Office of the Secretary
1000 SW Jackson, Suite 500
Topeka, KS 66612

Kansas
Department of Administration

Phone: (785) 296-3011
Fax: (785) 296-2702
www.admin.ks.gov

Adam C. Proffitt, Secretary

Laura Kelly, Governor

September 15, 2026

Mr. Adam Proffitt, Director of the Budget
Attn: Leyton Gunn
Division of the Budget
915 SW Harrison, Suite 310
Docking State Office Building
Topeka, Kansas 66612

Dear Mr. Proffitt:

As Secretary for the Department of Administration, I hereby submit for your consideration the revised Fiscal Year 2027 and Fiscal Year 2028 budget document for the Department. It has been prepared in accordance with the instructions transmitted with your letter sent July 6, 2026. To the best of my knowledge and belief, the information and explanation included in this budget request are correct and complete.

As always, my staff and I are prepared to provide any additional information which you or our budget analyst may require.

Sincerely,

Adam Proffitt, Secretary
Department of Administration

Narrative Information—DA 400

Division of the Budget

State of Kansas

Agency Department of Administration

Program Agency Overview

AGENCY VISION:

The Kansas Department of Administration is recognized for the high quality of its services, the responsiveness of its employees and its commitment to continuous improvement.

AGENCY MISSION:

The Department of Administration is a service agency. Our customers are Kansas taxpayers and our fellow state employees and agencies. It is our mission to provide excellent customer service, every time.

THEMATIC GOAL:

Customer satisfaction, confidence, and trust in service delivery and operations management.

Defining objectives:

- Continuously meet or exceed stakeholder expectations
- Keep rates and charges competitive and reasonable while continuously improving services
- Develop and communicate data, information, policies, laws and regulations that are understandable, accessible and reasonable
- Increase organizational productivity.

OFFICES ESTABLISHED TO ASSIST WITH AGENCY MISSION:

- Office of the Secretary
- Office of Chief Counsel
- Office of Financial Management
- Office of Facilities and Property Management
- Office of Systems Management
- Office of Printing, Central Mail and Surplus
- Office of Procurement and Contracts
- Office of Personnel Services
- Division of State Employee Health Benefits Programs
- Office of Accounts and Reports

OTHER OFFICES AFFILIATED WITH THE DEPARTMENT OF ADMINISTRATION:

Division of the Budget (DOB) and Office of the Public Advocates (OPA) (Long-Term Care Ombudsman and KanCare Ombudsman)

STATUTORY HISTORY:

The Department of Administration (DofA) was created by the Legislature in 1953. Current provisions are found in K.S.A. 75-3701 et seq. The DofA was authorized to develop financial plans and policies; coordinate and supervise the fiscal affairs and procedures of the state; provide accounting, including budgetary accounting, fiscal reporting, pre-auditing, purchasing and storekeeping services; conduct special investigations upon request of

the Governor or Legislature; develop plans for improving and economizing the operations of state agencies; administer all personnel matters; and provide central services such as mail and message, electronic data processing, telephone, duplicating and building management.

In 1965, the Department was reorganized into six Divisions: Administration, Accounts and Reports, Budget, Personnel, Purchasing and Architectural Services.

In 1972, the Department was reorganized, creating a Secretary of Administration; establishing a Division of Computer Services with an advisory Board; activating a Division of Administrative Services to be assigned central mail services, federal surplus property distribution, central duplicating services, central motor pool, Capitol Area Security Patrol and central telephone service; replacing the three-member Civil Service Board with a five-member Civil Service Commission; and attaching the Board of Treasury Examiners and the State Records Board to the reorganized DofA.

In 1974, the Kansas Legislature created a Division of State Planning and Research within the DofA to coordinate the planning done in various state agencies and to assume some of the duties previously performed by the Kansas Department of Economic Development; created a Public Television Commission within the department to conduct or contract for feasibility studies on alternative methods of developing a statewide public television system; transferred the municipal audit function from the State Auditor to the Division of Accounts and Reports; provided authority for the Secretary of Administration to control and coordinate telecommunications services for all state agencies, including the appointment by the Secretary of Administration of a State Telecommunications Advisory Committee to be composed of representatives of users of telecommunications services within the various state agencies; and changed the name of the Division of Information and Communications Systems to the Division of Computer Services.

By executive order, an Office for Equal Employment Opportunity was established in 1975 and assigned to the DofA. In 1976, a Division of Printing was created within the Department to assume the duties of the former office of the State Printer. The 1976 Legislature also abolished the Division of Administrative Services and assigned its functions to other divisions of the department. That year the State Finance Council was detached from the Department and established as a separate state agency.

In 1978, the Legislature placed under the Secretary all functions previously administered by the Director of Architectural Services. A seven-member State Building Advisory Commission was created, and an unclassified Director of Architectural Services was established to manage architectural and engineering services. Review and approval of school building plans was transferred to the Department of Education.

During 1978-1980, the Department was organized into eight divisions: Accounts and Reports, Budget, Personnel Services, Purchases, Computer Services, Printing, Architectural Services and State Planning and Research.
The 1980 Legislature made two specific changes affecting the organization. The Division of State Planning and Research was abolished, with the HUD-701 planning function being transferred to the Kansas Department of Economic Development and with the A-95 program, demographic work

and some research being transferred to the DOB. Another change by the 1980 Legislature was the reconstructing and renaming of the Division of Computer Services to a new Division of Information Systems and Computing.

The 1984 Legislature created the Division of Information Systems and Communications, combining the former Division of Information Systems and Computing and the Office of Telecommunications. Legislation was also passed creating a Health Care Commission and placing the budgeting and administrative functions for the Commission in the Department. During 1985, the Legislature transferred responsibility for intergovernmental review of federally financed projects from the Department of Human Resources to the DofA and approved a modest sum to initiate a centralized records management program.

In 1988, the Secretary of Administration placed the Office for Equal Employment Opportunity under the director of the Division of Personnel Services.

In 1989, the Secretary created a new Division of Facilities Management. This Division incorporated Buildings and Grounds Maintenance, Central Motor Pool, Parking, Lease Administration, and capital improvement planning.

In 1993, the Kansas Public Broadcasting Commission was abolished, and the Kansas Public Broadcasting Council was created in the Department to distribute these funds.

In 1998, the Department of Social and Rehabilitation Service's Hearings Office and the State Long-Term Care Ombudsman Offices were transferred to the DofA.

In 2001, the Division of Architectural Services was dissolved and was placed within the Division of Facilities Management.

In 2004, the Office of Health Care Planning and Finance was transferred to the DofA.

In 2005, the Office of Health Care Planning and Finance was abolished, and the Division of Health Policy and Finance was created.

In 2006, the Division of Health Policy and Finance was transferred to the newly created Kansas Health Policy Authority.

In 2009, the Office of Administrative Hearings became a separate state agency.

A functional restructuring took place in August 2011. It was designed to programmatically align related functions of the Department into various Offices. The following divisions of the DofA were abolished:

- Division of Accounts and Reports
- Division of Personnel Services
- Division of Purchasing
- Division of Facilities Management
- Division of Information Systems and Communications
- Division of Printing and Surplus Property

The following offices of the DofA were established:

- Office of Chief Counsel
- Office of Management Analysis and Standards
- Office of Human Resources
- Office of Business Process Improvement
- Office of Facilities and Property Management
- Office of Information and Technology Services
- Office of Inspector General
- Office of General Services

Further restructuring in 2012 added the Office of Systems Management and Office of Research and Development. The Office of Management Analysis and Standards and the Office of Research and Development were later merged with the Office of Inspector General. These changes are reflected in the list below.

- Office of Chief Counsel
- Office of Human Resources
- Office of Business Process Improvement
- Office of Facilities and Property Management
- Office of Systems Management
- Office of Inspector General
- Office of General Services

In January 2013, adjustments to the organization resulted in dissolving the Offices of General Services, Inspector General and Business Process Improvement, moving the functions of Procurement, Printing, Central Mail and Surplus Property into the Office of Facilities and Property Management and changing the name to the Office of Facilities and Procurement Management. The Payroll and Central Accounting functions were moved to the Office of Systems Management. The remaining financial functions were moved into the newly created Office of Financial Management. The Office of Human Resources changed its name to the Office of Personnel Services.

In 2013, the Office of Chief Financial Officer was created. All other changes are reflected in the list below.

- Office of Chief Counsel
- Office of Financial Management
- Office of Facilities and Procurement Management
- Office of Systems Management
- Office of Personnel Services
- Office of Chief Financial Officer

In March 2015, adjustments to the organization were made. Procurement became a separate office. The Payroll and Central Accounting functions, the Setoff and KTOP programs and the State Revolving Fund were moved to the Office of Chief Financial Officer. The changes are reflected in the list below:

- Office of Chief Counsel
- Office of Financial Management
- Office of Facilities and Procurement Management
- Office of Systems Management
- Office of Personnel Services
- Office of Procurement and Contracts
- Office of Chief Financial Officer

In 2017, adjustments to the organization were made. Printing, Central Mail and Surplus became a separate office. The changes are reflected in the list below:

- Office of Chief Counsel
- Office of Financial Management
- Office of Facilities and Procurement Management
- Office of Printing, Central Mail and Surplus
- Office of Systems Management
- Office of Personnel Services
- Office of Procurement and Contracts
- Office of Chief Financial Officer

In July 2019, the Office of Information and Technology Services became an independent state agency and removed the agency from under the DofA.

In August 2019, the Office of Chief Financial Officer reverted to the naming convention used in statutes and was renamed the Office of Accounts and Reports.

In the 2020 legislative session, Executive Reorganization Order No. 45 transferred the functions of the State Employees' Health Benefits Program (SEHBP) and the State Workers Compensation Self-insurance Fund from the Department of Health and Environment to the DofA. SEHBP was newly established as a separate office in the DofA.

The current offices are reflected in the list below:

- Office of Chief Counsel
- Office of Financial Management
- Office of Facilities and Procurement Management
- Office of Printing, Central Mail and Surplus
- Division of State Employees' Health Benefits Program
- Office of Systems Management
- Office of Personnel Services
- Office of Procurement and Contracts
- Office of Accounts and Reports

In October 2021, Executive Order No. 21-27 established the OPA as a separate office within the DofA. OPA consists of Long-Term Care Ombudsman previously under DofA, KanCare Ombudsman transferred from Kansas Department of Aging and Disability Services, and Division of the Child Advocate newly established under Executive Order No. 21-27.

In April 2024, SB115 was approved by the Governor. This bill established the Office of the Child Advocate as an independent state agency and removed the agency from under the DofA.

AGENCYWIDE OVERVIEW OF CURRENT YEAR ESTIMATE AND BUDGET YEAR INFORMATION:

CURRENT YEAR:
The DOB and OPA are included in the Department's budget document but separately administer their operations and prepare their budgets.

Performance Management Initiatives. The performance management initiatives for the Agency are designed to achieve the following:

- Streamline processes
- Improve responsiveness
- Ensure greater accountability

For FY 2027, the DofA budget includes expenditures totaling $1.06 billion from all funding sources. The DOB totals $2.7 million and OPA totals $1.8 million. The FY 2027 approved DofA budget totaled $1.03 billion from all funding sources. This revised FY 2027 budget request is an increase of approximately $30 million. The increase is due to paying down a number of debt service bonds, as well as the increase in health insurance premium payments.

There is one State General Fund line item for operations. Separate line items are maintained for Capital Improvements, Debt Service, OPA, DOB, and any special funds awarded by legislature.

BUDGET YEAR:
For FY 2028, the DofA includes expenditures totaling $1.08 billion from all funding sources. The DOB totals $2.5 million and OPA totals $1.8 million. The FY 2028 request is approximately $20 million above the FY 2027 revised Budget Request. The increase is due to paying down a number of debt service bonds, as well as the increase in health insurance premium payments.

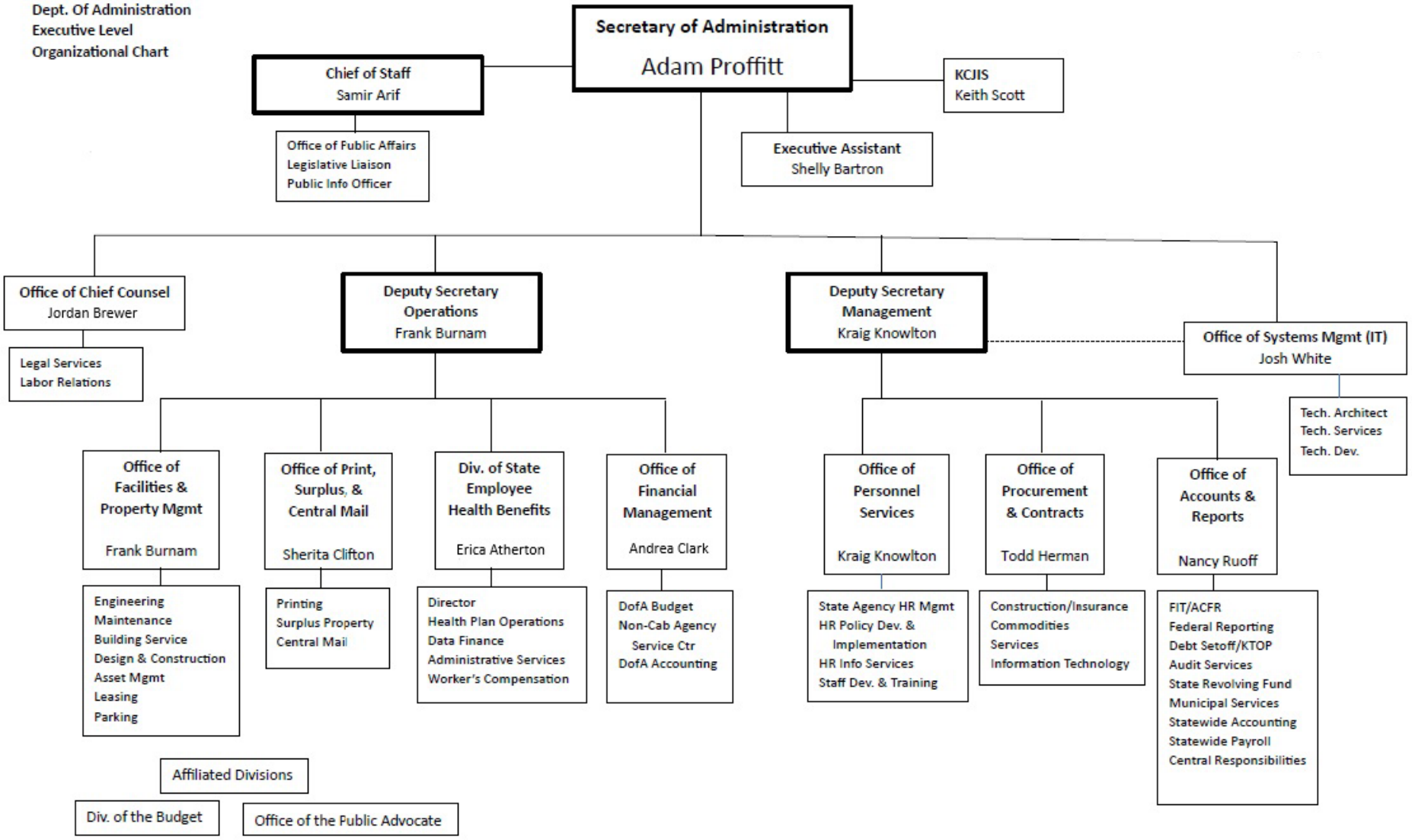
FTE Positions

The table below reflects total positions for FY 2026, FY 2027, and FY 2028.

Department of Administration

Summary of Total FTE Count

Department of Administration Offices	FY 2026 Actuals	FY 2027 Original Request	FY 2027 Revised Request	FY 2028 Request
Office of the Secretary	7.00	7.00	9.00	9.00
Office of Chief Counsel	8.00	7.00	7.00	7.00
Office of Financial Management	14.00	14.00	15.00	15.00
Office of Facilities & Property Management	186.00	186.00	176.00	176.00
Office of Systems Management	27.00	27.00	28.00	28.00
Office of Printing, Central Mail, & Surplus	47.00	47.00	42.00	42.00
Office of Procurement & Contracts	29.00	29.00	29.00	29.00
Office of Personnel Services	22.00	22.00	26.00	26.00
Division of State Employee Health Benefits Program	45.00	45.00	46.00	46.00
Office of Accounts & Reports	62.00	62.00	63.00	63.00
Subtotal	**447.00**	**446.00**	**441.00**	**441.00**
Office of the Public Advocates				
State Long-Term Care Ombudsman	10.00	13.00	14.00	14.00
KanCare Ombudsman	4.00	4.00	4.00	4.00
Subtotal	**14.00**	**17.00**	**18.00**	**18.00**
Division of the Budget	14.00	14.00	14.00	14.00
Subtotal	**14.00**	**14.00**	**13.00**	**13.00**
Grand Total	**475.00**	**477.00**	**472.00**	**472.00**


Dept. Of Administration
Executive Level
Organizational Chart
Secretary of Administration
Adam Proffitt
Chief of Staff
Samir Arif
Office of Public Affairs
Legislative Liaison
Public Info Officer
KCJIS
Keith Scott
Executive Assistant
Shelly Bartron
Office of Chief Counsel
Jordan Brewer
Legal Services
Labor Relations
Deputy Secretary Operations
Frank Burnam
Deputy Secretary Management
Kraig Knowlton
Office of Systems Mgmt (IT)
Josh White
Tech. Architect
Tech. Services
Tech. Dev.
Office of Facilities & Property Mgmt
Frank Burnam
Engineering
Maintenance
Building Service
Design & Construction
Asset Mgmt
Leasing
Parking
Office of Print, Surplus, & Central Mail
Sherita Clifton
Printing
Surplus Property
Central Mail
Div. of State Employee Health Benefits
Erica Atherton
Director
Health Plan Operations
Data Finance
Administrative Services
Worker's Compensation
Office of Financial Management
Andrea Clark
DofA Budget
Non-Cab Agency Service Ctr
DofA Accounting
Office of Personnel Services
Kraig Knowlton
State Agency HR Mgmt
HR Policy Dev. & Implementation
HR Info Services
Staff Dev. & Training
Office of Procurement & Contracts
Todd Herman
Construction/Insurance
Commodities
Services
Information Technology
Office of Accounts & Reports
Nancy Ruoff
FIT/ACFR
Federal Reporting
Debt Setoff/KTOP
Audit Services
State Revolving Fund
Municipal Services
Statewide Accounting
Statewide Payroll
Central Responsibilities
Affiliated Divisions
Div. of the Budget
Office of the Public Advocate

Narrative Information—DA 400

Division of the Budget

State of Kansas

Agency Department of Administration

Program Office of the Secretary

OFFICE OF THE SECRETARY OF ADMINISTRATION

The Secretary of Administration, among other statutory duties, establishes the vision and mission for the agency and works with the office directors to move agency operations to reflect that vision and mission. The Office of the Secretary manages the DofA, supervises the various offices and their functions, establishes agency priorities, and allocates resources accordingly. In February 2013, the Office of Public Affairs was created and sits as part of the Office of the Secretary. The Director of Public Affairs serves as the agency's Chief of Staff, as well as the legislative liaison and communication director. Additional functions include coordination of employee awards with OPS. The Secretary of Administration also serves as a member of various commissions, boards, and committees, including the Kansas State Employees' Health Care Commission and the Kansas Criminal Justice Information Systems. In addition, the Secretary serves as Secretary of the State Finance Council.

PERFORMANCE MEASURES

OBJECTIVE #1 – Re-envision the recruitment, retention, and development of state employees
Develop and enhance structures, practice, and policies to better recruit, retain and develop our state workforce.

Strategies for Objective #1:

1. Work with executive branch agencies to identify areas from the Employee Survey for improvement and assist with implementation of policy or procedure changes.
2. Explore options with the Health Care Commission to reduce the cost of health care to state employees.
3. Identify professional development resources, structures, and partnerships to better support state employees.
4. Review differences in barriers to hiring and/or retaining employees across geographic regions and across disciplines to ensure the state remains nimble in the marketplace and positions itself as an employer of choice.

OBJECTIVE #2 – Enhance and streamline the statewide procurement process, policies, and tools
Analyze the procurement process for ways to maximize customer service, while also promoting transparency and competitive bidding.

Strategies for Objective #2:

1. Review current regulations, business processes and organizational structures to make statewide procurement processes more effective, efficient, and transparent.
2. Minimize the number of non-competitive bid requests approved.

3. Evaluate requests for non-competitive bid events received by the Office of Procurement and Contracts from state agencies pursuant to K.S.A. 75-3739 to determine level of activity each fiscal year.

OBJECTIVE #3 – Strengthen the delivery of services
Ensure that DofA services are provided effectively and efficiently, with high levels of customer satisfaction.

Strategies for Objective #3:

1. Work with agencies and state government leadership to gauge their level of satisfaction with DofA services.
2. Increase the level and quality of services to non-cabinet agencies.
3. Proactively communicate with units of government about the services that the DofA offers.
4. Review the delivery method and the tools associated with the services that DofA offers to ensure we continue to operate efficiently and with the most modern set of tools and software available.

OBJECTIVE #4 – Review of business operations
Review and analyze regulations, business processes and organizational structures to identify areas of efficiency or improvement.

Strategies for Objective #4:

1. Work with DofA executive team and their counterparts across state government, to make their processes more effective, efficient, and transparent.
2. Interface with agency leadership to solicit formal and informal reports on satisfaction with DofA services.

EXPENDITURE JUSTIFICATION
Total Current Year FY 2027 - $1,235,713.00
Total Budget Year FY 2028 - $1,343,468.00

Object Code 100: Salaries and Wages
The Office of the Secretary has seven FTEs, including the cabinet secretary, two deputy secretaries, director of public affairs and two administrative staff, along with one position for KCJIS. Included in this office are the salary expenses for KCJIS of $97,000 annually, as well as expenses for the Finance Council members.

Total Current Year FY 2027 - $1,065,972.00
Total Budget Year FY 2028 - $1,173,727.00

Object Codes 200-290: Contractual Services

The major object codes in this classification of expenditures are building space and copier rent, along with the monumental building surcharge. This also includes expenses for KCJIS of $11,000.

Total Current Year FY 2027 - $172,500.00
Total Budget Year FY 2028 - $160,241.00

Object Codes 300-390: Commodities

The major object codes in this classification of expenditures are for stationery and office supplies. This category includes paper, notebooks, computer supplies and other miscellaneous office supplies. This also includes expenses for KCJIS of $500 annually.

Total Current Year FY 2027 - $9,500.00
Total Budget Year FY 2028 - $9,500.00

Narrative Information—DA 400

Division of the Budget

State of Kansas

Agency Department of Administration

Program Office of Chief Counsel

OFFICE OF CHIEF COUNSEL

The Office of Chief Counsel manages the legal affairs of the DofA and serves as the chief legal advisor to the Secretary of Administration, office directors, and managers. The Office of Chief Counsel is responsible for all legal work arising from the activities of the Department and provides legal advice and services in a wide variety of areas of law, including legislation, finance, constitutional matters, commercial transactions, employment, real estate, litigation, contracts, and administrative regulations. The services provided to the DofA by the Office of Chief Counsel include, but are not limited to, the following: (1) provide legal opinions and advice to the Secretary of Administration; (2) provide legal assistance to the Office of Financial Management, the Office of Systems Management, and the Office of Accounts and Reports regarding accounts receivable, setoff programs, payroll matters, reimbursement issues, and accounting issues; (3) advise the Office of Facilities and Property Management regarding real estate, construction, and property management issues; (4) advise the Office of Procurement and Contracts regarding procurement, negotiation, and contracting issues; (5) advise the Office of Personnel Services and Office Directors on personnel matters and labor relations issues; (6) review contracts and real estate leases for the procurement or rental of various goods and services used on behalf of the State of Kansas; (7) provide assistance to the State Finance Council and the Health Care Commission; (8) assist in drafting legislative bills for the Department, including statutory amendments and new statutory authorization; (9) assist Department personnel in reviewing and interpreting statutory authority and judicial rulings; (10) assist Department personnel in developing and drafting policies and procedures for the benefit of the Department as well as the State of Kansas; (11) represent the Department in litigation or other legal disputes in which the Department is a party; and provide semi-annual Continuing Legal Education seminars to active and retired State of Kansas attorneys; and (12) advise the State Employee Health Benefit Plan regarding legal issues, contract negotiations, drafting contracts and contract amendments. The Office of Chief Counsel also provides advice and legal services to other agencies.

PERFORMANCE MEASURES

PROGRAM GOAL:

To maximize fiscal resources and revenues available to the State in the context of providing legal services, continuing legal education for state agency attorneys, and review and approval of proposed administrative regulations.

OBJECTIVE #1

Provide departmental offices and customer agencies with timely preparation and review of requested agreements, opinions, policies, procedures, and other items requiring the services of counsel.

Strategies for Objective #1:

1. Prioritize the review of departmental office and customer agency contracts, leases, and other agreements.
2. Monitor open records requests for prompt response by departmental offices.
3. Build on relationships with counsel in other agencies to avoid duplication of efforts and resources.

Performance Measures for Objective #1:

	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Number of contracts, leases, and other agreements completed	237	264	270	275
Number of Register Notices completed	52	55	55	55
Number of KORA requests closed	329	339	345	350

OBJECTIVE #2

Provide state agency and other governmental attorneys with relevant, cost-effective continuing legal education (CLE) and training opportunities.

Strategies for Objective #2:

1. Generate state agency input on the topics for which educational opportunities are desired.
2. Identify affordable, high-quality speakers and utilize the Zoom platform to reach an audience of up to 500 individuals.
3. Create and maintain a listserv distribution list of over 400 members comprised of active and retired state-employed attorneys. Emails are sent to the members promoting the webinars and providing CLE instructions, registration, and tuition payment methods.
4. Develop methods to obtain feedback on content and quality of programs.

Performance Measures for Objective #2:

	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Number of attorneys that attended the fall and spring CLE webinars	363	351	375	375
Survey results: ranking on the content and quality of programs provided at the webinars (out of 5)	4.126	4.2	4.2	4.2

4.1

	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Number of CLE credits provided each year to meet the Kansas CLE Commission Licensure Requirements (required: 12)	12	12	12	12
Number of Ethics CLE credits provided each year to meet the Kansas CLE Commission Licensure Requirements (required: 2)	4	3	4	4

**Kansas CLE Commission Licensure Requirements met or exceeded*

OBJECTIVE #3

Provide agencies with cost-effective means to prepare and obtain required departmental approval of regulations.

Strategies for Objective #3:

1. Identify situations in which agencies need assistance in preparing and obtaining approval of regulations.
2. Develop procedures and strategies for ensuring that revisions and drafts of regulations prepared by agencies conform to the Kansas regulatory style and are accurate and consistent with the intent of the agency.
3. Develop and post information about drafting and adopting regulations on the DofA's website.

Performance Measures for Objective #3:

	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Number of regulations completed	413	564	550	550

EXPENDITURE JUSTIFICATION
Total Current Year FY 2027 - $1,112,820.00
Total Budget Year FY 2028 - $1,152,950.00

Object Code 100: Salaries and Wages
The Office of Chief Counsel has eight FTEs and one temporary part-time position. This level of staffing is responsible for all legal work arising from the activities of the Department and provides legal advice and services in a wide variety of areas of law, including legislation, finance, labor relations, risk management, constitutional matters, commercial transactions, employment, real estate, litigation, contracts, and administrative regulations.

Total Current Year FY 2027 - $923,385.00
Total Budget Year FY 2028 - $963,515.00

Object Codes 200-290: Contractual Services
The major object codes in this classification of expenditures are building rent and fees. The expenditures requested under contractual services would allow the Office of the Chief Counsel to maintain its current services.

Total Current Year FY 2027 - $194,834.00
Total Budget Year FY 2028 - $186,935.00

Object Codes 300-390: Commodities
The major object code in this classification of expenditures is office supplies.

Total Current Year FY 2027 - $500.00
Total Budget Year FY 2028 - $500.00

Object Codes 400-490—Capital Outlay:
The major object codes in this classification of expenditures are for computer equipment and software and a possible office expansion.

Total Current Year FY 2027 - $2,000.00
Total Budget Year FY 2028 - $2,000.00

Narrative Information—DA 400

Division of the Budget

State of Kansas

Agency Department of Administration

Program Office of Financial Management

OFFICE OF FINANCIAL MANAGEMENT

The Office of Financial Management was established during fiscal year 2013 as part of the DofA's reorganization. The three teams within the Office of Financial Management are: 1) DofA Fiscal Services; 2) DofA Budget; and 3) State Agency Service Center. General duties include consulting, supporting, and assisting in monitoring and improving the financial health of the agency, along with administering the security of the statewide management, accounting, and reporting tool (SMART) system for agency processors, paying the debt service for the State, and compiling the necessary data for Statewide Cost Allocation Plan (SWCAP).

Department of Administration Fiscal Services Team

The Fiscal Services Team provides accounting services to all offices within DofA. Accounts payable services include, but are not limited to, entering and approving requisitions, payments, general ledger entries, and travel and expense reimbursements. The accountants review supporting documentation and transactions to comply with state laws, policies, regulations and accounting procedures. Accounts receivable services include, but are not limited to, entering deposits, receiving credit card payments, entering billings, and tracking outstanding accounts receivable balances.

Department of Administration Budget Team

The Budget team serves as the central budgeting office for all DofA offices. The team coordinates the development and submission of DofA's budget providing an agency wide perspective on policy, revenue, and expenditures. The Budget team developments the various rates charged to other state agencies for centralized services provided by DofA. These rates are a forecast for future years and used in budget development by all State agencies. Monthly budget management reports including expenditures and revenues are provided to the DofA offices and agencies utilizing the service center. One of the duties of the Budget Team is to oversee the debts that have been issued to the agencies for state purposes and ensures the payment of each bond and/or MLPP is completed correctly. Another responsibility is compiling data to submit the SWCAP to Health and Human Services.

State Agency Service Center Team

During the implementation of SMART, an opportunity was identified for the DofA to provide accounting support to numerous State agencies, boards, and commissions. The State Agency Service Center's goal is to enhance the efficiency of financial management for these agencies and help attain cost savings for the State. The assigned accountants are knowledgeable of the service center agency's operations, financials, and statutory requirements.

Services are established upon execution of a MOU, which outlines the financial support being offered such as, entering and approving travel and expense reimbursements, travel authorizations, P-Card reconciliations, purchase requisitions, purchase orders, and monthly financial reporting.

When an agency utilizes the State Agency Service Center, there is an assurance that the work is completed timely and accurately. The accountants under this team are available to assist other State agency accounting departments during staff vacations, sick leave, or gaps in employment, if needed.

PERFORMANCE MEASURES

PROGRAM GOAL:
Provide accounting and fiscal management services to the offices within the DofA and other state agencies.

OBJECTIVE #1
Provide timely and efficient accounting services to DofA offices and agencies with a MOU with the Service Center.

Strategy for Objective #1:

1. Provide accounting services and monthly financial reporting in a timely and efficient manner.

Performance Measures for Objective #1:

	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
All Service Center agencies will receive monthly financial reporting no later than 15 days following the end of the month.	100%	100%	100%	100%
All DofA offices will receive monthly financial reporting no later than 15 days following the end of the month.	100%	100%	100%	100%

OBJECTIVE #2
Coordinate and develop the annual budget for the DofA.

Strategy for Objective #2:

1. Develop a budget timeline to ensure all deadlines are met.

Performance Measures for Objective #2:

	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
The Budget Team will meet with each DofA Director (in-person, as permitted) to assist in timely budget development.	100%	100%	100%	100%

EXPENDITURE JUSTIFICATION
Total Current Year FY 2027 - $
Total Budget Year FY 2028 - $

Object Code 100: Salaries and Wages
The Office of Financial Management has 15 FTEs. This includes a director, executive assistant, three managers, eight accountants, and two analysts.

Total Current Year FY 2027 - $1,438,311.00
Total Budget Year FY 2028 - $1,618,465.00

Object Codes 200-290: Contractual Services
The major object codes in this classification of expenditures are building rent, copiers, and lease expenses for laptops. The other significant expenditures in this category are OITS charges. This also includes expenses for the consultant who completes the SWCAP report and Apptio database for DofA and Service Center financial reporting and DofA billings. The Licensing Verification Portal expenses are within OFM's budget also.

Total Current Year FY 2027 - $1,654,063.00
Total Budget Year FY 2028 - $1,654,063.00

Object Codes 300-390: Commodities
The major object code in this classification of expenditures is for office supplies.

Total Current Year FY 2027 - $2,500.00
Total Budget Year FY 2028 - $2,500.00

Object Codes 400-490—Capital Outlay:
The major object codes in this classification of expenditures are for an office remodel including new cubicles, chairs, and office décor. The other portion of this is to build out the various billings that are completed by DofA in the Apptio database.

Total Current Year FY 2027 - $0
Total Budget Year FY 2028 - $0

Object Codes 500-590: Other Assistance, Grants and Benefits

The major object code in this classification of expenditures is Federal Aid Payments for the Federal Flood Control Act. We receive federal funds that are then paid to local units of government based on a formula.

Total Current Year FY 2027 - $550,000.00
Total Budget Year FY 2028 - $550,000.00

Object Code 920: Non-Expense

The major object code in this classification of expenditures is transfers out for the Digital Imaging Grant Program. This program provides funding to State agencies to digitalize their records. There is an application process for this program which is reviewed by the Director of Public Affairs and OFM staff to decide as to award the project or not. This will be available until no longer available from Dept of Transportation.

Total Current Year FY 2027 - $0
Total Budget Year FY 2028 - $0

Narrative Information—DA 400

Division of the Budget

State of Kansas

Agency Department of Administration

Program Office of Facilities & Property Management

OFFICE OF FACILITIES AND PROPERTY MANAGEMENT

The Office of Facilities and Property Management (OFPM) strives to ensure that employees of the State of Kansas enjoy a clean, safe, efficient and comfortable environment in the buildings.

The Division of Facilities Management (DFM) was created because of a reorganization of the DofA in March 1989 to facilitate the statutory duties of the Secretary of Administration. K.S.A. 75-3762 grants the Secretary of Administration the "…charge, care, management and control of the Statehouse, the state office buildings, the Kansas Technical Institute…the office building at 801 Harrison [in Topeka], the Memorial Hall, the Governor's mansion, [the Landon State Office Building] and all other buildings or grounds now or hereafter owned or to be owned by the state in Shawnee County, the custody of which buildings or grounds is not assigned by law to some other state agency." In January 2002, The Division of Architectural Services merged with the Division of Facilities Management. During FY 2012, the Office of Facilities and Procurement Management was created as part of a functional re-structuring of the Department. In FY 2015, the Office of Procurement and Contracts was separated from the Office of Facilities and Procurement Management, resulting in returning the name back to the Office of Facilities and Property Management.

OFPM centrally administers state-owned and state-leased facilities and protects the State's interest in all state facilities planning, design and compliance activities. The Office of Facilities and Property Management provides: 1) Engineering Services, 2) Maintenance/Construction, 3) Building services (housekeeping), 4) Parking and Grounds services, 5) Design, Construction, and Compliance services, and 6) Asset Management.

Engineering Services

The Office of Facilities and Property Management provides engineering services to protect the State's interest in all state facilities planning, design and construction activities. The Engineering section assists in monitoring state buildings to keep them safe and comfortable for the employees. This section also helps plan and oversee projects done by outside vendors on state-owned buildings to ensure quality of workmanship and adherence to contracts.

Maintenance/Construction

The Maintenance/Construction section maintains the buildings by providing plumbing, heating, and cooling, painting, carpentry, electrical work and other services to help maintain the buildings. This is done mostly through a preventive maintenance schedule that helps ensure that all building systems are operating normally and are in good working condition. These preventive maintenance schedules help find and fix problems before they cause issues or system failure. This section also responds to customer concerns and complaints about building issues, such as temperature, lighting, and other miscellaneous items, in a timely and professional manner.

Building Services

The Building Services section provides housekeeping services for the state-owned buildings in Topeka. State owned buildings include the Kansas Statehouse, Kansas Judicial Center, Docking, Landon, Memorial, Curtis, Eisenhower, Kansas Department of Health and Environment Laboratories (KDHE Lab), and 1020 Kansas. Tasks done by this section on a regular basis include emptying trash, cleaning restrooms, dusting, vacuuming carpets, mopping floors, stripping, and waxing of floors and other special cleaning projects as they arise or are assigned. The Building Services section is also responsible for all Statehouse and Statehouse Grounds event setup, coordination, and tear down.

Levels of Cleanliness:
*L*evel 1: Orderly Spotlessness - Kansas Statehouse, Judicial Center, and KDHE Lab
Level 2: Ordinary Tidiness - Judicial Center, Curtis, Landon, Memorial Hall, Docking, and Eisenhower.

Grounds Services

The Grounds Services section maintains all landscaping, irrigation, and partial snow/ice removal. This includes the Capitol Complex, State Print Plant, and Cedar Crest.

Design, Construction, and Compliance

The Design, Construction, and Compliance section provides planning, design reviews and construction administration for all statewide capital improvement projects. The section administers architectural and engineering firm selection. K.S.A. 75-1250 et seq. established the requirements for contracts for architectural services. K.S.A. 75-5801 et seq. established the requirements for engineering services. This section also performs Life Safety Code and Americans with Disabilities Act design reviews in addition to field inspection services for both code compliance and quality control during construction.

Asset Management

The Asset Management section administers and approves state leases for all state agencies pursuant to K.S.A. 75-3739 which requires that "…no state agency shall enter into any lease of real property without prior approval of the Secretary of Administration." The duties of this section also fall under the following statutes. K.S.A. 75-3765b states that the Secretary of Administration "shall develop and adopt policies and procedures for centralizing the function of leasing of office space in non-state-owned buildings and facilities for state officers and employees of all state agencies." K.S.A. 75- 3765(a)(1) states that "The Secretary of Administration shall assign space and facilities in all state-owned or operated property or buildings in Shawnee County, Kansas… [except as specifically exempted by statute]." K.S.A. 75-3765b also authorizes the Secretary of Administration "…to fix, charge and collect a lease negotiation service fee to recover the costs incurred by the department in providing lease negotiation services….".

Parking

The Office of Facilities and Property Management administers parking for the Capitol Complex. This includes issuance of free employee parking permits for surface parking, wait lists, and billing for parking in the Curtis State Office Building parking garage. Surface lots are maintained through funds collected from the Monumental Building Surcharge and the Curtis State Office Building Garage is maintained with fees collected through reserved parking fees.

PROGRAM GOAL

To provide services to user Agencies, visitors, and employees in a timely and efficient manner.

PERFORMANCE MEASURES

OBJECTIVE #1 – Tenant response and satisfaction

Respond to all tenant building maintenance, un-scheduled cleanups, and emergency services in an efficient manner (including mechanical, electrical, and plumbing systems) in the Capitol Complex, and Cedar Crest.

Strategies for Objective #1:

1. Track number of work orders assigned to respective trades by Customer Service Center and online submission process.
2. Solicit feedback from building tenant points of contact on bi-yearly basis in form of client service survey.

Performance Measures for Objective #1:

	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Number of work orders - Building Maintenance	2,324	2,739	2,750	2,800
Number of work orders - Lock Shop	201	189	200	175
Number of work orders - Housekeeping	153	200	225	225
Number of work orders - Grounds	59	49	60	60

OBJECTIVE #2 – Building Services

Efficiently provide quality housekeeping services to Capitol Complex buildings. In addition, complete Statehouse and Statehouse Grounds event setup and tear down, as required.

Strategies for Objective #2:

1. Clean space at a level appropriate for each type of space.
2. Provide superior level of service that is still competitive with commercial market.
3. Provide event setup/tear down as required by scheduled events in the Statehouse and Statehouse Grounds.

Performance Measures for Objective #2:

	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Level 1 – number of square feet	391,145	383,766	383,766	383,766
Level 2 - number of square feet	743,232	920,822	920,822	920,822
Total square footage	1,134,377	1,304,588	1,304,588	1,304,588
Number of events scheduled for Statehouse	978	972	950	950

OBJECTIVE #3 –Design, Construction, and Compliance

Provide planning, design reviews, inspection, and construction administration for all statewide capital improvement projects.
Conduct interviews, fee negotiations, and contractual services for all architectural and engineering professional services.

Strategy for Objective #3:

1. Track number of actions processed for project code review, bid posting, administration by Planning and Administration staff.

Performance Measures for Objective #3:

	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Number of actions taken on projects	10,608	9,584	9,500	9,400

EXPENDITURE JUSTIFICATION
Total Current Year FY 2027 - $28,140,126.00
Total Budget Year FY 2028 - $28,785,769.00

Object Code 100: Salaries and Wages
The Office of Facilities and Property Management has 175 FTEs. OFPM uses a staffing model for housekeeping, maintenance, and grounds. With the model, each building was assigned a level at which to be cleaned or maintained. Cleaning and maintenance each have their separate definitions for each level.

Cleaning:
The Statehouse and KDHE Lab are to be cleaned at level 1: Orderly Spotlessness.
The Judicial Center, Curtis, Docking, Landon, and Eisenhower buildings are to be cleaned at level 2: Ordinary Tidiness.

Maintenance:
The Statehouse, Judicial Center, Curtis, Landon, Docking and Eisenhower buildings are to be maintained at level 2: Comprehensive Stewardship.

Total Current Year FY 2027 - $11,817,378.00
Total Budget Year FY 2028 - $12,328,021.00

Object Codes 200-290: Contractual Services
The major object codes in this classification of expenditures are rents, maintenance and repairs, fees, utilities, and other contractual services. Insurance premium expenditures provide statewide building insurance, boiler insurance and lawn care equipment coverage, and liability insurance for OFPM vehicles. Contracts include maintenance for; pest control, window washing, trash removal, tree spraying, custodial services, snow removal, automatic doors, air-conditioning chillers, elevators, fire safety equipment, a fail-safe power source, and battery backup for computer services. Asbestos sampling and lab fees will continue to be expenses in this category.

Total Current Year FY 2027 - $13,036,998.00
Total Budget Year FY 2028 - $13,171,998.00

Object Codes 300-390: Commodities

The major object codes in this classification of expenditures are for maintenance materials and parts for the various building operating systems and equipment associated with the buildings and parking lots. Maintenance material expenditures include construction supplies, air filters, doors, hardware, ultra-wall systems, bearings, electrical supplies, plumbing supplies, carpentry supplies, air conditioning and painting equipment. Other expenditures include water treatment and boiler chemicals, water testing chemicals, fertilizer, fuel for lawn equipment, emergency generators, water pumps, grass seed, oxygen/acetylene and hand and power tools. Portions of the maintenance and repair costs are due to agency requests and are recovered through billings to agencies.

Total Current Year FY 2027 - $1,205,750.00
Total Budget Year FY 2028 - $1,205,750.00

Object Code 400: Capital Outlay

The major object codes in this classification of expenditures are tools and equipment used by building maintenance and housekeeping staff for the purpose of maintaining and cleaning buildings.

Total Current Year FY 2027 - $1,080,000.00
Total Budget Year FY 2028 - $1,080,000.00

Object Code 920: Non-Expense

The major object codes in this classification of expenditures are for indirect cost derived from the Statewide Cost Allocation Plan (SWCAP), the building depreciation transfers required by K.S.A 75-3655 and building depreciation transfers for the Curtis State Office Building.

Total Current Year FY 2027 - $1,000,000.00
Total Budget Year FY 2028 - $1,000,000.00

Narrative Information—DA 400

Division of the Budget

State of Kansas

Agency Department of Administration

Program Office of Systems Management

OFFICE OF SYSTEMS MANAGEMENT

The Office of Systems Management (OSM) provides technology leadership, services, and support that enable the Department of Administration's (DofA) operations and business objectives. OSM is responsible for agency-wide IT operations, enterprise applications, technology programs, cybersecurity coordination, and strategic technology initiatives. Since 2019, OSM has expanded from an organization primarily focused on supporting statewide Enterprise Resource Planning (ERP) systems to a comprehensive IT organization supporting the technology needs of the entire agency.

OSM consists of approximately 30 full-time equivalent (FTE) positions and is organized into three highly collaborative functional areas: 1) IT Operations, 2) IT Applications, and 3) IT Program Management. These teams work together to provide reliable, secure, and effective technology services; develop and maintain critical business applications; manage technology programs and vendors; and ensure technology solutions support agency business requirements, state and federal requirements, and applicable Kansas statutes and regulations.

OSM's responsibilities include providing end-user and service desk support; managing agency hardware, software, and technology assets; coordinating cybersecurity and compliance activities; developing, administering, and supporting enterprise applications; managing technology projects and programs; overseeing cloud-based software-as-a-service (SaaS) solutions; and coordinating managed service providers and other technology partners. OSM also provides technical leadership for system upgrades, enhancements, integrations, security, workflow, system administration, and lifecycle management of critical applications and technology services.

IT Operations

The IT Operations team provides agency-wide operational technology services that support reliable, secure, and effective day-to-day operations. Responsibilities include end-user support, service desk operations, endpoint and device lifecycle management, cybersecurity coordination, compliance activities, and hardware and software asset management.

The team provides technical assistance to agency employees and users, manages workstations and other end-user devices, coordinates the deployment and maintenance of hardware and software, and supports access to the agency's network and technology resources. IT Operations also coordinates security and compliance activities and works with other OSM teams and technology partners to identify and resolve operational issues. These services provide the foundation necessary for employees to effectively access and use the technology required to perform agency business functions.

IT Applications

The IT Applications team provides development, administration, support, and lifecycle management for the agency's enterprise applications and business technology solutions. The team supports the statewide Oracle PeopleSoft Enterprise Resource Planning (ERP) environment, including the Statewide Management, Accounting, and Reporting Tool (SMART) and the Statewide Human Resources and Payroll (SHARP) applications. The team also provides technical development and support for the Kansas Debt Recovery System (KDRS) and Kansas Treasury Offset Program (KTOP).

The IT Applications team includes PeopleSoft programmers and administrators as well as PHP developers who support the agency's custom applications. Responsibilities include developing and testing system enhancements, providing application administration and technical support, designing and implementing modifications to meet business requirements, supporting system upgrades and integrations, and maintaining applications within supported software versions.

The team works closely with agency business stakeholders to ensure application functionality supports operational requirements, state and federal laws, Kansas regulations, and changing business needs. Application support also includes troubleshooting, system maintenance, security and access administration, workflow configuration, batch processing, system interfaces, and technical support with external service providers.

IT Program Management

The IT Program Management team provides strategic oversight, project management, and governance for the agency's portfolio of technology programs, applications, and services. The team coordinates technology initiatives and provides oversight of enterprise applications, agency-developed systems, and cloud-based software-as-a-service (SaaS) platforms.

Responsibilities include oversight and coordination of the statewide PeopleSoft ERP systems, including SHARP and SMART; agency-developed applications such as KDRS and KTOP; and SaaS platforms such as DocuSign, LinkedIn Learning, Learnsoft, AMP, Equidox, Okta, and other enterprise business technology solutions. The team works with internal stakeholders, technology teams, vendors, managed service providers, and hosting partners to coordinate system implementations, upgrades, enhancements, and ongoing support.

IT Program Management also provides IT project leadership, management, governance, and strategic planning for DofA technology initiatives. This includes monitoring project schedules and deliverables, coordinating resources, tracking service and contractual requirements, identifying risks and issues, and ensuring technology initiatives remain aligned with agency business objectives and available resources.

Governance of Managed Services and Hosting Partner

OSM provides governance and oversight of managed service providers and hosting partners that support the Department of Administration's technology environment. This function ensures that external technology partners meet established service level agreements, contractual requirements, operational expectations, and agency business needs.

OSM works closely with managed services and hosting partners, including the teams responsible for application development, system upgrades, hosting, and technical support. Responsibilities include tracking service level agreement (SLA) metrics, monitoring contractual obligations and deliverables, coordinating development and system upgrade activities, monitoring project schedules and progress, and addressing issues that may affect service delivery or system availability.

This function requires coordination across IT Operations, IT Applications, and IT Program Management to ensure that external service providers effectively support the agency's technology infrastructure and enterprise applications. OSM also serves as the central point of coordination between agency stakeholders and external technology partners, helping ensure accountability, continuity of services, and timely resolution of operational and technical issues.

PERFORMANCE MEASURES

OBJECTIVE #1

Maintain reliable, secure, and effective technology operations that support agency business functions.

Strategy for Objective #1:

1. Monitor the availability and performance of critical agency technology systems and services.
2. Monitor nightly batch processing for SHARP and SMART and identify long-running or failed processes that may affect system availability or business operations.
3. Coordinate with technology service providers to address system performance, availability, infrastructure, and operational issues.
4. Monitor scheduled maintenance and system upgrades to minimize disruption to agency operations

Performance Measures for Objective #1:

	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Average Nightly Run Time (HH:MM) - SMART	4:01	3:59	4:00	4:00
Average Nightly Run Time (HH:MM) - SHARP	1:48	1:51	1:50	1:50
Average Nightly Run Time (HH:MM) - SHARP – Payroll	3:06	3:01	3:00	3:00

**Nightly batch for SMART and SHARP continues to perform at current or an improved time*

	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Percentage of uptime during business hours - SMART	99.96%	99.96%	99.96%	99.96%
Percentage of uptime during business hours - SHARP	99.96%	99.96%	99.96%	99.96%

**The applications were down to end-users for four hours during scheduled upgrades.*

OBJECTIVE #2

Provide effective development, administration, support, and lifecycle management of the agency's enterprise applications and business technology solutions.

Strategy for Objective #2:

1. Prioritize, develop, test, and implement application enhancements and modifications based on business requirements.
2. Resolve programmatic abends, application defects, user enhancement requests, and other application issues.
3. Implement required tax updates, regulatory changes, PeopleSoft Update Manager (PUM) updates, security updates, and other application upgrades within established timeframes.
4. Provide development and technical support for SMART, SHARP, KDRS, KTOP, and other agency enterprise applications.
5. Coordinate application development, maintenance, upgrades, and technical support with agency stakeholders and managed service providers.

Performance Measures for Objective #2:

	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Programmatic abends, application defects, and user requests resolved - SMART	779	631	600	600
Programmatic abends, application defects, and user requests resolved - SHARP	309	215	200	200
Application Issues and Enhancement Requests Resolved – KDRS/KTOP	N/A	87	150	150
Percentage of Required Application Updates Completed by Established Deadline	N/A	100%	≥95%	≥95%

**Application workload is influenced by the number and complexity of defects, enhancement requests, regulatory requirements, and system changes received during the fiscal year*

OBJECTIVE #3

Provide timely and effective IT support to agency employees, PeopleSoft users, and members of the public accessing agency-supported applications.

Strategies for Objective #3:

1. Provide Tier 1 support as the initial point of contact for PeopleSoft end-users and members of the public, including assistance with system access, error messages, password resets, and general application support.
2. Provide elevated support for more complex service requests and coordinate escalation to Tier 2 or Tier 3 technical resources when necessary.
3. Provide agency-wide service desk and end-user support for workstations, devices, software, and other technology services.
4. Administer and maintain service management and ticketing tools used to track and resolve technology issues.
5. Monitor service desk trends and develop knowledge base solutions to improve the efficiency and consistency of issue resolution.

Performance Measures for Objective #3:

Tier 1 = serve as the first point of contact for PeopleSoft end-users and members of the public to provide operator assistance, guidance signing in, resolve error messages and perform password resets for PeopleSoft ERP.

	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Total Number of helpdesk related Calls	36,477	35,518	35,000	35,000
Percentage of helpdesk related Calls Missed	2.59%	2.41	2%	2%
Number of Tier 1 helpdesk related Issues/Requests assigned	18,009	17,116	17,000	17,000
Percentage of helpdesk tickets resolved by the team (i.e., did not need to be re-assigned/elevated to SMEs or tech admins)	9%	11%	15%	15%
Total Agency IT EUS Service Desk Tickets (Service Now)	N/A	1,584	1,600	1,600
Percentage of IT EUS Service Desk Tickets Resolved Within SLA	N/A	N/A	≥95%	≥95%

OBJECTIVE #4

Safeguard agency technology systems through effective user access management, cybersecurity coordination, and compliance activities.

Strategy for Objective #4:

1. Process approved user provisioning, modification, and deprovisioning requests within established service level agreements (SLAs).
2. Maintain appropriate user access to SMART, SHARP, and other agency applications based on job responsibilities and approved access requests.
3. Coordinate cybersecurity and compliance activities with agency leadership, OSM staff, and technology partners.
4. Monitor identified security issues and compliance requirements and coordinate remediation within established timeframes.

Performance Measures for Objective #4:

	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Percent of user provisioning meeting SLA's - SHARP	100%	100%	100%	100%
Percent of user provisioning meeting SLA's - SMART	100%	100%	100%	100%
Percentage of High-Priority Security Issues Remediated Within Established Timeframe	N/A	100%	100%	100%
Percentage of Required Security and Compliance Activities Completed by Deadline	N/A	100%	100%	100%

**SLA for user provisioning in SMART = 5 to 8 days. SLA for user provisioning in SHARP = 3 to 5 days*

OBJECTIVE #5

Provide effective governance and oversight of agency technology programs, projects, and managed service and hosting partners.

Strategy for Objective #5:

1. Coordinate technology projects and strategic initiatives across OSM, agency stakeholders, vendors, managed service providers, and hosting partners.
2. Monitor project schedules, milestones, deliverables, risks, and issues to support timely completion of technology initiatives.
3. Monitor service level agreement (SLA) metrics and contractual obligations for managed service and hosting partners.
4. Monitor the progress of application development, system upgrades, and other contracted technology services.
5. Identify and escalate vendor performance issues and coordinate corrective actions when established service levels or contractual requirements are not met.

Performance Measures for Objective #5:

	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Percentage of Managed Service Provider SLA Requirements Met	N/A	100%	100%	100%
Percentage of Contractual Deliverables Completed on Schedule	N/A	100%	100%	100%
Percentage of Scheduled Application Development and Upgrade Milestones Completed on Schedule	N/A	100%	100%	100%
Percentage of KITO reportable IT Projects Completed Within Established Schedule	N/A	100%	100%	100%

**Performance will be evaluated using established project schedules, contractual requirements, service level agreements, and vendor performance reporting.*

EXPENDITURE JUSTIFICATION

Total Current Year FY 2027 - $9,620,377.00
Total Budget Year FY 2028 - $9,748,134.00

Object Code 100: Salaries and Wages

The Office of Systems Management has 28 FTEs.

Total Current Year FY 2027 - $3,139,877.00
Total Budget Year FY 2028 - $3,267,634.00

Object Codes 200-290: Contractual Services

The major object codes in this classification of expenditures are repair and servicing and fees. Repair and servicing include expenditures for managed services/hosting support for the SHARP and SMART systems. Other expenses include system security, data services, transaction support, load balancing, and managing of our distributed systems. Fees include expenses for the licensing from Oracle for software and annual maintenance and system development of architecture in SMART, SHARP, and Data Warehouse.

Total Current Year FY 2027 - $6,465,000.00
Total Budget Year FY 2028 - $6,465,000.00

Object Codes 300-390: Commodities

The major object code in this classification of expenditures is stationery and office supplies.

Total Current Year FY 2027 - $3,500.00
Total Budget Year FY 2028 - $3,500.00

Object Codes 400-490: Capital Outlay

The major object codes in this classification of expenditures are for software and equipment.

Total Current Year FY 2027 - $12,000
Total Budget Year FY 2028 - $12,000

Narrative Information—DA 400

Division of the Budget

State of Kansas

Agency Department of Administration

Program Office of Printing, Surplus & Central Mail

OFFICE OF PRINTING, SURPLUS AND CENTRAL MAIL

The Office of Printing, Surplus and Central Mail provides printing, copying, binding, fulfillment, mail services, and operates the Surplus Property program for state agencies. The three departments under this office are: 1) Print, 2) Central Mail, and 3) Surplus Property.

K.S.A. 75-1005 grants the State Printer to do all the printing and binding required by the legislature, the supreme courts, the governor, or any state agency. 75-1001a established the Division of Printing, transferring all the functions of the elected State Printer to the Director of Printing.

K.S.A. 75-4512 allows the Secretary of Administration to provide and maintain central and consolidated mail services for state agencies.

K.S.A. 75-6601 et seq. establishes the State Surplus program. In July 2004, the Surplus Programs were transferred from the Department of Corrections to the DofA and in May 2007 the Surplus Property programs were merged with the Division of Printing.

Printing

The State Printing Plant provides printing, copying and binding services for state agencies. It produces a wide variety of printing, ranging from business cards and letterhead to bound statute volumes, legislative printing, maps, and tax forms. It also provides fulfillment services for agencies. "Quick copy" is also provided through the central digital center.

Surplus Property

Surplus Property has four programs: 1) Federal Surplus, 2) State Surplus, 3)LESO/1033, and 4) Fixed Price Vehicles Sales. The Surplus Property Program facilitates the disposition and reallocation of excess and surplus state and federal property. Additionally, this program enables and encourages the reutilization of agency excess property to reduce expenditures for supply and capital outlay items and provides a mechanism for state agencies, local units of government and nonprofit organizations to acquire surplus materials and equipment in a cost-effective manner.

Central Mail

Central Mail provides various mail and packaging services and processes incoming/outgoing mail in Topeka for State of Kansas agencies. Services provided to those agencies include the following: pickup, sorting, and delivery of building mail; applying postage for letters, flats and packages on outgoing United States Postal Service mail; sending flats and packages via United Parcel Service (UPS) and FedEx; inserter services and pickup of already-stamped mail.

PERFORMANCE MEASURES

Printing

To provide the wide range of printing, duplicating and binding services to help state agencies operate efficiently. The Office strives to provide services that consistently meet or exceed the quality requirements of our customers at a cost that is defined as more value-added than that of private sector print shops.

OBJECTIVE #1 - Printing

Strategies for Objective #1:

1. Track jobs as they move through the production process.
2. Shift production resources as appropriate to best meet customer needs.
3. Proactively interact with customers through round-table discussions and surveys to ensure value, quality services and product are being delivered.

Performance Measures for Objective #1:

	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Number of digital black/white and color impressions produced	55,190,803	63,983,795	67,000,000	60,000,000
Customer Relations: Percentage of state agencies using State Printer	82%	83%	83%	85%
Innovative product (Wide format) produced	293	300	350	300
Cost: Over/Under Applied (5%)	ACH-	ACH	ACH-	ACH
Percentage of employees obtaining developmental skill training (5%)	20%	21%	25%	10%

Surplus Property

Facilitates the disposition and reallocation of surplus property for state agencies, local units of government, and other entities.

OBJECTIVE #2 - Surplus Property

Strategies for Objective #2:

1. Promote Govdeals.com to encourage public sales to increase state agencies reimbursements.
2. Promote program to State and local agencies.

Performance Measures for Objective #2:

	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Total reimbursements to state agencies	$420,745	$711,755	$500,00	$550,000

OBJECTIVE #3 - Surplus Property

Strategy for Objective #3:

1. Proactively interact and advertise more utilizing email blasts, social media and website. Periodically promote discounts.

Performance Measures for Objective #3:

	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Sales to State Agencies	$139,725	$49,122	$30,000	$85,000
Sales to Other Government Entities	$690,829	$464,434	$400,000	$300,000
Sales to the General Public	$583,824	$910,000	$500,000	$350,000
Number of new donees utilizing the Surplus programs	8	10	12	10
Value to donees of federal property acquired on behalf of eligible entities in Kansas annually	$3,129,981	$3,660,977	$2,800,000	$2,200,000
Cost to donees of federal property acquired on behalf of eligible entities in Kansas annually	$105,983	$77,179	$90,000	$100,000

OBJECTIVE #4 – Surplus Property

Strategy for Objective #4:

1. Proactively interact with agencies, donees and public to market products available to them.

Performance measures for Objective #4:

	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Total revenue – Federal Surplus	$95,895	$66,379	$80,000	$50,000
Total revenue – State Surplus	$1,414,378	$1,423,556	$1,000,000	$800,000
Total revenue – LESO/1033	0	$5,000	0	0
Total revenue – Surplus Property	$1,510,273	$1,494,935	$1,080,000	$850,000

OBJECTIVE #5 – Central Mail

Strategy for Objective #5:

1. Proactively interact with agencies to market mail inserting services.

Performance measures for Objective #5:

	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Number of inserts processed	6,000,000	6,200,225	6,100,000	6,000,000

OBJECTIVE #6 – Central Mail
To excel at providing superior customer service to our clients in terms of service quality, cost, and on-time delivery.

Strategy for Objective #6:

1. Promote convenient and cost-effective mail services to state agencies to maximize volume capacity.

Performance measures for Objective #6:

	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Cost savings for presorted mail vs full postage rate	$542,720	$777,761	$700,000	$750,000
Number of pieces handled	8,200,000	8,186,958	8,000,000	8,100,000

EXPENDITURE JUSTIFICATION
Total Current Year FY 2027 - $14,905,588.00
Total Budget Year FY 2028 - $14,489,410.00

Object Code 100: Salaries and Wages
The Office of Printing, Central Mail, and Surplus has a total of 42 FTEs.

Total Current Year FY 2027 - $2,678,487.00
Total Budget Year FY 2028 - $2,812,309.00

Object Codes 200-290: Contractual Services
The major object codes in this classification of expenditures are postage, copier rentals, OITS charges, and machine maintenance. Approximately 70% of the amount budgeted in contractual services is for postage for the Central Mail office which is recovered by monthly billings to agencies.

Total Current Year FY 2027 - $9,762,651.00
Total Budget Year FY 2028 - $9,512,651.00

Object Codes 300-390: Commodities

The major object codes in this classification are for paper and buying surplus vehicles through the GSA program for resale.

Total Current Year FY 2027 - $1,777,450.00
Total Budget Year FY 2028 - $1,477,450.00

Object Code 400: Capital Outlay

The major object code in this classification is to replace outdated equipment in the printing plant.

Total Current Year FY 2027 - $7,000.00
Total Budget Year FY 2028 - $7,000.00

Object Code 920: Non-Expense

The major object codes in this classification are for indirect cost derived from the Statewide Cost Allocation Plan (SWCAP), sales tax payments, and depreciation transfers required by K.S.A 75-1004b.

Total Current Year FY 2027 - $680,000.00
Total Budget Year FY 2028 - $680,000.00

Narrative Information—DA 400

Division of the Budget

State of Kansas

Agency Department of Administration

Program Office of Procurement & Contracts

OFFICE OF PROCUREMENT AND CONTRACTS

The Office of Procurement and Contracts (OPC) is responsible for procuring goods and services at the best price for the agencies within the State of Kansas. When appropriate, establishing contracts which are available to political subdivisions of the State of Kansas. In addition, the Office of Procurement and Contracts provides oversight for the State's Purchasing Card program.

Kansas statutes provide authority and guidance to OPC for the procurement of goods and services. A Division of Purchases was originally established in 1953 under the DofA (K.S.A. 75-3737a to 75-3744). In 1987, the Legislature provided specific authorization to use negotiated procurement as a source selection method for the acquisition of technical equipment and services, with the Director of Purchases as a statutory member of the procurement negotiating committee (K.S.A. 75-37,102, as amended). The 2000 Legislature established the Professional Services Sunshine Act. This Act, K.S.A. 75-37.130 et seq., requires competitive contracts for professional and consulting services exceeding $25,000 to be bid by the Office of Procurement and Contracts, formerly the Division of Purchases, which do not meet the requirements of K.S.A. 75-3739 (a) and (h). In accordance with state statute, the Office of Procurement and Contracts posts all potential sole source transactions in the amount of $100,000 or greater, to its website for seven days prior to award. This allows potential competitors an opportunity to challenge the sole source nature of the transaction.

OPC is involved in the State Use Program, which prioritizes sales of certain goods and services by qualified vendors, who employ people with disabilities, as set forth in K.S.A. 75-3317 through 75-3322c.

PERFORMANCE MEASURES

OBJECTIVE #1

To provide information on the amount of procurement activity generated through the Office of Procurement and Contracts. All purchase requisitions generated by state agencies through SMART require some level of review and action.

Strategy for Objective #1:

1. Record the number of requisitions submitted to the Office of Procurement and Contracts through SMART, demonstrating the amount of procurement activity during a fiscal year.

Performance Measure for Objective #1:

	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Number of requisitions received	8,885	8,750	8,750	8,750

OBJECTIVE #2

Minimize the number of non-competitive bid requests approved.

Strategy for Objective #2

1. Evaluate requests for non-competitive bid events received by the Office of Procurement and Contracts from state agencies, pursuant to K.S.A. 75-3739, to determine level of activity each fiscal year.

Performance Measures for Objective #2

	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Number of prior authorization contracts approved	7,243	6,783	6,500	6,000

* The prior authorization contract approvals do not include statutory exemptions, grants, and utility encumbrances

OBJECTIVE #3

Maximize the number of state contracts that are managed in a fiscal year by the Office of Procurement and Contracts.

Strategy for Objective #3

1. Evaluate the number of state contracts that are open and being managed by the Office of Procurement and Contracts.

Performance Measures for Objective #3

	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Number of open state contracts	8,038	7,601	8,000	8,000

OBJECTIVE #4

Maximize the number of statewide contracts available to political subdivisions within the State of Kansas.

Strategy for Objective #4

1. Encourage vendors who are awarded statewide contracts to offer contract pricing to political subdivisions within the State of Kansas, utilizing the combined potential spend to receive/negotiate better pricing.

Performance Measures for Objective #4:

	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Number of contracts available to political subdivisions	2,763	2,838	3,000	3,250
Percentage of state contracts available to political subdivisions	34%	37%	37.5%	40.6%

OBJECTIVE #5

Implement strategic sourcing of state contracts for goods and services when practicable.

Strategy for Objective #5

1. Evaluate requests for bid events received by the Office of Procurement and Contracts from state agencies to determine statewide application and utilize spend and usage data to achieve pricing.

Performance Measure for Objective #5:

	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Number of events conducted	614	490	550	550
Number of A-Bids conducted	90	72	80	80
Number of Cooperative Contract Executed (Participating Addendums)	53	115	150	150

A significant number of tire distributors were added via participating addendum.

The number of events has been adjusted in 2025 to no longer include agency contracts that OPC approves after executing a prior authorization. The categories for events have also been broken out for additional transparency.

OBJECTIVE #6

Ensure agency procurement practices align with statutory requirements and DofA best practices.

Strategy for Objective #6

1. Provide training opportunities for state, local, and educational institutions. This is provided via online training, in-person, or through the Kansas Annual Business Summit (KABS).

Performance Measure for Objective #6:

	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
In agency training sessions provided	8	10	5	5
In office training sessions provided	7	5	15	25
Online training completed	0	10	25	50
KABS attendees	390	450	300	300

Training is a priority for OPC, through in-person, annual conferences, and online. This performance measure is being added to demonstrate the effort and manpower that OPC is dedicating towards this effort. The actual numbers in 2024 are approximate, based upon calendar entries. In FY26 an effort is being made to provide online training and a comprehensive procurement curriculum.

EXPENDITURE JUSTIFICATION
Total Current Year FY 2027 - $3,756,845.00
Total Budget Year FY 2028 - $3,840,032.00

Object Code 100: Salaries and Wages
The Office of Procurement and Contracts has a total of 29 FTEs. Over the past few years, staffing levels in OPC had decreased to a level where agencies were seeing exceptional long wait times and staff turnover was increasing. Additional staff have been hired and are currently in training.

The approved salary and wage budget for FY26 was 2,840,000, with an actual amount of 2,394,720 (reduction of 445,280). The anticipated FY27 budget is close to the original FY26 amount, with the additional of a staff attorney, insurance representative, and procurement officer. The additional staff should result in faster contract approvals and enhanced agency support, allowing in-house legal representation to focus on contract law.
Total Current Year FY 2027 - $2,856,345.00
Total Budget Year FY 2028 - $2,939,532.00 (3% increase, no additional staff)

Object Codes 200-290--Contractual Services
The major object codes in this classification are rents, communications, and other service fees. Increasing the staffing levels resulted in some temporary office remodels.

Total Current Year FY 2027 - $781,500.00
Total Budget Year FY 2028 - $781,500.00

Total annual increase from FY26 is $264,000. The annual budget increased $117,000 due to the office moving to the 10th floor of LSOB. This new location increases the usable square footage for the department. OPC is retaining a consultant (IKASO) to help develop a critical set of bid specifications in FY27 for statewide staffing and employee resources. This engagement includes after-bid engagement to ensure minimal disruption to agencies and vendors for a vital resource. The following fiscal year should see a reduction of $195,000 after this engagement is complete.

Object Codes 300-390—Commodities:
The major object code in this classification is office supplies.

Total Current Year FY 2027 - $56,500.00
Total Budget Year FY 2028 - $56,500.00

Object Codes 400-490—Capital Outlay:
The major object codes in this classification are computer equipment and software. Older computers are being replaced to follow the DTaaS schedule. Adding more staff has required the purchase of monitors and docking stations. The increase in FY 2025 is due to OPC moving office locations and the construction/remodeling costs that are associated with that.

Total Current Year FY 2027 - $ 62,500.00
Total Budget Year FY 2028 - $ 62,500.00

With the office move, some replacement furniture is still required, along with technology upgrades. Many of these upgrades were deliberately delayed pending the move.

Object Code 920--Non-Expense:
The major object code in this classification is the indirect costs derived from the Statewide Cost Allocation Plan (SWCAP).

Total Current Year FY 2027 - $0.00
Total Budget Year FY 2028 - $0.00

Narrative Information—DA 400

Division of the Budget

State of Kansas

Agency Department of Administration

Program Office of Personnel Services

OFFICE OF PERSONNEL SERVICES

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

STATUTORY HISTORY

K.S.A. 75-3701 et seq. established the Office of Personnel Services to administer the Kansas Civil Service Act (K.S.A. 75-2925 et seq.); K.S.A. 75-37,115 established the Kansas Quality Program; K.S.A. 75-37,105 established the Employee Award and Recognition Program; and K.S.A. 75-4362 and K.S.A. 75-7363 authorized the Drug Screening Program.

PROGRAM WIDE OVERVIEW

The Office is organized into four different sections, led by Deputy Directors who report directly to the Director of OPS. The four sections are: 1) State Agency HR Management, 2) Data Management, 3) Policy and Compliance, and 4) Staff Development and Training.

State Agency HR Management

OPS assists state agencies by providing technical and expert assistance on recruitment, selection, performance management, position management, organizational management, classification, compensation, employee relations, guidance and discipline, employee recognition, employee development and training, layoffs, furloughs, time and leave, payroll, benefits, FMLA, ADA, Shared Leave program and retirement.

Staff from OPS will continue to be available to assist agencies as they reassess and reorganize their operations and staffing needs in furtherance of efficiency. Partnering with agency management in these endeavors is critical, as OPS staff will be able to provide valuable assistance and guidance as agencies work through the challenges presented by those undertakings. OPS staff have worked to reenergize the Statewide Recruitment Network, hosting quarterly meetings, coordinating a monthly email blast, and facilitating multiple sub-committees to address the most pressing needs faced by state recruiters. These efforts bring needed attention to shared tension points, provide an avenue for information sharing, and create more consistency among state recruiters.

Beginning in FY26, OPS became responsible for the administration of the issuance of the keycards used for access to buildings in the Capitol Complex. This function was previously housed within the Kansas Highway Patrol (KHP) but was moved to OPS to better align with the HR onboarding process for State employees. Over the course of FY26, OPS has worked with KHP to implement and issue new keycards for all agencies in the Capitol Complex.

In FY 2026, the Department of Administration (D of A) continued to build upon the expanded State of Kansas Internship Program for Executive Branch agencies. The program is housed within OPS and is administered by a dedicated Internship Program team, with responsibility for all aspects of the program. In addition to events conducted throughout the year, OPS issues annual guidance with information on creating intern positions, determining the appropriate pay scale, establishing their job duties or special projects, providing assistance to the mentor or supervisor on how to best guide the intern through their internship, and providing the Intern with new employee information and helpful tips for a successful internship.

In FY 2026, a total of 31 agencies participate in the Internship Program, with an average of 153 interns participating in the program between the months of May and July. From January of 2019 through July of 2026, a total of 1,429 interns were hired by State agencies, and 149 of those interns were later hired as full-time employees.

OPS has continued to partner with non-Cabinet agencies and has Memoranda of Understanding (MOUs) with 21 non-Cabinet agencies, Boards and Commissions. These MOUs for Human Resource (HR) Services agreements provide cost savings and staffing efficiencies for the participating agencies, opportunities for State HR staff and allow for greater consistency of HR policies, practices, and procedures on a statewide basis.

Data Management

The Data Management Section of OPS administers the Statewide Human Resource and Payroll (SHARP) System, technical functions of the statewide Kansas Learning and Performance Management (KLPM) system, which is the statewide Learning Management System (LMS) and Talent Management System (TMS) as well as HR-related Internet application development and maintenance. Data Management staff provide assistance to employees, agency HR staff and fellow OPS staff members for information requests and on transaction entry in SHARP. This Section also produces an annual Workforce Report and provides regular HR-related reports and ad hoc queries in support of the Administration's efforts and in response to agency, legislative and media requests. OPS staff in this section also assist state agencies with SHARP questions and entries related to recruitment, time and labor, employee and position management, benefit payroll deductions and SHARP Security Access.

Policy and Compliance

The Policy and Compliance Section of OPS is responsible for the administration of the State’s classification, compensation, and performance management policies as well as compliance with the Federal Fair Labor Standards Act (FLSA) and Family Medical Leave Act (FMLA) in a continuing effort to establish consistent and efficient HR policies for all agencies. Staff members from this section also administer the State’s classified pay plan, review salary requests for unclassified positions, conduct annual salary surveys for the State workforce. Staff members from this section work in teams with OPS staff assigned to agencies as well as state agency management to review and recommend proposed changes to HR policies and practices in order to provide more efficient and consistent policies across the State workforce. This section is also responsible for conducting compliance examinations to ensure that HR policies are being implemented and administered consistently throughout the State workforce.

Staff from the Policy and Compliance Section also develop and maintain the State’s personnel regulations, coordinate statewide initiatives for the hiring of veterans and applicants with disabilities, and administer the State’s alcohol and drug screening programs. Staff provide subject matter

guidance on the Performance Management component of the KLPM and work with the Legislature and D of A's Labor Relations Director to develop and implement changes to State employee pay. Staff members from this section also manage the State's Employee Thanks and Recognition program (STAR).

Staff Development and Training

OPS staff will continue to coordinate with agency management and operational staff in order to provide enhanced and expanded training and staff development opportunities for State employees. Staff from this section are responsible for coordination of coursework and administration of the Learning Management component of the KLPM. OPS will continue to explore opportunities to expand its capacity to provide these opportunities and achieve cost savings by utilizing technology in the pursuit of these goals.

PERFORMANCE MEASURES

PROGRAM GOAL:

Strengthen and sustain a human resource system that is consistent, efficient, and meets the needs of state agencies.

OBJECTIVE #1

Provide quality services and information that meets the HR needs of customer agencies.

Strategies for Objective #1:

1. Request feedback to assess customer agencies' satisfaction.
2. Staff will provide HR services to customer agencies in a timely, and efficient manner.

Performance Measures for Objective #1:

	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Percentage of customer agencies satisfied with OPS services	100%	100%	100%	100%
Number of non-Cabinet agencies receiving HR assistance from OPS	58	61	61	61
Percentage of non-Cabinet agencies receiving HR assistance from OPS (Excludes Universities)	100%	100%	100%	100%
Number of queries and reports provided for agencies, KORA and Legislative inquiries	1,700	1,500	1,300	1,300
Average response time for queries and reports requested from OPS	Within 3 days	Within 3 days	Within 3 days	Within 3 days

OBJECTIVE #2

Reduce the amount of time that it takes for agencies to fill both classified and unclassified positions.

Strategy for Objective #2:

1. Improve timeliness of individual components of hiring process.

Performance Measures for Objective #2:

	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Number of days from start of process to approval of requests for positions	2.26	1.93	< 2 days	< 2 days
Average OPS processing time of unclassified requests	< 2.5 hours	< 2.5 hours	< 2.5 hours	< 2.5 hours

OBJECTIVE #3

Provide enhanced and expanded training and staff development opportunities for State employees.

Strategy for Objective #3:

1. Develop outreach strategies to better communicate availability of training opportunities.

Performance Measure for Objective #3:

	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Number of training courses made available to all agencies (Face-to-face and Online):	State: 181 Vendor: 10,670	State: 183 Vendor: 10,775	State: 187 Vendor: 10,850	State: 190 Vendor: 11,000

EXPENDITURE JUSTIFICATION
Total Current Year FY 2027 - $2,666,230.00
Total Budget Year FY 2028 - $2,766,368.00

Object Code 100: Salaries and Wages
The Office of Personnel has a total of 26 FTEs.

Total Current Year FY 2027 - $2,311,293.00
Total Budget Year FY 2028 - $2,411,431.00

Object Codes 200-290: Contractual Services
The major object codes in this classification are rent, communications, travel, memberships in professional organizations, and printing.

Total Current Year FY 2027 - $373,000
Total Budget Year FY 2028 - $346,687

Object Codes 300-390 Commodities
The major object codes in this classification are fuel, office supplies needed in the training for groups, and professional materials and supplies.

Total Current Year FY 2027 - $3,250.00
Total Budget Year FY 2028 - $3,250.00

Object Codes 400-490: Capital Outlay
The major object codes in this classification are software and equipment.

Total Current Year FY 2027 - $5,000.00
Total Budget Year FY 2028 - $5,000.00

Narrative Information—DA 400

Division of the Budget

State of Kansas

Agency Department of Administration

Program Div. of State Employee Health Benefits Plan

DIVISION OF STATE EMPLOYEE HEALTH BENEFITS PLAN

The State Employee Health Benefits Program (SEHBP) is a Division in the Department of Administration. The SEHBP administers both the State Employee Health Plan (SEHP) and the State Self Insurance Fund (SSIF) that covers the State's workers' compensation claims for State agencies. The State Employees' Health Benefits Plan (SEHBP) program administers the State Employee Health Plan (SEHP) on behalf of the Health Care Commission (HCC). Beginning in FY 2028 the reporting of budgeted and actual funds has been updated to align with the division's organizational structure.

The HCC contracts with an actuarial service to provide guidance in setting rates and insuring the financial stability of the program. The actuarial service establishes estimations of outstanding losses consistent with the Governmental Accounting Standards Board (GASB). As required by GASB Statement No. 10 details of estimated outstanding losses are required for self-insured public entities.

The HCC is responsible for managing the plan, reservices, and determining the annual plan rates. Employee health plan contributions are adjusted on the Plan Year (PY) basis. The PY is the calendar year. Employer contributions are adjusted on the Fiscal Year (FY) basis. While Kansas has enjoyed favorable trends in the past, 2025 and the first half of 2026 have shown a sharp spike in trends for the SEHP. The impact on the reserve fund balance has been negative and requires adjustments in 2026, 2027, and possibly 2028 to regain the necessary reserve balances to meet legislative guidelines. Reserve funds are intended to cover Incurred but Not Reported ((IBNR) claims and unexpected claim fluctuations.

Covered members in the SEHP include State employees and their dependents, retired and disabled State employees and their dependents, people on leave without pay, elected officials and blind vending facility operators. Over the years, the number of contracts and the types of eligible groups covered by the SEHP have expanded. In 1999, the Commission established administrative procedures and eligibility requirements (K.A.R. 108-1-3) to allow groups including unified school districts, community colleges, technical colleges, and vocational technical schools into the State plan. Beginning in 2000, the Commission established administrative procedures and eligibility requirements (K.A.R. 108-1-4) to allow for inclusion of cities, counties, townships, libraries, public hospitals, extension councils and certain other public entities. In PY 2024, three employer groups joined the SEHP. In PY 2025, two public employer groups joined the SEHP. The cost to administer this portion of the program is reflected in the premiums charged to these groups; therefore, these entities do pay a different composite rate and employee premiums than state agencies. Groups joining the SEHP follow the underwriting guidelines set out in K.S.A. 75-6506.

Health Plan Enrollment - Enrollment in the SEHP includes active employees, retirees, employees receiving long-term disability payments, employees on leave without pay, public employer groups, qualified beneficiaries on COBRA and other individuals identified in K.A.R 108- 1-1, K.A.R. 108-1-3 and K.A.R. 108-1-4. As of June 2026**,** total enrollment in the State Employee Health Plan for medical was 46,828 policies and 82,764

covered lives including retirees and former employees living in 50 states plus District of Columbia and Puerto Rico. In PY 2026, 88.8 percent of the active State employees and 84.3 percent of public employee groups were enrolled in medical, dental or vision. For the active State population, 55.7 percent are enrolled in single coverage and 44.3 percent provide coverage for their dependents.

There are 115 public employers participating in the SEHP. As of June 2026, public employers included 9 school districts and community colleges; 45 cities, counties, or townships; 14 public hospitals; and 47 miscellaneous local government entities, extension offices, water districts or housing authorities. The number of members in the groups range from 1 to 258. There are four groups who have more than 200 members and 11 groups with between 100 and 200 members.

Total medical enrollment policies as of June 2026 included:

Active State of Kansas employee policies		35,646
Active Non State Public employee policies		3,190
Direct Bill/Retiree policies		7,925
COBRA policies		67
	Total	46,828

Health Plan Design

Medical – All members have a choice of four different preferred provider organizations (PPOs) plans. As of December 2025, 49.8 percent of active State contracts selected Plan A and 42.6 percent selected Plan C – a Qualified High Deductible Health Plan (QHDHP) with a health savings account (HSA)/health reimbursement account (HRA), 1.6 percent selected Plan J and 7.1 percent selected Plan N also a QHDHP with HSA/HRA. About $384 million was spent in PY 2025 on medical claims for self-funded plans.

Prescription Drugs – Prescription drugs are administered by a Pharmacy Benefits Manager (PBM). The plan design includes a tiered coinsurance program with a separate copayment for special case medications. Certain prescription drugs are not covered by the Plan but can be purchased at a discount by the employee through the PBM. The generic dispensing rate for SEHP is 82.7%. Claims costs in PY 2025 were $131.8.2 million. The average claim cost per member per month for PY 2025 was $131.

Dental – Beginning with PY 2024, single dental coverage is provided at no cost to the employee. In PY 2025, $30.9 million was paid in claims. The average cost per active member per month for PY 2025 was $29.37.

Vision – Two voluntary vision insurance plans are offered. Employees pay 100% of the premiums for the plans selected. For PY 2025, the number of employees enrolled in vision is 36,246 with 10,037 basic and 26,209 enhanced.

Direct Bill Medicare programs – Direct Bill members who are Medicare eligible can enroll in one of the five Medicare supplement insurance plan options known as Kansas Senior Plans (C, C select, G, G select or N), or two Medicare Advantage plan options. Direct Bill members paid about $23.9 million in premiums for the fully insured Medicare health plans. In PY 2025, there were 6,681 members in the Medicare Supplement Plan and 763 in the Medicare Advantage Plans.

Direct Bill members with Medicare may also enroll in fully insured Medicare Part D prescription drug plans through Silverscript. Direct bill members paid $255 thousand in premiums for the Silverscript Part D prescription drug coverage in PY 2025. For PY 2025, there are 2,006 members enrolled in the Part D prescription drug coverage.

COBRA Administration – The health plan uses a third-party administrator for administration of COBRA continuation benefits, record keeping and premium collection. As of December 31, 2025, there were 188 members participating in COBRA through the State Employee Health Plan.

Voluntary Benefits –Voluntary insurance plans were offered to employees for the first time during open enrollment in PY 2018. Employees pay 100% of the premiums for the plans selected. Voluntary plans offered were Accident insurance, Hospital Indemnity Insurance and Critical Illness Insurance. Enrollment numbers for PY 2026 are:

Accident Insurance	19,060
Critical Illness Insurance	14,299
Hospital Indemnity Insurance	14,423

Health Plan Ancillary Services

Flexible Spending Accounts – The Flexible Spending Account (FSA) are administered through a third-party vendor. A flexible spending account is an account set up under IRS cafeteria plan rules that allow employees to set aside funds from their paycheck on a pre-tax basis to pay for certain eligible expenses. The FSA programs are offered to active State of Kansas employees include a health care FSA for employees enrolled in Plans A and J, a limited purpose FSA for employees enrolled in Plans C or N and a dependent care account. The health care FSA allows employees on Plans A or J to set aside funds to pay for qualified out of pocket expenses for their health, dental and vision care. A limited purpose FSA is available for those employees enrolled in Plan C or N, to pay qualified out of pocket expenses for dental or vision care expenses. A Dependent Care FSA is available for employees to pay for day care expenses for their children under age 13 or for elder care expenses. Beginning in 2021, Non State Public Employer Groups have the option to allow their employees to enroll in the State's FSA programs. Starting in 2023, Mass Transit and Parking FSA were offered to employees. Currently there are 9,573 active State employees that participate in these programs and 192 Non State employees.

Premium Billing Administration – Starting July 1, 2016, the State Employees' Health Plan provides premium billing services to the Non State Public Employer Groups and Direct Bill Members.

Federal Fees

Patient Centered Outcomes Research Institute (PCORI) Fee – is charged based on the enrollment of active employees and pre-65 retirees. The PCORI fee was established under the Affordable Care Act to assist patients, clinicians, purchasers, and policy makers in making informed health decisions by advancing comparative clinical effectiveness research. The PCORI fee was originally $2 per member but has increased over time. For PY 2026 the fee was $3.84 per member for a total of $242,860.80.

Health and Wellness

HealthQuest was instituted in 1988 to provide a wellness program with the goal of improving employee health and reducing health care costs. Over the years a wide variety of programs were added making HealthQuest a comprehensive health and wellness program. Program offerings include an online health assessment, onsite biometric screenings, coaching services, a weight management program, web-based lifestyle programs, online health resources, monthly newsletters and webinars, employee assistance program for counseling, referrals, and other resources. The HealthQuest Program is optional, and employees are not required to participate to be enrolled in the SEHP.

The onsite employee clinic known as the HealthQuest (HQ) Health Center, operated by Marathon Health opened in May 2019. It is in the Mills Building at 901 S. Kansas Avenue, Topeka, KS. The HealthQuest Health Center offers both in person and telehealth services to address the health needs of employees and their families covered under the State Employee Health Plan medical insurance. Starting January 2023, Marathon Health provides administrative services for the HealthQuest wellness program and the onsite clinic.

Employees enrolled in the medical portion of the State Employee Health Plan earn credits by participating in wellness activities offered through the wellness programs HealthQuest Reward Program. The HealthQuest Reward Program includes a premium incentive discount for Plan A and for members enrolled in Plans C, J, and N, employer contributions into their HSA or HRA.

To earn the premium incentive reduction of $480 for PY 2026, employees have from January 1, 2025, to December 31, 2025, to earn 40 credits through participation in wellness activities. Plan A members also could earn a reduced premium incentive of $240 for PY 2026 if they only earned 20 credits during PY 2025. In 2025, there were 19,572 employees who received at least 40 credits and earned the premium discount. There were 4,301 Plan A members who earned at least 20 credits and earned a $240 premium discount. Employees on Plans C, J and N each could earn up to $500 for their HSA or HRA.

State Self Insurance Fund (State Employees' Workers Compensation)

The State Self Insurance Fund (SSIF) provides the Workers Compensation coverage for State agencies. SSIF is responsible for providing health care benefits in compliance with state and federal workers compensation laws for State employees injured or killed in the course of their employment. The 20 staff members in the SSIF are responsible for the administration and compliance for the self-insured, self-administered Workers Compensation benefits program. The SSIF was implemented through legislation. The SSIF is funded by contributions from state agencies. The

agency rates are developed by an actuarial service using claims experience, payroll history and caps on expenses. Rates are approved by the Department of Administration and published by the Division of the Budget.
Shown below are the State Self- Insurance Fund's estimated outstanding losses (the cost of unpaid claims including case reserves, development of known claims, incurred but not reported (IBNR) claims and the direct settlement expenses for specific claims – primarily legal expenses) along with the required reserve fund to support the programs expenditures:

	Fiscal Year	Outstanding Claims	Required Fund Balance
•	FY 2027	$ 44,663,000	$ 4,221,732
•	FY 2028	$ 45,768,000	$ 4,335,719
•	FY 2029	$ 46,937,000	$ 4,452,783

The SSIF manages and processes claims for injuries that arise out of and in-the-course of employment. Medical compensation to treat the employee's injury does not have a cap. Medical payment to health care providers is based on a fee schedule developed by the Workers' Compensation Division of the Kansas Department of Labor.

Additionally, compensation is paid for loss of time, permanent impairment, or death. A medical review service is utilized to review claims for medical appropriateness, nurse case management on complex cases and pricing. On average, 108 accident reports are received monthly. In FY 2026, SSIF spent about $13 million on claims with about 62.1 percent for medical services and 37.9 percent for indemnity.

PERFORMANCE MEASURES

Performance measures for State Employee Health Benefits Program are recorded on a calendar year (CY) basis, in alignment with each PY's timeframe. This has no implications for the budget.

OBJECTIVE #1 – State Employee Health Plan
Manage the fund balance to be 10%-13% of Plan Expenses over the preceding three years (HB 2218)

Strategy for Objective #1:

2. Identify opportunities to minimize increases to employee contributions or cost sharing requirements.

Performance Measures for Objective #1

	Actual PY 2025	Projected PY 2026	Projected PY 2027	Projected PY 2028
Fund Balance 10-13% of plan expenses	5.11%	0.51%	0.68%	5.39%
Plan Expenses	$628,958,243	$673,381,528	$710,832,540	$735,748,971

OBJECTIVE #2 – State Employee Health Plan
Improve the health of members of the plan

Strategies for Objective #2:

1. Increase engagement in the wellness plan by increased communications.
2. Increase number of members who get preventive dental cleanings, mammograms, colonoscopies, wellness visits by 2% a year

Performance Measures for Objective #2

	Actual PY 2025	Projected PY 2026	Projected PY 2027	Projected PY 2028
Number of preventive dental cleanings	97,915	99,873	101,871	103,908
Number of members who get mammograms	10,959	11,178	11,402	11,630
Number of members who get colonoscopies	3,595	3,667	3,740	3,815
Numbers of members who get wellness visits	43,309	44,175	45,059	45,960

OBJECTIVE #3 – State Self Insurance Fund Integrate the Nurse Triage Program to reduce claim expense

Strategies for Objective #3:

1. Increase the number of calls / contacts to nurse triage
2. Reduce the number of first loss calls

Performance Measures for Objective #3

	Actual FY 2024	Actual FY 2025	Actual FY 2026	Projected FY 2027
Percent of calls to nurse triage - Self-Care	26%	24%	28%	26%
Percent of calls to nurse triage – OCC Med/UCC	64%	67%	64%	65.5%
Percent of calls to nurse triage – ER Now	7.0%	9.0%	7.8%	8.1%
Percent of calls to nurse triage – Dentist	0%	0%	0%	0%
Percent of calls to nurse triage for First Notice of Loss – Self Care	.6%	.7%	.9%	0.83%
Percent of calls to nurse triage for First Notice of Loss – OCC Med/ UCC Now	5.8%	5.3%	5.4%	5.4%
Percent of calls to nurse triage for First Notice of Loss – ER Now	5.7%	6.7%	6.1%	6.4%

EXPENDITURE JUSTIFICATION – The Division of State Employee Health Benefits Program (SEHBP)
Total Current Year FY 2027 - $797,814,887.00
Total Budget Year FY 2028 - $822,934,154.00

The State Employee Health Benefits Program (SEHBP) administers the State Employee Health Plan (SEHP) for State employees, retirees, and group members. It also administers the State's self-funded Workers' Compensation program – State Self Insurance Fund (SSIF). The budget request includes funding for the staff and administrative activities required to administer contracts with health insurance carriers, managed care companies, pharmacy benefits manager and other administrative service contractors. SSIF program processes claims for State workers injured on the job and helps manage the utilization of services needed to rehabilitate or remediate the injuries of workers.

Object Code 100: Salaries and Wages
The Division of State Employee Health Benefits Program has a staff of 46 permanent FTEs and 6 seasonal non-FTEs.

Total Current Year FY 2027 - $4,311,596.00
Total Budget Year FY 2028 - $4,490,870.00

Object Codes 200-290: Contractual Services
The contractual services budget includes operating costs including communications, printing, and rental costs. The primary expenditure is for contracts to support the management of the State Employee Health Benefits Programs. These contracts include actuarial services, imaging equipment maintenance, billing and case maintenance for retirees, administrative services for health and dependent care flexible spending and providing materials for employees and state agencies.

Total Current Year FY 2027 - $19,207,300.00
Total Budget Year FY 2028 - $19,212,300.00

Object Codes 300-390 Commodities
Funds are requested to support maintenance costs such as fuel and office supplies, along with professional materials and supplies.

Total Current Year FY 2027 - $27,750.00
Total Budget Year FY 2028 - $27,750.00

Object Codes 400-490: Capital Outlay
This category includes capital outlay expenditures for software in the current and the budget year.

Total Current Year FY 2027 - $66,400.00
Total Budget Year FY 2028 - $66,400.00

Object Codes 500-590: Other Assistance, Grants and Benefits
Other assistance provided through the SEHBP are payments made to pay claims of injured workers through the Workers' Compensation program and are based on actuarial estimates.

Total Current Year FY 2027 - $17,000,000.00
Total Budget Year FY 2028 - $17,000,000.00

Object Code 920: Non-Expense
Employee healthcare premium payroll deductions pay for claims.

Total Current Year FY 2027 - $757,201,841.00
Total Budget Year FY 2028 - $782,136,834.00

Narrative Information—DA 400

Division of the Budget — Agency Department of Administration

State of Kansas — Program Office of Accounts & Reports

OFFICE OF ACCOUNTS AND REPORTS

The Office of Accounts and Reports (OAR) provides the following centralized services critical to the state including:

- Maintenance of the Statewide Human Resources and Payroll system (SHARP) and the Statewide Management, Accounting and Reporting Tool (SMART)
- Processing of payroll accounting/calculations/distributions and processing of statewide daily accounting transactions
- Procurement and management of statewide external audit services
- Remittance of all payroll tax withholdings, employer contributions, and employee deductions
- Development, adoption, and maintenance of statewide accounting policy manual
- Daily and annual audits of state agency transactions, assets, and other financial activity to ensure compliance with statutes, regulations, policies, and accepted accounting principles
- Accounting and reporting services for the Kansas Public Water Supply Loan Fund and the Kansas Water Pollution Control Revolving Fund, also known as the State Revolving Funds (SRF)
- Assistance in preparing, analyzing, and reviewing financial data for bond issuance, bond refunding, and annual bond disclosures
- Development and maintenance of KanView, the State's taxpayer transparency website
- Administration of the Setoff program including, Kansas Debt Recovery System (KDRS) and Kansas Treasury Offset Program (KTOP)
- Providing information to local governments on the budget law, cash basis law, municipal audit law, and related budget form

In addition to oversight of the reports and services listed above, the Director of OAR holds the following official responsibilities:

- Member of the Department of Administration Contract Audit Committee
- A member of the Department of Administration Bond Disclosure Committee
- State Social Security Administrator

OAR delivers the following external reports:

- State of Kansas Annual Comprehensive Financial Report (ACFR)
- Schedule of Expenditures of Federal Awards (SEFA) and related federal Single Audit
- Cash Management Improvement Act of 1990 (CMIA) Annual Report of excess interest earning on federal funds
- Quarterly and annual reports to the United States Census Bureau and filing of federal 990T and Kansas K120 tax returns
- Issuance of annual W-2, 1099 and 1042-S forms

Statewide Consolidated Reporting

OAR is responsible for procuring and managing audit services for the ACFR financial audit, the federal single audit, audits of the Kansas Department of Transportation (KDOT) ACFR, the Kansas Department of Health and Environment (KDHE) SRF financial reports, and the biennial reviews of the State Treasurer's Office (STO) and Pooled Money Investment Board (PMIB). OAR acts as the liaison between the independent auditors and agencies and is key in coordinating the statewide audit contracts and related communications.

OAR is responsible for all aspects of the State of Kansas' official ACFR, which by statute is required to be presented to the Governor on or before December 31 following the close of the fiscal year. The ACFR is a main resource for individuals and firms considering the purchase of State of Kansas bonds issued to finance state government projects and any other persons interested in the State's audited financial statements. Responsibilities include:

- Requesting various agency financial disclosures and confirmations
- Data reconciliations and preparation of the ACFR in accordance with generally accepted accounting principles for government
- Coordination of independent auditors who render an opinion as to the fair representation of the State's financial position

OAR is responsible for all aspects of the SEFA which is used by the independent auditors to determine which federal programs will be audited for the federal Single Audit. The federal Single Audit is performed to evaluate compliance with federal laws, regulations, contracts, and other requirements; evaluate agencies' internal controls over compliance; and identify any questioned costs associated with non-compliance. The federal Single Audit is transmitted to the Office of Management and Budget's Federal Audit Clearinghouse by March 31 each year. Related responsibilities include:

- Offer educational opportunities to assist state agencies in compliance with provisions of the new Uniform Grant Guidance.
- Provide assistance and guidance to state agencies regarding the timing of drawdowns of federal funds and the required interest calculations in accordance with the Treasury State Agreement under the CMIA and K.S.A. 75-3083.

Other federal reporting and filing responsibilities include:

- Acting as the liaison between local units of government, the Social Security Administration (SSA) and Internal Revenue Service (IRS) regarding the Section 218 Agreement in accordance with Social Security Regulation 404.1204 and K.S.A. 40-2302.
- Providing quarterly and annual reports to the United States Census Bureau and aggregating unrelated business income information to ensure annual federal 990T and Kansas K120 tax returns are filed timely. The US Census Bureau requests participation with the Quarterly Survey of State Government Tax Collections with the Annual Survey of the State Government Finances.

Statewide Payroll and Accounting Systems

OAR is responsible for the maintenance of the Statewide Human Resources and Payroll system (SHARP) and the accurate and timely processing of payroll accounting, calculations, distributions, and analysis as required by K.S.A. 75-5501 et seq. In addition to SHARP, a web-based Oracle/PeopleSoft Human Capital Management System, each regent institution maintains an HR/Payroll system which interfaces gross-to-net payroll to the centrally maintained SHARP system. The SHARP System pays 50,000 employees bi-weekly and issued 72,540 W-2s for CY2025 for an annual payroll totaling $3.18 billion.

OAR is responsible for the maintenance of the Statewide Management, Accounting and Reporting Tool (SMART) and the accurate and timely processing of statewide daily accounting transactions as required by K.S.A. 75-3728 et seq. SMART, a web-based Oracle/PeopleSoft System, generally upgrades one time per year and is currently on version 9.2.045. The functions within this system provide accounts payable, travel and expense, accounts receivable, billing, purchasing, project costing, asset management and general ledger in a centralized manner for all state agencies. There are approximately 3,800 active users of the statewide accounting system. There were 74,465 payment vouchers processed in the month of June 2026 totaling $3.4 billion paid to State of Kansas suppliers.

Additional responsibilities include:

- Monitoring, interpreting, assessing impacts, and implementing changes to the SHARP and SMART systems required by
    - Contractual changes with third party systems responsible for employee benefits and/or voluntary payroll deductions as authorized by statute
    - Federal and state laws and legislation
    - Business practices and regulations
- Communicating with, training, and assisting all levels of SHARP and SMART users in
    - Preparation, submission, and processing of accounting documents
    - Accurate processing, reporting and record keeping, in accordance with established standards and controls
    - Interpretation and application of rules, regulations, policies and procedures, federal and state law, and GAAP compliance
- Establishment and maintenance of budgetary appropriations in SMART
- Review and execution of daily pay-cycle to authorize agency business payments, approval and maintenance of statewide vendors, maintenance, and re-issuance of ACH returns
- Issuance of annual W-2, 1099 and 1042-S forms
- Reconciliation and timely and accurate remittance, of all employer contributions, employee deductions, and payroll tax withholdings using Asure Payroll Tax Management.

Statewide Internal Audit, Controls and Compliance

OAR oversees development, adoption, and maintenance of the Statewide Accounting Policy Manual under (1) the statutory authorities of K.S.A 75-3728 through 75-3731, (2) supporting administrative regulations and (3) generally accepted accounting principles, audit standards and accounting practices and procedures. The Policy Manual, Informational Circulars, and standardized accounting forms assist agencies with developing agency-specific accounting policies in accordance with these same statewide guidelines.

OAR administers the Delegated Audit Program under the statutory provisions of K.S.A. 75-3728 through 75-3731. Annual audits are designed to perform review of agency expenditures, local funds, assets, accounts receivable, examination of bills, claims, refunds, and other financial activity. Transactions above the delegated audit threshold (based according to agency materiality and risk) are audited prior to processing to ensure compliance with statutes, regulations, policies, and accepted accounting principles. Agency transactions below the delegated audit threshold are sampled annually to identify additional compliance gaps.

Additional risk and compliance programs are in development to identify, assess, and mitigate financial reporting risks at the agency and central operating levels. Annual summaries of identified risks will be issued to each agency with findings accumulated from the following information sources:

- System controls for monitoring compliance
- Reconciliation controls analyzing the financial processing areas that affect cash through SMART
- Patterns identified within the Delegated Audit Program or Procurement's P-Card audits
- Repeat or un-remediated findings or comments from external audits (both ACFR and SEFA)

With a central control and compliance program in place, OAR has formalized a Statewide Internal Controls Framework. The new Internal Controls Framework, based on the US Government Accountability Office Standards for Internal Control in the Federal Government (the Green Book), guides internal control policies across the state. The team works proactively with state agencies to ensure they understand and implement provisions of the Framework.

Inter-Agency Financial Reporting Service Agreements

OAR provides accounting and reporting services for the Kansas Public Water Supply Loan Fund and the Kansas Water Pollution Control Revolving Fund. These SRF programs are under the authority of KDHE and provide the funding necessary for low interest loans for qualifying water projects of local units of Kansas government. These services are part of a tri-party interagency agreement financed by KDHE, with other services provided by the Kansas Development Finance Authority (KDFA).

Financial Services Extended Beyond State Agencies

OAR is responsible for the development and maintenance of KanView per K.S.A. 74-72,122 et seq. KanView contains data related to state revenues, expenses, indebtedness, and employee compensation allowing citizens the ability to view and download financial information at no cost to the public.

OAR administers the KDRS, governed by K.S.A. 75-6201 et seq. allowing the DofA to set off moneys the State of Kansas owes vendors and individuals against debts those debtor entities owe to the State of Kansas, municipalities, district courts, and state-owned casinos (creditor agencies). State payments in process, that are matched by computer and set off against debtor files, include: state payroll, individual income tax refunds, homestead tax refunds, miscellaneous state payments (includes lottery payments), unclaimed property, Kansas public employee retirement payments, sports betting app winnings, and casino prize payments requiring the issuance of IRS W-2G forms. The Setoff Program retains a percentage of the amount collected, to cover program administration costs, and transfers the net collection to the Creditor Agency. The Setoff program enables the Kansas Department of Revenue (KDOR) and the State of Missouri to participate in a reciprocal setoff program for tax debts setoff against tax refunds. OAR manages the Missouri tax debts and collections in the KDRS, but KDOR executes the reciprocal processes of Kansas tax debts directly with Missouri.

OAR administers the KTOP, governed by K.S.A. 75-6216, allowing the DofA to enter into a reciprocal agreement with the U.S. Department of the Treasury, Bureau of the Fiscal Service (BFS). The State Reciprocal Program (SRP) provides for the State of Kansas, as a creditor agency, collection of unpaid state debt by offset of federal non-tax payments. The State of Kansas, as a payment agency, is responsible for the withholding of state miscellaneous payments to satisfy federal non-tax debts and transfer collections to the Treasury Offset Program (TOP). The Reciprocal Offset Agreement also allows KDOR tax debts to be collected from federal non-tax payments. Collections for KDOR tax debts are remitted from KTOP directly to KDOR.

OAR provides information and guidance to local governments related to the Budget Law (K.S.A. 79-2925 et seq.), Cash Basis Law (K.S.A. 10-1101 et seq.) and Municipal Audit Law (K.S.A. 75-1117 et seq.). Under the Budget Law, OAR must develop and prescribe the budget forms to be used by all taxing subdivisions (excluding school districts) and must receive such adopted budgets electronically. The Municipal Audit Law requires all audit reports to be filed electronically with OAR within one year of the end of the municipality's fiscal year. Additionally, through partnership with the Kansas Municipal Auditing and Accounting Guide Board of Editors and the Kansas Society of Certified Public Accountants, OAR develops and prescribes a municipal audit guide to be followed by certified public accountants that engage in municipal audits. OAR hosts budget workshops annually for the benefit of local government officials, staff and their auditors.

OAR assists in preparing, analyzing, and reviewing financial data for bond issuances, bond refundings, and bond Annual Continuing Disclosures (ACDs). In accordance with the federal Securities Exchange Commission Rule 15c2-12, OAR assists with the following requirements:

1. Prepare and submit various prescribed financial schedules, outstanding obligations, and other information integral to bond issuance Official Statements disclosing an accurate representation of the state's financial condition for potential bond investors.
2. The Municipal Securities Rulemaking Board, in collaboration with the Securities Exchange Commission share the objective to expand municipal market knowledge and oversight capability in establishing and maintaining the Electronic Municipal Market Access (EMMA) website as the official repository for bond disclosure documents. OAR prepares the ACD updating the state's financial condition from original offering statements and/or previous ACDs. The ACD and the state's ACFR are submitted to EMMA within 190 days following the close of the fiscal year.
3. Report certain material disclosure events on a case-by-case basis relating to the incurrence of financial obligations.
4. Preparation of Annual Bond-Financed Post Issuance Compliance Questionnaire for each outstanding bond issuance for which the source of debt service payments is the state general fund.

PERFORMANCE MEASURES

OBJECTIVE #1

To identify and implement solutions that support transparency to taxpayers and other interested groups.

Strategies for Objective #1:

1. Maintain the KanView taxpayer transparency website to ensure relevant and valuable information is available in a timely and complete manner.
2. Maintain outreach efforts and data collection mechanisms to encourage timely and complete availability of municipality budget and audit filings.

Performance Measures for Objective #1:

	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Municipal Services: Date when all local government budgets are posted online for the current fiscal year	3/10/2025	3/30/2026	3/15/2027	3/15/2028
Municipal Services: Percent of Municipal Audit Reports posted to the website	100%	100%	100%	100%
Municipal Workshops: Number of statewide attendees	453	433	450	450
Municipal Workshops: Number of workshops conducted statewide	7 In Person, 3 Virtual	7 In Person, 3 Virtual	7 In Person, 3 Virtual	7 In Person, 3 Virtual
Municipal Workshops: Overall Satisfaction Score -(Good 3, Very good 4, Excellent 5)	3.96	3.99	4.25	4.25

OBJECTIVE #2

To provide appropriate guidance and support for minimized findings on external audits while ensuring compliance with statutory deadlines

Strategies for Objective #2:

1. Communicate deadlines, coordinate questions and track compliance with all due dates.
2. Provide team members with appropriate accounting and disclosure training regarding ACFR-related subjects.
3. Provide training opportunities for state agency staff regarding appropriate and compliant accounting practices.
4. Monitor corrective action plans and collaborate with state agencies regarding audit finding resolutions.
5. Timely and complete preparation of financial tables and disclosures required for new and outstanding bonds.

Performance Measures for Objective #2:

	Actual FY 2025 (FY 24 Reports)	Actual FY 2026 (FY 25 Reports)	Projected FY 2027 (FY 26 Reports)	Projected FY 2028 (FY 27 Reports)
Financial Audit:				
Number of audit findings	2	2	2	2
Number of repeat audit findings	0	0	0	0
SEFA Audit:				
Number of audit findings	13	14	12	12
Number of repeat audit findings	5	5	5	5
SRF Audit:				
Number of audit findings	0	0	0	0
Number of repeat audit findings	0	0	0	0
Compliance Checklist:				
ACFR completed by due date	Yes	Yes	Yes	Yes
SEFA completed by due date	Yes	Yes	Yes	Yes
SRF Audit Filed by due date	Yes	Yes	Yes	Yes
Annual Bond Continuing Disclosure Deadline Met	Yes	Yes	Yes	Yes

	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
SEFA: Uniform Guidance Roundtable Workshop Percent of total Satisfaction Surveys with ratings of satisfied or higher	N/A*	100	95	95
SEFA: Uniform Guidance Roundtable Attendees	96	189	150	150

*No optional Satisfaction survey results were received for the FY2025 Workshop

OBJECTIVE #3

Provide quality customer service to agencies, taxpayers and others served and supported through the KDRS/KTOP programs with the goal of maximizing collection of outstanding debt accounts for the State of Kansas, municipalities, and foreign state agencies.

Strategies for Objective #3:

1. Maximize the economies available from the KDRS and KTOP by continuing to market participation in the programs as a debt recovery solution for qualified entities through presentations and outreach via conferences, meetings, professional organizations, etc.
2. Provide annual training to current and potential creditor agencies of the Setoff and KTOP Programs.

Performance Measures for Objective #3:

	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Setoff: Average Rating of Overall Satisfaction with KDRS Training Course (scale of 1-10)	N/A	N/A	8.5	8.75
Setoff: New Debts Entered into Kansas Debt Recovery System	561,963	384,493	375,000	375,000
Setoff: New Debts Researched/Validated by KDRS Staff for Entry into KDRS	1,669	5,311	4,000	4,000

*Due to staff turnover and restructuring in the Setoff team no statewide training courses were performed in FY25 or FY26. Users with needs were helped on an individual basis

OBJECTIVE #4

The Office of Accounts and Reports will reduce the cost of printing and mailing by encouraging employees to opt for electronic W-2s and encouraging suppliers to receive payments by ACH.

Strategies for Objective #4:

1. Encourage employees to consent to receive electronic rather than paper W-2s.
2. Develop outreach strategies to better communicate availability of electronic W-2s to all State of Kansas employees, (including Regent/Student employees).
3. Work with OPC to provide eSupplier and ACH information to new suppliers as they are on-boarded.
4. Identify existing high-volume suppliers and complete outreach to encourage suppliers to authorize a transition to ACH.

Performance Measures for Objective #4:

	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Payroll: Percentage of Electronic W-2 Employee Consents	48.1%	48.0%	49.0%	50.0%
Accounting: Percentage of SMART Accounting payments to suppliers paid by ACH	54.8%	56.3%	58.0%	60.0%

OBJECTIVE #5

Ensure statutory, regulatory, and accounting compliance for employment taxes through accurate, timely withholding, and remittance for all required tax jurisdictions.

Strategies for Objective #5:

1. Utilize available professional resources to identify impacts of existing and new regulations for Federal, State, and Local employment tax processing.
2. Ensure compliance with all tax withholding requirements by working collaboratively to develop required businesses processes and train agencies to identify and implement accurate tax withholding data for all employees.

Performance Measure for Objective #5:

	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Payroll: Number of Federal, State and Local tax withholding jurisdictions	173	190	205	220
Payroll: Number of unemployment jurisdictions	38	39	40	41

EXPENDITURE JUSTIFICATION
Total Current Year FY 2027 - $10,301,125.00
Total Budget Year FY 2028 - $11,144,810.00

Object Code 100: Salaries and Wages
The Office of Accounts and Reports has a total of 63 FTEs.

Total Current Year FY 2027 - $6,911,994.00
Total Budget Year FY 2028 - $7,259,794.00

Object Codes 200-290: Contractual Services
The major object code in this classification is the statewide audit. Other significant expenditures include maintaining the website for KanView, rent, communications, limited travel, memberships in organizations, and printing.

Total Current Year FY 2027 - $2,990,210.00
Total Budget Year FY 2028 - $3,475,516.00

Object Codes 300-390: Commodities
The major object codes in this classification are stationery, office supplies, and other materials.

Total Current Year FY 2027 - $7,500.00
Total Budget Year FY 2028 - $7,500.00

Object Codes 400-490: Capital Outlay
The major object codes in this classification are office equipment, computer equipment, and furniture as needed throughout the fiscal year. In FY 2026, OAR is planning an office remodel which is where the increase comes from.

Total Current Year FY 2027 - $24,750.00
Total Budget Year FY 2028 - $24,750.00

Object Codes 500-590: Grants and Payments

The major object code in this classification is the Federal Cash Management Act payments.

Total Current Year FY 2027 - $300,000.00
Total Budget Year FY 2028 - $300,000.00

Object Codes 920: Non-Expense

The major object code in this classification is for indirect cost derived from the Statewide Cost Allocation Plan (SWCAP) and transfer to KDOR for reimbursing costs of recovering money owed to state agencies.

Total Current Year FY 2027 - $77,250.00
Total Budget Year FY 2028 - $77,250.00

Narrative Information—DA 400

Division of the Budget

State of Kansas

Agency Department of Administration

Program Debt Service

DEBT SERVICE

The Department of Administration budgets and pays the debt service on the following bonds issued for a variety of different purposes.

- In 2004, bond 2004C was issued for the Kansas Public Employees Retirement System (KPERS) for $500,000,000. The bond issuance is for 30 years, and the last debt service payment is scheduled to be paid on May 1, 2034.

- In 2015, bond 2015H was issued for the KPERS for $1,000,000,000. This is also a 30-year bond, and the last debt service payment is scheduled to be paid on April 15, 2045.

- In 2019, bond issuance 2019F/G refinanced bonds originally issued for the Statehouse Renovation and Eisenhower State Office Building. The 15-year bond issuance was for $74,500,000 and the last debt service payment is scheduled to be paid on November 1, 2034.

- In 2020, bond series 2020K was issued to refinance the Curtis State Office and the Myriad Buildings in Topeka for $37,150,000. This is a 10-year term, and the last debt service payment is scheduled to be paid on June 1, 2030.

- In 2020, series 2020R and 2020S refinanced bonds whose original purpose were to finance the Statehouse Renovation.
  - 2020R was issued for $81,400,000 and the last debt service payment is scheduled to be paid on May 1, 2034.
  - 2020S was issued for $6,500,000 and the last debt service payment was paid on August 1, 2024.

- In 2021, bond series 2021K was issued for KPERS in the amount of $500,000,000. This is a 30-year bond, and the last payment is May 1, 2051.

- In 2021, 2021P was issued to refinance bonds originally issued to fund projects at the Statehouse. 2021P is a 12-year bond issuance and the amount is for $38,900,000. The last payment is scheduled for May 1, 2033.

- A new bond is in the process of being issued in FY27. The project consists of the construction, development and equipping of a new facility to expand the Kansas Veterinary Diagnostic Laboratory on the Manhattan, Kansas campus of Kansas State University. There is $11,000,000 in SGF appropriated in both FY27 & FY28 for this bond series.

The following tables show debt service in FY 2027 and FY 2028.

ON-BUDGET DEBT SERVICE

2015H	**FY 2027**	**FY 2028**
SGF – Interest	37,302,051	36,209,754
SGF – Principal	26,700,000	27,795,000
TOTAL	**$64,002,051**	**$64,004,754**

2021K	**FY 2027**	**FY 2028**
SGF – Interest	10,953,209	10,953,209
ELARF – Interest	4,613	0
SGF – Principal	11,126,000	6,467,233
ELARF – Principal	2,094,000	6,932,777
TOTAL	**$24,177,822**	**$24,176,841**

2004C	**FY 2027**	**FY 2028**
ELARF – Interest	12,559,608	11,265,223
ELARF – Principal	23,530,000	24,815,000
TOTAL	**$36,089,608**	**$36,080,223**

2025 A&B	**FY 2027**	**FY 2028**
SGF Interest	5,606,025	5,348,775
SGF Principal	3,860,000	4,120,000
TOTAL	**$9,466,025**	**$9,468,775**

2019F/G	FY 2027	FY 2028
SGF - Interest	1,222,424	945,102
SGF - Principal	5,412,150	5,680,753
TOTAL	**$6,634,574**	**$6,625,855**

2021P	FY 2027	FY 2028
SGF - Interest	845,000	716,250
SGF - Principal	2,575,000	2,705,000
TOTAL	**$3,420,000**	**$3,421,250**

2020R	FY 2027	FY 2028
SGF - Interest	1,321,700	968,075
SGF - Principal	6,900,000	7,245,000
TOTAL	**$8,221,700**	**$8,213,075**

Total On-Budget Principal and Interest	FY 2027	FY 2028
Total On-Budget Interest	69,814,630	66,230,019
Total On-Budget Principal	82,197,150	85,760,753
GRAND TOTAL	**$152,011,780**	**$151,990,772**

OFF-BUDGET DEBT SERVICE

2019F&G	**FY 2027**	**FY 2028**
SGF - Interest	302,176	233,623
SGF - Principal	1,337,850	1,404,247
TOTAL	**$1,640,026**	**$1,637,870**

2020K	**FY 2027**	**FY 2028**
SGF - Interest	337,864	242,596
SGF - Principal	4,253,051	4,435,569
TOTAL	**$4,590,915**	**$4,678,165**

Total Off-Budget Principal and Interest	**FY 2027**	**FY 2028**
Total On-Budget Interest	640,040	476,219
Total On-Budget Principal	5,590,901	5,839,816
GRAND TOTAL	**$6,230,941**	**$6,316,035**

Narrative Information—DA 400

Division of the Budget

State of Kansas

Agency Department of Administration

Program Capital Improvements

CAPITAL IMPROVEMENTS

Every year, DofA requests money from the State General Fund (SGF) for rehabilitation and repairs to state-owned buildings. This year, $5,014,665 is requested in FY 2027, of which $14,665 is a reappropriation from FY 2026, and $5,000,000 in FY 2028 for rehabilitation and repairs.

Also, for rehabilitation and repairs, the Department requests 1,000,000 from the State Buildings Depreciation Fund and 180,000 from the Intergovernmental Printing Service Depreciation Reserve Fund. Both of these are off-budget funds.

Project Description	**FY 2027**	**FY 2028**
Docking State Office Building Renovation	4,965,514	0
Capitol Complex Rehabilitation and Repair	5,014,665	5,000,000
Total	**$9,980,180**	**$5,000,000**

Narrative Information—DA 400

Division of the Budget

Agency Department of Administration

State of Kansas

ENHANCEMENT REQUEST

1. In FY 2028, DofA is requesting an ongoing enhancement of SGF funds for $133,578 for 2 additional FTEs for the Office of Public Advocates: Long-Term Care Ombudsman due to the increased need in the Metro/Urban areas of Kansas where growth of need exists. The recommended ratio for Ombudsman to Resident Bed Capacity is 1:2000. In our Kansas City Region (Johnson & Wyandotte) we currently have a 1:4500 ratio. Current staff is over capacity and most of the time is not able to handle the caseload needs that arise. The response time of 48 hours is not able to be met in this region due to lack of staff resource, length of case time and capacity. These needs continue to increase as new adult care homes are opening in these counties constantly. We anticipate the 9000 resident number to continue to increase. As such, our demand for services will increase along with it.

   The FTE's would be for Regional Long-Term Care Ombudsman. The Long-Term Care Ombudsman Office has responsibility to provide Ombudsman services as required by statute as well as the Older American's Act. The Kansas Long-Term Care Ombudsman program is responsible for advocating for residents of adult care homes, including nursing homes, assisted living facilities, home pluses, residential care facilities, and boarding care homes. An ombudsman is an independent resident advocate. Ombudsmen investigate complaints concerning the health, safety, welfare and rights of long-term care residents, and work to resolve these complaints to the satisfaction of the residents.

   Job Responsibilities:

   - Identify, investigate and resolve complaints made by or on behalf of residents.
   - Provide information and assistance to residents about Long-Term Services and Supports (LTSS) and the regulations pertaining to adult care home settings.
   - Work with providers of long-term care services to promote a culture of person-centered living and respect for resident rights.
   - Ensure that residents have regular and timely access to Ombudsman program services.
   - Represent the interests of residents before governmental agencies and seek administrative, legal and other remedies to protect residents.
   - Analyze, comment on and recommend changes in laws and regulations pertaining to the health, safety, welfare and rights of residents.
   - Promote the development of and assist citizen advocacy groups who want to protect the well-being and rights of residents.
   - Provide technical support for the development of resident and family councils to protect the well-being and rights of residents.

Explanation of Receipt Estimates—DA 405

Division of the Budget

State of Kansas

Agency Department of Administration

2001 - Federal Cash Management Fund

Statutory History: K.S.A. 75-3083 requires periodic transfers from the State General Fund and from Special Revenue Funds of interest earned on federal grant fund balances in the amount necessary to make interest payments to the federal government as required by the Federal Cash Management Act of 1990 (PL 101-453). These interest payments became effective for the fiscal year ending June 30, 1994, and continue for each fiscal year thereafter.

As provided for in the CMIA Agreement between the State of Kansas and the Secretary of the Treasury, an Estimated Clearance funding technique is the methodology that the State of Kansas began to follow on July 1, 2011. This funding technique is interest neutral. The Recovery of Prior Year Expenditures represents the release of monies encumbered in prior years to pay possible interest payments to the federal government.

Revenue Source	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Operating Transfers In	340,000	310,000	361,709	364,865
TOTAL	**$340,000**	**$310,000**	**$361,709**	**$364,865**

2010 - Curtis State Office Building Maintenance Reserve Fund

History: This fund is set up as a reserve fund for maintenance projects for the Curtis State Office Building. Under Article 11 Section 1 of the lease between the Topeka Public Building Commission and the State of Kansas – DofA it stated that an annual amount of $0.75 per net rentable square foot must be transferred into this fund. That amount adds up to an annual transfer of approximately $225,830.00. This article further states that money from this fund may be used to help keep machinery and equipment in good mechanical and working order. The money may also be used to pay any basic or additional rent. Starting in FY 2021 the lease between the Topeka Public Building Commission and the State of Kansas – DofA was replaced with KDFA bond issuance 2020K. This bond issuance transferred ownership of the Curtis State Office Building from the Topeka Public Building Commission to the State of Kansas – DofA therefore negating the lease mentioned above. However, OFPM has made the decision to continue this transfer of $0.75 per net rentable square foot into Fund 2010 to use as a reserve fund for large or unexpected maintenance issues that arise.

Revenue Source	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Average Daily Balance Interest	13,289	5,136	5,000	5,000
Operating Transfers In	0	0	0	0
TOTAL	**$13,289**	**$5,136**	**$5,000**	**$5,000**

2017 - Purchasing Fees Fund

History: Procurement and Contracts Informational Circular No. 601 dated April 4, 2000, allows Procurement and Contracts to collect an additional administrative fee on all sales involving statewide contracts. This fee is in addition to the bid price and was instituted to cover the expenses incurred by Procurement and Contracts to administer the contract. Provided further, Procurement and Contracts are hereby authorized to fix, charge, and collect fees for operating expenditures incurred to reproduce and disseminate purchasing information, administer vendor applications, administer state contracts and conduct training seminars, including official hospitality. And provided that such fees shall be fixed in order to recover all or part of such operating expenses.

Revenue Source	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Recovery of Current Year Expenditures	157,810	0	0	0
Other Reimbursements and Refunds	2,978,192	3,656,457	3,860,236	3,993,423
Operating Transfers In	0	0	0	0
TOTAL	**$3,136,002**	**$3,656,457**	**$3,860,236**	**$3,993,423**

2028 - Buildings and Grounds Fund

History: K.S.A. 75-3768. Any rents or charges for the use of any parking facilities owned by the State shall be remitted by the Secretary of Administration to the State Treasurer in accordance with the provisions of K.S.A. 75-4215 and amendments thereto. Upon receipt of each such remittance, the state treasurer shall deposit the entire amount in the state treasury to the credit of the Buildings and Grounds fund created by K.S.A. 75-3765 and amendments thereto. K.S.A. 75-3765 states that revenue from the leasing of space in buildings operated by the DofA can be deposited in the Buildings and Grounds fund at the discretion of the Secretary of Administration.

Revenue Source	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Other Rents and Royalties	164,019	133,566	165,000	165,000
TOTAL	**$164,019**	**$133,566**	**$165,000**	**$165,000**

2033 - Municipal Accounting & Training Services Recovery Fund

History: Senate Substitute for House Bill No. 2002, Sec. 64, Paragraph (c) of the 2017 Legislative Session gives the DofA authority to fix, charge and collect fees for various accounting services provided to municipalities. Such fees are to be fixed at a rate to recover all or part of the operating expense incurred in providing such services.

Revenue Source	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Audit and Inspections	337,137	295,253	300,000	310,000
Budget Assistance Workshops	33,900	33,760	33,900	33,900
TOTAL	**$371,037**	**$371,037**	**$288,953**	**$288,953**

2038 - State Revolving Fund Services Fee Fund

History: The original contract, dated March 1, 1999, was enacted between the Department of Health and Environment, the Kansas Development Finance Authority, and the DofA. As part of this contract, the DofA will jointly administer certain portions of the State Revolving Fund programs, in exchange for a service fee. There were two contracts: one for the Kansas Water Pollution Control Revolving Fund (K.S.A. 65-3321 et seq.) and one for the Kansas Public Water Supply Loan Fund (K.S.A. 65-163d et seq.).

In August 2009, a new contract was adopted among the parties to continue to jointly administer portions of the State Revolving Fund programs. In the current agreement, the separate contracts for each program were merged into one document, with the Department being compensated $308,000 per year, aggregate, for both programs. In addition, the new contract calls for the service fee to be reviewed every three years. At this point, no adjustment in the fee is being sought.

Revenue Source	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Administration Fees	251,000	273,000	263,064	274,864
TOTAL	**$251,000**	**$273,000**	**$263,064**	**$274,864**

2197 - General Fees Fund

The revenues and expenditures are from a variety of on-budget sources within the DofA Offices of Personnel Services and Office of Chief Counsel.

Legal Services- Legal Seminars: The Office of Chief Counsel hosts various legal seminars throughout the year. Attorneys from outside of state government may attend for a fee. Fees are applied to facility rental, speaker fees and informational materials. Open Records: Revenues from Open Records requests are placed in this fund.

Human Resources- Temporary Services Contract: Contractors pay a 2% administrative fee for all services provided. They also provide Human Resource services for smaller State Agencies that do not have Human Resource staff.

Revenue Source	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Legal	3,060	3,060	3,060	3,060
Human Resources	43,600	47,200	50,000	50,000
TOTAL	**$46,660**	**$50,260**	**$53,060**	**$53,060**

2323 - Federal & State Surplus Property Fund

History: K.S.A. 75-3707f transferred control of the Federal and State Surplus programs from the Department of Corrections to the DofA. This is the on-budget fund for Federal and State Surplus Property. This serves as the fund for which money from sales to agencies and individuals outside the state system is deposited. Federal Surplus Property has a budget unit of 2301, State Surplus has a budget unit of 2302, and the Law Enforcement Support Program (LESO) has a budget unit of 2303. All money from sales to state agencies is deposited into the off-budget fund 6150.

Revenue Source	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Other Service Charges - Federal Surplus	105,079	57,894	60,000	60,000
Other Service Charges - State Surplus	1,513,849	1,471,975	1,500,000	1,500,000
Other Service Charges - LESO Surplus	5,000	5,000	5,000	5,000
TOTAL	**$1,623,928**	**$1,534,869**	**$1,565,000**	**$1,565,000**

2435 - Conversion of Materials and Equipment – Recycling Program

History: House Substitute for Senate Bill 112, Section 80, Paragraph (c) of the Legislative Session of 2015 authorizes deposits to this fund from the sale of salvage and recyclable material by the Office of Facilities and Property Management. In recent years, expenditures have been made from this fund to pay trash compactor rental fees for several of the state office buildings.

Revenue Source	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Salvage, Scrap, Obsolete & Condemned Materials	3,433	16,002	15,000	15,000
TOTAL	**$3,433**	**$16,002**	**$15,000**	**$15,000**

2556 - Preventative Health Care Program Fund

History: This fund is used for preventative health programs for state employees and non-state group members. These programs include HealthQuest and other workplace wellness initiatives. Income for the fund comes from an employer assessment of $0.69 per State Employees Health Benefit Plan member for 24 pay periods and $1.80 per month for non-State members.

Revenue Source	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Preventative Health Care	690,565	676,689	769,000	882,000
TOTAL	**$**690,565	**$676,689**	**$769,000**	**$882,000**

3024 - Flood Control Emergency – Federal Fund

History: Pursuant to federal law and regulation, the Corps of Engineers distributes to the states 75% of the lease moneys derived from the lease for agricultural purposes of federally owned land adjacent to federal reservoirs. K.S.A. 27-117 provides for the subsequent payment of such moneys to counties, townships, and certain school districts in accordance with a distribution list provided by the Corps of Engineers.

Revenue Source	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Federal Grant	505,217	506,494	550,000	550,000
TOTAL	**$505,217**	**$506,494**	**$550,000**	**$550,000**

3756 - American Rescue Plan State Relief Fund (ARPA)

History: The American Rescue Plan Act (ARPA) Fund 3756 is used for transfer of federal funds from the Office of Recovery to the DofA for projects that have been approved through the Strengthening People and Revitalizing Kansas (SPARK) Executive Committee and the Kansas Legislature. Transfers into the fund and expenditures are governed by the memorandum of agreement that has been signed by the agency and the Office of Recovery. Ultimately, all expenditures are governed by rules set by the US Treasury. The Office of Recovery assists state agencies with reporting requirements and any potential federal audits.

Revenue Source	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
A0007	19,350,000	13,117,816	23,139	0
A0112	1,700,000	319,787	0	0
A0113	1,700,000	1,403,635	0	0
A0210	4,920,000	2,501,233	0	0
A0300	0	0	0	0
TOTAL	**$27,670,000**	**$17,342,471**	**$23,139**	**$0**

6103 - Human Resource Information Systems Recovery Fund

The revenues and expenditures are from a variety of off-budget sources within the DofA Offices of Personnel Services and Office of Chief Counsel.

Legal Services- The Office of Chief Counsel hosts various legal seminars throughout the year. Many agencies pay a fee for each participant. In addition, attorneys from outside of the State government may also attend for a fee. Fees are applied to facility rental, speaker fees and informational materials.

Personnel Services- The Office of Personnel Services provides several services including Retirement Seminar Coordination for state employees and Advertising Coordination, Human Resource Conferences and Career Fair Coordination for State Agencies.

Revenue Source	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Legal	17,040	17,460	18,000	18,000
TOTAL	**$17,040**	**$17,460**	**$18,000**	**$18,000**

6105 - Accounting Services Recovery Fund

History: House Substitute for Senate Bill No. 112, Sec. 80, Paragraph (c) of the 2015 Legislative Session provides for the Secretary of Administration to fix, charge, and collect fees for services or sales provided by the DofA that are not specifically authorized by other statute and provides that all fees received for such services shall be credited to this fund.

K.S.A. 75-6201 et seq. prescribes the policies and procedures for identifying debtors who owe money to the State and for deducting any such amounts from moneys due such debtors by the State or its agencies. The Department and the Secretary of Revenue are authorized to enter into reciprocal agreements with foreign state agencies for purposes of debt setoff. The setoff of debts owed to municipalities and district courts within the state is also authorized. K.S.A. 75-6210(b) authorizes the Department to retain a reasonable collection assistance fee.

K.S.A. 75-5501 authorizes the Department to deduct from the salary or wages an amount equal to regular membership dues for state employees who are members of any qualifying employee organization and who have completed a written authorization. The Director shall remit all moneys deducted each payroll period to the employee organization less the amount of actual direct expenses incurred relative to such deduction.

K.S.A. 2008 Supp. 75-5533 was amended to change from the State General Fund to the Accounting Services Recovery Fund regarding the deposit of administrative fees for the voluntary payroll deduction program for charitable contributions. Also included is the authority to add Community Health Charities as an eligible charity for state employees to choose, in addition to the existing authority for United Way.

In FY 2012, a new interagency service agreement was entered into between the DofA and the Kansas Department of Health and Environment to continue services related to the State Employee Benefits unit. These services will be provided on a fee-for-service basis.

Beginning in FY 2013, the fund received the revenue from the Accounting, Payroll and Budget (APB) fee, formerly the Enterprise Application Rate. The revenue was shifted from the Information Technology Fund along with the responsibility of funding the operation of the statewide accounting (SMART), human resources/payroll (SHARP) and budget (IBARS) systems.

Beginning in FY 2015, the Accounting, Payroll and Budget (APB) fee is based on the volume of transactions and the volume of accounting lines to reflect actual usage of system resources more accurately.

Revenue Source	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Bad Debts Recovered	496,313	663,635	670,000	670,000
Collection Assistance Fee	5,441,516	5,883,716	5,000,000	5,000,000
Operating Transfer In	0	0	0	0
Other Reimbursements and Refunds	2,250	465	1,000	1,000
Other Service Charges	110,250	132,438	130,000	130,000
Technical and Skilled Services	3,341	3,366	3,366	3,366
Accounting, Payroll, Budget Fees	7,260,406	9,025,707	9,948,166	9,948,166
TOTAL	**$13,314,076**	**$15,709,327**	**$15,752,532**	**$15,752,532**

6109 - Motor Pool Service Fund

History: K.S.A. 75-4607 establishes the Motor Pool Service fund in the state treasury. This fund is used for the deposit of money collected from the van pool program. The van pool program allows employees to commute to work together in vans sponsored by the State of Kansas. Each individual van pool recovers its costs and governs itself within broad parameters set by the DofA. The van pool program charges individual van pools a mileage cost ranging from $0.43 to $0.86 per mile. This charge offsets the costs associated with the operation of each van pool and with administering the program.

Revenue Source	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Other Service Charges	36,848	36,181	37,000	37,000
Usable Condemned Equipment	4,385	0	3,000	3,000
TOTAL	**$41,233**	**$36,181**	**$40,000**	**$40,000**

6148 - State Buildings Operating Fund

History: K.S.A. 75-3654 establishes the state buildings operating fund in the state treasury. All expenditures from such fund shall be made in accordance with appropriation acts upon warrants of the DofA issued pursuant to vouchers approved by the secretary of administration or by a person designated by the secretary. The main revenue source in the state buildings operating fund is rent revenue. Rent was figured on net square footage in FY 2026 at a rate of $23.50 per square foot for office space. The monumental building surcharge is another significant revenue source for this fund. This revenue is used for the support of the State Capitol, Judicial Center, Cedar Crest and the capitol complex parking lots. The rate for FY 2026 was $4.50 per square foot.

Revenue Source	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Sale of Useable Condemned Equipment	6,311	75,569	6,000	6,000
Charges for Technical & Skilled Services	0	110,208	100,000	100,000
Other Service Charges	6,588,713	7,538,138	7,000,000	7,000,000
Sale of Usable Condemned Materials	0	0	0	0
Departmental or Agency Sales	350,415	505,551	500,000	500,000
Other Nonrevenue Receipts	0	24,562	25,000	25,000
Capitol Complex Building Rental Fees	19,847,084	23,990,948	25,768,435	25,768,435
Other Rents & Royalties	0	14,980	15,000	15,000
Sale of Land, Buildings and Other Real Estate	0	0	0	0
TOTAL	**$26,792,523**	**$32,259,956**	**$33,414,435**	**$33,414,435**

6149 - State Buildings Depreciation Fund

History: K.S.A. 75-3655 establishes the State Buildings Depreciation Fund in the state treasury. Moneys sufficient to provide for the replacement of depreciable machinery and equipment and for maintenance and capital improvements, for state-owned building at Forbes and for the Docking State Office Building, the Landon State Office Building and Memorial Hall shall be transferred from the State Buildings Operating Fund (Fund 6148). Transfers shall not be less than five percent of amounts collected for rental charges for state-owned office space at the former Forbes air force base, for the Docking State Office Building and the Landon State Office Building.

Revenue Source	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Operating Transfers In	208,443	989,452	1,000,000	1,000,000
TOTAL	**$208,443**	**$989,452**	**$1,000,000**	**$1,000,000**

6150 - Federal & State Surplus Property Fund

History: K.S.A. 75-3707f transferred control of the Federal and State Surplus programs from the Department of Corrections to the DofA. This is the off-budget fund for Federal and State Surplus Property. This serves as the fund in which sales to other state agencies are deposited. Federal Surplus Property has a budget unit of 6151, State Surplus has a budget unit of 6152 and the Law Enforcement Support Program (LESO) has a budget unit of 6153. All sales made to non-state agencies are deposited into the on-budget fund 2323.

Revenue Source	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Other Service Charges – Federal Surplus	5,300	11,680	11,000	11,000
Other Service Charges – State Surplus	151,962	95,604	100,000	100,000
Other Service Charges – LESO Surplus	0	0	0	0
TOTAL	**$157,262**	**$107,284**	**$111,000**	**$111,000**

6151 - Architectural Services Recovery Fund

History: House Substitute for Senate Bill 112, Section 80, Paragraph (c) of the Legislative Session of 2015 allows that expenditures may be made from the Architectural Services Recovery Fund for operating expenditures for the Office of Facilities and Property Management. It provides further that the director of the Office of Facilities and Property Management is hereby authorized to charge and collect fees for services provided to other state agencies not directly related to the construction of a capital improvement project. And it provides further, that all fees received for all such services shall be deposited in the state treasury and shall be credited to the Architectural Services Recovery Fund.

Revenue Source	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Charges for Inspections, Supervisions, Examinations & Audits	2,155,714	2,865,288	2,800,000	2,800,000
Charges for Technical and Skilled Services Other than Inspections	0	896,288	900,000	900,000
Usable Condemned Equipment	0	4,000	0	0
TOTAL	**$2,155,714**	**$3,765,576**	**$3,700,000**	**$3,700,000**

6165 - Intragovernmental Printing Service Operating Fund

History: K.S.A. 75-1022 directs the Department to maintain a cost system in accordance with generally accepted accounting principles. Billings shall include direct and indirect costs of production and shall be based on generally accepted cost accounting practices. All receipts for sales of goods and services and recoveries from the sale of surplus supplies and materials or of other expenditures shall be deposited in the Intragovernmental Printing Service Fund.

Revenue Source	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Printings	5,786,239	4,747,750	5,000,000	5,000,000
Mailings	7,983,213	7,819,845	8,100,000	8,100,000
TOTAL	**$13,769,452**	**$12,567,595**	**$13,100,000**	**$13,100,000**

6167 - Intragovernmental Printing Service Depreciation Reserve Fund

History: K.S.A. 75-1004b establishes the Intragovernmental Printing Service Depreciation Reserve Fund in the state treasury. Transfers to the Intragovernmental Printing Service Depreciation Reserve Fund shall be made from the Intragovernmental Printing Service Fund on a monthly basis, the amounts thereof to be determined by the Director of Printing as charges for depreciation and obsolescence of state printing plant equipment and programs according to generally accepted accounting principles prescribed by the Director of Accounts and Reports. All recoveries from the sale of surplus, obsolete or unused equipment, linotype metal or of other expenditures from this fund may be deposited in the Intragovernmental Printing Service Depreciation Reserve Fund. (Depreciation is figured on a straight-line basis over the life of the item being depreciated.)

Revenue Source	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Operating Transfers In	123,634	134,874	135,000	135,000
TOTAL	**$123,634**	**$134,874**	**$135,000**	**$135,000**

6170 - Workers Compensation Fund

History: K.S.A. 44-575 established the fund for the collection of an assessment from state agencies for the purpose of administering the State Workers Compensation Self-Insurance Program. The amounts charged are determined by the Department of Administration.

Revenue Source	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Workers Compensation	20,235,505	19,504,488	21,750,000	23,900,000
TOTAL	**$20,359,328**	**$19,504,488**	**$21,750,000**	**$23,900,000**

7350 - Health Insurance Premium Reserve Fund

History: K.S.A. 75-4210(a) allows this Health Insurance Fund to accumulate interest on the balance.

Revenue Source	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Health Insurance Premium	2,012,137	2,169,884	2,335,000	2,335,000
TOTAL	**$2,012,137**	**$2,169,884**	**$2,335,000**	**$2,335,000**

7707 - Non-State Employer Group Benefit Fund

History: K.S.A. 75-6506 establishes the health care benefits program for state and local governments and certain not-for-profit entities. The monies in this fund are used to help cover administrative expenses associated with the management of the non-state groups.

Revenue Source	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Non-State Employer Group	164,441	140,258	187,000	215,000
TOTAL	**$164,441**	**$140,258**	**$187,000**	**$215,000**

7720 - Cafeteria Benefits Fund

History: K.S.A. 75-6513 established the Cafeteria Benefits Fund which replaced the health care benefits program fund and receives the charges assessed to the employer required to cover the administration expenses on health benefit contracts, plus or minus any surplus or deficit in the employer contribution rate.

Revenue Source	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Cafeteria Benefits Fund	2,877,223	2,814,469	3,040,000	3,490,000
TOTAL	**$2,877,223**	**$2,814,469**	**$3,040,000**	**$3,490,000**

7740 - Dependent Care Assistance Program Fund

History: K.S.A. 75-6520 established the State Employee Dependent Care Assistance Program and deposits monies into the Flexible Spending Program Fund that allows a pre-tax savings resulting from employee participation in the flexible spending plan. The amount of revenue depends on the number of employees participating in the flexible spending program.

Revenue Source	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Dependent Care Assistance	13,854,349	14,815,473	15,250,000	15,250,000
TOTAL	**$13,854,349**	**$14,815,473**	**$15,250,000**	**$15,250,000**

7746 - HBA Clearing Fund – Remit to Admin Service Organization

History: This fund receives the premiums collected for the State Employee Health Benefits Plan and then pays claims and third-party administrators.

Revenue Source	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
HBA Clearing Fund-Remit to Admin Service Organization	544,608,843	589,244,867	640,680,000	749,255,000
TOTAL	**$544,608,843**	**$589,244,867**	**$640,680,000**	**$749,255,000**

8701 - Equipment Lease Purchase Program Administration Clearing Fund

History: Senate Substitute for House Bill No. 2002, Sec.65, Paragraph (c) of the 2018 Legislative Session, authorizes the Equipment Lease Purchase Program Administration Clearing Fund. Subject to the approval of the Secretary of Administration, K.S.A. 75-3799 authorizes a Financial Services Negotiating Committee to obtain financial services relating to installment purchase, lease, or lease-purchase of equipment or to other financial related services needed by the requesting state agency. Financing for equipment is completed through master lease purchase agreements.

Revenue Source	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Operating Transfers In	106,200	68,278	70,000	70,000
Interest Earned on Reserve	3,374	2,741	3,000	3,000
TOTAL	**$109,574**	**$71,019**	**$73,000**	**$73,000**

Office of Public Advocates

Long Term Care Ombudsman

KanCare Ombudsman

Revised FY 2027

&

FY 2028

Budget Request

STATE LONG-TERM CARE OMBUDSMAN

The mission of the State Long-Term Care Ombudsman (LTCO) is to advocate for the well-being, safety, and rights of residents of Kansas long-term care facilities. The Kansas Long-Term Care Ombudsman Program is a resident directed advocacy program. The resident of a long-term care community is the client and locus of control regardless of the source of the complaint or request for service. Ombudsman identify, investigate, and resolve complaints made by or on behalf of residents; provide information to residents about long term service and supports; are to ensure that residents have regular and timely access to ombudsman services; represent the interests of residents before governmental agencies and seek administrative, legal, and other remedies to protect residents; and analyze, comment on, and recommend changes in laws and regulations pertaining to the health, safety, welfare, and rights of residents. Ombudsmen help residents and their families and friends understand, and exercise rights guaranteed by law, both at the Federal level for nursing homes and Kansas protected rights and protections in board and care, assisted living and similar homes.

PROGRAM STATUTORY HISTORY:

The Older Americans Act (42-USC 3001 et seq.) mandates that each state establish and operate an Office of the State Long-Term Care Ombudsman. Federal Law (45 CFR Part 1324 – Subpart A) provides that a State Long Term Care Ombudsman Programs must; "Ensure that residents have regular and timely access to ombudsman services." K.S.A. 75-5916 through 75-5922, enacted in 1980, establishes the Long-Term Care Ombudsman Program. The Omnibus Reconciliation Act of 1987, and amendments thereto, have further defined the role of the Ombudsman. Public Law 160-175.

The Older Americans Act of 1998 amendments funded the program under Title VII, Section 702(b). Also in 1998, The Kansas legislature amended K.S.A. 75-7301 and attached Office of the State Long-Term Care Ombudsman to the Department of Administration to provide such technical assistance and advice as the Secretary deems reasonable and necessary to assist the State Long-term Care Ombudsman Office to function as an independent state agency. The secretary of administration has no authority over the state long-term care ombudsman, any regional long-term care ombudsman, any other ombudsman, including any volunteer ombudsman, or any other officer, employee, or volunteer of the office of the state long-term care ombudsman with respect to the performance of any power, duty or function of the office or the exercise of any other authority of the office or the state long-term care ombudsman.

The Older Americans Act Reauthorization Act of 2016 authorizes LTCO programs to serve residents transitioning from a LTC facility to a home-care setting, when feasible, and serve all LTC facility residents regardless of their age.

In 2018, the Kansas Legislature amended K.S.A. 75-7301 through 75-7314 to amend the definition of conflict of interest, add additional eligibility requirements for the Ombudsman, and further define the duties of the Ombudsman to comply with the Older American's Act and its regulations. In 2021 E.O. 21-27 established the Office of Public Advocates to include LTCO, with provisions under K.S.A. 75-7301 to be unaffected.

PERFORMANCE MEASURES

PROGRAM GOAL:

Through advocacy, education, and empowerment by the Long-Term Care Ombudsman Program for residents and to the community at large, each resident in a Kansas long-term care facility will have positive control over their own life, be treated with dignity and respect, and will have their rights honored.

OBJECTIVE #1-State Long-Term Care Ombudsman

Provide information about long-term service and supports to empower self-advocacy by residents and their families.

Strategies for Objective #1:

1. Provide quality information and assistance for individuals to make their own informed choices.
2. Promote, attend, and provide technical support for resident and family councils.
3. Provide training and education on resident rights; person-centered care; abuse, neglect, and exploitation; and other relevant topics.
4. Maintain an up-to-date website and social media presence to provide increased accessibility to information and to an ombudsman.

Performance Measures for Objective #1:

	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Increase resident council activities by ombudsmen in board and care facilities and similar adult care homes, including assisted living facilities to create awareness of resident rights and empower residents for self-advocacy and informed choice.	74	27	44	66
Increase community education activities to provide for higher quality of life for residents living in adult care homes in Kansas	16	13	22	33
Increase instances of information and assistance provided to individuals to empower their self-advocacy and informed choice	2157	1904	2618	3094

OBJECTIVE #2-State Long-Term Care Ombudsman
Identify, investigate, and resolve complaints; made by or on behalf of residents, to the residents' satisfaction.

Strategies for Objective #2:

1. Investigate and work to resolve complaints using the resident's goal for resolution.
2. Utilize standardized procedures for competent and timely response to resident complaints.
3. Provide initial certification and ongoing training using curricula approved by the State Long-Term Care Ombudsman.

Performance Measures for Objective #2:

	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Percentage of complaints partially or fully resolved to the satisfaction of the resident, resident representative or complainant, as appropriate.	62%	78.5	85	90

OBJECTIVE #3-State Long-Term Care Ombudsman
Ensure that residents have regular and timely access to ombudsman services.

Strategies for Objective #3:

1. Respond to inquiries utilizing standardized procedures for competent and timely response to resident complaints.
2. Conduct routine visits to nursing facilities, assisted living facilities, and other board and care type homes.
3. Recruit, train, and provide ongoing support and technical assistance to Ombudsman volunteers.
4. Provide information on the ombudsman program, resident rights, and other print materials to long-term care facilities to be readily available to residents, resident representatives, and staff.

Performance Measures for Objective #3:

	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Increase the number of visits by ombudsmen to nursing home facilities per fiscal year to provide resident access to ombudsman services	978	873	1091	1200
Increase the number of visits by ombudsmen to board and care facilities and similar adult care homes, including assisted living facilities per fiscal year to provide resident access to ombudsman services	1225	806	1008	1309
Increase the number of certified volunteers to provide greater in-person access for residents to a long-term care ombudsman	9	7	14	25

Internal Assessment

Strengths:

Paid staff and ombudsman volunteers share a genuine commitment for the well-being of older Kansans and a strong motivation to provide services to ensure the quality of life for the residents of long-term care facilities. The program has 14 FTE including eleven regional ombudsmen (two vacant- from historic reduced funding), a state ombudsman, a special projects ombudsman, and an administrative assistant. Limited time federal grant funding provided for 1.5 temporary staff during program year FY2024.

The distressed and ever changing state of long-term care continues to impact the health and well-being of older adults residing in long-term care facilities. Resident conversations often require increased time and attention, case resolution is more complex. More residents and staff express fear of retaliation, building trust to address issues takes longer. While ombudsmen are not therapists, those private conversations, validating and informing the resident of their rights, providing dignity and respect with each interaction, are known to be therapeutic and serve to build back hope and trust with individuals. Due to the small number of paid ombudsman staff, ombudsman volunteers are increasingly valuable in that role.

Ombudsmen volunteers are certified in the Long-Term Care Ombudsman program beginning with thirty hours of training to prepare for their advocacy role. After their initial training, regional ombudsmen support the ombudsman volunteers. Training opportunities are provided regularly throughout the year to allow the volunteers to be knowledgeable and receive the 18 hours of annual training required to remain certified. Providing this necessary training comes at a financial and time cost to the program but is essential to the mission.

Weaknesses:
The National Academy of Sciences Institute of Medicine, in 1995, recommended one full-time equivalent (FTE) paid ombudsman per every 2,000 long-term care (LTC) beds. Kansas' paid ombudsman ratio is well over twice that ratio.
There continues to be amplified demands of an increased aging population. The Office of the State Long-Term Care Ombudsman serves all adult care home residents across the state. The aging population continues to increase in number, while the number of Ombudsman to serve them has not.

Significant loss of volunteer base has occurred in our program, due to pandemic conditions and associated environment. The restrictions and conditions of in person visits, additional COVID-19 training, necessary infection control practices while visiting, lack of ability to participate in group meetings in person, increased complexity of the work, increased annual federal training requirements to maintain certification -ALL negatively impacted recruitment and retention. The result is a loss of volunteers from 76 in July 2020 to only 7 as of June 30, 2026.

External Assessment
Strengths:
The Ombudsman Program can be a most effective and efficient advocate and resource for older adults and people with disabilities who live in nursing homes, assisted living, and other licensed adult care homes. Ombudsmen help residents understand and exercise their rights to good care in an environment that promotes and protects their dignity and quality of life.

Resident directed advocacy empowers Kansas citizens living in adult care homes in making informed choices and having positive control over their own lives. The ombudsman program provides presentations and trainings to educate, inform and empower residents, facility staff and the community at large.

The State Ombudsman and ombudsman staff are active statewide and nationally as collaborators with other stakeholders, multi-disciplinary teams, state agencies and advocacy organizations.

This work cannot be done without some cost. The ombudsman program utilizes the resources available as effectively and efficiently as possible to maximize the positive results for our rapidly rising number of senior citizens in need of some type of long-term care support.

EXPENDITURE JUSTIFICATION – State Long-Term Care Ombudsman
Total Current Year FY 2027 - $1,298,633.00
Total Budget Year FY 2028 - $1,175,654.00

Object Code 100: Salaries and Wages

The State Long-Term Care Ombudsman office has a total staff of 14 FTEs. The resident of a long-term care community is the client, regardless of the source of the complaint or request for service. The LTCO makes every reasonable effort to assist, represent, and intervene on behalf of the resident. The 14 FTEs included twelve regional ombudsmen (two vacant), a state ombudsman, and an administrative assistant.

Total Current Year FY 2027 - $990,418.00
Total Budget Year FY 2028 - $1,042,302.00

Object Codes 200-299: Contractual Services

The Office of the Long-Term Care Ombudsman requests the following for contractual services. This would cover normal operations of the Office.

Total Current Year FY 2027 - $177,000.00
Total Budget Year FY 2028 - $112,352.00

Object Codes 300-399: Commodities

The single largest commodities expense for the State Long-Term Care Ombudsman Office is for gasoline and auto repairs for the Program's vehicles. With regional staff spread out, it is important that the program provides coverage throughout the State.

Total Current Year FY 2027 - $15,500.00
Total Budget Year FY 2028 - $15,500.00

Object Code 400: Capital Outlay

The 2027 amount includes purchasing two vehicles to replace current aging models, and 2 additional vehicles for the 2 additional FTEs requested in the FY 2028 Enhancement Request, and other associated equipment costs.

Total Current Year FY 2027 - $120,607.00
Total Budget Year FY 2028 - $5,500.00

Explanation of Receipt Estimates—DA 405

Division of the Budget — Agency Department of Administration

State of Kansas — Program Office of the Public Advocates

KANCARE OMBUDSMAN OFFICE (KOO)

The mission of the KanCare Ombudsman Office is to support KanCare/Kansas Medicaid members, applicants, and those assisting them in resolving problems regarding services, coverage, access, and rights.

Kansas Medicaid, known as KanCare, can be hard to understand. The KanCare Ombudsman Office helps with:

- Answers to questions
- Resolving issues
- Understanding letters from KanCare
- Responding when you disagree with a decision or change
- Completing an application or renewal
- Filing a complaint (grievance)
- Filing an appeal or fair hearing
- Learning about Home and Community Based Services (HCBS)
- Listening and offering ideas, resources and options

PROGRAM HISTORY:

KanCare, the State of Kansas Medicaid program, started in 2013. The criteria for the KanCare Ombudsman were noted in the Centers for Medicare and Medicaid Services (CMS) Special Terms and Conditions (STC). Number: 11-W-00283/7. Title: KanCare. Awardee: Kansas Department of Health and Environment. 42. Independent Consumer Supports (Ombudsman). Timeframe: January 2013 to December 2018 (including a one-year extension). Section 42 laid out the Ombudsman organizational structure, accessibility, functions, staffing and training, data collection and reporting, stakeholder involvement, and advocacy and quality oversight (Attachment H). At that time one Ombudsman was hired with no additional staff. Later in 2013 a part time administrative assistant was hired. In 2015, a volunteer coordinator was hired, and a volunteer program was started to assist with calls coming to the KanCare Ombudsman Office. At the same time, the KanCare Ombudsman Office contracted with Wichita State University, Community Engagement Institute to assist with creating and supporting the volunteer program. In 2018, the administrative assistant became full-time.

In 2019, KanCare was renewed with CMS and guidelines for the KanCare Ombudsman Office were updated. Centers for Medicare and Medicaid Services (CMS) Special Terms and Conditions (STC). Number: 11-W-00283/7. Title: KanCare. Awardee: Kansas Department of Health and Environment. 36. Independent Consumer Supports (Ombudsman). Timeframe: January 2019 to December 2023.

In October of 2021, Kansas Governor Laura Kelly, signed Executive Order (21-27) that moved the KanCare Ombudsman Office from being housed with the Department for Aging and Disability Services (KDADS) to become an independent small agency attached to the Department of Administration. The transition took the rest of FY 2022 and was completed June 30, 2022. Prior to this transition, from FY13 to FY22, financials for the KanCare Ombudsman Office were part of the Kansas Department for Aging and Disability Services (KDADS) financials.

PROGRAM GOAL:
Through advocacy, education, and resources, the KanCare Ombudsman Office assists members, applicants and other stakeholders to navigate and access the application process and covered health care services and supports.

INTERNAL ASSESSMENT

Strengths:
KanCare Ombudsman Office staff share a genuine commitment for the well-being of Kansans who need the services that KanCare/Kansas Medicaid provides. The KOO staff demonstrate a strong motivation to provide services to help KanCare members, advocates, and providers, navigate what can often be a complex system.

The program currently has three, full-time employees: a state ombudsman, and two ombudsman assistants. KOO also has two, part-time employees who serve as ombudsman assistants.

Weaknesses:
Many of the calls that come to the KanCare Ombudsman Office are very complex and require increasingly more time from the KanCare Ombudsman staff. On occasion, this can delay the response time and completion rates for member concerns/requests.

The software program used to track the consumer concerns is outdated. KDADS technology team did a major update in 2019 to provide additional data, but due to capacity issues, we lost other functionalities (i.e., ability to drill down to get more detailed information, the audit trail for changes to cases was lost). Report functions are also limited. With the move out of KDADS, a 2-year data sharing agreement was made so that KDADS could ensure the tracking system would continue to function, albeit without any significant updates. This MOU ended on 6/30/2024. After a lengthy search, the KanCare Ombudsman Office, in coordination with OITS, chose a vendor to provide a new software program. Salesforce was chosen for

this software project, with Pacific Point serving as the implementation partner. The KanCare Ombudsman Office is currently in the process of transitioning to the new software, which we anticipate will greatly enhance our case management tracking and reporting capabilities.

EXTERNAL ASSESSMENT

Strengths:

The Governor's Executive Order 21-27, moved the KanCare Ombudsman Office from the Kansas Department of Aging and Disability Services (KDADS) to establishing it as an independent small agency attached to the Department of Administration. Prior to the Executive Order, the KanCare Ombudsman Office was housed in KDADS and there were stakeholder concerns regarding potential for or perception of influence from the agencies that were responsible for KanCare. This move helped to alleviate those stakeholder concerns.

The KanCare Ombudsman program is well respected by members, applicants, family, providers, managed care organizations, state agencies and community-based organizations. The staff are invited to speak at various stakeholder events within the KanCare/Kansas Medicaid community. The KanCare Ombudsman program is involved in many meetings within the state, at the local, regional and state level.

The KanCare Ombudsman Office is prepared to promptly respond when contacted by members, applicants, family, providers, community-based organizations, managed care organizations and state staff who request assistance. The KanCare Ombudsman Office staff participate in numerous conventions and meetings to provide information on the KanCare Ombudsman office and how we assist various stakeholders.

The KanCare Ombudsman Office completed a survey of KanCare stakeholders in October of 2023. Results of the survey showed that 70-85% of the respondents agreed that the KanCare Ombudsman Office staff and volunteers were respectful, encouraging, helpful and shared good resources. 80% said they got an answer to their concern.

Weaknesses:

We have found that although we continually work to outreach in the communities of Kansas, there are still many people, members and other stakeholders, that are not aware of our office or do not know how to contact us.

The KanCare Ombudsman Office completed a survey of KanCare stakeholders in October of 2023. Results showed that of the respondents, 42% had never used the KanCare Ombudsman Office for help or resources. 43% had never heard of the KanCare Ombudsman Office before. 59% did not know how to reach the KanCare Ombudsman Office. For this reason, the KanCare Ombudsman Office has a new initiative to provide more outreach in each quadrant of the state.

OBJECTIVE #1 for the KanCare Ombudsman Office:
To receive, investigate, and work to resolve concerns and issues of KanCare/Kansas Medicaid members, applicants and other stakeholders.

Strategies for Objective #1:

1. Provide assistance to KanCare/Kansas Medicaid stakeholders through multiple entryways (phone, email, office, social media.)
2. Follow standardized procedures for competent and timely response to concerns and issues.
3. Help individuals understand the KanCare/Kansas Medicaid delivery system and resolve problems and concerns that may arise between the individual and an agency, managed care organization, provider/payer.
4. Serve as an access point for KanCare/Kansas Medicaid concerns when the beneficiary is not able to resolve their concern directly with a provider, health plan or state agency.
5. Investigate and work to resolve stakeholder issues and concerns.
6. Help applicants and members understand the state Medicaid grievance, appeal and fair hearing process.
7. Use a protocol for referring unresolvable issues to the State Medicaid Agency, managed care organization, other state agencies, or providers to assist with these concerns.
8. Provide technical assistance and support to staff and volunteers.

Outcome Measures	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Increase first response contact to within 2 days	86%	90%	92%	94%

OBJECTIVE #2 for the KanCare Ombudsman Office:
To provide current and updated KanCare and KanCare related resources for stakeholders.

Strategies for Objective #2:

1. Make available resources through various formats including print, the KanCare Ombudsman webpages and other social media.
2. Keep resources provided by the KanCare Ombudsman Office current with Medicaid policies and regulations.
3. Partner with key agencies for review of resources as needed.
4. Update KanCare/Kansas Medicaid resources every 12 months at a minimum.

Outcome Measures	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Number of resources updated within 12 months of last update (out of 30 total)	6	8	10	14

OBJECTIVE #3 for the KanCare Ombudsman Office:
To provide a system of outreach and data collection and reporting to be provided to KanCare Stakeholders.

Strategies for Objective #3:

1. Make presentations regarding various aspects of KanCare/Kansas Medicaid eligibility and program processes and the KanCare Ombudsman Office to various KanCare/Kansas Medicaid stakeholders.
2. Provide information on KanCare/Kansas Medicaid and related topics on social media.
3. Provide information on KanCare/Kansas Medicaid resources on the KanCare Ombudsman Office webpages.
4. Contract to implement a new case management system for better assistance to beneficiaries and for better data collection.
5. Provide quarterly and annual reports with data, information and activities to the Governor, the Kansas Legislature, other government agencies and stakeholders.

Outcome Measures	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
Outreach to KanCare/Kansas Medicaid Stakeholders	648	675	700	750

EXPENDITURE JUSTIFICATION – KanCare Ombudsman Office
Total Current Year FY 2027 - $455,140.00
Total Budget Year FY 2028 - $477,137.00

Object Code 100: Salaries and Wages
The KanCare Ombudsman Office has a total of 4 FTE.

Total Current Year FY 2027 - $314,451.00
Total Budget Year FY 2028 - $330,093.00

Object Codes 200-290: Contractual Services
The major object codes in this classification of expenditures are rents, communications, travel, and other service fees. The new data management system is also included within this section.

Total Current Year FY 2027 - $101,237.00
Total Budget Year FY 2028 - $103,944.00

Object Codes 300-399: Commodities
The main commodities expense for the KanCare Ombudsman Office is for office supplies and gasoline for travel which is for outreach, education, and training.

Total Current Year FY 2027 - $5,500.00
Total Budget Year FY 2028 - $5,500.00

Object Code 400: Capital Improvements
For FY27, the main expense is for the purchase of an office vehicle

Total Current Year FY 2027 - $37,600.00
Total Budget Year FY 2028 - $7,600.00

Explanation of Receipt Estimates—DA 405

Division of the Budget

State of Kansas

Agency Department of Administration

Program Office of the Public Advocates

3287 - AGING TITLE III-B - OLDER AMERICANS ACT-LTCO

The Older Americans Act (42-USC 3001 et seq.) mandates that a state agency serve as the advocate on issues affecting older persons. The State Long- Term Care Ombudsman assists in the development of services and programs for the benefit of nursing home residents. K.S.A. 75-5916 through 75- 5922, enacted in 1980, establishes the Long-Term Care Ombudsman Program. The Omnibus reconciliation Act of 1987, and amendments thereto, have further defined the role of the Ombudsman. Public Law 160-175, the 1987 Amendments of the Older American Act, authorized Title III grants to states to prevent abuse, neglect, and exploitation of older individuals. The 1987 amendments also provide that adequate legal counsel is available to the Ombudsman office and that legal representation is provided to representatives of the office to ensure that the Ombudsman can pursue administrative, legal and other appropriate remedies on behalf of facility residents.
In FY 1998, the Kansas legislature amended K.S.A. 75-7301 and moved the State Long-Term Care Ombudsman to the Department of Administration as an independent state sub-agency.

Revenue Source	**Actual FY 2025**	**Actual FY 2026**	**Projected FY 2027**	**Projected FY 2028**
Title III-B	226,728	197,286	205,602	238,612
Total	**$226,728**	**$197,286**	**$205,602**	**$238,612**

3358 - Aging Title VII - Older Americans Act -LTCO

The Older Americans Act (42-USC 3001 et seq.) mandates that a state agency serve as the advocate on issues affecting older persons. The State Long- Term Care Ombudsman assists in the development of services and programs for the benefit of nursing home residents. K.S.A. 75-5916 through 75- 5922, enacted in 1980, establishes the Long-Term Care Ombudsman Program. The Omnibus reconciliation Act of 1987, and amendments thereto, have further defined the role of the Ombudsman. Public Law 160-175, the 1987 Amendments of the Older American Act, authorized Title III Part G grants to states to prevent abuse, neglect, and exploitation of older individuals. The 1987 amendments also provide that adequate legal counsel is available to the Ombudsman office and that legal representation is provided to representatives of the office to ensure that the Ombudsman has the ability to pursue administrative, legal and other appropriate remedies on behalf of facility residents. The Older Americans Act of 1998 Amendments funded the program under Title VII, Section 702(b).

In FY 1998, the Kansas legislature amended K.S.A. 75-7301 and moved the State Long-Term Care Ombudsman to the Department of Administration as an independent state sub-agency.

Revenue Source	**Actual FY 2025**	**Actual FY 2026**	**Projected FY 2027**	**Projected FY 2028**
Title VII	113,363	95,541	104,013	120,880
Title VII ARP (3160)	0	0	0	0
Total	**$113,363**	**$95,541**	**$104,013**	**$120,880**

3414 - Medical Assistance Program Fund-LTCO

Medicaid funding is made available for certain administrative costs related to activities performed by state Long-Term Care Ombudsman Programs that benefit the state's Medicaid program. In this budget SGF are available and used to match federal Medicaid projected funding.

Through interagency agreement some examples of long-term care ombudsman activities eligible for federal Medicaid administrative funding are: education and consultation to potential enrollees on Medicaid, identifying and referring individuals who may be eligible for and in need of Medicaid services, tracking individuals requests for assistance with obtaining medical/dental/mental/long-term care (including home and community based) services that are covered by Medicaid, identifying Medicaid-eligible residents who want to transition out of nursing home facilities and then connecting them with the appropriate local contact agency or other services to assist them in returning to the community, identifying and reporting suspected instances of Medicaid fraud to federal and state agencies for investigation and action.

Revenue Source	**Actual FY 2025**	**Actual FY 2026**	**Projected FY 2027**	**Projected FY 2028**
Medicaid (3415)	340,090	295,009	404,920	440,338
Total	**$340,090**	**$295,009**	**$404,920**	**$440,338**

3414 - Medical Assistance Program Fund-KOO

Medicaid funding is made available for certain administrative costs related to activities performed by state KanCare Care Ombudsman programs that benefit the state's Medicaid program. In this budget SGF is available and used to match federal Medicaid projected funding.

Revenue Source	**Actual FY 2025**	**Actual FY 2026**	**Projected FY 2027**	**Projected FY 2028**
Medicaid (3416)	268,472	233,239	240,747	219,921
Volunteer Program (3421)	135,483	166,989	214,393	227,216
Total	**$403,955**	**$400,228**	**$455,140**	**$447,137**

3680 - Title XX Fund-LTCO

Funds used for publications, training and education activities provided at no cost for long-term care staff, residents, family, other state agency staff and the community at large. These activities increase understanding of person-centered thinking, planning and practice that builds a culture of prevention and identification of abuse neglect and exploitation. Residents of nursing homes are to be provided person-centered care. Person-centered care defined in nursing homes regulation, states "to focus on the resident as the locus of control and support the resident in making their own choices and having control over their daily lives." In FY 22, our program hired a certified mentor trainer for person-centered practices. Ombudsman staff and four volunteers completed a series of virtual and in-person trainings to provide a foundation for their work in the field. Virtual training events began in FY22, and will continue to be offered, as funding allows, for adult care home staff, residents, family, other state agency staff and the community at large.

Revenue Source	Actual FY 2025	Actual FY 2026	Projected FY 2027	Projected FY 2028
ARP (3088)	125,363	64,616	0	0
Total	**$125,363**	**$64,616**	**$0**	**$0**

State of Kansas
Division of the Budget

Revised FY 2027
&
FY 2028
Budget Request

Explanation of Receipt Estimates—DA 405

Division of the Budget — Agency Department of Administration

State of Kansas — Program Budget Analysis

PROGRAM TITLE: BUDGET ANALYSIS

DIVISION OF THE BUDGET MISSION:

Promote the responsible use of state resources to achieve efficient and effective state government consistent with gubernatorial priorities.

DIVISION OF THE BUDGET PHILOSOPHY:

The Division of the Budget is committed to excellence, professional conduct, and service. These values are reflected in the management and analysis of the state budget and other resources which are provided to the Governor, the Legislature, state agencies, and the citizens of Kansas.

PROGRAM EXPLANATION:

The Division of the Budget has central responsibility for the state budget process, including related policy issues, and for providing management services to state agencies. Because of its central role in budget formulation, the Division serves as a source of explanation to the Legislature and to legislative staff and committees while the Governor's proposals are being considered for adoption. The Division performs a series of duties related to budget execution and financial administration. The staff monitors cash flow and takes appropriate steps to assure State General Fund solvency throughout the year. The Division interprets appropriations language and advises agency managers when questions arise about legislative intent and the management of state government. It verifies and distributes the census data that determine how state aid to local governments is to be apportioned. Staff within the Division is more recently serving a role in assistance with disclosure of the state's financial status when state agencies seek to issue bonds for capital projects backed with state appropriations for debt service. In addition, the Division makes recommendations on agency requests for State Finance Council action and executive directives.

The Division issues instructions and directives that determine how agencies propose and justify requests for expenditure authority. Requests submitted according to those instructions are analyzed by Division staff. Findings and conclusions arising from that analysis are submitted to the Governor and become the basis for the Governor's recommendations to the Legislature. The budget process requires agencies to submit alternative spending proposals. Agency budget requests are guided by expected revenues that will support a base budget with limited adjustments for such statewide costs as group health, KPERS rates, etc. In some years, agencies must also submit a reduced resource package, using estimates provided by the Division, based on the assumption that revenues might decline enough to make a base budget unsupportable. In addition, if agencies are proposing a new program

or expansion of an existing program, a request for funds and/or positions related to such an enhancement is submitted as a discrete package. These requests are taken together as an array that demonstrates alternative budget outcomes and thus expands the information available to the Governor and the Legislature as decisions are made.

The fundamental budgeting unit is the *program*, an integrated set of activities designed to accomplish a set of objectives. Agency budgets are the aggregate of spending proposals developed at the program level. During the budget process agencies must submit operating plans for each program, and these plans supply a major portion of the data that underlie analysis by Division of the Budget staff.

STATUTORY HISTORY

The Kansas budget system was created by the 1917 Legislature. Major revisions of the original statutes occurred in 1925, 1953, 1972, 1978, and 1980. Current provisions are found in KSA 75-3714a et seq. The following statutes relate to the responsibilities of the Division of the Budget:

KSA 75-3715	delineates the powers and duties of the Director of the Budget;
KSA 75-3715a	requires the Division of the Budget to furnish fiscal notes to the Legislature for all bills which alter the revenues and/or fiscal liability of the state or local governments;
KSA 75-3721	details the timing and content of the Governor's budget submission to the Legislature;
KSA 75-3722 et seq.	establishes an allotment system and prescribes certain duties for the Director of the Budget when the resources of the State General Fund are likely to be insufficient to cover the appropriations made against the fund;
KSA 75-4802 et seq.	incorporate the functions of statewide planning and research into the Division of the Budget;
KSA 11-201	requires the Division of the Budget to certify and distribute census bureau population estimates for the state;
KSA 75-6701	directs the Director to prepare a joint estimate of revenue to the state general fund for the current fiscal year and the ensuing fiscal year with the Director of the Legislative Research Department;
KSA 75-6704 et seq.	delineate the Director's responsibilities when it is projected that the unencumbered ending balance in the State General Fund is projected to be less than $100.0 million in the current fiscal year;
KSA 75-137	requires the Governor to include $150,000 in the Division's budget in election years for gubernatorial transition expenses;
KSA 77-416, 420	Outlines the responsibilities of the Director of the Budget to review and approve (or deny) certain proposed state agency rules and regulations, including the economic impact statement provided by the agency.

ISSUES & LONG-TERM TRENDS:

Gubernatorial Transition—FY 2027

KSA 75-137 requires the Division of the Budget to include $150,000 for election years that have a gubernatorial transition. In the Division's FY 2027 budget request, $150,000 was requested as a separate appropriation for the gubernatorial transition. However, because of a bill posting error, the Legislature did not make this FY 2027 appropriation. To comply with the statute, the Division of the Budget transferred $150,000 from the Division's operating SGF fund (1000-0520) to the Gubernatorial Transition fund (1000-0620) in September 2026. This transfer was made using the existing transfer authority for the Department of Administration to transfer funds between State General Fund budget units within the Department. The Division had sufficient unspent funds (reappropriations) from FY 2026 to make this transfer.

Administrative Rules and Regulations Review—New Esper Electronic Filing System

On May 19, 2026, the Office of the Secretary of State went live with the Esper system. This electronic system is the only method for initiating the rules and regulations process, as well as completing the paper process that was in effect before that date. At the time of this publication in August 2026, bugs in the system were being worked out in the Division of the Budget's approval process.

The system is paid from a new fee charged to agencies by the Office of the Secretary of State, according to the following schedule:

- New or Amended Regulation: $250
- Revoked Regulation: $100
- Technical Amendments: $0

Explanation of Receipt Estimates—DA 405

Division of the Budget — Agency Department of Administration

State of Kansas — Program Budget Analysis

2026 Legislative Session Changes to the Rules and Regulations Process

Technical Amendments. The Legislature updated the process for non-substantive amendments to the regulations. According to L. 2026, ch. 138, sec. 1, technical amendments only require approval from the Department of Administration before they can be adopted by the regulatory authority. The following outlines types of amendments that would be considered "technical:"

1. Updating or changing cross references to statutes or other regulations;
2. Renumbering or redesignating sections, subsections, paragraphs or clauses for organizational clarity that does not alter substantive meaning;
3. Updates to conform with current drafting conventions such as standardizing capitalization, punctuation or formatting;
4. Correcting spelling, punctuation or grammatical errors that do not alter substantive meaning;
5. Replacing obsolete agency, board or position titles with current names;
6. Changing addresses, telephone numbers, email addresses or website URLs to current contact information; and
7. Revising references to state forms or publications when numbering or titles change but the content remains the same.

Priority Designation. L. 2026, ch. 138, Secs. 2 and 4 address the new priority designation for regulations that the agency has been directed to adopt within nine months of the effective date of the legislative act or regulations that have been directly granted priority status in the legislative act. These regulations will be pushed to the top of the to-do list for each approval agency. Esper is working on a system to mark these regulations. Until this is rolled out, agencies are instructed to name their regulation projects with the first word as "Priority."

New Requests for Early Input. As of July 1, 2026, there is a new mandatory early notice procedure per L. 2026, ch. 138, sec. 7. A notice must be posted at least 15 days prior to submission of a proposed regulation to the Department of Administration for the first round of approval stamps. This notice must be: (1) posted on the agency website; (2) submitted to the Secretary of State for posting and distribution through the regulation list-serve;

and (3) emailed to each of the 165 legislators. There is no prescribed format for the notice, but there are required elements that must be included. See the bracketed information in the example notice template below:

Removal of the Hearing Certification from the EIS. The EIS and hearing record are both essential but are not otherwise logically connected. The changes made by the 2026 Legislature de-coupled them, so they are two distinct documents. The date, time, location, and number of public attendees at the public hearing may now be submitted to the Secretary of State at the time of adoption as a part of the adoption certificate or as a separate document.

Changes for Regulations Over the EIS Threshold. Regulations that are over the $1 million over the first five years after implementation threshold now need to go before the Joint Committee on Administrative Rules and Regulations (JCARR) before ratification. Once ratified, the regulations only need to go before JCARR again during the 60-day comment period at the request of the joint committee. The following outline the steps of this process:

1. Hold preliminary budget hearing for impacted parties any time in the process;
2. Submit request for early input to SOS, post on website, send to legislators;
3. At least 15 days after the second step, submit regulatory package to Administration for approval;
4. Submit regulatory package to the Attorney General for approval;
5. Submit regulatory package to Budget for review and conditional approval;
6. Submit to JCARR;
7. Request ratification from legislature (see L. 2026, Chapters 100, 116, 118 & 145 for examples of bills passed during the 2026 session);
8. If passed, resume process by submitting regulatory package (stamped regulations and stamped EIS) to the Secretary of State with hearing notice;
9. Submit to JCARR, but only go before them again upon request
10. After hearing and finalizing any post-hearing changes, file regulatory package with the Secretary of State;

11. Regulations are published and become effective 15 days after publication in the Kansas Register.

Occupational Licensing. As of May 7, 2026, certain agencies will need to start reporting annually to JCARR all occupational licenses it controls. Any nonexempt agency that materially changes an occupational license regulation must first get legislative approval. This approval process is similar to the ratification process in KSA 77-441 for regulations over the economic threshold. See the approval steps above, minus the extra budget hearing. The following agencies that are exempt from the occupational licensing requirements are the following: Behavioral Sciences Regulatory Board, Board of Examiners in Optometry, Board of Nursing, Dental Board, Board of Healing Arts, and Board of Pharmacy.

Performance-Based Budgeting (PBB)

Currently, the Kansas Legislative Research Department (KLRD) coordinates with state agencies the reporting process of PBB to the Legislature and the Division of the Budget. State agencies fill out a form with various PBB reporting requirements that are outlined by KLRD. These reports are submitted in conjunction with the agency's budget submission by September 15 of each year.

Budget System Replacement

The use of the state's current budget system, also known as IBARS, began with an earlier version during FY 2002. *The FY 2003 Governor's Budget Report* was presented from data from the first year of the new budget system. Prior to FY 2003, budget documents were submitted to the Division of the Budget in paper form. From these documents, budget analysts would enter data at the program level into a mainframe system (eloquently known as IRMA). This mainframe system was used to track changes to the budget throughout the budget cycle, including Governor's recommendations and legislative changes.

With a core budget system that is 25 years old, the system cannot efficiently receive data from the state's payroll system (SHARP) and accounting system (SMART) without manual changes to raw data. There are also potentially other state budget systems that could be more efficient when integrated into a larger system change that would involve SHARP and SMART. Although the Department of Administration included

expenditures in its budget during the 2025 Legislative Session to begin this process, the Legislature did not concur with the request. In the near future, the Division of the Budget will have to decide if the current IBARS should be replaced or if the existing system can continue with its existing vendor.

Explanation of Receipt Estimates—DA 405

Division of the Budget — Agency Department of Administration

State of Kansas — Program Budget Analysis

BUDGET ANALYSIS PROGRAM

GOAL 1: Perform comprehensive policy, management, and fiscal analysis.

OBJECTIVE 1: Develop sophisticated research and analytical capabilities.

Strategies:

Manage an employee selection process that assures hiring analysts with a solid research and analytical base.

Provide formal, in-house training of analysts related to research and analysis expectations, including an effective mentor program.

Provide a variety of continuing education and training programs to develop the basic skills of employees.

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Division of the Budget — Agency Department of Administration

State of Kansas — Program Budget Analysis

	Actual FY 2024	Actual FY 2025	Actual FY 2026	Current Year FY 2027	Budget Year FY 2028
Outcome Measures:					
Percentage of analysts rating formal, in-house training or continuing education as "good" or "excellent"	100.0	100.0	100.0	100.0	100.0
Percentage of analysts rating the in-house mentor program as "good" or "excellent"	100.0	100.0	100.0	100.0	100.0
Output Measures:					
Number of continuing education opportunities attended by staff	9	11	10	10	9

OBJECTIVE 2: Develop and maintain an increasing scope of knowledge related to agency functions, programs, and policy options.

Strategies:

Review the most recent budget resources and background materials related to assigned agencies.

Develop an understanding of agency activities through on-site visits, continuous dialogue, and policy research.

Explanation of Receipt Estimates—DA 405

Division of the Budget — Agency Department of Administration

State of Kansas — Program Budget Analysis

	Actual FY 2024	Actual FY 2025	Actual FY 2026	Current Year FY 2027	Budget Year FY 2028
Outcome Measure:					
Percentage of state agencies visited in the fiscal year	72.4	86.7	84.7	79.6	84.7
Output Measure:					
Number of agencies visited	93	85	83	78	83

Explanation of Receipt Estimates—DA 405

Division of the Budget — Agency Department of Administration

State of Kansas — Program Budget Analysis

GOAL 2: Produce an accurate budget reflecting the Governor's priorities.

Strategies:

Communicate the Governor's priorities through agency training, comprehensive budget instructions, and other contacts.

Manage a comprehensive budget review process, which includes utilization of tracking mechanisms and reconciliation processes.

Review and revise, as necessary, DOB recommendations with the Governor.

GOAL 3: Balance state receipts and expenditures.

OBJECTIVE 1: Provide cash management for the State General Fund.

Strategies:

Develop a cash flow model of the State General Fund that has at least 95.0 percent of expenditures identified in specific categories and no more than 5.0 percent categorized as "other" State General Fund expenditures.

Monitor the current year status of receipts and expenditures on a daily basis.

Take corrective measures, either through the use of administrative tools, executive branch actions, legislative actions, or State Finance Council actions, as needed.

Develop reliable techniques for estimating expenditures and revenues resulting from changes in state and federal law or administrative practices.

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Division of the Budget — Agency Department of Administration

State of Kansas — Program Budget Analysis

	Actual FY 2024	Actual FY 2025	Actual FY 2026	Current Year FY 2027	Budget Year FY 2028
Outcome Measures:					
Percentage of expenditures identified as "other" State General Fund expenditures in the	4.7	8.2	4.6	4.8	5.0
Average percentage deviation of the actual average monthly balance and the balance projected by the cashflow model	16.1	35.1	38.7	50.0	50.0
Output Measures:					
Number of times administrative tools are used to ensure positive cashflow	0	0	0	0	0

OBJECTIVE 2: Assist agencies in maintaining the solvency of special revenue funds.

Strategies:

Maintain cash flow models on major funds. For this purpose, major funds are defined as any fund that finances either a variety of state agencies or a single agency, which, if exhausted, would require the agency to revise its strategic plan significantly or would require an additional appropriation of dollars to allow the agency to maintain the base budget level.

Explanation of Receipt Estimates—DA 405

Division of the Budget — Agency Department of Administration

State of Kansas — Program Budget Analysis

Monitor the current year status of receipts and expenditures, as necessary.

Work with agencies to develop alternatives to meet obligations of a fund that has a cash flow problem.

	Actual FY 2024	Actual FY 2025	Actual FY 2026	Current Year FY 2027	Budget Year FY 2028
Outcome Measures:					
Percentage of agencies the Division of the Budget contacts with concerns about cashflow management	10.8	10.8	16.7	17.5	22.7
Number of problems identified	10	10	16	17	22
Output Measure:					
Number of cashflow models developed and maintained	51	51	51	64	68

Explanation of Receipt Estimates—DA 405

Division of the Budget — Agency Department of Administration

State of Kansas — Program Budget Analysis

GOAL 4: To provide accurate budget and policy information in a timely manner.

OBJECTIVE 1: To respond to inquiries from the Division's publics: the Governor's Office, legislators, the public, the media, and representatives from other local governments in a timely and professional manner.

Strategies:

Facilitate the flow of information from the Division to the publics via telephone calls, correspondence, and electronic mail.

Ensure administrative staff is aware which analyst should receive inquiries on certain topics.

Prepare clear and concise memos, letters, and survey responses that effectively reply to inquiries by the requested deadlines.

Ensure all analysts have a general knowledge of the overall state budget and current State General Fund outlook.

Prepare fiscal notes on a timely basis to maximize their usefulness to legislative committees, the Governor, and others.

Review and approve all applicable economic impact statements for associated rules and regulations.

Explanation of Receipt Estimates—DA 405

Division of the Budget — Agency Department of Administration

State of Kansas — Program Budget Analysis

	Actual FY 2024	Actual FY 2025	Actual FY 2026	Current Year FY 2027	Budget Year FY 2028
Outcome Measures:					
Percentage of fiscal notes completed by the hearing date	100.0	99.8	100.0	100.0	100.0
Percentage of corrected fiscal notes	0.0%	0.3%	0.0%	0.0%	0.0%
Output Measures:					
Number of fiscal notes completed	604	704	625	700	700
Number of surveys completed	4	4	5	4	4
Number of corrected fiscal notes	0	2	2	0	0
Number of administrative regulations reviewed	130	186	130	186	186
Number of administrative regulations reviewed with a fiscal effect over $1.0 million over a 5-year period	1	0	1	2	2

Explanation of Receipt Estimates—DA 405

Division of the Budget — Agency Department of Administration

State of Kansas — Program Budget Analysis

GOAL 5: Provide assistance to state agencies in budget development and execution, including strategic planning and performance measurement.

OBJECTIVE 1: Prepare and present clear and concise written and oral budget instructions.

Strategies:

Complete written budget instructions, including cost indices, and make them available to agencies prior to the formal training sessions in late spring or early summer.

Provide introductory training for all agency personnel who have never prepared a budget document.

Provide staff and agency training on the Governor's initiatives, changes, or technical improvements that are expressed in the written instructions.

Provide prompt and accurate advice relating to agency inquiries by individual analysts.

OBJECTIVE 2: Assure that the information contained in *The Governor's Budget Report* and in state agency budget submissions reflects strategic planning and performance measurement.

Strategies:

Promote and encourage the use of strategic planning in state government and assist state agencies in the use of strategic planning and performance measurement, when needed.

Explanation of Receipt Estimates—DA 405

Division of the Budget — Agency Department of Administration

State of Kansas — Program Budget Analysis

	Actual FY 2024	Actual FY 2025	Actual FY 2026	Current Year FY 2027	Budget Year FY 2028
Outcome Measure:					
Percentage of agency budget submissions that include at least one outcome measure for each program, except debt service and capital improvements	90.3	90.4	90.7	90.7	90.7
Output Measure:					
Number of state agencies reporting that they use elements of their strategic plan "most of the time" to develop budget issues	85	86	89	89	89

Explanation of Receipt Estimates—DA 405

Division of the Budget — Agency Department of Administration

State of Kansas — Program Budget Analysis

OVERVIEW OF CURRENT YEAR ESTIMATE AND BUDGET YEAR INFORMATION

CURRENT YEAR—FY 2027:

The Division had a net FY 2027 State General Fund appropriation totaling $2,421,517, net of statewide reductions including 1.5% lapses of appropriations, for its operations in FY 2027. From underspending in FY 2026, $831,810 reappropriated from FY 2026 and was made available in FY 2027. Most of the reappropriation can be attributed to a requested lapse in last year's budget submission totaling $615,985 not being included in the 2026 Legislative Session appropriation bill.

The 2026 Legislature authorized certain state agencies to have 1.5 percent of any reappropriation lapsed on July 1, 2026. For the Division of the Budget, this amount lapsed in FY 2027 is $12,478. Based upon funding that is legally spendable in FY 2027, the Division's revised FY 2027 budget includes a request to lapse $526,180 in FY 2027 from the Division's operations account of the State General Fund (1000-0520). However, this amount would have been $676,180 if the Legislature had funded the statutorily required State General Fund appropriation of $150,000 for the gubernatorial transition. The Division of the Budget is the agency that coordinates with the incoming gubernatorial transition team of expenditures for this effort.

The Division's revised FY 2027 expenditure request totals $2,564,699, all from the State General Fund. The Division's FY 2027 revised expenditures will fund 13.00 FTE positions, including 1.00 Budget Director, 1.00 Deputy Budget Director, 10.00 FTE Budget Analysts, and 1.00 Executive Assistant. This revised request is 1.00 FTE position less than the approved, as the agency eliminated this vacant position from its budget.

Out-of-state travel has been budgeted for participation at various National Association of State Budget Officers (NASBO) meetings and professional development opportunities. NASBO is the professional association where the Division's staff receives most of its professional development. In addition, funds have been budgeted for analysts to visit various state agencies during the summer months. Expenditures totaling $250,000 have been budgeted in contractual services for special projects as needed by the Budget Director or by the Governor.

Explanation of Receipt Estimates—DA 405

Division of the Budget — Agency Department of Administration

State of Kansas — Program Budget Analysis

BUDGET YEAR Allocated Resources Request—FY 2028

The Division requests total allocated resources expenditures in FY 2028 totaling $2,489,510, all from the State General Fund. The agency's request will finance 13.00 FTE positions, which is the same as the Division's revised FY 2027 request. Out-of-state travel has been budgeted for participation at various NASBO annual meetings and professional development opportunities. Expenditures totaling $19,726 have been budgeted in contractual services for special projects as needed by the Budget Director or by the Governor.

Enhancement Packages—FY 2028

The Division requests no enhancement packages in FY 2028.

Explanation of Receipt Estimates—DA 405

Division of the Budget — Agency Department of Administration

State of Kansas — Program Budget Analysis

EXPENDITURE JUSTIFICATION—Division of the Budget

Object Code 5100: Salaries and Wages

The Division has a limited hierarchy, and all professional staff members are given considerable flexibility in performing assigned work within time constraints. The Deputy Director reports to the Director, plays a significant role in developing office policy and procedures, and coordinates the development of overall budget procedures.

There are four classifications of "budget analyst" within the Division, although the official titles in the state's personnel system are different. Each represents a progressive level of autonomy, experience, and reliability. These are Budget Analyst I, Budget Analyst II, Senior Budget Analyst, and Principal Budget Analyst positions. Promotion to higher levels is not automatic but based on demonstrated proficiency and attainment of a higher level of responsibility and competence.

Experienced staff members are assigned as "mentors" to new analysts so that new staff may more easily learn the Division's work policies and procedures. All analysts report directly to the Director of the Budget on matters affecting their agencies, are directly responsible to the Director, and, at various times of the year, have contact with the Governor and the Governor's staff. One professional staff member provides assistance to the office in performing accounting, word processing, and logistical support to the office.

Current Year—FY 2027—$1,966,619. The estimate results from a recalculation of salaries based on current staff levels and the level of seniority and benefits eligibility. This request would fund 13.00 FTE positions, including 1.00 Budget Director, 1.00 Deputy Budget Director, 10.00 FTE Budget Analysts, and 1.00 Executive Assistant. The Division of the Budget also performs demographic duties that are required by statute and are carried out by existing members of the budget staff. The Director of the Budget also serves as the Secretary of Administration, with the salary split shared by the Division of the Budget (50.0 percent) and the Department of Administration (50.0 percent). The split funding for this position is reflected in the budget through mid-year; however, when the new gubernatorial administration begins in January 2027, the salary for the Director of the Budget and the Secretary of Administration will be two separate positions in the two organizations.

Budget Year—FY 2028—$2,138,874. Funding at this level continues funding for a staff of 13.00 FTE positions. Applicable fringe benefit expenditures have been calculated in accordance with the budget cost indices, as provided by the Division of the Budget, including costs for KPERS

and health insurance benefits. For FY 2028, a "27th Paycheck" will occur with the timing of the state's payroll calendar. As a result, one additional payroll will occur during FY 2028.

Object Codes 5200-5290--Contractual Services

After salaries and wages, the Division's largest expenditure is for rent paid, along with the monumental surcharge, to the Department of Administration for the agency's office space. The Division's official offices are housed in the Docking State Office Building (Room 310). Also included in this category are services provided by the Office of Information Technology Services (OITS). Expenditures for the Division's annual dues to the National Association of State Budget Officers (NASBO), subscription costs to periodicals, as well as a shared subscription with the Kansas Legislative Research Department to the Federal Funds Information for States (FFIS) are included in contractual services.

Current Year—FY 2027—$726,680. In addition to the above contractual services, out-of-state travel expenditures totaling $11,900 are budgeted for the Budget Director and other staff members to attend NASBO meetings and events, as well as other training opportunities. Training is important to have an effective workforce. Expenditures totaling $250,000 has been included in the category of "Other Contractual Services" for special projects that the Governor and the Budget Director deem appropriate. Finally, $150,000 is budgeted for the statutorily required expenditures for gubernatorial transition expenses in contractual services.

Budget Year—FY 2028—$343,236. With this level of expenditure, the Division will be able to maintain its contractual obligations, including rent and membership with NASBO, and subscription to FFIS. Expenditures totaling $19,726 have been budgeted for special projects for the Governor and the Budget Director. Official hospitality expenditures are budgeted at $1,000.

Object Codes 5300-5390—Commodities:

The single largest category of expenditures in commodities is for stationery and office supplies. This category includes paper, notebooks, computer supplies, and other miscellaneous office supplies.

Current Year—FY 2027—$6,100. The revised estimate of expenditures for the current fiscal year is primarily based on a comparison with prior expenditures.

Budget Year—FY 2028—$6,100. Expenditures are budgeted for similar expenditures in FY 2027 as was budgeted in FY 2027.

Object Code 5400—Capital Outlay:

Capital outlay expenditures for the Division in the past have included the purchase of computers, monitors, standing desks, as well as certain specialty software. Prior to FY 2025, expenditures in this category included the purchase of revisions to the Kansas statutes and session laws, both of which are compiled by the Revisor of Statutes. However, since FY 2025, the Division purchases only one set of the Kansas statutes and session laws, as most analysts research these documents with online services through the Kansas Legislature and the Kansas Secretary of State.

Current Year—FY 2027—$15,300. The Division's copier that was ten years old is out of useful life and parts cannot be obtained. The Division purchased a new unit in September 2026 from the state's contract at a cost of $14,300, with an expected life of at least five to seven years. Also, expenditures of $1,000 are budgeted to replace various office equipment, only as needed.

Budget Year—FY 2028—$1,000. Expenditures of $1,000 are budgeted to replace various office equipment, only as needed.

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The **Budget Fees Fund (2191)** has been used mostly for one-time purposes, oftentimes expenditures that arise in the course of actual business that could not be anticipated in order to budget for them ahead of time. In the past the fund has been used as a means for paying for school financial audits. The audit work was performed by Standard and Poor's, while the financing was provided by the Ewing M. Kauffman Foundation. The Division of the Budget served as the agent for receiving and disbursing the funds.

The original cost estimate for the audits was $400,000. Of this amount, $200,000 was received in FY 2005, but no payments were made during that fiscal year. The remaining $200,000 was received in FY 2006. During FY 2006, payouts totaling $300,000 were made. The Kauffman Foundation began making direct payments to S&P during FY 2007. As a result, the final $100,000 was not used, and the money was returned to the Kauffman Foundation. During FY 2023, the Division purchased teleconferencing equipment for the Conference Room and the Director's Office that had a cost of $13,244. Of this amount $6,150 was utilized from the Budget Fees Fund. No further expenditures from this fund have been budgeted; however, the remaining balance of $10,884 (as of the beginning of FY 2026) can be used for capital outlay expenditures or other non-recurring types of purchase.