Budget on September 15. The Division used the submitted requests to develop an initial set of recommendations for each agency and distributed those recommendations to agencies on November 10. In the initial part of budget review, Division analysts worked to arrive at revised FY 2009 budget recommendations at least 2.0 percent lower than the approved budget. In early November, the Consensus Revenue Estimate for FY 2009 was revised downward by \$211.4 million. In response, the Governor directed agencies to plan for reductions of 3.0 percent in FY 2009, and Division analysts made further reductions to their recommendations for each agency.

Written appeals to the Division of the Budget recommendations were due by November 20. Agency appeals presented in person were heard November 21 and 24.

The Governor developed her final recommendations in December after considering the state's financial situation, recommendations made already by the Division of the Budget, agency appeals, and other factors. Because of the unusual and challenging circumstances, it was necessary for the Governor's final expenditure recommendations to be even lower than the levels recommended in November by the Division.



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# Glossary

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## **Appropriation**

An amount of money for a particular purpose that an agency is authorized to spend during a fiscal year. In Kansas, the entire amount is available at the start of the fiscal year. Allotments to agencies during the fiscal year are authorized only in emergencies.

## **Base Budget**

A level of expenditure for the forthcoming fiscal year based on the approved budget of the preceding year, as adjusted for the deletion of one-time expenses and the addition of funds to annualize partial year funding in the preceding fiscal year or for caseloads in entitlement programs. The base budget serves as the reference point for enhancements and reduced resource deletions.

## **Biennial Budget**

A budget which plans revenues and expenditures for the two forthcoming fiscal years, rather than one year. The 1994 Legislature enacted legislation requiring fee-funded agencies to submit biennial budgets beginning on September 15, 1994, for FY 1996 and FY 1997. The 2001 Legislature made the budget of the Ethics Commission biennial. All other agencies submit annual requests.

## **Budget**

A plan of operation, including an estimate of proposed expenditures and the means to finance them, to meet the needs of the public.

## **Capital Improvements**

Projects involving new construction, acquisition, remodeling, rehabilitation and repair, razing, and the principal portion of debt service for a capital expense. The interest portion is an operating expense.

## **Classified Temporary Positions**

An appointment not exceeding 999 hours of employment in a 12-month period. Temporary

positions do not count toward the agency's FTE position limitation. Employees in these positions do not receive fringe benefits.

## **Decrements**

The decremental decrease in expenditures or positions, or both, to reduce or delete a service or program, primarily when revenues are insufficient to continue support at the base budget level.

## **Enhancements**

The incremental increase in expenditures or positions to expand a service or program or provide a new one.

## **Expenditure**

The actual payment of money out of any state fund or the commitment to make such a payment in the form of an encumbrance, either firm or contingent.

## **Expenditure Limitation**

A limitation placed on expenditures that can be made from a special revenue fund.

## **Expenditures, Non-Reportable**

Disbursements that do not result in a net reduction of statewide assets. An example is a refund, where an agency is reimbursed for an item. Also non-reportable are certain "off budget" expenditures, most occurring in the Department of Administration. For example, dollars are spent in many state agencies' budgets for printing services provided by the Division of Printing. Those dollars are spent again for the salaries, utilities, equipment, paper supplies, and other operating costs of the Printing Plant. To avoid reporting expenditures twice, the agencies' printing costs are treated as reportable and the Printing Plant's are non-reportable.

## **Fiscal Year**

A 12-month period beginning July 1 and ending June 30 of the following year that is used as the state budget, accounting, and appropriation period.



## **Fringe Benefits**

State expenditures for retirement, social security, workers compensation, unemployment insurance, state leave payment assessment upon retirement (including sick and annual leave), and group health insurance.

## **Full-Time Equivalent (FTE) Positions**

State employee positions that are permanent and either full-time or part-time but mathematically equated to full-time, e.g., two half-time positions equal one full-time position. Limited term positions are included in the limitation. Teaching positions contracted for nine or more months are considered 1.00 FTE position.

## **Functions of Government**

The six classifications into which similar agencies are grouped to reflect the basic purposes of state government: General Government, Human Services, Education, Public Safety, Agriculture and Natural Resources, and Transportation (see the Primer).

## **Fund**

A fund is a basic unit of classification in both the budget process and the accounting system for agency monies. Fund names and numbers are included in the Division of Accounts and Reports' *Central Chart of Accounts*, which lists every active fund by agency.

## **Holiday Pay**

Payments to employees working on a legal holiday, such as certain personnel in correctional facilities or state hospitals, who receive additional compensation at the rate of one and one-half times the regular rate of pay. The additional pay may be given in the form of wages or compensatory time credits.

## **Lapse**

That portion of an appropriation not spent or reappropriated. A lapsed appropriation reverts to the fund from which it was made and becomes part of the unappropriated balance. At the end of the fiscal year, State General Fund appropriations automatically lapse unless specific authorization reappropriates the funds.

## **Line-Item Appropriation**

An appropriation of funds made by the Legislature for a specific purpose. The purpose could be limited to a specific item, such as equipment, or more generally to a category of expenditure or a program.

## **Longevity**

Bonus payments made to eligible state employees based on \$50 per year of service times the number of years of state service, according to the most current appropriation language. Minimum eligibility is ten years of state service, and the maximum payment is \$1,250, for 25 years of service.

## **Multi-Year Appropriation**

A legislative authorization to expend funds that provides funding for more than one fiscal year.

## **Non-Expense Item**

This is an expenditure of funds that has no budgetary implications—for example, an expense incurred from the purchase of supplies for which an agency is subsequently reimbursed. The amount is shown in the budget as a “non-expense” to acknowledge the transaction, but it is not included in an agency’s expenditure totals to avoid overstating the true cost of government services.

## **Non-FTE Unclassified Permanent Positions**

The category of “unclassified temporary” in the SHARP system consists of two groups: one that truly is temporary and the other permanent because the employees in the permanent group participate in the state retirement system. The category of Non-FTE Unclassified Permanent refers to the second group, which is reported as part of the state workforce.

## **Overtime Pay**

Pay or compensatory time credits at a time and a half rate for hours worked over the maximum number of hours required in a work period, which may vary depending on the type of position. A normal work period is 40 hours per week, although law enforcement and firefighters have a different work week.

## **Performance Budgeting**

A budgeting process that uses strategic plans and performance measures to distribute available financial resources to accomplish goals and objectives. Outcome measures gauge the ultimate effect of programs on the problems or conditions they are intended to affect. Output measures indicate the level of resource input or intermediate agency work effort. Efficiency measures compare input to output.

## **Position Classification Actions**

An “individual position” action, approved by Personnel Services, to change the classification from an existing class to a different one at the same or a different pay grade or a “classification study” action to redefine the work in a class or a class series, reassign pay grades, or establish new classes at the same or a different pay grade.

## **Program**

A set of related operations that follows a planned course of action to achieve a specified purpose and set of objectives. Programs classify agency services and provide a framework for resource allocation decisions.

## **Reappropriation**

Funds remaining unexpended or unencumbered at the end of the current fiscal year that are carried over to the next fiscal year. Expenditures that can be made by an agency from such reappropriated funds may or may not be limited.

## **Shift Differential**

An additional amount per hour, either a flat dollar amount or a percentage increase, paid to certain classified employees who work shifts other than the normal day shift.

## **Shrinkage**

The difference, expressed as a percentage, between the cost of fully funding salaries and wages in a budget, assuming all positions are filled all the time, and actual salary costs, taking vacancies into account.

## **Supplemental Appropriation**

An appropriation made to finance the operations of state government during the current fiscal year in addition to regular appropriations already approved. Supplemental appropriations are considered where a shortage of funds is anticipated as a result of an emergency or unforeseen occurrence.

## **Total Positions**

The sum of FTE positions and non-FTE unclassified permanent positions, representing a complete reporting of positions constituting the state workforce.

## **Transfer (Demand)**

Funds transferred annually from the State General Fund to a special revenue fund in accordance with a formula in statute but treated as expenditures from the State General Fund. By FY 2004, all of them had been converted to revenue transfers with the amount of the transfers determined through the appropriations process. However, the 2006 Legislature passed legislation to make the School District Capital Outlay State Aid Fund a demand transfer.

## **Transfer (Revenue)**

Authority in appropriation bills “relocating” all or part of the unencumbered balance in a fund to another fund prior to expenditure. The Governor proposed and the Legislature approved conversion of all State General Fund demand transfers to revenue transfers through the appropriation process.



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# Schedules

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## Major State Funds

The state's major funds are described below, including the source of their revenue and how they are used, as a guide to understanding the schedules that follow.

### **Children's Initiatives Fund**

A fund capitalized by proceeds from the national settlement with tobacco companies. The fund finances programs designed to benefit the physical and mental health, welfare, and safety of children.

### **Clearing Funds**

Funds into which monies are transferred from other funds and then disbursed for a particular non-reportable expenditure, such as payroll.

### **Correctional Institutions Building Fund**

A fund for financing capital improvements at state correctional facilities. Income is derived from a transfer of 10.0 percent of the State Gaming Revenues Fund, with an annual maximum of \$4,992,000.

### **Economic Development Initiatives Fund**

A fund for financing economic activities that receives revenues from lottery activities. Most monies are appropriated directly from this fund to various agencies. However, with the KEOIF fund in the Department of Commerce, EDIF monies are transferred to and spent out of it.

### **Educational Building Fund**

A fund for constructing, equipping, and repairing buildings at state universities. Income is derived from a one-mill, statewide levy on property subject to ad valorem taxation.

### **Employment Security Fund**

The fund from which unemployment benefits are paid. Deposits consist of employer taxes, contributions, fines, and penalties levied on employers for unemployment benefits; federal grants for federal employees, former military personnel, and extended

benefits; and interest earned on unemployment trust funds deposited in the U.S. Treasury.

### **Enterprise Funds**

Funds that account for charges for services, usually of a commercial nature, rendered to the public for compensation. An example is accounting for dormitory operations at state universities.

### **Expanded Lottery Act Revenues Fund**

The state's share of revenues from electronic gaming machines at parimutuel tracks and from four destination casinos are deposited in the new Expanded Lottery Act Revenues Fund (ELARF) created by the Expanded Lottery Act (2007 SB 66). The legislation stipulates that monies in this fund must be used for the reduction of state debt, improvements to the state's infrastructure, and reduction of local ad valorem taxes.

### **Highway Funds**

The State Highway Fund and several other special purpose funds. Receipts are dedicated to the maintenance and construction of state and local streets and highways and to operations of the Department of Transportation and the Department of Revenue's Division of Motor Vehicles. Revenue sources include motor fuel taxes, motor vehicle registration taxes, driver's license fees, special vehicle permits, federal funds, and proceeds from the sale of bonds.

### **Intra-Governmental Service Funds**

Funds that account for the exchange of goods and services between state agencies. Through these non-reportable funds, goods and services are charged to, and paid by, the recipient agency.

### **Juvenile Detention Facilities Fund**

A fund financing facilities or programs that provide an alternative to the detention of juveniles in local jails. The fund is capitalized by a transfer of 5.0 percent of the revenues to the State Gaming Revenues Fund and 20.0 percent of the collections from the reinstatement of driver's licenses.

## **KEY Fund**

The Kansas Endowment for Youth (KEY) Fund, which was created by the 1999 Legislature, is a trust fund in which all the tobacco settlement proceeds are deposited. The fund is invested and managed by the Kansas Public Employees Retirement System. Administrative expenditures for the Children's Cabinet can also be made from the fund.

## **Retirement Funds**

Employee retirement funds managed by the Kansas Public Employees Retirement System. Employees of participating governments at the state and local levels are eligible to receive retirement benefits from these funds, which are financed by investment earnings and employer and employee contributions.

## **Special Revenue Funds**

Funds into which statutorily-earmarked receipts are deposited. There are many of these funds, and the revenues consist largely of special fees or levies assessed by the state as well as federal grant-in-aid receipts. Generally, these monies must be expended for purposes specified by state statutes or, in the case of federal grants, for purposes specified by the federal government. A special class of these funds is the agency fee fund, which consists of fee receipts collected by an agency and retained in its budget.

## **State Emergency Fund**

A fund used to meet state obligations arising from natural disasters, match federal payments to individuals and families, and offer rewards to catch wanted criminals. The State Finance Council, a joint legislative/executive body that generally meets when the Legislature is not in session, is empowered to authorize expenditures from the fund. A small balance is retained for payment of rewards. When the Council approves payments for emergencies, the Director of the Budget certifies the amount, up to \$10.0 million, and Accounts and Reports transfers monies from the State General Fund to this fund.

## **State Gaming Revenues Fund**

This is a clearing fund that disburses receipts from lottery sales in accordance with a statutorily-

prescribed formula. Of all receipts to the fund, a specific amount is designated for the Problem Gambling Grant Fund. Of the amount remaining, 85.0 percent is transferred to the Economic Development Initiatives Fund, 10.0 percent to the Correctional Institutions Building Fund, and 5.0 percent to the Juvenile Detention Facilities Fund. Revenues in excess of the statutory formula go to the State General Fund.

## **State General Fund**

A fund for revenues not dedicated for special purposes. It is used to finance government operations not provided for by special revenue funds. The principal revenue sources for the State General Fund include individual and corporate income taxes, sales and compensating use taxes, severance and other excise taxes, the estate tax, and interest earnings.

## **State Institutions Building Fund**

A fund established in the *Kansas Constitution* for constructing, equipping, and repairing buildings at the state mental institutions under SRS, the juvenile correctional facilities under the Juvenile Justice Authority, the Schools for the Deaf and Blind under the Department of Education, and the veterans homes and cemeteries. Income is derived from a one-half mill, statewide levy on property subject to ad valorem taxation.

## **State Water Plan Fund**

A fund establishing a dedicated source of funding to provide for the water resource needs of the state. The fund is authorized by law to receive a \$6.0 million transfer from the State General Fund and a \$2.0 million transfer from the Economic Development Initiatives Fund. Other receipts come from fees charged to water users, pesticide label fees, fertilizer use fees, and environmental fines.

## **Trust & Agency Funds**

Funds containing monies received, held, and disbursed by the state acting as a trustee, agent, or custodian. These are monies collected by the state as agent and disbursed to other governments and individuals. Examples include inmate or patient benefit funds and the KPERS Fund.

**Schedules 1.1—6.2—Summary of Expenditures** present expenditures first by Category of Expenditure, then by Fund, as follows:

	<u>All Funding Sources</u>	<u>State General Fund</u>
Expenditure Summaries	1.1	1.2
Total Expenditures by Agency	2.1	2.2
State Operations	3.1	3.2
Aid to Local Governments	4.1	4.2
Other Assistance, Grants, and Benefits	5.1	5.2
Capital Improvements	6.1	6.2

In each case, a “1” after the decimal point (as in 1.1) indicates funding from all funding sources (State General Fund plus special revenue funds) and a “2” (as in 1.2) indicates State General Fund only. In only one category, “Total Expenditures by Agency,” are there schedules beyond “2.” In this category, there are 2.3 for the Children’s Initiatives Fund, 2.4 for the EDIF, and 2.5 for the State Water Plan Fund. All of the schedules contain actual expenditure information for FY 2008, the estimates of the Governor for the current fiscal year, and the recommendations of the Governor for the budget year. The Base Budget column shows amounts requested by Executive Branch agencies in their budget submission in keeping with allocations developed by the Division of the Budget. The Enhancement column represents agency requests for new or expanded expenditure authority.

Legislative agencies and the Judiciary are not subject to the allocation process. Therefore, the Base Budget column for them represents the request they submitted unconstrained by the financial resources of the state. Consistent with the practice of not making a recommendation concerning these budgets, by law for the Judiciary and by policy for the legislative agencies, the “FY 2010 Gov. Rec.” column represents the budgets requested by these agencies adjusted only for issues applied across all of state government.

Non-expense items are not counted as reportable expenditures in the state budget. These are expenditures without an effect on an agency’s budget, such as expenses for supplies that are subsequently reimbursed. Adding them into an agency’s expenditure totals would overstate the true cost of government operations.



## Schedule 1.1--Expenditures Statewide from All Funding Sources

	<u>FY 2008 Actual</u>	<u>FY 2009 Gov. Estimate</u>	<u>FY 2010 Base Budget</u>	<u>FY 2010 Enhance. Pkg.</u>	<u>FY 2010 Gov. Rec.</u>
<b>Summary of State Expenditures</b>					
State Operations	3,798,552,457	3,932,627,722	4,050,287,294	96,903,740	3,833,289,043
Aid to Local Governments	4,137,589,984	4,390,768,526	4,389,864,495	259,693,397	4,241,084,062
Other Assistance	3,958,217,750	4,076,036,498	3,878,584,769	174,384,025	3,929,777,283
<b>Subtotal--Operating Expenditures</b>	<b>\$11,894,360,191</b>	<b>\$12,399,432,746</b>	<b>\$12,318,736,558</b>	<b>\$530,981,162</b>	<b>\$12,004,150,388</b>
Capital Improvements	794,327,410	1,200,662,279	923,403,800	50,790,709	877,203,794
<b>Total Expenditures</b>	<b>\$12,688,687,601</b>	<b>\$13,600,095,025</b>	<b>\$13,242,140,358</b>	<b>\$581,771,871</b>	<b>\$12,881,354,182</b>
<b>Expenditures by Object</b>					
Salaries & Wages	2,384,614,680	2,510,400,639	2,543,440,118	24,999,600	2,458,847,644
Contractual Services	944,399,148	966,994,263	1,039,821,569	53,562,181	964,970,764
Commodities	199,852,623	199,584,861	195,512,514	4,013,411	194,703,399
Capital Outlay	127,432,564	133,714,314	116,762,774	13,838,259	115,130,056
Debt Service	142,253,442	141,498,571	154,750,319	490,289	144,868,669
Regents Operating Adjustments	--	(19,564,926)	--	--	(45,231,489)
<b>Subtotal--State Operations</b>	<b>\$3,798,552,457</b>	<b>\$3,932,627,722</b>	<b>\$4,050,287,294</b>	<b>\$96,903,740</b>	<b>\$3,833,289,043</b>
Aid to Local Governments	4,137,589,984	4,390,768,526	4,389,864,495	259,693,397	4,241,084,062
Other Assistance	3,958,217,750	4,076,036,498	3,878,584,769	174,384,025	3,929,777,283
<b>Subtotal--Operating Expenditures</b>	<b>\$11,894,360,191</b>	<b>\$12,399,432,746</b>	<b>\$12,318,736,558</b>	<b>\$530,981,162</b>	<b>\$12,004,150,388</b>
Capital Improvements	794,327,410	1,200,662,279	923,403,800	50,790,709	877,203,794
<b>Total Expenditures</b>	<b>\$12,688,687,601</b>	<b>\$13,600,095,025</b>	<b>\$13,242,140,358</b>	<b>\$581,771,871</b>	<b>\$12,881,354,182</b>
<b>Expenditures by Fund Class</b>					
State General Fund	6,101,781,014	6,348,619,689	6,413,342,583	287,845,820	6,153,473,960
Water Plan Fund	24,236,691	23,255,481	20,920,456	4,730,517	15,016,313
Economic Development Initiatives Fund	38,912,956	41,663,663	40,965,662	2,494,040	36,411,967
Expanded Lottery Act Revenues Fund	518,498,754	631,262,508	603,332,549	1,094,326	544,169,601
Children's Initiatives Fund	52,043,959	77,432,310	77,478,484	--	68,293,477
State Highway Fund	1,083,060,566	1,476,028,979	1,247,449,680	2,855,936	1,229,093,383
Educational Building Fund	29,750,600	41,872,052	30,000,000	475,000	44,175,000
State Institutions Building Fund	17,398,595	21,198,839	17,572,108	22,464,202	17,179,931
Correctional Institutions Building Fund	4,186,095	7,277,503	5,001,000	--	5,131,461
Other Funds	4,818,818,371	4,931,484,001	4,786,077,836	259,812,030	4,768,409,089
<b>Total Expenditures</b>	<b>\$12,688,687,601</b>	<b>\$13,600,095,025</b>	<b>\$13,242,140,358</b>	<b>\$581,771,871</b>	<b>\$12,881,354,182</b>

## Schedule 1.2--State Expenditures from the State General Fund

	FY 2008 <u>Actual</u>	FY 2009 <u>Gov. Estimate</u>	FY 2010 <u>Base Budget</u>	FY 2010 <u>Enhance. Pkg.</u>	FY 2010 <u>Gov. Rec.</u>
Salaries & Wages	1,159,526,815	1,219,516,936	1,238,635,249	22,158,723	1,195,744,963
Other Operating Expenditures	394,276,736	339,136,599	362,914,963	44,987,842	292,991,347
<b>Subtotal--State Operations</b>	<b>\$ 1,553,803,551</b>	<b>\$ 1,558,653,535</b>	<b>\$ 1,601,550,212</b>	<b>\$ 67,146,565</b>	<b>\$ 1,488,736,310</b>
Aid to Local Governments	3,286,696,503	3,452,958,920	3,493,912,479	141,690,808	3,394,133,428
Other Assistance	1,237,329,810	1,311,960,762	1,285,091,063	56,884,886	1,256,903,882
<b>Subtotal--Operating Expenditures</b>	<b>\$ 6,077,829,864</b>	<b>\$ 6,323,573,217</b>	<b>\$ 6,380,553,754</b>	<b>\$ 265,722,259</b>	<b>\$ 6,139,773,620</b>
Capital Improvements	23,951,150	25,046,472	32,788,829	22,123,561	13,700,340
<b>Total Expenditures</b>	<b>\$ 6,101,781,014</b>	<b>\$ 6,348,619,689</b>	<b>\$ 6,413,342,583</b>	<b>\$ 287,845,820</b>	<b>\$ 6,153,473,960</b>
<b>State Operations</b>					
General Government	233,959,243	240,620,159	255,028,371	8,254,804	236,122,490
Human Services	267,674,746	264,464,926	271,138,907	35,243,234	256,369,554
Education	669,779,294	667,603,314	687,033,034	2,563,072	618,588,606
Public Safety	338,350,174	342,991,086	346,012,151	17,768,638	330,410,945
Agriculture & Natural Resources	34,649,152	33,835,875	33,488,774	3,316,817	29,860,768
Transportation	9,390,942	9,138,175	8,848,975	--	8,848,975
Undermarket Salary Adjustments	--	--	--	--	8,534,972
<b>Subtotal--State Operations</b>	<b>\$ 1,553,803,551</b>	<b>\$ 1,558,653,535</b>	<b>\$ 1,601,550,212</b>	<b>\$ 67,146,565</b>	<b>\$ 1,488,736,310</b>
<b>Aid to Local Governments</b>					
General Government	5,370	--	--	--	--
Human Services	23,073,843	23,557,654	23,979,873	873,830	23,012,408
Education	3,226,192,769	3,381,694,558	3,432,836,885	122,887,422	3,332,834,189
Public Safety	37,424,521	47,706,708	37,095,721	17,929,556	38,286,831
Agriculture & Natural Resources	--	--	--	--	--
Transportation	--	--	--	--	--
<b>Subtotal--Aid to Local Governments</b>	<b>\$ 3,286,696,503</b>	<b>\$ 3,452,958,920</b>	<b>\$ 3,493,912,479</b>	<b>\$ 141,690,808</b>	<b>\$ 3,394,133,428</b>
<b>Other Assistance</b>					
General Government	16,024,217	18,846,811	12,106,293	622,750	8,576,326
Human Services	1,153,458,596	1,218,764,301	1,210,184,668	42,160,249	1,183,230,436
Education	33,825,867	38,475,133	37,388,088	915,697	34,904,939
Public Safety	33,975,855	35,874,517	25,412,014	12,874,690	30,192,181
Agriculture & Natural Resources	45,275	--	--	311,500	--
Transportation	--	--	--	--	--
<b>Subtotal--Other Assistance</b>	<b>\$ 1,237,329,810</b>	<b>\$ 1,311,960,762</b>	<b>\$ 1,285,091,063</b>	<b>\$ 56,884,886</b>	<b>\$ 1,256,903,882</b>
<b>Capital Improvements</b>					
General Government	4,836,971	6,979,582	9,728,685	14,160,518	3,588,525
Human Services	399,540	--	--	--	--
Education	4,212,820	5,708,540	8,168,571	322,400	6,824,256
Public Safety	5,649,616	3,561,710	5,312,373	7,453,329	2,607,373
Agriculture & Natural Resources	2,117,203	1,786,640	2,280,000	187,314	680,186
Transportation	6,735,000	7,010,000	7,299,200	--	--
<b>Subtotal--Capital Improvements</b>	<b>\$ 23,951,150</b>	<b>\$ 25,046,472</b>	<b>\$ 32,788,829</b>	<b>\$ 22,123,561</b>	<b>\$ 13,700,340</b>
<b>Total Expenditures</b>	<b>\$ 6,101,781,014</b>	<b>\$ 6,348,619,689</b>	<b>\$ 6,413,342,583</b>	<b>\$ 287,845,820</b>	<b>\$ 6,153,473,960</b>

## Schedule 2.1--Expenditures from All Funding Sources by Agency

	FY 2008 Actual	FY 2009 Gov. Estimate	FY 2010 Base Budget	FY 2010 Enhance. Pkg.	FY 2010 Gov. Rec.
<b>General Government</b>					
Department of Administration	61,557,163	69,910,302	78,129,033	15,260,174	60,444,262
Kansas Corporation Commission	20,696,626	21,472,537	21,599,782	421,180	20,515,226
Citizens Utility Ratepayer Board	736,367	859,619	814,127	--	765,919
Kansas Human Rights Commission	2,179,786	2,191,624	2,145,806	87,094	2,027,585
Board of Indigents Defense Services	23,412,091	23,329,268	23,432,529	1,574,536	23,054,068
Health Care Stabilization	30,437,097	33,496,715	34,882,068	--	34,845,104
Kansas Public Employees Retirement Sys.	51,527,006	53,579,481	45,889,418	--	43,137,174
Department of Commerce	123,728,377	129,406,155	121,364,360	44,000	129,866,995
Kansas Technology Enterprise Corporation	13,813,413	13,144,797	13,436,282	2,342,887	--
Kansas, Inc.	788,353	586,456	628,055	101,153	--
Kansas Lottery	49,602,578	50,901,225	133,729,004	304,600	76,732,650
Kansas Racing & Gaming Commission	7,614,951	10,237,649	19,551,242	54,800	8,305,246
Department of Revenue	98,681,698	100,536,669	122,638,394	203,300	117,593,076
Court of Tax Appeals	1,897,939	2,272,903	2,271,682	--	2,136,902
Abstracters Board of Examiners	21,182	21,160	21,863	--	21,207
Board of Accountancy	286,564	315,893	323,379	--	304,992
Office of the State Bank Commissioner	7,893,826	8,438,921	8,878,095	174,232	8,347,308
Board of Barbering	145,610	142,692	144,251	--	137,655
Behavioral Sciences Regulatory Board	603,731	610,371	615,254	--	581,336
Board of Cosmetology	769,456	798,593	790,229	62,717	755,501
Department of Credit Unions	858,429	877,990	934,524	14,800	876,497
Kansas Dental Board	373,186	380,950	378,730	--	361,976
Governmental Ethics Commission	643,847	699,843	681,742	--	659,613
Board of Healing Arts	2,967,121	3,601,944	3,469,683	547,937	3,755,815
Hearing Instruments Board of Examiners	29,428	28,626	31,170	--	29,922
Board of Mortuary Arts	242,944	269,488	282,550	--	265,102
Board of Nursing	1,790,265	1,869,484	1,817,328	21,473	1,767,760
Board of Examiners in Optometry	96,738	126,499	145,965	25,582	138,149
Board of Pharmacy	738,748	694,115	826,543	--	734,616
Real Estate Appraisal Board	301,381	316,050	330,492	--	309,299
Kansas Real Estate Commission	1,018,701	1,091,988	1,258,932	--	1,182,193
Office of the Securities Commissioner	2,658,519	2,875,503	2,896,000	--	2,767,572
Board of Technical Professions	490,717	584,269	608,659	--	576,291
Board of Veterinary Examiners	219,895	262,051	278,419	--	261,162
Office of the Governor	14,103,414	13,164,094	13,235,235	--	12,918,500
Office of the Lieutenant Governor	205,249	203,947	180,666	--	173,210
Attorney General	18,479,202	19,550,997	20,040,612	383,878	17,544,017
Insurance Department	23,447,743	24,040,565	24,898,034	--	24,133,586
Secretary of State	5,674,595	6,029,428	7,565,866	165,117	7,568,735
State Treasurer	42,012,349	62,940,200	77,139,594	770,000	18,093,116
Legislative Coordinating Council	1,011,714	799,381	802,111	--	779,855
Legislature	16,376,594	18,550,279	18,550,279	--	18,174,555
Legislative Research Department	3,371,142	3,849,709	3,769,858	--	3,673,620
Legislative Division of Post Audit	2,483,204	2,808,623	2,813,490	--	2,750,359
Revisor of Statutes	3,338,086	3,838,714	3,556,993	--	3,488,295
Judiciary	119,467,329	126,326,970	128,018,808	5,676,493	124,379,776
Judicial Council	1,216,784	1,441,525	1,451,746	--	1,432,064
<b>Total--General Government</b>	<b>\$ 760,011,138</b>	<b>\$ 819,476,262</b>	<b>\$ 947,248,882</b>	<b>\$ 28,235,953</b>	<b>\$ 778,367,861</b>
<b>Human Services</b>					
Social & Rehabilitation Services	1,518,049,911	1,604,449,849	1,535,606,115	106,114,707	1,513,489,412
Kansas Neurological Institute	28,439,696	28,730,954	29,576,965	661,459	28,379,109
Larned State Hospital	54,010,787	55,294,295	56,086,958	5,478,481	54,631,971
Osawatomie State Hospital	26,393,531	26,543,999	27,912,264	2,079,377	27,136,536

## Schedule 2.1--Expenditures from All Funding Sources by Agency

	FY 2008 Actual	FY 2009 Gov. Estimate	FY 2010 Base Budget	FY 2010 Enhance. Pkg.	FY 2010 Gov. Rec.
Parsons State Hospital & Training Center	25,125,890	25,446,488	25,851,687	350,341	24,794,984
Rainbow Mental Health Facility	8,249,999	7,983,481	8,353,785	750,439	8,143,089
<b>Subtotal--SRS</b>	<b>\$ 1,660,269,814</b>	<b>\$ 1,748,449,066</b>	<b>\$ 1,683,387,774</b>	<b>\$115,434,804</b>	<b>\$ 1,656,575,101</b>
Kansas Health Policy Authority	1,401,487,504	1,406,803,586	1,408,841,697	7,801,993	1,457,033,440
Department on Aging	471,448,748	494,775,499	494,183,050	6,496,962	487,791,892
Health & Environment--Health	165,257,117	160,744,299	162,368,130	12,080,587	159,148,472
Department of Labor	315,341,639	402,709,389	364,973,653	88,800	364,018,435
Commission on Veterans Affairs	28,754,884	22,962,754	23,267,501	2,036,361	22,262,464
Kansas Guardianship Program	1,274,692	1,285,374	1,291,473	--	1,201,849
<b>Total--Human Services</b>	<b>\$ 4,043,834,398</b>	<b>\$ 4,237,729,967</b>	<b>\$ 4,138,313,278</b>	<b>\$143,939,507</b>	<b>\$ 4,148,031,653</b>
<b>Education</b>					
Department of Education	3,575,547,558	3,767,793,642	3,812,228,936	97,841,938	3,727,207,071
School for the Blind	6,315,071	6,641,347	6,495,902	1,918,319	6,664,811
School for the Deaf	9,733,138	9,962,461	9,954,642	1,300,654	9,900,309
<b>Subtotal--Department of Education</b>	<b>\$ 3,591,595,767</b>	<b>\$ 3,784,397,450</b>	<b>\$ 3,828,679,480</b>	<b>\$101,060,911</b>	<b>\$ 3,743,772,191</b>
Board of Regents	238,206,389	241,825,589	276,379,296	33,500,711	257,579,058
Emporia State University	80,260,794	87,870,687	82,272,571	--	78,102,510
Fort Hays State University	86,585,879	90,620,743	91,834,046	--	87,706,497
Kansas State University	501,742,585	534,626,189	514,522,386	--	499,378,281
Kansas State University--ESARP	122,296,477	123,730,291	124,605,087	--	118,377,312
KSU--Veterinary Medical Center	33,620,897	34,349,001	33,210,364	100,000	31,832,936
Pittsburg State University	89,052,304	92,179,668	89,533,290	--	85,137,086
University of Kansas	602,387,816	574,042,432	568,198,759	--	532,436,268
University of Kansas Medical Center	248,635,083	275,561,035	268,156,152	--	250,613,981
Wichita State University	217,385,410	220,692,263	217,372,033	--	205,097,840
<b>Subtotal--Regents</b>	<b>\$ 2,220,173,634</b>	<b>\$ 2,275,497,898</b>	<b>\$ 2,266,083,984</b>	<b>\$ 33,600,711</b>	<b>\$ 2,146,261,769</b>
Kansas Arts Commission	2,238,484	2,291,547	2,328,138	100,000	2,201,138
Historical Society	9,107,841	9,915,729	9,809,360	397,400	9,519,946
State Library	7,658,841	7,193,492	7,153,630	291,386	6,669,362
<b>Total--Education</b>	<b>\$ 5,830,774,567</b>	<b>\$ 6,079,296,116</b>	<b>\$ 6,114,054,592</b>	<b>\$135,450,408</b>	<b>\$ 5,908,424,406</b>
<b>Public Safety</b>					
Department of Corrections	137,938,479	142,149,425	139,589,094	11,843,876	131,492,275
El Dorado Correctional Facility	24,765,808	24,383,634	24,355,548	1,742,350	23,604,500
Ellsworth Correctional Facility	12,616,705	12,625,883	12,833,752	283,831	12,386,324
Hutchinson Correctional Facility	29,180,653	29,214,392	29,718,623	621,657	28,659,063
Lansing Correctional Facility	37,816,397	37,746,156	38,147,666	1,679,383	36,950,008
Larned Correctional Mental Health Facility	9,598,667	9,671,267	10,030,911	114,598	9,685,690
Norton Correctional Facility	15,124,675	14,747,143	15,058,224	401,846	12,874,793
Topeka Correctional Facility	13,563,828	13,647,939	13,729,097	593,370	13,262,051
Winfield Correctional Facility	12,274,811	12,911,555	12,833,912	806,602	12,450,943
<b>Subtotal--Corrections</b>	<b>\$ 292,880,023</b>	<b>\$ 297,097,394</b>	<b>\$ 296,296,827</b>	<b>\$ 18,087,513</b>	<b>\$ 281,365,647</b>
Juvenile Justice Authority	65,249,316	69,619,714	67,907,684	5,879,198	68,851,073
Atchison Juvenile Correctional Facility	5,863,448	3,094,880	393,159	--	386,868
Beloit Juvenile Correctional Facility	4,343,588	4,028,698	4,078,430	14,400	3,946,555
Kansas Juvenile Correctional Complex	16,357,631	16,262,420	16,750,825	271,134	16,278,196
Larned Juvenile Correctional Facility	8,572,648	8,496,062	9,116,102	118,337	8,837,568
<b>Subtotal--Juvenile Justice</b>	<b>\$ 100,386,631</b>	<b>\$ 101,501,774</b>	<b>\$ 98,246,200</b>	<b>\$ 6,283,069</b>	<b>\$ 98,300,260</b>
Adjutant General	225,079,778	200,427,259	49,723,667	217,357,384	103,585,882
Emergency Medical Services Board	2,422,563	2,494,249	2,217,357	--	2,124,043
State Fire Marshal	4,400,924	4,941,259	4,526,662	77,453	4,339,644
Highway Patrol	87,822,969	89,621,434	82,928,037	3,687,844	79,999,358
Kansas Bureau of Investigation	27,328,337	27,273,989	27,825,377	2,316,278	26,257,703
Kansas Parole Board	508,068	502,669	502,517	13,221	488,386

## Schedule 2.1--Expenditures from All Funding Sources by Agency

	FY 2008 Actual	FY 2009 Gov. Estimate	FY 2010 Base Budget	FY 2010 Enhance. Pkg.	FY 2010 Gov. Rec.
Comm. on Peace Officers Stand. & Training	341,563	643,000	743,967	20,000	644,624
Sentencing Commission	9,660,600	9,809,768	10,055,419	--	9,805,869
<b>Total--Public Safety</b>	<b>\$ 750,831,456</b>	<b>\$ 734,312,795</b>	<b>\$ 573,066,030</b>	<b>\$247,842,762</b>	<b>\$ 606,911,416</b>
<b>Agriculture &amp; Natural Resources</b>					
Department of Agriculture	24,192,194	28,751,854	29,323,500	2,419,808	27,846,890
Animal Health Department	2,926,866	2,886,773	2,730,250	170,908	2,637,714
State Conservation Commission	16,965,384	17,043,594	14,303,687	4,522,857	10,778,936
Health & Environment--Environment	73,352,257	74,207,368	73,108,620	1,920,822	70,756,753
Kansas State Fair	7,043,533	6,417,698	6,930,364	250,000	5,606,498
Kansas Water Office	8,522,585	19,822,620	8,277,441	8,104,632	7,070,341
Department of Wildlife & Parks	58,263,172	66,896,569	58,822,484	6,058,278	56,081,009
<b>Total--Agriculture &amp; Natural Resources</b>	<b>\$ 191,265,991</b>	<b>\$ 216,026,476</b>	<b>\$ 193,496,346</b>	<b>\$ 23,447,305</b>	<b>\$ 180,778,141</b>
<b>Transportation</b>					
Department of Administration	16,125,942	16,148,175	16,148,175	--	8,848,975
Kansas Department of Transportation	1,095,844,109	1,497,105,234	1,259,813,055	2,855,936	1,241,456,758
<b>Total--Transportation</b>	<b>\$ 1,111,970,051</b>	<b>\$ 1,513,253,409</b>	<b>\$ 1,275,961,230</b>	<b>\$ 2,855,936</b>	<b>\$ 1,250,305,733</b>
Undermarket Salary Adjustments	--	--	--	--	8,534,972
<b>Total Expenditures</b>	<b>\$12,688,687,601</b>	<b>\$13,600,095,025</b>	<b>\$13,242,140,358</b>	<b>\$581,771,871</b>	<b>\$12,881,354,182</b>

## Schedule 2.2--Expenditures from the State General Fund by Agency

	FY 2008 Actual	FY 2009 Gov. Estimate	FY 2010 Base Budget	FY 2010 Enhance. Pkg.	FY 2010 Gov. Rec.
<b>General Government</b>					
Department of Administration	50,189,631	52,951,929	67,739,574	15,260,174	50,081,677
Kansas Corporation Commission	--	--	185,799	--	--
Kansas Human Rights Commission	1,778,909	1,724,014	1,736,331	87,094	1,639,149
Board of Indigents Defense Services	22,496,010	22,464,268	22,567,529	1,574,536	22,189,068
Kansas Public Employees Retirement System	9,586,393	10,270,948	3,214,134	--	639,134
Department of Commerce	622,463	608,376	607,034	--	--
Department of Revenue	21,513,429	20,795,859	21,531,219	--	19,473,899
Court of Tax Appeals	1,637,235	1,626,669	1,770,448	--	1,586,859
Governmental Ethics Commission	522,636	512,918	520,214	--	478,031
Office of the Governor	4,824,892	8,384,355	8,085,536	--	7,781,758
Office of the Lieutenant Governor	205,249	203,947	180,666	--	173,210
Attorney General	5,209,198	5,111,224	5,331,453	373,068	4,955,463
Secretary of State	139,908	--	--	165,117	--
State Treasurer	89,699	--	--	50,000	--
Legislative Coordinating Council	1,011,714	799,381	802,111	--	779,855
Legislature	16,283,314	18,475,210	18,421,072	--	18,045,348
Legislative Research Department	3,371,142	3,849,709	3,769,858	--	3,673,620
Legislative Division of Post Audit	2,483,204	2,808,623	2,813,490	--	2,750,359
Revisor of Statutes	3,338,086	3,838,714	3,556,993	--	3,488,295
Judiciary	109,321,166	111,862,198	113,879,888	5,528,083	110,551,616
Judicial Council	201,523	158,210	150,000	--	--
<b>Total--General Government</b>	<b>\$ 254,825,801</b>	<b>\$ 266,446,552</b>	<b>\$ 276,863,349</b>	<b>\$ 23,038,072</b>	<b>\$ 248,287,341</b>
<b>Human Services</b>					
Social & Rehabilitation Services	654,516,805	686,625,225	669,261,256	47,694,921	637,605,914
Kansas Neurological Institute	13,322,979	11,112,811	11,958,822	661,459	11,396,168
Larned State Hospital	42,987,347	42,110,459	43,323,618	5,477,279	41,602,066
Osawatomie State Hospital	12,273,667	16,267,473	17,800,056	2,079,377	16,990,433
Parsons State Hospital & Training Center	10,218,500	10,614,646	11,019,845	350,341	10,424,288
Rainbow Mental Health Facility	5,609,651	5,342,542	5,766,811	750,439	5,525,712
<b>Subtotal--SRS</b>	<b>\$ 738,928,949</b>	<b>\$ 772,073,156</b>	<b>\$ 759,130,408</b>	<b>\$ 57,013,816</b>	<b>\$ 723,544,581</b>
Kansas Health Policy Authority	475,219,848	503,209,165	513,420,159	3,181,643	514,992,915
Department on Aging	185,788,960	195,084,155	196,052,339	5,211,439	189,634,386
Health & Environment--Health	33,958,008	25,343,400	25,279,102	11,051,554	23,737,910
Department of Labor	481,018	564,139	587,614	105,000	544,385
Commission on Veterans Affairs	8,955,250	9,227,492	9,542,353	1,713,861	8,956,372
Kansas Guardianship Program	1,274,692	1,285,374	1,291,473	--	1,201,849
<b>Total--Human Services</b>	<b>\$ 1,444,606,725</b>	<b>\$ 1,506,786,881</b>	<b>\$ 1,505,303,448</b>	<b>\$ 78,277,313</b>	<b>\$ 1,462,612,398</b>
<b>Education</b>					
Department of Education	3,076,357,839	3,235,266,585	3,282,140,969	91,425,556	3,192,859,435
School for the Blind	5,852,498	5,807,841	5,907,841	746,969	5,645,696
School for the Deaf	9,053,139	9,157,444	9,425,572	601,569	9,127,454
<b>Subtotal--Department of Education</b>	<b>\$ 3,091,263,476</b>	<b>\$ 3,250,231,870</b>	<b>\$ 3,297,474,382</b>	<b>\$ 92,774,094</b>	<b>\$ 3,207,632,585</b>
Board of Regents	190,529,747	192,136,497	198,234,844	33,025,711	183,278,089
Emporia State University	34,895,240	34,528,235	35,591,647	--	32,050,175
Fort Hays State University	36,460,580	36,528,949	37,554,220	--	33,857,186
Kansas State University	115,562,702	113,870,142	118,252,940	--	106,798,338
Kansas State University--ESARP	54,807,626	54,440,049	55,256,862	--	50,099,569
KSU--Veterinary Medical Center	11,281,788	11,248,645	11,587,263	100,000	10,593,209
Pittsburg State University	37,972,542	37,598,900	38,911,140	--	35,239,492
University of Kansas	151,271,038	150,214,632	153,860,446	--	140,713,529

## Schedule 2.2--Expenditures from the State General Fund by Agency

	FY 2008 Actual	FY 2009 Gov. Estimate	FY 2010 Base Budget	FY 2010 Enhance. Pkg.	FY 2010 Gov. Rec.
University of Kansas Medical Center	121,788,407	123,293,470	126,928,393	--	112,832,904
Wichita State University	74,499,543	76,162,534	78,469,285	--	67,558,998
<b>Subtotal--Regents</b>	<b>\$ 829,069,213</b>	<b>\$ 830,022,053</b>	<b>\$ 854,647,040</b>	<b>\$ 33,125,711</b>	<b>\$ 773,021,489</b>
Kansas Arts Commission	1,658,614	1,499,361	1,635,583	100,000	1,526,671
Historical Society	6,410,161	6,351,599	6,261,655	397,400	6,037,933
State Library	5,609,286	5,376,662	5,407,918	291,386	4,933,312
<b>Total--Education</b>	<b>\$3,934,010,750</b>	<b>\$4,093,481,545</b>	<b>\$4,165,426,578</b>	<b>\$126,688,591</b>	<b>\$3,993,151,990</b>
<b>Public Safety</b>					
Department of Corrections	115,926,969	116,811,550	117,756,359	11,843,876	109,667,055
El Dorado Correctional Facility	24,277,849	24,171,714	24,285,618	1,683,167	23,534,570
Ellsworth Correctional Facility	12,413,461	12,536,799	12,782,432	283,831	12,336,798
Hutchinson Correctional Facility	28,411,273	28,466,282	29,294,623	621,657	28,241,967
Lansing Correctional Facility	37,243,752	37,345,280	37,897,666	1,679,383	36,700,008
Larned Correctional Mental Health Facility	9,376,787	9,529,730	10,017,611	114,598	9,672,390
Norton Correctional Facility	14,003,482	14,325,621	14,793,396	401,846	12,703,749
Topeka Correctional Facility	12,179,437	12,315,485	12,785,523	593,370	12,346,083
Winfield Correctional Facility	11,923,802	12,248,325	12,562,716	806,602	12,190,150
<b>Subtotal--Corrections</b>	<b>\$ 265,756,812</b>	<b>\$ 267,750,786</b>	<b>\$ 272,175,944</b>	<b>\$ 18,028,330</b>	<b>\$ 257,392,770</b>
Juvenile Justice Authority	39,569,449	39,941,331	39,225,923	2,789,763	40,174,319
Atchison Juvenile Correctional Facility	5,601,677	3,014,899	386,061	--	379,770
Beloit Juvenile Correctional Facility	4,057,730	3,936,905	3,979,637	14,400	3,847,762
Kansas Juvenile Correctional Complex	15,364,468	15,704,777	16,193,865	271,134	15,721,236
Larned Juvenile Correctional Facility	8,476,546	8,386,005	9,006,045	118,337	8,727,511
<b>Subtotal--Juvenile Justice</b>	<b>\$ 73,069,870</b>	<b>\$ 70,983,917</b>	<b>\$ 68,791,531</b>	<b>\$ 3,193,634</b>	<b>\$ 68,850,598</b>
Adjutant General	12,566,792	28,053,635	8,782,314	31,362,561	15,136,285
Highway Patrol	36,469,265	37,406,194	37,180,204	1,112,189	35,106,115
Kansas Bureau of Investigation	17,514,440	16,094,392	16,952,270	2,316,278	15,567,663
Kansas Parole Board	508,068	502,669	502,517	13,221	488,386
Sentencing Commission	9,514,919	9,342,428	9,447,479	--	8,955,513
<b>Total--Public Safety</b>	<b>\$ 415,400,166</b>	<b>\$ 430,134,021</b>	<b>\$ 413,832,259</b>	<b>\$ 56,026,213</b>	<b>\$ 401,497,330</b>
<b>Agriculture &amp; Natural Resources</b>					
Department of Agriculture	12,012,274	11,695,253	11,959,912	1,038,410	10,948,668
Animal Health Department	953,477	913,027	910,982	170,908	864,525
State Conservation Commission	951,365	884,917	896,538	311,500	832,406
Health & Environment--Environment	10,890,289	9,469,653	9,456,264	1,304,000	8,986,204
Kansas State Fair	1,554,993	1,130,821	1,551,861	200,000	341,861
Kansas Water Office	2,277,280	2,824,403	2,296,939	448,539	2,025,746
Department of Wildlife & Parks	8,171,952	8,704,441	8,696,278	342,274	6,541,544
<b>Total--Agriculture &amp; Natural Resources</b>	<b>\$ 36,811,630</b>	<b>\$ 35,622,515</b>	<b>\$ 35,768,774</b>	<b>\$ 3,815,631</b>	<b>\$ 30,540,954</b>
<b>Transportation</b>					
Department of Administration	16,125,942	16,148,175	16,148,175	--	8,848,975
<b>Total--Transportation</b>	<b>\$ 16,125,942</b>	<b>\$ 16,148,175</b>	<b>\$ 16,148,175</b>	<b>\$ --</b>	<b>\$ 8,848,975</b>
Undermarket Salary Adjustments	--	--	--	--	8,534,972
<b>Total Expenditures</b>	<b>\$6,101,781,014</b>	<b>\$6,348,619,689</b>	<b>\$6,413,342,583</b>	<b>\$287,845,820</b>	<b>\$6,153,473,960</b>

## Schedule 2.3--Expenditures from the Children's Initiatives Fund by Agency

	FY 2008 Actual	FY 2009 Gov. Estimate	FY 2010 Base Budget	FY 2010 Enhance. Pkg.	FY 2010 Gov. Rec.
<b>Human Services</b>					
Social & Rehabilitation Services					
Children's Cabinet Accountability Fund	541,802	541,802	541,802	--	541,802
Children's Mental Health Initiative	3,800,000	3,800,000	3,800,000	--	3,800,000
Family Centered System of Care	5,000,000	5,000,000	5,000,000	--	5,000,000
Therapeutic Preschool	1,000,000	--	--	--	--
Child Care Services	1,400,000	1,400,000	1,400,000	--	1,400,000
Community Services for Child Welfare	3,298,500	3,136,934	3,155,503	--	--
Smart Start Kansas	8,986,263	8,443,279	8,443,282	--	8,442,190
Family Preservation	3,151,403	3,313,066	3,241,062	--	3,241,062
School Violence Prevention	227,392	--	--	--	--
Attendant Care for Independent Living	50,000	--	--	--	--
Pre-K Pilot	5,000,000	--	--	--	--
Early Head Start	1,600,000	3,452,779	3,452,779	--	3,452,779
Child Care Quality Initiative	500,000	500,000	500,000	--	500,000
Early Childhood Block Grant	--	11,100,000	11,100,000	--	11,098,462
<b>Total--SRS</b>	<b>\$ 34,555,360</b>	<b>\$ 40,687,860</b>	<b>\$ 40,634,428</b>	<b>\$ --</b>	<b>\$ 37,476,295</b>
Kansas Health Policy Authority					
HealthWave	2,000,000	2,000,000	2,000,000	--	--
Medical Assistance	3,000,000	3,000,000	3,000,000	--	--
Immunization Outreach	277,876	500,000	500,000	--	--
<b>Total--KHPA</b>	<b>\$ 5,277,876</b>	<b>\$ 5,500,000</b>	<b>\$ 5,500,000</b>	<b>\$ --</b>	<b>\$ --</b>
Health & Environment--Health					
Healthy Start/Home Visitor	250,000	250,000	250,000	--	250,000
Infants & Toddlers Program	1,200,000	5,700,000	5,700,000	--	5,700,000
Smoking Prevention Grants	1,000,000	1,000,000	1,000,000	--	1,000,000
PKU/Hemophilia	208,000	208,000	208,000	--	--
Newborn Hearing Aid Loaner Program	--	50,000	50,000	--	50,000
SIDS Network Grant	--	75,000	75,000	--	75,000
Newborn Screening	--	321,654	321,654	--	317,876
<b>Total--KDHE--Health</b>	<b>\$ 2,658,000</b>	<b>\$ 7,604,654</b>	<b>\$ 7,604,654</b>	<b>\$ --</b>	<b>\$ 7,392,876</b>
<b>Total--Human Services</b>	<b>\$ 42,491,236</b>	<b>\$ 53,792,514</b>	<b>\$ 53,739,082</b>	<b>\$ --</b>	<b>\$ 44,869,171</b>
<b>Education</b>					
Department of Education					
Reading & Vision Research	300,000	100,000	200,000	--	--
Parent Education	--	7,539,500	7,539,500	--	7,539,500
Pre-K Pilot	--	5,000,000	5,000,000	--	5,000,000
General State Aid	--	100,000	100,000	--	--
<b>Total--Department of Education</b>	<b>\$ 300,000</b>	<b>\$ 12,739,500</b>	<b>\$ 12,839,500</b>	<b>\$ --</b>	<b>\$ 12,539,500</b>
University of Kansas Medical Center					
Tele-Kid Health Care Link	252,723	394	--	--	--
<b>Total--Education</b>	<b>\$ 552,723</b>	<b>\$ 12,739,894</b>	<b>\$ 12,839,500</b>	<b>\$ --</b>	<b>\$ 12,539,500</b>
<b>Public Safety</b>					
Juvenile Justice Authority					
Juvenile Prevention Program Grants	5,531,308	5,579,530	5,579,530	--	5,579,530
Juvenile Graduated Sanctions Grants	3,468,692	3,420,470	3,420,470	--	3,420,470
<b>Total--Public Safety</b>	<b>\$ 9,000,000</b>	<b>\$ 9,000,000</b>	<b>\$ 9,000,000</b>	<b>\$ --</b>	<b>\$ 9,000,000</b>
<b>Agriculture &amp; Natural Resources</b>					
Health & Environment--Environment					
Newborn Screening	--	1,899,902	1,899,902	--	1,884,806
<b>Total--Agriculture &amp; Natural Resources</b>	<b>\$ --</b>	<b>\$ 1,899,902</b>	<b>\$ 1,899,902</b>	<b>\$ --</b>	<b>\$ 1,884,806</b>
<b>Total Expenditures</b>	<b>\$ 52,043,959</b>	<b>\$ 77,432,310</b>	<b>\$ 77,478,484</b>	<b>\$ --</b>	<b>\$ 68,293,477</b>



## Schedule 2.4--Expenditures from the Economic Development Initiatives Fund by Agency

	FY 2008 Actual	FY 2009 Gov. Estimate	FY 2010 Base Budget	FY 2010 Enhance. Pkg.	FY 2010 Gov. Rec.
<b>General Government</b>					
Department of Commerce					
Operating Grant	15,782,478	16,184,527	15,756,954	--	15,408,558
Eisenhower Foundation Grant	200,000	--	--	--	--
Parsons Ammunition Facility Road Grant	--	750,000	--	--	--
Kansas Sports Hall of Fame Grant	250,000	--	--	--	--
Older Kansans Employment Program	326,358	328,156	324,247	--	323,779
Rural Opportunity Program	1,851,236	2,312,046	2,070,292	--	2,056,395
KTEC Grant Programs	--	--	--	--	7,534,430
Senior Community Service Employment Prog	--	--	--	--	4,234
Kansas Commission on Disability Concerns	--	--	--	--	229,127
Strong Military Bases Program	--	--	--	--	367,456
<b>Total--Department of Commerce</b>	<b>\$ 18,410,072</b>	<b>\$ 19,574,729</b>	<b>\$ 18,151,493</b>	<b>\$ --</b>	<b>\$ 25,923,979</b>
Kansas Technology Enterprise Corporation					
Operations	1,870,277	1,612,143	1,819,683	580,000	--
University & Strategic Research	5,182,104	5,250,453	4,759,000	832,000	--
Product Development Financing	1,138,538	519,030	1,430,000	245,000	--
Commercialization	2,580,867	2,319,358	2,480,930	462,887	--
Mid-America Mfg. Technology Center	1,390,674	1,382,892	1,302,000	223,000	--
<b>Total--KTEC</b>	<b>\$ 12,162,460</b>	<b>\$ 11,083,876</b>	<b>\$ 11,791,613</b>	<b>\$ 2,342,887</b>	<b>\$ --</b>
Kansas, Inc.					
Operations	504,743	321,139	407,056	101,153	--
<b>Total--General Government</b>	<b>\$ 31,077,275</b>	<b>\$ 30,979,744</b>	<b>\$ 30,350,162</b>	<b>\$ 2,444,040</b>	<b>\$ 25,923,979</b>
<b>Education</b>					
Board of Regents					
Vocational Education Capital Outlay	2,565,000	2,565,000	2,565,000	--	2,565,000
Technology Innovation & Internship	112,723	248,277	180,500	--	180,500
<b>Total--Board of Regents</b>	<b>\$ 2,677,723</b>	<b>\$ 2,813,277</b>	<b>\$ 2,745,500</b>	<b>\$ --</b>	<b>\$ 2,745,500</b>
Kansas State University--ESARP					
Agriculture Experiment Stations	300,000	300,000	300,000	--	293,911
Wichita State University					
Aviation Research	4,747,958	5,002,042	5,000,000	--	4,948,577
Aviation Classroom Training Equipment	--	2,500,000	2,500,000	--	2,500,000
<b>Total--Wichita State University</b>	<b>\$ 4,747,958</b>	<b>\$ 7,502,042</b>	<b>\$ 7,500,000</b>	<b>\$ --</b>	<b>\$ 7,448,577</b>
<b>Total--Education</b>	<b>\$ 7,725,681</b>	<b>\$ 10,615,319</b>	<b>\$ 10,545,500</b>	<b>\$ --</b>	<b>\$ 10,487,988</b>
<b>Agriculture &amp; Natural Resources</b>					
Kansas State Fair					
Ticket Marketing & Premiums	70,000	68,600	70,000	50,000	--
Economic Impact Study	40,000	--	--	--	--
<b>Total--Kansas State Fair</b>	<b>\$ 110,000</b>	<b>\$ 68,600</b>	<b>\$ 70,000</b>	<b>\$ 50,000</b>	<b>\$ --</b>
<b>Total--Agriculture &amp; Natural Resources</b>	<b>\$ 110,000</b>	<b>\$ 68,600</b>	<b>\$ 70,000</b>	<b>\$ 50,000</b>	<b>\$ --</b>
<b>Total Expenditures</b>	<b>\$ 38,912,956</b>	<b>\$ 41,663,663</b>	<b>\$ 40,965,662</b>	<b>\$ 2,494,040</b>	<b>\$ 36,411,967</b>

## Schedule 2.5--Expenditures from the State Water Plan Fund by Agency

	FY 2008 Actual	FY 2009 Gov. Estimate	FY 2010 Base Budget	FY 2010 Enhance. Pkg.	FY 2010 Gov. Rec.
<b>Education</b>					
University of Kansas					
Geological Survey	40,000	32,000	40,000	--	28,800
<b>Total--Education</b>	<b>\$ 40,000</b>	<b>\$ 32,000</b>	<b>\$ 40,000</b>	<b>\$ --</b>	<b>\$ 28,800</b>
<b>Agriculture &amp; Natural Resources</b>					
Department of Agriculture					
Interstate Water Issues	334,517	466,689	475,181	62,032	337,379
Water Use Study	60,000	48,000	70,000	--	49,700
Subbasin Water Resources Management	735,635	731,290	761,319	600,000	737,536
<b>Total--Department of Agriculture</b>	<b>\$ 1,130,152</b>	<b>\$ 1,245,979</b>	<b>\$ 1,306,500</b>	<b>\$ 662,032</b>	<b>\$ 1,124,615</b>
State Conservation Commission					
Water Resources Cost-Share	3,315,579	3,117,214	3,265,972	300,000	2,351,510
Nonpoint Source Pollution Assistance	3,698,827	3,134,168	3,473,754	744,796	2,501,102
Water Transition Assistance Program	167,895	2,222,962	916,273	83,595	81,011
Aid to Conservation Districts	2,127,242	2,264,831	2,255,919	58,382	2,255,919
Conservation Reserve Enhancement Program	462,866	1,229,707	--	--	--
Watershed Dam Construction	1,022,413	938,493	1,055,000	--	759,600
Water Quality Buffer Initiatives	287,709	363,210	300,000	50,000	216,000
Riparian & Wetland Program	313,012	242,598	251,782	--	181,283
Multipurpose Small Lakes	1,250,000	898,541	--	--	--
Lake Restoration/Management	2,483,603	798,773	998,466	1,950,597	718,896
Salt Cedar Control Projects	43,889	--	--	--	--
<b>Total--Conservation Commission</b>	<b>\$ 15,173,035</b>	<b>\$ 15,210,497</b>	<b>\$ 12,517,166</b>	<b>\$ 3,187,370</b>	<b>\$ 9,065,321</b>
Health & Environment--Environment					
Contamination Remediation	1,031,294	783,698	804,385	175,022	567,216
Local Environmental Protection Program	1,502,737	1,202,279	1,502,735	--	1,066,942
Nonpoint Source Program	320,939	315,430	299,856	--	291,241
TMDL Initiatives	342,088	241,590	301,988	--	210,780
Watershed Rest. & Protect. Plans (WRAPS)	770,580	600,613	800,000	--	481,042
Soil Treatment Study	120,361	--	--	--	--
<b>Total--KDHE--Environment</b>	<b>\$ 4,087,999</b>	<b>\$ 3,143,610</b>	<b>\$ 3,708,964</b>	<b>\$ 175,022</b>	<b>\$ 2,617,221</b>
Kansas Water Office					
Assessment & Evaluation	910,753	720,143	750,000	110,000	532,500
GIS Data Base Development	250,000	200,000	250,000	--	177,500
MOU--Storage Operations and Maintenance	732,404	241,134	305,000	--	216,550
Stream Gauging Program	17,972	--	--	--	--
Technical Assistance to Water Users	420,376	632,918	624,919	--	443,692
Water Resource Education	54,000	97,200	77,907	6,093	55,314
Weather Modification	240,000	192,000	220,000	20,000	156,200
Weather Stations	100,000	80,000	80,000	20,000	56,800
Neosho River Basin Issues	40,000	768,000	300,000	--	213,000
Wichita Aquifer Recovery Project	--	660,000	700,000	300,000	300,000
<b>Total--Water Office</b>	<b>\$ 2,765,505</b>	<b>\$ 3,591,395</b>	<b>\$ 3,307,826</b>	<b>\$ 456,093</b>	<b>\$ 2,151,556</b>
Department of Wildlife & Parks					
Stream Monitoring	40,000	32,000	40,000	--	28,800
Sebelius Reservoir	1,000,000	--	--	--	--
Minimum Pool Webster	--	--	--	250,000	--
<b>Total--Department of Wildlife &amp; Parks</b>	<b>\$ 1,040,000</b>	<b>\$ 32,000</b>	<b>\$ 40,000</b>	<b>\$ 250,000</b>	<b>\$ 28,800</b>
<b>Total--Agriculture &amp; Natural Resources</b>	<b>\$ 24,196,691</b>	<b>\$ 23,223,481</b>	<b>\$ 20,880,456</b>	<b>\$ 4,730,517</b>	<b>\$ 14,987,513</b>
<b>Total Expenditures</b>	<b>\$ 24,236,691</b>	<b>\$ 23,255,481</b>	<b>\$ 20,920,456</b>	<b>\$ 4,730,517</b>	<b>\$ 15,016,313</b>

### Schedule 3.1--Expenditures from All Funding Sources for State Operations by Agency

	FY 2008 Actual	FY 2009 Gov. Estimate	FY 2010 Base Budget	FY 2010 Enhance. Pkg.	FY 2010 Gov. Rec.
<b>General Government</b>					
Department of Administration	43,640,737	50,371,792	56,606,624	476,906	45,475,070
Kansas Corporation Commission	20,675,626	21,355,599	21,582,282	421,180	20,399,313
Citizens Utility Ratepayer Board	736,367	859,619	814,127	--	765,919
Kansas Human Rights Commission	2,179,786	2,191,624	2,145,806	87,094	2,027,585
Board of Indigents Defense Services	23,412,091	23,329,268	23,432,529	1,574,536	23,054,068
Health Care Stabilization	5,928,742	5,190,667	6,632,068	--	6,595,104
Kansas Public Employees Retirement System	41,940,458	43,308,533	42,675,284	--	42,498,040
Department of Commerce	29,664,626	34,628,472	33,377,634	44,000	32,585,839
Kansas Technology Enterprise Corporation	2,797,992	2,655,699	2,782,559	180,000	--
Kansas, Inc.	788,353	586,456	628,055	101,153	--
Kansas Lottery	22,004,249	21,673,465	101,229,844	304,600	46,461,211
Kansas Racing & Gaming Commission	6,586,617	9,587,062	11,896,843	54,800	8,305,246
Department of Revenue	79,334,479	84,160,050	100,421,766	203,300	97,176,448
Court of Tax Appeals	1,897,939	2,272,903	2,271,682	--	2,136,902
Abstracters Board of Examiners	21,182	21,160	21,863	--	21,207
Board of Accountancy	286,564	315,893	323,379	--	304,992
Office of the State Bank Commissioner	7,418,146	8,230,921	8,670,095	174,232	8,139,308
Board of Barbering	145,610	142,692	144,251	--	137,655
Behavioral Sciences Regulatory Board	603,632	610,371	615,254	--	581,336
Board of Cosmetology	769,456	798,593	790,229	62,717	755,501
Department of Credit Unions	858,429	877,990	934,524	14,800	876,497
Kansas Dental Board	373,186	380,950	378,730	--	361,976
Governmental Ethics Commission	643,847	699,843	681,742	--	659,613
Board of Healing Arts	2,967,121	3,601,944	3,469,683	547,937	3,755,815
Hearing Instruments Board of Examiners	29,428	28,626	31,170	--	29,922
Board of Mortuary Arts	242,944	269,488	282,550	--	265,102
Board of Nursing	1,790,265	1,869,484	1,817,328	21,473	1,767,760
Board of Examiners in Optometry	96,738	126,499	145,965	25,582	138,149
Board of Pharmacy	738,748	694,115	826,543	--	734,616
Real Estate Appraisal Board	301,381	316,050	330,492	--	309,299
Kansas Real Estate Commission	1,018,701	1,091,988	1,258,932	--	1,182,193
Office of the Securities Commissioner	2,658,519	2,875,503	2,896,000	--	2,767,572
Board of Technical Professions	490,717	584,269	608,659	--	576,291
Board of Veterinary Examiners	219,895	262,051	278,419	--	261,162
Office of the Governor	2,959,340	3,747,551	3,478,777	--	3,331,596
Office of the Lieutenant Governor	205,249	203,947	180,666	--	173,210
Attorney General	10,283,852	12,017,387	12,622,002	383,878	10,125,407
Insurance Department	10,985,199	11,432,511	12,147,709	--	11,383,261
Secretary of State	5,674,595	6,029,428	7,565,866	165,117	7,568,735
State Treasurer	4,146,041	4,219,200	4,376,594	50,000	4,093,116
Legislative Coordinating Council	1,011,714	799,381	802,111	--	779,855
Legislature	16,369,103	18,550,279	18,550,279	--	18,174,555
Legislative Research Department	3,371,142	3,849,709	3,769,858	--	3,673,620
Legislative Division of Post Audit	2,483,204	2,808,623	2,813,490	--	2,750,359
Revisor of Statutes	3,338,086	3,838,714	3,556,993	--	3,488,295
Judiciary	117,842,046	124,672,345	126,479,627	5,676,493	122,840,595
Judicial Council	1,184,419	1,441,525	1,451,746	--	1,432,064
<b>Total--General Government</b>	<b>\$ 483,116,561</b>	<b>\$ 519,580,239</b>	<b>\$ 628,798,629</b>	<b>\$ 10,569,798</b>	<b>\$ 540,921,379</b>
<b>Human Services</b>					
Social & Rehabilitation Services	326,424,321	314,495,824	317,638,727	20,543,118	308,514,498
Kansas Neurological Institute	28,280,409	28,606,059	29,452,070	661,459	28,254,214
Larned State Hospital	54,010,267	55,294,295	56,086,958	5,478,481	54,631,971

### Schedule 3.1--Expenditures from All Funding Sources for State Operations by Agency

	FY 2008 Actual	FY 2009 Gov. Estimate	FY 2010 Base Budget	FY 2010 Enhance. Pkg.	FY 2010 Gov. Rec.
Osawatomie State Hospital	26,357,402	26,543,999	27,912,264	2,079,377	27,136,536
Parsons State Hospital & Training Center	25,011,323	25,332,818	25,738,017	350,341	24,681,314
Rainbow Mental Health Facility	8,148,034	7,981,681	8,351,985	750,439	8,141,289
<b>Subtotal--SRS</b>	<b>\$ 468,231,756</b>	<b>\$ 458,254,676</b>	<b>\$ 465,180,021</b>	<b>\$ 29,863,215</b>	<b>\$ 451,359,822</b>
Kansas Health Policy Authority	71,197,812	73,684,929	74,261,359	3,811,993	68,743,102
Department on Aging	19,059,480	18,338,879	17,618,850	1,009,458	16,494,264
Health & Environment--Health	66,796,829	63,219,552	62,462,584	10,106,757	60,210,391
Department of Labor	37,491,705	39,404,511	39,846,772	88,800	38,891,554
Commission on Veterans Affairs	19,585,716	21,385,997	22,084,717	2,036,361	21,079,680
Kansas Guardianship Program	1,274,692	1,285,374	1,291,473	--	1,201,849
<b>Total--Human Services</b>	<b>\$ 683,637,990</b>	<b>\$ 675,573,918</b>	<b>\$ 682,745,776</b>	<b>\$ 46,916,584</b>	<b>\$ 657,980,662</b>
<b>Education</b>					
Department of Education	31,551,325	36,404,602	33,487,413	903,970	32,384,799
School for the Blind	6,208,953	6,214,110	6,392,433	746,969	6,155,819
School for the Deaf	9,379,505	9,520,092	9,698,356	601,569	9,397,023
<b>Subtotal--Department of Education</b>	<b>\$ 47,139,783</b>	<b>\$ 52,138,804</b>	<b>\$ 49,578,202</b>	<b>\$ 2,252,508</b>	<b>\$ 47,937,641</b>
Board of Regents	24,448,403	24,604,229	24,390,511	5,000	23,111,010
Emporia State University	66,873,215	73,274,169	72,135,567	--	67,965,506
Fort Hays State University	74,342,960	76,555,629	77,616,640	--	73,489,091
Kansas State University	345,731,483	372,603,953	372,233,909	--	357,089,804
Kansas State University--ESARP	116,724,812	121,108,217	122,010,438	--	115,782,663
KSU--Veterinary Medical Center	33,101,323	34,034,146	32,710,042	--	31,232,614
Pittsburg State University	72,403,466	76,795,413	77,912,150	--	73,680,946
University of Kansas	509,405,257	512,639,577	518,181,874	--	497,959,383
University of Kansas Medical Center	234,079,868	256,727,371	255,643,912	--	240,601,741
Wichita State University	187,073,847	199,695,279	201,986,512	--	191,052,319
<b>Subtotal--Regents</b>	<b>\$ 1,664,184,634</b>	<b>\$ 1,748,037,983</b>	<b>\$ 1,754,821,555</b>	<b>\$ 5,000</b>	<b>\$ 1,671,965,077</b>
Kansas Arts Commission	672,533	687,681	740,170	--	694,949
Historical Society	7,464,556	7,943,979	8,007,659	57,500	7,562,940
State Library	3,309,381	3,097,121	3,072,947	291,386	2,750,917
<b>Total--Education</b>	<b>\$ 1,722,770,887</b>	<b>\$ 1,811,905,568</b>	<b>\$ 1,816,220,533</b>	<b>\$ 2,606,394</b>	<b>\$ 1,730,911,524</b>
<b>Public Safety</b>					
Department of Corrections	108,599,357	112,772,416	113,303,879	6,752,883	108,365,080
El Dorado Correctional Facility	24,461,422	24,103,886	24,154,086	1,742,350	23,403,038
Ellsworth Correctional Facility	12,394,203	12,518,041	12,756,655	283,831	12,309,227
Hutchinson Correctional Facility	28,578,382	28,775,133	29,459,623	621,657	28,400,063
Lansing Correctional Facility	37,200,028	37,242,183	37,781,779	1,679,383	36,584,121
Larned Correctional Mental Health Facility	9,339,075	9,517,168	10,016,149	114,598	9,670,928
Norton Correctional Facility	14,034,486	14,357,410	14,889,626	401,846	12,706,195
Topeka Correctional Facility	13,100,429	13,175,093	13,665,082	593,370	13,198,036
Winfield Correctional Facility	12,045,892	12,383,884	12,703,001	806,602	12,320,032
<b>Subtotal--Corrections</b>	<b>\$ 259,753,274</b>	<b>\$ 264,845,214</b>	<b>\$ 268,729,880</b>	<b>\$ 12,996,520</b>	<b>\$ 256,956,720</b>
Juvenile Justice Authority	6,902,509	7,499,391	7,470,827	--	7,370,805
Atchison Juvenile Correctional Facility	5,687,468	3,094,880	393,159	--	386,868
Beloit Juvenile Correctional Facility	4,125,573	3,988,360	4,038,092	14,400	3,906,217
Kansas Juvenile Correctional Complex	16,185,082	16,228,249	16,736,235	271,134	16,263,606
Larned Juvenile Correctional Facility	8,567,348	8,496,062	9,116,102	118,337	8,837,568
<b>Subtotal--Juvenile Justice</b>	<b>\$ 41,467,980</b>	<b>\$ 39,306,942</b>	<b>\$ 37,754,415</b>	<b>\$ 403,871</b>	<b>\$ 36,765,064</b>
Adjutant General	36,386,205	39,340,137	36,088,585	2,631,226	35,351,672
Emergency Medical Services Board	1,401,858	1,435,059	1,326,167	--	1,268,982
State Fire Marshal	4,400,924	4,691,259	4,288,662	77,453	4,101,644

**Schedule 3.1--Expenditures from All Funding Sources for State Operations by Agency**

	<b>FY 2008 Actual</b>	<b>FY 2009 Gov. Estimate</b>	<b>FY 2010 Base Budget</b>	<b>FY 2010 Enhance. Pkg.</b>	<b>FY 2010 Gov. Rec.</b>
Highway Patrol	76,628,123	78,704,777	77,201,394	3,687,844	74,272,715
Kansas Bureau of Investigation	25,131,606	25,361,809	25,969,557	1,391,718	24,816,883
Kansas Parole Board	508,068	502,669	502,517	13,221	488,386
Comm. on Peace Officers Stand. & Training	341,563	643,000	743,967	20,000	644,624
Sentencing Commission	864,920	949,246	883,419	--	858,243
<b>Total--Public Safety</b>	<b>\$ 446,884,521</b>	<b>\$ 455,780,112</b>	<b>\$ 453,488,563</b>	<b>\$ 21,221,853</b>	<b>\$ 435,524,933</b>
<b>Agriculture &amp; Natural Resources</b>					
Department of Agriculture	24,106,117	28,627,952	29,217,765	2,419,808	27,741,155
Animal Health Department	2,923,016	2,886,773	2,730,250	170,908	2,637,714
State Conservation Commission	2,505,831	2,864,179	2,759,014	23,987	2,487,976
Health & Environment--Environment	62,973,268	64,901,042	64,748,885	1,920,822	63,151,769
Kansas State Fair	5,505,480	5,560,634	5,606,058	250,000	5,492,192
Kansas Water Office	8,522,585	9,283,830	7,577,441	7,804,632	6,770,341
Department of Wildlife & Parks	45,945,021	48,252,131	49,205,482	1,570,964	48,283,821
<b>Total--Ag. &amp; Natural Resources</b>	<b>\$ 152,481,318</b>	<b>\$ 162,376,541</b>	<b>\$ 161,844,895</b>	<b>\$ 14,161,121</b>	<b>\$ 156,564,968</b>
<b>Transportation</b>					
Department of Administration	9,390,942	9,138,175	8,848,975	--	8,848,975
Kansas Department of Transportation	300,270,238	298,273,169	298,339,923	1,427,990	294,001,630
<b>Total--Transportation</b>	<b>\$ 309,661,180</b>	<b>\$ 307,411,344</b>	<b>\$ 307,188,898</b>	<b>\$ 1,427,990</b>	<b>\$ 302,850,605</b>
Undermarket Salary Adjustments	--	--	--	--	8,534,972
<b>Total Expenditures</b>	<b>\$ 3,798,552,457</b>	<b>\$ 3,932,627,722</b>	<b>\$ 4,050,287,294</b>	<b>\$ 96,903,740</b>	<b>\$ 3,833,289,043</b>

### Schedule 3.2--Expenditures from the State General Fund for State Operations by Agency

	FY 2008 Actual	FY 2009 Gov. Estimate	FY 2010 Base Budget	FY 2010 Enhance. Pkg.	FY 2010 Gov. Rec.
<b>General Government</b>					
Department of Administration	41,935,062	43,482,927	55,198,077	476,906	44,093,397
Kansas Corporation Commission	--	--	185,799	--	--
Kansas Human Rights Commission	1,778,909	1,724,014	1,736,331	87,094	1,639,149
Board of Indigents Defense Services	22,496,010	22,464,268	22,567,529	1,574,536	22,189,068
Department of Commerce	240,963	236,020	234,678	--	--
Department of Revenue	21,513,356	20,795,859	21,531,219	--	19,473,899
Court of Tax Appeals	1,637,235	1,626,669	1,770,448	--	1,586,859
Governmental Ethics Commission	522,636	512,918	520,214	--	478,031
Office of the Governor	2,399,657	2,995,268	2,703,545	--	2,569,321
Office of the Lieutenant Governor	205,249	203,947	180,666	--	173,210
Attorney General	5,028,735	4,786,224	5,006,453	373,068	4,630,463
Secretary of State	139,908	--	--	165,117	--
State Treasurer	89,699	--	--	50,000	--
Legislative Coordinating Council	1,011,714	799,381	802,111	--	779,855
Legislature	16,275,823	18,475,210	18,421,072	--	18,045,348
Legislative Research Department	3,371,142	3,849,709	3,769,858	--	3,673,620
Legislative Division of Post Audit	2,483,204	2,808,623	2,813,490	--	2,750,359
Revisor of Statutes	3,338,086	3,838,714	3,556,993	--	3,488,295
Judiciary	109,321,166	111,862,198	113,879,888	5,528,083	110,551,616
Judicial Council	170,689	158,210	150,000	--	--
<b>Total--General Government</b>	<b>\$ 233,959,243</b>	<b>\$ 240,620,159</b>	<b>\$ 255,028,371</b>	<b>\$ 8,254,804</b>	<b>\$ 236,122,490</b>
<b>Human Services</b>					
Social & Rehabilitation Services	126,581,162	126,584,488	128,153,773	12,332,436	121,444,906
Kansas Neurological Institute	13,163,692	11,112,811	11,958,822	661,459	11,396,168
Larned State Hospital	42,987,213	42,110,459	43,323,618	5,477,279	41,602,066
Osawatomie State Hospital	12,260,807	16,267,473	17,800,056	2,079,377	16,990,433
Parsons State Hospital & Training Center	10,104,807	10,614,646	11,019,845	350,341	10,424,288
Rainbow Mental Health Facility	5,507,686	5,340,742	5,765,011	750,439	5,523,912
<b>Subtotal--SRS</b>	<b>\$ 210,605,367</b>	<b>\$ 212,030,619</b>	<b>\$ 218,021,125</b>	<b>\$ 21,651,331</b>	<b>\$ 207,381,773</b>
Kansas Health Policy Authority	23,585,495	23,226,469	24,247,776	1,801,643	22,296,532
Department on Aging	7,148,326	7,057,719	6,858,969	893,675	5,972,773
Health & Environment--Health	15,641,752	11,076,114	10,589,597	9,077,724	10,015,870
Department of Labor	481,018	564,139	587,614	105,000	544,385
Commission on Veterans Affairs	8,938,096	9,224,492	9,542,353	1,713,861	8,956,372
Kansas Guardianship Program	1,274,692	1,285,374	1,291,473	--	1,201,849
<b>Total--Human Services</b>	<b>\$ 267,674,746</b>	<b>\$ 264,464,926</b>	<b>\$ 271,138,907</b>	<b>\$ 35,243,234</b>	<b>\$ 256,369,554</b>
<b>Education</b>					
Department of Education	11,237,340	11,758,145	11,618,461	860,648	10,927,638
School for the Blind	5,824,309	5,780,071	5,878,733	746,969	5,616,588
School for the Deaf	8,996,675	9,098,619	9,364,286	601,569	9,066,168
<b>Subtotal--Department of Education</b>	<b>\$ 26,058,324</b>	<b>\$ 26,636,835</b>	<b>\$ 26,861,480</b>	<b>\$ 2,209,186</b>	<b>\$ 25,610,394</b>
Board of Regents	7,895,221	8,762,526	9,471,329	5,000	5,760,311
Emporia State University	34,770,492	34,403,487	35,466,899	--	31,925,427
Fort Hays State University	36,460,580	36,528,949	37,554,220	--	33,857,186
Kansas State University	115,372,291	113,680,696	118,063,494	--	106,608,892
Kansas State University--ESARP	54,713,710	54,172,718	55,003,818	--	49,846,525
KSU--Veterinary Medical Center	11,081,788	10,948,645	11,287,263	--	10,193,209
Pittsburg State University	37,618,188	36,280,908	37,421,332	--	33,914,684
University of Kansas	149,456,729	149,388,850	153,172,063	--	140,025,146
University of Kansas Medical Center	114,408,255	113,526,730	117,141,653	--	105,546,164
Wichita State University	73,284,543	74,877,534	77,119,285	--	67,548,998
<b>Subtotal--Regents</b>	<b>\$ 635,061,797</b>	<b>\$ 632,571,043</b>	<b>\$ 651,701,356</b>	<b>\$ 5,000</b>	<b>\$ 585,226,542</b>

### Schedule 3.2--Expenditures from the State General Fund for State Operations by Agency

	FY 2008 Actual	FY 2009 Gov. Estimate	FY 2010 Base Budget	FY 2010 Enhance. Pkg.	FY 2010 Gov. Rec.
Kansas Arts Commission	359,418	310,692	336,387	--	309,254
Historical Society	6,044,618	5,955,849	6,029,090	57,500	5,650,063
State Library	2,255,137	2,128,895	2,104,721	291,386	1,792,353
<b>Total--Education</b>	<b>\$ 669,779,294</b>	<b>\$ 667,603,314</b>	<b>\$ 687,033,034</b>	<b>\$ 2,563,072</b>	<b>\$ 618,588,606</b>
<b>Public Safety</b>					
Department of Corrections	91,403,877	94,710,928	96,562,144	6,752,883	91,725,860
El Dorado Correctional Facility	24,088,922	23,977,942	24,084,156	1,683,167	23,333,108
Ellsworth Correctional Facility	12,332,730	12,459,702	12,705,335	283,831	12,259,701
Hutchinson Correctional Facility	28,149,523	28,207,282	29,035,623	621,657	27,982,967
Lansing Correctional Facility	36,900,029	36,992,183	37,531,779	1,679,383	36,334,121
Larned Correctional Mental Health Facility	9,339,075	9,514,968	10,002,849	114,598	9,657,628
Norton Correctional Facility	13,847,354	14,163,633	14,624,798	401,846	12,535,151
Topeka Correctional Facility	12,112,957	12,251,470	12,721,508	593,370	12,282,068
Winfield Correctional Facility	11,790,710	12,117,414	12,431,805	806,602	12,059,239
<b>Subtotal--Corrections</b>	<b>\$ 239,965,177</b>	<b>\$ 244,395,522</b>	<b>\$ 249,699,997</b>	<b>\$ 12,937,337</b>	<b>\$ 238,169,843</b>
Juvenile Justice Authority	4,255,569	4,732,090	4,863,100	--	4,768,085
Atchison Juvenile Correctional Facility	5,601,655	3,014,899	386,061	--	379,770
Beloit Juvenile Correctional Facility	4,038,659	3,896,567	3,939,299	14,400	3,807,424
Kansas Juvenile Correctional Complex	15,335,747	15,704,777	16,193,865	271,134	15,721,236
Larned Juvenile Correctional Facility	8,471,656	8,386,005	9,006,045	118,337	8,727,511
<b>Subtotal--Juvenile Justice</b>	<b>\$ 37,703,286</b>	<b>\$ 35,734,338</b>	<b>\$ 34,388,370</b>	<b>\$ 403,871</b>	<b>\$ 33,404,026</b>
Adjutant General	6,013,748	9,309,496	6,978,314	1,910,302	6,969,025
Highway Patrol	36,469,029	36,374,123	37,180,204	1,112,189	35,106,115
Kansas Bureau of Investigation	16,971,627	15,893,032	16,537,270	1,391,718	15,567,663
Kansas Parole Board	508,068	502,669	502,517	13,221	488,386
Sentencing Commission	719,239	781,906	725,479	--	705,887
<b>Total--Public Safety</b>	<b>\$ 338,350,174</b>	<b>\$ 342,991,086</b>	<b>\$ 346,012,151</b>	<b>\$ 17,768,638</b>	<b>\$ 330,410,945</b>
<b>Agriculture &amp; Natural Resources</b>					
Department of Agriculture	12,012,274	11,695,253	11,959,912	1,038,410	10,948,668
Animal Health Department	953,477	913,027	910,982	170,908	864,525
State Conservation Commission	906,090	884,917	896,538	--	832,406
Health & Environment--Environment	10,890,289	9,469,653	9,456,264	1,304,000	8,986,204
Kansas State Fair	814,993	795,821	771,861	200,000	341,861
Kansas Water Office	2,277,280	2,824,403	2,296,939	448,539	2,025,746
Department of Wildlife & Parks	6,794,749	7,252,801	7,196,278	154,960	5,861,358
<b>Total--Ag. &amp; Natural Resources</b>	<b>\$ 34,649,152</b>	<b>\$ 33,835,875</b>	<b>\$ 33,488,774</b>	<b>\$ 3,316,817</b>	<b>\$ 29,860,768</b>
<b>Transportation</b>					
Department of Administration	9,390,942	9,138,175	8,848,975	--	8,848,975
<b>Total--Transportation</b>	<b>\$ 9,390,942</b>	<b>\$ 9,138,175</b>	<b>\$ 8,848,975</b>	<b>\$ --</b>	<b>\$ 8,848,975</b>
Undermarket Salary Adjustments	--	--	--	--	8,534,972
<b>Total Expenditures</b>	<b>\$1,553,803,551</b>	<b>\$1,558,653,535</b>	<b>\$1,601,550,212</b>	<b>\$ 67,146,565</b>	<b>\$1,488,736,310</b>

## Schedule 4.1--Expenditures from All Funding Sources for Aid to Local Governments

	FY 2008 Actual	FY 2009 Gov. Estimate	FY 2010 Base Budget	FY 2010 Enhance. Pkg.	FY 2010 Gov. Rec.
<b>General Government</b>					
Department of Administration					
Emergency Flood Control	261,357	266,718	266,718	--	266,718
Wireless 911 Grants	6,267,620	7,145,741	7,142,894	--	7,142,894
<b>Total--Department of Administration</b>	<b>\$ 6,528,977</b>	<b>\$ 7,412,459</b>	<b>\$ 7,409,612</b>	<b>\$ --</b>	<b>\$ 7,409,612</b>
Kansas Corporation Commission					
Energy Conservation Grants	20,000	17,500	17,500	--	17,500
Department of Commerce					
Attraction Development Grants	1,100	--	--	--	--
KIT & KIR Programs	289,332	--	--	--	--
Greensburg Economic Development	50,000	--	--	--	--
Small Community Improvement Proj.	500,000	500,000	500,000	--	500,000
WIRED Federal Grant	597,100	--	--	--	--
Community Services Revolving Loan	1,467,373	3,000,000	3,000,000	--	3,000,000
Enterprise Facilitation	106,474	124,645	133,333	--	133,333
Community Development Block Grant	16,528,608	20,000,000	20,000,000	--	20,000,000
Early Childhood Apprenticeship	30,844	130,000	76,532	--	76,532
Rural Development Programs	100,000	100,000	100,000	--	100,000
City of Emporia Layoff Grant	5,000	--	--	--	--
<b>Total--Department of Commerce</b>	<b>\$ 19,675,831</b>	<b>\$ 23,854,645</b>	<b>\$ 23,809,865</b>	<b>\$ --</b>	<b>\$ 23,809,865</b>
Kansas Lottery					
Expanded Lottery Act Payments	--	--	3,144,000	--	916,279
Department of Revenue					
Sand Royalty Program	50,174	70,000	70,000	--	70,000
County Treasurer Vehicle Licensing	138,075	122,500	122,500	--	122,500
Special County Mineral Production	10,304,950	11,388,000	10,300,000	--	10,300,000
County Drug Tax Enforcement	882,805	973,053	973,053	--	973,053
Division of Vehicles Operations	167,830	--	--	--	--
Electronic Databases Program	29,231	--	--	--	--
VIPS/CAMA System	123,210	123,066	133,256	--	133,256
<b>Total--Department of Revenue</b>	<b>\$ 11,696,275</b>	<b>\$ 12,676,619</b>	<b>\$ 11,598,809</b>	<b>\$ --</b>	<b>\$ 11,598,809</b>
Office of the Governor					
Federal & Other Grant Programs	2,054,434	2,154,190	2,201,472	--	2,201,472
Attorney General					
DARE Conference	110	--	--	--	--
Project Safe Neighborhoods	351,252	315,000	300,000	--	300,000
<b>Total--Attorney General</b>	<b>\$ 351,362</b>	<b>\$ 315,000</b>	<b>\$ 300,000</b>	<b>\$ --</b>	<b>\$ 300,000</b>
Insurance Department					
Firefighter Association Grants	9,716,136	9,860,000	10,000,000	--	10,000,000
State Treasurer					
Business Machinery Equipment	20,324,493	39,346,000	39,763,000	--	--
Railroad Machinery & Telecomm.	5,535,867	5,500,000	5,500,000	--	--
Local Ad Valorem Tax Reduction	--	--	13,500,000	--	--
Tax Increment Financing	1,094,790	1,100,000	1,500,000	--	1,500,000
<b>Total--State Treasurer</b>	<b>\$ 26,955,150</b>	<b>\$ 45,946,000</b>	<b>\$ 60,263,000</b>	<b>\$ --</b>	<b>\$ 1,500,000</b>
Judiciary					
Child Welfare Federal Fund	--	75,000	50,000	--	50,000
Permanent Families Account	330,537	273,281	209,546	--	209,546
<b>Total--Judiciary</b>	<b>\$ 330,537</b>	<b>\$ 348,281</b>	<b>\$ 259,546</b>	<b>\$ --</b>	<b>\$ 259,546</b>
<b>Total--General Government</b>	<b>\$ 77,328,702</b>	<b>\$ 102,584,694</b>	<b>\$ 119,003,804</b>	<b>\$ --</b>	<b>\$ 58,013,083</b>



## Schedule 4.1--Expenditures from All Funding Sources for Aid to Local Governments

	FY 2008 Actual	FY 2009 Gov. Estimate	FY 2010 Base Budget	FY 2010 Enhance. Pkg.	FY 2010 Gov. Rec.
<b>Human Services</b>					
Social & Rehabilitation Services					
Children's Cabinet Grants	3,676,455	19,982,625	19,982,625	--	19,982,625
Early Head Start	2,660,142	11,342,397	11,342,397	--	11,342,397
Mental Health Grants	4,443,901	7,789,729	7,789,729	--	7,789,729
Substance Abuse Treatment Grants	54,310	15,000	15,000	--	15,000
Discretionary Grants/Commun. Funding	1,356,459	--	--	--	--
<b>Total--SRS</b>	<b>\$ 12,191,267</b>	<b>\$ 39,129,751</b>	<b>\$ 39,129,751</b>	<b>\$ --</b>	<b>\$ 39,129,751</b>
Department on Aging					
Nutrition Grants	3,768,827	4,022,496	4,006,051	--	4,006,051
Senior Care Act	1,114,761	1,137,498	1,137,498	--	1,137,498
Federal Community Grants	3,128,740	3,117,962	3,117,962	--	3,117,962
<b>Total--Aging</b>	<b>\$ 8,012,328</b>	<b>\$ 8,277,956</b>	<b>\$ 8,261,511</b>	<b>\$ --</b>	<b>\$ 8,261,511</b>
Health & Environment--Health					
Aid to Local Health Departments	5,051,807	5,029,382	5,000,000	--	5,000,000
General Health Programs	1,564,352	1,481,066	1,475,073	873,830	1,475,073
Primary Health Project	4,510,348	6,692,375	7,020,840	--	6,692,375
Other Federal Aid	92,900	95,300	95,300	--	95,300
Teen Pregnancy Prevention	767,995	767,995	767,995	--	528,995
Food Service Inspection	1,074,854	53,664	--	--	--
Sexually Trans. Disease Control Proj.	314,002	304,740	304,740	--	304,740
Mothers & Infants Health Program	10,226,668	10,212,083	10,211,522	--	10,211,522
Healthy Start	250,000	250,000	250,000	--	250,000
Family Planning	2,227,261	2,100,729	2,100,729	--	2,100,729
Preventive Health Block Grant	919,158	594,538	587,599	--	587,599
Community Prescription Support	750,000	750,000	750,000	--	750,000
Pregnancy Maintenance Initiative	400,000	300,000	400,000	--	--
Lead Poisoning and Prevention Program	125,200	13,517	8,745	--	8,745
Homeland Security Aid	5,127,145	3,897,724	3,897,724	--	3,897,724
AIDS Services/Education	775,609	1,338,767	1,338,767	--	1,338,767
District Coroners Fund	248,375	271,822	277,258	--	277,258
Immunization Programs	936,103	967,871	1,001,000	--	1,001,000
Youth Mentoring Programs	167,772	275,000	267,000	--	267,000
Infant & Toddler Program	4,721,305	5,721,305	5,721,305	--	5,721,305
Child Care & Development Block Grant	4,397,903	4,414,949	4,414,949	--	4,414,949
<b>Total--KDHE--Health</b>	<b>\$ 44,648,757</b>	<b>\$ 45,532,827</b>	<b>\$ 45,890,546</b>	<b>\$ 873,830</b>	<b>\$ 44,923,081</b>
<b>Total--Human Services</b>	<b>\$ 64,852,352</b>	<b>\$ 92,940,534</b>	<b>\$ 93,281,808</b>	<b>\$ 873,830</b>	<b>\$ 92,314,343</b>
<b>Education</b>					
Department of Education					
General State Aid	2,118,114,131	2,213,020,915	2,236,241,000	17,810,321	2,155,235,466
Supplemental General State Aid	307,860,631	324,146,000	345,337,000	3,928,664	339,212,000
Capital Outlay State Aid	23,086,626	22,600,000	26,040,022	1,899,500	25,600,000
Declining Enrollment State Aid	3,384	50,000	50,000	--	50,000
KPERS Employer Contribution	220,812,560	249,989,121	249,430,859	32,757,423	250,079,022
Special Education Services Aid	502,126,877	527,453,137	528,771,455	25,500,000	528,953,137
After School Programs	265,660	325,000	325,000	--	325,000
Juvenile Detention Grants	6,847,434	7,706,161	7,706,161	--	7,706,161
Teaching Excellence Scholarships	224,300	250,000	280,000	--	280,000
Mentor Teachers	1,383,421	1,650,000	1,650,000	1,500,000	1,450,000
Professional Development for Teachers	1,748,323	1,750,000	1,750,000	6,250,000	--
Deaf-Blind Program Aid	98,512	97,500	97,500	--	97,500
School Food Assistance	101,254,096	103,755,600	106,305,600	851,000	106,305,600

**Schedule 4.1--Expenditures from All Funding Sources for Aid to Local Governments**

	<b>FY 2008 Actual</b>	<b>FY 2009 Gov. Estimate</b>	<b>FY 2010 Base Budget</b>	<b>FY 2010 Enhance. Pkg.</b>	<b>FY 2010 Gov. Rec.</b>
<b>Department of Education, Cont'd.</b>					
Parent Education	7,539,269	7,539,500	7,539,500	--	7,539,500
Discretionary Grants	148,235	150,000	150,000	--	150,000
Alcohol & Drug Abuse Programs	2,128,424	1,750,000	1,750,000	--	1,750,000
School Safety Programs	1,788,134	593,600	775,540	806,660	--
Bond & Interest Aid	69,127,760	75,379,000	74,238,000	5,550,000	80,000,000
Ed. Research & Innovative Prog.	3,186,542	4,105,000	3,848,000	--	3,848,000
Elementary & Secondary Ed. Prog.	105,677,330	110,728,000	108,640,000	--	108,640,000
21st Century Community Learning Ctrs.	4,823,281	6,850,000	6,650,000	--	6,650,000
Pre-K Pilot Program	--	2,500,000	2,500,000	--	2,500,000
Rural & Low Income Schools	114,184	115,000	115,000	--	115,000
Language Assistance Grants to States	3,141,659	3,300,000	3,400,000	--	3,400,000
Improving Teacher Quality	20,890,435	21,042,000	20,535,000	--	20,535,000
Vocational Education Grants	5,094,085	5,100,000	5,000,000	--	5,000,000
<b>Total--Department of Education</b>	<b>\$ 3,507,485,293</b>	<b>\$ 3,691,945,534</b>	<b>\$ 3,739,125,637</b>	<b>\$ 96,853,568</b>	<b>\$ 3,655,421,386</b>
<b>Board of Regents</b>					
Washburn Operating Grant	11,926,216	12,137,349	12,512,731	--	11,636,840
Postsecondary Aid for Vocational Ed.	32,895,997	34,041,622	35,094,456	--	32,637,844
Adult Basic Education	5,051,153	5,148,998	5,148,998	--	5,148,998
Technical Equipment	441,040	441,445	455,098	--	423,241
Technical Ed. Technology/Equipment	4,000,000	--	--	--	--
Technical Innovation & Internships	112,723	248,277	180,500	--	180,500
Vocational Education Capital Outlay	2,565,000	2,644,305	2,646,758	--	2,641,035
Community College Operating Grant	100,065,068	106,362,631	109,652,197	--	101,976,543
Out-District Tuition	6,400,000	--	--	--	--
KAN-ED	1,790,460	1,900,000	933,643	--	933,643
No Child Left Behind	58,657	586,391	586,391	--	586,391
SW Kansas Access	59,763	968,679	200,000	--	--
Truck Driver Training	70,000	70,000	70,000	--	70,000
Motorcycle Safety	97,344	98,000	98,000	--	98,000
Adult Learners Access Grant	74,409	400,000	--	--	--
Postsecondary Ed. Operating Grant	--	--	--	32,273,014	--
Other Aid Programs	6,861,040	6,162,986	6,125,000	--	6,125,000
<b>Total--Board of Regents</b>	<b>\$ 172,468,870</b>	<b>\$ 171,210,683</b>	<b>\$ 173,703,772</b>	<b>\$ 32,273,014</b>	<b>\$ 162,458,035</b>
<b>Kansas State University</b>					
Educational Aid	1,047,229	1,550,744	1,550,744	--	1,550,744
<b>Kansas State University--ESARP</b>					
Educational Aid	389,509	115,807	115,807	--	115,807
<b>Subtotal--Regents</b>	<b>\$ 173,905,608</b>	<b>\$ 172,877,234</b>	<b>\$ 175,370,323</b>	<b>\$ 32,273,014</b>	<b>\$ 164,124,586</b>
<b>Kansas Arts Commission</b>					
Arts Grants	64,332	66,000	66,000	100,000	66,000
<b>Historical Society</b>					
Historic Preservation Aid	440,507	1,426,000	1,225,000	--	1,225,000
Kansas Humanities Council	201,830	80,193	80,193	17,500	76,183
Earhart Bridge Mitigation Project	--	100,000	100,000	--	100,000
<b>Total--Historical Society</b>	<b>\$ 642,337</b>	<b>\$ 1,606,193</b>	<b>\$ 1,405,193</b>	<b>\$ 17,500</b>	<b>\$ 1,401,183</b>
<b>State Library</b>					
Talking Books--READ Equipment	378,210	378,210	378,210	--	378,210
Grants to Libraries	2,393,562	2,257,948	2,313,378	--	2,151,140
Interlibrary Loan Development	556,821	603,744	603,744	--	603,744
Local Library Projects	74,000	--	--	--	--
Federal Library Services & Technology	312,571	275,680	275,680	--	275,680
<b>Total--State Library</b>	<b>\$ 3,715,164</b>	<b>\$ 3,515,582</b>	<b>\$ 3,571,012</b>	<b>\$ --</b>	<b>\$ 3,408,774</b>
<b>Total--Education</b>	<b>\$ 3,685,812,734</b>	<b>\$ 3,870,010,543</b>	<b>\$ 3,919,538,165</b>	<b>\$ 129,244,082</b>	<b>\$ 3,824,421,929</b>

## Schedule 4.1--Expenditures from All Funding Sources for Aid to Local Governments

	FY 2008 Actual	FY 2009 Gov. Estimate	FY 2010 Base Budget	FY 2010 Enhance. Pkg.	FY 2010 Gov. Rec.
<b>Public Safety</b>					
Department of Corrections					
Correctional Conservation Camps	2,312,450	1,871,340	--	--	--
Local Offender Programs	11,000	--	--	2,354,340	--
Community Corrections	19,491,523	18,548,912	19,373,912	956,956	16,955,892
<b>Total--Department of Corrections</b>	<b>\$ 21,814,973</b>	<b>\$ 20,420,252</b>	<b>\$ 19,373,912</b>	<b>\$ 3,311,296</b>	<b>\$ 16,955,892</b>
Juvenile Justice Authority					
Detention Per Diem Payments	3,194,040	3,289,861	3,388,557	--	3,388,557
Juv. Justice Delinquency Prevent. Grant	5,531,308	5,579,530	5,579,530	--	5,579,530
Prevention Trust Fund Grants	89,859	336,252	317,167	--	317,167
Community Corrections	4,187,555	5,236,774	5,186,767	--	5,186,767
Case Management	6,200,816	7,759,759	9,609,869	--	9,609,869
Intake & Assessment	4,398,672	5,345,643	5,345,643	--	5,345,643
Incentive Funding	--	453,000	1,000,000	--	700,000
Intervention	1,854,257	1,850,111	--	--	--
Juvenile Detention Facility Grants	297,937	--	--	--	--
Juvenile Detention Facility Debt	593,091	595,870	596,680	--	596,680
Federal Grants to Local Governments	673,957	605,275	552,285	--	552,285
Community Placement Providers	1,097,037	--	--	--	--
<b>Total--Juvenile Justice Authority</b>	<b>\$ 28,118,529</b>	<b>\$ 31,052,075</b>	<b>\$ 31,576,498</b>	<b>\$ --</b>	<b>\$ 31,276,498</b>
Adjutant General					
FEMA Grants--Public Assistance	58,589,869	45,526,397	--	58,636,950	29,318,475
FEMA Grants--Hazard Mitigation	1,950,736	19,630,617	8,541,693	51,000,000	--
FEMA Grants--Individual Assistance	6,926	--	--	--	--
State Disaster Match--Public Assistance	11,167,992	10,032,521	--	7,818,260	3,909,130
State Disaster Match--Hazardous Mit.	945,849	2,657,416	1,859,389	6,800,000	--
Federal Emergency Mgmt. Preparedness	324,676	1,675,658	175,000	--	175,000
Homeland Sec. Grants--Other	21,000	--	--	--	--
<b>Total--Adjutant General</b>	<b>\$ 73,007,048</b>	<b>\$ 79,522,609</b>	<b>\$ 10,576,082</b>	<b>\$ 124,255,210</b>	<b>\$ 33,402,605</b>
Emergency Medical Services Board					
Revolving Grant Program	461,755	483,265	483,265	--	483,265
Training for Underserved Areas	300,000	294,000	294,000	--	257,871
Preparedness Grant	--	168,000	--	--	--
Rural Access to Emergency Devices	953	--	--	--	--
<b>Total--Emergency Medical Services</b>	<b>\$ 762,708</b>	<b>\$ 945,265</b>	<b>\$ 777,265</b>	<b>\$ --</b>	<b>\$ 741,136</b>
Highway Patrol					
Homeland Security Grants	10,248,453	9,517,790	4,572,258	--	4,572,258
Kansas Bureau of Investigation					
Drug Trafficking Federal Grant	1,593,846	1,440,820	1,440,820	--	1,440,820
COPS Grant	31,394	--	--	--	--
DNA Expansion Program	2,231	--	--	--	--
<b>Total--KBI</b>	<b>\$ 1,627,471</b>	<b>\$ 1,440,820</b>	<b>\$ 1,440,820</b>	<b>\$ --</b>	<b>\$ 1,440,820</b>
<b>Total--Public Safety</b>	<b>\$ 135,579,182</b>	<b>\$ 142,898,811</b>	<b>\$ 68,316,835</b>	<b>\$ 127,566,506</b>	<b>\$ 88,389,209</b>
<b>Agriculture &amp; Natural Resources</b>					
Department of Agriculture					
General Aid Programs	6,294	--	--	--	--
Animal Health					
Federal Aid to Counties	3,850	--	--	--	--

## Schedule 4.1--Expenditures from All Funding Sources for Aid to Local Governments

	FY 2008 Actual	FY 2009 Gov. Estimate	FY 2010 Base Budget	FY 2010 Enhance. Pkg.	FY 2010 Gov. Rec.
<b>State Conservation Commission</b>					
Aid to Conservation Districts	2,127,242	2,264,831	2,255,919	58,382	2,255,919
Watershed Dam Planning Construction	1,022,413	938,493	1,055,000	--	759,600
NRCS Contribution Agreement Phase II	95,180	36,000	72,000	--	72,000
Lake Restoration	2,483,603	798,773	998,466	1,950,597	718,896
Multipurpose Small Lakes	1,250,000	898,541	--	--	--
Riparian & Wetland Restoration	150	900	900	--	900
<b>Total--State Conservation Commiss.</b>	<b>\$ 6,978,588</b>	<b>\$ 4,937,538</b>	<b>\$ 4,382,285</b>	<b>\$ 2,008,979</b>	<b>\$ 3,807,315</b>
<b>Health &amp; Environment--Environment</b>					
Waste Management Aid	2,067,215	2,530,000	1,230,000	--	1,230,000
Air Pollution Control Program Aid	1,064,828	1,207,125	1,147,560	--	1,147,560
WRAPS Aid	770,580	600,613	800,000	--	481,042
General Aid Programs	83,312	--	--	--	--
Nonpoint Source Federal Aid	546,086	550,000	578,000	--	578,000
LEPP Aid	1,174,536	1,202,279	1,502,735	--	1,066,942
Other Federal Aid	1,412,166	1,035,181	894,378	--	894,378
<b>Total--KDHE--Environment</b>	<b>\$ 7,118,723</b>	<b>\$ 7,125,198</b>	<b>\$ 6,152,673</b>	<b>\$ --</b>	<b>\$ 5,397,922</b>
<b>Department of Wildlife &amp; Parks</b>					
Kansas Riverfront Authority	12,000	--	--	--	--
Land & Water Conservation Program	44,075	500,000	500,000	--	115,000
Wildlife Habitat Incentive Program	1,000	--	--	--	--
Outdoor Wildlife Learning Site	16,867	--	--	--	--
Community Fisheries Assistance Program	291,121	--	--	--	--
National Recreational Trails Program	525,721	900,000	900,000	--	900,000
River Access	70,000	--	--	--	--
<b>Total--Dept. of Wildlife &amp; Parks</b>	<b>\$ 960,784</b>	<b>\$ 1,400,000</b>	<b>\$ 1,400,000</b>	<b>\$ --</b>	<b>\$ 1,015,000</b>
<b>Total--Ag. &amp; Natural Resources</b>	<b>\$ 15,068,239</b>	<b>\$ 13,462,736</b>	<b>\$ 11,934,958</b>	<b>\$ 2,008,979</b>	<b>\$ 10,220,237</b>
<b>Transportation</b>					
<b>Kansas Department of Transportation</b>					
Connecting Links Payments	2,844,709	3,360,000	3,360,000	--	3,360,000
County Equalization Aid Adjustment	2,500,000	2,500,000	2,500,000	--	2,500,000
Special City and County Highway Aid	141,669,569	144,977,250	158,085,446	--	148,021,782
Federal Highway Safety	2,208,867	4,524,078	3,020,000	--	3,020,000
Metropolitan Transportation Planning	149,210	3,618,418	1,823,479	--	1,823,479
State Coordinated Public Transportation	6,415,281	7,533,937	6,000,000	--	6,000,000
Aviation Grants	3,161,139	2,357,525	3,000,000	--	3,000,000
<b>Total--Dept. of Transportation</b>	<b>\$ 158,948,775</b>	<b>\$ 168,871,208</b>	<b>\$ 177,788,925</b>	<b>\$ --</b>	<b>\$ 167,725,261</b>
<b>Total--Transportation</b>	<b>\$ 158,948,775</b>	<b>\$ 168,871,208</b>	<b>\$ 177,788,925</b>	<b>\$ --</b>	<b>\$ 167,725,261</b>
<b>Total--Aid to Local Governments</b>	<b>\$ 4,137,589,984</b>	<b>\$ 4,390,768,526</b>	<b>\$ 4,389,864,495</b>	<b>\$ 259,693,397</b>	<b>\$ 4,241,084,062</b>

## Schedule 4.2--Expenditures from the State General Fund for Aid to Local Governments

	FY 2008 Actual	FY 2009 Gov. Estimate	FY 2010 Base Budget	FY 2010 Enhance. Pkg.	FY 2010 Gov. Rec.
<b>General Government</b>					
Office of the Governor					
Federal & Other Grant Programs	5,260	--	--	--	--
Attorney General					
DARE Conference	110	--	--	--	--
<b>Total--General Government</b>	<b>\$ 5,370</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ --</b>
<b>Human Services</b>					
Social & Rehabilitation Services					
Early Head Start	434,401	--	--	--	--
Mental Health Grants	3,776,127	6,866,942	6,866,942	--	6,866,942
Discretionary Grants/Commun. Funding	894,945	10,000	10,000	--	10,000
<b>Total--SRS</b>	<b>\$ 5,105,473</b>	<b>\$ 6,876,942</b>	<b>\$ 6,876,942</b>	<b>\$ --</b>	<b>\$ 6,876,942</b>
Department on Aging					
Nutrition Grants	1,134,413	1,275,928	1,275,928	--	1,275,928
Senior Care Act	1,114,761	1,137,498	1,137,498	--	1,137,498
Miscellaneous Grants	2,940	--	--	--	--
<b>Total--Department on Aging</b>	<b>\$ 2,252,114</b>	<b>\$ 2,413,426</b>	<b>\$ 2,413,426</b>	<b>\$ --</b>	<b>\$ 2,413,426</b>
Health & Environment--Health					
Aid to Local Health Departments	5,051,807	5,029,382	5,000,000	--	5,000,000
General Health Programs	130,433	56,813	54,820	873,830	54,820
Primary Health Project	4,510,348	6,692,375	7,020,840	--	6,692,375
Community Prescription Support	750,000	750,000	750,000	--	750,000
Family Planning	98,880	98,880	98,880	--	98,880
Teen Pregnancy Prevention	537,660	537,660	537,660	--	298,660
Immunization Program	548,051	505,871	539,000	--	539,000
Pregnancy Maintenance Initiative	400,000	300,000	400,000	--	--
Youth Mentoring Programs	167,772	275,000	267,000	--	267,000
Infant & Toddler Program	3,521,305	21,305	21,305	--	21,305
<b>Total--KDHE--Health</b>	<b>\$ 15,716,256</b>	<b>\$ 14,267,286</b>	<b>\$ 14,689,505</b>	<b>\$ 873,830</b>	<b>\$ 13,722,040</b>
<b>Total--Human Services</b>	<b>\$ 23,073,843</b>	<b>\$ 23,557,654</b>	<b>\$ 23,979,873</b>	<b>\$ 873,830</b>	<b>\$ 23,012,408</b>
<b>Education</b>					
Department of Education					
General State Aid	2,088,626,758	2,183,920,915	2,207,141,000	17,810,321	2,126,235,466
Supplemental General State Aid	307,860,631	324,146,000	345,337,000	3,928,664	339,212,000
Capital Outlay State Aid	23,086,626	22,600,000	26,040,022	1,899,500	25,600,000
Declining Enrollment State Aid	3,384	50,000	50,000	--	50,000
KPERs Employer Contribution	220,812,560	249,989,121	249,430,859	32,757,423	250,079,022
Special Education Services Aid	403,273,815	427,753,137	427,571,455	25,500,000	427,753,137
After School Programs	265,660	325,000	325,000	--	325,000
Juvenile Detention Grants	6,847,434	7,706,161	7,706,161	--	7,706,161
Teaching Excellence Scholarships	224,300	250,000	260,525	--	260,525
Mentor Teachers	1,383,421	1,650,000	1,650,000	1,500,000	1,450,000
Professional Development for Teachers	1,748,323	1,750,000	1,750,000	6,250,000	--
Deaf-Blind Program Aid	98,512	97,500	97,500	--	97,500
School Food Assistance	2,365,618	2,365,600	2,365,600	851,000	2,365,600
Parent Education	7,539,269	--	--	--	--
Discretionary Grants	148,235	150,000	150,000	--	150,000
<b>Total--Department of Education</b>	<b>\$ 3,064,284,546</b>	<b>\$ 3,222,753,434</b>	<b>\$ 3,269,875,122</b>	<b>\$ 90,496,908</b>	<b>\$ 3,181,284,411</b>
Board of Regents					
Washburn Operating Grant	11,926,216	12,137,349	12,512,731	--	11,636,840
Postsecondary Aid for Vocational Ed.	32,895,997	34,041,622	35,094,456	--	32,637,844
Technical Ed. Technology/Equipment	4,000,000	--	--	--	--

## Schedule 4.2--Expenditures from the State General Fund for Aid to Local Governments

	FY 2008 Actual	FY 2009 Gov. Estimate	FY 2010 Base Budget	FY 2010 Enhance. Pkg.	FY 2010 Gov. Rec.
<b>Board of Regents, Cont'd.</b>					
Adult Basic Education	1,434,384	1,548,998	1,548,998	--	1,548,998
Technical Equipment	441,040	441,445	455,098	--	423,241
Community College Operating Grant	100,065,068	106,362,631	109,652,197	--	101,976,543
Out District Tuition	6,400,000	--	--	--	--
Technical Institutions	1,114,400	--	--	--	--
SW Kansas Access	59,763	968,679	200,000	--	--
Vocational Education Capital Outlay	--	79,305	--	--	76,035
Postsecondary Ed. Operating Grant	--	--	81,758	32,273,014	--
<b>Total--Board of Regents</b>	<b>\$ 158,336,868</b>	<b>\$ 155,580,029</b>	<b>\$ 159,545,238</b>	<b>\$ 32,273,014</b>	<b>\$ 148,299,501</b>
Kansas Arts Commission					
Arts Grants	40,932	41,000	41,000	100,000	41,000
Historical Society					
Kansas Humanities Council	201,830	80,193	80,193	17,500	76,183
State Library					
Talking Books--READ Equipment	378,210	378,210	378,210	--	378,210
Grants to Libraries	2,393,562	2,257,948	2,313,378	--	2,151,140
Interlibrary Loan Development	556,821	603,744	603,744	--	603,744
<b>Total--State Library</b>	<b>\$ 3,328,593</b>	<b>\$ 3,239,902</b>	<b>\$ 3,295,332</b>	<b>\$ --</b>	<b>\$ 3,133,094</b>
<b>Total--Education</b>	<b>\$ 3,226,192,769</b>	<b>\$ 3,381,694,558</b>	<b>\$ 3,432,836,885</b>	<b>\$ 122,887,422</b>	<b>\$ 3,332,834,189</b>
<b>Public Safety</b>					
Department of Corrections					
Local Offender Programs	11,000	--	--	--	--
Correctional Conservation Camps	2,312,450	1,871,340	--	2,354,340	--
Community Corrections	19,491,523	18,548,912	19,373,912	956,956	16,955,892
<b>Total--Department of Corrections</b>	<b>\$ 21,814,973</b>	<b>\$ 20,420,252</b>	<b>\$ 19,373,912</b>	<b>\$ 3,311,296</b>	<b>\$ 16,955,892</b>
Juvenile Justice Authority					
Community Corrections	4,187,555	5,236,774	5,186,767	--	5,186,767
Case Management	4,586,481	6,189,399	6,189,399	--	6,189,399
Intake & Assessment	4,398,672	5,345,643	5,345,643	--	5,345,643
Community Placement Providers	1,081,418	--	--	--	--
Incentive Funding	--	453,000	1,000,000	--	700,000
<b>Total--Juvenile Justice Authority</b>	<b>\$ 14,254,126</b>	<b>\$ 17,224,816</b>	<b>\$ 17,721,809</b>	<b>\$ --</b>	<b>\$ 17,421,809</b>
Adjutant General					
State Disaster Match--Public Assistance	1,355,422	9,029,569	--	7,818,260	3,909,130
State Disaster Match--Hazardous Mit.	--	--	--	6,800,000	--
<b>Total--Adjutant General</b>	<b>\$ 1,355,422</b>	<b>\$ 9,029,569</b>	<b>\$ --</b>	<b>\$ 14,618,260</b>	<b>\$ 3,909,130</b>
Highway Patrol					
Homeland Security Grants	--	1,032,071	--	--	--
<b>Total--Public Safety</b>	<b>\$ 37,424,521</b>	<b>\$ 47,706,708</b>	<b>\$ 37,095,721</b>	<b>\$ 17,929,556</b>	<b>\$ 38,286,831</b>
<b>Total--Aid to Local Governments</b>	<b>\$ 3,286,696,503</b>	<b>\$ 3,452,958,920</b>	<b>\$ 3,493,912,479</b>	<b>\$ 141,690,808</b>	<b>\$ 3,394,133,428</b>

**Schedule 5.1--Expenditures from All Funding Sources for Other Assistance, Grants, & Benefits by Agency**

	FY 2008 Actual	FY 2009 Gov. Estimate	FY 2010 Base Budget	FY 2010 Enhance. Pkg.	FY 2010 Gov. Rec.
<b>General Government</b>					
Department of Administration					
Canceled Warrant Payments	107,721	111,300	111,300	--	111,300
Earned Interest on Federal Funds	943,300	1,260,000	1,460,000	--	1,460,000
Public Broadcasting Grants	3,448,432	2,489,420	2,812,812	622,750	2,399,755
<b>Total--Department of Administration</b>	<b>\$ 4,499,453</b>	<b>\$ 3,860,720</b>	<b>\$ 4,384,112</b>	<b>\$ 622,750</b>	<b>\$ 3,971,055</b>
Kansas Corporation Commission					
Kansas Electric Transmission Authority	--	99,438	--	--	98,413
Energy Conservation Grants	1,000	--	--	--	--
<b>Total--KCC</b>	<b>\$ 1,000</b>	<b>\$ 99,438</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ 98,413</b>
Health Care Stabilization					
Settlement Claims	24,508,355	28,306,048	28,250,000	--	28,250,000
Kansas Public Employees Retirement Sys.					
Retiree Bonus Payment	6,378,300	7,060,000	--	--	--
Claims	155	--	--	--	--
Retirement Benefits Debt Payment	3,208,093	3,210,948	3,214,134	--	639,134
<b>Total--KPERs</b>	<b>\$ 9,586,548</b>	<b>\$ 10,270,948</b>	<b>\$ 3,214,134</b>	<b>\$ --</b>	<b>\$ 639,134</b>
Department of Commerce					
Trade Show Assistance	45,401	--	--	--	--
KIT & KIR Programs	2,603,988	2,881,130	2,879,216	--	2,879,216
IMPACT Program	17,979,468	16,411,968	12,167,005	--	12,167,005
Older Kansans Employment Program	320,227	317,627	313,393	--	313,393
Strong Military Bases Program	375,000	367,456	367,456	--	367,456
University & Strategic Tech. Research	--	--	--	--	4,759,000
Commercialization	--	--	--	--	1,473,430
MAMTC	--	--	--	--	2,812,000
Eisenhower Foundation Grants	200,000	--	--	--	--
Kansas Sports Hall of Fame	250,000	--	--	--	--
Parsons Ammunition Facility Road	--	750,000	--	--	--
Market Development Fund	39,786	60,000	76,880	--	76,880
Small Business Development Centers	1,300,000	1,323,000	1,323,000	--	1,323,000
Certified Development Corporations	279,500	273,910	273,910	--	273,910
Commission on Disability Concerns	6,500	4,900	4,900	--	4,900
Rural Development Program	301,425	581,880	565,000	--	565,000
Community Service Employment	860,923	1,012,560	1,032,812	--	1,032,812
Shared Youth Vision Program	22,927	31,832	--	--	--
Travel & Tourism Program Grants	361,964	185,000	185,000	--	185,000
Workforce Development	27,378,590	26,390,907	26,432,408	--	26,432,408
WIRED Federal Grant	576,059	3,298,930	1,664,166	--	1,664,166
Registered Apprenticeship Program	--	155,917	159,035	--	159,035
Disability Program Navigator Grant	8,826	103,674	105,747	--	105,747
Economic Opportunity Initiatives Fund	11,255,891	3,000,000	3,000,000	--	3,250,000
Greensburg Economic Development	2,308,162	4,551,500	4,551,500	--	4,551,500
Southeast Kansas Flood-NEG	899,021	1,901,233	1,901,233	--	1,901,233
Goodyear Bond Repayment	249,349	--	--	--	--
State Affordable Airfare Fund	5,000,000	5,000,000	5,000,000	--	5,000,000
Kansas Partnership Program	--	1,000,000	1,000,000	--	1,000,000
Main Street Development	23,530	20,000	20,000	--	20,000
Association Assistance Plan Fund	91,500	--	--	--	--
Small Employer Cafeteria Plan	52,540	--	--	--	--
Center for Entrepreneurship	435,000	426,300	426,300	--	426,300
Film Development Grants	25,300	--	--	--	--

**Schedule 5.1--Expenditures from All Funding Sources for Other Assistance, Grants, & Benefits by Agency**

	FY 2008 Actual	FY 2009 Gov. Estimate	FY 2010 Base Budget	FY 2010 Enhance. Pkg.	FY 2010 Gov. Rec.
<b>Department of Commerce, Cont'd.</b>					
Business Development Program Grants	294,909	173,314	72,900	--	72,900
Existing Industry Expansion Program	750,000	500,000	500,000	--	500,000
<b>Total--Department of Commerce</b>	<b>\$ 74,295,786</b>	<b>\$ 70,723,038</b>	<b>\$ 64,021,861</b>	<b>\$ --</b>	<b>\$ 73,316,291</b>
Kansas Technology Enterprise Corporation					
Operations Program	--	--	--	400,000	--
University & Strategic Tech. Research	5,174,682	5,237,176	4,745,723	832,000	--
Product Development Financing	1,085,538	466,030	1,377,000	245,000	--
Commercialization	1,771,000	1,799,000	1,719,000	462,887	--
MAMTC	2,984,201	2,986,892	2,812,000	223,000	--
<b>Total--KTEC</b>	<b>\$ 11,015,421</b>	<b>\$ 10,489,098</b>	<b>\$ 10,653,723</b>	<b>\$ 2,162,887</b>	<b>\$ --</b>
Kansas Lottery					
State Paid Prize Payments	27,598,329	29,227,760	29,355,160	--	29,355,160
Kansas Racing & Gaming Commission					
Horse Breeding Development	356,766	323,463	1,161,302	--	--
Greyhound Racing Purse Supplement	--	--	2,190,000	--	--
Greyhound Breeding Development	228,829	177,027	993,303	--	--
Greyhound Promotion & Development	--	33,227	89,752	--	--
Horse Racing Purse Supplement	--	--	2,250,000	--	--
County Fair Benefit Funds	442,739	116,870	970,042	--	--
<b>Total--Racing &amp; Gaming Comm.</b>	<b>\$ 1,028,334</b>	<b>\$ 650,587</b>	<b>\$ 7,654,399</b>	<b>\$ --</b>	<b>\$ --</b>
Department of Revenue					
KS Qualified Ethyl Producer Incentive	5,207,479	3,500,000	3,500,000	--	3,500,000
KS Qualified Biodiesel Prod. Incentive	48,386	200,000	400,000	--	200,000
KS Retail Dealer Incentive Fund	--	--	1,600,000	--	--
State Emergency Fund	2,382,181	--	5,117,819	--	5,117,819
Division of Vehicles Operating Fund	12,825	--	--	--	--
Claims	73	--	--	--	--
<b>Total--Department of Revenue</b>	<b>\$ 7,650,944</b>	<b>\$ 3,700,000</b>	<b>\$ 10,617,819</b>	<b>\$ --</b>	<b>\$ 8,817,819</b>
Banking Department					
Credit Counseling	475,680	208,000	208,000	--	208,000
Behavioral Sciences Regulatory Board					
Claim	99	--	--	--	--
Office of the Governor					
Federal & Other Grants Programs	6,669,665	1,873,266	2,172,995	--	2,172,995
Child Advocacy Center Grants	928,431	1,042,992	988,136	--	988,136
Domestic Violence Prevention	1,491,544	4,346,095	4,393,855	--	4,224,301
<b>Total--Office of the Governor</b>	<b>\$ 9,089,640</b>	<b>\$ 7,262,353</b>	<b>\$ 7,554,986</b>	<b>\$ --</b>	<b>\$ 7,385,432</b>
Attorney General					
Crime Victims Assistance	1,932,151	1,235,500	1,235,500	--	1,235,500
Crime Victims Compensation	3,002,135	3,042,000	3,042,000	--	3,042,000
Tort Claims	669,311	700,000	600,000	--	600,000
Other Claims	353	--	--	--	--
Abuse, Neglect, & Exploitation	5,000	--	--	--	--
Child Advocacy Center	47,610	47,610	47,610	--	47,610
Protection from Abuse Fund	1,493,816	1,330,500	1,330,500	--	1,330,500
Victims of Crime Fund	508,612	538,000	538,000	--	538,000
NetSmartz	175,000	325,000	325,000	--	325,000
DARE	10,000	--	--	--	--
<b>Total--Attorney General</b>	<b>\$ 7,843,988</b>	<b>\$ 7,218,610</b>	<b>\$ 7,118,610</b>	<b>\$ --</b>	<b>\$ 7,118,610</b>
Insurance Department					
Workers Compensation Benefits	2,612,689	2,625,000	2,625,000	--	2,625,000



**Schedule 5.1--Expenditures from All Funding Sources for Other Assistance, Grants, & Benefits by Agency**

	<b>FY 2008 Actual</b>	<b>FY 2009 Gov. Estimate</b>	<b>FY 2010 Base Budget</b>	<b>FY 2010 Enhance. Pkg.</b>	<b>FY 2010 Gov. Rec.</b>
State Treasurer					
KIDS Match	271,971	275,000	--	720,000	--
Unclaimed Property Payouts	10,639,187	12,500,000	12,500,000	--	12,500,000
<b>Total--State Treasurer</b>	<b>\$ 10,911,158</b>	<b>\$ 12,775,000</b>	<b>\$ 12,500,000</b>	<b>\$ 720,000</b>	<b>\$ 12,500,000</b>
Legislature					
Claims	7,491	--	--	--	--
Judiciary					
Permanent Families Account	274,167	271,702	209,546	--	209,546
Access to Justice Fund	1,019,025	1,007,642	1,020,089	--	1,020,089
Miscellaneous Aid	1,554	27,000	50,000	--	50,000
<b>Total--Judiciary</b>	<b>\$ 1,294,746</b>	<b>\$ 1,306,344</b>	<b>\$ 1,279,635</b>	<b>\$ --</b>	<b>\$ 1,279,635</b>
<b>Total--General Government</b>	<b>\$ 192,419,661</b>	<b>\$ 188,722,944</b>	<b>\$ 189,437,439</b>	<b>\$ 3,505,637</b>	<b>\$ 175,564,549</b>
<b>Human Services</b>					
Social & Rehabilitation Services					
Adoption Contract	3,913,872	3,132,176	3,132,176	--	--
Permanent Guardianship	913,632	1,126,157	430,000	898,379	1,328,379
Money Follows the Person Grant	--	--	4,178,088	--	4,178,088
Adoption Support	24,783,517	27,652,882	24,369,403	6,472,462	31,219,205
Indep. Living Grants--Adoption Support	1,917,764	1,910,691	1,781,813	--	1,504,987
Children's Cabinet Grants	11,230,525	--	--	--	--
Family Preservation	10,224,911	10,230,083	10,230,083	--	10,469,515
Foster Care Contract	142,622,094	157,509,392	160,081,744	--	138,199,105
Food Assistance Outreach	(182,048)	230,000	150,000	--	150,000
Grants for Children & Families	4,003,760	4,528,776	4,555,049	--	4,610,650
HCBS/DD Waiver	274,843,417	289,843,578	284,436,869	18,312,755	285,148,867
Head Injured Waiver	8,774,567	8,036,517	8,036,517	--	8,036,517
Independent Living Support	2,649,092	2,647,362	2,640,972	--	2,640,972
Intermediate Care Facilities--MR	16,529,934	18,547,517	14,369,429	--	14,369,429
Discretionary Grants/Commun. Funding	1,225,842	1,616,899	1,616,899	--	1,601,259
Nursing Facilities/Mental Health	14,484,069	15,210,674	14,604,510	--	15,500,000
HCBS/Physically Disabled Waiver	109,427,549	128,418,119	108,020,720	22,458,542	108,121,376
Technology Assistance Waiver	121,260	21,573,307	21,573,307	--	21,573,307
Community Dev. Disab. Support	18,113,909	19,347,538	19,347,538	--	17,347,538
HCBS Autism Waiver	15,342	1,247,504	1,247,504	2,328,480	1,247,504
Attendant Care for Independent Living	19,593,050	--	--	--	--
Head Injury Rehabilitation Hospitals	8,498,292	7,895,784	6,480,000	--	7,895,784
Positive Behavior Support	6,875	255,300	255,300	--	255,300
CDDO Targeted Case Management	17,918,768	16,900,000	16,728,000	--	16,932,000
Substance Abuse Grants	21,616,591	21,600,491	21,600,491	--	21,600,491
Prepaid Ambulatory Health Plan-PAHP	167,514,532	161,223,454	153,018,186	--	164,973,680
Substance Abuse Treatment-PIHP	24,519,559	21,336,200	23,453,094	--	21,554,124
Behavior Management Services/PRTF	29,434,293	34,262,028	30,958,020	--	34,851,060
Psych. Res. Trtmt. Fac. Demo. Grant	4,530	1,923,370	1,923,370	--	1,923,370
Mental Health Grants	39,517,159	33,664,005	35,464,005	7,795,200	28,464,005
Non-Custody Behavior Management	66,808	--	--	--	--
Services for the Blind	33,935	47,795	52,017	--	52,017
Child Care Assistance	78,060,250	81,840,000	84,604,000	9,801,439	80,114,979
Child Support Pass-Through	20,775	90,000	90,000	--	90,000
Disability Determination Services	4,551,295	4,730,977	4,778,201	--	4,778,201
TAF Employment Preparation	11,044,123	12,042,333	12,042,333	--	12,042,333

**Schedule 5.1--Expenditures from All Funding Sources for Other Assistance, Grants, & Benefits by Agency**

	<b>FY 2008 Actual</b>	<b>FY 2009 Gov. Estimate</b>	<b>FY 2010 Base Budget</b>	<b>FY 2010 Enhance. Pkg.</b>	<b>FY 2010 Gov. Rec.</b>
<b>SRS, Cont'd.</b>					
Food Stamps Employment	103,087	107,436	107,436	--	107,436
Funeral Assistance	764,672	810,000	810,000	--	--
General Assistance	8,982,037	9,600,000	9,504,000	--	7,113,771
Low Income Energy Assistance	17,657,086	46,460,790	14,305,065	--	14,305,065
Refugee Assistance	217,948	421,710	317,440	--	317,440
Temporary Assistance to Families	48,044,991	48,209,440	44,919,365	--	50,812,736
Adult Protective Services	377,780	435,307	435,307	--	435,307
Develop. Disabilities Council Grants	127,511	584,486	584,486	--	584,486
Rehabilitation Services	18,737,109	21,919,770	21,879,430	--	21,879,430
Early Head Start	8,700,431	--	--	--	--
Miscellaneous Grants & Claims	(10,802)	2,500	2,500	--	2,500
Grandparents as Caregivers	648,389	746,520	1,165,320	--	--
<b>Total--SRS</b>	<b>\$ 1,172,364,082</b>	<b>\$ 1,239,918,868</b>	<b>\$ 1,170,279,987</b>	<b>\$ 68,067,257</b>	<b>\$ 1,158,332,213</b>
State Hospitals					
Claims	9,207	1,800	1,800	--	1,800
<b>Subtotal--SRS</b>	<b>\$ 1,172,373,289</b>	<b>\$ 1,239,920,668</b>	<b>\$ 1,170,281,787</b>	<b>\$ 68,067,257</b>	<b>\$ 1,158,334,013</b>
Kansas Health Policy Authority					
Regular Medical Assistance	1,267,080,007	1,263,690,000	1,263,690,000	450,000	1,317,400,000
Ticket to Work	2,268,432	4,453,800	3,397,000	--	3,397,000
HealthWave	60,941,253	64,974,857	67,493,338	3,540,000	67,493,338
<b>Total--KHPA</b>	<b>\$ 1,330,289,692</b>	<b>\$ 1,333,118,657</b>	<b>\$ 1,334,580,338</b>	<b>\$ 3,990,000</b>	<b>\$ 1,388,290,338</b>
Department on Aging					
Targeted Case Management	4,261,842	5,800,000	6,191,128	--	5,857,899
Nutrition Grants	6,660,369	6,855,886	7,027,692	1,063,875	6,828,462
Senior Care Act	1,945,207	2,097,659	2,272,502	2,465,250	884,344
Nursing Facilities	355,567,430	370,000,000	368,254,284	--	365,113,329
PACE	3,244,518	4,130,347	5,797,740	227,509	5,797,740
Older Americans Act	6,424,854	6,263,469	6,263,469	--	6,263,469
HCBS/Frail Elderly Programs	65,780,222	72,281,911	71,940,874	1,730,870	71,940,874
Miscellaneous Grants	492,498	729,392	555,000	--	350,000
<b>Total--Department on Aging</b>	<b>\$ 444,376,940</b>	<b>\$ 468,158,664</b>	<b>\$ 468,302,689</b>	<b>\$ 5,487,504</b>	<b>\$ 463,036,117</b>
Health & Environment--Health					
Women, Infants & Children Program	50,002,599	51,000,000	53,000,000	--	53,000,000
Smoking Prevention Grants	916,920	916,920	940,000	--	940,000
SIDS Network Grant	75,000	75,000	75,000	--	75,000
General Health Grants	2,543,117	--	--	1,100,000	--
Other Federal Grants	273,895	--	--	--	--
<b>Total--KDHE--Health</b>	<b>\$ 53,811,531</b>	<b>\$ 51,991,920</b>	<b>\$ 54,015,000</b>	<b>\$ 1,100,000</b>	<b>\$ 54,015,000</b>
Department of Labor					
Unemployment Benefits	277,577,509	361,417,718	324,567,363	--	324,567,363
Commission on Veterans Affairs					
Claims	264	3,000	3,000	--	3,000
<b>Total--Human Services</b>	<b>\$ 3,278,429,225</b>	<b>\$ 3,454,610,627</b>	<b>\$ 3,351,750,177</b>	<b>\$ 78,644,761</b>	<b>\$ 3,388,245,831</b>
<b>Education</b>					
Department of Education					
School Food Assistance	33,568,238	33,994,886	34,494,886	53,000	34,494,886
Claim	1,750	--	--	--	--

**Schedule 5.1--Expenditures from All Funding Sources for Other Assistance, Grants, & Benefits by Agency**

	<b>FY 2008 Actual</b>	<b>FY 2009 Gov. Estimate</b>	<b>FY 2010 Base Budget</b>	<b>FY 2010 Enhance. Pkg.</b>	<b>FY 2010 Gov. Rec.</b>
<b>Department of Education, Cont'd.</b>					
Agriculture in the Classroom	35,000	35,000	35,000	5,000	35,000
Kansas Career Pipeline Grant	212,500	107,620	--	--	--
Deaf-Blind Program Aid	11,488	12,500	12,500	--	12,500
Teaching Excellence Scholarships	32,000	35,000	35,000	--	35,000
Discretionary Grants	398,347	420,000	420,000	10,000	420,000
Optometric Assn. Vision Study	300,000	100,000	200,000	--	--
Pre-K Pilot Program	--	2,500,000	2,500,000	--	2,500,000
Communities in Schools	50,000	50,000	50,000	--	50,000
Driver Education	21,230	20,000	15,000	16,400	--
Elementary & Secondary Ed. Prog.	141,690	350,000	350,000	--	350,000
Special Education	418,235	450,000	450,000	--	450,000
Ed. Research & Innovative Prog.	1,320,462	1,368,500	1,053,500	--	1,053,500
<b>Total--Department of Education</b>	<b>\$ 36,510,940</b>	<b>\$ 39,443,506</b>	<b>\$ 39,615,886</b>	<b>\$ 84,400</b>	<b>\$ 39,400,886</b>
<b>Board of Regents</b>					
State Scholarships	975,863	1,468,235	1,133,199	--	1,133,199
Comprehensive Grants Program	16,022,062	16,451,613	16,451,614	627,595	16,451,614
Vocational Scholarships	125,250	278,717	121,275	--	121,275
Minority Scholarships	423,591	384,189	315,213	--	315,213
Optometry Education Program	113,850	113,850	113,850	4,554	113,850
Nursing Scholarships	409,500	714,592	443,592	--	443,592
Nurse Educator Grant Program	130,598	269,402	200,000	--	200,000
Nursing Faculty & Supplies	1,792,050	1,907,950	1,900,000	--	1,900,000
Workforce Development Loan	18,680	25,000	25,000	--	25,000
Kansas Work Study	528,172	528,172	528,172	--	528,172
Teachers Service Scholarship Program	2,212,074	2,057,259	1,962,859	78,514	1,962,859
National Guard Ed. Assistance	938,915	928,730	925,838	37,034	925,838
ROTC Reimbursement Program	118,919	254,124	186,401	--	186,401
Military Service Scholarship	487,156	500,844	500,000	--	500,000
Tuition Waivers	52,574	90,000	90,000	--	90,000
Student Aid, Grants & Scholarships	869,862	108,000	108,000	--	108,000
<b>Total--Board of Regents</b>	<b>\$ 25,219,116</b>	<b>\$ 26,080,677</b>	<b>\$ 25,005,013</b>	<b>\$ 747,697</b>	<b>\$ 25,005,013</b>
<b>Emporia State University</b>					
Reading Recovery Program	113,566	113,566	113,566	--	113,566
Federal Student Financial Assistance	4,874,938	4,585,682	4,585,682	--	4,585,682
Student Aid, Grants & Scholarships	5,108,836	4,515,256	4,230,756	--	4,230,756
<b>Total--Emporia State University</b>	<b>\$ 10,097,340</b>	<b>\$ 9,214,504</b>	<b>\$ 8,930,004</b>	<b>\$ --</b>	<b>\$ 8,930,004</b>
<b>Fort Hays State University</b>					
Federal Student Financial Assistance	5,924,105	5,924,105	5,924,105	--	5,924,105
Student Aid, Grants & Scholarships	3,417,731	3,417,711	3,417,711	--	3,417,711
<b>Total--Fort Hays State University</b>	<b>\$ 9,341,836</b>	<b>\$ 9,341,816</b>	<b>\$ 9,341,816</b>	<b>\$ --</b>	<b>\$ 9,341,816</b>
<b>Kansas State University</b>					
Federal Student Financial Assistance	117,230,589	114,177,429	114,179,393	--	114,179,393
Student Aid, Grants & Scholarships	14,683,901	18,829,265	18,454,337	--	18,454,337
<b>Total--Kansas State University</b>	<b>\$ 131,914,490</b>	<b>\$ 133,006,694</b>	<b>\$ 132,633,730</b>	<b>\$ --</b>	<b>\$ 132,633,730</b>
<b>Kansas State University--ESARP</b>					
Federal Student Financial Assistance	2,391,673	1,043,355	1,041,447	--	1,041,447
Student Aid, Grants & Scholarships	174,562	1,462,912	1,437,395	--	1,437,395
<b>Total--KSU--ESARP</b>	<b>\$ 2,566,235</b>	<b>\$ 2,506,267</b>	<b>\$ 2,478,842</b>	<b>\$ --</b>	<b>\$ 2,478,842</b>

**Schedule 5.1--Expenditures from All Funding Sources for Other Assistance, Grants, & Benefits by Agency**

	<b>FY 2008 Actual</b>	<b>FY 2009 Gov. Estimate</b>	<b>FY 2010 Base Budget</b>	<b>FY 2010 Enhance. Pkg.</b>	<b>FY 2010 Gov. Rec.</b>
<b>KSU--Veterinary Medical Center</b>					
Veterinary Training Program	200,000	300,000	300,000	100,000	400,000
Student Aid, Grants & Scholarships	11,267	14,855	10,922	--	10,922
<b>Total--KSU--Veterinary Medical Ctr.</b>	<b>\$ 211,267</b>	<b>\$ 314,855</b>	<b>\$ 310,922</b>	<b>\$ 100,000</b>	<b>\$ 410,922</b>
<b>University of Kansas</b>					
Federal Student Financial Assistance	26,054,303	11,085,000	11,125,000	--	11,125,000
Student Aid, Grants & Scholarships	31,274,967	13,958,302	13,958,302	--	13,958,302
<b>Total--University of Kansas</b>	<b>\$ 57,329,270</b>	<b>\$ 25,043,302</b>	<b>\$ 25,083,302</b>	<b>\$ --</b>	<b>\$ 25,083,302</b>
<b>Pittsburg State University</b>					
Federal Student Financial Assistance	6,467,874	6,178,945	6,178,945	--	6,178,945
Student Aid, Grants & Scholarships	2,657,932	2,609,968	2,609,968	--	2,609,968
<b>Total--Pittsburg State University</b>	<b>\$ 9,125,806</b>	<b>\$ 8,788,913</b>	<b>\$ 8,788,913</b>	<b>\$ --</b>	<b>\$ 8,788,913</b>
<b>University of Kansas Medical Center</b>					
Medical Student Scholarships	3,186,764	3,186,764	3,186,764	--	3,186,764
Wichita/Salina Resident Stipends	4,218,375	6,584,976	6,584,976	--	4,084,976
Federal Student Financial Assistance	655,529	346,944	338,000	--	338,000
Student Aid, Grants & Scholarships	2,054,556	572,500	572,500	--	572,500
<b>Total--KU Medical Center</b>	<b>\$ 10,115,224</b>	<b>\$ 10,691,184</b>	<b>\$ 10,682,240</b>	<b>\$ --</b>	<b>\$ 8,182,240</b>
<b>Wichita State University</b>					
Education Opportunity Grants	418,048	383,055	383,055	--	383,055
Federal Student Financial Assistance	9,211,657	9,300,000	9,300,000	--	9,300,000
Student Aid, Grants & Scholarships	13,007,204	1,565,067	1,565,067	--	1,565,067
<b>Total--Wichita State University</b>	<b>\$ 22,636,909</b>	<b>\$ 11,248,122</b>	<b>\$ 11,248,122</b>	<b>\$ --</b>	<b>\$ 11,248,122</b>
<b>Subtotal--Regents</b>	<b>\$ 278,557,493</b>	<b>\$ 236,236,334</b>	<b>\$ 234,502,904</b>	<b>\$ 847,697</b>	<b>\$ 232,102,904</b>
<b>Kansas Arts Commission</b>					
Arts Grants	1,501,619	1,537,866	1,521,968	--	1,440,189
<b>Historical Society</b>					
Historic Preservation Grants	27,930	27,372	27,372	--	26,002
Cultural Heritage Center	471,987	--	--	--	--
<b>Subtotal--Historical Society</b>	<b>\$ 499,917</b>	<b>\$ 27,372</b>	<b>\$ 27,372</b>	<b>\$ --</b>	<b>\$ 26,002</b>
<b>State Library</b>					
Grants to Libraries	634,296	580,789	509,671	--	509,671
<b>Total--Education</b>	<b>\$ 317,704,265</b>	<b>\$ 277,825,867</b>	<b>\$ 276,177,801</b>	<b>\$ 932,097</b>	<b>\$ 273,479,652</b>
<b>Public Safety</b>					
<b>Correctional Institutions</b>					
Claims	82,904	--	--	--	--
<b>Juvenile Justice Authority</b>					
Purchase of Service Assistance	27,444,494	27,466,425	25,345,625	2,789,763	26,689,036
Prevention Trust Fund Grants	115,632	--	--	--	--
Federal Grants to Non-Profits	157,183	293,648	537,536	--	537,536
<b>Total--Juvenile Justice Authority</b>	<b>\$ 27,717,309</b>	<b>\$ 27,760,073</b>	<b>\$ 25,883,161</b>	<b>\$ 2,789,763</b>	<b>\$ 27,226,572</b>
<b>Juvenile Correctional Facilities</b>					
Claims	158	--	--	--	--
<b>Adjutant General</b>					
FEMA Grants--Public Assistance	96,675,445	69,369,643	--	58,636,949	29,318,475
FEMA Grants--Hazard Mitigation	14,667	--	--	17,000,000	--
FEMA Grants--Individual Assistance	396,286	--	--	--	--
State Disaster Match--Public Assistance	13,790,956	9,029,570	--	7,818,260	3,909,130
State Disaster Match--Hazardous Mit.	--	--	--	2,266,667	--

**Schedule 5.1--Expenditures from All Funding Sources for Other Assistance, Grants, & Benefits by Agency**

	FY 2008 Actual	FY 2009 Gov. Estimate	FY 2010 Base Budget	FY 2010 Enhance. Pkg.	FY 2010 Gov. Rec.
<b>Adjutant General, Cont'd.</b>					
Military Emergency Relief	109,972	145,000	144,000	--	144,000
Federal Emergency Mgmt. Preparedness Claims	5,000 877	--	--	--	--
Fed. Comm. Economic Planning Grants	159,264	160,000	160,000	--	160,000
National Guard Death Benefits	500,000	250,000	--	--	--
<b>Total--Adjutant General</b>	\$ 111,652,467	\$ 78,954,213	\$ 304,000	\$ 85,721,876	\$ 33,531,605
<b>Emergency Medical Services Board</b>					
Oper. of EMS Regional Councils	150,000	113,925	113,925	--	113,925
Rural Health Options Grant	107,997	--	--	--	--
<b>Total--Emergency Medical Services</b>	\$ 257,997	\$ 113,925	\$ 113,925	\$ --	\$ 113,925
<b>Fire Marshal</b>					
Hazardous Materials	--	250,000	238,000	--	238,000
<b>Highway Patrol</b>					
Homeland Security Federal Grants	72,441	--	--	--	--
Claims	1,647	7,850	7,850	--	7,850
Overtime Enforcement Activities	8,818	8,818	8,818	--	8,818
<b>Total--Highway Patrol</b>	\$ 82,906	\$ 16,668	\$ 16,668	\$ --	\$ 16,668
<b>Kansas Bureau of Investigation</b>					
Kansas Narcotics Association	2,400	--	--	--	--
Asset Forfeiture	2,892	--	--	--	--
<b>Total--KBI</b>	\$ 5,292	\$ --	\$ --	\$ --	\$ --
<b>Kansas Sentencing Commission</b>					
Substance Abuse Treatment	8,795,680	8,860,522	9,172,000	--	8,947,626
<b>Total--Public Safety</b>	\$ 148,594,713	\$ 115,955,401	\$ 35,727,754	\$ 88,511,639	\$ 70,074,396
<b>Agriculture &amp; Natural Resources</b>					
<b>Department of Agriculture</b>					
Organic Producers Cost Share	--	12,826	--	--	--
Specialty Crop Grants	79,783	111,076	105,735	--	105,735
<b>Total--Agriculture</b>	\$ 79,783	\$ 123,902	\$ 105,735	\$ --	\$ 105,735
<b>State Conservation Commission</b>					
Water Transition Assistance Program	83,028	2,135,571	829,465	83,595	--
Water Resources Cost Share	3,233,739	2,986,727	3,140,287	300,000	2,230,280
Conservation Reserve Enhance. Program	462,866	1,229,707	--	--	--
Riparian & Wetland Program	357,479	241,698	250,882	--	180,383
Buffer Initiative	252,359	323,210	300,000	50,000	216,000
Conservation Easements	45,275	--	--	311,500	--
Streambank Stabilization	--	--	--	1,000,000	--
Nonpoint Source Pollution Assistance	3,046,219	2,324,964	2,641,754	744,796	1,856,982
<b>Total--State Conservation Commiss.</b>	\$ 7,480,965	\$ 9,241,877	\$ 7,162,388	\$ 2,489,891	\$ 4,483,645
<b>Health &amp; Environment--Environment</b>					
General Grant Programs	752,586	--	--	--	--
EPA Nonpoint Source Implementation	2,507,680	2,181,128	2,207,062	--	2,207,062
<b>Total--Division of Environment</b>	\$ 3,260,266	\$ 2,181,128	\$ 2,207,062	\$ --	\$ 2,207,062
<b>Kansas Water Office</b>					
Wichita Aquifer Storage & Recovery	--	660,000	700,000	300,000	300,000
Grnd. Wtr. Mgmt Dist. 3 Conserv. Grant	--	9,878,790	--	--	--
<b>Total--Kansas Water Office</b>	\$ --	\$ 10,538,790	\$ 700,000	\$ 300,000	\$ 300,000

**Schedule 5.1--Expenditures from All Funding Sources for Other Assistance, Grants, & Benefits by Agency**

	<b>FY 2008 Actual</b>	<b>FY 2009 Gov. Estimate</b>	<b>FY 2010 Base Budget</b>	<b>FY 2010 Enhance. Pkg.</b>	<b>FY 2010 Gov. Rec.</b>
Department of Wildlife & Parks					
Aid to Qualified Non-State Organizations	6,000	--	--	--	--
Alliance for Wetlands and Streams	5,000	--	--	--	--
Jamestown Wildlife Area	334,750	--	--	--	--
Mig. Bird Habitat Canadian Jt. Venture	25,000	--	--	--	--
Land Owner Incentive Program	100,115	--	--	--	--
KS Coop Fish & Wildlife Research Unit	100,000	--	--	--	--
Shooting Ranges	270,016	--	--	--	--
Investigations	15,000	390,000	390,000	--	390,000
Quail Initiative	150,000	--	--	--	--
McPherson Wetlands	217,559	--	--	--	--
Farmers & Hunters Feed the Hungry	52,254	--	--	--	--
Claims	1,992	--	--	--	--
<b>Total--Dept. of Wildlife &amp; Parks</b>	<b>\$ 1,277,686</b>	<b>\$ 390,000</b>	<b>\$ 390,000</b>	<b>\$ --</b>	<b>\$ 390,000</b>
<b>Total--Ag. &amp; Natural Resources</b>	<b>\$ 12,098,700</b>	<b>\$ 22,475,697</b>	<b>\$ 10,565,185</b>	<b>\$ 2,789,891</b>	<b>\$ 7,486,442</b>
<b>Transportation</b>					
Department of Transportation					
Transportation Grants	8,827,996	14,075,962	13,526,413	--	13,526,413
Rail Grants	--	970,000	--	--	--
Aviation Grants	--	1,000,000	1,000,000	--	1,000,000
Claims	143,190	400,000	400,000	--	400,000
<b>Total--Department of Transportation</b>	<b>\$ 8,971,186</b>	<b>\$ 16,445,962</b>	<b>\$ 14,926,413</b>	<b>\$ --</b>	<b>\$ 14,926,413</b>
<b>Total--Transportation</b>	<b>\$ 8,971,186</b>	<b>\$ 16,445,962</b>	<b>\$ 14,926,413</b>	<b>\$ --</b>	<b>\$ 14,926,413</b>
<b>Total--Other Asst., Grants &amp; Benefits</b>	<b>\$ 3,958,217,750</b>	<b>\$ 4,076,036,498</b>	<b>\$ 3,878,584,769</b>	<b>\$ 174,384,025</b>	<b>\$ 3,929,777,283</b>

**Schedule 5.2--Expenditures from the State General Fund for Other Assistance, Grants, & Benefits by Agency**

	FY 2008 Actual	FY 2009 Gov. Estimate	FY 2010 Base Budget	FY 2010 Enhance. Pkg.	FY 2010 Gov. Rec.
<b>General Government</b>					
Department of Administration					
Public Broadcasting Grants	3,448,432	2,489,420	2,812,812	622,750	2,399,755
Kansas Public Employees Retirement Sys.					
Retiree Bonus Payment	6,378,300	7,060,000	--	--	--
Retirement Benefits Debt Payment	3,208,093	3,210,948	3,214,134	--	639,134
<b>Total--KPERS</b>	\$ <b>9,586,393</b>	\$ <b>10,270,948</b>	\$ <b>3,214,134</b>	\$ <b>--</b>	\$ <b>639,134</b>
Department of Commerce					
Commission on Disability Concerns	6,500	4,900	4,900	--	--
Strong Military Bases Program	375,000	367,456	367,456	--	--
<b>Total--Department of Commerce</b>	\$ <b>381,500</b>	\$ <b>372,356</b>	\$ <b>372,356</b>	\$ <b>--</b>	\$ <b>--</b>
Department of Revenue					
Claims	73	--	--	--	--
Office of the Governor					
Domestic Violence Prevention Grants	928,431	986,474	988,136	--	818,582
Child Advocacy Center Grants	1,491,544	4,402,613	4,393,855	--	4,393,855
<b>Total--Office of the Governor</b>	\$ <b>2,419,975</b>	\$ <b>5,389,087</b>	\$ <b>5,381,991</b>	\$ <b>--</b>	\$ <b>5,212,437</b>
Attorney General					
Other Claims	353	--	--	--	--
Abuse, Neglect & Exploitation	5,000	--	--	--	--
NetSmartz	175,000	325,000	325,000	--	325,000
<b>Total--Attorney General</b>	\$ <b>180,353</b>	\$ <b>325,000</b>	\$ <b>325,000</b>	\$ <b>--</b>	\$ <b>325,000</b>
Legislature					
Claims	7,491	--	--	--	--
<b>Total--General Government</b>	\$ <b>16,024,217</b>	\$ <b>18,846,811</b>	\$ <b>12,106,293</b>	\$ <b>622,750</b>	\$ <b>8,576,326</b>
<b>Human Services</b>					
Social & Rehabilitation Services					
Adoption Contract	2,092,206	1,379,187	1,399,228	--	--
Permanent Guardianship	(975)	876,157	180,000	898,379	1,078,379
Adoption Support	12,320,441	14,446,461	12,407,121	3,867,468	16,509,484
Money Follows the Person Grant	--	--	1,674,578	--	1,674,578
Family Preservation	369,696	386,000	--	--	239,432
Foster Care Contract	99,716,148	116,239,056	116,759,349	--	96,999,099
Indep. Living Grants--Adoption Support	383,554	573,838	577,823	--	300,997
Grants for Children & Families	2,084,535	2,023,181	2,049,829	--	3,304,827
Non-Custody Behavior Management	(8,932)	--	--	--	--
Independent Living Support	1,771,859	1,765,941	1,715,436	--	1,715,436
Services for the Blind	4,597	7,476	8,376	--	8,376
Child Care Assistance	19,823,862	24,913,579	24,913,579	8,232,383	20,424,558
Disability Determination	4,149	4,250	4,250	--	4,250
Food Stamps Employment Preparation	51,544	53,718	53,718	--	53,718
Funeral Assistance	764,672	810,000	810,000	--	--
General Assistance	8,982,138	9,600,000	9,504,000	--	7,113,771
Low Income Energy Assistance	1,000,665	--	--	--	--
Temporary Assistance to Families	29,821,027	29,821,027	29,821,027	--	29,821,027
Adult Protective Services	377,782	435,307	435,307	--	435,307
Rehabilitation Services	4,023,145	4,657,861	4,657,731	--	4,657,731
Early Head Start	1,417,812	--	--	--	--
Miscellaneous Grants & Claims	10,984	2,500	2,500	--	2,500
Grandparents as Caregivers	648,389	746,520	1,165,320	--	--

**Schedule 5.2--Expenditures from the State General Fund for Other Assistance, Grants, & Benefits by Agency**

	<b>FY 2008 Actual</b>	<b>FY 2009 Gov. Estimate</b>	<b>FY 2010 Base Budget</b>	<b>FY 2010 Enhance. Pkg.</b>	<b>FY 2010 Gov. Rec.</b>
<b>SRS, Cont'd.</b>					
Nursing Facilities/Mental Health	11,750,831	13,129,854	12,500,000	--	13,369,000
HCBS/Physically Disabled Waiver	44,229,044	51,469,981	43,294,704	9,041,809	43,322,369
Technology Assistance Waiver	48,919	8,646,582	8,646,582	--	8,646,582
Community Dev. Disab. Support	18,111,792	19,347,538	19,347,538	--	17,347,538
HCBS/DD Waiver	109,519,509	114,469,307	114,002,298	7,339,752	114,284,890
Head Injured Waiver	3,542,533	3,221,037	3,221,037	--	3,221,037
Intermediate Care Facilities--MR	6,671,098	7,433,844	5,759,267	--	5,759,267
HCBS Autism Waiver	6,220	499,999	499,999	937,446	499,999
Attendant Care for Independent Living	7,910,088	--	--	--	--
Head Injury Rehabilitation Hospitals	3,415,836	3,164,631	2,597,184	--	3,133,836
Positive Behavior Support	2,752	102,324	102,324	--	101,329
CDDO Targeted Case Management	7,575,630	6,773,520	6,704,582	--	6,720,311
Substance Abuse Grants	4,281,805	4,137,124	4,001,535	--	3,401,535
Prepaid Ambulatory Health Plan-PAHP	67,798,756	65,551,871	60,306,077	--	64,844,158
Substance Abuse Treatment-PIHP	9,889,362	8,551,549	9,400,000	--	8,554,832
Mental Health Grants	30,751,426	24,420,128	23,530,042	5,045,248	16,530,042
Behavior Management Services/PRTF	11,661,335	13,502,447	12,178,200	--	13,602,612
Discretionary Grants/Commun. Funding	--	--	--	--	1,601,259
Psych. Res. Trtmt. Fac. Demo. Grant	1,838	--	--	--	--
<b>Total--SRS</b>	<b>\$ 522,828,072</b>	<b>\$ 553,163,795</b>	<b>\$ 534,230,541</b>	<b>\$ 35,362,485</b>	<b>\$ 509,284,066</b>
<b>State Hospitals</b>					
Claims	7,586	1,800	1,800	--	1,800
<b>Subtotal--SRS</b>	<b>\$ 522,835,658</b>	<b>\$ 553,165,595</b>	<b>\$ 534,232,341</b>	<b>\$ 35,362,485</b>	<b>\$ 509,285,866</b>
<b>Kansas Health Policy Authority</b>					
Regular Medical Assistance	435,812,971	463,216,000	471,716,000	180,000	475,240,000
Ticket to Work	599,636	538,000	538,000	--	538,000
HealthWave	15,221,746	16,228,696	16,918,383	1,200,000	16,918,383
<b>Total--KHPA</b>	<b>\$ 451,634,353</b>	<b>\$ 479,982,696</b>	<b>\$ 489,172,383</b>	<b>\$ 1,380,000</b>	<b>\$ 492,696,383</b>
<b>Department on Aging</b>					
Targeted Case Management	1,720,827	2,325,000	2,612,627	--	2,325,000
Senior Care Act	1,945,207	2,097,659	2,272,502	2,465,250	884,344
Nursing Facilities	143,244,463	148,296,000	148,296,000	--	144,916,069
PACE	1,309,764	1,655,443	2,334,750	91,618	2,301,123
Nutrition Grants	1,909,833	2,268,318	2,293,475	1,063,875	2,268,318
HCBS/Frail Elderly Program	26,246,366	28,970,590	28,970,590	697,021	28,553,333
Miscellaneous Grants	12,060	--	--	--	--
<b>Total--Department on Aging</b>	<b>\$ 176,388,520</b>	<b>\$ 185,613,010</b>	<b>\$ 186,779,944</b>	<b>\$ 4,317,764</b>	<b>\$ 181,248,187</b>
<b>Health &amp; Environment--Health</b>					
SIDS Network Grant	75,000	--	--	--	--
General Health Grants	--	--	--	1,100,000	--
Domestic Violence Prevention Programs	2,525,000	--	--	--	--
<b>Total--KDHE--Health</b>	<b>\$ 2,600,000</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ 1,100,000</b>	<b>\$ --</b>
<b>Kansas Commission on Veterans Affairs</b>					
Claims	65	3,000	--	--	--
<b>Total--Human Services</b>	<b>\$ 1,153,458,596</b>	<b>\$ 1,218,764,301</b>	<b>\$ 1,210,184,668</b>	<b>\$ 42,160,249</b>	<b>\$ 1,183,230,436</b>
<b>Education</b>					
<b>Department of Education</b>					
School Food Assistance	144,868	144,886	144,886	53,000	144,886
Claim	1,750	--	--	--	--
Agriculture in the Classroom	35,000	35,000	35,000	5,000	35,000



**Schedule 5.2--Expenditures from the State General Fund for Other Assistance, Grants, & Benefits by Agency**

	<b>FY 2008 Actual</b>	<b>FY 2009 Gov. Estimate</b>	<b>FY 2010 Base Budget</b>	<b>FY 2010 Enhance. Pkg.</b>	<b>FY 2010 Gov. Rec.</b>
<b>Department of Education, Cont'd.</b>					
Kansas Career Pipeline Grant	212,500	107,620	--	--	--
Deaf-Blind Program Aid	11,488	12,500	12,500	--	12,500
Teaching Excellence Scholarships	32,000	35,000	35,000	--	35,000
Discretionary Grants	398,347	420,000	420,000	10,000	420,000
<b>Total--Department of Education</b>	<b>\$ 835,953</b>	<b>\$ 755,006</b>	<b>\$ 647,386</b>	<b>\$ 68,000</b>	<b>\$ 647,386</b>
<b>Board of Regents</b>					
State Scholarships	975,863	1,468,235	1,133,199	--	1,133,199
Comprehensive Grants Program	15,689,878	15,689,878	15,689,878	627,595	15,689,878
Vocational Scholarships	125,250	278,717	121,275	--	121,275
Minority Scholarships	423,591	384,189	315,213	--	315,213
Nursing Scholarships	409,500	714,592	443,592	--	443,592
Nurse Educator Grant Program	130,598	269,402	200,000	--	200,000
Nursing Faculty & Supplies	1,792,050	1,907,950	1,900,000	--	1,900,000
Optometry Education Program	113,850	113,850	113,850	4,554	113,850
Kansas Work Study	528,172	528,172	528,172	--	528,172
Teachers Service Scholarship Program	2,212,074	2,057,259	1,962,859	78,514	1,962,859
ROTC Reimbursement Program	118,919	254,124	186,401	--	186,401
National Guard Ed. Assistance	938,915	928,730	925,838	37,034	925,838
Military Service Scholarship	487,156	500,844	500,000	--	500,000
Tuition Waivers	52,574	90,000	90,000	--	90,000
Other Student Financial Assistance	299,268	108,000	108,000	--	108,000
<b>Total--Board of Regents</b>	<b>\$ 24,297,658</b>	<b>\$ 25,293,942</b>	<b>\$ 24,218,277</b>	<b>\$ 747,697</b>	<b>\$ 24,218,277</b>
<b>Emporia State University</b>					
Reading Recovery Program	113,566	113,566	113,566	--	113,566
Student Aid, Grants & Scholarships	11,182	11,182	11,182	--	11,182
<b>Total--Emporia State University</b>	<b>\$ 124,748</b>	<b>\$ 124,748</b>	<b>\$ 124,748</b>	<b>\$ --</b>	<b>\$ 124,748</b>
<b>Kansas State University</b>					
Student Aid, Grants & Scholarships	965	--	--	--	--
<b>KSU--ESARP</b>					
Student Aid, Grants & Scholarships	15,630	267,331	253,044	--	253,044
<b>KSU--Veterinary Medical Center</b>					
Veterinary Training Program	200,000	300,000	300,000	100,000	400,000
<b>University of Kansas</b>					
Student Aid, Grants & Scholarships	29,962	--	--	--	--
<b>Pittsburg State University</b>					
Student Aid, Grants & Scholarships	4,062	1,169,460	1,169,460	--	1,169,460
<b>University of Kansas Medical Center</b>					
Medical Student Scholarships	2,786,764	2,786,764	2,786,764	--	2,786,764
Wichita Resident Stipends	4,218,375	6,584,976	6,584,976	--	4,084,976
<b>Total--KU Medical Center</b>	<b>\$ 7,005,139</b>	<b>\$ 9,371,740</b>	<b>\$ 9,371,740</b>	<b>\$ --</b>	<b>\$ 6,871,740</b>
<b>Wichita State University</b>					
Student Aid, Grants & Scholarships	--	10,000	10,000	--	10,000
<b>Subtotal--Regents</b>	<b>\$ 31,678,164</b>	<b>\$ 36,537,221</b>	<b>\$ 35,447,269</b>	<b>\$ 847,697</b>	<b>\$ 33,047,269</b>
<b>Kansas Arts Commission</b>					
Arts Grants	1,258,264	1,147,669	1,258,196	--	1,176,417
<b>Historical Society</b>					
Grants for Operating Expenses	27,930	27,372	27,372	--	26,002

**Schedule 5.2--Expenditures from the State General Fund for Other Assistance, Grants, & Benefits by Agency**

	FY 2008 Actual	FY 2009 Gov. Estimate	FY 2010 Base Budget	FY 2010 Enhance. Pkg.	FY 2010 Gov. Rec.
State Library					
Grants to Libraries	25,556	7,865	7,865	--	7,865
<b>Total--Education</b>	\$ 33,825,867	\$ 38,475,133	\$ 37,388,088	\$ 915,697	\$ 34,904,939
<b>Public Safety</b>					
Correctional Institutions					
Claims	70,789	--	--	--	--
Juvenile Justice Authority					
Purchase of Service Assistance	21,059,754	17,984,425	16,641,014	2,789,763	17,984,425
<b>Total--Juvenile Justice</b>	\$ 21,059,754	\$ 17,984,425	\$ 16,641,014	\$ 2,789,763	\$ 17,984,425
Juvenile Correctional Facilities					
Claims	158	--	--	--	--
Adjutant General					
State Disaster Match--Public Assistance	3,495,961	9,029,570	--	7,818,260	3,909,130
State Disaster Match--Hazardous Mit. Claims	--	--	--	2,266,667	--
National Guard Death Benefits	500,000	250,000	--	--	--
Military Emergency Relief	50,000	50,000	49,000	--	49,000
<b>Total--Adjutant General</b>	\$ 4,046,838	\$ 9,329,570	\$ 49,000	\$ 10,084,927	\$ 3,958,130
Highway Patrol					
Claims	236	--	--	--	--
Kansas Bureau of Investigation					
Kansas Narcotics Association	2,400	--	--	--	--
Kansas Sentencing Commission					
Substance Abuse Treatment	8,795,680	8,560,522	8,722,000	--	8,249,626
<b>Total--Public Safety</b>	\$ 33,975,855	\$ 35,874,517	\$ 25,412,014	\$ 12,874,690	\$ 30,192,181
<b>Agriculture &amp; Natural Resources</b>					
State Conservation Commission					
Conservation Easements	45,275	--	--	311,500	--
<b>Total--Agriculture &amp; Nat. Resources</b>	\$ 45,275	\$ --	\$ --	\$ 311,500	\$ --
<b>Total--Other Asst., Grants, &amp; Benefits</b>	\$ 1,237,329,810	\$ 1,311,960,762	\$ 1,285,091,063	\$ 56,884,886	\$ 1,256,903,882

## Schedule 6.1--Expenditures from All Funding Sources for Capital Improvements by Agency

	FY 2008 Actual	FY 2009 Gov. Estimate	FY 2010 Base Budget	FY 2010 Enhance. Pkg.	FY 2010 Gov. Rec.
<b>General Government</b>					
Department of Administration	6,887,996	8,265,331	9,728,685	14,160,518	3,588,525
Department of Commerce	92,134	200,000	155,000	--	155,000
Insurance Department	133,719	123,054	125,325	--	125,325
Judicial Council	32,365	--	--	--	--
<b>Total--General Government</b>	<b>\$ 7,146,214</b>	<b>\$ 8,588,385</b>	<b>\$ 10,009,010</b>	<b>\$ 14,160,518</b>	<b>\$ 3,868,850</b>
<b>Human Services</b>					
Social & Rehabilitation Services	7,070,241	10,905,406	8,557,650	17,504,332	7,512,950
Kansas Neurological Institute	158,800	124,895	124,895	--	124,895
Osawatomie State Hospital	30,113	--	--	--	--
Parsons State Hospital & Training Center	113,683	113,670	113,670	--	113,670
Rainbow Mental Health Facility	100,665	--	--	--	--
<b>Subtotal--SRS</b>	<b>\$ 7,473,502</b>	<b>\$ 11,143,971</b>	<b>\$ 8,796,215</b>	<b>\$ 17,504,332</b>	<b>\$ 7,751,515</b>
Department of Labor	272,425	1,887,160	559,518	--	559,518
Commission on Veterans Affairs	9,168,904	1,573,757	1,179,784	--	1,179,784
<b>Total--Human Services</b>	<b>\$ 16,914,831</b>	<b>\$ 14,604,888</b>	<b>\$ 10,535,517</b>	<b>\$ 17,504,332</b>	<b>\$ 9,490,817</b>
<b>Education</b>					
School for the Blind	106,118	427,237	103,469	1,171,350	508,992
School for the Deaf	353,633	442,369	256,286	699,085	503,286
<b>Subtotal--Department of Education</b>	<b>\$ 459,751</b>	<b>\$ 869,606</b>	<b>\$ 359,755</b>	<b>\$ 1,870,435</b>	<b>\$ 1,012,278</b>
Board of Regents	16,070,000	19,930,000	53,280,000	475,000	47,005,000
Emporia State University	3,290,239	5,382,014	1,207,000	--	1,207,000
Fort Hays State University	2,901,083	4,723,298	4,875,590	--	4,875,590
Kansas State University	23,049,383	27,464,798	8,104,003	--	8,104,003
Kansas State University--ESARP	2,615,921	--	--	--	--
KSU--Veterinary Medical Center	308,307	--	189,400	--	189,400
Pittsburg State University	7,523,032	6,595,342	2,832,227	--	2,667,227
University of Kansas	35,653,289	36,359,553	24,933,583	--	9,393,583
University of Kansas Medical Center	4,439,991	8,142,480	1,830,000	--	1,830,000
Wichita State University	7,674,654	9,748,862	4,137,399	--	2,797,399
<b>Subtotal--Regents</b>	<b>\$ 103,525,899</b>	<b>\$ 118,346,347</b>	<b>\$ 101,389,202</b>	<b>\$ 475,000</b>	<b>\$ 78,069,202</b>
Historical Society	501,031	338,185	369,136	322,400	529,821
<b>Total--Education</b>	<b>\$ 104,486,681</b>	<b>\$ 119,554,138</b>	<b>\$ 102,118,093</b>	<b>\$ 2,667,835</b>	<b>\$ 79,611,301</b>
<b>Public Safety</b>					
Department of Corrections	7,453,378	8,956,757	6,911,303	1,779,697	6,171,303
El Dorado Correctional Facility	300,835	279,748	201,462	--	201,462
Ellsworth Correctional Facility	221,705	107,842	77,097	--	77,097
Hutchinson Correctional Facility	599,416	439,259	259,000	--	259,000
Lansing Correctional Facility	613,399	503,973	365,887	--	365,887
Larned Correctional Mental Health Facility	259,521	154,099	14,762	--	14,762
Norton Correctional Facility	1,089,698	389,733	168,598	--	168,598
Topeka Correctional Facility	462,179	472,846	64,015	--	64,015
Winfield Correctional Facility	228,741	527,671	130,911	--	130,911
<b>Subtotal--Corrections</b>	<b>\$ 11,228,872</b>	<b>\$ 11,831,928</b>	<b>\$ 8,193,035</b>	<b>\$ 1,779,697</b>	<b>\$ 7,453,035</b>
Juvenile Justice Authority	2,510,969	3,308,175	2,977,198	3,089,435	2,977,198
Atchison Juvenile Correctional Facility	175,958	--	--	--	--
Beloit Juvenile Correctional Facility	218,015	40,338	40,338	--	40,338
Kansas Juvenile Correctional Complex	172,413	34,171	14,590	--	14,590
Larned Juvenile Correctional Facility	5,300	--	--	--	--
<b>Subtotal--Juvenile Justice</b>	<b>\$ 3,082,655</b>	<b>\$ 3,382,684</b>	<b>\$ 3,032,126</b>	<b>\$ 3,089,435</b>	<b>\$ 3,032,126</b>

**Schedule 6.1--Expenditures from All Funding Sources for Capital Improvements by Agency**

	<b>FY 2008 Actual</b>	<b>FY 2009 Gov. Estimate</b>	<b>FY 2010 Base Budget</b>	<b>FY 2010 Enhance. Pkg.</b>	<b>FY 2010 Gov. Rec.</b>
Adjutant General	4,034,058	2,610,300	2,755,000	4,749,072	1,300,000
Highway Patrol	863,487	1,382,199	1,137,717	--	1,137,717
Kansas Bureau of Investigation	563,968	471,360	415,000	924,560	--
<b>Total--Public Safety</b>	<b>\$ 19,773,040</b>	<b>\$ 19,678,471</b>	<b>\$ 15,532,878</b>	<b>\$ 10,542,764</b>	<b>\$ 12,922,878</b>
<b>Agriculture &amp; Natural Resources</b>					
Kansas State Fair	1,538,053	857,064	1,324,306	--	114,306
Department of Wildlife & Parks	10,079,681	16,854,438	7,827,002	4,487,314	6,392,188
<b>Total--Agriculture &amp; Natural Resources</b>	<b>\$ 11,617,734</b>	<b>\$ 17,711,502</b>	<b>\$ 9,151,308</b>	<b>\$ 4,487,314</b>	<b>\$ 6,506,494</b>
<b>Transportation</b>					
Department of Administration	6,735,000	7,010,000	7,299,200	--	--
Kansas Department of Transportation	627,653,910	1,013,514,895	768,757,794	1,427,946	764,803,454
<b>Total--Transportation</b>	<b>\$ 634,388,910</b>	<b>\$ 1,020,524,895</b>	<b>\$ 776,056,994</b>	<b>\$ 1,427,946</b>	<b>\$ 764,803,454</b>
<b>Total Expenditures</b>	<b>\$ 794,327,410</b>	<b>\$ 1,200,662,279</b>	<b>\$ 923,403,800</b>	<b>\$ 50,790,709</b>	<b>\$ 877,203,794</b>

**Schedule 6.2--Expenditures from the State General Fund for Capital Improvements by Agency**

	<b>FY 2008 Actual</b>	<b>FY 2009 Gov. Estimate</b>	<b>FY 2010 Base Budget</b>	<b>FY 2010 Enhance. Pkg.</b>	<b>FY 2010 Gov. Rec.</b>
<b>General Government</b>					
Department of Administration	4,806,137	6,979,582	9,728,685	14,160,518	3,588,525
Judicial Council	30,834	--	--	--	--
<b>Total--General Government</b>	<b>\$ 4,836,971</b>	<b>\$ 6,979,582</b>	<b>\$ 9,728,685</b>	<b>\$ 14,160,518</b>	<b>\$ 3,588,525</b>
<b>Human Services</b>					
Social & Rehabilitation Services	2,098	--	--	--	--
Kansas Neurological Institute	158,800	--	--	--	--
Osawatomie State Hospital	7,205	--	--	--	--
Parsons State Hospital & Training Center	113,683	--	--	--	--
Rainbow Mental Health Facility	100,665	--	--	--	--
<b>Subtotal--SRS</b>	<b>\$ 382,451</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ --</b>
Commission on Veterans Affairs	17,089	--	--	--	--
<b>Total--Human Services</b>	<b>\$ 399,540</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ --</b>
<b>Education</b>					
School for the Blind	28,189	27,770	29,108	--	29,108
School for the Deaf	56,464	58,825	61,286	--	61,286
<b>Subtotal--Department of Education</b>	<b>\$ 84,653</b>	<b>\$ 86,595</b>	<b>\$ 90,394</b>	<b>\$ --</b>	<b>\$ 90,394</b>
Board of Regents	--	2,500,000	5,000,000	--	5,000,000
Kansas State University	189,446	189,446	189,446	--	189,446
Kansas State University--ESARP	78,286	--	--	--	--
Pittsburg State University	350,292	148,532	320,348	--	155,348
University of Kansas	1,784,347	825,782	688,383	--	688,383
University of Kansas Medical Center	375,013	395,000	415,000	--	415,000
Wichita State University	1,215,000	1,275,000	1,340,000	--	--
<b>Subtotal--Regents</b>	<b>\$ 3,992,384</b>	<b>\$ 5,333,760</b>	<b>\$ 7,953,177</b>	<b>\$ --</b>	<b>\$ 6,448,177</b>
Historical Society	135,783	288,185	125,000	322,400	285,685
<b>Total--Education</b>	<b>\$ 4,212,820</b>	<b>\$ 5,708,540</b>	<b>\$ 8,168,571</b>	<b>\$ 322,400</b>	<b>\$ 6,824,256</b>
<b>Public Safety</b>					
Department of Corrections	2,648,412	1,680,370	1,820,303	1,779,697	985,303
El Dorado Correctional Facility	186,376	193,772	201,462	--	201,462
Ellsworth Correctional Facility	79,934	77,097	77,097	--	77,097
Hutchinson Correctional Facility	258,895	259,000	259,000	--	259,000
Lansing Correctional Facility	340,753	353,097	365,887	--	365,887
Larned Correctional Mental Health Facility	37,641	14,762	14,762	--	14,762
Norton Correctional Facility	155,637	161,988	168,598	--	168,598
Topeka Correctional Facility	65,311	64,015	64,015	--	64,015
Winfield Correctional Facility	132,914	130,911	130,911	--	130,911
<b>Subtotal--Corrections</b>	<b>\$ 3,905,873</b>	<b>\$ 2,935,012</b>	<b>\$ 3,102,035</b>	<b>\$ 1,779,697</b>	<b>\$ 2,267,035</b>
Beloit Juvenile Correctional Facility	19,071	40,338	40,338	--	40,338
Kansas Juvenile Correctional Complex	28,585	--	--	--	--
Larned Juvenile Correctional Facility	4,890	--	--	--	--
<b>Subtotal--Juvenile Justice</b>	<b>\$ 52,546</b>	<b>\$ 40,338</b>	<b>\$ 40,338</b>	<b>\$ --</b>	<b>\$ 40,338</b>
Adjutant General	1,150,784	385,000	1,755,000	4,749,072	300,000
Kansas Bureau of Investigation	540,413	201,360	415,000	924,560	--
<b>Total--Public Safety</b>	<b>\$ 5,649,616</b>	<b>\$ 3,561,710</b>	<b>\$ 5,312,373</b>	<b>\$ 7,453,329</b>	<b>\$ 2,607,373</b>
<b>Agriculture &amp; Natural Resources</b>					
Kansas State Fair	740,000	335,000	780,000	--	--
Department of Wildlife & Parks	1,377,203	1,451,640	1,500,000	187,314	680,186
<b>Total--Agriculture &amp; Natural Resources</b>	<b>\$ 2,117,203</b>	<b>\$ 1,786,640</b>	<b>\$ 2,280,000</b>	<b>\$ 187,314</b>	<b>\$ 680,186</b>
<b>Transportation</b>					
Department of Administration	6,735,000	7,010,000	7,299,200	--	--
<b>Total Expenditures</b>	<b>\$ 23,951,150</b>	<b>\$ 25,046,472</b>	<b>\$ 32,788,829</b>	<b>\$ 22,123,561</b>	<b>\$ 13,700,340</b>

**Schedule 7—Federal Receipts by Agency** contains federal formula grants and reimbursements to state agencies participating in federally-sponsored programs. The schedule reflects only the amount of federal funding received, not the amount expended. Federal fund expenditures are not presented because, in some cases, they are mingled with state funds so their identity as federal funds is not maintained. An example would be the Department of Transportation's State Highway Fund, which combines federal matching funds with state dollars in a single fund. When expenditures are made from the State Highway Fund, therefore, it is no longer possible to determine whether the funds being spent are federal or state funds.



## Schedule 7--Federal Receipts by Agency

	<u>FY 2008</u> <u>Actual</u>	<u>FY 2009</u> <u>Gov. Estimate</u>	<u>FY 2010</u> <u>Gov. Rec.</u>
<b>General Government</b>			
Department of Administration	261,407	266,718	266,718
Kansas Corporation Commission	1,298,671	1,507,372	1,432,902
Kansas Human Rights Commission	376,550	365,660	350,200
Department of Commerce	59,570,536	76,699,830	72,511,816
Kansas Technology Enterprise Corporation	1,611,847	2,030,102	--
Department of Revenue	911,488	965,096	--
Office of the Governor	10,922,439	5,733,825	6,065,621
Attorney General	2,519,964	2,919,000	2,546,000
Secretary of State	6,511	1,062,568	5,000
Judiciary	263,422	720,007	719,298
<b>Total--General Government</b>	<b>\$ 77,742,835</b>	<b>\$ 92,270,178</b>	<b>\$ 83,897,555</b>
<b>Human Services</b>			
Social & Rehabilitation Services	326,384,774	374,511,073	338,758,558
Kansas Neurological Institute	411,939	390,005	390,005
Kansas Health Policy Authority	1,476,180,731	1,541,212,340	1,540,286,572
Department on Aging	15,764,166	16,059,435	15,747,030
Health and Environment--Health	98,749,629	115,088,208	114,749,410
Department of Labor	37,671,844	68,554,360	22,395,940
Commission on Veterans Affairs	3,555,975	5,145,672	800,417
<b>Total--Human Services</b>	<b>\$ 1,958,719,058</b>	<b>\$ 2,120,961,093</b>	<b>\$ 2,033,127,932</b>
<b>Education</b>			
Department of Education	398,750,465	416,422,448	412,445,681
School for the Blind	47,433	6,478	5,500
Board of Regents	15,137,936	13,237,345	11,651,021
Emporia State University	7,573,671	7,252,199	7,252,197
Fort Hays State University	7,850,139	7,845,328	7,619,336
Kansas State University	149,038,603	155,109,133	155,109,133
Kansas State University--ESARP	36,056,315	38,835,624	38,835,624
KSU--Veterinary Medical Center	228,879	250,000	250,000
Pittsburg State University	8,096,532	7,692,482	7,692,482
University of Kansas	128,605,936	120,000,000	120,000,000
University of Kansas Medical Center	976,259	1,196,445	881,410
Wichita State University	28,217,081	21,894,320	21,894,207
Kansas Arts Commission	674,700	685,300	685,300
Historical Society	866,377	782,959	848,311
State Library	1,618,558	1,631,112	1,745,712
<b>Total--Education</b>	<b>\$ 783,738,884</b>	<b>\$ 792,841,173</b>	<b>\$ 786,915,914</b>
<b>Public Safety</b>			
Department of Corrections	2,200,029	1,704,251	902,294
Topeka Correctional Facility	14,780	--	--
Juvenile Justice Authority	1,310,892	579,679	1,099,988
Adjutant General	194,594,463	158,529,621	86,971,956
Highway Patrol	20,359,437	23,730,200	12,959,353
Kansas Bureau of Investigation	4,394,556	5,061,509	3,880,673
Sentencing Commission	20,000	50,000	--
<b>Total--Public Safety</b>	<b>\$ 222,894,157</b>	<b>\$ 189,655,260</b>	<b>\$ 105,814,264</b>



## Schedule 7--Federal Receipts by Agency

	<u>FY 2008</u> <u>Actual</u>	<u>FY 2009</u> <u>Gov. Estimate</u>	<u>FY 2010</u> <u>Gov. Rec.</u>
<b>Agriculture &amp; Natural Resources</b>			
Department of Agriculture	5,593,053	5,479,054	4,325,738
Animal Health Department	729,922	981,966	110,750
State Conservation Commission	81,884	--	--
Health and Environment--Environment	20,382,884	20,391,789	19,648,789
Kansas Water Office	80,443	227,400	--
Department of Wildlife & Parks	12,098,942	15,510,905	12,227,207
<b>Total--Agriculture &amp; Natural Resources</b>	<b>\$ 38,967,128</b>	<b>\$ 42,591,114</b>	<b>\$ 36,312,484</b>
<b>Transportation</b>			
Kansas Department of Transportation	440,114,796	342,942,107	350,557,833
<b>Total Receipts</b>	<b>\$ 3,522,176,858</b>	<b>\$ 3,581,260,925</b>	<b>\$ 3,396,625,982</b>

**Schedule 8—Current Year Adjustments** reconciles the differences between the approved FY 2009 budget, as published in the *Comparison Report* (July 2008) by the Division of the Budget, and the Governor’s estimate of revised expenditures for FY 2009, as published in this report. The purpose of the schedule is to track the changes that have occurred since the 2008 Legislature approved the FY 2009 budget.

From the time when the *Comparison Report* was published, a number of changes have occurred. Revised expenditures reflected in the Governor’s recommendations include reappropriation of expenditures from FY 2008 to FY 2009. These reappropriations represent funds approved to be spent prior to FY 2009 under authority granted in legislation. Other changes that have occurred include actions taken by the State Finance Council, actions accomplished through Executive Directive authority of the Governor, internal transfers between a central office and its institutions or between institutions, and recommendations by the Governor to reflect updated information on caseloads or institutional populations, changes in expenditure patterns, new or revised policy directives, or changes in federal grants.



## Schedule 8--Current Year Adjustments

	<b>State General Fund</b>	<b>All Funding Sources</b>
Department of Administration		
Operations Shift of Expenditure Authority from Prior Year	774,773	774,773
MacVicar Avenue Assessment Expenditure Shift from Prior Year	--	1,285,749
Operating Budget Reductions	(506,656)	(544,011)
Public Broadcasting Grant Expenditure Reduction	(79,920)	(79,920)
Increase in Wireless Enhanced 911 Grants	--	1,453,000
Surplus Property Operating Expenditures	--	(36,389)
Federal Cash Management Expenditures	--	1,268,087
Municipal Accounting Expenditures	--	(924)
Federal Flood Control Expenditures	--	(2,011)
Savings Incentive Expenditures	(25,637)	(25,637)
Debt Restructuring	(11,927,500)	(11,927,500)
Capital Improvements Expenditure Shift from Prior Year	13,753	13,753
Transfer EBF Insurance Premium to Board of Regents	--	(475,000)
Increased SIBF Insurance Premium	--	15,844
Increased CIBF Insurance Premium	--	1,454
Reduction in Buildings & Grounds Expenditures	--	(143,387)
Total--Department of Administration	\$ (11,751,187)	\$ (8,422,119)
Kansas Corporation Commission		
Additional Fee & Federal Fund Monies	\$ --	\$ 443,399
Citizens Utility Ratepayer Board		
Operating Budget Reductions	--	(24,100)
Consulting Fees for Expert Testimony	--	80,271
Total--Citizens Utility Ratepayer Board	\$ --	\$ 56,171
Kansas Human Rights Commission		
Operations Shift of Expenditure Authority from Prior Year	12,820	12,820
Operating Budget Reductions	(52,923)	(52,923)
Additional Fee & Federal Monies	--	(6,424)
Total--Kansas Human Rights Commission	\$ (40,103)	\$ (46,527)
Board of Indigents Defense Services		
Operating Budget Reductions	(658,516)	(1,086,601)
Assigned Counsel Expenditure Adjustment	490,065	490,065
Trial Program	(293,085)	--
Total--Board of Indigents Defense Services	\$ (461,536)	\$ (596,536)
Court of Tax Appeals		
Operating Budget Reductions	\$ (199,794)	\$ (54,794)
Health Care Stabilization		
Operating Budget Reductions	--	(1,943)
Claims Expense Reduction	--	(450)
Savings Incentive Expenditures	--	14,869
Total--Health Care Stabilization Fund Board of Governors	\$ --	\$ 12,476
Kansas Public Employees Retirement System		
Operating Budget Reductions	--	(177,157)
Revised Investment Fee Expenditures	--	(3,945,897)
Revised Non-Retirement Administration Expenses	--	1,541
Revised Audit Services Expenditures	--	1,750
Revised Deferred Compensation Expenditures	--	5,045
Information Technology Project Expenditures	--	623,573
Savings Incentive Expenditures	--	13,460
Total--Kansas Public Employees Retirement System	\$ --	\$ (3,477,685)

## Schedule 8--Current Year Adjustments

	<u>State General Fund</u>	<u>All Funding Sources</u>
Department of Commerce		
Operations Shift of Expenditure Authority from Prior Year	2,476	2,169,439
Operating Budget Reductions	(12,365)	(566,533)
EDIF Block Grant Reappropriation Lapse	--	(582,038)
KEOIF Expenditures	--	1,250,000
Kansas Partnership Fund Program	--	800,000
Existing Industry Expansion Program	--	450,000
Enterprise Facilitation	--	124,645
Publication Expenditures	--	1,148,711
Federal Funds	--	11,517,800
Additional Miscellaneous Operating Expenditures Increase	--	362,725
Total--Department of Commerce	\$ (9,889)	\$ 16,674,749
Kansas Technology Enterprise Corporation		
Operations Shift of Expenditure Authority from Prior Year	--	439,184
Operating Budget Reductions	--	(358,996)
Investment Program Expenditures Reduction	--	(1,000,000)
Federal Funds	--	(136,716)
Total--Kansas Technology Enterprise Corporation	\$ --	\$ (1,056,528)
Kansas, Inc.		
Operating Budget Reductions	--	(15,150)
Eliminate Position	--	(20,827)
Total--Kansas, Inc.	\$ --	\$ (35,977)
Kansas Lottery		
Operating Budget Reductions	--	(3,093,069)
Expanded Lottery Act Payments to Local Governments	--	(1,766,940)
Increase in State Paid Prize Payments	--	2,226,483
Expanded Lottery Expenses Program	--	(682,094)
Racetrack Gaming Facility Manager Expanded Lottery Act Payments	--	(23,879,440)
Savings Incentive Expenditures	--	27,059
Total--Kansas Lottery	\$ --	\$ (27,168,001)
Kansas Racing & Gaming Commission		
Racing Purse Supplements & Breeding Development Funding	--	(8,709,218)
Woodlands Racetrack Closure & Reduced Racing Expenditures	--	(1,999,163)
Gaming Machine Examinations	--	800,000
Additional Expanded Lottery Act Regulation Program Expenditures	--	2,951,115
Tribal Gaming Regulation Program Expenditures Reduction	--	(42,389)
Delay Debt Service Payment on PMIB Loan until FY 2010	--	(311,329)
Total--Kansas Racing & Gaming Commission	\$ --	\$ (7,310,984)
Department of Revenue		
Operating Budget Reductions	(585,692)	(552,548)
DMV Modernization Project	--	183,000
Kansas Qualified Biodiesel Fuel Adjustment	--	(200,000)
Increase in County Mineral Production Tax Adjustment	--	1,919,000
Additional Fee & Federal Monies	--	1,003,721
Savings Incentive Expenditures	2,008	2,008
Total--Department of Revenue	\$ (583,684)	\$ 2,355,181
Abstracters Board of Examiners		
Operating Budget Reductions	\$ --	\$ (654)

## Schedule 8--Current Year Adjustments

	<u>State General Fund</u>	<u>All Funding Sources</u>
Board of Accountancy		
Operating Budget Reductions	--	(9,500)
Savings Incentive Expenditures	--	9,696
Total--Board of Accountancy	\$ --	\$ 196
Office of the State Bank Commissioner		
Operating Budget Reductions	--	(257,311)
Additional Consumer Education Expenditures	--	93,750
Savings Incentive Expenditures	--	25,441
Total--Office of the State Bank Commissioner	\$ --	\$ (138,120)
Board of Barbering		
Operating Budget Reductions	\$ --	\$ (13,159)
Board of Cosmetology		
Operating Budget Reductions	--	(24,191)
Savings Incentive Expenditures	--	16,428
Total--Board of Cosmetology	\$ --	\$ (7,763)
Department of Credit Unions		
Operating Budget Reductions	--	(26,840)
Savings Incentive Expenditures	--	10,168
Total--Department of Credit Unions	\$ --	\$ (16,672)
Kansas Dental Board		
Operating Budget Reductions	--	(11,472)
Savings Incentive Expenditures	--	9,862
Total--Kansas Dental Board	\$ --	\$ (1,610)
Governmental Ethics Commission		
Operations Shift of Expenditure Authority from Prior Year	--	25,833
Operating Budget Reductions	(15,863)	(15,863)
Total--Government Ethics Commission	\$ (15,863)	\$ 9,970
Board of Healing Arts		
Operating Budget Reductions	--	(4,502)
Additional Regulatory Staff	--	346,868
Total--Board of Healing Arts	\$ --	\$ 342,366
Behavioral Sciences Regulatory Board		
Operating Budget Reductions	--	(19,717)
Savings Incentive Expenditures	--	4,875
Total--Behavioral Sciences Regulatory Board	\$ --	\$ (14,842)
Hearing Instruments Board of Examiners		
Operating Budget Reductions	\$ --	\$ (885)
Board of Mortuary Arts		
Operating Budget Reductions	--	(8,298)
Savings Incentive Expenditures	--	1,181
Total--Board of Mortuary Arts	\$ --	\$ (7,117)
Board of Nursing		
Operating Budget Reductions	--	(37,588)
Background Check Procedures Grant	--	50,000
Savings Incentive Expenditures	--	2,156
Total--Board of Nursing	\$ --	\$ 14,568
Board of Pharmacy		
Operating Budget Reductions	\$ --	\$ (70,086)

## Schedule 8--Current Year Adjustments

	<u>State General Fund</u>	<u>All Funding Sources</u>
Board of Examiners in Optometry		
Operating Budget Reductions	\$ --	\$ (3,912)
Real Estate Appraisal Board		
Operating Budget Reductions	\$ --	\$ (10,768)
Kansas Real Estate Commission		
Operating Budget Reductions	--	(33,095)
Real Estate Recovery Revolving Fund Expenditures	--	15,000
Savings Incentive Expenditures	--	6,921
Total--Kansas Real Estate Commission	\$ --	\$ (11,174)
Office of the Securities Commissioner		
Operating Budget Reductions	--	(80,149)
Investor Education Expenditures	--	(19,704)
Savings Incentive Expenditures	--	14,303
Total--Office of the Securities Commissioner	\$ --	\$ (85,550)
Board of Technical Professions		
Operating Budget Reductions	--	(17,325)
Savings Incentive Expenditures	--	24,685
Total--Board of Technical Professions	\$ --	\$ 7,360
Office of the Governor		
Operations Shift of Expenditure Authority from Prior Year	417,528	167,753
Grant Assistance	(282,588)	(5,184,785)
Total--Officer of the Governor	\$ 134,940	\$ (5,017,032)
Office of the Lieutenant Governor		
Operating Budget Reductions	\$ (15,010)	\$ (15,010)
Board of Veterinary Examiners		
Operating Budget Reductions	--	(8,235)
Savings Incentive Expenditures	--	1,361
Total--Board of Veterinary Examiners	\$ --	\$ (6,874)
Attorney General		
Operations Shift of Expenditure Authority from Prior Year	20,025	20,025
Operating Budget Reductions	(334,128)	(1,088,255)
Total--Attorney General	\$ (314,103)	\$ (1,068,230)
Insurance Department		
Operating Budget Reductions	--	(472,357)
Increase Aid to Locals - Firefighters Relief Program	--	660,000
Additional Fee & Federal Monies	--	119,565
Savings Incentive Expenditures	--	115,521
Total--Insurance Department	\$ --	\$ 422,729
Secretary of State		
Unspent HAVA Funds from Previous Years	--	51,704
Additional Fee & Federal Monies	--	(186,500)
Total--Secretary of State	\$ --	\$ (134,796)
State Treasurer		
Operating Budget Reductions	--	(158,402)
Business Machinery Equipment - Aid to Locals	--	39,346,000
Railroad Machinery & Telecommunications - Aid to Locals	--	5,500,000
Tax Increment Financing Aid to Locals	--	99,400

## Schedule 8--Current Year Adjustments

	<b>State General Fund</b>	<b>All Funding Sources</b>
<b>State Treasurer, Cont'd.</b>		
KIDS Matching Grant	--	175,000
Savings Incentive Expenditures	--	6,421
Total--State Treasurer	\$ --	\$ 44,968,419
Legislative Coordinating Council		
Miscellaneous Operating Expenditures Adjustment	\$ 5,527	\$ 5,527
Legislature		
Miscellaneous Operating Expenditures Adjustment	\$ (369,545)	\$ (380,946)
Legislative Research Department		
Miscellaneous Operating Expenditures Adjustment	\$ 171,503	\$ 171,503
Legislative Division of Post Audit		
Miscellaneous Operating Expenditures Adjustment	\$ 108,315	\$ 108,315
Revisor of Statutes		
Miscellaneous Operating Expenditures Adjustment	\$ 290,111	\$ 290,111
Judiciary		
Operations Shift of Expenditure Authority from Prior Year	324	324
Carry Savings Over to FY 2010	(562,112)	(562,112)
Special Revenue Fund Adjustments	--	(238,013)
Total--Judiciary	\$ (561,788)	\$ (799,801)
Judicial Council		
Operations Shift of Expenditure Authority from Prior Year	10,000	10,000
Miscellaneous Operating Adjustments	(3,000)	(114,048)
Total--Judicial Council	\$ 7,000	\$ (104,048)
<b>Total--General Government</b>	<b>\$ (13,605,106)</b>	<b>\$ 9,804,840</b>
Social & Rehabilitation Services		
Miscellaneous Operating Expenditures Adjustment	6,242,414	(2,422,276)
Salaries & Wages Adjustments	(6,854,546)	(4,401,351)
Hold Family Preservation & Family Services to FY 2008 Level	(1,800,000)	(3,037,000)
Behavior Management Savings	(251,025)	(251,025)
Consensus Caseload--General Assistance	96,000	96,000
Consensus Caseload--Foster Care	(81,915)	(2,572,352)
Consensus Caseload--Head Injury Rehab Hospitals	567,447	1,415,784
Consensus Caseload--Temporary Assistance to Families	--	3,290,075
Consensus Caseload--Developmental Disabilities	68,938	172,000
Consensus Caseload--Physical Disabilities	(223,464)	(557,544)
Consensus Caseload--Nursing Facilities for Mental Health	629,854	606,164
Consensus Caseload--Psychiatric Residential Treatment Facilities	1,324,247	3,304,008
Consensus Caseload--Prepaid Ambulatory Health Plan	5,245,794	8,205,268
Consensus Caseload--Prepaid Inpatient Health Plan	(848,451)	(2,116,894)
Reduce CMHC Consolidated Grants	(1,800,000)	(1,800,000)
Grandparents as Caregivers Savings	(1,093,800)	(1,093,800)
HCBS/PD Waiver	8,398,741	20,954,943
HCBS/DD Waiver	467,009	5,406,709
Social Security Reimbursement	--	180,000
Energy Assistance Federal Funds	--	27,372,195
Total--Social & Rehabilitation Services	\$ 10,087,243	\$ 52,750,904
Kansas Neurological Institute		
Miscellaneous Operating Expenditures Adjustment	\$ --	\$ (676)



## Schedule 8--Current Year Adjustments

	<b>State General Fund</b>	<b>All Funding Sources</b>
Larned State Hospital		
Miscellaneous Operating Expenditure Adjustment	(98,158)	49,492
Sexual Predator Treatment Program Transition House	--	323,928
Total--Larned State Hospital	\$ (98,158)	\$ 373,420
Osawatomie State Hospital		
Operations Shift of Expenditure Authority from Prior Year	150	150
Miscellaneous Operating Expenditure Adjustment	(164,318)	--
Transfer to Parsons State Hospital to Replace Fee Funds	(205,000)	--
Delay Opening of 30-bed Unit	(1,473,800)	(1,473,800)
Total--Osawatomie State Hospital	\$ (1,842,968)	\$ (1,473,650)
Parsons State Hospital & Training Center		
Offset Reduced Fee Fund Receipts with SGF from OSH	\$ 205,000	\$ --
Rainbow Mental Health Facility		
Operations Shift of Expenditure Authority from Prior Year	150	150
Miscellaneous Operating Expenditure Adjustments	(53,965)	--
Total--Rainbow Mental Health Facility	\$ (53,815)	\$ 150
Kansas Health Policy Authority		
Operations Shift of Expenditure Authority from Prior Year	847,288	847,288
Miscellaneous Operating Expenditure Adjustments	(1,178,998)	(3,693,956)
Salaries & Wages Adjustments	(383,595)	(887,575)
Cancel Generic Drug Program	(400,000)	(400,000)
On Budget Benefits Administration Funds	--	328,639
SCHIP Caseload Adjustment	(689,687)	(2,518,481)
Switch Fee Funds to Replace SGF	(8,500,000)	--
Additional Fee & Federal Monies	--	1,961,070
Total--Kansas Health Policy Authority	\$ (10,304,992)	\$ (4,363,015)
Department on Aging		
Operations Shift of Expenditure Authority from Prior Year	2,493,746	2,493,746
Miscellaneous Operating Expenditure Adjustments	(3,856,449)	(6,307,254)
Targeted Case Management Caseload Estimate	(287,627)	(419,528)
Total--Department on Aging	\$ (1,650,330)	\$ (4,233,036)
Health & Environment--Health		
Operations Shift of Expenditure Authority from Prior Year	50,470	50,470
Operating Budget Reductions	(608,066)	(608,066)
Homeland Security for Real ID	--	25,000
Primary Health Care Reduction	(248,465)	(248,465)
Infant-Toddler Reduction	(85,000)	(85,000)
Food Safety Transfer to Agriculture	(28,325)	(28,325)
Fee Funds	--	3,673,978
Savings Incentive Expenditures	--	114,825
Total--Health & Environment--Health	\$ (919,386)	\$ 2,894,417
Department of Labor		
Operations Shift of Expenditure Authority from Prior Year	1,600	1,600
Operating Expenditure Adjustments	(32,768)	12,829
Unemployment Insurance Benefit Adjustments	--	42,717,718
Federal Funds	--	(2,241,339)
Saving Incentive Expenditures	2,253	2,252
Total--Department of Labor	\$ (28,915)	\$ 40,493,060

## Schedule 8--Current Year Adjustments

	<b>State General Fund</b>	<b>All Funding Sources</b>
Commission on Veterans Affairs		
Operations Shift of Expenditure Authority from Prior Year	40,178	40,178
Operating Budget Reductions	(284,143)	(284,143)
Miscellaneous Operating Expenditure Adjustments	--	813,908
Equipment & Services for Veterans Homes	--	68,500
SIBF Shift of Expenditure Authority from Prior Year	--	167,344
Total--Commission on Veterans Affairs	\$ (243,965)	\$ 805,787
Kansas Guardianship Program		
Operations Shift of Expenditure Authority from Prior Year	74,937	74,937
Miscellaneous Operating Expenditure Adjustments	(101,169)	(101,169)
Total--Kansas Guardianship Program	\$ (26,232)	\$ (26,232)
<b>Total--Human Services</b>	<b>\$ (4,876,518)</b>	<b>\$ 87,221,129</b>
Department of Education		
Operations Shift of Expenditure Authority from Prior Year	2,283,441	2,283,441
Operating Budget Reductions	--	(61,880)
Kansas Career Pipeline	(100,000)	(100,000)
Optometric Program Expenditure--CIF	--	(100,000)
Driver's Education	--	(1,204,712)
Revised Estimate of Federal Grants & Indirect Cost Reimbursements	--	9,800,724
Juvenile Detention Facilities	(1,249,370)	(1,249,370)
General State Aid	705,194	705,194
Supplemental General State Aid	(8,530,369)	(8,530,369)
Capital Outlay State Aid	(2,839,522)	(2,839,522)
Coordinated School Health	--	400,000
Shift Expenditures to Budget Year	(117,137)	(117,137)
Additional Inservice Education Expenditures	--	168,272
Private Donations	--	199,224
Capital Improvement State Aid	--	1,141,000
Total--Department of Education	\$ (9,847,763)	\$ 494,865
School for the Blind		
Operations Shift of Expenditure Authority from Prior Year	2,191	2,191
Operating Budget Reductions	(148,191)	(42,191)
Additional Fee & Federal Monies	--	44,005
SIBF Shift of Expenditure Authority from Prior Year	--	114,635
Total--School for the Blind	\$ (146,000)	\$ 118,640
School for the Deaf		
Operating Budget Reductions	(215,793)	(205,878)
Additional Fee & Federal Monies	--	103,691
SIBF Shift of Expenditure Authority from Prior Year	--	26,544
Total--School for the Deaf	\$ (215,793)	\$ (75,643)
Board of Regents		
Operations Shift of Expenditure Authority from Prior Year	2,115,578	2,183,355
Miscellaneous Operating Expenditure Adjustments	(5,216,907)	(4,446,907)
27th Payroll Certification	(8,223)	(8,223)
University Operating Grant Distribution to Universities	(19,952,667)	(19,952,667)
Special Revenue Expenditures	--	(352,974)
Infrastructure Support Distribution to Universities	--	(20,000,000)
Rehabilitation & Repair Distribution of EBF to Universities	--	(15,000,000)
Total--Board of Regents	\$ (23,062,219)	\$ (57,577,416)

## Schedule 8--Current Year Adjustments

	<u>State General Fund</u>	<u>All Funding Sources</u>
Emporia State University		
Operations Shift of Expenditure Authority from Prior Yea	4,338	4,338
Miscellaneous Operating Adjustment	(1,067,750)	(1,067,750)
Operating Grant from the Board of Regents	1,204,781	1,204,781
Tuition Expenditures	--	3,305,661
Restricted Fee Expenditures	--	4,127,409
Additional Fee & Federal Monies	--	(1,294,965)
Infrastructure Support Distribution	--	1,898,845
EBF Rehabilitation & Repair Distribution	--	2,302,556
Total--Emporia State University	\$ 141,369	\$ 10,480,875
Fort Hays State University		
Operations Shift of Expenditure Authority from Prior Yea	101,356	101,356
Miscellaneous Operating Adjustment	(1,126,627)	(1,126,627)
Operating Grant from the Board of Regents	1,264,125	1,264,125
Tuition Expenditures	--	(650,494)
Restricted Use Expenditures	--	2,234,770
Additional Fee & Federal Monies	--	2,852,821
Infrastructure Support Distribution	--	1,382,000
EBF Rehabilitation & Repair Distribution	--	1,309,040
Total--Fort Hays State University	\$ 238,854	\$ 7,366,991
Kansas State University		
Miscellaneous Operating Adjustment	(3,515,898)	(3,515,898)
Operating Grant from the Board of Regents	3,120,074	3,120,074
Tuition Expenditures	--	11,850,205
Restricted Fee Expenditures	--	6,660,513
Additional Fee & Federal Monies	--	8,187,592
Infrastructure Support Distribution	--	11,044,000
EBF Rehabilitation & Repair Distribution	--	5,324,350
Total--Kansas State University	\$ (395,824)	\$ 42,670,836
Kansas State University--ESARP		
Miscellaneous Operating Adjustment	(1,683,713)	(1,683,713)
Operating Grant from the Board of Regents	2,039,142	2,039,142
Restricted Fee Expenditures	--	448,378
Additional Fee & Federal Monies	--	(4,279,737)
Total--Kansas State University--ESARP	\$ 355,429	\$ (3,475,930)
KSU--Veterinary Medical Center		
Miscellaneous Operating Adjustment	(338,618)	(338,618)
Operating Grant from the Board of Regents	329,833	329,833
Tuition Expenditures	--	1,572,557
Special Revenue Funds	--	(467,951)
Total--KSU--Veterinary Medical Center	\$ (8,785)	\$ 1,095,821
Pittsburg State University		
Operations Shift of Expenditure Authority from Prior Yea	3,926	3,926
Miscellaneous Operating Adjustment	(1,157,566)	(1,157,566)
Operating Grant from the Board of Regents	1,306,124	1,306,124
Tuition Expenditures	--	1,693,318
Restricted Fee Expenditures	--	1,579,051
Additional Fee & Federal Monies	--	574,090
Debt Restructuring	(160,000)	(160,000)
Infrastructure Support Distribution	--	1,380,000
EBF Rehabilitation & Repair Distribution	--	2,097,604
Total--Pittsburg State University	\$ (7,516)	\$ 7,316,547

## Schedule 8--Current Year Adjustments

	<b>State General Fund</b>	<b>All Funding Sources</b>
University of Kansas		
Miscellaneous Operating Adjustment	(4,645,814)	(4,653,814)
Operating Grant from the Board of Regents	4,286,958	4,286,958
Tuition Expenditures	--	10,728,875
Restricted Fee Expenditures	--	(5,473,668)
Additional Fee & Federal Monies	--	(471,468)
Infrastructure Support Distribution	--	9,741,601
EBF Rehabilitation & Repair Distribution	--	10,000,499
Total--University of Kansas	\$ (358,856)	\$ 24,158,983
University of Kansas Medical Center		
Operations Shift of Expenditure Authority from Prior Year	89,326	89,326
Miscellaneous Operating Adjustment	(3,724,249)	(3,724,249)
Operating Grant from the Board of Regents	4,117,582	4,117,582
Tuition Expenditures	--	5,047,905
Restricted Fee Expenditures	--	(15,480,385)
Additional Fee & Federal Monies	--	3,592,160
Infrastructure Support Distribution	--	4,859,974
EBF Rehabilitation & Repair Distribution	--	1,816,571
Total--University of Kansas Medical Center	\$ 482,659	\$ 318,884
Wichita State University		
Operations Shift of Expenditure Authority from Prior Year	--	2,042
Miscellaneous Operating Adjustment	(2,304,691)	(2,304,691)
Operating Grant from the Board of Regents	2,294,026	2,294,026
Tuition Expenditures	--	3,769,844
Restricted Fee Expenditures	--	805,543
Additional Fee & Federal Monies	--	873,332
Infrastructure Support Distribution	--	3,666,451
EBF Rehabilitation & Repair Distribution	--	2,280,506
Total--Wichita State University	\$ (10,665)	\$ 11,387,053
Kansas Arts Commission		
Operations Shift of Expenditure Authority from Prior Year	--	105,631
Operating Budget Reductions	(53,077)	(53,077)
Miscellaneous Operating Adjustment	(216,794)	(216,794)
Federal Funds	--	117,765
Total--Kansas Arts Commission	\$ (269,871)	\$ (46,475)
Historical Society		
Operations Shift of Expenditure Authority from Prior Year	241,917	241,917
Operating Budget Reductions	(436,655)	(436,655)
Miscellaneous Operating Expenditures Adjustment	(108,117)	(133,193)
Museum Humidification System	163,185	163,185
Additional Fee & Federal Monies	--	239,187
Total--Historical Society	\$ (139,670)	\$ 74,441
State Library		
Operating Budget Reductions	(166,289)	(166,289)
Grants & Gifts Funds	--	(22,612)
Additional Fee & Federal Monies	--	(67,579)
Total--State Library	\$ (166,289)	\$ (256,480)
<b>Total--Education</b>	<b>\$ (33,410,940)</b>	<b>\$ 44,051,992</b>

## Schedule 8--Current Year Adjustments

	<u>State General Fund</u>	<u>All Funding Sources</u>
Department of Corrections		
Operations Shift of Expenditure Authority from Prior Year	2,368,449	2,368,449
Miscellaneous Operating Expenditures Adjustment	(745,455)	(745,455)
Aid to Local Governments	(1,563,000)	(1,563,000)
Closure of Day Reporting Centers	(737,117)	(737,117)
Shrinkage Expenditures Increase	(415,000)	(415,000)
Revised Health Care Contract	(771,000)	(771,000)
Transfer to Facilities for Operating	(1,149,449)	(1,149,449)
JEHT Foundation Grant Expenditures	(466,808)	349,076
Reentry Program Expenditures	110,906	110,906
Revised Offender Program Fund Expenditures	(1,650,000)	(900,000)
Revised Food Service Contract	(454,436)	(454,436)
Decreased Sales by Kansas Correctional Industries	--	(124,925)
Transfer from Kansas Correctional Industries	(1,122,096)	--
Additional Fee & Federal Monies	--	1,501,380
Savings Incentive Expenditures	189	189
Debt Service for Infrastructure Projects	(798,000)	(798,000)
Debt Restructuring	(40,000)	(40,000)
Ongoing Capital Improvements	--	1,512,473
Distribute CIBF to Correctional Facilities	--	(852,953)
Total--Department of Corrections	\$ (7,432,817)	\$ (2,708,862)
El Dorado Correctional Facility		
Operations Shift of Expenditure Authority from Prior Year	160	160
Transfer from Central Office for Operating Expenditures	299,840	299,840
Suspend Operations at Toronto Correctional Facility	(199,000)	(199,000)
General Fees Fund Expenditures	--	1,802
Central Office CIBF Distribution	--	84,700
Ongoing Capital Improvements	--	1,276
Total--El Dorado Correctional Facility	\$ 101,000	\$ 188,778
Ellsworth Correctional Facility		
Operations Shift of Expenditure Authority from Prior Year	2,367	2,367
Transfer from Central Office for Operating Expenditures	387,000	387,000
General Fees Fund Expenditures	--	7,787
Central Office CIBF Distribution	--	30,745
Total--Ellsworth Correctional Facility	\$ 389,367	\$ 427,899
Hutchinson Correctional Facility		
Operations Shift of Expenditure Authority from Prior Year	1,545	1,545
Transfer from Central Office for Operating Expenditures	435,000	435,000
General Fees Fund Expenditures	--	183,943
Central Office CIBF Distribution	--	165,240
Ongoing Capital Improvements	--	15,019
Total--Hutchinson Correctional Facility	\$ 436,545	\$ 800,747
Lansing Correctional Facility		
Transfer from Central Office for Operating Expenditures	507,144	507,144
Suspend Operations at Osawatomie Correctional Facility	(175,000)	(175,000)
General Fees Fund Expenditures	--	(50,000)
Central Office CIBF Distribution	--	75,480
Ongoing Capital Improvements	--	75,396
Total--Lansing Correctional Facility	\$ 332,144	\$ 433,020

## Schedule 8--Current Year Adjustments

	<b>State General Fund</b>	<b>All Funding Sources</b>
Larned Correctional Mental Health Facility		
Operations Shift of Expenditure Authority from Prior Year	173	173
Transfer from Central Office for Operating Expenditures	92,000	92,000
Central Office CIBF Distribution	--	100,000
Ongoing Capital Improvements	--	39,337
Total--Larned Correctional Mental Health Facility	\$ 92,173	\$ 231,510
Norton Correctional Facility		
Operations Shift of Expenditure Authority from Prior Year	17,031	17,031
Transfer from Central Office for Operating Expenditures	205,000	205,000
Central Office CIBF Distribution	--	203,938
Ongoing Capital Improvements	--	23,807
Total--Norton Correctional Facility	\$ 222,031	\$ 449,776
Topeka Correctional Facility		
Operations Shift of Expenditure Authority from Prior Year	440	440
Housing Federal Female Inmates	--	12,665
General Fees Fund Expenditures	--	4,631
Central Office CIBF Distribution	--	69,850
Ongoing Capital Improvements	--	338,981
Total--Topeka Correctional Facility	\$ 440	\$ 426,567
Winfield Correctional Facility		
Operations Shift of Expenditure Authority from Prior Year	500	500
Transfer from Central Office for Operating Expenditures	305,000	305,000
General Fee Fund Expenditures	--	14,418
Central Office CIBF Distribution	--	123,000
Ongoing Capital Improvements	--	273,760
Total--Winfield Correctional Facility	\$ 305,500	\$ 716,678
Juvenile Justice Authority		
Operations Shift of Expenditure Authority from Prior Year	3,138	14,954
Operating Budget Reductions	(856,424)	(856,424)
SGF Transfer from Juvenile Correctional Facilities	445,609	445,609
Purchase of Services Funding	961,059	961,059
Kansas Juvenile Delinquency Prevention	--	81,170
Additional Fee & Federal Monies	--	(515,904)
SIBF Transfer to Kansas Juvenile Correctional Complex	--	(18,300)
SIBF Lapse	--	(6,173)
Total--Juvenile Justice Authority	\$ 553,382	\$ 105,991
Atchison Juvenile Correctional Facility		
Operations Shift of Expenditure Authority from Prior Year	3,424	4,301
Operating Budget Reductions	(1,960,029)	(1,960,029)
SGF Transfer to JJA Central Office	(203,126)	(203,126)
SGF Transfer to Kansas Juvenile Correctional Complex	(575,029)	(575,029)
Additional Fee & Federal Monies	--	(11,896)
Total--Atchison Juvenile Correctional Facility	\$ (2,734,760)	\$ (2,745,779)
Beloit Juvenile Correctional Facility		
Operations Shift of Expenditure Authority from Prior Year	6,297	6,297
Operating Budget Reductions	(68,780)	(68,780)
SGF Transfer to JJA Central Office	(117,484)	(117,484)
SGF Transfer to Larned Juvenile Correctional Facility	(10,611)	(10,611)
Federal Funds	--	(1,436)
Total--Beloit Juvenile Correctional Facility	\$ (190,578)	\$ (192,014)

## Schedule 8--Current Year Adjustments

	<u>State General Fund</u>	<u>All Funding Sources</u>
<b>Larned Juvenile Correctional Facility</b>		
Operations Shift of Expenditure Authority from Prior Year	3,692	3,692
Operating Budget Reductions	(160,486)	(160,486)
SGF Transfer from Beloit Juvenile Correctional Facility	10,611	10,611
Federal Funds	--	27,426
Total--Larned Juvenile Correctional Facility	\$ (146,183)	\$ (118,757)
<b>Kansas Juvenile Correctional Complex</b>		
Operations Shift of Expenditure Authority from Prior Year	--	1,281
Operating Budget Reductions	(127,270)	(127,270)
SGF Transfer to JJA Central Office	(124,999)	(124,999)
SGF Transfer from Atchison Juvenile Correctional Facility	575,029	575,029
Additional Fee & Federal Monies	--	(367,567)
SIBF Transfer from JJA Central Office	--	18,300
Total--Kansas Juvenile Correctional Complex	\$ 322,760	\$ (25,226)
<b>Adjutant General</b>		
Miscellaneous Operating Expenditures Adjustment	(110,379)	(110,379)
Military Activation Payments Shift of Authority from Prior Year	4,000	4,000
Incident Management Shift of Authority from Prior Year	15,321	15,321
NG Life Insurance Premium Reimbursement from Prior Year	56,889	56,889
Unspent State Emergency Monies from Prior Year	--	4,909,360
Unspent Disaster Relief Monies from Prior Year	8,007,040	8,007,040
Military Death Benefits	250,000	250,000
Pay Plan Adjustment	40,000	40,000
Training Center	(100,000)	(100,000)
Fee Funds	--	(425,055)
Federal Funds - Disaster Funds	--	43,385,683
Debt Restructuring	(1,195,000)	(1,195,000)
Total--Adjutant General	\$ 6,967,871	\$ 54,837,859
<b>Emergency Medical Services Board</b>		
Operating Budget Reductions	--	(53,077)
Federal Funds	--	231,475
Savings Incentive Expenditures	--	9,648
Total--Emergency Medical Services Board	\$ --	\$ 188,046
<b>State Fire Marshal</b>		
Operating Budget Reductions	--	(163,819)
Federal Funds	--	322,088
Savings Incentive Expenditures	--	2,032
Total--State Fire Marshal	\$ --	\$ 160,301
<b>Highway Patrol</b>		
Operations Shift of Expenditure Authority from Prior Year	2,000,000	2,000,000
Operating Budget Reductions	(1,124,973)	(1,124,973)
SGF Transfer to KDOT	(967,929)	(967,929)
Additional Fuel Expenditures	--	1,007,680
Additional Fee & Federal Monies	--	(590,153)
Homeland Security Funds	--	(1,763,485)
Total--Highway Patrol	\$ (92,902)	\$ (1,438,860)
<b>Kansas Bureau of Investigation</b>		
Operating Expenditures Shift of Authority from Prior Year	642	642
KIDRS Operating Expenditure Shift	(60,000)	--

## Schedule 8--Current Year Adjustments

	<b>State General Fund</b>	<b>All Funding Sources</b>
<b>Kansas Bureau of Investigations, Cont'd.</b>		
Operating Budget Reductions	(817,607)	(817,607)
KBI Complex Planning -- Fee Funds	--	270,000
Laboratory Services Expenditure Reduction	(30,000)	(30,000)
Additional Fee & Federal Monies	--	1,030,511
Debt Restructuring	(285,000)	(285,000)
Capital Improvements Shift of Expenditure Authority from Prior Year	101,360	101,360
Capital Improvements Reduction	(50,000)	(50,000)
Total--Kansas Bureau of Investigation	\$ (1,140,605)	\$ 219,906
<b>Kansas Parole Board</b>		
Operations Shift of Expenditure Authority from Prior Year	11,329	11,329
Operating Budget Reductions	(20,231)	(20,231)
Total--Kansas Parole Board	\$ (8,902)	\$ (8,902)
<b>Kansas Commission on Peace Officers Standards &amp; Training</b>		
Operating Budget Reductions	\$ --	\$ (79,502)
<b>Kansas Sentencing Commission</b>		
Operating Budget Reductions	(288,941)	(288,941)
Additional Fee & Federal Monies	--	(5,088)
Total--Kansas Sentencing Commission	\$ (288,941)	\$ (294,029)
<b>Total--Public Safety</b>	<b>\$ (2,312,475)</b>	<b>\$ 51,575,147</b>
<b>Department of Agriculture</b>		
Operating Budget Reductions	(390,033)	(390,033)
Food Safety Transfer from KDHE	28,325	28,325
State Water Plan Fund Reduction	--	(157,522)
Additional Fee & Federal Monies	--	996,696
Total--Department of Agriculture	\$ (361,708)	\$ 477,466
<b>Department of Animal Health</b>		
Operating Budget Reductions	(28,238)	(28,238)
Miscellaneous Operating Expenditure Adjustments	--	63,556
Federal Funds	--	50,600
Total--Department of Animal Health	\$ (28,238)	\$ 85,918
<b>State Conservation Commission</b>		
Operations Shift of Expenditure Authority from Prior Year	885	5,045,298
Operating Budget Reductions	(27,341)	(27,341)
Technical Adjustment to State Water Plan	--	900
State Water Plan Fund Reduction	--	(3,908,753)
Additional Fee & Federal Monies	--	203,043
Total--State Conservation Commission	\$ (26,456)	\$ 1,313,147
<b>Health &amp; Environment--Environment</b>		
Operations Shift of Expenditure Authority from Prior Year	680,000	725,546
Operating Budget Reduction	(198,549)	(198,549)
Lapse Reappropriation Authority from Prior Year	(680,000)	(680,000)
State Water Plan Fund Reduction	--	(785,902)
Fee Funds	--	1,551,027
Total--Health & Environment--Environment	\$ (198,549)	\$ 612,122
<b>Kansas State Fair</b>		
Operating Budget Reductions	--	(1,400)
Fee Funds	--	144,202
Debt Restructuring	(410,000)	(410,000)
Total--Kansas State Fair	\$ (410,000)	\$ (267,198)



## Schedule 8--Current Year Adjustments

	<b>State General Fund</b>	<b>All Funding Sources</b>
Kansas Water Office		
Operations Shift of Expenditure Authority from Prior Year	30,864	734,771
Operating Budget Reductions	(88,489)	(88,489)
One-Time Grant to GMD #3	--	9,878,790
State Water Plan Fund Reduction	--	(1,072,849)
Federal Funds	--	38,100
Fee Fund Debt Payments	--	833,063
<b>Total--Kansas Water Office</b>	<b>\$ (57,625)</b>	<b>\$ 10,323,386</b>
Department of Wildlife & Parks		
Operations Shift of Expenditure Authority from Prior Year	106,883	106,883
Operating Budget Reductions	(264,671)	(264,671)
State Water Plan Fund Lapse	--	(8,000)
Additional Fee & Federal Monies	--	10,232,698
Capital Improvements Shift of Expenditure Authority from Prior Year	1,045,193	1,045,193
Capital Improvements Shift Lapse	(1,005,329)	(1,005,329)
<b>Total--Department of Wildlife &amp; Parks</b>	<b>\$ (117,924)</b>	<b>\$ 10,106,774</b>
<b>Total--Agriculture &amp; Natural Resources</b>	<b>\$ (1,200,500)</b>	<b>\$ 22,651,615</b>
Kansas Department of Transportation		
State Operating Expenditures	--	(2,865,588)
Aid to Local Governments	--	(8,333,271)
Other Assistance & Grants	--	2,286,525
Capital Improvements Expenditures	--	(93,006,417)
<b>Total--Kansas Department of Transportation</b>	<b>\$ --</b>	<b>\$ (101,918,751)</b>
<b>Total--Transportation</b>	<b>\$ --</b>	<b>\$ (101,918,751)</b>
Pay Plan Savings	\$ (374,599)	\$ (386,164)
<b>Statewide Total</b>	<b>\$ (55,780,138)</b>	<b>\$ 112,999,808</b>

**Schedules 9.1—9.3—Positions by Agency** present three views of the state workforce.

**Schedule 9.1—Authorized Positions by Agency** reflects the total number of positions approved for each state agency. The purpose of this schedule is to provide information regarding the size of the state workforce by agency. Total positions are divided into full-time equivalent (FTE) positions and non-FTE unclassified permanent positions. If only one row of numbers appears in the table, the agency has only FTE positions and no non-FTE unclassified permanent ones. FTE positions are permanent full-time or regular part-time positions equated to full-time. The number of FTE positions for each agency is typically constrained by a limitation included in appropriation bills; however, positions in legislative and judicial agencies along with several agencies of the Executive Branch, such as Regents institutions, are not constrained by a limitation. Similarly, non-FTE unclassified permanent positions are not subject to a position limitation. The “non-FTE unclassified permanent” label is intended to reflect the fact that these are permanent positions that should properly be counted as part of the state workforce, although they are treated as unclassified temporary positions in the SHARP personnel and payroll system.

**Schedule 9.2—Headcount by Agency** shows the average number of employees on the state payroll for all biweekly payrolls for actual FY 2006, FY 2007, and FY 2008. Headcount includes everyone on the state payroll, both permanent and temporary. It is calculated by dividing the number of checks issued in a fiscal year by 26 biweekly payrolls (27 in the case of FY 2006), yielding the average number of employees on the payroll during that fiscal year.

**Schedule 9.3—Mathematical FTE Positions by Agency** restores the historical concept of FTE by representing the state workforce as the number of positions mathematically equated to full time. What is currently called authorized FTE positions has become an artificially inflated total, because reductions for planned staff turnover and other budget reductions to salaries prevent many agencies from filling the positions they are legally authorized. To balance their budgets, they must leave positions vacant for all or part of a fiscal year. Therefore, the legal FTE count remains higher than what the budget can really support. This table represents a view that mathematically equates to full time the number of positions actually filled for the fiscal years indicated, including overtime and any leave time in which employees were in pay status. For example, if an agency is legally authorized 10.00 FTE positions but one of them was vacant for half of the fiscal year, this table would report that agency’s mathematical FTE total as 9.50. This table presents a more accurate and precise picture of FTE positions, including for budgeting purposes a view that indicates the number of positions that the budget can actually support.

## Schedule 9.1--Authorized Positions by Agency

	<u>FY 2008</u> <u>Actual</u>	<u>FY 2009</u> <u>Gov. Estimate</u>	<u>FY 2010</u> <u>Base Budget</u>	<u>FY 2010</u> <u>Enhance. Pkg.</u>	<u>FY 2010</u> <u>Gov. Rec.</u>
<b>General Government</b>					
Department of Administration					
FTE Positions	761.55	760.45	760.45	3.00	760.45
Non-FTE Unclassified Permanent Positions	37.13	94.90	94.90	--	94.90
Total--Department of Administration	798.68	855.35	855.35	3.00	855.35
Kansas Corporation Commission					
FTE Positions	214.00	214.00	214.00	--	214.00
Non-FTE Unclassified Permanent Positions	6.50	6.50	6.50	--	6.50
Total--Kansas Corporation Commission	220.50	220.50	220.50	--	220.50
Citizens Utility Ratepayer Board	6.00	6.00	6.00	--	6.00
Kansas Human Rights Commission	34.00	34.00	34.00	--	34.00
Board of Indigents Defense Services	193.00	195.00	195.00	--	195.00
Health Care Stabilization	17.00	17.00	17.00	--	17.00
Kansas Public Employees Retirement System					
FTE Positions	86.25	87.25	87.25	--	87.25
Non-FTE Unclassified Permanent Positions	--	1.00	1.00	--	1.00
Total--KPERs	86.25	88.25	88.25	--	88.25
Department of Commerce					
FTE Positions	374.75	314.75	374.75	--	314.75
Non-FTE Unclassified Permanent Positions	48.00	48.00	48.00	--	48.00
Total--Department of Commerce	422.75	362.75	422.75	--	362.75
Kansas Technology Enterprise Corporation	16.00	16.00	16.00	--	--
Kansas, Inc.					
FTE Positions	4.50	4.00	4.50	--	--
Non-FTE Unclassified Permanent Positions	1.00	1.00	1.00	--	--
Total--Kansas, Inc.	5.50	5.00	5.50	--	--
Kansas Lottery	90.00	99.00	99.00	--	99.00
Kansas Racing & Gaming Commission					
FTE Positions	98.25	80.00	119.50	--	73.53
Non-FTE Unclassified Permanent Positions	8.00	--	8.00	--	--
Total--Racing & Gaming Commission	106.25	80.00	127.50	--	73.53
Department of Revenue					
FTE Positions	1,003.60	1,096.00	1,096.00	--	1,096.00
Non-FTE Unclassified Permanent Positions	15.50	15.50	15.50	--	15.50
Total--Department of Revenue	1,019.10	1,111.50	1,111.50	--	1,111.50
Court of Tax Appeals	26.00	26.00	26.00	--	26.00
Abstracters Board of Examiners	--	--	--	--	--
Board of Accountancy	3.00	3.00	3.00	--	3.00
Office of the State Bank Commissioner					
FTE Positions	97.00	99.00	99.00	2.00	99.00
Non-FTE Unclassified Permanent Positions	1.00	--	--	--	--
Total--Banking Department	98.00	99.00	99.00	2.00	99.00
Board of Barbering					
FTE Positions	1.50	1.50	1.50	--	1.50
Non-FTE Unclassified Permanent Positions	0.50	0.50	0.50	--	0.50
Total--Board of Barbering	2.00	2.00	2.00	--	2.00

## Schedule 9.1--Authorized Positions by Agency

	<b>FY 2008</b>	<b>FY 2009</b>	<b>FY 2010</b>	<b>FY 2010</b>	<b>FY 2010</b>
	<b>Actual</b>	<b>Gov. Estimate</b>	<b>Base Budget</b>	<b>Enhance. Pkg.</b>	<b>Gov. Rec.</b>
Behavioral Sciences Regulatory Board	8.00	8.00	8.00	--	8.00
Board of Cosmetology	12.00	12.00	12.00	1.00	12.00
Department of Credit Unions	12.00	12.00	12.00	--	12.00
Kansas Dental Board	3.00	3.00	3.00	--	3.00
Governmental Ethics Commission					
FTE Positions	9.00	9.00	9.00	--	9.00
Non-FTE Unclassified Permanent Positions	0.50	0.50	0.50	--	0.50
Total--Governmental Ethics Commission	9.50	9.50	9.50	--	9.50
Board of Healing Arts					
FTE Positions	39.00	39.00	39.00	6.00	45.00
Non-FTE Unclassified Permanent Positions	--	6.00	--	--	--
Total--Board of Healing Arts	39.00	45.00	39.00	6.00	45.00
Hearing Instruments Board of Examiners	0.48	0.48	0.48	--	0.48
Board of Mortuary Arts	3.00	3.00	3.00	--	3.00
Board of Nursing	24.00	24.00	24.00	--	24.00
Board of Examiners in Optometry					
FTE Positions	0.80	0.80	0.80	--	0.80
Non-FTE Unclassified Permanent Positions	--	--	--	0.80	--
Total--Board of Examiners in Optometry	0.80	0.80	0.80	0.80	0.80
Board of Pharmacy	8.00	8.00	8.00	1.00	8.00
Real Estate Appraisal Board	2.00	3.00	3.00	--	3.00
Kansas Real Estate Commission	15.00	15.00	15.00	--	15.00
Office of the Securities Commissioner	32.13	32.13	32.13	--	32.13
Board of Technical Professions	6.00	5.00	5.00	--	5.00
Board of Veterinary Examiners	3.00	3.00	3.00	--	3.00
Office of the Governor					
FTE Positions	37.88	37.88	37.88	--	37.88
Non-FTE Unclassified Permanent Positions	--	1.00	1.00	--	1.00
Total--Office of the Governor	37.88	38.88	38.88	--	38.88
Office of the Lieutenant Governor	3.50	3.50	3.50	--	3.50
Attorney General					
FTE Positions	102.50	108.00	104.00	9.00	108.00
Non-FTE Unclassified Permanent Positions	12.60	22.76	21.76	--	21.76
Total--Attorney General	115.10	130.76	125.76	9.00	129.76
Insurance Department					
FTE Positions	143.00	143.36	143.36	--	143.36
Non-FTE Unclassified Permanent Positions	4.00	3.64	3.64	--	3.64
Total--Insurance Department	147.00	147.00	147.00	--	147.00
Secretary of State	55.00	55.00	55.00	--	55.00
State Treasurer	55.50	55.50	55.50	--	55.50
Legislative Coordinating Council	15.00	15.00	15.00	--	15.00
Legislature	37.00	37.00	37.00	--	37.00

## Schedule 9.1--Authorized Positions by Agency

	<u>FY 2008</u> <u>Actual</u>	<u>FY 2009</u> <u>Gov. Estimate</u>	<u>FY 2010</u> <u>Base Budget</u>	<u>FY 2010</u> <u>Enhance. Pkg.</u>	<u>FY 2010</u> <u>Gov. Rec.</u>
Legislative Research Department	40.00	40.00	40.00	--	40.00
Legislative Division of Post Audit	27.00	27.00	27.00	--	27.00
Revisor of Statutes	31.50	31.50	31.50	--	31.50
Judiciary	1,846.30	1,855.30	1,861.30	41.00	1,861.30
Judicial Council					
FTE Positions	7.00	7.00	7.00	--	7.00
Non-FTE Unclassified Permanent Positions	1.00	1.00	1.00	--	1.00
Total--Judicial Council	8.00	8.00	8.00	--	8.00
<b>Total--FTE Positions</b>	<b>5,604.99</b>	<b>5,646.40</b>	<b>5,748.40</b>	<b>63.00</b>	<b>5,631.93</b>
<b>Total--Non-FTE Unclassified Perm. Pos.</b>	<b>135.73</b>	<b>202.30</b>	<b>203.30</b>	<b>0.80</b>	<b>194.30</b>
<b>Total--General Government</b>	<b>5,740.72</b>	<b>5,848.70</b>	<b>5,951.70</b>	<b>63.80</b>	<b>5,826.23</b>
<b>Human Services</b>					
Social & Rehabilitation Services					
FTE Positions	3,668.63	3,669.13	3,669.13	7.00	3,669.13
Non-FTE Unclassified Permanent Positions	85.40	87.30	85.30	--	85.30
Total--Social & Rehabilitation Services	3,754.03	3,756.43	3,754.43	7.00	3,754.43
Kansas Neurological Institute					
FTE Positions	570.20	570.20	570.20	--	570.20
Non-FTE Unclassified Permanent Positions	1.00	1.00	1.00	--	1.00
Total--Kansas Neurological Institute	571.20	571.20	571.20	--	571.20
Larned State Hospital					
FTE Positions	976.20	976.20	976.20	39.00	976.20
Non-FTE Unclassified Permanent Positions	16.98	16.98	16.98	7.00	16.98
Total--Larned State Hospital	993.18	993.18	993.18	46.00	993.18
Osawatomie State Hospital	428.60	441.40	441.40	--	441.40
Parsons State Hospital & Training Center	497.20	497.20	497.20	--	497.20
Rainbow Mental Health Facility	122.20	122.20	122.20	--	122.20
<b>Subtotal--FTE Positions</b>	<b>6,263.03</b>	<b>6,276.33</b>	<b>6,276.33</b>	<b>46.00</b>	<b>6,276.33</b>
<b>Subtotal--Non-FTE Unclassified Perm. Pos.</b>	<b>103.38</b>	<b>105.28</b>	<b>103.28</b>	<b>7.00</b>	<b>103.28</b>
<b>Subtotal--SRS</b>	<b>6,366.41</b>	<b>6,381.61</b>	<b>6,379.61</b>	<b>53.00</b>	<b>6,379.61</b>
Kansas Health Policy Authority					
FTE Positions	273.03	272.65	272.65	12.00	272.65
Non-FTE Unclassified Permanent Positions	8.00	8.00	8.00	--	8.00
Total--Kansas Health Policy Authority	281.03	280.65	280.65	12.00	280.65
Department on Aging					
FTE Positions	209.00	214.00	214.00	--	214.00
Non-FTE Unclassified Permanent Positions	15.45	15.45	15.45	--	15.45
Total--Department on Aging	224.45	229.45	229.45	--	229.45
Health & Environment--Health					
FTE Positions	408.15	408.15	380.15	--	369.15
Non-FTE Unclassified Permanent Positions	180.69	180.69	170.69	--	170.69
Total--Health & Environment--Health	588.84	588.84	550.84	--	539.84
Department of Labor					
FTE Positions	552.00	552.00	552.00	--	552.00
Non-FTE Unclassified Permanent Positions	37.65	37.65	37.65	--	37.65
Total--Department of Labor	589.65	589.65	589.65	--	589.65

## Schedule 9.1--Authorized Positions by Agency

	<u>FY 2008</u> <u>Actual</u>	<u>FY 2009</u> <u>Gov. Estimate</u>	<u>FY 2010</u> <u>Base Budget</u>	<u>FY 2010</u> <u>Enhance. Pkg.</u>	<u>FY 2010</u> <u>Gov. Rec.</u>
Commission on Veterans Affairs					
FTE Positions	332.50	522.00	513.00	20.75	513.00
Non-FTE Unclassified Permanent Positions	8.00	8.00	8.00	--	8.00
Total--Commission on Veterans Affairs	340.50	530.00	521.00	20.75	521.00
Kansas Guardianship Program					
	12.00	12.00	12.00	--	12.00
<b>Total--FTE Positions</b>	<b>8,049.71</b>	<b>8,257.13</b>	<b>8,220.13</b>	<b>78.75</b>	<b>8,209.13</b>
<b>Total--Non-FTE Unclassified Perm. Pos.</b>	<b>353.17</b>	<b>355.07</b>	<b>343.07</b>	<b>7.00</b>	<b>343.07</b>
<b>Total--Human Services</b>	<b>8,402.88</b>	<b>8,612.20</b>	<b>8,563.20</b>	<b>85.75</b>	<b>8,552.20</b>
<b>Education</b>					
Department of Education					
FTE Positions	212.25	213.25	211.00	3.00	213.25
Non-FTE Unclassified Permanent Positions	71.55	72.56	71.15	--	71.15
Total--Department of Education	283.80	285.81	282.15	3.00	284.40
School for the Blind					
	93.50	93.50	93.50	--	93.50
School for the Deaf					
	173.50	173.50	173.50	--	173.50
<b>Subtotal--FTE Positions</b>	<b>479.25</b>	<b>480.25</b>	<b>478.00</b>	<b>3.00</b>	<b>480.25</b>
<b>Subtotal--Non-FTE Unclassified Perm. Pos.</b>	<b>71.55</b>	<b>72.56</b>	<b>71.15</b>	<b>--</b>	<b>71.15</b>
<b>Subtotal--Board of Education</b>	<b>550.80</b>	<b>552.81</b>	<b>549.15</b>	<b>3.00</b>	<b>551.40</b>
Board of Regents					
	63.50	63.50	63.50	--	63.50
Emporia State University					
	822.70	830.10	830.10	--	830.10
Fort Hays State University					
	737.50	769.75	769.75	--	769.75
Kansas State University					
	3,475.88	3,514.18	3,537.00	--	3,537.00
Kansas State University--ESARP					
	1,389.69	1,285.59	1,262.76	--	1,262.76
KSU--Veterinary Medical Center					
	323.08	314.93	314.93	--	314.93
Pittsburg State University					
	877.93	896.83	896.83	--	896.83
University of Kansas					
	5,450.00	5,514.99	5,514.99	--	5,514.99
University of Kansas Medical Center					
	2,678.81	2,604.91	2,604.91	--	2,604.91
Wichita State University					
	1,880.64	1,897.03	1,897.03	--	1,897.03
<b>Subtotal--FTE Positions</b>	<b>17,699.73</b>	<b>17,691.81</b>	<b>17,691.80</b>	<b>--</b>	<b>17,691.80</b>
<b>Subtotal--Regents</b>	<b>17,699.73</b>	<b>17,691.81</b>	<b>17,691.80</b>	<b>--</b>	<b>17,691.80</b>
Kansas Arts Commission					
	8.00	8.00	8.00	--	8.00
Historical Society					
FTE Positions	134.00	134.00	134.00	--	134.00
Non-FTE Unclassified Permanent Positions	--	4.00	4.00	--	4.00
Total--Historical Society	134.00	138.00	138.00	--	138.00
State Library					
FTE Positions	26.00	26.00	26.00	--	26.00
Non-FTE Unclassified Permanent Positions	--	--	--	--	--
Total--State Library	26.00	26.00	26.00	--	26.00
<b>Total--FTE Positions</b>	<b>18,346.98</b>	<b>18,340.06</b>	<b>18,337.80</b>	<b>3.00</b>	<b>18,340.05</b>
<b>Total--Non-FTE Unclassified Perm. Pos.</b>	<b>71.55</b>	<b>76.56</b>	<b>75.15</b>	<b>--</b>	<b>75.15</b>
<b>Total--Education</b>	<b>18,418.53</b>	<b>18,416.62</b>	<b>18,412.95</b>	<b>3.00</b>	<b>18,415.20</b>

## Schedule 9.1--Authorized Positions by Agency

	<u>FY 2008</u> <u>Actual</u>	<u>FY 2009</u> <u>Gov. Estimate</u>	<u>FY 2010</u> <u>Base Budget</u>	<u>FY 2010</u> <u>Enhance. Pkg.</u>	<u>FY 2010</u> <u>Gov. Rec.</u>
<b>Public Safety</b>					
Department of Corrections					
FTE Positions	320.70	320.70	325.70	1.00	325.70
Non-FTE Unclassified Permanent Positions	102.00	120.00	117.00	3.00	117.00
Total--Department of Corrections	422.70	440.70	442.70	4.00	442.70
El Dorado Correctional Facility					
FTE Positions	463.00	463.00	446.00	17.00	446.00
Non-FTE Unclassified Permanent Positions	3.00	3.00	3.00	--	3.00
Total--El Dorado Correctional Facility	466.00	466.00	449.00	17.00	449.00
Ellsworth Correctional Facility					
FTE Positions	220.00	219.00	219.00	1.00	219.00
Non-FTE Unclassified Permanent Positions	3.00	3.00	3.00	--	3.00
Total--Ellsworth Correctional Facility	223.00	222.00	222.00	1.00	222.00
Hutchinson Correctional Facility					
FTE Positions	513.00	512.00	512.00	--	512.00
Non-FTE Unclassified Permanent Positions	4.00	3.00	3.00	--	3.00
Total--Hutchinson Correctional Facility	517.00	515.00	515.00	--	515.00
Lansing Correctional Facility					
FTE Positions	701.00	699.00	682.00	17.00	682.00
Non-FTE Unclassified Permanent Positions	2.00	3.00	3.00	--	3.00
Total--Lansing Correctional Facility	703.00	702.00	685.00	17.00	685.00
Larned Correctional Mental Health Facility					
FTE Positions	185.00	185.00	185.00	--	185.00
Non-FTE Unclassified Permanent Positions	1.00	1.00	1.00	--	1.00
Total--Larned Corr. Mental Health Facility	186.00	186.00	186.00	--	186.00
Norton Correctional Facility					
FTE Positions	263.00	263.00	263.00	--	232.00
Non-FTE Unclassified Permanent Positions	4.00	4.00	4.00	--	3.00
Total--Norton Correctional Facility	267.00	267.00	267.00	--	235.00
Topeka Correctional Facility					
FTE Positions	246.00	246.00	246.00	--	246.00
Non-FTE Unclassified Permanent Positions	8.00	7.00	7.00	--	7.00
Total--Topeka Correctional Facility	254.00	253.00	253.00	--	253.00
Winfield Correctional Facility					
FTE Positions	200.00	200.00	200.00	--	200.00
Non-FTE Unclassified Permanent Positions	2.00	2.00	2.00	--	2.00
Total--Winfield Correctional Facility	202.00	202.00	202.00	--	202.00
<b>Subtotal--FTE Positions</b>	<b>3,111.70</b>	<b>3,107.70</b>	<b>3,078.70</b>	<b>36.00</b>	<b>3,047.70</b>
<b>Subtotal--Non-FTE Unclassified Perm. Pos.</b>	<b>129.00</b>	<b>146.00</b>	<b>143.00</b>	<b>3.00</b>	<b>142.00</b>
<b>Subtotal--Corrections</b>	<b>3,240.70</b>	<b>3,253.70</b>	<b>3,221.70</b>	<b>39.00</b>	<b>3,189.70</b>
Juvenile Justice Authority					
FTE Positions	42.00	42.00	42.00	--	42.00
Non-FTE Unclassified Permanent Positions	18.00	18.00	18.00	--	18.00
Total--Juvenile Justice Authority	60.00	60.00	60.00	--	60.00
Atchison Juvenile Correctional Facility					
FTE Positions	99.00	77.00	3.00	--	3.00
Non-FTE Unclassified Permanent Positions	6.00	6.00	--	--	--
Total--Atchison Juvenile Correctional Facility	105.00	83.00	3.00	--	3.00

## Schedule 9.1--Authorized Positions by Agency

	<u>FY 2008</u> <u>Actual</u>	<u>FY 2009</u> <u>Gov. Estimate</u>	<u>FY 2010</u> <u>Base Budget</u>	<u>FY 2010</u> <u>Enhance. Pkg.</u>	<u>FY 2010</u> <u>Gov. Rec.</u>
Beloit Juvenile Correctional Facility					
FTE Positions	87.00	87.00	87.00	--	87.00
Non-FTE Unclassified Permanent Positions	1.00	2.00	2.00	--	2.00
Total--Beloit Juvenile Correctional Facility	88.00	89.00	89.00	--	89.00
Kansas Juvenile Correctional Complex					
FTE Positions	253.50	269.50	316.50	--	269.50
Non-FTE Unclassified Permanent Positions	11.00	11.00	11.00	--	11.00
Total--Kansas Juvenile Correctional Complex	264.50	280.50	327.50	--	280.50
Larned Juvenile Correctional Facility					
FTE Positions	146.00	152.00	174.00	--	157.00
Non-FTE Unclassified Permanent Positions	7.00	10.00	10.00	--	10.00
Total--Larned Juvenile Correctional Facility	153.00	162.00	184.00	--	167.00
<b>Subtotal--FTE Positions</b>	<b>627.50</b>	<b>627.50</b>	<b>622.50</b>	<b>--</b>	<b>558.50</b>
<b>Subtotal--Non-FTE Unclassified Perm. Pos.</b>	<b>43.00</b>	<b>47.00</b>	<b>41.00</b>	<b>--</b>	<b>41.00</b>
<b>Subtotal--Juvenile Justice</b>	<b>670.50</b>	<b>674.50</b>	<b>663.50</b>	<b>--</b>	<b>599.50</b>
Adjutant General					
FTE Positions	219.00	219.00	219.00	1.00	219.00
Non-FTE Unclassified Permanent Positions	228.55	225.13	225.13	3.00	225.13
Total--Adjutant General	447.55	444.13	444.13	4.00	444.13
Emergency Medical Services Board	14.00	14.00	14.00	--	14.00
State Fire Marshal					
FTE Positions	52.00	53.00	53.00	1.00	53.00
Non-FTE Unclassified Permanent Positions	2.00	4.00	3.00	--	3.00
Total--State Fire Marshal	54.00	57.00	56.00	1.00	56.00
Highway Patrol					
FTE Positions	859.00	859.00	859.00	--	859.00
Non-FTE Unclassified Permanent Positions	38.00	38.00	38.00	--	38.00
Total--Highway Patrol	897.00	897.00	897.00	--	897.00
Kansas Bureau of Investigation					
FTE Positions	220.00	220.00	220.00	--	221.00
Non-FTE Unclassified Permanent Positions	126.13	125.50	125.50	--	125.50
Total--Kansas Bureau of Investigation	346.13	345.50	345.50	--	346.50
Kansas Parole Board	3.00	3.00	3.00	--	3.00
Comm. on Peace Officers Standards & Training	3.00	7.00	7.00	--	7.00
Sentencing Commission					
FTE Positions	10.00	10.00	10.00	--	10.00
Non-FTE Unclassified Permanent Positions	4.00	4.00	4.00	--	4.00
Total--Sentencing Commission	14.00	14.00	14.00	--	14.00
<b>Total--FTE Positions</b>	<b>5,119.20</b>	<b>5,120.20</b>	<b>5,086.20</b>	<b>38.00</b>	<b>4,992.20</b>
<b>Total--Non-FTE Unclassified Perm. Pos.</b>	<b>570.68</b>	<b>589.63</b>	<b>579.63</b>	<b>6.00</b>	<b>578.63</b>
<b>Total--Public Safety</b>	<b>5,689.88</b>	<b>5,709.83</b>	<b>5,665.83</b>	<b>44.00</b>	<b>5,570.83</b>
<b>Agriculture &amp; Natural Resources</b>					
Department of Agriculture					
FTE Positions	314.50	344.50	344.50	--	344.50
Non-FTE Unclassified Permanent Positions	26.98	37.49	37.49	--	37.49
Total--Department of Agriculture	341.48	381.99	381.99	--	381.99



## Schedule 9.1--Authorized Positions by Agency

	<u>FY 2008</u> <u>Actual</u>	<u>FY 2009</u> <u>Gov. Estimate</u>	<u>FY 2010</u> <u>Base Budget</u>	<u>FY 2010</u> <u>Enhance. Pkg.</u>	<u>FY 2010</u> <u>Gov. Rec.</u>
<b>Animal Health Department</b>					
FTE Positions	33.00	33.00	33.00	2.00	33.00
Non-FTE Unclassified Permanent Positions	1.00	1.00	1.00	--	1.00
Total--Animal Health Department	34.00	34.00	34.00	2.00	34.00
<b>State Conservation Commission</b>					
FTE Positions	14.00	14.00	14.00	--	14.00
Non-FTE Unclassified Permanent Positions	8.00	8.00	8.00	--	8.00
Total--State Conservation Commission	22.00	22.00	22.00	--	22.00
<b>Health &amp; Environment--Environment</b>					
FTE Positions	475.85	475.85	475.85	--	473.85
Non-FTE Unclassified Permanent Positions	75.50	75.50	75.50	--	75.50
Total--Health & Environment--Environment	551.35	551.35	551.35	--	549.35
<b>Kansas State Fair</b>					
	24.00	24.00	24.00	--	24.00
<b>Kansas Water Office</b>					
FTE Positions	23.50	23.50	23.50	4.00	23.50
Non-FTE Unclassified Permanent Positions	2.00	2.00	2.00	--	2.00
Total--Kansas Water Office	25.50	25.50	25.50	4.00	25.50
<b>Department of Wildlife &amp; Parks</b>					
FTE Positions	402.50	416.50	416.50	1.00	416.50
Non-FTE Unclassified Permanent Positions	8.00	29.00	29.00	--	29.00
Total--Department of Wildlife & Parks	410.50	445.50	445.50	1.00	445.50
<b>Total--FTE Positions</b>	<b>1,287.35</b>	<b>1,331.35</b>	<b>1,331.35</b>	<b>7.00</b>	<b>1,329.35</b>
<b>Total--Non-FTE Unclassified Perm. Pos.</b>	<b>121.48</b>	<b>152.99</b>	<b>152.99</b>	<b>--</b>	<b>152.99</b>
<b>Total--Agriculture &amp; Natural Resources</b>	<b>1,408.83</b>	<b>1,484.34</b>	<b>1,484.34</b>	<b>7.00</b>	<b>1,482.34</b>
<b>Transportation</b>					
<b>Kansas Department of Transportation</b>					
FTE Positions	3,201.50	3,113.50	3,113.50	--	3,113.50
Non-FTE Unclassified Permanent Positions	41.75	47.00	47.00	--	47.00
Total--Kansas Department of Transportation	3,243.25	3,160.50	3,160.50	--	3,160.50
<b>Total--FTE Positions</b>	<b>41,609.73</b>	<b>41,808.64</b>	<b>41,837.38</b>	<b>189.75</b>	<b>41,616.16</b>
<b>Total--Non-FTE Unclassified Perm. Pos.</b>	<b>1,294.36</b>	<b>1,423.55</b>	<b>1,401.14</b>	<b>13.80</b>	<b>1,391.14</b>
<b>Total--Positions</b>	<b>42,904.09</b>	<b>43,232.19</b>	<b>43,238.52</b>	<b>203.55</b>	<b>43,007.30</b>

## Schedule 9.2--Headcount by Agency

	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual
<b>General Government</b>			
Department of Administration	655.00	615.00	610.12
Kansas Corporation Commission	212.41	215.31	214.35
Citizens Utility Ratepayer Board	5.48	5.69	6.15
Kansas Human Rights Commission	33.33	33.42	33.35
Board of Indigents Defense Services	170.67	175.38	183.04
Health Care Stabilization	14.67	15.81	15.27
Kansas Public Employees Retirement System	85.81	83.08	86.00
Department of Commerce	394.41	372.92	297.85
Kansas Technology Enterprise Corporation	24.19	16.23	13.54
Kansas, Inc.	3.15	3.73	4.00
Kansas Lottery	85.52	83.92	86.15
Kansas Racing & Gaming Commission	67.22	65.69	75.35
Department of Revenue	1,101.22	1,128.27	1,109.38
Court of Tax Appeals	23.96	23.73	23.85
Abstracters Board of Examiners	2.19	2.23	2.19
Board of Accountancy	5.07	4.81	4.35
Office of the State Bank Commissioner	93.19	94.50	95.54
Board of Barbering	3.81	3.69	3.65
Behavioral Sciences Regulatory Board	9.22	10.19	11.00
Board of Cosmetology	15.37	16.35	16.96
Department of Credit Unions	13.78	12.69	13.08
Kansas Dental Board	4.44	4.50	5.08
Governmental Ethics Commission	13.00	13.38	12.23
Board of Healing Arts	42.41	42.54	45.08
Hearing Instruments Board of Examiners	1.81	2.00	2.00
Board of Mortuary Arts	3.52	3.69	3.58
Board of Nursing	24.00	24.38	26.27
Board of Examiners in Optometry	2.37	2.42	2.62
Board of Pharmacy	10.15	9.58	10.19
Real Estate Appraisal Board	5.96	5.31	4.85
Kansas Real Estate Commission	15.67	15.23	15.38
Office of the Securities Commissioner	31.70	31.23	32.12
Board of Technical Professions	8.19	8.88	8.19
Board of Veterinary Examiners	6.19	5.65	6.81
Office of the Governor	56.74	53.23	47.42
Office of the Lieutenant Governor	2.81	4.23	4.81
Attorney General	103.67	107.00	109.54
Insurance Department	127.11	125.65	125.54
Secretary of State	61.30	64.23	66.08
State Treasurer	47.11	39.42	38.88
Legislative Coordinating Council	11.00	11.12	11.12
Legislature	285.41	287.23	290.12
Legislative Research Department	38.11	38.92	41.65
Legislative Division of Post Audit	25.33	26.27	24.96
Revisor of Statutes	31.04	31.54	33.50
Judiciary	1,972.93	1,989.81	2,011.08
Judicial Council	10.93	19.65	25.73
<b>Total--General Government</b>	<b>5,962.57</b>	<b>5,949.73</b>	<b>5,910.00</b>
<b>Human Services</b>			
Social & Rehabilitation Services	3,323.11	3,342.85	3,393.73
Kansas Neurological Institute	676.63	673.08	680.35
Larned State Hospital	912.22	1,087.04	1,053.54

## Schedule 9.2--Headcount by Agency

	<b>FY 2006</b>	<b>FY 2007</b>	<b>FY 2008</b>
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>
Osawatomie State Hospital	409.70	415.27	436.62
Parsons State Hospital & Training Center	620.00	619.85	641.38
Rainbow Mental Health Facility	125.04	130.77	133.19
<b>Subtotal--SRS</b>	<b>6,066.70</b>	<b>6,268.86</b>	<b>6,338.81</b>
Administration--Health Policy & Finance	132.74	--	--
Kansas Health Policy Authority	0.89	188.96	238.46
Department on Aging	180.81	178.96	179.50
Health & Environment--Health	978.04	990.62	995.15
Department of Labor	496.04	491.08	487.04
Commission on Veterans Affairs	381.19	380.62	379.81
Kansas Guardianship Program*	--	--	--
<b>Total--Human Services</b>	<b>8,236.41</b>	<b>8,499.10</b>	<b>8,618.77</b>
<b>Education</b>			
Department of Education	255.37	255.69	255.08
School for the Blind	85.48	88.85	86.12
School for the Deaf	166.81	167.19	169.00
<b>Subtotal--Department of Education</b>	<b>507.66</b>	<b>511.73</b>	<b>510.20</b>
Board of Regents*	58.81	56.35	60.42
Kansas Arts Commission	8.70	8.62	8.42
Historical Society	167.63	168.04	172.31
State Library	29.74	30.15	31.81
<b>Total--Education</b>	<b>772.54</b>	<b>774.89</b>	<b>783.16</b>
<b>Public Safety</b>			
Department of Corrections	314.67	287.27	327.04
El Dorado Correctional Facility	441.70	451.35	454.54
Ellsworth Correctional Facility	221.78	220.92	220.12
Hutchinson Correctional Facility	511.30	513.31	508.27
Lansing Correctional Facility	644.15	662.42	671.23
Larned Correctional Mental Health Facility	176.96	177.50	175.81
Norton Correctional Facility	251.26	257.42	253.04
Topeka Correctional Facility	229.89	232.50	230.62
Winfield Correctional Facility	200.04	198.96	198.58
<b>Subtotal--Corrections</b>	<b>2,991.75</b>	<b>3,001.65</b>	<b>3,039.25</b>
Juvenile Justice Authority	48.52	48.46	48.96
Atchison Juvenile Correctional Facility	84.74	74.54	78.88
Beloit Juvenile Correctional Facility	69.44	61.96	63.08
Larned Juvenile Correctional Facility	143.15	133.35	130.15
Kansas Juvenile Correctional Complex	237.11	226.58	222.81
<b>Subtotal--Juvenile Justice</b>	<b>582.96</b>	<b>544.89</b>	<b>543.88</b>
Adjutant General	437.07	492.08	502.88
Emergency Medical Services Board	15.96	18.58	17.35
State Fire Marshal	49.44	49.96	49.96
Highway Patrol	874.63	878.00	877.69
Kansas Bureau of Investigation	252.48	264.46	277.23
Kansas Parole Board	3.00	3.00	3.00
Comm. on Peace Officers Stand. & Training	--	--	2.35
Sentencing Commission	10.74	12.96	13.81
<b>Total--Public Safety</b>	<b>5,218.03</b>	<b>5,265.58</b>	<b>5,327.40</b>

\* Excludes the Guardianship Program and Regents universities because payroll data on these employees are not in the SH ARP system.

## Schedule 9.2--Headcount by Agency

	<b>FY 2006</b>	<b>FY 2007</b>	<b>FY 2008</b>
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>
<b>Agriculture &amp; Natural Resources</b>			
Department of Agriculture	295.44	302.85	301.88
Animal Health Department	31.44	31.85	33.69
State Conservation Commission	20.70	19.58	17.42
Health & Environment--Environment**	--	--	--
Kansas State Fair	26.93	26.88	27.42
Kansas Water Office	24.41	24.77	24.19
Department of Wildlife & Parks	691.63	681.69	706.96
<b>Total--Ag. &amp; Natural Resources</b>	<b>1,090.55</b>	<b>1,087.62</b>	<b>1,111.56</b>
<b>Transportation</b>			
Kansas Department of Transportation	3,122.56	3,085.19	3,053.65
<b>Total Headcount</b>	<b>24,402.66</b>	<b>24,662.11</b>	<b>24,804.54</b>

*\*\* KDHE payroll data are not separated by function into "health" and "environment." Totals for this agency are shown entirely under "health."*

### Schedule 9.3--Mathematical FTE Positions by Agency

	FY 2006 Actual	FY 2007 Actual	FY 2008 Actual
<b>General Government</b>			
Department of Administration	641.11	604.55	601.36
Kansas Corporation Commission	206.85	207.92	209.26
Citizens Utility Ratepayer Board	4.94	5.06	5.30
Kansas Human Rights Commission	30.80	31.16	31.77
Board of Indigents Defense Services	167.36	170.79	177.60
Health Care Stabilization	14.64	15.57	15.23
Kansas Public Employees Retirement System	82.34	80.46	82.23
Department of Commerce	377.69	356.32	287.48
Kansas Technology Enterprise Corporation	21.87	14.54	12.00
Kansas, Inc.	2.96	3.49	4.00
Kansas Lottery	83.71	82.01	83.96
Kansas Racing & Gaming Commission	60.57	59.25	66.49
Department of Revenue	1,069.50	1,090.66	1,063.85
Court of Tax Appeals	21.58	21.73	21.18
Abstracters Board of Examiners	0.95	0.94	0.95
Board of Accountancy	2.93	2.84	2.83
Office of the State Bank Commissioner	88.11	90.19	91.24
Board of Barbering	2.33	2.35	2.34
Behavioral Sciences Regulatory Board	7.22	7.46	8.52
Board of Cosmetology	11.95	12.22	12.66
Department of Credit Unions	12.66	11.39	11.52
Kansas Dental Board	2.94	2.99	2.90
Governmental Ethics Commission	8.80	8.86	8.77
Board of Healing Arts	32.76	34.32	37.08
Hearing Instruments Board of Examiners	1.43	1.39	1.47
Board of Mortuary Arts	3.00	3.00	2.98
Board of Nursing	21.88	22.08	23.73
Board of Examiners in Optometry	1.73	1.80	1.80
Board of Pharmacy	7.28	6.75	7.40
Real Estate Appraisal Board	2.00	2.00	2.00
Kansas Real Estate Commission	12.09	11.77	11.83
Office of the Securities Commissioner	29.42	30.10	30.66
Board of Technical Professions	4.87	5.05	4.78
Board of Veterinary Examiners	2.95	2.97	2.98
Office of the Governor	45.25	43.74	38.57
Office of the Lieutenant Governor	2.82	3.81	4.28
Attorney General	96.96	98.96	101.50
Insurance Department	125.17	123.88	123.10
Secretary of State	55.96	57.45	59.05
State Treasurer	45.13	38.53	38.15
Legislative Coordinating Council	11.00	11.10	11.12
Legislature	112.62	113.16	117.46
Legislative Research Department	38.10	38.89	40.85
Legislative Division of Post Audit	25.21	26.14	24.88
Revisor of Statutes	29.06	29.31	31.80
Judiciary	1,858.47	1,866.43	1,881.51
Judicial Council	4.15	5.62	7.43
<b>Total--General Government</b>	<b>5,493.12</b>	<b>5,461.00</b>	<b>5,409.85</b>
<b>Human Services</b>			
Social & Rehabilitation Services	3,272.26	3,290.73	3,330.27
Kansas Neurological Institute	542.52	539.78	541.07
Larned State Hospital	813.98	929.24	921.42

### Schedule 9.3--Mathematical FTE Positions by Agency

	<b>FY 2006</b>	<b>FY 2007</b>	<b>FY 2008</b>
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>
Osawatomie State Hospital	385.95	391.21	410.49
Parsons State Hospital & Training Center	462.18	468.50	487.26
Rainbow Mental Health Facility	113.71	118.73	120.42
<b>Subtotal--SRS</b>	<b>5,590.60</b>	<b>5,738.19</b>	<b>5,810.93</b>
Administration--Health Policy & Finance	129.45	--	--
Kansas Health Policy Authority	0.89	184.59	232.25
Department on Aging	178.98	177.31	176.91
Health & Environment--Health	958.38	970.48	974.49
Department of Labor	475.85	475.95	474.26
Commission on Veterans Affairs	351.13	348.95	350.97
Kansas Guardianship Program*	--	--	--
<b>Total--Human Services</b>	<b>7,685.28</b>	<b>7,895.47</b>	<b>8,019.81</b>
<b>Education</b>			
Department of Education	237.73	237.98	239.45
School for the Blind	77.99	81.69	78.39
School for the Deaf	143.86	143.71	142.02
<b>Subtotal--Department of Education</b>	<b>459.58</b>	<b>463.38</b>	<b>459.86</b>
Board of Regents*	54.41	51.32	52.12
Kansas Arts Commission	6.89	7.07	6.96
Historical Society	127.25	125.61	127.51
State Library	27.74	28.40	30.09
<b>Total--Education</b>	<b>675.87</b>	<b>675.78</b>	<b>676.54</b>
<b>Public Safety</b>			
Department of Corrections	310.68	282.45	323.60
El Dorado Correctional Facility	446.44	455.19	458.39
Ellsworth Correctional Facility	222.09	221.94	221.24
Hutchinson Correctional Facility	515.92	520.29	521.75
Lansing Correctional Facility	658.26	669.69	675.66
Larned Correctional Mental Health Facility	176.49	177.79	175.81
Norton Correctional Facility	256.02	261.11	257.17
Topeka Correctional Facility	233.58	236.99	235.07
Winfield Correctional Facility	201.55	200.43	199.39
<b>Subtotal--Corrections</b>	<b>3,021.03</b>	<b>3,025.88</b>	<b>3,068.08</b>
Juvenile Justice Authority	47.12	47.32	47.97
Atchison Juvenile Correctional Facility	83.26	73.71	74.65
Beloit Juvenile Correctional Facility	67.72	60.32	61.18
Kansas Juvenile Correctional Complex	241.50	230.48	230.29
Larned Juvenile Correctional Facility	141.71	132.14	128.93
<b>Subtotal--Juvenile Justice</b>	<b>581.31</b>	<b>543.97</b>	<b>543.02</b>
Adjutant General	409.36	424.95	428.95
Emergency Medical Services Board	12.78	14.01	13.54
State Fire Marshal	49.71	50.14	49.91
Highway Patrol	893.60	889.44	877.11
Kansas Bureau of Investigation	251.88	264.49	274.52
Kansas Parole Board	3.00	3.00	3.00
Sentencing Commission	10.03	12.12	12.67
<b>Total--Public Safety</b>	<b>5,232.70</b>	<b>5,228.00</b>	<b>5,270.80</b>

\* The Guardianship Program and Regents universities are excluded because payroll data from these agencies are not in the SHARP system.

**Schedule 9.3--Mathematical FTE Positions by Agency**

	<b>FY 2006</b>	<b>FY 2007</b>	<b>FY 2008</b>
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>
<b>Agriculture &amp; Natural Resources</b>			
Department of Agriculture	290.85	298.12	296.29
Animal Health Department	30.04	31.14	33.10
State Conservation Commission	19.36	18.39	16.29
Health & Environment--Environment**	--	--	--
Kansas State Fair	25.65	25.19	26.43
Kansas Water Office	22.51	22.37	22.18
Department of Wildlife & Parks	563.50	553.79	582.32
<b>Total--Ag. &amp; Natural Resources</b>	<b>951.91</b>	<b>949.00</b>	<b>976.61</b>
<b>Transportation</b>			
Kansas Department of Transportation	3,159.65	3,131.53	3,096.36
<b>Total Mathematical FTE Positions</b>	<b>23,198.53</b>	<b>23,340.78</b>	<b>23,449.97</b>

*\*\* KDHE payroll data are not separated by function into "health" and "environment." Totals for this agency are shown entirely under "health."*

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# Statutory Budget

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## Statutory Budget

The portion of the state budget financed from the State General Fund is subject to an ending balance requirement. State law requires that the budget submitted by the Governor and the budget approved by the Legislature leave an ending balance of at least 7.5 percent of expenditures for the forthcoming fiscal year. Because the level of resources available in the State General Fund has not allowed the state to meet this requirement for the past few years, the legal requirement for an ending balance has been suspended in every one of the last seven years.

However, because the suspension is applicable only a year at a time, the Governor is legally obligated to submit a budget based on an ending balance of the original 7.5 percent for the next fiscal year. Although she has been able to submit budgets that meet the ending balance requirement in the past, rapidly increasing state aid to schools coupled with tax changes made by previous Legislatures as well as the recent economic downturn's effect on tax receipts, she is not able to do so this year.

Therefore, to satisfy the requirements of KSA 75-3721 and KSA 76-6701, the Governor in this section submits a complete budget with an ending balance of 7.5 percent for the State General Fund for FY 2010. The summary table on this page presents State General Fund revenues, expenditures, and balances based on the requirements of current law.

The schedule on the following pages presents a budget, by agency, in which all agencies are reduced 14.4 percent, excluding the Department of Education. This amount represents the reduction necessary to

produce the required ending balance. The base upon which the reduction is made is the FY 2010 Governor's recommendations presented earlier in this volume.

<b>State General Fund Summary</b>		
<i>(Dollars in Millions)</i>		
	Gov. Rec. <u>FY 2009</u>	Statutory <u>FY 2010</u>
Beginning Balance	\$ 526.6	\$ 58.3
Revenues	5,880.4	\$ 6,095.8
Total Available	\$ 6,406.9	\$ 6,154.1
Gov. Rec. Expenditures	6,348.6	6,153.5
Reduction to Reach Balance	--	(426.1)
Total Expenditures	\$ 6,348.6	\$ 5,727.4
Ending Balance	\$ 58.3	\$ 426.7
<i>As a Percentage of Expenditures</i>	<i>0.9%</i>	<i>7.5%</i>

*Totals may not add because of rounding.*

Although this budget is required to be submitted by law, the Governor does not regard it as representative of her budget proposals or priorities. The budget recommendations she submits to the Legislature for consideration and approval are those contained in the preceding pages of this volume as well as Volume 2 of *The Governor's Budget Report*. For purposes of tracking legislative adjustments and eventually reporting an approved budget, the Governor's budget recommendations, not this "statutory budget," will be used as the point of reference.



## Reductions Required to Meet 7.5 Percent Ending Balance

	<u>FY 2010 Gov. Rec.</u>	<u>Reduction Amount</u>	<u>Statutory Budget Scenario</u>
<b>General Government</b>			
Department of Administration	50,081,677	(7,207,896)	42,873,781
Kansas Human Rights Commission	1,639,149	(235,911)	1,403,238
Board of Indigents Defense Services	22,189,068	(3,193,513)	18,995,555
Kansas Public Employees Retirement Sys.	639,134	(91,986)	547,148
Department of Revenue	19,473,899	(2,802,739)	16,671,160
Court of Tax Appeals	1,586,859	(228,385)	1,358,474
Governmental Ethics Commission	478,031	(68,800)	409,231
Office of the Governor	7,781,758	(1,119,973)	6,661,785
Office of the Lieutenant Governor	173,210	(24,929)	148,281
Attorney General	4,955,463	(713,204)	4,242,259
Legislative Coordinating Council	779,855	(112,239)	667,616
Legislature	18,045,348	(2,597,137)	15,448,211
Legislative Research Department	3,673,620	(528,718)	3,144,902
Legislative Division of Post Audit	2,750,359	(395,839)	2,354,520
Revisor of Statutes	3,488,295	(502,045)	2,986,250
Judiciary	110,551,616	(15,910,901)	94,640,715
<b>Total--General Government</b>	<b>\$ 248,287,341</b>	<b>\$ (35,734,215)</b>	<b>\$ 212,553,126</b>
<b>Human Resources</b>			
Social & Rehabilitation Services	637,605,914	(91,766,043)	545,839,871
Kansas Neurological Institute	11,396,168	(1,640,169)	9,755,999
Larned State Hospital	41,602,066	(5,987,487)	35,614,579
Osawatomie State Hospital	16,990,433	(2,445,311)	14,545,122
Parsons State Hospital & Training Center	10,424,288	(1,500,293)	8,923,995
Rainbow Mental Health Facility	5,525,712	(795,276)	4,730,436
<b>Subtotal--SRS</b>	<b>\$ 723,544,581</b>	<b>\$ (104,134,579)</b>	<b>\$ 619,410,002</b>
Kansas Health Policy Authority	514,992,915	(74,119,234)	440,873,681
Department on Aging	189,634,386	(27,292,716)	162,341,670
Health & Environment--Health	23,737,910	(3,416,427)	20,321,483
Department of Labor	544,385	(78,349)	466,036
Commission on Veterans Affairs	8,956,372	(1,289,026)	7,667,346
Kansas Guardianship Program	1,201,849	(172,974)	1,028,875
<b>Total--Human Resources</b>	<b>\$ 1,462,612,398</b>	<b>\$ (210,503,305)</b>	<b>\$ 1,252,109,093</b>

## Reductions Required to Meet 7.5 Percent Ending Balance

	<u>FY 2010 Gov. Rec.</u>	<u>Reduction Amount</u>	<u>Statutory Budget Scenario</u>
<b>Education</b>			
Department of Education	3,192,859,435	--	3,192,859,435
School for the Blind	5,645,696	(812,545)	4,833,151
School for the Deaf	9,127,454	(1,313,649)	7,813,805
<b>Subtotal--Department of Ed.</b>	<b>\$ 3,207,632,585</b>	<b>\$ (2,126,194)</b>	<b>\$ 3,205,506,391</b>
Board of Regents	183,278,089	(26,377,900)	156,900,189
Emporia State University	32,050,175	(4,612,752)	27,437,423
Fort Hays State University	33,857,186	(4,872,822)	28,984,364
Kansas State University	106,798,338	(15,370,718)	91,427,620
Kansas State University--ESARP	50,099,569	(7,210,471)	42,889,098
KSU--Veterinary Medical Center	10,593,209	(1,524,605)	9,068,604
Pittsburg State University	140,713,529	(20,251,888)	120,461,641
University of Kansas	35,239,492	(5,071,767)	30,167,725
University of Kansas Medical Center	112,832,904	(16,239,230)	96,593,674
Wichita State University	67,558,998	(9,723,282)	57,835,716
<b>Subtotal--Regents</b>	<b>\$ 773,021,489</b>	<b>\$ (111,255,435)</b>	<b>\$ 661,766,054</b>
Kansas Arts Commission	1,526,671	(219,723)	1,306,948
Historical Society	6,037,933	(868,996)	5,168,937
State Library	4,933,312	(710,016)	4,223,296
<b>Total--Education</b>	<b>\$ 3,993,151,990</b>	<b>\$ (115,180,364)</b>	<b>\$ 3,877,971,626</b>
<b>Public Safety</b>			
Department of Corrections	109,667,055	(15,783,592)	93,883,463
El Dorado Correctional Facility	23,534,570	(3,387,162)	20,147,408
Ellsworth Correctional Facility	12,336,798	(1,775,547)	10,561,251
Hutchinson Correctional Facility	28,241,967	(4,064,664)	24,177,303
Lansing Correctional Facility	36,700,008	(5,281,969)	31,418,039
Larned Correctional MH Facility	9,672,390	(1,392,078)	8,280,312
Norton Correctional Facility	12,703,749	(1,828,359)	10,875,390
Topeka Correctional Facility	12,346,083	(1,776,883)	10,569,200
Winfield Correctional Facility	12,190,150	(1,754,441)	10,435,709
<b>Subtotal--Corrections</b>	<b>\$ 257,392,770</b>	<b>\$ (37,044,695)</b>	<b>\$ 220,348,075</b>

## Reductions Required to Meet 7.5 Percent Ending Balance

	<u>FY 2010</u> <u>Gov. Rec.</u>	<u>Reduction</u> <u>Amount</u>	<u>Statutory</u> <u>Budget Scenario</u>
Juvenile Justice Authority	40,174,319	(5,782,001)	34,392,318
Atchison Juvenile Correctional Facility	379,770	(54,658)	325,112
Beloit Juvenile Correctional Facility	3,847,762	(553,781)	3,293,981
Kansas Juvenile Correctional Complex	15,721,236	(2,262,645)	13,458,591
Larned Juvenile Correctional Facility	8,727,511	(1,256,088)	7,471,423
<b>Subtotal--Juvenile Justice</b>	<b>\$ 68,850,598</b>	<b>\$ (9,909,173)</b>	<b>\$ 58,941,425</b>
Adjutant General	15,136,285	(2,178,457)	12,957,828
Highway Patrol	35,106,115	(5,052,571)	30,053,544
Kansas Bureau of Investigation	15,567,663	(2,240,542)	13,327,121
Kansas Parole Board	488,386	(70,290)	418,096
Sentencing Commission	8,955,513	(1,288,903)	7,666,610
<b>Total--Public Safety</b>	<b>\$ 401,497,330</b>	<b>\$ (57,784,631)</b>	<b>\$ 343,712,699</b>
<b>Agriculture &amp; Natural Resources</b>			
Department of Agriculture	10,948,668	(1,575,763)	9,372,905
Animal Health Department	864,525	(124,425)	740,100
State Conservation Commission	832,406	(119,802)	712,604
Health & Environment--Environment	8,986,204	(1,293,320)	7,692,884
State Fair	341,861	(49,202)	292,659
Kansas Water Office	2,025,746	(291,551)	1,734,195
Department of Wildlife & Parks	6,541,544	(941,477)	5,600,067
<b>Total--Agriculture &amp; Natural Resources</b>	<b>\$ 30,540,954</b>	<b>\$ (4,395,540)</b>	<b>\$ 26,145,414</b>
<b>Transportation</b>			
Department of Administration	8,848,975	(1,273,569)	7,575,406
<b>State Finance Council--Undermarket Adj.</b>	<b>\$ 8,534,972</b>	<b>\$ (1,228,376)</b>	<b>\$ 7,306,596</b>
<b>Total Expenditures</b>	<b>\$ 6,153,473,960</b>	<b>\$ (426,100,000)</b>	<b>\$ 5,727,373,960</b>

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