

The Governor's
Budget
Report

Volume 1

**Recommendations
and
Budget Schedules**

Fiscal Year 2000

January 12, 1999

Dear Kansan:

With the submission of this report, I present my budget recommendations for the fiscal years 1999 and 2000 for consideration by the 1999 Kansas Legislature.

For the past two years, the abundance of our economy has allowed us to return a bountiful share of the state's resources to citizens in the form of tax relief. At the same time, the careful management of the budget has enabled us to continue providing vital services to Kansans, at once improving on delivery and targeting our efforts toward those most in need.

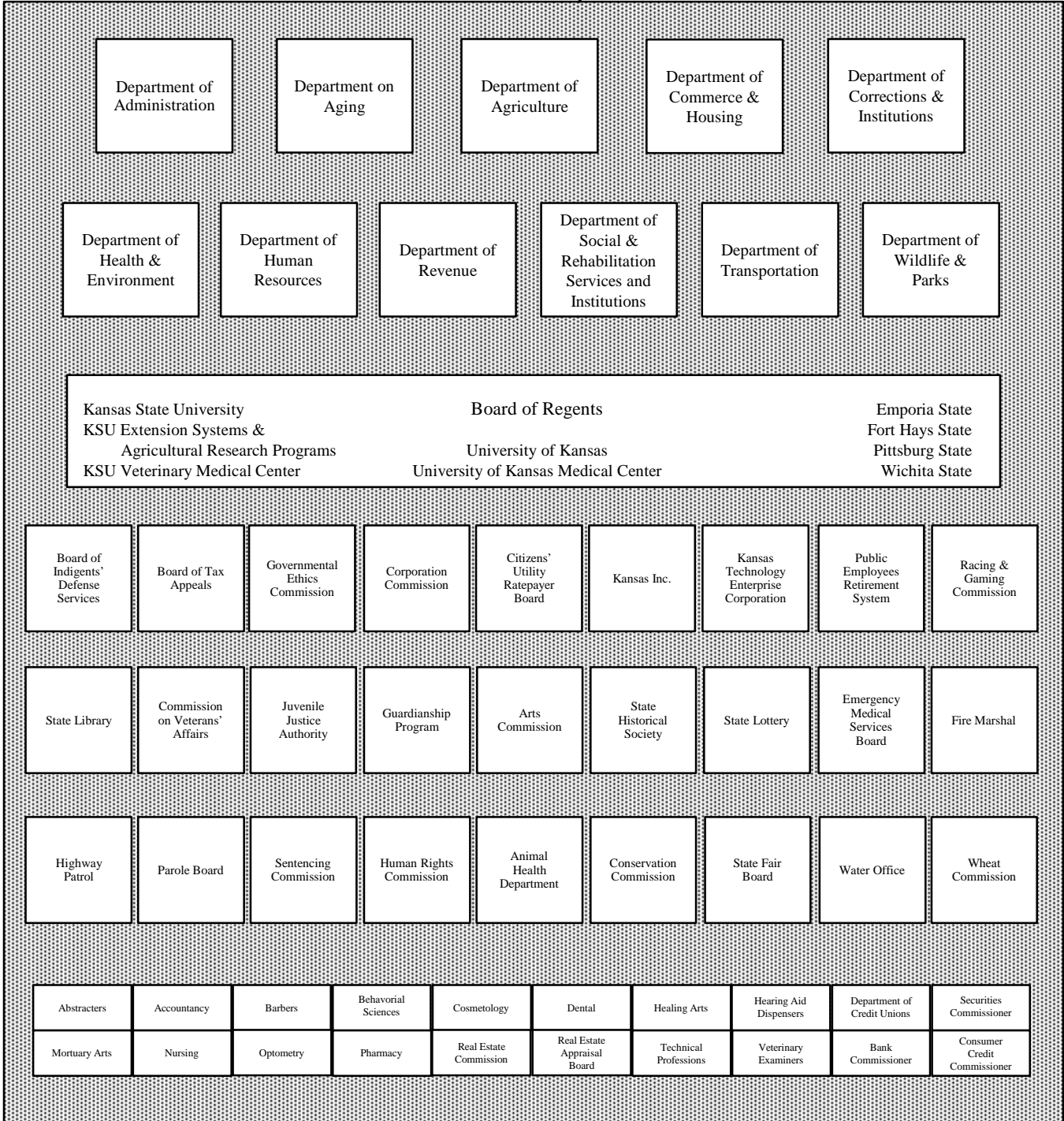
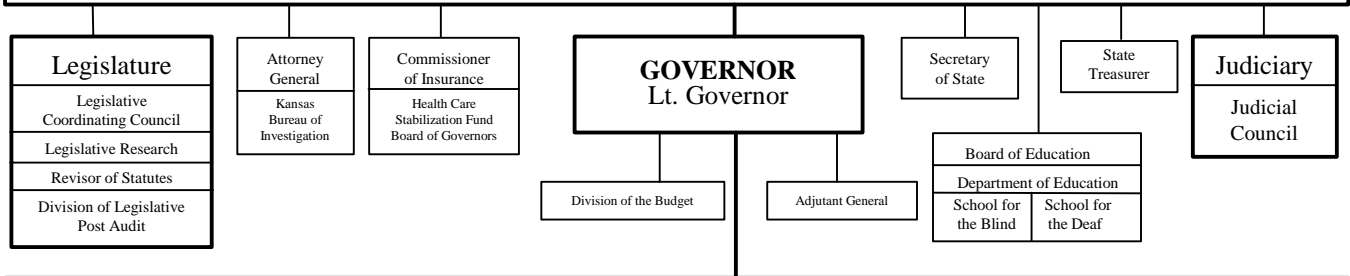
As I begin my second term as governor, I want to build on the success of our previous accomplishments to the extent our resources allow. Accordingly, this budget places special emphasis on initiatives that benefit the education and health of children, a program that preserves our existing transportation infrastructure and improves the serviceability of transportation systems in key areas, and selected tax reductions designed to produce the greatest measure of tax relief within the constraints of more moderate revenue growth.

If you would like additional information about the budget or if you have questions, please contact my office or the Division of the Budget.

Sincerely,

BILL GRAVES
Governor

VOTERS OF KANSAS



The Governor's budget recommendations continue vital state services and increase the state's commitment to education, provide additional resources for programs benefiting children, propose targeted tax reductions, and set the framework for a new comprehensive transportation program.

FY 1999 Recommendations

The current fiscal year recommendations carry on the budget plans developed by the Governor and the 1998 Legislature. For FY 1999, the Governor recommends a revised total budget of \$8.8 billion, with \$4.22 billion from the State General Fund. Previously approved amounts totaled \$8.56 billion, with \$4.19 billion from the State General Fund. The Governor proposes revisions to the FY 1999 budget primarily because of increases in available federal funds, shifts in expenditure authority from FY 1998 to FY 1999, adjustments for SRS caseloads, and a recalculation of public school finance needs. Details of the revisions can be found in Schedule 9 at the back of this volume.

FY 2000 Recommendations

For the coming fiscal year that begins July 1, 1999, the Governor proposes a total budget of \$9.03 billion, of which \$4.42 billion is from the State General Fund. The State General Fund portion of the budget grows by 4.6 percent over FY 1999. Property tax replacement and increases in demand transfers account for the majority of that increase. All other expenditures cause the State General Fund budget to grow by 1.7 percent.

For classified state employees the Governor recommends full funding for step movement and longevity as well as a 1.0 percent base salary adjustment. For unclassified employees, the Governor recommends a 3.5 percent funding pool to be awarded on the basis of merit. In addition, \$2.5 million is proposed as a special funding pool to help retain excellent faculty at Regents institutions, \$800,000 is budgeted to raise the salaries of district judges, and expenditures are allowed for correctional officer and juvenile justice youth service worker salary upgrades.

The Governor's recommendation provides for a total of 40,274.5 FTE positions, including 16.0 new troopers for the Highway Patrol. The total position count is down from 42,116.2 FTE positions in FY 1999, principally because of retirement reductions and the privatization of the KU Medical Center Hospital.

The budget recommendations direct over \$80.0 million in new spending toward public education. The per pupil base rises from \$3,720 to \$3,755 and special education appropriations increase by 5.6 percent. The Governor adds money to fund Juvenile Justice Authority community plans. The recommendations fully cover expected caseloads in SRS in the medical, welfare (TAF), and foster care programs, as well as in the nursing home program at the Department on Aging.

Potential revenues from the settlement of litigation against tobacco companies total \$20.0 million in FY 1999 and \$53.0 million in FY 2000. Because the federal government will likely be able to claim 60.0 percent of the settlement, the Governor recommends planning for the use of only 40.0 percent of the expected revenues--\$8.0 million in FY 1999 and \$21.2 million in FY 2000. Over the two fiscal years, \$14.6 million will be placed in the State General Fund and \$14.6 million in the Children's Health Care Programs Fund.

Children's Initiatives. The Children's Budget, printed in this volume, outlines funding of \$3.2 billion that is targeted toward children and families—an increase of over \$170.0 million from FY 1999. Included in those expenditures are 13 initiatives funded from tobacco settlement monies. Initiatives include expanding the Healthy Start/Home Visitor Program, grants for innovative child health programs, grants for smoking prevention programs, improved newborn health screening, and juvenile delinquency prevention programs.

Tax Relief. Building on the extensive tax reductions already enacted over the last four years, the Governor again recommends tax reductions in several areas. As promised, the Governor proposes a complete phase-out of property taxes on cars and small trucks. Under the proposal, the final phase-out occurs over four years

and begins immediately after already scheduled car tax reductions are completed. In addition, the Governor proposes to increase the adoption income tax credit, raise the machinery and equipment property tax credit, eliminate severance taxes on oil, and begin a new grain storage sales tax exemption.

Comprehensive Transportation Program. To address the needs of the large Kansas transportation infrastructure the Governor proposes an eight-year \$2.4 billion comprehensive transportation program. For highway construction and maintenance, the Governor's proposal is larger than the Comprehensive Highway Program of 1989, but raises no new taxes. The proposal also provides funds for aviation, rail transportation, and public transit. The Governor recommends a financing package that includes bonds, existing resources, federal monies, and an increase in the State Highway Fund demand transfer. The demand transfer increase goes from the current 7.6 percent of sales tax revenue to 9.0 percent in FY 2000, and then to 10.0 percent for succeeding fiscal years.

Economic Outlook. The Kansas economy continued to expand in 1998. The Gross State Product grew 4.3 percent. Unemployment rates dropped from 4.2 percent to 3.6 percent. Personal income grew 4.7 percent. Although both the agricultural and oil sectors experienced problems stemming from low prices, overall economic growth pushed up State General Fund tax revenues.

The Consensus Revenue Estimating Group expects continued growth for the next year but at a slower rate than previous years. The Estimating Group met in November and projected State General Fund tax receipts of \$4.08 billion in FY 1999 and \$4.23 billion in FY 2000. The FY 1999 revenue forecast represents a 1.3 percent increase over FY 1998, although that growth would have been 6.8 percent without the enactment of significant tax cuts during the 1998

Legislative Session. For FY 2000, the forecast for overall revenue growth is a more moderate 3.8 percent.

Budget Preparation. This budget is the product of a careful planning process to assure that each tax dollar is appropriately spent. The process began immediately following the 1998 Legislative Session and involved continuous monitoring of all state revenues, discussion of program and policy options available, and a review of agency priorities. The Governor directed agencies to submit budget requests by September 15 at a reduced resource level—approximately 3.0 percent below current spending—and at a current service level which assumed that existing programs and services would be continued. Agencies requested as an enhancement anything beyond a current service level of operation. The Division of the Budget reviewed agency requests and returned initial recommendations to the agencies in November. The Governor then made final recommendations after reviewing each budget request along with Division of the Budget adjustments and agency appeals. All of the Governor's recommendations were made and the budget built using the November Consensus Revenue Estimate.

Long-Term Budget Plan. The table on the next page outlines a five-year plan for the State General Fund. FY 1999 begins with a balance of \$756.7 million. That balance is steadily reduced through the next three fiscal years until the ending balance in FY 2001 is \$336.7 million, or 7.5 percent of expenditures—the minimum balance required by law. Revenues are projected to grow by 4.0 percent in FY 2001, while expenditures are calculated to remain flat, adjusted up only for school finance changes, KPERS increases, and an increase in the State Highway Fund demand transfer from 9.0 percent to 10.0 percent of sales tax receipts. The 9.6 percent ending balance in FY 2000 is higher than required by law, but necessary in order to provide a sound funding base for FY 2001.

Five-Year Outlook for the State General Fund

(Dollars in Millions)

| | <u>FY 1999</u> | <u>FY 2000</u> | <u>FY 2001</u> | <u>FY 2002</u> | <u>FY 2003</u> |
|--|----------------|----------------|----------------|----------------|----------------|
| Adjusted Balance: | \$756.7 | \$611.8 | \$423.1 | \$336.7 | \$340.0 |
| Revenue: | | | | | |
| Revenue Estimates | 4,075.7 | 4,230.6 | 4,401.5 | 4,582.1 | 4,779.6 |
| Tobacco Settlement | 4.0 | 10.6 | 11.4 | 13.8 | 14.0 |
| Tax Reductions | -- | (15.1) | (17.3) | (20.8) | (21.9) |
| Car Tax Elimination Transfers | -- | -- | (19.2) | (60.3) | (109.4) |
| Other Revenue Adjustments | (1.6) | 4.4 | 0.1 | 1.6 | -- |
| Total Available | \$4,834.8 | \$4,842.3 | \$4,799.6 | \$4,853.0 | \$5,002.3 |
| Expenditures: | | | | | |
| Recommended Expenditures | 4,043.4 | 4,335.7 | -- | -- | -- |
| Expenditures from Prior Year | -- | -- | 4,419.2 | 4,462.9 | 4,513.0 |
| Property Tax Replacement | 179.6 | 83.5 | 32.4 | 16.5 | 16.2 |
| KPERS Adjustment | -- | -- | 5.3 | 5.3 | 5.3 |
| School Finance Adjustment | -- | -- | (14.4) | (17.4) | (18.6) |
| Demand Transfer Adjustment | -- | -- | 20.4 | 6.6 | 9.0 |
| Subtotal Expenditures | \$4,223.0 | \$4,419.2 | \$4,462.9 | \$4,474.0 | \$4,524.9 |
| Flexibility | -- | -- | -- | 39.0 | 127.0 |
| As % of Expenditures Subtotal | -- | -- | -- | 0.9% | 2.8% |
| Total Expenditures | \$4,223.0 | \$4,419.2 | \$4,462.9 | \$4,513.0 | \$4,651.9 |
| Ending Balance | \$611.8 | \$423.1 | \$336.7 | \$340.0 | \$350.4 |
| As % of Expenditures | 14.5% | 9.6% | 7.5% | 7.5% | 7.5% |
| Change Attributed to Gov't Operations | 6.2% | 1.7% | (0.2%) | 0.6% | 2.5% |
| Change Attributed to Demand Transfers | 0.3% | 0.9% | 0.5% | 0.1% | 0.2% |
| Change Attributed to Property Tax Relief | 4.7% | 2.0% | 0.7% | 0.4% | 0.4% |

The tobacco settlement revenue is one-half of 40.0 percent of the total payment estimated for the fiscal year.

School finance adjustments assume \$3,755 base state aid per pupil.

The State Highway Fund demand transfer is increased to 9.0 percent of sales taxes in FY 2000 and 10.0 percent for FY 2001 and thereafter.

Property tax replacement represents the amount expended from the State General Fund to replace decreases in school finance mill levies.

Budget Summary

Tax Relief Package

The actions of the Governor and Legislature have produced legislation that reduced taxes overall by an estimated \$114.1 million for FY 1998 and \$248.0 million for FY 1999. The Governor recommends to the 1999 Legislature further tax relief measures that will reduce State General Fund receipts by \$15.1 million for FY 2000. He also recommends that the Legislature endorse a proposal to phase-out motor vehicle property taxes over four calendar years beginning in FY 2001 and reimburse local governments for the lost revenue. The table below summarizes the effect of the recommendations over the next three years.

| Governor's Tax Relief Package | | | |
|--------------------------------------|----------------|----------------|----------------|
| <i>(Millions of Dollars)</i> | | | |
| | <u>FY 2000</u> | <u>FY 2001</u> | <u>FY 2002</u> |
| Car Tax Phase-out | -- | 19.2 | 60.3 |
| Business Machinery | 8.6 | 9.5 | 10.4 |
| Oil Severance Tax | 3.8 | 5.1 | 7.6 |
| Adoption Tax Credit | 1.9 | 1.9 | 1.9 |
| Grain Storage | 0.6 | 0.6 | 0.6 |
| Grain Transport | 0.2 | 0.3 | 0.3 |
| Total Tax Relief | \$15.1 | \$36.6 | \$81.1 |

Motor Vehicle Tax Phase-out. The 1995 Legislature took action to reduce the assessment rate on motor vehicle valuations incrementally from 30.0 percent in 1996 to 20.0 percent in 2000. The Governor proposes to let the 1995 reductions take place as planned, reduce the assessment rate to 15.0 percent in 2001 and then by 5.0 percent for the next three years until the tax is eliminated in 2004. This action will continue a steady flow of tax reductions until all property taxes on "tax and tag" vehicles are eliminated.

The second part of the Governor's proposal is to reimburse local governments for the revenue they would otherwise lose by phasing out the tax. Once the phase-out is accomplished, the state will replace the total \$202.0 million local governments are projected to receive in 2000. Growth factors will be taken into account in determining reimbursements for the years following the phase-out. The first payments to the counties will occur in February 2001. The effect on

the State General Fund will be a revenue loss of an estimated \$19.2 million in FY 2001. The table below reflects the estimated effect over the five fiscal years beginning with FY 2001.

| Governor's Motor Vehicle Tax Plan | |
|--|--|
| Cost to the State General Fund | |
| <i>(Dollars in Millions)</i> | |
| | <u>Cumulative</u> <u>Tax Relief</u> |
| FY 2001 | \$ 19.2 |
| FY 2002 | 60.3 |
| FY 2003 | 109.4 |
| FY 2004 | 166.3 |
| FY 2005 | 202.0 |

Business Machinery. Last year the Legislature agreed with the Governor on providing a 15.0 percent income tax credit on the property tax businesses pay on their machinery and equipment. The Governor recommends that this credit be expanded to 20.0 percent. Kansas businesses continue to be taxed on their productive capital at a level higher than surrounding states. This recommendation allows the state to continue its progress in eliminating this competitive disadvantage. This measure will provide estimated tax savings of \$8.6 million for FY 2000 and \$9.5 million for FY 2001.

Oil Severance Tax. The oil industry has played an integral role in the Kansas economy for many years. To help relieve the effect of declining oil prices and production on this industry, the Governor recommends elimination of the severance tax on oil production beginning in July 1999. Elimination of the tax will reduce the tax burden on oil producers by an estimated \$3.8 million in FY 2000 and \$5.1 million in FY 2001.

Adoption Tax Credit. Two years ago, the Legislature approved a \$1,250 income tax credit for Kansas taxpayers who adopt children. In order to provide additional assistance to Kansas citizens who are willing to provide homes to children through adoption, the Governor recommends doubling the tax credit to \$2,500. The tax credit will be available in the year the

individual or family adopts a child. It is expected to provide \$1.9 million in tax relief in each fiscal year.

Grain Storage & Transportation Tax Credits. The Governor recommends two sales tax exemptions designed to enhance grain storage and transportation capabilities. These two exemptions are expected to reduce sales tax revenue to the State General Fund by \$787,670 for FY 2000 and \$893,647 for FY 2001.

Grain storage capacity during the last two harvests has been inadequate, resulting in the storage of grain on the ground. The first component of the recommendation awards sales tax exemptions on labor and materials for the construction or refurbishment of commercial grain elevators. The exemption is to serve as an incentive to expand available storage space. It will sunset after five years. Tax savings associated with these exemptions are \$550,420 in FY 2000.

Reliable rail service is another component of the effort to reduce the storage of grain on the ground. The second part of the recommendation provides sales tax exemptions on materials and labor for enhancement of the railroad infrastructure. The exemptions will serve as an incentive for maintenance and use of rail lines vital to moving agricultural commodities produced in Kansas to market. This proposal will reduce State General Fund receipts by \$237,250 in FY 2000.

The table on the next page presents the various tax cuts previously passed and those proposed for FY 2000 and FY 2001 during Governor Graves' administration. The cumulative amount of tax relief is estimated to be \$3.6 billion through FY 2001. The amount included on the "car tax reduction" line represents all state and local tax savings, and the general property tax reductions include mill levy reductions since 1996.

State of Kansas Tax Reductions Enacted during Graves' Administration

(Dollars in Millions)

| | <u>FY</u> <u>1995</u> | <u>FY</u> <u>1996</u> | <u>FY</u> <u>1997</u> | <u>FY</u> <u>1998</u> | <u>FY</u> <u>1999</u> | <u>FY</u> <u>2000</u> | <u>FY</u> <u>2001</u> |
|---|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|
| Property Taxes: | | | | | | | |
| Car Tax Reductions | -- | 7.1 | 35.6 | 79.5 | 128.3 | 179.7 | 227.1 |
| General Property Tax Reduction | -- | -- | -- | 115.6 | 266.1 | 321.3 | 331.6 |
| <i>Phase Out Car Tax</i> | -- | -- | -- | -- | -- | -- | 19.2 |
| Property Tax Subtotal \$ | -- \$ | 7.1 \$ | 35.6 \$ | 195.1 \$ | 394.4 \$ | 501.0 \$ | 577.9 \$ |
| Income Taxes | | | | | | | |
| <i>Tax Credit for Adoptions</i> | -- | -- | -- | 1.9 | 1.9 | 3.8 | 3.8 |
| <i>Expand Business Machinery Credit</i> | -- | -- | -- | -- | -- | 8.6 | 9.5 |
| Single Income Rate Reductions | -- | -- | -- | 16.3 | 39.3 | 49.3 | 51.5 |
| Increase Standard Deduction | -- | -- | -- | -- | 18.4 | 14.4 | 14.6 |
| Increase Personal Exemption | -- | -- | -- | -- | 36.3 | 28.8 | 29.7 |
| Tax Credit for Business Machinery | -- | -- | -- | -- | 16.0 | 25.8 | 28.4 |
| Earned Income Tax Credit | -- | -- | -- | -- | 12.6 | 13.4 | 14.0 |
| Food Sales Tax Rebate | -- | -- | -- | -- | 13.4 | 13.4 | 13.4 |
| Endangered Species Tax Credit | -- | -- | -- | 1.5 | 1.5 | 1.5 | 1.5 |
| Income Tax Subtotal \$ | -- \$ | -- \$ | -- \$ | 19.7 \$ | 139.4 \$ | 159.0 \$ | 166.4 \$ |
| Replace Inheritance Tax with Estate Tax | -- | -- | -- | -- | 30.5 | 63.3 | 66.4 |
| Sales Tax Exemptions for: | | | | | | | |
| <i>Grain Storage and Transportation</i> | -- | -- | -- | -- | -- | 0.8 | 0.9 |
| New Construction Services | 2.1 | 17.7 | 18.5 | 19.4 | 20.3 | 21.2 | 22.1 |
| Utilities Cons. in the Prod. Proc. | -- | 12.4 | 13.0 | 13.6 | 14.3 | 14.9 | 15.5 |
| Various Other Exemptions | -- | 1.8 | 1.9 | 2.0 | 2.1 | 2.1 | 2.1 |
| Residential Remodeling | -- | -- | -- | -- | 14.7 | 16.6 | 17.3 |
| Additional Miscellaneous Exemptions | -- | -- | -- | -- | 7.6 | 8.6 | 8.9 |
| Alsop Sand Decision | -- | -- | -- | -- | 1.4 | 1.6 | 1.7 |
| Sales Tax Subtotal \$ | 2.1 \$ | 31.9 \$ | 33.4 \$ | 35.0 \$ | 60.4 \$ | 65.8 \$ | 68.5 \$ |
| Severance Taxes | | | | | | | |
| <i>Eliminate Severance Tax on Oil</i> | -- | -- | -- | -- | -- | 3.8 | 5.1 |
| Oil and Gas Production Exemptions | -- | -- | -- | -- | 2.7 | 4.8 | 4.8 |
| Insurance Premiums Taxes | -- | -- | -- | 1.5 | 6.7 | 8.6 | 9.0 |
| Reductions in Employers' | | | | | | | |
| Unemployment Contributions | 51.4 | 145.8 | 167.7 | 199.1 | 217.5 | 117.3 | -- |
| Total Tax Reductions | \$ 53.5 | \$ 184.8 | \$ 236.7 | \$ 450.4 | \$ 851.6 | \$ 923.6 | \$ 898.1 |
| Cumulative Reductions | \$ 53.5 | \$ 238.3 | \$ 475.0 | \$ 925.4 | \$ 1,777.0 | \$ 2,700.6 | \$ 3,598.7 |

New tax reductions are in italics.

Children's Initiatives

As a party in the Master Settlement Agreement that ends litigation against four major tobacco companies, the State of Kansas expects to receive \$20.0 million in FY 1999 and \$53.0 million in FY 2000. Assuming the federal government successfully claims 60.0 percent of these funds to recoup tobacco-related Medicaid costs, \$8.0 million will be available to the state for FY 1999 expenditures and \$21.2 million for FY 2000. 1998 SB 424 requires that one half of all tobacco settlement proceeds be credited to the Children's Health Care Programs Fund. The bill further requires that the purpose of this fund is to provide additional funding for children's health care, services for children, and tobacco use prevention and cessation programs. In accordance with SB 424, \$14.6 million will be credited to the Children's Health Care Programs Fund. The Governor proposes to spend these funds on 13 different children's initiatives. Each of the items is described below.

| Program or Project | FY 2000 |
|-------------------------------------|---------------------|
| TeleKid Care | 255,541 |
| Healthy Start/Home Visitor | 1,000,000 |
| Infants & Toddlers Program | 250,000 |
| Immunizations | 250,000 |
| Newborn Screening | 260,000 |
| Innovative Child Health Programs | 456,626 |
| Smoking Prevention Grants | 1,000,000 |
| Delinquency Prevention Programs | 4,000,000 |
| Children's Mental Health Initiative | 1,000,000 |
| At-Risk Students Weighting | 4,100,000 |
| Four Year Old At-Risk Programs | 1,000,000 |
| Parent Education | 777,833 |
| Discretionary Grants | 250,000 |
| Total | \$14,600,000 |

University of Kansas Medical Center

TeleKid Care. In support of expanding this pilot project, the Governor recommends \$255,541 in FY 2000 for the TeleKid Care project. The University of

Kansas Medical Center was the first in the country to deliver medical services to local schools using PC-based telemedicine technology that links physicians and children for clinical visits from the school nurse's office to the doctor's office. The funding enhancement recommended by the Governor will allow the Medical Center to expand this program to ten rural locations across the state, benefiting numerous children.

Department of Health & Environment

Healthy Start/Home Visitor. The Governor seeks to increase the number of families that receive assistance through prenatal care and follow-up visits by recommending \$1.0 million from the Children's Health Care Programs Fund. This additional funding will provide a total of nearly \$2.0 million from all funding sources for FY 2000. It is anticipated that the additional funds recommended by the Governor for this program will increase by 20,000 the approximately 16,300 families assisted annually, for a total of 36,300.

Infants & Toddlers Program. Services provided by this program through the Bureau of Children, Youth, & Families provides leadership in the planning, development, and promotion of policies and procedures to identify infants and toddlers with developmental delay and to provide early intervention services to eligible children and their families. A total of 37 interagency networks throughout the state receives federal and state funds along with existing public and private resources to provide community-based, comprehensive services. The program provides guidelines, monitoring, educational opportunities, and technical assistance to the networks. At the state level, Infant-Toddler Services collaborates with the Department of Education, the Department of Social & Rehabilitation Services, the Insurance Department, and others through the Coordinating Council on Early Childhood Developmental Services.

During the 1998 Legislative Session the Governor proposed adding \$1.5 million for this program beginning with FY 1999. The Legislature approved this proposal. The Governor's recommendation continues that enhanced base of funding for FY 2000.

Additionally, the Governor recommends that, for FY 2000, \$250,000 be appropriated from the Children's Health Care Programs Fund for the Infant & Toddlers Program. In total, FY 2000 recommended expenditures for this program are \$2,494,000.

Immunizations. Disease prevention is key to health promotion, and proper immunization contributes significantly to this goal. For FY 2000, the Governor recommends an enhancement to the existing immunization program in the Department of Health & Environment. An additional \$250,000 from the Children's Health Care Programs Fund is recommended to allow for additional vaccine purchases.

Newborn Screening. This program promotes the early identification of four conditions known to result in developmental delay or disorder: phenylketonuria (PKU), congenital hypothyroidism, galactosemia, and hemoglobinopathies. The Kansas Health and Environment Laboratory annually screens more than 32,000 Kansas newborns. The Newborn Screening Program provides follow-up services for those newborns found to be at-risk or who are diagnosed with these specific developmental delay disorders or conditions.

The Governor recommends new funding of \$260,000 from the Children's Health Care Program Fund for FY 2000 so that the KDHE laboratory can purchase both the Wallac-Isolab Neonatal Chemistry System (NCS) for PKU and galactosemia and the Wallac Victor, which tests for hypothyroidism, making Kansas' newborn screening capability state-of-the-art. The new equipment will allow a battery of tests to be performed on one item of equipment and provide faster and more accurate quantitative results, eliminating the need for the majority of repeat tests. NCS is a fully automated system, with results able to be reported from the state public health lab in less than 24 hours. Kansas currently uses Wallac-Isolab's sickle cell test, which is different from the NCS and Victor.

Innovative Child Health Programs. The Governor recognizes the increasing need in many communities to make available child health programs in addition to those that currently exist. Therefore, the Governor recommends \$456,626 from the Children's Health Care Programs Fund to provide grants to not-for-profit health agencies desiring to enhance basic health care services for children.

Smoking Prevention Grants. The negative effects of smoking pose serious health risks to members of the community. The Governor recommends \$1.0 million from the Children's Health Care Programs Fund for FY 2000 to be targeted for tobacco use prevention programs. Administered by the Department of Health & Environment, these funds could be distributed as grants to non-profit organizations or used to implement new prevention programs within the Department.

Juvenile Justice Authority

Delinquency Prevention Programs. The Juvenile Justice Authority and Kansas communities are working together to provide delinquency prevention programs specifically designed for the needs of each community. Prevention programs include counseling, intervention for academic and behavioral concerns, mentoring, and parenting classes. The communities began developing plans in FY 1998 and presented them to the Authority in mid FY 1999. To help implement these plans the Governor recommends \$4.0 million from the Children's Health Care Programs Fund.

Department of Social & Rehabilitation Services

Children's Mental Health Initiative. In addition to \$2,234,640 from the State General Fund, the Governor recommends an enhancement of \$1.0 million from the Children's Health Care Programs Fund for the Children's Mental Health Waiver Program. This program expands community-based mental health services across the state for children with severe emotional disturbances (SED). The waiver is targeted to the portion of the SED population with the most severe problems to preserve family custody and avoid more costly institutional services.

Department of Education

At-Risk Students Weighting. The Governor recommends that the weighting factor in the school finance formula for at-risk students be increased from 8.0 percent to 9.0 percent. The budget includes \$4.1 million to cover the cost of modifying the at-risk

factor. At-risk funding is determined on the basis of the number of pupils who qualify for free meals under the National School Lunch Program and are served through an approved at-risk pupil assistance plan maintained by the school district.

Four-Year-Old At-Risk Programs. A total of \$3.0 million was approved for FY 1999 to provide competitive grants to school districts to fund early childhood education programs for up to 1,350 at-risk four-year old students. The Governor expands this program by adding \$1.0 million from the Children's Health Care Programs Fund. The additional funding will increase the number of children served from 1,350 to 1,794 in FY 2000.

Parent Education. The Parent Education Program provides expectant parents and parents of infants and toddlers with advice and resource materials related to

parenting skills, positive approaches to discipline, and development of self esteem. For FY 2000, the Governor recommends the expenditure of an additional \$777,833 from the Children's Health Care Programs Fund to reduce the match requirement on local school districts to 50.0 percent. This recommendation will make the program more affordable for school districts, which will encourage their participation.

Discretionary Grants. The Governor recommends \$250,000 from the Children's Health Care Programs Fund to finance competitive grants to individual not-for-profit agencies and school districts for special programs and projects. The Board of Education is given the flexibility to review applications for funding and award monies based on merit and Board priorities. The monies will be combined with \$100,000 from the State General Fund to provide a total of \$350,000.

Comprehensive Transportation Plan

The Governor recommends a new eight-year, \$10.68 billion Comprehensive Transportation Program that will improve the transportation infrastructure of the State of Kansas. The plan provides funding to preserve, modernize, and enhance the existing Kansas highway system and will provide increased support for local roads, airports, railroads, and public transportation. The Governor's proposal calls for the largest-ever transportation improvement plan in Kansas history. The proposed program will also fund this significant enhancement without an increase in taxes.

Expenditures. Over its eight years, the Governor's program will provide for \$1.0 billion in new highways to enhance the efficiency and safety of the Kansas highway system. The program provides a total of \$3.2 billion for major modification and modernization of highways and bridges, as well as \$2.4 billion for substantial maintenance expenditures to preserve the existing Kansas highway system. The Comprehensive Transportation Program will provide \$3.0 million annually to improve aviation in Kansas, primarily through improvements to county and municipal airports. The program will also increase public transit assistance to \$10.0 million annually from the \$5.0 million currently dedicated for this purpose. The program also provides \$1.3 billion through the Special City and County Highway Fund as well as \$864.0 million in other local support from both federal and state sources.

Compared to the \$6.96 billion 1989 Comprehensive Highway Program, the Governor's program provides for \$160.0 million more in highway system enhancements, \$864.0 billion more in preservation (substantial maintenance), \$1.0 billion more for modernization and priority bridges, and \$496.0 million more for local transportation assistance.

Financing. The Governor's recommendation does not require an increase in taxes to fund the \$2.4 billion increase. Although Kansas has seen a significant increase in federal funding through the 1998 Transportation Equity Act for the 21st Century (TEA-21), the Governor's recommended program will still require the additional \$2.4 billion, or \$302.0 million annually, in revenue over the currently authorized

federal and state resources. TEA-21 increased the average annual federal funding by \$95.0 million per year, for a total of \$306.0 million annually. The result is that Kansas realized, on an annual basis, an additional \$46.0 million for new state highway construction. These federal funds are factored into the current available resources for the program.

State revenues to transportation funds are generated from motor vehicle fuels taxes, motor vehicle registration fees, a dedicated one-quarter of one cent sales and compensating use tax, demand transfers from the State General Fund, and other miscellaneous sources. The Governor has included in his FY 2000 budget a recommendation that the State General Fund demand transfer to the State Highway Fund, currently established in statute as 7.628 percent of sales tax receipts to the State General Fund, be increased to 9.0 percent in FY 2000 and 10.0 percent in FY 2001 and thereafter. The original 1989 Comprehensive Highway Program also included a 10.0 percent sales tax demand transfer. Over the eight-year program, this increase will generate an estimated \$552.0 million over current funding levels.

The Governor recommends issuing \$1.8 billion in bonds to fund the remainder of the \$2.4 billion increase. This recommended bonding amount represents an increase of \$910.0 million over the 1989 program, which authorized \$890.0 million in bonds.

In order to increase support to cities and counties, the Governor recommends increasing, from 40.5 percent to 44.7 percent, the amount of motor vehicle fuel tax revenues that go to the Special City and County Highway Fund. These funds go directly to these local governments as aid payments to support local roads and operations. This increase provides an additional \$192.0 million over current funding levels from this source. Consequently, the recommendation reduces to 55.4 percent from 59.5 percent the amount of motor vehicle fuels taxes that are credited to the State Highway Fund.

The table on the following page details the Governor's recommended program by the average annual expenditures and estimated resources over the eight years of the program.

New Transportation Program

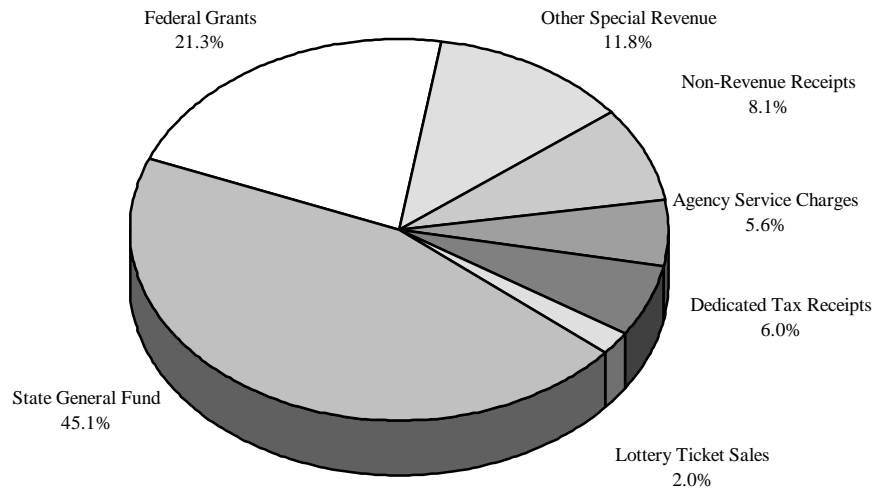
Average Annual Costs

(Dollars in Millions)

| Expenditures | 1989 Comprehensive Highway Plan | Extended Interim | Recommended Program |
|---|--|-----------------------------------|--------------------------------------|
| Maintenance: | | | |
| Routine Maintenance | 84 | 119 | 119 |
| Substantial Maintenance | 93 | 201 | 201 |
| Construction: | | | |
| Major Modification & Priority Bridge | 269 | 299 | 399 |
| System Enhancement | 105 | -- | 125 |
| Modes: | | | |
| Aviation | -- | -- | 3 |
| Public Transit (Includes State & Federal Funds) | 5 | 5 | 10 |
| Rail (Includes State & Federal Funds) | 3 | 1 | 4 |
| Local: | | | |
| Special City/County Highway Fund | 117 | 136 | 160 |
| Local Federal Aid Projects (Includes Local Match) | 70 | 80 | 80 |
| Local Partnership | 17 | 22 | 25 |
| KLINK Maintenance Payments | 2 | 2 | 3 |
| Management and Other | 43 | 70 | 73 |
| Transfers Out | 35 | 48 | 48 |
| Debt Service | 27 | 85 | 85 |
| Total Expenditures | \$ 870 | \$ 1,068 | \$ 1,335 |
| Revenues | | | |
| Available Resources (Including Beginning Balance) | \$ 926 | \$ 1,033 | \$ 1,033 |
| Enhanced Resources | | | 302 |
| Annual Surplus (Shortfall) | \$ 56 | \$ (35) | \$ -- |

All Funding Sources

Receipts



Fiscal Year 2000

The pie chart above shows FY 2000 receipts by major category. The largest single source is the State General Fund, which accounts for 45.1 percent of all receipts included in this report. Specific information regarding receipts to the State General Fund is presented in the following section.

In FY 2000, the State of Kansas will receive \$2,001.6 million in federal grants, which represents 21.3 percent of total receipts. This estimate is a decrease of \$134.4 million, or 6.3 percent from FY 1999. A total of 40 agencies will receive these federal funds in FY 2000. The Department of Social & Rehabilitation Services will receive the most federal funds, 52.6 percent, followed by the Department of Transportation with 12.7 percent. A complete list of state agencies receiving federal funds is included in Schedule 7.

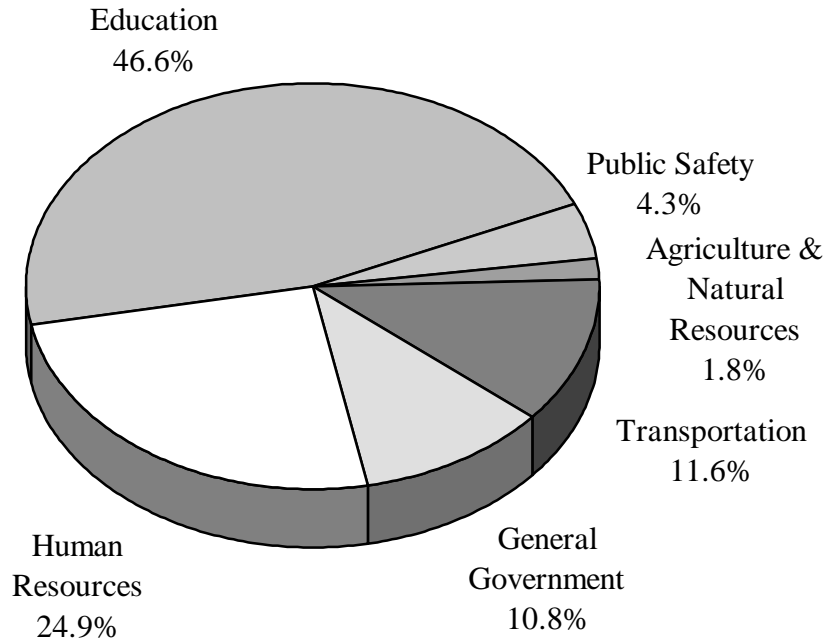
Dedicated tax receipts represent revenues from taxes that are collected for a specific purpose and are deposited in special revenue funds, rather than the State General Fund. For example, taxes on motor fuels and vehicle registrations, as well as a dedicated sales tax of one-quarter of a cent, are assessed and

credited to the State Highway Fund. In addition, statewide property taxes of 1.5 mills are assessed for financing construction and maintenance of state buildings at Regents institutions and state hospitals. These receipt sources are projected to account for 6.0 percent of total revenues in FY 2000.

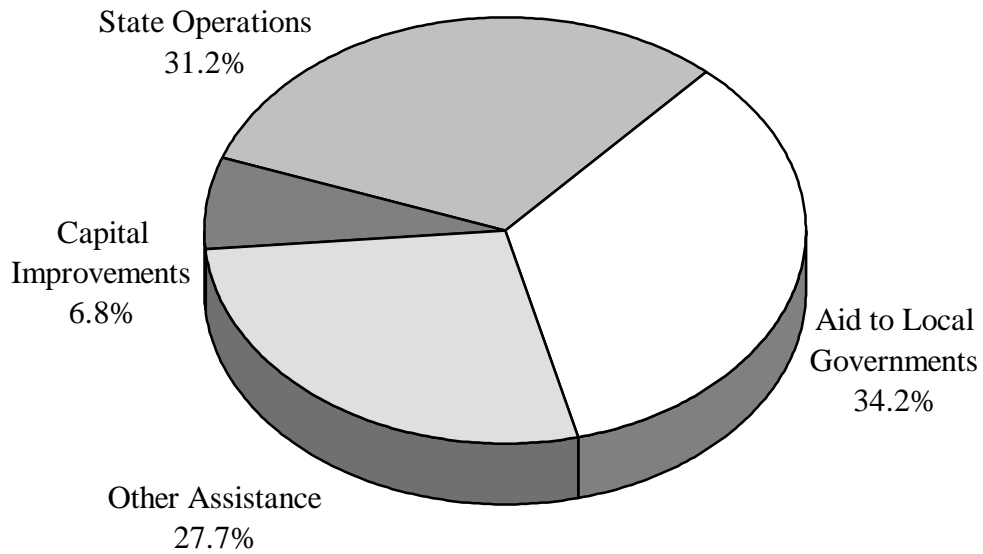
Agency service charges include revenues received for services provided by state agencies. These include charges for inspections, examinations, audits, fees collected for tuition and other fees at Regents institutions, and admissions to the Kansas State Fair. This revenue category constitutes 5.6 percent of total receipts.

Non-revenue receipts are transfers from other funds, collections, and reimbursements realized by agencies. Such receipts are not considered "normal" revenue. Examples of non-revenue receipts include collections by the Department of Human Resources for the payment of unemployment benefits and collections by KPERS for payment of retirement benefits. Collections made by SRS from absent parents for child support are also included in this category. This

Expenditures by Function



Expenditures by Category



Fiscal Year 2000

financing source is estimated to account for 8.1 percent of total receipts to the state. Lottery sales are anticipated to account for 2.0 percent of all receipts. Revenues from this source are from pari-mutuel wagering and the sale of lottery tickets.

Other special revenue receipts include license fees, interest earnings on special revenue funds, non-federal grants, the sale of state property, and numerous other miscellaneous revenue sources. Some agency fee funds retain interest earned. This source accounts for 11.8 percent of all revenue receipts in FY 2000. This increase from 4.9 percent in FY 1999 is attributable to the excellent return of 16.5 percent on KPERS investments and greater than expected interest earnings in other funds. KPERS uses the actuarially prescribed rate of 8.0 percent for forecasting investment returns in future years.

Summary of Expenditures from All Funding Sources. As indicated in the table below, the Governor recommends expenditures of \$9.03 billion from all funding sources in FY 2000. Approximately 61.9 percent of the total budget is recommended for grants, with 34.2 percent for aid to local governments and 27.7 percent for direct assistance to individuals. Expenditures of \$2.5 billion for direct assistance to Kansas citizens consist largely of public assistance, medical assistance, unemployment insurance benefits, and individual benefits under the state's retirement system.

The Governor also recommends \$618.3 million for capital expenditures and \$2.8 billion for the operation of state agencies. Expenditures for the Department of

Transportation total \$1,044.8 million and account for 85.8 percent of capital improvement spending. Approximately 7.3 percent of expenditures relate to construction projects and maintenance of Regents institutions. A detailed description of all capital projects is contained in the Capital Budget section of this volume.

Comparison of Major Components of the Total State Budget. The table on the next page illustrates ten of the state agencies which constitute 90.2 percent of the budget from all funding sources in FY 2000. Of these budgets, the four largest total 72.4 percent. The Department of Education, including aid to K-12 schools, area vocational-technical schools, and community colleges, is 28.7 percent of the total budget recommended by the Governor. The Department of Social & Rehabilitation Services, including state hospitals, is 17.3 percent of the total FY 2000 budget.

The next largest budget, the Board of Regents & universities, is financed from the State General Fund, tuition and fees, as well as restricted use sources, such as federal grants and dedicated fees. Expenditures for the Regents represent 14.9 percent of all funding. The Governor's FY 2000 budget recommendations include significant funding from the federal government to be used to assist eligible Kansans. The Department of Transportation budget, which performs or contracts road and bridge construction and maintenance, constitutes 11.6 percent of the total from all funding sources. The budget for the Kansas Public Employees Retirement System recommended by the Governor includes \$528.7, or 5.9 percent, of the total expenditures for benefits to retirees from the system.

| FY 2000 Recommended Expenditures from All Funding Sources | | | | | |
|--|-----------------------------------|----------------------------|---|---------------------------------------|------------------|
| <i>(Dollars in Millions)</i> | | | | | |
| | <u>State</u> <u>Operations</u> | <u>Local</u> <u>Aid</u> | <u>Other Assistance</u> <u>Grants & Benefits</u> | <u>Capital</u> <u>Improvements</u> | <u>Total</u> |
| General Government | 353.3 | 182.5 | 438.8 | 3.4 | 978.1 |
| Human Resources | 506.4 | 128.1 | 1,600.9 | 9.3 | 2,244.8 |
| Education | 1,156.4 | 2,558.8 | 450.3 | 46.0 | 4,211.4 |
| Public Safety | 305.4 | 67.0 | 0.0 | 16.4 | 388.9 |
| Ag & Natural Resources | 131.8 | 7.4 | 8.7 | 12.6 | 160.4 |
| Transportation | 365.8 | 148.2 | 0.2 | 530.6 | 1,044.8 |
| Total | \$2,819.2 | \$3,092.0 | \$2,498.9 | \$618.3 | \$9,028.4 |

Totals may not add because of rounding.

The table on the next page summarizes the condition of all of the funds that support expenditures identified in *The Governor's Budget Report* in a single balance sheet. The table shows beginning balances, State General Fund receipts, receipts to special revenue funds, expenditures from all funding sources, and ending balances for FY 1998, FY 1999, and FY 2000. Receipts for both the State General Fund and special revenue funds are identified by major receipt

classifications, and expenditures from all funding sources are identified by major object of expenditure, such as salaries & wages or contractual services. The table presents a portrait of anticipated receipts and recommended expenditures for Kansas state government. As illustrated, receipts to the state totaled \$9,456.8 million in FY 1998. Net receipts are projected to decrease in FY 1999 and then grow by \$165.0 million in FY 2000.

| FY 2000 All Funding Sources | | | |
|---|--------------------------------|---------------------------------|-------------------------------|
| <i>Percentage of the Total Recommended Amount</i> | | | |
| <i>(Dollars in Millions)</i> | | | |
| Agency | <u>FY 2000 Recommended</u> | <u>Percent of the Total</u> | <u>Cumulative Percent</u> |
| Department of Education | \$ 2,594.0 | 28.7 % | 28.7 % |
| SRS & Hospitals | 1,560.6 | 17.3 | 46.0 |
| Board of Regents & Universities | 1,341.4 | 14.9 | 60.9 |
| Department of Transportation | 1,044.8 | 11.6 | 72.4 |
| Kansas Public Employees Retirement System | 528.7 | 5.9 | 78.3 |
| Department on Aging | 338.0 | 3.7 | 82.0 |
| Department of Corrections & Facilities | 220.6 | 2.4 | 84.5 |
| Department of Human Resources | 210.7 | 2.3 | 86.8 |
| State Lottery | 131.9 | 1.5 | 88.3 |
| Department of Health & Environment | 172.6 | 1.9 | 90.2 |
| All Other Agencies | 885.1 | 9.8 | 100.0 |
| Total | \$9,028.4 | | |

Total may not add because of rounding.

Budget Summary for All Funding Sources

(Dollars in Thousands)

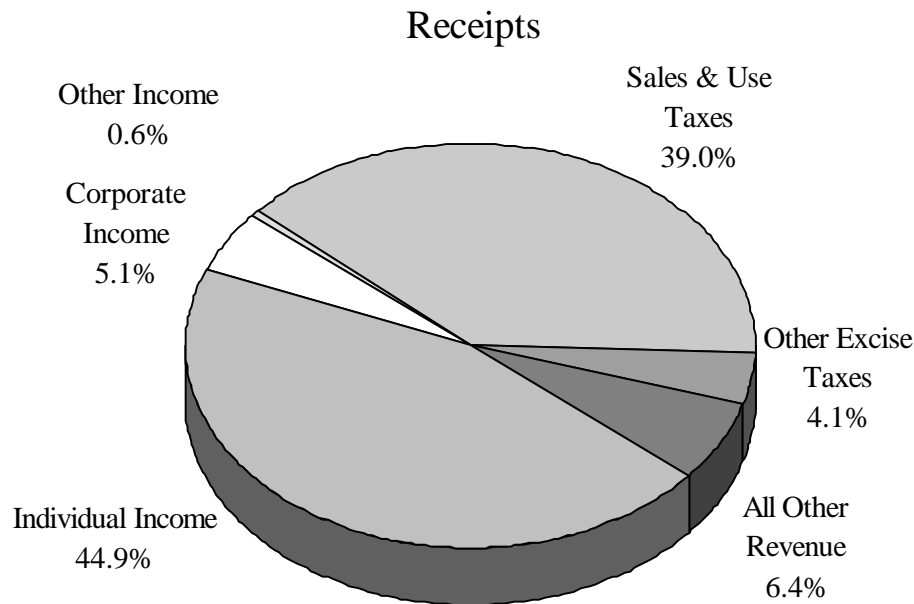
| | FY 1998 Actual | FY 1999 Estimated | FY 2000 Recommended |
|--|-------------------|----------------------|------------------------|
| Beginning Balances | \$613,917 | \$1,991,706 | \$2,381,223 |
| Add: Released Encumbrances | -- | 394 | -- |
| Net Receipts | | | |
| State General Fund: | | | |
| Motor Carrier Property Taxes | 15,998 | 17,000 | 18,000 |
| Income Taxes | 2,048,198 | 2,025,000 | 2,138,100 |
| Inheritance Taxes | 88,651 | 70,000 | 35,000 |
| Excise Taxes | 1,719,328 | 1,769,000 | 1,814,110 |
| Other Taxes | 89,897 | 86,000 | 88,000 |
| Other Revenue | 61,610 | 111,116 | 137,283 |
| State General Fund Total | \$4,023,682 | \$4,078,116 | \$4,230,493 |
| Special Revenue Funds: | | | |
| Property Taxes Dedicated to Building Funds | \$30,055 | \$30,933 | \$32,198 |
| Motor Fuels Taxes | 320,373 | 327,003 | 334,004 |
| Motor Vehicle Registration Taxes | 117,756 | 126,000 | 127,000 |
| Sales Tax Dedicated to Highway Fund | 82,567 | 86,022 | 89,247 |
| Agency Service Charges | 516,298 | 542,025 | 550,251 |
| Licenses, Permits, and Registrations | 57,308 | 58,637 | 56,434 |
| Lottery Ticket Sales | 107,453 | 189,250 | 189,250 |
| Sale of Goods and Services | 90,977 | 78,390 | 74,488 |
| Interest, Dividends, Rents, & Royalties | 1,453,762 | 740,559 | 779,460 |
| Federal Grants | 1,762,694 | 2,135,923 | 2,001,563 |
| Non-federal Gifts, Donations, & Grants | 82,761 | 76,743 | 69,904 |
| Other Revenue | 95,285 | 89,560 | 83,584 |
| Non-revenue Receipts | 715,844 | 651,116 | 757,438 |
| Special Revenue Funds Total | \$5,433,134 | \$5,132,161 | \$5,144,820 |
| Total Receipts | \$9,456,816 | \$9,210,277 | \$9,375,313 |
| Total Available | \$10,070,733 | \$11,202,377 | \$11,756,536 |
| Expenditures by Object | | | |
| Salaries & Wages | 1,612,707 | 1,657,861 | 1,690,618 |
| Contractual Services | 604,053 | 698,716 | 659,648 |
| Commodities | 157,935 | 131,292 | 131,842 |
| Capital Outlay | 284,555 | 271,469 | 269,698 |
| Debt Service | 59,802 | 68,017 | 67,383 |
| Non-expense Items | 90,483 | 62,376 | 39,590 |
| Aid to Local Governments | 2,632,573 | 2,971,386 | 3,092,025 |
| Other Assistance, Grants, & Benefits | 2,233,274 | 2,419,837 | 2,498,920 |
| Capital Improvements | 494,128 | 602,576 | 618,307 |
| Total Expenditures | \$8,079,027 | \$8,821,154 | \$9,028,442 |
| Ending Balances | \$1,991,706 | \$2,381,223 | \$2,728,094 |

FY 1998 State General Fund receipts reflect a \$35.7 million transfer to the State Budget Stabilization Fund.

FY 2000 State General Fund receipts have been adjusted for the Governor's tax package.

Totals may not add because of rounding and non-expense items are not counted in the totals.

State General Fund



Fiscal Year 2000

The State General Fund accounts for 45.1 percent of all receipts to the state. The pie chart above illustrates the proportional contribution each revenue source is estimated to make to the State General Fund in FY 2000. The State General Fund includes all revenues and expenditures not accounted for by other specific funds. All revenues coming into the state treasury not specifically authorized by statute or the constitution to be placed in a separate fund are deposited in the State General Fund.

Receipts are estimated to total \$4,230.5 million in FY 2000, an increase of 3.7 percent from FY 1999 receipt of \$4,078.1 million. These amounts were estimated by the Consensus Revenue Estimating Group and are adjusted to reflect the Governor's proposals. Individual income taxes account for the largest source. An estimated \$1.9 billion will be received in the State General Fund in FY 2000 from this revenue source. The next largest category, excise taxes (including sales taxes), is projected to generate \$1.8 billion.

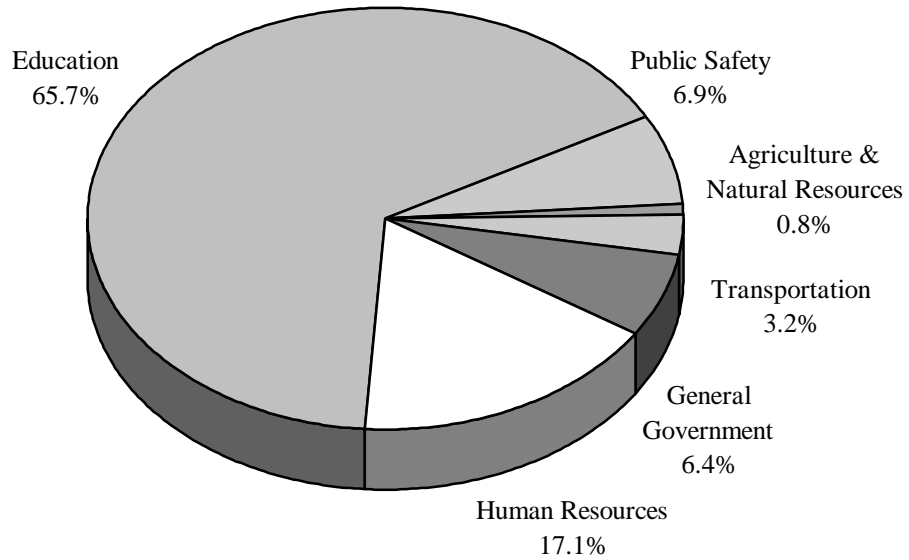
Summary of Expenditures from the State General Fund. As indicated in the table on p. 22, State General Fund expenditures of \$4,419.2 million are

recommended by the Governor for FY 2000. A significant majority of State General Fund dollars are distributed to local governments and agencies to provide services for Kansans. Of the total recommendation, 26.5 percent provides for the operation of state agencies; 57.7 percent will be distributed to local governments; 12.6 percent will go toward provision of assistance, grants, and benefits to Kansas citizens; and 3.2 percent will be used for capital improvements.

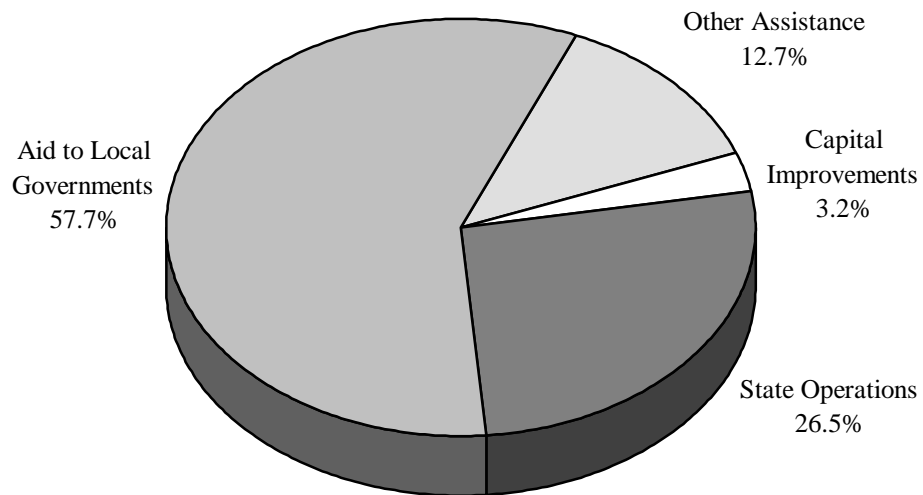
Of the \$1,172.2 million recommended for state operations, 45.0 percent will go to the Board of Regents and the operation of universities. Public safety agencies, including the Kansas Highway Patrol, the Adjutant General's Department, the Kansas Bureau of Investigation, and the Juvenile Justice Authority and its four juvenile correctional facilities, account for 21.5 percent of the total recommended for state operations. The remaining third is distributed among the agencies in the other functions of government.

The Governor recommends a total of \$2,547.7 million for aid to local governments. Almost all of these monies, 95.9 percent, pay for the state's share of

Expenditures by Function



Expenditures by Category



Fiscal Year 2000

education costs for students in grades K-12. This includes the recommended base aid per pupil of \$3,755.

Agencies in the Human Resources function account for 94.9 percent of the \$559.0 million that is recommended to be distributed to individuals in the form of grant assistance and other benefits. The Department of Social & Rehabilitation Services is budgeted to distribute \$388.2 million in assistance, while the Department on Aging will distribute \$127.9 million.

The Kansas Department of Transportation will receive 91.9 percent of the total amount recommended by the Governor for capital improvements. The amount represents a demand transfer from the State General Fund to the State Highway Fund, which is increased by \$41.0 million over FY 1999. Demand transfers from the State General Fund are treated as expenditures. The other major expenditure is made by the Department of Corrections to pay debt service on bonds issued to construct prisons.

Major Components of the State General Fund Budget. The table on the next page represents the recommendations for the seven state agencies which spend 91.5 percent of the State General Fund budget.

The budget for the Department of Education, which includes all aid to school districts, community colleges, and area vocational-technical schools, is

clearly the major user of State General Fund dollars. This budget alone accounts for 52.8 percent of the recommended State General Fund budget. The operation of the Department of Social & Rehabilitation Services totals 13.0 percent of the State General Fund budget. It includes cash assistance and medical assistance benefits to eligible Kansans as well as operation of the state hospitals.

The third major consumer of the State General Fund budget, the Board of Regents and the institutions under its jurisdiction, constitutes 12.6 percent of the budget. These institutions include six state universities, KSU-ESARP and the University of Kansas Medical School. The cost of operating prison facilities at Topeka, Lansing, Larned, Hutchinson, El Dorado, Winfield, Norton, and Ellsworth, as well as the central office of the Department of Corrections accounts for 4.6 percent of the recommendation.

The State Highway Fund and the Special City and County Highway Fund demand transfers made to the Department of Transportation constitute 3.2 percent of the total. The Department on Aging, which provides services to older Kansans, represents 3.1 percent of the total. The majority of the State Treasurer's budget is for aid to cities and counties, totaling 2.2 percent of the State General Fund. The aid includes the Local Ad Valorem Tax Reduction Fund and County and City Revenue Sharing Fund demand transfers. All remaining budgets total 8.5 percent of the State General Fund recommended expenditures.

FY 2000 Recommended Expenditures from the State General Fund

(Dollars in Millions)

| | <u>State Operations</u> | <u>Local Aid</u> | <u>Other Assistance</u> | <u>Capital Improvements</u> | <u>Total</u> |
|-------------------------|-----------------------------|----------------------|-----------------------------|---------------------------------|------------------|
| General Government | 179.5 | 96.4 | 2.3 | 3.1 | 281.3 |
| Human Resources | 153.4 | 71.1 | 530.5 | 0.0 | 755.0 |
| Education | 559.8 | 2,323.3 | 20.4 | 0.3 | 2,903.8 |
| Public Safety | 252.6 | 44.7 | -- | 7.1 | 304.4 |
| Ag. & Natural Resources | 26.9 | 1.0 | 5.9 | 0.8 | 34.6 |
| Transportation | -- | 11.2 | -- | 128.9 | 140.1 |
| Total | \$ 1,172.2 | \$2,547.7 | \$ 559.0 | \$ 140.3 | \$4,419.2 |

Totals may not add because of rounding.

The table on the next page presents a four-year summation of State General Fund revenues and expenditures beginning with FY 1997. The revenues for FY 1999 and FY 2000 are the Consensus Revenue Estimating Group numbers adjusted for the recommendations made by the Governor. One highlight of the table is the annual percentage change in revenues, which shows significant growth in FY 1997 and FY 1998. State General Fund revenue in these years was fueled by a growing economy, low unemployment, and growth in the stock market. The drastic decline in the growth rate in FY 1999 is more a

function of the tax cuts, worth approximately \$175.0 million, passed by the 1998 Legislature and one-time revenue collected in FY 1998 than it is in a slowing in the economy. Adjusting for those two factors would result in a growth rate of approximately 6.8 percent, suggesting a strong economy through the fiscal year.

The table reflects changes in expenditures as a result of property tax relief that have been passed by the Legislature since 1995. These measures would result in a State General Fund expenditure change of 2.0 percent in FY 2000.

| FY 2000 State General Fund | | | |
|---|--------------------------------------|---------------------------------------|-------------------------------------|
| <i>Percentage of the Total Recommended Amount</i> | | | |
| <i>(Dollars in Millions)</i> | | | |
| | <u>FY 2000</u> <u>Recommended</u> | <u>Percent of</u> <u>the Total</u> | <u>Cumulative</u> <u>Percent</u> |
| Department of Education | 2,332.4 | 52.8 % | 52.8 % |
| SRS & Hospitals | 573.7 | 13.0 | 65.8 |
| Board of Regents & Universities | 558.6 | 12.6 | 78.4 |
| Department of Corrections & Facilities | 202.2 | 4.6 | 83.0 |
| Department of Transportation | 140.1 | 3.2 | 86.1 |
| Department on Aging | 137.7 | 3.1 | 89.3 |
| State Treasurer | 97.4 | 2.2 | 91.5 |
| All Other Agencies | 377.0 | 8.5 | 100.0 |
| Total | \$ 4,419.2 | | |

Totals may not add because of rounding.

State General Fund Summary

(Dollars in Millions)

| | Actual <u>FY 1997</u> | Actual <u>FY 1998</u> | Gov. Rec. <u>FY 1999</u> | Gov. Rec. <u>FY 2000</u> |
|---|--------------------------|--------------------------|-----------------------------|-----------------------------|
| Beginning Balance | \$ 379.2 | \$ 527.8 | \$ 756.3 | \$ 611.8 |
| Released Encumbrances | 3.0 | 4.0 | 0.4 | 0.0 |
| Adjusted Balance | 382.1 | 531.8 | 756.7 | 611.8 |
| Revenues | 3,683.8 | 4,023.7 | 4,078.1 | 4,230.5 |
| Total Available | \$ 4,065.9 | \$ 4,555.5 | \$ 4,834.8 | \$ 4,842.3 |
| Expenditures | 3,538.1 | 3,799.1 | 4,223.0 | 4,419.2 |
| Ending Balance | \$ 527.8 | \$ 756.3 | \$ 611.8 | \$ 423.1 |
| <i>As a Percentage of Expenditures</i> | <i>14.9%</i> | <i>19.9%</i> | <i>14.5%</i> | <i>9.6%</i> |
| Percent Change from Prior Year | | | | |
| <i>Revenues</i> | <i>6.8%</i> | <i>9.2%</i> | <i>1.4%</i> | <i>3.7%</i> |
| <i>Expenditures</i> | | | | |
| <i>Attributed to Property Tax Relief</i> | <i>0.4%</i> | <i>4.0%</i> | <i>4.7%</i> | <i>2.0%</i> |
| <i>Attributed to Demand Transfers</i> | <i>0.1%</i> | <i>0.1%</i> | <i>0.3%</i> | <i>0.9%</i> |
| <i>Attributed to All Other Expenditures</i> | <i>2.4%</i> | <i>3.3%</i> | <i>6.2%</i> | <i>1.7%</i> |

Totals may not add because of rounding.

Financial Issues

Financial Policies

The State of Kansas observes the following financial policies to manage fiscal affairs responsibly.

Operating Policies

The state, through performance budgeting principles, allocates available public resources in keeping with the goals and objectives of state agencies as embodied in their strategic plans.

The state emphasizes preservation of existing capital facilities over the construction of new ones. A major portion of the Educational Building Fund for universities, Correctional Institutions Building Fund for prisons, and State Institutions Building Fund for hospitals is dedicated to rehabilitation and repair.

Revenue Policies

The state maximizes the use of fees, federal funds, and other special revenues to preserve the fiscal integrity of the State General Fund and ensure budgetary flexibility.

The state uses consensus revenue estimates developed by executive and legislative professional staff as well as university economist consultants as the basis for budgetary decisionmaking.

The state collects taxes, penalties and interest, and other revenues. Internally, state collection units make multiple efforts to collect amounts due the state by using various administrative procedures and liens against property. Persistent delinquencies are pursued by a private collection agency and, when necessary, through legal proceedings.

Cash Management Policies

On a daily basis, the state monitors receipts into, and expenditures out of, the state treasury. Ensuring the state has adequate resources at the time obligations occur is the primary goal. Managing the timing of expenditures is the first tool used to meet this goal, with certificates of indebtedness utilized as a secondary tool.

The state invests idle funds to match these anticipated cashflow needs by using government securities and collateralized bank deposits to provide safety, liquidity, and yield in that order.

Debt Service Policies

The state incurs debt, primarily through the issuance of revenue bonds, only to finance capital improvements, equipment, and certain grant programs, never for operating expenses.

The constitution does allow for the issuance of general obligation bonds subject to certain restrictions. However, the state has not exercised this authority for many years.

In October 1997, Standard and Poor's assigned an issue credit rating of AA+ to the State of Kansas. Standard and Poor's credit rating reflects the state's credit quality in the absence of general obligation debt. Other credit factors include a very low debt burden, a broadening and diversified economy that has demonstrated strong performance, declining unemployment, conservative fiscal management and sound financial operations, and an ample statutorily-mandated cash reserve.

Reserve Policy

The state complies with the statutory minimum ending balance of 7.5 percent of authorized expenditures from the State General Fund within a given fiscal year.

Accounting, Auditing, & Reporting Policies

The state prepares financial statements on a modified cash basis, and an independent certified public accounting firm conducts a financial and compliance audit of those statements. As a part of that statewide audit, compliance and control audits of individual agencies are performed at least once every three years. For budgetary purposes, the state avoids double counting expenditures by treating non-expense items and a number of "off budget" expenses as non-reportable.

Basis of Budgeting

Revenue

Receipts to funds in Kansas generally are credited on a cash basis, not as accounts receivable. However, each July 1 for cashflow purposes, the Educational Building Fund, Correctional Institutions Building Fund, and State Institutions Building Fund are credited with receipts totaling 95.0 percent of each fund's actual receipts in the previous fiscal year.

Encumbrances

For budgeting purposes, encumbrances are treated as reportable expenditures; therefore, no distinction is made between liquidated and unliquidated encumbrances or cash outlays. Encumbrances, along with the funds to liquidate them, are attributed to the fiscal year in which they were incurred.

Expenditures

Expenditures are separated into two categories: reportable and non-reportable. Reportable expenditures are direct cash outlays and encumbrances for salaries and wages; other operating expenditures; aid to local governments; other assistance, grants, and benefits; and capital improvements incurred by state agencies. In general, the dollars reported throughout the budget, especially the accumulated totals in statewide tables and schedules, are reportable expenditures.

With debt-financed capital projects, the debt service is the amount reported in the budget, not the cost of the project. The interest portion is treated as an operating expense and the principal portion as a capital expense.

The budgeting and accounting systems differ in their reporting of certain capital costs. For example, a facility purchased by bonds through the Kansas Development Finance Authority and leased to a state agency is reported as a lease/rental cost to the agency in the accounting system. In budgeting, it is reported as a capital improvement cost because a facility is being added to the state's inventory of capital assets.

There are several kinds of non-reportable expenditures. Chief among these are so-called "off budget" expenditures in the Department of Administration. Dollars spent in many state agencies' budgets for printing services, for example, are spent again to operate the Printing Plant. The agencies' costs are treated as reportable and the Printing Plant's non-reportable to avoid counting dollars twice. These non-reportable expenditures are included separately in the budget reports, but they are not included in statewide totals.

Other non-reportable expenditures are clearing and suspense funds, revolving funds, inmate or patient benefit and trust funds, bond proceeds, and non-expense items, such as refunds. Bond proceeds are not included in the budget report, except for the bond proceeds of the Comprehensive Highway Program and Regents' Crumbling Classrooms.

Balances

Beginning and ending fund balances for budgeting purposes generally reflect unencumbered cash balances only. For example, if an encumbrance in a prior fiscal year has not been liquidated, the accounting system still shows the amount of the cash reserve set aside to liquidate that encumbrance. Budget reports, on the other hand, deduct the amount from the balance in the prior fiscal year, so none of the fund activity of the prior fiscal year distorts activity in later years. Thus, for trend analysis and other budgeting purposes, it is important to show fund activity in the fiscal year to which it is attributed. The current cash status reports of the accounting system, on the other hand, are more important for cash management.

Funds that become unencumbered when a cash outlay is made, especially for the State General Fund, are shown as an addition to the beginning balance of the fiscal year following the year from which the funds were unencumbered. The effect is to increase available funds; however, reported expenditures in prior fiscal years for budgeting purposes are not adjusted for the unencumbered amounts.

State General Fund Balances

Maintaining an adequate balance in the State General Fund is necessary to provide a reserve, should receipts to the State General Fund fall below expectations, and to allow for cashflow management.

Ending Balance Requirements

After discussions for many years concerning the appropriate level of State General Fund balances, the 1990 Legislature enacted legislation that established minimum ending balances to ensure financial solvency and fiscal responsibility. The legislation requires an ending balance of at least 7.5 percent of total expenditures and demand transfers and requires that the Governor's budget recommendations and the legislative-approved budget for the coming year adhere to this balance.

Cashflow

Because of the uneven nature of revenue and expenditure patterns, actions such as adjusting the amount and timing of various large payments and demand transfers have been taken in the past to avoid temporary indebtedness. Such indebtedness can occur when the state borrows from its own cash reserves to meet cashflow needs. However, administrative actions will not always ensure adequate fund balances to maintain a positive cashflow at various times during the fiscal year. Significant budget requirements, such as state aid to schools and other demand transfers, have created the possibility of cashflow shortages during a given fiscal year even with the required 7.5 percent ending balance. The exceptional receipt experience of the past few fiscal years is the primary reason cashflow shortages have not occurred.

Recommendations

The Governor's recommendations for receipts and expenditures will provide an ending balance of \$611.8 million, or 14.5 percent of expenditures and demand transfers in FY 1999. The FY 1999 ending balance exceeds the \$437.7 million balance that was expected when the 1998 Legislature adjourned by \$174.1 million. The two major factors contributing to this difference are that FY 1998 State General Fund revenues exceeded the estimate by \$52.6 million, and

the Consensus Revenue Estimating Group increased the estimate for FY 1999 by \$107.8 million when it met in November 1998. Another factor influencing ending balances in the fiscal years beginning with FY 1999 is the anticipated receipt of one-half of the proceeds from the tobacco companies lawsuit settlement. The recommendations for FY 2000, therefore, result in an ending balance of \$423.1 million, 9.6 percent of total budgeted expenditures. Budgeting for a larger than 7.5 percent ending balance for FY 2000 will provide adequate resources to maintain a 7.5 percent ending balance in FY 2001.

State General Fund Balances

(Dollars in Millions)

| <u>Fiscal Year</u> | <u>Receipts</u> | <u>Expend.</u> | <u>Balances</u> | <u>Percent</u> |
|--------------------|-----------------|----------------|-----------------|----------------|
| 1987 | \$1,778.5 | \$1,726.6 | \$ 73.3 | 4.2 |
| 1988 | 2,113.1 | 1,886.8 | 301.2 | 16.0 |
| 1989 | 2,228.3 | 2,159.9 | 371.4 | 17.2 |
| 1990 | 2,300.5 | 2,400.3 | 272.9 | 11.4 |
| 1991 | 2,382.3 | 2,495.4 | 162.2 | 6.5 |
| 1992 | 2,465.8 | 2,491.3 | 140.5 | 5.6 |
| 1993 | 2,932.0 | 2,690.4 | 384.9 | 14.3 |
| 1994 | 3,175.7 | 3,111.0 | 454.4 | 14.6 |
| 1995 | 3,218.8 | 3,309.8 | 367.0 | 11.1 |
| 1996 | 3,448.3 | 3,439.2 | 379.2 | 11.0 |
| 1997 | 3,683.8 | 3,538.1 | 527.8 | 14.9 |
| 1998 | 4,023.7 | 3,799.1 | 756.3 | 19.9 |
| 1999 | 4,078.1 | 4,223.0 | 611.8 | 14.5 |
| 2000 | 4,230.5 | 4,419.2 | 423.1 | 9.6 |
| 2001 | 4,376.5 | 4,462.9 | 336.7 | 7.5 |

The table above depicts State General Fund revenue, receipts, and year end balances over past fiscal years. The table shows significant variance in the ending balances from year to year. The variances seen in 1987 and 1992 are reflective of dramatic budget growth over a period of years followed by reductions necessary to ensure the solvency of the State General Fund. The large balances of the last few fiscal years are a result of strong receipt performance, which in many instances exceeded expenditure levels.

State General Fund Revenues

Estimates for the State General Fund are developed using a consensus process that involves the Division of the Budget, the Kansas Legislative Research Department, the Department of Revenue, and three consulting economists, one each from the University of Kansas, Kansas State University, and Wichita State University. The Governor's budget recommendations are based on the State General Fund Consensus Revenue Estimating Group's estimates for FY 1999 and FY 2000.

Process. Each year members of the Consensus Revenue Estimating Group meet in October with other individuals from specific business areas to discuss basic economic trends and occurrences in Kansas, the Midwest, and the nation. Using information and assumptions developed in this meeting, each member of the group independently develops estimates for the different sources from which the State General Fund realizes receipts. Members use individual models and methodologies during this process. The group does not adhere to a specific economic forecasting model. The Consensus Revenue Estimating Group reconvenes in November to discuss and compare the estimates of the members and develop a consensus on each State General Fund revenue source for both the current and upcoming fiscal years. These estimates become the basis for the Governor and the Legislature in building the annual budget. The Consensus Revenue Estimating Group meets again in April of each year to revise the estimates.

Described below are the basic economic assumptions developed during the October consensus meeting, which, along with actual receipts from prior years and the first four months of FY 1999, formed the basis for the current set of revenue estimates. Detailed data concerning the assumptions are contained in *The Governor's Economic and Demographic Report*.

Basic Economic Assumptions

Kansas Personal Income. Kansas personal income grew by 6.0 percent in calendar year 1997 and is expected to increase by 4.7 percent in 1998. As indicated by the 1998 estimate, the rate of growth is expected to moderate over the next few years.

Personal income is estimated to grow at 4.1 percent for 1999 and 4.0 percent for 2000.

Inflation. Inflation, as measured by the Consumer Price Index, is estimated to be 1.6 percent in calendar year 1998 and remain under control the next few years. It is expected to increase moderately to 2.3 percent for 1999 and then move to 2.6 percent for 2000. These levels compare to previous years' rates of 2.3 percent in 1997 and 2.9 percent in 1996.

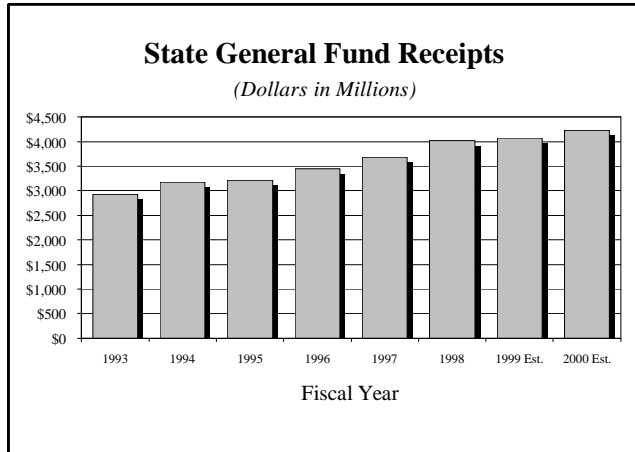
Oil & Gas. The average price per taxable barrel of Kansas crude oil is estimated to be \$12.00 for FY 1999 and to increase to \$13.00 in FY 2000. The final average taxable price per barrel in FY 1998 was \$16.52, which is a 21.7 percent drop from the FY 1997 price of \$21.09. Gross oil production in Kansas, which has been declining steadily over the last decade, is expected to continue to decline over the forecast period, driven further downward by low prices. The estimated decline for FY 1999 is 21.2 percent, moderated to 9.4 percent in the FY 2000 forecast.

The price of natural gas is expected to decrease from the final FY 1998 amount of \$1.94 per million cubic feet to \$1.75 per mcf in FY 1999. Prices dropped in August 1998 and have remained low. Gas storage levels are higher than they have been for several years heading into the winter, and a normal winter likely will maintain the current prices. For FY 2000, the price is expected to recover to \$1.85 per mcf. Natural gas production in FY 1998 represented a decrease of 7.7 percent from FY 1997. Production is expected to continue to decline, both as a function of the low price and, as with oil, as a result of a reduction in the available natural resource. The projections for FY 1999 and FY 2000 are 595 and 550 mcf, respectively.

Receipts

The graph on the next page depicts actual receipts to the State General Fund for FY 1993 through FY 1998 and the Consensus Revenue Estimating Group estimates for FY 1999 and FY 2000. It should be noted that the increases shown in FY 1993 and FY 1994 occur because of significant State General Fund tax increases that were used to offset major property

tax reductions approved by the 1992 Legislature. These tax increases were included as a part of the new school finance formula. It should also be pointed out that these numbers include one-time receipts to the State General Fund of approximately \$30.0 million from inheritance tax receipts in both FY 1995 and FY 1996 and \$30.0 million in one-time corporate income tax assessments in FY 1997. FY 1998 receipts include the one-time corporate income tax increase of approximately \$49.0 million.



FY 1999. Estimated receipts to the State General Fund for FY 1999 are \$4,075.7 million as developed by the Consensus Revenue Estimating Group. The consensus estimate is a 1.3 percent, or \$52.0 million, increase over actual FY 1998 revenues of \$4,023.7 million. Also, the estimate is an increase of \$107.8 million over the \$3,967.9 million estimated in April. This increase is primarily attributable to strong growth in individual income taxes. The estimate for individual income taxes was increased by \$96.3 million from the April estimate. The increase to this source is tied to the strong employment and personal income forecasts, as well as assumptions of moderately strong financial markets producing additional capital gains for investors. Severance taxes

drop by \$14.9 million from the previous estimate because of the drop in prices and related effects discussed under the Oil & Gas section.

FY 2000. Total receipts of \$4,230.6 million are estimated for FY 2000. This represents an increase of \$154.9 million, or 3.8 percent, when compared to FY 1999 adjusted estimates. Continued growth in the income tax, retail sales tax, and compensating use tax account for the majority of the increase. The 50.0 percent decrease in revenue for estate taxes is reflective of the full year effect of the change from an inheritance to an estate tax. The transfer from the State General Fund for the Department of Revenue's Project 2000 is expected to decrease by \$13.4 million as the transfers reach the prescribed payout level. Severance tax estimates decline 8.3 percent, taking into account expanded exemptions from the tax for low producing wells and for enhanced recovery efforts to increase production.

The Governor's recommendations increase the consensus estimates by \$2.4 million in FY 1999. This change is a result of the expected receipt of a payment from the tobacco settlement of \$4.0 million, a transfer out of approximately \$2.0 million to reimburse the State Emergency Fund for expenses related to recent floods and a grain elevator explosion, and the reversal of the well plugging transfer to the Kansas Corporation Commission. In FY 2000, the Governor's recommendations include an additional \$14.9 million from the tobacco settlement, adjustments in the Project 2000 transfers, and other changes. These increases are offset by \$15.1 million of proposed tax reductions.

The table on the following page reflects revenue estimates, by source, for the State General Fund. These numbers show estimates agreed to by the Consensus Revenue Estimating Group and do not reflect changes in revenue receipts proposed by the Governor.

Consensus Revenue Estimate

(Dollars in Millions)

| Source | FY 1998 | | FY 1999 | | FY 2000 | |
|----------------------------|---------------|-----------------------|---------------|-----------------------|---------------|-----------------------|
| | <u>Amount</u> | <u>Percent Change</u> | <u>Amount</u> | <u>Percent Change</u> | <u>Amount</u> | <u>Percent Change</u> |
| Motor Carrier Property Tax | \$15,998 | 2.0 % | \$17,000 | 6.3 % | \$18,000 | 5.9 % |
| Income Taxes: | | | | | | |
| Individual | 1,742,284 | 14.2 % | 1,780,000 | 2.2 % | 1,900,000 | 6.7 % |
| Corporate | 281,651 | 6.9 | 225,000 | (20.1) | 215,000 | (4.4) |
| Financial Institutions | 22,150 | (16.4) | 20,000 | (9.7) | 25,000 | 25.0 |
| Domestic Insurance Co. | 2,113 | 111.1 | -- | -- | -- | -- |
| Total Income Taxes | 2,048,198 | 12.7 % | 2,025,000 | (1.1) % | 2,140,000 | 5.7 % |
| Inheritance/Estate | 88,651 | 16.6 % | 70,000 | (21.0) % | 35,000 | (50.0) % |
| Excise Taxes: | | | | | | |
| Retail Sales | 1,351,591 | 9.4 % | 1,400,000 | 3.6 % | 1,450,000 | 3.6 % |
| Compensating Use | 185,088 | 11.8 | 200,000 | 8.1 | 210,000 | 5.0 |
| Cigarette | 52,095 | (1.6) | 52,000 | (0.2) | 52,300 | 0.6 |
| Tobacco Products | 3,269 | 5.3 | 3,400 | 4.0 | 3,500 | 2.9 |
| Cereal Malt Beverage | 2,439 | (0.9) | 2,200 | (9.8) | 2,100 | (4.5) |
| Liquor Gallonage | 13,209 | 3.1 | 13,000 | (1.6) | 13,200 | 1.5 |
| Liquor Enforcement | 28,549 | 4.0 | 31,000 | 8.6 | 32,000 | 3.2 |
| Liquor Private Club | 5,178 | 5.2 | 5,500 | 6.2 | 5,600 | 1.8 |
| Corporate Franchise | 15,352 | 7.4 | 16,000 | 4.2 | 16,500 | 3.1 |
| Severance | 62,558 | (17.4) | 45,900 | (26.6) | 42,100 | (8.3) |
| Gas | 48,072 | (16.3) | 38,200 | (20.5) | 37,500 | (1.8) |
| Oil | 14,486 | (20.8) | 7,700 | (46.8) | 4,600 | (40.3) |
| Total Excise Taxes | 1,719,328 | 7.8 % | 1,769,000 | 2.9 % | 1,827,300 | 3.3 % |
| Other Taxes: | | | | | | |
| Insurance Premiums | 88,106 | 9.6 % | 84,000 | (4.7) % | 86,000 | 2.4 % |
| Miscellaneous | 1,791 | (5.6) | 2,000 | 11.7 | 2,000 | 0.0 |
| Total Other Taxes | 89,897 | 9.2 % | 86,000 | (4.3) % | 88,000 | 2.3 % |
| Total Taxes | 3,962,072 | 10.5 % | 3,967,000 | 0.1 % | 4,108,300 | 3.6 % |
| Other Revenues: | | | | | | |
| Interest | 83,671 | 25.7 % | 92,000 | 10.0 % | 90,000 | (2.2) % |
| Project 2000 Transfers | (23,211) | 97.7 | (20,000) | (13.8) | (6,600) | (67.0) |
| Other Transfers | (43,362) | 0.0 | (7,500) | (82.7) | (6,100) | (18.7) |
| Agency Earnings | 44,512 | 11.9 | 44,200 | (0.7) | 45,000 | 1.8 |
| Total Other Revenues | 61,610 | (37.5) % | 108,700 | 76.4 % | 122,300 | 12.5 % |
| Total Receipts | \$4,023,683 | 5.5 % | \$4,075,700 | 1.3 % | \$4,230,600 | 3.8 % |

Budget Issues

Demand Transfers

Demand transfers are expenditures specified by statute. They represent a major portion of annual expenditures from the State General Fund. Demand transfers for FY 2000 will account for 6.1 percent of total State General Fund expenditures. By comparison, the percentage has been as high as 17.0 percent in FY 1992 prior to repeal of several large transfers to school districts that are now direct appropriations.

| FY 2000 Demand Transfers | |
|---|----------------|
| <i>(Dollars in Millions)</i> | |
| State Highway Fund <i>Sales Tax</i> | 128.9 |
| Local Ad Valorem Tax Reduction Fund <i>Sales and Compensating Use Tax</i> | 58.0 |
| County and City Revenue Sharing Fund <i>Sales and Compensating Use Tax</i> | 37.2 |
| Special City and County Highway Fund <i>Motor Carrier Property Tax</i> | 11.2 |
| School District Capital Improvement Fund <i>General Revenues</i> | 26.9 |
| State Water Plan Fund <i>General Revenues</i> | 6.0 |
| State Fair Capital Improvements <i>General Revenues</i> | 0.3 |
| Total | \$268.5 |

Of the state's seven demand transfers, four are established under current law based on receipts from a specific source of revenue. Several transfers are tied to the amount of sales tax revenue credited to the State General Fund. The largest is to the State Highway Fund, currently 7.6 percent of total sales tax revenues. Two other transfers are funded from sales tax revenues: the Local Ad Valorem Tax Reduction Fund (LAVTR) and the County and City Revenue Sharing

Fund (CCRS). The LAVTR receives 3.6 percent of sales and use tax receipts. The CCRS receives 2.8 percent of sales and use tax receipts. Both of them are distributed to local governments for property tax relief. These three demand transfers constitute 14.0 percent of the sales tax revenues to the State General Fund and 5.6 percent of total tax receipts.

The Special City and County Highway Fund, the last transfer based on a specific revenue source, was established in 1979 to prevent the deterioration of city streets and county roads. Each year this fund receives an amount equal to the state property tax levied on motor carriers.

The remaining three demand transfers are not based on any specific source of revenue to the State General Fund. One of these provides for an annual transfer to the School District Capital Improvement Fund to support school construction projects. The other two are for capital improvements at the State Fair and a transfer to the State Water Plan Fund. These latter two demand transfers are specified in statute. Two are usually not increased or decreased in the same way as the others.

For the last several fiscal years the level of support for the transfers tied to tax sources has varied from the amount specified in statute. The rate of increase approved for FY 1998 was 1.75 percent. In FY 1999, the LAVTR was funded at the statutory level, while the SCCH and CCRS were provided a 2.4 percent increase.

The Governor recommends demand transfers totaling \$268.5 million for FY 2000. As in FY 1999, the LAVTR is funded at the statutory level. The SCCH and CCRS are increased by 1.7 percent, which is equal to the growth in State General Fund expenditures, other than those attributable to property tax replacement. In anticipation of a new transportation program, the Governor recommends increasing the State Highway Fund sales tax transfer to 9.0 percent in FY 2000, and recommends it be taken to 10.0 percent for FY 2001 and thereafter. These recommendations cost \$41.0 million for FY 2000 and another \$20.4 million for FY 2001.

Kansas Water Issues

Water Plan Objectives

In a report to the Governor and the 1999 Legislature, the Kansas Water Authority outlined its recommendations for FY 2000. Highlights of those recommendations include Kansas Water Plan objectives that were developed by the Authority after extensive public input. The Kansas Water Plan objectives include (1) development of measurable objectives for each basin, (2) review of the Kansas Water Plan to identify and clarify priority issues, and (3) evaluation of the condition of the water resources of the state and evaluation of the effectiveness of water programs. Sub-objectives, all targeted to be accomplished by 2010, are described below by major category. They can be found in the *Report to the Governor and 1999 Legislature on Recommendations to Implement the Kansas Water Plan for FY 2000* by the Kansas Water Authority.

Public Water Supply. First, sufficient surface water storage will be available to meet projected year 2040 public water supply needs. Second, over 95.0 percent of public water suppliers who depend on surface water supplies and alluvial aquifers will have a source of supply sufficient to meet their needs during a drought when there is a 2.0 percent chance of a drought occurring. Finally, all public water suppliers will have adequate water treatment, storage, and distribution systems as well as managerial, operational, and financial capability to meet Safe Drinking Water Act regulations.

Water Conservation. The number of public water suppliers with excessive “unaccounted for” water will be reduced by first targeting those with unaccounted water of 30.0 percent or more. Also to be reduced are the number of irrigation points of diversion for which the acre feet per acre (AF/A) water use exceeds the respective regional AF/A standard in eastern Kansas, 1.5 AF/A in central Kansas, 2.0 AF/A in western Kansas, and those who overpump the amount authorized by their water rights.

Water Right Management. Water level decline rates within the Ogallala Aquifer will be reduced and enhanced water management in targeted areas will be implemented.

Water Quality Protection. The percentage of stream miles and lake acres, as recommended by the basin advisory committees which fully support their designated uses as identified in the Kansas Surface Water Quality Standards, will be increased significantly.

Water Quality Remediation. The percentage of monitoring all network wells contaminated by nitrate, chlorides, sulfates, or volatile organic chemicals caused by human activity will be reduced significantly.

Flood Management. The risk of damage from floods within identified priority communities or areas will be reduced.

Wetland and Riparian Management. Priority wetlands and riparian areas will be maintained, enhanced, or restored.

Recreation. Recreational opportunities at public lakes and streams will be increased.

Data and Research. Data collection, research projects, and information sharing activities to address specific water resource issues, as identified in the Kansas water planning process, will be targeted, and state water resource program operations will be supported and guided.

Public Information and Education. Public information dissemination activities to provide current and reliable information on the status of water resources in Kansas will be developed. In addition, educational activities will be provided to ensure that all Kansans have the knowledge necessary to understand the hydrologic cycle and to have an appreciation for the demands and influences on the state’s water resources.

Governor’s FY 2000 Recommendations

The Governor’s recommendations for expenditures from the State Water Plan Fund total \$18,018,444 for FY 2000. The amount available in the fund to cover these expenditures, combining carry forward balances

and new receipts, totals \$18,021,551, leaving a balance of \$3,107 at the end of FY 2000.

| State Water Plan Fund Revenue | |
|--------------------------------------|----------------|
| | <u>FY 2000</u> |
| Projected Carryover: | \$1,475,825 |
| New Receipts: | |
| Municipal Water Use Fees | 3,390,000 |
| Industrial Water Use Fees | 1,115,000 |
| Stockwater Use Fees | 290,000 |
| Fertilizer Fees | 2,750,000 |
| Pesticide Fees | 660,000 |
| Pollution Fines and Penalties | 20,000 |
| Sand Royalty Fund | 320,726 |
| EDIF Transfer | 2,000,000 |
| State General Fund Transfer | 6,000,000 |
| Subtotal New Receipts | \$16,545,726 |
| Total Revenue | \$18,021,551 |

Under the Governor's FY 2000 recommendations for State Water Plan Fund expenditures, six state agencies receive State Water Plan Fund appropriations. Expenditures proposed by the Governor are detailed below.

Conservation Commission

Of the approximately \$18.0 million in water plan fund expenditures recommended for FY 2000, the majority of expenditures are by the Kansas Conservation Commission. The Governor recommends \$9.7 million in State Water Plan expenditures for the State Conservation Commission in FY 2000.

Cost Share Program. Major projects include \$4.45 million for the Commission's Water Resources Cost Share Program. Increased emphasis has shifted toward water quality issues, with the targeting in 1996 of water quality improvement at Cheney and Hillsdale lakes.

Expanded emphasis on water quality occurred in 1997 with the Governor's Water Quality Initiative in the Kansas-Lower Republican basin. Techniques of terracing, grass waterways, range and pasture

management, and grass planting all retard the loss of sediment and nutrients bound to soil particles from agricultural lands. In 1998, additional emphasis was placed on livestock waste management and sediment control. That program emphasis will continue in future years.

Nonpoint Source Pollution. The Governor also recommends \$3.0 million for Nonpoint Source Pollution Control for the State Conservation Commission. The program has provided technical assistance to conservation districts in the development of NonPoint Source Pollution plans. The program has experienced massive demand for assistance in upgrading failing septic systems and livestock waste systems. Subsequent efforts will focus on targeted resources within each of the conservation districts. Additional resources have been directed toward priority areas above Cheney, Hillsdale, Perry, and Tuttle Creek lakes.

Aid to Conservation Districts. The State Conservation Commission also receives \$1,023,250 from the State Water Plan for its Aid to Conservation Districts Program, \$804,000 for watershed dam construction projects, and \$231,000 for the second year of a third-year funding match for a multi-purpose small lakes project at Cedar Creek near the City of Fort Scott. Further, \$80,000 is provided to continue the buffer initiative, and \$125,000 is recommended for the riparian and wetland program.

Kansas Water Office

The Kansas Water Office also receives significant funding from the State Water Plan Fund. The majority of State Water Plan Fund projects recommended by the Governor for the Kansas Water Office are under the categories of data and research and public information/education. These projects include \$400,000 for 70 stream gauge stations, \$145,000 for the Geographic Information Systems Data Access and Support Center located on the campus of the University of Kansas, \$267,800 for the Geographic Information Systems Database and Development, and \$75,000 for groundwater evaluation. The operation and maintenance costs totaling \$446,224 are paid by the Kansas Water Office from the State Water Plan Fund on certain reservoirs, and the Pooled Money Investment Board loan payment of \$267,394 are obligations that fall under the water management category related to public water supply.

Health & Environment

Local Environmental Protection. The Governor provides \$1.8 million in expenditures from the State Water Plan Fund for this program, which makes grants to counties to develop and implement local environmental protection plans. Primary emphasis has been on development, adoption, and enforcement of sanitary/environmental codes.

Total Maximum Daily Loads (TMDL)/Use Attainability Analysis (UAA) Initiatives. The establishment of TMDLs and development of UAA procedures will be additional tools to help target Kansas Water Plan water quality programs. Recent litigation with the U.S. Environmental Protection Agency has resulted in a court settlement regarding certain aspects of the Clean Water Act. Furthermore, the court decree establishes an eight-year schedule for the state to establish TMDLs on all stream segments

listed as water quality impaired, relative to their beneficial uses. The Department is seeking to use the Kansas Water Plan water planning process and the Basin Advisory Committees to help carry out its responsibilities. It is anticipated that TMDL subsections will be developed for the Kansas Water Plan Basin Sections for each of the 12 major basins in Kansas. The Governor recommends \$925,000 for nonpoint source programs, some of which will target these recent initiatives.

Department of Agriculture

The Governor recommends \$988,776 from the State Water Plan Fund to finance existing programs in the Department of Agriculture. Two of these programs determine the water rights management strategies of the state. The remaining program involves the management of several water sub-basins in the state.

State Water Plan Fund Expenditures

| Agency/Program | Actual <u>FY 1998</u> | Approved <u>FY 1999</u> | Request <u>FY 2000</u> | Governor <u>FY 2000</u> |
|---|--------------------------|----------------------------|---------------------------|----------------------------|
| State Conservation Commission | | | | |
| Conservation District Aid | 1,016,500 | 1,023,250 | -- | 1,023,250 |
| Watershed Dam Construction | 1,016,037 | 829,000 | 829,000 | 804,000 |
| Multipurpose Small Lakes | 733,214 | 231,000 | 861,550 | 231,000 |
| Nonpoint Source Pollution Asst. | 2,772,450 | 3,001,461 | 3,200,000 | 3,000,000 |
| Buffer Initiative | -- | 80,000 | 265,000 | 80,000 |
| Water Resources Cost Share | 1,735,897 | 4,450,000 | 4,800,000 | 4,450,000 |
| Riparian and Wetland Program | 198,849 | 110,956 | 200,000 | 125,000 |
| Water Rights Purchases | -- | -- | 320,000 | -- |
| Total--Conservation Commission | \$ 7,472,947 | \$ 9,725,667 | \$ 10,475,550 | \$ 9,713,250 |
| Kansas Water Office | | | | |
| Public Information | 29,224 | 40,000 | 40,000 | 30,000 |
| Water Resource Education | 50,000 | 70,000 | 110,000 | 70,000 |
| PMIB Loan Payment for Storage | 92,808 | 252,000 | 267,394 | 267,394 |
| Water Qual. Planning Assist./Supply Viability | 33,336 | 20,000 | -- | -- |
| Technical Assistance to Water Users | 424,802 | 440,000 | 480,000 | 440,000 |
| Milford and Perry Storage Acquisition Costs | -- | -- | 1,860,600 | -- |
| MOU -- Storage Operations and Maintenance | 289,677 | 446,091 | 446,224 | 446,224 |
| Feedlot Water Quality | 100,000 | 70,000 | -- | -- |
| Stream Gauging Program | 349,745 | 364,000 | 400,000 | 400,000 |
| GIS Data Access and Support Center | 135,000 | 139,000 | 147,200 | 145,000 |
| GIS Data Base Development/GIS Manager | 311,253 | 316,026 | 330,085 | 267,800 |
| Republican Sub. Eval./Water Qual. Initiative | 45,284 | -- | -- | -- |
| Walnut Creek Water Availability Study | 54,000 | 40,000 | -- | -- |
| Neosho Subbasin Study | 50,000 | 50,000 | -- | -- |
| Basin Assessment | 50,327 | 25,000 | 25,000 | 25,000 |
| State Water Plan Direction and Evaluation | 28,595 | -- | -- | -- |
| Salt Water Intrusion in Equus Beds Aquifer | 38,755 | 25,000 | -- | -- |
| Water Quality in Upper Arkansas | 75,000 | 75,000 | 75,000 | 75,000 |
| Weather Modification | 320,000 | 390,000 | 390,000 | 360,000 |
| Groundwater Condition Evaluation | -- | 25,000 | 149,000 | 75,000 |
| Cheney Agricultural Nonpoint Source | -- | -- | 36,000 | 25,000 |
| Total--Kansas Water Office | \$ 2,477,806 | \$ 2,787,117 | \$ 4,756,503 | \$ 2,626,418 |
| Wildlife & Parks | | | | |
| Stream Monitoring | 44,856 | 50,000 | 50,000 | 50,000 |
| River Recreation | -- | -- | 150,000 | -- |
| Total--Wildlife & Parks | \$ 44,856 | \$ 50,000 | \$ 200,000 | \$ 50,000 |
| KSU--Western Ks. Irrigation Research Project | \$ 28,057 | \$ 91,000 | \$ -- | \$ -- |
| Department of Agriculture | | | | |
| Floodplain Management | 80,889 | 107,969 | 110,614 | 110,619 |
| Interstate Water Issues | 354,748 | 203,550 | 193,157 | 193,157 |
| Subbasin Water Resources Management | 583,127 | 660,899 | 696,206 | 685,000 |
| Total--Dept. of Agriculture | \$ 1,018,764 | \$ 972,418 | \$ 999,977 | \$ 988,776 |
| Health & Environment | | | | |
| Assessment of Sediment/Cheney and Perry | -- | 90,000 | 150,000 | 125,000 |
| Contamination Remediation | 1,472,826 | 1,420,128 | 1,600,000 | 1,390,000 |
| Nonpoint Source Program | 461,387 | 910,000 | 1,050,000 | 925,000 |
| Local Environmental Protection Program | 1,991,481 | 1,900,000 | 2,000,000 | 1,800,000 |
| Total--Health & Environment | \$ 3,925,694 | \$ 4,320,128 | \$ 4,800,000 | \$ 4,240,000 |
| KCC--Well Plugging | \$ 400,000 | \$ 400,000 | \$ 400,000 | \$ 400,000 |
| Total Water Plan Expenditures | \$ 15,368,124 | \$ 18,346,330 | \$ 21,632,030 | \$ 18,018,444 |

Gaming Revenues

The State Gaming Revenues Fund receives transfers from receipts generated by the Kansas Lottery and the Kansas Racing & Gaming Commission. Transfers are then made from the gaming fund for economic development initiatives, prison construction and maintenance projects, and local juvenile detention facilities as well as to the State General Fund.

Transfers from the State Gaming Revenues Fund are made based on a formula in statute. The current formula transfers 85.0 percent to the Economic Development Initiatives Fund (EDIF), 10.0 percent to the Correctional Institutions Building Fund (CIBF), and 5.0 percent to the Juvenile Detention Facilities Fund (JDFF). Transfers for these purposes are limited to \$50.0 million in a given fiscal year. Any receipts above that amount that are credited to the State Gaming Revenues Fund are required to be transferred to the State General Fund in the fiscal year in which the revenues are received.

The amounts transferred to the State Gaming Revenues Fund from the Kansas Lottery and the Kansas Racing & Gaming Commission relate not only to gaming activity but also to the cost of financing the activities of these agencies. All operating costs of the Kansas Lottery and the Kansas Racing & Gaming Commission are funded by their respective gaming revenues, and remaining balances are transferred to the State Gaming Revenues Fund.

The monthly transfer to the State Gaming Revenues Fund from the Kansas Lottery is designated to be any money in excess of what is needed for operation of the Lottery, or 30.0 percent of net sales, whichever is greater. Receipts from racing activities are determined monthly by the Executive Director of the Racing Commission. Excess receipts contained in the State Racing Fund, as determined by the Executive Director of the Racing & Gaming Commission and the Director of Accounts and Reports, are transferred to the State Gaming Revenues Fund. This process takes into consideration such factors as adequate fund balances,

encumbrances, anticipated revenues, and actual revenues and expenditures to date. For FY 1999, the Legislature mandated that the Racing & Gaming Commission transfer all revenues in excess of \$250,000 each month. For FY 2000, the agency anticipates transferring all revenues in excess of \$300,000 each month.

Prior to FY 1997, transfers from the Gaming Revenues Fund were made at the beginning of a given fiscal year, and they were based on the revenues generated in the previous fiscal year.

| | <u>FY 1998</u> | <u>FY 1999</u> | <u>FY 2000</u> |
|-----------------|----------------|----------------|----------------|
| Transfers In: | | | |
| Lottery | 60,304 | 58,194 | 58,668 |
| Racing & Gaming | 1,598 | 455 | 72 |
| Total | \$61,902 | \$58,649 | \$58,740 |
| Transfers Out: | | | |
| EDIF | 45,625 | 42,500 | 42,500 |
| JDFF | 2,500 | 2,500 | 2,500 |
| CIBF | 5,000 | 5,000 | 5,000 |
| Transfer to SGF | 8,777 | 8,649 | 8,740 |
| Total | \$61,902 | \$58,649 | \$58,740 |

The 1996 Legislature changed the transfer process so that revenues gained in a given fiscal year are transferred during that same year. Accordingly, in the Gaming Revenues Fund table above, the \$8.7 million State General Fund transfer projected for FY 2000 reflects the amount of revenues deposited in the Gaming Revenues Fund during FY 2000, minus \$50.0 million in combined transfers to the Economic Development Initiatives Fund, Correctional Institutions Building Fund, and Juvenile Detention Facilities Fund.

Economic Development Initiatives Fund

The Economic Development Initiatives Fund (EDIF) is capitalized through transfers from the State Gaming Revenues Fund. Current statute mandates that 85.0 percent of the receipts deposited in the State Gaming Revenues Fund be transferred to the EDIF. Because the Gaming Revenues Fund is limited to \$50.0 million each year, transfers to the EDIF can reach a maximum of \$42.5 million in any given fiscal year. The following section of this report details the Governor's recommendations for use of the EDIF. The Governor has targeted these limited resources to priority areas for economic development that affect the business community, technological development, and the capabilities of the state's workforce.

Revenue Estimates. The Governor's budget recommendations are based on available resources in the EDIF of \$48.6 million in FY 1999 and \$44.7 million in FY 2000. The table on the status of the EDIF details the balances and receipts for the fund in FY 1998, FY 1999, and FY 2000. The Governor recommends transfers and expenditures of \$48.6 million in FY 1999 and transfers and expenditures of \$44.7 million in FY 2000.

Total beginning balances in the fund decrease from FY 1998 to FY 2000 as a result of changes in "other revenue," as detailed in the EDIF status table. The increase of other revenue sources in FY 1998 was caused by the inclusion of \$3.5 million from the sale of the Sunflower Technology Venture Fund through the Kansas Technology Enterprise Corporation and the 1998 Legislature's diversion of \$3.1 million from the State General Fund to the EDIF.

The primary recipients of grants from the Economic Development Initiatives Fund in FY 2000 are the Department of Commerce & Housing (\$19.9 million), the Kansas Technology Enterprise Corporation (\$13.5 million), and the Department of Education (\$8.9 million). The recommendation also includes the statutory transfer of \$2.0 million to the State Water Plan Fund. Also included is a total of \$169,563 for the operation of Kansas, Inc. and \$300,000 to provide an operating grant to the Eisenhower Library and Museum in Abilene.

Geographic Distribution. By statute, half of all expenditures from the EDIF must be distributed equally among the state's congressional districts,

which means that each of the four congressional districts is to receive a minimum of 12.5 percent of total expenditures from the fund. Given that

| Status of EDIF | | | |
|-------------------------------|----------------|----------------|----------------|
| <i>(Dollars in Thousands)</i> | | | |
| | <u>FY 1998</u> | <u>FY 1999</u> | <u>FY 2000</u> |
| Beginning Balance: | \$ 4,099 | \$ 5,575 | \$ 1,709 |
| Gaming Revenues | 42,500 | 42,500 | 42,500 |
| Other Revenue | 7,865 | 500 | 500 |
| Total Available | \$ 54,464 | \$ 48,575 | \$ 44,709 |
| Expenditures | 34,433 | 31,713 | 30,637 |
| Transfers Out | 14,456 | 15,153 | 14,054 |
| Balance Forward | \$ 5,575 | \$ 1,709 | \$ 18 |

expenditures from the EDIF totaled \$49,442,050 in FY 1998, each congressional district was entitled to a minimum of \$6.1 million. As seen in the EDIF geographic distribution table below, in FY 1998 each

| EDIF Geographic Distribution | | |
|-------------------------------------|----------------|----------------|
| | <u>FY 1998</u> | <u>Percent</u> |
| District 1 | 9,673,672 | 19.5 % |
| District 2 | 12,951,660 | 26.2 |
| District 3 | 14,528,650 | 29.4 |
| District 4 | 12,288,068 | 24.9 |
| Total | \$ 49,442,050 | 100.0 |

of the districts received a considerable amount more than that required by statute. Although District 1 received the least amount of grant monies from the fund, it still received 7.1 percent more than the statutory minimum. The third congressional district is where the majority of EDIF expenditures are made in FY 1998, which is attributable to the fact that a large portion of KTEC's EDIF dollars are spent on and around the University of Kansas for the Centers of Excellence, MAMTC, and EPSCoR.

Economic Development Initiatives Fund

| | FY 1998 Actual | FY 1999 Gov. Rec. | FY 2000 Gov. Rec. |
|---|----------------------|----------------------|----------------------|
| State Water Plan | \$ 2,000,000 | \$ 2,000,000 | \$ 2,000,000 |
| Department of Commerce & Housing | | | |
| Small Business Development Centers | 525,000 | 525,000 | 485,000 |
| Certified Development Companies | 475,000 | 475,000 | 475,000 |
| Kansas Industrial Training/Retraining | 3,250,000 | 3,850,000 | 3,600,000 |
| Trade Show Promotion | 270,000 | 170,000 | 150,000 |
| Strategic Action Grants | 85,000 | - | - |
| Capacity Planning Grants | 165,000 | 250,000 | 197,000 |
| Tourism Promotion | 479,600 | 452,100 | 952,100 |
| Wichita World Trade Center | 50,000 | 50,000 | - |
| Training Equipment | 250,000 | 300,000 | 300,000 |
| Agriculture Product Development | 300,000 | 540,000 | 540,000 |
| Travel Information Centers | 35,000 | 85,000 | 15,000 |
| Economic Opportunity Initiatives Fund | 4,000,000 | 4,000,000 | 5,000,000 |
| High Performance Incentive Grants | 75,000 | - | - |
| Micro-Loan Program | (200,000) | - | - |
| Existing Industry Expansion | 800,000 | 800,000 | 800,000 |
| Railroad Mitigation Fund | 200,000 | - | - |
| Kansas Rural Development Council | 52,217 | - | - |
| Kansas Sports Hall of Fame | - | 150,000 | - |
| Main Street Development Grants | 200,000 | 216,800 | 216,800 |
| Motion Picture/Television Tax Rebate | 220,000 | 100,000 | 75,000 |
| Operations | 8,024,258 | 7,989,452 | 7,048,104 |
| Subtotal Commerce & Housing | \$ 19,256,075 | \$ 19,953,352 | \$ 19,854,004 |
| Kansas Technology Enterprise Corporation | | | |
| Research Matching Grants | 1,260,000 | 1,260,000 | 1,260,000 |
| Business Innovative Research Grants | 76,000 | 76,000 | 76,000 |
| State Small Business Innovation Research | 440,000 | 440,000 | 440,000 |
| Centers of Excellence | 3,502,896 | 3,502,896 | 3,552,640 |
| EPSCoR | 3,200,000 | 3,200,000 | 3,200,000 |
| Special Projects | 69,303 | 79,303 | 79,303 |
| Commercialization Grants | 1,540,000 | 1,540,000 | 1,690,000 |
| Mid-America Mfg. Technology Center | 1,992,065 | 1,997,104 | 1,797,338 |
| Operations | 1,218,801 | 1,785,760 | 1,365,032 |
| Subtotal KTEC | \$ 13,299,065 | \$ 13,881,063 | \$ 13,460,313 |
| Department of Education | | | |
| At-Risk/Innovative Program Assistance | 1,485,000 | - | - |
| Matching Grants--AVTS | 200,000 | 200,000 | 200,000 |
| Postsecondary Aid--AVTS | 6,714,007 | 6,690,223 | 6,707,144 |
| Capital Outlay--AVTS | 2,000,000 | 3,000,000 | 2,000,000 |
| Subtotal Education | \$ 10,399,007 | \$ 9,890,223 | \$ 8,907,144 |
| Kansas, Inc. | 270,163 | 234,597 | 169,563 |
| Historical Society | 100,000 | 200,000 | - |
| Department of Human Resources | 50,000 | - | - |
| Kansas State University--Ogallala Aquifer Study | - | 90,000 | - |
| Fort Hays State University--Sternberg Museum | 250,000 | - | - |
| Wildlife and Parks--Local Outdoor Recreation | - | 500,000 | - |
| Department of Administration | 3,150,000 | 116,800 | - |
| Eisenhower Museum Grant | - | - | 300,000 |
| State Fair | 115,000 | - | - |
| Total EDIF Transfers/Expenditures | \$ 48,889,310 | \$ 46,866,035 | \$ 44,691,024 |

Investment in Economic Development

For FY 1999 and FY 2000, the Governor recommends that the majority of Economic Development Initiatives Fund financing remain in programs conducted by the Department of Commerce & Housing, Kansas Technology Enterprise Corporation, and Department of Education. This recommendation maximizes the use of the EDIF for clearly identified economic development programs, especially those relating to research capability, investment in job training, and business expansion. Expenditures at the Department of Education focus on vocational-technical training and prepare students for the technical work environment. The table below highlights the percentage of EDIF expenditures used to finance the seven foundations of economic development. All state operations are assumed to contribute to business capacity.

| Economic Development Initiatives Fund | | | |
|--|----------------|----------------|----------------|
| <i>(Percent of Expenditures by Foundation)</i> | | | |
| | <u>FY 1998</u> | <u>FY 1999</u> | <u>FY 2000</u> |
| Human Capital | 28.4 | 30.0 | 28.7 |
| Technological Dev't. | 18.0 | 18.8 | 19.7 |
| Business Capacity | 32.0 | 34.8 | 33.5 |
| Business Environment | 1.8 | 1.7 | 1.8 |
| Financial Capital | - | - | - |
| Quality of Life | 7.1 | 1.7 | 0.7 |
| Infrastructure Assistance | 12.9 | 13.0 | 15.6 |
| Total | 100.0 % | 100.0 % | 100.0 % |

Totals may not add because of rounding.

Department of Commerce & Housing

The Governor recommends a total budget of \$19.9 million from the EDIF for the Department of Commerce & Housing, which will enhance the agency's tourism and business assistance programs.

KIT/KIR. Investment in the Kansas Industrial Training and Retraining Program includes a total state investment of \$3.6 million. This recommendation will provide training to new and existing employees. For

FY 2000, a total of 7,700 jobs will be created or returned through programs funded through KIT/KIR.

Small Business Development Centers. An amount of \$485,000 is recommended for Small Business Development Centers, which provide assistance to small businesses on a regional basis. The state funding will allow these centers to match federal dollars and will provide assistance to 8,000 small businesses in FY 2000.

Certified Development Companies. The Governor provides current service funding of \$475,000 for Certified Development Companies in FY 2000. These grants provide assistance for start-up businesses or expansion projects which create or retain jobs in the state. This state investment will affect 2,200 jobs and leverage an estimated \$88.0 million in capital investment.

Agriculture Products Development. The Governor recommends \$540,000 from the EDIF for Agriculture Value-Added Center grants in FY 2000. These grants provide funding for companies seeking the development or formulation of new products and the creation of new technologies to expand the use of Kansas agriculture products. State funds for these grants serve as a match for private and federal funding sources. These grants are expected to increase the sales of Kansas companies by \$6.0 million in FY 2000.

Kansas Economic Opportunity Initiatives Fund (KEOIF). Also recommended for FY 2000 is \$5.0 million from the EDIF for KEOIF, representing a \$1.0 million increase over current levels. The program provides grants to businesses which undergo major expansion, choose to relocate to Kansas, or need matching funds to receive private or federal funding. With this level of investment the agency expects that 4,750 jobs will be involved with a projected payroll of \$50.0 million, while leveraging \$178.75 million in private and federal funding.

Existing Industry Expansion. The recommended budget for the Department of Commerce & Housing includes \$800,000 for the Kansas Existing Industry Expansion Program (KEEP). This program provides

assistance to small existing Kansas industries to aid in capital expansion and renovation or relocation projects, especially in small communities and rural areas. Establishing this program has allowed financing from the Kansas Economic Opportunity Initiatives Fund (KEOIF) to focus on larger employers and industrial recruitment. This investment will affect 1,000 jobs, leveraging \$25.0 million in private capital investment for FY 2000.

Kansas Technology Enterprise Corp.

The budget recommended by the Governor for KTEC in FY 2000 is based on a level of service and performance similar to that recommended by the Governor and enacted by the Legislature for FY 1999. Programs continued at the current year level include applied research matching grants, innovation research grants, support for Centers of Excellence, and the Mid-America Manufacturing Technology Center.

Department of Education. The Governor recommends support in the amount of \$8,907,144 from the EDIF for postsecondary education at area vocational-technical schools. No financing is recommended in the Department for any program not directly related to technical or vocational training.

Kansas, Inc.

The Governor recommends \$169,563 for Kansas, Inc. to continue its active research and policy agenda at the current level.

Eisenhower Center. The Governor recommends \$300,000 from the EDIF to provide a grant to the Eisenhower Center in Abilene. A preliminary report of the Governor's Eisenhower Center Commission indicates that additional funding will allow the Center to draw an increasing number of visitors to one of the state's unique attractions.

State Employees

Salary Increases

The Governor proposes a salary plan for state employees consistent with increases that have been approved for the past several years. All funding for the plan is included in the budget of each state agency.

Classified Employees. Step movement for FY 2000 is fully financed in the Governor's budget recommendations consistent with current provisions of eligibility based on each employee's anniversary of state service. The cost budgeted for providing step movement is \$14.8 million from all funding sources, \$6.4 million of which is from the State General Fund.

In addition to step movement, the Governor proposes a base salary adjustment of 1.0 percent for FY 2000 for all classified employees. Included in the budget for this part of the plan is \$8.1 million from all funding sources, of which \$4.1 million is from the State General Fund.

Longevity bonus payments are continued under the Governor's FY 2000 recommendations in accordance with current statutes. Bonus payments are based on \$40 per year of service to 25 years, or \$1,000, for employees who have a minimum of ten years of state service. To finance longevity bonus payments, the Governor's budget includes \$11.5 million from all funding sources, with \$5.3 million from the State General Fund.

Unclassified Employees. For unclassified employees, the Governor recommends a salary merit pool totaling 3.5 percent for FY 2000. Legislators, legislative staff, elected and appointed officials of the executive branch, Regents faculty, and student assistants at Regents institutions are included in the proposal. In addition, judges, officials whose salaries are linked to judges' salaries, and other non-judicial staff are included by the statutory provisions that govern their compensation. The Governor's budget includes \$26.1 million from all funding sources to finance merit increases for unclassified employees. Of this total, \$17.2 million is financed from the State General Fund.

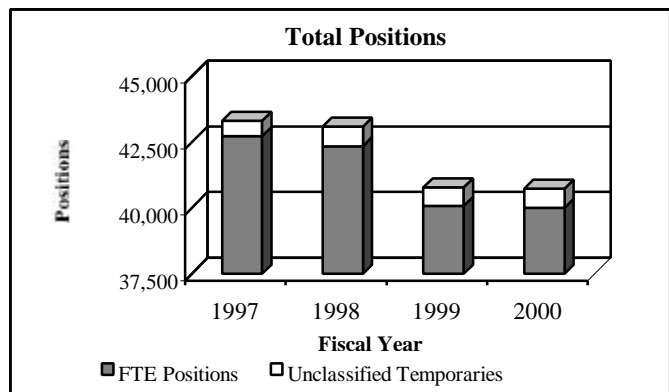
An amount of \$2.5 million from the State General Fund is also recommended for FY 2000 to provide

salary enhancements for distinguished members of the faculty at the various universities to reward teaching excellence and assist in the retention of outstanding faculty. The funds will be made available as a pool to the Board of Regents, who will determine the distribution of funds based on merit.

The Governor also recommends \$800,000 from the State General Fund for FY 2000 to increase the base salary of district court judges and magistrate judges in the Judiciary's budget. The salary enhancement is intended to assist the Judiciary in the recruitment of new judges and the retention of existing judges.

State Workforce

The number of positions in the state workforce, including both FTE positions and unclassified temporary positions, has declined in recent years. From 44,671.9 in FY 1996, the total has declined to 40,274.5 for FY 2000, a decrease of 4,397.4 positions, or 9.8 percent. The graph below illustrates this trend.



The decline in the size of the state workforce has come about for several reasons. One is the Governor's initiative over FY 1996 and FY 1997 to reduce the number of positions by 5.0 percent. Hospital closures and privatization of some services in the Department of Social & Rehabilitation Services also have contributed to the decline. In addition, the retirement reduction program is responsible for a significant portion of the decrease. Finally, as a result of 1998 SB 373, which re-organizes the University of Kansas Hospital under a new public authority, the hospital staff is no longer part of the state workforce.

Although the overall size of the workforce is on a downward trend, some agencies have seen increases. These include additional maintenance operations staff in the Department of Administration for state facilities, additional magistrate judges in the Judiciary, new troopers for the Highway Patrol, conservation officers for Wildlife & Parks, staff for the new Kansas Veterans' Home in Winfield, more meat and poultry inspectors in the Department of Agriculture, and additional operations staff, correctional officers, and parole officers for the Department of Corrections systemwide. A detailed listing of positions is presented in Schedule 8 in the back of this volume.

Retirement Reductions

KSA 75-6891 establishes a procedure to reduce the number of authorized FTE positions in the legislative and executive branches. The law was passed by the 1993 Legislature and went into effect July 1, 1993. The law requires that at least 25.0 percent of the positions vacated by state employees who retire under the Kansas Public Employees Retirement System be eliminated. Certain state positions that carry direct care or correctional responsibilities are exempted from the process. The expenditure authority for positions eliminated is also reduced. Savings to the State General Fund from positions eliminated are transferred to the Retirement Salary Recapture Fund at the end of the fiscal year.

A summary of the dollar savings and position reductions since the beginning of the program is presented in the following table. As of December

1998, 212.0 FTE positions have been vacated through retirement in FY 1999. Of that total, 164.4 have been restored. Total savings to date in the current year are \$1,323,608, including \$511,759 from the State General Fund.

Retirement Reductions by Fiscal Year

(Dollars in Thousands)

| <u>Fiscal Year</u> | <u>SGF</u> | <u>All Funds</u> | <u>FTE</u> |
|--------------------|------------|------------------|------------|
| 1994 | 1,994.3 | 5,373.9 | 232.2 |
| 1995 | 1,385.3 | 3,663.0 | 161.5 |
| 1996 | 1,405.2 | 3,621.7 | 104.0 |
| 1997 | 1,057.1 | 2,535.5 | 157.6 |
| 1998 | 894.0 | 2,239.6 | 148.8 |
| 1999 | 511.8 | 1,323.6 | 47.6 |
| Total | \$ 7,247.7 | \$ 18,757.3 | 851.7 |

Positions are reduced in the year following the retirement.

FY 1999 represents approximately one-half of the fiscal year

The Governor supports the repeal of KSA 75-6891, which abolishes this program. During the past several years, the program has contributed to the nearly 10.0 percent decline in the size of the state workforce. Therefore, it has largely accomplished its purpose.

The table on the opposite page details salary and wage costs for all agencies combined, including the portion of construction costs attributable to salaries in the Department of Transportation and the Off Budget salaries of the Department of Administration.

Statewide Salaries and Wages

| | Actual FY 1998 | Estimate FY 1999 | Current Service | Enhance. Package | Governor's Rec. |
|--------------------------------|-------------------|---------------------|--------------------|---------------------|--------------------|
| Authorized Positions | | | | | |
| Classified--Regular | 676,644,683 | 742,772,983 | 760,210,300 | 5,604,231 | 757,471,853 |
| Classified--Temporary | 7,131,969 | 8,467,409 | 8,522,700 | 230,406 | 8,360,365 |
| Unclassified--Regular | 609,791,235 | 627,547,109 | 614,410,470 | 2,026,404 | 612,653,458 |
| Unclassified--Temporary | 16,628,910 | 20,624,825 | 19,350,532 | 353,808 | 19,422,641 |
| Boards and Commissions | 3,617,713 | 3,757,354 | 4,706,365 | 1,820 | 3,775,101 |
| Student Help | 31,263,361 | 29,707,224 | 29,706,544 | 49,649 | 29,706,544 |
| Authorized Total | \$ 1,345,077,871 | \$ 1,432,876,904 | \$ 1,436,906,911 | \$ 8,266,318 | \$ 1,431,389,962 |
| New Positions--Classified | -- | -- | -- | 2,369,287 | 1,298,434 |
| New Positions--Unclassified | -- | 30,396 | 233,426 | 2,895,628 | 1,097,519 |
| Position Reclassifications | -- | 505,359 | 657,077 | 2,814,691 | 5,063,494 |
| Base Salary Increase | -- | -- | -- | -- | 7,577,322 |
| Unclassified Merit | -- | -- | 14,510,332 | 23,666,430 | 23,171,834 |
| New Total | \$ -- | \$ 535,755 | \$ 15,400,835 | \$ 31,746,036 | \$ 38,208,603 |
| Shift Differential | 4,555,847 | 2,991,079 | 2,476,757 | 5,555 | 2,382,967 |
| Overtime | 11,149,864 | 8,954,208 | 8,582,021 | 52,581 | 8,378,311 |
| Holiday Pay | 6,968,784 | 3,467,499 | 3,576,218 | 13,907 | 3,577,698 |
| Longevity | 9,574,680 | 10,162,120 | 10,844,080 | 15,120 | 10,789,240 |
| Total Base Salaries | \$ 1,377,327,046 | \$ 1,458,987,565 | \$ 1,477,786,822 | \$ 40,099,517 | \$ 1,494,726,781 |
| Employee Retirement | | | | | |
| KPERS--Regular | 27,636,518 | 34,002,338 | 36,188,119 | 585,105 | 36,440,497 |
| KPERS--Insured Only | 20,689 | 11,594 | 24,287 | 10,815 | 15,764 |
| Deferred Compensation | 264,335 | 290,351 | 309,302 | -- | 305,540 |
| TIAA | 38,035,054 | 40,164,297 | 40,730,295 | 1,874,527 | 41,082,687 |
| KBI | 405,574 | 381,578 | 329,667 | 209,000 | 317,682 |
| Highway Patrol | 1,998,559 | 2,080,931 | 1,777,761 | 89,752 | 1,777,761 |
| Judges Retirement | 2,737,573 | 2,891,102 | 2,719,515 | 357,338 | 2,939,242 |
| Security Officers | 2,965,503 | 3,612,514 | 4,578,490 | 738,828 | 4,649,895 |
| Retirement Total | \$ 74,063,805 | \$ 83,434,705 | \$ 86,657,436 | \$ 3,865,365 | \$ 87,529,068 |
| Fringe Benefits | | | | | |
| FICA | 93,742,863 | 102,211,702 | 103,740,540 | 2,582,565 | 104,766,315 |
| Workers Compensation | 19,829,597 | 15,507,530 | 14,736,526 | 429,177 | 14,683,252 |
| Unemployment | 2,495,699 | 4,088,518 | 2,869,966 | 74,982 | 2,788,566 |
| Retirement Sick & Annual Leave | 6,366,446 | 5,319,192 | 5,061,292 | 129,972 | 5,067,034 |
| Employee Health Insurance (FT) | 77,909,963 | 87,574,740 | 84,505,226 | 731,639 | 84,594,899 |
| Employee Health Insurance (PT) | 2,229,248 | 3,538,551 | 3,177,955 | 14,125 | 3,255,157 |
| Family Health Insurance (FT) | 18,016,868 | 19,649,959 | 16,393,964 | 199,086 | 16,422,194 |
| Family Health Insurance (PT) | 281,901 | 550,452 | 375,405 | 2,675 | 363,476 |
| Regents GTA/GRA Insurance | -- | -- | 786,292 | 7,956 | 786,292 |
| Total Fringe Benefits | \$ 294,936,390 | \$ 321,875,349 | \$ 318,304,602 | \$ 8,037,542 | \$ 320,256,253 |
| Gross Salaries and Wages | \$ 1,672,263,436 | \$ 1,780,862,914 | \$ 1,796,091,424 | \$ 48,137,059 | \$ 1,814,983,034 |
| (Shrinkage) | 15,129 | 57,179,771 | 52,202,357 | 961,969 | 57,959,921 |
| (Retirement Reductions) | -- | 1,323,668 | -- | -- | -- |
| Total Salaries and Wages | \$ 1,672,248,307 | \$ 1,722,359,475 | \$ 1,743,889,067 | \$ 47,175,090 | \$ 1,757,023,113 |
| State General Fund Total | \$ 800,071,592 | \$ 835,841,474 | \$ 863,065,287 | \$ 37,623,094 | \$ 871,524,118 |
| FTE Positions | 41,950.1 | 41,423.5 | 39,682.6 | 360.2 | 39,615.4 |
| Unclassified--Temp. Positions | 678.6 | 692.7 | 645.4 | 32.8 | 659.1 |
| Total State Positions | 42,628.7 | 42,116.2 | 40,328.0 | 393.0 | 40,274.5 |

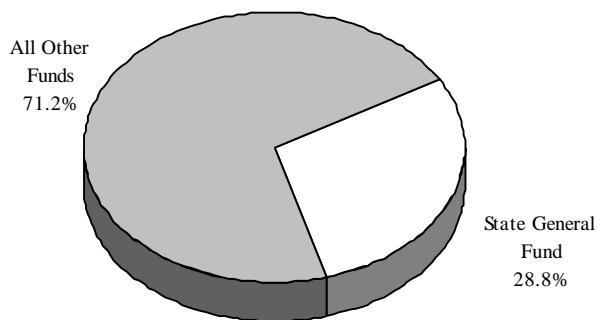
Amounts include Off-Budget expenditures for the Department of Administration as well as the Department of Transportation salaries and wages associated with the construction program budgeted as capital improvements.

General Government

General Government Summary

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

How It Is Financed



Fiscal Year 2000

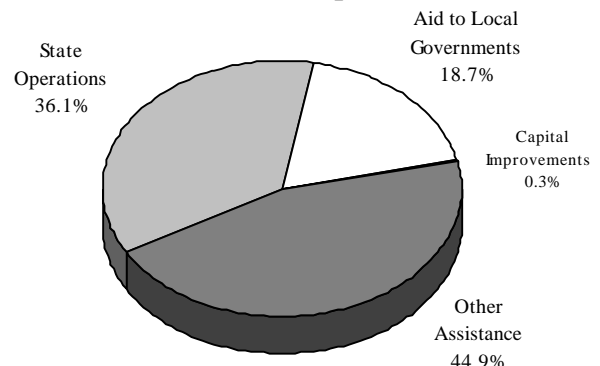
The Governor recommends a total of \$987.5 million in FY 1999 and \$978.1 million in FY 2000. This includes \$296.6 million in FY 1999 and \$281.3 million in FY 2000 from the State General Fund. The total expenditures recommended in FY 2000 represent a decrease of \$9.4 million, or 1.0 percent, from the FY 1999 Governor's estimated amount from all funding sources.

Part of the General Government function is financed with \$35.8 million in financing from the Economic Development Initiatives Fund (EDIF). The Department of Commerce & Housing, the Kansas Technology Enterprise Corporation (KTEC), and Kansas, Inc. are all partially financed from this fund. Receipts to the EDIF come from lottery sales and parimutuel gaming receipts through a transfer from the State Gaming Revenues Fund.

The Governor's recommendations for FY 2000 are less than those of FY 1999 primarily because many costs experienced in FY 1999 for computerization of the tax system by the Department of Revenue, computerization of the Legislature, and Year 2000 repairs by the Department of Administration that will not be repeated in FY 2000. However, the Governor recommends new funds totaling \$250,000 for the executive branch Chief Information Technology Officer to conduct evaluations on agency computers to ensure Year 2000 readiness.

The Governor's recommendations anticipate that renovation of Memorial Hall will be completed in FY 2000. Accordingly, rent and relocation costs have been included in the budgets of the building's future occupants, the Office of the Attorney General and the Secretary of State.

How It Is Spent



Fiscal Year 2000

The Governor's recommendation also continues the state's commitment to workforce training and business development while expanding the role of the Department of Commerce & Housing in providing economic development tax incentives. The recommendations provide \$739,887 for the damages phase of the *Kansas v. Colorado* water rights litigation. They also include \$655,113 in FY 1999 and \$1,015,000 in FY 2000 to pursue a suit against Nebraska to settle a dispute between Kansas and Nebraska over Republican River water rights. Finally, funding is provided for 9.0 additional magistrate judges to allow the Judiciary to process increasing caseloads more effectively.

General Government Agencies

Department of Administration

The Department's budget consists of two parts. The part financed mostly from the State General Fund represents outlays of expenditure the same as other agencies. However, the larger part, the so-called "Off Budget," represents various service charges that other state agencies pay to the Department for computing, printing, and purchasing services, among others. These expenditures are treated "Off Budget" to avoid counting them twice, once by the agency purchasing the services and again by the Department of Administration.

The Governor's FY 2000 recommendation for the part of the Department of Administration that is included in the statewide total of reportable expenditures is \$28,015,351 from all funding sources. Of this total, \$26,196,964 is financed from the State General Fund. The Off Budget totals \$95,407,782 for FY 2000. The total budget, On and Off, will support 881.4 FTE positions and 8.2 unclassified temporary positions, a total of 889.6.

Year 2000 Readiness Testing & Auditing. The Governor recommends \$250,000 from the State General Fund to allow the Chief Information Technology Officer (CITO) of the executive branch to undertake testing and evaluations of the information technology systems or equipment of agencies financed all or in part from the State General Fund to verify Year 2000 readiness. In addition, the CITO will be authorized to conduct tests and evaluations of agencies financed from non-State General Fund sources and bill them for the cost. This expenditure will provide a means for ensuring Year 2000 compatibility to avoid costly computer failures and interruption of service.

Replacement of DISC's AS400 Printer. Also included in the Governor's recommendations is \$500,000 from the State General Fund for replacement of the AS400 printer in the Division of Information Systems and Communications, which is not Year 2000 compliant. This printer is essential to the Department's mission involving state payroll warrants and advices, special retirement warrants under KPERS, tax forms, the Debt Set-Off Program, and STARS monthly reporting.

Memorial Hall Maintenance & Housekeeping. The renovation of Memorial Hall is scheduled to be completed in late 1999. When the Attorney General and Secretary of State relocate, maintenance and housekeeping services will be needed. Therefore, the Governor proposes 4.0 new FTE positions for the last nine months of FY 2000: 2.0 Building Systems Technicians, 1.0 Custodial Supervisor II, and 1.0 General Maintenance and Repair Technician II. These positions will provide basic maintenance and custodial services for the building. Also included are costs for repairs, utilities, and security services. The anticipated cost is \$233,682 for FY 2000, all from the State Buildings Operating Fund.

Topeka Complex—West. The Governor's FY 2000 recommendation includes \$275,343 from the State Buildings Operating Fund to add 10.0 FTE positions to the 8.0 currently authorized, for a total of 18.0. The new positions will allow the complex to be properly maintained and supported. Current occupants include the SRS training facility, the Department of Corrections, the Kansas Industries for the Blind, the Kansas Children's Service League, the state printer, and the Kansas Mental Illness Awareness Council. The complex has been included in Topeka's Neighborhood Revitalization Plan, and the Division of Facilities Management is developing a maintenance plan for use of the property.

Long-Term Care Ombudsman. The recommendation of the Governor for the Office of the Long-Term Care Ombudsman includes additional expenditure authority of \$15,951 for FY 1999, all from federal funds, to cover salary costs incurred in the transition from the Department on Aging to the Department of Administration. The additional funds ensure that the office will function in accordance with the level of operation envisioned in HB 2607.

For FY 2000, the Governor recommends a budget totaling \$380,356 from all funding sources, including \$115,635 from the State General Fund. The recommendation includes 2.0 new FTE Long-Term Care Ombudsman I positions, making a total of 4.0. That brings the total number of positions for the office to 7.5. The additional positions will allow the office to respond in a timely way to complaints throughout the

state, including Kansas City, Topeka, Wichita, and Great Bend.

Public Broadcasting Grants. The Governor recommends grants for the ten public radio and television stations under the aegis of the Public Broadcasting Council of \$2,075,212, all from the State General Fund, for FY 2000. The recommendation increases the per capita state contribution from \$.75 in FY 1999 to \$.80 in FY 2000. The Governor proposes to combine operating and equipment grants into one line item to allow the Council maximum flexibility in apportioning funds between operating costs and equipment acquisitions. State funding matches federal funds and private donations to purchase equipment in accordance with the Council's priorities.

Performance Review Board. The Governor's recommended budget includes \$344,567 from the State General Fund for the Performance Review Board for FY 2000. The board has completed its review methodology and is fully functional. Funds are budgeted for FY 1999 and FY 2000 for undertaking consultant studies. The board has been given authority to use in FY 2000 any unspent funds remaining at the end of FY 1999 to ensure maximum flexibility in financing studies. The Governor also recommends that the 3.0 existing staff be converted from unclassified temporary positions to FTE positions.

Employee Group Health Plan Administration. On January 1, 1996, the state began to self-insure the indemnity portion of the group health and dental program for state employees as a means of reducing costs and improving management of the program. As part of self-insuring, the Division of Personnel Services in the Department of Administration has gradually assumed a number of administrative responsibilities within its existing budget authority that previously belonged to the insurance carrier. These responsibilities have been expanded significantly starting in FY 1999 with continuing development in FY 2000. They include conducting customer satisfaction surveys, analyzing claims patterns, designing and re-designing programs and services, initiating paperless enrollment, and undertaking staff training to maintain currency with prevailing practices and policies. The state has also implemented a long-term care and a statewide student health insurance program within the last year, and it has seen a significant increase in the size of the direct bill program over the past several years.

State Emergency Fund. The State Finance Council meeting of December 16, 1998, authorizing expenditures for emergency assistance as a result of flooding and reimbursements for a grain elevator disaster, depleted most of the balance in the State Emergency Fund. The Governor recommends a revenue transfer from the State General Fund of \$1,983,535 to restore the balance to \$2.0 million. In addition, the Governor recommends that provision be made, similar to the statutes governing the Tort Claims Fund, to make funds up to \$10.0 million available per fiscal year to cover the costs of future natural disasters. Funds could be released by a unanimous vote of the State Finance Council.

Attorney General

The Attorney General is a constitutionally-elected officer of the state's executive branch of government and is responsible for defending the interests of the State of Kansas in all actions and proceedings, civil or criminal. Key responsibilities of the office include enforcement of the state's Consumer Protection, Charitable Solicitations, and Charitable Trusts Acts. Coordination of the Crime Victims Compensation Board and the Child Death Review Board are also major responsibilities.

The FY 2000 budget recommendation of \$18,923,267, of which \$5,574,909 is from the State General Fund, finances 86.8 positions, and includes over \$10.4 million in aid to local governments and assistance to victims of crime. The recommendation also includes \$206,008 to finance the costs associated with relocating the Office of the Attorney General to the Memorial Building in late 1999. Costs related to the agency relocation are increased rent, new furniture, an updated phone system, and computer equipment.

Kansas v. Colorado Water Rights Litigation. A special master assigned to the *Kansas v. Colorado* lawsuit by the U.S. Supreme Court issued a final report on July 29, 1994, in favor of Kansas. The U.S. Supreme Court ruled in favor of Kansas in March 1995 and remanded the case to the special master for determination of damages and remedy. The state has requested that compensation be made in the form of money. Colorado has requested that it be allowed to pay in water. The table below shows actual and estimated funding for the litigation from FY 1984 through FY 1999, totaling \$14,305,564. The

Governor's FY 2000 budget includes \$739,887 to continue litigation through the damages phase of the case.

Kansas v. Nebraska Water Rights Litigation. The Attorney General filed suit in May 1998 against the State of Nebraska to settle the dispute between Kansas and Nebraska over Republican River water rights. The case remains under consideration by the U.S. Supreme

| <u>Fiscal Year</u> | <u>Amount</u> | <u>Fiscal Year</u> | <u>Amount</u> |
|--------------------|---------------|--------------------|---------------|
| 1984 | 96,032 | 1993 | 655,060 |
| 1985 | 70,424 | 1994 | 354,457 |
| 1986 | 281,324 | 1995 | 506,250 |
| 1987 | 651,449 | 1996 | 1,042,688 |
| 1988 | 511,045 | 1997 | 921,800 |
| 1989 | 746,490 | 1998 | 730,715 |
| 1990 | 1,655,812 | 1999 | 655,113 |
| 1991 | 3,213,075 | 2000 | 1,015,000 |
| 1992 | 1,313,943 | Total | \$14,420,677 |

Court to determine whether it will become involved in this case as it did in the Colorado water litigation. The Governor recommends funding in the amount of \$655,113 from the State General Fund in FY 1999 and \$1,015,000 in FY 2000. The Supreme Court decision on this case is expected early in calendar year 1999.

Tobacco Litigation. The Attorney General joined 45 other states on November 20, 1998, in a Master Settlement Agreement (MSA), which ends the states' litigation against four major tobacco companies. Under what is considered a \$200.0 billion agreement nationwide, Kansas is estimated to be eligible to receive \$1.5 billion from the tobacco companies over 25 years, before adjustment for inflation and U.S. tobacco use. The four companies also will pay Kansas' attorneys fees and expenses. Tobacco companies have agreed to curtail certain promotional activities, in particular the targeting of youth.

Citizens' Utility Ratepayer Board

The primary responsibility of the Citizens' Utility Ratepayer Board (CURB) is to represent the interests

of residential and small business utility consumers in proceedings before the Kansas Corporation Commission. The Governor's recommendations for FY 2000 provide \$457,793 from the agency's fee fund and 4.0 staff positions. The recommendation provides adequate resources to allow CURB to contract with expert utility consultants. The consultants will increase the agency's ability to be an effective representative in utility cases before the Kansas Corporation Commission. The agency expects to be involved in 50 cases in FY 2000.

Department of Commerce & Housing

The Department of Commerce & Housing works to build the capability of communities and businesses to develop, innovate, diversify, and expand in a manner that creates wealth, quality jobs, and a superior quality of life for Kansans. The Governor's budget recommendation will continue most programs at current year levels. Increased support is provided for the Kansas Economic Opportunity Initiatives Fund (KEOIF) and the Business Development Division. The 1998 Legislature passed a bill which significantly increased the agency's responsibilities related to economic development tax incentives. In FY 1999, the Governor's recommendation provides for 1.0 new position in the Business Development Division to serve individuals and businesses more effectively.

The FY 2000 recommendation totals \$80,516,784, including \$2,453,296 from the State General Fund. Among other benefits, the Business Development Program provides funding for workforce training as well as technical and financial assistance for Kansas businesses. The Business Development Program will create and/or retain an estimated 24,500 jobs in Kansas during FY 2000.

Kansas Corporation Commission

The Kansas Corporation Commission (KCC) is the regulatory agency which oversees rates for major utilities, petroleum exploration and production, and certain aspects of the transportation industry. The agency plays a major role in establishing state energy policy. Through impartial and efficient resolution of jurisdictional issues, the KCC protects the public's interests. The main sources of revenue for the agency are fees assessed on the regulated industries.

The budget recommended by the Governor for FY 2000 totals \$16,344,453 from various fee and federal sources. This will permit the agency to maintain a consistent level of performance while ensuring that rates for electricity, natural gas, and telecommunications services are reasonable.

The Commission must deal with several matters related to the central issue of deregulation in the utility industries, including regulating the retail wheeling of electrical power; the Federal Energy Regulatory Commission's recent decision to shift responsibility for the regulation of natural gas gathering lines from that agency to the states; and the ongoing implementation of the provisions of the state and federal telecommunications acts concerning the deregulation of the telecommunications industry. The Kansas Corporation Commission has also seen an increase in merger applications by utilities, which the Commission must review and approve.

Abandoned Oil and Gas Well Plugging. The Governor's recommendation for FY 2000 includes expenditures of \$1.6 million from the Abandoned Oil and Gas Well Plugging Fund to resolve a serious environmental problem in the state. This fund was established during the 1996 Legislative Session for the purpose of investigating, remediating, and plugging oil and gas wells which were abandoned prior to July 1, 1996, and present a threat to public health or the environment.

As established, the fund receives \$400,000 each year from the State General Fund, the State Water Plan Fund, and the Conservation Fee Fund. The fund also will receive one half the state's share of the monies received from the federal government under the Mineral Leasing Act, which is estimated to be \$596,886 in FY 1999 and FY 2000. Because of large balances remaining in the fund, the Governor recommends in FY 1999 and FY 2000 that the \$400,000 in State General Fund transfers be returned to the State General Fund.

It was estimated at the beginning of this initiative that there were over 34,000 unplugged, abandoned wells that have no known owner who can be held financially responsible. Of those, approximately 14,800 represent a threat to the environment or public health. The agency plans to plug 500 abandoned wells and to perform remediation of five pollution sites under the Governor's FY 2000 recommendation.

Governmental Ethics Commission

Prior to FY 1999 the Governmental Ethics Commission was known as the Commission of Governmental Standards and Conduct. The agency strives to ensure compliance with the campaign finance, conflict of interest, financial disclosure, and lobbying provisions of the Election Campaign Finance Act. This act affects state and county officers; candidates for public office; lobbyists; state employees; and members of public boards, councils, and commissions under the direct authority of the state.

The Commission's work encompasses six areas: (1) education and public awareness; (2) advisory opinions; (3) reviews and audits; (4) investigations; (5) enforcement (including the filing of complaints, holding public hearings, and assessing civil penalties); and (6) general administrative activities.

The Governor recommends FY 2000 expenditures of \$536,144, including \$369,631 from the State General Fund. This recommendation would fund 9.4 positions. It is estimated that 2,998 individuals and committees will be subject to the Campaign Finance Act and be required to file reports. In his recommendation, the Governor has provided funding to post agency data on the Internet. The agency will continue to review candidate reports and answer campaign-related inquiries.

Health Care Stabilization Fund Board of Governors

The Health Care Stabilization Fund Board of Governors mandates basic professional liability insurance for all active Kansas health care providers. The agency establishes and authorizes the Health Care Stabilization Fund and Health Care Provider Insurance Availability Plan. The Governor's recommendation of \$27,768,958 for FY 2000 continues current service levels of the Health Care Stabilization Fund Board of Governors and its 16.0 positions. All expenditures are from the Health Care Stabilization Fund.

Of the total recommended by the Governor, the majority of these expenditures, approximately \$23.8 million, represent claims to be paid from the Health Care Stabilization Fund. Another \$3.1 million is for professional service costs related to defense of the

Health Care Stabilization Fund and for representation of health care providers. The agency estimates that it will process 413 active cases in FY 2000 and close 290 cases. This activity has not significantly changed compared to previous fiscal years.

Office of the Governor

Included in the Governor's recommendation is \$1,855,891 from all funding sources for FY 2000 for operation of the Office of the Governor, including the Governor's Office in the Statehouse, the Satellite Office in Wichita, and the Governor's Residence at Cedar Crest. Of the total, \$1,849,391 is from the State General Fund. The budget will support 29.0 FTE positions and 2.9 unclassified temporary positions, for a total of 31.9.

Kansas Human Rights Commission

The Commission works to prevent and eliminate acts of discrimination in the workplace, in public accommodations, and in housing in the State of Kansas. The agency strives to investigate complaints in an efficient and professional manner. The open case inventory at the end of FY 2000 is expected to total 522, down from an estimated 627 in FY 1999. This decline in cases can be attributed to the agency's multiple efforts to reduce backlogs through its Preliminary Investigation Conference units, mediation contacts through Kansas Legal Services, and investigations using agency staff.

The Governor recommends \$1,929,246 from all funding sources for the Kansas Human Rights Commission in FY 2000, including \$1,455,796 from the State General Fund. The recommendation funds a staff of 37.0 FTE positions and 1.0 unclassified temporary position.

Board of Indigents' Defense Services

The Board of Indigents' Defense Services provides legal defense services to individuals who are charged by the State of Kansas with a felony and judged indigent by the courts. The Board operates nine public defender offices, utilizes appointed counsel, and provides contracted counsel to provide defense

services. To finance the agency's operations, the Governor provides \$14,187,247 in FY 2000, of which \$14,057,147 is from the State General Fund. The recommendation includes \$5,157,717 for the Assigned Counsel Program. The FY 2000 recommendation funds an estimated 12,139 cases handled by the Board's public defenders. The Board operates nine public defender offices across the state. The agency has 166.5 positions, including 1.0 unclassified temporary position.

Insurance Department

For FY 2000, the Governor recommends \$30,416,458, all from special revenue funds, and continues support of 165.5 positions. Insurance Department expenditures include administration of the Workers Compensation Fund and its payment of claims. For FY 2000, expenditures for this program are projected to be approximately \$17.0 million, including \$14.5 million in claims payments. This estimate represents a significant reduction in claims payments compared to previous fiscal years. As an example, actual claims payments in FY 1998 totaled \$16.9 million and are projected to total \$16.5 million in FY 1999. The decrease is the result of legislation passed in 1993, which limits the fund's liability to cases with dates of accidents prior to July 1, 1994, except for insolvent or uninsured employers and reimbursements. The number of active workers compensation cases will decline from 5,872 in FY 1998 to an estimated 5,000 in FY 1999 and 4,200 in FY 2000.

Judicial Council

The Judicial Council was created in 1927 to review the volume and condition of business in the courts, the methods of court procedure, the time between the initiation of litigation and its conclusion, and the condition of dockets compared to finished business at the close of the term. The ten-member Council is made up of eight appointees of the Chief Justice and the chairpersons of the Judiciary Committees of the House and Senate. An amount of \$305,062 is recommended for FY 2000, of which \$250,208 is from the State General Fund. This amount will finance 45 meetings of the Council and operations of the Council staff. The funding includes financing for publication of the 1998 supplements to *PIK-Criminal 3d, 1998*

Kansas Probate Forms, and Kansas Municipal Court Manual. The Judicial Council has 4.0 FTE positions.

Judiciary

The Judiciary's budget includes financing for operation of the Kansas Supreme Court, Court of Appeals, judicial and professional review boards and commissions, and most of the personnel costs of 105 district courts. Unlike other agencies, approximately 97.0 percent of the Judiciary's State General Fund budget is dedicated to salary costs. This is because 99.0 percent of district court non-salary operating expenditures are funded by the state's 105 counties.

Under the unified court system of Kansas, the Supreme Court is charged with supervision of the entire court system and is Kansas' highest court. The Court of Appeals is an intermediate appellate court and has jurisdiction over all appeals from the district court, except appeals from a district magistrate judge and direct appeals to the Supreme Court.

The state is divided into 31 judicial districts, and one district judge can serve several counties in sparsely populated areas of the state. However, in the more populated counties the district court can have several judges. District court operations account for 1,647.0 FTE positions in the Judiciary, which has a total of 1,787.0 FTE positions.

For FY 2000, the Governor recommends \$81,602,660 to fulfill the state's commitment to the unified court system. Of this amount, \$76,404,385 is financed from the State General Fund. The recommendation includes enhanced funding of \$456,984 for 9.0 additional magistrate judge positions, and \$800,000 for a judicial salary increase in district court operations. The salary increase will allow the state to retain highly qualified individuals as judges. The addition of magistrate judges will allow the Judiciary to process increasing caseloads in the state more effectively and bring the agency total to 1,796.0 FTE positions.

Kansas Public Employees Retirement System

The mission of KPERS is to safeguard the retirement system's assets by adhering to the highest standards of

fiduciary and professional care, to comply strictly with the law, and to conduct business in a courteous, timely, and effective manner. Employer contributions for the various systems under KPERS total \$201.7 million for FY 2000, of which \$135.3 million represents contributions financed from the State General Fund. The Governor's budget recommendation maintains the agency's current level of performance in administration of the retirement system and oversight of the investment portfolio.

The total recommended budget for the agency in FY 2000 is \$528,735,429 from the Kansas Public Employees Retirement System Fund, including support for 76.0 positions. The total funding for this agency includes \$498.3 million for retirement benefits, \$24.8 million for investment-related expenses, and \$5.6 million for administrative costs.

Kansas Technology Enterprise Corp.

The Governor's FY 2000 budget recommendation for KTEC is \$16,715,131, including \$13,460,313 from the Economic Development Initiatives Fund (EDIF) and \$2.0 million in federal funding for MAMTC. The recommendation funds 33.0 positions, including 18.0 FTE positions and 15.0 unclassified temporary positions.

EPSCoR. The Governor recommends an amount of \$3.2 million from the EDIF to support the Experimental Program to Stimulate Competitive Research (EPSCoR). Continuation of this program will allow for the strengthening of Kansas' university level research capabilities relative to other states. The recommended funding is expected to be matched at least one-to-one by the federal government through technologically-oriented research contracts with the state's universities.

MAMTC. Financing totaling \$4,007,727 is recommended for the Mid-America Manufacturing Technology Center, which provides for continued growth and expansion of manufacturing businesses through technological innovation. KTEC expects sales of client companies to increase by \$58.8 million as a result of MAMTC assistance. At the same time KTEC expects client companies to realize \$11.9 million in cost reductions. MAMTC's efforts are expected to save and/or create 225 jobs in FY 2000, while serving 550 companies.

Kansas, Inc.

As the state's economic development think tank, Kansas, Inc. conducts planning for the economic development of the State of Kansas. Strategic planning, economic and policy research, the evaluation of state economic development programs, and partnerships and communications with the private sector are the crux of this agency's activities. For FY 2000, the recommended amount totals \$367,222, including \$197,659 from the State General Fund and \$169,563 from the EDIF. The marked increase in State General Fund support for this agency, compared to FY 1999, is due to the financing of the Annual Survey of Kansas Manufacturers and Exporters. Support from the Economic Development Initiatives Fund is down, compared to FY 1999, because certain special studies are not conducted in FY 2000.

Legislative Coordinating Council

The budget of the Legislative Coordinating Council (LCC) provides compensation and expenses related to monthly meetings of the Legislative Coordinating Council and funding for operating expenditures of Legislative Administrative Services. The budget supports 13.0 FTE positions and a temporary position. For FY 2000, the Governor recommends \$710,800 from the State General Fund for the LCC.

Legislative Division of Post Audit

The Governor's recommendation totals \$1,604,828 from the State General Fund for FY 2000. The recommendation allows the Division to undertake the annual statewide audit of financial statements of the Division of Accounts and Reports, financial compliance audits of certain agencies required by law, compliance and control audits, and performance audits at the existing level of activity. The agency expects to complete 15-20 audits in both FY 1999 and FY 2000. The recommendation supports the existing 20.0 FTE positions and one temporary position.

Legislative Research Department

The Governor recommends a total budget of \$2,400,198 for FY 2000 from the State General Fund,

in support of a staff of 37.0 FTE positions. The recommendation allows all research and fiscal analysis for the Legislature to continue at the current level.

Legislature

For FY 2000, the Governor recommends \$11,786,720, with \$11.7 million from the State General Fund, which maintains a staffing complement of 32.0 positions, as well as some temporary positions during the legislative session. Legislative compensation is the major expenditure category in this budget. Legislators receive daily compensation and a subsistence allowance per day during the session of the Legislature, plus an allowance of \$600 in each calendar month except for January, February, and March to defray expenses incurred between legislative sessions.

Office of the Lieutenant Governor

The Governor recommends a total of \$129,546, all from the State General Fund, for FY 2000 to allow the Lieutenant Governor to assist the Governor in carrying out the executive functions of the state as prescribed by the *Kansas Constitution*. The budget recommendation will support 3.0 FTE positions in the office and 2.0 half-time interns, for a total of 4.0 positions.

Kansas Lottery

The Kansas Lottery strives to produce the maximum amount of revenue for the state and to maintain the integrity of all Lottery games. The Governor recommends total expenditures of \$131,901,482 for FY 2000. All Lottery expenditures are funded through revenues generated from the sale of Lottery tickets. No tax-generated revenue sources are used to support the Lottery. The agency expects to generate total sales of \$189.25 million in both FY 1999 and FY 2000. Additionally, the Lottery is mandated by statute to remit all excess revenues to the State Gaming Revenues Fund, a complete explanation of which can be found in the "Gaming Revenues" section of this report. Under current sales and expenditure assumptions, an amount of \$59.1 million will be transferred to the state in FY 2000.

Kansas Racing & Gaming Commission

The Racing & Gaming Commission consists of two programs: Racing Operations and Gaming Operations. The Racing Operations Program regulates statewide horse and dog racing activities, including the conduct of races, parimutuel wagering, and the collection of parimutuel taxes, admission taxes and licensing fees. These fees are deposited in the Racing Fund, with a portion of receipts going to the Gaming Revenues Fund, which supports economic development, construction at correctional institutions, and local juvenile detention facilities. The Governor recommends \$4,724,523 for the Racing Operations Program in FY 2000.

The Gaming Operations Program fulfills the state's responsibilities relative to the State-Tribal Compacts and the Tribal Gaming Oversight Act in the regulation of tribal gaming in Kansas. Responsibilities include conducting background checks of employees, monitoring compliance with internal controls and gaming rules, and monitoring compliance with licensing criteria. An amount of \$1,390,281 is recommended for the Gaming Operations Program in FY 2000. All gaming operations are financed through the Gaming Fund, which is capitalized through assessments to the four tribal casinos operating in Kansas.

Background Investigations. Both programs in the Racing & Gaming Commission conduct background investigations of employees in their respective industries. The Racing Commission is responsible for conducting background investigations for a number of individuals, including track employees, animal owners, and individuals related to track management. The Gaming Commission conducts background investigations for employees of the tribal casinos. According to the State-Tribal Compacts, these investigations must be performed within 90 days of request by a tribe.

Prior to FY 1998 the Racing and Gaming Programs transferred funds to the Kansas Bureau of Investigation, which provided background investigation services to the Commission. In FY 1999, the agency received 7.0 FTE positions for the Gaming Operations Program and 3.0 for the Racing Program to conduct background investigations in the Commission. This change has allowed the agency to perform all necessary background investigations in an effective

and efficient manner, ensuring that the Gaming Operations Program is capable of maintaining the state's responsibilities with regard to the State-Tribal Compacts.

Department of Revenue

The Department of Revenue administers Kansas law with fairness to all citizens, and provides exemplary service to its customers, while it collects taxes and fees. The Department is also responsible for regulating the sale and distribution of alcoholic beverages, registering motor vehicles, and licensing drivers.

The FY 1999 recommendation includes supplemental expenditure limitation increases for two items. The Governor increases expenditures from the Division of Vehicles Operating Fund to provide \$250,000 to make a component of the Department's Driver's License computer system compatible with the Year 2000. The Governor also increases the Electronic Databases Fee Fund by \$1,090,000 to allow expenditures for the Computer Assisted Mass Appraisal (CAMA) System, originally budgeted for FY 1999, to be spent in FY 2000.

The Governor recommends FY 2000 expenditures of \$83,057,769, including \$31,952,443 from the State General Fund. A major item recommended for FY 2000 is \$5.3 million from the Division of Vehicles Operating Fund for one-time expenditures related to the re-issuance of standard and personalized vehicle license plates. The Governor continues funding for Project 2000, which focuses on improving customer service while modernizing tax administration and redeveloping the Department's organizational structure. FY 2000 represents the fifth and final year of the implementation process.

Revisor of Statutes

A total of \$2,263,055 is recommended by the Governor for the Revisor of Statutes in FY 2000, all from the State General Fund. A staff of 26.0 FTE positions and 10.0 unclassified temporary positions will be maintained. The recommendation allows the Revisor to provide bill drafting services to the Legislature, as well as to edit and publish annual supplements and replacement volumes for the *Kansas*

Statutes Annotated. The agency expects to draft approximately 3,500 legislative documents in FY 1999 and 3,200 in FY 2000. The funding will also allow the Revisor's Office to meet relevant deadlines.

Secretary of State

The primary duties of the Office of the Secretary of State are to register corporations doing business in the state, supervise and provide assistance to local election officers in all elections, and administer the State Uniform Commercial Code. The Secretary of State also appoints notaries public, maintains a registry of trademarks, and supervises the engrossing of all legislative acts and compilation of the *Session Laws of Kansas*. The stated mission of the office is to be the least complicated, most accessible agency in state government. A primary goal of the agency's is to provide accurate and efficient service to its customers, not only in the information provided, but also in the filing of documents and the processing of orders. The agency receives more than 300,000 pieces of mail and more than 200,000 telephone inquiries annually.

The current year recommendation includes \$235,000 from the agency's fee funds for the purchase of equipment to image the active historic corporation files presently located in the basement of the Statehouse. The Secretary of State proposes to image its active historical corporate documents prior to its move to Memorial Hall.

The Governor's recommendation for FY 2000 provides for 54.0 FTE positions in the Office of the Secretary of State. This is a reduction of 1.0 FTE position from the previous fiscal year. Funding from all sources totals \$3,876,440. Of this total, \$2,125,471 is from the State General Fund. The Governor's recommendation continues to address the agency's need for improved customer service and efficient management, storage, and retrieval for the office's many documents. The FY 2000 recommendation includes \$185,799 from fee funds for an optical imaging system. The system will be used in the Uniform Commercial Code Program within the agency. This program has been planning for the use of this system since 1996. The system will provide the advantage of a faster document retrieval.

The FY 2000 budget also includes \$590,992 (\$384,145 from the State General Fund) for expenses related to

the move of the Secretary of State's Office from the Statehouse to Memorial Hall. The Governor's recommendation also includes funds for rent. With the move to Memorial Hall, the Secretary of State's Office must pay rent, while as tenants in the Statehouse, the agency currently pays no rent.

Board of Tax Appeals

The Board's mission is to ensure that all property in the state is assessed in an equal and uniform manner. The Board hears appeals from taxpayers, including property tax issues concerning exemptions or valuation questions. In a timely and impartial manner, the Board works to resolve disputes regarding any tax issue between various authorities and the taxpayers of the state, corrects tax inequities, determines when property qualifies for an exemption from taxation, authorizes taxing subdivisions to exceed current budget limitations, and issues no-fund warrants when necessary. The Governor recommends \$2,344,224 for FY 2000, including \$2,332,224 from the State General Fund.

State Treasurer

The Treasurer receives and deposits all state revenues, except KPERS monies, and is responsible for all disbursements. Investments of state monies and the money of cities, counties, schools, and other local governments are made by the Treasurer through the Pooled Money Investment Board and the Municipal Investment Pool.

The Governor's FY 2000 recommendation is \$116,156,594, of which \$97,350,027 is from the State General Fund. The operating expenditures associated with this agency constitute approximately \$3.3 million of the total budget. The two demand transfers to local governments amount to a significant portion of the agency's State General Fund expenses. For FY 2000, the Governor recommends \$58.0 million for the local ad valorem tax reduction (LAVTR) demand transfer and \$37.2 million for the county and city revenue sharing demand transfer (CCRS). The recommended expenditures for the LAVTR transfer are based on current law, while the recommended CCRS transfer reflects a 1.7 percent increase consistent with the overall rate of growth for state operations.

Pooled Money Investment Board. The Board, although a program in the Office of the State Treasurer, is responsible for its own administrative functions. The 7.0 FTE positions manage the pool of state monies available and designate various state bank depositories for state and special monies in demand deposit and interest-bearing accounts. The Pooled Money Investment Portfolio contains approximately

\$2.0 billion in investments, with an earned yield averaging just under 6.0 percent through November 1998. The Board's responsibilities further include the active management and administration of the Kansas Municipal Investment Pool (MIP). Total balances, which include deposits and earned interest for cities, counties, and schools averaged \$390.0 million at the end of November 1998.

Biennial Budget Agencies

The 1994 Legislature authorized a biennial budgeting process for 20 agencies, beginning in FY 1996. All 20 of these agencies are general government agencies that regulate either a profession or an industry operating in Kansas. They are funded entirely from fees charged to the licensees and do not receive funding from the State General Fund, the Economic Development Initiatives Fund, or any other state tax revenue sources.

These agencies are small in both size of budget and number of personnel employed. Recommended amounts in FY 2000 range from \$15,385 for the Hearing Aid Board of Examiners to \$3,750,515 for the Banking Department. Two agencies employ no full-time staff, and the Banking Department's 67.0 employees represent the largest staff of all the biennial budget agencies. Biennial agencies are identified in the table below.

The Governor's recommendations for FY 2000 and FY 2001 support the current level of service for most biennial agencies. The recommendations allow inflationary adjustments for such fixed costs as rent for office and storage space, transportation costs, and telecommunication services. The recommended budgets for biennial agencies also include a 1.0

percent base salary adjustment, consistent with the salary plan for other state employees.

Some agencies will be upgrading computer systems, using technology to improve efficiency and effectiveness. The Governor's recommendations allow for some fee increases within existing statutory limitations to ensure that the fiscal integrity of the fee funds supporting these agencies is maintained.

The recommended biennial budget primarily finances state operations, including salaries and other operating expenditures. Less than 1.0 percent is designated for other assistance, grants, and benefits. The biennial budget does not include any funds for capital improvements.

The Governor recommends a total of \$13.8 million for all 20 biennial agencies in FY 2000, which is an increase of 2.9 percent over FY 1999 estimated expenditures of \$13.4 million. The Governor recommends \$14.0 million in expenditures in FY 2001, an increase of 2.1 percent above the estimated amount for FY 2000.

The budget of each biennial agency is described briefly on the following pages.

Kansas Biennial Budget Agencies

Abstracters' Board of Examiners

Board of Accountancy

Banking Department

Board of Barbering

Behavioral Sciences Regulatory Board

Consumer Credit Commissioner

Board of Cosmetology

Department of Credit Unions

Kansas Dental Board

Board of Healing Arts

Hearing Aid Board of Examiners

Board of Mortuary Arts

Board of Nursing

Board of Examiners in Optometry

Board of Pharmacy

Kansas Real Estate Appraisal Board

Kansas Real Estate Commission

Office of the Securities Commissioner

Board of Technical Professions

Board of Veterinary Examiners

Abstracters' Board of Examiners

The purpose of this Board is to protect the public from improper or fraudulent land transfers. The agency's goal is to regulate, in an equitable manner, the individuals and firms that compile and sell abstracts of Kansas real estate. The Governor recommends \$19,579 for FY 2000 from fee funds to continue the current operations of the agency. For FY 2001 the Governor recommends \$19,867 to issue 508 licenses and administer 7 examinations. The agency is managed by a part-time executive secretary.

Board of Accountancy

The mission of the Board of Accountancy is to ensure that the public has a high degree of confidence in those holding themselves out to be Certified Public Accountants (CPAs). This is accomplished through the use of qualifying examinations, practical public accounting experience, internships, ethical standards, and continuing professional education and practice oversight for continued licensure. It is estimated that more than 3,000 CPAs will hold Kansas permits in FY 2000 and 3,100 in FY 2001. Approximately 540 CPA firms are projected to be registered to practice in the state. The agency will place emphasis on upgrading its computer capabilities for the benefit of accountants and other agency contacts.

For FY 2000, the Governor recommends \$177,646 to enable the agency to continue at current service levels and enhance its computer capabilities. Also, in order to bring the executive director's salary in line with comparable positions, the Governor recommends a \$5,000 salary increase in FY 2000. An amount of \$184,836 is recommended by the Governor for FY 2001. All expenditures are from the Board of Accountancy Fee Fund.

Banking Department

This agency examines all state-chartered banks, savings and loans, and trust departments. All such financial institutions are required by statute to be examined at least once each 18 months. The examinations can be performed by either federal examiners, such as the Federal Deposit Insurance Corporation, or by the Banking Department. This

allows the agency to ensure the safety and soundness of banks, savings and loans, and trusts. To maintain the current level of service, the Governor recommends \$3,750,515 for FY 2000. An amount of \$3,845,899 is recommended by the Governor for FY 2001. The agency is financed from the Bank Commissioner Fee Fund. The recommendation will fund the existing staff of 67.0 FTE positions, including 56.0 financial examiners.

Board of Barbering

The purpose of the Board of Barbering is to ensure that safe, sanitary, and professional standards are maintained in the barber profession. The Board provides for the licensure of 1,783 barbers, 966 barber shops, five schools of barbering, and 28 barber instructors; the regulation and inspection of shops and schools to comply with sanitation requirements; and the investigation of complaints regarding the barber industry. Beginning in FY 1998, the Board conducts barber licensing examinations at the Hutchinson Correctional Facility and United States Disciplinary Barracks at Fort Leavenworth. These examinations are for inmates who have completed the barbering course of instruction and are close to parole or release.

The agency seeks to reduce the percentage of barber shops with sanitation violations from 7.3 percent in FY 1999 to 6.9 percent by FY 2000. To attain this objective, the Governor recommends \$120,597 in FY 2000 and \$119,012 in FY 2001. These amounts provide funding for 1.5 FTE positions in the agency.

Behavioral Sciences Regulatory Board

The mission of the Behavioral Sciences Regulatory Board is to protect the public's health, safety, and welfare from unlawful or unprofessional practitioners who fall under the Board's jurisdiction. Professions under the jurisdiction of the Board include licensed social workers, psychologists, professional counselors, marriage and family therapists, and alcohol and drug abuse counselors.

The Board estimates it will process 806 biennial license applications in both FY 2000 and FY 2001. The Governor recommends \$391,028 in FY 2000 and \$399,536 in FY 2001 to fund the services of the

Board, including 6.8 positions. The 0.5 FTE Bookkeeper position expands to a 0.8 FTE position to manage financial transactions more effectively.

Consumer Credit Commissioner

The Consumer Credit Commissioner enforces the laws governing retail installment sales, consumer credit transactions, and consumer loans. The Office of the Consumer Credit Commissioner regulates approximately 800 lenders of credit to Kansans. The goal is to benefit the consumer loan industry by protecting consumers from unfair practices of suppliers of consumer credit.

In FY 2000, \$445,723 is recommended, which includes a grant in the amount of \$12,500 to Housing and Credit Counseling, Inc. This organization provides financial counseling and educational seminars to families in severe financial trouble. The grant will continue to help pay the registration fee for families or individuals who need consumer credit counseling. Also included in the budget is a grant of \$70,000 to the Kansas Council on Economic Education to train school teachers in consumer economics. The Governor recommends a total of 8.0 FTE positions financed solely through the Consumer Credit Fee Fund for FY 2000. The recommendation for FY 2001 is \$456,859.

Board of Cosmetology

The purpose of the Board of Cosmetology is to regulate the profession of cosmetology. Regulation is achieved through the licensure of cosmetologists, cosmetology salons, tanning facilities, the professions of tattooing and body piercing, and all beauty schools and instructors.

To ensure that all facilities regulated by the board are clean and safe and meet the requirements of state law, the Board intends to conduct 4,352 inspections of facilities in FY 2000 and 4,476 in FY 2001. The agency has adopted new regulations which allow a fee increase and eliminate the continuing education requirement for licensees. Beginning in FY 2000, licensees will complete a license renewal exam and application form similar to the one used for renewing driver's licenses. The Governor recommends \$693,879 for FY 2000 and \$697,772 for FY 2001 from

the Cosmetology Fee Fund, which funds all services of the Board, including the 12.0 FTE positions.

Department of Credit Unions

The Department provides a regulatory environment in which state-chartered credit unions can thrive without subjecting their members to undue risks. Outcomes are measured primarily by the level of safety and financial soundness of credit unions as indicated by the industry-wide standard of the Capital Assets, Management Earnings, and Liquidity (CAMEL) ratings, which are a measure of financial stability. Activities of this agency are financed by examination fees paid by the 117 regulated credit unions located in the state. Examinations are done on a 12 to 14-month cycle, and examination results are presented to the credit union within 30 days.

The Governor recommends \$743,367 in FY 2000 and \$763,272 in FY 2001 to fund the agency's 12.0 FTE staff positions and operating expenses. At the recommended level of expenditure, the agency will be able to perform 100 percent of the required examinations in both fiscal years.

Kansas Dental Board

The Kansas Dental Board protects the public health of dental patients through the regulation of the dental and dental hygiene professions. The Board biennially issues approximately 2,200 license renewals for dentists and 1,500 license renewals for hygienists.

For FY 1999, the Governor recommends expenditures of \$228,533, which is \$5,596 above the approved current year amount. This recommended increase allows for additional expenditures of four new Board members, which is the result of actions approved by the 1998 Legislature.

For FY 2000, the Governor's recommendation of \$251,527 continues to support the responsibilities of the Dental Board. This level of funding allows the agency to inspect approximately 600 dental offices in FY 2000. The Governor also recommends making the executive director position a full-time position. This would bring the number of FTE positions from 1.4 to 2.0 in FY 2000. The Governor recommends expenditures of \$258,179 in FY 2001, which will

allow the agency to continue operations at the current service level.

Board of Healing Arts

The mission of the Board of Healing Arts is to protect the public by authorizing only those persons who meet and maintain certain qualifications to engage in 11 health care professions in Kansas. These professions include medical and osteopathic doctors, physical therapists, respiratory therapists, and athletic trainers. The duties of the agency include determining the qualifications of persons who wish to practice, administering examinations, issuing licenses and registrations, and investigating and hearing complaints concerning practitioners under the Board's jurisdiction.

The Governor's recommendation will allow for licensure and registration of approximately 16,285 medical professionals in FY 2000 and 17,300 medical professionals in FY 2001. The Governor also recommends the addition of 1.0 FTE Special Investigator II position. The agency has seen a marked increase in cases before the Board, from 288 in FY 1997 to an estimated 550 in FY 1999. This additional position would relieve the caseloads of current investigative staff and reduce the disposition time of those cases before the Board.

The Governor recommends that its FY 1999 expenditure limitation be increased by \$15,418, to \$1,697,802. This increase will allow the agency to meet costs of its impaired provider contracts that will total \$204,720. The budget contains funding of \$208,220 for impaired provider programs in each of FY 2000 and FY 2001. Recommended funding for the Board of Healing Arts totals \$1,868,649 in FY 2000 and \$1,863,141 in FY 2001. Expenditures are from the Healing Arts Fee Fund. The Governor's recommendation also provides for 28.0 FTE positions in each of FY 2000 and FY 2001, which includes a new FTE Special Investigator II position.

Hearing Aid Board of Examiners

Total expenditures of \$15,385 are recommended by the Governor for the Hearing Aid Board of Examiners for FY 2000. The board is responsible for protecting

the hearing impaired from improper practices by regulating those who dispense hearing aids. The agency is staffed with a 0.4 unclassified temporary position but also makes use of contractual employees. The board estimates it will issue 38 new licenses and 233 license renewals in FY 2000. For FY 2001, the Governor recommends \$15,616 to maintain the current level of service.

Board of Mortuary Arts

The mission of the Board of Mortuary Arts is to serve the public and the industry through the licensure of persons practicing in the field of mortuary arts, the investigation of inquiries and complaints, and the maintenance of public records on all registered individuals and establishments. The Governor recommends expenditures of \$189,702 in FY 2000, including 3.0 FTE positions. For FY 2001, the Governor recommends \$196,899 to maintain the current level of service, including the inspection of approximately 700 funeral establishments.

Board of Nursing

The Board of Nursing is responsible for the registration and licensure of all nursing professionals and mental health technicians as well as the examination of those individuals desiring to enter these professions. All educational and training programs for applicants and the continuing education programs for licensees must be approved by the Board. The Board also investigates complaints against licensees and has the authority to impose disciplinary sanctions against those who violate Board standards. It is estimated that the Board will license approximately 20,700 professionals in FY 2000.

The Governor recommends \$1,060,225 in FY 2000 and \$1,088,194 in FY 2001. The Governor recommends 17.5 FTE positions to continue the current level of services in both years.

Board of Examiners in Optometry

The Board of Examiners in Optometry licenses and oversees examinations for optometrists. The Governor recommends \$72,705 for FY 2000 and \$74,510 for FY

2001 to maintain current services at the agency. The agency is funded by licensure and examination fees. It is staffed by 1.0 FTE position and 1.0 unclassified temporary position. The Board will regulate more than 500 optometrists in FY 2001 under the current recommendation.

Board of Pharmacy

The Board of Pharmacy administers and enforces provisions of the state's Pharmacy Act and the Controlled Substances Act through the regulation and licensure of pharmacists and pharmacies. The agency is funded entirely from fees paid by the regulated community. The Board expects to conduct approximately 1,950 pharmacy inspections and issue 192 pharmacist licenses in the forthcoming fiscal year. The Governor recommends 6.0 FTE positions and expenditures of \$508,449 from the Board of Pharmacy Fee Fund in FY 2000 and \$521,865 in FY 2001, which will provide for the continuation of current services.

Kansas Real Estate Appraisal Board

This agency provides for the licensure and regulation of real estate appraisers and establishes and monitors educational requirements for real estate appraisers. The agency is also responsible for investigating complaints from the public regarding questionable real estate appraisal practices. The budget recommendation of the Governor includes \$193,445 for FY 2000 and \$197,953 for FY 2001. The recommended amounts will support 3.0 positions and is financed from the Appraiser Fee Fund. This level of support will result in the issuance of an estimated 150 new and temporary licenses and the monitoring of 30 pre-license and continuing education courses in both fiscal years.

Kansas Real Estate Commission

The Kansas Real Estate Commission regulates real estate agents and protects the public from unscrupulous practitioners. The agency expects to approve 22 pre-license courses for 1,242 students in FY 2000 and 1,218 students in FY 2001. The agency expects to issue, renew, or convert a total of 7,806

licenses for brokers and salespeople in FY 2000 and 6,798 in FY 2001. The Governor recommends \$655,926 for FY 2000 and \$670,293 for FY 2001; all expenditures are financed from the Real Estate Recovery Revolving Fund and the Real Estate Fee Fund. The Governor's recommendations maintain the current service level in both years, including support for 14.0 FTE positions.

Office of the Securities Commissioner

The Securities Commissioner protects investors from unfair or fraudulent practices by regulating mutual funds, securities offerings, and other financial services. All expenditures are financed by fees paid by members of the regulated industries, 95.0 percent of which are located outside of Kansas. For FY 2000, the Governor recommends \$1,878,834 from the Securities Fee Fund to continue operations at the current service level.

The Governor recommends \$1,918,405 for FY 2001. The recommendation will permit the agency to complete 220 investigations of securities fraud in FY 2000. In both fiscal years, funds in excess of budgeted expenditures and the \$50,000 statutory ending balance requirement are transferred to the State General Fund. This amount will be \$5.0 million in FY 2000 and FY 2001.

Board of Technical Professions

The Board regulates the practice of architecture, engineering, landscape architecture, land surveying, and geologist professions in Kansas. Regulation is accomplished through a system of licensure, testing, continuing education, and general oversight. The Governor recommends expenditures of \$489,101 in FY 2000 and \$518,462 in FY 2001 from the Board's fee fund. Included in the FY 2001 recommendation is funding to implement the testing and licensing of geologists and to fund increases in the costs of professional tests.

Board of Veterinary Examiners

The Board of Veterinary Examiners ensures the safe and proper practice of veterinary medicine. The seven-member board fulfills this responsibility by

testing and licensing veterinarians and technicians, ensuring licensed veterinarians complete continuing education requirements, and investigating consumer complaints. The Governor recommends \$225,660 from the agency's fee fund for FY 2000. This

recommendation includes funding for 3.0 FTE positions. For FY 2001, the Governor recommends \$229,065 to maintain the current level of service, including the license renewal of approximately 2,400 veterinarians.

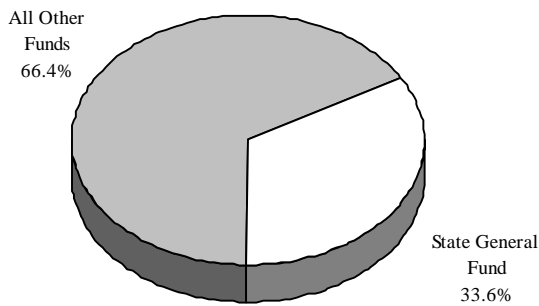
Human Resources

Human Resources Summary

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

The Governor recommends expenditures totaling \$2,193.6 million in FY 1999, of which \$739.6 million is from the State General Fund. For FY 2000, a total of \$2,244.8 million is recommended, of which \$755.0 million is from the State General Fund. Other funding sources include disbursements from the Unemployment Trust Fund by the Department of Human Resources and federal Title XIX funds in the Department of Social & Rehabilitation Services and the Department of Health & Environment.

How It Is Financed



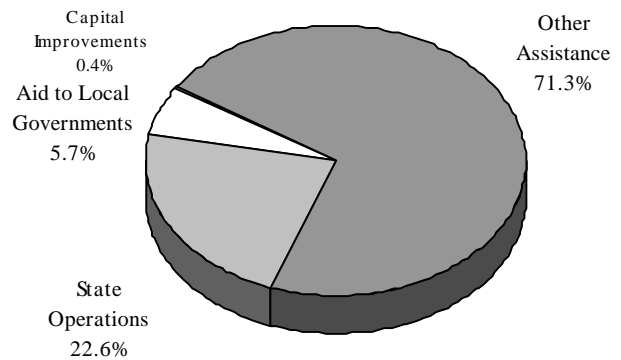
Fiscal Year 2000

For state operations, the expenditures recommended for this function total \$495.2 million in the current year and \$506.4 million in FY 2000. Employees in this function of government constitute approximately 22.3 percent of the total state workforce. The Governor recommends 9,000.8 positions in FY 2000.

Other assistance, grants, and benefits constitute approximately 71.3 percent of the Human Resources budget for which the Governor recommends \$1.5 billion in the current year and \$1.6 billion in FY 2000.

The recommendation includes \$578.2 million for medical assistance and \$151.0 million for unemployment insurance claims. The Governor also recommends \$42.8 million for the second year of a new health insurance program for uninsured children. The recommendation will provide insurance coverage to 67,000 children who live in families whose income level is below 200 percent of the federal poverty level. The Governor's recommendation includes \$193.2 million for other assistance to the mentally ill and mentally retarded. Of the total, \$7.8 million is for the Children's Mental Health Waiver, which provides community-based services for children with severe emotional disorders.

How It Is Spent



Fiscal Year 2000

The recommendation for aid to local governments totals \$133.2 million in the current year and \$128.1 million in FY 2000. The FY 2000 amounts include \$29.8 million for local health services, \$69.8 million for community mental health and community developmental disability organizations, and \$29.8 million for other social programs.

The recommendation for the Department of Human Resources includes \$6.8 million in federal monies to link the many job training and public workforce programs currently in the state. The goal of this One-Stop Career System is to improve the process of recruitment, hiring, and training for employers and job seekers. The recommendations include operating funds to enable the Kansas Veterans' Home at Winfield to begin receiving residents on July 1, 1999.

Social & Rehabilitation Services

The Governor's recommendations for the Department of Social & Rehabilitation Services totals \$1,424.6 million for FY 1999 and \$1,458.5 million for FY 2000. It includes State General Fund expenditures of \$527.0 million in the current year and \$540.5 million in FY 2000. The recommended staffing for the agency totals 4,311.0 by the end of FY 1999 and 4,305.0 for FY 2000.

The recommendation for state operations in FY 2000 totals \$285.2 million and includes the staffing costs for coordinating social services and providing vocational rehabilitation services to agency clients. A total of \$92.0 million, or 6.3 percent, finances aid to local governments, which, in turn, provides services to agency clients. Of the FY 2000 expenditures recommended by the Governor, \$1,078.0 million, or 73.9 percent, finances assistance payments to individuals or to vendors who provide medical, mental health, developmental disability, or other services to individuals in need. Finally, the Governor recommends \$3,264,605 in FY 2000 for rehabilitation and repair at state institutions and agency offices.

Health Insurance for Uninsured Kids

The FY 2000 recommendation includes \$42,795,356 for the second year of a program to provide insurance coverage for children who live in families where the income is less than 200.0 percent of the federal poverty level. The program will begin providing services in January 1999 to an estimated 60,000 children who do not have health insurance. The program was originally planned to be implemented at the beginning of FY 1999 but was delayed six months for administrative planning. The package consists of standard medical benefits for children. Children will be guaranteed eligibility for the program, and cost sharing will enable some families whose income is at or above 200 percent of the poverty level to participate in the program for a fee.

The insurance program for uninsured kids is financed with \$12.0 million from the State General Fund and \$30.7 million in federal funds. The federal funds were made available by Title XXI of the Federal Balanced Budget Act of 1997.

KansasWorks Funding Profile

(Dollars in Millions)

| Revenue: | <u>FY 1998</u> | <u>FY 1999</u> | <u>FY 2000</u> | <u>FY 2001</u> |
|--|----------------|----------------|----------------|----------------|
| State Funds | 82.7 | 74.5 | 74.5 | 74.9 |
| Federal Funds | 139.0 | 134.5 | 135.0 | 135.7 |
| Total | \$ 221.7 | \$ 209.0 | \$ 209.5 | \$ 210.6 |
| Expenditures: | | | | |
| Administration | 16.5 | 17.8 | 19.4 | 20.3 |
| Information Systems | 1.6 | 1.1 | 1.1 | 1.1 |
| Program Staff | 31.1 | 33.2 | 36.0 | 38.8 |
| Temporary Cash Assistance for Families | 55.5 | 46.3 | 41.4 | 37.5 |
| Employment Services | 3.6 | 5.0 | 6.4 | 6.4 |
| Child Care Regulation, Grants, and Assist. | 33.2 | 36.2 | 41.7 | 43.8 |
| Head Start and Early Head Start | 7.5 | 7.5 | 7.5 | 7.5 |
| Children's Services | 5.2 | 40.7 | 54.2 | 40.2 |
| Total | \$ 154.2 | \$ 187.8 | \$ 207.7 | \$ 195.6 |
| Transfer to Social Welfare Block Grant | 10.0 | 10.0 | 10.0 | 10.0 |
| Block Grant--Balance | \$ 57.5 | \$ 68.7 | \$ 60.5 | \$ 65.5 |

Kansas Works

The federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 gave Kansas more authority to implement its own welfare programs. The Kansas Works Program is the state plan for federal Welfare Reform, which placed additional reporting requirements on the state, mandated additional child support enforcement procedures, and established new requirements for families receiving cash assistance.

Kansas Works Funding Profile. The table on the following page illustrates the Governor's recommendation for the Kansas Works Program through FY 2001. A transfer of \$10.0 million to the Social Services Block Grant to finance existing social service programs is also recommended and is the maximum allowed by the federal government. The recommendations continue funding for the administrative and employment programs at the current service level. The recommendation also provides funding for assistance programs at caseload levels established in cooperation with the Department. Balances in the program will be used if the existing programs need additional funding because of caseload requirements or federal employment criteria. The recommendations provide for a child care initiative modeled after the Head Start Program and includes funding to the Department of Health & Environment for the enforcement of child care licensing, monitoring, and regulation.

Child Care Rates & Caseloads. The Governor recommends funding sufficient to provide rate adjustments to child care providers beginning January 1, 1999. The recommendation provides the resources necessary to pay for the cost of child care at the increased rates for approximately 13,248 children per month in FY 1999, a 5.0 percent increase over the previous year. For FY 2000, the Governor recommends an additional 5.0 percent increase to provide child care services to an estimated 13,910 children per month. The recommendation includes \$12.3 million from the State General Fund in FY 1999 and \$13.0 million in FY 2000.

The Governor also recommends two enhancements in FY 2000. A total of \$700,000 is recommended for advanced early childhood training and technical assistance. The project will deploy a specialist in each

local agency who will be the point of contact for children from birth through three years. Part of the individual's responsibility will be to work with providers to ensure they provide safe and healthy child care environments.

The Governor also recommends \$553,148 in FY 2000 for additional child care services to be provided to parents not eligible for Temporary Assistance for Families benefits. The funds will target families working at least 30 to 35 hours a week and families that have been employed at least six months, for an average of 25 hours a week. The proposal will encourage these people to continue working by enabling them to save on their child care expenses.

Temporary Assistance for Families. In FY 1999, the Governor recommends \$45.0 million to finance 385,272 person months of benefits. In FY 2000, the recommendation includes \$41.0 million for 348,000 person months. These amounts are shown in the table below along with amounts from prior years. The table illustrates the declining trend in welfare roles because of a healthy economy and the state's efforts to collect child support payments from delinquent parents.

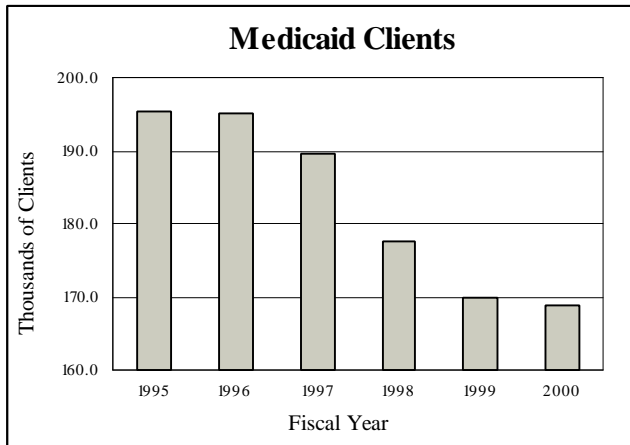
Temporary Assistance for Families

| Fiscal Year | Person Months | Percent Change | Total (\$000) | Avg. Cost | Percent Change |
|-------------|---------------|----------------|---------------|-----------|----------------|
| 1992 | 1,002,844 | 7.1 | \$117,082 | \$ 116.75 | 4.2 |
| 1993 | 1,048,640 | 4.6 | 124,704 | 118.92 | 1.9 |
| 1994 | 1,051,135 | 0.2 | 125,213 | 119.12 | 0.2 |
| 1995 | 979,317 | (6.8) | 117,278 | 119.75 | 0.5 |
| 1996 | 860,360 | (12.1) | 103,326 | 120.10 | 0.3 |
| 1997 | 693,144 | (19.4) | 83,170 | 119.99 | (0.1) |
| 1998 | 477,012 | (31.2) | 55,454 | 116.25 | (3.1) |
| 1999 | 385,272 | (19.2) | 45,000 | 116.80 | 0.5 |
| 2000 | 348,000 | (9.7) | 41,000 | 117.82 | 0.9 |

Other SRS Programs

Medical Assistance. For FY 2000, Regular Medical Assistance spending is estimated to total \$578.2 million. For FY 1999, a total of \$543.5 million is estimated. The current year recommendation represents a 13.7 percent increase over FY 1998. Significant cost increases include an estimated 21.3 percent increase for pharmacy costs. A second factor

contributing to the higher cost is the scheduled increases for the federal Medicare buy-in program, which is anticipated to increase costs by 16.0 percent in the current year.



The above chart illustrates that the number of Medicaid clients is declining in part because of stricter disability and income eligibility requirements. Although the overall caseloads are projected to decrease, the medically needy, blind, disabled, and aged populations require a greater share of the funding. As a result, these higher cost populations are anticipated to have an effect on the average cost per client.

Foster Care. The Governor recommends \$85.2 million in the current year and \$81.6 million in FY 2000 for foster care contracts. The program uses a population estimate of 4,000 placements for both fiscal years. Foster care expenditures include payments to families and group foster homes for care and services provided to children placed in the homes. Payments are also made to vendors who provide clothing, transportation, counseling, and other goods or services on behalf of a specific child.

There are two components to the Foster Care Program: contracts for placements, and Medicaid which provides the children with medical cards while they are in foster care. The current year budget significantly changes the funding structure for the subprogram through the use of federal Temporary Aid for Needy Families (TANF) dollars. The Department was able to match up to 30.0 percent of the TANF appropriations for emergency assistance and these dollars were dedicated to the foster care contracts.

Of the \$30.3 million in TANF funds budgeted in the current year, \$24.7 million was budgeted as a one-time

expenditure for providing additional costs to the contractors for hard-to-place children, such as those with medical problems or older children. When the contract began in FY 1997, there were 3,462 of these children awaiting foster care placement and, of those, 1,652 are still awaiting placement. Because of the higher cost of placing these children, the additional monies are recommended in the current year as a one-time adjustment in the contract to place them into foster care settings.

Foster care services are now coordinated through a contract with three providers. Service costs are paid on a payment schedule where 25.0 percent of the contract is paid upon referral, 25.0 percent is paid after 60 days, 25.0 percent is paid after 180 days, and the final 25.0 percent is paid when permanent placement is achieved. As a result, costs will be different in each case depending on when specified “targets” are met. The following table displays the three contractors and the amounts paid to them by SRS per child at the specified target dates.

| Foster Care | |
|----------------------------------|-----------------------|
| <u>Provider</u> | <u>Payment Amount</u> |
| Kaw Valley Center | \$15,640 |
| Kansas Children's Service League | 12,996 |
| United Methodist Youthville | 14,950 |

Independent Living. The FY 2000 recommendation for independent living services totals \$45.3 million, of which \$17.2 million is from the State General Fund. The amount includes funding for the physically disabled, the injured, and individuals requiring technical assistance in the community. The Governor’s estimate for community-based services will finance care for approximately 2,600 persons in the Physically Disabled Waiver for both fiscal years.

General Assistance. The Governor recommends expenditures of \$4.45 million in both years to provide 27,000 person-months of assistance. With the advent of Welfare Reform, General Assistance no longer serves children. It now serves only disabled adults who are unable to work and are awaiting a decision by the federal government concerning their eligibility for Social Security benefits. Disabled adults with income less than 31.0 percent of the federal poverty level qualify for cash assistance. The table on the next page

displays expenditures for General Assistance for adults from prior years.

| General Assistance | | | | | |
|---------------------------|----------------------|-----------------------|----------------------|------------------|-----------------------|
| <u>Fiscal Year</u> | <u>Person Months</u> | <u>Percent Change</u> | <u>Total (\$000)</u> | <u>Avg. Cost</u> | <u>Percent Change</u> |
| 1992 | 87,879 | 7.1 | \$12,391 | \$141.00 | (1.4) |
| 1993 | 84,024 | (4.4) | 11,977 | 142.54 | 1.1 |
| 1994 | 69,746 | (17.0) | 9,915 | 142.16 | (0.3) |
| 1995 | 63,143 | (9.5) | 9,069 | 143.63 | 1.0 |
| 1996 | 53,279 | (15.6) | 7,754 | 145.54 | 1.3 |
| 1997 | 44,880 | (15.8) | 6,450 | 143.72 | (1.2) |
| 1998 | 27,876 | (37.9) | 4,390 | 157.49 | 9.6 |
| 1999 | 27,000 | (3.1) | 4,455 | 165.00 | 4.8 |
| 2000 | 27,000 | 0.0 | 4,455 | 165.00 | 0.0 |

Family Services. Expenditures include the purchase of goods and services so that families can stay together and children can remain in the home. The FY 2000 family services recommendation totals \$15.1 million, of which \$12.3 million is from the State General Fund. The services provided include medical assistance and flexible spending amounts and family preservation services, which are provided statewide through five contractors.

Family preservation service contracts total \$9.1 million in FY 1999 and \$9.5 million in FY 2000. Under the contract agreements, costs will be provided to the contractor depending on when specific "targets" are met. It not only reduces the number of SRS positions needed to monitor and deliver social services but also changes the expenditure pattern for the delivery of the service contracts. The following table displays the five family preservation services contractors and the amounts paid per child for these services. The service costs are paid by SRS on a schedule where one third of the contract is paid upon

referral, one third is paid in 45 days, and the final third is paid in 90 days.

| <u>Provider</u> | <u>Payment Amount</u> |
|----------------------------------|-----------------------|
| Wyandotte County MH Center | \$3,610 |
| Kaw Valley Center | 3,520 |
| Kansas Children's Service League | 3,888 |
| St. Francis Academy | 4,135 |
| DCCCA | 3,440 |

Adoption Contracts. Adoption services are coordinated through a contract with Lutheran Social Services at a case rate currently set at \$15,538. The contractor receives 50.0 percent of the case rate upon referral, 25.0 percent upon adoption placement, and the final 25.0 percent upon finalization of the case.

When the contract was originally implemented in 1996, the agency transferred 1,404 children to Lutheran Social Services for placement. Of these original transition cases, 730 remain. The current year recommendation includes \$3.6 million for one-time, hard-to-place adoptions. The Governor's budget recommendation provides for 623 adoptive placements in the current year and 788 in FY 2000.

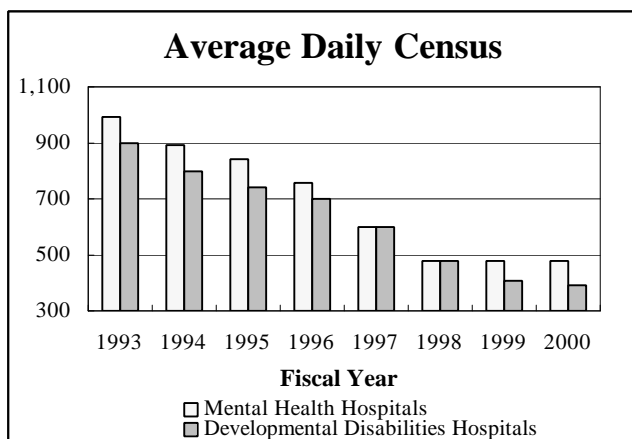
Adoption support payments are made to families who adopt a child with special emotional or physical needs. Expenditures are for ongoing subsidy payments and, when appropriate, for non-recurring costs associated with the adoption of a special needs child or youth. The Governor recommends \$29.9 million in FY 1999 and \$29.3 million in FY 2000 for adoption contracts and adoption support. The recommendation includes \$19.7 million from the State General Fund in FY 1999 and \$20.0 million in FY 2000.

Mental Health & Developmental Disabilities

Kansas has operated state hospitals since Osawatomie Insane Asylum was established in 1863. For many years, the system of state hospitals included four mental health institutions and four institutions for the mentally retarded. However, in 1988, Norton State Hospital was closed and its clients were relocated to community facilities and the remaining state mental retardation hospitals. Since then, the trend has been a reduction in the number of institutions.

Shift to Community Service. In recent years, the primary statewide issue facing mental health and mental retardation institutions has been the shift from institutional to community-based treatment programs. There has been a concerted effort to avoid "warehousing" of the mentally ill and developmentally disabled and to treat clients in the least restrictive environment possible. As a result, through expansion in state aid to community mental health centers and organizations for the developmentally disabled, the community delivery system has grown considerably to accommodate populations that had previously been institutionalized. Through new programs within the community infrastructure and with the advent of antipsychotic medications, clients are able to avoid being institutionalized or are treated at state hospitals for shorter periods of time. This has resulted in a steady decline in the state hospital population.

Hospital Closure Commission. The 1995 Legislature created an 11-member Hospital Closure Commission.



The Commission studied and evaluated the state hospital system and considered the closure of state mental health hospitals and mental retardation

hospitals. The Commission recommended the closure of Topeka State Hospital and Winfield State Hospital & Training Center. That recommendation was approved by the 1996 Legislature. In June 1997, Topeka State Hospital released its last patient. Fiscal operations ended early in FY 1998. In January 1998, Winfield State Hospital & Training Center released its last resident and final operations were wrapped up in FY 1998. The average daily census for the state mental health hospitals and developmental disability hospitals from 1993 to 2000 are shown in the graph.

Mental Health

State Mental Health Hospitals

The projected average daily census in the hospitals in FY 2000 is 504. Expenditures of \$57.5 million are recommended. The table below illustrates the recommended operating expenditures, average daily census, and daily cost per client for each hospital in FY 2000.

| Mental Health Institutions | | | |
|----------------------------|-----------------|---------------------|--------------------------|
| | Daily Census | Operating Budget | Daily per Client (\$) |
| Larned State | 289 | 30,707,641 | 290 |
| Osawatomie State | 175 | 19,974,293 | 312 |
| Rainbow MHF | 40 | 6,852,345 | 468 |
| Total | 504 | \$6,852,345 | \$37 |

There are three main funding sources for operating expenditures of the mental health hospitals. They are the State General Fund, fee funds, and federal Medicaid Title XIX funds. Capital improvements for the hospitals are funded through the State Institutions Building Fund.

Fees from patient health insurance, Medicare, Social Security, and patient and family payments are collected by the hospitals. In the mental health institutions, only children, adolescents, and the elderly qualify for Medicaid reimbursements. The Governor's recommendations for each mental health institution are detailed in the following paragraphs.

Larned State Hospital

The Governor recommends a total of \$30.7 million in FY 2000 for Larned State Hospital, of which \$11.8 million is from the State General Fund. This recommendation will allow the Hospital to provide the current level of service to an average resident population of 289 patients with a staff of 767.6. The recommendation will allow for full accreditation from the Joint Commission on Accreditation of Hospitals and certification from the federal Health Care Financing Administration.

Osawatomie State Hospital

The Hospital's primary function is to diagnose, evaluate, and treat residents in its catchment area who are found by a community mental health center to require inpatient psychiatric treatment. For FY 2000, \$20.0 million is recommended to provide this treatment. The State General Fund portion of the recommendation is \$6.0 million. The recommendation will provide funding for the current level of service for an average resident population of 175 patients with a staff of 483.4. It permits the continuation of full accreditation from the Joint Commission on Accreditation of Hospitals and certification from the federal Health Care Financing Administration (HCFA).

Rainbow Mental Health Facility

The Governor recommends \$6.9 million for FY 2000 expenditures, of which \$1.6 million is from the State General Fund. The recommended expenditures will support a staff of 145.4 positions and allow the facility to continue its role as a short-term treatment center for adults and a provider of extended inpatient treatment for adolescents and children. It is estimated that the facility will serve an average daily patient population of 40 residents in the 60-bed facility. The recommendation will allow for full accreditation from the Joint Commission on Accreditation of Hospitals and certification from HCFA. To eliminate unnecessary duplication of services, the Governor's recommendation combines the budget function at Rainbow with that of Osawatomie State Hospital. As a part of this recommendation, the Governor reduces the hospital workforce by 4.0 FTE positions.

Mental Health Community Services

The Mental Health Reform Act provided for increased community services and established a timetable for a corresponding reduction in hospital beds. As a part of the plan, each of the larger hospitals closed between 20 and 30 beds each year over a three-year period. Osawatomie began its reductions in FY 1991 and completed them in FY 1993. Topeka had bed reductions in FY 1993, FY 1994, and FY 1995, and Larned began in FY 1994 and finished in FY 1996.

The act charged the community mental health centers with the responsibility of being the "gatekeepers" of the public mental health system. All admissions to state hospitals go through the participating community mental health centers. The act also requires that all discharges from the state hospitals be planned jointly between the hospital and the participating mental health center.

For community programs for people with mental illness, the Governor recommends a total of \$55.4 million from all funding sources for FY 2000. This includes \$10.2 million in state aid to community mental health centers—the same amount as FY 1999, \$8.0 million for the Children's Mental Health Waiver Program, and \$37.2 million for mental health reform, hospital closure, and general and special purpose grants to community mental health providers.

In FY 1998, the Mental Health & Developmental Disabilities Commission assumed responsibility for the budget, licensure, oversight, and management of the Nursing Facilities for Mental Health Program from the SRS Adult and Medical Services Commission. For aid and assistance to the Nursing Facilities for Mental Health Program in FY 2000, the Governor recommends \$12.6 million from all funding sources. The State General Fund portion of these funds is \$9.1 million.

Children's Initiative

The Governor recommends that \$2.2 million from the State General Fund and \$1.0 million from the Children's Health Care Programs Fund be used for the Children's Mental Health Waiver Program in FY 2000. This initiative is directed at strengthening the natural supports for children with severe emotional

disturbances available through their families and communities. The program expands community-based mental health services across the state to provide early intervention, help in maintaining family custody, and prevention of more costly and restrictive treatment. A focus on the needs of children, adolescents, and their families is consistent with the overall SRS goal of putting children first. The Department estimates that 857 children with severe emotional disturbances will receive services in FY 2000.

Antipsychotic Medications

The Governor provides \$680,000 in FY 1999 and FY 2000 for continuation of the Atypical Antipsychotic Medication Program. The medications are provided to people to help prevent hospitalization. The funds are also used to supply drugs to those in community placements that were previously in state hospitals and are not covered by insurance or other funding sources. This will allow them to remain in community programs.

Mental Retardation

State Mental Retardation Hospitals

It is estimated that the average daily census in the hospitals will be 393 in FY 2000. The Governor recommends expenditures of \$44.5 million for the developmental disabilities hospitals in FY 2000. The recommended operating expenditures, average daily census, and daily cost per client for each hospital in FY 2000 are shown in the table below.

| Developmental Disabilities Institutions | | | |
|--|-----------------|---------------------|--------------------------|
| | Daily Census | Operating Budget | Daily per Client (\$) |
| KNI | 205 | 24,622,195 | 328 |
| Parsons State | 188 | 19,960,870 | 290 |
| Total | 393 | \$44,583,065 | \$310 |

Operating expenditures of the state mental retardation institutions are funded mainly from the State General

Fund, fee funds, and federal Medicaid Title XIX funds. Additional federal funding is available for the placement of mental retardation clients into community programs. The recommendations for the two mental retardation hospitals are detailed in the table.

Kansas Neurological Institute

The Governor recommends \$24.6 million for the agency in FY 2000, of which \$7.9 million is from the State General Fund. The recommendation provides a staff of 687.0 positions to care for an average daily population of 205 residents at the Institute. The recommendation allows the agency to maintain the current level of service to its residents.

Parsons State Hospital & Training Center

The recommendation for FY 2000 totals \$20.0 million and includes \$5.9 million from the State General Fund. The amount recommended will support an average daily census of 188. The Governor's recommendation funds 524.1 positions, and allows the agency to continue the current level of service.

The Governor's recommendation also provides \$967,957 in FY 1999 and \$990,083 in FY 2000 from the State General Fund for the Dual Diagnosis Treatment and Training Services Program. The program is designed to treat individuals with a dual diagnosis of both a developmental disability and a mental illness. The program was established in FY 1997 and has 25.0 positions.

Mental Retardation Community Services

The Governor recommends \$195.1 million from all funding sources in FY 2000 for mental retardation grants to communities and individuals. This includes \$22.4 million for grants to families and community developmental disability organizations, and \$172.7 million for the HCBS Waiver and placements in intermediate care facilities. The recommendation funds state aid to community developmental disabilities organizations at the same level as FY 1999.

Other Human Resources Agencies

Department on Aging

The Governor's recommendation of \$338.0 million for FY 2000 includes \$137.7 million from the State General Fund. These funds finance the cost of nursing home services, community-based services, case management, the Senior Care Act, nutrition services, and other services for Kansans over the age of 65. The Department on Aging operates almost all of the programs provided by the State of Kansas to serve its elderly population. The services are provided through contracts with area agencies on aging and other providers.

Long-Term Care. Included in the FY 2000 recommendation is \$302.5 million for long-term care for elderly Kansans who are eligible for the Medicaid Program. The State General Fund portion of this cost is \$120.9 million. The recommendation includes \$35.0 million from all funding sources for the Home and Community-based Services for the Frail Elderly. The State General Fund portion of the funding is \$14.1 million.

The recommendation also includes the cost of nursing home care for the elderly who are eligible for Medicaid. Nursing Facilities services are estimated to be \$262.5 million, of which \$105.0 million is from the State General Fund. Finally, the recommendation includes \$5,048,036 for Targeted Case Management, of which \$1,817,460 is from the State General Fund.

The funding for these three programs reflects the emphasis on the use of community-based treatment for people who benefit from that kind of care. Nursing home placement is reserved for elderly people who need specialized care that cannot be delivered in a community-based setting.

The following table illustrates that the number of persons receiving home and community-based services (HCBS) is growing and the number receiving nursing home services is expected to remain steady, but slightly less than in the past. This is because many of those receiving HCBS would have been served in nursing homes. Home and Community-Based Services include adult day care, sleep cycle support,

personal emergency response, health care attendant services, wellness monitoring, and respite care.

| Long-Term Care Programs | | | |
|--------------------------------|----------------|-----------------|-----------------|
| | <u>FY 1998</u> | <u>FY 1999</u> | <u>FY 2000</u> |
| | <u>Actual</u> | <u>Estimate</u> | <u>Estimate</u> |
| HCBS Services | | | |
| Persons | 3,332 | 3,873 | 3,910 |
| Percent Change | 72.2 | 16.2 | 1.0 |
| Nursing Homes | | | |
| Persons | 11,788 | 11,388 | 11,388 |
| Percent Change | 0.7 | (3.4) | 0.0 |

Nutrition & Meals. The Governor recommends \$8.9 million, of which \$2.1 million is from the State General Fund. The recommendation will provide for nutrition grants to fund 3,330,000 meals to the elderly under the Older Americans Act and 550,000 meals under the In-Home Meals Program. The following table compares the number of meals and cost per meal recommended in FY 1999 and FY 2000 to actual FY 1998 amounts.

| Nutrition Programs | | | |
|---------------------------|----------------|----------------|----------------|
| | <u>FY 1998</u> | <u>FY 1999</u> | <u>FY 2000</u> |
| Congregate Meals | | | |
| Number of Meals | 3,300,360 | 3,330,000 | 3,330,000 |
| Cost Per Meal | \$3.73 | \$3.90 | \$3.91 |
| In Home Meals | | | |
| Number of Meals | 548,773 | 549,000 | 550,000 |
| Cost Per Meal | \$3.12 | \$3.25 | \$3.31 |

General Community Grants. The Governor recommends \$11,083,511 for general community grants. The State General Fund portion of the recommendation is \$7,679,697. The State General Fund amount includes \$2,178,750 for the Senior Care Act programs. These programs provide a cost-effective alternative to nursing home care so that the recipients can remain at home.

The Senior Care Act will provide in-home services to approximately 4,500 citizens in FY 2000. If these

services were not provided, 51.0 percent of these individuals would be institutionalized.

The Income Eligible Program provides in-home services to frail senior citizens with income levels below 150.0 percent of the federal poverty level. Services will be provided to an estimated 1,400 consumers in FY 2000.

Agency Operations. The Governor's budget recommendation includes \$15,505,999, of which \$7,068,887 is from the State General Fund. This recommendation finances the 157.8 positions and operating costs necessary to administer the agency. A large percentage of this funding finances contracts with the Department of Health & Environment, area agencies on aging, and other non-state agencies to provide services for the Department on Aging. The Department of Health & Environment inspects nursing homes; the area agencies on aging administer the Client Assessment Referral and Evaluation (CARE) Program; and other agencies receive contractual reimbursement for miscellaneous projects. The CARE Program provides screening services to the elderly to identify those individuals who can be served by in-home services instead of being admitted to a nursing home.

Kansas Guardianship Program

The Kansas Guardianship Program recruits and trains volunteers to serve as court-appointed guardians and conservators for disabled adults who are found by courts to need the protection of guardianship and conservatorship. The Governor's recommended budget of \$1,105,058 from the State General Fund allows the agency to provide guardians for 1,650 disabled individuals for a full year in FY 2000. The recommendation allows the agency to continue its current level of services and provides funding for 13.0 positions.

Health & Environment—Health

The mission of the Division of Health is to optimize the health of Kansans and assure conditions in which people can be healthy. This is done by preventing disease and injury and by protecting, promoting, and improving Kansans' health through a variety of public

health service delivery and regulatory programs. These programs are designed to protect Kansans from communicable diseases, ensure healthy and safe adult and child care facilities, inspect food services for proper sanitation, assess environmental health risks, improve access to medical care, and promote healthy lifestyles which may help in diminishing chronic diseases.

The Governor recommends \$103.8 million for the Department of Health & Environment's Division of Health for FY 2000, of which \$21.3 million is from the State General Fund. A substantial portion, approximately 58.0 percent, of the Division of Health's expenditures is from federal funding sources. An approximate \$60.0 million of Division of Health expenditures are in the form of aid to local governments or grants to agencies and individuals.

AIDS Medication Reimbursement Program. The Governor recommends a State General Fund supplemental appropriation of \$250,000 for FY 1999. The Governor's recommendation is to ensure against interruption of medication for persons currently receiving AIDS medication assistance. This funding will be used in conjunction with the \$235,000 that was recommended by the Governor during the 1998 Legislative Session.

A new regimen of medications shows promise and its use is on the increase. For FY 2000, the agency anticipates that federal funding for AIDS medication reimbursement will increase to meet the rising demand. A total of \$1.8 million is provided in federal funding.

Center for Health & Environmental Statistics. An amount of \$500,000 from the State General Fund is provided for computer and other equipment needs in vital statistics. The Office of Vital Statistics provides important records to the public. These records are required by citizens to conduct personal business or to obtain death benefits, employment, housing, school enrollment, or to transfer property. The funding for equipment will address the need for periodic maintenance of the database, upgrading software, and the development and implementation of an electronic death registration system. The infrastructure that supports the Vital Statistics systems includes several types of servers, operating systems, and specialized imaging applications that must be constantly maintained to perform at optimum levels.

Community-Based Services. The Governor maintains current funding levels for community-based services. Through this program communities are able to establish comprehensive and continuous primary health care, which is accessible to clients and facilitates access to hospital and specialty care. Local health departments and nonprofit voluntary or private organizations are eligible to apply for funding. The program supports integrated primary health care and discourages duplication by encouraging local organizations to enter into agreement which link services, thereby facilitating access to care. Quarterly reports detail the activities of the projects.

Aid to Local Health Departments. The Governor also maintains funding for this program, which provides funding to local health departments for development and expansion of general health programs. The services provided are widely varied and include immunizations, multi-phasic screenings, laboratory services, and sanitarian services. Currently 98 funded programs provide services in all 105 counties. In addition, local health departments assist with the promotion of hypertension screening and education programs, and they participate with in-service training for screening clinics.

Child Care Facilities Licensure. Recommendations for FY 2000 reflect enhanced expenditures for the second year to improve the regulation of child care facilities. The Governor recommended an additional \$1.5 million in expenditures for this program in FY 1999 and continues with this level of spending in FY 2000. The main effect of the enhanced funding will be an increase in aid to local county health departments to conduct daycare inspections, the addition of six coordinators of children's services, and improved program infrastructure. The funds will also provide performance bonuses and quality incentives to county health departments.

Inspections of Food Establishments. The food distribution system in the United States is drastically different than a generation ago. No longer do consumers rely solely on foods prepared locally. Most foods are manufactured and sold through a massive marketing system that has the capability of distributing adulterated food nationally in a matter of days. All food establishments pose potential opportunities for microbiological or chemical adulteration beyond consumer control. The Centers for Disease Control and Prevention receives approximately 40,000 actual

reports of Salmonella infections each year and estimate that four and one-half million cases occur annually. The Center estimates 81.0 million cases of food borne illnesses from all causes occur annually with overall costs to be more than \$8.0 billion annually.

Inspections are conducted in restaurants, schools, retail food stores, food manufacturing facilities, and warehouses. Approximately 18,000 establishments are subject to inspections in the State of Kansas. The Governor provides \$301,000 from the agency's newly established Food Inspection Fee Fund to allow the Division of Health to respond to the needs identified by the agency's food protection program. The 6.0 new FTE positions that are recommended by the Governor will reduce the workload of existing inspectors and allow more frequent inspections of establishments. Follow-up inspections will be conducted to assure compliance with regulations, and enforcement actions will be initiated to eliminate critical, adverse public health situations.

Women, Infants, & Children Program. The budget includes \$39.5 million to provide Women, Infants, & Children (WIC) program services that include nutrition screening, counseling, education, food supplements, infants, children, pregnant women, and breast-feeding women. The goal of the program is to improve the health status and nutrition of pregnant women, mothers, and young children.

Infant Toddlers Program/Healthy Start. The Governor recommends enhanced funding for both the Infant Toddler Program and the Healthy Start Program within the Bureau of Children, Youth, and Families of the Division of Health. An amount of \$250,000 is added by the Governor from the Children's Health Care Programs Fund to enrich the services currently provided through the Infant Toddler Program. The Healthy Start Program begins with prenatal care and provides counseling to thousands of Kansas families. The Governor recommends an additional \$1.0 million for the Healthy Start Program. This funding is from the Children's Health Care Programs Fund to enable the Department to provide outreach to 20,000 additional families, and offer early intervention and healthy start services. For FY 2000, the Governor's recommended enhancements make just over \$4.4 million available for infant and toddler services and approximately \$1.9 million available for the Healthy Start Program.

Homestead Property Tax Refunds

Relief is available to property taxpayers who meet income eligibility requirements and demonstrate financial need under statutory guidelines through the homestead property tax refund. Refunds are based on household income and real estate property taxes paid on the "homestead." As income rises, the refund falls. More than 35,000 refunds, averaging \$197 each, were paid by the state to Kansas taxpayers during FY 1998. It is estimated that 70,000 refunds will be paid by the state in FY 1999 and FY 2000 under the Governor's recommendation. The program was expanded during the 1997 Legislative Session to make relief available to a larger segment of the Kansas population.

For FY 1999, the Governor recommends \$13,776,554 for the Homestead Property Tax Program, which reflects a supplemental appropriation of \$1.5 million over the approved amount for the program. For FY 2000, the Governor also recommends \$13,776,554. Funding for this taxpayer relief program in both FY 1999 and FY 2000 is financed from the State General Fund.

Department of Human Resources

Under the Governor's FY 2000 recommendations, the Department of Human Resources receives \$2,410,069 from the State General Fund and \$208,309,485 from other funding sources, for total expenditures of \$210,719,554. The recommendation maintains the current level of services in most programs and a staff of 1,062.5 positions.

One-Stop Career System. The U.S. Department of Labor awarded Kansas a total of \$6.75 million of One-Stop implementation funds over the next three years. The funds are to be used to link together the many job training and public workforce programs currently in existence. The goal of the One-Stop Career System is to improve the process of recruitment, hiring, and training for employers and job seekers. The Career Center System will be a cooperative effort among the Departments of Human Resources, Social & Rehabilitation Services, and Commerce & Housing.

Unemployment Benefits. Current year unemployment insurance payments, provided to individuals to replace part of their wages lost as a

result of involuntary unemployment, are expected to decline slightly to a level of \$139.0 million. This is a decrease of \$19.0 million when compared to estimates made a year ago. The unemployment rate for Kansas is estimated to be 3.6 percent for FY 1999. This low rate is a result of steady growth in the Kansas economy over the last several years. For FY 2000, unemployment insurance payments are estimated at \$145.0 million, which allows for a slight increase in the unemployment rate to 3.8 percent.

Employment Security Contributions. The moratorium on unemployment taxes will end under current law, on January 1, 2000. Payments that employers will make will be one-half those that would have been made prior to the moratorium, based on revisions made during the 1994 Legislative Session that reduced the rate structure. In addition, the Governor recommends that \$165,000 be transferred from the Special Employment Security Fund to the State General Fund to pay back a transfer made at the beginning of the moratorium.

Federal Welfare to Work Grant. In August 1996, the Personal Responsibility and Work Opportunity Reconciliation Act reformed the nation's welfare laws. A new system of block grants to the States for Temporary Assistance for Needy Families (TANF) was created, changing the nature and provision of welfare benefits. Moving people from welfare to work is now one of the primary goals of federal welfare policy. The Balanced Budget Act of 1997 was intended to achieve that goal by authorizing the U.S. Department of Labor to provide Welfare to Work grants to states and communities to create additional job opportunities for the hardest-to-employ recipients of TANF.

In FY 1998, the Department received \$6.7 million in federal monies, which was matched with \$3.3 million from the State General Fund. Much of this money was reappropriated for expenditure in FY 1999. For FY 2000, the Governor recommends an additional \$500,000 to reflect support and interest in the program and to match future federal dollars.

Workforce Evaluation. The Governor added \$100,000 from the State General Fund to the Department's budget in order to perform an evaluation of the state's workforce programs. The evaluation will be performed by staff from the National Council of State Legislatures.

Commission on Veterans' Affairs

The Commission on Veterans' Affairs provides assistance to Kansas veterans and their dependents in obtaining U.S. Department of Veterans Affairs benefits and operates care facilities for veterans. The Commission operates both the Kansas Soldiers' Home in Ft. Dodge and the Kansas Veterans' Home in Winfield, which is scheduled to open in FY 2000.

For FY 1999, the Governor recommends operating expenditures of \$7,166,029, including \$3,561,630 from the State General Fund. The recommendation reflects a supplemental increase of \$209,400 to operate a new community-based outpatient clinic at the Kansas Soldiers' Home. Services provided to veterans through the clinic will be reimbursed by the U.S. Department of Veterans Affairs.

The recommendation provides funding of \$125,000 in capital outlay, including \$98,335 from the State General Fund and \$26,665 from the State Budget Stabilization Fund to equip the clinic. The recommendation also includes \$51,400 from the State General Fund and \$33,000 from fee funds to provide for operating expenses until reimbursements can be collected to fund the program. The FY 1999 recommendation also provides an additional \$21,855 from the State General Fund over the approved amount to reduce the shrinkage rate in the Veterans Services Program from 4.5 percent to 3.0 percent.

The Governor recommends FY 2000 operating expenditures of \$11,051,230, including \$4,972,121 from the State General Fund. The recommendation finances veterans' service centers in 14 field offices and 6 organizational offices, which will allow the centers to process 6,000 claims for Kansas veterans. The cost to provide these services in FY 2000, along

with general administration of the agency, is \$1,702,014, of which \$1,625,147 is from the State General Fund. The Governor's recommendation provides a total of 49.0 positions to carry out this function.

Additionally, the Governor's recommendation includes \$10,000 each for two grants from the State General Fund. The funds would be granted to assist in the construction of the National Women's War Veterans Memorial and the World War II Veterans Memorial, both to be constructed in Washington D.C.

The recommendation continues residential and nursing home care for veterans and their families at the Kansas Soldiers' Home. The estimated cost of operation for FY 2000 is \$5,248,492, including \$1,212,010 from the State General Fund. A total of 136.8 FTE positions staffs the institution. The Governor's recommendation for the Soldiers' Home includes \$253,200 from fee funds to continue the operation of the new community-based outpatient clinic included in the Governor's FY 1999 recommendation. The Governor also recommends in FY 2000 that \$50,000 be transferred from the revenues generated by the clinic to the State General Fund to make the first of three annual payments to repay the \$176,400 provided to start the clinic in FY 1999.

The Governor's recommendation also funds operations at the new Kansas Veterans' Home at Winfield. The recommendation includes expenditures of \$4,100,724, of which \$2,134,964 is from the State General Fund, to operate 147 beds in the two newer buildings, Holly and Juniper, on the Winfield campus. Under the Governor's recommendation, the Veterans' Home could begin receiving residents on July 1, 1999. A total of 149.0 FTE positions is recommended to staff the Veterans' Home.

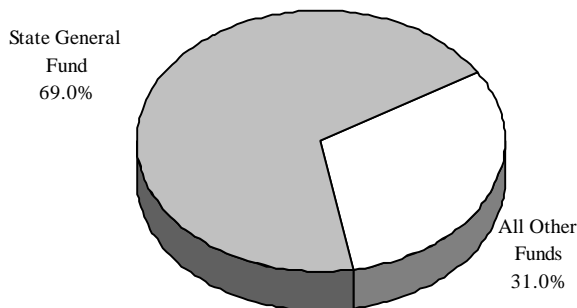
Education

Education Summary

Expenditures for state support of primary/secondary education and higher education are included in the Education function. Agencies in this function are the Board of Regents and the eight institutions under its jurisdiction; the Board of Education, including the School for the Deaf and the School for the Blind; the Historical Society; the Kansas Arts Commission; and the State Library.

For Education, the Governor recommends \$4.1 billion in FY 1999 and \$4.2 billion in FY 2000. Of these amounts, \$2.8 billion in FY 1999 and \$2.9 billion in FY 2000 are from the State General Fund. The Governor's recommendations for FY 2000 maintain the current level of services and, in some cases, enhance the service levels provided by the agencies.

How It Is Financed



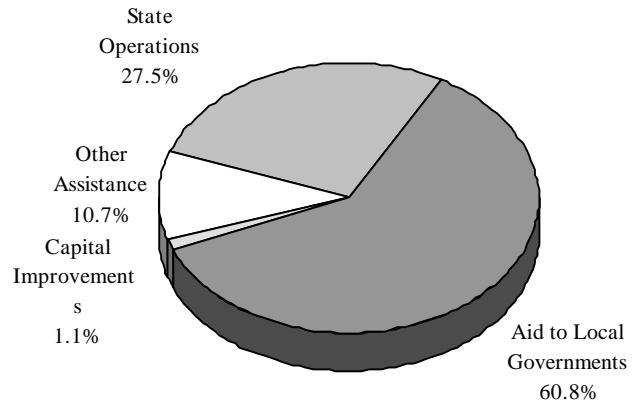
Fiscal Year 2000

The Governor recommends \$1.2 billion in both FY 1999 and FY 2000 for state operations. These amounts represent a continued commitment to providing access to higher education services for the citizens of Kansas. State operations represents approximately one-fourth of total expenditures for Education and comprises mainly expenditures for Regents institutions.

In the Education function, approximately 59.3 percent of expenditures is for aid to local governments in FY 1999 and 60.8 percent in FY 2000. The Governor recommends \$2.4 billion for FY 1999 and \$2.6 billion for FY 2000. For other assistance, grants, and benefits, the Governor recommends \$431.7 million in

FY 1999, while in FY 2000, the Governor recommends a total of \$450.3 million.

How It Is Spent



Fiscal Year 2000

Support for K-12 education provides basic funding for the operation of public schools and special education aid, including education for gifted students, funding for community colleges, funding of KPERS employer contributions for schools, and other grants financed from the State General Fund. The recommendations provide additional funding for elementary and secondary schools through the school finance formula, and provide funding increases for community colleges and area vocational-technical schools. To enhance the training capabilities of the community colleges and area vocational-technical schools, the Governor provides \$300,000 in FY 2000.

For FY 2000, the Governor increases the Regents institutions' base budgets and other operating costs. In addition, the Governor recommends a special funding pool of \$2.5 million for salary increases for selected faculty teaching full-time. The Governor also adds \$750,145 for expenditures associated with operation of new buildings and \$2.8 million from various general use funds for institution-specific program enhancements.

The Governor also increased the number of school days for pre-school and kindergarten students at the School for the Deaf. The Humanities Council, through a grant from the Historical Society, will operate a special historical traveling exhibit.

Elementary & Secondary Education

Funding and program guidance in carrying out state law for 304 school districts, 19 community colleges, and 16 area vocational-technical schools is provided by the Department of Education. The Governor continues to increase support for education in the state by maintaining the funding base and adding resources to fund initiatives and enhancements to existing programs. The Governor carries his emphasis on early childhood education forward into FY 2000. This is demonstrated by increases for the four-year-old at-risk program and by reducing the match for school districts participation in the Parent Education Program. The National Board for Professional Teaching Standards certification program initiated in FY 1999 is enhanced by providing for more scholarships and financial awards for teachers who attain the certification. The recommendations increase the level of per pupil state aid and provide additional monies for correlation weighting and at-risk students.

Public School Finance

State General Fund Obligation. The basis for the Governor's recommendations is the estimate agreed upon by the Department of Education, the Division of the Budget, and the Legislative Research Department. In FY 1999, funding is based on the current base budget per pupil of \$3,720 for 571,100 weighted pupils. The number of students supported by the school finance formula was decreased by 2,621.2 from the approved 573,721.2 weighted pupils. Statewide enrollment did not match the expected rate of growth for FY 1999.

The State General Fund recommendation for the base school finance formula is \$1,695.5 million in FY 1999, a reduction of \$15.1 million from the amount approved by the 1998 Legislature. The reduction in enrollment accounts for \$9.8 million of the underspending. Another \$8.7 million can be attributed to an adjustment to the amount of money available in the State School District Finance Fund from property tax proceeds generated by the ancillary school facilities weighting mechanism. These reductions are offset by an increased demand on the State General Fund from a decrease in the local revenues generated by the statewide mill levy and other sources.

The recommendation includes \$65.3 million to fund the state's share of local option budgets. This is an increase of \$6.1 million from the approved level of \$59.2 million. The school finance law provides for additional budgetary authority up to 25.0 percent of a school district's general fund budget if the voters of the district approve an additional mill levy. In some cases the law gives the local board authority to initiate or increase the existing local option budget. Finally, a demand transfer from the State General Fund of \$22.7 million is included in FY 1999 to aid school districts with bond and interest payments.

| | <u>FY 1999</u> | <u>FY 2000</u> |
|------------------------|----------------|----------------|
| Estimated Obligation | \$ 2,124,492 | \$2,165,894 |
| Local Effort Estimates | | |
| Property Tax | 360,031 | 333,959 |
| Motor Vehicle Tax | 36,060 | 15,226 |
| Cash Balance | 2,900 | 2,900 |
| Federal Impact Aid | 6,600 | 6,500 |
| Other | 3,300 | 3,300 |
| Total Local Effort | \$ 408,891 | \$ 361,885 |
| Net State Cost | \$ 1,715,601 | \$1,804,009 |
| Less: Local Remit. | 20,150 | 14,000 |
| Appropriation | \$ 1,695,451 | \$1,790,009 |

The total Governor's recommendation for FY 2000 for the base school finance formula is \$1,790.0 million. The recommendation funds the consensus estimated enrollment growth for the year, plus enhancements. The FY 2000 funding is based on per pupil funding of \$3,755 for a weighted pupil enrollment of 576,802.7. The state's share of the local option budget is recommended at \$76.6 million, including approximately \$1.3 million associated with enhancements. The capital improvement demand transfer from the State General Fund of \$26.9 million is \$4.1 million more than FY 1999 and reflective of the success school districts had in passing bond issues last fall. The amounts recommended by the Governor are based on recent estimates of local budgets and

local effort as shown in the table on the preceding page.

The 20.0 mill property tax levy and other local resources will finance 17.4 percent of the school finance obligation in FY 2000, and the State General Fund and other state monies will provide for the remaining 82.6 percent. For FY 1999, local resources are budgeted to finance 20.2 percent of the costs, with the State General Fund paying 79.8 percent. This shift in the share of funding is directly attributable to the second year effect of the reduction of the mill levy from 27.0 to 20.0 mills in 1998 and the phasing out of motor vehicle tax as a support base, which was initiated in 1995.

Education Initiatives

Increase Base State Aid per Pupil. The Governor is recommending that the pupil funding base be increased by \$35 in FY 2000 to a total of \$3,755. The budget contains an additional \$20.1 million to fund the enhancement. The approved level of base state aid for FY 1999 is \$3,720, an increase of \$50 from the FY 1998 level of \$3,670. These monies will be distributed to increase support for all school districts in the state.

Correlation Weighting. Approximately \$10.3 million is added to the formula to lower the correlation weighting ceiling from 1,750 FTE students to 1,725. The effect of this recommendation will be to apply a weighting factor of 6.3 percent to each student in schools with enrollments of 1,725 or more. Current law applies a factor of 5.4 percent to each student in schools with enrollments of 1,750 students. The correlation weighting ceiling in FY 1998 was 1,800 students.

At-Risk Students Weighting. The Governor recommends that the weighting factor for at-risk students be increased from 8.0 percent to 9.0 percent. The budget includes \$4.1 million to cover the cost of modifying the at-risk factor. This enhancement is being financed from the Children's Health Care Programs Fund. At-risk funding is provided for all pupils who qualify for free meals under the National School Lunch Program.

Four-Year-Old At-Risk Programs. Last year, the Governor and Legislature approved the expenditure of \$3.0 million in FY 1999 to provide competitive grants

to school districts to fund early childhood education programs for up to 1,350 at-risk four-year-old students. The Governor wishes to continue to expand this program by providing services for another 444 children. The \$1.0 million necessary to provide these services is financed by the Children's Health Care Programs Fund.

Federal Initiative for Class Size Reduction. The Governor's FY 2000 budget contains \$9.6 million in federal funds appropriated by Congress as the first year of a new class size reduction initiative. The federal fiscal year 1999 funding of \$1.2 billion nationally is intended as the first of a seven-year, \$12.0 billion commitment to hire new teachers and reduce class sizes in grades one through three to a student-teacher ratio of 18 to 1. The monies will be administered by the state Department of Education. Grants are to be made to school districts based 80.0 percent on child poverty rates and 20.0 percent on school enrollment.

Parent Education. The Parent Education Program provides expectant parents and parents of infants and toddlers with advice and resource materials related to parenting skills, positive approaches to discipline, and development of self esteem. For FY 1999, the 1998 Legislature approved the Governor's recommendation to add \$1.9 million for the purposes of expanding services and reducing the matching requirement from 100.0 percent to 75.0 percent. For FY 2000, the Governor is recommending the expenditure of an additional \$777,833 from the Children's Health Care Programs Fund to reduce the match requirement further to 50.0 percent. This recommendation will make the program more affordable for school districts, which will encourage participation.

Teaching Excellence Grants. During FY 1999, the Department of Education and Emporia State University are collaborating to establish a program promoting teacher excellence through meeting standards established by the National Board for Professional Teaching Standards. The Department of Education received \$40,000 to provide 40 grants of \$1,000 each to teachers to pay one-half the cost of participation. Teachers and their school districts are responsible for providing the remaining \$1,000. Federal resources have been tapped through the National Board to help defray a portion of the teacher's responsibility. For FY 2000, the Governor adds \$25,000 from the State General Fund to expand

the number of grants to 65. In addition, the Governor funds 33 awards of \$1,000 each to reward teachers willing to put forth the effort and work to attain certification. A total of 13 awards will be given to teachers who have earned the certification previously, and 20 awards are planned for teachers earning the certification for the first time in FY 1999.

Special Programs Grants. The Governor recommends a total of \$350,000, which includes \$100,000 from the State General Fund and \$250,000 from the Children's Health Care Programs Fund, to finance competitive grants to individual not-for-profit agencies and school districts for special programs and projects. The recommendation eliminates funding specifically for the Agriculture in the Classroom, Environmental Education, and the Cultural Heritage and Arts Center. Instead, the Board of Education is given the flexibility to review applications for funding and award monies based on merit and Board priorities. Those organizations currently receiving separate appropriations are encouraged to apply under the new program. In addition, volunteer organizations serving youth of Kansas, such as Communities in Schools, as well as the National Geographic Society endowment project, could also be considered for program grant funding.

Governor's At-Risk Academy. The Academy is designed to meet the needs of Kansas' at-risk students by helping them succeed in academic settings and career endeavors, by assisting participating school districts in planning and developing the curriculum, and by supporting the development of a statewide network of educators prepared to work with at-risk adolescents. The Governor recommends increasing State General Fund support for this program by \$15,000 to reduce the funding burden on school districts, which provides a total of \$60,000 from the State General Fund.

Department of Education

The Governor's recommended budget in FY 1999 is \$2.5 billion, of which \$2.2 billion is from the State General Fund. The State General Fund portion is \$23.0 million less than the approved budget primarily because of underspending for general state aid in FY 1998 and revised school finance estimates for FY 1999. The FY 2000 recommendation is \$2.6 billion, with \$2.3 billion of State General Fund financing and

\$8.9 million from the Economic Development Initiatives Fund.

Special Education Services Aid. For Special Education Services Aid in FY 2000, the Governor recommends an increase of \$12,225,264 from the FY 1999 approved level of spending. The recommendation matches the 5.6 percent growth expected in the costs necessary to provide special education services. The recommendation of \$231,069,438 will support 6,314 teachers and 7,965 para-professionals providing services to an estimated 74,310 students, of which 15,280 students will fall into the gifted category.

KPERS Employer Contributions. The Governor recommends \$84,561,389 for the FY 1999 employer contribution to the Kansas Public Employees Retirement System. For FY 2000, the budget recommendation is \$92,430,725. The contributions are invested by KPERS, along with other public employer contributions in the state, to finance retirement benefits to individuals employed by school districts, community colleges, and area vocational-technical schools.

The \$7.9 million increase for FY 2000 can be attributed to a 0.2 percent increase in the employer contribution rate between FY 1999 and FY 2000, a projected teacher salary increase of 3.4 percent, and enrollment growth. The employer contribution for teachers and other school staff is paid annually from the State General Fund on behalf of local education employers. The State General Fund contributes all of the employer costs of the retirement benefits for teachers and other staff.

Community Colleges. The Governor recommends funding totaling \$62.3 million in state aid for community colleges in FY 2000. All aid to community colleges is from the State General Fund. The recommendation provides a 3.2 percent increase over the FY 1999 amount when adjusted for the \$1,525,000 required to remove the 64/72 credit hour limitation on out-district state aid. This percentage increase is the same provided to the general use budgets of the Regents universities. The recommendation funds the community college aid programs: credit hour aid, out-district credit hour aid, and general state aid. Credit hour aid is provided a 4.4 percent increase while the other two categories are funded at the current service level.

Area Vocational-Technical Schools (AVTS). A total of 16 area vocational-technical schools operates in Kansas. Of these, seven function under the supervision of school districts, five are affiliated with community colleges, and four are independent technical colleges. The AVTSs have no authority to increase local mill levy rates. They can receive increases only by increased state funding or transfers from community college or school district operating budgets. The schools educate both high school students and postsecondary students, as well as provide training opportunities in cooperation with local businesses and other educational institutions.

The Governor recommends a 3.2 percent increase for postsecondary aid for AVTSs for FY 2000. This percentage increase is the same provided to the general use budgets of the Regents universities. The increase of \$819,200 is entirely from the State General Fund. The total recommendation of \$26,401,234 is financed by \$19,685,124 from the State General Fund and \$6,716,110 from the Economic Development Initiatives Fund (EDIF). State aid for capital outlay is recommended at \$2.5 million, which is a \$ 500,000 State General Fund increase over the current services level of \$2.0 million from the EDIF. The technology and intern grants to AVTSs and community colleges are funded at the FY 1999 level of \$200,000 from the EDIF.

Skilled Workforce Enhancement Grants. To promote vocational training and development of a highly skilled Kansas workforce, the Governor recommends that \$300,000 be provided to the community colleges and AVTSs. Each community college, AVTS, and combined community college/vocational technical school will be provided a \$10,000 grant. These grants can be used to purchase equipment, augment training opportunities, or for any other purpose which expands the workforce training capabilities of the institution.

State Operations. In FY 1999, the Governor recommends an operating budget of \$18.9 million, which includes the approved level of financing from the State General Fund of \$9.2 million. The Department has a total of 246.4 positions, of which 37.9 are unclassified temporary positions financed primarily by federal grants.

The FY 2000 operating budget of the Department of Education is recommended at \$18.5 million, with \$9.2

million from the State General Fund. The recommendation will finance 245.4 positions, of which 36.9 are unclassified temporary positions. The recommendation provides for continuation of current state operations.

Student Assessments. The 1992 School District Finance and Quality Performance Act mandated state accreditation of schools based on outcomes for school improvement and student performance established by the State Board of Education. Consistent with this act, the state Department of Education has made it a goal for all schools to demonstrate continuous improvement in student learning.

At its August 1997 meeting, the State Board of Education approved a revised assessment program and a timeline to phase in the changes. During the 1998-99 school year, assessments are to be given in reading, writing, and mathematics. In addition, an alternative assessment for students with disabilities will be developed and administered, as required under the federal Individuals with Disabilities Act. School districts will also have the option to administer a diagnostic reading test to second graders as well as another alternative assessment.

For both FY 1998 and FY 1999, the process of making the revisions has been financed within the existing state budget plus additional federal carryover funds. The Governor's budget recommendation contains the current service level of financing, \$1,105,000 from the State General Fund plus \$40,000 in federal monies, for student assessments. The recommendation will require the Department to allocate monies within the approved level of funding if expanding the assessment program takes priority over other agency activities.

School for the Blind

The School for the Blind provides a variety of services including educational, residential, and health care for visually impaired children up to 21 years of age, including students with multiple disabilities. The services are provided by a staff of 107.5 positions. The curriculum includes all academic subjects necessary for accreditation by the Department of Education. Ultimately, students will acquire a high school diploma upon completion of the required academic coursework. An Individual Education Plan is developed for each student to measure progress and

to plan future programs. Current enrollment at the school during the regular term is projected to be 70 students for both FY 1999 and FY 2000, while estimated attendance for the summer session is 87 for both years.

The Governor recommends \$4,758,302 for FY 2000, including \$4,363,485 from the State General Fund. The recommendation includes \$150,000 from the State General Fund in both years for Accessible Arts, a statewide special education initiative.

School for the Deaf

The School for the Deaf provides both educational and residential services for students from across the state between the ages of three and 21 years who are referred to the School either by parents or by their school district. All essential academic subjects are included in the curriculum ; however, special emphasis

placed on speech and communication skills at the elementary level. An Individual Education Plan is developed annually for each student to measure progress by and to plan future programs. The School also serves a few younger children in the Kansas City area as part of the Parents-as-Teachers Program to provide early language stimulation and promote communication skills appropriate to age. Enrollment at the School for the current year is 170, which is supported by a staff of 202.5 FTE positions.

The recommended budget for FY 2000 is \$7,752,128 including \$7,178,633 from the State General Fund. The Governor's recommendation provides services for approximately 307 deaf and hard-of-hearing children statewide through the School's Outreach Services Program. In addition, the recommendation includes an enhancement of \$39,303 from the State General Fund to enhance learning by increasing the number of school days for early childhood and kindergarten students.

Higher Education

The state provides support for six Regents universities, a medical school, a veterinary medical school, 19 community colleges, and Washburn University. In addition, the state provides over \$14.7 million in financial aid to students attending both public and private institutions in Kansas through numerous scholarship and grant programs and over \$45.0 million for extension and agricultural research programs associated with Kansas State University.

Building and maintaining access to the state's higher education system is one of the Governor's priorities. Affordable and high-quality education remains a commitment for this administration. As Kansas faces increasing competition in the global market place, a strong system of higher education is one of the state's most powerful advantages in this new environment. In addition, colleges and universities endow citizens with enormous benefits economically and socially, as well as individually.

The Regents universities spent \$198.0 million generated by research activities in FY 1997 and provided technical assistance to over 19,000 companies and agencies. The research conducted in the universities expands the frontiers of knowledge, and the wider application of this knowledge improves the state of the economy.

Having a skilled workforce is a significant incentive for companies to move to, or stay in, Kansas. The state's community colleges, in addition to the universities, are important resources for economic development initiatives through new curricula and partnership agreements with private business, other community colleges, and other higher education institutions. Institutions in the state's higher education network will continue to forge these partnerships in response to the state's needs. A partnership between Pittsburg State University, Independence and Coffeyville Community Colleges, and the Southeast Kansas Vocational Technical School resulted in the largest skills grant ever awarded by the Kansas Department of Commerce & Housing. This grant was critical to the Cessna Company's selection of Independence for its first site expansion in Kansas in many years.

Universities also provide the unique resources of each institution for the specific purpose of responding to community needs. These services greatly enrich communities across the state. The Teachers College at Emporia State University is a major contributor to the K-12 educational environment and Kansas State plays a principal role in the state's agricultural industry. Wichita State's National Institute for Aviation Research is an important partner for the state's aviation industry.

In recent years, the Regents universities have benefited from implementation of Tuition Accountability, operating flexibility through single line-item state appropriations with unlimited reappropriation authority, and over \$171.0 million in funds to repair campus buildings under the Crumbling Classrooms initiative. The Governor also recommended consolidating several of the state's financial aid programs into a single Comprehensive Grant Program to improve services for the students, streamline administrative processes, and improve student access through additional funds for obtaining a postsecondary education in Kansas.

Higher Education Enrollments

| | <u>FY 1997</u> | <u>FY 1998</u> | <u>FY 1999</u> |
|-----------------|----------------|----------------|----------------|
| Univ. of Kansas | 24,874 | 25,108 | 25,155 |
| KU Med. Center | 2,533 | 2,459 | 2,470 |
| Kansas State | 20,325 | 20,306 | 20,885 |
| Wichita State | 14,264 | 14,669 | 14,773 |
| Emporia State | 5,772 | 5,320 | 5,419 |
| Pittsburg State | 6,355 | 6,225 | 6,258 |
| Fort Hays State | 5,540 | 5,616 | 5,401 |
| Total--Regents | 79,663 | 79,703 | 80,361 |
| Washburn U. | 6,248 | 6,281 | 6,065 |

Kansas has an unusually high level of demand for post-secondary education. One study ranked Kansas 13th in the nation for the percentage of high school graduates who attended public higher education institutions in the 1996-1997 school year.

General Use Funding for Regents Institutions

| FY 1999 | State | | Hospital | Land | Interest | Total |
|----------------------|---------------------|----------------|----------------|--------------|--------------------|--------------------|
| | <u>General Fund</u> | <u>Tuition</u> | <u>Revenue</u> | <u>Grant</u> | <u>& Other</u> | <u>General Use</u> |
| University of Kansas | 124,966,716 | 81,236,544 | -- | -- | 20,000 | 206,223,260 |
| KU Medical Center | 94,476,050 | 9,870,320 | 7,653,090 | -- | 1,870,692 | 113,870,152 |
| Kansas State | 97,716,756 | 41,162,763 | -- | -- | 80,000 | 138,959,519 |
| KSU--ESARP | 43,694,420 | -- | -- | 9,702,979 | -- | 53,397,399 |
| KSU--Vet. Med. | 9,297,756 | 5,400,478 | 3,325,610 | -- | -- | 18,023,844 |
| Wichita State | 59,708,897 | 24,926,659 | -- | -- | -- | 84,635,556 |
| Emporia State | 27,951,699 | 8,695,978 | -- | -- | 29,000 | 36,676,677 |
| Pittsburg State | 29,715,332 | 10,763,877 | -- | -- | -- | 40,479,209 |
| Fort Hays State | 28,839,519 | 8,060,071 | -- | -- | -- | 36,899,590 |
| Total | \$516,367,145 | \$190,116,690 | \$10,978,700 | \$9,702,979 | \$1,999,692 | \$729,165,206 |
| FY 2000 | State | | Hospital | Land | Interest | Total |
| | <u>General Fund</u> | <u>Tuition</u> | <u>Revenue</u> | <u>Grant</u> | <u>& Other</u> | <u>General Use</u> |
| University of Kansas | 128,831,406 | 81,784,181 | -- | -- | 20,000 | 210,635,587 |
| KU Medical Center | 96,551,307 | 10,057,878 | 8,099,611 | -- | 1,538,485 | 116,247,281 |
| Kansas State | 100,252,561 | 41,876,585 | -- | -- | 80,000 | 142,209,146 |
| KSU--ESARP | 45,794,348 | -- | -- | 8,389,633 | -- | 54,183,981 |
| KSU--Vet. Med. | 9,431,690 | 5,017,298 | 3,270,481 | -- | -- | 17,719,469 |
| Wichita State | 61,625,770 | 26,597,158 | -- | -- | -- | 88,222,928 |
| Emporia State | 28,701,695 | 8,274,558 | -- | -- | 17,000 | 36,993,253 |
| Pittsburg State | 30,886,790 | 10,481,538 | -- | -- | -- | 41,368,328 |
| Fort Hays State | 29,877,753 | 7,823,325 | -- | -- | -- | 37,701,078 |
| Total | \$531,953,320 | \$191,912,521 | \$11,370,092 | \$8,389,633 | \$1,655,485 | \$745,281,051 |

Based on projected high school graduates, higher education enrollments will likely increase significantly in the near future. Both the National Center for Education Statistics of the U.S. Department of Education (NCES) and the Western Interstate Commission of Higher Education (WICHE) predict that the number of students graduating from high school will increase dramatically over the next several years. The NCES projects that 31,040 students will graduate from public high schools in Kansas in the year 2000—an increase of 18.8 percent over 1995 actual graduations. However, WICHE predicts graduation of 30,460 students in 2000—an increase of 16.6 percent over 1995. An increase of such magnitude will have a significant effect on both universities and community colleges in Kansas. Recent enrollment figures are outlined in the table on the previous page.

These enrollment increases may be affected slightly by implementation of qualified admissions, which will take effect in the 2001-2002 school year. The 1996

Legislature authorized the Board of Regents to establish admission standards for Regents institutions, beginning with FY 2002. The new qualifications will require high school graduates to have at least a 2.0 grade point average in the precollege curriculum prescribed by the Board of Regents, or a minimum score of 21 on the American College Testing Program (ACT), or a ranking in the top one-third of the high school class.

Community Colleges

The 19 community colleges will provide postsecondary education opportunities to a variety of Kansas residents. Approximately 63,000 students were enrolled in credit classes in the fall semester of 1997. In addition to the traditional students who enter college directly from high school are a large number of students attending to gain technical training either to further existing careers or embark on new career paths. The colleges are assets to Kansas through education,

workforce development, lifelong learning, and cultural opportunities for communities. During FY 2000, the Governor's recommendation will provide for 1,092,840 regular credit hours and 572,957 out-district credit hours at community colleges. The Governor is also recommending \$10,000 Skilled Workforce Enhancement grants for each community college.

Regents Institutions

The Governor's recommendations reflect the substantial commitment Kansas has historically made to its institutions of higher education. His recommendations will preserve the quality and improve the availability of a post-secondary education.

"General use funds" include the State General Fund, tuition receipts, and selected other funds. These are collectively known as "general use funds" because they can be used by the institutions for any authorized purpose. General use funds exclude other sources of funding for institutions, such as housing and parking receipts and targeted federal grants. The table on the preceding page shows the Governor's recommendations for expenditures from general use sources in FY 1999 and FY 2000. Because of the operating flexibility provided to the Regents institutions, it is important to note that amounts in the current year reflect monies carried forward from previous years that distort comparisons between the two fiscal years. Adjusting for these items, the Governor's recommendations reflect a 3.2 percent general use operating budget increase in FY 2000.

Budget Issues—FY 2000. For Regents institutions in FY 2000, the Governor preserves the institutions' base budgets, continues the second of three years of technology enhancements, and adds \$978,768 for tuition-funded program enhancements, \$750,145 and 20.4 new FTE positions for servicing new buildings, and \$1.2 million from various general use funds for institution-specific program enhancements.

Tuition Estimates. In order to develop accurate tuition estimates for the budget year, a Consensus Tuition Estimating Committee was formed in 1995 that includes staff from the Division of the Budget, the Board of Regents, the Legislative Research Department, and the universities. This committee developed a new format for universities to submit data and a process for discussing assumptions and the

different variables that affect student enrollment at each university. This process provides more accurate estimates based on the most recent enrollment and credit hour data available.

Tuition Accountability. The concept of tuition accountability for the University of Kansas, Kansas State University and Wichita State University continues to be endorsed by the Governor. Under this initiative, the University of Kansas and Kansas State University retain one-fourth of the tuition revenue generated by tuition rate increases to address priority funding needs. The Governor includes \$459,378 in the budget for the University of Kansas and \$249,787 for Kansas State for this purpose in FY 2000.

Allowing these universities to retain these tuition revenues, rather than offsetting the State General Fund appropriation by these amounts, addresses funding equity issues at the larger research institutions. The funding has been targeted for equipment and other operating expenditures in the Instruction Program in order to benefit students. Kansas State indicates it will target expenditures for hiring additional faculty, if enrollment levels demand such action.

Another component of tuition accountability allows all three campuses to retain tuition revenue resulting from enrollment growth to finance additional costs of higher enrollment. Conversely, when enrollment declines result in reduced tuition revenue, the campuses absorb the income loss. The past practice of the universities' requesting State General Fund monies for enrollment growth has been eliminated. The University of Kansas and Wichita State have benefited from such transfers to date.

The final component of tuition accountability relates to performance measures. Each of the universities is required to report on common areas, as well as mission-specific performance measures. Refer to each of the three universities' budget descriptions in the latter portion of this section for a description of their reports.

Tuition Revenues. Enrollment estimates for the current fiscal year indicate that student headcount enrollment will be 80,361, an increase of 0.8 percent from the previous year. This is only the second systemwide enrollment increase in eight years. While longer-term enrollment projections have forecasted significant increases in enrollment, Kansas has not

experienced these increases in the short term. The Governor recommends \$355,866 from the State General Fund be offset with additional tuition revenues that are now available with the higher enrollments.

Salaries & Wages. In addition to the 3.5 merit pool recommended for all unclassified employees, the Governor provides a \$2.5 million pool of monies to be distributed by the Board of Regents to faculty members teaching full time. The Governor recognizes that attracting and retaining a high quality faculty is key to maintaining excellence in educational, research, and service programs.

Other Operating Expenditures. For other operating expenditures, the Governor recommends a 2.5 percent increase on base FY 1999 expenditures for FY 2000. The State General Fund cost of this increase is \$3,175,167. Of the 2.5 percent, 0.5 percent, or \$635,033, is to be dedicated to the universities' libraries.

New Building Operating Support. The Governor recommends \$726,462 from the State General Fund and 20.4 FTE positions in FY 2000 for operating several new buildings. For Wichita State's International Education Building, \$23,683 is also provided in the current year. Under the Governor's Crumbling Classrooms initiative, the Murphy Hall addition at the University of Kansas, the Beach Music Education Building at Emporia State, and the new Nursing Education Building at the KU Medical Center will all be completed in FY 2000. These new facilities will require ongoing operating support, such as for custodial and other operating costs.

In addition, the Fiedler Library addition to Kansas State's Engineering Complex, the Hammond Heights Teachers College Building at Emporia State, and the Center for Health in Aging at the KU Medical Center will all be completed in FY 2000.

Board of Regents

The Governor recommends \$47,390,653 from all funding sources for FY 2000, of which \$26,501,853 is from the State General Fund. The recommendations include \$25,947,931 for special programs, \$1,442,722 for administration and staff support of the Board, and

\$20.0 million for continued debt service and capital improvements.

Administration Program. For general operating expenses and the continuation of 18.0 FTE positions, the Governor recommends \$1,442,722 from the State General Fund and \$4,454 from other funding sources. The recommendations will permit the agency to continue its current level of staff support for the Board of Regents.

Special Programs. For special programs in FY 2000, the Governor recommends \$25,947,931 from all funding sources. Of this amount, \$25,063,585 is from the State General Fund, which is an increase of \$4.0 million, or 18.2 percent, over the previous fiscal year. Included are \$2.5 million for faculty teaching full time at the universities and approximately \$1.0 million of additional funding for financial aid above the current service level. The Governor's recommendations provide a significant boost to student financial aid programs and aid to Washburn University.

Capital Improvements. The Governor's recommendation of \$5.0 million for capital improvements represents the annual appropriation from the Educational Building Fund (EBF) to be distributed to the various campuses for rehabilitation and repair. The Governor also recommends the Educational Building Fund be used to make debt service payments on the Crumbling Classroom bonds, as outlined in detail in the Debt Service section of this volume. Briefly, the resources of the EBF have been used to secure approximately \$171.1 million in bond financing to address fire code compliance, disability access, classroom improvements, and major renovations of university buildings.

Comprehensive Grants Program. Begun in FY 1999, the Governor recommends \$10.5 million from the State General Fund in FY 2000 for this program. It will provide grants to financially needy Kansas residents attending a Regents institution, Washburn University, or a Kansas private college to ensure the doors of higher education remain open to all. Compared to FY 1999 funding, \$600,000 in additional resources for 332 additional students is recommended.

State Scholarship Program. To fund up to an estimated 1,500 scholarships at an average award of \$1,000 from the State Scholarship Program in FY 2000, the Governor recommends \$1.5 million. Of the

recommended amount, \$1,216,982 is from the State General Fund and \$283,018 is from the federal Student Incentive Grant Program. The program provides financial assistance to Kansas students who have demonstrated scholastic achievement in high school and financial need.

Vocational Scholarship Program. For the Vocational Scholarship Program the Governor's recommendations for FY 2000 also include \$125,000 from the State General Fund to finance 250 awards. The recommendation provides an additional \$25,000 to fund 50 more awards than in FY 1999. The additional monies represent the Governor's commitment to support students enrolled in one-year or two-year vocational training programs. Increases can be accommodated with changes to statute made a year ago.

Minority Fellowship Program. The Governor also recommends \$160,000 from the State General Fund for the Minority Fellowship Program in FY 2000. Enrollment in Kansas universities, as with much of the nation's higher education system, does not reflect the ethnic composition of society as a whole. The purpose of this program is to recruit and retain minority students in graduate programs at Kansas Regents institutions. The recommendation maintains in FY 2000 the 20 fellowships that exist in FY 1999.

Ethnic Minority Scholarships. To assist in efforts to recruit and retain undergraduate minority students, the Governor recommends \$345,000 from the State General Fund for 230 Ethnic Minority Scholarships in FY 2000.

Osteopathic Scholarship Program. The Governor recommends \$540,000 for the Osteopathic Scholarship Program in FY 2000 to fund 36 scholars at a cost of \$15,000 each. Funding for the program is entirely from the Osteopathic Scholarship Program Fund, which receives payments from those participants who choose to repay their scholarship rather than complete the program's service requirement.

Optometry Scholarship Program. For the Optometry Scholarship Program in FY 2000, the Governor recommends \$140,000 from the State General Fund. This will finance 12 new participants and 28 returning participants. The recommendation funds the same number of scholarships in FY 2000 as were provided in FY 1999.

Teacher Scholarship Program. The Governor recommends \$440,000 for the Teacher Scholarship Program in FY 2000 to fund 88 scholarships at \$5,000 each. Of the recommended amount, \$400,000 is from the State General Fund and \$40,000 is from the Teacher Scholarship Repayment Fund. The recommendation increases the program by \$65,000 from the FY 1999 level.

Nursing Scholarship Program. An amount of \$401,895 is recommended for the Nursing Scholarship Program in FY 2000, of which \$240,567 is from the State General Fund, \$136,328 is from sponsor contributions, and \$25,000 is from scholarship repayment funds. The recommendation will fund a total of 130 scholarships.

Washburn University. The City of Topeka acquired ownership of Washburn University in 1941, and the state has provided support to Washburn since 1961. Currently, the state operating grant to Washburn University is administered by the Board of Regents. For FY 2000, the Governor recommends an operating grant of \$8,270,488 from the State General Fund.

A total of \$8,155,038 of the grant provides the same increase as that realized by the general use budgets of the six Regents institutions, which for FY 2000 is 3.2 percent. In addition, the grant includes \$115,450 based on an enrollment of 4,618 students to help close the state-funding-per-student gap between Washburn and other state-funded higher education institutions.

Emporia State University

The budget recommended by the Governor for FY 2000 is \$51,159,645, including \$28,701,695 from the State General Fund. This level of funding is based on the Governor's systemwide recommendations for financing all Regents universities. The proposed amount for operating expenditures of \$50,578,645 is an increase of 1.2 percent above the estimated FY 1999 amount. The Governor recommends 760.5 positions to serve the University's 5,419 students.

New Building Support. The Governor recommends \$70,361 from the State General Fund and 1.6 FTE positions in FY 2000 for operating the Beach Music Education Building. The Governor also recommends \$37,911 from the State General Fund and 1.5 FTE positions for approximately half of FY 2000 for

operating the Hammond Heights Complex. The funding will be annualized to \$64,991 in FY 2001.

Fort Hays State University

The Governor recommends \$52,705,925 from all funding sources for FY 2000, including \$29,877,753 from the State General Fund. This proposed level of funding is based on the Governor's systemwide recommendations for financing all Regents universities. The recommended amount for operating expenditures of \$52,205,925 is an increase of 2.1 percent above the estimated FY 1999 amount. The recommendation provides 697.6 positions to maintain current services for 5,401 students.

Kansas State University

For the main campus of Kansas State University, the Governor's recommendations for FY 2000 total \$285,165,739 from all funding sources, including \$100,252,561 from the State General Fund, for operating expenditures and 3,148.2 positions. The FY 2000 recommendation represents an increase over FY 1999 of 1.4 percent in expenditures from all funding sources and 2.6 percent in State General Fund expenditures, which will permit the University to maintain current services to 20,491 students.

Kansas State University plans to increase the percentage of undergraduate student credit hours taught by full-time faculty and to ensure that the overall quality of instruction provided by all groups will increase. Strategies on this key goal are to hire additional faculty, if subsequent enrollment increases require it, continue efforts to improve the utilization of faculty time and talent, renovate large classrooms to accommodate modern, state-of-the-art instructional technologies, and train graduate teaching assistants (GTAs) to be effective teachers.

KSU Veterinary Medical Center

The Governor recommends \$20,211,864 from all funding sources, of which \$9,431,690 is from the State General Fund, for operating expenditures in FY 2000. The recommendations represent an overall decrease from FY 1999 of 2.1 percent in expenditures from all funding sources and an increase of 1.4 percent in State

General Fund expenditures. The reduction is attributable to one-time expenditures in the current year. The recommendations finance 255.4 positions. The Center will provide veterinary medical education to 394 students, and the hospital and clinic will continue to provide veterinary services to the public.

Caseloads in the hospital and clinic are projected to hold steady or increase, in part because of the new Wildcat Express service, which transports animals to and from the Manhattan facility throughout the region. The University believes this new service encourages animal owners to use the Center's services. Approximately 150 animals were transported in the first year. The Hospital is also benefiting from a new accounting system that tracks write-offs and teaching costs more effectively. It also allows the hospital staff to manage cases and clients more effectively.

Self-Funded Program Enhancements. In FY 1997, the University was authorized to increase the enrollment of veterinary medical students in the four-year curriculum from 360 to 400 (from 90 per class to 100 percent class, or 40 additional students by FY 2000). State General Fund appropriations are continued, based on an enrollment of 360 students.

The tuition revenue generated by the additional students is retained by the Center (\$68,768 in FY 2000). The additional monies over time are being used to fund a reserve account to address tuition shortfalls or budget reductions and additional faculty, resident, intern, and graduate student positions. In addition, the Governor authorizes the Veterinary Medical Center to proceed with installation of an oncology unit. The Hospital will install, through clinical and laboratory fees to patients, a magnetic resonance imaging unit, a digital radiology and fluoroscopy unit, and a linear accelerator. To accommodate this equipment, the Center will reallocate monies to make renovations to the facility. In addition, the financing of this project will come from additional clinical fees and reallocation of monies internally. No State General Fund support will be required.

Kansas State University—ESARP

For FY 2000, the Governor recommends \$93,764,810 from all funding sources, of which \$45,794,348 is from the State General Fund, for operating

expenditures. The FY 2000 recommendations represent an increase over FY 1999 of 1.5 percent from all funding sources and 4.8 percent State General Fund expenditures. The recommendations include 1,270.1 positions, permitting the agency to maintain its current level of services. With additional federal monies available for use by the agency, the Governor recommends offsetting State General Fund expenditures in the FY 1999 budget by \$269,024.

Ogallala Aquifer. Funding in the agency's base budget is maintained in FY 2000 for the continued study of water use from the Ogallala Aquifer. The state funding, which in FY 2000 is \$185,525 will match more than \$1.0 million in private support to make one-time purchases for land, buildings, and equipment. Ongoing expenses of the project are financed by the state. Because this is an important, ongoing project, the Governor recommends that funding come from the State General Fund.

Extension Statewide Network. Using federal extension funds available from prior years, the Governor recommends \$737,125 in FY 2000 to complete a statewide network to link county offices and area extension offices to Kansas State University. This network was begun in FY 1999 with \$800,000 in federal monies. The ultimate goal of the system is to have a functional, fully-connected research and extension network to ensure an efficient system.

Pittsburg State University

The budget recommended by the Governor for FY 2000 is \$57,814,610, including \$30,886,790 from the State General Fund. This recommendation is based on the Governor's systemwide recommendations for financing all Regents universities. The recommended amount for operating expenditures of \$56,434,610 is an increase of 2.0 percent above the estimated FY 1999 amount. The Governor recommends funding for 787.3 positions to educate 6,258 students.

University of Kansas

The Governor recommends \$407,596,031 from all funding sources, including \$128,831,406 from the State General Fund, for operating expenditures in FY 2000. The recommendations represent an increase from FY 1999 of 1.5 percent in expenditures from all

funding sources and 3.1 percent in State General Fund expenditures that will finance 4,422.1 positions. The University will continue to provide graduate and undergraduate education to 25,155 students.

Although KU has the highest retention rate (currently 78.0 percent) among the Regents institutions and is near the national average, the University intends to continue improving upon the rate to attain 80.0 percent for first-time freshmen entering in the fall of 2001. To do this, the University has expanded the Freshman Summer Institute to facilitate the transition from high school to college. Programs are being established at every residence hall to combine living and learning experiences with intensive advising, faculty office hours, and other student services. In addition, the advising services for freshmen and sophomores will be improved. A centralized advising center for all freshmen and sophomores is now operational. In addition, minority faculty are being recruited, and a new program for freshmen with high ACT scores and ranking in their high school classes was started to provide extensive advising, special classes, and enrichment experiences.

Special Student Fees. The Governor recommends continued expansion of the doctoral program in pharmacy at the University of Kansas. This enhancement is financed from a special fee of \$85 per credit hour on pharmacy courses and is required to meet new standards for accreditation.

The Governor also concurs with the continuation of the multi-year plan to increase fees to the Law School. Once fully implemented, this fee will generate \$975,000 of additional revenues for the Law School.

Finally, the School of Business proposal to increase tuition for master's level business courses is recommended. This \$55 per-credit-hour supplemental tuition will preserve the quality of programs and improve the elective courses taught by the School to students at both the Lawrence and Edwards campuses. Over the next seven years, the School will pursue specific goals to become one of the top ten public business schools in the nation. The first year's funding of \$240,000 will be targeted toward new faculty, student financial aid and services, and technology equipment.

Hugoton Natural Gas Area. This five-year program enhancement is continued by the Governor in FY

2000. Begun in FY 1999, the project will study declining field pressures in the largest natural gas field in North America. The study recommended by the Governor requires total funding of \$1.5 million, or \$300,000 per year for five years. One-half of that amount will come from external sources, and the other half will come from the State General Fund.

University of Kansas Medical Center

Governance of the University of Kansas Hospital has been changed from the Kansas Board of Regents to a new public authority under 1998 SB 373. The KU Hospital now operates under its own Board of Directors and corporate bylaws, rather than as a state agency. This change, which took place on October 1, 1998, has had a dramatic effect on the state budget. In the current year, expenditures for only the first quarter of the fiscal year are reflected in the state budget (\$44.8 million, compared to actual FY 1998 expenditures of \$162.5 million). No expenditures are reflected in FY 2000. FTE positions are also affected in that over 2,100 positions are no longer counted as part of the state's workforce.

It should be noted, however, that the Hospital may still contract, and share certain operating costs, with the portion of the Medical Center that remains a state agency. It is intended that the new governance structure will allow the Hospital to operate effectively in the competitive healthcare market.

Of the \$184,428,467 recommended for the "educational" portions of the Medical Center in FY 2000, \$116,247,281 is from general use and hospital revenue funds, which includes \$96,551,307 from the State General Fund. The Medical Center's vision is to be the premier, customer-focused, academic health science system in the region by becoming a regional and national leader in the education of primary health care professionals and in research and clinical services related to interdisciplinary centers of rural health and other areas.

The University provides services to rural communities through clinics operated in several areas of the state by the Kansas City campus faculty. In addition to telemedicine consultations performed through new technological means, service to rural areas and training for medical residents in family practice medicine is provided by the University through the Smoky Hill

Family Practice Program in Salina. This program provides training to family practice residents.

Medical Loan Scholarship Program. The University also administers the Medical Loan Scholarship Program and the Kansas Residency Bridging Program. Each of these programs is designed to provide an increased supply of general practice physicians to rural areas. The Governor increased the Medical Loan Scholarship Program to 30 scholarships a year ago, which is maintained in the FY 2000 budget. These scholarships, which are for all four years of medical school, are projected to cost \$2,717,201 in FY 2000, of which \$1,434,257 is from the State General Fund.

Tele-Kid Care. The KU Medical Center launched a project in 1998 that made it the first in the country to deliver medical services to local schools. The Tele-Kid Care project uses a PC-based telemedicine technology that links physicians and children for clinical visits from the school nurse's office to the doctor's office. In this initial project, KUMC pediatricians and other specialists were linked with children at four elementary schools in Kansas City, Kansas. More than 200 consultations were conducted in the initial three months of the pilot project. The Governor concurs that rural children would also benefit from telemedicine technology that can bring health services directly into the schools; therefore, he recommends that \$255,541 in FY 2000 be spent on this program enhancement.

KUMC will serve as a facilitator to link rural health providers with the schools in their service areas. In those cases where there are no local health providers or if back-up medical services are requested, KU physicians could be available to provide clinical consultations.

Center for Health in Aging. The Center for Health in Aging at the Medical Center was established in 1986 as an interdisciplinary center with a broad mission in education, service, and research in order to foster improved health and health care for older Kansans. The Medical Center was given authority during the 1997 Legislative Session to construct a new facility to expand health professional education to new, more convenient techniques, including Internet-based continuing education and two-way, real-time teleconferences. The facility will offer direct consultation and local support for physicians and other health professionals caring for older adults with

difficult problems. These techniques could help support communities that wish to develop or re-organize components of the local health care system to improve access and coordination of health services for older adults.

To accompany this new facility, a program enhancement in FY 2000 is recommended by the Governor of \$414,459 from the State General Fund and 4.9 FTE positions. Of the total, 2.0 FTE positions will directly support the communications system, as demanded by the volume of services required for the new facility. The other 2.9 FTE positions will support the actual content of the statewide program: a physician with a geriatric specialty, a community service director to manage content on the website and teleconferencing programs, and a program director to coordinate communications for the community-based programs and public information.

Wichita State University

For FY 2000, the Governor recommends \$125,618,768 from all funding sources, including \$61,625,770 from

the State General Fund, for operating expenditures. The recommendations include 1,683.0 positions. The FY 2000 recommendations represent an increase over FY 1999 of 2.5 percent in expenditures from all funding sources and 3.2 percent in State General Fund expenditures. The recommendations will permit the University to continue current educational services to 14,773 students. Many of this institution's students now take courses at the three sites in Wichita located off main campus. WSU estimates 12,150 credit hours will be taken at off-campus centers in the fall of 2002.

Wichita State, as one of the three Regents research institutions, is working to increase external funding for its research, training, and public service functions. In FY 1998, the campus set a new record of \$24.9 million for total external grant and contract awards for research, training, and service projects. The University hopes to increase that level to \$28.8 million by FY 2002. To this end, the University is bringing experts to campus to offer workshops for faculty and staff in an effort to improve the quality of proposals. Collaboration is encouraged with local industries and with faculty of other universities to provide more joint projects and proposals.

Other Education Agencies

Kansas Arts Commission

The Kansas Arts Commission provides grants and technical assistance to artists and arts organizations throughout the state. These grants are funded from both state and federal monies, as well as donations and gifts to the agency. For FY 2000, the Governor recommends a total of \$1,995,173 for the Arts Commission, of which \$1,505,497 will be used for grants and assistance to individuals and community arts organizations. The Governor's recommendation contains an additional \$50,000 from the State General Fund earmarked for arts in education projects focusing on at-risk youth. The recommendation contains a total of \$489,676 in support of agency operations together with 8.0 full-time positions.

Historical Society

The Historical Society's objectives are to further historical knowledge and to acquire and preserve historical resources related to Kansas and the American West. This purpose is accomplished in four significant ways: documentary and three dimensional research applications, historical preservation assistance regarding local historic properties, the management of state properties, and the interpretation of history at the Kansas Museum of History.

The recommendation for FY 2000 is \$8,086,786 from all funding sources, with \$6,209,530 from the State General Fund. The Governor's recommendation includes a funding enhancement of \$25,000 to provide a total of \$100,000 to the Kansas Humanities Council. In FY 2000, the Humanities Council will use the state funds for community-based programming that focuses on the American barn in the context of American history and the evolution of American agriculture. Funding for the Historical Society in FY 2000 supports the existing 147.5 positions.

State Library

In addition to providing governmental information and research services to the public and government officials in Topeka, the State Library distributes grants to libraries across the state and serves in a coordinating and technical resource role to encourage provision of cost-effective, community-based library services. The recommendation for FY 1999 of \$6,610,630 from all funding sources, with \$4,975,007 from the State General Fund, reflects an increase of \$277,356 in federal funds of aid to local libraries. The Governor recommends \$6,709,391 from all funding sources, with \$4,986,725 from the State General Fund, for FY 2000 for the continuation of services by the State Library, including the 27.0 existing positions.

Public Safety

Public Safety Summary

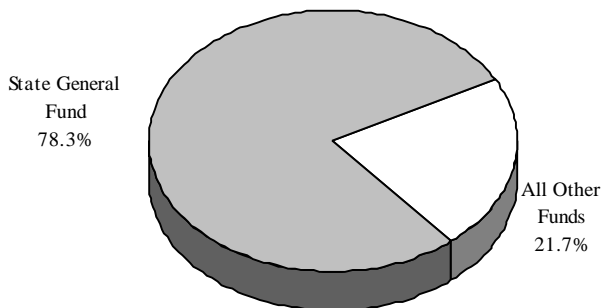
The primary purpose of Public Safety is to preserve the safety and security of Kansas citizens. Agencies in this function include the Department of Corrections and eight adult correctional facilities, the Juvenile Justice Authority and four juvenile correctional facilities, the Adjutant General, the Emergency Medical Services Board, the State Fire Marshal, the Highway Patrol, the Kansas Bureau of Investigation (KBI), the Kansas Parole Board, and the Kansas Sentencing Commission. Public safety agencies ensure the safety of Kansas citizens through management of the state correctional system, enforcement of fire and safety regulations, regulation and coordination of emergency services, a National Guard to serve the public in emergencies, investigation of crimes, and enforcement of state laws.

In FY 2000, the Juvenile Justice Authority will enter its third year. It has the responsibility for all juvenile offenders in the state. The Authority is currently assisting communities in building a continuum of community-based services to provide prevention and rehabilitation services for troubled youth. These services allow juveniles' problems to be addressed in their own community, rather than in one of the state correctional facilities.

For the correctional system, the Governor's recommendation budgets for a population in FY 2000 of 8,010 adult inmates. The Governor's recommendation includes planning monies for replacement of the current Reception & Diagnostic Unit at the Topeka Correctional Facility, which will be relocated to the El Dorado Correctional Facility.

Highlights of other public safety agencies include the Governor's recommendation for a new Hazmat Response Program in the Office of the State Fire Marshal. One of the program's responsibilities will be the coordination of hazardous material responders with local communities in need of this service. The new program will commence operations in June 1999.

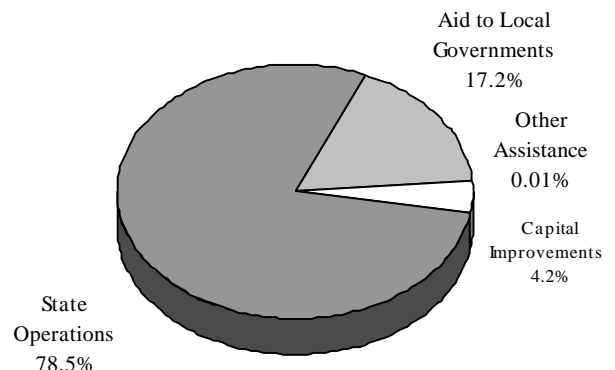
How It Is Financed



Fiscal Year 2000

The Governor recommends a budget of \$394.6 million from all funding sources, including \$296.7 million from the State General Fund, for this function in FY 1999. In FY 2000, \$388.9 million from all funding sources, including \$304.4 million from the State General Fund, is recommended for public safety agencies. For state operations, the Governor recommends \$298.1 million in FY 1999 and \$305.4 million in FY 2000. Included in the FY 2000 state operations total is \$190.8 million for operation and management of the state correctional system. State operations expenditures also include \$31.1 million for the Juvenile Justice Authority and the juvenile correctional facilities, \$47.2 million for the Highway Patrol, and \$15.1 million for the Adjutant General.

How It Is Spent



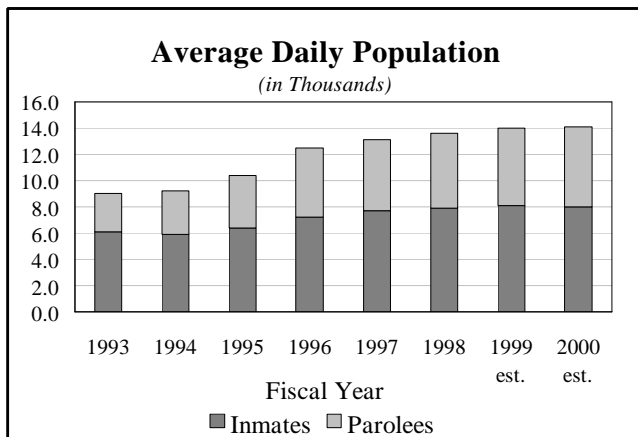
Fiscal Year 2000

In FY 2000, the Governor added 16.0 FTE positions to increase the numbers of troopers on patrol across Kansas roads. The positions will be added in recruit classes beginning in September 1999. The Governor's recommendation also supports development of the Criminal Justice Information System.

Corrections

Correctional System

The demand for resources in the corrections system in Kansas is driven by institutional, parole, and community corrections populations. Average daily inmate populations at the institutions have varied from a low of 5,703 in FY 1990 to a projected high of 8,035 offenders during FY 1999. The population declined from 6,136 offenders during FY 1993 to 5,935 offenders during FY 1994. The decline had a direct correlation with enactment of the 1992 Sentencing Guidelines Act, which became effective July 1, 1993. The new law provides a retroactive release provision, which has lowered the institutional population and increased the parole population.



To meet the increasing demand for prison bedspace in the 1990s, the state built and staffed two new correctional facilities, Larned Correctional Mental Health Facility and El Dorado Correctional Facility. During FY 1995, the new I-Max Unit at Topeka Correctional Facility was opened to house female maximum security inmates. At this time there are no recommendations for building any new correctional facilities for incarcerating inmates on an on-going basis. However, Norton Correctional Facility is currently expanding by 200 beds, for a capacity of 812. The above graph depicts the rising inmate population that must be managed in order to maintain public safety.

Community corrections is a growing part of the correctional system. The Sentencing Guidelines Act determines which offenders are sentenced using

community-based sanctions. New programs are being added to community corrections, which include a new transitional center at Topeka Correctional Facility, and a new correctional conservation camp for females, for FY 1999 and FY 2000, respectively. For the most part, offenders convicted of lower severity offenses are assigned to community supervision. An average daily population of 4,719 offenders was served by community corrections agencies during FY 1998 in 30 community programs funded with state grants. The following table displays the population growth in community corrections.

Community Corrections Populations

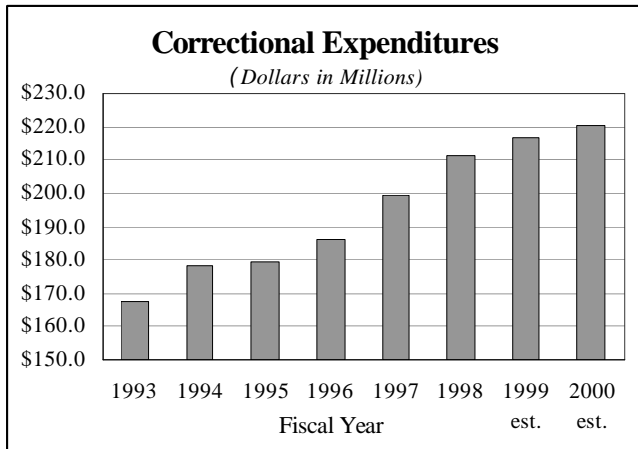
| <u>Fiscal Year</u> | <u>Average Daily Population</u> |
|--------------------|---------------------------------|
| 1993 | 2,884 |
| 1994 | 3,284 |
| 1995 | 3,419 |
| 1996 | 4,843 |
| 1997 | 4,351 |
| 1998 | 4,719 |
| 1999 est. | 4,507 |
| 2000 est. | 4,639 |

Prior to FY 1998, the community corrections population included juvenile offenders. In FY 1999, juvenile offenders were shifted to the Juvenile Justice Authority.

The Department of Corrections estimates that the facilities will have an average daily population (ADP) of 8,035 inmates in FY 1999 and 8,010 inmates in FY 2000. In addition, the Department estimates that it will provide supervision for 5,899 parolees in FY 1999 and 6,135 parolees in FY 2000. The ADP for community corrections populations is expected to be 4,507 and 4,639 in FY 1999 and FY 2000, respectively.

Recommendations. For FY 1999, the Governor recommends \$216.6 million from all funding sources for the correctional system. The State General Fund recommendation for FY 1999 is \$194.1 million. For FY 2000, the Governor's recommended budget totals

\$220.6 million from all funding sources, including \$202.2 million from the State General Fund. The recommendation provides for a total of 3,066.5 positions. Fifteen new FTE positions were added to staff the new transitional center at Topeka Correctional Facility's West Unit. Expenditures since FY 1993 are shown in the following graph.



A total of \$8,868,988, including \$8,272,714 from the State General Fund, is recommended to provide parole and post-release supervision services for FY 2000. Aid to local governments of \$17,271,579 from the State General Fund is provided to fund community corrections programs and the Labette Conservation Camp. The FY 2000 budget also includes \$700,914 to finance costs associated with a new 32-bed conservation camp for female offenders.

Department of Corrections

The Governor recommends \$101,912,125 and 320.0 positions for the Department of Corrections for FY 2000. The recommendation includes \$84,292,574 from the State General Fund. Funding is provided to allow the Secretary of Corrections to continue oversight of the correctional system and to provide managerial and technical assistance to the state's correctional facilities and community-based programs. The budget provides funding for administrative costs, community-based programs, offender rehabilitation programs, Kansas Correctional Industries, debt service, and capital improvements.

Offender Programs. The Governor's FY 2000 recommendation of \$10,498,052, including \$9,827,423 from the State General Fund, allows the Department of Corrections to provide an array of rehabilitative

programs and services to felony offenders in both correctional facilities and in the community. The recommendation includes full funding for literacy, vocational training, and general education development (GED) programs to an estimated 3,497 inmates in FY 2000. The recommendation also provides for substance abuse and sex offender treatment programs in both the correctional facilities and in community corrections.

Health Care. For FY 2000, the Governor recommends \$21,783,787 to fund a contract covering all medical and mental health expenses for inmates housed in the state's correctional facilities. The services provided through the contract help maintain compliance with the United States district court order regarding the medical and mental health treatment of inmates. The Governor's budget recommendation reflects the contract cost to serve an estimated census of 8,010 offenders in the correctional facilities in FY 2000.

Food Service Contract. In FY 1997, all correctional institutions food service was privatized and the contracts were shifted to the Department of Corrections budget. The Governor's recommendation totals \$11,161,214 to finance the FY 2000 food service contract for the estimated census.

Local Program Funding. The Governor recommends funding for community corrections programs of \$15,543,759 for FY 2000. The recommendation provides for a 2.9 percent growth in community corrections, providing programs for 4,639 offenders at a rate of \$2,789.

Kansas Correctional Industries. Recommended expenditures from the Correctional Industries Fund of \$10,210,569 for FY 2000 will finance the Kansas Correctional Industries Program. Correctional Industries is entirely self-supporting from the manufacture and sale of a variety of products and services for various governments, such as state agencies as well as county and city governments.

Labette Correctional Conservation Camp. This alternative to incarceration is operated by Labette County and is funded by a grant from the State of Kansas. The recommendation by the Governor of \$2,338,410 provides an operating budget in support of an average population of 204 youthful offenders in FY 2000.

Correctional Conservation Camp for Females. For FY 2000, \$700,914 is recommended to finance costs associated with a new 32-bed conservation camp for female offenders. During the 1998 Legislative Session, the Department determined that eligible female offenders should have the same rehabilitative experience that male offenders have at the Labette Correctional Conservation Camp; however, the female offenders should have a separate facility. The new camp will be privately operated in Labette.

El Dorado Correctional Facility

In FY 2000, the Governor recommends \$16,478,457, including \$16,404,053 from the State General Fund, to provide necessary staff and support to an average daily inmate population of 1,050. A total of 386.0 positions is financed in the recommendation and provides full security staffing for the facility.

Ellsworth Correctional Facility

In FY 2000, the Governor recommends \$8,207,086, including \$8,170,278 from the State General Fund. The recommended budget supports 185.5 FTE positions and provides for an average daily inmate population of 600. The recommended budget maintains security while allowing the agency to provide enhanced staff training and job training for inmates.

Hutchinson Correctional Facility

In FY 2000, the Governor recommends \$22,728,026, including \$22,450,553 from the State General Fund. The recommended budget supports 509.0 FTE positions and provides the necessary services in support of an average daily inmate population of 1,580. The recommended budget maintains security while allowing the agency to provide enhanced staff training and job training for inmates.

Lansing Correctional Facility

To support an average daily inmate population of 2,235 in FY 2000, the Governor recommends expenditures of \$30,571,930, which includes \$30,421,930 from the State General Fund. A total of

702.0 positions is supported. The recommendation provides a current service budget and staffing for the projected census.

Larned Correctional Mental Health Facility

In FY 2000, the Governor recommends \$6,875,937, from the State General Fund. The recommended budget supports 177.0 FTE positions and supports an average daily inmate population of 220. The recommended budget also maintains appropriate security levels for special needs inmates who are not capable of functioning in a normal correctional setting. Additionally, this recommended budget will allow the agency to provide enhanced staff training and job training for inmates.

Norton Correctional Facility

In FY 2000, the Governor recommends \$11,186,432, including \$11,176,432 from the State General Fund. The recommended budget supports 266.0 FTE positions and provides for the support of an average daily inmate population of 652. The recommended budget includes 30.0 FTE positions needed to staff the 200-bed medium security unit that will be operational during late FY 2000. Additionally, this recommended budget will allow the agency to provide enhanced staff training and job training for inmates.

Topeka Correctional Facility

A total of \$13,738,474, which includes \$13,598,848 from the State General Fund, is recommended to support an average daily population of 805 inmates in FY 2000. A total of 319.0 positions is included in the recommendation. In FY 1998, the Inmate Transportation Program and 8.0 FTE positions were shifted from the Lansing Correctional Facility to the Topeka Correctional Facility. The consolidation will provide a centralized location for this service.

Transition Center. In FY 1999, the Governor recommends that the West Unit of Topeka Correctional Facility, located on the grounds of the former Topeka State Hospital, be converted to a transition center for 81 inmates. In addition, ten beds

at the facility's Central Unit will be set aside for work release participants. As a result of this conversion, 2.0 FTE positions will be added in FY 1999 and 15.0 in FY 2000.

Winfield Correctional Facility

The Governor recommends \$8,942,458, including \$8,811,335 from the State General Fund, and 202.0

FTE positions in FY 2000. The recommendation will support an average daily inmate population of 698. Winfield State Hospital closed in FY 1998 and the campus will be divided between the Department of Corrections and the new Kansas Veterans' Home. The groundwork is in place for Winfield Correctional Facility to serve as caretaker of the entire complex and provide services, such as utilities, laundry, maintenance, and security to the Kansas Veterans' Home once it opens.

Juvenile Justice

The Juvenile Justice Reform Act of 1996 outlines the duties of the Juvenile Justice Authority and the Commissioner of Juvenile Justice. The Juvenile Justice Authority assumed responsibility for all juvenile offenders and operation of the state juvenile correctional facilities on July 1, 1997. The mission of the Juvenile Justice Authority is to promote public safety, hold juvenile offenders accountable for their behavior, and improve the ability of juveniles to live productively and responsibly in the community. The agency is responsible for a variety of programs throughout the state which include planning for new rehabilitation programs to incarceration of juvenile offenders.

million, which includes \$30.9 million from the State General Fund. This is a decrease of \$3.5 million from the approved amount because of an overestimation of federal funding for case management services for juveniles in the community. For FY 2000, the Governor recommends \$48.7 million, which includes \$31.6 million from the State General Fund. Compared to FY 1999, the recommendation includes an additional \$3.0 million for community services and \$4.0 million for prevention programs. The Governor's recommendation will allow the agency to continue current services and fulfill its mandate to develop a continuum of community services. The table below shows actual and recommended expenditures for the Juvenile Justice Authority from FY 1998 through FY 2000.

Juvenile Justice Authority

To carry out its responsibilities in FY 1999, the Governor recommends 35.0 FTE positions and \$44.2

million during FY 1998 and early FY 1999, the emphasis was on the development of community services and community planning for the future. Communities,

| Juvenile Justice Expenditures | | | |
|---|----------------|----------------|----------------|
| <i>(Dollars in Thousands)</i> | | | |
| | <u>FY 1998</u> | <u>FY 1999</u> | <u>FY 2000</u> |
| Revenue: | | | |
| State General Fund | 45,746.0 | 55,437.4 | 57,041.2 |
| Federal Funds | 4,542.0 | 4,540.3 | 5,524.9 |
| Other Funds | 7,266.8 | 9,926.7 | 12,615.5 |
| Total | \$57,554.8 | \$69,904.5 | \$75,181.6 |
| Expenditures: | | | |
| Administration | 2,493.8 | 2,356.7 | 2,326.0 |
| Community Initiatives | 2,500.0 | 625.0 | 0.0 |
| Community Planning | 2,000.0 | 1,288.7 | 0.0 |
| Intake & Assessment | 4,707.1 | 4,707.1 | 4,824.7 |
| Juvenile Community Corrections | 4,235.3 | 4,235.3 | 4,447.0 |
| Case Management | 11,125.7 | 19,077.2 | 22,389.9 |
| Prevention | 919.7 | 3,377.9 | 5,108.5 |
| Information Management System | 469.9 | 2,679.4 | 1,811.3 |
| Juvenile Correctional Facility Upgrades | -- | 748.3 | 595.1 |
| Other Services to Communities | 3,847.5 | 3,704.9 | 3,704.9 |
| Capital Improvements & Planning | 110.0 | 1,437.1 | 3,492.4 |
| Subtotal | \$32,408.9 | 44,237.6 | 48,699.7 |
| Juvenile Correctional Facilities | 25,145.9 | 25,666.9 | 26,481.9 |
| Total | \$57,554.8 | \$69,904.5 | \$75,181.6 |

Totals may not add because of rounding.

with technical assistance from the agency, developed plans to meet the individual needs of the community. Those plans were presented to the Commissioner in November 1998. They will be evaluated by the agency's staff. Implementation of the plans will begin in FY 2000. To assist in this implementation, the Governor recommends an additional \$7.0 million. The funding will include \$3.0 million for community services from the State General Fund and \$4.0 million for prevention programs from the Children's Health Care Programs Fund.

In addition to the agency's development of new services, the Authority has and will continue to provide a variety of services in the communities. The Intake & Assessment Program is statewide and evaluates juveniles who come into contact with the justice system to determine what problems they have. That includes determining what type of services are needed and available for juvenile offenders.

Juvenile Community Corrections provides intensive supervision for felony offenders through frequent contact, substance abuse testing, individual case plans, close surveillance, and rehabilitation intervention. Case management services provides a plan for each offender's rehabilitation in the community. These services, which are provided with the assistance of the community, include living arrangements, counseling, and rehabilitation programs. Also included in the budget are prevention programs. These are mentoring and intervention for academic and behavioral concerns.

The Authority is also responsible for the development of an information system that will be a component of the Criminal Justice Information System. Finally, the Governor recommends \$2.2 million from the State Institutions Building Fund for the architectural design of a 225-bed juvenile maximum security facility. That facility's design, building, and management will be the responsibility of the Authority. As part of this project, the Governor recommends that \$6.0 million from the State Institutions Building Fund be set aside for part of the estimated \$38.3 million in building costs.

Juvenile Correctional Facilities

The State of Kansas operates juvenile correctional facilities in Atchison, Beloit, Larned, and Topeka. The facilities house individuals ages 10 to 21 who

have been adjudicated as juvenile offenders under Kansas law and who have been ordered to be held in state custody. Placement at a juvenile correctional facility can be through a court order or an order of the Commissioner of the Juvenile Justice Authority.

Officials at the juvenile correctional facilities have been concerned with housing an increasing number of juveniles. Actual daily population of the facilities in FY 1998 was 507, and the estimated population is 540 in FY 1999. The capacity of the four institutions is 519 beds. In FY 2000, approximately 1,500 juveniles are expected to be housed in the four facilities at some time during the year. The average length of stay has fallen from 9.6 months in FY 1992 to 6.9 months in FY 1998 because of population pressures.

Actions being taken by the Juvenile Justice Authority will help reduce the population pressure. The implementation of a new plan for community-based services, devised jointly by the Juvenile Justice Authority and communities, will allow the less serious offenders to receive rehabilitation in the community. The state's juvenile correctional facilities will then house only juveniles who have committed serious crimes or are repeat or violent offenders.

Another factor affecting the population at the juvenile correctional facilities will be implementation of a sentencing matrix on July 1, 1999. The determinate sentences specified in the matrix will be longer than those under the current system. In addition, the Commissioner will lose the authority to release offenders upon completion of their program.

The Governor has also recommended funding for FY 2000 to reclassify the direct care workers at the four juvenile correctional facilities. This will address career growth for employees, reflect the shift to a correctional model, and help reduce turnover. The funding of \$595,120 will be distributed to the facilities by the Authority.

Atchison Juvenile Correctional Facility. The Facility houses approximately 100 of the younger male offenders, who are generally 10 to 15 years old. It provides a continuum of structured activities, including education, recreation, and counseling services to rehabilitate juveniles. The Governor recommends \$6.0 million, of which \$5.8 million is from the State General Fund, to support the Facility in FY 2000.

Beloit Juvenile Correctional Facility. The Beloit Juvenile Correctional Facility houses only female offenders and is the state's smallest facility, with 84 beds. It provides a continuum of structured activities, including education, parenting, recreation, and counseling services to rehabilitate juveniles. The Governor recommends \$5.0 million, of which \$4.8 million is from the State General Fund, to support the Facility in FY 2000.

Larned Juvenile Correctional Facility. The Larned Juvenile Correctional Facility houses approximately 116 male offenders. Generally, these juveniles have committed less serious offenses than those incarcerated at the Topeka Facility. This facility is unique in that it has a 90-day intensive reintegration program suited for many of the less serious offenders. It also has a federally-funded residential substance abuse treatment program for 20 violent offenders during the latter part of their stay.

Male offenders are transferred to Larned Facility to participate in this program. The Larned Facility is adjacent to the Larned State Mental Health Hospital and the Larned Correctional Mental Health Facility

Many of the Larned Juvenile Correctional Facility maintenance and support services are provided by the Hospital. The Governor recommends \$4.3 million, of which \$4.0 million is from the State General Fund, to support the Facility in FY 2000.

Topeka Juvenile Correctional Facility. The Topeka Juvenile Correctional Facility is the largest and the most secure of the four institutions. The Correctional Facility is surrounded by a 21-foot chain link fence and houses approximately 219 of the system's most violent and chronic male juvenile offenders generally between the ages of 15 and 21. The Governor recommends funding for 57 additional beds in anticipation of an increase in population caused by the implementation of the sentencing matrix. The facility provides a continuum of structured activities, including high school and vocational education training, recreation, and counseling services designed to rehabilitate juveniles. During the summer, juveniles participate in growing produce, which is marketed to Topeka area grocery stores. The Governor recommends \$11.2 million, of which \$10.8 million is from the State General Fund, to support the Topeka Juvenile Correctional Facility in FY 2000.

Other Public Safety Agencies

Adjutant General

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

The Governor's recommendation includes \$2,801,780 from the State General Fund in FY 1999 to support emergency situations that occurred in the state. This amount, combined with \$1.2 million approved for expenditure from the State Emergency Fund and \$3.5 million from local governments, will match \$25.2 million in federal emergency funds. The total of \$33.6 million will provide individual and family grants, public assistance grants, and hazard mitigation grants for relief from floods in Northeast and Southcentral Kansas and will reimburse costs related to the DeBruce Grain Elevator explosion.

For FY 2000, an amount of \$16.3 million is recommended, of which \$4.5 million is from the State General Fund. The recommended amount will provide salaries and wages for 251.0 positions in FY 2000, including 216.0 FTE positions. Finally, the recommendation will allow the agency to plan and train for all types of manmade and natural disasters.

Ombudsman for Corrections

The Ombudsman for Corrections independently monitors and seeks improvements in the conditions, policies, and practices of the state's correctional system. Through intervention and recommendations, the agency can aid the Department of Corrections in reducing tension and destructive frustration, avoid potentially costly lawsuits, and increase both the morale and the efficiency of the correctional

environment. The goal of the agency is to provide third-party oversight of the adult correctional system by receiving and investigating complaints.

To accomplish these goals, the Governor recommends a total budget of \$198,550 in FY 2000. Of the total, \$183,550 is from the State General Fund and the remainder is from the Inmate Benefit Fund. The recommended budget supports 4.0 FTE positions, which provide resolution services to inmates in each of Kansas' adult correctional facilities.

Emergency Medical Services Board

The Emergency Medical Services Board protects the health and welfare of the public by assuring appropriate out-of-hospital care and transportation for sick and injured people. The Board establishes and enforces a minimum set of standards to accomplish its effort. Additionally, it is the responsibility of the Board to provide training and technical assistance to ensure that these minimum standards are met or exceeded as well as to investigate and take regulatory action when these standards are not met.

To accomplish these objectives, the Governor recommends a total budget of \$841,256 in FY 2000. Of the total, \$838,756 is from the State General Fund. The recommended budget supports 13.0 FTE positions, which provide assistance for the statewide emergency medical services plan. The budget also provides assistance to the six regional emergency medical services councils. The recommended budget will allow the agency to continue to enhance and improve emergency medical services throughout the state by administering and monitoring education and certification of emergency medical technicians, ambulance attendants, and other emergency medical personnel. Additionally, the recommended budget will allow the agency to continue operation of the statewide emergency medical services communication system.

State Fire Marshal

The State Fire Marshal's mission is protecting the lives and property of Kansas citizens from the hazards of

fire and explosion by fostering a fire safe environment. To carry out this mission, the Governor recommends \$2,541,476 from the agency's fee funds in FY 1999. This recommendation includes 46.0 FTE positions, which is an increase of 3.0 FTE positions from the approved FY 1999 budget. These additional positions are found in the new Hazmat (hazardous materials) Response Program. For FY 2000, the Governor recommends \$3,112,207 from the agency's fee funds, including the continuation of 46.0 FTE positions.

New Hazmat Response Program. Included in the Governor's FY 1999 and FY 2000 recommendations is the new Hazmat Response Program. This new program centralizes the state's responsibility of Hazmat (hazardous materials) response in the Office of the State Fire Marshal. Program responsibilities include the establishment of a statewide plan for Hazmat response coverage through the use of agreements between local fire departments and localities needing assistance. Also, the program will establish a collection procedure for reimbursement of clean-up expenses from the spiller. The Governor includes 3.0 FTE positions to staff this new program. For FY 1999, the Governor recommends the start of this program in June of 1999 at a cost of \$24,995. For FY 2000, the Governor recommends a full year of program expenditures at \$456,113.

Highway Patrol

The mission of the Highway Patrol is to enforce traffic and other state laws relating to vehicles, highways, and drivers of vehicles to enhance the safety of travelers driving on state and federal highways in Kansas. The Patrol's presence on Kansas highways will result in a low fatality rate, an increased number of felony arrests as compared to previous years, and over 100,000 service-rendered calls. A service-rendered call includes all manner of public service calls, including removal of debris from the road, transporting stranded motorists, and other activities not specifically related to crime enforcement.

The Governor adds 16.0 FTE positions for troopers in FY 2000. Addition of the troopers will help to eliminate understaffing problems and will provide more comprehensive patrol coverage around the state.

In support of this mission, the Governor recommends \$47.7 million for the Kansas Highway Patrol for FY

2000. This level of funding will provide salaries and wages for 827.8 positions, including 809.8 FTE positions and 18.0 unclassified temporary positions. Of the recommended funding for FY 2000, \$26,554,688 is financed through the State General Fund.

Kansas Bureau of Investigation

The Governor recommends \$17.0 million, including \$12.3 million from the State General Fund, for FY 2000. The recommendation will allow the agency to assist local law enforcement agencies in the investigation of predominantly violent crimes, perform investigations at the request of the Attorney General, maintain a criminal records database, and provide laboratory services for local and state law enforcement agencies. The Governor's recommendation provides the agency with 218.0 positions, including 24.0 unclassified temporary positions. The new regional laboratory in Pittsburg is also continued.

Kansas Parole Board

In FY 2000, the Governor recommends \$405,321, all from the State General Fund. The recommended budget supports a three-person board that conducts parole and parole violation hearings as well as public comment sessions. Currently, the Board has responsibilities associated with the parole and parole revocation of inmates who have been incarcerated under the old system and the new guidelines system now in place.

The Sentencing Guidelines Act, which became effective on July 1, 1993, established a determinate sentencing system that replaced the previous indeterminate system. The Board has responsibility under both systems for conducting parole violator hearings. However, this is the extent of the Board's responsibility with regard to inmates sentenced under the guidelines system, with the exception of those inmates who are sentenced to prison for "off-grid" crimes, which include treason and first degree murder.

Under the new guidelines system, the release date and term of post-release supervision are established as part of the offender's sentence. For this reason, the Board is examining and planning for a reduction in membership from 4.0 positions to 3.0.

Kansas Sentencing Commission

In FY 2000, the Governor recommends \$7,477,435, of which \$340,764 is from the State General Fund. Of the total, the Governor recommends that \$6,800,573 be spent as aid to local governments. The recommended budget supports 11.0 existing FTE positions and 1.0 new unclassified temporary position for grant administration. These positions provide staff support to both the Kansas Sentencing Commission and the Criminal Justice Coordinating Council.

The recommended budget will allow the agency to expand its research responsibilities by using new methods and techniques. Additionally, the recommendation will allow the Commission funding to award federal and state grants to local governments to enhance Kansas' criminal justice and law enforcement systems. The Governor recommends that \$94,000 from the State General Fund be transferred to the state matching funds account to leverage \$376,000 of federal monies.

Criminal Justice Information System (CJIS). The Governor's recommendation also will allow the Commission to administer implementation of CJIS, which is a multi-agency effort to bring the latest technology online in Kansas' criminal justice system.

CJIS will provide a real-time link between local law enforcement, the KBI, the FBI, the Department of Corrections, and the Judiciary. This link will greatly increase the public safety of Kansas by providing crime and outstanding warrant information on a real-time basis. It also will reduce significantly current time lags that are experienced by many non-metropolitan counties that need crime information.

Because this system will be used by different law enforcement agencies, monies are spread across several state agencies. For both FY 1999 and FY 2000, a total of \$5,318,120 is included to complete the system and begin operations. In FY 1999, \$400,000 of the total will be used by the Kansas Bureau of Investigation, while \$100,000 will be used by the Kansas Highway Patrol. The FY 1999 financing will be used to complete the initial implementation.

Following the completion of implementation, the responsibilities for operating the system will shift to other public safety agencies. In FY 2000, \$1.1 million will be used to begin operating the system, of which \$800,000 will be distributed to the KBI and \$300,000 to the Highway Patrol. These funds will be transferred from the Kansas Sentencing Commission, which serves as the lead agency for securing federal and state financing to implement CJIS.

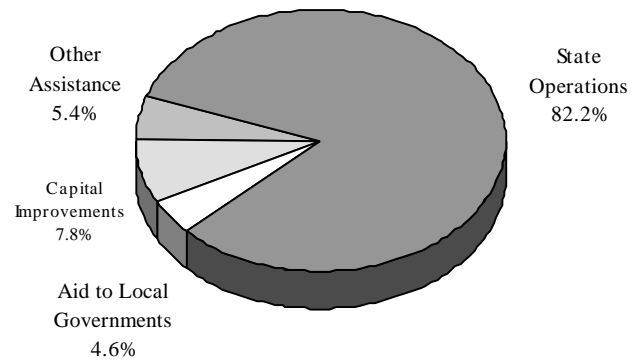
Agriculture & Natural Resources

Agriculture & Natural Resources Summary

The Agriculture & Natural Resources agencies promote, protect, improve, and restore natural resources in Kansas. This includes agricultural product regulation and development through the Department of Agriculture; maintenance of state parks, state fishing lakes, and wildlife areas through the Department of Wildlife & Parks; conservation and management of soil and water resources by the State Conservation Commission; the development of policy, planning, technical assistance, and study of water resource management by the Kansas Water Office; environmental protection through the Department of Health & Environment; public health maintenance through prevention, control, and eradication of infectious and contagious diseases and conditions affecting the health of livestock and domestic animals by the Animal Health Department; and promotion of Kansas products through the Kansas State Fair and the Kansas Wheat Commission.

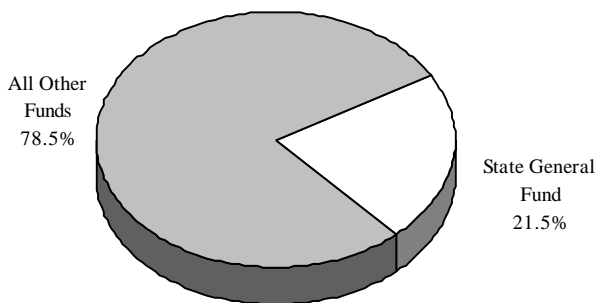
million from the State General Fund. Finally, capital expenditures for this function total \$12.6 million, of which \$796,200 is from the State General Fund.

How It Is Spent



Fiscal Year 2000

How It Is Financed



Fiscal Year 2000

The Governor recommends \$160.4 million from all funding sources, including \$34.6 million from the State General Fund, for FY 2000. There are 1,296.5 state positions in this function of government. Of the total expenditures recommended, \$161,704,078 is for state operations in FY 1999 and \$160,439,649 in FY 2000. In the aid to local governments category of expenditures, the Governor recommends expenditures of \$7.4 million, of which \$1.0 million is from the State General Fund. An amount of \$8.7 million is recommended from all funding sources for other assistance in FY 2000. This amount includes \$5.9

In the 1998 Legislative Session, the Governor recommended \$10.0 million from the State Budget Stabilization Fund for the Parks 2000 initiative of the Department of Wildlife & Parks. This initiative will preserve the infrastructure and improve the aesthetics of the state's parks. FY 2000 marks the second year for expenditures under this initiative. Of the expenditures, \$4.3 million are estimated to be spent in FY 1999 and \$5.7 million in FY 2000. Funding for both years was approved by the 1998 Legislature. The Governor also recommends a new appropriation of \$1.0 million from the State General Fund for the Department of Wildlife & Parks for FY 2000. The funding will provide matching grants to local governments for recreational programs.

Included in the Governor's FY 2000 recommendations is the addition of 6.0 FTE positions in the Department of Agriculture's Meat and Poultry Program. These positions, which will cost \$242,732 from the State General Fund, will bring the program into compliance with federal inspection guidelines.

The majority of expenditures from the State Water Plan Fund are reported in this function. The Governor recommends \$18,018,444 from this fund for FY 2000. Projects financed from this source are detailed in the Budget Issues section of this volume.

Agriculture & Natural Resources Agencies

Department of Agriculture

The budget recommended by the Governor for the Department of Agriculture for FY 2000 includes \$10.5 million from the State General Fund and \$11.6 million from federal and fee sources, for a total recommendation of \$22.1 million. The Governor's recommendation provides resources for the Department to continue to pursue goals in the area of agriculture product inspection and analysis, weights and measures regulation, water resources development, and research and market expansion for grain commodities. The recommendation will fund 333.5 full-time positions, including 18.0 unclassified temporary positions.

Federal Meat Regulations. Changes in the federal meat and poultry inspection laws continue to have an effect on the Department. The Hazard Analysis Critical Control Points (HACCP) food safety system has created the need for 6.0 additional meat and poultry inspectors in the Department to assure that the state-operated program is equal in quality to the federal program. The Department continues to improve training for inspectors, managers, and plant operators, and the upgrading of laboratory equipment. For FY 2000, the Governor recommends \$3.0 million for the Meat and Poultry Program, including \$1.5 million from the State General Fund.

State Water Plan Recommendation. For FY 2000, the Governor recommends \$988,776 from the State Water Plan Fund to continue existing programs in the Department of Agriculture. Two of the three programs relate to water rights management strategies. One is for the sub-basin water management program.

Animal Health Department

For FY 2000, the Governor recommends total expenditures of \$1,885,109, including \$633,397 from the State General Fund, for the Animal Health Department. Included in this recommendation is funding for 30.0 FTE positions.

The Animal Health Department's goal is to ensure the public health of Kansas through prevention, control,

and eradication of infectious diseases affecting the health of livestock and domestic animals. In addition, the agency regulates companion animal facilities and administers a brand registration and inspection program to identify ownership of lost or stolen livestock.

Although the responsibilities of programs, such as Animal Facilities Inspections, continue to increase, revenues for other programs are decreasing. Major sources of revenues for the agency are fees associated with animal disease control in cattle markets. As more cattle are sold directly to slaughter houses and bypass the market, agency revenues continue to decline each year. The agency is currently in the process of assessing its revenue sources and will report to the 1999 Legislature its findings on how to increase revenues.

State Conservation Commission

The goal of the State Conservation Commission is protecting and conserving Kansas' natural resources through the efficient implementation and administration of state programs. A nine-member Commission governs the agency. This Commission establishes policy and delegates responsibility for administration of programs to the executive director and office support staff. The State Conservation Commission provides services, state matching funds, and technical assistance to counties, conservation districts, and individuals throughout the state. For FY 2000, \$10,434,143 is recommended, of which \$9,713,250 is from the State Water Plan Fund. The State Conservation Commission receives more than one-half of the approximately \$18.0 million State Water Plan Fund dollars that are appropriated annually.

State Water Plan Fund Recommendations. State Water Plan Fund expenditures for the State Conservation Commission in FY 2000 reflect a \$6.0 million State General Fund demand transfer that is made to the State Water Plan Fund each year. There are eight projects for which State Water Plan Fund expenditures are provided. The Governor recommends \$4.5 million for water resources cost

share programs; \$231,000 for financing a multi-purpose small lakes project near Fort Scott; \$3.0 million for nonpoint source projects; \$804,000 for watershed dam construction; and \$125,000 for riparian and wetlands projects. Additionally, \$80,000 is provided for the new Buffer Initiative Program that began in FY 1999.

Health & Environment—Environment

The Division of Environment is organized into five distinct, yet interrelated, programs, with the goal of improving and protecting the health and environment of Kansans. The FY 2000 recommendation from all funding sources is \$68,811,098, of which \$9,210,401 is from the State General Fund. Approximately \$15.3 million is from federal funds and the remaining from other special revenue funds. These special revenue funds generate significant fee revenue from regulated industries and finance support of regulatory activities. The recommendation supports 469.0 positions, including 71.5 unclassified temporary positions.

Clean Air Act Activities. Approximately \$1.2 million is recommended from the Air Quality Fee Fund to maintain compliance with mandates of the federal Clean Air Act. These monies finance regulatory, air quality monitoring, and educational activities of the Department. Included in the recommendation is \$362,997 for grants to local governments for Clean Air Act assistance and implementation.

Confined Feeding Lot Operations. Enhanced funding that originated in FY 1999 is continued in FY 2000 by the Governor. In the current fiscal year, 6.0 new FTE positions are added to ensure frequent and adequate monitoring of confined feeding operations. These increased efforts are designed to monitor the effect of an expanding feedlot industry on the Kansas environment.

Neonatal Screening. The Laboratory Program, which is located in the Division of Environment, screens samples from all of the newborns in Kansas each year. The Governor recommends \$260,000 in enhanced funding from the Children's Health Care Programs Fund. The funding allows an expanded number of tests from one sample. Not only will newborns be screened for an expanded number of health risks, but new lab testing equipment that is provided for under

the Governor's recommendations will dramatically improve the time it takes for the test results to be delivered to the families of newborn children.

Kansas State Fair

The State Fair is a traditional agricultural fair held in Hutchinson over a ten-day period each September. The Fair attracts approximately 330,000 visitors each year. Other events are held throughout the year to provide additional revenues and to increase utilization of the grounds and facilities. Approximately 150,000 people attend these non-fair activities each year.

In FY 2000, the Governor's recommendation of \$4,371,596 includes \$3,567,146 in operating expenditures and \$804,450 in capital improvements. Also, the Governor recommends the addition of 3.0 FTE maintenance positions because of increased non-fair activities on the fairgrounds. As a result, the Governor recommends a total of 21.0 FTE positions for FY 2000.

Included in the Governor's FY 2000 recommendation is \$300,000 from the State General Fund for the agency to continue its ADA and fire code compliance activities on the fairgrounds. The 1998 Legislature appropriated \$375,000 from the State General Fund in FY 1999 to start these compliance activities. Also, the Governor includes \$125,000 from the State General Fund for marketing and promotion activities of the Fair.

Kansas Water Office

Last year, the Water Office completed seven goal confirmation workshops across the State of Kansas. The purpose of these workshops was to review and discuss with water resource interests the preliminary goals of the Water Office for year 2010. The agency's mission illustrates its priority to achieve proactive solutions for water resource issues in the state and to ensure good quality water to meet the needs of the people and the environment of Kansas. The Office evaluates and develops public policies by coordinating the water resource operations of agencies at all levels of government. The Kansas Water Office provides staffing and assistance to the Kansas Water Authority. The Water Authority and Basin Advisory Committees are key in providing insight and updating the State

Water Plan. It is also the Kansas Water Authority that makes annual recommendations to the Governor on State Water Plan Fund expenditures.

The FY 2000 recommendation of the Governor totals \$5,875,070, which funds 23.5 positions. The amount recommended includes \$1,516,087 from the State General Fund, \$1,732,565 from water marketing funds, and State Water Plan Fund expenditures totaling \$2,626,418. Projects financed from the State Water Plan Fund include \$412,800 for the GIS Data Access Center and GIS development. Also included is the Governor's Water Quality Initiative, which targets the Kansas Lower-Republican River basin for improvement in water quality.

Kansas Wheat Commission

The Kansas Wheat Commission conducts programs of development, education, publicity, and marketing to increase the consumption of wheat products. The agency also funds research projects for the development of improved wheat varieties as well as new food and non-food uses of wheat. Expenditures for the agency are funded from the Kansas Wheat Commission Fee Fund, which is recommended at \$3,194,731 for FY 2000. Included in this recommendation is funding for 8.0 FTE positions.

Included in the Governor's FY 2000 recommendation is \$2,733,330 in contractual services for various market and research projects in FY 2000. This includes membership in the U.S. Wheat Associates, which has 15 foreign offices to aid in the international marketing of Kansas wheat. Many of the research projects will be performed by Kansas State University and include studies of new varieties of wheat, improvement of wheat quality, and resistance to diseases.

Department of Wildlife & Parks

The mission of the Department of Wildlife & Parks is to conserve and enhance Kansas' natural heritage, its wildlife, and its habitats. These actions will provide the public with opportunities to use and appreciate the natural, living resources in Kansas. The result will be a deeper understanding of the inherent value of the state's natural living resources.

The Department's underlying philosophy is to manage natural systems properly by striking a delicate balance between natural resource integrity and human benefits, such as sport hunting and fishing, camping, land use, and development. Long-term planning, based on applied research, is a basic function of the Department so the well being of fish, wildlife, and outdoor recreation activities are maintained at optimum levels.

For FY 2000, the Governor recommends \$43.8 million in expenditures, of which \$5.4 million is from the State General Fund. The recommended budget supports 398.0 FTE positions, including 5.0 new seasonal conservation officer positions as well as other temporary and seasonal staff.

The Department's focus on conserving natural resources and providing recreational opportunities is reflected in its six major programs, including Grants-in-Aid and the State Parks Program. Grants-in-Aid reflects the Department's emphasis on enhancing recreational activities through aid to local jurisdictions and assistance to individuals. The Parks Program manages the Prairie Spirit Rail Trail and the 24 state parks, including the Governor's Parks 2000 Initiative.

Local Outdoor Recreation Grants. The Governor recommends almost \$1.5 million in FY 2000 for aid to local governments and other assistance, including \$1.0 million from the State General Fund for Local Outdoor Recreation Grants. Other grant programs include Local Shooting Range Development, Outdoor Wildlife Learning Sites, Community Lake Assistance, Hooked on Fishing, Not on Drugs, and WILDSCAPE.

Parks 2000 Initiative. The Governor continues his commitment to preserving the infrastructure and improving the natural aesthetics of the state's parks. To support this commitment, \$10.0 million is provided from the State Budget Stabilization Fund. Of the total, \$4.3 million in expenditures will be spent in FY 1999, while the remaining \$5.7 million will be expended in FY 2000. These funds are being used to build modern ADA compliant showers/restrooms at all state parks.

State Water Plan Recommendation. In FY 2000, the Governor recommends \$50,000 for stream monitoring. The Department works in conjunction with the Kansas Department of Health & Environment to monitor Kansas streams. Wildlife & Parks focuses its efforts on determining potential adverse effects on fish and wildlife.

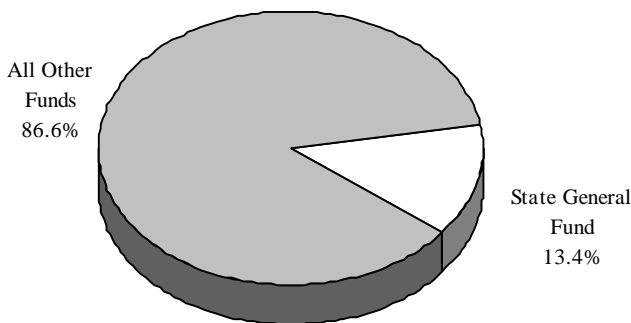
Transportation

Transportation Summary

The Kansas Department of Transportation is the only agency in the Transportation function. It provides a statewide transportation system that meets the needs of Kansas. The Department's responsibility is for maintenance and improvement of the state highway system, which contains more than 10,000 miles. It also provides planning, design, project development, and financial assistance to local governments to improve the overall quality and safety features of local streets and roads.

Transportation Finance. Financing for activities of the Department of Transportation is derived from several revenue sources. These sources include motor vehicle fuels taxes, motor vehicle registration fees, a dedicated state sales and compensating use tax of one-quarter of a cent, and significant federal support. The agency also receives two State General Fund demand transfers. The first is a transfer for aid to local governments. Kansas statute bases this transfer on receipts from the motor carrier property tax. Under the Governor's recommendation, the demand transfer will be slightly less than \$11.2 million in FY 2000. This amount represents an increase of 1.7 percent when compared to FY 1999 demand transfer levels, an increase equal to the growth of FY 2000 State General Fund expenditures for state operations.

How It Is Financed

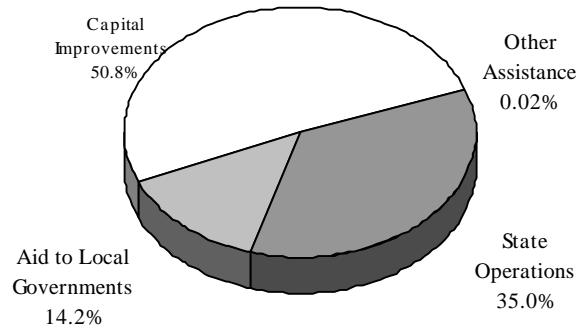


Fiscal Year 2000

The second State General Fund demand transfer is currently established in statutes as 7.628 percent of sales tax receipts to the State General Fund. The transfer supports maintenance and construction

projects for the state highway system. The Governor recommends a statutory change to increase the percentage to 9.0 percent in FY 2000 and 10.0 percent in FY 2001 and thereafter. The Governor's recommendation for FY 2000 will provide \$128.9 million for the State Highway Fund, an increase of \$41.0 million over the FY 1999 approved amount of \$87.9 million. The Governor recommends the statutory change in support of a new Comprehensive Transportation Program.

How It Is Spent



Fiscal Year 2000

Interim Plan. The 1989 Legislature enacted an eight-year Comprehensive Highway Program to substantially improve the state's highway system by providing improvements to the safety and condition of existing roadway and substandard bridges and to provide needed enhancements to the highway system. The 1989 program ended in FY 1997, and the Department began a four-year interim plan. The Department determined that available funding would allow it to continue a restricted work effort through FY 2001. The FY 1998-2001 Interim Plan emphasizes maintenance of the State Highway System until new highway funding legislation is passed.

The Interim Plan continues financing of three of the four categories established by the Comprehensive Highway Program—Substantial Maintenance, Major Modification, and Priority Bridges. Revenues and cash balances are not adequate to allow new System Enhancement projects to be funded after completion of the original program. Interim Plan construction

projects will maintain the existing system within the funding constraints of current services.

FY 1999 and FY 2000 Expenditures. For FY 1999, the Governor recommends expenditures of \$987.8 million, including \$98.9 million from the State General Fund. The amount recommended by the Governor will fund 3,129.5 FTE positions and 1.0 unclassified temporary position.

| Interim Plan Construction Costs | | |
|--|-------------|-------------|
| <i>(Dollars in Thousands)</i> | | |
| | FY 1999 | FY 2000 |
| | <u>Est.</u> | <u>Rec.</u> |
| Substantial Maintenance | 155,221 | 163,309 |
| Major Modifications | 224,966 | 232,804 |
| Priority Bridges | 28,369 | 50,605 |
| System Enhancement | 15,892 | -- |
| Total | \$424,448 | \$446,718 |

The Governor recommends FY 2000 expenditures of \$1,044.8 million, including \$140.1 million from the State General Fund. The recommendation for FY 2000 represents an increase of \$57.0 million when compared to the FY 1999 recommendation. The majority of the increase, \$42.3 million, is mainly attributable to increased construction expenditures for local and state projects. These increases are related to increases in federal funding for transportation provided in the federal Transportation Equity Act for the 21st Century (TEA-21). The FY 2000

recommendation will fund 3,118.5 FTE positions and 1.0 unclassified temporary position.

Under the Governor's recommendation in FY 2000, the Department of Transportation will perform repairs on more than 4,000 miles of the highway system. The status of the highway system continues to show the effects of the Comprehensive Highway Program that provided a safe and convenient system. The Department estimates that, in FY 2000, 80.0 percent of all highway miles will be rated as having good or acceptable surface condition. In addition, the Department will be able to maintain bridges so that 81.5 percent of all bridges will meet traffic demands and be rated as structurally sound.

The table reflects expenditures for Interim Plan construction costs in the current year and the forthcoming year. The expenditures reflect construction efforts of the Interim Plan, which is being implemented in the years after the Comprehensive Highway Program. After one year of a declining expenditure base in FY 1998, highway expenditures begin to increase because of the increased cost of maintenance of the lane miles constructed during the Comprehensive Highway Program and significant increases in debt service payments on the principal of the bonds. System enhancements listed reflect projects from the Comprehensive Highway Program which have not yet been contracted.

An explanation of the Governor's recommendation for a new Comprehensive Transportation Program is included under the Budget Summary Section at the front of this volume.

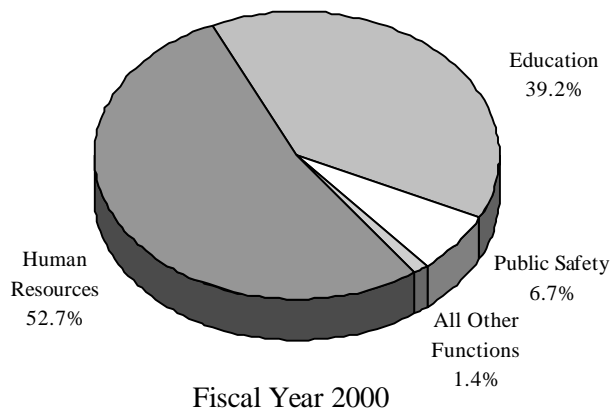
Children's Budget

Children's Budget

Created by action of the 1992 Legislature, the Children's Budget presents information concerning the state's efforts in meeting the needs of children. The information presented in this section meets the requirements of KSA 75-3717 et seq. that establish the Children's Budget.

Expenditures by Function

Totals Exclude Operating Aid to USDs



Each children's activity is classified according to the following service categories:

Child Care Services. State-supported child care services benefit children in a number of ways. These services usually provide early childhood education opportunities. Child care services provided through SRS support parents' efforts to become self-sufficient. The Child Care Licensing Program at the Department of Health & Environment ensures safety in care facilities.

Correctional Activities. The state maintains four juvenile correctional facilities that provide rehabilitation services for adjudicated youth. In addition, the state provides grants to support community prevention and corrections programs.

Education & Training Programs. The state provides a variety of education programs for children and their parents. Children receive the education and social skills necessary to live successfully in society through the public school system. Job Training Partnership Act programs funded through the Department of Human Resources and welfare reform activities provided by SRS help parents to attain the skills

necessary to avoid poverty. Through these programs, parents can improve the quality of life for their families.

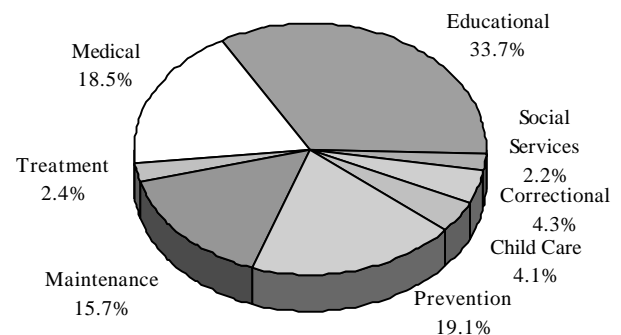
Institutional & Treatment Services. Included in this category are the services of the state mental health and retardation institutions. Many clients formerly served in these settings are now being helped through community programs and the Home and Community Based Services Waiver Program.

Maintenance Services. Some families require direct cash assistance from the state to meet their day-to-day living needs. Prior to receiving assistance, these families must meet a number of eligibility criteria. Maintenance services include Temporary Assistance to Families (TAF) and foster care.

Medical & Health Services. Medical services are provided through several state and federally-funded programs. For example, the Medicaid Program provides reimbursement for medical services provided to eligible patients. In addition, the Regents institutions provide health services through the universities' public service programs.

Expenditures by Category

Totals Exclude Operating Aid to USDs



Fiscal Year 2000

Prevention Services. These programs reduce the need for services that remove a child from the home and, if possible, avoid institutionalization. An example of this category of service is preventive health services provided by the Department of Health & Environment, which includes services delivered through local health departments.

Social Services. Social services provide a number of support functions designed to prevent or relieve conditions of neglect, abuse, and exploitation of children. For example, children and family services provided by SRS include a number of therapeutic and family preservation activities.

Following is a description of children's programs by agency that are included in the Governor's recommendations. The program descriptions contain only approximate levels of funding in many cases. The table following these descriptions contains precise funding amounts.

General Government

In the General Government function, the major children's program expenditures are related to the support of juveniles involved in judicial actions and administration of the child support enforcement efforts of the district courts. The General Government expenditures of \$13.3 million make up 0.4 percent of the total recommended expenditures for children's programs for FY 2000.

Judiciary

Permanency Planning. The Kansas Supreme Court has adopted specific missions and standards for Court-Appointed Special Advocates (CASA). Under Rule 110 of the *Rules Relating to District Courts*, the Supreme Court has authorized and encouraged CASA programs to provide volunteers to assist the district courts. The programs allow the court to appoint a volunteer who investigates and becomes acquainted with the particular facts, conditions, and circumstances affecting the welfare of any child who comes before the court. The volunteer is to advocate for the best interests of the child by assisting the court in obtaining the most permanent, safe, and homelike placement possible.

For FY 2000, expenses of \$440,419 from all funding sources are anticipated. Additional training expenses are provided through the Judicial Branch Education Fund for conferences, which include topics for the judicial staff on foster care and child advocacy. It is anticipated that the CASA programs of the Judiciary will serve 2,600 children.

Child Support Enforcement. Since 1985, the Office of Judicial Administration has maintained a program to fulfill and enforce state and federal legislation, rules, and regulations related to child support enforcement. The office works cooperatively with the Department of Social & Rehabilitation Services to develop and maintain an automated management information system (MIS) to provide accounting and recording services. Information from the MIS is provided by the clerks of the district courts. The Office of Judicial Administration also provides administrative oversight of court trustee programs.

For FY 2000, expenditures are recommended at \$1,632,302. It is estimated that these expenditures will serve 150,000 children. In addition, expenditures will be made from the Judicial Branch Education Fund for the training of child support enforcement personnel.

Court Services. Court services officers assist judges by gathering information and performing investigations in areas other than the criminal justice system. The principal duties of the officers include reintegration planning for children in need of care for cases not placed with SRS; investigation of custodial arrangements for children involved in divorce actions; mediation services as directed by the court in child custody and visitation matters; predispositional investigations in juvenile offender cases; supervision of juvenile offenders as ordered by the court; and supervision of children in need of care as directed by the court.

For FY 2000, expenditures of \$6.6 million are recommended to support activities of the court services officers. Expenditures from the Judicial Branch Education Fund will provide for additional training for the court services officers. An estimated 16,000 juveniles will be affected by this program next year.

Attorney General

Child Abuse Investigations. The Governor's recommendation includes \$83,000 for FY 2000 for operating expenditures associated with a special agent, a part-time secretary, and a part-time assistant attorney general in the Criminal Litigation Division. This recommendation funds the investigation of child abuse and neglect reported in institutions and programs operated by the Department of Social & Rehabilitation

Services. Approximately 80 children will be served through these investigations.

Child Death Review Board. The Child Death Review Board was created by the 1992 Legislature to focus on fatal child abuse and neglect. The Board works under the assumption that 20.0 percent of child deaths are preventable. For FY 2000, the Governor recommends \$53,372 from the State General Fund for this program. It is estimated that approximately 500 deaths will be reviewed by the Board.

Abuse & Neglect Programs. The Governor's budget includes \$300,000 for FY 2000 to provide grants to local agencies working to combat child abuse. It is estimated that more than 18,000 children will be served through these agencies.

Sexually Violent Predator Determinations. Legislation that allows for the identification of sexually violent predators helps protect children by preventing certain sex offenders from repeatedly committing sexually violent offenses. Offenses that are specifically defined in statute include indecent liberties with a child, criminal sodomy, rape, indecent solicitation of a child, sexual exploitation of a child, and aggravated sexual battery. The Governor recommends \$155,000 from the State General Fund in FY 2000 to continue evaluations of convicted offenders.

Programs for Domestic Abuse Victims & Dependents. Children may be direct as well as indirect victims of domestic abuse and violence. It is estimated that 9,000 children need and will receive assistance, such as emergency food, clothing, and shelter; counseling; and education about domestic abuse through programs funded in the Governor's budget. For FY 2000, the Governor recommends \$1,137,436 from all funding sources to implement programs for domestic abuse victims and their dependents.

Safe & Drug Free Schools & Communities Grant Programs. The Governor recommends \$884,036 in FY 2000 for programs such as D.A.R.E. (Drug Abuse Resistance Education), which focuses on the eradication of drug use in schools and communities.

Programs for Crime Victims. There are numerous programs in the state which aid victims of crime. These programs include providing compensation and

counseling to victims of crime, along with other local programs which focus on the effects of crime on the victims and their dependents. The Governor recommends \$398,090 in FY 2000 for these services.

Rape Prevention & Crisis Intervention Services. Rape crisis intervention and rape prevention services are provided by numerous local agencies across the state. These programs provide crisis intervention services to help victims and educational programs to prevent incidents of rape. Approximately \$320,000 will be spent through this federal grant program in FY 2000.

Medicaid Fraud & Abuse. The goal of the Medicaid Fraud and Abuse Program is to ensure that limited Medicaid dollars are spent for services needed by beneficiaries and that the beneficiaries are protected from abuse and neglect by the providers of those services. Children make up 50.0 percent of those eligible for Medicaid services. For FY 2000, the Governor recommends \$762,229 for the Medicaid Fraud and Abuse Program.

Child Exchange & Visitation Centers. The Governor's recommendation includes \$116,319 in FY 1999 for the Child Exchange and Visitation Centers Program that was implemented in FY 1998. The goal of these centers is to facilitate non-custodial parents' access to their children by means of activities including remediation, counseling, and education. For FY 2000, \$237,764 from all funding sources is recommended to continue operations of this initiative.

Department of Revenue

Child Support Enforcement. Arrearage in child support payments can be treated as debts owed to SRS under certain circumstances. In such circumstances, any Kansas income tax refund which would otherwise be due to the party owing the support can be subjected to the debt set-off policy to help satisfy the support arrearage. Support arrearage may also be handled by establishing a lien on certain personal property belonging to the person owing the support. When the personal property is a motor vehicle, the notice of lien must be filed with the Division of Vehicles in the Department of Revenue.

The Department of Revenue assigns 2.0 employees to fulfill the above requirements of law. These positions

are financed by an annual transfer from the Social Welfare Fund of SRS, as specified in appropriation acts. A total of \$50,000 will be transferred to the Department of Revenue to finance the \$53,017 needed to fund the program for FY 2000.

Consumer Credit Commissioner

Consumer Education. This \$70,000 grant to the Kansas Council on Economic Education enables the Council to educate approximately 1,100 elementary and secondary teachers on effective teaching practices on the subject of consumer economics. In FY 2000, approximately 59,200 students will be taught by teachers who have benefited from this training.

Securities Commissioner

Stock Market Game. Through a \$20,000 contract with the Kansas Council on Economic Education, "The Stock Market Game" is provided to schools across the state to promote an understanding of securities markets. The goal of this program is to expose young people to financial decisionmaking at an early age, which will result in future benefits to individuals and the economy overall. Approximately 13,000 students in middle schools and high schools will participate in FY 2000.

Human Resources

The Human Resources function comprises a variety of programs in support of children and their families. The function includes the Department of Social & Rehabilitation Services and its subordinate institutions, as well as the Departments of Health & Environment and Human Resources. A total of \$597.7 million is recommended for expenditures for FY 2000, which is 18.7 percent of all expenditures for children's programs.

The Human Resources function includes funding for a variety of expenditure categories. The greatest amount of funding is for medical programs which constitute 34.8 percent of expenditures and maintenance programs which make up 29.3 percent. Approximately 14.5 percent of Human Resources funding is for prevention services for children.

Social & Rehabilitation Services

Temporary Assistance for Families. The Governor's budget provides expenditures of \$41.4 million in FY 2000 to meet the maintenance needs of eligible families with children. Such children have been deprived of parental support because of the death, absence, incapacity, or unemployment of a parent. An estimated 22,522 children will be served in FY 2000.

Family Energy Assistance. Through the federal Low Income Energy Assistance Program, funds are available to help families meet their energy needs. Benefits vary according to criteria, including household size, income level, dwelling type, and utility rates. A total of \$3.5 million is estimated to be available for FY 2000. It is estimated that 12,790 children will be served.

Employment Programs. These programs provide training services to families of vulnerable children. The Governor recommends \$6.5 million for FY 2000. The programs will provide services to 25,557 persons.

Children & Family Services. These programs provide the staffing and organizational structure necessary to deliver quality services to families. In FY 2000, the Governor recommends \$25.3 million, including \$19.0 million from the State General Fund, for administrative and field service expenditures.

Custody & Adoption Services. The Custody & Adoption Services Program serves children who have been adjudicated as children in need of care and have been found to need out-of-home care. Services are provided by SRS to meet special needs or conditions specified in the dispositional order of the court and to reunite children safely with their own families, if possible.

The Adoption Services Program identifies appropriate adoptive families for children in the guardianship of SRS for whom no family exists or for whom parental ties have been legally terminated. The Governor's FY 2000 recommendation totals \$105.1 million, including \$24.0 million from the State General Fund, to serve 6,200 children.

Alcohol & Drug Prevention & Treatment Services. Alcohol and drug prevention and treatment services for children, youth, and families are delivered statewide through Regional Prevention Services,

training programs, the Kansas Prevention Evaluation Project, and the Kansas Regional Alcohol and Drug Awareness Center network. For FY 2000, the Governor recommends \$7.2 million, including \$3.4 million from the State General Fund, for these programs. The recommendation will affect approximately 800,000 families.

Children's Mental Health Initiative. The Governor recommends \$8.0 million for the Children's Mental Health Initiative in FY 2000. This program increases the availability of services to children with severe emotional disturbances (SED). Specifically, this waiver is focused on 10.0 percent of the SED population with the most severe problems to help them remain in their homes and avoid more costly institutional services. The State General Fund portion of the funding is \$2.2 million and the Governor recommends an additional \$1.0 million from the Children's Health Care Programs Fund. The Department estimates that 590 children will receive these services in FY 2000.

Mental Health State Aid. The Governor recommends funding of \$504,508 from the State General Fund in FY 2000. The funding supports children's services at the community mental health centers. The recommendation will serve approximately 1,000 children in FY 2000.

Mental Health Reform. The Governor recommends funding of \$3.6 million from the State General Fund in FY 2000 to continue the implementation of mental health reform. The recommendation focuses on the development of community-based treatment alternatives to enable children and adolescents with severe emotional disturbances to live in community settings. The recommendation will serve approximately 5,610 children in FY 2000.

Mental Health Special Purpose Grants. Approximately \$1.9 million, including \$1.2 million from the State General Fund, is recommended in FY 2000 to enable community mental health centers to implement programs that assist children and youth suffering from severe emotional disturbances. The recommendation, serving a population of 1,550, will provide treatment in community environments that are less restrictive than institutions.

Parent Assistance Network. The Governor recommends \$150,000 from the State General Fund

for disabled children and the Parents Assistant Network. The recommendation for FY 2000 will allow the program to serve 2,000 children in FY 2000.

Family Subsidy & Family Support. The Governor's recommendation of \$3.5 million in FY 2000 will provide direct cash payments to families with a child living at home who is developmentally disabled. The payments provide respite care and help defray the added costs of raising and caring for a child who has a lifelong disability. The Governor's recommendation will provide annual subsidies and support to 1,304 families.

Home & Community-Based Services Waiver for the Mentally Retarded. This program provides Medicaid funds for services in the community as an alternative to the more expensive and restrictive institutional settings. The Governor's recommendation provides community services for 900 families in FY 2000 at a cost of approximately \$21.2 million. The recommendation includes a State General Fund Medicaid match of \$8.6 million.

Child Care Services. In conjunction with employment preparation services, child care services are available to parents participating in SRS job preparation programs. Child care services are also available to foster care families and to assist parents in the first year of employment after leaving welfare. An average of 19,431 children will be served monthly in FY 2000 with funding totaling \$40.4 million.

Rehabilitation Services for the Blind. In the Rehabilitation Services Program, students with severe disabilities receive post-high school transition planning. In addition, Services for the Blind provides itinerant instruction to help persons adjust to blindness and increase their level of independence. For FY 2000, the Governor's recommendation of \$15.3 million will serve 4,468 families.

Kansas Insurance Coverage for Kids. The Kansas Insurance Coverage for Kids (KICK) Program will provide insurance coverage to 58,515 children who are currently uninsured. The insurance package will consist of a standard benefit package for children. Children will be guaranteed eligibility for the program, and cost sharing with families will enable families above 200 percent of poverty to participate in the program. In FY 2000, expenditures of \$38.6 million are recommended for this program.

Child Support Enforcement. This program collects financial support owed to custodial parents. Expenditures of \$23.8 million will continue the state's efforts at collecting the support for an estimated 161,115 children in FY 2000.

Medical Assistance. Government-funded medical services are available to children in the state who meet a variety of qualifications. All children receiving Temporary Assistance to Families are eligible. In addition, the program serves children under the age of ten with family income below the poverty level and children under the age of five whose family income falls below 133.0 percent of the poverty level. Infants less than one year old may receive benefits if family income does not exceed 150.0 percent of the poverty level. Other children may also be eligible for services depending on income and disability. In FY 2000, 93,464 children will receive state-funded medical services under the Governor's recommendation of \$164.6 million.

Kansas Neurological Institute

Residential, Treatment, Education, & Training Services. In FY 2000, Kansas Neurological Institute will serve nine children with developmental disabilities. To pay the costs of caring for and educating these children, the Governor recommends a total of \$1.8 million. The State General Fund will finance \$830,669 of the cost, and the balance will be paid by the federal Medicaid and Foster Grandparent programs and by fees collected from the children's families.

Larned State Hospital

Adolescent Inpatient Services. This program provides mental health services to adolescents ranging from 13 to 18 years of age. Those who require full-time inpatient treatment and/or extended inpatient evaluation are served. For FY 2000, the Governor recommends \$3.0 million for this program. The recommendation will provide staffing and support services for an estimated adolescent population of 75 in FY 2000.

Inpatient Services for Children. Mental health services are also provided to children ranging from 5 to 13 years of age. An individualized treatment

program is developed for each child, with emphasis on formal educational experiences. The hospital estimates that it will serve 31 pre-adolescent children in FY 2000. Staffing and support services for these children will cost an estimated \$2.4 million.

Special Education Program. Regular and special education services are provided to all children and adolescents in the psychiatric programs. Residents of the Larned Juvenile Correctional Facility also receive these services. The total cost of the educational contract with Ft. Larned USD 495 is budgeted for, and paid by, Larned State Hospital. For FY 2000, \$3.5 million is recommended for the contract. A minimal proportion of these funds is from the State General Fund.

Osawatomie State Hospital

Adolescent Inpatient & Special Education Program. The Adolescent Inpatient Program at Osawatomie State Hospital was closed on April 7, 1997. On April 27, 1998, Osawatomie re-opened ten beds to serve adolescents ranging in age from 12 to 17 who need full-time inpatient treatment. Along with evaluation and treatment, the hospital will provide each adolescent patient with a specialized education program. The Governor recommends \$146,672 for FY 2000 to serve an average of ten children.

Parsons State Hospital & Training Center

Residential, Treatment, Education, & Training Services. Parsons State Hospital estimates it will treat 25 children with developmental disabilities in FY 2000. A total of \$2.4 million is recommended to pay the cost of caring for and educating these children. The State General Fund will pay \$1.3 million of these costs, with the balance paid by federal Medicaid monies and also fees collected from the children's families.

Employee Child Care. Reduced-cost child day care is available at Parsons State Hospital to state employees in the Parsons area. A nonprofit corporation operates the child care in a state-owned building, with utilities and maintenance provided by the state. The hospital will contribute \$2,000 to defray operating costs in FY 2000. Of these expenditures, \$602 is from the State General Fund.

SEK Respite Care, Inc. Support of respite care for children and adults with developmental disabilities who live with their families is provided through a contract with University Affiliated Programs of the University of Kansas. The contract coordinates the efforts of providing respite care and family respite care training through Parsons State Hospital, Class LTD., Tri-Valley Development, and Labette Community College. Total expenditures of \$56,357, with \$26,770 in State General Fund expenditures, are recommended for FY 2000.

Rainbow Mental Health Facility

Children's Services. The Governor's budget recommendation of approximately \$3.1 million in FY 2000 will provide evaluation and treatment services to an estimated 146 adolescents and children. The program emphasizes the specific needs identified in individualized treatment plans. Of the total expenditures, \$764,693 is from the State General Fund.

Department of Health & Environment

Child Health Program. This program is designed to optimize the health of Kansas children through preventive and primary care services in communities. Infants, preschoolers, and school age children receive well-child checkups, immunizations, physical examinations, hearing and vision screenings, and referrals to private physicians. The program operates in 42 counties and offers a variety of health screenings and assessments. An amount of \$725,520 will provide services to 59,800 children for FY 2000.

Mothers & Infants Program. Preventing infant mortality and child abuse and neglect are the goals of this program, which will serve approximately 15,000 families during FY 2000. The program provides comprehensive medical, nursing, nutrition, and social work services to mothers and children who may be at high risk for these behaviors. Approximately \$2.4 million is provided in the FY 2000 budget for the program.

Nutrition Services for Children. The goal of these federal programs is to improve the health status and nutrition of pregnant women, mothers, and young children. The Women, Infants, & Children Program

(WIC) provides nutrition screening, counseling and education, food supplements, and health referral for infants, children under five years of age, and pregnant and breastfeeding women. The related Commodity Supplemental Food Program (CSFP) provides food for low-income pregnant, breastfeeding, and postpartum women, infants, and children under six years of age who are at nutritional risk. Approximately 55,000 families will benefit from the programs. For FY 2000, expenditures will be approximately \$42.0 million.

Healthy Start/Home Visitor. This program supports nurses and supervised lay visitors in providing early identification of high-risk expectant families and families with newborns. Intervention services include support, education, and referral to reduce the incidence of poor pregnancy outcomes, child abuse, and neglect. The Governor's recommendation for FY 2000 provides an additional \$1.0 million from the Children's Health Care Programs Fund. It is estimated that this enhanced funding will provide early intervention and support for an additional 20,000 families.

Child Care Licensing. The Department licenses or registers all types of child care facilities, including day care, residential care, preschools, and child placement agencies. The program's objectives are to increase and ensure safe, healthy, and appropriate care opportunities for children placed in out-of-home care. The program will benefit approximately 150,000 children in FY 2000 with expenditures of approximately \$4.0 million.

Black Infant Mortality. Reducing mortality rates for infants, lowering teenage pregnancy rates, and strengthening family relationships are among the goals of programs located in Sedgwick and Wyandotte Counties. The programs will serve 3,000 individuals with funding of approximately \$100,000 in FY 2000.

Family Planning. Family Planning services designed to support basic preventive and primary women's reproductive health care are provided by local health departments. Services include examinations, education, outreach, and referral. Grants to local health departments totaling \$1.6 million will serve 45,000 in FY 2000.

Adolescent Health. Funding of \$351,744 will provide a variety of health services to youth through school-linked clinics, residential maternity homes, and teen pregnancy prevention projects.

Teenage Pregnancy Prevention. The goals of these programs are to reduce long-term welfare dependency and the negative consequences of teen pregnancy. Funding of approximately \$800,000 is recommended to provide primary and secondary pregnancy prevention services to approximately 2,785 Kansas youths.

Sexually-Transmitted Diseases. Treating and preventing the spread of sexually-transmitted diseases are objectives of these programs conducted in three counties. Federal funding is utilized to conduct clinics for the diagnosis and treatment of sexually-transmitted diseases. The services include confidential patient interviews so that infected partners can be informed of the need for treatment. Total funding of \$105,000 will provide services to 26,010 youths.

Primary Care Grants. Through this aid program, primary care clinics are subsidized to provide family-oriented services to the medically under-served. Funding of \$524,690 will support preventive, acute, and chronic care services delivered to 20,000 children in FY 2000.

Children & Families Section. This agency program provides administration of services and grants which address many child health issues. Of particular concern are the needs of low income or isolated persons who have limited access to health care. An amount of \$986,011 is recommended for operations for FY 2000.

KDHE Laboratory. The Health & Environment Laboratory provides chemical and microbiological analyses in support of many of the Department's health programs benefiting children. In FY 2000, \$1.8 million of recommended laboratory expenditures is estimated to be related to children's services. Included is \$260,000 from the Children's Health Care Programs Fund to enable the laboratory to use new state-of-the-art screening tools for newborns.

AIDS Testing & Counseling. In order to prevent the spread of HIV, the virus that causes AIDS, \$609,772 in grants is made to provide preventive, testing, and counseling services to 20,000 youths. This service is provided by local health departments and community-based organizations.

Infants & Toddlers. An amount of \$4.4 million is recommended to support community networks serving

developmentally delayed infants and toddlers from birth to three years of age and their families. The Governor's recommendation will provide services to 3,030 children for FY 2000. Following the Governor's recommendation of a \$1.5 million enhancement in this service for FY 1999, an additional \$250,000 is recommended for FY 2000 from the Children's Health Care Programs Fund.

Immunizations. Halting the spread of preventable diseases is the goal of this program. The Department provides Diphtheria-Tetanus-Pertussis (DPT) vaccine, Inactivated Polio Vaccine (IPV), Measles-Mumps-Rubella (MMR) vaccine, and other vaccines to local health departments for the immunization of infants, children, and adolescents. An estimated 225,000 children will receive state-supported immunizations through expenditures of \$1.8 million, of which \$250,000 is added by the Governor from the Children's Health Care Programs Fund.

Tobacco Prevention Programs. The Department of Health and Environment will design a tobacco prevention program to target problematic use of tobacco products by youth. The Governor recommends \$1.0 million from the Children's Health Care Programs Fund for FY 2000 to fight a major threat to improved health and lifestyle of Kansas.

Migrant Health. Through four clinic sites, primary care services are provided to seasonal farm workers and their families. Federal funding of \$26,400 will provide preventive, acute, and chronic care services to 1,000 children in FY 2000.

Innovative Child Health Program. New funding of \$456,626 from the Children's Health Care Programs Fund is recommended by the Governor for FY 2000 in the interest of improving the health of Kansas children.

Cardiovascular Risk Reduction. This program is a statewide effort to reduce preventable death and disability related to cardiovascular disease. Targeted risk factors include tobacco use, physical inactivity, and inappropriate diet. A total of \$48,300 is recommended for FY 2000.

Special Health Services. This program develops the functional skills of young Kansans who have, or are at risk for, a disability or chronic disease. The program will provide medical services, medications, prostheses, and other medical supplies to an estimated total of

9,950 children with the expenditure of \$2.5 million for FY 2000.

Health & Prevention Projects. Federal monies provide funding for education and screening programs directed at preventing cardiovascular disease, including prevention of risk factors, early detection, and referral for treatment. For FY 2000, \$77,940 will provide these services to an estimated 20,000 families.

Department of Human Resources

Job Services/Job Corps. Youth served by Job Services are defined as individuals age 21 or under who are registered for job search purposes. The Department of Human Resources estimates that 35,000 youth will receive such services as counseling, testing, referral to supportive services and Job Corps training, development, and placement. Job Services and Job Corps expenditures are recommended to be \$750,000 in FY 2000.

Job Training Partnership Act & Neighborhood Improvement Youth Employment Act. Under the Job Training Partnership Act (JTPA), federal funds are provided to establish employment preparation and training programs at the local level for disadvantaged youth and adults. The projected JTPA grant amount to be spent on youth programs is \$1,037,034 in FY 2000, which will serve an estimated 2,900 youth. A total of \$100,000 from the State General Fund is also provided in FY 2000 to assist 55 children in receiving on-the-job training through the Neighborhood Improvement Youth Employment Program.

Education

By far the largest expenditures for children's programs occur in the Education function. They total \$2.5 billion, or 77.5 percent, of the recommended expenditures for children's programs for FY 2000. The recommendations include major expenditures of \$2.1 billion for operating aid to school districts. The Education function also includes funding for the state's Schools for the Blind and Deaf. In addition, funding is recommended for programs conducted by the Regents institutions, the Historical Society, the Arts Commission, and the State Library.

Department of Education

Operating Aid to USDs. In addition to basic operating aid, the state provides aid to more than 450,000 children in the state's 304 unified school districts (USDs) for teacher training, the employer's contribution to the retirement program for teachers and other staff, additional funding for districts that provide education services at county juvenile detention facilities, and equalization aid for districts with a local option budget. These state aid programs total \$2.1 billion in FY 2000. Federal aid totaling \$224.0 million also is distributed to districts by the Department of Education to support various programs, including migrant and homeless education, improved math and science instruction, and innovative approaches to teaching foreign languages.

Capital Improvement Aid. General obligation bonds passed by school districts for construction, remodeling, and major equipment purchases are partially paid by this state aid program, totaling \$26.9 million in FY 2000. The portion of each bond paid by the state varies among districts, but is based on the property wealth (assessed valuation per pupil) of each district. This variation among districts enables school districts with lower valuation levels to provide educational facilities of comparable quality as those in wealthier districts.

Nutrition Services. The U.S. Department of Agriculture administers several nutrition programs in which federal funds totaling \$87.0 million in FY 2000 are passed through the State Department of Education to school districts as well as child and adult care centers. The funds provide nutritious breakfasts, lunches, and afternoon milk in schools. Meals and snacks are also provided for children in child care facilities and after-school programs. Adults in adult day care facilities receive nutrition services as well. The state serves approximately 365,384 students and provides a \$2.5 million match for the available federal funds.

Special Education Services. The state distributes \$270.0 million in aid for special education services to school districts to help pay the transportation and other costs associated with educating 74,076 students with special needs and students identified as gifted. Federal aid to assist with the costs of these services is estimated at \$38.8 million in FY 2000.

Vocational Education. The U.S. Department of Education is expected to distribute approximately \$14.8 million to Kansas schools that integrate academic, technical, and workplace skills in secondary and postsecondary programs. In addition, the state provides \$4.5 million for purchasing equipment used for instruction, starting innovative technical programs, and coordinating the activities of several vocational youth organizations. An estimated 94,156 students benefit from this aid.

Educating through Parents. This state program follows the "Parents as Teachers" model to provide expectant parents and parents of infants and toddlers with advice, resource materials, parenting skills, a positive approach to discipline, and other skills. Funds totaling \$5.4 million are recommended for FY 2000 to serve 15,000 children and 211 school districts.

Other Aid to Schools. A combined \$10.8 million from various sources provides schools with funds to support safety education, drug abuse education, innovative instructional programs, adult basic education, and other special programs.

School for the Blind

The Governor's recommended operating expenditures and capital improvement projects of \$4,758,302 in FY 2000 will provide for a continuation of services at the School. The School for the Blind provides specific educational, residential, and outreach services to blind and visually impaired children. Also funded through the School's budget is Accessible Arts, a non-profit corporation that provides technical assistance to teachers throughout the state on how to utilize the arts when teaching special education students. A total of 1,102 children is expected to receive services in FY 2000. The school will also provide technical assistance to localities statewide in FY 2000.

School for the Deaf

The School for the Deaf provides educational, residential, and outreach programming for 477 hearing impaired and deaf students throughout the state. In FY 2000, the Governor recommends a total of \$7,752,128 for operating expenditures and capital improvement projects at the School. Included in this amount is

\$39,303 from the State General Fund for a new program recommended by the Governor that will increase the number of school days by 30 for all early childhood and kindergarten students at the school. Among the services recommended are early intervention assistance to promote language stimulation, auditory training units which are leased to school districts, and outreach services to provide technical assistance to school districts.

Emporia State University

The Governor recommends \$212,772 in FY 2000 for several small programs at Emporia State University. These programs provide preschool, child development, and reading-related services to approximately 563 children.

Fort Hays State University

Several programs are budgeted for FY 2000 at Fort Hays State University. These programs include child care, speech and hearing diagnostics, as well as reading-related services to approximately 750 children. The Governor recommends \$293,441 for these programs.

Kansas State University

Hoeflin Stone House Day Care. The Governor recommends \$90,000 in FY 2000 for the Hoeflin Stone House Day Care Center. The center will provide day care services to 30 children.

Early Childhood Laboratory. The Early Childhood Laboratory integrates children who exhibit a broad range of physical, intellectual, or emotional challenges with children who do not have disabilities. The group consists of 28 children, one third of whom have disabling conditions. The Governor's recommendations for FY 2000 include \$55,000 for the laboratory.

Family Center. The Family Center offers family-related educational programs, counseling, and consultation services to the Manhattan community. For FY 2000, the Governor recommends \$721,000 to provide these services to 450 children.

Galichia Institute for Gerontology & Family Studies. This Institute will add 4,000 square feet to bridge the space between the existing buildings that house the Family Center and the Early Childhood Program. The combined facility will enable expansion of educational opportunities and research for students and faculty to concentrate work in the area of intergenerational programs. The estimated cost in FY 2000 is \$490,000 to serve 640 individuals.

Consultation & Training. The University provides several services to the Department of Social & Rehabilitation Services. First, training in family dispute resolution will provide skills to SRS staff at a cost of \$221,000 in FY 2000. It is estimated that this service will affect 500 children. The University will also improve the quality of early care and education for 250 children through teacher training, research, and service for the Kansas Infant-Toddler Caregivers Project. Through a subcontract with the Kansas Children's Service League, the University will provide family preservation services to 500 families at an estimated cost of \$270,000.

"Beyond the Child" Development. The Governor recommends funding of \$160,000, partially from a U.S. Department of Education grant, to improve on Head Start's training and education program for teachers. The project will design and test a three-year program of professional education through tailored instruction, work-site consultation, and active self-directed study.

Kansas Child Care Training Opportunities Program. The Governor recommends \$234,000 in FY 2000 for the Kansas Child Care Training Opportunities Program. The program provides in-service training opportunities to child care personnel in licensed or registered child care facilities. The University estimates that 5,100 children will benefit from this program in FY 2000.

Family Studies. The Governor recommends \$468,000 in FY 2000 for various preventive programs offered through the Cooperative Extension Service targeted at developing skills in parents and youths to face issues that threaten healthy family environments. The University estimates this program will serve 19,500 individuals.

Speech & Hearing Center. The Center assists children who exhibit speech and language delays or

hearing impairments. The recommendation for FY 2000 includes \$70,000 for the laboratory.

Kansas State University—ESARP

Cooperative Extension Programs. The FY 2000 recommendation includes \$5.2 million for numerous programs in FY 2000. The mission is to deliver education programs for parents and other persons who influence youth to develop responsible decisionmaking skills, a concern for the community, an inquiring mind, a positive self-image, and interpersonal relationships and communications skills.

In addition to strengthening families, the Extension Service provides nutrition and health information to families and works at the local level to establish coalitions and interagency councils. These and other 4-H programs will serve over 970,000 Kansans in FY 2000.

Pittsburg State University

Restricted fee funding of approximately \$178,580 is recommended for children's services in FY 2000. These programs provide a variety of athletic and academic programs for approximately 17,105 school children. The academic programs include special education as well as language and reading programs.

Board of Regents

Regents' Honors Academy. The Regents' Honors Academy enriches the academic experience of 150 high school juniors and seniors by providing a four-week residential and instructional period at one of the Regents' campuses. Students are selected for participation in the program on the basis of academic achievement. The Governor recommends \$50,000 for the program in FY 2000.

University of Kansas

Hilltop Child Development Center. The Governor recommends \$565,000 to provide support for the Hilltop Child Development Center, which provides day care services to 174 children.

Edna A. Hill Child Development Center. The Edna A. Hill Child Development Center is in the University's Department of Human Development and Family Life and provides day care services to 85 children. The recommendation includes \$219,158 for the Center in FY 2000.

Infant & Toddler Program. The Infant & Toddler Program coordinates various activities for children and toddlers in the Institute for Life Span Studies. For FY 2000, the Governor recommends \$18,000 for this program.

Dependent Care Referral Service. The recommendation for FY 2000 includes \$17,550 to serve 750 children. The service is a licensed referral agency which helps locate child care and elder care providers for Douglas County residents and members of the University community.

Early Intervention Program. The Early Intervention Program is coordinated by the University's Department of Special Education and includes two on-site preschool classrooms and an off-site outreach service. Students from a variety of academic departments benefit from the experience of working in these classrooms. The Governor recommends \$13,500 to serve 60 children in FY 2000.

Exceptional Caring, Early Learning (EXCEL) Program. This program helps to improve the living and learning environment of families that have children with special needs, such as developmental delays or disabilities. The program's staff provides service in a variety of settings, including private homes, schools, and day care centers. The Governor recommends \$58,863 in FY 2000 to provide services to 40 children.

Family Enhancement Program. The Family Enhancement Program provides individualized interventions to help families overcome problems that impede self-sufficiency. The staff of the program provides assistance to families in assessing their problems and providing options to solving these problems. The recommendation of the Governor provides \$49,081 for the program in FY 2000. These dollars are generated by fees charged for the services rendered.

Parsons Outreach Clinic. Emphasis of this clinic is on making available diagnostic and treatment services

to the rural area of southeast Kansas. The program, at a cost of \$6,400 in FY 2000, provides services to 380 children from birth to age 21. The clinic is a collaborative effort with Parsons State Hospital & Training Center, Kansas Special Health Services, and Labette County Medical Center.

Child Care Resource & Referral Center for Labette & Cherokee Counties. Through the use of a computer database, families are linked to day care providers, based on needs specified by the parents. The program is designed to satisfy the demands of a rural, sparsely populated area for child care resources and referrals. The program serves approximately 250 children, 35 of whom are infants or toddlers, at a total cost of \$38,000.

University of Kansas Medical Center

Governance of the University of Kansas Hospital was transferred from the Kansas Board of Regents to the University of Kansas Hospital Authority on October 1, 1998. With this change, expenditures by the Hospital will no longer be part of the State of Kansas budget. While services will still be provided, as in the past, they will not be reflected in the Children's Budget in the future. Descriptions of these services follow, in addition to a new program added for FY 2000 that will remain part of the state budget, TeleKid Care.

Tele-Kidcare. The University of Kansas Medical Center (KUMC) launched a project in 1998 that made it the first in the country to deliver telemedical services to children in their schools. The program uses a PC-based telemedicine technology that links physicians and children for clinical visits from the school nurse's office to the doctor's office. In the initial project, KUMC pediatricians and other specialists were linked with children at four elementary schools in Kansas City, Kansas. In order to bring this program to children throughout the state, the Governor recommends that \$255,541 from the Children's Health Care Programs Fund be added to the Medical Center's budget in FY 2000. The monies will be used for a full-time program coordinator to work with rural school districts and rural health care providers throughout the state to design, implement, and maintain ongoing school-based telemedicine services.

Children with Special Needs. The goals of this program are to provide early identification of children

at-risk; assure availability of diagnostic and treatment services; and promote the functional skills of young Kansans who have a disability or chronic disease.

Project EAGLE. A grant by the federal Department of Health & Human Services provides family preservation and support services in Wyandotte County.

Child Development Unit. Assessment services will be provided for children through the Child Development Unit. This program tracks children as they transition through the Neonatal Intensive Care Unit and other services.

Facial Rehabilitation & Spina Bifida Clinics. The Sutherland Clinic will provide evaluations, treatment, and follow-up services to children with craniofacial anomalies. The Clinic provides one-stop centralized services. Children will also be served by a spina bifida clinic.

Cystic Fibrosis Grant. The Medical Center's Cystic Fibrosis Center will provide services to several hundred children.

Pediatric Consultation Services. The University's Children Center provides pediatric consultation for Special Health Services. In addition, the staff pediatricians provide training courses for physicians, nurses, and other health care professionals who treat children with special health care needs. A pediatric seizure clinic provides on-going, out-patient clinical, educational, and counseling services for children with seizures.

PKU & Sickle Cell Screening Program. The screening program provides neonatal screening for congenital hypothyroidism and phenylketonuria (PKU) to allow early detection and treatment of these diseases that result in mental retardation. The program has been expanded to include galactosemia. Sickle cell screening provides for early detection of congenital diseases of the blood.

Other Services Provided on Request. The Medical Center also provides a variety of services to children on a fee-for-service basis. Pediatric residents are trained to determine eligibility for Social Security income; infants referred from the neonatal intensive care unit to the community are evaluated; parents are instructed in the proper use of child safety seats; new

mothers are advised on breastfeeding; and children with hearing impairments are evaluated.

Wichita State University

Child Development Center. The recommendation includes \$450,000 for the Child Development Center in FY 2000. This center provides day care services to 100 children of University students, faculty, and staff. The Center also provides services to the general Wichita community when space is available.

Upward Bound Program. The Governor recommends \$597,834 in FY 2000 for the Upward Bound Program. The program helps low-income, first generation, and disabled students from the Wichita public school system improve their study skills. School drop-outs who plan to return to school are also eligible to participate. The program will assist 105 students in FY 2000.

Learning Resource Center. The Learning Resource Center is a summer program which helps 42 students, ages 14 to 18, develop their reading skills. For FY 2000, the Governor recommends \$2,250 for this program.

Project Discovery. Project Discovery identifies eligible students in the Wichita area and southeast Kansas and supports them in the pursuit and completion of a post secondary education. The Governor's recommendation of \$411,225 from federal sources will provide services to 1,500 youth.

Speech-Language-Hearing Clinic. The Governor's recommendation includes \$570,789 for this program in FY 2000. The clinic provides diagnosis and treatment to children who have speech, language, and hearing disorders. Faculty and professional staff of the Department of Communicative Disorders & Sciences manage the clinic, which will treat 2,250 children in FY 2000.

Heskett Athletic Center Children's Activities. The recommendation includes \$89,800 in FY 2000 to continue the activities provided to 5,500 children by the Heskett Center. The Center offers programs to the children of University faculty, staff, and students. Activities include swimming lessons, gymnastics instruction, and many other recreational activities. The Center also hosts the National Youth Sport

Program, which is a five-week program offered to economically disadvantaged children. This program provides a variety of sports programs, teaches children about the dangers of drugs and alcohol, and assists in career planning.

Entrepreneurship Center. This Center will provide entrepreneurship information, speakers, and class visits to 4,650 students in FY 2000. A total of \$6,678 is provided to support the Center.

Dental Hygiene Clinic. The Department of Dental Hygiene operates a treatment clinic that will serve 1,700 children in FY 2000. Services include dental examinations, radiographs, fluoride treatments, and oral hygiene instructions. The Governor recommends \$38,686 for continuation of this program.

Kansas Arts Commission

The Kansas Arts Commission provides operating support for arts and cultural organizations to enable them to maintain on-going programs targeted for children and to develop and expand children's arts programming. For FY 2000, \$1.5 million from state and federal sources is recommended to serve approximately 250,000 children across the State of Kansas.

Historical Society

The Historical Society provides various educational programs at the Kansas Museum of History and at the state-owned historic sites through the Education/Outreach Division. In Topeka, tours of the Museum of History, including Discovery Place, a hands-on gallery, are held for children of different ages throughout the year. The agency also disseminates traveling resource trunks, relating Kansas history and culture to students' classrooms. In the summer, workshops at the museum from kindergarten through sixth grade are conducted for children to learn about Kansas cultural history. In-house educational programming will serve approximately 78,000 children in FY 2000, and outreach educational programming will reach approximately 107,000 children. The Governor recommends a total of \$24,000 from the State General Fund and \$30,000 from all funding sources for this agency's educational services to children.

State Library

Nearly \$900,000 will be distributed in FY 2000 to public libraries across the state to support general operations, information purchasing, and interlibrary loan programs, which all benefit children. The State Library's consulting and library training staff assists librarians across the state in enhancing children's services and sponsors a children's summer reading program, which is popular with children throughout the state. The Kansas Library Catalog Program also identifies child and family-related information for the educational and research uses of more than a half million Kansas children.

Public Safety

Children's services expenditures for the Public Safety function come primarily from the Juvenile Justice Authority and the four juvenile correctional facilities. The total recommended Public Safety budget of \$75.7 million constitutes 2.4 percent of the state's total children's services expenditures.

Adjutant General

The Governor recommends \$525,873 in federal funds to support the Adjutant General's Youth Programs in FY 2000. The various programs provide workshops on family issues, such as preventing drug abuse and reducing conflict among family members. The agency also offers the "Starbase" Program to improve students' math, science, and technology skills during the summer months. These programs will reach an estimated 70,200 children during FY 2000.

Juvenile Justice

On July 1, 1997, the Juvenile Justice Authority assumed responsibility for all juvenile offenders in the state. This includes community corrections programs, juvenile offender services, children and family services, detention, health care, and support services. In FY 2000, the Governor recommends \$48.7 million to serve approximately 67,000 children. The juvenile correctional facilities, while retaining their status as separate agencies, are under the authority of the

Juvenile Justice Commissioner. In FY 2000, the Governor recommends \$26.5 million, of which \$25.4 million is from the State General Fund, to provide for children at the juvenile correctional facilities. Community-based programs include the following:

Juvenile Intake & Assessment. This program provides grants to local areas to ensure the assessment of placement needs once a juvenile is in the custody of law enforcement. Approximately 35,000 juveniles will be assessed each year. The intent of the program is to place the juvenile in the least restrictive setting while protecting both the child and the community.

The Authority is now responsible for technical assistance to the local programs as well as monitoring and oversight to ensure compliance with a Supreme Court administrative order, development of training programs, and administration of community grants. It is anticipated that \$4.8 million will be expended in FY 2000 for grants to the community level.

Community Corrections Programs. The 1994 Legislature provided for the expansion of juvenile community corrections programs. The services include correctional and aftercare programs, including intensive supervision when needed. In FY 2000, the program will serve approximately 2,500 juveniles with \$4.5 million from the State General Fund.

Children & Family Services. Programs for juvenile offenders and their families cover a variety of services. Some of those services include day reporting, detention, health services, and support services. In FY 2000, the services, outside of the four state juvenile correctional facilities, will help approximately 5,000 juveniles at a cost of \$28.8 million, of which \$22.3 million is from the State General Fund.

Prevention. The Governor recommends \$5.1 million for prevention programs in FY 2000. The funding includes \$4.0 million from the Children's Health Care Programs Fund. Expenditures will be made in response to community plans.

Atchison Juvenile Correctional Facility

The Atchison Juvenile Correctional Facility houses the younger male offenders, generally between the ages of 13 and 15. For FY 2000, the Facility will have an estimated average daily population of 112 juveniles, with a total of 302 juveniles residing in the institution

during the year. The Facility provides a continuum of structured activities, including education, recreation, and counseling services designated to rehabilitate juveniles. A total of \$6.0 million, of which \$5.8 million is from the State General Fund, is recommended for expenditures in FY 2000. The Facility has 120.0 FTE positions.

Beloit Juvenile Correctional Facility

The Beloit Juvenile Correctional Facility houses all female juvenile offenders. For FY 2000, the Facility will have an estimated average daily population of 84 juveniles. It is estimated that a total of 150 youth will reside at the institution during the fiscal year. The Facility provides a continuum of structured services, including education, recreation, and counseling services designed to rehabilitate offenders. A total of \$5.0 million, of which \$4.8 million is from the State General Fund, is recommended for expenditure in FY 2000. The Facility has 92.0 FTE positions.

Larned Juvenile Correctional Facility

The Larned Juvenile Correctional Facility generally houses juvenile offenders between 13 and 21 years old who have committed less serious offenses than those at the Topeka facility. The institution has a three-month rehabilitation program that is suited to the juveniles who have not committed a serious offense. The Facility has a capacity of 116, and it estimates that 408 juveniles will reside at the Facility and will participate in rehabilitation programs. A total of \$4.3 million, of which \$4.0 million is from the State General Fund, is recommended in FY 2000. The Facility has 128.0 FTE positions and 6.0 unclassified temporary positions.

Topeka Juvenile Correctional Facility

The state houses the most serious and violent offenders at the Topeka Juvenile Correctional Facility. For FY 2000, the Facility will provide rehabilitation to an estimated 725 juveniles, including structured activities, high school and vocational education training, recreation, and counseling services. A total of \$11.2 million, of which \$10.8 million is from the State General Fund, is recommended for expenditure

in FY 2000. The Facility has 222.0 FTE positions. The Governor recommends \$748,313 from the State General Fund in FY 1999 to provide 57 additional beds at the facility. The funding will be transferred from the Juvenile Justice Authority on an as-needed basis. This will give the facility 276 beds.

Agriculture & Natural Resources

The Governor recommends \$1,103,608 for FY 2000 for children's programming for the Agricultural & Natural Resources function. These funds support educational programs related to agricultural practices and the outdoors. The Department of Wildlife & Parks and the Kansas State Fair both participate in bringing these important programs to the youth of the state.

Kansas State Fair

Educational Services. Two educational programs are offered at the Kansas State Fair. They are Kansas' Largest Classroom and Kansans with Disabilities Day. Kansas' Largest Classroom is designed to assist teachers in planning and organizing educational field trips to the Fair. It is estimated that approximately 400 classes will visit this event at the Fair in FY 2000. Approximately \$10,900 from the agency fee fund is included in the Governor's FY 2000 recommendation for this service.

Competitive Services. A total of \$492,208 is recommended by the Governor for children's competitive events during the state fair for FY 2000. Participants in competitive events include school marching bands, 4-H, Boy Scouts, Girl Scouts, and Future Farmers of America. Individual children also compete in various competitive exhibit departments, which include foods, fine arts, horse, sheep, llama, and other exhibits. Approximately 111,000 children will participate in these events.

Department of Wildlife & Parks

Wildlife Education Service (WES). Through the WES Program, the Department of Wildlife & Parks distributes a series of instructional student booklets and teacher guides to all public and private K-12

schools in Kansas. Also included is a free loan reference center, which provides films, videotapes, learning kits, and computer software to assist in teaching youth to protect the environment. The Department will serve 15,000 youths through this program at a cost of \$225,000 in FY 2000.

Hunter Education Program. Individuals born after July 1, 1957, who wish to obtain a hunting license in Kansas must have completed a Hunter Education Program. The program teaches prospective hunters firearm safety, hunter ethics and safety, wildlife management, alcohol and drug education, wildlife education, and first aid. An estimated 12,500 youths will participate in the Hunter Education Program in FY 2000 for which the Department will spend an estimated \$165,000.

Hooked on Fishing, Not on Drugs & Fishing Clinics. The Department participates in this national program sponsored by the Future Fisherman Foundation, which promotes fishing as an alternative to drug use. Program materials are distributed to children from kindergarten through high school. Topics include building self-esteem, life skills, civic values, stewardship of aquatic resources, and relationships with communities and families. The Department estimates expenditures of \$205,000 to serve 31,000 youths in FY 2000.

Youth Hunter Education Challenge. This is an advanced hunter education program specifically designed for young people. Its purpose is to promote the on-going development of hunting skills and to reinforce responsible hunting techniques. Participants hone their accuracy skills in archery, rifle, shotgun, and muzzleloader events and improve responsibility by learning how to orient themselves in unfamiliar territory, safe trailing, and wildlife identification. They are tested specifically on accountable and responsible hunting. The Challenge is coordinated by the Kansas Wildlife Officers Association, the Department's Hunter Education Section, the National Rifle Association, and the International Hunter Education Association. The Department estimates expenditures of \$500 to serve 230 youths in FY 2000.

Boating Safety. Current law requires anyone between 12 and 15 years of age to complete successfully a boating safety course before operating a personal watercraft. Additionally, any individual under the age of 16 is required to take a personal watercraft safety

class before operating one. The Department will provide these courses to 10,400 youths during FY 2000 at a cost of \$6,000.

Youth in the Outdoors. The Department has been chosen as one of four states to pilot the Youth in the Outdoors Program. This program is designed to encourage young people to become involved in outdoor recreation through accelerated outdoor skills education. The Department estimates \$10,000 will serve 800 youths in FY 2000.

Kansas Furharvester Education Program. The Kansas Furharvester Program promotes safe, responsible behavior to emphasize the importance of wildlife laws and regulations to encourage safety. Individuals born after July 1, 1966, must complete a six-hour course which is available by correspondence or through a certified instructor. Kansas is one of 15 states which operates such a program. For FY 2000, the Department estimates that 800 youth will be served by the program at a cost of \$5,000.

Transportation

The Governor recommends \$669,250 in FY 2000 for children's educational programs promoting highway and traffic safety. These programs are financed with

federal funds and are expected to serve approximately 231,000 children for FY 2000.

Department of Transportation

Kansas Safety Belt. The Department estimates expenditures of \$137,500 to educate 32,000 children under the age of 14 about the importance of using safety belts.

Alcohol & Drunk Driving Prevention. The Governor recommends \$251,000 to educate 188,000 teens about the dangers of alcohol and the consequences of driving under the influence of alcohol.

Governor's Center for Teen Leadership. This program provides leadership workshops and retreats for youth of all ages. The Governor's budget recommendation includes \$273,750 to allow 1,000 teens to obtain insight, awareness, and action planning skills related to drunk driving and drug free activities in their communities.

Pedestrian/Bicycle Safety Program. The Governor recommends \$7,000 to provide 10,000 children bicycle safety brochures and to produce a pedestrian school crossing guard manual for all Kansas school districts.

Children’s Budget—The following table displays program expenditures and numbers served by children’s programs. For each program, next to the first “Number Served” amount, there is a code letter “C,” “F,” or “N.” The letter “C” means that the number served refers to individual children. “F” refers to the number of families served. The “N” signifies that the number of children or families cannot be determined accurately. The table is organized by function of government and by agency. It shows actual expenditures and the number of children or families served for FY 1998 , the Governor’s revised estimates for FY 1999, the agencies’ requests for FY 2000, and the Governor’s recommendation for FY 2000.

Expenditures for Children's Programs by Agency and Activity

| | FY 1998 Actual Expenditures | | | | FY 1999 Estimated Expenditures | | |
|--|-----------------------------|---------------|--------------------|---------------------|--------------------------------|--------------------|---------------------|
| | Type Served | Number Served | State General Fund | All Funds | Number Served | State General Fund | All Funds |
| General Government | | | | | | | |
| Judiciary | | | | | | | |
| Permanency Plan. (CASA) | C | 2,526 | -- | 373,027 | 2,600 | -- | 429,359 |
| Child Welfare--Federal Fund | N | -- | -- | 35,978 | -- | -- | 68,565 |
| Child Support Enforcement | C | 146,136 | -- | 1,303,883 | 150,000 | -- | 1,597,694 |
| Court Services | C | 15,901 | 6,246,092 | -- | 16,000 | 6,476,907 | -- |
| Officers--Civil | F | 8,532 | -- | 8,600 | 8,600 | -- | -- |
| Total--Judiciary | | | \$6,246,092 | \$1,721,488 | | \$6,476,907 | \$2,095,618 |
| Attorney General | | | | | | | |
| Child Abuse Investigation in SRS Institutions | C | 79 | 80,000 | 80,000 | 80 | 81,500 | 81,500 |
| Child Death Review Board | N | -- | 45,994 | 55,331 | -- | -- | -- |
| Abuse and Neglect Program | C | 18,000 | -- | 306,931 | 18,000 | -- | 300,000 |
| Sexually Violent Predator Determinations | N | -- | 150,000 | 150,000 | -- | -- | -- |
| Domestic Abuse Programs | F | 5,500 | -- | 1,143,794 | 5,500 | -- | 1,137,033 |
| Drug Free Schools | C | -- | -- | 628,406 | -- | -- | 883,477 |
| Programs for Crime Victims | C | -- | -- | 428,741 | -- | -- | 399,503 |
| Rape Prevention Services | C | -- | -- | 405,960 | -- | -- | 319,781 |
| Violence against Women Grts. | N | -- | -- | 716,042 | -- | -- | 1,534,640 |
| Victims of Crime Act--VRU | N | -- | -- | 1,619,625 | -- | -- | 2,121,449 |
| Crime Victims Compensation | N | -- | -- | 2,585,310 | -- | -- | 2,755,841 |
| Medicaid Fraud and Abuse | C | -- | 60,395 | 678,634 | -- | -- | 797,550 |
| Child Visitation Centers | F | -- | -- | 16,031 | -- | -- | 237,064 |
| Child Protection | C | -- | -- | -- | -- | -- | 60,474 |
| Total--Attorney General | | | \$336,389 | \$8,814,805 | | \$81,500 | \$10,628,312 |
| Department of Revenue | | | | | | | |
| Child Support Enforcement | N | -- | 45,503 | 45,530 | -- | 51,856 | 51,856 |
| Consumer Credit Commissioner | | | | | | | |
| Credit Counseling | F | 625 | -- | 12,500 | 625 | -- | 12,500 |
| Consumer Education | C | 52,725 | -- | 70,000 | 55,500 | -- | 70,000 |
| Total--Consumer Credit Commissioner | | | -- | \$82,500 | | -- | \$82,500 |
| Securities Commissioner | | | | | | | |
| Stock Market Game | C | 11,383 | -- | 20,000 | 12,000 | -- | 20,000 |
| Total--General Government | | | \$6,627,984 | \$10,684,323 | | \$6,610,263 | \$12,878,286 |
| Human Resources | | | | | | | |
| Social & Rehabilitation Services | | | | | | | |
| Temp.Assistance for Families | C | 30,187 | 36,621,511 | 55,453,842 | 25,165 | 35,336,000 | 46,260,000 |
| Family Energy Assistance | C | 11,712 | -- | 3,751,642 | 12,790 | -- | 3,406,808 |
| Employ.Prepare.Services--TAF | F | 18,245 | -- | 3,682,540 | 20,595 | -- | 5,258,839 |
| Employ.Prepare.Services--FS | F | 1,666 | 17,579 | 36,827 | 1,752 | 22,235 | 44,469 |
| Children & Family Services | N | 9,000 | 11,992,160 | 18,906,077 | 9,000 | 18,499,987 | 26,323,032 |
| Custody & Adoption | C | 6,200 | 38,072,110 | 105,851,949 | 6,200 | 40,926,562 | 118,063,736 |
| Alcohol/Drug Prevention | C | 525,000 | -- | 1,037,542 | 525,000 | -- | 1,037,542 |
| Alcohol/Drug Treatment | C | 2,806 | 1,182,298 | 4,008,657 | 2,900 | 1,459,515 | 4,194,682 |

Expenditures for Children's Programs by Agency and Activity

| | FY 2000 Current Services | | | | FY 2000 Recommended Expenditures | | |
|--|--------------------------|---------|--------------------|---------------------|----------------------------------|--------------------|---------------------|
| | Type | Number | State | All Funds | Number | State | All Funds |
| | Served | Served | General Fund | | Served | General Fund | |
| General Government | | | | | | | |
| Judiciary | | | | | | | |
| Permanency Plan. (CASA) | C | 2,600 | -- | 440,419 | 2,600 | -- | 440,419 |
| Child Welfare--Federal Fund | N | -- | -- | 71,240 | -- | -- | 71,240 |
| Child Support Enforcement | C | 150,000 | -- | 1,632,302 | 150,000 | -- | 1,632,302 |
| Court Services | C | 16,000 | 6,606,694 | -- | 16,000 | 6,606,694 | -- |
| Officers--Civil | C | 8,600 | -- | -- | 8,600 | -- | -- |
| Total--Judiciary | | | \$6,606,694 | \$2,143,961 | | \$6,606,694 | \$2,143,961 |
| Attorney General | | | | | | | |
| Child Abuse Investigation in SRS Institutions | C | 80 | 83,000 | 83,000 | 80 | 83,000 | 83,000 |
| Child Death Review Board | N | -- | 53,372 | 53,372 | -- | 53,372 | 53,372 |
| Abuse and Neglect Program | C | 18,000 | -- | 300,000 | 18,000 | -- | 300,000 |
| Sexually Violent Predator Determinations | N | -- | 155,000 | 155,000 | -- | -- | 155,000 |
| Domestic Abuse Programs | F | 5,500 | -- | 1,137,436 | 5,500 | -- | 1,137,436 |
| Drug Free Schools | N | -- | -- | 884,036 | -- | -- | 884,036 |
| Programs for Crime Victims | N | -- | -- | 398,090 | -- | -- | 398,090 |
| Rape Prevention Services | C | -- | -- | 293,248 | -- | -- | 293,248 |
| Violence against Women Grts. | N | -- | -- | 1,535,478 | -- | -- | 1,535,478 |
| Victims of Crime Act--VRU | N | -- | -- | 2,644,027 | -- | -- | 2,644,027 |
| Crime Victims Compensation | N | -- | -- | 2,761,059 | -- | -- | 2,761,059 |
| Medicaid Fraud and Abuse | N | -- | -- | 762,229 | -- | -- | 762,229 |
| Child Visitation Centers | F | -- | -- | 237,764 | -- | -- | 237,764 |
| Child Protection | C | -- | -- | 77,474 | -- | -- | 77,474 |
| Total--Attorney General | | | \$291,372 | \$11,322,213 | | \$136,372 | \$11,322,213 |
| Department of Revenue | | | | | | | |
| Child Support Enforcement | N | -- | 53,017 | 53,017 | -- | 53,017 | 53,017 |
| Consumer Credit Commissioner | | | | | | | |
| Credit Counseling | F | 625 | -- | 12,500 | 625 | -- | 12,500 |
| Consumer Education | C | 59,200 | -- | 70,000 | 59,200 | -- | 70,000 |
| Total--Consumer Credit Commissioner | | | -- | \$82,500 | | -- | \$82,500 |
| Securities Commissioner | | | | | | | |
| Stock Market Game | C | 13,000 | -- | 20,000 | 13,000 | -- | 20,000 |
| Total--General Government | | | \$6,951,083 | \$13,621,691 | | \$6,796,083 | \$13,621,691 |
| Human Resources | | | | | | | |
| Social & Rehabilitation Services | | | | | | | |
| Temp.Assistance for Families | C | 22,522 | 35,336,000 | 41,402,274 | 22,522 | 35,336,000 | 41,402,274 |
| Family Energy Assistance | C | 12,790 | -- | 3,543,566 | 12,790 | -- | 3,543,566 |
| Employ.Prepare.Services--TAF | F | 23,719 | -- | 6,428,137 | 23,719 | -- | 6,428,137 |
| Employ.Prepare.Services--FS | F | 1,838 | 26,849 | 53,697 | 1,838 | 26,849 | 53,697 |
| Children & Family Services | N | 9,000 | 18,984,584 | 25,314,062 | 9,000 | 18,984,584 | 25,314,062 |
| Custody & Adoption | C | 6,200 | 24,039,026 | 105,124,388 | 6,200 | 24,039,026 | 105,124,388 |
| Alcohol/Drug Prevention | C | 875,000 | 1,900,000 | 2,937,542 | 875,000 | 1,900,000 | 2,937,542 |
| Alcohol/Drug Treatment | C | 3,050 | 1,463,000 | 4,220,000 | 3,050 | 1,463,000 | 4,220,000 |

Expenditures for Children's Programs by Agency and Activity

| | FY 1998 Actual Expenditures | | | | FY 1999 Estimated Expenditures | | |
|---------------------------------|-----------------------------|-------------------------|------------------|------------------|--------------------------------|------------------|------------------|
| | Type <u>Served</u> | Number <u>Served</u> | State General | <u>All Funds</u> | Number <u>Served</u> | State General | <u>All Funds</u> |
| | | | <u>Fund</u> | | | <u>Fund</u> | |
| Mental Health Initiative | C | 225 | 221,151 | 282,136 | 775 | 3,013,489 | 7,431,539 |
| KANFOCUS | C | 800 | -- | 3,000,000 | 800 | -- | 2,000,000 |
| Mental Health State Aid | C | 1,000 | 504,508 | 504,508 | 1,000 | 504,508 | 504,508 |
| Mental Health Reform | C | 5,500 | 3,569,931 | 3,569,931 | 5,610 | 3,641,330 | 3,641,330 |
| MH Special Purpose Grants | C | 1,550 | 1,204,721 | 1,894,631 | 1,550 | 1,204,721 | 1,894,631 |
| Parent Assistance Network | C | 2,000 | 150,000 | 150,000 | 2,000 | 150,000 | 150,000 |
| Family Subsidy/Support | F | 1,304 | 3,533,166 | 3,533,166 | 1,304 | 3,533,166 | 3,533,166 |
| HCBS Waiver | F | 900 | 8,550,000 | 21,240,000 | 900 | 8,550,000 | 21,240,000 |
| Child Care Services | C | 15,533 | 13,231,352 | 32,851,352 | 17,426 | 12,317,817 | 36,231,810 |
| Rehabilitation & Blind Services | F | 4,067 | 2,764,198 | 15,325,049 | 4,379 | 2,582,087 | 14,967,306 |
| Kansas Insurance for Kids | C | -- | -- | -- | 11,719 | 2,181,122 | 7,734,474 |
| Child Support Enforcement | C | 146,136 | 13,062,141 | 25,640,516 | 153,443 | 8,302,685 | 8,302,685 |
| Medical Assistance | C | 94,922 | 59,304,315 | 151,580,527 | 92,059 | 62,270,800 | 158,386,200 |
| Total--SRS | | | \$193,981,141 | \$452,300,892 | | \$204,496,024 | \$470,606,757 |
| State Institutions | | | | | | | |
| Kansas Neurological Institute | | | | | | | |
| Residential Treatment/Educ. | C | 10 | 1,037,761 | 1,764,688 | 9 | 909,102 | 1,719,495 |
| Larned State Hospital | | | | | | | |
| Adolescent Inpatient | C | 75 | 2,403,988 | 2,475,039 | 75 | 1,385,818 | 2,934,228 |
| Children Inpatient | C | 31 | 2,414,967 | 2,535,546 | 31 | 2,944,757 | 2,320,520 |
| Special Education Program | C | 106 | 2,551 | 3,216,032 | 106 | 800 | 3,341,356 |
| Osawatomie State Hospital | | | | | | | |
| Adolescent Services | C | 10 | 16,790 | 16,790 | 10 | 143,800 | 143,800 |
| Parsons State Hospital | | | | | | | |
| Residential Treatment | C | 26 | 1,023,474 | 1,916,618 | 25 | 1,088,810 | 1,944,303 |
| Special Purpose School | C | 27 | 391,711 | 391,711 | 25 | 385,473 | 385,473 |
| Employee Child Care | C | 95 | 1,068 | 2,000 | 95 | 892 | 2,000 |
| SEK Respite Care, Inc. | F | 227 | 28,783 | 53,900 | 236 | 30,866 | 55,117 |
| Rainbow MH Facility | | | | | | | |
| Children Services | C | 143 | 1,194,849 | 2,761,839 | 146 | 1,035,369 | 3,009,228 |
| Winfield State Hospital | | | | | | | |
| Residential Treatment/Educ. | C | 12 | 320,418 | 2,329,143 | -- | -- | -- |
| Total--State Institutions | | | \$8,836,360 | \$17,463,306 | | \$7,925,687 | \$15,855,520 |
| Health & Environment | | | | | | | |
| Child Health Program | C | 28,486 | 13,508 | 725,115 | 28,486 | 13,913 | 725,520 |
| Child Health Assessments | C | 2,549 | -- | 136,578 | 2,549 | -- | 136,578 |
| Children's Develop. Services | F | 77,345 | -- | 544,295 | 77,400 | -- | 955,237 |
| Mothers & Infants | F | 12,241 | 1,340,244 | 2,349,100 | 12,241 | 1,380,451 | 2,389,307 |
| Nutrition Programs | F | 53,367 | -- | 32,820,028 | 53,893 | -- | 41,981,000 |
| Healthy Start/Home Visits | F | 16,331 | 486,839 | 822,598 | 16,331 | 501,444 | 947,203 |
| Child Care Licensing | C | 137,706 | 609,491 | 1,561,074 | 139,000 | 750,365 | 3,859,707 |
| Black Infant Mortality | C | 2,940 | 47,931 | 98,046 | 3,000 | 49,369 | 98,484 |
| Family Planning | C | 44,935 | 96,000 | 1,340,270 | 45,000 | 98,880 | 1,624,150 |
| Adolescent Health | C | 1,065 | 227,147 | 344,930 | 1,100 | 233,961 | 351,744 |
| Teenage Pregnancy Prevent. | C | 2,788 | 522,000 | 780,358 | 2,785 | 537,660 | 796,018 |
| Sexually Transmitted Diseases | C | 25,860 | -- | 121,059 | 26,010 | -- | 105,600 |
| Primary Care Grants | F | 18,457 | 492,195 | 492,195 | 19,900 | 524,690 | 524,690 |
| Children and Families Sect. | N | -- | 129,245 | 793,644 | -- | 148,251 | 1,016,452 |
| KDHE Laboratory Testing | N | -- | 1,504,301 | 1,504,301 | -- | 1,610,947 | 1,610,947 |
| AIDS Testing/Counseling | C | 47,500 | -- | 2,284,525 | 20,000 | 104,860 | 609,772 |

Expenditures for Children's Programs by Agency and Activity

| | FY 2000 Current Services | | | | FY 2000 Recommended Expenditures | | |
|---------------------------------|--------------------------|---------|---------------|---------------|----------------------------------|---------------|---------------|
| | Type | Number | State | All Funds | Number | State | All Funds |
| | Served | Served | General Fund | | Served | General Fund | |
| Mental Health Initiative | C | 590 | 2,234,640 | 5,510,826 | 590 | 2,234,640 | 7,976,917 |
| KANFOCUS | C | -- | -- | -- | -- | -- | -- |
| Mental Health State Aid | C | 1,000 | 504,508 | 504,508 | 1,000 | 504,508 | 504,508 |
| Mental Health Reform | C | 5,610 | 3,641,330 | 3,641,330 | 5,610 | 3,641,330 | 3,641,330 |
| MH Special Purpose Grants | C | 1,550 | 1,204,721 | 1,894,631 | 1,550 | 1,204,721 | 1,894,631 |
| Parent Assistance Network | C | 2,000 | 150,000 | 150,000 | 2,000 | 150,000 | 150,000 |
| Family Subsidy/Support | F | 1,304 | 3,533,166 | 3,533,166 | 1,304 | 3,533,166 | 3,533,166 |
| HCBS Waiver | F | 900 | 8,550,000 | 21,240,000 | 900 | 8,550,000 | 21,240,000 |
| Child Care Services | C | 19,431 | 14,400,123 | 45,188,888 | 19,431 | 13,040,027 | 40,399,316 |
| Rehabilitation & Blind Services | F | 4,468 | 2,651,756 | 15,291,305 | 4,468 | 2,651,756 | 15,291,305 |
| Kansas Insurance for Kids | C | 58,515 | 10,890,744 | 38,619,660 | 58,515 | 10,890,744 | 38,619,660 |
| Child Support Enforcement | C | 161,115 | 8,945,825 | 23,832,825 | 161,115 | 8,945,825 | 23,832,825 |
| Medical Assistance | C | 93,464 | 64,762,600 | 164,622,200 | 93,464 | 64,762,600 | 164,622,200 |
| Total--SRS | | | \$203,218,872 | \$513,053,005 | | \$201,858,776 | \$510,729,524 |
| State Institutions | | | | | | | |
| Kansas Neurological Institute | | | | | | | |
| Residential Treatment/Educ. | C | 9 | 830,669 | 1,801,683 | 9 | 830,669 | 1,801,683 |
| Larned State Hospital | | | | | | | |
| Adolescent Inpatient | C | 75 | 3,117,105 | 3,028,517 | 75 | 3,117,105 | 3,028,517 |
| Children Inpatient | C | 31 | 2,765,943 | 2,397,621 | 31 | 2,765,943 | 2,397,621 |
| Special Education Program | C | 106 | 800 | 3,453,650 | 106 | 800 | 3,453,650 |
| Osawatomie State Hospital | | | | | | | |
| Adolescent Services | C | 10 | 146,672 | 146,672 | 10 | 146,672 | 146,672 |
| Parsons State Hospital | | | | | | | |
| Residential Treatment | C | 25 | 935,355 | 1,969,168 | 25 | 935,355 | 1,969,168 |
| Special Purpose School | C | 25 | 396,266 | 396,266 | 25 | 396,266 | 396,266 |
| Employee Child Care | C | 95 | 602 | 2,000 | 95 | 602 | 2,000 |
| SEK Respite Care, Inc. | F | 236 | 26,770 | 56,357 | 236 | 26,770 | 56,357 |
| Rainbow MH Facility | | | | | | | |
| Children Services | C | 146 | 764,693 | 3,058,699 | 146 | 764,693 | 3,058,699 |
| Winfield State Hospital | | | | | | | |
| Residential Treatment/Educ. | C | -- | -- | -- | -- | -- | -- |
| Total--State Institutions | | | \$8,984,875 | \$16,310,633 | | \$8,984,875 | \$16,310,633 |
| Health & Environment | | | | | | | |
| Child Health Program | C | 28,486 | 13,913 | 725,520 | 28,486 | 13,913 | 725,520 |
| Child Health Assessments | C | 2,549 | -- | 136,578 | 2,549 | -- | 136,578 |
| Children's Develop. Services | F | 77,450 | -- | 960,423 | 77,450 | -- | 960,423 |
| Mothers & Infants | F | -- | 1,380,451 | 2,389,307 | -- | 1,380,451 | 2,389,307 |
| Nutrition Programs | F | 54,939 | -- | 41,986,755 | 54,939 | -- | 41,986,755 |
| Healthy Start/Home Visits | F | 16,331 | 501,444 | 947,203 | 36,933 | 501,444 | 1,947,203 |
| Child Care Licensing | C | 140,000 | 761,633 | 3,998,047 | 140,000 | 761,633 | 3,998,047 |
| Black Infant Mortality | C | 3,000 | 49,369 | 98,484 | 3,000 | 49,369 | 98,484 |
| Family Planning | C | 45,000 | 98,880 | 1,624,150 | 45,000 | 98,880 | 1,624,150 |
| Adolescent Health | C | 1,100 | 233,961 | 351,744 | 1,100 | 233,961 | 351,744 |
| Teenage Pregnancy Prevent. | C | 2,785 | 537,660 | 796,018 | 2,785 | 537,660 | 796,018 |
| Sexually Transmitted Diseases | C | 26,010 | -- | 105,600 | 26,010 | -- | 105,000 |
| Primary Care Grants | F | 19,900 | 524,690 | 524,690 | -- | 524,690 | 524,690 |
| Children and Families Sect. | N | -- | 150,456 | 986,011 | -- | 150,456 | 986,011 |
| KDHE Laboratory Testing | N | -- | 1,332,774 | 1,332,774 | -- | 1,574,831 | 1,834,831 |
| AIDS Testing/Counseling | C | 20,000 | 104,860 | 609,772 | 20,000 | 104,860 | 609,772 |

Expenditures for Children's Programs by Agency and Activity

| | FY 1998 Actual Expenditures | | | | FY 1999 Estimated Expenditures | | |
|-------------------------------------|-----------------------------|---------------|------------------------|------------------------|--------------------------------|------------------------|------------------------|
| | Type Served | Number Served | State General | All Funds | Number Served | State General | All Funds |
| | | | Fund | | | Fund | |
| Infant Toddler Service | C | 2,963 | 496,000 | 2,417,187 | 3,000 | 1,992,000 | 4,159,609 |
| Immunizations | C | 225,000 | 769,648 | 1,698,590 | 225,000 | 824,000 | 2,012,350 |
| Tobacco Prevention Programs | N | -- | -- | -- | -- | -- | -- |
| Migrant Health | F | 1,150 | -- | 24,767 | 1,300 | -- | 26,070 |
| Innovative Child Health Prog. | C | -- | -- | -- | -- | -- | -- |
| Cardiovascular. Risk Reduction | C | 32,750 | -- | 42,500 | 40,000 | -- | 46,500 |
| Special Health Services | C | 9,859 | 674,873 | 2,361,554 | 9,900 | 655,351 | 2,514,916 |
| Health & Prevention | F | 13,000 | -- | 45,817 | 13,000 | -- | 42,900 |
| Total--KDHE | | | \$7,409,422 | \$53,308,531 | | \$9,426,142 | \$66,534,754 |
| Department of Human Resources | | | | | | | |
| Neighborhood Improve. YEA | C | 40 | 37,457 | 37,457 | 55 | 100,000 | 100,000 |
| Job Service/Job Corps | C | 35,000 | -- | 750,000 | 35,000 | -- | 750,000 |
| Job Training Partnership Act | C | 2,900 | -- | 1,037,034 | 2,900 | -- | 1,037,034 |
| Total--DHR | | | \$37,457 | \$1,824,491 | | \$100,000 | \$1,887,034 |
| Total--Human Resources | | | \$210,264,380 | \$524,897,220 | | \$221,947,853 | \$554,884,065 |
| Education | | | | | | | |
| Department of Education | | | | | | | |
| Operating Aid to USDs | C | 448,609 | 1,618,901,265 | 1,727,078,066 | 449,900 | 1,853,333,786 | 1,956,766,426 |
| Capital Improvement Aid | C | 448,609 | 18,979,978 | 18,979,978 | 449,900 | 22,732,000 | 22,732,000 |
| Nutrition Services | C | 359,162 | 2,510,485 | 89,038,327 | 362,556 | 2,510,486 | 89,292,921 |
| Special Education Services | C | 71,200 | 200,957,777 | 230,276,877 | 72,624 | 218,954,174 | 253,882,174 |
| Vocational Education | C | 92,760 | 97,554 | 10,224,406 | 99,993 | 99,993 | 12,743,536 |
| Parent Education | C | 12,200 | 2,748,210 | 2,748,210 | 15,000 | 4,667,000 | 4,667,000 |
| Safety Education | C | 448,609 | -- | 1,515,355 | 449,900 | -- | 1,520,000 |
| Drug Abuse Education | C | 448,609 | -- | 3,376,339 | 449,900 | -- | 3,275,000 |
| Innovative Program Assist. | C | 30,000 | 115,000 | 1,600,000 | 30,000 | 1,600,000 | 1,600,000 |
| Adult Basic Education | F | 16,800 | 904,135 | 3,374,774 | 17,000 | 1,000,000 | 3,435,000 |
| Discretionary Grants | C | -- | -- | -- | -- | -- | -- |
| Cultural Education | C | 448,609 | 20,000 | 20,000 | 449,900 | 30,000 | 30,000 |
| Environmental Education | C | 448,609 | 25,000 | 25,000 | 449,900 | 35,000 | 35,000 |
| Optometry Assn. Study | C | -- | -- | -- | 40 | 27,000 | 27,000 |
| Agricultural Education | C | 448,609 | 25,000 | 25,000 | 449,900 | 35,000 | 35,000 |
| Total--Dept. of Education | | | \$1,845,284,404 | \$2,088,282,332 | | \$2,105,024,439 | \$2,350,041,057 |
| School for the Blind | C | 1,090 | 4,028,122 | 4,555,801 | 1,090 | 4,407,499 | 5,634,962 |
| School for the Deaf | C | 477 | 6,713,410 | 7,587,949 | 477 | 7,046,432 | 8,371,756 |
| Subtotal--Dept. of Education | | | \$1,856,025,936 | \$2,100,426,082 | | \$2,116,478,370 | \$2,364,047,775 |
| Emporia State University | | | | | | | |
| Miscellaneous Programs | C | 593 | 13,294 | 215,806 | 607 | 13,294 | 212,368 |
| Fort Hays State University | | | | | | | |
| Miscellaneous Programs | C | 800 | 250,304 | 286,284 | 800 | 257,813 | 294,872 |
| Kansas State University | | | | | | | |
| Hoeflin St. House Daycare | C | 28 | 31,693 | 86,436 | 29 | 32,340 | 88,200 |
| Early Childhood Lab. | C | 26 | 29,772 | 52,822 | 27 | 30,380 | 53,900 |

Expenditures for Children's Programs by Agency and Activity

| | FY 2000 Current Services | | | | FY 2000 Recommended Expenditures | | |
|--------------------------------|--------------------------|---------|----------------------|----------------------|----------------------------------|----------------------|----------------------|
| | Type | Number | State | All Funds | Number | State | All Funds |
| | Served | Served | General Fund | | Served | General Fund | |
| Infant Toddler Service | C | 3,030 | 1,992,000 | 4,167,000 | 3,030 | 1,992,000 | 4,417,000 |
| Immunizations | C | 225,000 | 775,000 | 1,493,084 | 225,000 | 824,000 | 1,792,084 |
| Tobacco Prevention Programs | N | -- | -- | -- | -- | -- | 1,000,000 |
| Migrant Health | F | 1,000 | -- | 26,400 | 1,000 | -- | 26,400 |
| Innovative Child Health Prog. | C | -- | -- | -- | -- | -- | 456,626 |
| Cardiovascular. Risk Reduction | C | 47,150 | -- | 48,300 | 47,150 | -- | 48,300 |
| Special Health Services | C | 9,950 | 665,190 | 2,449,755 | 9,950 | 665,190 | 2,449,755 |
| Health & Prevention | F | 20,000 | -- | 77,940 | 20,000 | -- | 77,940 |
| Total--KDHE | | | \$9,122,281 | \$65,835,555 | | \$9,413,338 | \$69,342,638 |
| Department of Human Resources | | | | | | | |
| Neighborhood Improve. YEA | C | 55 | 100,000 | 100,000 | 55 | 100,000 | 100,000 |
| Job Service/Job Corps | C | 35,000 | -- | 750,000 | 35,000 | -- | 750,000 |
| Job Training Partnership Act | C | 2,900 | -- | 1,037,034 | 2,900 | -- | 1,037,034 |
| Total--DHR | | | \$100,000 | \$1,887,034 | | \$100,000 | \$1,887,034 |
| Total--Human Resources | | | \$221,426,028 | \$597,086,227 | | \$220,356,989 | \$598,269,829 |
| Education | | | | | | | |
| Department of Education | | | | | | | |
| Operating Aid to USDs | C | 454,858 | 1,935,901,153 | 2,026,614,653 | 450,800 | 1,960,690,503 | 2,056,504,003 |
| Capital Improvement Aid | C | 454,858 | 26,882,000 | 26,882,000 | 450,800 | 26,882,000 | 26,882,000 |
| Nutrition Services | C | 365,384 | 2,510,486 | 89,586,986 | 365,384 | 2,510,486 | 89,586,986 |
| Special Education Services | C | 74,076 | 233,554,174 | 269,682,174 | 74,076 | 231,179,438 | 269,979,438 |
| Vocational Education | C | 94,156 | 101,993 | 14,763,730 | 94,156 | 101,993 | 14,763,730 |
| Parent Education | C | 15,000 | 4,667,000 | 4,667,000 | 15,000 | 4,667,000 | 5,444,833 |
| Safety Education | C | 454,858 | -- | 1,520,000 | 450,800 | -- | 1,520,000 |
| Drug Abuse Education | C | 454,858 | -- | 3,275,000 | 450,800 | -- | 3,725,000 |
| Innovative Program Assist. | C | 30,000 | 1,600,000 | 1,600,000 | 30,000 | 1,600,000 | 1,600,000 |
| Adult Basic Education | F | 17,000 | 1,000,000 | 3,556,000 | 17,000 | 1,000,000 | 3,556,000 |
| Discretionary Grants | C | 454,858 | -- | -- | 450,800 | 100,000 | 350,000 |
| Cultural Education | C | 454,858 | 30,000 | 30,000 | -- | -- | -- |
| Environmental Education | C | 454,858 | 35,000 | 35,000 | -- | -- | -- |
| Optometry Assn. Study | C | -- | -- | -- | -- | -- | -- |
| Agricultural Education | C | 454,858 | 35,000 | 35,000 | -- | -- | -- |
| Total--Dept. of Education | | | \$2,206,316,806 | \$2,442,247,543 | | \$2,228,731,420 | \$2,473,911,990 |
| School for the Blind | C | 1,102 | 4,434,288 | 4,825,697 | 1,102 | 4,363,485 | 4,758,302 |
| School for the Deaf | C | 477 | 7,179,752 | 8,393,987 | 477 | 7,178,633 | 7,752,128 |
| Subtotal--Dept. of Education | | | \$2,217,930,846 | \$2,455,467,227 | | \$2,240,273,538 | \$2,486,422,420 |
| Emporia State University | | | | | | | |
| Miscellaneous Programs | C | 563 | 10,294 | 212,772 | 563 | 10,294 | 212,772 |
| Fort Hays State University | | | | | | | |
| Miscellaneous Programs | C | 750 | 256,562 | 293,441 | 750 | 256,562 | 293,441 |
| Kansas State University | | | | | | | |
| Hoeflin St. House Daycare | C | 30 | 33,000 | 90,000 | 30 | 33,000 | 90,000 |
| Early Childhood Lab. | C | 28 | 31,000 | 55,000 | 28 | 31,000 | 55,000 |

Expenditures for Children's Programs by Agency and Activity

| | FY 1998 Actual Expenditures | | | | FY 1999 Estimated Expenditures | | |
|-----------------------------------|-----------------------------|-------------------------|------------------|-------------|--------------------------------|------------------|-------------|
| | Type <u>Served</u> | Number <u>Served</u> | State General | All Funds | Number <u>Served</u> | State General | All Funds |
| | | | <u>Fund</u> | | | <u>Fund</u> | |
| Family Center | F | 432 | 199,763 | 692,448 | 441 | 203,840 | 706,580 |
| Galichia Inst./Fam. Studies | C | 614 | 101,001 | 470,596 | 627 | 103,062 | 480,200 |
| Dispute Resolution Training | F | 480 | 151,743 | 212,248 | 490 | 154,840 | 216,580 |
| Ks. Childcare Training, Inc. | C | 4,898 | 153,664 | 224,734 | 4,998 | 156,800 | 229,320 |
| Staff Assistance to USD 383 | C | 20 | 16,327 | 25,931 | 20 | 16,660 | 26,460 |
| Beyond the Child | F | 3,457 | 82,594 | 153,664 | 3,528 | 84,280 | 156,800 |
| SRS--Infant & Toddler Project | F | 240 | 32,654 | 46,099 | 245 | 33,320 | 47,040 |
| Family Preservation Contract | F | 480 | 144,060 | 259,308 | 490 | 147,000 | 264,600 |
| Family Studies | F | 18,728 | -- | 449,467 | 19,110 | -- | 458,640 |
| Speech--Hearing Center | C | 240 | 11,525 | 67,228 | 245 | 11,760 | 68,600 |
| Total--Kansas State | | | \$954,796 | \$2,740,981 | | \$974,282 | \$2,796,920 |
| KSU--ESARP | | | | | | | |
| 4-H Program | F | 146,524 | 940,400 | 1,350,482 | 151,000 | 950,800 | 1,360,000 |
| Strengthen Families | F | 121,747 | 1,077,521 | 1,565,875 | 124,000 | 1,080,000 | 1,570,000 |
| Health Promotion | F | 140,829 | 790,844 | 1,140,593 | 146,000 | 790,000 | 1,150,000 |
| Building Communities | F | 75,387 | 727,329 | 1,035,229 | 76,000 | 729,000 | 1,045,000 |
| Total--KSU--ESARP | | | \$3,536,094 | \$5,092,179 | | \$3,549,800 | \$5,125,000 |
| Pittsburg State University | | | | | | | |
| Miscellaneous Programs | C | 16,924 | 378 | 179,143 | 17,105 | 420 | 178,580 |
| Board of Regents | | | | | | | |
| Regents Honors Academy | C | 150 | 110,000 | 110,000 | 150 | 110,000 | 110,000 |
| University of Kansas | | | | | | | |
| Hilltop Child Dev. Center | C | 168 | 3,969 | 538,000 | 174 | 1,781 | 550,000 |
| Edna Hill Child Dev. Center | C | 85 | 66,136 | 171,854 | 85 | 73,713 | 212,774 |
| Infant/Toddler Program | N | -- | -- | -- | -- | -- | 18,000 |
| Dependent Care Referral | C | 700 | 17,020 | 17,020 | 750 | 17,550 | 17,550 |
| Early Intervention Program | C | 48 | 12,500 | 12,500 | 48 | 12,800 | 12,800 |
| EXCEL Program | C | 35 | -- | 54,834 | 35 | -- | 57,149 |
| Family Enhancement Program | C | 40 | -- | 46,263 | 40 | -- | 47,651 |
| Parsons Outreach Clinic | C | 350 | -- | 6,400 | 375 | -- | 6,400 |
| Labette/Cherokee Childcare | C | 150 | -- | 36,200 | 200 | -- | 37,500 |
| Total--University of Kansas | | | \$99,625 | \$883,071 | | \$105,844 | \$959,824 |
| KU Medical Center | | | | | | | |
| Special Health Services | F | 2,279 | -- | 157,933 | 2,250 | -- | 157,950 |
| Tele-Kidcare | C | -- | -- | -- | -- | -- | -- |
| Project Eagle | F | 120 | -- | 1,144,976 | 120 | -- | 1,169,020 |
| Child Development Unit | C | 2,090 | -- | 10,000 | 2,000 | -- | 10,000 |
| Facial Rehabilitation | C | 123 | -- | 25,000 | 125 | -- | 25,000 |
| Cystic Fibrosis Grant | F | 259 | -- | 19,991 | 275 | -- | 20,000 |
| Spina Bifida Clinic | F | 80 | -- | 21,226 | 100 | -- | 21,250 |
| Pediatric Seizure Clinic | F | 500 | -- | 42,738 | 500 | -- | 29,843 |
| Pediatric Consultation Services | C | 180 | -- | 24,950 | 175 | -- | 15,964 |
| Early Head Start-Care Partner. | C | -- | -- | -- | 15 | -- | 50,000 |
| Teen Pregnancy Case Mgmt. | C | 85 | -- | 105,975 | 85 | -- | 109,739 |
| PKU, et al. Screening | C | 1,700 | -- | 67,840 | 1,700 | -- | 65,598 |
| Total--KU Medical Center | | | -- | \$1,620,629 | | -- | \$1,674,364 |

Expenditures for Children's Programs by Agency and Activity

| | FY 2000 Current Services | | | | FY 2000 Recommended Expenditures | | |
|-----------------------------------|--------------------------|---------|--------------|-------------|----------------------------------|--------------|-------------|
| | Type | Number | State | All Funds | Number | State | All Funds |
| | Served | Served | General Fund | | Served | General Fund | |
| Family Center | F | 450 | 208,000 | 721,000 | 450 | 208,000 | 721,000 |
| Galichia Inst./Fam. Studies | C | 640 | 105,165 | 490,000 | 640 | 105,165 | 490,000 |
| Dispute Resolution Training | F | 500 | 158,000 | 221,000 | 500 | 158,000 | 221,000 |
| Ks. Childcare Training, Inc. | C | 5,100 | 160,000 | 234,000 | 5,100 | 160,000 | 234,000 |
| Staff Assistance to USD 383 | C | 20 | 17,000 | 27,000 | 20 | 17,000 | 27,000 |
| Beyond the Child | F | 3,600 | 86,000 | 160,000 | 3,600 | 86,000 | 160,000 |
| SRS--Infant & Toddler Project | F | 250 | 34,000 | 48,000 | 250 | 34,000 | 48,000 |
| Family Preservation Contract | F | 500 | 150,000 | 270,000 | 500 | 150,000 | 270,000 |
| Family Studies | F | 19,500 | -- | 468,000 | 19,500 | -- | 468,000 |
| Speech--Hearing Center | C | 250 | 12,000 | 70,000 | 250 | 12,000 | 70,000 |
| Total--Kansas State | | | \$994,165 | \$2,854,000 | | \$994,165 | \$2,854,000 |
| KSU--ESARP | | | | | | | |
| 4-H Program | F | 155,000 | 970,000 | 1,380,000 | 155,000 | 970,000 | 1,380,000 |
| Strengthen Families | F | 128,000 | 1,110,000 | 1,610,000 | 128,000 | 1,110,000 | 1,610,000 |
| Health Promotion | F | 150,000 | 812,000 | 1,175,000 | 150,000 | 812,000 | 1,175,000 |
| Building Communities | F | 80,000 | 750,000 | 1,060,000 | 80,000 | 750,000 | 1,060,000 |
| Total--KSU--ESARP | | | \$3,642,000 | \$5,225,000 | | \$3,642,000 | \$5,225,000 |
| Pittsburg State University | | | | | | | |
| Miscellaneous Programs | C | 17,105 | 420 | 178,580 | 17,105 | 420 | 178,580 |
| Board of Regents | | | | | | | |
| Regents Honors Academy | C | 150 | 110,000 | 110,000 | 150 | 50,000 | 50,000 |
| University of Kansas | | | | | | | |
| Hilltop Child Dev. Center | C | 174 | 1,817 | 565,000 | 174 | 1,817 | 565,000 |
| Edna Hill Child Dev. Center | C | 85 | 75,925 | 219,158 | 85 | 75,925 | 219,158 |
| Infant/Toddler Program | N | -- | -- | 18,000 | -- | -- | 18,000 |
| Dependent Care Referral | C | 750 | 17,550 | 17,550 | 750 | 17,550 | 17,550 |
| Early Intervention Program | C | 60 | 13,500 | 13,500 | 60 | 13,500 | 13,500 |
| EXCEL Program | C | 40 | -- | 58,863 | 40 | -- | 58,863 |
| Family Enhancement Program | C | 40 | -- | 49,081 | 40 | -- | 49,081 |
| Parsons Outreach Clinic | C | 380 | -- | 6,400 | 380 | -- | 6,400 |
| Labette/Cherokee Childcare | C | 250 | -- | 38,000 | 250 | -- | 38,000 |
| Total--University of Kansas | | | \$108,792 | \$985,552 | | \$108,792 | \$985,552 |
| KU Medical Center | | | | | | | |
| Special Health Services | F | -- | -- | -- | -- | -- | -- |
| Tele-Kidcare | C | 8,000 | 255,541 | 255,541 | 8,000 | -- | 255,541 |
| Project Eagle | F | -- | -- | -- | -- | -- | -- |
| Child Development Unit | C | -- | -- | -- | -- | -- | -- |
| Facial Rehabilitation | C | -- | -- | -- | -- | -- | -- |
| Cystic Fibrosis Grant | F | -- | -- | -- | -- | -- | -- |
| Spina Bifida Clinic | F | -- | -- | -- | -- | -- | -- |
| Pediatric Seizure Clinic | F | -- | -- | -- | -- | -- | -- |
| Pediatric Consultation Services | C | -- | -- | -- | -- | -- | -- |
| Early Head Start-Care Partner. | C | -- | -- | -- | -- | -- | -- |
| Teen Pregnancy Case Mgmt. | C | -- | -- | -- | -- | -- | -- |
| PKU, et al. Screening | C | -- | -- | -- | -- | -- | -- |
| Total--KU Medical Center | | | \$255,541 | \$255,541 | | -- | \$255,541 |

Expenditures for Children's Programs by Agency and Activity

| | FY 1998 Actual Expenditures | | | | FY 1999 Estimated Expenditures | | |
|-------------------------------------|-----------------------------|-------------|------------------------|------------------------|--------------------------------|------------------------|------------------------|
| | Type | Number | State | All Funds | Number | State | All Funds |
| | | | General | | | General | |
| <u>Served</u> | <u>Served</u> | <u>Fund</u> | <u>Fund</u> | <u>Served</u> | <u>Fund</u> | <u>Fund</u> | |
| Wichita State University | | | | | | | |
| Child Development Center | C | 83 | -- | 439,442 | 92 | -- | 440,000 |
| Upward Bound | C | 55 | -- | 313,658 | 55 | -- | 323,066 |
| Upwr. Bnd. Math/Sci. | C | 50 | -- | 246,274 | 50 | -- | 253,663 |
| Learning Resource Center | C | 41 | 2,250 | 2,250 | 42 | 2,250 | 2,250 |
| Project Discovery | C | 1,500 | -- | 429,926 | 1,500 | -- | 399,248 |
| Spch.-Lang.-Hearing Clinic | C | 1,950 | 213,602 | 543,285 | 2,150 | 218,942 | 556,867 |
| Heskett Athletic Center | C | 5,000 | -- | 80,500 | 5,000 | -- | 80,500 |
| Entrepreneurship Center | C | 4,143 | -- | 4,678 | 4,400 | -- | 5,678 |
| Build. Dreams in Urban Youth | C | 42 | -- | 3,617 | 42 | -- | 7,000 |
| Dental Hygiene Clinic | C | 1,700 | 36,259 | 38,537 | 1,700 | 33,782 | 37,782 |
| Total--Wichita State University | | | \$252,111 | \$2,102,167 | | \$254,974 | \$2,106,054 |
| Subtotal--Regents Institutions | | | \$5,216,602 | \$13,230,260 | | \$5,266,427 | \$13,457,982 |
| Arts Commission | | | | | | | |
| Programming for the Arts | C | 250,000 | 1,052,894 | 1,499,320 | 250,000 | 1,152,938 | 1,478,375 |
| State Historical Society | | | | | | | |
| Educational Programming | C | 190,333 | 26,249 | 32,249 | 185,000 | 24,000 | 30,000 |
| State Library | | | | | | | |
| Grants to Local Libraries | N | -- | 592,174 | 750,409 | -- | 594,167 | 750,462 |
| Interlibrary Loan Programs | N | -- | 82,440 | 82,440 | -- | 82,440 | 82,440 |
| Talking Books | N | -- | 32,765 | 40,115 | -- | 33,615 | 40,965 |
| Total--State Library | | | \$707,379 | \$872,964 | | \$710,222 | \$873,867 |
| Total--Education | | | \$1,863,029,060 | \$2,116,060,875 | | \$2,123,631,957 | \$2,379,887,999 |
| Public Safety | | | | | | | |
| Adjutant General | | | | | | | |
| National Guard Youth Programs | C | 70,200 | 2,973 | 561,864 | 70,200 | -- | 521,561 |
| Juvenile Justice Authority | | | | | | | |
| Prevention | C | 6,600 | -- | 919,717 | 16,400 | -- | 3,377,940 |
| Community Planning | N | -- | 1,200,000 | 2,000,000 | -- | 1,150,000 | 1,288,720 |
| Community Initiatives | C | 9,000 | 2,500,000 | 2,500,000 | -- | 625,000 | 625,000 |
| Community Services | C | 2,137 | 7,463,274 | 11,125,652 | 2,186 | 14,829,500 | 19,077,237 |
| Community Corrections | C | 1,200 | 4,235,274 | 4,235,274 | 1,313 | 4,235,274 | 4,235,274 |
| Intake and Assessment | C | 27,919 | 4,707,051 | 4,707,051 | 31,538 | 4,707,051 | 4,707,051 |
| Information System | N | -- | 124,961 | 469,869 | -- | 2,448,417 | 2,679,417 |
| JCF Additional Beds | C | 57 | -- | -- | -- | 748,313 | 748,313 |
| New Facility Planning | N | -- | -- | 110,000 | -- | -- | 290,000 |
| JCF Capital Improvements | N | -- | -- | -- | -- | -- | 1,147,075 |
| Other Services | N | -- | -- | 3,847,518 | -- | -- | 3,704,858 |
| Administration | N | -- | 1,990,093 | 2,493,800 | -- | 2,130,740 | 2,356,724 |
| Total--Juvenile Justice Authority | | | \$22,220,653 | \$32,408,881 | | \$30,874,295 | \$44,237,609 |
| Atchison Juv. Correctional Facility | C | 282 | 5,312,705 | 5,877,180 | 293 | 5,595,823 | 5,778,071 |
| Beloit Juv. Correctional Facility | C | 123 | 4,497,298 | 4,736,387 | 135 | 4,696,903 | 4,932,098 |
| Larned Juv. Correctional Facility | C | 387 | 3,758,662 | 3,947,996 | 400 | 3,928,907 | 4,138,087 |
| Topeka Juv. Correctional Facility | C | 668 | 9,953,484 | 10,904,840 | 700 | 10,337,389 | 10,814,485 |
| Total--Juv. Correctional Fac. | | | \$23,522,149 | \$25,466,403 | | \$24,559,022 | \$25,662,741 |

Expenditures for Children's Programs by Agency and Activity

| | FY 2000 Current Services | | | | FY 2000 Recommended Expenditures | | |
|-------------------------------------|--------------------------|---------|------------------------|------------------------|----------------------------------|------------------------|------------------------|
| | Type | Number | State | All Funds | Number | State | All Funds |
| | Served | Served | General Fund | | Served | General Fund | |
| Wichita State University | | | | | | | |
| Child Development Center | C | 100 | -- | 450,000 | 100 | -- | 450,000 |
| Upward Bound | C | 55 | -- | 332,757 | 55 | -- | 332,757 |
| Upwr. Bnd. Math/Sci. | C | 50 | -- | 265,077 | 50 | -- | 265,077 |
| Learning Resource Center | C | 42 | 2,250 | 2,250 | 42 | 2,250 | 2,250 |
| Project Discovery | C | 1,500 | -- | 411,225 | 1,500 | -- | 411,225 |
| Spch.-Lang.-Hearing Clinic | C | 2,250 | 224,416 | 570,789 | 2,250 | 224,416 | 570,789 |
| Heskett Athletic Center | C | 5,500 | -- | 89,800 | 5,500 | -- | 89,800 |
| Entrepreneurship Center | C | 4,650 | -- | 6,678 | 4,650 | -- | 6,678 |
| Build. Dreams in Urban Youth | C | 42 | -- | 7,000 | 42 | -- | 7,000 |
| Dental Hygiene Clinic | C | 1,700 | 34,394 | 38,686 | 1,700 | 34,394 | 38,686 |
| Total--Wichita State University | | | \$261,060 | \$2,174,262 | | \$261,060 | \$2,174,262 |
| Subtotal--Regents Institutions | | | \$5,638,834 | \$12,289,148 | | \$5,323,293 | \$12,229,148 |
| Arts Commission | | | | | | | |
| Programming for the Arts | C | 250,000 | 1,152,938 | 1,474,942 | 250,000 | 1,202,938 | 1,524,942 |
| State Historical Society | | | | | | | |
| Educational Programming | C | 185,000 | 24,000 | 30,000 | 185,000 | 24,000 | 30,000 |
| State Library | | | | | | | |
| Grants to Local Libraries | N | -- | 594,531 | 750,826 | -- | 594,531 | 750,826 |
| Interlibrary Loan Programs | N | -- | 82,440 | 82,440 | -- | 82,440 | 82,440 |
| Talking Books | N | -- | 42,754 | 50,104 | -- | 42,754 | 50,104 |
| Total--State Library | | | \$719,725 | \$883,370 | | \$719,725 | \$883,370 |
| Total--Education | | | \$2,225,466,343 | \$2,470,144,687 | | \$2,247,543,494 | \$2,501,089,880 |
| Public Safety | | | | | | | |
| Adjutant General | | | | | | | |
| National Guard Youth Programs | C | 70,200 | -- | 525,873 | 70,200 | -- | 525,873 |
| Juvenile Justice Authority | | | | | | | |
| Prevention | C | 16,400 | -- | 1,108,459 | 26,750 | -- | 5,108,459 |
| Community Planning | N | -- | -- | -- | -- | -- | -- |
| Community Initiatives | N | -- | -- | -- | -- | -- | -- |
| Community Services | C | 2,383 | 15,468,300 | 20,028,688 | 2,597 | 17,829,500 | 22,389,888 |
| Community Corrections | C | 2,500 | 4,447,038 | 4,447,038 | 2,500 | 4,447,038 | 4,447,038 |
| Intake and Assessment | C | 34,666 | 4,824,727 | 4,824,727 | 35,158 | 4,824,727 | 4,824,727 |
| Information System | N | -- | 1,981,254 | 1,981,254 | -- | 1,811,254 | 1,811,254 |
| JCF Additional Beds | N | -- | -- | -- | -- | 595,120 | 595,120 |
| New Facility Planning | N | -- | -- | -- | -- | -- | 2,185,297 |
| JCF Capital Improvements | N | -- | -- | 1,307,096 | -- | -- | 1,307,096 |
| Other Services | N | -- | -- | 3,704,858 | -- | -- | 3,704,858 |
| Administration | N | -- | 2,079,262 | 2,310,131 | -- | 2,095,103 | 2,325,972 |
| Total--Juvenile Justice Authority | | | \$28,800,581 | \$39,712,251 | | \$31,602,742 | \$48,699,709 |
| Atchison Juv. Correctional Facility | C | 302 | 5,801,038 | 5,983,286 | 302 | 5,826,057 | 6,008,305 |
| Beloit Juv. Correctional Facility | C | 150 | 4,770,525 | 5,005,228 | 150 | 4,794,528 | 5,029,231 |
| Larned Juv. Correctional Facility | C | 408 | 4,055,670 | 4,269,435 | 408 | 4,043,992 | 4,257,757 |
| Topeka Juv. Correctional Facility | C | 725 | 10,864,435 | 11,277,138 | 725 | 10,773,887 | 11,186,590 |
| Total--Juv. Correctional Facility | | | \$25,491,668 | \$26,535,087 | | \$25,438,464 | \$26,481,883 |

Expenditures for Children's Programs by Agency and Activity

| | FY 1998 Actual Expenditures | | | | FY 1999 Estimated Expenditures | | |
|--|-----------------------------|-------------|------------------------|------------------------|--------------------------------|------------------------|------------------------|
| | Type | Number | State | All Funds | Number | State | All Funds |
| | | | General | | | General | |
| <u>Served</u> | <u>Served</u> | <u>Fund</u> | <u>Fund</u> | <u>Served</u> | <u>Fund</u> | <u>Fund</u> | |
| Emergency Medical Services Board | | | | | | | |
| Emergency Services | N | -- | -- | 120,101 | -- | -- | 144,358 |
| Total--Public Safety | | | \$45,745,775 | \$58,557,249 | | \$55,433,317 | \$70,566,269 |
| Agriculture & Natural Resources | | | | | | | |
| Kansas State Fair | | | | | | | |
| Educational Services | C | 11,203 | -- | 11,398 | 11,338 | -- | 11,672 |
| Competitive Services | C | 113,448 | -- | 443,204 | 114,074 | -- | 484,134 |
| Total--Kansas State Fair | | | -- | \$454,602 | | -- | \$495,806 |
| Department of Wildlife & Parks | | | | | | | |
| Wildlife Education | C | 13,988 | -- | 218,446 | 13,000 | -- | 225,000 |
| Hunter Education | C | 10,831 | -- | 142,578 | 12,500 | -- | 160,000 |
| Fishing Clinics | C | 300 | -- | 2,044 | 30,000 | -- | 145,000 |
| Youth Challenge | C | 217 | -- | 521 | 230 | -- | 500 |
| Furharvester Education | C | 696 | -- | 5,113 | 400 | -- | 5,000 |
| Hooked on Fishing, not on Drugs | C | 200 | -- | 8,767 | 700 | -- | 45,000 |
| Youth in the Outdoors | C | -- | -- | -- | -- | -- | -- |
| Total--Wildlife & Parks | | | -- | \$377,469 | | -- | \$580,500 |
| Total--Ag. & Natural Resources | | | -- | \$832,071 | | -- | \$1,076,306 |
| Transportation | | | | | | | |
| Department of Transportation | | | | | | | |
| Ks. Safety Belt Ed. Office | C | 15,000 | -- | 62,500 | 30,000 | -- | 118,000 |
| Drunk Driving Prevent. Pgm. | C | 20,000 | -- | 80,000 | 30,000 | -- | 94,380 |
| Yth. Alcohol Media Campaign | C | 150,000 | -- | 145,000 | 155,000 | -- | 143,000 |
| Gov's Teen Leadership Ctr. | C | 750 | -- | 260,400 | 1,000 | -- | 260,400 |
| Pedestrian/Bicycle Safety Pgm. | C | -- | -- | -- | 22,000 | -- | 7,000 |
| Total--Transportation | | | -- | \$547,900 | | -- | \$622,780 |
| Total--Children's Programs | | | \$2,125,667,199 | \$2,711,579,638 | | \$2,407,623,390 | \$3,019,915,705 |

Expenditures for Children's Programs by Agency and Activity

| | FY 2000 Current Services | | | | FY 2000 Recommended Expenditures | | | |
|--|--------------------------|---------|------------------------|------------------------|----------------------------------|------------------------|------------------------|--|
| | Type | Number | State | All Funds | Number | State | All Funds | |
| | Served | Served | General Fund | | Served | General Fund | | |
| Emergency Medical Services Board | | | | | | | | |
| Emergency Services | N | -- | -- | -- | -- | -- | -- | |
| Total--Public Safety | | | \$54,292,249 | \$66,773,211 | | \$57,041,206 | \$75,707,465 | |
| Agriculture & Natural Resources | | | | | | | | |
| Kansas State Fair | | | | | | | | |
| Educational Services | C | 11,703 | 3,400 | 10,900 | 11,703 | -- | 10,900 | |
| Competitive Services | C | 111,476 | 38,905 | 492,208 | 111,476 | -- | 492,208 | |
| Total--Kansas State Fair | | | \$42,305 | \$503,108 | | -- | \$503,108 | |
| Department of Wildlife & Parks | | | | | | | | |
| Wildlife Education | C | 15,000 | -- | 225,000 | 15,000 | -- | 225,000 | |
| Hunter Education | C | 12,500 | -- | 165,000 | 12,500 | -- | 165,000 | |
| Fishing Clinics | C | 30,000 | -- | 150,000 | 30,000 | -- | 150,000 | |
| Youth Challenge | C | 230 | -- | 500 | 230 | -- | 500 | |
| Furharvester Education | C | 800 | -- | 5,000 | 800 | -- | 5,000 | |
| Hooked on Fishing, not on Drugs | C | 1,000 | -- | 55,000 | 1,000 | -- | 55,000 | |
| Youth in the Outdoors | C | -- | -- | -- | 800 | -- | 10,000 | |
| Total--Wildlife & Parks | | | -- | \$600,500 | | -- | \$610,500 | |
| Total--Ag. & Natural Resources | | | \$42,305 | \$1,103,608 | | -- | \$1,113,608 | |
| Transportation | | | | | | | | |
| Department of Transportation | | | | | | | | |
| Ks. Safety Belt Ed. Office | C | 32,000 | -- | 137,500 | 32,000 | -- | 137,500 | |
| Drunk Driving Prevent. Pgm. | C | 31,000 | -- | 104,000 | 31,000 | -- | 104,000 | |
| Yth. Alcohol Media Campaign | C | 157,000 | -- | 147,000 | 157,000 | -- | 147,000 | |
| Gov's Teen Leadership Ctr. | C | 1,000 | -- | 273,750 | 1,000 | -- | 273,750 | |
| Pedestrian/Bicycle Safety Pgm. | C | 10,000 | -- | 7,000 | 10,000 | -- | 7,000 | |
| Total--Transportation | | | -- | \$669,250 | | -- | \$669,250 | |
| Total--Children's Programs | | | \$2,508,178,008 | \$3,149,398,674 | | \$2,531,737,772 | \$3,190,471,723 | |

Debt Service

Debt Policies & Practices

Various debt instruments are used by the State of Kansas to finance a portion of its capital expenditures. Of the capital expenditures that are debt-financed, revenue bonds and loans from the Pooled Money Investment Board finance most capital improvements for buildings. "Master lease" and "third-party" financing pay for most capital equipment. Debt is issued by the Kansas Department of Transportation to finance transportation projects. Other State of Kansas debt is issued by the Kansas Development Finance Authority (K DFA), an independent instrumentality of the state which was created in 1987 for this purpose. Proceeds from debt financing by K DFA for capital improvements are used for prison construction, acquisition and renovation of office space, energy conservation improvements, university facility construction and renovation, and projects for local governments.

Provisions are made in the *Kansas Constitution* for the issuance of general obligation bonds, subject to certain restrictions. However, no bonds have been issued under this provision for many years. No other provision of the constitution or state law limits the amount of debt that can be issued. As of June 30, 1997, the state had authorized but unissued debt of \$155,015,000. Although the amount of debt for financing capital improvement projects is increasing, it constitutes a small part of the overall state budget, approximately 1.9 percent. The *Statistical Abstract of the United States* for 1998 showed Kansas with the lowest per capita debt among the 50 states. For this reason, Kansas has not experienced the need for control mechanisms, such as debt ceilings.

Ratings

Although the state has no general obligation debt rating, some recent bond issues have been rated. The underlying ratings for the most recently issued revenue bonds were A2 and AA- from Moodys and Fitch, respectively. The ratings for the most recently issued fixed rate bonds issued by the Kansas Department of Transportation were Aa2, AA+, and AA from Moodys, Standard and Poor's, and Fitch, respectively.

In October 1997, Standard and Poor's assigned an issue credit rating of AA+ to the State of Kansas. Standard and Poor's credit rating reflects the state's credit quality in the absence of general obligation debt. Other credit factors include a very low debt burden in relation to the total state budget, a broadening and diversified economy that has demonstrated strong performance, declining unemployment compared to national trends, conservative fiscal management and sound financial operations, and ample statutorily mandated cash reserves.

Major Debt Financings

Comprehensive Highway Program. The Comprehensive Highway Program began in FY 1989. The 20-year bonds are being retired with motor fuel taxes, motor vehicle registration fees, retail sales and compensating use taxes, and accrued interest. Between FY 1989 and FY 1998, the Comprehensive Highway Program issued \$890.0 million in new money bonds, which is the maximum authorized by statute.

Crumbling Classroom Initiative. The 1996 Legislature approved the Governor's Crumbling Classroom initiative. Based on concerns for the aging buildings on the state's campuses, bonds have been issued to address a variety of rehabilitation and repair projects, new construction, and classroom improvements at the six universities. With estimated interest earnings on the bonds, projects at the universities will total approximately \$171.1 million, nearly \$8.0 million higher than originally anticipated. The additional monies were allocated to the universities for major remodeling and new construction projects based on the standard rehabilitation and repair formula. The additional monies offset private gifts; the size of the approved projects was not increased.

Debt service on these bonds is being paid over 15 years, with each year's payment totaling \$15.0 million, except in FY 1997, the first year, which was \$14.0 million from capitalized interest. Revenues from the Educational Building Fund have been appropriated through FY 2000 to pay debt service. Revenue

projections for the fund indicate a reserve of monies will be available for emergencies or additional maintenance projects, as needs arise.

In November 1996, the first series of bonds totaling \$50.0 million were issued to provide an initial flow of cash to start the projects. In October 1997, a second series of \$110.3 million were issued. Prior to the issuance of bonds, the cashflow needs of the campuses were evaluated, as was the bond market.

El Dorado Correctional Facility Site Utilities Project. The underground insulation around the steam and chilled water lines at the El Dorado Correctional Facility is failing. In FY 1998, KDFA issued \$5.6 million in bonds to finance the replacement of site utilities at this facility. The original installation of heat insulation around the steamlines has failed, allowing heat to escape and damage electrical lines, telecommunications, and other utilities. The state has filed litigation against the contractor, manufacturer, and project architect to recover the costs of the replacement. All cost recoveries will be used to finance the debt service payments. Payments began in FY 1999. The Governor recommends \$170,000 in FY 2000 from the State General Fund for this purpose.

Energy Conservation Improvements Program. KSA 75-37,111, enacted by the 1989 Legislature, authorized KDFA to issue bonds to finance energy conservation projects at state facilities. The bonds are to be retired by savings realized from the energy conservation improvements undertaken, reflected as a reduction in utility costs. Each year on October 1, KDFA certifies to the Director of the Budget a list of energy conservation improvement projects financed with energy conservation bond funds, along with repayment schedules for each project.

With this information, the Division of the Budget makes appropriate adjustments to the budgets of all affected agencies. State General Fund accounts are reduced accordingly and special revenue funds are transferred to the State General Fund to offset their portion of the debt service obligation. Debt service payments are then made through direct appropriation from the State General Fund in the Department of Administration's budget. Agencies currently included in the debt service are the Department of Administration, correctional institutions, SRS, Regents

institutions, the KBI, the Highway Patrol, and the Soldiers' Home.

Starting in FY 1999, the Department of Administration and the Kansas Development Finance Authority replaced bonding as a means for financing energy projects with a line of credit similar to the Master Lease arrangement for equipment acquisitions. Therefore, the amount of the debt service represents only projects initiated prior to FY 1999.

Investments in Major Projects and Training (IMPACT) Program. The IMPACT Program, formerly the State of Kansas Investments in Lifelong Learning ("SKILL") Program, was created in 1991. Since its inception, a total of \$32.3 million in bonds has been issued for this program. The Legislature has authorized debt service to be paid from up to 1.0 percent of Kansas income tax withholding revenues. In FY 2000, KDFA will issue bonds to provide the Kansas Department of Commerce & Housing \$20.0 million. The monies will finance grants to Kansas Basic Industries employers who remain in or relocate to Kansas, creating additional jobs in the state. This economic development program has created approximately 12,614 new jobs for the state.

Kansas Department of Health & Environment State Revolving Fund (SRF) Loan Programs. KDFA issues bonds and administers two SRF Loan programs for the Kansas Department of Health & Environment (KDHE). The Clean Water Program provides loans to local governments. The Drinking Water Program provides loans to local governments to expand or enhance their drinking water infrastructures. Both programs match state funds with federal grant money to create revolving loan pools.

Total debt outstanding under the Drinking Water Program on June 30, 1998, was \$45,420,000. Another \$39,690,000 in bonds were issued by KDFA in November 1998 for the Drinking Water Loan Program. Outstanding debt as of September 30, 1998, which was issued from FY 1992 through FY 1998 under the Clean Water Program, is \$164,015,000. The Department of Health & Environment has requested KDFA to issue approximately \$48.0 million of additional bonds for the Clean Water Program. Those bonds are scheduled to be sold approximately November 1999.

Indebtedness of the State

| | <u>FY 1997</u> | <u>FY 1998</u> | <u>FY 1999</u> | <u>FY 2000</u> | <u>Prin. Balance</u> <u>June 30, 2000</u> |
|---|---------------------|---------------------|---------------------|---------------------|--|
| | <u>Actual</u> | <u>Actual</u> | <u>Estimate</u> | <u>Estimate</u> | <u>Estimate</u> |
| Bonds | | | | | |
| Dept. of Administration* | | | | | |
| Principal | 14,103,680 | 12,119,435 | 12,445,125 | 12,057,278 | 36,944,222 |
| Interest | 2,210,830 | 2,096,890 | 2,255,078 | 2,104,217 | -- |
| Dept. of Commerce & Housing | | | | | |
| Principal | 1,405,000 | 1,395,000 | 2,120,000 | 2,190,000 | 17,620,000 |
| Interest | 586,452 | 531,689 | 967,703 | 919,671 | -- |
| Insurance Dept. | | | | | |
| Principal | 90,000 | 90,000 | 100,000 | 105,000 | 1,090,000 |
| Interest | 89,296 | 84,290 | 79,040 | 73,265 | -- |
| Total--General Government | \$18,485,258 | \$16,317,304 | \$17,966,946 | \$17,449,431 | \$55,654,222 |
| Dept. of Social & Rehabilitation Services | | | | | |
| Principal | 260,000 | 270,000 | 285,000 | 300,000 | 5,970,000 |
| Interest | 426,267 | 412,228 | 397,648 | 382,258 | -- |
| Dept. of Health & Environment | | | | | |
| Principal | 3,260,000 | 27,240,000 | 4,365,000 | 5,355,000 | 239,405,000 |
| Interest | 3,999,852 | 7,157,855 | 10,933,389 | 12,168,165 | -- |
| Total--Human Resources | \$7,946,119 | \$35,080,083 | \$15,981,037 | \$18,205,423 | \$245,375,000 |
| Kansas Board of Regents | | | | | |
| Principal | -- | 10,880,000 | 5,840,000 | 8,110,000 | 134,529,170 |
| Interest | -- | 3,117,361 | 9,156,264 | 6,889,680 | -- |
| Emporia State University | | | | | |
| Principal | 411,000 | 421,000 | 441,000 | 491,000 | 3,184,083 |
| Interest | 169,457 | 155,422 | 140,495 | 124,143 | -- |
| Fort Hays State University | | | | | |
| Principal | 165,000 | 175,000 | 185,000 | 200,000 | 2,540,000 |
| Interest | 190,453 | 181,959 | 172,915 | 162,841 | -- |
| Kansas State University | | | | | |
| Principal | 1,570,000 | 1,625,000 | 1,905,000 | 1,965,000 | 26,032,642 |
| Interest | 763,543 | 739,205 | 1,153,570 | 1,116,595 | -- |
| Pittsburg State University | | | | | |
| Principal | 183,000 | 680,000 | 95,000 | 200,000 | 9,850,000 |
| Interest | 139,256 | 135,093 | 232,044 | 477,982 | -- |
| University of Kansas | | | | | |
| Principal | 4,870,000 | 1,560,000 | 1,845,000 | 1,940,000 | 22,435,000 |
| Interest | 1,167,992 | 1,107,251 | 1,348,567 | 1,236,454 | -- |
| University of Kansas Medical Center | | | | | |
| Principal | 1,910,000 | 1,240,000 | 445,000 | 485,000 | 1,009,905 |
| Interest | 205,450 | 133,535 | 32,040 | -- | -- |
| Wichita State University | | | | | |
| Principal | 240,000 | 270,000 | 285,000 | 300,000 | 12,960,000 |
| Interest | 777,404 | 767,804 | 756,599 | 744,344 | -- |
| Total--Education | \$12,762,555 | \$23,188,630 | \$24,033,494 | \$24,443,039 | \$212,540,800 |
| Dept. of Corrections | | | | | |
| Principal | 5,075,000 | 5,320,000 | 6,765,000 | 6,960,000 | 59,485,000 |
| Interest | 4,323,468 | 4,221,581 | 4,075,068 | 3,751,662 | -- |
| *Dept. of Administration includes the master lease for financing capital outlay equipment and bonds for energy conservation projects. | | | | | |
| Highway Patrol | | | | | |
| Principal | 245,000 | 265,000 | 285,000 | 305,000 | 3,830,000 |
| Interest | 285,905 | 273,155 | 259,405 | 244,350 | -- |

Indebtedness of the State

| | <u>FY 1997</u> | <u>FY 1998</u> | <u>FY 1999</u> | <u>FY 2000</u> | <u>Prin. Balance</u> <u>June 30, 2000</u> |
|---|----------------------|----------------------|----------------------|----------------------|--|
| | <u>Actual</u> | <u>Actual</u> | <u>Estimate</u> | <u>Estimate</u> | <u>Estimate</u> |
| Kansas Bureau of Investigation | | | | | |
| Principal | 145,000 | 155,000 | 165,000 | 170,000 | 2,375,000 |
| Interest | 156,650 | 149,934 | 142,489 | 134,490 | -- |
| Total--Public Safety | \$10,231,023 | \$10,384,670 | \$11,691,962 | \$11,565,502 | \$65,690,000 |
| State Fair Board | | | | | |
| Principal | 90,000 | 95,000 | 190,000 | -- | -- |
| Interest | 23,668 | 17,076 | 6,840 | -- | -- |
| Total--Agriculture & Natural Resources | \$113,668 | \$112,076 | \$196,840 | \$ | \$ |
| Dept. of Transportation | | | | | |
| Principal | 14,825,000 | 204,840,000 | 27,730,000 | 40,945,000 | 791,090,000 |
| Interest | 46,582,828 | 45,714,239 | 46,016,840 | 44,394,865 | -- |
| Total--Transportation | \$61,407,828 | \$250,554,239 | \$73,746,840 | \$85,339,865 | \$791,090,000 |
| Total | | | | | |
| Principal | \$48,847,680 | \$268,640,435 | \$65,491,125 | \$82,078,278 | \$1,370,350,022 |
| Interest | \$62,098,771 | \$66,996,567 | \$78,125,994 | \$74,924,982 | \$ |
| Total Bonded Indebtedness | \$110,946,451 | \$335,637,002 | \$143,617,119 | \$157,003,260 | \$1,370,350,022 |

Loans Outstanding--Pooled Money Investment Board

| | | | | | |
|-------------------------------------|--------------------|--------------------|--------------------|--------------------|---------------------|
| Dept. of Administration | | | | | |
| Principal | 942,259 | 971,918 | 1,072,200 | 1,098,935 | 6,647,466 |
| Interest | 733,171 | 655,049 | 594,273 | 523,121 | -- |
| Kansas State University | | | | | |
| Principal | 578,364 | 156,370 | 133,790 | 140,587 | 1,634,316 |
| Interest | 169,327 | 112,199 | 96,962 | 90,165 | -- |
| University of Kansas Medical Center | | | | | |
| Principal | 235,058 | 746,334 | 250,427 | 263,674 | 2,678,702 |
| Interest | 210,379 | 200,108 | 168,899 | 155,652 | -- |
| Kansas Water Office | | | | | |
| Principal | -- | 153,591 | 163,856 | 172,311 | 1,482,552 |
| Interest | -- | 108,970 | 93,846 | 85,391 | -- |
| Total | | | | | |
| Principal | \$1,755,681 | \$2,028,213 | \$1,620,273 | \$1,675,507 | \$12,443,036 |
| Interest | \$1,112,877 | \$1,076,326 | \$953,980 | \$854,329 | \$ |
| Total PMIB Loans | \$2,868,558 | \$3,104,539 | \$2,574,253 | \$2,529,836 | \$12,443,036 |

Note: The remaining balance of third party vendor lease/purchase obligations as of June 30, 1998, was approximately \$2,193,000.

Source: Kansas Development Finance Authority

Capital Budget

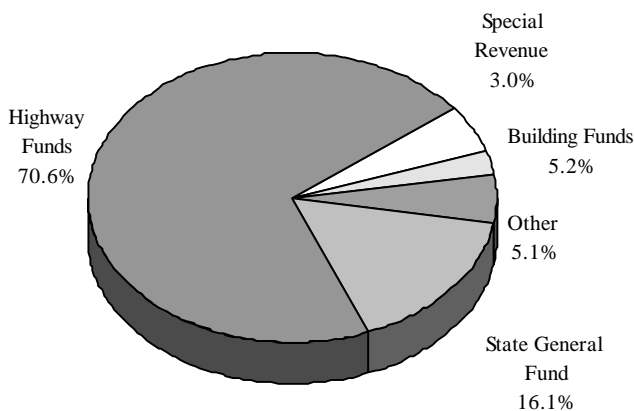
Capital Budget Summary

Summary of Governor's Recommendation. The capital improvement recommendations included in the Governor's budget for FY 1999 total \$602.6 million. This amount is 6.8 percent of the total state budget financed from all funding sources. The recommendation for FY 2000 is \$618.3 million from all funding sources, also 6.8 percent of the total state budget.

The capital budget, by project classification, is illustrated in the pie chart below. Highway projects of the Department of Transportation are excluded because they are such a large part of the state's capital budget they would distort comparisons among non-transportation expenditures. New construction, the largest category, accounts for 34.6 percent of total capital projects. Rehabilitation & repair accounts for 31.3 percent, and debt service 27.4 percent. Remodeling is only a small part at 6.7 percent.

The Governor recommends a total of \$52.2 million for numerous capital improvement projects at the state's universities. The Crumbling Classrooms Initiative will provide \$20.0 million to various projects at the state's universities, including rehabilitation & repair, building safety issues, ADA compliance, and new construction. Other major projects at the state's universities include \$10.0 for a Grain Science Center at Kansas State University; and \$7.0 million for a new Center for Health in Aging and an addition to the Research Support Facility at the University of Kansas Medical Center. The Governor's budget also includes \$5.3 million for continued renovation of the Kansas Veterans' Home.

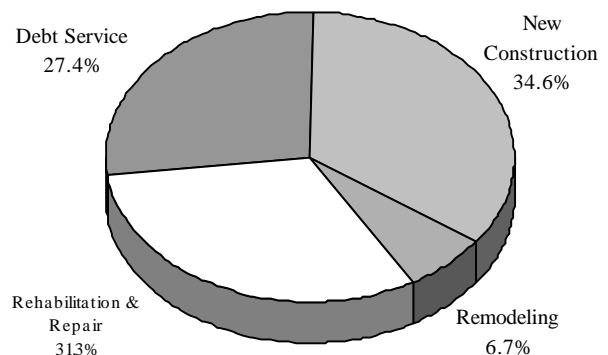
How It Is Financed



Fiscal Year 2000

The Governor's budget includes projects of considerable size in the Department of Transportation, the Department of Corrections, Veterans' Affairs, and the state's universities. The Department of Transportation's budget includes \$530.6 million for all capital projects. The large volume of projects is driven by the federal Transportation Equity Act for the 21st Century (TEA-21), which provides increased funding to the states. Also, the Department of Corrections will spend \$12.0 million for debt service and rehabilitation projects at the state's eight adult correctional facilities.

How It Is Spent



Fiscal Year 2000

Capital Budget Process. Agencies requesting expenditure authority for capital projects submit a five-year facilities plan each July 1, consisting of the forthcoming fiscal year and the following four years. Capital projects are reviewed by the Division of the Budget for development of the Governor's recommendations. They are also reviewed by the Fiscal Section of the Kansas Legislative Research Department as staff to the Joint Committee on State Building Construction as well as the "appropriation" committees of the Kansas House and Senate. In addition, the Division of Architectural Services in the Department of Administration provides technical support to the State Building Advisory Commission, an executive branch body responsible for reviewing the cost estimates and technical aspects of requested projects.

As a matter of policy, the state gives priority to maintaining its existing facilities before considering new construction. The use of revenue bonds for financing capital projects has increased over the years. Other criteria for assessing the priority of capital projects include safety for state employees and visitors, compliance with prevailing building codes, modifications to enhance accessibility for the disabled, physical modifications caused by program changes, and cost effectiveness.

Financing. Transportation projects are a major part of the state's total capital budget. Approximately 81.0 percent of FY 1999 and 85.8 percent of FY 2000 capital expenditures are for transportation projects. The State Highway Fund is the single largest source of

funding for capital improvements in the state budget. The fund receives its revenues primarily through highway user fees on motor fuel, vehicle registrations, and a one-fourth percent dedicated sales tax. The statutory transfer of 10.0 percent of sales tax revenue from the State General Fund to the Department of Transportation makes the State General Fund the second largest funding source.

The three dedicated funding sources that make up most of the remainder of the capital budget are the Educational Building Fund (EBF), the State Institutions Building Fund (SIBF), and the Correctional Institutions Building Fund (CIBF). The EBF and the SIBF receive revenues from a mill tax levy based on the assessed valuation of all tangible

Status of State Building Funds

| | <u>FY 1998</u> | <u>FY 1999</u> | <u>FY 2000</u> | <u>FY 2001</u> | <u>FY 2002</u> | <u>FY 2003</u> |
|--|----------------|----------------|----------------|----------------|----------------|----------------|
| Educational Building Fund | | | | | | |
| Beginning Balance | \$ 11,620,558 | \$ 9,516,204 | \$ 2,915,466 | \$ 4,380,478 | \$ 6,417,441 | \$ 9,234,802 |
| Second Payment of Tax Levy | 6,727,779 | 7,172,653 | 7,975,237 | 8,249,503 | 8,529,987 | 8,785,887 |
| First Payment of Tax Levy | 10,758,064 | 10,786,144 | 11,013,423 | 11,392,172 | 11,779,507 | 12,132,892 |
| Motor Vehicle Taxes | 2,572,162 | 2,545,913 | 2,476,352 | 2,395,288 | 2,507,867 | 2,625,736 |
| Transfer In | 682,654 | -- | -- | -- | -- | -- |
| Resources Available | \$ 32,361,217 | \$ 30,020,914 | \$ 24,380,478 | \$ 26,417,441 | \$ 29,234,802 | \$ 32,779,317 |
| Estimated Expenditures | \$ 22,845,013 | \$ 27,105,448 | \$ 20,000,000 | \$ 20,000,000 | \$ 20,000,000 | \$ 20,000,000 |
| Correctional Institutions Building Fund | | | | | | |
| Beginning Balance | \$ 2,767,973 | \$ 2,369,341 | \$ 297,501 | \$ 293,841 | \$ 290,181 | \$ 286,521 |
| Gaming Revenues | 5,000,000 | 5,000,000 | 5,000,000 | 5,000,000 | 5,000,000 | 5,000,000 |
| Prior Year Taxes | 932 | -- | -- | -- | -- | -- |
| Resources Available | \$ 7,768,905 | \$ 7,369,341 | \$ 5,297,501 | \$ 5,293,841 | \$ 5,290,181 | \$ 5,286,521 |
| Estimated Expenditures | \$ 5,399,564 | \$ 7,071,840 | \$ 5,003,660 | \$ 5,003,660 | \$ 5,003,660 | \$ 5,003,660 |
| State Institutions Building Fund | | | | | | |
| Beginning Balance | \$ 4,995,910 | \$ 8,606,613 | \$ 6,972,517 | \$ 4,334,160 | \$ 1,981,778 | \$ 19,595 |
| Second Payment of Tax Levy | 3,358,285 | 3,845,135 | 3,987,619 | 4,124,752 | 4,264,994 | 4,410,003 |
| First Payment of Tax Levy | 5,352,453 | 5,309,948 | 5,506,711 | 5,696,085 | 5,889,753 | 6,090,005 |
| Motor Vehicle Taxes | 1,286,081 | 1,272,957 | 1,238,176 | 1,197,644 | 1,253,934 | 1,312,868 |
| Transfer In | 100,000 | -- | -- | -- | -- | -- |
| Resources Available | \$ 15,092,729 | \$ 19,034,653 | \$ 17,705,023 | \$ 15,352,641 | \$ 13,390,458 | \$ 11,832,471 |
| Estimated Expenditures | \$ 6,486,116 | \$ 12,062,136 | \$ 13,370,863 | \$ 13,370,863 | \$ 13,370,863 | \$ 13,370,863 |

taxable property in the state as of January 1 of each year. The CIBF receives its revenues from lottery and racing activities.

The status of the building funds is presented on the previous page, showing beginning balances, receipts, and expenditures. It should be noted that interest on the debt service for Crumbling Classrooms is included in expenditures for the Educational Building Fund. In addition, expenditures from the State Institutions Building Fund include a reserve earmarked for a new juvenile correctional facility at some time in the future.

Effect on Operating Budgets

Several capital improvement projects recommended by the Governor in FY 2000 will result in an increase in operating expenditures and, in some cases, positions. The most significant effect from these projects will be on the state's prisons, Regents institutions, and Capitol complex facilities.

Correctional Facilities. Norton Correctional Facility is currently undergoing a 200-bed expansion. As a result, the Governor has recommended 30.0 FTE positions to staff the new unit. In addition, the Governor requests 2.0 new FTE positions in FY 1999 and 15.0 FTE positions in FY 2000 for Topeka Correctional Facility. The facility's West Unit will be converted to a transition center, and these positions are needed to staff and operate the new center. As a result of the relocation of the Reception & Diagnostic Unit to El Dorado Correctional Facility, estimated staffing is 96.5 FTE positions, an increase of 6.5 from 90.0 positions which are used at the present RDU at the Topeka Correctional Facility.

Regents Institutions. The Governor recommends \$726,462 from the State General Fund and 20.4 FTE

positions in FY 2000 for operating several new buildings. For Wichita State's International Education Building, \$23,683 is also provided in the current year. Under the Governor's Crumbling Classrooms initiative, the Murphy Hall addition at the University of Kansas, the Beach Music Hall at Emporia State, and the new Nursing Education Building at the KU Medical Center will be finished in FY 2000 and will require ongoing operating support, such as for custodial and other operating costs.

In addition, the Fiedler Library addition to Kansas State's Engineering complex, the Hammond Heights Teachers College building at Emporia State, and the Center for Health in Aging at the KU Medical Center will be completed in FY 2000.

Memorial Hall Maintenance & Housekeeping Staff.

When the renovation of Memorial Hall is complete and the Secretary of State and the Attorney General become occupants, the maintenance and housekeeping staff of the Division of Facilities Management need to be increased to take care of the building. Therefore, the Governor's FY 2000 budget recommendation includes \$233,682 for the salaries of 4.0 new FTE positions, routine repair costs, utilities, and security services. Maintenance functions will be performed by in-house staff, whereas custodial services will be provided under contract but supervised by an in-house staff member.

Topeka Complex—West Staff. The Department of Administration plans to maintain the property that was formerly the campus of Topeka State Hospital. The Department is currently authorized 8.0 FTE maintenance and power plant operators for FY 2000 to care for the property. The Governor recommends adding 10.0 new FTE maintenance positions, for a total of 18.0 positions. The FY 2000 cost totals \$275,343.

Recommendations

Following is a description of capital improvement projects by agency that are included in the Governor's recommendations. Capital expenditures are listed by agency in Schedules 6.1 and 6.2 and by project in the table at the end of this section.

General Government

Department of Administration

Rehabilitation & Repair. The Governor's recommendation for FY 1999 includes estimated expenditures totaling \$1,085,738 for rehabilitation and repair, of which \$384,057 is from the State General Fund and \$701,681 is from the State Buildings Depreciation Fund. These amounts provide for the general maintenance and upkeep of the state's buildings in the Capitol complex and at Forbes. Specifically, anticipated projects include asbestos abatement; landscaping; replacing chiller bearings, a fountain filter, and a cooling tower pump; and upgrading energy systems in state buildings.

Memorial Hall Renovation. Of the funds originally appropriated to start planning for the renovation of this building, only \$5,411, all from the State General Fund, is left in FY 1999. In addition, to finance the completion of planning, a bond anticipation note (BAN) was issued. The remaining interest payment on the BAN is estimated to be \$5,355 for FY 1999. The principal of the BAN was rolled into the large bond issue that finances construction.

Also for FY 1999, the initial debt service amount estimated by the Governor for the large bond issue is \$174,122 from the State General Fund, all of which is interest. The cost of the renovation, excluding bond issuance expenses, is estimated to be \$5,420,000. This amount is being paid by the Department before the renovated building is occupied. However, starting in FY 2000, the debt service will be paid from the rental costs charged to agencies occupying the building. The estimated debt service cost totals \$423,048, \$165,000 for principal, from the State Buildings Depreciation Fund.

Energy Conservation Improvements Program. The Governor recommends \$3,127,981 for FY 1999 from the State General Fund for the debt service payment on the energy conservation improvement bonds issued by the Kansas Development Finance Authority. Of that amount, \$2,490,000 is principal and \$637,981 is interest. For FY 2000, debt service is estimated to total \$2,713,655, \$2,100,000 of which is principal and \$613,655 is interest. Bond proceeds are used to finance energy conservation improvements at state facilities, with the utility savings from these projects to be returned to the State General Fund to pay off the bonds.

The Department of Administration, in addition to budgeting for the entire debt service payment on behalf of all participants, is itself a participant with its own energy conservation projects. The Department's own projects total \$157,825 for FY 1999 from the State Buildings Operating Fund, \$131,800 for principal, and \$162,026 for FY 2000, \$141,800 for principal.

Paint & Grounds Shop Debt Service. The Governor's recommendation contains funding to make debt service payments to the City of Topeka for the old police garage that the Division of Facilities Management will use as a shop for its painters and grounds personnel. For FY 1999, the debt service is \$38,238, \$13,589 from the State General Fund for the principal portion and \$24,649 from the State Buildings Operating Fund for the interest portion. For FY 2000, the total also is \$38,238; however, the principal portion is \$14,864 from the State General Fund and the interest is \$23,374 from the State Buildings Operating Fund.

Motor Pool Shop. The debt service on this facility, also acquired from the City of Topeka, totals \$44,224, all from the Motor Pool Service Fund, for FY 1999. The motor pool uses these facilities for parking its vehicles. The principal is \$15,646 and interest is \$28,578. For FY 2000, the total also is \$44,224, \$17,383 in principal and \$26,841 for interest.

Debt Service for Docking & Forbes Remodeling. The debt service amount the Governor recommends includes funding to repay bonds issued for renovations

to the Docking State Office Building and Forbes Building #740. To finance the debt service, the Governor recommends \$169,170 from the State Buildings Depreciation Fund for FY 1999, of which \$150,000 is principal, and \$166,888 for FY 2000, of which \$155,000 is principal.

Landon Building Debt Service. The debt service amounts are recommended to finance the 1986 acquisition and the 1987 renovation of the Landon State Office Building. For FY 1999, \$867,829 from the State Buildings Operating Fund is recommended for the principal amount. An additional \$495,647 for the interest payment is included in the operating budget. The FY 2000 principal debt service payment totals \$884,972 and the interest payment is \$434,086.

Printing Plant Debt Service. The debt service amount the Governor recommends is \$115,098 for FY 1999 from the Intragovernmental Printing Service Fund to finance the principal payment of the debt incurred to construct the State Printing Plant in 1985. The interest portion of the debt service, totaling \$104,096, is recommended as part of the operating budget. For FY 2000, \$119,482 is recommended from the same fund for the principal portion of the debt service. To finance the interest portion of the debt service payment, \$102,311 is included in the operating budget.

Fire Suppression Systems. The Governor recommends \$550,000 from the State Buildings Depreciation Fund for FY 1999 to begin installation of a sprinkler system on all floors in the Docking State Office Building, and \$450,000 is recommended for a sprinkler system in the Landon Building. The primary impetus for these projects is the safety of state employees and the protection of state property. The Docking project is estimated to cost \$7,550,000, whereas the Landon project will cost \$3.5 million. The first year of installation, FY 1999, will establish a basic system of risers on all floors to service the sprinklers. For FY 2000 and future years, the work will include installation of the sprinklers themselves, starting at the top and working down. The amounts recommended to continue these projects are \$150,000 each for the Docking project and the Landon project.

Statehouse Elevator Renovation. The Governor includes \$347,000 from the State Budget Stabilization Fund for FY 1999 to renovate the west passenger elevator and the south freight-passenger elevator in the

Statehouse. The amount will provide for the upgrade of drive motors and mechanical equipment as well as installation of automated controls and safety features. It will be compliant with ADA standards.

Statehouse Improvements. The recommendation includes \$750,000 from the State Budget Stabilization Fund for FY 1999 to begin a number of improvements related to renovating and improving the Statehouse and its grounds. The project started with the replacement of trees, shrubs, and flowers; restoration and cleaning of monuments; reconfiguration of the sprinkler system; lighting improvements in the House Chamber; and fire safety improvements.

The Governor also recommends \$1.0 million from the State General Fund to continue improvements to the Statehouse. Improvements to be started in FY 2000 include the installation of a fire detection and suppression system, preservation of the copper roof, remodeling of committee rooms and office space, replacement of the heating and cooling systems, installation of security systems, replacement of signage for ADA compliance, and construction of a steam tunnel and pedestrian walkway between the Statehouse and the Landon State Office Building. The last project will be financed partly from the State General Fund and partly from the State Buildings Depreciation Fund, \$138,400 for FY 2000, based on the proportional use of steam among the Capitol complex buildings for the utility tunnel and an approximation of pedestrian traffic patterns for the walkway.

Historic Structures Report. In conjunction with the Statehouse improvements above, the 1998 Legislature approved \$200,000 from the State General Fund for FY 1999 to undertake a thorough assessment of the Statehouse, its initial construction, and modifications that have occurred over time to plan effectively for future improvements.

Landon-Memorial Steam Tunnel & Walkway. Also included in the Governor's recommendation is \$40,000 from the State Buildings Depreciation Fund for FY 1999 to plan for the construction of a walkway and steam tunnel between the Landon Building and Memorial Hall. Construction of the project will be undertaken in FY 2000 for an estimated cost of \$270,000, or a total project cost of \$310,000. This project will serve two purposes. It will be a pedestrian walkway to connect the two buildings for state

employees and the public, and it will provide for replacement of the existing steam tunnel, which will parallel the pedestrian tunnel.

The project is part of a larger plan for the Capitol complex. Currently, steam flows from Docking to the Capitol through the tunnel that connects these buildings. From the Capitol, it flows southeast, under Jackson Street to Memorial Hall, where it divides to serve Landon and the Judicial Center. The steam line running under the Capitol grounds is old and earmarked for abandonment. The long-range plan is to have the steam flow from the Capitol to Landon alongside a new pedestrian tunnel. Then the steam would flow from Landon to Memorial Hall through the new tunnel recommended in this project and ultimately from Memorial Hall to the Judicial Center in the same line it flows now.

Cedar Crest Renovations. The 1997 Legislature approved funding totaling \$1.0 million from the State General Fund for extensive renovations to the Governor's mansion at Cedar Crest: \$500,000 for FY 1998 and another \$500,000 for FY 1999. The 1998 Legislature appropriated an additional \$380,400 from the State General Fund for FY 1999, for a total of \$1,380,400 for this project. Of the total appropriated, \$94,416 was spent in FY 1998 and the balance of \$1,285,984 is included in the Governor's FY 1999 budget. The renovations will include exterior building repairs, paving, and removal of an underground storage tank; window replacement; interior architectural repairs and removal of lead paint and asbestos; plumbing repairs; heating, ventilation, and air conditioning renovations; electrical and lightning protection; Americans with Disabilities Act compliance modifications; and installation of a fire alarm and security system.

Forbes Building Reroofing. For FY 1999, the Governor's recommendation includes \$125,900 from the State Buildings Depreciation Fund to re-roof Forbes Office Building #740. The existing roof, constructed in 1980, has reached the end of its useful life span.

Landon Building Economizer. Also for FY 1999, the Governor's recommendation includes \$94,200 from the State Buildings Depreciation Fund to install louvers, duct work, and control equipment to increase fresh air intake capacity by 6,000 cubic feet per minute on each floor of the Landon State Office Building

from the second through the tenth floors. The project will increase ventilation and reduce utility costs at certain times of the year by bringing more cool outside air into the building.

Parking Lot Rehabilitation & Repair. The Governor recommends \$17,627 for FY 1999 from the Building and Ground Fund for the renovation and repair of parking lots in the Capitol complex. The recommendations provide for scheduled maintenance activities. In order to preserve the parking lot surface, periodic surface repairs are necessary.

Statehouse Roof Repair. The Governor's recommendation includes \$50,000 from the State General Fund for FY 1999 to finance roof and gutter repairs of the center section surrounding the rotunda of the Statehouse. The work will include a structural analysis and repair of the roof, attachment of flat copper roof panels to sheathing and supports, and repair or replacement of seams and downspouts.

Statehouse Fire Alarm & Security Systems. For FY 1999, the Governor recommends \$211,235 from the State General Fund to upgrade the fire and smoke detection systems and install pull stations in the Statehouse. The amount will complete a project begun in FY 1995.

Chiller Conversion. The Governor recommends \$585,983 in FY 1999 from the State Buildings Depreciation Fund to convert chillers using CFC refrigerants to HCFC refrigerants. This conversion is needed to meet federal pollution standards. The chillers being converted are located in the basement of the Landon State Office Building and in buildings at the Forbes complex.

Chiller Replacement. A total of \$162,345 for FY 1999 is recommended by the Governor from the State Buildings Depreciation Fund to replace chillers that provide air conditioning to the Docking State Office Building. The recommended amount, representing reappropriated funding from prior years, will allow the project to be completed.

Docking Roof Drain Line Replacement. The Governor recommends \$193,000 from the State Buildings Depreciation Fund in FY 1999 for replacement of drain lines for the Docking State Office Building roof. The lines that were part of the original construction are deteriorating. The repair will prevent

damage to the Docking Building's structure and contents.

Replace Docking Loading Dock. The Governor recommends \$172,958 from the State Buildings Depreciation Fund for FY 1999 to replace the ramp and loading dock at the Docking State Office Building. The existing dock was part of the building's original construction. The de-icing equipment under the ramp is in need of replacement. It cannot be replaced without also removing and replacing the ramp itself.

Switchgear Replacement. The Governor recommends \$81,989 for FY 1999 from the State Buildings Depreciation Fund to replace the central electrical switchgear in the Docking Building. The switchgear controls electricity to water pumps, lift stations, sewer pumps, and cafeteria exhaust systems.

Judicial Center Plaza. An amount of \$50,000 is included from the State General Fund for FY 1999 to be combined with approximately \$90,000 from existing rehabilitation and repair funds mentioned previously, for a total of \$140,000 to restore the plaza and north entrance to the Judicial Center. The project includes repairs to the concrete sidewalks and ramps, stone pavers, and concrete base at the north door.

Judicial Center Carpeting. The Governor's estimate includes \$64,000 from the State General Fund for FY 1999 to continue the replacement of carpeting in the Judicial Center. A \$64,000 appropriation was made directly to the Judiciary's budget for FY 1997 to begin the project. This second phase in the Department of Administration's budget will allow for carpeting to be replaced in third floor offices and the court chambers.

Ad Astra Sculpture. The Department expects to incur expenditures of \$10,046 for FY 1999 from the Ad Astra Sculpture Fund for expenses related to raising funds for the eventual placement of a sculpture on top of the Statehouse Dome.

Veterans' Memorial. The Governor's budget recommendation includes \$12,188 from the Veterans' Memorial Fund for FY 1999 to pay expenses related to maintenance of the memorial for veterans on the grounds of the Statehouse.

Lapses. The Governor's recommendation lapses \$32,256 from the State Buildings Depreciation Fund because of the completion of a project to re-roof the

Landon Building. An amount of \$8,322, also from the State Buildings Depreciation Fund, is lapsed as a result of completing a project to replace a worn PBC electrical transformer in the Docking Building.

Department of Commerce & Housing

Maintenance of Travel Information Centers. The Department operates travel information centers in Kansas City, Goodland, Olathe, and South Haven. These centers provide tourism information to travelers throughout the state. The Governor recommends \$85,000 from the Economic Development Initiatives Fund for rehabilitation and repair of the centers in FY 1999 and \$15,000 in FY 2000.

Insurance Department

Debt Service. The Governor recommends \$100,000 in FY 1999 and \$110,000 in FY 2000 to finance debt service payments on the Insurance Building in Topeka. In addition, interest payments of \$79,040 and \$75,000 for FY 1999 and FY 2000, respectively, are included in the Department's budget. Debt service payments are financed from the Insurance Building Principal and Interest Fund, which serves as a clearing fund for the agency's various fee funds. Revenue bonds in the amount of \$1,795,000 were issued by the Kansas Development Finance Authority in 1991 for remodeling the building. Final payment on this obligation is to be made in FY 2007.

Rehabilitation & Repair. The Governor's FY 2000 recommendation of \$142,000 from the Rehabilitation and Repair Fund includes \$127,000 to add a ramp to allow accessibility for the disabled, facilitate entry into the basement for mail delivery, replace interior ceiling tiles, and upgrade lighting for both the interior and exterior. For FY 1999, the Governor recommends \$155,000 to continue the window replacement project and to renovate the exterior of the building.

State Treasurer

University Bond Program. Trust agreements with the Board of Regents provide for the defeasance of certain bonds for Regents construction projects. Expenditures for FY 1999 are \$60,078, with \$59,217 representing principal.

Human Resources

Social & Rehabilitation Services

Rehabilitation & Repair—State Complex West & Chanute Office. The Governor recommends \$106,000 in FY 1999 and \$166,000 in FY 2000 for routine maintenance of office buildings. The FY 1999 amount is to finance several rehabilitation and repair projects at the Chanute Office. The FY 2000 recommendation will replace the water lines in the Department's Chanute Office.

Sex Predator Treatment Program Remodeling & Construction Planning. The Sex Predator Treatment Program currently has a 30-bed unit at the Larned Correctional Mental Health Facility. Current census estimates indicate that the number of offenders will exceed 30 at some point in FY 2000. Therefore, in FY 1999, the Governor recommends \$594,217 from the State Institutions Building Fund (SIBF) to remodel a portion of the Dillon Building at Larned State Hospital. The remodeled section of the building will provide additional housing and treatment space on a temporary basis for the Sex Predator Treatment Program. The Governor also recommends \$740,000 in FY 1999 from the SIBF to plan for construction of a larger unit that will provide adequate bed space in future years.

Rehabilitation & Repair—State Institutions. The Governor recommends FY 1999 expenditures of \$3,965,000 from the State Institutions Building Fund for rehabilitation and repair of state institutions, including the mental health and mental retardation hospitals. The FY 2000 recommendation totals \$3,098,605. Both years will provide for continuing repair needs of the state's facilities, including equipment replacement, plumbing repairs, code compliance, and other major maintenance.

Kansas Neurological Institute

Rehabilitation & Repair. A total of \$337,850 is recommended from the State Institutions Building Fund for general rehabilitation and repair projects at the Hospital in FY 1999. The funds will be used primarily to complete projects begun in FY 1998.

Larned State Hospital

Rehabilitation & Repair. The Governor recommends \$192,691 from the State Institutions Building Fund in FY 1999 for general rehabilitation and repair projects at the Hospital. Expenditures will be used to complete general maintenance and repair projects begun in FY 1999.

Osawatomie State Hospital

Rehabilitation & Repair. For FY 1999, the Governor recommends \$83,178 from the State Institutions Building Fund for rehabilitation and repair projects that were begun in FY 1998.

Parsons State Hospital & Training Center

Rehabilitation & Repair. To complete general maintenance and repair projects begun in FY 1998, the Governor recommends that \$1,069,816 from the State Institutions Building Fund be expended in FY 1999.

Rainbow Mental Health Facility

Rehabilitation & Repair. A total of \$267,515 was lapsed from the rehabilitation and repair account at Rainbow Mental Health Facility. The funds were appropriated from the State Institutions Building Fund for general maintenance and repair projects in FY 1999. The funds are no longer needed.

Department of Human Resources

Rehabilitation & Repair—Reed Act. For FY 1999, the Governor recommends \$123,500 to replace the air conditioning system in the Kansas City local office and to repair the ventilation system in one of the Topeka offices. Heavy rains in October 1998 caused the roof of the 1309 Topeka Boulevard Building to leak heavily. To prevent further damage and repair the roof, the Governor recommends expenditures of \$50,000 in FY 1999 from federal Reed Act monies. In FY 2000, the Governor recommends \$125,000 for various repair projects at the agency's offices around the state. These projects include installation of an

exterior insulated finish system at the Wichita office, mudjacking at Pittsburg, and replacement of the air conditioning system at the Leavenworth office.

Purchase of Buildings. The Department of Human Resources will purchase three buildings in downtown Topeka under the Governor's proposed budget recommendations for FY 2000. The buildings currently house the agency's storeroom, mailing, and maintenance operations at a rental cost of \$52,000 per year. The U.S. Department of Labor has given approval to spend \$100,000 obtained from the sale of Employment Security buildings in Ottawa and Coffeyville. The remaining amount of \$130,000 will be funded through the Special Employment Security Fund.

Commission on Veterans' Affairs

Rehabilitation & Repair. The Governor recommends a total of \$203,395 from the State Institutions Building Fund for rehabilitation and repair in FY 2000. Of the total, \$183,395 is for the Kansas Soldiers' Home and funds cottage restoration, replacement of the HVAC system at Eisenhower Hall, and miscellaneous repairs. The remaining \$20,000 is for the Kansas Veterans' Home and funds the repair of a waste lift station and the retro-fit of freon cooling units. For FY 1999, the Governor recommends \$180,516 from the State Institutions Building Fund for rehabilitation and repair at the Soldiers' Home.

Kansas Veterans' Home. For FY 2000, the Governor recommends \$5,326,035 from the Federal Construction Grant Fund. This funding continues renovation of the former Winfield State Hospital. This amount represents reappropriated funds from prior fiscal years.

The entire renovation project, excluding the \$2.5 million purchase price, totals \$14.7 million, with the majority of those funds being expended in FY 1999. Budgeted FY 1999 expenditures total \$8,185,182, with \$1,160,183 already spent on the project in FY 1998.

Of the \$8,185,182, including \$5,315,365 is from the Federal Construction Grant Fund, \$1,619,817 from the State Institutions Building Fund, and \$1,250,000 in local funding. The recommended FY 1999 funding also reflects previously approved funding of \$1.6 million for the campus-wide sewer project, including

\$1,080,000 from the State Institutions Building Fund and \$520,000 from federal grant funds.

Water System. The Governor recommends \$200,000 from the State Institutions Building Fund for the Kansas Soldiers' Home to make modifications to its current water well system to provide a water source to its residents which better meets health standards. The recommendation will allow the agency either to connect to Dodge City's water system or to provide treatment to the current water source, which does not meet the standards of the Kansas Department of Health & Environment. The Governor recommends this funding to allow the agency to pursue the most cost effective alternative.

Community-Based Outpatient Clinic. The Governor recommends supplemental funding of \$58,960 in FY 1999 from the State Institutions Building Fund to renovate vacant space at the Kansas Soldiers' Home into a community-based outpatient clinic. The clinic will provide services to veterans in the southwest Kansas area, which will be reimbursed by the U.S. Department of Veterans Affairs.

Halsey Hall Renovation. For FY 1999, the Governor recommends \$200,000 from the State Institutions Building Fund for renovations of Halsey Hall at the Kansas Soldiers' Home. The recommendation funds renovations to meet Kansas Department of Health & Environment licensure regulations at the facility's nursing home. This funding was approved by the Governor and the 1998 Legislature.

Education

School for the Blind

Rehabilitation & Repair. An amount of \$506,472 is recommended by the Governor for rehabilitation and repair projects at the School for the Blind during FY 1999. These projects include repairs to buildings and walkways; emergency and routine maintenance of electrical, heating, and plumbing systems; continuation of projects to implement ADA regulations; and equipment repair. For FY 2000, the Governor recommends \$58,270 for general rehabilitation and repair projects at the School. Funding in both years is from the State Institutions Building Fund.

Student Residence & Dining Facility. The Governor and the 1994 Legislature approved funding to construct a new independent living facility, with individual suites for students who are close to graduation. This project is funded by a multi-year appropriation from the State Institutions Building Fund. Students began to occupy the new facility in October 1997. The suites allow students to prepare meals and practice other skills that will help them in the transition to living independently upon graduation. For FY 1999, the Governor recommends \$312,906 to complete the remaining interior finishing projects.

Carpet Replacement. The Governor recommends \$1,137 in FY 1999 from the State Institutions Building Fund to complete the \$30,000 carpet replacement project that was approved in FY 1998. Most of the torn carpeting in campus buildings was replaced during FY 1998, and the project will be finished in FY 1999.

School for the Deaf

Rehabilitation & Repair. For FY 1999, an amount of \$439,522 is recommended by the Governor for rehabilitation and repair projects as well as \$490,880 for the final phase of the campus-wide air conditioning installation project. For FY 2000, the Governor recommends \$270,200 for rehabilitation and repair projects. These projects include maintenance of condensation pumps; repairs to walkways, buildings, and parking areas; projects needed because of fire and safety inspections; the continuation of projects to implement ADA regulations; roof replacements; and repairs to the swimming pool. Funding in both years is from the State Institutions Building Fund.

Air Conditioning. A total of \$490,880 is recommended from the State Institutions Building Fund in the current year and \$48,000 in FY 2000 to complete the installation of air conditioning campus-wide.

Elementary School Construction Project. The Governor recommends \$60,416 from the State Institutions Building Fund to complete the final projects related to the new school construction. Such projects include the clean up, grading, and landscaping of the area where the old school building was located. The new space will be made into a play and sporting area to replace space that was lost when the new elementary school was constructed.

Board of Regents

Rehabilitation & Repair. The Governor recommends \$5.0 million in FY 2000 from the Educational Building Fund for the ongoing rehabilitation and repair of campus facilities. This amount was appropriated by the 1996 Legislature and approved by the Governor as part of a multi-year appropriation. The funding is distributed through a formula based on total square feet for each institution.

Debt Service. The Governor recommends that \$15.0 million be transferred from the Educational Building Fund in FY 2000 to make the debt service payment on the "Crumbling Classroom" bond issues. Debt service for FY 1999 is \$5,840,000 in principal and \$9,160,000 in interest. Debt service for FY 2000 is \$8,110,000 in principal and \$6,890,000 in interest. These bond issues were approved during the 1996 Legislative Session upon the Governor's recommendation. The initial bonds of \$50.0 million were issued in November 1996, and another \$110.0 million was issued in October 1997.

The universities are using the \$160.0 million generated by these bond issues to make substantial repairs to campus buildings to bring buildings into compliance with the Americans with Disabilities Act and life/safety codes, and to make classroom improvements. Several additions to buildings at the University of Kansas, Kansas State University, and Emporia State University are being made, and a new nursing education building is being constructed at the Medical Center.

Emporia State University

Rehabilitation & Repair. Funds for rehabilitation and repair are initially appropriated to the Board of Regents. The Governor recommends \$497,847 in FY 1999 from the Educational Building Fund, of which \$393,150 is from the allocation of new funds from the Board of Regents and \$104,697 is reappropriated from FY 1998.

Parking Improvements. The Governor recommends \$40,000 in FY 1999 and \$80,000 in FY 2000 from restricted use funds to service the debt on parking improvements. The Governor's recommendations also include \$40,000 in FY 1999 and \$90,000 in FY 2000

from restricted use funds to make further improvements to the University's parking lot.

Student Union Renovation Debt Service. The Governor's recommendation includes \$216,000 in both FY 1999 and FY 2000 to make the principal payment on the bonds issued to renovate the student union. All funding is from previously authorized student fees.

Residence Hall Debt Service. A total of \$185,000 for FY 1999 and \$195,000 for FY 2000 is recommended to pay the principal on debt which was issued to make improvements to the residence halls. The payments are financed with previously authorized student fees.

Fort Hays State University

Rehabilitation & Repair. Funds for rehabilitation and repair are initially appropriated to the Board of Regents and then distributed to the campuses according to campus size. The Governor recommends \$502,701 in FY 1999 from the Educational Building Fund, of which \$353,704 is from the allocation of new funds from the Board of Regents and \$148,997 is reappropriated from FY 1998.

Housing System Debt Service. The Governor includes \$100,000 for FY 1999 and \$105,000 for FY 2000 from restricted use sources to pay the principal debt service on bonds issued to finance the renovation and remodeling of student dormitories.

Parking Improvements. The Governor recommends \$250,000 in FY 1999 and \$300,000 in FY 2000 for parking improvements on campus. The projects will be funded from parking fees.

Lewis Field Debt Service. The Governor recommends \$65,000 in FY 1999 and \$70,000 in FY 2000 to finance the debt service principal payments on bonds issued to renovate Lewis Field. Previously authorized student fees are being used to retire the debt.

Student Union Debt Service. The Governor recommends \$20,000 in FY 1999 and \$25,000 in FY 2000 to pay the principal portion of debt service on bonds issued to finance improvements to the Memorial Student Union. These monies are from previously approved student fees.

Kansas State University

Rehabilitation & Repair. The Governor recommends \$2,558,269 from the Educational Building Fund for rehabilitation and repair of campus facilities in FY 1999. Of this amount, \$1,271,512 is a reappropriation from FY 1998, and \$1,286,757 is a transfer of new funds from the Board of Regents.

Aeronautical Center Lease Payment. The Governor recommends \$189,446 in both FY 1999 and FY 2000 from the State General Fund for the eighth and ninth payments in a lease-purchase agreement with the Salina Airport Authority. The payments have allowed the College to acquire the International Training Center and a recently-completed laboratory for the Airframe and Powerplant Program. The lease-purchase agreement is for a term of 20 years.

Parking Lot Maintenance & Improvements. The Governor's recommendation includes \$455,000 in FY 1999 and \$725,000 in FY 2000 for parking lot maintenance and improvements. Funding for the projects will be from campus parking fees. For the Salina campus, the Governor also includes \$50,000 for parking lot maintenance in FY 2000.

Dormitory/Housing Improvements. The Governor's recommendations include \$1,105,000 in FY 1999 and \$2,730,000 in FY 2000 for rehabilitation and repair of student housing facilities. Funding for the projects will be from housing fees.

University Debt Service. The Governor recommends \$2,056,184 in FY 1999 and \$2,122,495 in FY 2000 from special revenue funds for principal payments on various projects funded through revenue bonds. These projects include housing projects, parking lot projects, and the Student Union renovation project.

Nichols Hall Basement Renovation. The University will spend \$500,000 in the current year under the Governor's recommended budget to renovate the basement of Nichols Hall. This renovation is needed to consolidate further the Speech-Dance Department.

Biological & Agricultural Engineering Research & Storage Building. To provide sufficient space for large equipment and special needs for research programs, the Governor recommends \$300,000 in FY 1999 from sponsored research, gifts, and overhead funds. The present agricultural engineering facilities

in Seaton Hall are insufficient in size. The funding will be used to construct an 8,400 square foot structure located north of the main campus.

National Gas Machinery Laboratory. The Department of Mechanical and Nuclear Engineering is involved in the development of a laboratory on the Salina campus. The current facility is too small to accommodate larger turbochargers, compressors, and centrifuges. The Governor recommends the institution spend \$200,000 in FY 2000, to be donated from the Gas Research Institute for the larger facility. Fees for testing will support the facility after construction is complete.

College Center Construction. The Governor recommends \$2,062 in FY 1999 to finish upgrading the Center. This building, located at the Salina campus, was financed with sales tax monies collected by the City of Salina.

Athletic Improvements. To keep the University's athletic facilities at a high level of quality, the Department of Intercollegiate Athletics will spend \$530,651 in FY 1999 and \$380,000 in FY 2000 from restricted fees and private gifts to make various improvements. Under the institution's proposal and the Governor's recommendation, improvements will be made to facilities, such as the Ahearn Fieldhouse, Football Complex and Stadium, Bramlage Coliseum, and Brandeberry Complex.

KSU Veterinary Medical Center

Rehabilitation & Repair. The Governor recommends \$160,043 from the Educational Building Fund for rehabilitation and repair of campus facilities in FY 1999. Of this amount, \$40,043 is a reappropriation from FY 1998 and \$120,000 is an allocation of new funds from the Board of Regents based on the Regents formula for distribution of the funds.

Greyhound Research Facility. The Governor recommends a project that will complete expansion of the facility's Greyhound Research Center. The project is intended to add 3,432 square feet of research space to increase the facility's capacity from 27 to 72 greyhounds. The final year's cost of the project is \$21,783, which will be financed from restricted use funds in FY 1999.

KSU—Extension Systems & Agricultural Research Programs

Construct Storage Buildings. As authorized by the 1998 Legislature, \$135,000 is recommended from restricted fee funds in FY 1999 to construct equipment and pesticide storage buildings. The Governor also recommends \$135,000 in FY 2000 for the same purpose.

Eastcentral Kansas Experiment Field. The Governor concurs with the agency's request that \$135,000 in restricted fees be spent to replace a shop building and machinery shed. Both structures were destroyed by windstorms in 1998. The new buildings will be constructed in FY 2000.

Animal Science Swine Facility. Kansas State will also spend \$200,000 in gift and restricted fee funds in FY 2000 for a new metabolism laboratory for swine nutrition. The pole barn structure will be approximately 1,800 square feet.

Southeast Agriculture Research Center. To add two buildings for field units in southeast Kansas, the Governor recommends \$130,000 from restricted fees in FY 1999. The funding will be used for a multipurpose building at the Parsons field unit for sample preparation, a shop area for repair of research equipment, a break room for employees, and accessible restrooms. At the Columbus field unit, the new building would be a combination field office and machinery storage building with accessible restrooms.

Construct Southwest Experiment Station Center. The Governor agrees with the University's request to use an interlocal agreement with Garden City and Finney County as a vehicle to finance construction of a new facility. The cost of the project is estimated at \$200,000 in FY 1999 and \$1,455,850 in FY 2000, all from restricted fees. The construction of a modern, technologically equipped building that consolidates the currently separated units will facilitate faculty and staff cooperation and expand the opportunities for quality public service in a 22-county area.

Validation/Fresh Meats Processing Laboratory. The Governor recommends \$2.5 million in federal grant funds (\$250,000 in FY 2000 and \$2,250,000 in FY 2001) for improvements and expansion of the current meat slaughter and processing facilities used by the Department of Animal Science and Industry.

The project will add 3,000 net square feet adjacent to Weber Hall. The University will conduct microbiological challenge studies under conditions that mimic industry slaughter and fresh meat processing practices. It will be the only facility of this type and will be used for extensive industry and government research needs.

Equine Center. The Governor also concurs with the agency's request to spend \$4.5 million in FY 2000 from private gifts to construct an Equine Teaching and Research Center. According to the University, Kansas State has a unique opportunity to assume a leadership role within the horse industry in Kansas and the midwest by strengthening its undergraduate, graduate, and professional programs. The Equine Center will include a complex of facilities, including horse barns, an indoor arena, and multi-purpose auditorium.

Wichita Horticulture Research Center. The Department of Horticulture, Forestry, and Recreation Resources provides outreach services throughout the state. To house research and visiting scientists, the agency will construct a new 9,500 square foot building at the Wichita Center. The structure will provide state-of-the-art laboratories, a conference room, library and computing room. The facility will also include space for ongoing public education efforts. The project will be completed in the current year with \$550,000 in private funds, as recommended by the Governor.

Eastern Kansas Horticulture—Forestry Research & Education Center. This new center, similar to the one described above, will be located at the Sunflower Army Ammunition Plant. In addition to the main building, however, this Center will also have two 750-square foot teaching laboratory spaces to assist classroom instruction, a plant material handling structure, research and teaching greenhouse spaces, and a pesticide storage and handling facility. This Center will be paid for by \$2,250,000 in private funds in the current year.

Grain Science Value-Added Lab. The Governor recommends \$343,000 from restricted fees to upgrade and expand Waters Hall and Waters Annex in FY 1999. The project will improve safety conditions in the building's laboratories and Extrusion Center. The University will also add offices, install appropriate laboratory bench space, climate control, and fume hoods to conduct value-added research.

Grain Science Center. KSU—ESARP plans to spend \$15.5 million in private gifts and restricted fee funds to construct five buildings for the Grain Science Center Complex. The project consists of four phases: a feed mill (\$7.0 million), a flour mill (\$3.0 million), the International Grains Program (\$2.5 million), and Biological & Industrial Value-Added Program (\$3.0 million). These construction projects will continue and expand upon current research and teaching activities in order to improve both livestock production efficiency and crop utilization potential for Kansas and the U.S. The Governor includes \$500,000 in FY 1999 and \$10.0 million in FY 2000 for these various projects in the recommended budget. The balance of the monies is to be spent in FY 2001.

Pittsburg State University

Rehabilitation & Repair. Funds for rehabilitation and repair are initially appropriated to the Board of Regents. The Governor recommends \$371,328 in FY 1999 from the Educational Building Fund, of which \$331,000 is from the allocation of new funds from the Board of Regents and \$40,328 is reappropriated from FY 1998.

Parking Lot Repairs. The Governor recommends \$150,000 in FY 1999 and \$175,000 in FY 2000 for parking improvements on campus. The projects will be funded from parking fees.

Housing System Repairs. The Governor includes \$991,060 in FY 1999 and \$780,000 in FY 2000 to make improvements to on-campus student housing. All funding is from student fees.

Student Center Improvements. The Governor recommends \$250,000 in both FY 1999 and FY 2000 from student fees to continue with planned improvements for the student center.

Student Health Center Improvements. The Governor's recommendation provides \$20,000 in both FY 1999 and FY 2000 from student fees for expansion of the Center and interior remodeling.

Debt Service for Student Center & Student Housing. The Governor recommends \$95,000 in FY 1999 and \$100,000 in FY 2000 from restricted use sources to service the debt on bonds issued to make improvements to the Student Center.

Horace Mann Renovation. The 1997 Legislature and the Governor approved a Kansas Development Finance Authority bond issue to finance renovation of the Horace Mann Building. The bonds were issued in December 1998. The debt service on the project is to be made with student fees. An expenditure of \$246,249, including \$55,000 principal and \$191,249 in interest, in FY 2000 reflects the first debt service payment.

University of Kansas

Rehabilitation & Repair. The Governor recommends \$2,856,177 from the Educational Building Fund for rehabilitation and repair of campus facilities in FY 1999. Of this amount, \$1,557,708 is a reappropriation from FY 1998 and \$1,298,469 is a transfer of new funds from the Board of Regents. The Governor also recommends expenditures of \$1.1 million from restricted use fee funds to make repairs and improvements to various campus facilities in the current year.

Snow Hall Renovation. The Governor recommends \$2,061 from the Educational Building Fund in FY 1999 to complete renovations of Snow Hall. The funds are a reappropriation from FY 1998.

Sponsored Research Overhead Fund Projects. The University plans to spend \$330,745 in research overhead funds in the current year on three projects: improvements to the animal care unit (\$1,274), a remodel of the labs in Dyche Hall (\$211,282), and remodeling of Youngberg Hall (\$118,189). The Governor concurs with expenditure of these monies.

Watkins Health Center. The Governor's recommendation provides \$50,000 in both FY 1999 and FY 2000 from student fees for necessary improvements to the Center.

Law Enforcement Training Center. The Governor's recommendations include \$350,264 in FY 1999 for Phase II of the renovations for the Law Enforcement Training Center. Phase II includes renovation of the existing instructional building, construction of a new three-story dormitory wing, renovation of the cafeteria, and renovation of the existing dormitory. In FY 2000, improvements to parking areas will be made with \$190,000 from the docket fee put in place to support the facility.

Parking Improvements. The Governor recommends \$400,000 in FY 1999 and \$900,000 in FY 2000 from parking fees for the completion of various parking improvements on the campus.

Housing System Rehabilitation & Repair. The Governor's recommendations include \$1,315,000 in FY 1999 for rehabilitation and repair of University housing. The funding for the rehabilitation and repair projects will come from fees charged to housing residents. In addition, the Governor recommends \$202,346 for renovations to Templin Residence Hall in FY 1999.

Dole Institute. The University of Kansas has established the Robert J. Dole Institute of Public Service and Public Policy to study major policy issues, encourage student participation and citizen involvement in public life, and offer scholars the opportunity to study politics. The Dole Institute will occupy a free-standing building on the campus to house the new Institute. In support of the project, the Governor recommends, for FY 1999, \$3.0 million from the State Budget Stabilization Fund (as was originally approved by the 1998 Legislature) to be matched with \$3.0 million in private gifts.

Hoch Auditorium. The Governor's recommendations include \$75,130 in FY 1999 from the Kansas Special Capital Improvements Fund to complete renovations to Hoch Auditorium. The auditorium accounted for 7.3 percent of total classroom space before it was destroyed by fire on June 15, 1991. In addition, the University will spend \$2,695,716 that was transferred from the Tuition Accountability Fund in order to finish the three levels of space below the main floors.

Renovation of Energy-Balance Laboratory. The University was authorized by the 1998 Legislature to spend \$960,000 in FY 1999 from the Sponsored Research Overhead Fund to renovate 8,000 square feet in Robinson Gymnasium. The space will be used to house a new weight-management program sponsored by the National Institute of Health in the University's Department of Health, Sport, & Exercise Sciences. This amount remains in the University's recommended budget.

University Debt Service. The Governor recommends \$3,177,000 in FY 1999 and \$1,940,000 in FY 2000 from special revenue funds for principal payments on various projects funded through revenue bonds. These

projects include housing projects, parking lot projects, the Regents Center, the Student Union renovations, and the Watkins Health Center.

Lapses. The Governor recommends lapsing balances of \$4,736 in the Remediation Projects Fund and \$4,349 in the Geological Survey Project Fund. The money is no longer needed for the projects as appropriated.

University of Kansas Medical Center

Rehabilitation & Repair. For continued funding for rehabilitation and repair, the Governor recommends \$3,551,335 from the Educational Building Fund for the Medical Center facilities in FY 1999, which includes a reappropriation of \$2,723,335 from FY 1998.

New Research Building. The Governor also recommends expenditure of \$623,687 from the Educational Building Fund in FY 1999 for completion of the new Research Building at the Kansas University Medical Center.

Debt Service. Several projects at the Medical Center were financed through revenue bonds. The Governor recommends funding of \$2,422,520 in FY 1999 and \$676,746 in FY 2000 from restricted use funds for debt service on these bonds. Projects include parking facility bonds issued in 1985 and 1988 and the bonded Biomedical Research Building and Center for Health in Aging.

Parking Lot Improvements. To perform ongoing routine maintenance on the Medical Center's parking lots, the Governor recommends expenditures of parking fee funds of \$200,000 in FY 1999 and \$300,000 in FY 2000. Expenditures will be from fees collected from those who use the parking lots.

Center for Health in Aging. This new facility will serve as a national model of coordinated educational, clinical, community service and research programs for older adults and their families. The Center will house the Center on Aging and provide a single-entry point clinic area, an auditorium for older adult and family education, a community resource center, and a wellness center, among other services. In his recommended budget, the Governor includes

\$1,500,000 in FY 1999 and \$2,424,300 for construction of this new facility.

Addition to Research Support Facility. The Medical Center's Research Support Facility was constructed in 1992 to house various animals used in medical research. This biomedical research program has expanded rapidly in recent years, in part, a result of additional federal research funding. With the new research programs being undertaken at the Medical Center, additional space in this building is needed. The Governor recommends expenditures of \$230,000 in FY 1999 and \$4,560,000 in FY 2000 for construction of the addition, which will contain approximately 17,000 square feet on two floors.

Wichita State University

Rehabilitation & Repair. The Governor recommends \$982,000 from the Educational Building Fund for rehabilitation and repair of campus facilities in FY 1999. Of this amount, \$425,000 is a reappropriation from FY 1998 and \$557,000 is a transfer of new FY 1999 funds from the Board of Regents.

Cessna Stadium Repairs. The Governor includes expenditures of \$5,078 in FY 1999 for the completion of repairs to Cessna Stadium, which had deteriorated in recent years. The FY 1999 amount was originally funded by \$200,000 from the Economic Development Initiatives Fund, which was reappropriated from FY 1998. The project, which totals \$3.4 million, will be completed in FY 1999.

Housing System Rehabilitation & Repair. The Governor's recommendations include \$192,935 in FY 1999 for rehabilitation and repair of University student housing facilities. The funding for the rehabilitation and repair projects comes from fees charged in housing residents.

Debt Service. The Governor recommends \$285,000 in FY 1999 and \$300,000 in FY 2000 for payment of the principal portion of a bonded project to renovate student housing. The Wheatshocker Apartments, Fairmount Towers, and Brennan Halls I and II are all being renovated to provide students with additional housing options. Debt service payments are paid from housing revenue funds.

Historical Society

Rehabilitation & Repair. An amount of \$205,649 is recommended by the Governor from the State General Fund for rehabilitation and repair projects at the Kansas History Center Complex and the historic sites during FY 1999. For FY 2000, the Governor recommends \$100,000 from the State General Fund for general rehabilitation and repair projects at the History Center Complex and the state historic sites. The Governor also recommends \$221,000 from the Economic Development Initiatives Fund in FY 1999 to renovate the First Territorial Capitol and finance various maintenance projects at the historic sites.

Exterior Cleaning & Sealing of Museum. The Governor recommends \$174,573 for cleaning and sealing the exterior of the Kansas Museum of History in FY 1999. This project will clean the surface of the 15-year-old building, and re-caulk the exterior to prevent further water damage to museum collections.

Flood Plain Improvements. The Governor recommends \$192,717 from the State General Fund in FY 1999 for flood plain improvements at the Kansas Museum of History. The improvements will stabilize ground conditions at the site, where erosion along the creek bed behind the building is a concern. This is a joint project between the Historical Society and the U. S. Army Corps of Engineers. The State General Fund portion of the cost was approved in FY 1993, and the project will be completed during FY 1999.

Storage Bay Three. The Governor recommends \$1.9 million from the State General Fund to construct a third storage bay to house Museum collections. At the present time, the two existing storage bays are filled beyond capacity. This third bay will allow the agency to store materials safely and efficiently, including electronic records, until the year 2015.

Public Safety

Adjutant General

Reroof Armories. For FY 1999, the Governor recommends \$661,900 from the State General Fund for roofing projects at the state's armories.

Iola Armory Addition. An amount of \$1,960,010 is recommended in FY 1999 for an addition to the Iola National Guard Armory. Of the recommended amount, \$1,626,162 is from federal sources and \$333,848 is from the State Budget Stabilization Fund. Additionally, local authorities are committed to contributing \$217,778 to the project.

Department of Corrections

Expansion Planning. In FY 1999, the Governor recommends \$412,370 from the State General Fund to finance the planning costs of replacement of the Reception and Diagnostic Unit at the El Dorado Correctional Facility. The estimated total cost of the new unit is \$15.9 million. The Governor proposes that construction be financed through the issuance of bonds. The first payment would be due in FY 2001.

Wichita Work Release Facility Debt Service. In FY 1999, a total of \$163,000 from the State General Fund is recommended for debt service to fund renovation of the Wichita Work Release Facility. This number includes \$53,000 for the interest portion and \$110,000 for the principal portion. The recommendation for FY 2000 of \$163,000 includes \$115,000 as payment on the principal and \$48,000 for interest payments.

Ellsworth Correctional Facility Debt Service. For debt service on the bonds issued to construct the Ellsworth Correctional Facility, the Governor recommends \$1,725,000, including \$1,675,000 from the State General Fund, for FY 1999. The recommendation includes \$845,000 for the principal payment and \$880,000 for interest payments. For FY 2000, the Governor recommends a total of \$1,520,528. The recommendation is funded by \$1,470,528 from the State General Fund and \$50,000 from interest earnings on the bond reserve. The recommendation includes \$885,000 as payment on the principal and \$635,528 for interest payments.

Revenue Refunding Bond Debt Service. The Governor recommends \$7,532,000 in FY 1999, including \$6,802,000 from the State General Fund, to service the debt incurred for construction of the Larned Correctional Mental Health Facility and the El Dorado Correctional Facility. The principal portion of the payment is \$4,630,000, including a one-time expenditure of \$500,000 from the Correctional Institutions Building Fund and the interest payment is

\$2,902,000. For FY 2000, the Governor recommends a total of \$7,496,747. Of the recommendation, \$4,870,000 represents payment on the principal and \$2,626,747 is the interest payment. The recommendation is funded with \$7,266,747 from the State General Fund in FY 2000, \$230,000 from bond interest earnings.

El Dorado Correctional Facility Site Utilities Replacement Debt Service. For FY 1999, the Governor recommends \$1,285,000 from the State General Fund for debt service on the replacement of site utilities at the facility. The recommendation includes \$1,180,000 for principal and \$105,000 for interest. A total of \$1,287,000 is recommended from the State General Fund in FY 2000. The recommendation includes \$1,090,000 for principal and \$197,000 for interest.

Rehabilitation, Repair, & Remodeling. The Governor proposes the expenditure of \$4,663,803 from the Correctional Institutions Building Fund in FY 1999. The FY 2000 recommendation totals \$4,722,725.

Construction & Expansion of Industries Buildings. A total of \$615,000 is recommended from the Correctional Industries Fund to construct a new industries building in FY 1999. The new building will be located at the Lansing Correctional Facility and will provide additional work opportunities for inmates. In addition, the Governor recommends \$541,960 to construct an addition to the industries and maintenance building at Ellsworth Correctional Facility. The recommendation for FY 2000 includes \$280,935 from the Correctional Institutions Building Fund and \$261,025 from the Correctional Industries Fund.

El Dorado Correctional Facility

Rehabilitation & Repair. The Governor recommends a total of \$385,293 from the Correctional Institutions Building Fund for ongoing rehabilitation and repair projects in FY 1999. The monies were reappropriated from FY 1998.

Hutchinson Correctional Facility

Rehabilitation & Repair. For ongoing rehabilitation and repair projects, the Governor recommends

\$635,594 for FY 1999 from the Correctional Institutions Building Fund. The recommendation primarily allows for renovating the clinic and infirmary, but includes other ancillary repairs to facility buildings.

Expansion of South Unit. The Governor recommends \$25,531 from the Correctional Institutions Building Fund in FY 1999 to finish constructing a 32-bed housing wing. The expansion is being made to the South Unit, which houses minimum security inmates.

Lansing Correctional Facility

Rehabilitation & Repair. For ongoing rehabilitation and repair projects at the facility, the Governor recommends \$235,864 from the Correctional Institutions Building Fund in the current year. The money was reappropriated from FY 1998.

Larned Correctional Mental Health Facility

Rehabilitation & Repair. For ongoing rehabilitation and repair projects, the Governor recommends \$1,199 from the Correctional Institutions Building Fund in FY 1999. The funding will be expended to complete the segregation exercise yard project.

Norton Correctional Facility

Rehabilitation & Repair. For ongoing rehabilitation and repair projects, the Governor recommends \$122,791 from the Correctional Institutions Building Fund in FY 1999. The funding will be expended for repair and maintenance projects for the facility's buildings.

Construction of 200-bed Housing Unit. The Governor recommends \$1,129,177 to complete construction of a 200-bed medium security housing unit at Norton Correctional Facility in FY 1999. The new unit will be located at the central facility. Of the total, \$801,199 will be funded by federal Violent Offenders Incarceration/Truth in Sentencing Incentive Grants. The remaining \$327,978 will be financed by the state's Correctional Institutions Building Fund.

Topeka Correctional Facility

Rehabilitation & Repair. A total of \$66,420 from the Correctional Institutions Building Fund is recommended by the Governor in FY 1999 to complete ongoing rehabilitation and repair projects. The monies were reappropriated from FY 1998.

Expansion of the General Services Building. The Governor's recommendation for FY 1999 includes \$14,570 from the Correctional Institutions Building Fund to expand the General Services Building. The expansion is necessary to provide additional storage space for the new maximum security women's unit.

Winfield Correctional Facility

Rehabilitation & Repair. The Governor recommends \$92,797 from the Correctional Institutions Building Fund in FY 1999 to complete ongoing rehabilitation and repair projects. The monies were reappropriated from FY 1998.

Highway Patrol

Motor Carrier Inspection—Rehabilitation & Repair. The Governor recommends \$50,000 in FY 1999 and \$50,000 in FY 2000 from the Motor Carrier Inspection Fund for ongoing rehabilitation and repair projects at statewide Motor Carrier Inspection facilities.

Replacement of Scales. An amount of \$91,138 from the Motor Carrier Inspection Fund is recommended by the Governor for the replacement of scales in FY 1999 and \$110,000 in FY 2000. This amount allows the agency to maintain its replacement schedule for scales located at motor carrier inspection ports.

Training Center—Rehabilitation & Repair. The Governor recommends \$50,000 from the Highway Patrol Training Center Fund for rehabilitation and repair projects at the Highway Patrol Training Center in Salina in FY 1999 and \$50,000 in FY 2000.

Training Center—Debt Service. The Governor recommends \$285,000 in FY 1999 from the Highway Patrol Training Center Fund to finance debt service on the Training Center in Salina and \$305,000 in FY

2000. This amount funds the principal portion of the debt, which was incurred in FY 1993 for purchase of the Training Center.

Kansas Bureau of Investigation

Debt Service. The Governor recommends \$165,000 and \$170,000 from the State General Fund to finance the debt service payments on the headquarters building in Topeka in FY 1999 and FY 2000, respectively. In addition, \$142,489 and \$134,490 is included in the agency's operating budget to finance the interest portion on the debt service payments for these two fiscal years.

Rehabilitation & Repair. The Governor recommends \$15,000 in FY 1999 and FY 2000 for rehabilitation and repair projects at the agency's facilities across the state. The budget recommendation will allow for routine maintenance activities as well as unanticipated repairs.

Juvenile Justice Authority

Juvenile Correctional Facilities. The Governor recommends \$1,208,758 in FY 1999 and \$1,307,096 in FY 2000 from the State Institutions Building Fund for the rehabilitation and repair of state juvenile correctional facilities. The funding is for the facilities at Topeka, Beloit, and Atchison. The projects include an upgrade of electrical systems, re-roofing of buildings, and window replacement.

Expansion Planning. For FY 2000, the Governor recommends \$2,185,297 from the State Institutions Building Fund to finance the planning costs associated with the construction of a maximum security juvenile correctional facility. The facility will house 225 juveniles and provide diagnostic and medical services.

Agriculture & Natural Resources

Kansas State Fair

Grandstand Renovation Debt Service. The Governor recommends \$190,000 in FY 1999 for the

repayment of principal on the grandstand renovation bonds. This recommendation includes \$100,000 from the State General Fund and \$90,000 from the agency's Bond Reserve Fund. This payment will be the last on these bonds.

Rehabilitation & Repair. The Governor recommends \$230,000 in FY 1999 for rehabilitation and repair projects. This includes \$153,160 from the State General Fund and \$76,840 from the State Fair Capital Improvements Fund. The Governor also recommends \$375,450 in FY 2000 for rehabilitation and repair projects. Of this amount, \$300,000 is from the State General Fund and \$75,450 from the State Fair Capital Improvements Fund. Projects planned for both years include final upgrades to electrical systems and other plumbing, heating, and ventilation system upgrades.

New Commercial Building. The Governor includes \$848,000 from the State Budget Stabilization Fund for the construction of a new Commercial Building in FY 1999. The new structure will be a metal building with a partial brick façade. This 20,250 square foot building will be used during the Fair for vendors that will be displaced when the second floor of the old Commercial Building is closed. The Governor also recommends \$160,000 from the State Fair Capital Improvements Fund to upgrade the building with air conditioning.

ADA & EPA Regulation Compliance. The Governor recommends \$375,000 from the State General Fund for FY 1999 and \$300,000 in FY 2000 to implement code compliance projects on the Fairgrounds in Hutchinson. The Fairgrounds has facilities that lack ADA and fire safety compliance, as well as problems with asbestos and lead-based paint.

Master Plan Study. The FY 1999 recommendations include \$72,000 from the State Fair Capital Improvements Fund for a Master Plan Study of the Fairgrounds. This study will examine the way the various Fairgrounds facilities are used and will provide the Board with recommendations on overall improvement of the facilities.

Encampment Building Air Conditioning. Although overall renovation of the Encampment Building concluded in FY 1998, the Governor recommends \$29,000 in FY 2000 from the State Fair Capital Improvements Fund to add air conditioning to the

Encampment Building Auditorium and the first floor. This addition will make the building more usable during the off-season.

Additional Campground Full-Hookups. The Governor recommends \$100,000 in FY 2000 from the State Fair Capital Improvements Fund for 25 additional campground sites with electrical hookups. Of this amount, \$40,000 will be funded through a grant obtained from the Department of Commerce & Housing.

Department of Wildlife & Parks

The recommendation by the Governor continues capital improvement projects for the Department of Wildlife and Parks for FY 1999, with estimated expenditures of \$14,912,432 from all funding sources. Included among the FY 1999 recommended expenditures are projects funded from the State General Fund totaling \$733,523. For FY 2000, the Governor recommends expenditures of \$11,755,794 for capital improvements from all funding sources. Of the total recommended FY 2000 expenditures for capital improvements, \$196,200 is from the State General Fund.

Parks 2000 Initiative. A year ago, the Governor recommended the Parks 2000 Initiative, which is a major capital improvement plan for state parks. This recommendation provides \$10.0 million from the State Budget Stabilization Fund, beginning in FY 1999. Of the total, \$4.3 million will be expended in FY 1999 and \$5.7 million in FY 2000. The Parks 2000 Initiative will address the needs of Kansas' 30-year plus state park infrastructure by restoring, preserving, and enhancing the state's park system. Kansas residents will benefit from the improved recreational aspects and preservation of the state park system. The Governor's recommendation reflects input from the Task Force on Outdoor Kansas.

The Task Force, which was created by the Wildlife and Parks Commission, consisted of 14 members and included representation from the Kansas Legislature and the public. The Task Force met during 1996 and provided the Commission with a report on funding needs for outdoor recreation. The report identified an immediate need for more than \$10.0 million to renovate state park infrastructure and provide modern facilities which meet ADA standards.

Identified infrastructure needs include buildings with leaking roofs, cracked and separated floors and walls, and rotted wood. A lack of group facilities also was cited. The utility infrastructure is more than 30 years old in many parks. There is low, insufficient amperage, rendering electrical sites inadequate. Water and sewer systems are outdated. Toilets and showers operate inefficiently with old water heaters, outdated plumbing systems, and deteriorating facilities. Camping sites are unlevel and crowded. There is also a lack of beach areas. The existing beach areas are crowded and subject to serious water erosion. Roads in many of the parks are dirt or gravel, making access difficult. In addition, parking is inadequate.

Milford Reservoir Wetlands. The Governor recommends \$361,512 from the State General Fund for FY 1999 to provide the match to \$1,263,306 in federal funds for developing wetlands at Milford Reservoir. Total expenditures for FY 1999 of \$2,054,018 will allow completion of the first of three phases. The total project cost is estimated at \$5.0 million. The remaining two phases are estimated to cost \$2.9 million, of which \$888,488 must be from non-federal sources. WILDSCAPE, a nonprofit organization, will acquire the remaining non-federal funds. During the 1998 Legislative Session, HB 2783 dedicated a section of these wetlands to the memory of the late Steve Lloyd, a state representative from Clay County. The bill also provided for an observation tower and appropriate signs.

Continuation of Other Projects Approved for FY 1999. The FY 1999 recommendations include \$547,096 from all funding sources to continue flood damage repair projects. Of this total, \$230,426 is from the State General Fund. Expenditures of \$787,000 also are recommended for rehabilitation and repair, which includes \$53,891 from the State General Fund. The total also includes \$484,601 for ADA renovation projects, of which \$87,694 is from the State General Fund.

Also included for FY 1999 is \$1,399,327 for both land and wetland acquisition. The financing consists of \$800,000 from the Wildlife Conservation Fund, \$439,041 from the Wildlife Fee Fund, and \$160,286 from the Migratory Waterfowl Protection and Propagation Fund.

Boating access and development projects totaling \$1,191,855 also are included in the FY 1999

recommendation for capital expenditures. Additionally, the State Highway Fund will provide resources totaling \$2,109,809 for road development and bridge maintenance in several of the state's parks.

Essential repair of deteriorating dams at many of the state fishing lakes will continue in FY 1999. Expenditures for this purpose are estimated at \$1,292,047. Finally, the Governor recommends expenditures of \$388,940 to complete renovation and continue maintaining the dikes at Cheyenne Bottoms Wildlife Area.

ADA Accessibility—Rehabilitation & Repair. The Governor continues efforts to ensure that the state's parks, public lands, and wildlife areas are accessible to all visitors. For FY 2000, an amount of \$563,034 is recommended for ADA rehabilitation and repair projects. These projects are to be funded with \$366,834 from the Wildlife Fee Fund and the remaining \$196,200 from the State General Fund.

Dam Repair. In FY 2000, the Department of Wildlife & Parks will repair dams at five state fishing lakes. The lakes are Brown, Shawnee, Clark, Douglas, and Sheridan. A total of \$1,325,000 from the Wildlife Conservation Fee Fund is recommended for these projects.

Land/Wetlands Acquisition & Development. An amount of \$950,000 from special revenue funds is recommended for land and wetlands development, acquisition, and rehabilitation in FY 2000. This funding will allow the agency to purchase land and wetland habitats from property owners who willingly seek to sell these lands. Generally, wetland purchases are in areas where other wetlands exist and enhance the size of existing areas. The Department works with Ducks Unlimited and other interested parties to improve and develop all the state's wetlands. The Department purchases both land and wetlands to provide public access to all citizens for wildlife viewing, habitat preservation, hunting, and other recreational opportunities.

Access Roads Maintenance & Development. Recommended for FY 2000 is \$1,647,918 from the State Highway Fund for access road maintenance and development as well as major bridge repair. The recommendation will allow the Department to ensure access roads and bridges are safe. Major resurfacing is planned for several parks, including Cedar Bluff, Glen

Elder, Kanopolis, Lovewell, Prairie Dog, Webster, and Wilson.

Angler Facilities. A total of \$771,250 from the Wildlife Fee Fund is provided for improving angler facilities in FY 2000. The recommended funding will be used to upgrade boating and fishing access throughout the Department’s water-based facilities. The projects will include ADA compliance, improved lighting, parking, ramps, trash collection sites, and bathroom facilities.

Great Plains Nature Center. The Governor recommends \$818,592 to complete the Great Plains Nature Center. This phase of the project is financed with federal monies and will complete the exhibits at the center.

Transportation

Kansas Department of Transportation

The Governor recommends \$488.3 million in FY 1999 and \$530.6 million in FY 2000 for capital improvement projects. Included in the recommendation is \$87.9 million from the State

General Fund in FY 1999 and \$128.9 million in FY 2000. The table below details the recommendations by major expenditure classification.

| KDOT Capital Improvement Expenditures | | |
|--|----------------|----------------|
| <i>(Dollars in Thousands)</i> | | |
| | <u>FY 1999</u> | <u>FY 2000</u> |
| Design Contracts | 28,500 | 28,500 |
| Construction Operations | 63,245 | 64,214 |
| Construction Contracts | 269,227 | 283,109 |
| Local Construction | 87,472 | 108,592 |
| Debt Service | 27,730 | 40,945 |
| KDOT Buildings | 12,153 | 5,278 |
| Total | \$488,327 | \$530,638 |

Included in the FY 2000 building improvement recommendations are funds to construct new 800 MHz radio towers, replace deteriorated roofs on agency facilities, construct wash bays at subarea shops that meet EPA standards, and replace deteriorated chemical storage facilities. The recommendations also provide for the replacement of HVAC systems at the Garden City offices and fund the purchase of land for a mixing strip at Erie.

The table that follows presents a comprehensive list of capital projects by source of funding.

Expenditures for Capital Improvements by Project

| | <u>Actual</u> <u>FY 1998</u> | <u>FY 1999</u> <u>Estimate</u> | <u>Current</u> <u>Services</u> | <u>Enhance.</u> <u>Package</u> | <u>Governor's</u> <u>Rec.</u> |
|--|---------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|----------------------------------|
| Educational Building Fund | | | | | |
| Board of Regents | | | | | |
| Rehabilitation & Repair | -- | -- | 5,000,000 | -- | 5,000,000 |
| Crumbling Classrooms--Principal | 10,882,638 | 5,840,000 | 8,110,000 | -- | 8,110,000 |
| Emporia State University | | | | | |
| Peterson Planetarium | 29,091 | -- | -- | -- | -- |
| Rehabilitation & Repair | 416,569 | 497,847 | -- | -- | -- |
| Fort Hays State University | | | | | |
| Rehabilitation & Repair | 499,121 | 502,701 | -- | -- | -- |
| Kansas State University | | | | | |
| Rehabilitation & Repair | 2,125,103 | 2,558,269 | -- | -- | -- |
| KSU--Vet Med | | | | | |
| Rehabilitation & Repair | 411,283 | 160,043 | -- | -- | -- |
| Pittsburg State University | | | | | |
| Rehabilitation & Repair | 313,546 | 371,328 | -- | -- | -- |
| University of Kansas | | | | | |
| Rehabilitation & Repair | 2,412,369 | 2,856,177 | -- | -- | -- |
| Snow Hall Renovation | 14,216 | 2,061 | -- | -- | -- |
| KU Medical Center--Education | | | | | |
| Rehabilitation & Repair | 1,022,680 | 3,551,335 | -- | -- | -- |
| New Research Building | 36,358 | 623,687 | -- | -- | -- |
| Wichita State University | | | | | |
| Rehabilitation & Repair | 1,564,677 | 982,000 | -- | -- | -- |
| Subtotal--Educational Building Fund | 19,727,651 | 17,945,448 | 13,110,000 | -- | 13,110,000 |
| Crumbling Classrooms--Interest | 3,117,362 | 9,160,000 | 6,890,000 | -- | 6,890,000 |
| Total EBF (Debt & Capital Improvements) | \$22,845,013 | \$27,105,448 | \$20,000,000 | \$ | \$20,000,000 |
| State Institutions Building Fund | | | | | |
| Social & Rehabilitation Services | | | | | |
| Rehabilitation & Repair | 323,020 | 3,965,000 | 5,985,180 | -- | 3,098,605 |
| New Sex Predator Unit--Larned | -- | 740,000 | -- | -- | -- |
| LSH--Remodel Dillon Building | -- | 594,217 | -- | -- | -- |
| Kansas Neurological Institute | | | | | |
| Rehabilitation & Repair | 918,146 | 337,850 | -- | -- | -- |
| Larned State Hospital | | | | | |
| Rehabilitation & Repair | 631,693 | 192,691 | -- | -- | -- |
| Osawatomie State Hospital | | | | | |
| Rehabilitation & Repair | 438,558 | 83,178 | -- | -- | -- |
| Parsons State Hospital | | | | | |
| Rehabilitation & Repair | 113,187 | 1,069,816 | -- | -- | -- |

Expenditures for Capital Improvements by Project

| | <u>Actual</u> <u>FY 1998</u> | <u>FY 1999</u> <u>Estimate</u> | <u>Current</u> <u>Services</u> | <u>Enhance.</u> <u>Package</u> | <u>Governor's</u> <u>Rec.</u> |
|--|---------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|----------------------------------|
| Topeka State Hospital | | | | | |
| Rehabilitation & Repair | 6,797 | -- | -- | -- | -- |
| Rainbow Mental Health Facility | | | | | |
| Rehabilitation & Repair | 78,369 | -- | -- | -- | -- |
| Winfield State Hospital | | | | | |
| Rehabilitation & Repair | 2,573 | -- | -- | -- | -- |
| Commission on Veterans' Affairs | | | | | |
| Veterans' Home Renovation | 1,160,183 | 539,817 | -- | -- | -- |
| Halsey Hall Major Remodel | -- | 200,000 | -- | -- | -- |
| Winfield Campus Sewer (KVH) | -- | 1,080,000 | -- | -- | -- |
| Power Plant | 461,902 | -- | -- | -- | -- |
| Water Line Distribution | 6,325 | -- | -- | -- | -- |
| Community-Based Outpatient Clinic (KSH) | -- | 58,960 | -- | -- | -- |
| Rehabilitation & Repair (KSH) | 347,298 | 180,516 | 390,774 | -- | 183,395 |
| Rehabilitation & Repair (KVH) | -- | -- | 20,000 | -- | 20,000 |
| New Water Well (KSH) | -- | -- | 113,000 | -- | 200,000 |
| Protected Walkways (KVH) | -- | -- | 124,000 | -- | -- |
| New Storage Shed (KSH) | -- | -- | 73,249 | -- | -- |
| New Community Development (KSH) | -- | -- | -- | 230,100 | -- |
| School for the Blind | | | | | |
| Rehabilitation & Repair | 141,705 | 506,472 | 58,270 | -- | 58,270 |
| Student Residence & Dining Facility | 177,472 | 312,906 | -- | -- | -- |
| Carpet Replacement | 28,863 | 1,137 | -- | -- | -- |
| School for the Deaf | | | | | |
| Rehabilitation & Repair | 284,061 | 437,482 | 152,200 | -- | 167,200 |
| Resurface Parking Areas | -- | -- | 88,000 | -- | 88,000 |
| Roof Replacement | -- | 2,040 | 15,000 | -- | 15,000 |
| Upgrade Fire Alarm & Accessibility | 202 | -- | 450,000 | -- | -- |
| Install Air Conditioning, Roberts & Roth | 110,754 | 490,880 | 48,000 | -- | 48,000 |
| Dormitory Renovation | -- | -- | 204,000 | -- | -- |
| Construct New Educational Building | 191,675 | 60,416 | -- | -- | -- |
| Beloit Juvenile Correctional Facility | | | | | |
| Rehabilitation & Repair | 41,795 | -- | -- | -- | -- |
| Topeka Juvenile Correctional Facility | | | | | |
| Rehabilitation & Repair | 521,873 | -- | -- | -- | -- |
| Atchison Juvenile Correctional Facility | | | | | |
| Rehabilitation & Repair | 389,665 | -- | -- | -- | -- |
| Juvenile Justice Authority | | | | | |
| Rehabilitation & Repair | -- | 1,208,758 | 1,307,096 | 3,012,880 | 1,307,096 |
| Capital Facilities Planning | 110,000 | -- | -- | -- | 2,185,297 |
| Total--State Institutions Building Fund | \$6,486,116 | \$12,062,136 | \$9,028,769 | \$3,242,980 | \$7,370,863 |

Expenditures for Capital Improvements by Project

| | <u>Actual</u> <u>FY 1998</u> | <u>FY 1999</u> <u>Estimate</u> | <u>Current</u> <u>Services</u> | <u>Enhance.</u> <u>Package</u> | <u>Governor's</u> <u>Rec.</u> |
|--|---------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|----------------------------------|
| Correctional Institutions Building Fund | | | | | |
| Department of Corrections | | | | | |
| Rehabilitation & Repair | 218,837 | 4,663,803 | 5,003,660 | -- | 4,722,725 |
| General Housing--Planning | 80,000 | -- | -- | -- | 280,935 |
| Debt Service | -- | 500,000 | -- | -- | -- |
| El Dorado Correctional | | | | | |
| Rehabilitation & Repair | 477,281 | 385,293 | -- | -- | -- |
| Ellsworth Correctional | | | | | |
| Rehabilitation & Repair | 15,314 | | | | |
| Hutchinson Correctional | | | | | |
| Construct 32-Bed Wing at South Unit | 201,966 | 25,531 | -- | -- | -- |
| Rehabilitation & Repair | 1,044,875 | 635,594 | -- | -- | -- |
| Construct Entrance Building | 1,029 | -- | -- | -- | -- |
| Lansing Correctional | | | | | |
| Rehabilitation & Repair | 1,644,614 | 235,864 | -- | -- | -- |
| Larned Correctional | | | | | |
| Rehabilitation & Repair | 197,672 | 1,199 | -- | -- | -- |
| Norton Correctional | | | | | |
| Rehabilitation & Repair | 273,673 | 122,791 | -- | 602,878 | -- |
| 200-Bed Expansion | 388,834 | 327,978 | -- | -- | -- |
| Topeka Correctional | | | | | |
| Rehabilitation & Repair | 250,299 | 66,420 | -- | -- | -- |
| Expand General Services Building | 247,017 | 14,570 | -- | -- | -- |
| Winfield Correctional | | | | | |
| Rehabilitation & Repair | 358,153 | 92,797 | -- | -- | -- |
| Total--Corr. Institutions Building Fund | \$5,399,564 | \$7,071,840 | \$5,003,660 | \$602,878 | \$5,003,660 |
| State General Fund | | | | | |
| Department of Administration | | | | | |
| Rehabilitation & Repair | 83,849 | 384,057 | 25,000 | 175,000 | -- |
| Energy Conservation Debt Service | 2,284,000 | 2,490,000 | 2,100,000 | -- | 2,100,000 |
| Statehouse Roof Repair | -- | 50,000 | -- | -- | -- |
| Paint Shop Debt Service | -- | 13,589 | 14,864 | -- | 14,864 |
| Cedar Crest Renovations | 94,416 | 1,285,984 | -- | -- | -- |
| Judicial Plaza Refurbishment | -- | 50,000 | -- | -- | -- |
| Judicial Center Carpet Replacement | -- | 64,000 | -- | 64,000 | -- |
| Historic Structures Report | -- | 200,000 | -- | -- | -- |
| Statehouse Roof Preservation | -- | -- | -- | 298,000 | -- |
| Statehouse Office-Committee Room Remodeling | -- | -- | -- | 563,000 | -- |
| Statehouse HVAC Replacement | -- | -- | -- | 1,200,000 | -- |
| Steam Tunnel & Walkway | -- | -- | -- | 200,000 | -- |
| Judicial Center Remodel A.G. Offices | -- | -- | -- | 610,000 | -- |
| Dillon House Remodeling | -- | -- | -- | 175,000 | -- |
| Statehouse & Judicial Center Signage | -- | -- | -- | 25,000 | -- |

Expenditures for Capital Improvements by Project

| | <u>Actual</u> <u>FY 1998</u> | <u>FY 1999</u> <u>Estimate</u> | <u>Current</u> <u>Services</u> | <u>Enhance.</u> <u>Package</u> | <u>Governor's</u> <u>Rec.</u> |
|---|---------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|----------------------------------|
| Judicial Center Landscaping | -- | -- | -- | 150,000 | -- |
| Statehouse Fire Detection System | -- | -- | -- | 262,000 | -- |
| Statehouse Fire Suppression System | -- | -- | -- | 500,000 | -- |
| Statehouse Fire Alarm-Security System | 42,010 | 211,235 | -- | -- | -- |
| Memorial Hall Renovation | 33,793 | 5,411 | -- | -- | -- |
| Statehouse Security Upgrade | -- | -- | -- | 150,000 | -- |
| Statehouse Improvements | -- | -- | -- | -- | 1,000,000 |
| Kansas State University | | | | | |
| Salina Aeronautical Center Lease Payment | 189,466 | 189,446 | 189,446 | -- | 189,446 |
| Campus Planning Program | -- | -- | 500,000 | -- | -- |
| Renovate Memorial Stadium | -- | -- | 250,000 | -- | -- |
| Wichita State University | | | | | |
| 3-D Art & Graduate Painting Building | -- | -- | 465,000 | -- | -- |
| University of Kansas | | | | | |
| Electrical Distribution Improvements | -- | -- | 1,225,000 | -- | -- |
| Rehabilitation & Repair | 1,193,888 | -- | -- | -- | -- |
| Pittsburg State University | | | | | |
| Kansas Technology Center | 132,119 | -- | -- | -- | -- |
| Rehabilitation & Repair | 7,038 | -- | 627,000 | -- | -- |
| Emporia State University | | | | | |
| Anderson Hall Renovation and Addition | -- | -- | 180,000 | -- | -- |
| Fort Hays State University | | | | | |
| McCartney Hall Renovation | -- | -- | 330,000 | -- | -- |
| Historical Society | | | | | |
| Rehabilitation & Repair | 150,862 | 205,649 | 125,000 | -- | 100,000 |
| Historic Sites Preservation | -- | -- | -- | 485,000 | -- |
| Flood Plain Improvements | -- | 192,717 | -- | -- | -- |
| Historic Sites Rehabilitation & Repair | -- | -- | -- | 1,910,000 | -- |
| Exterior Cleaning | -- | 174,573 | -- | -- | -- |
| Construct Storage Bay Three | -- | 1,900,000 | -- | -- | -- |
| Department of Corrections | | | | | |
| Debt Service--Wichita Work Release Facility | 105,000 | 110,000 | 115,000 | -- | 115,000 |
| Debt Service--Ellsworth Correctional Facility | 805,000 | 845,000 | 885,000 | -- | 885,000 |
| Debt Service--EDCF Site Utilities | -- | 1,180,000 | 1,090,000 | -- | 1,090,000 |
| Debt Service--Revenue Refunding Bond | 4,410,000 | 4,130,000 | 4,870,000 | -- | 4,870,000 |
| Construct New Reception & Diagnostic Unit | -- | -- | -- | 21,431,500 | -- |
| Capacity Expansion Planning | 334,592 | 412,370 | -- | -- | -- |
| El Dorado Correctional Facility | | | | | |
| Industries Building | 56,846 | -- | -- | -- | -- |
| Ellsworth Correctional Facility | | | | | |
| Construct Industries/Maintenance Addition | -- | -- | -- | 541,960 | -- |
| Adjutant General | | | | | |
| Rehabilitation & Repair | 267,620 | -- | -- | -- | -- |
| Reroof Armories | -- | 661,900 | 589,790 | 1,207,053 | -- |
| Replace Windows in Armories | -- | -- | -- | 773,540 | -- |
| Replace Doors in Armories | -- | -- | -- | 531,442 | -- |

Expenditures for Capital Improvements by Project

| | <u>Actual</u> <u>FY 1998</u> | <u>FY 1999</u> <u>Estimate</u> | <u>Current</u> <u>Services</u> | <u>Enhance.</u> <u>Package</u> | <u>Governor's</u> <u>Rec.</u> |
|---|---------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|----------------------------------|
| Highway Patrol | | | | | |
| Rehabilitation & Repair | 4,609 | -- | -- | -- | -- |
| Kansas Bureau of Investigation | | | | | |
| Rehabilitation & Repair | 70,637 | 15,000 | 15,000 | -- | 15,000 |
| Headquarters--Debt Service | 154,912 | 165,000 | 170,000 | -- | 170,000 |
| Remodel Great Bend Laboratory | -- | -- | -- | 253,590 | -- |
| State Fair | | | | | |
| Rehabilitation & Repair | 1,085 | 153,160 | 300,000 | -- | 300,000 |
| Grandstand Renovation Debt Service | 95,000 | 100,000 | -- | -- | -- |
| ADA & EPA Projects | -- | 375,000 | 2,157,585 | -- | 300,000 |
| Domestic Arts Building Renovation | -- | -- | -- | 846,000 | -- |
| Encampment Building Renovation | 137,400 | -- | -- | -- | -- |
| Raze Horse Barn Stalls | 23,000 | -- | -- | -- | -- |
| Department of Wildlife & Parks | | | | | |
| Rehabilitation & Repair | 81,809 | 53,891 | 196,200 | -- | 94,700 |
| ADA Projects | 38,821 | 87,694 | 101,500 | -- | 101,500 |
| Flood Damage Repair | 365,065 | 230,426 | -- | -- | -- |
| Cheney State Park Renovation--BOR Match | 30,000 | -- | -- | -- | -- |
| Wetland Development--Steve Lloyd | -- | 361,512 | -- | -- | -- |
| Department of Transportation | | | | | |
| Construction Contracts | 85,839,140 | 87,899,279 | 87,899,279 | -- | 128,925,000 |
| Commission on Veterans' Affairs | | | | | |
| Winfield State Hospital Purchase | 2,500,000 | -- | -- | -- | -- |
| Osawatomie State Hospital | | | | | |
| Rehabilitation & Repair | 61 | -- | -- | -- | -- |
| University of Kansas Medical Center | | | | | |
| Taylor Building Upgrade | -- | -- | 750,000 | -- | -- |
| Shop Services Facility | -- | -- | 700,000 | -- | -- |
| Total--State General Fund | \$99,532,038 | \$104,196,893 | \$105,870,664 | \$32,352,085 | \$140,270,510 |

Regents Restricted and Hospital Funds

| | | | | | |
|--|---------|---------|---------|----|---------|
| Emporia State University | | | | | |
| Residence Hall Debt Service | 175,000 | 185,000 | 195,000 | -- | 195,000 |
| Restricted Fees Projects | 372,185 | -- | -- | -- | -- |
| Parking Improvements | 69,950 | 40,000 | 90,000 | -- | 90,000 |
| Street/Parking Debt Ser--KDFA C Bonds 1990 | 40,000 | 40,000 | 80,000 | -- | 80,000 |
| Student Union Renovation Debt Service | 206,000 | 216,000 | 216,000 | -- | 216,000 |
| Fort Hays State University | | | | | |
| Parking Improvements | 517,992 | 250,000 | 300,000 | -- | 300,000 |
| Lewis Field Debt Service | 60,000 | 65,000 | 70,000 | -- | 70,000 |
| Housing System Debt Service | 105,604 | 100,000 | 105,000 | -- | 105,000 |
| Student Union Debt Service | 20,000 | 20,000 | 25,000 | -- | 25,000 |
| Energy Conservation | 162,798 | -- | -- | -- | -- |
| Sternberg Museum--EDIF | 250,000 | -- | -- | -- | -- |
| Physical Science Building | 2,218 | -- | -- | -- | -- |

Expenditures for Capital Improvements by Project

| | <u>Actual</u> <u>FY 1998</u> | <u>FY 1999</u> <u>Estimate</u> | <u>Current</u> <u>Services</u> | <u>Enhance.</u> <u>Package</u> | <u>Governor's</u> <u>Rec.</u> |
|---|---------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|----------------------------------|
| Kansas State University | | | | | |
| Dormitory Improvements | 2,063,000 | 1,105,000 | 2,730,000 | -- | 2,730,000 |
| Parking Lot Maintenance & Improvements | 585,825 | 455,000 | 725,000 | -- | 725,000 |
| Salina Parking Lot Maintenance | -- | -- | 50,000 | -- | 50,000 |
| University Debt Service | 1,847,935 | 2,056,184 | 2,122,495 | -- | 2,122,495 |
| Salina Natural Gas Materials Lab | -- | -- | 200,000 | -- | 200,000 |
| Nichols Basement Renovation | -- | 500,000 | -- | -- | -- |
| Restricted Fee Projects | 101,058 | 2,062 | -- | -- | -- |
| Athletic Improvements | 28,850 | 530,651 | 380,000 | -- | 380,000 |
| Bio. & Ag. Engineering Research/Storage Bldg. | -- | 300,000 | -- | -- | -- |
| Farrell Library Renovation and Expansion--Gifts | 216,969 | -- | -- | -- | -- |
| KSU--ESARP | | | | | |
| Southeast Ag. Research Center | -- | 130,000 | -- | -- | -- |
| Grain Science Value-Added Lab | -- | 343,000 | -- | -- | -- |
| Wichita Horticultural Research Center | -- | 550,000 | -- | -- | -- |
| East KS Horticultural Research Center | -- | 2,250,000 | -- | -- | -- |
| Southwest Research Extension Station | -- | 200,000 | 1,455,850 | -- | 1,455,850 |
| Validation Meat Processing Plant | -- | -- | 250,000 | -- | 250,000 |
| Equipment/Pesticide Storage Buildings | -- | 135,000 | 135,000 | -- | 135,000 |
| Grain Science Center | -- | 500,000 | 10,000,000 | -- | 10,000,000 |
| Restricted Fee Projects | 94,267 | -- | -- | -- | 335,000 |
| KSU--Vet. Med. | | | | | |
| Greyhound Research Facility Expansion | 118,217 | 21,783 | -- | -- | -- |
| Pittsburg State University | | | | | |
| Student Center Improvements | -- | 250,000 | 250,000 | -- | 250,000 |
| Parking Lot Repairs | 63,621 | 150,000 | 175,000 | -- | 175,000 |
| Housing System Maintenance & Repairs | 371,520 | 991,060 | 780,000 | -- | 780,000 |
| Construct Kansas Technology Center | 407,141 | -- | -- | -- | -- |
| Renovate Horace Mann Building | -- | -- | 55,000 | -- | 55,000 |
| Hospital & Student Health Center Improvements | -- | 20,000 | 20,000 | -- | 20,000 |
| Debt Service for Student Center & Housing | 680,000 | 95,000 | 100,000 | -- | 100,000 |
| Kansas Technology Center | 255 | -- | -- | -- | -- |
| Armory/Classroom/Recreation Center | -- | -- | 373,000 | -- | -- |
| Rehabilitation & Repair | 236,211 | -- | -- | -- | -- |
| University of Kansas | | | | | |
| Parking Improvements | 1,263,130 | 400,000 | 900,000 | -- | 900,000 |
| Housing System Rehabilitation & Repair | 781,306 | 1,315,000 | -- | -- | -- |
| Rehabilitation & Repair | 3,576,108 | 1,430,745 | -- | -- | -- |
| Law Enforcement Training Center--Parking | 283,057 | 350,264 | 190,000 | -- | 190,000 |
| Dole Center--Private Gifts | -- | 3,000,000 | -- | -- | -- |
| Institutional Debt Service | 1,560,000 | 3,177,000 | 1,940,000 | -- | 1,940,000 |
| Watkins Health Center | 52,053 | 50,000 | 50,000 | -- | 50,000 |
| Complete Budig Hall | 712,489 | 2,695,716 | -- | -- | -- |
| Energy Balance Laboratory | 108,742 | 960,000 | -- | -- | -- |
| Templin Residence Hall Renovations | 144,518 | 202,346 | -- | -- | -- |
| KU Medical Center--Education | | | | | |
| Parking Facility Debt Service--1988 Bonds | 415,000 | 445,000 | 211,146 | -- | 211,146 |
| Parking Lot Improvements | -- | 200,000 | 300,000 | -- | 300,000 |

Expenditures for Capital Improvements by Project

| | <u>Actual</u> <u>FY 1998</u> | <u>FY 1999</u> <u>Estimate</u> | <u>Current</u> <u>Services</u> | <u>Enhance.</u> <u>Package</u> | <u>Governor's</u> <u>Rec.</u> |
|--|---------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|----------------------------------|
| Center for Health in Aging | -- | 325,000 | 170,000 | -- | 170,000 |
| Biomedical Research Building Debt Service | 746,334 | 1,652,520 | 295,600 | -- | 295,600 |
| Parking Facility Debt Service--1985 Bonds | 825,000 | -- | -- | -- | -- |
| Center for Health in Aging | 300,000 | 1,500,000 | 2,424,300 | -- | 2,424,300 |
| Addition to Research Support Facility | -- | 230,000 | 4,560,000 | -- | 4,560,000 |
| KU Medical Center--Hospital | | | | | |
| Hospital Rehabilitation | 868,926 | -- | -- | -- | -- |
| Wichita State University | | | | | |
| Parking Lot Construction and Maintenance | 22,462 | -- | -- | -- | -- |
| Cessna Stadium Repairs | 69,845 | 5,078 | -- | -- | -- |
| Dormitory Maintenance | -- | 192,935 | -- | -- | -- |
| Remodel Wheatshocker Facility | 270,000 | 285,000 | 300,000 | -- | 300,000 |
| Total-Regents Restricted & Hospital Funds | \$20,795,586 | \$29,917,344 | \$32,223,391 | \$ -- | \$32,185,391 |
| Special Revenue Funds | | | | | |
| Department of Administration | | | | | |
| Rehabilitation & Repair--Parking Lot | 128,450 | 17,627 | -- | -- | -- |
| Statehouse Improvements | -- | 750,000 | -- | -- | -- |
| Statehouse Elevator Renovation | -- | 347,000 | -- | -- | -- |
| Statehouse Fire Alarms, Security System | 1,790 | -- | -- | -- | -- |
| Ad Astra Sculpture | 134,073 | 10,046 | -- | -- | -- |
| Veterans' Memorial | 34,900 | 12,188 | -- | -- | -- |
| Department of Corrections | | | | | |
| Construct Industries Building | -- | 615,000 | -- | -- | 261,025 |
| Construct Alternative Sanctions Beds--Federal | 14,269 | -- | -- | -- | -- |
| Hutchinson Correctional Facility | | | | | |
| Construct Entrance Building | 27,572 | -- | -- | -- | -- |
| Norton Correctional Facility | | | | | |
| VOI/TIS Incentive Grants--200 Beds | 3,964,853 | 801,199 | -- | -- | -- |
| University of Kansas | | | | | |
| New Dole Center | -- | 3,000,000 | -- | -- | -- |
| Department of Commerce & Housing | | | | | |
| Repair Travel Information Centers | 48,746 | 85,000 | 15,000 | 1,020,000 | 15,000 |
| Insurance Department | | | | | |
| Rehabilitation & Repair | 43,345 | 155,000 | 142,000 | -- | 142,000 |
| Debt Service | 90,000 | 100,000 | 110,000 | -- | 110,000 |
| Social & Rehabilitation Services | | | | | |
| Rehabilitation & Repair--Chanute Office | 219,043 | 106,000 | 166,000 | -- | 166,000 |
| Kansas Commission on Veterans' Affairs | | | | | |
| Federal Construction Grant--KVH Renovations | -- | 4,795,365 | 5,326,035 | -- | 5,326,035 |
| Federal Construction Grant--KVH Sewer | -- | 520,000 | -- | -- | -- |
| Local Construction Grant--KVH Remodel | -- | 1,250,000 | -- | -- | -- |

Expenditures for Capital Improvements by Project

| | <u>Actual</u> <u>FY 1998</u> | <u>FY 1999</u> <u>Estimate</u> | <u>Current</u> <u>Services</u> | <u>Enhance.</u> <u>Package</u> | <u>Governor's</u> <u>Rec.</u> |
|--|---------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|----------------------------------|
| Department of Human Resources | | | | | |
| Rehabilitation & Repair--Reed Act Funds | 37,301 | 50,000 | 125,000 | -- | 125,000 |
| Repair HVAC System | -- | 30,000 | -- | -- | -- |
| Renovate Main Topeka Office | -- | -- | 50,000 | -- | -- |
| Replace Air Conditioner--K.C. Local Office | -- | 93,500 | -- | -- | -- |
| Purchase Buildings in Topeka | -- | -- | 230,000 | -- | 230,000 |
| State Treasurer | | | | | |
| KU Union Annex Debt Service | 51,000 | 59,217 | -- | -- | -- |
| Wichita State University | | | | | |
| Cessna Stadium Rehabilitation & Repair | 200,000 | -- | -- | -- | -- |
| Kansas Historical Society | | | | | |
| Rehabilitation & Repair | 411,913 | -- | -- | -- | -- |
| Historic Properties Rehab. & Repair--EDIF | -- | 100,000 | -- | -- | -- |
| Cyclical Maintenance--EDIF | -- | 50,000 | -- | -- | -- |
| Territorial Capitol Rehab. & Repair--EDIF | -- | 71,000 | -- | -- | -- |
| Adair Cabin Rehabilitation & Repair--EDIF | 42,374 | -- | -- | -- | -- |
| ISTEA Projects | 227,459 | -- | -- | -- | -- |
| ADA Projects--SBSF | 16,734 | -- | -- | -- | -- |
| Adjutant General | | | | | |
| Iola Armory Construction | -- | 1,960,010 | -- | -- | -- |
| Rehabilitation & Repair | 316,291 | -- | -- | -- | -- |
| Highway Patrol | | | | | |
| Rehabilitation & Repair--MCIF | -- | 50,000 | 50,000 | -- | 50,000 |
| Training Center Debt Service | 265,000 | 285,000 | 305,000 | -- | 305,000 |
| Construct and Equip Ports | 69,922 | -- | 475,000 | -- | -- |
| Training Center Rehabilitation & Repair | -- | 50,000 | 50,000 | -- | 50,000 |
| Energy Conservation Bonds | 17,959 | -- | -- | -- | -- |
| Replacement of Scales | -- | 91,138 | 110,000 | -- | 110,000 |
| State Fair | | | | | |
| Rehabilitation & Repair | 431,846 | 76,840 | 75,450 | -- | 75,450 |
| New Commercial Exhibit Building | -- | 848,000 | -- | -- | -- |
| Encampment Auditorium Air Conditioning | -- | -- | 29,000 | -- | 29,000 |
| Grandstand Bond Payment Reserve Fund | -- | 90,000 | -- | -- | -- |
| Encampment Renovation | 95,000 | -- | -- | -- | -- |
| ADA Projects | 28,943 | -- | -- | -- | -- |
| Air Conditioning in New Commercial Building | -- | 160,000 | -- | -- | -- |
| Master Plan Consultation | -- | 72,000 | -- | -- | -- |
| Master Plan Implementation | -- | -- | 125,000 | -- | -- |
| Campground Hookups | -- | -- | 100,000 | -- | 100,000 |
| Department of Wildlife & Parks | | | | | |
| ADA Projects for Fisheries Enhancements--WFF | 90,271 | 290,627 | 110,500 | -- | 110,500 |
| ADA Projects--SBSF | 75,166 | 106,280 | -- | -- | -- |
| Angler Facilities Improvements--WFF | -- | -- | 486,500 | -- | 486,500 |
| Boating Development/Access--BFF | 101,377 | 341,855 | -- | -- | -- |
| Boating Development/Access(Mandated)--WFF | -- | 850,000 | 284,750 | -- | 284,750 |
| Bridge Maintenance--SHF | -- | 200,000 | 200,000 | -- | 200,000 |
| Cheney Rip Rap--Water Plan Fund | 1,873 | -- | -- | -- | -- |
| Cheyenne Bottoms Renovation--Federal | 182,139 | 388,940 | -- | -- | -- |

Expenditures for Capital Improvements by Project

| | <u>Actual</u> <u>FY 1998</u> | <u>FY 1999</u> <u>Estimate</u> | <u>Current</u> <u>Services</u> | <u>Enhance.</u> <u>Package</u> | <u>Governor's</u> <u>Rec.</u> |
|---|---------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|----------------------------------|
| Fishery Development--WFF | 405,277 | 177,739 | -- | -- | -- |
| Flood Damage Repairs--LWCF | 60,044 | 213,556 | -- | -- | -- |
| Flood Damage Repairs--BOR | 43,510 | 18,504 | -- | -- | -- |
| Flood Damage Repairs--WFF | 15,390 | 84,610 | -- | -- | -- |
| Great Plains Nature Center--Federal | -- | -- | -- | -- | 818,592 |
| Land Acquisition--WCF | -- | 350,000 | 850,000 | -- | 850,000 |
| Land Acquisition--WFF | 4,375 | 439,041 | -- | -- | -- |
| Parks 2000--SBSF | -- | 4,320,000 | 5,680,000 | -- | 5,680,000 |
| Playa Lake Development--Private Donations | -- | -- | -- | 25,000 | -- |
| Playa Lake Development--WFF | 1,170 | 136,322 | -- | 75,000 | -- |
| Prairie Spirit Rail Trail--EDIF | 59,417 | -- | -- | -- | -- |
| Prairie Spirit Rail Trail--Fee Fund | 33,037 | -- | -- | -- | -- |
| Prairie Spirit Rail Trail--Federal | 738,644 | -- | -- | -- | -- |
| Pratt Education Center Renovation--WFF | 605 | 1,400 | -- | -- | -- |
| Rehabilitation and Repair--PFF | 63,324 | 101,677 | -- | -- | -- |
| Rehabilitation and Repair--WFF | 100,014 | 630,032 | 256,334 | -- | 256,334 |
| Reservoir Facility Development--WFF | -- | 12,501 | -- | -- | -- |
| River Access--Water Plan Fund | -- | -- | 150,000 | -- | -- |
| Road Maintenance/Development--SHF | 2,508,806 | 1,909,809 | 1,447,918 | -- | 1,447,918 |
| Dam Repair--WCF | 829,997 | 1,150,000 | 1,325,000 | -- | 1,325,000 |
| Dam Repair--WFF | 634,645 | 142,047 | -- | -- | -- |
| Shooting Range Development--WFF | 671 | 49,329 | -- | -- | -- |
| State Fishing Lakes Projects--WFF | 218,725 | 956,475 | -- | -- | -- |
| Wetland Development--Federal | 656,615 | 653,020 | -- | -- | -- |
| Wetlands Acquisition,Develop., Rehab.--MWPF | 239,714 | 160,286 | 100,000 | -- | 100,000 |
| Wetlands Acquisition,Develop., Rehab.--WCF | -- | 450,000 | -- | -- | -- |
| Wichita Education Center--WFF | 551 | 44,859 | -- | -- | -- |
| Osawatomie State Hospital | | | | | |
| Conservation Bonds | 356 | -- | -- | -- | -- |
| Total-Special Revenue Funds | \$13,984,496 | \$30,880,039 | \$18,374,487 | \$1,120,000 | \$18,654,104 |
| State Highway Fund | | | | | |
| Kansas Department of Transportation | | | | | |
| Design Contracts | 27,629,457 | 28,500,000 | 28,500,000 | -- | 28,500,000 |
| Construction Operations | 59,968,223 | 63,244,623 | 64,599,638 | -- | 64,213,824 |
| Construction Contracts | 167,732,240 | 181,327,721 | 195,209,721 | -- | 154,184,000 |
| City/County Construction | 57,262,436 | 87,472,000 | 108,592,000 | -- | 108,592,000 |
| Debt Service | 11,350,000 | 27,730,000 | 40,945,000 | -- | 40,945,000 |
| KDOT Buildings--Renovation & Relocation | 4,220,378 | 12,153,089 | 8,727,739 | -- | 5,277,802 |
| Total--Highway Fund | \$328,162,734 | \$400,427,433 | \$446,574,098 | \$ | \$401,712,626 |
| Kansas Special Capital Improvements Fund | | | | | |
| University of Kansas | | | | | |
| Hoch Auditorium Reconstruction | 36,143 | 75,130 | -- | -- | -- |
| Wichita State University | | | | | |
| McKinley Hall Ventilation | 3,493 | -- | -- | -- | -- |
| Total--Special Capital Improvements Fund | \$39,636 | \$75,130 | \$ | \$ | \$ |
| Statewide Total--Capital Improvements | \$494,127,821 | \$602,576,263 | \$630,185,069 | \$37,317,943 | \$618,307,154 |

Expenditures for Capital Improvements by Project

| | <u>Actual</u> <u>FY 1998</u> | <u>FY 1999</u> <u>Estimate</u> | <u>Current</u> <u>Services</u> | <u>Enhance.</u> <u>Package</u> | <u>Governor's</u> <u>Rec.</u> |
|--|---------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|----------------------------------|
| Off Budget Expenditures | | | | | |
| Department of Administration | | | | | |
| Landon Debt Service | 862,063 | 867,829 | 884,972 | -- | 884,972 |
| Printing Plant Debt Service | 109,855 | 115,098 | 119,482 | -- | 119,482 |
| Docking/Forbes Renovation Debt Service | 140,000 | 150,000 | 155,000 | -- | 155,000 |
| Memorial Hall Debt Service | -- | 300,000 | 165,000 | -- | 165,000 |
| Rehabilitation and Repair | 82,408 | 701,681 | 100,000 | 100,000 | -- |
| Docking Chiller Replacement | -- | 162,345 | -- | -- | -- |
| Docking Roof Drain Line Replacement | -- | 193,000 | -- | -- | -- |
| Replace Landon Cooling Tower | 88,300 | -- | -- | -- | -- |
| Docking Loading Dock Replacement | 14,642 | 172,958 | -- | -- | -- |
| Convert Chillers--LSOB and Forbes | 86,817 | 585,983 | -- | -- | -- |
| Reroof Landon State Office Building | 143,473 | -- | -- | -- | -- |
| Switching Gear Replacement | -- | 81,989 | -- | -- | -- |
| Forbes #740 Reroofing | -- | 125,900 | -- | -- | -- |
| Statehouse Steam Tunnel & Walkway | -- | -- | -- | -- | 138,400 |
| Landon South Economizer Installation | -- | 94,200 | -- | -- | -- |
| Memorial Hall-LSOB Steam Tunnel | -- | 40,000 | 270,000 | -- | 270,000 |
| Docking Fire Suppression System | -- | 550,000 | 150,000 | -- | 150,000 |
| Landon Fire Suppression System | -- | 450,000 | 150,000 | -- | 150,000 |
| Motor Pool Facility Debt Service | 39,611 | 15,646 | 26,055 | -- | 17,383 |
| DOA Energy Projects | 131,000 | 131,800 | 141,800 | -- | 141,800 |
| Memorial Hall Renovations | 38,291 | -- | -- | -- | -- |
| PCB Transformer Replacement | -- | -- | -- | -- | -- |
| Total--Off Budget Expenditures | \$1,736,460 | \$4,738,429 | \$2,162,309 | \$100,000 | \$2,192,037 |

The Budget Process : A Primer

The Budget Process: A Primer

The purpose of this primer is to describe briefly the annual budget and appropriations process for the State of Kansas.

The Governor, by KSA 75-3721, must present spending recommendations to the Legislature. *The Governor's Budget Report* reflects expenditures for both the current and upcoming fiscal years and identifies the sources of financing for those expenditures.

The Legislature uses *The Governor's Budget Report* as a guide as it appropriates the money necessary for state agencies to operate. Only the Legislature can authorize expenditures by the State of Kansas. The Governor recommends spending levels, while the Legislature chooses whether to accept or modify those recommendations. The Governor may veto legislative appropriations, although the Legislature may override any veto by a two-thirds majority vote.

Fiscal Years. It is important when reading the budget to consider which fiscal year is being discussed. The state *fiscal year* runs from July 1 to the following June 30 and is numbered for the calendar year in which it ends. The *current fiscal year* is the one which ends the coming June. The *actual fiscal year* is the year which concluded the previous June. The *budget year* refers to the next fiscal year, which begins the July following the Legislature's adjournment. Finally, *out-years* refer to the years beyond the budget year. In *The FY 2000 Governor's Budget Report*, the actual fiscal year is FY 1998, the current fiscal year is FY 1999, and the budget year is FY 2000.

By law, *The Governor's Budget Report* must reflect actual year spending, the Governor's revised spending recommendations for the current fiscal year, state agency spending requests for the budget year, and the Governor's spending recommendations for the budget year. The budget recommendations cannot include the expenditure of anticipated income attributable to proposed legislation. Expenditure data are shown by agency and category of expenditure in the schedules at the back of this volume. Those same data are included, by agency and program, in *Volume 2 of The Governor's Budget Report*.

Annual-Biennial Budgets. Appropriations for agency operating expenditures have been made on an annual basis since 1956. With enactment of legislation in 1994, the budgets of 20 state agencies were approved on a biennial basis starting with FY 1996. All 20 agencies are financed through fee funds.

Financing of State Spending. Frequent reference is made to *State General Fund* expenditures and expenditures from *all funding sources*. Expenditures from all funding sources include both State General Fund expenditures and expenditures from special revenue funds. All money spent by the state must first be appropriated by the Legislature, either from the State General Fund or from special revenue funds.

The State General Fund receives the most attention in the budget because it is the largest of the "uncommitted" revenue sources available to the state. It is also the fund to which most general tax receipts are credited. The Legislature may spend State General Fund dollars for any governmental purpose.

Special revenue funds, by contrast, are dedicated to a specific purpose. For instance, the Legislature may not spend monies from the State Highway Fund to build new prisons. The State Highway Fund, which is the largest state special revenue fund, can be used only for highway purposes. It consists primarily of motor fuel taxes, federal grants, vehicle registration fees, a dedicated one-fourth cent sales tax, and a transfer from the State General Fund. Other examples of special revenue funds are the three state building funds, which can be used only for capital improvements; federal funds made available for specific purposes; and the Board of Accountancy Fee Fund, which can be used only to support operations of the Board.

Revenue Estimates. The tool used by both the Governor and the Legislature to determine State General Fund revenue is the "consensus revenue estimate" prepared by the Consensus Revenue Estimating Group.

The consensus revenue estimate is important because both the Governor and the Legislature base their budget decisions on it. The estimate is categorized by major source and covers a two-year period: the

current year and the budget year. In addition, KSA 75-6701 requires that the Director of the Budget and the Director of the Legislative Research Department certify a joint estimate of State General Fund resources to the Legislature. The revenue estimating process is the source of that estimate.

The Consensus Revenue Estimating Group is composed of representatives of the Division of the Budget, the Department of Revenue, the Legislative Research Department, and one consulting economist each from the University of Kansas, Kansas State University, and Wichita State University. The Director of the Budget serves as unofficial chairperson of the group.

The Consensus Revenue Estimating Group meets each spring and fall. Before December 4 (typically in November) of each year, the group makes its initial estimate for the budget year and revises its estimate for the current year. The results are reported to the Governor, Legislature, and public in a joint memorandum from the Director of Legislative Research and the Director of the Budget. The group meets again before April 4 to review the fall estimate and additional data. The group then publishes a revised estimate which the Legislature may use in adjusting expenditures, if it so chooses.

The consensus revenue estimate is the official revenue projection for the State General Fund. Estimates of revenues to other funds are prepared by individual state agencies, reviewed by the Division of the Budget, and included in *The Governor's Budget Report*. For Regents universities, starting in 1995, staff from the Division of the Budget, the Legislative Research Department, and the Board of Regents work with each university to estimate tuition revenue. The State General Fund consensus revenue estimate for FY 2000 is \$4.23 billion (subject to revision in April 1999). This estimate is discussed in the State General Fund Revenues section of this volume. A complete discussion of the economy is included in *The Governor's Economic and Demographic Report*. The report is prepared by the Division of the Budget in consultation with a Wichita State University economist.

"Spending Lid" Statute. This term refers to KSA 75-6701 to 75-6704. The purpose of the law is to ensure an adequate operating balance in the State General Fund. The practical effect of this provision is

to target the ending balance in the State General Fund to be not less than 7.5 percent of authorized expenditures and demand transfers in the budget year.

The law requires that *The Governor's Budget Report* comply with its provisions. It also requires that the Legislature comply with its provisions and that it pass an "Omnibus Reconciliation Spending Limit Bill," which must be the last bill passed by the Legislature. The purpose of the bill is to reconcile State General Fund expenditures and revenues by reducing expenditures, if necessary, to meet the provisions of the "spending lid."

The final provision of the "spending lid" act allows the Governor to reduce State General Fund expenditures in the current fiscal year, when the Legislature is not in session, by an amount not to exceed that necessary to retain an ending balance in the State General Fund of \$100 million. The Governor must make the reductions "across-the-board" by reducing each line item of expenditure by a fixed percentage. The only exceptions are debt service obligations and the state retirement contribution for school employees. The reductions must be approved by the State Finance Council.

Classification of State Spending. The State of Kansas classifies state spending by function of government and by category of expenditure. Function of government classifies expenditures by grouping agencies which make expenditures for similar programs and purposes. There are six functions of government: general government, human resources, education, public safety, agriculture and natural resources, and transportation. Category of expenditure classifies expenditures by budgeting and accounting objects of expenditure (state operations; aid to local governments; other assistance, grants, and benefits; and capital improvements).

Each of the six functions of government is discussed in a section of this volume. The following is a brief description of each function.

General Government includes state agencies with administrative and regulatory functions. Administrative agencies include the state's elected officials (Governor, Secretary of State, etc.) and the Department of Administration. The Corporation Commission, the Board of Nursing, the Racing & Gaming Commission, and the Department of Revenue

are examples of agencies that perform a regulatory function. Other general government agencies include the Legislature and the Judiciary. Approximately 10.8 percent of total expenditures and 6.4 percent of State General Fund expenditures recommended by the Governor for FY 2000 are for General Government.

| Expenditures by Function, FY 2000 | | |
|--|------------------------------|---------------------------------|
| <i>(Dollars in Millions)</i> | | |
| | State <u>General Fund</u> | All Funding <u>— Sources</u> |
| General Government | \$281.3 6.4% | \$978.1 10.8% |
| Human Resources | \$755.0 17.1% | \$2,244.7 24.9% |
| Education | \$2,903.8 65.7% | \$4,211.4 46.7% |
| Public Safety | \$304.4 6.9% | \$388.9 4.3% |
| Agriculture and Natural Resources | \$34.6 0.8% | \$160.4 1.8% |
| Transportation | \$140.1 3.2% | \$1,044.8 11.6% |
| Total | \$4,419.2 100.0% | \$9,028.4 100.0% |

Totals may not add because of rounding.

Agencies in the *Human Resources* function provide services to individuals. Such services include the nutrition programs of the Department on Aging; care of the developmentally disabled by the Department of Social & Rehabilitation Services; services to veterans provided by the Kansas Commission on Veterans' Affairs; job training placement assistance provided by the Department of Human Resources; health programs of the Division of Health of the Department of Health & Environment; and financial assistance and social services provided by the Department of Social & Rehabilitation Services. Recommended Human Resources expenditures for FY 2000 constitute 24.9 percent of all recommended expenditures and 17.1 percent of State General Fund expenditures.

The *Education* function agencies provide various educational services to Kansans. While Regents

institutions and the Board of Education provide direct education services, services by agencies such as the State Library are indirect in nature. Recommended Education expenditures represent 46.7 percent of total expenditures for FY 2000 and 65.7 percent of the State General Fund expenditures.

Public Safety agencies ensure the safety and security of Kansas citizens. Agencies in this function include the Department of Corrections and law enforcement agencies. Also included are the Juvenile Justice Authority and the juvenile correctional facilities (for youth offenders), the Highway Patrol, and the Kansas Bureau of Investigation. Public Safety expenditures constitute 4.3 percent of the total recommended expenditures for the FY 2000 budget and 6.9 percent of recommended State General Fund expenditures.

Agriculture & Natural Resources agencies protect the natural and physical resources of the state and regulate the use of those resources. The FY 2000 expenditures recommended by the Governor constitute 1.8 percent of total expenditures and 0.8 percent of State General Fund expenditures. Agencies included in this function are the Department of Agriculture, the Division of Environment of the Department of Health & Environment, and Department of Wildlife & Parks.

Transportation includes only the Department of Transportation. Responsibilities include maintenance and construction of highways in Kansas. Recommended expenditures constitute 11.6 percent of the total recommended budget for FY 2000 and 3.2 percent of State General Fund expenditures.

Categories of expenditure are based on accounting objects of expenditure. The four general categories are: state operations; aid to local governments; other assistance, grants, and benefits; and capital improvements. The first three categories constitute what are called operating expenditures.

Following is a brief guide to the general categories of expenditure:

State Operations includes expenses incurred conducting the day-to-day business of state government. The largest category of these costs is the salaries and wages paid to state employees. Expenditures in this category constitute 31.2 percent of the FY 2000 total budget and 26.5 percent of the State General Fund budget.

Aid to Local Governments consists of payments made to governments which provide services at the local level and in most cases have taxing authority. General State Aid to school districts is an example; it consists of more than \$1,790.0 billion for FY 2000. This category constitutes 34.3 percent of the FY 2000 total budget and 57.7 percent of the State General Fund budget.

Other Assistance, Grants, and Benefits constitutes payments to individuals and agencies that are not governmental units. Medicaid payments, homestead property tax refunds, financial aid for postsecondary education, nutrition assistance for mothers and their babies, and temporary assistance for needy families are examples. This category includes 27.7 percent of total expenditures in FY 2000 and 12.7 percent of the State General Fund.

| Expenditures by Category, FY 2000 | | |
|---|-----------------------|-------------------------|
| <i>(Millions of Dollars)</i> | | |
| | State General Fund | All Funding —Sources |
| State Operations | \$1,172.2 26.5% | \$2,819.2 31.2% |
| Aid to Local Governments | \$2,547.7 57.7% | \$3,092.0 34.3% |
| Other Assistance, Grants, and Benefits | \$559.0 12.7% | \$2,498.9 27.7% |
| Capital Improvements | \$140.3 3.2% | \$618.3 6.9% |
| Total | \$4,419.2 100.0% | \$9,028.4 100.0% |

Totals may not add because of rounding.

Capital Improvements include highway construction costs as well as the cost of rehabilitation & repair, razing, remodeling, and construction of state-owned buildings and other facilities. Some of these projects are financed by bond issues. The cost of that portion of the debt service payment on those bonds that represents the principal is also included in this category. By far the largest portion of the expenditures in this category is highway construction costs. Highway construction costs are estimated at \$446.7 million for FY 2000. This represents 85.8 percent of all capital improvement expenditures.

Capital improvement expenditures represent 6.8 percent of total expenditures in FY 2000 and 3.2 percent of State General Fund expenditures. Included in this volume are separate sections on capital improvements and a section on debt service.

State Employees. A major part of the state operations category of expenditures is salary and wage payments to employees in the State Civil Service. For FY 2000, 18.7 percent of all expenditures and 19.7 percent of State General Fund expenditures are estimated for salaries and wages.

The State Civil Service, by KSA 75-2935, includes the classified and the unclassified service. Employees hired to fill positions in the classified service must be hired on the basis of merit and fitness and on the basis of competitive examinations. These employees are also promoted and discharged on the basis of rules and regulations established for administration of the Kansas Civil Service Act.

The classified service includes *regular* full-time and part-time positions. The classified service also includes the following special types of appointments:

Limited Term appointments are made in cases where the position will be eliminated at the end of a predetermined length of time as stipulated in a federal grant or contractual agreement. Except for this time factor, which means an employee in one of these positions has no layoff rights, limited term appointments are the same as classified positions.

Temporary positions may be either classified or unclassified. Those positions in the classified service require the employee filling the position to work fewer than 1,000 hours in a 12-month period.

The unclassified service includes full-time and part-time positions specifically designated as being in the unclassified service. Typically these positions are defined as being employed by specific agencies, or types of agencies, for specific purposes. Examples are all employees of the Legislature; teaching, research, student, and health care employees of Regents institutions; and all employees of the courts. Unclassified positions are governed by rules and regulations of the agencies for which unclassified position authority is authorized and are not subject to Civil Service Act rules and regulations.

Children's Budget. KSA 75-3717(a)(2) requires that the Governor include in *The Governor's Budget Report* a listing of all programs of state agencies that "provide services for children and their families." The information is summarized in the Children's Budget, which includes expenditures from all funding sources and from the State General Fund, by agency and by project; the number of children or families served in each program; and a brief description of each of the agency programs.

Budget Process. Producing a budget is a continuous process. However, it does have certain discrete phases. In the Executive Branch, the budget process begins as soon as the legislative session ends. At that time, the budget staff prepares the *Comparison Report*. This report compares the budget recommended by the Governor for the current fiscal year and the budget year to the budget approved by the Legislature.

In June, budget instructions are distributed by the Division of the Budget to state agencies. On July 1, agencies submit a capital budget. The capital budget contains a five-year plan, which includes the capital improvement requests for the current year, the budget year, and four out-years following the budget year.

Concurrent with preparation of financial segments of the agency budget is completion of agency strategic plans that are submitted with the budget in September. Agency strategic plans establish a clear definition of mission and a direction for the future; develop agency-wide work plans and agency-specific objectives and strategies for fulfilling the agency mission; and allocate resources according to priority and ensure accountability for the use of those resources. As part of the strategic planning process, agencies identify an agency mission; agency philosophy; goals and objectives; and performance measures to track progress toward the plan.

Agencies are requested to prepare complete operating budgets at two levels for submission on September 15. One of the levels, assuming an unexpected reduction in revenue, is based on allocations given to the agencies by the Division of the Budget. The other assumes revenues will be sufficient to maintain governmental services at the current level. Agencies also can submit requests for incremental additions to their current service budgets in the form of enhancement packages. These are intended to

demonstrate program priorities by placing financial constraints on the agencies.

The individual budgets submitted by state agencies show program expenditures with appropriate funding sources for each program within the agency. These data are shown for the actual fiscal year, the current year, and at all levels for the budget year. Each level of budget represents the agency's best judgment concerning program priorities. Further, the budget submission documents performance at each level of spending that relates to the outputs and outcomes identified in the agency's strategic plan. Evaluation of performance at each budget level provides a means for weighing budget alternatives and is a tool used to determine agency budgets.

Beginning September 15, analysts in the Division of the Budget review agency budget requests. The Division of the Budget recommendations, based on those analyses, are provided to each state agency by November 10. The agencies then have ten days to determine whether to appeal those recommendations to the Secretary of Administration. Many appeal the recommendations in writing; some also request personal appeals.

Once the appeal process has been completed, the Division of the Budget staff prepares its presentations for the Governor. An analysis of the difference between the Division of the Budget recommendations and the agency's request, including the effect on performance, is presented to the Governor. The analysis includes the agency's request and the basis for it, the Division of the Budget recommendation and the basis for it, and the content of the agency's appeal, if any. The Governor uses this information to make budget determinations for all agencies. The Division of the Budget then aggregates agency recommendations and prepares *The Governor's Budget Report*.

During this same period (between September 15 and commencement of the legislative session), the Legislative Research Department's fiscal staff also is analyzing agency budget requests. Following receipt of the Governor's recommendations, the legislative fiscal analysts begin updating their analysis for each agency so it reflects the recommendations of the Governor. These updated analyses are printed in the Legislative Research Department's annual budget

analysis. Copies of this analysis are distributed to each legislator.

Consideration by First House. The Governor's budget recommendations are drafted into appropriation language by the Office of the Revisor of Statutes. The appropriation bill is then submitted to, and introduced by, the Legislature. The appropriation bill is first considered by either the Ways and Means Committee of the Senate or the Appropriations Committee of the House. Generally, the bill includes supplemental expenditure authority, capital improvements, and budget year expenditure authority for all agencies except biennial agencies, whose expenditure authorizations cover a two-year period.

The chairpersons of the committees appoint subcommittees to consider appropriations for various agencies. Subcommittees vary in size. Usually between two and five persons are named to a subcommittee. After reviewing the budget requests, the subcommittee drafts a report which details all budgetary adjustments to the Governor's recommendations that the subcommittee wishes to make. Additionally, the subcommittee report may contain recommendations that are administrative or programmatic.

Once the subcommittee report is prepared, it is presented to the full committee for consideration. A committee may adjust the recommendations of its subcommittee in any particular area or it may adopt the entire report as submitted. The appropriation bill is reprinted to reflect the recommendations of the full committee. The appropriation bill is then presented to either the House or Senate, which may amend or reject it.

Consideration by Second House. The process for review of the appropriation bill in the second house repeats the steps followed in the house of origin, but usually requires less time.

Conference Committee Action. Upon completion of consideration of the appropriation bill by the second house, the bill typically goes to a conference committee so that differences between the House and Senate versions of the bill can be reconciled.

Omnibus Appropriation Bill. Traditionally, this has been the last appropriation bill of the session. It contains any appropriation necessary to carry out the

intent of the Legislature that has not yet been included in another appropriation bill. Since the advent of the statutory requirement for an Omnibus Reconciliation Spending Limit Bill to be passed at the end of the session, the Omnibus Appropriation Bill has served as the reconciliation bill.

State Finance Council. The State Finance Council is a statutory body that provides a mechanism for making certain budgetary and personnel adjustments when the Legislature is not in session. The Council consists of nine members: the Governor, the Speaker of the House, the President of the Senate, and the House and Senate majority leaders, minority leaders, and Ways and Means and Appropriations Committee chairpersons.

The Governor serves as chairperson of the Finance Council. Meetings are at the call of the Governor, who also prepares the agenda for the meetings. Items are eligible to receive Finance Council consideration only if they are characterized as a legislative delegation to the Finance Council. Approval of Finance Council items typically requires the vote of the Governor and a majority of the legislative members.

Present statutes characterize the following items of general application to state agencies as legislative delegations, allowing them to receive Finance Council approval under certain circumstances:

1. Increases in expenditure limitations on special revenue funds and State General Fund appropriations.
2. Authorization for agencies to receive and expend monies appropriated by federal act or any other source, if such agencies do not already have such authorization.
3. Authorization for state agencies to contract with other state or federal agencies, if the agencies do not already have such authorization.
4. Authorization of expenditures from the State Emergency Fund for purposes enumerated in statute.
5. Increases in limitations on positions imposed by appropriation acts on state agencies.

Certain other items of limited application are characterized as legislative delegations by individual legislative acts, allowing them to be subject to Finance Council action. The Finance Council cannot appropriate money from the State General Fund, authorize expenditures for a purpose that specifically was rejected by the previous legislative session, or

commit future legislative sessions to provide funds for a particular program.

Prepared by the Division of the Budget in cooperation with the Legislative Research Department.

Glossary

Appropriation

An amount of money for a particular purpose that an agency is authorized to spend during a fiscal year. In Kansas, the entire amount is available at the start of the fiscal year. Allotments to agencies during the fiscal year are authorized only in emergencies.

Biennial Budget

A budget which plans revenues and expenditures for the two forthcoming fiscal years, rather than one year. The 1994 Legislature enacted legislation requiring 20 fee-funded agencies to submit biennial budgets beginning on September 15, 1994, for FY 1996 and FY 1997. All other agencies submit annual requests.

Budget

A plan of operation, including an estimate of proposed expenditures and the means to finance them, to meet the needs of the public.

Capital Improvements

Projects involving new construction, remodeling, rehabilitation and repair, razing, and the principal portion of debt service for a capital expense. The interest portion of the debt is an operating expense.

Classified Temporary Positions

An appointment not exceeding 999 hours of employment in a 12-month period. Temporary positions do not count toward the agency's FTE position limitation. Employees in these positions do not generally receive fringe benefits.

Current Service

A level of expenditure that allows an agency to continue its programs and services in the forthcoming fiscal year at the same level as in the current fiscal year. Increases are included for any salary plan and inflationary cost increases for other operating expenditures but excluded for new programs or enhancements to existing programs.

Enhancements

The incremental increase in expenditures or positions, or both, to expand a service or program or to provide a new one.

Expenditure

The actual payment of money out of any state fund or the commitment to make such a payment in the form of an encumbrance.

Expenditure Limitation

A limitation placed on expenditures that can be made from a special revenue fund.

Expenditures, Non-Reportable

Disbursements that do not result in a net reduction of statewide assets. An example is a refund, where an agency pays for an item but is reimbursed later. Also considered non-reportable are certain "off budget" expenditures, most of which occur in the Department of Administration. For example, dollars are spent in many state agencies' budgets for printing services provided by the Division of Printing. Those same dollars are spent again for the salaries, utilities, equipment, paper supplies, debt service, and other operating costs of the Printing Plant. To avoid reporting expenditures twice, the agencies' printing costs are treated as reportable and the Printing Plant's expenses are non-reportable, or "off budget."

Fiscal Year

A 12-month period beginning July 1 and ending June 30 of the following year that is used as the state budget, accounting, and appropriation period.

Fringe Benefits

State expenditures for retirement, social security, workers compensation, unemployment insurance, state leave payment assessment upon retirement (including sick and annual leave), and group health insurance as employee fringe benefits.

Full-Time Equivalent (FTE) Positions

State employee positions that are permanent and either full-time or part-time but mathematically equated to full-time, e.g., two half-time positions equal one full-time position. Limited term positions are included in the limitation. Teaching positions contracted for nine or more months are considered 1.0 FTE position.

Functions of Government

The six classifications into which similar agencies are grouped to reflect the basic purposes of state government: General Government, Human Resources, Education, Public Safety, Agriculture & Natural Resources, and Transportation (see the Primer).

Fund

A fund is a basic unit of classification in both the budget process and the accounting system for agency monies. Fund names and numbers are included in the Division of Accounts and Reports' *Central Chart of Accounts*, which lists every active fund by agency.

Holiday Pay

Payments to employees working on a legal holiday, such as certain personnel in correctional facilities or state hospitals, who receive additional compensation at the rate of one and one-half times the regular rate of pay. The additional pay may be given in the form of wages or compensatory time credits.

Lapse

That portion of an appropriation not spent or reappropriated. A lapsed appropriation reverts to the fund from which it was made and becomes part of the unappropriated balance. State General Fund appropriations automatically lapse at the end of a fiscal year unless specific authorization provides for the carryover of unexpended funds.

Line-Item Appropriation

An appropriation of funds made by the Legislature for a specific purpose. The purpose could be limited to a specific item, such as equipment, or more generally to a category of expenditure or a program.

Longevity

Bonus payments made to eligible classified employees or non-judicial personnel based on \$40 per year of service times the number of years of state service. Minimum eligibility is ten years of state service, and the maximum payment is \$1,000, or 25 years of service.

Multi-Year Appropriation

A legislative authorization to expend funds that provides funding for more than one fiscal year.

Non-Expense Item

This is an expenditure of funds that has no budgetary implications--for example, an expense incurred from the purchase of supplies for which an agency is subsequently reimbursed. The amount is shown as a "non-expense" to acknowledge the transaction, but it is not included in an agency's expenditure totals to avoid overstating the true cost of government services.

Overtime Pay

Pay or compensatory time credits at a time and a half rate for hours worked over the maximum number of hours required in a work period. A work period may vary depending on the type of position. A normal work period is 40 hours for one work week. However, law enforcement and firefighters have different work period requirements.

Performance Budgeting

A budgeting process that uses strategic plans and performance measures to distribute available financial resources. Outcome measures gauge the ultimate effect of programs on the problems or conditions they are intended to affect. Output measures indicate the level of resource input or intermediate agency work effort. Efficiency measures compare input to output.

Position Classification Actions

An "individual position" action, approved by Personnel Services, to change the classification from an existing class to a different one at the same or a different pay grade or a "classification study" action to

redefine the work in a class or a class series, reassign pay grades, or establish new classes at the same or a different pay grade.

Program

A set of related operations that follows a planned course of action to achieve a specified purpose and set of objectives. Programs classify agency services and provide a framework for resource allocation decisions.

Reappropriation

Funds remaining unexpended at the end of the current fiscal year that are carried over to the next fiscal year. Expenditures that can be made by an agency from such reappropriated funds may or may not be limited.

Shift Differential

An additional amount per hour paid to certain classified employees who work shifts other than the normal day shift. Because this rate is established by regulation, budgeted increases to implement a salary plan are not applied to the amount budgeted for this purpose.

Shrinkage

The difference, expressed as a percentage, between the cost of fully funding salaries and wages in a budget, assuming all positions are filled all the time, and actual salary costs, taking vacancies into account.

Supplemental Appropriation

An appropriation made to finance the operations of state government during the current fiscal year in

addition to regular appropriations already approved. Supplemental appropriations are considered where a shortage of funds is anticipated as a result of an emergency or unforeseen occurrence.

Total Positions

The sum of FTE positions and Unclassified Temporary positions, representing a complete reporting of positions constituting the state workforce.

Transfer (Demand)

Funds transferred annually from the State General Fund to specified expenditure accounts under the authority of laws other than appropriation acts. Examples are transfers to the Local Ad Valorem Tax Reduction Fund and County and City Revenue Sharing Fund. For budgeting purposes, these transfers are treated as State General Fund expenditures.

Transfer (Revenue)

Authority in appropriation bills transferring all or part of the revenue in a particular fund to another fund prior to expending the funds. An example includes the transfer from the State Highway Fund in the Department of Transportation to the Division of Vehicles Operating Fund in the Department of Revenue.

Unclassified Temporary Positions

Persons appointed to the unclassified service on a temporary basis, usually for the duration of a particular project or program. These employees are not included in the FTE limitation but they are counted as part of the total state workforce.

Schedules

Major State Funds

The state's major funds are described below, including the source of their revenue and how they are used, as a guide to understanding the schedules that follow.

Clearing Funds

Funds into which monies are transferred from other funds and then disbursed for a particular general expenditure, such as payroll.

Correctional Institutions Building Fund

A fund for financing capital improvements at state correctional facilities. Income is derived from a transfer of 10.0 percent of the State Gaming Revenues Fund, with an annual maximum of \$5.0 million.

Economic Development Initiatives Fund

A fund for financing economic activities. The fund, which is administered by the Department of Commerce & Housing, receives revenues from lottery and racing activities. Monies are transferred from this fund to various agencies according to appropriation acts.

Educational Building Fund

A fund for constructing, equipping, and repairing buildings at state universities. Income is derived from a one-mill, statewide levy on property subject to ad valorem taxation.

Employment Security Fund

The fund from which unemployment benefits are paid. Deposits consist of employer taxes, contributions, fines, and penalties levied on employers for unemployment benefits; federal grants for federal employees, former military personnel, and extended benefits; and interest earned on unemployment trust funds deposited in the U.S. Treasury.

Enterprise Funds

Funds that account for charges for services, usually of a commercial nature, rendered to the public for

compensation. The predominant use is accounting for dormitory operations at state universities.

Highway Funds

The State Highway Fund and several other special purpose funds. Receipts are dedicated to the maintenance and construction of state and local streets and highways and to operations of the Department of Transportation and the Department of Revenue's Division of Motor Vehicles. Revenue sources include motor fuel taxes, motor vehicle registration taxes, driver's license fees, special vehicle permits, federal funds, and proceeds from the sale of bonds.

Intra-Governmental Service Funds

Funds that account for the provision of goods and services by state agencies for other state agencies. Through these funds, goods and services are charged to, and paid by, the recipient agency.

Juvenile Detention Facilities Fund

A fund financing facilities or programs that provide an alternative to the detention of juveniles in local jails. The fund is capitalized by a transfer of 5.0 percent of the revenues to the State Gaming Revenues Fund and 20.0 percent of the collections from the reinstatement of driver's licenses.

Retirement Funds

The employee retirement funds managed by the Kansas Public Employees Retirement System. Employees of participating state and local governments are eligible to receive retirement benefits from these funds, which are financed by investment earnings and employer and employee contributions.

Shared Tax Collection Funds

A distribution of tax revenues, state and local-initiated, to local governments. If the revenue is from a locally-passed tax, the state collects the tax and remits it to the local government. If a statewide tax, the appropriate percentage is remitted to the local government.

Special Capital Improvements Fund

A fund established with one-time "disproportionate share" funds received from the federal government during FY 1992. It has been used mostly to finance capital expenditures for construction projects at Regents institutions and correctional facilities.

Special Revenue Funds

Funds into which statutorily-earmarked receipts are deposited. There are many of these funds, and the revenues consist largely of special fees or levies assessed by the state as well as federal grant-in-aid receipts. Generally, these monies must be expended for purposes specified by state statutes or, in the case of federal grants, for purposes specified by the federal government. A special class of these funds is the agency fee fund, which consists of fee receipts collected by the agency and retained in its budget.

State Emergency Fund

A fund used to meet state obligations arising from natural disasters, match federal payments to individuals and families, and offer rewards to catch wanted criminals. The State Finance Council, a joint legislative/executive body that meets when the Legislature is not in session, is empowered to authorize expenditures from the fund. It is usually capitalized through transfers from the State General Fund.

State Gaming Revenues Fund

This fund, created to function as a clearing fund, disburses receipts from lottery sales, taxes, and fees on racing activities in accordance with a statutorily-prescribed formula. Of all receipts to the fund, 85.0 percent is transferred to the Economic Development Initiatives Fund, 10.0 percent to the Correctional

Institutions Building Fund, and 5.0 percent to the Juvenile Detention Facilities Fund.

State General Fund

A fund for revenues not dedicated for special purposes. It is used to finance government operations not provided for by special revenue funds. The principal revenue sources for the State General Fund include individual and corporate income taxes, sales and compensating use taxes, severance and other excise taxes, the estate tax, and interest earnings.

State Institutions Building Fund

A fund for constructing, equipping, and repairing buildings at the state mental institutions under SRS, the juvenile correctional facilities under the Juvenile Justice Authority, and the Schools for the Deaf and Blind under the Department of Education. Income is derived from a one-half mill, statewide levy on property subject to ad valorem taxation.

State Water Plan Fund

A fund establishing a dedicated source of funding to provide for the water resource needs of the state. The fund receives a \$6.0 million transfer from the State General Fund and a \$2.0 million transfer from the Economic Development Initiatives Fund. Other receipts come from fees charged to water users, pesticide label fees, fertilizer use fees, and environmental fines.

Trust & Agency Funds

Funds containing monies received, held, and disbursed by the state acting as a trustee, agent, or custodian. These are monies collected by the state as agent and disbursed to other governments and individuals. Examples include inmate or patient benefit funds.

Schedules 1-5—Summary of Expenditures present expenditures first by Category of Expenditure, then by Fund, as follows:

| | All Funding Sources | State General Fund |
|--|---------------------------|--------------------------|
| Expenditure Summaries | 1.1 | 1.2 |
| Total Expenditures by Agency | 2.1 | 2.2 |
| State Operations | 3.1 | 3.2 |
| Aid to Local Governments | 4.1 | 4.2 |
| Other Assistance, Grants, and Benefits | 5.1 | 5.2 |

In each case, a “1” after the decimal point (as in 1.1) indicates funding from all funding sources (State General Fund plus special revenue funds) and a “2” indicates State General Fund only. The schedules contain actual expenditure information for FY 1998 and the recommendations of the Governor for the current fiscal year and the budget year. The Current Service and Enhancement Package columns show amounts requested by the agencies in their budget submission.

Non-expense items do not add into the totals. These are expenditures without an effect on an agency’s budget, such as expenses for supplies that are subsequently reimbursed. Adding them into an agency’s expenditure totals would overstate the true cost of government operations.

Schedule 1.1--State Expenditures from All Funding Sources

| | <u>FY 1998 Actual</u> | <u>FY 1999 Estimate</u> | <u>Current Service</u> | <u>Enhance. Package</u> | <u>Governor's Rec.</u> |
|--|---------------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|
| Summary of State Expenditures | | | | | |
| State Operations | 2,719,052,329 | 2,827,354,662 | 2,802,292,369 | 104,455,007 | 2,819,190,068 |
| Aid to Local Governments | 2,632,573,080 | 2,971,386,111 | 3,037,568,855 | 122,366,794 | 3,092,024,720 |
| Other Assistance | 2,233,274,091 | 2,419,837,154 | 2,467,349,060 | 49,906,425 | 2,498,920,244 |
| Subtotal--Operating Expenditure | \$7,584,899,500 | \$8,218,577,927 | \$8,307,210,284 | \$276,728,226 | \$8,410,135,032 |
| Capital Improvements | 494,127,821 | 602,576,263 | 630,185,069 | 37,317,943 | 618,307,154 |
| Total Expenditures | \$8,079,027,321 | \$8,821,154,190 | \$8,937,395,353 | \$314,046,169 | \$9,028,442,186 |
| Expenditures by Object | | | | | |
| Salaries and Wages | 1,612,707,414 | 1,657,860,910 | 1,678,231,846 | 46,301,963 | 1,690,618,235 |
| Contractual Services | 604,053,046 | 678,715,751 | 662,732,158 | 28,047,240 | 659,648,453 |
| Commodities | 157,935,064 | 131,291,882 | 125,972,143 | 7,853,682 | 131,842,043 |
| Capital Outlay | 284,554,906 | 271,469,045 | 267,726,564 | 19,622,652 | 269,698,404 |
| Grants | -- | 20,000,000 | -- | -- | -- |
| Debt Service | 59,801,899 | 68,017,074 | 67,629,658 | 2,629,470 | 67,382,933 |
| Non-expense Items | 90,482,509 | 62,375,895 | 38,490,417 | 21,182 | 39,590,417 |
| Subtotal--State Operations | \$2,719,052,329 | \$2,827,354,662 | \$2,802,292,369 | \$104,455,007 | \$2,819,190,068 |
| Aid to Local Governments | 2,632,573,080 | 2,971,386,111 | 3,037,568,855 | 122,366,794 | 3,092,024,720 |
| Other Assistance | 2,233,274,091 | 2,419,837,154 | 2,467,349,060 | 49,906,425 | 2,498,920,244 |
| Subtotal--Operating Expenditure | \$7,584,899,500 | \$8,218,577,927 | \$8,307,210,284 | \$276,728,226 | \$8,410,135,032 |
| Capital Improvements | 494,127,821 | 602,576,263 | 630,185,069 | 37,317,943 | 618,307,154 |
| Total Expenditures | \$8,079,027,321 | \$8,821,154,190 | \$8,937,395,353 | \$314,046,169 | \$9,028,442,186 |
| Expenditures by Fund Class | | | | | |
| State General Fund | 3,699,582,386 | 4,118,842,039 | 4,236,574,311 | 195,710,252 | 4,278,932,066 |
| Special Revenue Funds | 2,464,661,678 | 2,621,126,132 | 2,552,168,388 | 76,528,324 | 2,614,633,097 |
| Highway Funds | 482,769,266 | 487,456,444 | 503,935,641 | -- | 502,030,172 |
| Enterprise Funds | 64,207,499 | 70,622,198 | 71,865,695 | 672,156 | 71,923,405 |
| Intra-governmental Service Fund | 11,209,922 | 11,161,043 | 11,647,768 | -- | 11,683,467 |
| Retirement Fund | 455,226,838 | 499,756,169 | 528,704,231 | -- | 528,735,429 |
| Employment Security Fund | 146,776,865 | 145,000,000 | 151,000,000 | -- | 151,000,000 |
| Shared Tax Collection Fund | 28,393,461 | 28,596,313 | 28,522,872 | -- | 28,523,433 |
| Other Trust and Agency Funds | 226,559,083 | 223,636,013 | 212,815,204 | 3,817,494 | 212,697,789 |
| Capital Project Funds | 5,444,494 | 12,317,808 | 9,915,310 | -- | 9,915,310 |
| Other | 68,008 | 63,768 | 60,864 | -- | 60,864 |
| Subtotal--Operating Expenditure | \$7,584,899,500 | \$8,218,577,927 | \$8,307,210,284 | \$276,728,226 | \$8,410,135,032 |
| State General Fund | 99,532,038 | 104,196,893 | 105,870,664 | 32,352,085 | 140,270,510 |
| Special Revenue Funds | 18,269,584 | 35,315,276 | 29,901,887 | 1,095,000 | 30,007,479 |
| Highway Funds | 328,162,734 | 400,427,433 | 446,574,098 | -- | 401,712,626 |
| Enterprise Funds | 11,213,631 | 11,413,832 | 10,521,596 | -- | 10,396,596 |
| Intra-governmental Service Fund | -- | 615,000 | -- | -- | 261,025 |
| Educational Building Fund | 19,727,651 | 17,945,448 | 13,110,000 | -- | 13,110,000 |
| State Institutions Building Fund | 6,486,116 | 12,062,136 | 9,028,769 | 3,242,980 | 7,370,863 |
| Corr. Institutions Building Fund | 5,399,564 | 7,071,840 | 5,003,660 | 602,878 | 5,003,660 |
| Other Trust and Agency Funds | 1,285,128 | 3,086,529 | -- | 25,000 | -- |
| Other Capital Project Funds | 2,823,508 | 7,514,420 | 8,687,395 | -- | 8,687,395 |
| Other | 1,227,867 | 2,927,456 | 1,487,000 | -- | 1,487,000 |
| Subtotal--Capital Expenditures | \$494,127,821 | \$602,576,263 | \$630,185,069 | \$37,317,943 | \$618,307,154 |
| Total Expenditures | \$8,079,027,321 | \$8,821,154,190 | \$8,937,395,353 | \$314,046,169 | \$9,028,442,186 |

Schedule 1.2--State Expenditures from the State General Fund

| | <u>FY 1998 Actual</u> | <u>FY 1999 Estimate</u> | <u>Current Service</u> | <u>Enhance. Package</u> | <u>Governor's Rec.</u> |
|---|---------------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|
| Salaries and Wages | 800,071,592 | 835,841,474 | 863,065,287 | 37,623,094 | 871,524,118 |
| Other Operating Expenditures | 280,239,241 | 326,320,228 | 306,202,159 | 25,573,684 | 300,644,819 |
| Subtotal--Operating Expenditures | \$1,080,310,833 | \$1,162,161,702 | \$1,169,267,446 | \$63,196,778 | \$1,172,168,937 |
| Aid to Local Governments | 2,128,842,316 | 2,417,716,415 | 2,519,232,577 | 116,822,883 | 2,547,730,063 |
| Other Assistance | 490,429,237 | 538,963,922 | 548,074,288 | 15,690,591 | 559,033,066 |
| Subtotal--Operating Expenditures | \$3,699,582,386 | \$4,118,842,039 | \$4,236,574,311 | \$195,710,252 | \$4,278,932,066 |
| Capital Improvements | 99,532,038 | 104,196,893 | 105,870,664 | 32,352,085 | 140,270,510 |
| Total Expenditures | \$3,799,114,424 | \$4,223,038,932 | \$4,342,444,975 | \$228,062,337 | \$4,419,202,576 |
| State Operations | | | | | |
| General Government | 163,690,922 | 196,038,069 | 178,703,115 | 7,023,800 | 179,522,482 |
| Human Resources | 148,913,742 | 153,666,412 | 160,304,165 | 3,236,370 | 153,371,762 |
| Education | 506,241,491 | 542,448,312 | 549,546,954 | 34,380,079 | 559,790,954 |
| Public Safety | 236,557,607 | 243,278,840 | 253,786,955 | 17,441,509 | 252,574,192 |
| Agriculture & Natural Resources | 24,907,071 | 26,730,069 | 26,926,257 | 1,115,020 | 26,909,547 |
| Subtotal--State Operations | \$1,080,310,833 | \$1,162,161,702 | \$1,169,267,446 | \$63,196,778 | \$1,172,168,937 |
| Aid to Local Governments | | | | | |
| General Government | 84,770,704 | 93,337,451 | 98,145,674 | 442,663 | 96,394,044 |
| Human Resources | 69,627,565 | 73,702,146 | 68,184,271 | 6,980,522 | 71,148,972 |
| Education | 1,933,841,019 | 2,193,803,013 | 2,296,798,646 | 103,092,382 | 2,323,316,932 |
| Public Safety | 29,779,868 | 45,878,893 | 45,109,074 | 5,307,316 | 44,688,115 |
| Agriculture & Natural Resources | 85,941 | -- | -- | 1,000,000 | 1,000,000 |
| Transportation | 10,737,219 | 10,994,912 | 10,994,912 | -- | 11,182,000 |
| Subtotal--Aid to Local Governments | \$2,128,842,316 | \$2,417,716,415 | \$2,519,232,577 | \$116,822,883 | \$2,547,730,063 |
| Other Assistance | | | | | |
| General Government | 1,791,981 | 2,444,436 | 2,251,507 | 882,839 | 2,306,408 |
| Human Resources | 466,113,831 | 512,265,939 | 521,848,485 | 11,659,650 | 530,458,577 |
| Education | 16,496,096 | 18,224,028 | 19,313,777 | 3,148,102 | 20,397,062 |
| Public Safety | 26,314 | 4,519 | 4,519 | -- | 4,519 |
| Agriculture & Natural Resources | 6,001,015 | 6,025,000 | 4,656,000 | -- | 5,866,500 |
| Subtotal--Other Assistance | \$490,429,237 | \$538,963,922 | \$548,074,288 | \$15,690,591 | \$559,033,066 |
| Capital Improvements | | | | | |
| General Government | 2,538,068 | 4,754,276 | 2,139,864 | 4,372,000 | 3,114,864 |
| Human Resources | 2,500,061 | -- | -- | -- | -- |
| Education | 1,673,373 | 2,662,385 | 5,341,446 | 2,395,000 | 289,446 |
| Public Safety | 6,209,216 | 7,519,270 | 7,734,790 | 24,739,085 | 7,145,000 |
| Agriculture & Natural Resources | 772,180 | 1,361,683 | 2,755,285 | 846,000 | 796,200 |
| Transportation | 85,839,140 | 87,899,279 | 87,899,279 | -- | 128,925,000 |
| Subtotal--Capital Improvements | \$99,532,038 | \$104,196,893 | \$105,870,664 | \$32,352,085 | \$140,270,510 |
| Total Expenditures | \$3,799,114,424 | \$4,223,038,932 | \$4,342,444,975 | \$228,062,337 | \$4,419,202,576 |

Schedule 2.1--Expenditures from All Funding Sources by Agency

| | <u>FY 1998 Actual</u> | <u>FY 1999 Estimate</u> | <u>Current Service</u> | <u>Enhance. Package</u> | <u>Governor's Rec.</u> |
|--------------------------------------|---------------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|
| General Government | | | | | |
| Abstracters' Board of Examiners | 18,035 | 19,119 | 19,501 | -- | 19,579 |
| Board of Accountancy | 163,290 | 168,383 | 173,553 | 3,568 | 177,646 |
| Department of Administration | 31,087,999 | 33,097,876 | 26,452,851 | 6,342,163 | 28,015,351 |
| Attorney General | 14,943,649 | 18,084,462 | 18,917,425 | 566,340 | 18,923,267 |
| Banking Department | 3,291,145 | 3,674,981 | 3,855,673 | 49,857 | 3,750,515 |
| Board of Barbering | 107,862 | 106,371 | 112,379 | 15,539 | 120,597 |
| Behavioral Sciences Regulatory Bd. | 369,768 | 374,780 | 380,972 | 75,541 | 391,028 |
| Citizens' Utility Ratepayer Board | 360,726 | 442,190 | 458,642 | -- | 457,793 |
| Dept. of Commerce & Housing | 70,963,272 | 79,258,812 | 78,621,644 | 5,592,279 | 80,516,784 |
| Consumer Credit Commissioner | 384,439 | 392,593 | 437,440 | 186,454 | 445,723 |
| Kansas Corporation Commission | 14,485,060 | 16,840,488 | 16,362,991 | 80,286 | 16,344,453 |
| Board of Cosmetology | 504,866 | 715,596 | 692,621 | 29,236 | 693,879 |
| Department of Credit Unions | 711,978 | 726,461 | 737,806 | -- | 743,367 |
| Kansas Dental Board | 227,166 | 228,533 | 239,138 | 10,706 | 251,527 |
| Governmental Ethics Commission | 463,770 | 525,272 | 532,380 | 5,443 | 536,144 |
| Office of the Governor | 1,727,729 | 1,829,670 | 1,842,869 | -- | 1,855,891 |
| Board of Healing Arts | 1,639,288 | 1,697,802 | 1,847,287 | 91,869 | 1,868,649 |
| Hearing Aid Board of Examiners | 10,441 | 15,204 | 15,136 | 2,525 | 15,385 |
| Kansas Human Rights Commission | 1,819,996 | 1,962,994 | 1,972,268 | 107,830 | 1,929,246 |
| Board of Indigents' Defense Services | 13,701,308 | 14,058,770 | 14,526,530 | 314,728 | 14,187,247 |
| Insurance Department | 31,649,055 | 32,197,452 | 30,446,190 | 34,103 | 30,416,458 |
| Health Care Stabilization | 25,879,014 | 27,742,672 | 27,763,075 | -- | 27,768,958 |
| Judicial Council | 283,861 | 297,344 | 303,152 | -- | 305,062 |
| Judiciary | 73,386,025 | 79,868,844 | 79,996,972 | 4,329,509 | 81,602,660 |
| KPERS | 242,303,359 | 288,522,212 | 282,009,706 | -- | 282,040,904 |
| Kansas Technology Enterprise Corp | 17,492,607 | 17,324,241 | 16,697,660 | 1,840,000 | 16,715,131 |
| Kansas, Inc. | 421,893 | 417,189 | 342,582 | 130,000 | 367,222 |
| Legislative Coordinating Council | 471,349 | 834,931 | 699,021 | -- | 710,800 |
| Legislative Division of Post Audit | 1,451,285 | 1,593,918 | 1,630,346 | -- | 1,604,828 |
| Legislative Research Department | 2,163,852 | 2,354,993 | 2,371,434 | -- | 2,400,198 |
| Legislature | 10,578,784 | 14,332,100 | 15,075,356 | -- | 11,786,720 |
| Office of the Lieutenant Governor | 112,189 | 145,504 | 131,038 | -- | 129,546 |
| Kansas Lottery | 133,133,572 | 131,770,018 | 131,905,180 | 2,903,450 | 131,901,482 |
| Board of Mortuary Arts | 174,941 | 188,566 | 188,523 | -- | 189,702 |
| Board of Nursing | 1,011,023 | 1,171,641 | 1,014,810 | 68,015 | 1,060,225 |
| Board of Examiners in Optometry | 60,040 | 70,564 | 42,781 | -- | 72,705 |
| Board of Pharmacy | 475,290 | 474,370 | 488,851 | 59,409 | 508,449 |
| Kansas Racing & Gaming Comm. | 5,429,407 | 5,806,081 | 6,114,965 | -- | 6,114,804 |
| Real Estate Appraisal Board | 164,296 | 184,197 | 192,238 | 7,600 | 193,445 |
| Kansas Real Estate Commission | 572,260 | 631,833 | 652,089 | -- | 655,926 |
| Department of Revenue | 78,275,261 | 84,773,650 | 79,032,680 | 9,156,401 | 83,057,769 |
| Revisor of Statutes | 1,944,830 | 2,206,513 | 2,245,972 | -- | 2,263,055 |
| Secretary of State | 2,774,083 | 3,022,139 | 5,530,190 | 185,799 | 3,876,440 |
| Office of the Securities Comm. | 1,736,460 | 1,839,615 | 1,864,999 | -- | 1,878,834 |
| Board of Tax Appeals | 1,637,609 | 2,344,165 | 2,553,501 | -- | 2,344,224 |
| Board of Technical Professions | 420,003 | 469,318 | 487,175 | -- | 489,101 |
| State Treasurer | 103,476,976 | 112,428,289 | 116,472,864 | -- | 116,156,594 |
| Board of Veterinary Examiners | 178,923 | 218,315 | 242,079 | -- | 225,660 |
| Total--General Government | \$894,640,034 | \$987,451,031 | \$974,694,535 | \$32,188,650 | \$978,080,973 |
| Human Resources | | | | | |
| Social & Rehabilitation Services | 1,241,910,743 | 1,424,619,841 | 1,413,137,023 | 37,942,041 | 1,458,470,972 |
| Kansas Neurological Institute | 24,632,170 | 24,409,160 | 24,759,688 | -- | 24,622,195 |
| Larned State Hospital | 29,363,792 | 30,110,858 | 30,923,817 | -- | 30,707,641 |

Schedule 2.1--Expenditures from All Funding Sources by Agency

| | <u>FY 1998 Actual</u> | <u>FY 1999 Estimate</u> | <u>Current Service</u> | <u>Enhance. Package</u> | <u>Governor's Rec.</u> |
|---------------------------------------|---------------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|
| Osawatomie State Hospital | 19,490,210 | 19,583,046 | 20,163,737 | -- | 19,974,293 |
| Parsons St. Hospital & Training Ctr | 18,640,477 | 20,512,501 | 20,044,128 | -- | 19,960,870 |
| Rainbow Mental Health Facility | 6,385,255 | 6,916,453 | 7,029,557 | -- | 6,852,345 |
| Topeka State Hospital | 206,739 | -- | -- | -- | -- |
| Winfield St. Hospital & Training Ct | 7,856,357 | -- | -- | -- | -- |
| Subtotal--SRS | \$1,348,485,743 | \$1,526,151,859 | \$1,516,057,950 | \$37,942,041 | \$1,560,588,316 |
| Department on Aging | 300,544,710 | 324,204,446 | 360,454,566 | 1,379,500 | 337,987,600 |
| Health & Environment--Health | 87,357,936 | 103,716,274 | 101,100,494 | 4,095,283 | 103,800,068 |
| Homestead Property Tax Refunds | 13,592,747 | 13,776,554 | 13,776,554 | -- | 13,776,554 |
| Department of Human Resources | 203,930,194 | 208,848,280 | 213,210,727 | 159,930 | 210,719,554 |
| Commission on Veterans' Affairs | 10,657,686 | 15,790,687 | 19,298,866 | 2,542,225 | 16,800,660 |
| Kansas Guardianship Program | 969,782 | 1,108,759 | 1,165,290 | 90,720 | 1,105,058 |
| Total--Human Resources | \$1,965,538,798 | \$2,193,596,859 | \$2,225,064,447 | \$46,209,699 | \$2,244,777,810 |
| Education | | | | | |
| Department of Education | 2,189,307,254 | 2,462,670,527 | 2,549,186,716 | 102,256,756 | 2,593,989,710 |
| School for the Blind | 4,555,801 | 5,634,962 | 4,825,697 | 47,074 | 4,758,302 |
| School for the Deaf | 7,587,949 | 8,371,756 | 8,393,987 | 377,011 | 7,752,128 |
| Subtotal--Department of Ed. | \$2,201,451,004 | \$2,476,677,245 | \$2,562,406,400 | \$102,680,841 | \$2,606,500,140 |
| Board of Regents | 37,225,797 | 38,770,488 | 43,384,424 | 2,742,815 | 47,390,653 |
| Emporia State University | 47,946,323 | 50,949,633 | 50,752,726 | 1,901,372 | 51,159,645 |
| Fort Hays State University | 50,241,783 | 52,035,688 | 52,580,892 | 1,602,753 | 52,705,925 |
| Kansas State University | 258,680,286 | 281,256,955 | 283,864,307 | 6,193,941 | 285,165,739 |
| KSU--Veterinary Medical Center | 18,801,957 | 20,655,480 | 20,021,449 | 600,368 | 20,211,864 |
| Kansas State University--ESARP | 86,981,686 | 96,489,968 | 105,125,578 | 2,193,926 | 105,940,660 |
| Pittsburg State University | 55,038,381 | 57,160,662 | 58,332,877 | 2,118,106 | 57,814,610 |
| State Treasurer--Bond Retirement | 53,419 | 60,078 | -- | -- | -- |
| University of Kansas | 379,889,497 | 421,191,336 | 409,115,376 | 14,786,535 | 410,676,031 |
| KU Medical Center--Education | 166,098,530 | 181,668,254 | 183,311,936 | 7,401,937 | 184,428,467 |
| KU Medical Center--Hospital | 162,540,218 | 44,815,355 | -- | -- | -- |
| Wichita State University | 118,764,716 | 123,970,264 | 125,455,285 | 3,721,455 | 125,918,768 |
| Subtotal--Regents | \$1,382,262,593 | \$1,369,024,161 | \$1,331,944,850 | \$43,263,208 | \$1,341,412,362 |
| Kansas Arts Commission | 1,914,531 | 1,950,320 | 1,943,658 | 876,397 | 1,995,173 |
| Historical Society | 8,085,027 | 10,534,816 | 8,082,351 | 4,102,498 | 8,086,786 |
| KPERS--School | 212,923,479 | 231,233,957 | 246,694,525 | -- | 246,694,525 |
| State Library | 5,997,362 | 6,610,630 | 6,859,565 | 1,822,330 | 6,709,391 |
| Total--Education | \$3,812,633,996 | \$4,096,031,129 | \$4,157,931,349 | \$152,745,274 | \$4,211,398,377 |
| Public Safety | | | | | |
| Department of Corrections | 88,931,106 | 100,174,113 | 105,738,810 | 32,862,437 | 101,912,125 |
| El Dorado Correctional Facility | 15,954,986 | 16,308,203 | 16,415,031 | 938,339 | 16,478,457 |
| Ellsworth Correctional Facility | 7,843,797 | 7,923,686 | 8,266,843 | 811,051 | 8,207,086 |
| Hutchinson Correctional Facility | 22,245,956 | 22,469,065 | 22,588,003 | 977,847 | 22,728,026 |
| Lansing Correctional Facility | 30,593,501 | 29,721,538 | 30,398,465 | 821,334 | 30,571,930 |
| Larned Correctional MH Facility | 6,620,461 | 6,623,436 | 6,880,151 | 176,781 | 6,875,937 |
| Norton Correctional Facility | 14,087,146 | 11,417,965 | 11,228,616 | 1,075,430 | 11,186,432 |
| Topeka Correctional Facility | 13,069,766 | 13,181,232 | 13,205,416 | 663,433 | 13,738,474 |
| Winfield Correctional Facility | 9,007,425 | 8,798,455 | 9,080,461 | 409,151 | 8,942,458 |
| Subtotal--Corrections | \$208,354,144 | \$216,617,693 | \$223,801,796 | \$38,735,803 | \$220,640,925 |
| Juvenile Justice Authority | 32,408,881 | 44,237,609 | 39,712,251 | 3,769,228 | 48,699,709 |
| Atchison Juvenile Correctional Fac. | 5,877,180 | 5,778,071 | 5,983,286 | -- | 6,008,305 |
| Beloit Juvenile Correctional Facility | 4,736,387 | 4,932,098 | 5,005,228 | -- | 5,029,231 |

Schedule 2.1--Expenditures from All Funding Sources by Agency

| | <u>FY 1998 Actual</u> | <u>FY 1999 Estimate</u> | <u>Current Service</u> | <u>Enhance. Package</u> | <u>Governor's Rec.</u> |
|--|---------------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|
| Larned Juvenile Correctional Fac. | 3,947,997 | 4,142,198 | 4,269,435 | -- | 4,257,757 |
| Topeka Juvenile Correctional Fac. | 10,973,977 | 10,814,485 | 11,277,138 | -- | 11,186,590 |
| Subtotal--Juvenile Justice | \$57,944,422 | \$69,904,461 | \$66,247,338 | \$3,769,228 | \$75,181,592 |
| Adjutant General | 24,419,051 | 34,914,188 | 17,074,391 | 3,709,335 | 16,293,410 |
| Ombudsman for Corrections | 183,848 | 190,545 | 197,014 | 28,700 | 198,550 |
| Emergency Medical Services Board | 907,891 | 1,004,785 | 866,909 | 161,614 | 841,256 |
| State Fire Marshal | 2,466,546 | 2,541,476 | 2,753,569 | 995,488 | 3,112,207 |
| Highway Patrol | 43,415,385 | 45,996,019 | 44,361,826 | 5,819,644 | 47,708,711 |
| Kansas Bureau of Investigation | 19,674,453 | 17,298,617 | 17,424,050 | 2,410,275 | 17,036,172 |
| Kansas Parole Board | 484,950 | 490,975 | 500,835 | 354,375 | 405,321 |
| Sentencing Commission | 5,232,122 | 5,634,266 | 7,662,941 | 36,511 | 7,477,435 |
| Total--Public Safety | \$363,082,812 | \$394,593,025 | \$380,890,669 | \$56,020,973 | \$388,895,579 |
| Agriculture & Natural Resources | | | | | |
| Department of Agriculture | 20,829,170 | 22,429,834 | 20,935,637 | 1,391,005 | 22,071,044 |
| Animal Health Department | 1,642,637 | 1,850,511 | 1,872,225 | 11,800 | 1,885,109 |
| State Conservation Commission | 11,148,105 | 10,482,793 | 6,732,517 | 11,532,108 | 10,434,143 |
| Health & Environment--Environ. | 53,028,100 | 66,841,820 | 64,270,661 | 6,579,418 | 68,811,098 |
| Kansas State Fair | 3,931,519 | 5,204,387 | 6,283,548 | 911,000 | 4,371,596 |
| Kansas Water Office | 5,460,477 | 6,209,073 | 3,125,228 | 4,857,122 | 5,875,070 |
| Kansas Wheat Commission | 2,503,192 | 3,345,664 | 3,206,855 | -- | 3,194,731 |
| Department of Wildlife & Parks | 35,966,897 | 45,339,996 | 41,983,752 | 1,599,120 | 43,796,858 |
| Total--Ag. & Natural Resources | \$134,510,097 | \$161,704,078 | \$148,410,423 | \$26,881,573 | \$160,439,649 |
| Transportation | | | | | |
| Kansas Department of Trans. | 908,621,584 | 987,778,068 | 1,050,403,930 | -- | 1,044,849,798 |
| Total--Transportation | \$908,621,584 | \$987,778,068 | \$1,050,403,930 | \$ | \$1,044,849,798 |
| Total Expenditures | \$8,079,027,321 | \$8,821,154,190 | \$8,937,395,353 | \$314,046,169 | \$9,028,442,186 |

Schedule 2.2--Expenditures from the State General Fund by Agency

| | <u>FY 1998 Actual</u> | <u>FY 1999 Estimate</u> | <u>Current Service</u> | <u>Enhance. Package</u> | <u>Governor's Rec.</u> |
|---------------------------------------|---------------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|
| General Government | | | | | |
| Department of Administration | 25,889,259 | 29,985,085 | 24,647,425 | 6,342,163 | 26,196,964 |
| Attorney General | 4,039,122 | 5,209,760 | 5,708,228 | 395,553 | 5,574,909 |
| Dept. of Commerce & Housing | 2,028,338 | 1,971,936 | 2,001,008 | -- | 2,453,296 |
| Governmental Ethics Commission | 348,795 | 377,619 | 375,429 | 5,443 | 369,631 |
| Office of the Governor | 1,727,504 | 1,829,670 | 1,836,369 | -- | 1,849,391 |
| Kansas Human Rights Commission | 1,400,389 | 1,423,964 | 1,508,818 | 107,830 | 1,455,796 |
| Board of Indigents' Defense Services | 13,550,156 | 13,896,490 | 14,396,430 | 314,728 | 14,057,147 |
| Judicial Council | 239,293 | 249,911 | 254,426 | -- | 250,208 |
| Judiciary | 69,797,928 | 73,744,690 | 74,859,578 | 4,329,509 | 76,404,385 |
| KPERS | -- | 20,000,000 | -- | -- | -- |
| Kansas, Inc. | 164,194 | 169,626 | 173,019 | 130,000 | 197,659 |
| Legislative Coordinating Council | 471,349 | 834,931 | 699,021 | -- | 710,800 |
| Legislative Division of Post Audit | 1,451,285 | 1,593,918 | 1,630,346 | -- | 1,604,828 |
| Legislative Research Department | 2,163,852 | 2,354,993 | 2,371,434 | -- | 2,400,198 |
| Legislature | 10,379,241 | 13,900,943 | 14,948,456 | -- | 11,659,820 |
| Office of the Lieutenant Governor | 112,189 | 145,504 | 131,038 | -- | 129,546 |
| Kansas Racing & Gaming Commission | 630,597 | -- | -- | -- | -- |
| Department of Revenue | 27,945,873 | 28,977,710 | 29,059,820 | 1,096,076 | 31,952,443 |
| Revisor of Statutes | 1,944,830 | 2,206,513 | 2,245,972 | -- | 2,263,055 |
| Secretary of State | 1,481,975 | 1,462,823 | 4,185,963 | -- | 2,125,471 |
| Board of Tax Appeals | 1,626,792 | 2,332,665 | 2,541,501 | -- | 2,332,224 |
| State Treasurer | 85,398,714 | 93,905,481 | 97,665,879 | -- | 97,350,027 |
| Total--General Government | \$252,791,675 | \$296,574,232 | \$281,240,160 | \$12,721,302 | \$281,337,798 |
| Human Resources | | | | | |
| Social & Rehabilitation Services | 477,947,994 | 527,034,750 | 519,551,285 | 16,585,295 | 540,497,052 |
| Kansas Neurological Institute | 12,034,051 | 9,900,151 | 8,069,316 | -- | 7,931,823 |
| Larned State Hospital | 11,410,240 | 8,197,864 | 11,984,449 | -- | 11,768,273 |
| Osawatomie State Hospital | 7,578,778 | 3,369,972 | 6,163,921 | -- | 5,988,178 |
| Parsons St. Hospital & Training Ctr. | 9,893,619 | 8,667,941 | 6,028,652 | -- | 5,943,156 |
| Rainbow Mental Health Facility | 3,037,446 | 2,339,667 | 1,760,688 | -- | 1,583,476 |
| Winfield St. Hospital & Training Ctr. | 1,777,771 | -- | -- | -- | -- |
| Subtotal--SRS | \$523,679,899 | \$559,510,345 | \$553,558,311 | \$16,585,295 | \$573,711,958 |
| Department on Aging | 123,715,428 | 133,275,628 | 149,444,106 | 1,379,500 | 137,717,602 |
| Health & Environment--Health | 18,364,337 | 23,243,855 | 21,999,365 | 2,782,092 | 21,265,949 |
| Homestead Property Tax Refunds | 13,592,747 | 13,776,554 | 13,776,554 | -- | 13,776,554 |
| Department of Human Resources | 1,701,934 | 5,157,726 | 4,898,977 | 100,000 | 2,410,069 |
| Commission on Veterans' Affairs | 5,131,072 | 3,561,630 | 5,494,318 | 938,935 | 4,992,121 |
| Kansas Guardianship Program | 969,782 | 1,108,759 | 1,165,290 | 90,720 | 1,105,058 |
| Total--Human Resources | \$687,155,199 | \$739,634,497 | \$750,336,921 | \$21,876,542 | \$754,979,311 |
| Education | | | | | |
| Department of Education | 1,931,393,155 | 2,191,809,875 | 2,294,612,316 | 101,535,145 | 2,320,881,647 |
| School for the Blind | 4,028,122 | 4,407,499 | 4,434,288 | 47,074 | 4,363,485 |
| School for the Deaf | 6,713,410 | 7,046,432 | 7,179,752 | 377,011 | 7,178,633 |
| Subtotal--Department of Educ. | \$1,942,134,687 | \$2,203,263,806 | \$2,306,226,356 | \$101,959,230 | \$2,332,423,765 |
| Board of Regents | 21,506,636 | 22,411,360 | 22,778,642 | 2,742,815 | 26,501,853 |
| Emporia State University | 26,063,350 | 27,951,699 | 28,329,373 | 1,709,164 | 28,701,695 |
| Fort Hays State University | 26,415,261 | 28,839,519 | 29,473,064 | 1,600,578 | 29,877,753 |
| Kansas State University | 92,238,280 | 97,906,202 | 99,511,542 | 6,177,941 | 100,442,007 |
| KSU--Veterinary Medical Center | 8,773,785 | 9,297,756 | 9,295,449 | 600,368 | 9,431,690 |
| Kansas State University--ESARP | 41,390,168 | 43,694,420 | 45,485,975 | 2,193,926 | 45,794,348 |

Schedule 2.2--Expenditures from the State General Fund by Agency

| | <u>FY 1998 Actual</u> | <u>FY 1999 Estimate</u> | <u>Current Service</u> | <u>Enhance. Package</u> | <u>Governor's Rec.</u> |
|--|---------------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|
| Pittsburg State University | 28,505,493 | 29,715,332 | 31,698,459 | 1,823,717 | 30,886,790 |
| University of Kansas | 116,431,004 | 124,966,716 | 127,921,538 | 9,035,629 | 128,831,406 |
| KU Medical Center--Education | 86,778,023 | 94,476,050 | 96,365,955 | 4,649,515 | 96,551,307 |
| Wichita State University | 56,213,766 | 59,708,897 | 61,226,847 | 3,721,455 | 61,625,770 |
| Subtotal--Regents | 504,315,766 | 538,967,951 | 552,086,844 | 34,255,108 | 558,644,619 |
| Kansas Arts Commission | 1,344,742 | 1,472,549 | 1,478,240 | 876,397 | 1,529,755 |
| Historical Society | 5,803,991 | 8,458,425 | 6,209,383 | 4,102,498 | 6,209,530 |
| State Library | 4,652,793 | 4,975,007 | 5,000,000 | 1,822,330 | 4,986,725 |
| Total--Education | \$2,458,251,979 | \$2,757,137,738 | \$2,871,000,823 | \$143,015,563 | \$2,903,794,394 |
| Public Safety | | | | | |
| Department of Corrections | 76,296,889 | 81,143,032 | 88,741,076 | 32,858,606 | 84,292,574 |
| El Dorado Correctional Facility | 15,407,941 | 15,850,279 | 16,340,627 | 938,339 | 16,404,053 |
| Ellsworth Correctional Facility | 7,756,042 | 7,889,974 | 8,231,053 | 811,051 | 8,170,278 |
| Hutchinson Correctional Facility | 20,694,464 | 21,532,940 | 22,313,003 | 977,847 | 22,450,553 |
| Lansing Correctional Facility | 28,893,887 | 29,343,974 | 30,248,465 | 821,334 | 30,421,930 |
| Larned Correctional MH Facility | 6,422,385 | 6,615,714 | 6,880,151 | 176,781 | 6,875,937 |
| Norton Correctional Facility | 9,454,362 | 10,145,997 | 11,218,616 | 472,552 | 11,176,432 |
| Topeka Correctional Facility | 12,496,328 | 12,949,190 | 13,065,790 | 663,433 | 13,598,848 |
| Winfield Correctional Facility | 8,504,351 | 8,579,958 | 8,949,338 | 409,151 | 8,811,335 |
| Subtotal--Corrections | 185,926,649 | 194,051,058 | 205,988,119 | 38,129,094 | 202,201,940 |
| Juvenile Justice Authority | 22,220,653 | 30,874,295 | 28,800,581 | 756,348 | 31,602,742 |
| Atchison Juvenile Correctional Facility | 5,312,706 | 5,595,823 | 5,801,038 | -- | 5,826,057 |
| Beloit Juvenile Correctional Facility | 4,500,528 | 4,696,903 | 4,770,525 | -- | 4,794,528 |
| Larned Juvenile Correctional Facility | 3,758,663 | 3,933,018 | 4,055,670 | -- | 4,043,992 |
| Topeka Juvenile Correctional Facility | 9,953,484 | 10,337,389 | 10,864,435 | -- | 10,773,887 |
| Subtotal--Juvenile Justice | 45,746,034 | 55,437,428 | 54,292,249 | 756,348 | 57,041,206 |
| Adjutant General | 4,119,703 | 7,490,995 | 5,046,350 | 3,402,618 | 4,549,030 |
| Ombudsman for Corrections | 168,895 | 174,562 | 182,014 | 28,700 | 183,550 |
| Emergency Medical Services Board | 768,448 | 857,486 | 864,409 | 161,614 | 838,756 |
| Highway Patrol | 23,642,735 | 25,290,937 | 25,973,880 | 2,748,311 | 26,554,688 |
| Kansas Bureau of Investigation | 10,951,379 | 11,959,396 | 13,486,109 | 1,896,561 | 12,296,571 |
| Kansas Parole Board | 484,950 | 490,975 | 500,835 | 354,375 | 405,321 |
| Sentencing Commission | 764,212 | 928,685 | 301,373 | 10,289 | 340,764 |
| Total--Public Safety | \$272,573,005 | \$296,681,522 | \$306,635,338 | \$47,487,910 | \$304,411,826 |
| Agriculture & Natural Resources | | | | | |
| Department of Agriculture | 9,827,535 | 10,650,253 | 10,424,191 | 170,514 | 10,462,259 |
| Animal Health Department | 567,127 | 615,053 | 624,153 | 9,300 | 633,397 |
| State Conservation Commission | 6,576,804 | 6,646,081 | 5,421,888 | 2,808 | 6,612,582 |
| Health & Environment--Environment | 8,121,919 | 9,152,795 | 9,290,085 | 425,595 | 9,210,401 |
| Kansas State Fair | 273,568 | 760,000 | 2,632,585 | 846,000 | 725,000 |
| Kansas Water Office | 1,296,512 | 1,509,304 | 1,446,238 | 131,803 | 1,516,087 |
| Department of Wildlife & Parks | 5,102,742 | 4,783,266 | 4,498,402 | 1,375,000 | 5,412,521 |
| Total--Ag. & Natural Resources | \$31,766,207 | \$34,116,752 | \$34,337,542 | \$2,961,020 | \$34,572,247 |
| Transportation | | | | | |
| Kansas Department of Transportation | 96,576,359 | 98,894,191 | 98,894,191 | -- | 140,107,000 |
| Total--Transportation | \$96,576,359 | \$98,894,191 | \$98,894,191 | \$ -- | \$140,107,000 |
| Total Expenditures | \$3,799,114,424 | \$4,223,038,932 | \$4,342,444,975 | \$228,062,337 | \$4,419,202,576 |

Schedule 3.1--Expenditures from All Funding Sources for State Operations by Agency

| | <u>FY 1998 Actual</u> | <u>FY 1999 Estimate</u> | <u>Current Service</u> | <u>Enhance. Package</u> | <u>Governor's Rec.</u> |
|---------------------------------------|---------------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|
| General Government | | | | | |
| Abstracters' Board of Examiners | 18,035 | 19,119 | 19,501 | -- | 19,579 |
| Board of Accountancy | 163,290 | 168,383 | 173,553 | 3,568 | 177,646 |
| Department of Administration | 22,170,490 | 23,251,881 | 21,026,900 | 644,661 | 21,485,165 |
| Attorney General | 6,667,964 | 8,194,085 | 8,527,048 | 566,340 | 8,532,890 |
| Banking Department | 3,291,145 | 3,674,981 | 3,855,673 | 49,857 | 3,750,515 |
| Board of Barbering | 107,862 | 106,371 | 112,379 | 15,539 | 120,597 |
| Behavioral Sciences Regulatory Board | 369,768 | 374,780 | 380,972 | 75,541 | 391,028 |
| Citizens' Utility Ratepayer Board | 360,726 | 442,190 | 458,642 | -- | 457,793 |
| Dept. of Commerce & Housing | 13,753,019 | 15,398,168 | 18,796,633 | 1,949,279 | 18,891,773 |
| Consumer Credit Commissioner | 371,939 | 380,093 | 424,940 | 161,454 | 433,223 |
| Kansas Corporation Commission | 13,819,577 | 16,090,488 | 15,662,991 | 80,286 | 15,644,453 |
| Board of Cosmetology | 504,866 | 715,596 | 692,621 | 29,236 | 693,879 |
| Department of Credit Unions | 711,978 | 726,461 | 737,806 | -- | 743,367 |
| Kansas Dental Board | 227,166 | 228,533 | 239,138 | 10,706 | 251,527 |
| Governmental Ethics Commission | 463,770 | 525,272 | 532,380 | 5,443 | 536,144 |
| Office of the Governor | 1,727,729 | 1,829,670 | 1,842,869 | -- | 1,855,891 |
| Board of Healing Arts | 1,639,288 | 1,697,802 | 1,847,287 | 91,869 | 1,868,649 |
| Hearing Aid Board of Examiners | 10,441 | 15,204 | 15,136 | 2,525 | 15,385 |
| Kansas Human Rights Commission | 1,814,996 | 1,962,994 | 1,972,268 | 107,830 | 1,929,246 |
| Board of Indigents' Defense Services | 13,286,088 | 13,578,550 | 13,971,520 | 314,728 | 13,690,029 |
| Insurance Department | 9,510,076 | 10,262,926 | 10,534,497 | 34,103 | 10,504,765 |
| Health Care Stabilization | 4,063,565 | 3,934,572 | 3,954,975 | -- | 3,960,858 |
| Judicial Council | 283,861 | 297,344 | 303,152 | -- | 305,062 |
| Judiciary | 72,646,324 | 77,183,038 | 78,254,440 | 4,329,509 | 79,860,128 |
| KPERS | 26,252,958 | 51,002,006 | 30,358,680 | -- | 30,389,878 |
| Kansas Technology Enterprise Corp. | 3,717,969 | 2,559,737 | 2,512,893 | -- | 2,530,364 |
| Kansas, Inc. | 421,893 | 417,189 | 342,582 | 130,000 | 367,222 |
| Legislative Coordinating Council | 471,349 | 834,931 | 699,021 | -- | 710,800 |
| Legislative Division of Post Audit | 1,451,285 | 1,593,918 | 1,630,346 | -- | 1,604,828 |
| Legislative Research Department | 2,163,852 | 2,354,993 | 2,371,434 | -- | 2,400,198 |
| Legislature | 10,578,784 | 14,332,100 | 15,075,356 | -- | 11,786,720 |
| Office of the Lieutenant Governor | 112,189 | 145,504 | 131,038 | -- | 129,546 |
| Kansas Lottery | 20,508,973 | 21,170,918 | 21,306,080 | 708,950 | 21,302,382 |
| Board of Mortuary Arts | 174,941 | 188,566 | 188,523 | -- | 189,702 |
| Board of Nursing | 1,011,023 | 1,171,641 | 1,014,810 | 68,015 | 1,060,225 |
| Board of Examiners in Optometry | 60,040 | 70,564 | 42,781 | -- | 72,705 |
| Board of Pharmacy | 475,290 | 474,370 | 488,851 | 59,409 | 508,449 |
| Kansas Racing & Gaming Commission | 4,196,862 | 4,466,089 | 4,781,875 | -- | 4,781,714 |
| Real Estate Appraisal Board | 164,296 | 184,197 | 192,238 | 7,600 | 193,445 |
| Kansas Real Estate Commission | 556,402 | 614,833 | 635,089 | -- | 638,926 |
| Department of Revenue | 67,707,651 | 75,569,650 | 70,113,680 | 9,156,401 | 74,138,769 |
| Revisor of Statutes | 1,944,830 | 2,206,513 | 2,245,972 | -- | 2,263,055 |
| Secretary of State | 2,774,083 | 3,022,139 | 3,970,190 | 185,799 | 3,876,440 |
| Office of the Securities Commissioner | 1,736,460 | 1,839,615 | 1,864,999 | -- | 1,878,834 |
| Board of Tax Appeals | 1,637,609 | 2,344,165 | 2,553,501 | -- | 2,344,224 |
| Board of Technical Professions | 420,003 | 469,318 | 487,175 | -- | 489,101 |
| State Treasurer | 2,915,488 | 3,210,900 | 3,452,663 | -- | 3,344,565 |
| Board of Veterinary Examiners | 178,923 | 218,315 | 242,079 | -- | 225,660 |
| Total--General Government | \$319,617,116 | \$371,520,672 | \$351,039,177 | \$18,788,648 | \$353,347,344 |
| Human Resources | | | | | |
| Social & Rehabilitation Services | 230,661,993 | 277,906,968 | 286,330,271 | 6,443,306 | 285,219,040 |
| Kansas Neurological Institute | 23,708,311 | 24,071,310 | 24,759,688 | -- | 24,622,195 |
| Larned State Hospital | 28,731,431 | 29,918,167 | 30,923,817 | -- | 30,707,641 |

Schedule 3.1--Expenditures from All Funding Sources for State Operations by Agency

| | <u>FY 1998 Actual</u> | <u>FY 1999 Estimate</u> | <u>Current Service</u> | <u>Enhance. Package</u> | <u>Governor's Rec.</u> |
|--|---------------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|
| Osawatomie State Hospital | 19,049,567 | 19,498,368 | 20,162,237 | -- | 19,972,793 |
| Parsons St. Hospital & Training Ctr. | 18,526,078 | 19,440,685 | 20,042,128 | -- | 19,958,870 |
| Rainbow Mental Health Facility | 6,305,911 | 6,916,453 | 7,029,557 | -- | 6,852,345 |
| Topeka State Hospital | 199,942 | -- | -- | -- | -- |
| Winfield St. Hospital & Training Ctr. | 7,848,129 | -- | -- | -- | -- |
| Subtotal--SRS | \$335,031,362 | \$377,751,951 | \$389,247,698 | \$6,443,306 | \$387,332,884 |
| Department on Aging | 13,779,706 | 15,835,464 | 18,836,278 | -- | 15,468,999 |
| Health & Environment--Health | 35,920,137 | 44,476,931 | 42,897,348 | 1,353,611 | 43,945,248 |
| Homestead Property Tax Refunds | -- | -- | -- | -- | -- |
| Department of Human Resources | 45,650,900 | 48,890,244 | 48,010,367 | 159,930 | 47,507,078 |
| Commission on Veterans' Affairs | 6,181,978 | 7,166,029 | 13,251,808 | 2,312,125 | 11,051,230 |
| Kansas Guardianship Program | 969,782 | 1,108,759 | 1,165,290 | 90,720 | 1,105,058 |
| Total--Human Resources | \$437,533,865 | \$495,229,378 | \$513,408,789 | \$10,359,692 | \$506,410,497 |
| Education | | | | | |
| Department of Education | 16,472,712 | 18,936,648 | 18,377,496 | 732,708 | 18,544,269 |
| School for the Blind | 4,207,761 | 4,814,447 | 4,767,427 | 47,074 | 4,700,032 |
| School for the Deaf | 6,995,257 | 7,380,938 | 7,436,787 | 377,011 | 7,433,928 |
| Subtotal--Department of Education | \$27,675,730 | \$31,132,033 | \$30,581,710 | \$1,156,793 | \$30,678,229 |
| Board of Regents | 5,709,304 | 11,183,908 | 8,847,255 | 89,686 | 11,296,622 |
| Emporia State University | 43,313,887 | 46,396,993 | 46,419,570 | 1,901,329 | 47,006,489 |
| Fort Hays State University | 44,729,942 | 47,204,526 | 47,818,497 | 1,600,578 | 48,273,530 |
| Kansas State University | 197,695,097 | 216,779,895 | 219,356,403 | 6,142,941 | 221,407,835 |
| KSU--Veterinary Medical Center | 18,272,421 | 20,473,654 | 20,021,449 | 600,368 | 20,211,864 |
| Kansas State University--ESARP | 86,717,959 | 92,227,114 | 93,128,104 | 2,193,926 | 93,608,186 |
| Pittsburg State University | 47,652,968 | 49,501,124 | 50,112,906 | 2,037,081 | 50,594,639 |
| State Treasurer--Bond Retirement | 2,419 | 861 | -- | -- | -- |
| University of Kansas | 295,099,111 | 330,814,597 | 333,220,031 | 13,159,227 | 336,005,686 |
| KU Medical Center--Education | 156,399,478 | 167,201,574 | 167,705,283 | 7,248,102 | 170,119,814 |
| KU Medical Center--Hospital | 161,671,292 | 44,815,355 | -- | -- | -- |
| Wichita State University | 107,525,575 | 114,403,937 | 116,576,013 | 3,717,257 | 117,504,496 |
| Subtotal--Regents | \$1,164,789,453 | \$1,141,003,538 | \$1,103,205,511 | \$38,690,495 | \$1,116,029,161 |
| Kansas Arts Commission | 447,459 | 491,834 | 488,161 | 126,184 | 489,676 |
| Historical Society | 6,510,239 | 6,982,877 | 7,084,351 | 1,672,498 | 7,088,786 |
| State Library | 1,609,660 | 2,045,298 | 2,062,400 | 42,610 | 2,093,467 |
| Total--Education | \$1,201,032,541 | \$1,181,655,580 | \$1,143,422,133 | \$41,688,580 | \$1,156,379,319 |
| Public Safety | | | | | |
| Department of Corrections | 67,387,112 | 69,789,219 | 73,891,412 | 6,123,621 | 72,080,762 |
| El Dorado Correctional Facility | 15,420,787 | 15,922,910 | 16,415,031 | 938,339 | 16,478,457 |
| Ellsworth Correctional Facility | 7,828,307 | 7,923,686 | 8,266,843 | 269,091 | 8,207,086 |
| Hutchinson Correctional Facility | 20,962,703 | 21,807,940 | 22,588,003 | 977,847 | 22,728,026 |
| Lansing Correctional Facility | 28,940,254 | 29,485,674 | 30,398,465 | 821,334 | 30,571,930 |
| Larned Correctional MH Facility | 6,421,698 | 6,622,237 | 6,880,151 | 176,781 | 6,875,937 |
| Norton Correctional Facility | 9,459,655 | 10,165,997 | 11,228,616 | 472,552 | 11,186,432 |
| Topeka Correctional Facility | 12,572,249 | 13,100,242 | 13,205,416 | 663,433 | 13,738,474 |
| Winfield Correctional Facility | 8,647,559 | 8,705,658 | 9,080,461 | 409,151 | 8,942,458 |
| Subtotal--Corrections | \$177,640,324 | \$183,523,563 | \$191,954,398 | \$10,852,149 | \$190,809,562 |
| Juvenile Justice Authority | 17,637,503 | 5,945,504 | 3,973,344 | 756,348 | 4,584,305 |
| Atchison Juvenile Correctional Facility | 5,487,515 | 5,778,071 | 5,983,286 | -- | 6,008,305 |
| Beloit Juvenile Correctional Facility | 4,694,592 | 4,932,098 | 5,005,228 | -- | 5,029,231 |

Schedule 3.1--Expenditures from All Funding Sources for State Operations by Agency

| | <u>FY 1998 Actual</u> | <u>FY 1999 Estimate</u> | <u>Current Service</u> | <u>Enhance. Package</u> | <u>Governor's Rec.</u> |
|--|---------------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|
| Larned Juvenile Correctional Facility | 3,947,997 | 4,142,198 | 4,269,435 | -- | 4,257,757 |
| Topeka Juvenile Correctional Facility | 10,452,104 | 10,752,802 | 11,277,138 | -- | 11,186,590 |
| Subtotal--Juvenile Justice | \$42,219,711 | \$31,550,673 | \$30,508,431 | \$756,348 | \$31,066,188 |
| Adjutant General | 15,606,954 | 15,853,802 | 15,317,905 | 1,197,300 | 15,126,714 |
| Ombudsman for Corrections | 183,848 | 190,545 | 197,014 | 28,700 | 198,550 |
| Emergency Medical Services Board | 839,797 | 904,785 | 798,815 | 161,614 | 773,162 |
| State Fire Marshal | 2,396,586 | 2,471,476 | 2,683,569 | 995,488 | 3,042,207 |
| Highway Patrol | 43,055,862 | 45,519,881 | 43,371,826 | 5,819,644 | 47,193,711 |
| Kansas Bureau of Investigation | 18,747,392 | 16,405,604 | 16,526,037 | 2,156,685 | 16,138,159 |
| Kansas Parole Board | 484,950 | 490,975 | 500,835 | 354,375 | 405,321 |
| Sentencing Commission | 887,063 | 1,192,061 | 637,368 | 36,511 | 676,862 |
| Total--Public Safety | \$302,062,487 | \$298,103,365 | \$302,496,198 | \$22,358,814 | \$305,430,436 |
| Agriculture & Natural Resources | | | | | |
| Department of Agriculture | 20,825,376 | 22,420,684 | 20,926,487 | 1,391,005 | 22,061,894 |
| Animal Health Department | 1,641,083 | 1,850,511 | 1,872,225 | 11,800 | 1,885,109 |
| State Conservation Commission | 1,493,321 | 1,738,099 | 876,517 | 905,808 | 1,535,293 |
| Health & Environment--Environment | 47,115,250 | 60,961,932 | 60,352,937 | 3,529,418 | 63,093,374 |
| Kansas State Fair | 3,118,523 | 3,329,387 | 3,496,513 | 65,000 | 3,567,146 |
| Kansas Water Office | 5,460,477 | 6,209,073 | 3,125,228 | 4,857,122 | 5,875,070 |
| Kansas Wheat Commission | 2,503,192 | 3,345,664 | 3,206,855 | -- | 3,194,731 |
| Department of Wildlife & Parks | 27,831,231 | 29,412,564 | 30,350,050 | 499,120 | 30,596,064 |
| Total--Ag. & Natural Resources | \$109,988,453 | \$129,267,914 | \$124,206,812 | \$11,259,273 | \$131,808,681 |
| Transportation | | | | | |
| Kansas Department of Transportation | 348,817,867 | 351,577,753 | 367,719,260 | -- | 365,813,791 |
| Total--Transportation | 348,817,867 | 351,577,753 | 367,719,260 | -- | 365,813,791 |
| Total Expenditures | \$2,719,052,329 | \$2,827,354,662 | \$2,802,292,369 | \$104,455,007 | \$2,819,190,068 |

Schedule 3.2--Expenditures from the State General Fund for State Operations by Agency

| | <u>FY 1998 Actual</u> | <u>FY 1999 Estimate</u> | <u>Current Service</u> | <u>Enhance. Package</u> | <u>Governor's Rec.</u> |
|--|---------------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|
| General Government | | | | | |
| Department of Administration | 21,724,997 | 22,791,861 | 20,561,584 | 644,661 | 21,006,888 |
| Attorney General | 4,039,122 | 5,209,760 | 5,708,228 | 395,553 | 5,574,909 |
| Dept. of Commerce & Housing | 991,646 | 935,244 | 1,067,986 | -- | 1,520,274 |
| Governmental Ethics Commission | 348,795 | 377,619 | 375,429 | 5,443 | 369,631 |
| Office of the Governor | 1,727,504 | 1,829,670 | 1,836,369 | -- | 1,849,391 |
| Kansas Human Rights Commission | 1,395,389 | 1,423,964 | 1,508,818 | 107,830 | 1,455,796 |
| Board of Indigents' Defense Services | 13,134,936 | 13,416,270 | 13,841,420 | 314,728 | 13,559,929 |
| Judicial Council | 239,293 | 249,911 | 254,426 | -- | 250,208 |
| Judiciary | 69,797,928 | 73,744,690 | 74,859,578 | 4,329,509 | 76,404,385 |
| KPERS | -- | 20,000,000 | -- | -- | -- |
| Kansas, Inc. | 164,194 | 169,626 | 173,019 | 130,000 | 197,659 |
| Legislative Coordinating Council | 471,349 | 834,931 | 699,021 | -- | 710,800 |
| Legislative Division of Post Audit | 1,451,285 | 1,593,918 | 1,630,346 | -- | 1,604,828 |
| Legislative Research Department | 2,163,852 | 2,354,993 | 2,371,434 | -- | 2,400,198 |
| Legislature | 10,379,241 | 13,900,943 | 14,948,456 | -- | 11,659,820 |
| Office of the Lieutenant Governor | 112,189 | 145,504 | 131,038 | -- | 129,546 |
| Kansas Racing & Gaming Commissic | 630,597 | -- | -- | -- | -- |
| Department of Revenue | 27,945,873 | 28,977,710 | 29,059,820 | 1,096,076 | 31,952,443 |
| Revisor of Statutes | 1,944,830 | 2,206,513 | 2,245,972 | -- | 2,263,055 |
| Secretary of State | 1,481,975 | 1,462,823 | 2,625,963 | -- | 2,125,471 |
| Board of Tax Appeals | 1,626,792 | 2,332,665 | 2,541,501 | -- | 2,332,224 |
| State Treasurer | 1,919,135 | 2,079,454 | 2,262,707 | -- | 2,155,027 |
| Total--General Government | \$163,690,922 | \$196,038,069 | \$178,703,115 | \$7,023,800 | \$179,522,482 |
| Human Resources | | | | | |
| Social & Rehabilitation Services | 80,942,447 | 92,436,408 | 94,781,209 | 1,941,295 | 93,328,972 |
| Kansas Neurological Institute | 12,029,360 | 9,900,151 | 8,069,316 | -- | 7,931,823 |
| Larned State Hospital | 11,409,572 | 8,197,864 | 11,984,449 | -- | 11,768,273 |
| Osawatomie State Hospital | 7,577,049 | 3,368,472 | 6,162,421 | -- | 5,986,678 |
| Parsons St. Hospital & Training Ctr. | 9,892,407 | 8,667,941 | 6,026,652 | -- | 5,941,156 |
| Rainbow Mental Health Facility | 3,036,471 | 2,339,667 | 1,760,688 | -- | 1,583,476 |
| Winfield St. Hospital & Training Ctr. | 1,772,116 | -- | -- | -- | -- |
| Subtotal--SRS | \$126,659,422 | \$124,910,503 | \$128,784,735 | \$1,941,295 | \$126,540,378 |
| Department on Aging | 6,047,022 | 8,303,496 | 9,920,516 | -- | 7,044,387 |
| Health & Environment--Health | 11,216,576 | 13,577,927 | 12,818,437 | 165,420 | 12,139,973 |
| Department of Human Resources | 1,389,868 | 2,204,097 | 2,120,869 | 100,000 | 1,569,845 |
| Commission on Veterans' Affairs | 2,631,072 | 3,561,630 | 5,494,318 | 938,935 | 4,972,121 |
| Kansas Guardianship Program | 969,782 | 1,108,759 | 1,165,290 | 90,720 | 1,105,058 |
| Total--Human Resources | \$148,913,742 | \$153,666,412 | \$160,304,165 | \$3,236,370 | \$153,371,762 |
| Education | | | | | |
| Department of Education | 8,122,016 | 9,212,889 | 9,100,233 | 732,708 | 9,216,061 |
| School for the Blind | 4,028,122 | 4,407,499 | 4,434,288 | 47,074 | 4,363,485 |
| School for the Deaf | 6,713,410 | 7,046,432 | 7,179,752 | 377,011 | 7,178,633 |
| Subtotal--Department of Education | \$18,863,548 | \$20,666,820 | \$20,714,273 | \$1,156,793 | \$20,758,179 |
| Board of Regents | 2,456,484 | 1,999,368 | 1,952,801 | 89,686 | 4,402,168 |
| Emporia State University | 26,044,201 | 27,949,859 | 28,147,514 | 1,709,121 | 28,699,836 |
| Fort Hays State University | 26,415,261 | 28,839,519 | 29,143,064 | 1,600,578 | 29,877,753 |
| Kansas State University | 92,022,061 | 97,704,258 | 98,559,424 | 6,126,941 | 100,239,889 |
| KSU--Veterinary Medical Center | 8,773,785 | 9,297,756 | 9,295,449 | 600,368 | 9,431,690 |
| Kansas State University--ESARP | 41,388,618 | 43,693,028 | 45,484,349 | 2,193,926 | 45,792,722 |

Schedule 3.2--Expenditures from the State General Fund for State Operations by Agency

| | <u>FY 1998 Actual</u> | <u>FY 1999 Estimate</u> | <u>Current Service</u> | <u>Enhance. Package</u> | <u>Governor's Rec.</u> |
|--|---------------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|
| Pittsburg State University | 27,922,317 | 29,351,607 | 30,826,716 | 1,812,808 | 30,642,047 |
| University of Kansas | 114,919,032 | 124,966,716 | 126,696,538 | 9,035,629 | 128,831,406 |
| KU Medical Center--Education | 84,000,834 | 90,826,604 | 90,422,292 | 4,495,680 | 91,905,644 |
| Wichita State University | 56,143,243 | 59,390,166 | 60,440,118 | 3,717,257 | 61,304,041 |
| Subtotal--Regents | \$480,085,836 | \$514,018,881 | \$520,968,265 | \$31,381,994 | \$531,127,196 |
| Kansas Arts Commission | 291,848 | 319,611 | 325,302 | 126,184 | 326,817 |
| Historical Society | 5,578,129 | 5,885,486 | 6,009,383 | 1,672,498 | 6,009,530 |
| State Library | 1,422,130 | 1,557,514 | 1,529,731 | 42,610 | 1,569,232 |
| Total--Education | \$506,241,491 | \$542,448,312 | \$549,546,954 | \$34,380,079 | \$559,790,954 |
| Public Safety | | | | | |
| Department of Corrections | 55,156,414 | 57,325,924 | 61,897,338 | 6,119,790 | 60,060,995 |
| El Dorado Correctional Facility | 15,351,022 | 15,850,279 | 16,340,627 | 938,339 | 16,404,053 |
| Ellsworth Correctional Facility | 7,755,867 | 7,889,974 | 8,231,053 | 269,091 | 8,170,278 |
| Hutchinson Correctional Facility | 20,686,653 | 21,532,940 | 22,313,003 | 977,847 | 22,450,553 |
| Lansing Correctional Facility | 28,885,254 | 29,343,974 | 30,248,465 | 821,334 | 30,421,930 |
| Larned Correctional MH Facility | 6,421,294 | 6,615,714 | 6,880,151 | 176,781 | 6,875,937 |
| Norton Correctional Facility | 9,454,231 | 10,145,997 | 11,218,616 | 472,552 | 11,176,432 |
| Topeka Correctional Facility | 12,496,127 | 12,949,190 | 13,065,790 | 663,433 | 13,598,848 |
| Winfield Correctional Facility | 8,502,638 | 8,579,958 | 8,949,338 | 409,151 | 8,811,335 |
| Subtotal--Corrections | \$164,709,500 | \$170,233,950 | \$179,144,381 | \$10,848,318 | \$177,970,361 |
| Juvenile Justice Authority | 8,208,836 | 5,097,470 | 3,660,516 | 756,348 | 4,271,477 |
| Atchison Juvenile Correctional Facilit | 5,312,706 | 5,595,823 | 5,801,038 | -- | 5,826,057 |
| Beloit Juvenile Correctional Facility | 4,500,528 | 4,696,903 | 4,770,525 | -- | 4,794,528 |
| Larned Juvenile Correctional Facility | 3,758,663 | 3,933,018 | 4,055,670 | -- | 4,043,992 |
| Topeka Juvenile Correctional Facility | 9,953,484 | 10,337,389 | 10,864,435 | -- | 10,773,887 |
| Subtotal--Juvenile Justice | \$31,734,217 | \$29,660,603 | \$29,152,184 | \$756,348 | \$29,709,941 |
| Adjutant General | 3,837,987 | 4,005,619 | 4,434,864 | 890,583 | 4,527,334 |
| Ombudsman for Corrections | 168,895 | 174,562 | 182,014 | 28,700 | 183,550 |
| Emergency Medical Services Board | 700,354 | 757,486 | 796,315 | 161,614 | 770,662 |
| Highway Patrol | 23,636,133 | 25,290,937 | 25,973,880 | 2,748,311 | 26,554,688 |
| Kansas Bureau of Investigation | 10,725,747 | 11,779,396 | 13,301,109 | 1,642,971 | 12,111,571 |
| Kansas Parole Board | 484,950 | 490,975 | 500,835 | 354,375 | 405,321 |
| Sentencing Commission | 559,824 | 885,312 | 301,373 | 10,289 | 340,764 |
| Total--Public Safety | \$236,557,607 | \$243,278,840 | \$253,786,955 | \$17,441,509 | \$252,574,192 |
| Agriculture & Natural Resources | | | | | |
| Department of Agriculture | 9,826,891 | 10,650,253 | 10,424,191 | 170,514 | 10,462,259 |
| Animal Health Department | 567,057 | 615,053 | 624,153 | 9,300 | 633,397 |
| State Conservation Commission | 576,804 | 646,081 | 765,888 | 2,808 | 746,082 |
| Health & Environment--Environment | 8,035,978 | 9,152,795 | 9,290,085 | 425,595 | 9,210,401 |
| Kansas State Fair | 17,083 | 131,840 | 175,000 | -- | 125,000 |
| Kansas Water Office | 1,296,512 | 1,509,304 | 1,446,238 | 131,803 | 1,516,087 |
| Department of Wildlife & Parks | 4,586,746 | 4,024,743 | 4,200,702 | 375,000 | 4,216,321 |
| Total--Ag. & Natural Resources | \$24,907,071 | \$26,730,069 | \$26,926,257 | \$1,115,020 | \$26,909,547 |
| Total Expenditures | \$1,080,310,833 | \$1,162,161,702 | \$1,169,267,446 | \$63,196,778 | \$1,172,168,937 |

**Schedule 4.1-- Expenditures from All Funding Sources for Aid to Local Governments
by Agency**

| | <u>FY 1998 Actual</u> | <u>FY 1999 Estimate</u> | <u>Current Service</u> | <u>Enhance. Package</u> | <u>Governor's Rec.</u> |
|--|---------------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|
| General Government | | | | | |
| Department of Administration | | | | | |
| Emergency Flood Control | 209,351 | 239,000 | 239,000 | -- | 239,000 |
| Grants to Public Broadcasting Stations | 254,433 | 474,732 | 249,480 | 442,663 | 266,022 |
| Total--Department of Administration | \$463,784 | \$713,732 | \$488,480 | \$442,663 | \$505,022 |
| Attorney General | | | | | |
| Crime Victims Assistance Fund | 585,728 | 574,396 | 574,396 | -- | 574,396 |
| Child Exchange Visitation Centers | -- | 116,319 | 116,319 | -- | 116,319 |
| Violence against Women Fund | 608,521 | 1,458,250 | 1,458,250 | -- | 1,458,250 |
| Drug Free Schools Fund | 580,270 | 839,152 | 839,152 | -- | 839,152 |
| Protection from Abuse | 725,191 | 586,852 | 586,852 | -- | 586,852 |
| Federal Preventive Health Block Grant | 381,100 | 293,248 | 293,248 | -- | 293,248 |
| Family Violence Prevention Services | 393,574 | 522,160 | 522,160 | -- | 522,160 |
| Victims of Crime Act--VRU | 1,511,644 | 2,000,000 | 2,500,000 | -- | 2,500,000 |
| Total--Attorney General | \$4,786,028 | \$6,390,377 | \$6,890,377 | -- | \$6,890,377 |
| Department of Commerce & Housing | | | | | |
| Community Development Block Grants | 22,135,814 | 23,110,000 | 23,110,000 | -- | 23,110,000 |
| Housing Assistance Program | 8,910,257 | 10,083,034 | 10,587,186 | -- | 10,587,186 |
| Emergency Shelter | 692,633 | 986,390 | 986,390 | -- | 986,390 |
| HOME Program | 5,639,545 | 7,207,092 | 7,103,422 | -- | 7,103,422 |
| Community Services Block Grants | 4,378,824 | 3,602,690 | 3,602,690 | -- | 3,602,690 |
| Railroad Mitigation | 140,025 | -- | -- | -- | -- |
| Tourism Grants | 2,216 | -- | -- | -- | -- |
| Agriculture Products Development | 187,020 | 75,000 | 75,000 | -- | 75,000 |
| Weatherization Grants | 859,079 | 1,434,636 | 1,434,636 | -- | 1,434,636 |
| Energy Winterization | 1,342,960 | 1,228,787 | 1,228,787 | -- | 1,228,787 |
| Small Business Development Centers | 525,000 | 525,000 | 485,000 | 40,000 | 485,000 |
| Training Equipment | 250,000 | 300,000 | 300,000 | 50,000 | 300,000 |
| Economic Development Administration | 37,500 | -- | -- | -- | -- |
| Economic Opportunity Initiatives Fund | 565,000 | -- | -- | -- | -- |
| Existing Industry Expansion | 68,000 | -- | -- | -- | -- |
| Kansas Partnership Program | 300,000 | 700,000 | -- | -- | -- |
| Federal Flood Mitigation | 65,900 | 125,000 | 125,000 | -- | 125,000 |
| Strategic Planning Grants | 248,665 | 250,000 | 197,000 | 53,000 | 197,000 |
| State Housing Trust Fund | -- | 205,000 | 205,000 | -- | 205,000 |
| Total--Dept. of Com. & Housing | \$46,348,438 | \$49,832,629 | \$49,440,111 | \$143,000 | \$49,440,111 |
| Kansas Corporation Commission | | | | | |
| Energy Conservation Grants | 628,483 | 750,000 | 700,000 | -- | 700,000 |
| Insurance Department | | | | | |
| Senior Health Insurance Counseling | 66,118 | 68,281 | 68,281 | -- | 68,281 |
| Firefighters' Associations Grants | 5,071,641 | 4,878,004 | 4,878,004 | -- | 4,878,004 |
| Total--Insurance Department | \$5,137,759 | \$4,946,285 | \$4,946,285 | -- | \$4,946,285 |
| Judiciary | | | | | |
| Judiciary Technology Fund | -- | 350,000 | 350,000 | -- | 350,000 |
| Access to Justice Fund | -- | 500,000 | -- | -- | -- |
| Dispute Resolution Fund | 5,000 | 45,000 | 50,000 | -- | 50,000 |
| Permanent Families Account | 333,827 | 380,284 | 390,415 | -- | 390,415 |
| Total--Judiciary | \$338,827 | \$1,275,284 | \$790,415 | -- | \$790,415 |

**Schedule 4.1-- Expenditures from All Funding Sources for Aid to Local Governments
by Agency**

| | <u>FY 1998 Actual</u> | <u>FY 1999 Estimate</u> | <u>Current Service</u> | <u>Enhance. Package</u> | <u>Governor's Rec.</u> |
|--|---------------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|
| Department of Revenue | | | | | |
| Sand Royalty Fund | 107,293 | 194,000 | 194,000 | -- | 194,000 |
| Co. Treas. Vehicle Licensing Fee Fund | 129,325 | 110,000 | 125,000 | -- | 125,000 |
| VIPS/CAMA Hardware Fund | 431,724 | -- | -- | -- | -- |
| Electronic Database Fee Fund | 1,022,885 | -- | -- | -- | -- |
| County and City Bingo Tax Fund | 337,260 | 350,000 | 300,000 | -- | 300,000 |
| Mineral Production Tax Fund | 5,239,449 | 5,100,000 | 5,000,000 | -- | 5,000,000 |
| County Drug Tax Fund | 817,267 | 950,000 | 800,000 | -- | 800,000 |
| Total--Department of Revenue | \$8,085,203 | \$6,704,000 | \$6,419,000 | -- | \$6,419,000 |
| Secretary of State | | | | | |
| Presidential Preference Primary | -- | -- | 1,560,000 | -- | -- |
| State Treasurer | | | | | |
| Local Ad Valorem Tax Reduction | 47,770,566 | 55,260,000 | 53,667,056 | -- | 58,006,000 |
| Tax Increment Financing | 226,854 | 389,929 | 389,929 | -- | 389,929 |
| County and City Revenue Sharing | 35,709,013 | 36,566,027 | 41,736,116 | -- | 37,189,000 |
| Local Alcoholic Liquor Fund | 14,604,059 | 14,600,000 | 14,700,000 | -- | 14,700,000 |
| Rental of Motor Vehicles Excise Tax | 2,248,351 | 2,400,000 | 2,525,000 | -- | 2,525,000 |
| Racing Admissions Tax | 2,645 | 1,433 | 2,100 | -- | 2,100 |
| Total--State Treasurer | \$100,561,488 | \$109,217,389 | \$113,020,201 | -- | \$112,812,029 |
| Total--General Government | \$166,350,010 | \$179,829,696 | \$184,254,869 | \$585,663 | \$182,503,239 |
| Human Resources | | | | | |
| Social & Rehabilitation Services | | | | | |
| Community Mental Health Centers | 10,000,874 | 10,233,297 | 8,295,388 | -- | 10,233,297 |
| Mental Health Grants | 17,009,774 | 23,268,975 | 36,775,459 | 1,440,000 | 36,775,459 |
| Special Purpose Mental Health Grants | 4,250,991 | 400,726 | 400,726 | -- | 400,726 |
| Mental Health Reform | 17,755,430 | 18,182,471 | -- | -- | -- |
| Childrens Mental Health Waiver | 180,000 | -- | -- | -- | -- |
| Nursing Facilities Mental Health | 101,754 | -- | -- | -- | -- |
| DD Administration | 282,883 | -- | -- | -- | -- |
| Com. Developmental Disabilities Support | 22,977,460 | 22,117,006 | 20,987,632 | 150,000 | 22,117,806 |
| DD Intermediate Care Facilities | 104,000 | -- | -- | -- | -- |
| DD Family Support | -- | 150,000 | 150,000 | 50,000 | 150,000 |
| DD Special Projects | 119,602 | 150,608 | 150,608 | -- | 150,608 |
| Refugee Assistance | 500,108 | 420,000 | 430,000 | -- | 430,000 |
| Child Care Development Grants | 2,910,157 | 8,790,000 | 8,985,000 | 2,000,000 | 8,985,000 |
| Regular Medical Assistance | 730,999 | -- | -- | -- | -- |
| Independent Living Center Grants | -- | 2,219,978 | 2,286,577 | 750,000 | 2,286,577 |
| Developmental Disabilities Council Grants | 349,554 | 914,272 | 584,486 | -- | 584,486 |
| Children and Family Services Grants | 3,010,753 | 3,406,580 | 3,506,580 | -- | 3,506,580 |
| Rehabilitation Services Grants | 7,018,693 | 7,744,130 | 6,233,742 | -- | 6,233,742 |
| Services for the Blind | 100,757 | 164,706 | 164,706 | -- | 164,706 |
| Total--Social & Rehabilitation Services | \$87,403,789 | \$98,162,749 | \$88,950,904 | \$4,390,000 | \$92,018,987 |
| State Hospitals | | | | | |
| Claims and Patient Benefits | 5,655 | -- | -- | -- | -- |
| Subtotal--Social & Rehabilitation Services | \$87,409,444 | \$98,162,749 | \$88,950,904 | \$4,390,000 | \$92,018,987 |

**Schedule 4.1-- Expenditures from All Funding Sources for Aid to Local Governments
by Agency**

| | <u>FY 1998 Actual</u> | <u>FY 1999 Estimate</u> | <u>Current Service</u> | <u>Enhance. Package</u> | <u>Governor's Rec.</u> |
|---|---------------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|
| Department on Aging | | | | | |
| Administration | 114,412 | 37,000 | 37,000 | -- | 37,000 |
| Program Grants | 2,440,669 | 2,403,361 | 2,822,725 | 37,500 | 2,822,725 |
| Transportation Aid | -- | 350,000 | -- | -- | -- |
| Nutrition Grants | 2,070,236 | 2,665,764 | 2,652,462 | -- | 2,583,183 |
| Expedited Service Delivery Program | -- | 458,000 | 458,000 | 376,350 | 458,000 |
| Total--Department on Aging | \$4,625,317 | \$5,914,125 | \$5,970,187 | \$413,850 | \$5,900,908 |
| Health & Environment--Health | | | | | |
| General Health Programs | 4,609,207 | 5,031,548 | 5,031,548 | 2,616,672 | 5,026,596 |
| Other Federal Grants | 98,550 | 250,000 | 250,000 | -- | 250,000 |
| Teen Pregnancy Prevention | 518,554 | 537,660 | 537,660 | -- | 537,660 |
| Food Service Inspection | 472,707 | 600,000 | 650,000 | -- | 650,000 |
| Sexually Trans. Disease Control Proj. | 306,695 | 320,000 | 308,000 | -- | 308,000 |
| WIC Program | 5,591,512 | 6,750,000 | 6,750,000 | -- | 6,750,000 |
| Mothers and Infants Prog./Healthy Start | 2,359,735 | 2,333,142 | 2,233,142 | -- | 3,233,142 |
| Title I PL 99-457 | 1,852,371 | 2,217,609 | 2,225,000 | -- | 2,225,000 |
| Title XIX--Medicaid | 203,107 | 206,358 | 206,358 | -- | 206,358 |
| Family Planning/Federal Title X | 1,436,270 | 1,634,150 | 1,634,150 | -- | 1,634,150 |
| Preventive Health Block Grant | 469,793 | 590,725 | 511,469 | -- | 511,469 |
| Migrant Health Program | 76,000 | 80,000 | 80,000 | -- | 80,000 |
| Lead Poisoning and Prevention Program | 18,000 | 10,000 | 10,000 | -- | 10,000 |
| Disease Prevention Health Promotion | 158,008 | 142,252 | 245,614 | 125,000 | 245,614 |
| MCH SSDI | -- | 204,163 | 214,371 | -- | 214,371 |
| Commodity Supplemental Food Program | 200,668 | 231,000 | 236,755 | -- | 236,755 |
| AIDS Services/Education | 1,391,711 | 1,409,653 | 1,391,030 | -- | 1,391,030 |
| District Coroners Fund | 215,479 | -- | -- | -- | -- |
| Immunization Rate Improvement | 928,942 | 1,200,000 | 854,921 | -- | 854,921 |
| Infant and Toddler Program | 496,000 | 1,992,000 | 1,992,000 | -- | 2,242,000 |
| Innovative child Health Programs | -- | -- | -- | -- | 456,626 |
| Gifts, Grants and Donations | -- | 347,872 | 20,000 | -- | 20,000 |
| Primary Health Project | 1,428,000 | 1,520,840 | 1,520,840 | -- | 1,470,840 |
| Child Care and Development Block Grant | 460,900 | 1,145,371 | 1,300,288 | -- | 1,300,288 |
| Breast and Cervical Cancer | 20,643 | -- | -- | -- | -- |
| Total--Health & Environment--Health | \$23,312,852 | \$28,754,343 | \$28,203,146 | \$2,741,672 | \$29,854,820 |
| Department of Human Resources | | | | | |
| State Employment Programs | 304,189 | 337,224 | 340,224 | -- | 340,224 |
| Total--Human Resources | \$115,651,802 | \$133,168,441 | \$123,464,461 | \$7,545,522 | \$128,114,939 |
| Education | | | | | |
| Department of Education | | | | | |
| General State Aid | 1,488,745,086 | 1,695,451,000 | 1,770,191,000 | 43,365,038 | 1,790,009,000 |
| School District Finance Fund | 31,078,469 | 20,150,000 | 14,000,000 | -- | 14,000,000 |
| Supplemental State Aid | 50,250,626 | 65,275,000 | 66,255,000 | 1,334,709 | 76,591,000 |
| Bond and Interest Aid | 18,979,978 | 22,732,000 | 26,882,000 | -- | 26,882,000 |
| Leavenworth Federal Aid Correction | 1,310,760 | -- | -- | -- | -- |
| KPERS Employer Contribution | 75,775,129 | 84,561,389 | 92,211,389 | 478,901 | 92,430,725 |
| Special Education Services Aid | 226,199,711 | 249,694,174 | 265,494,174 | 32,451,468 | 265,791,438 |
| Ed. of Handicapped Presch. Children | 3,939,866 | 4,050,000 | 4,050,000 | -- | 4,050,000 |

**Schedule 4.1-- Expenditures from All Funding Sources for Aid to Local Governments
by Agency**

| | FY 1998 Actual | FY 1999 Estimate | Current Service | Enhance. Package | Governor's Rec. |
|---|---------------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|
| Juvenile Detention Grants | 2,819,664 | 3,071,667 | 3,268,764 | 65,903 | 3,071,667 |
| Deaf-Blind Program Aid | 110,000 | 110,000 | 110,000 | -- | 110,000 |
| In-Service Education Aid | 2,995,088 | 4,000,000 | 3,000,000 | -- | 3,000,000 |
| School Food Assistance | 60,941,018 | 61,144,831 | 61,399,896 | -- | 61,399,896 |
| Driver Education Program Aid | 1,566,656 | 1,575,560 | 1,575,560 | -- | 1,575,560 |
| Program Aid--Area Voc. Schools | 6,716,110 | 6,716,110 | 6,716,110 | 671,611 | 6,716,110 |
| Post--Secondary Aid--Voc. Schools | 18,405,779 | 18,865,924 | 18,865,924 | 943,296 | 19,685,124 |
| AVTS Matching Grants | 192,824 | 200,000 | 200,000 | 50,000 | 200,000 |
| Capital Outlay--Area Voc. Schools | 1,999,996 | 3,000,000 | 2,000,000 | -- | 2,500,000 |
| Federal Vocation Education Aid | 9,959,652 | 10,090,000 | 10,090,000 | -- | 10,090,000 |
| Community College Credit Hour Aid | 41,411,351 | 43,937,578 | 43,937,578 | 4,685,402 | 45,870,378 |
| Community College Out-District Aid | 11,639,678 | 12,225,973 | 13,750,973 | -- | 13,750,973 |
| Community College General State Aid | 2,641,788 | 2,642,795 | 2,642,795 | -- | 2,642,795 |
| Skilled Workforce Grants to CC/AVTSS | -- | -- | -- | -- | 300,000 |
| Alcohol & Drug Abuse Programs | 3,376,339 | 3,275,000 | 3,275,000 | -- | 3,275,000 |
| Federal Class Size Reduction Initiative | -- | -- | -- | -- | 9,582,885 |
| Adult Basic Education Programs Aid | 3,201,060 | 3,258,368 | 3,373,368 | 94,837 | 3,373,368 |
| Goals 2000 | 3,830,522 | 3,700,000 | 2,750,000 | -- | 2,750,000 |
| Ed. Research & Innovative Prog. | 1,424,302 | 3,006,537 | 5,534,440 | -- | 5,534,440 |
| Elementary & Secondary Ed. Prog. | 66,105,255 | 68,436,000 | 69,486,000 | -- | 69,486,000 |
| Education for Economic Security Aid | 1,936,127 | 2,030,000 | 2,030,000 | -- | 2,030,000 |
| Innovative Program Grants | 1,600,000 | 1,600,000 | 1,600,000 | -- | 1,600,000 |
| Technology State Aid | 999,954 | 13,000,000 | -- | 16,622,720 | -- |
| Structured Mentoring | -- | 975,000 | 975,000 | -- | 975,000 |
| Parents as Teachers | 2,738,861 | 4,667,000 | 4,667,000 | 500,000 | 5,444,833 |
| Total--Department of Education | \$2,142,891,649 | \$2,413,441,906 | \$2,500,331,971 | 101,263,885 | \$2,544,718,192 |
| Board of Regents | | | | | |
| Operating Grant for Washburn University | 7,454,876 | 7,902,169 | 7,902,169 | 632,173 | 8,270,488 |
| Emporia State University | | | | | |
| Miscellaneous Aid | 20,000 | 22,409 | 22,877 | -- | 22,877 |
| Kansas State University | | | | | |
| Miscellaneous Aid | 101,469 | 30,363 | 30,667 | -- | 30,667 |
| Kansas State University--ESARP | | | | | |
| Miscellaneous Aid | 50,203 | 44,185 | 44,627 | -- | 44,627 |
| KU Medical Center | | | | | |
| Telemedicine Network | 50,000 | -- | -- | -- | -- |
| Subtotal--Regents | \$7,676,548 | \$7,999,126 | \$8,000,340 | \$632,173 | \$8,368,659 |
| Kansas Arts Commission | | | | | |
| Arts Grants | 260,759 | 260,828 | 259,751 | 138,215 | 309,751 |
| Historical Society | | | | | |
| Historic Preservation Grants | 5,472 | 13,000 | 13,000 | -- | 13,000 |
| Federal Historic Preservation Fund | 84,619 | 85,000 | 85,000 | -- | 85,000 |
| Heritage Trust Grants | 490,355 | 630,000 | 700,000 | -- | 700,000 |
| Total--Historical Society | \$580,446 | \$728,000 | \$798,000 | -- | \$798,000 |

**Schedule 4.1-- Expenditures from All Funding Sources for Aid to Local Governments
by Agency**

| | <u>FY 1998 Actual</u> | <u>FY 1999 Estimate</u> | <u>Current Service</u> | <u>Enhance. Package</u> | <u>Governor's Rec.</u> |
|--|---------------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|
| State Library | | | | | |
| Grants-in-aid to Public Libraries | 3,980,353 | 4,558,447 | 4,791,040 | 1,779,720 | 4,609,039 |
| Total--Education | \$2,155,389,755 | \$2,426,988,307 | \$2,514,181,102 | \$103,813,993 | \$2,558,803,641 |
| Public Safety | | | | | |
| Department of Corrections | | | | | |
| Conservation Camp | 1,591,844 | 2,261,100 | 2,431,933 | -- | 2,338,410 |
| Community Corrections | 13,984,452 | 15,667,621 | 17,451,805 | 5,307,316 | 15,268,268 |
| Total--Department of Corrections | \$15,576,296 | \$17,928,721 | \$19,883,738 | \$5,307,316 | \$17,606,678 |
| Juvenile Justice Authority | | | | | |
| Delinquency Prevention | 424,581 | 830,700 | 830,700 | -- | 830,700 |
| Kansas Endowment for Youth Trust | -- | 2,450,000 | 200,000 | -- | 200,000 |
| Juvenile Accountability Block Grant | -- | 2,818,400 | 2,818,400 | -- | 2,818,400 |
| Community Initiatives | 2,489,500 | 625,000 | -- | -- | -- |
| Community Planning | 1,399,918 | 1,288,720 | -- | -- | -- |
| Community Corrections | 4,235,328 | 4,235,274 | 4,447,038 | -- | 4,447,038 |
| Case Management | 1,380,000 | 19,077,237 | 20,028,688 | -- | 22,389,888 |
| Management Information System | -- | 230,000 | 400,000 | -- | 230,000 |
| Prevention | -- | -- | -- | -- | 4,000,000 |
| Intake & Assessment | 4,707,051 | 4,707,051 | 4,824,727 | -- | 4,824,727 |
| Detention Fund | -- | 882,648 | 882,258 | -- | 882,258 |
| Total--Juvenile Justice Authority | \$14,636,378 | \$37,145,030 | \$34,431,811 | -- | \$40,623,011 |
| Adjutant General | | | | | |
| Hazardous Materials (HMEP) Grant | 92,037 | 102,177 | 107,177 | -- | 107,177 |
| State Emergency Grants | 33,779 | 4,901,780 | -- | -- | -- |
| Federal Emergency Grants | 8,093,966 | 11,430,000 | 1,055,000 | -- | 1,055,000 |
| Total--Adjutant General | \$8,219,782 | \$16,433,957 | \$1,162,177 | -- | \$1,162,177 |
| Emergency Medical Services Board | | | | | |
| Oper. of EMS Regional Councils | 68,094 | 100,000 | 68,094 | -- | 68,094 |
| Fire Marshal | | | | | |
| Purchase of Detection Equipment | 44,960 | 45,000 | 45,000 | -- | 45,000 |
| Kansas Bureau of Investigation | | | | | |
| General Fees Fund | 6,627 | -- | -- | -- | -- |
| Federal Grants Fund | 694,802 | 713,013 | 713,013 | -- | 713,013 |
| Total--Kansas Bureau of Investigation | \$701,429 | \$713,013 | \$713,013 | -- | \$713,013 |
| Sentencing Commission | | | | | |
| CJIS Funding | 817,552 | 216,865 | 376,000 | -- | -- |
| CJIS--Budget Stabilization Fund | -- | 1,300,248 | -- | -- | -- |
| Criminal Justice & Law Enforce. Grants | 3,527,507 | 2,925,092 | 6,649,573 | -- | 6,800,573 |
| Total--Sentencing Commission | \$4,345,059 | \$4,442,205 | \$7,025,573 | -- | \$6,800,573 |
| Total--Public Safety | \$43,591,998 | \$76,807,926 | \$63,329,406 | \$5,307,316 | \$67,018,546 |

**Schedule 4.1-- Expenditures from All Funding Sources for Aid to Local Governments
by Agency**

| | <u>FY 1998 Actual</u> | <u>FY 1999 Estimate</u> | <u>Current Service</u> | <u>Enhance. Package</u> | <u>Governor's Rec.</u> |
|--|---------------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|
| Agriculture & Natural Resources | | | | | |
| State Conservation Commission | | | | | |
| Water Rights Purchase | -- | -- | -- | 320,000 | -- |
| Aid to Conservation Districts | 1,016,500 | 1,023,250 | -- | 1,032,750 | 1,023,250 |
| Watershed Planning | 952,341 | 829,000 | -- | 829,008 | 804,000 |
| Benefit Area | -- | -- | -- | 20,992 | -- |
| Multipurpose Small Lakes | 733,214 | 231,000 | -- | 861,550 | 231,000 |
| Total--State Conservation Commission | \$2,702,055 | \$2,083,250 | -- | \$3,064,300 | \$2,058,250 |
| Health & Environment--Environment | | | | | |
| Air Pollution Control Programs | 894,221 | 1,100,183 | 1,100,183 | -- | 1,100,183 |
| Waste Management | 2,595,627 | 2,605,000 | 2,660,000 | 1,050,000 | 2,660,000 |
| Remediation Projects | 59,059 | -- | -- | -- | -- |
| 104 (6)(1) Outreach Program | 40,000 | 60,000 | 60,000 | -- | 60,000 |
| Cherokee County Superfund | 85,941 | -- | -- | -- | -- |
| EPA NPS Source Implementations | 10,866 | -- | -- | -- | -- |
| NICE 3 Grants | 142,546 | -- | -- | -- | -- |
| Miscellaneous Grants | \$93,109 | \$114,705 | \$97,541 | -- | \$97,541 |
| Total--Health & Environment--Environ. | \$3,921,369 | \$3,879,888 | \$3,917,724 | \$1,050,000 | \$3,917,724 |
| Department of Wildlife & Parks | | | | | |
| Land and Water Conservation | 90,903 | -- | -- | -- | -- |
| Wildtrust | 13,050 | -- | -- | -- | -- |
| Hooked on Fishing Not on Drugs | 50,161 | -- | -- | -- | -- |
| National Recreational Trails Program | 35,590 | -- | -- | -- | -- |
| INREACH Program | 68,620 | -- | -- | -- | -- |
| Shooting Range Development | -- | 200,000 | 150,000 | -- | 150,000 |
| Outdoor Wildlife Learning Sites (OWLS) | 54,900 | 30,000 | 35,000 | -- | 35,000 |
| Community Lakes Assistance Program | 234,195 | 225,000 | 225,000 | -- | 225,000 |
| Outdoor Recreation Grant Program | -- | 500,000 | -- | 1,000,000 | 1,000,000 |
| Total--Department of Wildlife & Parks | \$547,419 | \$955,000 | \$410,000 | \$1,000,000 | \$1,410,000 |
| Total--Ag. & Natural Resources | \$7,170,843 | \$6,918,138 | \$4,327,724 | \$5,114,300 | \$7,385,974 |
| Transportation | | | | | |
| Kansas Department of Transportation | | | | | |
| Connecting Links Payments | 2,088,822 | 2,240,000 | 2,240,000 | -- | 2,240,000 |
| County Equalization Aid Adjustment | 2,500,000 | 2,500,000 | 2,500,000 | -- | 2,500,000 |
| Special City and County Highway Aid | 133,230,237 | 135,639,268 | 135,082,428 | -- | 135,269,516 |
| Federal Transit Administration | 2,528,229 | 2,818,755 | 3,538,865 | -- | 3,538,865 |
| Federal Highway Safety | 2,003,696 | 2,177,822 | 2,200,000 | -- | 2,200,000 |
| Technology Transfer | 257,010 | 300,000 | 300,000 | -- | 300,000 |
| Metropolitan Transportation Planning | 670,960 | 997,758 | 1,150,000 | -- | 1,150,000 |
| Federal Railway Administration Aid | 714 | -- | -- | -- | -- |
| Elderly and Disabled Transportation | 1,113,225 | 1,000,000 | 1,000,000 | -- | 1,000,000 |
| Other Miscellaneous State Aid | 25,779 | -- | -- | -- | -- |
| Total--Kansas Dept. of Transportation | \$144,418,672 | \$147,673,603 | \$148,011,293 | -- | \$148,198,381 |
| Total--Transportation | \$144,418,672 | \$147,673,603 | \$148,011,293 | -- | \$148,198,381 |
| Total--Aid to Local Governments | \$2,632,573,080 | \$2,971,386,111 | \$3,037,568,855 | \$122,366,794 | \$3,092,024,720 |

Schedule 4.2-- Expenditures from the State General Fund for Aid to Local Governments by Agency

| | <u>FY 1998 Actual</u> | <u>FY 1999 Estimate</u> | <u>Current Service</u> | <u>Enhance. Package</u> | <u>Governor's Rec.</u> |
|---|---------------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|
| General Government | | | | | |
| Department of Administration | | | | | |
| Grants to Public Broadcasting Stations | 254,433 | 474,732 | 249,480 | 442,663 | 266,022 |
| Department of Commerce & Housing | | | | | |
| HOME Program | 1,036,692 | 1,036,692 | 933,022 | -- | 933,022 |
| Secretary of State | | | | | |
| Presidential Preference Primary | -- | -- | 1,560,000 | -- | -- |
| State Treasurer | | | | | |
| Local Ad Valorem Tax Reduction | 47,770,566 | 55,260,000 | 53,667,056 | -- | 58,006,000 |
| County and City Revenue Sharing | 35,709,013 | 36,566,027 | 41,736,116 | -- | 37,189,000 |
| Total--State Treasurer | \$83,479,579 | \$91,826,027 | \$95,403,172 | -- | \$95,195,000 |
| Total--General Government | \$84,770,704 | \$93,337,451 | \$98,145,674 | \$442,663 | \$96,394,044 |
| Human Resources | | | | | |
| Social & Rehabilitation Services | | | | | |
| Community Mental Health Centers | 10,000,874 | 10,233,297 | 8,295,388 | -- | 10,233,297 |
| Mental Health Grants | 14,463,478 | 15,505,929 | 30,879,099 | 1,000,000 | 30,879,099 |
| Mental Health Reform | 17,755,430 | 18,182,471 | -- | -- | -- |
| Childrens Mental Health Waiver | 180,000 | -- | -- | -- | -- |
| Nursing Facilities Mental Health | 101,754 | -- | -- | -- | -- |
| Com. Development Disabilities Support | 14,307,284 | 14,553,391 | 13,424,017 | 150,000 | 14,554,191 |
| DD Intermediate Care Facilities | 104,000 | -- | -- | -- | -- |
| DD Family Support | -- | 150,000 | 150,000 | 50,000 | 150,000 |
| Regular Medical Assistance | 420,334 | -- | -- | -- | -- |
| Independent Living Center Grants | -- | 970,339 | 999,449 | 750,000 | 999,449 |
| Children and Family Services Grants | 1,111,454 | 1,284,525 | 1,734,733 | 2,000,000 | 1,734,733 |
| Rehabilitation Services Grants | 1,627,351 | 601,820 | 360,417 | -- | 360,417 |
| Services for the Blind | 13,653 | 35,082 | 35,082 | -- | 35,082 |
| Total--Social & Rehabilitation Services | \$60,085,612 | \$61,516,854 | \$55,878,185 | 3,950,000 | \$58,946,268 |
| State Hospitals | | | | | |
| Claims and Patient Benefits | 5,655 | -- | -- | -- | -- |
| Subtotal--SRS | \$60,091,267 | \$61,516,854 | \$55,878,185 | \$3,950,000 | \$58,946,268 |
| Department on Aging | | | | | |
| Administration | 99,727 | 24,500 | 24,500 | -- | 24,500 |
| Program Grants | 1,637,995 | 1,426,544 | 1,845,908 | 37,500 | 1,844,908 |
| Transportation Aid | -- | 350,000 | -- | -- | -- |
| Nutrition Grants | 346,626 | 408,096 | 456,526 | -- | 409,096 |
| Presumptive Eligibility Pilot Project | -- | 458,000 | 458,000 | 376,350 | 458,000 |
| Total--Department on Aging | \$2,084,348 | \$2,667,140 | \$2,784,934 | 413,850 | \$2,736,504 |
| Health & Environment--Health | | | | | |
| General Health Programs | 4,609,207 | 5,031,548 | 5,031,548 | 2,616,672 | 5,026,596 |
| Primary Health Project | 1,428,000 | 1,520,840 | 1,520,840 | -- | 1,470,840 |
| Family Planning | 96,000 | 98,880 | 98,880 | -- | 98,880 |
| Teen Pregnancy Prevention | 518,554 | 537,660 | 537,660 | -- | 537,660 |

**Schedule 4.2-- Expenditures from the State General Fund for Aid to Local Governments
by Agency**

| | <u>FY 1998 Actual</u> | <u>FY 1999 Estimate</u> | <u>Current Service</u> | <u>Enhance. Package</u> | <u>Governor's Rec.</u> |
|-------------------------------------|---------------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|
| Infant and Toddler Program | 496,000 | 1,992,000 | 1,992,000 | -- | 1,992,000 |
| Total--Health & Environment--Health | \$7,147,761 | \$9,180,928 | \$9,180,928 | \$2,616,672 | \$9,125,976 |
| Department of Human Resources | | | | | |
| State Employment Programs | 304,189 | 337,224 | 340,224 | -- | 340,224 |
| Total--Human Resources | \$69,627,565 | \$73,702,146 | \$68,184,271 | \$6,980,522 | \$71,148,972 |

Education

| | | | | | |
|---------------------------------------|------------------------|------------------------|------------------------|----------------------|------------------------|
| Department of Education | | | | | |
| General State Aid | 1,488,745,086 | 1,695,451,000 | 1,770,191,000 | 43,365,038 | 1,784,909,000 |
| Supplemental State Aid | 50,250,626 | 65,275,000 | 66,255,000 | 1,334,709 | 76,591,000 |
| Bond and Interest Aid | 18,979,978 | 22,732,000 | 26,882,000 | -- | 26,882,000 |
| Leavenworth Federal Aid Correction | 1,310,760 | -- | -- | -- | -- |
| KPERS Employer Contribution | 75,775,129 | 84,561,389 | 92,211,389 | 478,901 | 92,430,725 |
| Special Education Services Aid | 200,847,777 | 218,844,174 | 233,544,174 | 32,451,468 | 231,069,438 |
| Juvenile Detention Grants | 2,819,664 | 3,071,667 | 3,268,764 | 65,903 | 3,071,667 |
| Deaf-Blind Program Aid | 110,000 | 110,000 | 110,000 | -- | 110,000 |
| In-Service Education Aid | 2,995,088 | 4,000,000 | 3,000,000 | -- | 3,000,000 |
| School Food Assistance | 2,369,870 | 2,369,896 | 2,369,896 | -- | 2,369,896 |
| Post-Secondary Aid--Area Voc. Schools | 18,405,779 | 18,865,924 | 18,865,924 | 943,296 | 19,685,124 |
| Capital Outlay Aid--Area Voc. Schools | -- | -- | -- | -- | 500,000 |
| Community College Credit Hour Aid | 41,411,351 | 43,937,578 | 43,937,578 | 4,685,402 | 45,870,378 |
| Community College Out-District Aid | 11,639,678 | 12,225,973 | 13,750,973 | -- | 13,750,973 |
| Community College General State Aid | 2,641,788 | 2,642,795 | 2,642,795 | -- | 2,642,795 |
| Skilled Workforce Grants to CC/AVTSS | -- | -- | -- | -- | 300,000 |
| Adult Basic Education Programs Aid | 857,205 | 948,368 | 948,368 | 94,837 | 948,368 |
| Technology Grants | 999,954 | -- | -- | 16,622,720 | -- |
| Innovative Programs | 115,000 | 1,600,000 | 1,600,000 | -- | 1,600,000 |
| Structured Mentoring | -- | 975,000 | 975,000 | -- | 975,000 |
| Parents as Teachers | 2,738,861 | 4,667,000 | 4,667,000 | 500,000 | 4,667,000 |
| Total--Department of Education | \$1,923,013,594 | \$2,182,277,764 | \$2,285,219,861 | \$100,542,274 | \$2,311,373,364 |
| Board of Regents | | | | | |
| Washburn Operating Grant | 7,454,876 | 7,902,169 | 7,902,169 | 632,173 | 8,270,488 |
| KU Medical Center | | | | | |
| Telemedicine Network | 50,000 | -- | -- | -- | -- |
| Kansas Arts Commission | | | | | |
| Arts Grants | 194,035 | 212,472 | 212,472 | 138,215 | 262,472 |
| State Library | | | | | |
| Grants-in-Aid to Public Libraries | 3,128,514 | 3,410,608 | 3,464,144 | 1,779,720 | 3,410,608 |
| Total--Education | \$1,933,841,019 | \$2,193,803,013 | \$2,296,798,646 | \$103,092,382 | \$2,323,316,932 |

Public Safety

| | | | | | |
|---|-----------|-----------|-----------|----|-----------|
| Department of Corrections | | | | | |
| Conservation Camp | 1,591,844 | 2,261,100 | 2,431,933 | -- | 2,338,410 |
| Community Corrections-Substance Abuse & Mental Health Treatment | -- | 250,000 | -- | -- | -- |

**Schedule 4.2-- Expenditures from the State General Fund for Aid to Local Governments
by Agency**

| | <u>FY 1998 Actual</u> | <u>FY 1999 Estimate</u> | <u>Current Service</u> | <u>Enhance. Package</u> | <u>Governor's Rec.</u> |
|--|---------------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|
| Community Corrections-Intermediate Sanctions Center | -- | -- | 1,529,164 | -- | -- |
| Community Corrections | 13,894,039 | 14,628,638 | 15,922,641 | 5,307,316 | 14,933,169 |
| Total--Department of Corrections | \$15,485,883 | \$17,139,738 | 19,883,738 | 5,307,316 | \$17,271,579 |
| Juvenile Justice Authority | | | | | |
| Community Corrections | 4,235,328 | 4,235,274 | 4,447,038 | -- | 4,447,038 |
| Community Initiatives | 2,489,500 | 625,000 | -- | -- | -- |
| Community Planning | 1,199,938 | 1,150,000 | -- | -- | -- |
| Case Management | 1,380,000 | 14,829,500 | 15,468,300 | | 17,829,500 |
| Management Information System | -- | 230,000 | 400,000 | | 230,000 |
| Intake & Assessment | 4,707,051 | 4,707,051 | 4,824,727 | -- | 4,824,727 |
| Total--Juvenile Justice Authority | \$14,011,817 | \$25,776,825 | \$25,140,065 | -- | \$27,331,265 |
| Adjutant General | | | | | |
| Hazardous Materials (HMEP) Grants | 9,686 | 17,177 | 17,177 | -- | 17,177 |
| State Emergency Grants | -- | 2,801,780 | -- | -- | -- |
| Total--Adjutant General | \$9,686 | \$2,818,957 | \$17,177 | -- | \$17,177 |
| Emergency Medical Services Board | | | | | |
| Oper. of EMS Regional Councils | 68,094 | 100,000 | 68,094 | -- | 68,094 |
| Sentencing Commission | | | | | |
| CJIS Funding | 204,388 | 43,373 | -- | -- | -- |
| Total--Public Safety | \$29,779,868 | \$45,878,893 | \$45,109,074 | \$5,307,316 | \$44,688,115 |
| Agriculture & Natural Resources | | | | | |
| Health and Environment--Environment | | | | | |
| Cherokee County Superfund | 85,941 | -- | -- | -- | -- |
| Department of Wildlife and Parks | | | | | |
| Outdoor Recreation Grant Program | -- | -- | -- | 1,000,000 | 1,000,000 |
| Total--Agriculture & Natural Resource | \$85,941 | -- | -- | \$1,000,000 | \$1,000,000 |
| Transportation | | | | | |
| Kansas Department of Transportation | | | | | |
| Special County and City Highway Aid | 10,737,219 | 10,994,912 | 10,994,912 | -- | 11,182,000 |
| Total--Transportation | \$10,737,219 | \$10,994,912 | \$10,994,912 | -- | \$11,182,000 |
| Total--Aid to Local Governments | \$2,128,842,316 | \$2,417,716,415 | \$2,519,232,577 | \$116,822,883 | \$2,547,730,063 |

Schedule 5.1--Expenditures from All Funding Sources for Other Assistance, Grants, & Benefits by Agency

| | <u>FY 1998 Actual</u> | <u>FY 1999 Estimate</u> | <u>Current Service</u> | <u>Enhance. Package</u> | <u>Governor's Rec.</u> |
|--|---------------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|
| General Government | | | | | |
| Department of Administration | | | | | |
| Canceled Warrant Payments | 159,683 | 109,800 | 109,800 | -- | 109,800 |
| Earned Interest on Federal Funds | 920,000 | 1,050,310 | 991,310 | -- | 991,310 |
| Grants to Public Broadcasting Stations | 1,371,761 | 2,081,016 | 1,696,497 | 882,839 | 1,809,190 |
| Capitol Dome Sculpture | 15,000 | -- | -- | -- | -- |
| Tourism Grants | 3,150,000 | -- | -- | -- | -- |
| Total--Department of Administration | \$5,616,444 | \$3,241,126 | \$2,797,607 | \$882,839 | \$2,910,300 |
| Attorney General | | | | | |
| Tort Claims | 1,142,796 | 1,000,000 | 1,000,000 | -- | 1,000,000 |
| Crime Victims Compensation | 2,346,861 | 2,500,000 | 2,500,000 | -- | 2,500,000 |
| Total--Attorney General | \$3,489,657 | \$3,500,000 | \$3,500,000 | -- | \$3,500,000 |
| Department of Commerce & Housing | | | | | |
| Trade Show Assistance | 169,837 | 170,000 | 150,000 | 20,000 | 150,000 |
| KIT and KIR Programs | 3,250,000 | 3,850,000 | 3,600,000 | 250,000 | 3,600,000 |
| Wichita World Trade Center | 50,000 | 50,000 | -- | -- | -- |
| Certified Development Companies | 475,000 | 475,000 | 475,000 | -- | 475,000 |
| High Performance Incentive Grants | 37,500 | -- | -- | -- | -- |
| Market Development | 71,651 | 100,000 | 100,000 | -- | 100,000 |
| Tourism Grants | 476,869 | 452,100 | 452,100 | 1,750,000 | 952,100 |
| Motion Picture Tax Credits | 100,000 | 100,000 | 75,000 | -- | 75,000 |
| Sports Hall of Fame Grant | -- | 150,000 | -- | -- | -- |
| Eisenhower Museum Grant | -- | -- | -- | -- | 300,000 |
| Greyhound Tourism Grants | 42,325 | 40,000 | 36,000 | -- | 36,000 |
| Economic Opportunity Initiatives Fund | 4,697,005 | 5,276,947 | 4,000,000 | 250,000 | 5,000,000 |
| Low Income Housing Tax Credits | 85,700 | -- | -- | -- | -- |
| Main Street Development | 199,923 | 216,800 | 216,800 | -- | 216,800 |
| Agriculture Products Development | 429,156 | 465,000 | 465,000 | 210,000 | 465,000 |
| Existing Industry Expansion Program | 728,103 | 847,168 | 800,000 | -- | 800,000 |
| Housing Trust Fund | -- | 1,750,000 | -- | -- | -- |
| Total--Depart. of Comm. & Housing | \$10,813,069 | \$13,943,015 | \$10,369,900 | \$2,480,000 | \$12,169,900 |
| Consumer Credit Commissioner | | | | | |
| Housing & Credit Counseling Grant | 12,500 | 12,500 | 12,500 | 25,000 | 12,500 |
| Kansas Corporation Commission | | | | | |
| Claims | 37,000 | -- | -- | -- | -- |
| Kansas Human Rights Commission | | | | | |
| Claims | 5,000 | -- | -- | -- | -- |
| Board of Indigents' Defense Services | | | | | |
| Legal Services for Prisoners | 415,220 | 480,220 | 555,010 | -- | 497,218 |
| Insurance Department | | | | | |
| Workers Compensation | 16,867,875 | 16,490,551 | 14,470,718 | -- | 14,470,718 |
| Firefighters' Relief Fund | -- | 242,690 | 242,690 | -- | 242,690 |
| Total--Insurance Department | \$16,867,875 | \$16,733,241 | \$14,713,408 | -- | \$14,713,408 |

Schedule 5.1--Expenditures from All Funding Sources for Other Assistance, Grants, & Benefits by Agency

| | <u>FY 1998 Actual</u> | <u>FY 1999 Estimate</u> | <u>Current Service</u> | <u>Enhance. Package</u> | <u>Governor's Rec.</u> |
|--|---------------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|
| Health Care Stabilization | | | | | |
| Health Care Stabilization Fund | 21,815,449 | 23,808,100 | 23,808,100 | -- | 23,808,100 |
| Judiciary | | | | | |
| Access to Justice Fund | 400,874 | 1,410,522 | 952,117 | -- | 952,117 |
| KPERs | | | | | |
| Public Employee Retirement Benefits | 216,050,401 | 237,520,206 | 251,651,026 | -- | 251,651,026 |
| Kansas Technology Enterprise Corporation | | | | | |
| Innovative Research Grants | 478,057 | 516,000 | 516,000 | 300,000 | 516,000 |
| Applied Research Matching Grants | 1,250,656 | 1,378,500 | 1,290,000 | 640,000 | 1,290,000 |
| SSBIR Grants | 3,200,000 | 3,693,735 | 3,200,000 | -- | 3,200,000 |
| Center of Excellence Grants | 4,350,000 | 4,320,000 | 4,350,000 | 350,000 | 4,350,000 |
| MAMTC | 2,891,993 | 3,086,966 | 3,059,464 | -- | 3,059,464 |
| Special Projects | 93,932 | 79,303 | 79,303 | 50,000 | 79,303 |
| Commercialization Grants | 1,510,000 | 1,690,000 | 1,690,000 | 500,000 | 1,690,000 |
| Total--KTEC | \$13,774,638 | \$14,764,504 | \$14,184,767 | \$1,840,000 | \$14,184,767 |
| Kansas Lottery | | | | | |
| Prize Money & Commission Payments | 112,624,599 | 110,599,100 | 110,599,100 | 2,194,500 | 110,599,100 |
| Kansas Racing & Gaming Commission | | | | | |
| Horse Breeding Development | 450,387 | 370,807 | 356,326 | -- | 356,326 |
| Greyhound Breeding Development | 97,560 | 278,035 | 252,633 | -- | 252,633 |
| County Fair Benefit Funds | 684,598 | 691,150 | 724,131 | -- | 724,131 |
| Total--Racing and Gaming Comm. | \$1,232,545 | \$1,339,992 | \$1,333,090 | -- | \$1,333,090 |
| Kansas Real Estate Commission | | | | | |
| Real Estate Recovery Claims | 15,858 | 17,000 | 17,000 | -- | 17,000 |
| Department of Revenue | | | | | |
| KS Qualified Ethyl Producer Fund | 2,481,257 | 2,500,000 | 2,500,000 | -- | 2,500,000 |
| Div of Vehicles Operating Fund | 1,150 | -- | -- | -- | -- |
| Total--Department of Revenue | \$2,482,407 | \$2,500,000 | \$2,500,000 | -- | \$2,500,000 |
| Total--General Government | \$405,653,536 | \$429,869,526 | \$436,993,625 | \$7,422,339 | \$438,848,526 |

Human Resources

| | | | | | |
|-------------------------------------|-------------|-------------|-------------|------------|-------------|
| Social & Rehabilitation Services | | | | | |
| Child Support "Pass Through" | 1,083,868 | 1,500,000 | 1,500,000 | -- | 1,500,000 |
| Temporary Assistance to Families | 55,453,816 | 45,000,000 | 41,402,274 | 2,249,856 | 41,000,000 |
| General Assistance | 2,983,179 | 4,455,000 | 4,500,000 | -- | 4,455,000 |
| Funeral Assistance | 459,088 | 470,400 | 470,400 | -- | 470,400 |
| Low Income Energy Assistance | 8,815,330 | 6,593,151 | 6,857,817 | -- | 6,857,817 |
| Refugee Assistance | 103,072 | 95,760 | 95,760 | -- | 95,760 |
| Employment Preparation | 3,607,952 | 4,613,179 | 6,481,835 | -- | 4,978,342 |
| Child Day Care | 32,851,352 | 36,921,940 | 45,188,888 | 553,148 | 41,902,809 |
| Regular Medical Assistance | 470,345,727 | 535,759,000 | 506,229,692 | 16,185,000 | 540,232,242 |
| Kansas Insurance Coverage for Kids | -- | 7,734,474 | 38,619,660 | -- | 37,994,797 |
| Independent Living HCBS Waivers | 28,493,653 | 42,876,720 | 31,436,173 | -- | 43,046,265 |
| Home & Community-Based Svcs. Waiver | 120,071,921 | 142,380,000 | 136,700,000 | 2,154,640 | 143,305,000 |

Schedule 5.1--Expenditures from All Funding Sources for Other Assistance, Grants, & Benefits by Agency

| | FY 1998 Actual | FY 1999 Estimate | Current Service | Enhance. Package | Governor's Rec. |
|--|------------------------|------------------------|------------------------|---------------------|------------------------|
| Alcohol and Drug Abuse Programs | 21,935,367 | 21,456,892 | 21,457,897 | 1,300,000 | 21,457,897 |
| Private Intermediate Care Facilities--MR | 35,913,597 | 30,530,000 | 38,690,000 | -- | 29,372,000 |
| Nursing Facilities/Mental Health | 11,175,504 | 12,000,000 | 11,872,000 | -- | 12,600,000 |
| Childrens Mental Health Waiver | 102,136 | 7,431,539 | 5,510,826 | 2,466,091 | 7,976,917 |
| Foster Care | 68,351,173 | 85,153,946 | 81,603,946 | -- | 81,603,946 |
| Adoption Services | 20,517,180 | 29,886,808 | 23,270,442 | 2,000,000 | 29,302,090 |
| Family Preservation Contracts | 8,195,387 | 9,145,216 | 9,468,576 | | 9,468,576 |
| Family Services | 18,891,495 | 5,452,452 | 5,896,263 | -- | 5,896,263 |
| Vocational Rehabilitation Program | 9,294,988 | 9,015,945 | 9,461,701 | -- | 9,461,701 |
| Blind Services | 1,617,080 | 1,598,370 | 1,634,466 | -- | 1,634,466 |
| Disability Determination Services | 2,634,538 | 2,497,783 | 2,567,720 | -- | 2,567,720 |
| Miscellaneous | 405,495 | 576,332 | 788,332 | 200,000 | 788,332 |
| Total--Social & Rehabilitation Services | \$923,302,898 | \$1,043,144,907 | \$1,031,704,668 | \$27,108,735 | \$1,077,968,340 |
| State Hospitals | | | | | |
| Claims | 10,236 | 3,500 | 3,500 | -- | 3,500 |
| Subtotal--Social & Rehabilitation Services | \$923,313,134 | \$1,043,148,407 | \$1,031,708,168 | \$27,108,735 | \$1,077,971,840 |
| Department on Aging | | | | | |
| Administration | 262,176 | -- | -- | -- | -- |
| Targeted Case Management | 3,962,561 | 4,988,575 | 6,700,000 | -- | 5,048,036 |
| Nutrition Grants | 6,232,688 | 6,475,347 | 6,520,738 | -- | 6,266,871 |
| General Community Grants | 7,814,055 | 7,990,935 | 7,802,786 | 965,650 | 7,802,786 |
| Adult Care Homes | 237,329,216 | 250,000,000 | 275,684,577 | -- | 262,500,000 |
| Community-Based Services | 26,538,991 | 33,000,000 | 38,940,000 | -- | 35,000,000 |
| Total--Department on Aging | \$282,139,687 | \$302,454,857 | \$335,648,101 | \$965,650 | \$316,617,693 |
| Health & Environment--Health | | | | | |
| Women, Infants, and Children Program | 28,124,867 | 30,000,000 | 30,000,000 | -- | 30,000,000 |
| Aids Medication Shortfall | -- | 485,000 | -- | -- | -- |
| Title I PL 99-457 | 80 | -- | -- | -- | -- |
| Total--Health & Environment--Health | \$28,124,947 | \$30,485,000 | \$30,000,000 | -- | \$30,000,000 |
| Department of Revenue--Homestead | | | | | |
| Homestead Property Tax Refunds | 13,592,747 | 13,776,554 | 13,776,554 | -- | 13,776,554 |
| Department of Human Resources | | | | | |
| Unemployment Insurance Benefits | 146,776,865 | 145,000,000 | 151,000,000 | -- | 151,000,000 |
| Job Training Partnership Act | 10,179,294 | 9,200,000 | 8,400,000 | -- | 8,400,000 |
| State Employment Programs | 973,768 | -- | -- | -- | -- |
| Welfare to Work Grant | -- | 5,247,312 | 5,055,136 | -- | 3,117,252 |
| Miscellaneous Claims | 7,877 | -- | -- | -- | -- |
| Total--Department of Human Resources | \$157,937,804 | \$159,447,312 | \$164,455,136 | -- | \$162,517,252 |
| Kansas Commission on Veterans' Affairs | | | | | |
| War Memorial Grants | -- | -- | -- | -- | 20,000 |
| Total--Human Resources | \$1,405,108,319 | \$1,549,312,130 | \$1,575,587,959 | \$28,074,385 | \$1,600,903,339 |
| Education | | | | | |
| Department of Education | | | | | |
| National Geographic Foundation Trust | -- | -- | -- | 250,000 | -- |

Schedule 5.1--Expenditures from All Funding Sources for Other Assistance, Grants, & Benefits by Agency

| | <u>FY 1998 Actual</u> | <u>FY 1999 Estimate</u> | <u>Current Service</u> | <u>Enhance. Package</u> | <u>Governor's Rec.</u> |
|---|---------------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|
| Communities in Schools | 50,000 | 50,000 | 50,000 | -- | 50,000 |
| Discretionary Grants | -- | -- | -- | -- | 350,000 |
| Cultural Heritage Center | 20,000 | 30,000 | 30,000 | 5,000 | -- |
| Environmental Education Program | 25,000 | 35,000 | 35,000 | -- | -- |
| School Food Assistance | 28,097,309 | 28,148,090 | 28,187,090 | -- | 28,187,090 |
| Optometry Study | -- | 27,000 | -- | -- | -- |
| Agriculture in the Classroom | 25,000 | 35,000 | 35,000 | -- | -- |
| Adult Basic Education | 173,714 | 176,632 | 182,632 | 5,163 | 182,632 |
| Driver Education Programs | 14,399 | 14,440 | 14,440 | -- | 14,440 |
| Elem. & Secondary Education Prog. | 552,411 | 595,000 | 670,000 | -- | 670,000 |
| Special Education Services Aid | 27,300 | 28,000 | 28,000 | -- | 28,000 |
| Other Federal & State Assistance | 957,760 | 1,152,811 | 1,245,087 | -- | 1,245,087 |
| Total--Department of Education | \$29,942,893 | \$30,291,973 | \$30,477,249 | \$260,163 | \$30,727,249 |
| School for the Deaf | | | | | |
| Christa McCauliffe Fund | 6,000 | -- | -- | -- | -- |
| Board of Regents | | | | | |
| State Scholarships | 992,322 | 1,177,291 | 1,001,457 | 958,543 | 1,216,982 |
| Student Incentive Grant Program | 565,118 | 283,018 | -- | -- | 283,018 |
| Comprehensive Grants Program | -- | 9,620,000 | 9,900,000 | 1,000,000 | 10,500,000 |
| Kansas Supplemental Grant Program | 3,105,887 | -- | -- | -- | -- |
| Tuition Grants Program | 5,778,144 | -- | -- | -- | -- |
| Vocational Scholarships | 65,000 | 100,000 | 100,000 | 50,000 | 125,000 |
| Scholarships for Osteopathic Education | 540,000 | 540,000 | 540,000 | -- | 540,000 |
| Minority Scholarships | 304,314 | 389,114 | 345,000 | -- | 345,000 |
| Minority Fellowship Program | 124,000 | 196,000 | 160,000 | -- | 160,000 |
| Nursing Scholarships | 465,335 | 441,690 | 401,895 | -- | 401,895 |
| Kansas Work Study | 517,227 | 517,227 | 517,227 | 12,413 | 517,227 |
| Teachers Scholarship Program | 356,031 | 395,650 | 375,000 | -- | 440,000 |
| ROTC Reimbursement Program | 145,217 | 184,421 | 184,421 | -- | 184,421 |
| Other Student Financial Assistance | 145,384 | -- | -- | -- | -- |
| Washburn Tuition Grant | 75,000 | -- | -- | -- | -- |
| Total--Board of Regents | \$13,178,979 | \$13,844,411 | \$13,525,000 | \$2,020,956 | \$14,713,543 |
| Emporia State University | | | | | |
| Off-Campus Work Study | 35,924 | 33,886 | 33,797 | -- | 33,797 |
| Other Student Financial Assistance | 3,267,717 | 3,517,498 | 3,515,482 | 43 | 3,515,482 |
| Total--Emporia State University | \$3,303,641 | \$3,551,384 | \$3,549,279 | \$43 | \$3,549,279 |
| Fort Hays State University | | | | | |
| Off-Campus Work Study | 31,203 | 31,203 | 31,515 | -- | 31,515 |
| Other Student Financial Assistance | 3,862,905 | 3,862,258 | 3,900,880 | 2,175 | 3,900,880 |
| Total--Fort Hays State University | \$3,894,108 | \$3,893,461 | \$3,932,395 | \$2,175 | \$3,932,395 |
| Kansas State University | | | | | |
| Off-Campus Work Study | 138,790 | -- | -- | -- | -- |
| Other Student Financial Assistance | 53,586,724 | 56,750,085 | 57,330,296 | 51,000 | 57,330,296 |
| Total--Kansas State University | \$53,725,514 | \$56,750,085 | \$57,330,296 | \$51,000 | \$57,330,296 |
| Kansas State University--Vet. Med. Cen. | | | | | |
| Other Assistance | 36 | -- | -- | -- | -- |

Schedule 5.1--Expenditures from All Funding Sources for Other Assistance, Grants, & Benefits by Agency

| | <u>FY 1998 Actual</u> | <u>FY 1999 Estimate</u> | <u>Current Service</u> | <u>Enhance. Package</u> | <u>Governor's Rec.</u> |
|-------------------------------------|---------------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|
| Kansas State University--ESARP | | | | | |
| Other Assistance | 119,257 | 110,669 | 111,997 | -- | 111,997 |
| Pittsburg State University | | | | | |
| Skill Program | 949,246 | 981,790 | -- | -- | -- |
| Other Student Financial Assistance | 4,224,716 | 4,800,360 | 5,839,971 | 81,025 | 5,839,971 |
| Total--Pittsburg State University | \$5,173,962 | \$5,782,150 | \$5,839,971 | \$81,025 | \$5,839,971 |
| University of Kansas | | | | | |
| Off-Campus Work Study | 130,394 | 137,800 | 137,800 | -- | 137,800 |
| Other Student Financial Assistance | 72,521,973 | 70,724,500 | 71,452,545 | 1,627,308 | 71,452,545 |
| Total--University of Kansas | \$72,652,367 | \$70,862,300 | \$71,590,345 | \$1,627,308 | \$71,590,345 |
| KU Medical Center | | | | | |
| Medical Scholarships | 2,422,412 | 2,416,484 | 2,717,201 | -- | 2,717,201 |
| Wichita Resident Stipends | 2,542,750 | 2,644,460 | 2,684,127 | 134,867 | 2,737,016 |
| Topeka Residency Program | 313,881 | 371,563 | 375,279 | 18,968 | 384,568 |
| Claims | 22,456 | -- | -- | -- | -- |
| Other Student Financial Assistance | 1,002,181 | 506,631 | 419,000 | -- | 508,822 |
| Total--KU Medical Center | \$6,303,680 | \$5,939,138 | \$6,195,607 | \$153,835 | \$6,347,607 |
| Wichita State University | | | | | |
| Student Financial Assistance | 9,108,664 | 8,101,314 | 8,114,272 | 4,198 | 8,114,272 |
| Subtotal--Regents | \$167,460,208 | \$168,834,912 | \$170,189,162 | \$3,940,540 | \$171,529,705 |
| Kansas Arts Commission | | | | | |
| Arts Grants | 1,206,313 | 1,197,658 | 1,195,746 | 611,998 | 1,195,746 |
| Friends of the Free State Capitol | 70,000 | 30,000 | -- | -- | -- |
| Kansas Humanities Council | 75,000 | 100,000 | 75,000 | 35,000 | 100,000 |
| Total--Historical Society | \$145,000 | \$130,000 | \$75,000 | \$35,000 | \$100,000 |
| KPERS--School | | | | | |
| Public Employee Retirement Benefits | 212,923,479 | 231,233,957 | 246,694,525 | -- | 246,694,525 |
| State Library | | | | | |
| Operating Expenditures | 312,775 | -- | -- | -- | -- |
| Grants to Libraries--Talking Books | 94,574 | 6,885 | 6,125 | -- | 6,885 |
| Total--State Library | \$407,349 | \$6,885 | \$6,125 | -- | \$6,885 |
| Total--Education | \$412,091,242 | \$431,695,385 | \$448,637,807 | \$4,847,701 | \$450,254,110 |
| Public Safety | | | | | |
| Correctional Institutions | | | | | |
| Claims | 19,828 | -- | -- | -- | -- |
| Juvenile Justice Authority | | | | | |
| KS Endowment for Youth | 25,000 | -- | -- | -- | -- |
| Adjutant General | | | | | |
| Miscellaneous Grants & Benefits | 8,404 | 4,519 | 4,519 | -- | 4,519 |

Schedule 5.1--Expenditures from All Funding Sources for Other Assistance, Grants, & Benefits by Agency

| | <u>FY 1998 Actual</u> | <u>FY 1999 Estimate</u> | <u>Current Service</u> | <u>Enhance. Package</u> | <u>Governor's Rec.</u> |
|---|---------------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|
| Fire Marshal | | | | | |
| Firefighter Certification | 25,000 | 25,000 | 25,000 | -- | 25,000 |
| Highway Patrol | | | | | |
| Claims | 2,033 | -- | -- | -- | -- |
| Kansas Bureau of Investigation | | | | | |
| Other Assistance | 83 | -- | -- | -- | -- |
| Total--Public Safety | \$80,348 | \$29,519 | \$29,519 | -- | \$29,519 |
| Agriculture & Natural Resources | | | | | |
| Department of Agriculture | | | | | |
| Educational Assistance | 3,794 | 9,150 | 9,150 | -- | 9,150 |
| Animal Health Department | | | | | |
| Indemnification Payments | 1,554 | -- | -- | -- | -- |
| State Fair | | | | | |
| Claims | 722 | -- | -- | -- | -- |
| State Conservation Commission | | | | | |
| RiparianWetland Program | 166,248 | 86,000 | -- | -- | 114,100 |
| Water Resource Cost-Share | -- | -- | -- | 4,842,000 | -- |
| Tracking for SGF Demand Transfer | 6,000,000 | 6,000,000 | 4,656,000 | -- | 5,866,500 |
| Buffer Initiative--State Water Plan | -- | 50,000 | -- | 215,000 | 80,000 |
| Non-Point Source Pollution | 786,481 | 525,444 | 1,200,000 | 2,505,000 | 780,000 |
| Total--State Conservation Commission | \$6,952,729 | \$6,661,444 | \$5,856,000 | \$7,562,000 | \$6,840,600 |
| Dept. of Health & Environment/Envir. | | | | | |
| Nonpoint Source Pollution/Water Plan | 1,991,481 | 2,000,000 | -- | 2,000,000 | 1,800,000 |
| Department of Wildlife & Parks | | | | | |
| Wildscape Grant | -- | 25,000 | -- | -- | -- |
| Hooked on Fishing, Not on Drugs | -- | 35,000 | 35,000 | -- | 35,000 |
| Claims | 5,092 | -- | -- | -- | -- |
| Other Assistance | 2,103 | -- | -- | -- | -- |
| Total--Department of Wildlife & Parks | \$7,195 | \$60,000 | \$35,000 | -- | \$35,000 |
| Total--Agriculture & Natural Resources | \$8,957,475 | \$8,730,594 | \$5,900,150 | \$9,562,000 | \$8,684,750 |
| Transportation | | | | | |
| Department of Transportation | | | | | |
| Claims | 1,383,171 | 200,000 | 200,000 | -- | 200,000 |
| Total--Transportation | \$1,383,171 | \$200,000 | \$200,000 | -- | \$200,000 |
| Total--Other Assist., Grants, & Benefits | \$2,233,274,091 | \$2,419,837,154 | \$2,467,349,060 | \$49,906,425 | \$2,498,920,244 |

Schedule 5.2--Expenditures from the State General Fund for Other Assistance, Grants, & Benefits by Agency

| | <u>FY 1998 Actual</u> | <u>FY 1999 Estimate</u> | <u>Current Service</u> | <u>Enhance. Package</u> | <u>Governor's Rec.</u> |
|--|---------------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|
| General Government | | | | | |
| Department of Administration | | | | | |
| Grants to Public Broadcasting Stations | 1,371,761 | 1,964,216 | 1,696,497 | 882,839 | 1,809,190 |
| Human Rights Commission | | | | | |
| Claims | 5,000 | -- | -- | -- | -- |
| Board of Indigents' Defense Services | | | | | |
| Legal Services for Prisoners | 415,220 | 480,220 | 555,010 | -- | 497,218 |
| Total--General Government | \$1,791,981 | \$2,444,436 | \$2,251,507 | \$882,839 | \$2,306,408 |
| Human Resources | | | | | |
| Social & Rehabilitation Services | | | | | |
| Child Support "Pass Through" | 1,008,349 | -- | -- | -- | -- |
| Temporary Assistance to Families | 38,028,430 | 35,336,000 | 35,336,000 | -- | 35,336,000 |
| General Assistance | 2,983,179 | 938,908 | 4,500,000 | -- | 4,455,000 |
| Funeral Assistance | 459,088 | 470,400 | 470,400 | -- | 470,400 |
| Employment Preparation | 18,650 | 22,235 | 26,849 | -- | 26,849 |
| Child Day Care | 13,231,352 | 12,318,815 | 14,400,123 | -- | 13,040,027 |
| Regular Medical Assistance | 147,573,204 | 168,064,099 | 165,398,600 | 6,474,000 | 179,779,138 |
| Kansas Insurance Coverage for Kids | -- | 2,181,122 | 10,890,744 | -- | 10,265,881 |
| Independent Living HCBS Waivers | 11,564,696 | 17,000,000 | 12,579,673 | -- | 17,215,887 |
| Home & Community-Based Serv. Waiver | 48,589,852 | 56,952,000 | 55,431,850 | 1,000,000 | 57,322,000 |
| Private Intermediate Care Facilities of MR | 14,521,235 | 12,224,000 | 15,588,254 | -- | 11,800,000 |
| Nursing Facilities/Mental Health | 8,115,902 | 8,637,000 | 8,816,126 | -- | 9,068,900 |
| Childrens Mental Health Waiver | 41,151 | 3,013,489 | 2,234,640 | 1,000,000 | 2,234,640 |
| Alcohol and Drug Abuse Programs | 4,220,163 | 4,332,420 | 4,332,885 | 700,000 | 4,032,885 |
| Foster Care | 24,289,575 | 19,274,408 | 8,349,511 | -- | 8,246,786 |
| Adoption Services | 9,785,599 | 19,696,341 | 15,662,515 | 1,320,000 | 19,986,973 |
| Family Preservation Contracts | 5,004,676 | 8,985,175 | 9,302,876 | -- | 9,302,876 |
| Family Services | 6,104,252 | 1,692,251 | 3,026,826 | -- | 3,093,551 |
| Vocational Rehabilitation Programs | 1,004,029 | 1,589,025 | 1,970,999 | -- | 1,970,999 |
| Services for the Blind | 344,991 | 340,453 | 347,300 | -- | 347,300 |
| Disability Determination | 16,277 | 13,347 | 13,720 | -- | 13,720 |
| Other | 15,285 | -- | 212,000 | 200,000 | 212,000 |
| Governor's Plugged Number | | | | | |
| Total--Social & Rehabilitation Services | \$336,919,935 | \$373,081,488 | \$368,891,891 | \$10,694,000 | \$388,221,812 |
| State Hospitals | | | | | |
| Claims | 9,214 | 1,500 | 3,500 | -- | 3,500 |
| Subtotal--SRS | \$336,929,149 | \$373,082,988 | \$368,895,391 | \$10,694,000 | \$388,225,312 |
| Department on Aging | | | | | |
| Administration | 270,808 | -- | -- | -- | -- |
| Targeted Case Management | 1,676,980 | 1,797,592 | 2,686,928 | -- | 1,817,460 |
| Nutrition Grants | 1,429,013 | 1,682,562 | 1,882,234 | -- | 1,682,562 |
| General Community Grants | 5,276,478 | 5,563,938 | 5,375,789 | 965,650 | 5,375,789 |
| Adult Care Homes | 96,194,977 | 100,000,000 | 111,100,885 | -- | 105,000,000 |

Schedule 5.2--Expenditures from the State General Fund for Other Assistance, Grants, & Benefits by Agency

| | <u>FY 1998 Actual</u> | <u>FY 1999 Estimate</u> | <u>Current Service</u> | <u>Enhance. Package</u> | <u>Governor's Rec.</u> |
|--|---------------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|
| Community-Based Services | 10,735,802 | 13,260,900 | 15,692,820 | -- | 14,060,900 |
| Total--Department on Aging | \$115,584,058 | \$122,304,992 | \$136,738,656 | \$965,650 | \$127,936,711 |
| Health & Environment--Health | | | | | |
| Aids Medication Shortfall | -- | 485,000 | -- | -- | -- |
| Department of Revenue--Homestead | | | | | |
| Homestead Property Tax Refunds | 13,592,747 | 13,776,554 | 13,776,554 | -- | 13,776,554 |
| Department of Human Resources | | | | | |
| Welfare to Work Grant | -- | 2,616,405 | 2,437,884 | -- | 500,000 |
| State Employment Programs | 7,877 | -- | -- | -- | -- |
| Total--Department of Human Resources | \$7,877 | \$2,616,405 | \$2,437,884 | -- | \$500,000 |
| Kansas Commission on Veterans' Affairs | | | | | |
| War Memorial Grants | -- | -- | -- | -- | 20,000 |
| Total--Human Resources | \$466,113,831 | \$512,265,939 | \$521,848,485 | \$11,659,650 | \$530,458,577 |
| Education | | | | | |
| Department of Education | | | | | |
| National Geographic Foundation Trust | -- | -- | -- | 250,000 | -- |
| Discretionary Grants | -- | -- | -- | -- | 100,000 |
| Cultural Heritage Center | 20,000 | 30,000 | 30,000 | 5,000 | -- |
| Environmental Education Program | 25,000 | 35,000 | 35,000 | -- | -- |
| School Food Assistance | 140,615 | 140,590 | 140,590 | -- | 140,590 |
| Optometry Study | -- | 27,000 | -- | -- | -- |
| Agriculture in the Classroom | 25,000 | 35,000 | 35,000 | -- | -- |
| Adult Basic Education | 46,930 | 51,632 | 51,632 | 5,163 | 51,632 |
| Total--Department of Education | \$257,545 | \$319,222 | \$292,222 | \$260,163 | \$292,222 |
| Board of Regents | | | | | |
| State Scholarships | 965,455 | 1,001,457 | 1,001,457 | 958,543 | 1,216,982 |
| Comprehensive Grants Program | -- | 9,620,000 | 9,900,000 | 1,000,000 | 10,500,000 |
| Kansas Supplemental Grant Program | 3,105,887 | -- | -- | -- | -- |
| Tuition Grants | 5,778,144 | -- | -- | -- | -- |
| Vocational Scholarships | 65,000 | 100,000 | 100,000 | 50,000 | 125,000 |
| Minority Scholarships | 304,314 | 350,686 | 345,000 | -- | 345,000 |
| Minority Fellowship Program | 124,000 | 196,000 | 160,000 | -- | 160,000 |
| Nursing Scholarships | 239,317 | 241,817 | 240,567 | -- | 240,567 |
| Scholarships for Osteopathic Education | -- | -- | 140,000 | -- | 140,000 |
| Kansas Work Study | 517,227 | 517,227 | 517,227 | 12,413 | 517,227 |
| Teachers Scholarship Program | 275,715 | 298,215 | 335,000 | -- | 400,000 |
| ROTC Reimbursement Program | 145,217 | 184,421 | 184,421 | -- | 184,421 |
| Washburn Tuition Grant | 75,000 | -- | -- | -- | -- |
| Total--Board of Regents | \$11,595,276 | \$12,509,823 | \$12,923,672 | \$2,020,956 | \$13,829,197 |
| Emporia State University | | | | | |
| Other Student Assistance | 19,149 | 1,840 | 1,859 | 43 | 1,859 |
| Kansas State University | | | | | |
| Other Student Assistance | 26,753 | 12,498 | 12,672 | 51,000 | 12,672 |

Schedule 5.2--Expenditures from the State General Fund for Other Assistance, Grants, & Benefits by Agency

| | <u>FY 1998 Actual</u> | <u>FY 1999 Estimate</u> | <u>Current Service</u> | <u>Enhance. Package</u> | <u>Governor's Rec.</u> |
|--|---------------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|
| Kansas State University--ESARP Other Assistance | 1,550 | 1,392 | 1,626 | -- | 1,626 |
| Pittsburg State University Other Student Financial Assistance | 444,019 | 363,725 | 244,743 | 10,909 | 244,743 |
| University of Kansas Other Student Financial Assistance | 318,084 | -- | -- | -- | -- |
| KU Medical Center | | | | | |
| Wichita Resident Stipends | 2,542,750 | 2,644,460 | 2,684,127 | 134,867 | 2,737,016 |
| Topeka Residency Program | 151,000 | 371,563 | 375,279 | 18,968 | 384,568 |
| Medical Scholarships | 19,219 | 545,792 | 1,434,257 | -- | 1,434,257 |
| Claims and Student Financial Aid | 14,220 | 87,631 | -- | -- | 89,822 |
| Total--KU Medical Center | \$2,727,189 | \$3,649,446 | \$4,493,663 | \$153,835 | \$4,645,663 |
| Wichita State University Other Student Financial Assistance | 70,523 | 318,731 | 321,729 | 4,198 | 321,729 |
| Subtotal--Regents | \$15,202,543 | \$16,857,455 | \$17,999,964 | \$2,240,941 | \$19,057,489 |
| Kansas Arts Commission Arts Grants | 858,859 | 940,466 | 940,466 | 611,998 | 940,466 |
| Historical Society Kansas Humanities Council | 75,000 | 100,000 | 75,000 | 35,000 | 100,000 |
| State Library | | | | | |
| Operating Expenditures | 7,575 | -- | -- | -- | -- |
| Grants--Talking Books | 94,574 | 6,885 | 6,125 | -- | 6,885 |
| Total--State Library | \$102,149 | \$6,885 | \$6,125 | -- | \$6,885 |
| Total--Education | \$16,496,096 | \$18,224,028 | \$19,313,777 | \$3,148,102 | \$20,397,062 |
| Public Safety | | | | | |
| Correctional Institutions Claims | 19,828 | -- | -- | -- | -- |
| Adjutant General Miscellaneous Grants & Benefits | 4,410 | 4,519 | 4,519 | -- | 4,519 |
| Highway Patrol Claims | 1,993 | -- | -- | -- | -- |
| Kansas Bureau of Investigation Other Assistance | 83 | -- | -- | -- | -- |
| Total--Public Safety | \$26,314 | \$4,519 | \$4,519 | -- | \$4,519 |
| Agriculture & Natural Resources | | | | | |
| Department of Agriculture Claims | 644 | -- | -- | -- | -- |

Schedule 5.2--Expenditures from the State General Fund for Other Assistance, Grants, & Benefits by Agency

| | <u>FY 1998 Actual</u> | <u>FY 1999 Estimate</u> | <u>Current Service</u> | <u>Enhance. Package</u> | <u>Governor's Rec.</u> |
|--|---------------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|
| Animal Health Department | | | | | |
| Indemnification Payments | 70 | -- | -- | -- | -- |
| State Conservation Commission | | | | | |
| State General Fund Transfer/Tracking | 6,000,000 | 6,000,000 | 4,656,000 | -- | 5,866,500 |
| Kansas Department of Wildlife & Parks | | | | | |
| Wildscape Grant | -- | 25,000 | -- | -- | -- |
| Other Assistance | 301 | -- | -- | -- | -- |
| Total--Kansas Dept. of Wildlife & Parks | \$301 | \$25,000 | -- | -- | -- |
| Total--Agriculture & Natural Resources | \$6,001,015 | \$6,025,000 | \$4,656,000 | -- | \$5,866,500 |
| Total--Other Assist., Grants & Benefits | \$490,429,237 | \$538,963,922 | \$548,074,288 | \$15,690,591 | \$559,033,066 |

Schedule 6—Capital Improvements Expenditures presents expenditures for capital improvements by agency. Schedule 6.1 indicates financing from all funding sources (State General Fund and special revenue funds) and 6.2 indicates funding from the State General Fund only. Schedule 6 contains expenditure information for one actual fiscal year, the current fiscal year, and the budget year. See also the Capital Budget section of this report for a detailed description of projects.

Schedule 6.1--Expenditures from All Funding Sources for Capital Improvements by Agency

| | <u>FY 1998 Actual</u> | <u>FY 1999 Estimate</u> | <u>Current Service</u> | <u>Enhance. Package</u> | <u>Governor's Rec.</u> |
|---------------------------------------|---------------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|
| General Government | | | | | |
| Department of Administration | 2,837,281 | 5,891,137 | 2,139,864 | 4,372,000 | 3,114,864 |
| Dept. of Commerce & Housing | 48,746 | 85,000 | 15,000 | 1,020,000 | 15,000 |
| Insurance Department | 133,345 | 255,000 | 252,000 | -- | 252,000 |
| Total--General Government | \$3,019,372 | \$6,231,137 | \$2,406,864 | \$5,392,000 | \$3,381,864 |
| Human Resources | | | | | |
| Social & Rehabilitation Services | 542,063 | 5,405,217 | 6,151,180 | -- | 3,264,605 |
| Kansas Neurological Institute | 918,146 | 337,850 | -- | -- | -- |
| Larned State Hospital | 631,693 | 192,691 | -- | -- | -- |
| Osawatomie State Hospital | 438,975 | 83,178 | -- | -- | -- |
| Parsons St. Hospital & Training Ctr. | 113,187 | 1,069,816 | -- | -- | -- |
| Rainbow Mental Health Facility | 78,369 | -- | -- | -- | -- |
| Topeka State Hospital | 6,797 | -- | -- | -- | -- |
| Winfield St. Hospital & Training Ctr. | 2,573 | -- | -- | -- | -- |
| Subtotal--SRS | \$2,731,803 | \$7,088,752 | \$6,151,180 | \$ | \$3,264,605 |
| Department of Human Resources | 37,301 | 173,500 | 405,000 | -- | 355,000 |
| Commission on Veterans' Affairs | 4,475,708 | 8,624,658 | 6,047,058 | 230,100 | 5,729,430 |
| Total--Human Resources | \$7,244,812 | \$15,886,910 | \$12,603,238 | \$230,100 | \$9,349,035 |
| Education | | | | | |
| School for the Blind | 348,040 | 820,515 | 58,270 | -- | 58,270 |
| School for the Deaf | 586,692 | 990,818 | 957,200 | -- | 318,200 |
| Subtotal--Dept. of Education | \$934,732 | \$1,811,333 | \$1,015,470 | \$ | \$376,470 |
| Board of Regents | 10,882,638 | 5,840,000 | 13,110,000 | -- | 13,110,000 |
| Emporia State University | 1,308,795 | 978,847 | 761,000 | -- | 581,000 |
| Fort Hays State University | 1,617,733 | 937,701 | 830,000 | -- | 500,000 |
| Kansas State University | 7,158,206 | 7,696,612 | 7,146,941 | -- | 6,396,941 |
| KSU--Veterinary Medical Center | 529,500 | 181,826 | -- | -- | -- |
| Kansas State University--ESARP | 94,267 | 4,108,000 | 11,840,850 | -- | 12,175,850 |
| Pittsburg State University | 2,211,451 | 1,877,388 | 2,380,000 | -- | 1,380,000 |
| State Treasurer--Bond Retirement | 51,000 | 59,217 | -- | -- | -- |
| University of Kansas | 12,138,019 | 19,514,439 | 4,305,000 | -- | 3,080,000 |
| KU Medical Center--Education | 3,345,372 | 8,527,542 | 9,411,046 | -- | 7,961,046 |
| KU Medical Center--Hospital | 868,926 | -- | -- | -- | -- |
| Wichita State University | 2,130,477 | 1,465,013 | 765,000 | -- | 300,000 |
| Subtotal--Regents | \$42,336,384 | \$51,186,585 | \$50,549,837 | \$ | \$45,484,837 |
| Historical Society | 849,342 | 2,693,939 | 125,000 | 2,395,000 | 100,000 |
| Total--Education | \$44,120,458 | \$55,691,857 | \$51,690,307 | \$2,395,000 | \$45,961,307 |
| Public Safety | | | | | |
| Department of Corrections | 5,967,698 | 12,456,173 | 11,963,660 | 21,431,500 | 12,224,685 |
| El Dorado Correctional Facility | 534,126 | 385,293 | -- | -- | -- |
| Ellsworth Correctional Facility | 15,315 | -- | -- | 541,960 | -- |
| Hutchinson Correctional Facility | 1,275,442 | 661,125 | -- | -- | -- |
| Lansing Correctional Facility | 1,644,614 | 235,864 | -- | -- | -- |
| Larned Correctional MH Facility | 197,672 | 1,199 | -- | -- | -- |
| Norton Correctional Facility | 4,627,360 | 1,251,968 | -- | 602,878 | -- |
| Topeka Correctional Facility | 497,316 | 80,990 | -- | -- | -- |
| Winfield Correctional Facility | 358,153 | 92,797 | -- | -- | -- |
| Subtotal--Corrections | \$15,117,696 | \$15,165,409 | \$11,963,660 | \$22,576,338 | \$12,224,685 |

Schedule 6.1--Expenditures from All Funding Sources for Capital Improvements by Agency

| | <u>FY 1998 Actual</u> | <u>FY 1999 Estimate</u> | <u>Current Service</u> | <u>Enhance. Package</u> | <u>Governor's Rec.</u> |
|--|---------------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|
| Juvenile Justice Authority | 110,000 | 1,147,075 | 1,307,096 | 3,012,880 | 3,492,393 |
| Atchison Juvenile Correctional Facility | 389,665 | -- | -- | -- | -- |
| Beloit Juvenile Correctional Facility | 41,795 | -- | -- | -- | -- |
| Topeka Juvenile Correctional Facility | 521,873 | 61,683 | -- | -- | -- |
| Subtotal--Juvenile Justice | \$1,063,333 | \$1,208,758 | \$1,307,096 | \$3,012,880 | \$3,492,393 |
| Adjutant General | 583,911 | 2,621,910 | 589,790 | 2,512,035 | -- |
| Highway Patrol | 357,490 | 476,138 | 990,000 | -- | 515,000 |
| Kansas Bureau of Investigation | 225,549 | 180,000 | 185,000 | 253,590 | 185,000 |
| Total--Public Safety | \$17,347,979 | \$19,652,215 | \$15,035,546 | \$28,354,843 | \$16,417,078 |
| Agriculture & Natural Resources | | | | | |
| Kansas State Fair | 812,274 | 1,875,000 | 2,787,035 | 846,000 | 804,450 |
| Department of Wildlife & Parks | 7,581,052 | 14,912,432 | 11,188,702 | 100,000 | 11,755,794 |
| Total--Ag. & Natural Resources | \$8,393,326 | \$16,787,432 | \$13,975,737 | \$946,000 | \$12,560,244 |
| Transportation | | | | | |
| Kansas Department of Transportation | 414,001,874 | 488,326,712 | 534,473,377 | -- | 530,637,626 |
| Total--Transportation | \$414,001,874 | \$488,326,712 | \$534,473,377 | -- | \$530,637,626 |
| Total Expenditures | \$494,127,821 | \$602,576,263 | \$630,185,069 | \$37,317,943 | \$618,307,154 |

Schedule 6.2--Expenditures from the State General Fund for Capital Improvements by Agency

| | <u>FY 1998 Actual</u> | <u>FY 1999 Estimate</u> | <u>Current Service</u> | <u>Enhance. Package</u> | <u>Governor's Rec.</u> |
|--|---------------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|
| General Government | | | | | |
| Department of Administration | 2,538,068 | 4,754,276 | 2,139,864 | 4,372,000 | 3,114,864 |
| Human Resources | | | | | |
| Osawatomie State Hospital | 61 | -- | -- | -- | -- |
| Commission on Veterans' Affairs | 2,500,000 | -- | -- | -- | -- |
| Total--Human Resources | \$2,500,061 | \$ -- | \$ -- | \$ -- | \$ -- |
| Education | | | | | |
| Kansas State University | 189,466 | 189,446 | 939,446 | -- | 189,446 |
| Pittsburg State University | 139,157 | -- | 627,000 | -- | -- |
| University of Kansas | 1,193,888 | -- | 1,225,000 | -- | -- |
| Subtotal--Regents | \$1,522,511 | \$189,446 | \$5,216,446 | \$ -- | \$189,446 |
| Historical Society | 150,862 | 2,472,939 | 125,000 | 2,395,000 | 100,000 |
| Total--Education | \$1,673,373 | \$2,662,385 | \$5,341,446 | \$2,395,000 | \$289,446 |
| Public Safety | | | | | |
| Department of Corrections | 5,654,592 | 6,677,370 | 6,960,000 | 21,431,500 | 6,960,000 |
| El Dorado Correctional Facility | 56,846 | -- | -- | -- | -- |
| Subtotal--Corrections | \$5,711,438 | \$6,677,370 | \$6,960,000 | \$21,973,460 | \$6,960,000 |
| Adjutant General | 267,620 | 661,900 | 589,790 | 2,512,035 | -- |
| Highway Patrol | 4,609 | -- | -- | -- | -- |
| Kansas Bureau of Investigation | 225,549 | 180,000 | 185,000 | 253,590 | 185,000 |
| Total--Public Safety | \$6,209,216 | \$7,519,270 | \$7,734,790 | \$24,739,085 | \$7,145,000 |
| Agriculture & Natural Resources | | | | | |
| Kansas State Fair | 256,485 | 628,160 | 2,457,585 | 846,000 | 600,000 |
| Department of Wildlife & Parks | 515,695 | 733,523 | 297,700 | -- | 196,200 |
| Total--Ag. & Natural Resource | \$772,180 | \$1,361,683 | \$2,755,285 | \$846,000 | \$796,200 |
| Transportation | | | | | |
| Kansas Department of Transportation | 85,839,140 | 87,899,279 | 87,899,279 | -- | 128,925,000 |
| Total--Transportation | \$ 85,839,140 | \$ 87,899,279 | \$ 87,899,279 | \$ -- | \$ 128,925,000 |
| Total Expenditures | \$99,532,038 | \$104,196,893 | \$105,870,664 | \$32,352,085 | \$140,270,510 |

Schedule 7—Federal Receipts by Agency contains federal formula grants and reimbursements to state agencies participating in federally-sponsored programs. The schedule reflects only the amount of federal funding received, not the amount expended. The reason for not presenting a schedule of federal funds expenditures is that, in some cases, they are mingled with state funds so their identity as federal funds is not maintained. An example would be the Department of Transportation's State Highway Fund, which combines federal matching funds with state dollars in a single fund. When expenditures are made from the State Highway Fund, therefore, it is no longer possible to determine whether the funds being spent are federal or state funds.

Schedule 7--Federal Receipts by Agency

| | <u>FY 1998 Actual</u> | <u>FY 1999 Estimate</u> | <u>Governor's Rec.</u> |
|------------------------------------|---------------------------|-----------------------------|----------------------------|
| General Government | | | |
| Department of Administration | 209,351 | 239,000 | 239,000 |
| Attorney General | 4,015,368 | 6,427,343 | 6,931,316 |
| Department of Commerce & Housing | 40,464,389 | 52,187,170 | 45,823,450 |
| Kansas Corporation Commission | 1,654,016 | 1,507,261 | 883,985 |
| Kansas Human Rights Commission | 468,791 | 396,750 | 371,500 |
| Judiciary | 51,053 | 69,565 | 71,240 |
| Kansas Technology Enterprise Corp. | 2,085,234 | 2,029,361 | 2,000,000 |
| Department of Revenue | 163,460 | 100,000 | 75,000 |
| Total--General Government | \$ 49,111,662 | \$ 62,956,450 | \$ 56,395,491 |
| Human Resources | | | |
| Social & Rehabilitation Services | 871,990,702 | 1,060,917,433 | 1,053,663,734 |
| Kansas Neurological Institute | 206,334 | 321,748 | 294,263 |
| Department on Aging | 10,753,399 | 11,356,997 | 11,007,923 |
| Health & Environment | 84,034,214 | 95,328,221 | 84,910,034 |
| Department of Human Resources | 48,847,564 | 48,276,955 | 48,451,794 |
| Commission on Veterans' Affairs | 1,500,158 | 12,251,035 | 2,707,458 |
| Total--Human Resources | \$ 1,017,332,371 | \$ 1,228,452,389 | \$ 1,201,035,206 |
| Education | | | |
| Department of Education | 215,729,827 | 225,021,255 | 228,228,895 |
| Board of Regents | 993,647 | 733,692 | 283,018 |
| Emporia State University | 3,893,956 | 3,784,096 | 3,944,569 |
| Fort Hays State University | 5,155,312 | 5,105,064 | 5,131,425 |
| Kansas State University | 63,519,908 | 64,508,644 | 65,683,609 |
| KSU Veterinary Medical Center | 41,149 | 43,127 | 28,686 |
| Kansas State University--ESARP | 17,877,002 | 21,028,070 | 18,821,358 |
| Pittsburg State University | 3,764,128 | 3,767,757 | 3,245,477 |
| University of Kansas | 84,134,151 | 87,000,000 | 87,000,000 |
| KU Medical Center | 45,448,760 | 63,427,300 | 29,974,440 |
| Wichita State University | 10,200,134 | 10,021,358 | 10,082,379 |
| Kansas Arts Commission | 616,624 | 471,300 | 484,363 |
| Historical Society | 235,891 | 319,084 | 324,824 |
| State Library | 1,422,856 | 1,558,086 | 1,369,000 |
| Total--Education | \$ 453,033,345 | \$ 486,788,833 | \$ 454,602,043 |
| Public Safety | | | |
| Department of Corrections | 1,740,057 | 782,983 | -- |
| Topeka Correctional Facility | 76,204 | 111,470 | 119,626 |
| Juvenile Justice Authority | 4,237,777 | 6,433,752 | 6,618,116 |
| Adjutant General | 19,960,879 | 24,138,914 | 11,819,903 |
| Emergency Medical Service | 250,000 | -- | -- |
| Highway Patrol | 1,538,260 | 1,128,844 | 1,122,568 |
| Kansas Bureau of Investigation | 38,833 | -- | -- |
| Sentencing Commission | 8,565,562 | 8,942,750 | 7,048,918 |
| Total--Public Safety | \$ 36,407,572 | \$ 41,538,713 | \$ 26,729,131 |

Schedule 7--Federal Receipts by Agency

| | <u>FY 1998 Actual</u> | <u>FY 1999 Estimate</u> | <u>Governor's Rec.</u> |
|---|---------------------------|-----------------------------|----------------------------|
| Agriculture & Natural Resources | | | |
| Department of Agriculture | 2,099,694 | 2,228,827 | 2,270,372 |
| Kansas Water Office | 94,000 | 193,114 | 148,830 |
| Department of Wildlife & Parks | 9,238,712 | 6,800,000 | 6,800,000 |
| Total--Agriculture & Natural Resources | \$ 11,432,406 | \$ 9,221,941 | \$ 9,219,202 |
| Transportation | | | |
| Kansas Department of Transportation | 195,376,816 | 306,964,243 | 253,582,000 |
| Total--Transportation | \$ 195,376,816 | \$ 306,964,243 | \$ 253,582,000 |
| Statewide Total | \$ 1,762,694,172 | \$ 2,135,922,569 | \$ 2,001,563,073 |

Schedule 8—Positions by Agency reflects the total number of positions in each state agency. The purpose of this schedule is to provide information regarding the size of the state workforce by agency. Total positions are divided into full-time equivalent (FTE) positions and unclassified temporary positions. If only one row of numbers appears in the table, the agency has only FTE positions and no unclassified temporaries. FTE positions are permanent full-time or regular part-time positions equated to full-time. The number of FTE positions for each agency is typically constrained by a limitation included in appropriation bills; however, positions in legislative and judicial agencies along with several agencies of the executive branch, such as Regents institutions, are not constrained by a limitation. Similarly, unclassified temporary positions are not subject to a position limitation.

Schedule 8--Authorized Positions by Agency

| | <u>FY 1998 Actual</u> | <u>FY 1999 Estimate</u> | <u>Current Service</u> | <u>Enhance. Package</u> | <u>Governor's Rec.</u> |
|--|---------------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|
| General Government | | | | | |
| Abstracters' Board of Examiners | -- | -- | -- | -- | -- |
| Board of Accountancy | 3.0 | 3.0 | 3.0 | -- | 3.0 |
| Department of Administration | | | | | |
| FTE Positions | 855.4 | 863.4 | 867.4 | 50.0 | 881.4 |
| Unclassified Temporary Positions | 10.2 | 11.4 | 8.2 | -- | 8.2 |
| Total--Department of Administration | 865.6 | 874.8 | 875.6 | 50.0 | 889.6 |
| Attorney General | 86.0 | 86.8 | 87.0 | 8.0 | 86.8 |
| Banking Department | 71.0 | 67.0 | 70.0 | -- | 67.0 |
| Board of Barbering | 1.5 | 1.5 | 1.5 | -- | 1.5 |
| Behavioral Sciences Regulatory Board | 6.5 | 6.5 | 6.5 | 2.3 | 6.8 |
| Citizens' Utility Ratepayer Board | | | | | |
| FTE Positions | 3.0 | 3.0 | 3.0 | -- | 3.0 |
| Unclassified Temporary Positions | 1.0 | 1.0 | 1.0 | -- | 1.0 |
| Total--Citizens' Utility Ratepayer Board | 4.0 | 4.0 | 4.0 | -- | 4.0 |
| Department of Commerce & Housing | | | | | |
| FTE Positions | 134.0 | 132.0 | 132.0 | 1.0 | 133.0 |
| Unclassified Temporary Positions | 5.0 | 3.0 | 1.0 | -- | 1.0 |
| Total--Department of Commerce & Housing | 139.0 | 135.0 | 133.0 | 1.0 | 134.0 |
| Consumer Credit Commissioner | 7.0 | 7.0 | 7.0 | 3.0 | 8.0 |
| Kansas Corporation Commission | 211.0 | 211.0 | 211.0 | 2.0 | 211.0 |
| Board of Cosmetology | 11.0 | 12.0 | 12.0 | 1.0 | 12.0 |
| Department of Credit Unions | 12.0 | 12.0 | 12.0 | -- | 12.0 |
| Kansas Dental Board | 1.6 | 1.6 | 1.6 | 0.4 | 2.0 |
| Governmental Ethics Commission | | | | | |
| FTE Positions | 9.0 | 9.0 | 9.0 | -- | 9.0 |
| Unclassified Temporary Positions | 0.4 | 0.6 | 0.4 | 0.1 | 0.4 |
| Total--Governmental Ethics Commission | 9.4 | 9.6 | 9.4 | 0.1 | 9.4 |
| Office of the Governor | | | | | |
| FTE Positions | 30.0 | 30.0 | 29.0 | -- | 29.0 |
| Unclassified Temporary Positions | 4.1 | 3.9 | 2.9 | -- | 2.9 |
| Total--Office of the Governor | 34.1 | 33.9 | 31.9 | -- | 31.9 |
| Board of Healing Arts | 27.0 | 27.0 | 27.0 | 2.0 | 28.0 |
| Health Care Stabilization Board of Governors | 16.0 | 16.0 | 16.0 | -- | 16.0 |
| Hearing Aid Board of Examiners | | | | | |
| FTE Positions | -- | -- | -- | -- | -- |
| Unclassified Temporary Positions | 0.4 | 0.4 | 0.4 | -- | 0.4 |
| Total--Hearing Aid Board of Examiners | 0.4 | 0.4 | 0.4 | -- | 0.4 |

Schedule 8--Authorized Positions by Agency

| | <u>FY 1998 Actual</u> | <u>FY 1999 Estimate</u> | <u>Current Service</u> | <u>Enhance. Package</u> | <u>Governor's Rec.</u> |
|---|---------------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|
| Kansas Human Rights Commission | | | | | |
| FTE Positions | 37.0 | 37.0 | 37.0 | 1.0 | 37.0 |
| Unclassified Temporary Positions | 3.0 | 3.0 | 1.0 | -- | 1.0 |
| Total--Human Rights Commission | 40.0 | 40.0 | 38.0 | 1.0 | 38.0 |
| Board of Indigents' Defense Services | | | | | |
| FTE Positions | 170.0 | 165.0 | 166.0 | 1.0 | 165.0 |
| Unclassified Temporary Positions | 2.0 | 1.0 | 1.0 | -- | 1.0 |
| Total--Board of Indigents' Defense Services | 172.0 | 166.0 | 167.0 | 1.0 | 166.0 |
| Insurance Department | | | | | |
| FTE Positions | 161.5 | 163.5 | 163.5 | 1.0 | 163.5 |
| Unclassified Temporary Positions | 2.0 | 2.0 | 2.0 | -- | 2.0 |
| Total--Insurance Department | 163.5 | 165.5 | 165.5 | 1.0 | 165.5 |
| Judicial Council | 4.0 | 4.0 | 4.0 | -- | 4.0 |
| Judiciary | 1,766.0 | 1,787.0 | 1,787.0 | 43.0 | 1,796.0 |
| KPERS | 76.0 | 76.0 | 76.0 | -- | 76.0 |
| Kansas Technology Enterprise Corp. | | | | | |
| FTE Positions | 18.0 | 18.0 | 18.0 | -- | 18.0 |
| Unclassified Temporary Positions | 15.0 | 15.0 | 15.0 | -- | 15.0 |
| Total--Kansas Technology Enterprise Corp. | 33.0 | 33.0 | 33.0 | -- | 33.0 |
| Kansas, Inc. | 5.0 | 5.0 | 5.0 | -- | 5.0 |
| Legislative Coordinating Council | | | | | |
| FTE Positions | 11.0 | 13.0 | 13.0 | -- | 13.0 |
| Unclassified Temporary Positions | 1.0 | 1.0 | 1.0 | -- | 1.0 |
| Total--Legislative Coordinating Council | 12.0 | 14.0 | 14.0 | -- | 14.0 |
| Legislative Division of Post Audit | | | | | |
| FTE Positions | 20.0 | 20.0 | 21.0 | -- | 20.0 |
| Unclassified Temporary Positions | 2.1 | 1.2 | 1.0 | -- | 1.0 |
| Total--Legislative Post Audit | 22.1 | 21.2 | 22.0 | -- | 21.0 |
| Legislative Research Department | 37.0 | 37.0 | 37.0 | -- | 37.0 |
| Legislature | 30.0 | 32.0 | 32.0 | -- | 32.0 |
| Office of the Lieutenant Governor | | | | | |
| FTE Positions | 3.0 | 3.0 | 3.0 | -- | 3.0 |
| Unclassified Temporary Positions | 0.6 | 1.0 | -- | -- | 1.0 |
| Total--Lieutenant Governor | 3.6 | 4.0 | 3.0 | -- | 4.0 |
| Kansas Lottery | | | | | |
| FTE Positions | 89.0 | 88.0 | 89.0 | -- | 88.0 |
| Unclassified Temporary Positions | 6.0 | 5.0 | 5.0 | -- | 5.0 |
| Total--Lottery | 95.0 | 93.0 | 94.0 | -- | 93.0 |
| Board of Mortuary Arts | 3.0 | 3.0 | 3.0 | -- | 3.0 |
| Board of Nursing | | | | | |
| FTE Positions | 16.5 | 16.5 | 16.5 | 2.0 | 17.5 |
| Unclassified Temporary Positions | 2.0 | 1.0 | -- | -- | -- |
| Total--Board of Nursing | 18.5 | 17.5 | 16.5 | 2.0 | 17.5 |

Schedule 8--Authorized Positions by Agency

| | <u>FY 1998 Actual</u> | <u>FY 1999 Estimate</u> | <u>Current Service</u> | <u>Enhance. Package</u> | <u>Governor's Rec.</u> |
|--|---------------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|
| Board of Examiners in Optometry | | | | | |
| FTE Positions | 1.0 | 1.0 | 1.0 | -- | 1.0 |
| Unclassified Temporary Positions | 1.0 | 1.0 | 1.0 | -- | 1.0 |
| Total--Board of Examiners in Optometry | 2.0 | 2.0 | 2.0 | -- | 2.0 |
| Board of Pharmacy | 6.0 | 6.0 | 6.0 | 1.0 | 6.0 |
| Kansas Racing & Gaming Commissior | | | | | |
| FTE Positions | 52.0 | 62.0 | 62.0 | -- | 62.0 |
| Unclassified Temporary Positions | 9.0 | 11.0 | 13.0 | -- | 13.0 |
| Total--Racing & Gaming Commissior | 61.0 | 73.0 | 75.0 | -- | 75.0 |
| Kansas Real Estate Appraisal Board | 3.0 | 3.0 | 3.0 | -- | 3.0 |
| Kansas Real Estate Commission | 14.0 | 14.0 | 14.0 | -- | 14.0 |
| Department of Revenue | 1,179.5 | 1,185.5 | 1,185.5 | 3.0 | 1,182.5 |
| Revisor of Statutes | | | | | |
| FTE Positions | 26.0 | 26.0 | 26.0 | -- | 26.0 |
| Unclassified Temporary Positions | 10.0 | 10.0 | 10.0 | -- | 10.0 |
| Total--Revisor of Statutes | 36.0 | 36.0 | 36.0 | -- | 36.0 |
| Secretary of State | 54.0 | 55.0 | 55.0 | -- | 54.0 |
| Office of the Securities Commissioner | 27.0 | 27.0 | 27.0 | -- | 27.0 |
| Board of Tax Appeals | | | | | |
| FTE Positions | 30.0 | 37.0 | 39.0 | -- | 37.0 |
| Unclassified Temporary Positions | 2.0 | 2.0 | 2.0 | -- | 2.0 |
| Total--Board of Tax Appeals | 32.0 | 39.0 | 41.0 | -- | 39.0 |
| Board of Technical Professions | 5.0 | 6.0 | 6.0 | -- | 6.0 |
| State Treasurer | 56.5 | 53.5 | 55.5 | -- | 53.5 |
| Board of Veterinary Examiners | 2.0 | 3.0 | 3.0 | -- | 3.0 |
| Total--FTE Positions | 5,388.0 | 5,435.8 | 5,449.0 | 121.7 | 5,462.5 |
| Total--Unclassified Temporary Positions | 76.8 | 74.5 | 65.9 | 0.1 | 66.9 |
| Total--General Government | 5,464.8 | 5,510.3 | 5,514.9 | 121.8 | 5,529.4 |

Human Resources

| | | | | | |
|---|---------|---------|---------|----|---------|
| Social & Rehabilitation Services | | | | | |
| FTE Positions | 4,317.0 | 4,182.0 | 4,182.0 | -- | 4,176.0 |
| Unclassified Temporary Positions | 73.0 | 129.0 | 129.0 | -- | 129.0 |
| Total--Social & Rehabilitation Services | 4,390.0 | 4,311.0 | 4,311.0 | -- | 4,305.0 |
| Kansas Neurological Institute | | | | | |
| FTE Positions | 676.0 | 674.0 | 674.0 | -- | 673.0 |
| Unclassified Temporary Positions | 14.0 | 14.0 | 14.0 | -- | 14.0 |
| Total--Kansas Neurological Institut | 690.0 | 688.0 | 688.0 | -- | 687.0 |
| Larned State Hospital | 771.6 | 768.6 | 768.6 | -- | 767.6 |
| Osawatomie State Hospital | 529.4 | 485.4 | 485.4 | -- | 483.4 |

Schedule 8--Authorized Positions by Agency

| | <u>FY 1998 Actual</u> | <u>FY 1999 Estimate</u> | <u>Current Service</u> | <u>Enhance. Package</u> | <u>Governor's Rec.</u> |
|---|---------------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|
| Parsons St. Hospital & Training Center | | | | | |
| FTE Positions | 524.0 | 523.0 | 523.0 | -- | 522.0 |
| Unclassified Temporary Positions | 1.1 | 2.1 | 2.1 | -- | 2.1 |
| Total--Parsons State Hospital & Training | 525.1 | 525.1 | 525.1 | -- | 524.1 |
| Rainbow Mental Health Facility | | | | | |
| FTE Positions | 143.4 | 141.4 | 141.4 | -- | 137.4 |
| Unclassified Temporary Positions | 8.0 | 8.0 | 8.0 | -- | 8.0 |
| Total--Rainbow Mental Health Facility | 151.4 | 149.4 | 149.4 | -- | 145.4 |
| Winfield St. Hospital & Training Center | | | | | |
| FTE Positions | 432.0 | -- | -- | -- | -- |
| Unclassified Temporary Positions | 13.3 | -- | -- | -- | -- |
| Total--Winfield St. Hospital | 445.3 | -- | -- | -- | -- |
| Subtotal--FTE Positions | 7,393.4 | 6,774.4 | 6,774.4 | -- | 6,759.4 |
| Subtotal--Unclassified Temporary Positions | 109.4 | 153.1 | 153.1 | -- | 153.1 |
| Subtotal--SRS | 7,502.8 | 6,927.5 | 6,927.5 | -- | 6,912.5 |
| Department on Aging | | | | | |
| FTE Positions | 159.5 | 155.8 | 155.8 | -- | 155.8 |
| Unclassified Temporary Positions | 3.8 | 3.0 | 2.0 | -- | 2.0 |
| Total--Department on Aging | 163.3 | 158.8 | 157.8 | -- | 157.8 |
| Health & Environment--Health | | | | | |
| FTE Positions | 420.0 | 435.5 | 435.5 | 7.0 | 439.5 |
| Unclassified Temporary Positions | 85.8 | 81.7 | 80.7 | 5.0 | 80.7 |
| Total--Health & Environment--Health | 505.8 | 517.2 | 516.2 | 12.0 | 520.2 |
| Department of Human Resources | | | | | |
| FTE Positions | 1,002.5 | 1,001.5 | 1,002.5 | -- | 997.5 |
| Unclassified Temporary Positions | 60.0 | 65.0 | 65.0 | -- | 65.0 |
| Total--Department of Human Resources | 1,062.5 | 1,066.5 | 1,067.5 | -- | 1,062.5 |
| Commission on Veterans' Affairs | | | | | |
| FTE Positions | 189.8 | 225.8 | 458.8 | 41.0 | 334.8 |
| Unclassified Temporary Positions | 1.0 | 1.0 | -- | 1.0 | -- |
| Total--Veterans' Affairs | 190.8 | 226.8 | 458.8 | 42.0 | 334.8 |
| Kansas Guardianship Program | 12.0 | 13.0 | 13.0 | 2.0 | 13.0 |
| Total--FTE Positions | 9,177.2 | 8,606.0 | 8,840.0 | 50.0 | 8,700.0 |
| Total--Unclassified Temporary Positions | 260.0 | 303.8 | 300.8 | 6.0 | 300.8 |
| Total--Human Resources | 9,437.2 | 8,909.8 | 9,140.8 | 56.0 | 9,000.8 |
| Education | | | | | |
| Department of Education | | | | | |
| FTE Positions | 204.0 | 208.5 | 208.5 | -- | 208.5 |
| Unclassified Temporary Positions | 40.3 | 37.9 | 36.9 | -- | 36.9 |
| Total--Department of Education | 244.3 | 246.4 | 245.4 | -- | 245.4 |
| School for the Blind | | | | | |
| FTE Positions | 92.5 | 93.5 | 93.5 | -- | 93.5 |
| Unclassified Temporary Positions | 12.0 | 14.0 | 14.0 | -- | 14.0 |
| Total--School for the Blind | 104.5 | 107.5 | 107.5 | -- | 107.5 |

Schedule 8--Authorized Positions by Agency

| | <u>FY 1998 Actual</u> | <u>FY 1999 Estimate</u> | <u>Current Service</u> | <u>Enhance. Package</u> | <u>Governor's Rec.</u> |
|---|---------------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|
| School for the Deaf | | | | | |
| FTE Positions | 175.5 | 175.5 | 175.5 | 3.0 | 175.5 |
| Unclassified Temporary Positions | 27.0 | 27.0 | 27.0 | -- | 27.0 |
| Total--School for the Deaf | 202.5 | 202.5 | 202.5 | 3.0 | 202.5 |
| Subtotal--FTE Positions | 472.0 | 477.5 | 477.5 | 3.0 | 477.5 |
| Subtotal--Unclassified Temporary Positions | 79.3 | 78.9 | 77.9 | -- | 77.9 |
| Subtotal--Department of Education | 551.3 | 556.4 | 555.4 | 3.0 | 555.4 |
| Board of Regents | 18.0 | 18.0 | 18.0 | -- | 18.0 |
| Emporia State University | 738.8 | 757.4 | 757.4 | 6.1 | 760.5 |
| Fort Hays State University | 689.2 | 698.2 | 697.6 | 2.0 | 697.6 |
| Kansas State University | 3,147.9 | 3,145.3 | 3,145.2 | 20.0 | 3,148.2 |
| KSU Veterinary Medical Center | 254.8 | 255.4 | 255.4 | -- | 255.4 |
| Kansas State University--ESARF | 1,273.3 | 1,271.1 | 1,271.1 | -- | 1,270.1 |
| Pittsburg State University | 717.0 | 788.3 | 788.3 | 4.9 | 787.3 |
| University of Kansas | 4,406.0 | 4,420.8 | 4,422.0 | 10.3 | 4,422.1 |
| KU Medical Center--Education | 2,484.7 | 2,484.8 | 2,484.8 | 14.1 | 2,497.9 |
| KU Medical Center--Hospital | 2,133.8 | 1,980.5 | -- | -- | -- |
| Wichita State University | 1,681.6 | 1,684.6 | 1,684.6 | 10.5 | 1,683.0 |
| Subtotal--FTE Positions | 17,545.1 | 17,504.4 | 15,524.4 | 67.9 | 15,540.1 |
| Subtotal--Unclassified Temporary Positions | -- | -- | -- | -- | -- |
| Subtotal--Regents | 17,545.1 | 17,504.4 | 15,524.4 | 67.9 | 15,540.1 |
| Kansas Arts Commission | 8.0 | 8.0 | 8.0 | 1.0 | 8.0 |
| Historical Society | | | | | |
| FTE Positions | 136.5 | 138.5 | 138.5 | 2.0 | 137.5 |
| Unclassified Temporary Positions | 11.0 | 10.0 | 10.0 | -- | 10.0 |
| Total--Historical Society | 147.5 | 148.5 | 148.5 | 2.0 | 147.5 |
| State Library | 27.0 | 27.0 | 27.0 | 1.0 | 27.0 |
| Total--FTE Positions | 18,188.6 | 18,155.4 | 16,175.4 | 74.9 | 16,190.1 |
| Total--Unclassified Temporary Positions | 90.3 | 88.9 | 87.9 | -- | 87.9 |
| Total--Education | 18,278.9 | 18,244.3 | 16,263.3 | 74.9 | 16,278.0 |
| Public Safety | | | | | |
| Department of Corrections | | | | | |
| FTE Positions | 303.0 | 301.0 | 301.0 | 12.0 | 310.0 |
| Unclassified Temporary Positions | 8.0 | 10.0 | 10.0 | -- | 10.0 |
| Total--Department of Corrections | 311.0 | 311.0 | 311.0 | 12.0 | 320.0 |
| El Dorado Correctional Facility | 386.0 | 386.0 | 386.0 | 8.0 | 386.0 |
| Ellsworth Correctional Facility | | | | | |
| FTE Positions | 185.5 | 184.5 | 184.5 | 3.0 | 184.5 |

Schedule 8--Authorized Positions by Agency

| | <u>FY 1998 Actual</u> | <u>FY 1999 Estimate</u> | <u>Current Service</u> | <u>Enhance. Package</u> | <u>Governor's Rec.</u> |
|---|---------------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|
| Unclassified Temporary Positions | 1.0 | 1.0 | 1.0 | -- | 1.0 |
| Total--Ellsworth Correctional Facility | 186.5 | 185.5 | 185.5 | 3.0 | 185.5 |
| Hutchinson Correctional Facility | 511.0 | 510.0 | 510.0 | 2.0 | 509.0 |
| Lansing Correctional Facility | 703.0 | 702.0 | 702.0 | -- | 702.0 |
| Larned Correctional MH Facility | 178.0 | 177.0 | 177.0 | -- | 177.0 |
| Norton Correctional Facility | 236.0 | 266.0 | 266.0 | 2.0 | 266.0 |
| Topeka Correctional Facility | | | | | |
| FTE Positions | 300.0 | 302.0 | 300.0 | 1.0 | 315.0 |
| Unclassified Temporary Positions | 3.0 | 4.0 | 4.0 | (1.0) | 4.0 |
| Total--Topeka Correctional Facility | 303.0 | 306.0 | 304.0 | -- | 319.0 |
| Winfield Correctional Facility | 202.0 | 202.0 | 202.0 | -- | 202.0 |
| Subtotal--FTE Positions | 3,004.5 | 3,030.5 | 3,028.5 | 28.0 | 3,051.5 |
| Subtotal--Unclassified Temporary Positions | 12.0 | 15.0 | 15.0 | (1.0) | 15.0 |
| Subtotal--Corrections | 3,016.5 | 3,045.5 | 3,043.5 | 27.0 | 3,066.5 |
| Juvenile Justice Authority | | | | | |
| FTE Positions | 30.0 | 35.0 | 31.0 | 4.0 | 35.0 |
| Unclassified Temporary Positions | 6.0 | 5.0 | 5.0 | -- | 6.0 |
| Total--Juvenile Justice Authority | 36.0 | 40.0 | 36.0 | 4.0 | 41.0 |
| Atchison Juvenile Correctional Facility | 119.0 | 120.0 | 120.0 | -- | 120.0 |
| Beloit Juvenile Correctional Facility | 92.0 | 92.0 | 92.0 | -- | 92.0 |
| Larned Juvenile Correctional Facility | | | | | |
| FTE Positions | 127.0 | 128.0 | 128.0 | -- | 128.0 |
| Unclassified Temporary Positions | 6.0 | 6.0 | 6.0 | -- | 6.0 |
| Total--Larned Juvenile Correctional Facility | 133.0 | 134.0 | 134.0 | -- | 134.0 |
| Topeka Juvenile Correctional Facility | 222.0 | 222.0 | 222.0 | -- | 222.0 |
| Subtotal--FTE Positions | 590.0 | 597.0 | 593.0 | 4.0 | 597.0 |
| Subtotal--Unclassified Temporary Positions | 12.0 | 11.0 | 11.0 | 0.0 | 12.0 |
| Subtotal--Juvenile Justice | 602.0 | 608.0 | 604.0 | 4.0 | 609.0 |
| Adjutant General | | | | | |
| FTE Positions | 218.0 | 216.0 | 218.0 | 5.5 | 216.0 |
| Unclassified Temporary Positions | 59.0 | 33.0 | 45.0 | 7.0 | 35.0 |
| Total--Adjutant General | 277.0 | 249.0 | 263.0 | 12.5 | 251.0 |
| Ombudsman for Corrections | 4.0 | 4.0 | 4.0 | -- | 4.0 |
| Emergency Medical Services Board | | | | | |
| FTE Positions | 13.0 | 13.0 | 13.0 | 2.0 | 13.0 |
| Unclassified Temporary Positions | 2.0 | 2.0 | -- | -- | -- |
| Total--Emergency Medical Services | 15.0 | 15.0 | 13.0 | 2.0 | 13.0 |
| State Fire Marshal | | | | | |
| FTE Positions | 40.0 | 44.0 | 41.0 | 6.0 | 44.0 |
| Unclassified Temporary Positions | 2.0 | 2.0 | 2.0 | -- | 2.0 |
| Total--State Fire Marshal | 42.0 | 46.0 | 43.0 | 6.0 | 46.0 |

Schedule 8--Authorized Positions by Agency

| | <u>FY 1998 Actual</u> | <u>FY 1999 Estimate</u> | <u>Current Service</u> | <u>Enhance. Package</u> | <u>Governor's Rec.</u> |
|---|---------------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|
| Highway Patrol | | | | | |
| FTE Positions | 782.8 | 793.8 | 793.8 | 20.0 | 809.8 |
| Unclassified Temporary Positions | 16.0 | 16.0 | 16.0 | -- | 18.0 |
| Total--Highway Patrol | 798.8 | 809.8 | 809.8 | 20.0 | 827.8 |
| Kansas Bureau of Investigator | | | | | |
| FTE Positions | 195.5 | 194.0 | 194.0 | 22.0 | 194.0 |
| Unclassified Temporary Positions | 48.0 | 44.0 | 24.0 | -- | 24.0 |
| Total--Kansas Bureau of Investigator | 243.5 | 238.0 | 218.0 | 22.0 | 218.0 |
| Kansas Parole Board | 4.0 | 4.0 | 4.0 | -- | 3.0 |
| Kansas Sentencing Commission | | | | | |
| FTE Positions | 9.0 | 9.0 | 9.0 | -- | 9.0 |
| Unclassified Temporary Positions | 4.0 | 3.0 | 3.0 | 1.0 | 3.0 |
| Total--Kansas Sentencing Commissior | 13.0 | 12.0 | 12.0 | 1.0 | 12.0 |
| Total--FTE Positions | 4,860.8 | 4,905.3 | 4,898.3 | 87.5 | 4,941.3 |
| Total--Unclassified Temporary Positions | 155.0 | 126.0 | 116.0 | 7.0 | 109.0 |
| Total--Public Safety | 5,015.8 | 5,031.3 | 5,014.3 | 94.5 | 5,050.3 |
| Agriculture & Natural Resources | | | | | |
| Department of Agriculture | | | | | |
| FTE Positions | 311.0 | 307.0 | 312.0 | 6.0 | 315.5 |
| Unclassified Temporary Positions | 19.0 | 23.0 | 5.0 | 13.0 | 18.0 |
| Total--Board of Agriculture | 330.0 | 330.0 | 317.0 | 19.0 | 333.5 |
| Animal Health Department | 29.0 | 30.0 | 30.0 | -- | 30.0 |
| State Conservation Commission | 14.0 | 13.5 | 13.5 | -- | 13.5 |
| Health & Environment--Environment | | | | | |
| FTE Positions | 401.0 | 401.0 | 394.9 | 13.6 | 397.5 |
| Unclassified Temporary Positions | 71.5 | 71.5 | 65.8 | 5.7 | 71.5 |
| Total--Health & Environment--Environmen | 472.5 | 472.5 | 460.7 | 19.3 | 469.0 |
| Kansas State Fair | 18.0 | 18.0 | 18.0 | 3.0 | 21.0 |
| Kansas Water Office | | | | | |
| FTE Positions | 21.5 | 21.5 | 21.5 | 1.0 | 22.5 |
| Unclassified Temporary Positions | 1.0 | 1.0 | -- | 1.0 | 1.0 |
| Total--Kansas Water Office | 22.5 | 22.5 | 21.5 | 2.0 | 23.5 |
| Kansas Wheat Commission | 8.0 | 8.0 | 8.0 | -- | 8.0 |
| Department of Wildlife & Parks | | | | | |
| FTE Positions | 393.5 | 392.5 | 392.5 | 2.5 | 395.0 |
| Unclassified Temporary Positions | 3.0 | 3.0 | 3.0 | -- | 3.0 |
| Total--Department of Wildlife & Parks | 396.5 | 395.5 | 395.5 | 2.5 | 398.0 |
| Total--FTE Positions | 1,196.0 | 1,191.5 | 1,190.4 | 26.1 | 1,203.0 |
| Total--Unclassified Temporary Positions | 94.5 | 98.5 | 73.8 | 19.7 | 93.5 |
| Total--Agriculture & Natural Resources | 1,290.5 | 1,290.0 | 1,264.2 | 45.8 | 1,296.5 |

Schedule 8--Authorized Positions by Agency

| | <u>FY 1998 Actual</u> | <u>FY 1999 Estimate</u> | <u>Current Service</u> | <u>Enhance. Package</u> | <u>Governor's Rec.</u> |
|--|---------------------------|-----------------------------|----------------------------|-----------------------------|----------------------------|
| Transportation | | | | | |
| Kansas Department of Transportatior | | | | | |
| FTE Positions | 3,139.5 | 3,129.5 | 3,129.5 | -- | 3,118.5 |
| Unclassified Temporary Positions | 2.0 | 1.0 | 1.0 | -- | 1.0 |
| Total--Kansas Department of Transportatior | 3,141.5 | 3,130.5 | 3,130.5 | -- | 3,119.5 |
| Total--FTE Positions | 41,950.1 | 41,423.5 | 39,682.6 | 360.2 | 39,615.4 |
| Total--Unclassified Temporary Positions | 678.6 | 692.7 | 645.4 | 32.8 | 659.1 |
| Total--Positions | 42,628.7 | 42,116.2 | 40,328.0 | 393.0 | 40,274.5 |

Schedule 9—Current Year Adjustments reconciles the differences between the approved FY 1999 budget, as published in the *Comparison Report* (June 1998) by the Division of the Budget, and the Governor's estimate of revised expenditures for FY 1999, as published in this report. The purpose of the schedule is to track the changes that have occurred since the 1998 Legislature approved the FY 1999 budget.

Since the *Comparison Report* was published, a number of changes have occurred. Revised expenditures reflected in the Governor's recommendations include reappropriations of expenditures from FY 1998 to FY 1999. These reappropriations represent funds approved to be spent prior to FY 1999 under authority granted in legislation. Other changes that have occurred include actions taken by the State Finance Council, actions accomplished through Executive Directive authority of the Governor, and recommendations by the Governor to reflect updated information on caseloads or institutional populations, changes in expenditure patterns, new or revised policy directives, or changes in federal grants.

Schedule 9--Current Year Adjustments

| | <u>State General Fund</u> | <u>All Funds</u> |
|---|-----------------------------------|----------------------|
| General Government | | |
| Board of Accountancy | | |
| Miscellaneous Operating Expenditures | -- | (10,581) |
| Department of Administration | | |
| Abolishment of CIA's Office | (131,740) | (131,740) |
| Lapse Gubernatorial Transition Funds | (100,000) | (100,000) |
| Public Broadcasting Equipment Grants | 492,971 | 492,971 |
| Miscellaneous Operating Expenditures | (35,911) | (169,355) |
| Year 2000 Repair | 2,384,747 | 2,384,747 |
| Capital Improvements | 1,024,601 | 1,411,462 |
| Total--Department of Administration | \$3,634,668 | \$3,888,085 |
| Attorney General | | |
| Miscellaneous Operating Expenditures | (372,202) | (339,887) |
| Federal Funds | -- | (1,637,911) |
| Other Assistance, Grants, & Benefits | -- | (205,985) |
| Total--Attorney General | (\$372,202) | (\$2,183,783) |
| Banking Department | | |
| Salary & Wage Adjustments | -- | (73,688) |
| Miscellaneous Operating Expenditures | -- | (54,644) |
| Total--Banking Department | -- | (\$128,332) |
| Citizens' Utility Ratepayer Board | | |
| Savings Incentive Expenditures | -- | 3,000 |
| Department of Commerce & Housing | | |
| Salary & Wage Adjustments | -- | (9,735) |
| HOME Federal Aid Increase | -- | 612,900 |
| Federal Weatherization Program | -- | 243,145 |
| Emergency Shelter Funding | -- | 282,750 |
| Low Income Housing Tax Credit | -- | (450,000) |
| State Housing Trust Fund Increase | -- | 1,750,000 |
| Other Assistance, Grant, & Benefits | -- | (25,684) |
| Aid to Local Governments | -- | 71,433 |
| Economic Opportunity Initiatives Fund | -- | 1,026,947 |
| Capital Improvements | -- | 50,000 |
| Total--Department of Commerce & Housing | -- | \$3,551,756 |
| Consumer Credit Commissioner | | |
| Miscellaneous Operating Expenditures | -- | (12,818) |
| Kansas Corporation Commission | | |
| Miscellaneous Operating Expenditures | -- | (67,698) |
| Savings Incentive Expenditures | -- | 141,446 |
| Federal Special Projects Grant | -- | 259,000 |
| Total--Kansas Corporation Commission | -- | \$332,748 |
| Department of Credit Unions | | |
| Miscellaneous Operating Expenditures | -- | (50,679) |

Schedule 9--Current Year Adjustments

| | <u>State General Fund</u> | <u>All Funds</u> |
|--|-----------------------------------|----------------------|
| General Government (Cont.) | | |
| Kansas Dental Board | | |
| Miscellaneous Operating Expenditures | -- | 5,596 |
| Total--Kansas Dental Board | -- | \$5,596 |
| Governmental Ethics Commission | | |
| Miscellaneous Operating Expenditures | 8,841 | 8,841 |
| Office of the Governor | | |
| Miscellaneous Operating Expenditures | 25,513 | 18,627 |
| Board of Healing Arts | | |
| Expenditure Increase/Impaired Provider Service | -- | 15,418 |
| Hearing Aid Board of Examiners | | |
| Salary & Wage Adjustments | -- | 705 |
| Kansas Human Rights Commission | | |
| Salary & Wage Adjustments | (15,707) | (15,707) |
| Board of Indigents' Defense Services | | |
| Miscellaneous Operating Expenditures | 228,258 | 285,538 |
| Insurance Department | | |
| Miscellaneous Operating Expenditures | -- | (571,983) |
| Claim Expenditures | -- | (2,418,606) |
| Total--Insurance Department | -- | (\$2,990,589) |
| Health Care Stabilization | | |
| Salary & Wage Adjustments | -- | (16,015) |
| Claims Expenditures | -- | 1,890,200 |
| Total-Health Care Stabilization | -- | \$1,874,185 |
| Judicial Council | | |
| Miscellaneous Operating Expenditures | (1,777) | (160) |
| Judiciary | | |
| Judicial Branch Education Fund Receipts | -- | 7,024 |
| Dispute Resolution Fund Receipts | -- | (10,911) |
| Access to Justice Fund Receipts | -- | 6,920 |
| Library Report Fee Fund Receipts | -- | 64,075 |
| Judiciary Technology Fund Receipts | -- | 199,402 |
| Miscellaneous Operating Expenditures | (524,794) | 463,739 |
| Total--Judiciary | (\$524,794) | \$730,249 |
| KPERS | | |
| Salary & Wage Adjustments | -- | 70,148 |
| Investment Fees | -- | (402,200) |
| Retirement Benefits | -- | 6,464,993 |
| Total--KPERS | -- | \$6,132,941 |
| Kansas Technology Enterprise Corp. | | |
| KTEC Special Revenue Decrease | -- | (2,036,485) |
| SSBIR Program Increase | -- | 29,434 |

Schedule 9--Current Year Adjustments

| | <u>State General Fund</u> | <u>All Funds</u> |
|---|-----------------------------------|----------------------|
| General Government (Cont.) | | |
| MAMTC Federal Funding | -- | 5,225 |
| Industrial Agriculture Federal Increase | -- | 12,097 |
| Total--Kansas Technology Enterprise Corp. | -- | (\$1,989,729) |
| Kansas, Inc. | | |
| Miscellaneous Operating Expenditures | -- | 13,000 |
| Legislative Coordinating Council | | |
| Miscellaneous Operating Expenditures | 11,274 | 11,274 |
| Legislative Division of Post Audit | | |
| Miscellaneous Operating Expenditures | 2,135 | 2,135 |
| Legislative Research Department | | |
| Miscellaneous Operating Expenditures | (16,771) | (16,771) |
| Legislature | | |
| Miscellaneous Operating Expenditures | (19,723) | 295,234 |
| Office of the Lieutenant Governor | | |
| Miscellaneous Operating Expenditures | 16,657 | 16,657 |
| Kansas Lottery | | |
| Prize, Vendor, & Retailer Payouts | -- | 2,924,025 |
| Miscellaneous Operating Expenditures | -- | 692,297 |
| Total--Kansas Lottery | -- | \$3,616,322 |
| Board of Nursing | | |
| Miscellaneous Operating Expenditures | -- | 250 |
| Board of Examiners in Optometry | | |
| Salary & Wage Adjustments | -- | (1,103) |
| Miscellaneous Operating Expenditures | -- | (11,353) |
| Total--Board of Examiners in Optometry | -- | (\$12,456) |
| Board of Pharmacy | | |
| Salary & Wage Adjustments | -- | (21,906) |
| Miscellaneous Operating Expenditures | -- | 4,000 |
| Total--Board of Pharmacy | -- | (\$17,906) |
| Kansas Racing & Gaming Commission | | |
| Miscellaneous Operating Expenditures | -- | (2,417) |
| Real Estate Appraisal Board | | |
| Miscellaneous Operating Expenditures | -- | 9,504 |
| Kansas Real Estate Commission | | |
| Miscellaneous Operating Expenditures | -- | (6,093) |
| Department of Revenue | | |
| Project 2000 Expenditures | -- | 1,685,233 |
| Year 2000 Conversion | -- | 250,000 |

Schedule 9--Current Year Adjustments

| | State General Fund | All Funds |
|---------------------------------------|-----------------------------------|----------------------|
| Electronic Databases Fee Fund | -- | 1,090,000 |
| Miscellaneous Operating Expenditures | (143,380) | (98,341) |
| Retirement Reductions | (27,917) | (56,964) |
| Aid to Local Governments | -- | 74,000 |
| Total--Department of Revenue | (\$171,297) | \$2,943,928 |
| Revisor of Statutes | | |
| Miscellaneous Operating Expenditures | (16,900) | (16,900) |
| Secretary of State | | |
| Miscellaneous Operating Expenditures | (38,537) | (185,536) |
| Expenditure Limitation | -- | 235,000 |
| Total--Secretary of State | (\$38,537) | \$49,464 |
| Office of the Securities Commissioner | | |
| Miscellaneous Operating Expenditures | -- | 15,281 |
| Board of Tax Appeals | | |
| Miscellaneous Operating Expenditures | (33,812) | (39,312) |
| State Treasurer | | |
| Salary & Wage Adjustments | (127,157) | (108,366) |
| Miscellaneous Operating Expenditures | (2,590) | (49,594) |
| Aid to Local Governments | 720,000 | 1,808,962 |
| Total--State Treasurer | \$590,253 | \$1,651,002 |
| Board of Veterinary Examiners | | |
| Miscellaneous Operating Expenditures | -- | (25,838) |
| Total--General Government | \$3,306,079 | \$17,951,669 |

Human Resources

| | | |
|--|--------------|---------------|
| Social & Rehabilitation Services | | |
| Salary & Wage Adjustments | (860,141) | 883,352 |
| Sex Predator Treatment Program | (283,000) | (283,000) |
| SB 140 Implementation Savings | (3,206,000) | (3,206,000) |
| Alcohol and Drug Abuse Programs | (465) | 3,489,535 |
| Temporary Assistance to Families | -- | (1,260,000) |
| General Assistance | 3,471,100 | (45,000) |
| Regular Medical Assistance | 14,204,129 | 38,659,000 |
| Children's Health Insurance | (6,961,408) | (31,499,095) |
| Independent Living | 4,472,700 | 12,516,347 |
| Intermediate Care Facility for the Mentally Retarded | (2,420,800) | (5,970,000) |
| Home and Community Based Services | 5,289,985 | 15,417,000 |
| Nursing Facilities for Mental Health | 319,900 | 800,000 |
| Foster Care | (5,503) | 40,553,946 |
| Adoption Services | 6,610,134 | 8,394,140 |
| Miscellaneous Operating Expenditures | 1,541,224 | 23,542,726 |
| Total--Social & Rehabilitation Services | \$22,171,855 | \$101,992,951 |
| Kansas Neurological Institute | | |
| Salary & Wage Adjustments | 2,065,863 | (417,143) |
| Miscellaneous Operating Expenditures | (2,374,223) | (180,954) |

Schedule 9--Current Year Adjustments

| | <u>State General Fund</u> | <u>All Funds</u> |
|---|-----------------------------------|----------------------|
| Human Resources (Cont.) | | |
| Capital Improvements | -- | 337,850 |
| Total--Kansas Neurological Institute | (\$308,360) | (\$260,247) |
| Larned State Hospital | | |
| Salary & Wage Adjustments | (1,563,955) | (27,423) |
| Miscellaneous Operating Expenditures | 1,094,306 | (10,120) |
| Other Assistance, Grants, & Benefits | -- | (91,061) |
| Capital Improvements | -- | 192,691 |
| Total--Larned State Hospital | (\$469,649) | \$64,087 |
| Osawatomie State Hospital | | |
| Salary & Wage Adjustments | (897,213) | 65,801 |
| Miscellaneous Operating Expenditures | 573,576 | 139,244 |
| Capital Improvements | -- | 83,178 |
| Total--Osawatomie State Hospital | (\$323,637) | \$288,223 |
| Parsons State Hospital and Training Center | | |
| Salary & Wage Adjustments | 255,297 | 201,550 |
| Miscellaneous Operating Expenditures | (288,830) | 73,000 |
| Other Assistance, Grants, & Benefits | -- | 2,000 |
| Capital Improvements | -- | 1,069,816 |
| Total--Parsons State Hospital and Training Center | (\$33,533) | \$1,346,366 |
| Rainbow Mental Health Facility | | |
| Salary & Wage Adjustments | (9,701) | 124,540 |
| Miscellaneous Operating Expenditures | (58,299) | 92,034 |
| Total--Rainbow Mental Health Facility | (\$68,000) | \$216,574 |
| Department on Aging | | |
| Community-Based Services | 1,576,800 | 4,000,000 |
| Nursing Facilities | (750,008) | -- |
| General Community Grants | 808,968 | 1,019,782 |
| Case Management | 1,402,927 | 3,497,628 |
| Nutrition Grants | -- | (272,483) |
| Miscellaneous Operating Expenditures | (2,830,626) | (1,643,106) |
| Total--Department on Aging | \$208,061 | \$6,601,821 |
| Health and Environment--Health | | |
| Salary & Wage Adjustments | (267,743) | (609,152) |
| Miscellaneous Operating Expenditures | 1,770,442 | 2,188,352 |
| Retirement Reductions | (37,025) | (92,303) |
| AIDS Med. Shortfall | 250,000 | 250,000 |
| Aid to Local Governments | (235,000) | (1,605,929) |
| WIC Adjustment | -- | (5,000,000) |
| Total--Health and Environment--Health | \$1,480,674 | (\$4,869,032) |
| Homestead Property Tax Refunds | | |
| Other Assistance, Grants, & Benefits | 1,776,554 | 1,776,554 |
| Department of Human Resources | | |
| Salary & Wage Adjustments | -- | 610,251 |
| Miscellaneous Operating Expenditures | 29,410 | 1,414,523 |

Schedule 9--Current Year Adjustments

| | State General Fund | All Funds |
|--|-----------------------------------|----------------------|
| Savings Incentives Expenditures | 27,863 | 27,863 |
| Retirement Reductions | -- | (146,068) |
| Unemployment Insurance Benefits | -- | (13,000,000) |
| Other Assistance, Grants, & Benefits | -- | (28,553) |
| Welfare to Work Grant | 3,328,233 | 6,664,141 |
| Capital Improvement--Repair Roof | -- | 50,000 |
| Total--Department of Human Resources | \$3,385,506 | (\$4,407,843) |
| Commission on Veterans' Affairs | | |
| Miscellaneous Operating Expenditures | 51,293 | 46,246 |
| Community-Based Outpatient Clinic | 149,735 | 268,360 |
| Local Grant for KVH Construction | -- | 1,250,000 |
| Lapse Carry-forward of Power Plant Funding | -- | (5,965) |
| Capital Improvements | -- | 7,011,663 |
| Total--Commission on Veterans' Affairs | \$201,028 | \$8,570,304 |
| Guardianship Program | | |
| Savings Incentive Expenditures | 10,000 | 10,000 |
| Stipend Payments | (50,400) | (50,400) |
| Total--Guardianship Program | (\$40,400) | (\$40,400) |
| Total--Human Resources | \$27,980,099 | \$111,279,358 |
| Education | | |
| Department of Education | | |
| Shift to Inservice Education Aid | 1,000,000 | 1,000,000 |
| State Assessment Revision Costs | 287,259 | 523,419 |
| School Finance Estimate Adjustments | (8,252,000) | (5,102,000) |
| Federal Food Assistance Grants | -- | (7,165,244) |
| Juvenile Detention Facility Aid | 100,000 | 100,000 |
| Additional Federal Grants | -- | (1,090,741) |
| Total--Department of Education | (\$6,864,741) | (\$11,734,566) |
| School for the Blind | | |
| Savings Incentive Expenditures | 1,676 | 1,676 |
| Rehabilitation & Repair | -- | 530,861 |
| Technology Lending Library | 100,000 | 100,000 |
| Federal Grant Funds | -- | 23,784 |
| Total--School for the Blind | \$101,676 | \$656,321 |
| School for the Deaf | | |
| Rehabilitation & Repair | -- | 459,965 |
| Agency Fee Fund Increases | -- | 60,000 |
| Computer Purchases | -- | 11,511 |
| Total--School for the Deaf | -- | \$531,476 |
| Board of Regents | | |
| Miscellaneous Operating Expenditures | 88,998 | 338,007 |
| Rehabilitation & Repair | -- | (5,000,000) |
| Equipment Reserve Fund | -- | (5,000,000) |
| Scholarship Program Adjustments | 42,936 | 42,936 |
| Total--Board of Regents | \$131,934 | (\$9,619,057) |

Schedule 9--Current Year Adjustments

| | State General Fund | All Funds |
|---------------------------------------|-----------------------------------|----------------------|
| Education (Cont.) | | |
| Emporia State University | | |
| Miscellaneous Operating Expenditures | 215,883 | 818,072 |
| Equipment Reserve Fund | -- | 606,445 |
| General Use Fund Shift | 123,897 | -- |
| Rehabilitation & Repair | -- | 497,847 |
| Total--Emporia State University | \$339,780 | \$1,922,364 |
| Fort Hays State University | | |
| Miscellaneous Operating Expenditures | 108,416 | 939,752 |
| Equipment Reserve Fund | -- | 164,725 |
| Adjustments to Financial Aid | -- | 892,754 |
| General Use Fund Shift | 100,196 | -- |
| Rehabilitation & Repair | -- | 502,701 |
| Total--Fort Hays State University | \$208,612 | \$2,499,932 |
| Kansas State University | | |
| Miscellaneous Operating Expenditures | 774,051 | 5,550,085 |
| Adjustments to Financial Aid | -- | 20,979,316 |
| Retirement Reductions | (48,269) | (48,269) |
| Rehabilitation & Repair | -- | 1,299,769 |
| Other Capital Improvements | -- | (420,103) |
| Total--Kansas State University | \$725,782 | \$27,360,798 |
| KSU Veterinary Medical Center | | |
| Adjust Tuition Estimates | (90,981) | -- |
| Miscellaneous Operating Expenditures | 71,410 | 1,607,824 |
| Total--KSU Veterinary Medical Center | (\$19,571) | \$1,607,824 |
| Kansas State University--ESARP | | |
| Miscellaneous Operating Expenditures | 621,029 | 621,029 |
| Correction for Prior Year Retirement | (35,518) | (35,518) |
| Retirement Reduction | -- | (18,409) |
| Other Assistance, Grants, & Benefits | -- | (19,494) |
| Federal Grants | (269,024) | 151,697 |
| Capital Improvements | -- | 3,000,000 |
| Total--Kansas State University--ESARP | \$316,487 | \$3,699,305 |
| Pittsburg State University | | |
| Salary & Wage Adjustment | (26,304) | (26,304) |
| Equipment Reserve Fund | -- | 269,561 |
| General Use Fund Shift | (460,471) | -- |
| Rehabilitation & Repair | -- | 371,328 |
| Other Capital Improvements | -- | (5,148,431) |
| Total--Pittsburg State University | (\$486,775) | (\$4,533,846) |
| University of Kansas | | |
| Federal Research Support | -- | 16,798,002 |
| Financial Aid | -- | (959,507) |
| Miscellaneous Operating Expenditures | 980,792 | 980,792 |
| Retirement Reductions | (81,899) | (136,571) |
| Rehabilitation & Repair | -- | 1,636,868 |
| Other Capital Improvements | -- | 10,256,071 |
| Total--University of Kansas | \$898,893 | \$28,575,655 |

Schedule 9--Current Year Adjustments

| | State General Fund | All Funds |
|---|-----------------------------------|----------------------|
| KU Medical Center--Education | | |
| Adjustment in Tuition Estimates | (28,513) | -- |
| Miscellaneous Operating Expenditures | 2,005,191 | 1,114,136 |
| Retirement Reductions | (8,014) | (32,056) |
| Adjustments to Financial Aid | 87,631 | 86,650 |
| Rehabilitation & Repair | -- | 2,723,335 |
| Other Capital Improvements | -- | (198,543) |
| Total--KU Medical Center--Education | \$2,056,295 | \$3,693,522 |
| KU Medical Center--Hospital | | |
| Change Governance to Hospital Authority | -- | (36,473,121) |
| Wichita State University | | |
| Miscellaneous Operating Expenditures | 23,683 | 826,667 |
| Retirement Reductions | (23,986) | (46,648) |
| Adjustments to Financial Aid | -- | (166,996) |
| Rehabilitation & Repair | -- | 415,315 |
| Other Capital Improvements | -- | 207,698 |
| Total--Wichita State University | (\$303) | \$1,236,036 |
| Kansas Arts Commission | | |
| Federal Grant Funds | -- | 31,331 |
| Historical Society | | |
| Miscellaneous Operating Expenditures | (18,713) | 94,551 |
| Aid to Local Governments | -- | 27,513 |
| Rehabilitation & Repair | 238,549 | -- |
| Total--Historical Society | \$219,836 | \$122,064 |
| KPERS--School | | |
| Retirement Benefits | -- | 2,524,376 |
| State Library | | |
| Miscellaneous Operating Expenditures | (134,714) | 81,480 |
| Overestimation of Federal Funds | 162,223 | 151,703 |
| Other Assistance, Grants, & Benefits | 760 | 760 |
| Aid to Local Libraries | (53,536) | 43,413 |
| Total--State Library | (\$25,267) | \$277,356 |
| Total--Education | (\$2,397,362) | \$12,377,770 |
| Public Safety | | |
| Department of Corrections | | |
| Salary & Wage Adjustments | (310,856) | (146,101) |
| Expansion Planning | 412,370 | 412,370 |
| Miscellaneous Operating Expenditures | 499,119 | (316,418) |
| Savings Incentive Expenditures | 68,905 | 68,905 |
| Community Corrections | (387,000) | (387,000) |
| Retirement Reduction | (19,848) | (19,848) |
| Aid to Local Governments | (1,149,518) | (916,035) |
| Capital Improvements | (243,750) | (45,448) |
| Total--Department of Corrections | (\$1,130,578) | (\$1,349,575) |

Schedule 9--Current Year Adjustments

| | <u>State General Fund</u> | <u>All Funds</u> |
|---|-----------------------------------|----------------------|
| Public Safety (Cont.) | | |
| El Dorado Correctional Facility | | |
| Salary & Wage Adjustments | (51,430) | (51,430) |
| Miscellaneous Operating Expenditures | (17,000) | (18,982) |
| Savings Incentive Expenditures | 267 | 267 |
| Capital Improvements | -- | 385,293 |
| Total--El Dorado Correctional Facility | (\$68,163) | \$315,148 |
| Ellsworth Correctional Facility | | |
| Salary & Wage Adjustments | (294,273) | (299,775) |
| Miscellaneous Operating Expenditures | 90,398 | 90,398 |
| Total--Ellsworth Correctional Facility | (\$203,875) | (\$209,377) |
| Hutchinson Correctional Facility | | |
| Salary & Wage Adjustments | (108,349) | (108,349) |
| Retirement Reduction | (39,574) | (39,574) |
| Capital Improvements | -- | 661,125 |
| Total--Hutchinson Correctional Facility | (\$147,923) | \$513,202 |
| Lansing Correctional Facility | | |
| Salary & Wage Adjustments | (763,290) | (763,290) |
| Miscellaneous Operating Expenditures | 181,390 | 181,390 |
| Savings Incentive Expenditures | 66 | 66 |
| Capital Improvements | -- | 235,864 |
| Total--Lansing Correctional Facility | (\$581,834) | (\$345,970) |
| Larned Correctional Mental Health Facility | | |
| Salary & Wage Adjustments | (207,722) | (207,722) |
| Miscellaneous Operating Expenditures | 128,299 | 131,470 |
| Capital Improvements | -- | 1,199 |
| Total--Larned Correctional Mental Health Facility | (\$79,423) | (\$75,053) |
| Norton Correctional Facility | | |
| Salary & Wage Adjustments | (204,509) | (204,509) |
| Capital Improvements | -- | 1,251,968 |
| Total--Norton Correctional Facility | (\$204,509) | \$1,047,459 |
| Topeka Correctional Facility | | |
| Salary & Wage Adjustments | (171,546) | (131,358) |
| Miscellaneous Operating Expenditures | 240,582 | 276,267 |
| Transition Center | 36,684 | 36,684 |
| Capital Improvements | -- | 80,990 |
| Total--Topeka Correctional Facility | \$105,720 | \$262,583 |
| Winfield Correctional Facility | | |
| Salary & Wage Adjustments | (99,270) | (99,270) |
| Miscellaneous Operating Expenditures | (7,900) | (7,900) |
| Savings Incentive Expenditures | 900 | 900 |
| Capital Improvements | -- | 92,797 |
| Total--Winfield Correctional Facility | (\$106,270) | (\$13,473) |
| Juvenile Justice Authority | | |
| Expansion at the Juvenile Facilities | 748,313 | 748,313 |

Schedule 9--Current Year Adjustments

| | <u>State General Fund</u> | <u>All Funds</u> |
|--|-----------------------------------|----------------------|
| Public Safety (Cont.) | | |
| Management Information System Transfer | (135,976) | (135,976) |
| Federal Funds Adjustment | -- | (4,104,103) |
| Miscellaneous Operating Expenditures | -- | 312,439 |
| Savings Incentive Expenditures | 13,446 | 13,446 |
| Total--Juvenile Justice Authority | \$625,783 | (\$3,165,881) |
| Atchison Juvenile Correctional Facility | | |
| Federal Funds Adjustment | -- | 15,750 |
| Management Information System | 56,988 | 56,988 |
| Total--Atchison Juvenile Correctional Facility | \$56,988 | \$72,738 |
| Beloit Juvenile Correctional Facility | | |
| Federal Funds Adjustment | -- | 19,335 |
| Management Information System | 10,000 | 10,000 |
| Total--Beloit Juvenile Correctional Facility | \$10,000 | \$29,335 |
| Larned Juvenile Correctional Facility | | |
| Salary & Wage Adjustments | (45,519) | (45,519) |
| Federal Funds Adjustment | -- | 68,765 |
| Management Information System | 56,988 | 56,988 |
| Total--Larned Juvenile Correctional Facility | \$11,469 | \$80,234 |
| Topeka Juvenile Correctional Facility | | |
| Federal Funds Adjustment | -- | 2,208 |
| Management Information System | 12,000 | 12,000 |
| Miscellaneous Operating Expenditures | (93,642) | (93,642) |
| Capital Improvements | -- | 61,683 |
| Total--Topeka Juvenile Correctional Facility | (\$81,642) | (\$17,751) |
| Adjutant General | | |
| Salary & Wage Adjustments | 31,111 | 128,363 |
| Miscellaneous Operating Expenditures | -- | (177,828) |
| Increased Federal Construction | -- | 1,305,639 |
| Carryforward Flood Money | -- | 10,600,000 |
| State Emergency Grants | 2,801,780 | 4,901,780 |
| Employee Reduction | (39,608) | (79,912) |
| Various Aid Adjustments | -- | 14,429 |
| Capital Improvements | 72,110 | 129,029 |
| Total--Adjutant General | \$2,865,393 | \$16,821,500 |
| Ombudsman for Corrections | | |
| Miscellaneous Operating Expenditures | -- | 983 |
| Emergency Medical Services Board | | |
| Emergency Medical Services for Children | -- | 141,878 |
| Miscellaneous Operating Expenditures | (2,921) | -- |
| Total--Emergency Medical Services Board | (\$2,921) | \$141,878 |
| State Fire Marshal | | |
| New Hazmat Response Program | -- | 24,995 |
| Miscellaneous Operating Expenditures | -- | (16,113) |
| Total--State Fire Marshal | -- | \$8,882 |

Schedule 9--Current Year Adjustments

| | State General Fund | All Funds |
|--|-----------------------------------|----------------------|
| Highway Patrol | | |
| Criminal Justice Information System | (199,407) | (120,268) |
| Miscellaneous Operating Expenditures | -- | 617,062 |
| Total--Highway Patrol | (\$199,407) | \$496,794 |
| Kansas Bureau of Investigation | | |
| Salary & Wage Adjustments | -- | 967,689 |
| Miscellaneous Operating Expenditures | -- | 555,379 |
| Federal Grants | -- | 941,992 |
| Total--Kansas Bureau of Investigation | -- | \$2,465,060 |
| Kansas Parole Board | | |
| Miscellaneous Operating Expenditures | 2,180 | 2,180 |
| Kansas Sentencing Commission | | |
| Criminal Justice Information System | 221,348 | 221,348 |
| State Budget Stabilization Fund--Criminal Justice Inform | -- | (1,300,248) |
| Federal Criminal Justice Grants | -- | 256,650 |
| State Match for Federal Funds | 94,000 | 94,000 |
| Total--Kansas Sentencing Commission | \$315,348 | (\$728,250) |
| Total--Public Safety | \$1,186,336 | \$16,352,646 |
| Agriculture & Natural Resources | | |
| Department of Agriculture | | |
| Grain Commodity Commissions Non-Expense | -- | 963,084 |
| Federal Grants | -- | 221,832 |
| Total--Department of Agriculture | -- | \$1,184,916 |
| Animal Health Department | | |
| Miscellaneous Operating Expenditures | -- | (64,358) |
| State Conservation Commission | | |
| Miscellaneous Operating Expenditures | (9,491) | 3,512 |
| Health & Environment--Environment | | |
| Salary & Wage Adjustments | 152,756 | (110,398) |
| Miscellaneous Operating Expenditures | (120,764) | 3,009,196 |
| EPA Grants | -- | (63,295) |
| Total--Health & Environment--Environment | \$31,992 | \$2,835,503 |
| Kansas State Fair | | |
| Demand Transfer Adjustment | 49,860 | 49,860 |
| Miscellaneous Operating Expenditures | -- | 94,488 |
| Capital Improvements | -- | 232,000 |
| Total--Kansas State Fair | \$49,860 | \$376,348 |
| Kansas Water Office | | |
| Miscellaneous Operating Expenditures | (52,366) | (54,272) |
| Water Marketing | -- | (8,640) |
| Wetland and Riparian Protection | -- | 217,279 |
| Total--Kansas Water Office | (\$52,366) | \$154,367 |

Schedule 9--Current Year Adjustments

| | <u>State General Fund</u> | <u>All Funds</u> |
|---|-----------------------------------|----------------------|
| Kansas Wheat Commission | | |
| Miscellaneous Operating Expenditures | -- | (2,027) |
| Department of Wildlife & Parks | | |
| Salary & Wage Adjustments | (29,368) | (29,368) |
| Miscellaneous Operating Expenditures | (13,188) | (26,412) |
| Aid to Local Governments | -- | 15,000 |
| Capital Improvements | 372,746 | (423,068) |
| Total--Department of Wildlife & Parks | \$330,190 | (\$463,848) |
| Total--Agriculture & Natural Resources | \$350,185 | \$4,024,413 |

Transportation

| | | |
|--|---------------------|----------------------|
| Kansas Department of Transportation | | |
| Reappropriation of KDOT Building Funds | -- | 3,135,774 |
| Design Contracts | -- | 18,000,000 |
| Construction Operations | -- | (4,046,265) |
| Construction Contracts | -- | 77,642,400 |
| City/County Construction | -- | 10,222,000 |
| Miscellaneous Operating Expenditures | -- | (6,349,818) |
| Savings Incentive Expenditures | -- | 1,044,060 |
| Retirement Reductions | -- | (321,264) |
| Local Highway and Categorical Aid | -- | 8,588,421 |
| Financial Management System | -- | (6,000,000) |
| Total--Kansas Department of Transportation | -- | \$101,915,308 |
| Total--Transportation | -- | \$101,915,308 |
| Statewide Total | \$30,425,337 | \$263,901,164 |