The Governor's

Budget Report

Volume 1

Descriptions and Budget Schedules

Fiscal Year 2009

KANSAS
OFFICE OF THE GOVERNOR

Kathleen Sebelius, Governor

www.governor.ks.gov

January 15, 2008

Dear Fellow Kansans:

With the submission of this report, I present my budget recommendations for the fiscal years 2008 and 2009 for consideration by the 2008 Kansas Legislature.

A strong Kansas economy has allowed us to make significant commitments to education, health care, and transportation infrastructure over the last five years.

My budget recommendations keep the commitments already made and are further based on the key principles of supporting education, growing the Kansas economy, improving health care, maintaining the state's infrastructure, and fairly compensating those who are dedicated to public service.

The recommendations can be financed with existing resources while still leaving an ending balance of $317.9 million in the State General Fund.

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

Sincerely,

Kathleen Sebelius

KATHLEEN SEBELIUS
Governor

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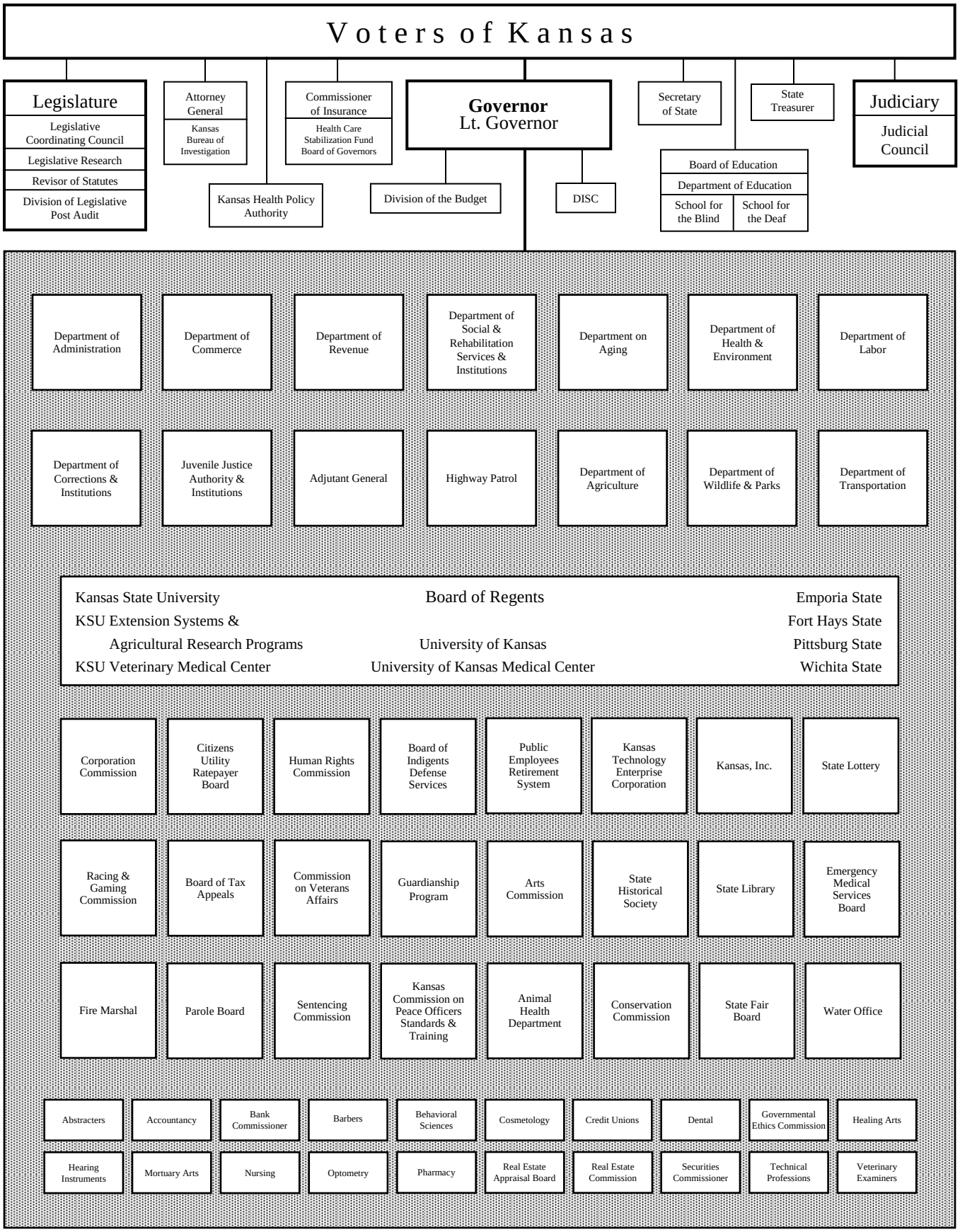

Voters of Kansas
Legislature
Legislative Coordinating Council
Legislative Research
Revisor of Statutes
Division of Legislative Post Audit
Attorney General
Kansas Bureau of Investigation
Kansas Health Policy Authority
Commissioner of Insurance
Health Care Stabilization Fund Board of Governors
Governor
Lt. Governor
Division of the Budget
DISC
Secretary of State
State Treasurer
Board of Education
Department of Education
School for the Blind
School for the Deaf
Judiciary
Judicial Council
Department of Administration
Department of Commerce
Department of Revenue
Department of Social & Rehabilitation Services & Institutions
Department on Aging
Department of Health & Environment
Department of Labor
Department of Corrections & Institutions
Juvenile Justice Authority & Institutions
Adjutant General
Highway Patrol
Department of Agriculture
Department of Wildlife & Parks
Department of Transportation
Kansas State University
KSU Extension Systems & Agricultural Research Programs
KSU Veterinary Medical Center
Board of Regents
University of Kansas
University of Kansas Medical Center
Emporia State
Fort Hays State
Pittsburg State
Wichita State
Corporation Commission
Citizens Utility Ratepayer Board
Human Rights Commission
Board of Indigents Defense Services
Public Employees Retirement System
Kansas Technology Enterprise Corporation
Kansas, Inc.
State Lottery
Racing & Gaming Commission
Board of Tax Appeals
Commission on Veterans Affairs
Guardianship Program
Arts Commission
State Historical Society
State Library
Emergency Medical Services Board
Fire Marshal
Parole Board
Sentencing Commission
Kansas Commission on Peace Officers Standards & Training
Animal Health Department
Conservation Commission
State Fair Board
Water Office
Abstracters
Accountancy
Bank Commissioner
Barbers
Behavioral Sciences
Cosmetology
Credit Unions
Dental
Governmental Ethics Commission
Healing Arts
Hearing Instruments
Mortuary Arts
Nursing
Optometry
Pharmacy
Real Estate Appraisal Board
Real Estate Commission
Securities Commissioner
Technical Professions
Veterinary Examiners

Readers of *The FY 2009 Governor's Budget Report* can access this information on the Kansas Division of the Budget's website at http://budget.ks.gov.

Table of Contents

Budget Summary

Overview 1
Key Components of the Budget for FY 2009 5
Budget Principle: Support Kansas Schools & Enhance Early Childhood Programs 6
Budget Principle: Grow the Economy & Create Jobs 7
Budget Principle: Improve Health Care 8
Budget Principle: Maintain the State's Infrastructure 9
Budget Principle: Fairly Compensate Those In Public Service 10

State General Fund

State General Fund Balances 13
State General Fund Consensus Revenues 15
State General Fund Revenue Adjustments 20
State General Fund Expenditures 25

Budget Issues

Children's Initiatives Fund 31
Gaming Revenues 36
Economic Development Initiatives Fund 37
Expanded Lottery Act Revenues Fund 42
State Water Plan Fund 46
State Employees 53
Homeland Security 59
Disaster Relief 61
Motor Vehicles 63

General Government

Summary 67
Executive Branch Agencies 68
Biennial Budget Agencies 75
Executive Branch Elected Officials 77
Legislative Branch Agencies 80
Judicial Branch Agencies 81

Human Services

Summary 85
Social & Rehabilitation Services 86
State Hospitals 94
Kansas Health Policy Authority 97
Other Human Services Agencies 100

Education

Summary 107
Elementary & Secondary Education 108
Postsecondary Education 115
Other Education Agencies 124

Public Safety
Summary 127
Adult Corrections 128
Juvenile Justice 131
Other Public Safety Agencies 133

Agriculture & Natural Resources
Summary 139
Agriculture & Natural Resources Agencies 140

Transportation
Summary 149
Transportation Agencies 150

Children's Budget
Summary 157
Recommendations 158
Expenditures for Children's Programs by Agency & Activity 184

Debt Service
Summary 201
Expenditures for Debt Service by Agency 206

Capital Budget
Summary 215
Recommendations 218
Expenditures for Capital Improvements by Project 235

The Budget Process 245

Glossary 259

Schedules
Major State Funds 265
Schedule 1.1—Expenditures Statewide from All Funding Sources 268
Schedule 1.2—Expenditures Statewide from the State General Fund 269
Schedule 2.1—Expenditures from All Funding Sources by Agency 270
Schedule 2.2—Expenditures from the State General Fund by Agency 273
Schedule 2.3—Expenditures from the Children's Initiatives Fund by Agency 275
Schedule 2.4—Expenditures from the Economic Development Initiatives Fund by Agency 276
Schedule 2.5—Expenditures from the State Water Plan Fund by Agency 277
Schedule 2.6—Expenditures from the Expanded Lottery Act Revenues Fund by Agency 278
Schedule 3.1—Expenditures from All Funding Sources for State Operations by Agency 279
Schedule 3.2—Expenditures from the State General Fund for State Operations by Agency 282
Schedule 4.1—Expenditures from All Funding Sources for Aid to Local Governments 284
Schedule 4.2—Expenditures from the State General Fund for Aid to Local Governments 289
Schedule 5.1—Expenditures from All Funding Sources for Other Assistance, Grants, & Benefits by Agency 291
Schedule 5.2—Expenditures from the State General Fund for Other Assistance, Grants, & Benefits by Agency 299
Schedule 6.1—Expenditures from All Funding Sources for Capital Improvements by Agency 303

Schedule 6.2—Expenditures from the State General Fund for Capital Improvements by Agency 305
Schedule 7—Federal Receipts by Agency 309
Schedule 8—Current Year Adjustments 313
Schedule 9.1—Authorized Positions by Agency 327
Schedule 9.2—Headcount by Agency 334
Schedule 9.3—Mathematical FTE Positions by Agency 337

Index 343

Statutory Budget 349

Budget Summary

Overview

Governor Kathleen Sebelius presents a revised FY 2008 budget and a new budget plan for FY 2009. Five basic principles guide the Governor's budget recommendations:

Support Kansas schools and enhance early childhood programs;

Grow the economy and create jobs;

Improve health care;

Maintain the state's infrastructure;

Fairly compensate those in public service.

State General Fund Budget Totals
(Dollars in Millions)

	Amount	Percent Change
FY 2007 Actual Expenditures	$ 5,607.7	--
FY 2008 Approved (May 2007)	6,088.9	8.6%
Expenditures Shifting Forward	21.4	--
FY 2008 Approved with Shifts	6,110.3	9.0%
FY 2008 Revised Rec.	6,112.1	9.0%
FY 2009 Governor's Rec.	6,393.6	4.6%

FY 2008

The revised budget for FY 2008 supports the initiatives that were included in the original FY 2008 budget approved by the Kansas Legislature, but incorporates the most current estimates for human service caseloads and school finance commitments. School finance costs go up $24.3 million primarily to cover special education costs and KPERS, but human service caseload costs decrease from the approved budget, for a net State General Fund increase of $1.8 million. From all funding sources, the revised budget increases $471.9 million primarily to account for new federal disaster funding and shifts in the timing of projects in the Department of Transportation.

All Funding Sources Budget Totals
(Dollars in Millions)

	Amount	Percent Change
FY 2007 Actual Expenditures	$ 11,968.5	--
FY 2008 Approved (May 2007)	12,624.9	5.5%
FY 2008 Revised Rec.	13,096.8	9.4%
FY 2009 Governor's Rec.	13,567.9	3.6%

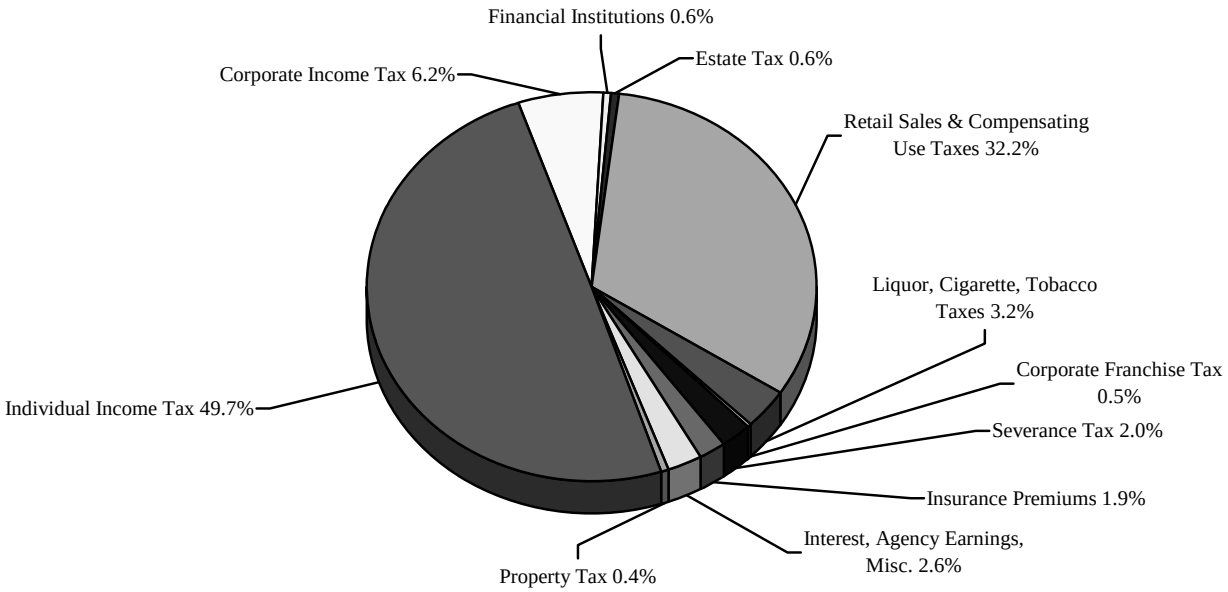
FY 2009

For FY 2009, the State General Fund projected ending balance is $317.9 million and equals 5.0 percent of expenditures. Proposed State General Fund expenditures increase $281.5 million. The recommendations use the increase for promises already made—school finance, social service caseloads, and KPERS—and for a continued commitment to postsecondary education. A state employee pay plan, a KPERS COLA for retirees, and any other enhancements to State General Fund programs are made possible by using new gaming revenues to reduce State General Fund debt obligations and pay for infrastructure improvements.

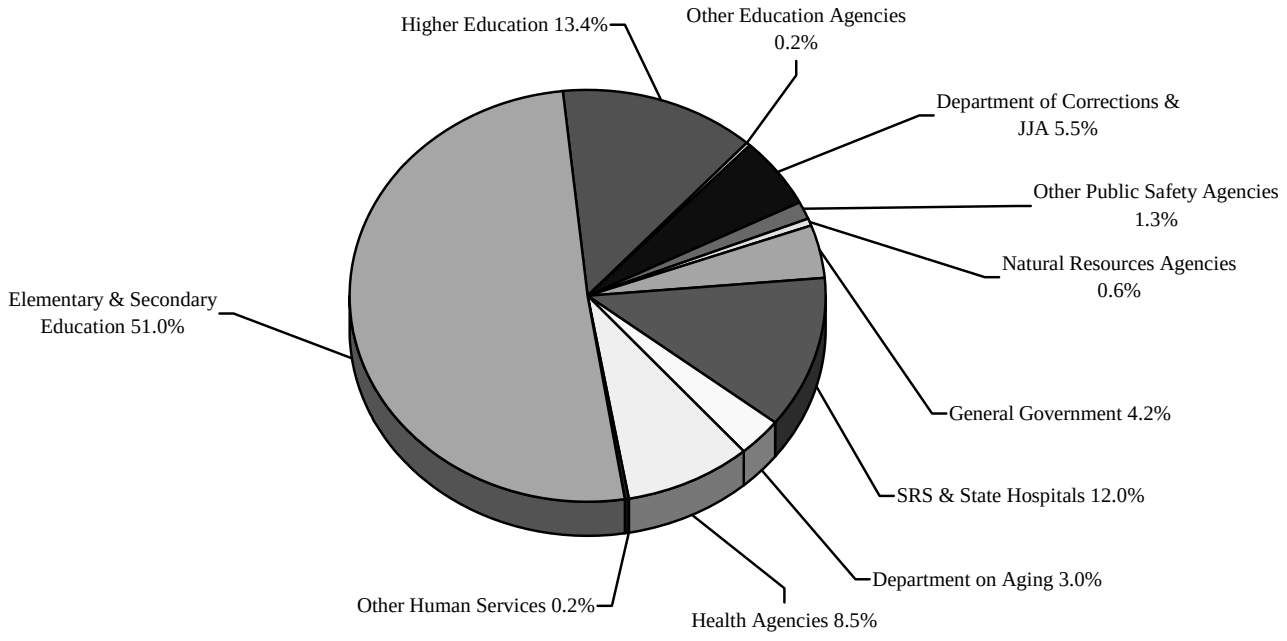
Statutory Budget

The budget in this volume presents the Governor's true recommendations within existing resources. A separate budget that projects a 7.5 percent ending balance in the State General Fund and meets the requirements of Kansas statutes is presented at the back of this volume. The difference between a budget with a 7.5 percent ending balance and a budget with a 5.0 percent ending balance—$147.4 million—has been invested in the final year of the commitment made to increase funding for K-12 public education.

Where State Dollars Come From
State General Fund
FY 2009



Where State Dollars Go
State General Fund
FY 2009



Outlook for the State General Fund

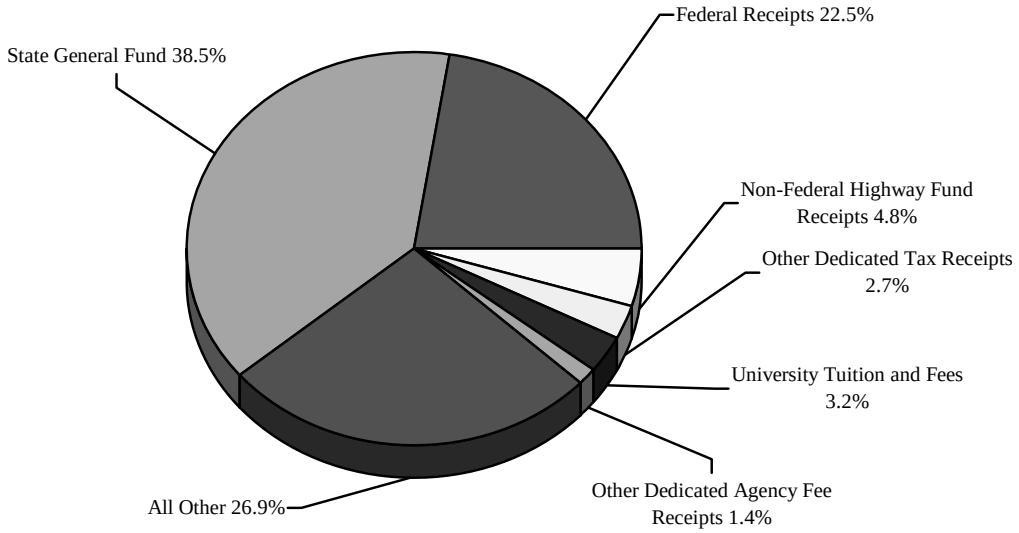
(Dollars in Millions)

	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Gov. Est.	FY 2009 Gov. Rec.
Beginning Balance	$ 327.5	$ 478.7	$ 733.6	$ 935.0	$ 536.3
Revenues					
Revenue from Taxes	4,718.5	5,325.3	5,794.7	5,925.6	6,086.2
Interest	23.3	54.3	92.3	108.0	101.0
Agency Earnings	75.9	57.0	64.5	60.0	61.2
Transfers:					
Special County/City Highway Fund	(10.1)	(10.1)	(10.1)	(10.1)	(10.1)
School Capital Improvement Aid	(53.0)	(57.5)	(63.7)	(69.2)	(74.2)
Water Plan Fund	(3.7)	(6.0)	(6.0)	(6.0)	(6.4)
Regents Faculty of Distinction	(0.3)	(0.9)	(2.5)	(4.1)	(5.0)
Regents Research Corp Debt Service	(3.1)	(0.2)	(7.5)	(8.8)	(9.6)
Keeping Educ. Promises Trust Fund	--	--	--	(122.7)	122.7
Statewide Maint. & Disaster Relief	--	--	(11.0)	(60.4)	--
Biosciences Initiative	--	(20.0)	(20.0)	(25.0)	(25.0)
Business Incentives	--	(5.7)	(9.8)	(8.0)	(7.7)
Property Tax Slider--2006 HB 2583	--	--	--	(28.3)	(44.8)
Highway Patrol	30.7	32.3	30.0	30.2	32.9
KDOT Loan Repayment	--	--	(32.5)	(30.9)	(30.9)
All Other Transfers	63.1	25.7	(9.3)	(37.0)	(15.1)
Total Available	$ 5,168.8	$ 5,873.1	$ 6,542.7	$ 6,648.4	$ 6,711.5
Expenditures					
Aid to K-12 Schools	2,314.9	2,583.9	2,819.1	3,067.6	3,235.2
Higher Education	706.1	747.1	782.1	833.0	855.0
Human Services Caseloads	659.2	698.2	772.4	821.9	879.3
All Other Expenditures	1,009.9	1,110.2	1,234.1	1,389.6	1,424.1
Total Expenditures	$ 4,690.1	$ 5,139.4	$ 5,607.7	$ 6,112.1	$ 6,393.6
Ending Balance	$ 478.7	$ 733.6	$ 935.0	$ 536.3	$ 317.9
As Percentage of Expenditures	*10.2%*	*14.3%*	*16.7%*	*8.8%*	*5.0%*

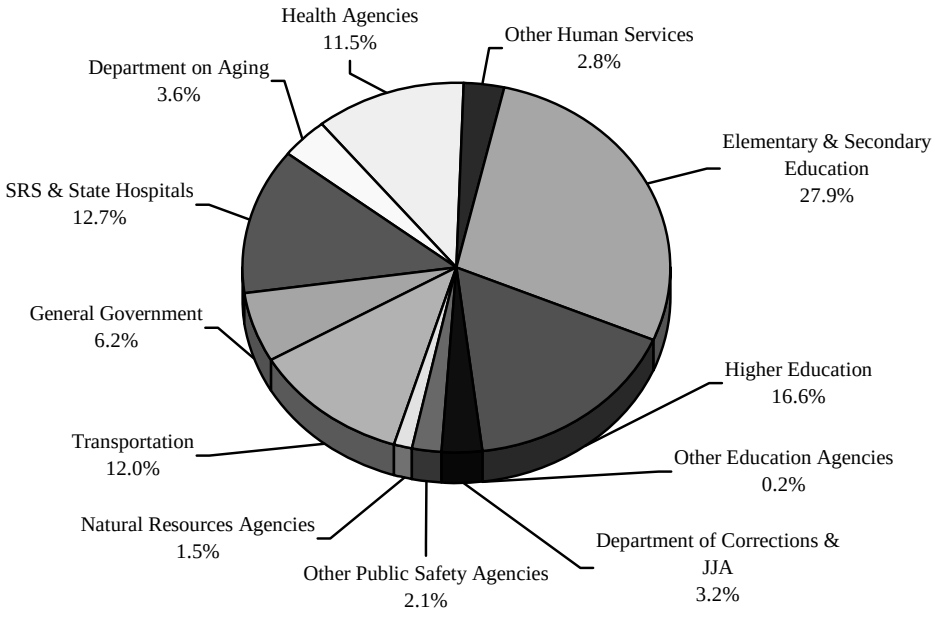
Totals may not add because of rounding.

Revenues for FY 2008 and FY 2009 reflect CRE of November 5, 2007 with Governor's revenue adjustments.

How the All Funds Budget Is Financed
All Sources of Funding
FY 2009



Where All Funds Go
All Sources of Funding*
FY 2009



** Excludes non-reportable expenditures.*

Key Components of the Budget for FY 2009

Strengthening Kansas Schools. The budget fully supports the multi-year school finance plan enacted in the 2006 Session, including the increases required to fund special education at 92 percent of excess costs.

Ensuring Quality Higher Education. The FY 2009 plan includes a $35.0 million operating grant increase for all postsecondary education, $15.0 million in additional funds to address deferred maintenance on university campuses, and a $4.5 million increase in student financial aid.

Expand Early Childhood Programs. The Governor proposes a new Early Childhood Block Grant to expand early learning opportunities for Kansas children. The block grant will be administered by the Children's Cabinet and be part of an ongoing effort to target the majority of Children's Initiatives Fund spending toward early childhood programs.

Promoting Job Growth. The number of jobs in Kansas has grown steadily over the last three years. Support for an Innovation Consortium, the Bioscience Authority, the National Institute for Aviation Research, and an expansion of KU's pharmacy school all build on the gains recently made.

Investing New Gaming Funds. New revenue from expanded gaming, projected by consensus of the involved parties, is dedicated to debt reduction and state infrastructure. State General Fund expenses are reduced, allowing support for a state employee pay plan and a KPERS COLA for retirees. The infrastructure recommendations benefit universities, state parks, the National Guard, and begins an affordable housing initiative for Kansas.

Responding to Disasters. Kansas experienced multiple weather-related disasters during 2007. $24.1 million of state funding has already been appropriated in FY 2008 to address the disasters and the budget recommendations include another $12.0 million in FY 2009 to match federal disaster funding.

Caring for the Elderly & Disabled. Home & Community-Based Services (HCBS) for the frail elderly and physically disabled already operate without waiting lists, and the budget contains additional funding to continue that policy. A proposed $11.5 million continues the Governor's commitment to address waiting lists in the HCBS program for the developmentally disabled. Total state support increases by $18.5 million.

Protecting Vulnerable Kansans. The Governor's budget fully funds the costs for Medicaid medical services, nursing home care, foster care, and temporary assistance for families. In FY 2009, more than 300,000 people are expected to receive medical services through state programs; more than 10,000 people are supported in nursing homes; almost 5,500 children will be in foster care; and 41,000 will receive support through temporary assistance to families.

Keeping Transportation Promises. The ten-year Comprehensive Transportation Program (CTP) concludes at the end of FY 2009. The budget follows agreements to appropriately dedicate revenue so that CTP projects can be completed as promised.

Free State Park Admissions. Proposed funding allows all Kansans to have free access to the state park system.

Protecting Water Resources. The budget continues recent enhancements to the Kansas Water Plan and provides $1.0 million to support the Wichita Aquifer Storage and Recovery Project.

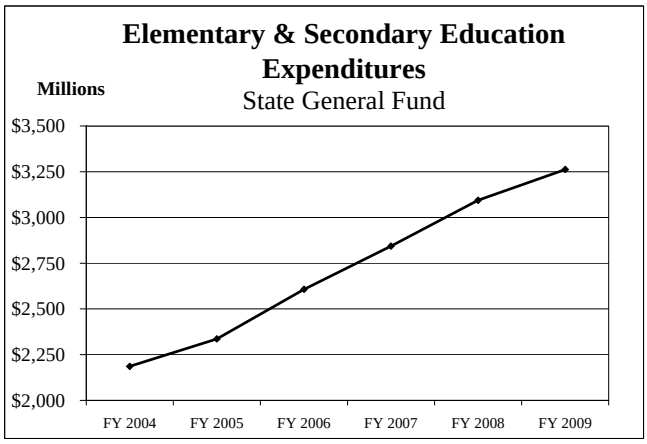
Recognizing Service. The budget supports the recommendations of the State Employee Compensation Oversight Commission to revise state employee compensation. The FY 2009 budget begins a 5-year process of raising out-of-market job classes up to market salaries, and also proposes a 2.5 percent general increase for all employees, so that we don't continue to fall behind. In addition, funds are provided to begin a multi-year cost of living increase for KPERS retirees.

Homeland Security and Support for Our Military & Veterans. The budget continues funding for the Military Bill of Rights, adds dollars for veterans service programs, and strengthens homeland security initiatives. Funding will build a new spoke in the Adjutant General's regional training center system.

Budget Principle: Support Kansas Schools & Enhance Early Childhood Programs

K-12 Schools. The Governor's budget fully supports the third year of the multi-year school finance plan passed in the 2006 Session. All necessary funds are included to cover the costs of the school finance formula including special education funding at 92 percent of excess costs. In addition, the Governor recommends a three-year phase-in of all-day kindergarten starting in FY 2010.

More than 50.0 percent of the State General Fund budget is dedicated to K-12 schools. Over the last five years, investment in schools has increased significantly. In FY 2004, state spending on schools totaled $2.19 billion, but in FY 2009, the comparative total will be $3.26 billion—an increase of $1.08 billion or nearly 50 percent.



Postsecondary Education. The Governor's recommendations dedicate $65.8 million of new state funding to Kansas higher education in FY 2009. The budget places $35.0 million of new general funding for universities, Washburn University, community colleges, and technical schools into one operating grant to be divided at the Board of Regents' discretion.

Student financial aid through the Comprehensive Grant Program increases by $3.0 million in FY 2009.

As part of the recommendations to use new gaming revenue, $15.0 million transfers to the Educational Building Fund will be applied to university deferred maintenance.

Increased Funding for Postsecondary Education in FY 2009

Postsecondary Ed. Op. Grant	35,000,000
KS Acad. of Math & Science	150,000
Technical Education Equip.	2,500,000
Capital Improvements	15,000,000
Comprehensive Grant	3,000,000
Military Service Scholarship	500,000
STEM Service Scholarship	1,000,000
KSU Veterinary Training Program	100,000
KU School of Pharmacy	1,000,000
Wichita Ctr. for Grad. Med. Ed.	1,000,000
NIAR	4,000,000
Aviation Infrastructure	2,500,000
Total Increase	$ 65,750,000

Early Childhood Initiative. An Early Childhood Block Grant administered by the Children's Cabinet is the centerpiece of a new focus on the youngest Kansas children. The budget allocates $5.0 million in FY 2008 and $18.0 million in FY 2009 from the Children's Initiatives Fund to encourage expansion of the state's network of early learning opportunities. Grant funds can go to community-based programs, school districts, Head Start sites, and child care centers, with at least 30.0 percent of the funds to be set aside for infant and toddler programs. It is anticipated that state funds will be matched by private donations and foundation grants.

In total, $46.8 million from the CIF is focused in FY 2009 to prenatal and early childhood programs, including $6.2 million for pre-k pilots, moved to the Department of Education, and $2.6 million for newborn screening. Plus, funding is continued for existing efforts such as Early Head Start and Parents As Teachers.

Budget Principle: Grow the Economy & Create Jobs

Economic Indicators. The Kansas economy continues to grow, buoyed by low unemployment, a solid aviation sector, and strong agricultural and oil prices. The FY 2009 State General Fund revenue forecast is based on the economic assumptions listed below.

Kansas Economic Indicators

(Percentage Increase)

	CY 2007	CY 2008	CY 2009
Gross State Product	5.4%	5.0%	5.3%
Kansas Personal Income	6.8%	5.1%	5.3%
Kansas Disposable Income	5.9%	5.4%	5.3%
Inflation (CPI-U)	2.7%	2.3%	2.3%
Corporate Profits Before Tax	3.0%	4.0%	5.0%
Unemployment Rate*	4.5%	4.8%	4.6%

**Fiscal Year basis.*

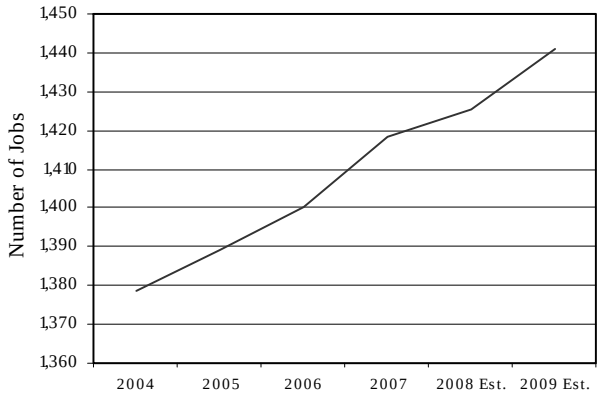
Tax Receipts. Reflecting the state's economy and steady job growth, individual income tax and corporate income tax receipts to the State General Fund have increased substantially over the last several years. The Consensus Estimating Group forecasts tax receipts from all sources to continue to grow in FY 2008 (2.3 percent) and FY 2009 (2.7 percent), but at a slightly slower pace than recent years.

Kansas Job Growth. Through November 2007, Kansas has experienced steady job growth. The Kansas employment market performed better than the national average in 2007 and job gains were spread across all industries. To further job creation, the FY 2009 budget continues funding for economic development programs within the Department of Commerce and KTEC. Revenue transfers to the Bioscience Authority are expected to total $25.0 million in FY 2008 as well as FY 2009.

Innovation Consortium. The Kansas Innovation Consortium (KIC) will be led by the Governor and comprise leaders from business, higher education, and relevant state and local offices. KIC will advise the Governor on research priorities and changes needed in education to achieve an innovation-based economy, as well as develop specific strategies for investing in innovation and entrepreneurship.

Kansas Employment Growth

(In Thousands)



National Institute for Aviation Research (NIAR). The aviation industry is one of the largest employers in the state. To support this portion of the state's economic infrastructure, the Governor recommends $6.5 million for NIAR and the National Center for Aviation Training. Wichita State University will develop new curriculum and purchase equipment to train the 25,000 new workers that will be needed in the aviation industry over the next five years. Sedgwick County and the Wichita Area Technical College will also contribute to the initiative.

School of Pharmacy. Also for the state's economic infrastructure and to address the pharmacist shortage across the state, the Governor recommends the expansion of Kansas University's School of Pharmacy beginning with $1.0 million for planning and start-up costs in FY 2009 and $50.0 million in bonding authority. Federal and private funding will also be accessed. When completed, the School will provide instruction to an additional 85 students, assist with continuing education for pharmacists, and promote residency programs in hospital pharmacies around the state.

Office of Rural Opportunity. The Governor recommends $2.1 million to support three Offices of Rural Opportunity located across the state. These offices will attract investment, business development, and job growth in the state's rural communities.

Budget Principle: Improve Health Care

KHPA Health Reform. Governor Sebelius supports the health care reform plan developed by the Kansas Health Policy Authority. Created in 2005, KHPA is charged with coordinating a statewide health policy agenda that incorporates effective purchasing, administration and health promotion strategies.

Developed through the Legislature's passage of 2007 SB 11, KHPA's health reform plan aims to transform the state's health system and provide all Kansans with access to affordable care. Governor Sebelius hopes to build on this framework and encourages passage of the plan during the 2008 Session.

KHPA has identified three priorities around which all recommendations are based:

Promoting Personal Responsibility. Proposed recommendations link responsible health behaviors with an informed purchase of health care services, such as increased cost transparency and health literacy.

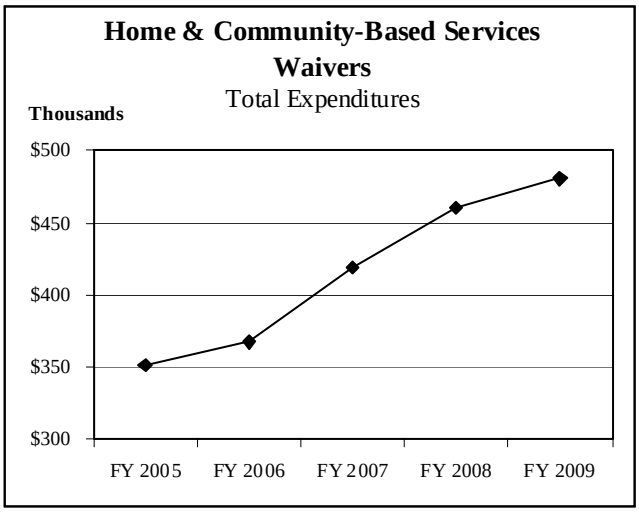
Promoting Medical Homes and Paying for Prevention. Recommendations focus on obesity, tobacco control and chronic disease management. This recommendation includes defining medical homes and improving coordination, exchange and standardization of health information. Also included is a statewide smoking ban, increased access to healthy choices for adults and children, Medicaid dental care for pregnant women, tobacco cessation programs and expanded cancer screenings.

Providing and Protecting Affordable Health Insurance. Recommendations in this category focus on small businesses, children, and low income or uninsured Kansans. Recommendations include implementation of Premium Assistance, aggressive enrollment of children currently eligible for Medicaid or HealthWave and promoting affordable coverage for small businesses.

The recommendations will be financed with a corresponding revenue stream generated by measures included in the plan. Therefore, costs have not yet been incorporated into the Governor's budget recommendations.

HCBS Services. The State of Kansas currently administers seven Home and Community-Based waiver programs, serving over 11,000 Kansans in a cost-effective manner that respects their desire for independence by providing the choice to remain in the comfort and stability of their own home and community.

The Governor's budget recommendations provide $480.7 million to support HCBS programs including an addition of $11.2 million in state and federal funds to lower waiting lists in HCBS—Developmentally Disabled programs. Additional funds are also included to address waiting lists in the Frail Elderly, Physically Disabled, Head Injury, Technology Assisted and Autism waiver programs.



In addition, the Governor recommends the review of compensation for home and community direct care staff with consideration of a multi-year plan to expand community capacity through rate adjustments, including enhanced departmental oversight to ensure community providers are appropriately meeting direct care workforce needs.

Fully Fund Medicaid Caseloads. More than 300,000 Kansans receive medical benefits through the Medicaid program, and more than 10,000 Kansans rely on Medicaid to support nursing home stays. Though Medicaid costs have been rising, the FY 2009 budget again fully funds Medicaid services for those eligible.

Budget Principle: Maintain the State's Infrastructure

Disaster Relief. Kansas experienced four major weather-related disasters in 2007. In response, many Kansans came together to help in the recovery and rebuilding efforts. The total costs of the January 2007 winter storm, the Greensburg tornado, and the southeast Kansas flooding alone are expected to reach almost $400.0 million. Of that, the state share will be $47.5 million, the local share $58.7 million, and the federal share $293.4 million. The budget includes $24.8 million in FY 2008 and $12.0 million in FY 2009 to match federal disaster aid and to provide other services.

Gaming Dollars to Infrastructure. Receipts from new gaming activities are expected to yield $9.4 million in FY 2008, $72.4 million in FY 2009, and more in future years. The Governor recommends targeting these new revenues to reduce state debt and take care of essential infrastructure.

Expanded Lottery Act Revenues Fund

Program or Project	FY 2009
Reduction of State Debt	57,140,836
State Infrastructure Improvements:	
State Building Maintenance & Renovation	4,000,000
Bioenergy Research Program	2,000,000
Technology Education Equipment Grants	2,500,000
Pharmacy School Expansion--KU	1,000,000
National Institute for Aviation Research	2,500,000
Historic Site Preservation & Development	500,000
Homeland Security Regional Training Ctr.	4,000,000
Enhanced KBI Operations	250,000
Ongoing Park Rehabilitation	3,000,000
Green Space Development	1,500,000
Workforce & Senior Housing	3,000,000
Total	$ 81,390,836

Housing. Affordable housing for displaced Kansans is critical to recovery efforts in communities affected by natural disasters, as well as in the overall economic vitality of rural communities across the state. The Governor recommends an annual expenditure of $3 million from new gaming revenues for the State Housing Trust Fund administered by the Kansas Housing Resources Corporation (KHRC). KHRC estimates that every dollar invested by the state in these programs leverages $4 in private housing development investment. This will be a continuous source of funding for housing in Kansas.

Education and Economy. New gaming revenues will be dedicated to the Pharmacy School expansion at the University of Kansas, the National Aviation Institute at Wichita State University and technology grants for technical schools and colleges across the state. $2 million will also be dedicated to a new grant program designed to foster innovation in the growing bioenergy industry.

Homeland Security. The Kansas National Guard and Kansas Bureau of Investigation will both receive new revenue to continue safety and security projects, including the Homeland Security Regional Training Center and expanded KBI lab operations.

State Buildings and Parks. $4 million from new gaming revenue will be dedicated to Capitol Complex maintenance and state building renovation. The Kansas State Historical Society and Kansas State Fair will also receive new revenue streams for maintenance and upkeep of state property. Wildlife and Parks will receive $3 million for ongoing park rehabilitation and $1.5 million for community green space development.

Comprehensive Transportation Program (CTP) Completion. The ten-year CTP will come to a successful completion at the end of FY 2009 with all promised transportation projects included. During the first years of the CTP, expected transfers from the State General Fund to the Highway Fund were not made because of budget shortages. But during the 2005 Session, the Governor and Legislature agreed to a refinancing plan that allowed the CTP to be completed as promised. In FY 2009 as part of that agreement, $173.0 million of sales tax receipts that previously would have accrued to the State General Fund will go directly to the Highway Fund, $16.5 million of debt service costs will be covered by gaming receipts, and a transfer of $30.9 million will be made to the Highway Fund to repay previous loans.

Budget Principle: Fairly Compensate Those In Public Service

The Governor recommends that the base pay of all state employees increase by 2.5 percent for FY 2009. A total of $55.2 million from all funds and $27.1 million from the State General Fund is included in the FY 2009 budget to implement this pay increase.

New Pay Plan. The Governor's budget also incorporates the recommendations of the special Pay Commission that met during the interim. After hearing considerable testimony and studying other plans, the Commission recommended that the state migrate from the current classified pay matrix to five different pay plans that more accurately acknowledge the varying kinds of work that state employees perform. The new pay plans are as follows:

- Managerial Plan
- Professional Plan
- Protective Service Plan
- Basic Vocational Plan
- General Plan

Classified employees will be assigned to a pay plan according to the type of work performed. The pay plans will differ in how positions advance in compensation. The Commission also determined that pay rates for many Kansas job classes were below market when compared to other employers, and recommended that Kansas pay rates be brought up to market over a five-year period. The Governor's budget appropriates $16.0 million in FY 2009 and similar amounts in the four succeeding years to accomplish that goal.

Ongoing efforts to streamline state employee job classifications by eliminating unnecessary classifications and revising others to more effectively reflect the work actually being done, will result in a reduction in the number of classifications from over 500 to less than 400 total classifications.

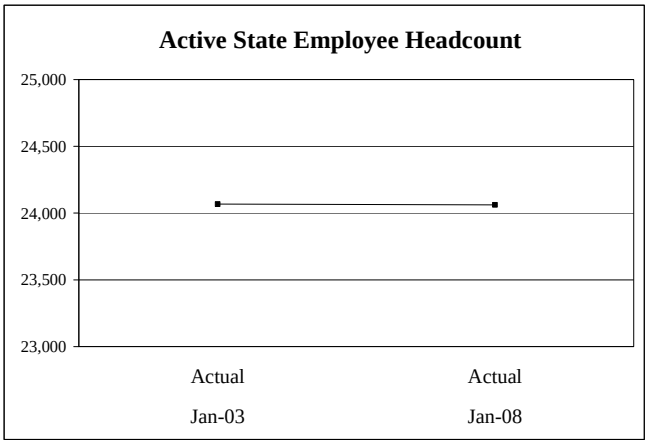
Reforms of the bargaining unit structure for state employees recently realigned employees into broader units in which all state employees performing similar jobs are included in a particular unit. The result was a reduction in the number of bargaining units from 42 to 17 occupationally-based statewide units.

KPERS COLA. The budget provides funds for a 1.0 percent cost-of-living-increase for KPERS retirees in each of the next three years. Financing the COLA requires an FY 2009 increase of $6.4 million in the base employer contribution to the KPERS system, and similar base increases in FY 2010 and FY 2011. Using new gaming revenue for debt reduction frees State General Fund dollars to finance the COLA.

The state's contributions for KPERS will continue to grow to reduce the unfunded actuarial liability of the System.

In addition, the Governor recommends KPERS staff work jointly with executive and legislative branches during the 2008 Session to develop a COLA for current active employees.

State Employee Health Plan. For the plan year that begins January 1, 2008, benefits have been enriched to cover an array of preventive services, and the employer subsidy for dependent care coverage has been increased from 45 percent of costs to 55 percent. The 2008 plan year will be the third year in a row in which the premiums charged to employees have either stayed flat or been reduced.



State Employee Count. In January 2003, the total count of employees actually working for the state (excluding the Regents universities) was 24,067. In January 2008, the comparable count is 24,062. State government employment levels have stayed flat in recent years when all other sectors of the Kansas economy have seen increased job numbers.

State General Fund

State General Fund Balances

Ending Balance Requirements

State law requires that an ending balance of at least 7.5 percent of total expenditures and demand transfers be built into the State General Fund budget. When established in 1990, the balance requirements were designed to ensure financial solvency and ensure the state can meet its obligations in a timely manner and prepare in the event of a downturn in tax receipts. At the time the law was passed, 7.5 percent of the State General Fund budget was $180.0 million.

State General Fund Balances

(Dollars in Millions)

Fiscal Year	Receipts	Expend.	Balances	Percent
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	3,978.4	4,196.2	540.7	12.9
2000	4,203.1	4,367.6	378.0	8.7
2001	4,415.0	4,429.6	365.7	8.3
2002	4,108.3	4,466.1	12.1	0.3
2003	4,245.6	4,137.5	122.7	3.0
2004	4,518.9	4,316.5	327.5	7.6
2005	4,841.3	4,690.1	478.7	10.2
2006	5,394.4	5,139.4	733.6	14.3
2007	5,809.0	5,607.7	935.0	16.7
2008	5,713.5	6,112.1	536.3	8.8
2009	6,175.2	6,393.6	317.9	5.0

The table above depicts a history of State General Fund receipts, expenditures, and year end balances for the fifteen-year period from FY 1995 through FY 2009. From FY 1995 to FY 2007, the data are actuals, and for FY 2008 and FY 2009, the data represent the Governor's proposals.

In FY 2002, receipts to the State General Fund dropped by 6.9 percent from the previous year, leaving an extremely low ending balance of $12.1 million. During FY 2003, Governor Graves implemented two emergency allotment reductions within three months; however, the state's fiscal condition remained in poor condition. It was in this timeframe when Governor Sebelius proposed her first budget in January 2003 that projected a positive ending balance just above zero. In the last five years, the recovery of the state's economy, budget reductions, and operating efficiencies have permitted the Governor to propose budgets with ever larger ending balances.

In her two most recent budgets, the Governor has proposed budget plans with the statutory 7.5 percent balance. However, because ongoing and sharply increasing expenditure commitments to the state's elementary and secondary schools have been made, the budget proposed for FY 2009 projects a 5.0 percent ending balance, or $147.4 million less than the 7.5 percent standard. The amount of the increase for state aid to schools in FY 2009 is currently budgeted at $167.6 million.

State General Fund
Projected Budget Year Ending Balance

(Dollars in Millions)

	Governor	
	Ending Balance Percentage	Ending Balance Dollar Amount
FY 2004	0.0%	$ 0.5
FY 2005	2.4%	113.0
FY 2006	4.3%	206.1
FY 2007	7.5%	395.5
FY 2008	7.5%	451.2
Average	4.3%	$ 233.3

	Legislature	
	Ending Balance Percentage	Ending Balance Dollar Amount
FY 2004	0.6%	$ 25.0
FY 2005	2.3%	108.6
FY 2006	3.6%	183.7
FY 2007	7.2%	397.1
FY 2008	4.8%	289.9
Average	3.7%	$ 200.9

The proposed budget for FY 2009 uses the revenue forecast in the November Consensus Revenue Estimate, with a few adjustments to transfers noted later in this section. The projected balance in the State General Fund at the end of FY 2009 is $317.9 million, or 5.0 percent of expenditures. To place this amount in context, the table on the previous page is provided that compares the Governor's and the Legislature's projected ending balances.

For the past seven years, from FY 2002 through FY 2008, the Legislature has suspended the legal requirement in appropriation language and planned for lower ending balances.

Cashflow

The budget is based on an estimate of annual receipts and the Governor's recommendation for total expenditures over the course of a fiscal year. However, the amount of receipts to the State General Fund varies from month to month, and an agency may spend any or all of its appropriation at any time during the fiscal year. In particular, the multi-year school finance plan enacted during the 2006 Legislative Session has shifted large state expenditures to the beginning of the fiscal year, while sizeable tax revenues, such as income tax are not received until late in the fiscal year. In addition, approved FY 2008 expenditures are greater than estimated revenues, adding to the factors affecting the ending balance.

At times when State General Fund balances are at a low level, the state has been forced to borrow from other funds by issuing certificates of indebtedness. A $350.0 million certificate was issued on December 10, 2007, despite beginning the year with nearly a 17.0 percent ending balance. Without this deposit, the State General Fund would have had insufficient idle cash with which to make expenditures, such as for payroll and grants to local governments, including school districts. At this point, the 7.5 percent ending balance no longer meets the state's cashflow needs.

State General Fund Consensus Revenues

Estimates for the State General Fund are developed using a consensus process that involves the Division of the Budget, the Kansas Legislative Research Department, the Department of Revenue, and three consulting economists, one each from the University of Kansas, Kansas State University, and Wichita State University. The Governor's budget uses the State General Fund Consensus Revenue Estimating Group's estimates for FY 2008 and FY 2009 as a base and adjusts them to reflect the recommendations of the Governor that affect State General Fund receipts. This section covers the revenue projected by the consensus estimating process. The next section will cover the adjustments proposed by the Governor for annual and one-time transfers and concludes with a table that adds the consensus numbers and the revenue adjustments to produce a new total for State General Fund revenues.

Estimating Process

Each year members of the Consensus Revenue Estimating Group meet in October with other individuals from specific business areas to discuss basic economic trends in Kansas, the Midwest, and the nation. Using information and assumptions developed in this meeting, each member of the group independently develops estimates for the different sources from which the State General Fund realizes receipts. An "in common" economic forecasting model is not used. The group reconvenes in November to discuss and compare the individual estimates of the members. During that meeting, the group comes to consensus on each State General Fund revenue source for both the current and upcoming fiscal year. These estimates become the basis upon which both the Governor and the Legislature build the annual state budget. The consensus group meets again in April of each year to revise the estimates.

Described below are the basic economic assumptions developed during the November consensus meeting. These assumptions were used, along with actual receipts from prior years and the first four months of FY 2008, to form the basis for the current set of revenue estimates. Detailed data concerning the assumptions that the consensus group used are contained in *The Governor's Economic and Demographic Report.*

Basic Economic Assumptions

The Kansas economy is expected to continue the trend of positive growth through calendar year 2008. Several key factors that affected the consensus

Key Economic Indicators

(Dollars in Thousands)

	CY 2006	CY 2007	CY 2008	CY 2009
Consumer Price Index for All Urban Consumers	3.2 %	2.7 %	2.3 %	2.3 %
Real U.S. Gross Domestic Product	2.9	2.7	2.6	3.0
Nominal U.S. Gross Domestic Product	6.1	4.7	4.9	5.3
Nominal U.S. Personal Income	6.6	6.1	4.9	5.1
Corporate Profits before Taxes	14.3	3.0	4.0	5.0
Nominal Kansas Gross State Product	6.1	5.4	5.0	5.3
Nominal Kansas Personal Income:				
Dollars in Millions	$96,034	$102,564	$107,795	$113,508
Percentage Change	*7.0 %*	*6.8 %*	*5.1 %*	*5.3 %*
Nominal Kansas Disposable Income:				
Dollars in Millions	$85,288	$90,320	$65,197	$100,243
Percentage Change	*6.1 %*	*5.9 %*	*5.4 %*	*5.3 %*
Interest Rate for State General Fund (based on fiscal year)	4.3	5.3	4.8	4.3
Kansas Unemployment Rate (based on fiscal year)	4.5	4.5	4.8	4.6

estimates include high energy prices; a relatively low unemployment rate; and an improved agricultural sector.

The national economy is expected to grow at a slower pace over the next two years. Nominal Gross Domestic Product (GDP) was 6.1 percent in 2006, and is expected to finish 2007 at an annual nominal growth rate of 4.7 percent, then increase to 4.9 percent in 2008 and 5.3 percent in 2009. Real GDP is expected to grow by 2.7 percent, 2.6 percent, and 3.0 percent, respectively. U.S. personal income is expected to finish 2007 with a growth rate of 6.1 percent, but fall to 4.9 percent in 2008. In 2009, the growth rate is expected to be 5.1 percent.

Kansas Personal Income. Nominal Kansas Personal Income (KPI) is expected to realize an annual growth rate of 6.8 percent in 2007. The growth rate is expected to decrease to 5.1 percent in 2008 and to increase slightly in 2009 to 5.3 percent.

Employment. The employment outlook for Kansas remains healthy for the forecast horizon. The statewide unemployment rate for FY 2007 was 4.5 percent. For FY 2008, the unemployment rate is expected to increase slightly to 4.8 percent. In FY 2009, the unemployment rate is expected to decrease to 4.6 percent. The average annual number of Kansans employed in FY 2009 is expected to exceed 1.5 million for the first time in state history.

Agriculture. The All Farm Products Index of Prices received by Kansas farmers was 148 in September, compared with 122 a year prior. Using the current forecasts for 2007 production and prices, the value of production for the four major crops will be 30.0 percent above the 2006 level. But the 2007 wheat crop in Kansas, which was only 284 million bushels, reflects abandonment of 1.8 million acres, the largest acreage abandonment in 11 years. Beef prices through September were running ahead of the previous year, although fewer cattle had been marketed in 2007. Higher energy costs remain a major concern for the agricultural sector.

Oil & Gas. The average price per taxable barrel of Kansas crude oil is estimated to be $68 in FY 2008 and to remain at that level in FY 2009. Gross oil production in Kansas is expected to remain steady at 35 million barrels throughout the forecast period.

The price of natural gas is expected to increase from the FY 2007 level of $5.36 per mcf to $5.75 per mcf in FY 2008 and then increase to $6.10 per mcf in FY 2009. Natural gas production in FY 2007 was 370.9 million cubic feet. Production is expected to continue to decline for the foreseeable future as natural gas reserves, especially those in the Hugoton field, are depleted. The forecast for production is 368.0 million cubic feet in FY 2008 and 365.0 million cubic feet in FY 2009.

Inflation. The rate of inflation, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), for 2007 is expected to finish the year at 2.7 percent. The inflation rate in 2008 is forecast to be lower at 2.3 percent. In 2009, the inflation rate is expected to remain level at 2.3 percent.

Interest Rates. The Pooled Money Investment Board is authorized to make investments in U.S. Treasury and agency securities; highly rated commercial paper; as well as repurchase agreements, government securities, and certificates of deposit with Kansas banks. In FY 2007, the state finished the year with an earned interest rate of 5.3 percent on its State General Fund portfolio. The average rate of return forecasted for FY 2008 is 4.8 percent and 4.3 percent for FY 2009.

Consensus Receipt Estimates

Since 1975, with the exception of only three years, State General Fund receipts have increased from the previous year. Only in FY 1986, FY 1999, and FY 2002 did the total receipts actually fall below the levels in the prior fiscal year. Between FY 1985 and FY 1986, receipts fell by 1.0 percent and by 1.1 percent between FY 1998 and FY 1999. The dramatic 6.9 percent drop between FY 2001 and FY 2002 receipts is the largest in recent history.

In FY 2003, receipts to the State General Fund rebounded by 3.3 percent, bringing receipts to only slightly above the FY 2002 level. However, the receipts for FY 2004 recovered and posted a 6.4 percent increase. In FY 2005, the increase was 7.1 percent and in FY 2006, it was even higher at 11.4 percent. For FY 2007, revenues increased by 7.7 percent. The table on the next page presents a

complete list of State General Fund receipts from FY 1975 through FY 2007.

FY 2008

For FY 2008, the consensus estimate was increased by $160.5 million, or 2.9 percent, above the previous estimate made in April and subsequently adjusted for legislation in June. The overall revised State General Fund estimate of $5,717.3 million is 1.6 percent below FY 2007 receipts. This reduction from FY 2007 receipts can be largely attributed to more than $200.0 million in new transfers (school finance "lock box" and statewide maintenance and disaster relief); $36.0 million in various tax cuts; and 2004 legislation that requires additional amounts of sales and compensating use tax be deposited in the State Highway Fund, rather than the State General Fund.

Historical State General Fund Receipts
(Dollars in Millions)

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

The consensus adjustment of $160.5 million reflects two large expected increases as well as reductions in a few revenue sources. Individual income tax receipts account for $147.1 million of the total, while corporation income tax receipts account for $42.1 million. Other revenue sources that were increased include the financial institutions income tax ($4.0 million); estate tax ($4.0 million); motor carrier property tax ($3.0 million); severance tax ($8.2 million); several excise taxes ($4.4 million), including cigarettes, tobacco products, liquor enforcement, and liquor drink; and miscellaneous taxes ($4.5 million). On the other hand, retail sales and compensating use tax receipts were reduced by a total of $45.4 million, and other revenue sources were reduced by a net of $11.3 million, which can mainly be attributed to transfer adjustments.

FY 2009

The initial consensus estimate for FY 2009 is $6,170.1 million, which is $452.8 million, or 7.9 percent, above the revised FY 2008 figure. The overall growth rate for FY 2009 is artificially high, because it includes the transfer of $122.7 million back to the State General Fund from the school finance "lock box." Discounting other revenues, the tax receipt growth is estimated at 2.7 percent. It should be noted that legislation enacted in previous years will reduce the amount of severance, income, estate, corporation franchise, and motor carrier property tax receipts deposited in the State General Fund in FY 2009.

FY 2010 & Beyond

Although no official estimate has yet been made for years beyond FY 2010, there are a number of provisions in statute that will reduce State General Fund receipts in FY 2010. Legislation enacted in 2007 that provides new tax credits for contributions earmarked for deferred maintenance at postsecondary

educational institutions; certain capital improvements at community colleges; and deferred maintenance and certain technology or equipment at technical colleges is expected to reduce receipts by $15.0 million in FY 2010, $20.0 million in FY 2011, $20.0 million in FY 2012, and $20.0 million in FY 2013. The 2007 Legislature also passed legislation to phase-out the franchise tax. The phase-out begins in FY 2008 and will reduce future estimates by $26.5 million in FY 2010, $37.0 million in FY 2011, and $48.0 million in FY 2012.

Legislation enacted in 2006 that decouples the Kansas estate tax from the federal law beginning in 2007, as well as eliminates the Kansas tax in 2010, will reduce estate tax receipts by $37.0 million in FY 2010, $47.0 million in FY 2011, and $52.0 million in FY 2012. Another piece of legislation enacted during the 2006 session established a new transfer to assist taxing subdivisions in alleviating any property tax shifts that are associated with the property tax exemption on investment machinery and equipment. These transfers have come to be known as "the Slider" and are estimated to be $45.3 million in FY 2010, $32.0 million in FY 2011, and $11.5 million in FY 2012. This legislation also provided a partial restoration of the Local Ad Valorem Tax Reduction Fund transfer beginning in FY 2010. These transfers are capped at $13.5 million in FY 2010, $27.0 million in FY 2011, $40.5 million in FY 2012, and $54.0 million in FY 2013 and all subsequent years. This legislation also caused motor carrier property tax receipts to the State General Fund to be reduced by $3.9 million in FY 2010, $5.6 million in FY 2011, $7.4 million in FY 2012, and $8.4 million in FY 2013.

Legislation enacted in 2005 will reduce severance tax receipts to the State General Fund by $7.8 million in FY 2010, $9.9 million in FY 2011, and $11.8 million in FY 2012.

Consensus Revenue Estimate

(Dollars in Thousands)

	FY 2007 Actual		FY 2008 Estimate		FY 2009 Estimate	
	Amount	Percent Change	Amount	Percent Change	Amount	Percent Change
Property Tax:						
Motor Carrier	25,812	17.0	28,500	10.4	28,000	(1.8)
Income Taxes:						
Individual	2,709,340	14.3	2,930,000	8.1	3,105,000	6.0
Corporation	442,449	26.3	415,000	(6.2)	390,000	(6.0)
Financial Inst.	31,126	0.2	39,000	25.3	40,000	2.6
Total	$3,182,915	15.6 %	$3,384,000	6.3 %	$3,535,000	4.5 %
Estate/Inheritance	$55,620	7.4	$50,000	(10.1)	$35,000	(30.0)
Excise Taxes:						
Retail Sales	1,766,768	1.8	1,700,000	(3.8)	1,730,000	1.8
Compensating Use	284,981	5.8	275,000	(3.5)	280,000	1.8
Cigarette	115,282	(2.2)	113,500	(1.5)	113,500	--
Tobacco Prod.	5,305	4.2	5,500	3.7	5,500	--
Cereal Malt Beverage	2,091	--	2,100	0.4	2,100	--
Liquor Gallonage	17,053	2.3	17,500	2.6	17,500	--
Liquor Enforcement	47,138	6.6	49,500	5.0	51,000	3.0
Liquor Drink	8,567	7.0	9,000	5.1	9,300	3.3
Corporate Franchise	47,892	2.1	41,000	(14.4)	32,000	(22.0)
Severance	116,025	(13.0)	128,500	10.8	125,800	(2.1)
Gas	79,624	(17.5)	80,900	1.6	80,700	(0.2)
Oil	36,401	(1.3)	47,600	30.8	45,100	(5.3)
Total	$2,411,103	1.3 %	$2,341,600	(2.9) %	$2,366,700	1.1 %
Other Taxes:						
Insurance Prem.	113,805	1.4	119,000	4.6	119,000	--
Miscellaneous	5,493	(22.1)	2,500	(54.5)	2,500	--
Total	$119,297	-- %	$121,500	1.8 %	$121,500	-- %
Total Taxes	$5,794,747	8.8 %	$5,925,600	2.3 %	$6,086,200	2.7 %
Other Revenues:						
Interest	92,276	69.8	108,000	17.0	101,000	(6.5)
Net Transfers	(142,446)	N/A	(376,300)	N/A	(78,300)	N/A
Demand to Revenue	(88,154)	N/A	(132,200)	N/A	(139,000)	N/A
Other Transfers	(54,292)	N/A	(244,100)	N/A	60,700	N/A
Agency Earnings	64,467	13.1	60,000	(6.9)	61,200	2.0
Total Other Revenue	$14,297	N/A	($208,300)	N/A	$83,900	N/A
Total Receipts	$5,809,043	7.7 %	$5,717,300	(1.6) %	$6,170,100	7.9 %

Totals may not add because of rounding.

State General Fund Revenue Adjustments

While using the revenue estimates developed through the consensus process outlined in the previous section, the Governor also makes adjustments to State General Fund consensus revenues. Generally, these adjustments are made to revenue transfer funds moved into or out of the State General Fund. Because there are a substantial number of transfers that affect the State General Fund, they are enumerated in this section. The Governor proposes no policy changes that affect State General Fund tax receipts in this budget.

Transfer Adjustments

The Governor's recommendation contains adjustments to the transfers incorporated in the consensus revenue estimates for both FY 2008 and FY 2009. The table below shows a "short-hand" list of all the anticipated revenue adjustments that have been incorporated in the Governor's budget for FY 2008 and FY 2009. The table on page 22 shows the details for FY 2008. The FY 2009 details are shown on page 23. The final table in this section, which is shown on page 24, combines the Governor's adjustments with the original November consensus estimates in order to present a total view of State General Fund revenues as they are estimated in the Governor's proposed budget. The following section explains the adjustments to transfers.

FY 2008

In FY 2008, the Governor's recommendation includes two adjustments. The first adjustment decreases the transfer to the Department of Education for state aid for capital improvements by $277,220, for a total transfer of $69,238,000. This adjustment is based on a revised estimate from the agency. The second adjustment is an additional transfer of $4,118,580 to the State Emergency Fund. This money will be used by the Adjutant General for repair to infrastructure during emergencies. This adjustment reflects action taken by the State Finance Council on December 10, 2007.

FY 2009

The Governor's recommendation makes nine transfer adjustments to the consensus revenue estimate in FY 2009.

Adjustments to the Consensus Revenue Estimates

(Dollars in Thousands)

FY 2008		
Agency Funds:		
Department of Education	School District Capital Improvements Fund	277
Department of Administration	State Emergency Fund	(4,119)
Total FY 2008 Adjustments		($3,842)
FY 2009		
Agency Funds:		
PMIB	PMIB Investment Portfolio Fee Fund Balance Sweep	400
Securities Commissioner	Balance Sweep	(79)
Department of Education	State Safety Fund Balance Sweep	1,700
Department of Transportation	Highway Fund Transfer for Highway Patrol Operations	2,712
Department of Agriculture	Grain Warehouse Inspection Fee Fund Balance Sweep	4
Department of Education	School Districts Capital Improvements Fund	262
Water Plan Agencies	State Water Plan	(400)
State Fair	Capital Improvements Switched to ELARF	300
Department of Commerce	Goodyear Bond Repayment Correction	249
Total FY 2009 Adjustments		$ 5,148

Transfers In. The first adjustment is a $400,000 increase. The Governor recommends $400,000 be transferred from the Pooled Money Investment Portfolio Fee Fund. This amount represents unexpended KSIP funds.

The second adjustment is a $79,065 reduction in the amount that will be transferred from the Securities Commissioner's fee fund at the end of the fiscal year. This results in a total transfer of $6,560,834.

The third adjustment is the recommendation that $1.7 million be swept from the Department of Education's State Safety Fund. This fund builds up cash balances from driver's license receipts. This transfer will not affect state aid for driver's education programs. This money is instead recommended for transfer to the State General Fund, so that it may be spent on teacher mentorship and teacher scholarship programs. Refer to the Education section of this volume for further information on these expenditure recommendations.

The fourth adjustment concerns the transfer from the State Highway Fund for the Highway Patrol. The Governor increased this transfer by $2.7 million from $30.2 million to $32.9 million. The increased transfer covers expenditures for the Highway Patrol related to the Governor's Pay Plan and a special negotiated pay raise for troopers.

The fifth adjustment is a transfer in of $3,796 from the Department of Agriculture's Grain Warehouse Inspection Fee Fund. This amount represents the balance left in an inactive fund.

Transfers Out. The sixth adjustment decreases the transfer to the Department of Education for state aid for capital improvements by $262,000, for a total transfer of $74,238,000. This adjustment is based on revised estimates from the agency.

The seventh adjustment is a $400,000 one-time increase in the transfer for the State Water Plan Fund. This adjustment will fund the recommended expenditures from the Kansas Water Plan Fund. Refer to the State Water Plan Fund section of this volume for further information on this recommendation.

The eighth adjustment eliminates the $300,000 transfer to the State Fair for capital improvements. The Governor recommends the Fair's debt service expenses be funded through the Expanded Lottery Act Revenues Fund instead of the State General Fund.

The ninth adjustment corrects an error in the consensus revenue estimate. The consensus revenue estimate included a transfer of $249,349 for the Goodyear Bond Repayment Fund, and the Governor's recommendation removes this transfer, because all obligations on the state's part have been met for this incentive program.

FY 2008 Transfers In and Out of the State General Fund

		FY 2008 Approved	Nov. CRE Adjustments	November Cons. Rev. Est.	Governor's Adjustments	FY 2008 Gov. Rec.
Transfers In:						
Department of Administration	Cancelled Warrants	2,085,126	109,670	2,194,796	--	2,194,796
KPERS	Bond Payment for 13th Check	3,214,217	371,175	3,585,392	--	3,585,392
Kansas Lottery	Gaming Revenues Fund	22,040,000	--	22,040,000	--	22,040,000
	Special Veterans Benefit Game	960,000	--	960,000	--	960,000
Racing & Gaming	Racing & Gaming Reserve Fund	450,000	--	450,000	--	450,000
PMIB	PMIB Investment Portfolio Fee Fund	2,700,000	366,376	3,066,376	--	3,066,376
Department of Revenue	Prior Year Correction	--	135	135	--	135
Securities Commissioner	Transfer Balance	6,451,392	188,507	6,639,899	--	6,639,899
	Investor Education Fund	1,000,000	--	1,000,000	--	1,000,000
Department of Education	State Safety Fund	1,700,000	--	1,700,000	--	1,700,000
Emporia State University	Student Union Fund	24,364	--	24,364	--	24,364
	Housing System Operations Fund	2,036	--	2,036	--	2,036
Wichita State University	Housing System Operations Fund	43,510	--	43,510	--	43,510
Highway Patrol	Training Center Fund	500,000	--	500,000	--	500,000
	Motor Vehicle Fund	500,000	(500,000)	--	--	--
Juvenile Justice Authority	Prior Year Correction	--	200,000	200,000	--	200,000
Department of Transportation	Hwy. Fund Transfer for Highway Patrol	30,260,830	(66,090)	30,194,740	--	30,194,740
	Overhead Payment/Purchasing	210,000	--	210,000	--	210,000
Water Office	Water Marketing Fund	35,779	(9,398)	26,381	--	26,381
	Water Supply Storage Assurance	65,549	(14,636)	50,913	--	50,913
Transfers Out:						
Department of Transportation	Special County/City Highway Fund	(10,063,664)	--	(10,063,664)	--	(10,063,664)
	Loan Repayment from 2003 Session	(30,896,210)	--	(30,896,210)	--	(30,896,210)
Department of Education	School District Cap. Improvements Fund	(67,000,000)	(2,515,220)	(69,515,220)	277,220	(69,238,000)
Water Plan Agencies	State Water Plan Fund	(6,000,000)	--	(6,000,000)	--	(6,000,000)
State Fair	Capital Improvements	(300,000)	--	(300,000)	--	(300,000)
Board of Regents	Regents Faculty of Distinction Program	(2,000,000)	(2,085,105)	(4,085,105)	--	(4,085,105)
	Regents Research Corporation Bonds	(9,583,000)	833,000	(8,750,000)	--	(8,750,000)
Attorney General	Tort Claims	(2,390,541)	(226,924)	(2,617,465)	--	(2,617,465)
	Interstate Water Litigation Fund	(1,560,000)	--	(1,560,000)	--	(1,560,000)
Department of Administration	Federal Cash Management Fund	(1,468,000)	(232,000)	(1,700,000)	--	(1,700,000)
	Statewide Maint. and Disaster Relief	(60,376,335)	--	(60,376,335)	--	(60,376,335)
	State Emergency Fund	--	(10,000,000)	(10,000,000)	(4,118,580)	(14,118,580)
Bioscience Authority	Biosciences Initiative	(25,000,000)	--	(25,000,000)	--	(25,000,000)
Department of Commerce	Goodyear Bond Repayment Fund	(2,023,250)	1,773,901	(249,349)	--	(249,349)
	Innovia Tax Incentive	(275,000)	(39,186)	(314,186)	--	(314,186)
	Association Assistance Plan	(500,000)	--	(500,000)	--	(500,000)
Department of Revenue	Ethyl Alcohol Producer Incentive	(1,000,000)	--	(1,000,000)	--	(1,000,000)
Kansas Corporation Commission	Kansas Electric Transmission Authority	(1,000,000)	--	(1,000,000)	--	(1,000,000)
Health Care Stab. Fund	Reimbursement for Claims & Expenses	(3,000,000)	--	(3,000,000)	--	(3,000,000)
Insurance Department	Repayment to Workers Comp. Fund	(1,000,000)	--	(1,000,000)	--	(1,000,000)
State Treasurer	State Treasurer Operating Fund	(1,337,476)	1,337,476	--	--	--
	Spirit Aerosystems Incentive	(6,000,000)	(800,000)	(6,800,000)	--	(6,800,000)
	Eaton Incentive	--	(600,000)	(600,000)	--	(600,000)
	Tax Increment Finance Replacement Fund	(965,662)	--	(965,662)	--	(965,662)
	Learning Quest Matching Funds	(90,000)	--	(90,000)	--	(90,000)
	Property Tax Reimb. to Local Tax Subdiv.	(28,300,000)	--	(28,300,000)	--	(28,300,000)
Real Estate Commission	Technical Correction	--	(756)	(756)	--	(756)
Racing & Gaming	Racing & Gaming Reserve Fund	(450,000)	--	(450,000)	--	(450,000)
Department on Aging	State Licensure Fee Fund	(570,000)	570,000	--	--	--
Dept. of Education	Keeping Education Promises Trust Fund	(122,700,000)	--	(122,700,000)	--	(122,700,000)
Wichita State University	Prior Year Correction	--	(4,590)	(4,590)	--	(4,590)
Dept. of Health & Environment	Repayment to Waste Tire Mgmt. Fund	(250,000)	--	(250,000)	--	(250,000)
	Repymt. to Ungd. Petrol. Trust Fund	(2,500,000)	--	(2,500,000)	--	(2,500,000)
Total Transfers		$ (316,356,335)	$ (11,343,665)	$ (327,700,000)	$ (3,841,360)	$ (331,541,360)
Interest		(48,600,000)	--	(48,600,000)	--	(48,600,000)
Net Transfers		$ (364,956,335)	$ (11,343,665)	$ (376,300,000)	$ (3,841,360)	$ (380,141,360)

FY 2009 Transfers In and Out of the State General Fund

		November Cons. Rev. Est.	Governor's Adjustments	FY 2009 Gov. Rec.
Transfers In:				
Department of Administration	Cancelled Warrants	2,132,897	--	2,132,897
KPERS	Bond Payment for 13th Check	3,703,152	--	3,703,152
Kansas Lottery	Gaming Revenues Fund	23,040,000	--	23,040,000
	Special Veterans Benefit Game	960,000	--	960,000
Racing & Gaming	Racing & Gaming Reserve Fund	450,000	--	450,000
PMIB	PMIB Investment Portfolio Fee Fund	3,300,000	400,000	3,700,000
Securities Commissioner	Transfer Balance	7,148,102	(79,065)	7,069,037
	Investor Education Fund	1,000,000	--	1,000,000
Department of Education	State Safety Fund	--	1,700,000	1,700,000
	Keeping Education Promises Trust Fund	122,700,000	--	122,700,000
Wichita State University	Housing System Operations Fund	26,350	--	26,350
Highway Patrol	Training Center Fund	500,000	--	500,000
Department of Transportation	Highway Fund Transfer for Highway Patrol	30,194,740	2,711,823	32,906,563
	Overhead Payment/Purchasing	210,000	--	210,000
Water Office	Water Marketing Fund	26,381	--	26,381
	Water Supply Storage Assurance	50,913	--	50,913
Department of Agriculture	Grain Warehouse Inspection Fee Fund	--	3,796	3,796
Transfers Out:				
Department of Transportation	Special County/City Highway Fund	(10,063,664)	--	(10,063,664)
	Loan Repayment from 2003 Session	(30,896,209)	--	(30,896,209)
Department of Education	School District Cap. Improvements Fund	(74,500,000)	262,000	(74,238,000)
Water Plan Agencies	State Water Plan Fund	(6,000,000)	(400,000)	(6,400,000)
State Fair	Capital Improvements	(300,000)	300,000	--
Board of Regents	Regents Faculty of Distinction Program	(5,000,000)	--	(5,000,000)
	Regents Research Corporation Bonds	(9,583,000)	--	(9,583,000)
Attorney General	Tort Claims	(2,653,651)	--	(2,653,651)
	Interstate Water Litigation Fund	(1,560,000)	--	(1,560,000)
Department of Administration	Federal Cash Management Fund	(1,700,000)	--	(1,700,000)
Bioscience Authority	Biosciences Initiative	(25,000,000)	--	(25,000,000)
Department of Commerce	Goodyear Bond Repayment Fund	(249,349)	249,349	--
	Innovia Tax Incentive	(275,000)	--	(275,000)
Health Care Stab. Fund	Reimbursement for Claims & Expenses	(3,000,000)	--	(3,000,000)
Insurance Department	Repayment to Workers Comp. Fund	(1,000,000)	--	(1,000,000)
State Treasurer	Spirit Aerosystems Incentive	(6,800,000)	--	(6,800,000)
	Eaton Incentive	(600,000)	--	(600,000)
	Tax Increment Finance Replacement Fund	(965,662)	--	(965,662)
	Learning Quest Matching Funds	(100,000)	--	(100,000)
	Property Tax Reimb. to Local Tax Subdiv.	(44,846,000)	--	(44,846,000)
Racing & Gaming	Racing & Gaming Reserve Fund	(450,000)	--	(450,000)
Dept. of Health & Environment	Repayment to Waste Tire Mgmt. Fund	(250,000)	--	(250,000)
	Repymt. to Ungd. Petrol. Trust Fund	(2,500,000)	--	(2,500,000)
Total Transfers		$ (32,850,000)	$ 5,147,903	$ (27,702,097)
Interest		$ (45,450,000)	--	(45,450,000)
Net Transfers		$ (78,300,000)	$ 5,147,903	$ (73,152,097)

Consensus Revenue Estimate
As Adjusted for the Governor's Recommendations

(Dollars in Thousands)

	FY 2007 Actual		FY 2008 Gov. Estimate		FY 2009 Gov. Rec.	
	Amount	Percent Change	Amount	Percent Change	Amount	Percent Change
Property Tax:						
Motor Carrier	25,812	17.0	28,500	10.4	28,000	(1.8)
Income Taxes:						
Individual	2,709,340	14.3	2,930,000	8.1	3,105,000	6.0
Corporation	442,449	26.3	415,000	(6.2)	390,000	(6.0)
Financial Inst.	31,126	0.2	39,000	25.3	40,000	2.6
Total	$3,182,915	15.6 %	$3,384,000	6.3 %	$3,535,000	4.5 %
Estate/Inheritance	$55,620	7.4	$50,000	(10.1)	$35,000	(30.0)
Excise Taxes:						
Retail Sales	1,766,768	1.8	1,700,000	(3.8)	1,730,000	1.8
Compensating Use	284,981	5.8	275,000	(3.5)	280,000	1.8
Cigarette	115,282	(2.2)	113,500	(1.5)	113,500	--
Tobacco Prod.	5,305	4.2	5,500	3.7	5,500	--
Cereal Malt Beverage	2,091	--	2,100	0.4	2,100	--
Liquor Gallonage	17,053	2.3	17,500	2.6	17,500	--
Liquor Enforcement	47,138	6.6	49,500	5.0	51,000	3.0
Liquor Drink	8,567	7.0	9,000	5.1	9,300	3.3
Corporate Franchise	47,892	2.1	41,000	(14.4)	32,000	(22.0)
Severance	116,025	(13.0)	128,500	10.8	125,800	(2.1)
Gas	79,624	(17.5)	80,900	1.6	80,700	(0.2)
Oil	36,401	(1.3)	47,600	30.8	45,100	(5.3)
Total	$2,411,103	1.3 %	$2,341,600	(2.9) %	$2,366,700	1.1 %
Other Taxes:						
Insurance Prem.	113,805	1.4	119,000	4.6	119,000	--
Miscellaneous	5,493	(22.1)	2,500	(54.5)	2,500	--
Total	$119,297	-- %	$121,500	1.8 %	$121,500	-- %
Total Taxes	$5,794,747	8.8 %	$5,925,600	2.3 %	$6,086,200	2.7 %
Other Revenues:						
Interest	92,276	69.8	108,000	17.0	101,000	(6.5)
Net Transfers	(142,446)	N/A	(380,141)	N/A	(73,152)	N/A
Demand to Revenue	(88,154)	N/A	(131,950)	N/A	(138,835)	N/A
Other Transfers	(54,292)	N/A	(248,191)	N/A	65,683	N/A
Agency Earnings	64,467	13.1	60,000	(6.9)	61,200	2.0
Total Other Revenue	$14,297	N/A %	($212,141)	N/A %	$89,048	N/A %
Total Receipts	$5,809,043	7.7 %	$5,713,459	(1.6) %	$6,175,248	8.1 %

Totals may not add because of rounding.

State General Fund Expenditures

The budget from the State General Fund accounts for 47.1 percent of all state spending proposed by the Governor. The Governor recommends a revised FY 2008 State General Fund budget of $6,112.1 million and an FY 2009 budget of $6,393.6 million. The tables on the following page detail the Governor's major adjustments for both the current and budget years.

FY 2008

At the beginning of FY 2008 the State General Fund had an unencumbered balance of $935.0 million, a record amount. The size of the beginning balance arises from a robust Kansas economy that has generated higher tax receipts as well as expenditures that were $201.3 million less than receipts.

The November 2007 Consensus Revenue Estimate projects receipts of $5,717.3 million, and the Governor makes an adjustment for emergency monies for the Adjutant General of $4.1 million and also adopts the latest estimate for school capital improvement state aid. When those receipt amounts are added to the beginning balance, $6,648.4 million is available for FY 2008.

The 2007 Legislature originally approved an FY 2008 budget of $6,088.9 million. At the end of FY 2007 $21.4 million of expenditure authority carried forward, making a revised approved FY 2008 budget of $6,110.3 million.

The Governor now recommends a revised FY 2008 budget $1.8 million higher than the approved. The budget also includes additional expenditures for school finance costs that are now estimated to be $24.3 million higher than approved. Savings to several health and social service programs are captured in the current year budget. Most of these adjustments surface from consensus meetings that were held in the fall of 2007 to review these aid programs.

Expenditures are expected to outpace receipts by over $218.0 million. The expected State General Fund balance at the end of FY 2008 is $536.3 million, or 8.8 percent.

FY 2009

The November Consensus Estimate for FY 2009 totals $6,170.1 million. To that total, the Governor proposes additions to the revenue estimate of $5.1 million. All of these adjustments are made to transfers. Changes to transfers account for excess driver's license monies not needed for driver's education programs, increased expenditures by the Highway Patrol, financed by the Highway Fund, as well as increasing the transfer to the Water Plan Fund.

The beginning balance, plus the revenue estimate combined with the Governor's adjustments, equal $6,711.5 million available for the FY 2009 budget. It should be noted that the tax revenue amount for FY 2009 is only 2.7 percent, or $160.6 million, greater than the FY 2008 amount, because revenues were adjusted downward to account for legislation that reduces the share of sales and use taxes retained by the State General Fund as well as the reduction or phase-out of other tax sources.

Recommended expenditures in FY 2009 grow by $281.3 million, or 4.6 percent, over FY 2008, but much of that increase is due to the school finance formula, which is fully funded in the proposed budget. In addition, the budget includes several enhancements for higher education, increases for SRS and KHPA programs, and a salary increase of 2.5 percent for state employees along with salary increases for certain classified staff as recommended by the State Employee Compensation Oversight Commission.

As discussed elsewhere in this report, the Governor makes recommendations for FY 2009 that deploy new revenues to the state from the Expanded Lottery Act Revenues Fund (ELARF). The law passed during the 2007 Legislative Session requires the use of these funds for reducing state debt or local property taxes, and making improvements to the state's infrastructure. The Governor's budget makes use of these dollars both to reduce state debt and make needed improvements to the state's infrastructure.

The ending balance at the close of FY 2009 is projected to be $317.9 million, or 5.0 percent of expenditures. For a discussion of the ending balance,

refer to that section of this volume. The pie charts on page 2 show FY 2009 proposed expenditures by function and the sources from which State General Fund revenues are received.

Outlook

The table on page 27 outlines a multi-year scenario for the State General Fund. In the scenario for FY 2010, revenue from taxes is presumed to grow 4.0 percent, with the Highway Fund share of sales and use taxes fully phased-in by FY 2008. The various revenue transfers for school capital improvements and the Special City County Highway Fund are continued, and the restructuring agreement for the Comprehensive Transportation Program is included. FY 2010 expenditures are held flat, except for the addition of anticipated budget increases to pay for the current school finance law, the proposed phase-in of all-day kindergarten, increasing KPERS contributions by the state to cover enhanced benefits, as well as social and health service caseloads. The table shows that, after taking these assumptions into account, current programs can be continued while still leaving a positive ending balance at the end of FY 2010.

State General Fund
FY 2008
(Dollars in Millions)

Beginning Balance	$ 935.0
Revenue:	
November Consensus Revenue Est.	5,717.3
Adjutant General Emergency Funds	(4.1)
School District Cap. Imp. Fund	0.3
Total Available	$6,648.4
Expenditures:	
Approved Budget (May 2007)	6,088.9
Expenditure Authority Shifting from FY 2007	21.4
Current Approved Budget	$6,110.3
School Finance Consensus Estimates	24.3
KHPA--Use Available Fee Funds	(15.0)
Human Services Consensus Estimates	(10.9)
SRS--Offset Federal Funds	9.0
KU Med. Ctr.--WCGME	1.0
Net of Other Adjustments	(6.7)
Total Expenditures	$6,112.1
Ending Balance	$ 536.3

State General Fund
FY 2009
(Dollars in Millions)

Beginning Balance	$ 536.3
Revenue:	
Consensus Revenue Est.	6,170.1
KHP Operations from KDOT	2.7
Education--Safety Fund	1.7
Net of Other Adjustments	0.7
Total Available	$6,711.5
Expenditures:	
FY 2008 Base Budget	6,112.1
Required Additions:	
Current School Finance Estimates	167.6
Human Services Consensus Est.	57.4
KPERS Bond Payment	10.0
Judiciary Budget	2.6
Legislative Budgets	3.1
Higher Education:	
Regents Operating Grant	35.0
Student Financial Aid	4.5
Human Services:	
SRS--HCBS Waivers	7.8
SRS--Adoption Program	2.3
KHPA--Premium Assistance	4.5
KHPA & SRS Eligibility System	8.2
Other:	
Salary Plan (excluding Regents)	20.7
KPERS COLA	6.4
ELARF Assumes Debt Payments	(40.1)
Children's Init. Fund/SGF Changes	4.7
Remove FY 2008 Employee Bonuses	(20.3)
Net of Other Adjustments	7.1
Total Expenditures	$6,393.6
Ending Balance	$ 317.9

Outlook for the State General Fund

(Dollars in Millions)

	FY 2007 Actual	FY 2008 Gov. Est.	FY 2009 Gov. Rec.	FY 2010 Projected
Beginning Balance	$ 733.6	$ 935.0	$ 536.3	$ 317.9
Revenues				
Revenue from Taxes	5,794.7	5,925.6	6,086.2	6,329.6
Interest	92.3	108.0	101.0	101.0
Agency Earnings	64.5	60.0	61.2	61.2
Transfers:				
Special County/City Highway Fund	(10.1)	(10.1)	(10.1)	(10.1)
School Capital Improvement Aid	(63.7)	(69.2)	(74.2)	(79.2)
Water Plan Fund	(6.0)	(6.0)	(6.4)	(6.0)
Regents Faculty of Distinction	(2.5)	(4.1)	(5.0)	(5.0)
Regents Research Corp Debt Service	(7.5)	(8.8)	(9.6)	(9.6)
Reinstate LAVTR	--	--	--	(13.5)
Keeping Educ. Promises Trust Fund	--	(122.7)	122.7	--
Statewide Maint. & Disaster Relief	(11.0)	(60.4)	--	--
Biosciences Initiative	(20.0)	(25.0)	(25.0)	(30.0)
Business Incentives	(9.8)	(8.0)	(7.7)	(7.4)
Property Tax Slider--2006 HB 2583	--	(28.3)	(44.8)	(45.3)
Highway Patrol	30.0	30.2	32.9	--
KDOT Loan Repayment	(32.5)	(30.9)	(30.9)	(30.9)
All Other Transfers	(9.3)	(37.0)	(15.1)	(15.1)
Total Available	$ 6,542.7	$ 6,648.4	$ 6,711.5	$ 6,557.7
Expenditures				
Aid to K-12 Schools	2,819.1	3,067.6	3,235.2	3,260.2
Higher Education	782.1	833.0	855.0	855.0
Human Services Caseloads	772.4	821.9	879.3	939.3
All Other Expenditures	1,234.1	1,389.6	1,424.1	1,424.1
Increased KPERS Contributions	--	--	--	55.1
Total Expenditures	$ 5,607.7	$ 6,112.1	$ 6,393.6	$ 6,533.7
Ending Balance	$ 935.0	$ 536.3	$ 317.9	$ 24.0
As Percentage of Expenditures	*16.7%*	*8.8%*	*5.0%*	*0.4%*

Totals may not add because of rounding.

Revenues for FY 2008 and FY 2009 reflect CRE of November 5, 2007 with Governor's revenue adjustments.

Revenues for FY 2010 reflect a 4.0% rate of growth for taxes, with transfer adjustments enacted in current law.

Budget Issues

Children's Initiatives Fund

KEY Fund

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

During FY 2000 the state received $68.2 million in tobacco settlement payments. Payments totaled $52.9 million in FY 2001, $61.5 million in FY 2002, $61.5 million in FY 2003, $52.5 million in FY 2004, $53.1 million in FY 2005, $48.8 million in FY 2006 and $51.1 million in FY 2007. The current estimate for payments is $58.0 million in both FY 2008 and FY 2009. Of the estimates for FY 2008 and FY 2009, $8.0 million is estimated to come from the Strategic Contribution Fund of the settlement agreement. The amount and timing of the estimated payments can change depending on the profitability of the companies, the legal actions pursued by individual states and the federal government, and interest accrued on delayed payments.

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

In FY 2003, $24.3 million, the balance of the fund, was transferred to the State General Fund and $45.0 million was transferred to the Children's Initiatives Fund. In FY 2004, $42.5 million was transferred from the KEY fund to the Children's Initiatives Fund and $9.9 million was transferred to the State General Fund. In FY 2005, $51.1 million was transferred from the KEY fund to the Children's Initiatives Fund. In FY 2006, $49.5 million was transferred from the KEY fund to the Children's Initiatives Fund. In FY 2007, $47.4 million was transferred from the KEY fund to the Children's Initiatives Fund. The Governor's recommendation for FY 2008 includes increasing the approved transfer from the KEY Fund to the Children's Initiatives Fund from $47.7 million to $55.6 million.

For FY 2009, the scheduled transfer to the Children's Initiatives Fund would ordinarily be $52.2 million. However, because the Governor's recommendation includes the realignment of expenditures from the Children's Initiatives Fund to include additional programs focusing on early childhood, a transfer of

Kansas Endowment for Youth Fund Summary

	FY 2006 Actual	FY 2007 Actual	FY 2008 Gov. Est.	FY 2009 Gov. Rec.
Beginning Balance	$ 512,837	$ 208,555	$ 4,635,676	$ 6,730,566
Released Encumbrances	9,574	100	--	--
Adjusted Balance	$ 522,411	$ 208,655	$ 4,635,676	$ 6,730,566
Revenues	49,463,392	51,977,584	50,000,000	50,000,000
Strategic Contribution Fund Revenue	--	--	8,000,000	8,000,000
Transfer Out to CIF	(49,514,213)	(47,361,933)	(55,645,577)	(64,458,892)
Transfer Out to State General Fund	(375,957)	--	--	--
Transfer In from CIF	300,000	--	--	--
Total Available	$ 395,633	$ 4,824,306	$ 6,990,099	$ 271,674
Children's Cabinet Admin. Expend.	187,078	188,630	259,533	259,533
Ending Balance	$ 208,555	$ 4,635,676	$ 6,730,566	$ 12,141

Children's Initiatives Fund Summary

	FY 2006 Actual	FY 2007 Actual	FY 2008 Gov. Est.	FY 2009 Gov. Rec.
Beginning Balance	$ 3,147,150	$ 3,708,489	$ 743,550	$ --
Released Encumbrances	341,176	350,364	--	--
Lapses	--	--	52,103	
Recoveries & Reimbursements	7,370	5,463	--	--
Adjusted Balance	$ 3,495,696	$ 4,064,316	$ 795,653	$ --
Revenues:				
Transfer In from KEY Fund	49,514,213	47,361,933	55,645,577	64,458,892
Transfer Out to KEY Fund	(300,000)	--	--	--
Transfer Out to State General Fund	(2,211)	(648,789)	--	--
Transfer In from State General Fund	375,000	--	--	--
Transfer Out to CIRF	--	(3,303,809)	--	--
Transfer In from CIRF	--	--	825,952	825,952
Total Available	$ 53,082,698	$ 47,473,651	$ 57,267,182	$ 65,284,844
Expenditures	49,374,209	46,730,101	57,267,182	65,284,844
Ending Balance	$ 3,708,489	$ 743,550	$ --	$ --

$64.5 million is recommended. The FY 2009 recommendation also includes $259,533 for administrative expenditures of the Children's Cabinet. This will leave a balance of $12,141 at the end of FY 2009. The table on the previous page summarizes the Kansas Endowment for Youth Fund for FY 2006 through FY 2009.

Fund Summary

The table above summarizes the Children's Initiatives Fund for FY 2006 through FY 2009. For FY 2008, the Governor recommends $57,267,182 in expenditures for children's programs from this funding source. The recommendation increases expenditures by $5.0 million from the approved amount to establish the Governor's Kansas Early Childhood Block Grant. All other expenditures are at the approved level.

For FY 2009, the Governor recommends total expenditures of $65,284,844 from the Children's Initiatives Fund. Each of the programs recommended for FY 2009 is listed in the table on the next page and described in detail in this section. In addition, Schedule 2.3 at the back of this volume provides expenditure data by program and by agency for FY 2008 and FY 2009. A comprehensive listing of the state's programs that benefit children and their families is included in the Children's Services Budget section of this publication.

FY 2009 Recommendations

Early Childhood Initiative

The Governor's recommendation for FY 2009 realigns expenditures from the Children's Initiatives Fund (CIF) and creates the Governor's Early Childhood Initiative. The centerpiece of the Early Childhood Initiative is the Kansas Early Childhood Block Grant program. The new Kansas Early Childhood Block Grant Program will be administered by the Children's Cabinet and will provide grants to school districts, child care centers, Early Head Start sites, Head Start sites, and community-based programs that provide research-based child development services for at-risk infants, toddlers, and their families. The Governor's recommendation also includes the transfer of the Pre-K Pilot program from the Department of Social and Rehabilitation Services to the Department of Education. The Department of Education's Parents as Teachers program will be entirely funded through the CIF. In addition, the Governor recommends funding the Kansas Department of Health and Environment's Newborn Screening program through the CIF.

As proposed by the Children's Cabinet, the Governor's FY 2009 recommendation realigns CIF dollars to be spent on programs and projects with an emphasis on early childhood. The Governor's recommendation removes CIF funding from programs

that are better suited for financing from the State General Fund. The Medical Assistance, Healthwave, Juvenile Prevention Program Grants, Juvenile Graduated Sanctions Grants, and Attendant Care for Independent Living programs are all recommended to be funded from the State General Fund for FY 2009, instead of the CIF.

Each of the programs or projects funded through the Children's Initiatives Fund and included in the Governor's Early Childhood Initiative are described in detail below. This focusing of CIF dollars is consistent with the recommendations of the Children's Cabinet.

Children's Initiatives Fund

Program or Project	FY 2009
Early Childhood Initiative	
Social & Rehabilitation Services	
KS Early Childhood Block Grants	18,000,000
Smart Start Kansas	8,443,965
Early Head Start	1,600,000
Child Care Quality Initiative	500,000
Total--SRS	$ 28,543,965
Health & Environment--Health	
Newborn Screening	2,559,577
Healthy Start/Home Visitor	250,000
Infants & Toddlers Program	1,200,000
Total--KDHE	$ 4,009,577
Department of Education	
Parent Education	7,539,500
Pre-K Pilot	6,200,000
Total--KSDE	$ 13,739,500
Kansas Health Policy Authority	
Immunization Outreach	500,000
Total--Early Childhood Initiative	$ 46,793,042
Other CIF Programs	
Social & Rehabilitation Services	
Children's MH Initiative	3,800,000
Family Centered System of Care	5,000,000
Child Care Services	1,400,000
Community Svcs. Child Welfare	3,208,938
Children's Cabinet Account. Fund	541,802
Family Preservation	3,241,062
Total--SRS	$ 17,191,802
Health & Environment--Health	
Smoking Prevention Grants	1,000,000
Department of Education	
Reading & Vision Research	300,000
Total--Other CIF Programs	$ 18,491,802
Total	$ 65,284,844

Kansas Early Childhood Block Grant. The Governor recommends that new additional tobacco settlement funds be earmarked for early childhood programs. The budget includes $5.0 million in FY 2008 and $18.0 million in FY 2009. This funding will be transferred to the new Early Childhood Block Grant (ECBG), which will be administered by the Children's Cabinet. The funds can be used for grants to school districts, child care centers and homes, Early Head Start sites, Head Start sites, and community-based programs that provide research-based child development services for at-risk infants, toddlers and their families, and preschool for three- and four-year-olds. The grant process will be driven by accountability measures and research-based programming, as well as a focus on at-risk children and underserved areas. At least thirty percent of all block grant funds will be set aside for infant and toddler programs. The Children's Cabinet will work to leverage block grant funds to draw down private investment to expand the state's network of quality early learning opportunities for all children ages birth to five. While new money for early childhood programs will be directed to the ECBG, the Governor supports a system-wide review of all programs to ensure that funds are allocated efficiently and effectively, with strong coordination in all programs and agencies.

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

Early Head Start. The purpose of this program is to enhance children's development, enable parents to be better care givers and teachers, and help parents meet their own goals of self-sufficiency. Early Head Start provides comprehensive early intervention services, including health care, nutrition, social services, parental involvement, and child care. The Governor recommends $11.3 million from all funding sources to serve 1,177 children in FY 2009. The Governor's recommendation for FY 2009 includes $1.6 million from the Children's Initiatives Fund.

Child Care Quality Initiative. The Governor recommends $500,000 from the Children's Initiatives Fund to continue the Child Care Quality Initiative administered by the Children's Cabinet. The program is new in FY 2008 and will enhance infant and toddler services through targeted initiatives to improve quality and increase the availability of care for children from birth to age three. The initiatives use evidence-based strategies to improve family and center-based care.

Expanded Newborn Screening. Total expenditures of $2.6 million from the Children's Initiatives Fund recommended by the Governor in FY 2009 will provide the funding necessary for the Division of Health to implement the state's commitment to increase the number and type of screenings that identify metabolic disorders in newborns. The expansion from four to 29 screenings performed is detailed in 2007 SB 11, and is the result of an extensive effort by the Governor, KDHE staff, legislators, parents, and health advocates to allow for the early identification of metabolic disorders for which treatments are available. Early diagnosis and treatment can prevent serious disabilities and health problems. Included in the $2.6 million amount for expanded newborn screening is $208,000 from the Children's Initiatives Fund for the Children with Special Needs Program that provides specialized formula and treatment products for children with metabolic disorders.

Healthy Start/Home Visitor. The Governor seeks to maintain the number of families that receive assistance through the prenatal care and follow-up visits that are the focus of this program. The recommendation of $250,000 from the Children's Initiatives Fund continues funding for FY 2009 at the approved FY 2008 amount. The Healthy Start/Home Visitor Program is part of the larger Mothers and Infants/Child Health Program that will serve approximately 78,300 children in FY 2009.

Infants & Toddlers Program. The Governor recommends $1.2 million from the Children's Initiatives Fund for this program that provides leadership in the planning, development, and promotion of policies and procedures to identify infants and toddlers with developmental delays. The program also provides early intervention services to eligible children and their families. In addition to financing from the Children's Initiatives Fund, the program receives other state and federal funding, for total recommended expenditures of $8.5 million in FY 2009.

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

Pre-K Pilot Program. The Governor recommends $6.2 million from the Children's Initiatives Fund for a pre-kindergarten program to prepare four-year-olds for success in school. This program was previously funded in the budget of the Department of Social and Rehabilitation Services. All classrooms in the pilot will be required to meet teacher qualification requirements, implement a research-based curriculum, maintain low teacher-child rations, complete at least 15 hours of teacher training annually, and provide referrals to additional community services for families that need them. The pilot will be implemented in a mix of school and community based early childhood programs.

Immunization Outreach. The Governor proposes $500,000 for FY 2009 for the Kansas Health Policy Authority to increase the number of children immunized in Kansas. The funds will be targeted toward expanding outreach efforts and emphasizing to parents the importance of timely immunizations.

Other Children's Initiatives Fund Programs

Children's Mental Health Initiative. The Governor recommends $3.8 million for the Children's Mental Health Waiver Program. The program expands community-based mental health services for children with severe emotional disturbances.

Family Centered System of Care. The Governor recommends $5.0 million for the statewide Family Centered System of Care Program in FY 2009. The program provides mental health and prevention

services for children with severe emotional disturbances.

Child Care Services. The Governor recommends $1.4 million for child care services. Child care services are available to parents participating in SRS job preparation programs or family preservation services, children with disabilities, and parents in the first year of employment after leaving welfare. Recommended expenditures for child care assistance total $85.1 million from all funding sources.

Community Services for Child Welfare. An amount of $3.2 million is recommended for community services for child welfare. This program will make funding available on a competitive bid basis to local collaborative groups committed to keeping children in non-abuse or non-neglect cases in their homes and schools using community intervention programs and supports, rather than out-of-home placements.

Children's Cabinet Accountability Fund. The Governor recommends $541,802 for the Children's Cabinet Accountability Fund. This fund will be used to ensure that tobacco settlement monies are being targeted effectively and to assess programs and services that are being funded.

Family Preservation. The Governor recommends a total of $11.9 million for family preservation services, with $3.2 million from the Children's Initiatives Fund, to provide services to approximately 2,813 families each month. Assistance is provided to families where there is a high likelihood that a child may be removed from the home.

Smoking Prevention Grants. The negative effects of smoking pose serious health risks to members of the community. The Governor recommends $1.0 million from the Children's Initiatives Fund in FY 2009 to be targeted for tobacco use prevention programs. This is the same as the approved amount for FY 2008. The funds can be distributed as grants to non-profit organizations or be used to implement new prevention programs within the Department of Health and Environment.

Reading & Vision Research. Monies from the Children's Initiatives Fund have been spent to provide vision therapy to students with reading problems. The $300,000 included in the Governor's FY 2009 budget for the Department of Education is for continued vision treatment and examinations. Students who have received treatment under this program increased their ability to converge their eyes on near objects, greatly improving their reading skills. Research indicates that 20.0 percent of children entering kindergarten have some form of vision problem and this percentage doubles to 40.0 percent by high school. A recent study revealed that for over 90.0 percent of poor readers, prevention and intervention programs and strategies increase reading skills to at least average.

Gaming Revenues

The State Gaming Revenues Fund (SGRF) is capitalized through monthly transfers from the Kansas Lottery from revenues generated by lottery ticket sales. Transfers are then made from the Gaming Fund to funds dedicated to economic development initiatives, prison construction and maintenance projects, local juvenile detention facilities, treatment of pathological gamblers, and the State General Fund. This fund will not receive monies from the new Expanded Lottery Act, passed during the 2007 Legislative Session. For discussion of the Act, and state revenues expected to result, refer to that section in this volume.

Status of the Gaming Fund

According to statute, the first $50.0 million of receipts is divided by a formula which first transfers $80,000 to the Problem Gambling and Addictions Grant Fund (PGAGF). Then 85.0 percent of the rest is transferred to the Economic Development Initiatives Fund (EDIF), 10.0 percent to the Correctional Institutions Building Fund (CIBF), and 5.0 percent to the Juvenile Detention Facilities Fund (JDFF). Any receipts to the SGRF in excess of $50.0 million must be transferred to the State General Fund in the fiscal year in which the revenues are recorded.

As shown in the Gaming Revenue table, the transfer to the State General Fund of $23.0 million in FY 2008 and $24.0 million in FY 2009 reflect the revenues deposited in the State Gaming Revenues Fund in each year, minus $50.0 million in combined transfers to the enumerated funds.

Lottery

The Lottery is required to make a minimum monthly transfer of proceeds from the sale of lottery tickets to the SGRF of no less than $4.5 million. Once a total of $54.0 million is transferred to the SGRF during the fiscal year, the agency is no longer required to make the minimum monthly transfer; however, the agency is expected to meet or exceed the minimum transfer set for the entire fiscal year. For FY 2008, the agency will be transferring a minimum of $73.0 million to the SGRF, which is the amount approved by the 2007 Legislature. For FY 2009, the budget plan includes total transfers of $74.0 million. The Lottery estimates total ticket sales of $254.0 million for FY 2009. Of total ticket sales, $3.0 million is from the veterans benefit games and the rest is from other lottery games.

Distribution of Gaming Proceeds

(Dollars in Thousands)

	FY 2007	FY 2008	FY 2009
Transfers Out:			
EDIF	42,432	42,432	42,432
JDFF	2,496	2,496	2,496
CIBF	4,992	4,992	4,992
PGAGF	80	80	80
Total by Formula	50,000	50,000	50,000
SGF	21,000	23,000	24,000
Total Transfers	$71,000	$73,000	$74,000

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

Racing

Each month, receipts from racing activities throughout the state are transferred to the State Racing Fund for agency operations. Any excess receipts, as determined by the Executive Director and the Director of Accounts and Reports, are transferred to the SGRF. Because of limited receipts to the State Racing Fund, the agency indicates it will not make any transfer to the SGRF in either FY 2008 or FY 2009.

Under the new gaming legislation, a substantial share of the net revenues from electronic gaming machines at parimutuel facilities will be used to supplement purses of greyhound and horse races. The agency indicates that higher quality animals will compete in Kansas for the increased purses; however, it is unclear what effect this will have on overall parimutuel tax receipts and if the agency will be able to resume transfers to the SGRF. The agency last made a transfer to the SGRF in FY 2004.

Economic Development Initiatives Fund

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

Fund Summary

The primary recipients of monies from the Economic Development Initiatives Fund (EDIF) in FY 2009 are the Department of Commerce ($18.8 million), the Kansas Technology Enterprise Corporation ($12.5 million), and Wichita State University ($4.0 million). The Department of Commerce also receives a transfer of $2.5 million in FY 2009 to its Kansas Economic Opportunity Initiatives Fund (KEOIF) Program.

The State Water Plan Fund (SWPF) receives an annual transfer of $2.0 million from the EDIF to help finance conservation and other types of projects. The Governor recommends reducing the amount transferred from the EDIF to the Kansas Qualified Biodiesel Fuel Producer Incentive Fund (KQBFPIF) in FY 2009, from $3.5 million to $2.0 million. The Department of Revenue indicates that biodiesel fuel is a growing industry in Kansas; however, estimated production levels should require less than $2.0 million in producer incentives for FY 2009.

The Governor recommends transferring $150,000 from the EDIF to the Small Employer Cafeteria Plan Development Program Fund (SECPDPF) in the Department of Commerce. This program will market to small employers the benefits of cafeteria health plans. The Governor also recommends transferring $500,000 from the EDIF to the Association Assistance Plan Fund (AAPF) of the Department of Commerce to provide grants and no interest loans to small employers to form associations and to assist members of the association with obtaining access to health care plans. This program was previously funded with a transfer from the State General Fund. A summary of the status of the EDIF is presented in the table below.

The EDIF is capitalized through transfers from the State Gaming Revenues Fund. Currently, 85.0 percent of the receipts deposited in the State Gaming Revenues Fund, after the statutory transfer of $80,000 is made to the Problem Gambling and Addictions Grant Fund, are transferred to the EDIF. The Gaming Revenues Fund

Economic Development Initiatives Fund Summary

	FY 2006 Actual	FY 2007 Actual	FY 2008 Gov. Est.	FY 2009 Gov. Rec.
Beginning Balance	$ 2,519,677	$ 3,136,491	$ 4,034,032	$ 2,210,443
Released Encumbrances	1,159,331	248,783	--	--
Adjusted Balance	$ 3,679,008	$ 3,385,274	$ 4,034,032	$ 2,210,443
Revenues:				
Gaming Revenues	42,432,000	42,432,000	42,432,000	42,432,000
Interest & Other Revenues	1,140,203	1,813,974	1,800,000	1,400,000
Transfer to KEOIF	(3,000,000)	(3,160,000)	(3,000,000)	(2,500,000)
Transfer to SECPDPF	--	--	(150,000)	(150,000)
Transfer to AAPF	--	--	--	(500,000)
Transfer to KQBFPIF	--	--	(400,000)	(2,000,000)
Transfer to SWPF	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)
COLA/Death & Dis. Savings	(92,279)	--	--	--
Total Available	$ 42,158,932	$ 42,471,248	$ 42,716,032	$ 38,892,443
Expenditures	39,022,441	38,437,216	40,505,589	38,870,380
Ending Balance	$ 3,136,491	$ 4,034,032	$ 2,210,443	$ 22,063

is limited to $50.0 million each year, so transfers to the EDIF can reach $42.4 million in a fiscal year. "Other revenue" includes interest, transfers from other funds, reimbursement of loans, and recoveries from prior years.

For the most part, revenues to the Economic Development Initiatives Fund are very stable. Its share of gaming revenues is predictable and facilitates planning for expenditures in the affected agencies. Carryover balances from one year to the next are largely the result of the agencies' not spending all monies that are appropriated. Under the Governor's recommendation, $22,063 is anticipated to be left at the end of FY 2009.

FY 2009 Recommendations

The Governor's recommendations for FY 2009 are summarized in the table on this page and then described in detail by agency and by program. They are also listed in Schedule 2.4 at the back of this report for FY 2007 through FY 2009.

Department of Commerce

For FY 2009, the Governor recommends $18,757,397 for the Department of Commerce. The Department of Commerce works to deliver the highest level of business development, workforce, and marketing services to build a healthy and expanding Kansas economy.

Operating Grant. The $16,170,250 operating grant from the EDIF supports the Department of Commerce's traditional programs, including Attraction Development Grants in its Travel and Tourism Division and the Kansas Industrial Training and Retraining programs in its Workforce Development Division. Included in the EDIF Operating Grant is an additional $62,500 to enhance funding for the Trade Development Program. This funding will allow the agency to conduct additional market research projects for Kansas exporters, prepare trade mission itineraries, coordinate recruitment of investment opportunities, and provide additional funding for the Kansas International Trade Show Assistance Program which facilitates participation by small and medium sized companies in international trade shows.

Older Kansans Employment Program. The Governor recommends $330,676 from the EDIF for the Older Kansans Employment Program in FY 2009. This program is designed to provide older Kansans, 55 and over, with an employment placement service. The emphasis is on providing permanent full-time or part-time jobs in the private sector taking into account non-traditional patterns of employment.

Economic Development Initiatives Fund

Program or Project	FY 2009
Department of Commerce	
Operating Grant	16,170,250
Older Kansans Employment Program	330,676
Rural Opportunity Program	2,106,471
Kansas Innovation Consortium	150,000
Total--Commerce	$18,757,397
Kansas Technology Enterprise Corp.	
Operations	1,816,678
University & Strategic Research	5,100,927
Product Development Financing	1,519,030
Commercialization	2,661,017
Mid-America Manufacturing Center	1,440,000
Total--KTEC	$12,537,652
Kansas, Inc.	
Operations	409,831
Board of Regents	
Technology Innovation & Internship	180,500
Vocational Education Capital Outlay	2,565,000
Total--Board of Regents	$ 2,745,500
Kansas State University	
ESARP	300,000
Wichita State University	
Aviation Research	4,000,000
State Fair	
Ticket Marketing & Premiums	100,000
Competitive Premiums	20,000
Total--State Fair	$ 120,000
Total	$38,870,380

Rural Opportunity Program. The Governor recommends $2.1 million from the EDIF for the Rural Opportunity Program in FY 2009. This program will help attract investment, business development, and job growth in rural areas of the state. This program will provide additional funding for the Center for

Entrepreneurship, Kansas Main Street Program, and Capacity Building Grants. This program will also allow the Department of Commerce to create a state-funded pilot program based on the federally funded Kansas Small Towns Environment Program (KAN-STEP), which helps communities address water, sewer, and public building needs. This state-funded program will allow greater flexibility than the federally funded KAN-STEP Program.

Kansas Innovation Consortium. The Governor recommends $150,000 from the EDIF to create the Kansas Innovation Consortium (KIC) to be led by the Governor and include leaders from business, higher education, and relevant state and local offices. The KIC will advise the Governor on research priorities and changes needed in education priorities to achieve an innovation-based economy, as well as develop specific strategies for investing in innovation and entrepreneurship. The KIC will also develop new economic metrics to measure innovation and entrepreneurship to determine if the innovation-based economy strategy is successful.

Kansas Technology Enterprise Corp.

The Kansas Technology Enterprise Corporation (KTEC) provides research support, direct company investments, and business assistance. KTEC's philosophy is to create and grow Kansas enterprises through technological innovation and business acceleration. The Governor recommends $12,268,311 in FY 2008. The Governor's recommendation for FY 2008 includes lapsing $436,299 from its EDIF appropriation to reduce salary and wage expenditures and to eliminate the proposed expenditure for a jointly funded project with the Kansas Bioscience Authority.

The 2007 Legislature added $69,000 to the agency's FY 2008 EDIF appropriation in order to increase the base salary and wages of its employees and eliminate its bonus program. In its budget submission, the agency increased its salary and wage expenditures beyond the approved budget and funded the increased salary and wages by decreasing grants. The Governor recommends reducing the agency's budget and bringing salary and wage budget levels similar to other state economic development agencies.

The Governor also recommends lapsing $333,333, which the agency had proposed to reallocate from its existing EDIF resources to fund Heartland BioVentures. Heartland BioVentures was jointly created with the Kansas Bioscience Authority to bring major injections of private venture capital to the state to enable the state to keep successful early stage companies. The November Consensus Revenue Estimate indicates that the Kansas Bioscience Authority will receive $25.0 million from the State General Fund in both FY 2008 and FY 2009 to expand the bioscience industry in the state. The Kansas Bioscience Authority was created to fund projects like Heartland BioVentures and can fund this project with its own resources.

For FY 2009, the Governor recommends $12,537,652 from the EDIF, of which $1,816,678 is for operations. The agency's budget includes a salary reduction of $100,254 to bring salary and wage funding more in line with other state economic agencies.

University & Strategic Technology Research. KTEC finances five centers of excellence, university-based research centers, each with a different technology specialization. They conduct innovative research and provide technical assistance to Kansas businesses. The Governor recommends $5,100,927 for this program in FY 2009.

Product Development Financing. This program finances technology product development at both new and existing small Kansas companies. Funding is provided for the applied research stage of technology, initial commercialization, as well as matching monies to help businesses receive federal grants. The Governor recommends $1,519,030 for this program in FY 2009.

Commercialization. Commercialization entails the process of developing technology research into a commercial product, assisting with the many steps required to develop the business, such as marketing and sales. KTEC helps finance seven innovation and commercialization corporations that provide business development and financing to start-up technology-based businesses in Kansas. KTEC also provides financial support to recruit successful entrepreneurs to match with emerging companies and to attract existing high technology companies to Kansas. The Governor

recommends $2,661,017 for this development program in FY 2009.

Mid-America Manufacturing Technology Center. The Center provides business assistance in improving manufacturers' technical capabilities. Companies will be made more competitive through the adoption of advances in technological processes. Under the Governor's recommendations, the program will be allocated $1,440,000 in FY 2009.

Kansas, Inc.

Operations. The Governor recommends $409,831 for Kansas, Inc. in FY 2009 to continue strategic analysis and economic development planning for the state. The agency conducts economic development planning, policy research, and program evaluation to accomplish its mission.

Board of Regents

For FY 2009, the Governor recommends a $2,565,000 Vocational Education Capital Outlay grant for community colleges and technical schools and colleges financed by the Economic Development Initiatives Fund. This program requires a 50.0 percent match from the institution and is commonly used to purchase equipment. The Governor also recommends $180,500 for a Technology Innovation and Internship grant for community colleges and technical schools and colleges. The grant requires a one-to-one match. The match is frequently an in-kind match. The grant allows instructors to intern for short periods in private industry to expand their knowledge. In addition, it provides funding for innovative equipment for students.

Kansas State University—ESARP

Operations. The Extension System and Agriculture Research Programs' (ESARP) Cooperative Extension Program has received an annual appropriation of $300,000 from the Economic Development Initiatives Fund for operating expenditures. The Governor recommends that the funding continue for FY 2009.

Wichita State University

National Institute for Aviation Research Grant. The Governor recommends $4.0 million from the Economic Development Initiatives Fund to finance aviation research at Wichita State University's National Institute for Aviation Research. This funding will build on previous state initiatives and help ensure the continuation of a strong aviation infrastructure in the state. The funding will also assist in securing federal resources. An additional $2.5 million is proposed for aviation research from the Expanded Lottery Act Revenues Fund.

Kansas State Fair

Marketing & Premiums. For FY 2009, the Governor recommends $120,000 from the EDIF for the State Fair. Of this total amount, $100,000 is for enhanced marketing and promotion of the Fair. The $20,000 balance is for increases in competitive exhibit premiums given to fair exhibitors and participants. The ability of the Fair to compensate participants adequately for their winning exhibits can affect the number of entries in these competitive events. The Fair has implemented a "Got Blue?" promotion to attract competitive exhibitors.

Department of Commerce
Outcome Measures

	FY 2007 Actual	FY 2008 Gov. Estimate	FY 2009 Gov. Estimate
Jobs created or retained by projects utilizing KDOC assistance	32,184	32,000	32,000
Payroll generated by projects utilizing KDOC assistance	$217,000,000	$100,000,000	$100,000,000
Capital investment in Kansas resulting from projects utilizing KDOC assistance	$2,423,096,906	$500,000,000	$500,000,000
Funds leveraged through match in projects utilizing KDOC assistance	$380,226,810	$75,000,000	$75,000,000
Individuals trained through workforce development programs	10,779	10,000	10,000
Sales generated by projects utilizing KDOC assistance	$153,773,084	$175,000,000	$175,000,000
Increase in visitation resulting from KDOC tourism promotion efforts	272,103	275,000	275,000
Kansans served with counseling, technical assistance, or business services	121,482	125,000	125,000
Number of communities receiving community assistance services	133	125	125
Number of grants provided to Kansas businesses, communities, and families	589	590	590
Number of businesses affected by funding from KDOC	738	700	700

Expanded Lottery Act Revenues Fund

In accordance with the 2007 law, the Governor proposes targeting the resources of the Expanded Lottery Act Revenues Fund to support the reduction of state debt and to make state infrastructure improvements.

Fund Summary

The Expanded Lottery Act Revenues Fund (ELARF) is capitalized through transfers from the Kansas Lottery with revenue collected from electronic gaming machines at parimutuel racetracks and from four new destination casinos authorized by the Kansas Expanded Lottery Act. The Racing and Gaming Commission indicates it is planning for the operation of electronic gaming machines at the Woodlands Racetrack in Kansas City and at a reopened Camptown Racetrack in Frontenac by May 2008, pending the outcome of the Supreme Court ruling on the constitutionality of the Kansas Expanded Lottery Act. With the time necessary to select and negotiate management contracts with potential gaming facility managers, it is unlikely that destination casinos authorized under the Kansas Expanded Lottery Act will be operational before FY 2010.

The Kansas Expanded Lottery Act requires racetrack gaming facility managers to pay a one-time privilege fee of $2,500 per electronic gaming machine placed at each racetrack gaming facility. It is estimated that racetrack gaming facility managers will pay $4,417,500 in privilege fees in FY 2008.

Revenue from electronic gaming machines at racetrack gaming facilities is divided by a formula detailed in the Kansas Expanded Lottery Act. It is estimated that electronic gaming machines will generate $12.3 million of net revenue in FY 2008 and $101.5 million in FY 2009. The ELARF is estimated to receive $4,921,200 in FY 2008 and $41,932,320 in FY 2009. The revenue will also be used to supplement purses at live greyhound and horse races, provide operational support for county fair horse races through the Horse Fair Racing Benefit Fund, provide additional funding to the Problem Gambling and Addictions Grant Fund (PGAGF), provide funding to the community where the racetrack gaming facility is located, and provide management fees and expenses to each racetrack gaming facility manager. A summary of the distribution of revenue from racetrack gaming facilities is presented below.

Distribution of Racetrack Gaming Facility Revenue

	FY 2008 Gov. Est.	FY 2009 Gov. Rec.
Transfer to ELARF	4,921,200	41,932,320
Horse Racing Purses	861,210	5,792,890
Greyhound Racing Purses	861,210	5,792,890
Horse Fair Racing Benefit Fund	123,030	1,015,430
PGAGF	246,060	2,030,860
Cities & Counties	369,090	3,046,290
Gaming Facility Managers	4,921,200	41,932,320
Total	$12,303,000	$101,543,000

Although destination casinos authorized under the Kansas Expanded Lottery Act will not become operational before FY 2010, it is estimated that gaming facility managers, selected to operate gaming facilities on behalf of the state, will pay the ELARF a total of $30.5 million in privilege fees in FY 2009. The gaming facility manager selected in Crawford or Cherokee County must pay a privilege fee of $25.0 million in FY 2009, while the gaming facility manager selected in Ford County must pay $5.5 million. The privilege fees of $25.0 million arising from the casinos in Wyandotte and Sumner Counties will likely come in FY 2010.

Expanded Lottery Act Revenues Fund Summary

	FY 2008 Gov. Est.	FY 2009 Gov. Rec
Beginning Balance	$ --	$ 9,338,700
Transfers In:		
Gaming Machine Privilege Fees	4,417,500	--
Gaming Machine Revenue	4,921,200	41,932,320
Gaming Facility Privilege Fees	--	30,500,000
Total Available	$9,338,700	$81,771,020
Expenditures & Transfers Out:		
Reduction of State Debt	--	57,140,836
State Infrastructure Improvements	--	24,250,000
Total Expenditures & Transfers Out	$ --	$81,390,836
Ending Balance	$9,338,700	$ 380,184

The table above shows the estimated revenue that will be available in the ELARF. The Governor recommends using ELARF to reduce state debt and make state infrastructure improvements in FY 2009.

Under the Governor's recommendations, $380,184 is anticipated to be left in ELARF at the end of FY 2009.

Expanded Lottery Act Revenues Fund

Program or Project	FY 2009
Reduction of State Debt	
Statehouse Renovation Bonds	10,052,858
SGF KDOT Bonds	16,148,175
All Other SGF Bonds	14,250,106
Regents Crumbling Classrooms (EBF Transfer)	15,000,000
Corrections Bonds (CIBF Transfer)	1,689,697
Total Reduction of State Debt	$ 57,140,836
State Infrastructure Improvements	
Department of Administration	
Capitol Complex Maintenance	3,000,000
Docking Renovation Planning	1,000,000
Department of Commerce	
Bioenergy Research Program	2,000,000
Board of Regents	
Technical Education Equipment Grant	2,500,000
University of Kansas	
School of Pharmacy Expansion	1,000,000
Wichita State University	
NIAR-Aviation Infrastructure	2,500,000
Historical Society	
Historic Site Preservation & Development	500,000
Adjutant General	
Regional Training Center	4,000,000
Kansas Bureau of Investigation	
Site Planning & Property Acquisition	250,000
Department of Wildlife & Parks	
Ongoing Parks Rehabilitation	3,000,000
Disaster Damage & Develop Green Space	1,500,000
Kansas Development Finance Authority	
Housing Trust Fund (Transfer)	3,000,000
Total State Infrastructure Improvements	$ 24,250,000
Total	$ 81,390,836

FY 2009 Recommendations

The Governor's recommendations for expenditures from the new Expanded Lottery Act Revenues Fund in FY 2009 are summarized in this section. In addition, Schedule 2.6 at the back of this volume provides expenditure data by agency. A table on the next page details the bond payments to be assumed by ELARF monies. None of the bonded indebtedness to be paid with ELARF is new. The projects have all been previously approved.

Department of Administration

Capitol Complex Maintenance. The Governor recommends expenditures of $3.0 million from the ELARF for ongoing Capitol Complex maintenance projects in FY 2009. There are many deferred maintenance projects in the complex that have built up over the years. This recommendation will allow the Department to prioritize and fund these projects with an ongoing source of new revenue.

Docking State Office Building Renovation Planning. In order to begin renovations that the Department has presented to the Legislature for the Docking State Office Building, the Governor recommends $1.0 million in FY 2009 from the ELARF for planning expenditures. The Governor also includes bond authority of $80.0 million to fund the renovation, and $16.0 million to cover furnishings and moving costs. Debt service on the bonds will begin in FY 2010. This project will bring the Docking State Office Building into the 21st century by stripping the building to its girders and rebuilding the structure. Many years of deferred maintenance have taken a toll on the current building's infrastructure.

Department of Commerce

Bioenergy Research Program. The Governor recommends $2.0 million from the ELARF to fund the new Bioenergy Research Program in the Department of Commerce. This program will provide grants and low interest loans to finance the commercialization of new technological breakthroughs in bioenergy research. Commercializing new technologies will require significant capital to fund the engineering, modeling, and other early stage development expenses. This funding will assist bioenergy companies and research institutes in Kansas develop and implement new technologies to produce the most cost-effective renewable fuels, including cellulosic ethanol, biodiesel, and other biofuels.

Board of Regents

Technical Education Technology & Equipment Grant. The Authority will also make recommendations on the distribution of the Technical Education Technology and Equipment Grant. The grant requires

a two-to-one match by the technical school or community college receiving the grant. The Governor recommends $2.5 million from the Expanded Lottery Act Revenues Fund for this grant in FY 2009.

Expanded Lottery Act Revenues Fund Assumed Debt Service Payments

Program or Project	FY 2009
Department of Administration	
Statehouse Renovation Bonds	$10,052,858
KDOT Bonds	16,148,175
Judicial Center Improvements	101,170
KPERS	
Retirement Benefits Debt Payment	3,210,948
Board of Regents	
EBF Transfer	15,000,000
Pittsburg State University	
Readiness Center	326,999
Kansas University Medical Center	
Energy Conservation	908,000
Wichita State University	
Aviation Research	1,644,208
Department of Corrections	
Prison Capacity Expansion	3,679,303
CIBF Transfer	1,689,697
Adjutant General	
Armory Renovation	2,226,807
Kansas Bureau of Investigation	
Headquarters Acquisition	311,850
State Fair	
Master Plan	1,840,821
Total	$57,140,836

University of Kansas

School of Pharmacy Expansion. The bioscience industry is playing an important growing role in the Kansas economy. For the state's economic infrastructure, the Governor recommends the expansion of the University's School of Pharmacy beginning with $1.0 million from the ELARF for planning and start-up costs in FY 2009 and $50.0 million in bonding authority. Debt service will not begin until FY 2010 with an estimated annual cost of $5.0 million for 15 years. An additional $100.0 million will be provided through federal and private funding. The School of Pharmacy project will consist of a new building on the Lawrence campus and an addition and partial renovation of the Roberts Center for Research in Wichita. When completed, the School will provide instruction to an additional 85 students, assist with continuing education for pharmacists, and promote residency programs in hospital pharmacies around the state.

Wichita State University

National Institute for Aviation Research (NIAR). The aviation industry is one of the largest employers in the state. To support this infrastructure, the Governor recommends $2.5 million from the Expanded Lottery Act Revenues Fund for support of the National Center for Aviation Training within NIAR. Funding will be used by Wichita State University to develop new curriculum and purchase equipment to help train the 25,000 new workers that will be needed in the aviation industry over the next five years. This initiative will also be supported by Sedgwick County and the Wichita Area Technical College.

Historical Society

Historic Site Preservation & Development. Recognizing the deteriorating condition of many historic sites in the state and the backlog of projects at those sites, the Governor recommends $500,000 from the ELARF in FY 2009 for historic site preservation and development. The agency plans to use initial funding for structural stabilization of Goodnow House, an historic property in Manhattan; collection shelving to maximize existing space at the Historical Society facility; and upgrades to the physical plant at the Kansas Museum of History.

Adjutant General

Regional Training Center. The FY 2009 recommendation includes $4.0 million from the Expanded Lottery Act Revenues Fund for the construction of a second training center. Although the

location of this training center has not yet been determined, it will assist the state in meeting training requirements and improve the proficiency and capabilities of all first responders and public safety organizations as well as the National Guard.

Kansas Bureau of Investigation

KBI Complex—Site Master Plan. The KBI is in the midst of purchasing and razing the remaining buildings on the same block as the Headquarters. The Governor recommends $50,000 from the Expanded Lottery Act Revenues Fund in FY 2009 to complete the buyout and demolition project. On the purchased land, the agency will build a new forensic science laboratory and a storage facility. The Governor recommends $50,000 from the Expanded Lottery Act Revenues Fund to complete an overall KBI Complex site master plan to define space utilization, general appearance, traffic flow, utilities, code compliance, and phasing of the entire project.

In addition, the Governor recommends $150,000 from the ELARF for a needs assessment of a new forensic science laboratory to provide insight into expanding the KBI's laboratory services needed by the Kansas Criminal Justice Community.

Department of Wildlife & Parks

Ongoing Parks Rehabilitation & Repair. For FY 2009, the Governor recommends $3.0 million from the ELARF to be used for state parks rehabilitation and repair. This funding will build on the initiative of the past two years to provide additional state support to better maintain the lands and facilities of the state parks. The Department plans to use these funds for extensive facility repairs, including renovation of campsites, administrative and maintenance buildings; upgrading shower and toilet buildings and electrical service to campgrounds; and restoring sewer and water infrastructure.

Disaster Damage & Develop Green Space. For FY 2009, the Governor recommends $1.5 million to be used to repair extensive damage to the state parks caused by high winds, long-term flooding, and heavy rains during the spring and summer of 2007. The state parks, unlike most public lands managed by the Department, are built on land intended for flood control. As such, they are not eligible for federal emergency funding when flooding occurs. New gaming monies will pay for debris removal; repairs to campsites, boat ramps, playgrounds, beaches, and docks; replacement of underground wiring, picnic tables, trees, and grass; as well as repairs to spillways, shoreline, and trails.

Kansas Development Finance Authority

Housing Trust Fund. Communities across the state are struggling with the very real dilemma of trying to attract businesses and workers to their communities while lacking available and affordable workforce housing. These struggles were particularly exacerbated this year for Kansas communities impacted by disasters. Recognizing the importance of affordable workforce housing in the recovery of communities impacted by disasters, as well as in the overall economic vitality of rural communities across the whole state, the Governor recommends an annual expenditure of $3.0 million from the new gaming receipts to the State Housing Trust Fund. The State Housing Trust Fund is administered by the Kansas Housing Resources Corporation (KHRC), which is a program within the Kansas Development Finance Authority.

These resources will be used to assist local communities with the long-term development of both rental and individually-owned affordable housing through new state housing block grants and existing new home construction and rental housing programs. The KHRC estimates that every dollar invested by the state in these programs leverages four dollars in private investment in housing development. Comprehensive workforce and senior housing policies supported by a permanent funding source will help address the housing needs not only of the communities affected by the 2007 disasters, but will promote affordable housing development statewide.

State Water Plan Fund

Water Plan Objectives

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

During FY 2007, the KWA began a strategic planning process to determine important issues that need to be addressed over the next few years. Five issues were identified for further review:

- Surface Water Management
- Reservoir Sediment Management
- Demand Management for Public Water Suppliers
- Reduced Water Consumption in Western Kansas through Diversification
- Impact of Climate Change on Water Supply

With the exception of climate change, each of the five issues is being addressed in Kansas through current initiatives. Any new proposals related to the five issues above will build on efforts currently in place. In addition, none of the five issues can be viewed independently because of the inter-related nature of programs addressing water supply and water quality.

One of the five issues listed above, reservoir sediment management was the focus of the first Reservoir Summit held in October of 2007. Representatives of state and federal water management agencies, legislators and legislative staff members, industrial water users and suppliers, as well as those interested in agricultural and recreational issues attended the summit to discuss the future of the 24 federal reservoirs in Kansas. Governor Sebelius delivered the opening speech, stating that two-thirds of the state's population depends on the reservoirs for their water supply needs. A conclusion made at the end of the summit was that it is important to address long-term surface water needs for the state. Existing objectives of the State Water Plan are as follows:

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

Water Conservation. The number of public water suppliers with excessive "unaccounted for" water usage will be reduced by targeting those with unaccounted water usage of 30.0 percent or more. Also to be reduced are the number of irrigation points of diversion for which the acre feet per acre (AF/A) of water use exceeds the respective regional standard of 1.0 AF/A in eastern Kansas, 1.5 AF/A in central Kansas, 2.0 AF/A in western Kansas, and water users who overpump the amount authorized by their water rights.

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

Water Management. It is the intent of the Authority to reduce the water level decline rates in the Ogallala Aquifer and to implement water management programs in targeted areas, including cost share and incentive programs to reduce consumption.

Water Quality Protection. The KWA intends to reduce the average concentration of bacteria and dissolved solids, nutrients, metals, and pesticides that have an adverse affect on the water quality of lakes and streams.

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

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

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

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

Fund Summary

State Water Plan projects are largely financed through the State Water Plan Fund. The table below summarizes actual and estimated State Water Plan Fund revenues and expenditures for FY 2006 through FY 2009 to illustrate the financial status of the fund. The approved level of State Water Plan expenditures for FY 2007 was $21,638,546; however, actual expenditures for the year were $17,896,253, leaving an unexpended balance. Of the unexpended balance, $3,064,608 is needed to complete work on projects that had been started but not completed in FY 2007. Of the remaining amount, $677,685 will be returned to the State Water Plan Fund balances and used for water quality and water quantity projects approved by the Kansas Water Authority and recommended by the Governor.

FY 2009 fee fund revenue estimates are shown in the table on the next page. User fee receipts, which make up a large portion of the fund's revenue, have been relatively stable during FY 2005 through FY 2007. Legislation passed in 2005 shifts revenue from the Clean Drinking Water Fee Fund from the State General Fund to the State Water Plan Fund, beginning in FY 2008. This is the reason fee fund revenue increases for both FY 2008 and FY 2009.

In addition to fee fund revenue, there is a statutory transfer from the State General Fund and the Economic Development Initiatives Fund into the State Water Plan Fund each year, $6.0 million and $2.0 million, respectively, and a $400,000 transfer out of the State Water Plan Fund to the Kansas Corporation Commission for the investigation, remediation, and plugging of oil and gas wells that were abandoned prior to July 1, 1996. For FY 2009, the Governor

State Water Plan Fund

	FY 2006 Actual	FY 2007 Actual	FY 2008 Gov. Est.	FY 2009 Gov. Rec.
Beginning Balance	$ 7,682,094	$ 9,591,892	$ 9,052,462	$ 1,931,151
Released Encumbrances	1,333,653	63,989	2,395,294	--
Adjusted Balance	$ 9,015,747	$ 9,655,881	$ 11,447,756	$ 1,931,151
Revenues:				
Fee Revenue	9,308,333	9,692,834	12,381,606	12,998,535
Kansas v. Colorado Suspense Fund	--	--	584,217	525,729
Transfer In from State General Fund	6,000,000	6,000,000	6,000,000	6,400,000
Transfer In from the EDIF	2,000,000	2,000,000	2,000,000	2,000,000
Transfer Out to State General Fund	--	--	--	--
Transfer Out to KCC for Well Plugging	(400,000)	(400,000)	(400,000)	(400,000)
Total Available	$ 25,924,080	$ 26,948,715	$ 32,013,579	$ 23,455,415
Expenditures:				
State Water Plan Expenditures	16,332,188	17,896,253	29,498,211	22,929,686
Kansas v. Colorado Suspense Fund	--	--	584,217	525,729
Ending Balance	$ 9,591,892	$ 9,052,462	$ 1,931,151	$ --

recommends increasing the transfer from the State General Fund by $400,000 on a one-time basis to fund priority projects recommended in the *Kansas Water Plan*.

State Water Plan Fund

Project or Program	FY 2009
University of Kansas	
Geological Survey	40,000
Department of Agriculture	
Subbasin Water Resources Mgt.	761,373
Interstate Water Issues	583,635
Water Use Study	60,000
Total--Dept. of Agriculture	$ 1,405,008
State Conservation Commission	
Water Resources Cost-Share	3,326,594
Nonpoint Source Pollution Asst.	2,000,000
Water Transition Assistance	1,000,228
Conservation District Aid	2,255,919
Watershed Dam Construction	1,055,000
Buffer Initiatives	350,000
Riparian & Wetland Program	251,782
Multipurpose Small Lakes	1,123,176
Lake Restoration/Management	2,713,762
Salt Cedar Control Projects	50,000
Total--Conservation Commission	$ 14,126,461
Health & Environment--Environment	
Contamination Remediation	979,338
Local Environmental Protec. Programs	1,502,735
Nonpoint Source Technical Asst.	299,743
WRAPS Program	800,000
TMDL Initiatives	301,793
Total--Health & Environment	$ 3,883,609
Kansas Water Office	
Assessment & Evaluation	860,000
GIS Database Management	250,000
MOU--Operations & Maintenance	301,418
Technical Assist. to Water Users	624,919
Water Resource Education	84,000
Weather Stations	100,000
Weather Modification	240,000
Wichita Aquifer Recharge Project	1,000,000
Neosho River Basin Issues	500,000
Total--Kansas Water Office	$ 3,960,337
Wildlife & Parks	
Stream Monitoring	40,000
Total	$ 23,455,415

In June of 2006, the state received $1.1 million in damage award money from the state of Colorado related to the *Kansas v. Colorado* litigation. That money goes to a suspense fund and is not deposited directly in the Water Plan Fund until expenditures are appropriated. For FY 2008, $584,217 of that amount was used to pay for expenses of the Interstate Water Issues program in the Department of Agriculture. The Governor recommends using the balance of $525,729 for the same purpose in the Department of Agriculture for FY 2009. In previous years, the state received $34.6 million from Colorado related to the lawsuit filed in 1984 to settle disputes and remove causes of future controversy concerning the waters of the Arkansas River.

State Water Plan Fee Revenue

	FY 2009
Municipal Water Fees	3,748,687
Fertilizer Registration Fees	2,940,000
Industrial Water Fees	1,272,024
Pesticide Registration Fees	1,000,000
Sand Royalty Receipts	182,250
Stock Water Fees	368,708
Clean Drinking Water Fees	3,406,866
Fines	80,000
Total	$12,998,535

FY 2009 Recommendations

The Governor's recommendations for expenditures from the State Water Plan Fund total $23,455,415 for FY 2009 and are summarized in the table on this page, followed by more detailed descriptions of the recommendations. In addition, State Water Plan Fund projects are listed in Schedule 2.5 at the back of this report.

University of Kansas

Geological Survey. Included in the Governor's recommendation for the State Water Plan budget for FY 2009 is $40,000 for the Geological Survey. The funding will be used for continuing analysis of water depletion in the Ogallala Aquifer. This study began in

FY 2002 as a water resource priority. Specifically, the Geological Survey will evaluate estimated water level declines in the Aquifer by decade, precipitation in the area, and aquifer recharge rates.

Department of Agriculture

The Governor recommends a total of $1,405,008 from the State Water Plan Fund for the Department of Agriculture. This recommendation will fund three programs charged with management of the state's water resources.

Subbasin Management. The subbasin management program works in cooperation with water right holders and local, state, and federal agencies to address stream flow depletions and groundwater declines in specific river basins. The project is operated through a group of basin teams that include the environmental scientists familiar with the geology and hydrology of the basin. These scientists analyze the basins and develop strategies to address water management issues. The Governor recommends $761,373 to support these activities.

Interstate Water Issues. The Governor's recommendation includes $583,635 from the State Water Plan Fund to continue to protect Kansas' interests on the Arkansas River and the Republican River and to ensure interstate compact compliance related to the water lawsuit settlements for both rivers. Of this amount, $190,013 will be used for ongoing expenses related to monitoring compliance. This includes salaries for 3.00 FTE positions and associated operating expenditures. The remaining $390,687 will be used for continuing contractual services with consultants to verify independently and assist with the technical aspects of monitoring the compact settlements, such as hydrological modeling and analysis.

Water Use Study. Included in the Governor's recommendation for the State Water Plan budget is $60,000 for the Water Use Study Program. This study is used to ensure quality water control within the state by preparing public water supply reports for data entry; maintaining and updating mailing lists for water use reports; collecting public water supply rate information; and assisting with irrigation water use reports for follow-up activities.

State Conservation Commission

Water Resources Cost-Share Program. The Governor recommends $3,326,594 from the State Water Plan Fund for FY 2009. The program enhances and conserves the state's soil and water resources through the use of financial incentives in voluntary partnerships with farmers, ranchers, and other land managers to emphasize the establishment of practices the improve water quality. Established practices include the use of terracing, grass waterways, and grass planting to reduce sediment and nutrients in waterways.

Nonpoint Source Pollution Assistance Program. State Water Plan Fund monies of $2.0 million recommended by the Governor for FY 2009 will enable the agency to offer assistance to landowners who enroll in the Conservation Reserve Enhancement Program (CREP). Assistance through the program that will be offered is the permanent plugging of any irrigation wells that will no longer be used when the water right for the property is retired. Landowners will also receive assistance in planting native vegetation or establishing a variety of other conservation practices that will protect surface and ground water quality.

Water Transition Assistance Program. The SCC has established an irrigation water right retirement program for over-appropriated areas with sustainable irrigation potential. The Governor recommends State Water Plan Fund support of $1,000,228 for FY 2009, which will target areas in three western Kansas groundwater management districts and the Ogallala fringe outside those three districts. The program offers incentives to landowners who agree to retire their water rights on a permanent basis, and transition to dryland crops.

Conservation District Aid. The Governor recommends enhanced funding of $119,765 for the program for FY 2009. Legislation passed during the 2007 Legislative Session increases the cap on state matching funds from $10,000 to $25,000. After calculating the increases that local districts were willing to contribute for conservation activities, $119,765 was needed to match the increase in local contributions. Total financing of $2,255,919 is recommended from the State Water Plan Fund for the program in FY 2009.

Watershed Dam Construction Projects. The Governor recommends State Water Plan Fund monies of $1.1 million in FY 2009 for new construction projects located above federal reservoirs that serve a public water supply function and also for some rehabilitation projects at other dams. There are approximately 6,000 dams that were built to provide public water supply or flood protection. Some of the dams are in good shape, and need only routine maintenance to remain useful. Others have physical problems that require repairs while still other are located upstream from properties that could be damaged should there be a breach to the dam. The program is financed as a joint federal, state, and local partnership that provides assistance for engineering fees, sediment removal, structure upgrades, and structural replacements. The federal program through the Natural Resources Conservation Service started in FY 2002 and the state program began in FY 2006.

Water Quality Buffer Initiatives. This program encourages the use of buffer strips by landowners to protect the state's water resources from pollutants. The Governor's recommendation maintains current expenditures of $350,000 for FY 2009.

Riparian & Wetland Program. The Governor's recommendation for FY 2009 is $251,782 for the program. The goal of the Riparian & Wetland Program is to protect, enhance, and restore riparian (streambank) areas and wetlands.

Multipurpose Small Lakes. The Governor recommends from the State Water Plan Fund $1,123,176 in FY 2009 as part of the agency's Multipurpose Small Lakes Program for the Horsethief Reservoir Project. The project, which will be located in Hodgeman County, will provide 452 acres of permanent water for recreation and have a floodwater storage capacity of 12,868 acre feet. In addition to the state funding, financing for the project is proposed from the Pawnee Water shed Joint District No. 81, local bonding sources, and other state and federal sources. The voters of five affected counties in southwest Kansas passed a revenue bond proposal that provides approximately $9.0 million of the funding needed to construct the reservoir. The estimated total cost of the project is $15.9 million, including state funding of $4.5 million. Total state funding to date, including the Governor's recommendation for FY 2009 is $4,503,176. The FY 2009 appropriation will be the final appropriation of state funding for the project.

Lake Restoration/Management. Beginning in FY 2008, revenue from the Clean Water Drinking Fee Fund is deposited to the State Water Plan Fund instead of the State General Fund. According to legislation that passed during the 2005 Legislative Session, 85.0 percent of the revenue must be used for lake restoration projects, and to specifically focus on lakes that are used for public water supply purposes; while the remaining 15.0 percent is to be used for technical assistance in the Kansas Water Office. The $2.7 million in the SCC's budget in FY 2008 for lake restoration projects represents 85.0 percent of the estimated FY 2008 revenue of $3,192,662. Two specific lake projects were approved by the 2007 Legislature for FY 2008: the restoration and protection of Mission Lake which supplies water for the City of Horton, and the Washington County Rural Water District No. 1 Low Head Dam Project. For fiscal year FY 2009, the Governor recommends expenditures of $2,713,762 from the State Water Plan Fund for expenditures additional lake restoration projects.

Salt Cedar Control Projects. The Governor recommends State Water Plan monies of $50,000 for Salt Cedar Control Projects in FY 2009. Salt Cedars and other non-native species of shrubs grow on streambanks and cause water quantity and quality problems by reducing stream flow and increasing the salinity of the water. In previous years a working group of staff members from the natural resource agencies established a demonstration project in the Pawnee Watershed District in Finney County. The FY 2009 funding will address three more southwest Kansas counties with large areas of salt cedar infestation.

Health & Environment—Environment

Contamination Remediation. The Governor provides $979,338 in FY 2009 in order to address environmental contamination at sites where there is no responsible party identified or where the responsible party is unable to pay for the needed corrective action. The funding is used for site assessments, investigations, corrective actions, and emergency responses.

Local Environmental Protection Programs. For FY 2009, the Governor recommends $1,502,735 that will be distributed as aid to counties so that each county has the funding to implement approved environmental protection plans.

Nonpoint Source Technical Assistance. This program provides technical assistance as well as demonstration projects for nonpoint source pollution management at the local level. The Governor recommends $299,743 for FY 2009.

Watershed Restoration & Protection Plans (WRAPS.) State Water Plan expenditures of $800,000 for the WRAPS program is recommended by the Governor for FY 2009. The program is designed to assist local groups to work together to identify water quality and water resource issues within a watershed district, and then develop and implement local solutions to address those problems.

TMDL Initiatives. A TMDL (total maximum daily load) is the maximum amount of pollution a river or lake can receive without violating surface water quality standards. The Governor recommends $301,793 for FY 2009 to continue efforts to obtain flow and other supplemental data in other basins where TMDLs are established.

Kansas Water Office

Assessment & Evaluation. The goal of this program is to assess the condition of the state's water resources continually. These assessments are used to identify State Water Plan priorities. For FY 2009, the Governor recommends $860,000.

GIS-Database Management. Information recorded in the GIS database is used to determine whether sufficient water storage will be available to meet projected year 2040 public water supply needs. FY 2009, the Governor recommends continued funding of $250,000.

MOU—Operations and Maintenance. A portion of the water supply storage space purchased through a 1985 Memorandum of Understanding with the U.S. Corps of Engineers is held in reserve. Operation and maintenance costs are not paid through the Water Marketing and Water Assurance Programs, as there are currently no users of these reservoirs. To maintain and operate the reserve storage space, the Governor recommends $301,418 for FY 2009.

Technical Assistance to Water Users. The Governor's recommendation for FY 2009 is $624,919. The funding will be used to provide educational and technical assistance to irrigators and municipalities in the preparation of water conservation plans. The Kansas Water Office also uses a portion of the funding to provide technical assistance for lake restoration projects that are funded in the budget of the State Conservation Commission.

Water Resource Education. The Governor maintains current funding of $84,000 for this program that funds scholarships through the Kansas Environmental Leadership Program, which is sponsored by Kansas State University and the Kansas Center for Agricultural Resources.

Weather Stations. The Governor's recommendation maintains the current funding of $100,000 from the State Water Plan Fund for the program that encourages level of innovative approaches to improving the management of crop watering, such as irrigation-scheduling weather stations, mobile irrigation labs, and field demonstration projects.

Weather Modification. The Governor recommends funding of $240,000 from the State Water Plan Fund for the program in FY 2009. The goal of the program is to reduce crop-hail damage. The Water Office issues contracts for pilots to release silver iodide into clouds to reduce crystal formation, thereby reducing hail size.

Wichita Aquifer Storage & Recovery Project. The recommendation provides $1.0 million in state funding to supplement local funding for the $125.0 million cost for Phase II of the project. The project started with Phase I in 2006, and is expected to help meet the City's water supply needs through 2050. Much of the water supply for the City of Wichita comes from the Equus Beds aquifer, and that supply needs to be increased to meet future water needs. The recovery program injects treated surplus surface flows from the Little Arkansas River water into the Equus Beds Aquifer for storage and later recovery. In addition to storage, the project also involves a hydraulic barrier to a brine plume adjacent to the river near Burrton,

Kansas. The project is expected to add up to 65 billion gallons of water to aquifer storage to meet demand, protect the aquifer from the intrusion of chloride contamination from the Burrton area, and reduce power costs for pumping. The City of Wichita did obtain authorization for up to $30 million in federal funds during the 2006 Session of Congress, however, a direct appropriation of funds has not yet been made. The Governor recommends $1.0 million for FY 2009 from the State Water Plan Fund.

Neosho River Basin Issues. The Kansas Water Office has determined that a number of water quality issues related to sedimentation exist in the Neosho River Basin. These include algae blooms at Marion Reservoir, which have led to water quality problems. Sedimentation in John Redmond Reservoir has reduced available water storage capacity. The Governor recommends $500,000 from the State Water Plan Fund to address these reservoir issues in FY 2009. This amount is a continuation of the $500,000 amount appropriated for FY 2008 because of the long-range nature of the project.

Department of Wildlife & Parks

Stream Monitoring. Staff in the Department of Wildlife and Parks use stream monitoring to determine the potential adverse effects of pollution on fish and wildlife and to measure the state's progress toward reducing surface water pollution. To continue this monitoring program, the Governor recommends $40,000 from the State Water Plan Fund for FY 2009.

Salaries

FY 2009 Pay Plan

The Governor recommends that the base pay of state employees increase by 2.5 percent for FY 2009. For both classified and unclassified employees, the Governor proposes a general increase of 2.5 percent. Included in the proposal are elected officials of the Executive Branch whose salaries are specified by law, other employees of the Executive Branch whose salaries are approved by the Governor and agencies with their own appointing authority, judges and non-judicial personnel, and legislators and legislative staff.

These salary adjustments are the only changes the Governor makes to the budgets of the Judiciary, as prescribed by law, and to legislative agencies, as a matter of policy to treat the legislative agencies the same as the Judiciary.

Funds totaling $55.2 million from all funding sources have been included in the budget of each state agency to implement the pay proposal. Of this amount, $27.1 million is from the State General Fund. For state universities under the Board of Regents, $27.4 million from all funding sources is budgeted, of which $12.5 million is from the State General Fund. This recommendation is included as a portion of the Regents university operating grant.

Classified Employee Compensation Review

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

To undertake further study of this issue, the State Employee Compensation Oversight Commission was created during the 2007 Legislative Session and was charged with the development of a new pay plan for classified employees for the Governor and the 2008 Legislature to consider. The Commission comprised 11 members from all three branches of state government who worked together in the summer and fall of 2007 on developing recommendations to address issues with compensation of classified employees. Their final report was issued November 30, 2007, which recommends that the structure of the classified pay plans be altered to address the market conditions and the wide variety of jobs held by state employees.

As background to the Commission's work, a State Employee Pay Philosophy Task Force was also created by the 2007 Legislature and charged with the development of a compensation philosophy for the State of Kansas. Its conclusive statement is as follows:

> The compensation program (compensation and benefits opportunity and delivery) for state employees will be designed to support the mission of the various branches of government and the agencies and departments within those branches. The foundation of the compensation program is to attract and retain quality employees with competitive compensation based on relevant labor markets. The programs will be based upon principles of fairness and equity and will be administered with sound fiscal discipline.

In keeping with this philosophy, the Commission endorsed the recommendation that five pay plans be created for state employees in the classified service, with different opportunities for pay increases to acknowledge the vastly different types of work performed by state employees:

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

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

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

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

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

Implementing five new pay plans will require the development of a statewide performance management plan, to be completed by July 2008. The Governor recommends additional staff for the Division of Personnel Services to begin this task, as well as to assist with future salary surveys, assist agency managers in administering the necessary job class studies and employee evaluations to implement the new compensation system for classified staff.

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

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

In the first year, FY 2009, the basic vocational classes, as well as those isolated worst cases will be addressed. The Governor recommends $16.0 million in her budget to finance this first year, including $8.5 million from the State General Fund.

As a long-term commitment to recognizing the value of state service, the estimated future year costs for the market adjustments are also recommended to be appropriated during the 2008 Legislative Session.

Longevity Bonus Program

Payments under the current Longevity Bonus Program are calculated on the basis of $50 per year of service times the number of years of service for employees with at least ten years of service with the state. The current maximum payment is $1,250: $50 per year of service times 25 years. For FY 2009, the Governor recommends funding the second year of the longevity bonus at this higher level. The program applies to classified employees in the Executive Branch, non-judicial personnel at the Judiciary, and most unclassified employees in agencies of the Legislative Branch. The total budgeted for longevity payments for FY 2009 is $14.7 million from all funding sources, with $7.0 million of that amount from the State General Fund.

Regents

For FY 2009, the Governor recommends $35.0 million from the State General Fund for new funding to be distributed to postsecondary institutions. This would include state universities, community colleges, vocational/technical schools and colleges and Washburn University. The Board of Regents distributes the grant to postsecondary institutions as it finds appropriate. If the Board chooses to provide the 2.5 percent salary increase and the market rate adjustment that the Governor recommends for the rest

of the state workforce, the cost will be approximately $27.4 million, including $12.5 million from the State General Fund.

Military Benefits

Included in the Governor's budget for FY 2008 is $500,000 from the State General Fund for death benefits to pay out $250,000 each in state funds to beneficiaries of the last two service members who were killed. This provides death benefits equal to those provided to other guard members killed in action.

Fringe Benefits

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

Retirement Rates

The 2004 Legislature authorized a multi-year statutory increase to the maximum KPERS employer contribution rate to make the KPERS Fund actuarially sound. The rate increased by 0.4 percentage points for FY 2006 and by 0.5 percentage points for FY 2007. For FY 2008 and FY 2009, the rate will increase by 0.6 in both years to 6.97 percent in FY 2009 and by that same increased rate thereafter until the KPERS Fund reaches equilibrium, the point at which the fund is financially able to cover all retirement benefit obligations. The cost for the 0.6 percentage point increase in FY 2009 is estimated to total $7.5 million from all funding sources, of which $3.4 million is from the State General Fund.

Group Health Rates

The FY 2008 and FY 2009 employer contribution to the group health rates for state employees will remain at the same level as in FY 2007. Continued favorable claims experience allows the state to hold the rates flat another year. For 2008, the cost to most plan participants has remained the same or been slightly lowered. The state covers 95.0 percent of the cost of state employee health insurance. The coverage of dependents has increased from an average of 45.0 to 55.0 percent. Federal rules do not allow state employee dependents to receive HealthWave benefits, but since January 2006, the state's HealthyKids Program pays 90.0 percent of the cost of health coverage for employee children who otherwise would have been eligible for the HealthWave Program. Over 1,300 employees have been approved to enroll their children in HealthyKids for the 2008 plan year.

Retiree Benefits

Cost of Living Adjustments (COLAs) for Retired KPERS Members. In addition to salary increases to current employees, the Governor also recommends a 1.0 percent COLA for the next three years for certain retired KPERS members. In addition, the Governor recommends financing the cost of each of these COLAs from the State General Fund with level payments over a 15-year period, beginning in FY 2009.

The first COLA payment, which will be made to retirees in July 2008, is estimated to cost $6.4 million each year for 15 years. In order for a retiree to be eligible for this COLA, the retiree must have retired prior to July 1, 2007. The cost in FY 2010 increases to $13.1 million to continue the first COLA and add an additional 1.0 percent for all members who will have retired prior to July 1, 2008. Finally, the cost in FY 2011 will increase to $20.2 million for the first two COLAs, to add an additional 1.0 percent for all members who will have retired prior to July 1, 2009. The payment of $20.2 million will continue until FY 2026. In addition, the Governor recommends KPERS staff work jointly with the Administration and the Legislature to develop a COLA for current active employees during the upcoming legislative session.

State Workforce

Changes to the Workforce

A year ago, when the budget for FY 2008 was approved, the number of authorized positions totaled

42,515.49. Of this amount, 41,421.24 were FTE positions and 1,094.25 were non-FTE unclassified permanent positions. The Governor's revised budget for the current fiscal year now totals 43,398.44, of which 42,134.42 are FTE positions and 1,264.02 are non-FTE positions. The changes result in a net increase of 882.91 positions.

The most significant increases in the revised FY 2008 budget occur in the Regents universities, notably Kansas State University with an increase of 206.57, the KU Medical Center with an increase of 279.70. The universities have no restriction on the number of positions, and their position totals can fluctuate considerably from one year to the next. The Kansas Lottery and Racing & Gaming Commission will both increase staff in FY 2008 and FY 2009 to administer the new expanded lottery functions assigned to these agencies. Increased census in the Sexual Predator Treatment Program at Larned State Hospital requires additional staff as well.

For FY 2009, the total number of positions in the Governor's recommendation equals 43,398.37, 42,123.18 of which are FTE positions and 1,275.19 are non-FTE positions. The FY 2009 total is essentially flat compared to the Governor's revised estimate for FY 2008.

Increases are recommended for new ombudsman representatives in the Office of the Long-Term Care Ombudsman in the Department of Administration; inspectors in the Department of Agriculture; field staff to manage increased parks and wildlife area usage; staff for the Attorney General to manage a variety of crime prevention and fraud programs and positions for the KBI to work on the Criminal Justice Information System.

Counting the State Workforce

The state workforce includes all positions that are permanently assigned. It excludes temporary help, both those on the state payroll and those used on a contractual basis through temporary employment services. The permanent positions fall into two groups. The first includes full-time equivalent (FTE) positions, some of which are constrained by a limitation in the appropriation bill, while others are not. The second group, named non-FTE unclassified permanent positions, are employed by the authority of KSA 2005 Supp. 75-2935(i) and are approved by the Governor's Office for most Executive Branch positions of this type. They are not limited in number by the appropriations process. As unclassified employees, they are not subject to civil service regulations for purposes either of recruitment or compensation. However, they are permanent because employees in these positions participate in the state retirement system, the same as permanent FTE positions do.

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

Although the state workforce has traditionally been counted according to the FTE limitations established by appropriation bills, there are other views that count positions differently. Accordingly, two tables, Schedules 9.2 and 9.3 at the back of this report, illustrate these methods. The first is "headcount," representing a statewide average of all biweekly payrolls based on the number of paychecks issued for FY 2005, FY 2006 and FY 2007.

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

This table represents a view that mathematically equates to full time the number of positions actually filled for the fiscal years indicated, including overtime and any leave time in which employees are in pay

status. For example, if an agency is legally authorized 10.00 FTE positions but one of them was vacant for half of the fiscal year, this table would report that agency's mathematical FTE total as 9.50. This table presents a more accurate and meaningful picture of FTE positions, including for budgeting purposes a view that indicates the number of positions that the budgets of state agencies can actually support.

FTE Limitations

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

A significant portion of the state workforce, fully 46.2 percent, is not subject to FTE limitations because exemptions are granted to the Regents institutions, the Judiciary, the Legislative Branch, the Governor's Office, the Lieutenant Governor's Office, and several other Executive Branch agencies. In addition, as indicated previously, KSA 75-2935(i) allows Executive Branch agencies, with the approval of the Governor's Office, to appoint permanent positions as unclassified "temporaries" that are no different from FTE positions, except the authority by which they are appointed allows them to avoid the FTE limitation. Therefore, whatever measure of control is exercised by these limitations under current practices is inconsistent and largely ineffectual. Because the amount of funds available in the budget for salaries is the most effective control over an agency's staffing level, the question is raised whether FTE limitations have outlived their usefulness and should be abolished.

The Governor's Budget Report and the *Budget Analysis* of Legislative Research both report the state's workforce on the basis of FTE position limitations. Shrinkage, a salary adjustment for vacant positions, is a common "budget-balancing" technique. Therefore, the dollars available for salaries in many budgets cannot fund the authorized staffing level. As a result, there is no longer a clear connection between the budget and the level of staffing an agency can afford. Therefore, the effect of budget reductions on layoffs and positions held vacant is difficult to gauge. Shifting the focus away from artificially high FTE limitations would allow meaningful staffing levels to be reported that reflect what the budget can actually support.

Once again, no specific recommendation is made at this time to change the current method of counting FTE positions. It should also be noted that the table shows salaries, such as the Governor's pay plan proposal, in the same way as other agencies. However, consideration should be given to the possibility of modifying the way FTE positions are reported and abolishing controls on them altogether.

Statewide Summary of Salaries

The table on page 58 details expenditures for salaries and wages for all agencies, including the salaries of several agencies that would ordinarily be excluded from reportable expenditures to avoid double counting. In this way, a complete view of salaries and wages can be presented. The base salary components are presented in the upper part of the table, and the benefits are itemized below those. The salaries for Regents universities, including the proposed salary plan, are shown in the table in the same way as other state agencies for illustration purposes. However, this is with the understanding that State General Fund monies to finance these expenditures are appropriated as an operating grant, allowing the Regents system to spend available resources according to its own priorities.

Statewide Salaries & Wages

	FY 2007 Actual	FY 2008 Gov. Estimate	FY 2009 Base Budget	FY 2009 Enhance. Pkg.	FY 2009 Gov. Rec.
Authorized Positions					
Classified Regular	694,990,441	837,157,586	815,228,775	17,976,394	853,496,692
Classified Temporary	10,746,625	10,880,917	11,535,342	120,444	11,539,637
Unclassified Regular	821,361,832	1,032,929,637	1,029,785,370	13,770,214	1,056,855,105
Other Unclassified	195,820,065	118,119,158	114,617,142	753,530	117,479,824
Authorized Total	$ 1,722,918,963	$ 1,999,087,298	$ 1,971,166,629	$ 32,620,582	$ 2,039,371,258
Shift Differential	2,944,006	3,026,915	3,034,649	1,872	3,034,649
Overtime	14,976,032	11,667,852	11,705,349	62,212	11,715,349
Holiday Pay	62,114,941	4,026,744	4,006,443	11,100	4,107,222
Longevity	9,723,908	11,700,882	12,516,878	600	12,516,878
Total Base Salaries	$ 1,812,677,850	$ 2,029,509,691	$ 2,002,429,948	$ 32,696,366	$ 2,070,745,356
Employee Retirement					
KPERS	54,230,721	71,752,055	76,074,525	1,627,632	79,292,959
Deferred Compensation	400,272	266,735	265,843	--	272,490
TIAA	51,840,484	64,696,639	64,542,958	11,400	66,836,791
Kansas Police & Fire	5,986,581	6,603,907	6,700,799	280,352	7,014,074
Judges Retirement	4,961,087	6,066,560	6,015,526	78,978	6,165,914
Security Officers	5,307,446	6,919,694	7,293,253	--	7,475,584
Retirement Total	$ 122,726,591	$ 156,305,590	$ 160,892,904	$ 1,998,362	$ 167,057,812
Other Fringe Benefits					
FICA	121,860,765	142,145,249	140,423,139	1,851,767	145,734,612
Workers Compensation	20,430,465	23,330,324	23,169,216	259,378	24,051,215
Unemployment	2,435,379	1,923,248	2,459,454	32,941	2,547,716
Retirement Sick & Annual Leave	10,003,946	10,027,689	9,891,713	122,059	10,254,663
Employee Health Insurance	172,549,089	183,826,481	183,203,844	1,498,774	183,720,996
Family Health Insurance	33,563,095	36,674,461	36,625,437	376,267	36,737,565
Total Fringe Benefits	$ 483,569,330	$ 554,233,042	$ 556,665,707	$ 6,139,548	$ 570,104,579
Subtotal: Salaries & Wages	$ 2,296,247,180	$ 2,583,742,733	$ 2,559,095,655	$ 38,835,914	$ 2,640,849,935
(Shrinkage)	--	(92,533,820)	(89,408,039)	8,578,587	(90,424,807)
Total Salaries & Wages	$ 2,296,247,180	$ 2,491,208,913	$ 2,469,687,616	$ 47,414,501	$ 2,550,425,128
State General Fund Total	$ 1,090,626,761	$ 1,193,790,695	$ 1,172,186,143	$ 49,896,356	$ 1,221,974,379
FTE Positions	41,136.88	42,134.41	41,944.42	477.65	42,123.17
Non-FTE Unclassified Perm. Pos.	1,182.98	1,264.02	1,251.19	(2.00)	1,275.19
Total State Positions	42,319.86	43,398.43	43,195.61	475.65	43,398.36

Amounts include all Off Budget expenditures for the Department of Administration.

Homeland Security

Following the September 11, 2001 terrorist attacks, the federal government implemented a number of initiatives in order to protect against future threats. "Homeland Security" funding for Kansas is defined as funds provided by the federal government to Kansas or any local governments, which are expended specifically for the purpose of improving the state's capability to prevent, respond to, and recover from incidents of terrorism involving chemical, biological, explosive, or radiological weapons.

Financing

Kansas receives funding from several federal sources to support these activities. These funding sources are mainly from the Department of Homeland Security, the Department of Justice, the Center for Disease Control, the Department of Agriculture, the Health and Human Services Administration, the Federal Highway Administration, the Transit Administration, and the Environmental Protection Agency.

The state also receives funds from the Office of Domestic Preparedness (ODP). The majority of the funding received is passed on to local jurisdictions in the amount of 80.0 percent. The state may use the remaining 20.0 percent of the funds for operations as required by the homeland security strategy that has been developed as a requirement of this program. The Highway Patrol has been designated by the Governor as the state agency that receives and distributes these funds on behalf of the state. The goal of the Highway Patrol's Homeland Security Program is to improve the security of Kansas as a whole by providing funds to each of the state's seven homeland security regions for the purpose of preventing, planning for, responding to, and recovering from an act of terrorism.

The funds received for Homeland Security are used to support four primary strategies: emergency radio interoperability, critical infrastructure, bioterrorism preparedness, and terrorism prevention identification. These are priority issues that the state is focusing on in order to prepare and protect against future threats of terrorism.

Homeland Security Funds

Program or Project	FY 2008 Gov. Est.	FY 2009 Gov. Rec.
Health & Environment--Health		
Core Operations	2,537,543	2,500,819
Laboratories	754,330	725,287
Information Services	930,742	936,653
Hospital Preparedness	4,501,516	4,251,522
Aid to Local Governments	3,682,996	3,682,996
Pandemic Influenza	297,160	289,190
Pandemic Influenza-ATL	1,300,000	1,250,000
Total--H & E--Health	$14,004,287	$13,636,467
Kansas State University		
Research Projects	6,500,000	6,500,000
University of Kansas		
Research & Security Projects	3,500,000	3,500,000
University of KS Medical Center		
Bioterrorism Training	166,205	--
Adjutant General		
Domestic Preparedness	5,994,813	2,600,807
Emergency Management	2,233,412	2,245,323
Total--Adjutant General	$ 8,228,225	$ 4,846,130
Emergency Medical Services		
Access to Emergency Devices	954	--
State Fire Marshal		
Bomb & Explosives Unit	233,065	$ 46,097
Highway Patrol		
Aid to Local Governments	9,622,458	10,402,868
Operating Expenditures	257,125	221,651
Total--Highway Patrol	$ 9,879,583	$10,624,519
Kansas Bureau of Investigation		
DNA Database Software	54,071	--
KIBRS Project	140,000	--
Air Cards	32,340	--
Information Technology	945,969	15,000
Total--KBI	$ 1,172,380	$ 15,000
Department of Agriculture		
Food Processing Study	100,000	--
Miscellaneous Equipment	181,833	$ 90,916
Total--Dept. of Agriculture	$ 281,833	$ 90,916
Health & Environment--Environ.		
Clinical Lab Improvement	198,092	197,419
Transportation		
Interoperability	$ 2,150,000	$ 3,043,000
Total	$46,314,624	$42,499,548

Recommendations

Since the attacks in 2001, the state has received millions of dollars each year from the federal government. For FY 2007, actual homeland security expenditures were $49.2 million. The Governor's recommendation totals $46.3 million in FY 2008 and $42.5 million in FY 2009.

Funding for homeland security can vary from year to year. Several factors can affect the amount the state receives each year. For instance, a state agency may be awarded a grant for a one-time project or there may be unspent funds that are added on to new funds for the current fiscal year. The federal government has been reducing the amount of homeland security funding available to states based on federal priorities and federal budget considerations.

Kansas State University currently has 36 homeland security projects underway. A few of the projects include research in the areas of food safety, aviation, and environmental change. The University of Kansas has 38 homeland security projects underway. Some of the areas where research is being conducted are terrorism risk assessments, laser development, and quantum computing.

The State Fire Marshal will continue to use federal funding for its bomb and explosive investigations unit. The Governor recommends $158,192 from the State General Fund to finance 3.00 non-FTE unclassified permanent positions in the Highway Patrol's Homeland Security Program. Currently, these positions are financed through federal funds, which are projected to end during FY 2008. Similarly, over $300,000 is added for the Adjutant General's operations to replace declining federal monies.

The Kansas Department of Health and Environment (KDHE) established the Center for Public Health Preparedness in response to the September 11, 2001 terrorist attacks. As a result of the efforts of the Center, all 105 counties have completed and submitted Local Preparedness Planning Standard Operating Guides; there is 100.0 percent local health department participation in the Health Alert Network, 90.0 percent of hospitals actively participate in the regional planning process for emergency preparedness, and 95.0 percent of the community hospitals have policies and procedures for infection control and security.

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

Disaster Relief

This past year has brought several major weather related disasters that qualified for federal assistance. Starting in late December 2006, western Kansas was overcome by winter weather, which included heavy snow and ice. In early May 2007, a tornado completely destroyed the City of Greensburg, while wind destruction and flooding impacted numerous other counties in Kansas. Then in early July 2007, flooding occurred in 24 counties primarily in southeast Kansas. The most expensive of these disasters was the winter storm that caused destruction estimated to cost over $36.4 million in state funds. The federal share is estimated at $246.7 million and the local share is estimated at about $50.0 million. The table on this page details the costs of these recent disasters.

A detail of each disaster's state matching funds are in the table on the next page. The table shows that $17,971,786 is yet to be appropriated for disasters in future years. It takes several years for all disasters to be completed. Therefore, not all of the money needed to finance the disasters are funded in one fiscal year.

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

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

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

The State Finance Council customarily has the authority to appropriate up to $10.0 million for disasters from the State Emergency Fund. Amounts approved are transferred from the State General Fund to the State Emergency Fund, upon certification by the Director of the Budget. The 2007 Legislature established a mechanism for financing emergency disaster recovery efforts following the May 4, 2007, tornado in Greensburg. The State Finance Council, upon a unanimous vote, may approve an additional $25.0 million for disaster relief. Therefore, until the 2008 Legislature reconvenes, the State Finance Council has the authority to appropriate up to $35.0 million for disaster relief. Once the 2008 Legislative Session convenes, the Finance Council's authority will revert back to the original $10.0 million.

Total Cost of Recent Disasters

Disaster	State	Local	Federal	Total
January 7, 2007				
Western Kansas Winter Storm	36,481,562	49,340,234	246,701,169	332,522,965
May 6, 2007				
Greensburg Tornado and Other Flooding	8,382,026	6,776,793	33,883,965	49,042,784
July 2, 2007				
Southeast Kansas Flooding	2,588,750	2,562,090	12,810,448	17,961,288
Total	**$ 47,452,338**	**$ 58,679,117**	**$ 293,395,582**	**$ 399,527,037**

Disaster Response
State Matching Funds

	FY 2007	FY 2008*	FY 2009	FY 2010 +	Other
Expenditures					
Disasters Previous to Jan 7, 2007	6,449,984	4,987,605	1,481,120	--	--
January 7, 2007					
Western Kansas Winter Storm	3,227,638	9,037,633	8,251,700	15,964,591	--
May 6, 2007					
Greensburg Tornado & Floods	225,541	5,051,570	1,711,898	1,393,017	--
July 2, 2007					
Southeast Kansas Flooding	--	1,436,277	538,295	614,178	--
Direct Federal Assistance for Tornado and Floods	--	2,675,802	--	--	--
Emergency Operations Center Tasks	6,063	329,495	--	--	--
Emergency State Active Duty	402,767	111,326	--	--	--
State Active Duty Management Costs	203,376	298,393	57,277	--	--
Individual Assistance	--	919,737	--	--	--
Total	**$ 10,515,369**	**$ 24,847,838**	**$ 12,040,290**	**$ 17,971,786**	**$ --**
State Appropriated Funds					
Reappropriation from Prior Year	35,320	8,333,229	--	--	--
Legislature Appropriated	11,357,240	11,627,346	--	--	--
Dec 4, 2006 Finance Council Disaster Relief	2,456,038	--	--	--	--
June 6, 2007 Finance Council Greensburg Disaster	5,000,000	--	--	--	--
June 6, 2007 Finance Council Greensburg Business Assistance	--	--	--	--	2,500,000
Aug 3, 2007 Finance Council SE Kansas Business Assistance	--	--	--	--	5,000,000
Oct 17, 2007 Finance Council Housing Assistance	--	--	--	--	5,000,000
Dec 10, 2007 Finance Council Disaster Matching Funds	--	4,118,580	--	--	--
Governor's Budget Recommendation	--	768,683	12,040,290	--	--
Unspent Funds to Reappropriate	(8,333,229)	--	--	--	--
Total	**$ 10,515,369**	**$ 24,847,838**	**$ 12,040,290**	**$ --**	**$ 12,500,000**

** FY 2008 expenditures include actual dollars spent and estimated payments that are yet to be paid.*

Motor Vehicles

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

FY 2009 Recommendations. Agencies wishing to replace high-mileage vehicles in FY 2009 made specific requests for vehicle purchases as part of their FY 2009 budget submission. Upon review of the requests, the Governor's budget includes $1.8 million from the State General Fund, and $6.2 million in total to purchase replacement vehicles for the state's basic fleet. The table on this page lists the vehicles recommended for replacement along with the estimated cost. The estimated costs represent the purchase price of the replacement vehicles and do not include any revenue from potential sales of the old vehicles. The recommendations will not result in an increase in the total state fleet, and the total replacement costs do not exceed the average annual vehicle purchases made by the state in the four-year period before the moratorium began.

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

Fleet Size. The size of the state's basic fleet of vehicles has been reduced from 4,279 in November 2003 to 3,429 four years later. The basic fleet size is determined by starting with the grand total of all "tagged vehicles" and then subtracting trailers, large trucks, vehicles owned by the Regents, and vehicles owned by the Highway Patrol. Agencies have been encouraged to explore all options before replacing their vehicles.

FY 2009 Replacement Recommendations

Agency	No.	SGF	All Funds
Administration	4	11,600	54,600
KCC	6	--	112,900
BIDS	1	11,600	11,600
Commerce	3	--	43,200
Lottery	7	--	112,800
Racing & Gaming	2	--	40,000
Revenue	10	36,500	146,000
Banking	3	--	53,100
Barbering	1	--	11,600
Cosmetology	2	--	28,800
Credit Unions	1	--	11,600
Pharmacy	1	--	11,600
SRS & Hospitals	55	602,133	734,000
Aging	15	--	174,000
KDHE--Health	15	91,000	216,000
Labor	3	--	43,200
Veterans Affairs	2	67,700	67,700
Education	2	--	37,536
School for the Deaf	1	17,700	17,700
Historical Society	1	--	14,400
Corrections & Fac.	35	570,000	570,000
JJA & Facilities	4	63,600	63,600
Adjutant General	3	76,000	76,000
Fire Marshal	3	--	56,800
KBI	4	--	80,000
Agriculture	22	264,914	350,600
Animal Health	1	17,000	17,000
KDHE--Environment	13	15,744	211,200
Wildlife & Parks	31	--	527,000
KDOT	123	--	2,258,700
Total	374	$ 1,845,491	$ 6,153,236

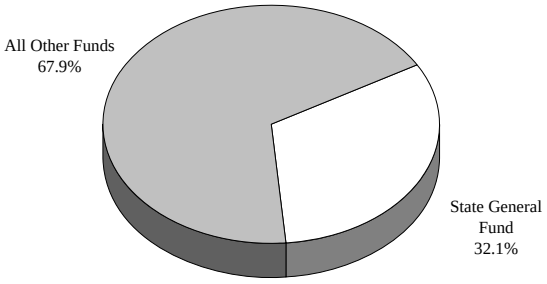
General Government

General Government Summary

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

The Governor recommends a total of $779.4 million in FY 2008 and $844.4 million in FY 2009. These totals include $258.1 million in FY 2008 and $270.7 million in FY 2009 from the State General Fund.

How It Is Financed



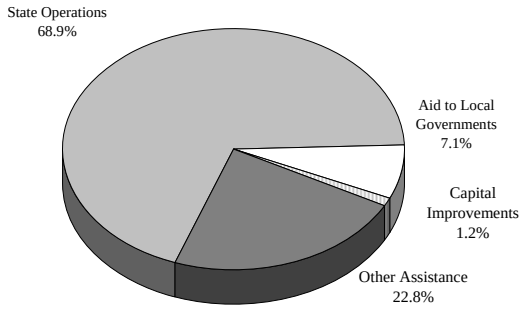
Fiscal Year 2009

As part of the budget recommendations for the Kansas Public Employees Retirement System, the Governor proposes a 1.0 percent COLA for each of the next three years for KPERS retirees. The Governor recommends financing the cost of the COLA from the State General Fund with level payments over a 15-year period, beginning in FY 2009.

Passage of the Expanded Lottery Act during the 2007 Session requires additional regulation of the new gaming activities authorized by the Act. The budgets of the Kansas Racing and Gaming Commission and the Kansas Lottery include resources with new staff to implement the new law. Proceeds that will accrue to the state from the gaming revenues are budgeted, as required by the Act, to reduce the state's debt and to improve the state's infrastructure.

The general government budget supports ongoing implementation of a new state financial management system as well as staff support within the Department of Administration to transition to a new state employee compensation system, outlined in the State Employees section of this volume.

How It Is Spent



Fiscal Year 2009

For the Department of Revenue, the Governor recommends resources be added in FY 2009 to hire additional investigative staff for the Tax Operations Program. The additional investigators will increase the agency's physical presence in the state to identify and deter the misclassification of employees, identify fraudulent tax scams before revenue is lost, provide uniform taxation, and curb competitive disadvantages.

In the Department of Commerce, trade development programs are enhanced to develop export markets for Kansas products. Monies are added to the Attorney General's budget in order to expand the state's efforts to prevent mortgage fraud, fight cyber crime, obtain child support, and prevent children's drug use.

The budgets for the Judicial Branch and Legislative Branch are included as requested, adjusted only for the addition of the Governor's recommended salary plan that affects all state employees.

The 20 biennial budget agencies are in the middle of their two-year cycle, and their already approved FY 2009 budgets are updated as needed. Explanations are included in this section for those agencies with changes.

Executive Branch Agencies

Department of Administration

For FY 2008, the Governor recommends $78,635,484 from all funding sources, including $67,221,900 from the State General Fund for the portion of the budget that is reported in statewide expenditure totals. For the portion of the Department's budget that is not reportable, commonly referred to as the "off budget," the Governor recommends $85,882,827 for FY 2008. The total recommendation will fund 761.55 FTE positions and 37.13 non-FTE unclassified permanent positions.

For FY 2009, the Governor recommends reportable expenditures of $100,315,737 from all funding sources, including $56,335,947 from the State General Fund. For the "off budget," the Governor recommends $94,586,017 from all funding sources. The total recommendation will fund 763.55 FTE positions and 37.00 non-FTE unclassified positions.

Financial Management System. The Governor's recommendations for FY 2008 and FY 2009 support the implementation of a new statewide Financial Management System. This project benefits future administrations and Legislatures by providing the necessary financial tools to operate state government. The state's current accounting system, while serviceable, is outdated and does not easily or quickly provide detailed management information.

The 2007 Legislature authorized the new financial management system project, appropriated $2.4 million to begin implementation, and directed the Department of Administration to begin collecting a development fee from agencies that will bring in about $3.0 million per year. In addition to already approved funding, the FY 2009 budget includes a transfer of $5.5 million from the Department of Transportation, and a State General Fund appropriation of $4.2 million. The KDOT funding recommended for transfer had been reserved for a new agency system, but can now be applied to the statewide project. If the $4.2 million appropriation is approved, no further additions to the base budget of the Department of Administration should be needed in future fiscal years.

Statehouse Renovation Debt Service. For FY 2009, the Governor recommends shifting the financing of the Statehouse renovation debt service payment from the State General Fund to the new gaming receipts (ELARF). FY 2009 expenditures for this debt service total $10,052,858, including $4,390,000 for principal and $5,662,858 for interest. This recommendation funds all approved debt service that has been issued through KDFA for the Statehouse renovation.

KDOT Comprehensive Transportation Program Debt Service. FY 2009 will mark the third fiscal year for debt service payments for bonds that were issued in March 2006 for the KDOT Comprehensive Transportation Program. Although previous payments have been made from the State General Fund, for FY 2009, the Governor recommends financing of the payment from the ELARF, saving State General Fund resources. For FY 2009, expenditures for the debt service total $16,148,175, including $7,010,000 for principal and $9,138,175 for interest.

Additional Long-Term Care Ombudsmen. The Governor recommends expenditures of $138,640 from all funding sources, including $94,978 from the State General Fund for 2.0 additional regional long-term care ombudsmen. This additional staff will allow each of the 11 state regions under the Area Agency on Aging to have an ombudsman.

KPERS Debt Service. The Governor recommends debt service payments in the amount of $36,146,303 from the State General Fund in FY 2009, an increase of $10.0 million. The debt service is retiring $500.0 million in bonds that were issued in FY 2004 to help finance the unfunded liability of the KPERS system. The state will incur annual debt service expenditures of approximately $36.1 million each year until the final payment in June 2034.

Public Broadcasting Council Operating Grants. The Governor recommends State General Fund expenditures of $2,749,447 for operating grants to the Public Broadcasting Council in FY 2009. This is an increase of $488,927 from amounts approved for FY 2008. These funds are used by public broadcasting stations for operating costs and the purchase of equipment.

Additional Positions to Implement Compensation Commission Recommendations. The Governor

recommends an additional Human Resource Professional III position in FY 2008, along with an additional Research Analyst III position in FY 2009 in the Division of Personnel Services. The new staff will allow the Division to implement recommendations from the State Employee Compensation Oversight Committee, including researching market pay trends. The cost for the Human Resource Professional (HRP) III position in FY 2008 will be $29,915, all from the State General Fund for approximately one-half of the fiscal year. The cost for the HRP III position to continue into FY 2009, along with the additional Research Analyst II position is $100,118, all from the State General Fund.

Kansas Corporation Commission

The Kansas Corporation Commission is the regulatory agency that oversees rates for major utilities, petroleum exploration and production, as well as some facets of the transportation industry. The primary function of the agency is to protect the public's interest through efficient and impartial resolution of jurisdictional issues.

For FY 2009, the Governor recommends a budget of $20,686,168, the majority of which is financed from fees assessed against regulated industries. The remainder of the Commission's budget is financed with federal funds. The recommended budget for FY 2009 includes approximately $180,000 to fund the operating expenditures of the Kansas Energy Council. The Council is responsible for developing an energy plan for the state and advising the Governor on energy-related issues. The Governor also recommends $102,513 in fee fund expenditures to continue financing operation of the Kansas Electric Transmission Authority.

Abandoned Oil & Gas Well Plugging. During the 1996 Legislative Session, the Abandoned Oil and Gas Well Fund was created for the purpose of investigating, remediating, and plugging oil and gas wells which were abandoned prior to July 1, 1996. These wells present a threat to public health and the environment. By statute, the fund is authorized to receive $400,000 each year from the State General Fund, the State Water Plan Fund, and the Conservation Fee Fund. No transfer has been made from the State General Fund since FY 2004, and no transfer is recommended during FY 2009. The Governor recommends expenditures of $2,090,795 from this fund to maintain the current pace of plugging wells. The Governor's recommendation includes the other statutory transfers from the Water Plan Fund and the Conservation Fee Fund.

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 Corporation Commission. In support of CURB's current responsibilities, the Governor recommends $803,448 from the agency's fee fund and 6.00 FTE positions.

Kansas Human Rights Commission

The Kansas Human Rights Commission strives to eliminate and prevent discrimination in the workplace, housing, and public accommodations throughout the state. In addition, the Commission also receives, reviews, and investigates, if necessary, complaints alleging racial discrimination and profiling in conjunction with traffic stops. The agency investigates complaints in a thorough and professional manner. The number of open cases at the end of FY 2007 was 615, and the agency anticipates a total of 610 open cases at the end of FY 2009. One method of reducing the number of open cases is through mediation contracts with Kansas Legal Services. This program brings together public and private financing. The Governor's recommendation recognizes the need for continued funding for the contracts with Kansas Legal Services and education services. The recommendation for FY 2009 is 34.00 FTE positions and $2,238,656 from all funding sources, with $1,774,298 from the State General Fund.

Board of Indigents Defense Services

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

For FY 2008, the Governor recommends $23,497,270 from all funding sources, including $22,497,270 from the State General Fund. The recommendation for FY 2008 reduces expenditures by $643,325 from the State General Fund. This reduction represents a portion of unexpended funds that carried forward from FY 2007 in agency-wide operating expenditures, assigned counsel expenditures, and capital defense operations of $390,850, $2,297, and $250,178, respectively. The reduction was based on an analysis of actual expenditures in previous fiscal years and projected expenditures of the current year.

The recommendation also includes $9.3 million dollars for assigned counsel funding, which was determined through a consensus caseload process involving the Division of the Budget, the Kansas Legislative Research Department, and the agency. The estimate for assigned counsel expenditures is based on the current $80 per hour assigned counsel rate passed by the 2006 Legislature. However, some districts have negotiated to a reduced rate of either $62 or $69 per hour. The previous rate was $50 per hour. The caseload process was used only for the assigned counsel portion of the agency's budget.

In FY 2009, the Governor recommends $24,249,586 from all funding sources, including $23,249,586 from the State General Fund. This includes $9.6 million for assigned counsel funding, which was also determined through the consensus caseload process involving the Division of the Budget, the Kansas Legislative Research Department, and the agency.

The Governor's recommendation also includes an enhancement of $250,000 from the State General Fund to provide a career path for public defenders and promote the hiring and retention of attorneys with suitable skills, education, and experience. The recommendations for both fiscal years provide for 193.00 FTE positions and allow the agency to offer adequate defense services for the state's indigent defendants.

Health Care Stabilization Fund Board of Governors

The Health Care Stabilization Fund Board of Governors mandates basic professional liability insurance for all active Kansas health care providers. The agency establishes and authorizes the Health Care Stabilization Fund and the Health Care Provider Insurance Availability Plan. For FY 2008, the Governor recommends expenditures of $33,719,785. This amount includes $75,000 for an accounting review and audit, as well as procedural recommendations that will be beneficial to the continued operation of the Health Care Stabilization Fund. The Governor's recommendation of $33,483,656 for FY 2009 continues the operations of the Health Care Stabilization Fund Board of Governors and its 17.00 FTE positions. All expenditures are from the Health Care Stabilization Fund. Of the total recommended by the Governor for FY 2009, the majority, approximately $28.3 million, represent claims to be paid from the Health Care Stabilization Fund. Another $3.8 million is for professional service costs for defense of the Health Care Stabilization Fund and to represent health care providers.

Kansas Public Employees Retirement System

The mission of KPERS is to pay benefits to eligible retirees by safeguarding the system's assets. This is accomplished by adhering to the highest standards of fiduciary and professional care, to comply strictly with the law, and to conduct business in a courteous, timely, and effective manner. For FY 2009, the Governor recommends expenditures of $56,318,486 from all funding sources, including $6.4 million from the State General Fund.

Cost of Living Adjustments (COLAs) for Retired KPERS Members. The Governor recommends a 1.0 percent COLA for the next three years for certain retired KPERS members. In addition, the Governor recommends financing the cost of each of these COLAs from the State General Fund with level payments over a 15-year period, beginning in FY 2009.

The first COLA payment, which will be made to retirees in July 2008, is estimated to cost $6.4 million each year for 15 years. In order for a retiree to be eligible for this COLA, the retiree must have retired prior to July 1, 2007. The cost in FY 2010 increases to $13.1 million to continue the first COLA and add an

additional 1.0 percent for all members who will have retired prior to July 1, 2008. Finally, the cost in FY 2011 will increase to $20.2 million for the first two COLAs, to add an additional 1.0 percent for all members who will have retired prior to July 1, 2009. The payment of $20.2 million will continue until FY 2026. In addition, the Governor recommends KPERS staff work jointly with the Administration and the Legislature to develop a COLA for current active employees during the upcoming legislative session.

KPERS State & School Contributions

(Dollars in Millions)

	School Group	State Group	Total	Combined Rate
FY 2000	87.3	33.2	120.5	4.19%
FY 2001	93.2	33.7	126.9	3.97%
FY 2002	109.4	39.6	149.0	4.78%
FY 2003	113.6	40.2	153.8	4.98%
FY 2004*	542.4	102.6	645.0	4.58%
FY 2005	142.5	46.9	189.4	5.47%
FY 2006	169.7	55.0	224.7	6.07%
FY 2007	200.4	64.2	264.6	6.77%
FY 2008	221.4	71.8	293.2	7.37%
FY 2009	249.4	79.3	328.7	7.97%

** FY 2004 contributions include $479.0 million in Pension Obligation Bond Proceeds.*

KPERS Plan Design Change Administration Costs. In her budget recommendations, the Governor has included expenditures of $228,000 in FY 2009 from the KPERS Operating Fund to implement the plan design changes that the 2007 Legislature approved for new KPERS members, beginning for those hired on or after July 1, 2009. These expenditures will be used for various programming costs of the KPERS computer systems.

KPERS Employer Contribution Rate. The 2004 Legislature authorized a statutory cap increase to the KPERS employer retirement contribution rate, which began in FY 2006. For FY 2009, the rate will increase by 0.6 percentage points to 6.97 percent and will subsequently increase at this same rate each year thereafter, until the retirement system reaches the actuarially required contribution rate, which is estimated to be within 15 years. These rate increases are meant to reduce the unfunded liability of the retirement system over time. The Governor has included the statutory rates for all retirement systems in her budget recommendations for all state agencies.

Department of Commerce

The Department of Commerce works to deliver the highest level of business development, workforce, and marketing services to build a healthy and expanding Kansas economy. The Governor recommends $137,103,946, including $624,940 from the State General Fund and $19,827,035 from the Economic Development Initiatives Fund, in FY 2008. The significant increases from the FY 2008 approved budget are a result of the agency receiving substantial new federal grants from the U.S Department of Labor.

The agency received a total of $16.9 million from two National Emergency Grants to hire citizens for temporary clean-up efforts and training for new careers of individuals affected by the Southeast Kansas flooding and the tornado in Greensburg. The agency received a Workforce Innovation in Regional Economic Development Initiative Grant for $1.7 million to increase knowledge and availability of career pathways supporting the aircraft and healthcare industries to secondary students and adults in order to provide a pipeline of credentialed, skilled workers to businesses in these and related industries. The agency also received a $1.0 million Disability Navigation Grant to assist disabled customers with job placement and training services.

The Governor recommends $116,856,033, including $618,272 from the State General Fund and $18,757,397 from the Economic Development Initiatives Fund, in FY 2009. Trade development is enhanced in this budget to help develop and expand export markets for Kansas products. Further discussion of the agency's budget can be found in the section on the Economic Development Initiatives Fund.

Kansas Technology Enterprise Corp.

The Kansas Technology Enterprise Corporation (KTEC) provides research support, direct company investments, and business assistance. KTEC's philosophy is to create and grow Kansas enterprises through technological innovation and business acceleration. The Governor recommends $14,068,311, including $12,268,311 from the EDIF in FY 2008. The Governor's recommendation for FY 2008 includes lapsing $436,299 from its EDIF appropriation

to reduce salary and wage expenditures and to eliminate the proposed expenditure for a jointly funded project with the Kansas Bioscience Authority.

The 2007 Legislature added $69,000 to the agency's FY 2008 EDIF appropriation in order to increase the base salary and wages of its employees and eliminate its bonus program. In its budget submission, the agency increased its salary and wage expenditures beyond the approved budget and funded the increased salary and wages by decreasing grants. The Governor recommends reducing the agency's budget and bringing salary and wage budget levels similar to other state economic development agencies.

The Governor also recommends lapsing $333,333, which the agency had proposed to reallocate from its existing EDIF resources to fund Heartland BioVentures. The Kansas Bioscience Authority was created to fund projects like Heartland BioVentures and can fund this project with its own resources.

For FY 2009, the Governor recommends $14,337,652, including $12,537,652 from the EDIF. The agency's budget includes a salary reduction of $100,254 to bring salary and wage funding more in line with other state economic agencies.

Kansas, Inc.

Kansas, Inc. is the state's economic development "think tank." It undertakes planning for the economic development of the state. The agency's primary activities include strategic planning, economic and policy research, evaluation of the state's economic development programs, and partnerships and communications with the private sector. The Governor recommends $617,839, including $409,831 from the EDIF in FY 2009 for the agency's operating budget and research program. The Governor also recommends 4.50 FTE positions and 1.00 non-FTE unclassified permanent position in FY 2009.

Kansas Lottery

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

The Governor recommends total expenditures of $57,930,168 with 94.00 FTE positions for FY 2008. The Governor's recommendation includes an additional 7.00 FTE positions above its FY 2008 approved budget. The additional FTE positions are for its new Expanded Lottery Expenses Program, which will allow the agency to ensure the integrity of electronic gaming devices at parimutuel racetracks, accurate reporting of net revenues, and compliance with the Kansas Expanded Lottery Act. For FY 2008, the Governor recommends a minimum transfer of $73.0 million to the SGRF, which is the amount approved by the 2007 Legislature. Lottery ticket sales are estimated to be $250.0 million in FY 2008, including an estimated $3.0 million from the veterans benefit games.

The Governor recommends $97,418,681 in expenditures with 99.00 FTE positions for FY 2009. The additional 5.00 FTE positions from the Governor's FY 2008 recommendation will allow the agency to expand its Expanded Lottery Expenses Program prior to destination casinos becoming operational in FY 2010. The substantial increase in expenditures, as compared to the Governor's FY 2008 budget recommendation, is from management fees and gaming expense payments to racetrack gaming facility managers authorized under the Kansas Expanded Lottery Act. It is estimated that racetrack gaming facility managers will receive an estimated $41.9 million in FY 2009 which will be paid out of the Lottery's budget. In addition, cities and counties where a racetrack gaming facility is located will receive $3.0 million in payments in FY 2009.

The Governor recommends total transfers of $74.0 million to the SGRF on estimated total ticket sales of $254.0 million for FY 2009. The Lottery estimates $3.0 million in veterans benefit games which are included in the overall FY 2009 sales target. A complete explanation of Expanded Lottery Act Revenues and the State Gaming Revenues Fund can be found in the Budget Issues section of this volume.

Kansas Racing & Gaming Commission

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

Racing Operations. The Racing Operations Program regulates statewide horse and dog racing activities across the state, including the conduct of races, parimutuel wagering, and the collection of parimutuel taxes, admission taxes, and licensing fees. These fees are deposited in the State Racing Fund, with any excess receipts going to the State Gaming Revenues Fund, which supports economic development, capital projects at adult correctional institutions, and local juvenile detention facilities. However, revenue from racing activities has continued to decline and the agency has not made a transfer to the State Gaming Revenues Fund since FY 2004. No transfers from the State Racing Fund to the State Gaming Revenues Fund are anticipated in FY 2008 or FY 2009.

In recent years, it has been difficult for the agency to rely only on the State Racing Fund to maintain regulatory operations. The 2007 Legislature allowed the Kansas Racing and Gaming Commission to assess the cost of regulating the racing industry, above what is generated from the parimutuel tax, directly to the parimutuel facility licensees. This change will allow the agency to maintain an adequate cashflow in the foreseeable future. The overhead expenditures of the Racing Operations Program will also be reduced in FY 2008, due to the reallocation of part of the agency's overhead expenses to the new Expanded Lottery Act Regulation Program and the closing of Wichita Greyhound Park in October 2007.

The agency anticipates Camptown Racetrack in Frontenac will reopen in late FY 2008 with the addition of electronic gaming machines. A substantial share of the net revenues from electronic gaming machines at parimutuel facilities will be used to supplement purses of greyhound and horse races. The agency indicates that higher quality animals will compete in Kansas for the increased purses; however, it is unclear what effect this will have on overall parimutuel tax receipts. For FY 2008, the approved budget totals $5,235,606 for the Racing Operations Program.

A budget of $17,226,287 is recommended for the Racing Operations Program in FY 2009. The substantial increase in expenditures for FY 2009 are primarily because of projected revenue from electronic gaming machines, which will be used to supplement purses of greyhound and horse races and the breeding development program. The agency estimates it will expend nearly $12.6 million on purse supplements and on expenses of its breeding development programs for Kansas bred animals in FY 2009. The budget also assumes that the agency will not make an annual transfer to the Greyhound Tourism Fund of the Department of Commerce but instead transfer these savings, estimated to be $29,850, from the Kansas Greyhound Breeding Development Fund to the Greyhound Promotion and Development Fund at the beginning of FY 2009.

Expanded Lottery Act Regulation. The Expanded Lottery Act Regulation Program ensures compliance with the new Kansas Expanded Lottery Act and ensures that gaming is conducted in accordance with applicable state and federal laws. Responsibilities include background investigations on all gaming employees, management contractors, manufacturers and distributors seeking licensure at gaming facilities located in this state; investigation of any alleged violations of the Kansas Expanded Lottery Act; and auditing of net gaming revenue at each gaming facility. The Racing and Gaming Commission anticipates electronic gaming machines will begin operating in spring 2008, pending the outcome of the Supreme Court ruling on the constitutionality of the Kansas Expanded Lottery Act.

The Governor recommends $4,713,689 for the Expanded Lottery Act Regulation Program in FY 2008. The Governor's recommendation includes $1,713,689 in additional expenditures compared to the agency's FY 2008 approved budget. The additional expenditures will allow the agency to provide the

necessary regulation and oversight of electronic gaming machines at parimutuel facilities. The Governor encourages the agency to continue to monitor and evaluate current and future staffing needs of its Expanded Lottery Act Regulation Program. With uncertainty as to when expanded gaming will be operational, the agency must proceed with caution. The recommendation also includes increasing the FTE limitation for this new program from 25.00 FTE positions to 72.75 FTE positions in FY 2008.

The Governor recommends $4,763,858 for the Expanded Lottery Act Regulation Program for expenses of regulating electronic gaming machines at parimutuel facilities. The agency does not anticipate that destination casinos authorized under the Kansas Expanded Lottery Act will be operational in FY 2009; however, the agency will be involved in the contract negotiation and initial background investigation of potential gaming facility managers. The Governor also recommends 99.75 FTE positions for the Expanded Lottery Act Regulation Program in FY 2009.

Tribal Gaming Regulation. The Tribal Gaming Regulation Program fulfills the state's responsibilities relative to the State-Tribal Compacts and the Tribal Gaming Oversight Act in the regulation of tribal gaming in Kansas. Responsibilities include conducting background checks of tribal gaming employees, monitoring compliance with internal controls and gaming rules, and monitoring compliance with licensing criteria. The Governor recommends $1,922,483 for the Tribal Gaming Regulation Program in FY 2008 and $1,937,490 in FY 2009. All expenses of the Tribal Gaming Regulation Program are financed through the Tribal Gaming Fund, which is capitalized through assessments to the four tribal casinos.

Department of Revenue

The Department of Revenue collects taxes for the state. The Department's responsibilities also include registration of motor vehicles, licensure of drivers, and regulation of the alcoholic beverage industry. The Governor recommends $99,788,917 from all funding sources for FY 2008, which includes $21,572,916 from the State General Fund. The revised budget represents an increase of approximately $4.3 million from the agency's approved budget. Approximately $2.4 million of this increase is associated with increased expenditures from the Special County Production Tax Fund, $800,000 in increased federal funds expenditures, and $2.5 million in a one-time expenditure to assist counties that experienced severe flooding in Southeast Kansas. The increase is offset by a reduction of $1.4 million in operating expenditures from miscellaneous fee funds.

For FY 2009, the Governor recommends $99,783,425 from all funding sources, which includes $21,367,861 from the State General Fund. The recommendation includes $351,572 from the State General Fund to increase investigative staff in the Tax Operations Program and to support additional efforts of tax fraud investigation. The recommendation also includes $1.0 million from the Division of Vehicles Operating Fund to assist the agency in beginning the initial phase of its Division of Vehicles Modernization Project. The recommendations for both fiscal years will finance 1,161.50 positions, including other operating expenses, and allow the agency to provide adequate services for the state.

Board of Tax Appeals

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

For FY 2008, the Governor recommends $2,138,094 from all funding sources, including $1,637,685 from the State General Fund. For FY 2009, the Governor recommends $2,166,399 from all funding sources, including $1,665,165 from the State General Fund. In both fiscal years the remainder of the Board's financing is from fee funds, in support of 26.00 FTE positions.

Biennial Budget Agencies

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

Biennial agencies are relatively small both in size of budget and number of staff. Recommended amounts in FY 2009 range from $21,814 for the Abstracters Board to $8,586,684 for the Banking Department. One agency employs no full-time staff, the Abstracters Board, and the Banking Department's recommended 99.00 FTE positions represent the largest staff among this group of agencies.

Biennial Agencies

	FY 2008 Gov. Est.	FY 2009 Gov. Rec.
Abstracters Board	21,797	21,814
Board of Accountancy	354,776	315,829
Banking Department	8,535,961	8,586,684
Board of Barbering	146,109	155,863
Behavioral Sciences Board	635,742	623,495
Board of Cosmetology	842,870	806,669
Department of Credit Unions	942,497	894,213
Kansas Dental Board	394,826	382,794
Governmental Ethics	667,604	690,383
Board of Healing Arts	3,050,525	3,229,712
Hearing Instruments Board	29,576	28,884
Board of Mortuary Arts	284,058	276,617
Board of Nursing	1,842,515	1,854,345
Board of Optometry	130,514	130,434
Board of Pharmacy	888,641	763,737
Real Estate Appraisal Board	324,959	326,840
Real Estate Commission	1,238,246	1,105,979
Securities Commissioner	3,075,326	2,912,771
Technical Professions	587,797	577,455
Veterinary Examiners	305,962	268,898
Total	$24,300,301	$23,953,416

The 2007 Legislature enacted budgets for FY 2008 and FY 2009 for the biennial agencies. The Governor recommends only minor changes to these approved budgets. The Governor's budget recommends $24.3 million for all 20 biennial agencies for FY 2008 and $24.0 million for FY 2009. This includes a State General Fund appropriation of $548,469 in FY 2008 and $529,160 in FY 2009 for the Governmental Ethics Commission. The table on this page displays the Governor's recommendations from all funding sources for the biennial agencies. Following are descriptions that highlight changes in selected fee agencies.

Board of Accountancy

The Governor recommends $315,829 in FY 2009 for the Board of Accountancy. This includes an increase of $2,934 over the approved amount for adjustments made to salaries and wages to reflect the filling of vacant positions.

Banking Department

The Governor recommends $8,535,961 from the agency's fee funds in FY 2008. This is a net increase of $435,865 over the agency's approved budget. The increase includes $373,365 of additional expenditures from its Kansas Savings Incentive Program accounts and $62,500 for additional Consumer Settlement Fund expenditures.

The Governor recommends $8,586,684 from the agency's fee funds in FY 2009. The agency was authorized by the 2007 Legislature to hire 2.00 additional FTE positions in FY 2009 in order to allow the agency to deploy a sufficient amount of examination personnel in its Consumer and Mortgage Lending Program. The additional positions are part of a multi-year effort to hire additional personnel to ensure the agency is compliant with both state and federal consumer mortgage lending laws.

Board of Barbering

For FY 2008, the Governor recommends expenditures of $146,109 from the Board of Barbering Fee Fund.

This is a $6,800 increase over the FY 2008 approved amount. The additional funds will be used for increasing fuel costs, vehicle repair, and various other operating expenditures. For FY 2009, the Governor recommends expenditures of $155,863. Included in this recommendation is $11,600 for one replacement vehicle.

Board of Cosmetology

The Governor recommends expenditures of $842,870 in FY 2008 from the Cosmetology Fee Fund, which is a $15,000 increase over the FY 2008 approved amount. The additional funds will be used for one replacement vehicle. For FY 2009, the Governor recommends expenditures of $806,669. Included in the recommendation is $28,800 for two replacement vehicles. These recommendation will allow the Board to continue its mission to protect the health and welfare of the public by licensing and regulating individuals, salons, and other facilities in the cosmetic professions.

Department of Credit Unions

The mission of the Department of Credit Unions is to provide a regulatory environment in which Kansas credit unions can prosper without subjecting their members or the citizens of Kansas to undue risks. The Governor in FY 2008 recommends $942,497 from the agency's fee fund. This is a net increase of $14,967 above the agency's approved budget. The increase includes a reduction to salaries and wages of $16,189, an increase of $66,492 for additional expenditures from its Kansas Saving Incentive Program account, and a decrease to other operating expenditures of $35,336. For FY 2009, the recommendation is $894,213. This is a net reduction of $21,674 below the agency's approved budget. The decrease includes a reduction of $11,105 to salaries and wages and a decrease of $10,569 to its other operating expenditures. The recommendation will support 12.00 FTE positions in both FY 2008 and FY 2009.

Board of Nursing

During the fall of 2007, the Division of Personnel Services conducted a position audit for the Board of Nursing and determined that six of seven Administrative Assistant positions should be re-classified as Senior Administrative Assistants based on the level of work performed. The re-classification became effective October 2007, and will require an expenditure limitation increase of $13,645 to the Board's approved budget for FY 2009, for total expenditures of $1,854,345 from the Board of Nursing Fee Fund. Currently, the agency has several vacant positions and will not require an increase to the budget for FY 2008.

Office of the Securities Commissioner

The Office of the Securities Commissioner protects Kansas investors by promoting integrity and full disclosure in financial services. The Governor recommends increased expenditures of $34,639 in FY 2008 and $34,810 in FY 2009 to finance additional salary and wage expenditures for the agency's Securities Special Investigator positions. The pay increase for these positions was authorized by the Governor at the start of FY 2008 and is part of a statewide 5.0 percent increase for enforcement agents. With a total of 32.13 FTE positions, the recommended budget for FY 2008 is $3,075,326 and $2,912,771 for FY 2009.

Executive Branch Elected Officials

Office of the Governor

The budget for the Governor supports the main office on the second floor of the Statehouse, the Governor's Residence at Cedar Crest, the Hispanic and Latino American Affairs Commission, the Advisory Commission on African American Affairs, and the Federal and Other Grants Office.

For her own office, the Governor recommends an FY 2009 budget totaling $18,753,650 from all funding sources, of which $8,821,153 is from the State General Fund, $9,808,635 is from federal funds, and $123,862 is from special revenue funds.

The estimated number of FTE positions for FY 2009 is expected to be 37.80. In the Federal and Other Grants Office, financing is provided to continue the existing distributions to private organizations, local governments, and other state agencies for the S.T.O.P. Violence against Women Act, Victims of Crime Act, Family Violence Prevention and Services Act, State Access and Visitation Program, Sexual Violence Prevention and Education, the Governor's portion of Safe and Drug Free Schools and Communities Act, Byrne Memorial Justice Assistance Grant, Residential Substance Abuse Treatment, National Crime Information Program, National Forensic Sciences Improvement Act, and Bullet Proof Vest Program.

In addition, the Grants Office administers grants to finance programs that focus on keeping children and families safe from domestic violence and sexual assault, as well as grants for outreach services and children's advocacy centers. For FY 2009, the Governor recommends that $2,525,000 from the State General Fund be switched from the Department of Health and Environment to her grants office to enhance outreach services and to increase state funding for child advocacy centers from $1.0 million to $2.0 million.

Office of the Lieutenant Governor

To allow the Office of the Lieutenant Governor to maintain its current level of operation with a staff of 3.50 FTE positions, the Governor recommends $217,386, all from the State General Fund. The Lieutenant Governor assists the Governor in performing her duties as the Chief Executive of the state, and stands in when the Governor is absent from the state or temporarily incapacitated. The Lieutenant Governor also serves as the Co-Chair of the Kansas Energy Council, National Bio and Agro-Defense Facility Task Force, and also works as a member of the Kansas Mentors Program.

Attorney General

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

The Governor recommends $19,643,522 from all funding sources, of which $5,229,223 is from the State General Fund. This is a net increase of $1,419,096 above the agency's approved budget from all funding sources and a net decrease of $92,213 from the State General Fund. The increase for all funds includes $1,244,638 from federal funds primarily for other assistance expenditures and $266,671 from fee funds mainly for salaries and wages expenditures. For the State General Fund, the recommendation includes lapsing $569,126 from the State General Fund that relates to Abuse, Neglect, and Exploitation expenditures for the cost part that the agency does not anticipate spending. Of the amount recommended to be lapsed, $476,913 was not spent in FY 2007 but was reappropriated to FY 2008.

For FY 2009, the recommendation is $21,656,256 from all funding sources, including $6,955,289 from the State General Fund. The Governor recommends $453,091 from the State General Fund for cyber crime. With these funds, the Attorney General will educate Internet users and prosecute offenders. The

recommendation will support 4.00 new FTE positions. The recommendation also includes $307,267 from the State General Fund for mortgage fraud. These funds will support 4.00 new FTE positions that will be responsible for reviewing potential foreclosure and fraud matters including making a determination of criminal or consumer violations.

The Governor recommends $191,983 from the State General Fund for child support enforcement. This recommendation will support 3.00 new FTE positions that will help families receive child support payments that are currently due. The FY 2009 recommendation also includes $73,000 from the State General Fund for a batterers intervention accreditation. These funds will provide 1.00 new Program Manager FTE position. The Program Manager will establish a review board to make annual recommendations for updating certification standards; establish and implement a training curriculum for those wanting to provide batterers intervention programs; and establish a process for the certification of batterers intervention programs.

For FY 2009 the Governor recommends $109,073 from the State General Fund to support the Crime Stoppers Program. This recommended amount will finance 1.00 new FTE position. Of the recommended amount, $60,519 will finance salaries and wages expenditures, $36,554 will finance other related operating expenditures, and $12,000 will provide grants for four new local Crime Stopper programs. Also in FY 2009, the recommendation includes $50,000 from the State General Fund for Drug Awareness and Resistance Education (DARE). Of the recommended amount, $10,000 will provide assistance for an annual Conference on School-Based Programs in Kansas; $30,000 will provide for a four week-long DARE officer training courses and 12 in-services throughout the state; and $10,000 will provide funding for travel and subsistence for the DARE coordinator to travel the state and meet with police departments and sheriff's offices to increase participation in the program.

The Governor, for FY 2009, recommends $120,000 from the State General Fund for the agency's Abuse, Neglect, and Exploitation expenditures. The funds will finance 1.00 new data entry FTE position and 1.00 new investigator FTE position. The recommendation also includes $150,000 from the State General Fund for a Child Protective Services Oversight Committee. This recommendation includes 1.00 new FTE position. This position will work with the Child Protective Services Task Force to review SRS's Child Protective Services policies and procedures.

In the fall of 2006, the Governor created the Commission on Healthy and Prepared Schools to ensure all Kansas schools are uniformly prepared, equipped, and trained to respond to any emergency and provide a healthy learning environment for all students. The Commission completed its work and made recommendations to the Governor in October 2007. Based on those recommendations, the Governor recommends $200,000 from the State General Fund for Healthy and Prepared Schools, including 2.00 new FTE positions. These funds will be used to work with the Kansas State Department of Education to improve coordination between all state agencies and school districts, support school districts in the creation of comprehensive crisis management plans, and develop model training programs to be used throughout the state in schools and communities.

Insurance Department

The Insurance Department works to assure an affordable, accessible, and competitive insurance market by supervising, controlling and regulating the insurance industry in the state. The Governor recommends expenditures of $23,626,584 from the agency's fee funds for FY 2009 that will finance a total of 143.00 FTE positions. Insurance Department expenditures include administration of the Workers Compensation Fund and payment of claims. Claims are projected to be $2,625,000 for FY 2009. The agency estimates that the number of active cases will be 3,993 in FY 2009.

Secretary of State

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

Kansas. The Governor's recommendation for FY 2009 finances 55.00 FTE positions in the Office of the Secretary of State. Funding from all sources totals $6,165,714.

State Treasurer

A statewide elected officer, the State Treasurer is responsible for the timely receipt and deposit of all monies, excluding those of the Kansas Public Employees Retirement System, to state bank accounts. Investment of state monies and the money of cities, counties, schools, and other local governments is made by the State Treasurer through the Pooled Money Investment Board and the Municipal Investment Pool to maximize interest earnings. The Governor recommends $17,973,555 for FY 2009 for the operation of the State Treasurer's office, and includes an estimated $12.5 million in property claim payouts. Much of this agency's overhead costs are now financed by retaining a portion of unclaimed property receipts.

Pooled Money Investment Board. The Pooled Money Investment Board is responsible for its own administrative functions, although it is a part of the State Treasurer's budget. The 7.00 FTE positions in this program manage the investment pool of state monies and designate various state bank depositories for state and special monies in demand deposit and interest-bearing accounts. The FY 2009 budget for this program is $857,029, all from the program's fee fund. The Pooled Money Investment Portfolio contained approximately $2.4 billion in investments, with an earned FY 2007 yield averaging 5.27 percent. The Pooled Money Investment Board's responsibilities further include active management and administration of the Kansas Municipal Investment Pool. Total balances, which include deposits and earned interest for cities, counties, and schools, were $821 million at the end of October 2007.

Legislative Branch Agencies

For the five legislative agencies, the Governor includes $30,731,425 from all funding sources for FY 2009, of which $30,644,955 is from the State General Fund and $86,470 is from special revenue funds in the Legislature's budget. These totals are the same as what the legislative agencies submitted, except they have been adjusted for the Governor's proposed pay plan that applies to all state employees. FTE positions for the legislative agencies are estimated to total 147.50 for FY 2009.

Legislative Coordinating Council

The Legislative Coordinating Council coordinates the delivery of administrative services on behalf of the Legislature. This budget has two components. One is the reimbursement payments to members of the Legislative Coordinating Council for the expenses they incur by attending meetings. The second consists of the operating costs for Legislative Administrative Services, including salaries and support for 11.00 FTE positions. For FY 2009, the Governor includes $799,905 for this agency, all of which is from the State General Fund. A vacant position that had been upgraded to Project Manager for the Legislative Branch Computer Strategic Plan Initiative was shifted from this agency to the Legislature's budget.

Legislature

The Governor's budget totals $20,056,237 from all funding sources for the Kansas Legislature. Of that amount, $19,969,767 is from the State General Fund and the balance is from the Legislative Special Revenue Fund. In addition to the expenditures that maintain ongoing operation of the Legislature, $3,314,636 is included for the Legislative Branch Computer Strategic Plan Initiative: video production control rooms for webcasting or broadcasting to public television stations; bill drafting; extending the virtual committee; offering bill status, print on demand, and document management integration; chamber automation; as well as additional audio visual services. The plan also includes establishing a data backup center in Wichita in the event of a disaster in Topeka.

Legislative Research Department

Estimated expenditures for the Legislative Research Department total $3,678,206 from the State General Fund. The Department's FTE positions will remain at 40.00. The budget includes temporary staff to collect and digitize precinct maps in preparation of the 2010 census. A Research Analyst position assigned to health-related issues is financed entirely from the State General Fund, instead of private grant funds. FY 2009 will be the third year of the Legislative Fellows Program for students fulfilling internship or practicum requirements in a masters program related to public administration, business, political science, or law.

Legislative Division of Post Audit

The Legislative Division of Post Audit is responsible for performance and financial compliance audits of state agencies and programs. Included in the Governor's budget for the Division is $2,648,474, all of which is from the State General Fund. This level of funding will allow the Division to maintain the same level of staff at 26.00 FTE positions, including the 5.00 FTE positions that were recently added for the School Audit Team. Funds of $211,000 are included in both FY 2008 and FY 2009 for the statewide financial-compliance audit.

Revisor of Statutes

For FY 2009, a total of $3,548,603 from the State General Fund is included in the Governor's budget. The Revisor's Office provides bill drafting services for the Legislature and publishes annual supplements and replacement volumes for the *Kansas Statutes Annotated*. FY 2009 will be the third year of the Legislative Fellows Program for law school students or recent law school graduates with an interest in the legislative process and public policy development. The Revisor's budget plans that no hardbound volumes of the *Kansas Statutes Annotated* will be printed in FY 2009. The budget is increased, however, to accommodate anticipated costs for software maintenance and data processing services.

Judicial Branch Agencies

Judiciary

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

The state has 31 judicial districts, and one district judge can serve several counties in sparsely populated areas. In the more populated counties a district could have multiple judges. In Wichita, the 18th Judicial District, there are 26 district court judges, all with substantial work loads. In addition to judges, the district courts have 1,445.80 FTE employees, while the Judiciary as a whole has 1,849.30 FTE employees.

With the enactment of KSA 75-3718, the Governor is required to submit the Judiciary's budget to the Legislature without recommendations. Therefore, the Governor makes no revisions to the request submitted, except to add funds that finance a 2.5 percent salary increase at a cost of $2,538,821, including $2,391,187 from the State General Fund.

The Judiciary's budget request includes funding for the Kansas Supreme Court, Court of Appeals, judicial and professional review boards and commissions, and most of the personnel costs of the 105 district courts. The following table shows the budget request expenditures by fund. The Judiciary request for FY 2009 without the Governor's pay plan is $120,300,252, including $109,545,101 from the State General Fund. That is an overall increase of $17,542 and a State General Fund increase of $223,611. The State General Fund supports 91.1 percent of expenditures while the second largest source of funding is docket fees. The Judiciary's request includes funding for the 13th Appellate Court Judge and related staff that will be annualized in FY 2009 and expenditures for the addition the 14th Appellate Court Judge and staff that will begin in January 2009. Also included are increases in costs for mileage, salary and wage benefits, and annualization.

Comparison of Judiciary's Budget

	FY 2007 Actual	FY 2008 Requested	FY 2009 Gov. Req.
SGF	102,928,242	109,321,490	111,936,288
Access to Justice	1,297,031	1,028,643	1,047,597
Judicary Tech.	1,617,374	1,804,416	1,740,516
CS Enforcement	1,582,777	2,017,665	2,072,500
Other Funds	5,565,088	6,110,496	6,042,172
Total	$ 112,990,512	$ 120,282,710	$ 122,839,073

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 Council still bears these responsibilities; however, its duties have increased. The Council also recommends legislation based on its findings and prepares and publishes numerous documents for use by the legal community.

The 2006 Legislature created the independent Kansas Commission on Judicial Performance. The Judicial Council hired three employees to provide staffing for the Commission making a total of seven employees. The Commission is charged with developing and conducting performance evaluations of Kansas judges and distributing its findings. Funding is from increased docket fees and is included in the Council's budget. The 2007 Legislature created the Recodification Commission. This independent 16-member commission is charged with the recodification of criminal statutes. The Legislature also appropriated $150,000 from the State General Fund for costs related to members attending meetings and other administrative costs.

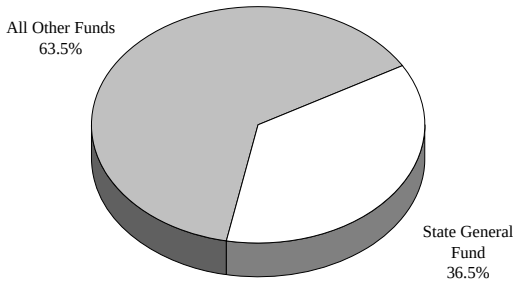
The Governor recommends $1,395,573, including $151,210 from the State General Fund, for FY 2009. The recommendation includes payments for Council members to attend 55 meetings during FY 2009.

Human Services

Human Services Summary

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

How It Is Financed



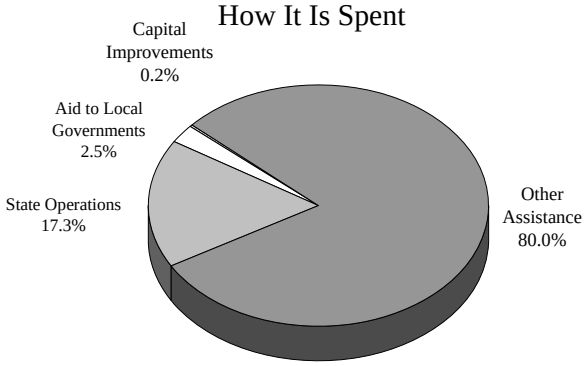
Fiscal Year 2009

The Governor recommends expenditures totaling $4,049.0 million in FY 2008, of which $1,440.0 million is from the State General Fund. For FY 2009, a total of $4,154.5 million is recommended, of which $1,516.1 million is from the State General Fund. The Governor recommends funding for 8,282.56 FTE positions and 332.83 non-FTE unclassified permanent positions in FY 2009.

The Medicaid Regular Medical Program is estimated to increase by $45.1 million in FY 2009 because of rising health care costs as well as increases in the number of estimated people served. Also included is full funding of caseloads for welfare and medical assistance to the poor, disabled, and aged. The recommendations include staffing increases for the Kansas Health Policy Authority.

The Governor recommends $10.0 million for the new Kansas Healthy Choices program in the Kansas Health Policy Authority, which will use state and federal Medicaid funds to subsidize the purchase of private health insurance for low income families. This premium assistance program was approved as a part of SB 11 in the 2007 Legislative Session.

How It Is Spent



Fiscal Year 2009

The Governor also adds $5.0 million in FY 2009 to increase child care assistance for low-income families. The budget also funds the anticipated number of children in reintegration/foster care for children awaiting permanent homes. In FY 2009, the Governor recommends enhanced funding of $11.2 million to reduce waiting lists in HCBS programs for the developmentally disabled and funding of $2.9 million to maintain a no waiting list policy in the HCBS Waiver for the Physically Disabled. The Governor also recommends that additional tobacco settlement funds in the Children's Initiatives Fund be used to start the Kansas Early Childhood Block Grant.

The FY 2009 budget includes funds for long-term care, the Senior Care Act, nutrition services, and a dental services waiver for the frail elderly. Funding will provide 3.5 million meals to the elderly under the Older Americans Act Meals Program, financed partly by the income tax Meals on Wheels Check-off. Health and Environment's budget contains new funds of $900,000 for the expansion to Newborn Screening authorized in 2007 SB 11.

Unemployment benefits paid to individuals are expected to be $322.8 million for FY 2008 and $318.7 million in FY 2009. The unemployment rate for Kansas is estimated to be 4.8 percent in FY 2008 and 4.6 percent in FY 2009.

Social & Rehabilitation Services

The Governor's recommendations for the Department of Social and Rehabilitation Services total $1,534.0 million for FY 2008 and $1,572.2 million for FY 2009. They include State General Fund expenditures of $658.1 million in the current year and $680.0 million in FY 2009. The recommended budget includes salaries and wages for 3,742.23 positions in FY 2009.

Of the FY 2009 expenditures recommended by the Governor, $1,182.1 million, or 75.2 percent, finances assistance payments to individuals or to vendors who provide medical or other services to individuals in need. A total of $46.3 million, or 2.9 percent, finances aid to local governments, which in turn provides services to agency clients. The recommendation for state operations in FY 2009 totals $339.1 million, including the staffing costs for coordinating social services, administering SRS area offices and associated branch offices, and providing vocational rehabilitation services to agency clients. Finally, the Governor recommends $7.9 million in FY 2009 for capital improvements at state institutions and agency offices. The capital improvement recommendation includes debt service for construction of a new state security hospital at Larned and debt service on a $35.0 million bond issue for rehabilitation and repair projects at Larned and Osawatomie State Hospitals.

The Governor's recommendation enhances several SRS programs. Examples include increased funding to reduce the waiting lists for the Home and Community-Based Services waivers, funding for the increased caseloads in the Child Care Assistance, Independent Living, Assistive Technology, Permanent Custodianship, and Adoption Support programs, and funding for a new Early Childhood Block Grant to be administered by the Children's Cabinet.

The Governor recommends funding of $7.0 million, including $4.2 million from the State General Fund, for the first year of expenditures for a new Human Services Management System. The system is a joint venture with the Kansas Health Policy Authority (KHPA) that will begin by replacing the Medicaid eligibility system maintained by SRS. The system is 20 years old, designed to manage the state's welfare programs, and no longer meets the needs of either SRS or KHPA. System changes are expensive and cannot keep pace with Medicaid eligibility policy. KHPA will take the lead in procuring a web-based eligibility and enrollment system. There is also funding included in the Governor's budget for KHPA for its part of the purchase. This project will require several years of funding to build a system that will meet the needs of both SRS and KHPA. The funding provided in FY 2009 will allow the medical eligibility component of the system to be operational in July of 2010.

The Governor's recommendation increases funding from the State General Fund for independent living centers and the Youth Empowerment Grant in order to maintain level funding that otherwise would have been reduced because of federal audit decisions. The Governor also recommends $97,008 from the State General Fund for a new single statewide toll free number system for child protection reporting. The Governor's recommendation also funds the consensus caseload estimates for Reintegration/Foster Care, Temporary Assistance to Families, Medicaid Regular Medical Program, General Assistance, and Nursing Facilities for Mental Health.

To address SRS field operations, the Governor recommends the addition of $9.0 million in both FY 2008 and FY 2009 to enhance child protective services intake and assessment activities. SRS recently completed a review of the policies and procedures surrounding child protective services. Resulting from this review are policy revisions to enhance the receipt of intake reports, initial assessment decisions, and placing greater consideration on prior history when assessment decisions are formed. These policy changes will ensure that thorough and complete assessments are performed for every report of abuse or neglect. Because federal Title IV-E policy does not allow for federal foster care funding for intake and assessment activities, the demand for State General Fund dollars has increased. The Governor addresses that demand with the addition of the $9.0 million from the State General Fund in both FY 2008 and FY 2009.

The Governor's recommendation includes several increases in federal funds. SRS will expend

approximately $2.2 million from federal disaster funds to provide emergency and ongoing mental health services to victims of the Greensburg tornado and the Southeast Kansas flooding. Federal energy assistance funds have been increased, which allows for the removal of $1.0 million from the State General Fund in the Low Income Energy Assistance Program. In response to sky rocketing fuel costs, the Governor had added the State General Fund dollars to the program a few years ago. The federal funding is now sufficient for the current caseload. For FY 2009, the percentage that the federal government pays for medical assistance through the Medicaid Programs has been increased. The increase in federal funding was reflected in the new consensus caseload estimate. The Governor's recommendation also includes an increase of $6.4 million for non-consensus caseload programs such as the Intermediate Care Facilities for the Developmentally Disabled, and home and community based services waiver programs.

In regard to the Children's Cabinet in FY 2009, the Governor recommends moving the $5.0 million from the Children's Initiatives Fund (CIF) for the Pre-K Pilot Program to the Department of Education. To encourage collaboration and coordination between all early learning programs for three- and four-year-olds the Kansas State Department of Education, the Four-Year-Old At-Risk pre-kindergarten program and the Children's Cabinet Pre-K Pilot program will become one program within the Department of Education. The new combined program will be called the Kansas Preschool Program. Quality standards, accountability requirements and community-based partnerships must remain a part of the Kansas Preschool Program, as currently found in the Pre-K Pilot program.

In addition, with the increased revenues to the Children's Initiatives Fund the Governor recommends a new Kansas Early Childhood Block Grant (ECBG). The block grant will be administered through the Children's Cabinet. The funds can be used for grants to school districts, child care centers and homes, Early Head Start sites, Head Start sites, and community-based programs that provide research-based child development services for at-risk infants, toddlers and their families, and preschool for three- and four-year-olds. The grant process will be driven by accountability measures and research-based programming, as well as a focus on at-risk children and under-served areas. Thirty percent of all block grant funds will be set aside for infant and toddler programs. The Children's Cabinet will work to leverage block grant funds to draw down private investment to expand the state's network of quality early learning opportunities for all children ages birth to five. While new money for early childhood programs will be directed to the ECBG, the Governor supports a system-wide review of all programs to ensure that funds are allocated efficiently and effectively, with strong coordination in all programs and agencies. The Governor recommends CIF funding of $5.0 million in FY 2008 and $18.0 million in FY 2009 for the Kansas Early Childhood Block Grant.

Economic and Employment Assistance

Welfare Reform. The federal Personal Responsibility and Work Opportunity Reconciliation Act of 1996 replaced the original welfare program, Aid to Families with Dependent Children. The new law ended the statutory entitlement to assistance and instituted a five-year lifetime eligibility limit. The new Temporary Assistance for Needy Families (TANF) Program, illustrated in the table on the following page, provides financial assistance to poor families with dependent children based on income and family size.

Families with income less than 32.0 percent of the federal poverty level may qualify for assistance. All families receiving Temporary Assistance to Families, the state's version of TANF, are eligible for Medicaid. Welfare reform also gave Kansas more flexibility to design public assistance programs, but it also added reporting requirements on the state, mandated child support enforcement procedures, and established work requirements for those families receiving cash assistance.

The TANF Program is funded from a $101.9 million appropriation from the federal government and a state match of $62.0 million. The state match is known as maintenance of effort and is the minimum amount the state must spend, as required by the federal government to receive the TANF block grant. The state was able to reduce its maintenance of effort from $70.4 million in FY 1998 to the current level by successfully complying with federal back-to-work requirements for welfare recipients. Beginning in FY 2001, SRS was allowed to count refunds paid through the Earned Income Tax Credit as part of the state maintenance of effort.

Temporary Assistance to Needy Families

(Dollars in Millions)

	FY 2007	FY 2008	FY 2009
Beginning Balance	$7.5	$12.4	$12.9
Revenue:			
Federal TANF Grant	101.9	101.9	101.9
Total Revenue Available	$109.4	$114.3	$114.9
Transfers:			
Child Care Development Fund	(25.5)	(22.8)	(22.7)
Social Services Block Grant	(7.2)	(7.2)	(7.2)
Workforce Development Loan Prg.	(0.1)	(0.1)	(0.1)
Expenditures:			
Administration	2.7	3.1	3.0
Program Staff	9.3	10.5	10.3
Temporary Assistance for Families	26.9	21.2	19.2
Employment Services	11.2	12.4	12.4
Children's Services	13.1	22.9	22.9
Alcohol & Drug Abuse Services	1.2	1.4	1.4
Total Expenditures	$64.4	$71.3	$69.2
Ending Balance	$12.4	$12.9	$15.7

** Totals may not add because of rounding.*

As part of the program expenses, the agency will transfer up to $7.2 million to the Social Services Block Grant to finance existing social service programs. A yearly transfer is also made to the Child Care Development Fund (CCDF), which is used to finance the state's day care programs for low income working families. The table above shows that in both the CCDF transfer and the expenditures for the Temporary Assistance to Families Program that caseloads are expected to decrease.

Child Care

Fiscal Year	Persons Served	Percent Change	Total ($000)	Avg. Cost	Percent Change
2001	15,312	5.4	46,636	253.81	--
2002	16,151	5.5	50,815	262.19	3.3
2003	16,723	3.5	54,487	271.52	3.6
2004	17,358	3.8	57,285	275.02	1.3
2005	18,721	7.9	63,090	280.84	2.1
2006	19,527	4.3	74,748	319.00	13.6
2007	21,025	7.7	76,928	304.91	(4.4)
2008	21,600	2.7	80,093	309.00	1.3
2009	22,500	4.2	85,104	315.20	2.0

Child Care Rates & Caseloads. As part of its welfare reform strategy, the state places a priority on keeping low-income families working, rather than providing direct cash assistance. To this end, the agency encourages work by providing child care assistance. To be eligible, families must work at least 30 hours each week and be at or below 185.0 percent of the federal poverty level. To ensure compliance with federal reimbursement guidelines, the rates are reviewed biennially.

The Governor's recommendation provides the resources necessary to subsidize child care for an average of 21,600 children each month in FY 2008 and 22,500 children each month in FY 2009. The Governor's recommendation decreases funding from the State General Fund for child care by $2.5 million in FY 2008. Caseloads are still increasing between FY 2007 and FY 2008, but not by the magnitude that was estimated last year. The recommendation increases funding from the State General Fund by $2.5 million in FY 2009. The table on this page details the history of the program.

In order to provide a child care setting where children have an optimum learning environment, SRS, Head Start, Early Head Start and the Kansas Preschool Program will collaborate to blend funding for at-risk children in selected child care centers and family child care homes. Programs will be evaluated at the time of kindergarten entry to assess the effectiveness that credentialed/qualified caregivers and low teacher-to-child ratios have on improved school readiness outcomes for at-risk children, ages birth to five.

In FY 2009, $500,000 in existing child care subsidy funds will be allocated to a statewide pilot of these new collaboration efforts in Kansas.

Temporary Assistance for Families. In FY 2008, the Governor recommends $51.0 million to finance benefits for an average of 35,066 persons each month. For FY 2009, caseloads are expected to decrease to an average of 33,595 persons each month, for total assistance of $49.0 million. These amounts are shown in the consensus caseload table on page 92 along with amounts from prior years.

General Assistance. The consensus caseload table also displays actual and budgeted expenditures for General Assistance. The Governor recommends expenditures of $8.7 million in both FY 2008 and FY 2009. The FY 2008 amount will fund benefits to an average of 4,026 persons each month. The recommendation will finance benefits for 4,035 individuals each month during FY 2009.

Employment Training & Vocational Rehabilitation. The Governor's recommendation will provide employment training to more than 20,819 low-income or disabled Kansans each month during FY 2009. The recommended budget includes $12.2 million for employment assistance to TAF recipients and Food Stamp recipients and $21.5 million for vocational rehabilitation.

Health Care Programs

Home & Community-Based Services. In an attempt to curb Medicaid costs in nursing homes, the federal government allows states to design community programs as an alternative to institutional placements. The waivered programs are matched at the state Medicaid rate. SRS currently administers five waiver programs and the Department on Aging has two. The table below illustrates the expenditures by program for home and community-based services. It illustrates the rapid growth and popularity of these programs over the past five years. The State of Kansas currently serves over 11,000 Kansans in a cost-effective manner that respects their desire for independence by providing them the choice to remain in the comfort and stability of their own home and community. The delivery of these services relies upon a strong partnership between state government and local community service providers. At a time when the state is beginning the process of reforming its compensation program for state employees to help attract and retain quality employees with competitive compensation, careful consideration should also be given to the compensation levels of community direct care staff funded through reimbursement rates to providers.

The Governor supports a systematic review of compensation for direct care workers and consideration of a multi-year plan to expand community capacity through rate adjustments and to continue to work towards the elimination of waiting lists for services from the HCBS waiver. As part of a multi-year plan, the Governor recommends that enhanced departmental review, with oversight and enforcement powers over rate increases be included to ensure community service providers are meeting the primary purpose of enhancement of direct care workforce needs.

Home & Community-Based Services for the Physically Disabled. This waiver targets disabled children and adults between the ages of 16 and 64 who need assistance to perform normal daily activities and

Home & Community-Based Services Waivers

(Dollars in Thousands)

	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Gov Est.	FY 2009 Gov Rec.
Social & Rehabilitation Services					
Physically Disabled	70,858	80,981	94,424	102,144	105,731
Head Injured	5,704	5,615	8,277	6,845	7,890
Technology Assisted	182	185	180	241	242
Developmentally Disabled	217,398	221,150	248,146	279,255	290,727
Autism	--	--	--	744	749
Total SRS Waiver Programs	$ 294,142	$ 307,930	$ 351,027	$ 388,484	$ 404,590
State General Fund Portion	$ 113,901	$ 121,296	$ 138,427	$ 157,091	$ 162,460
Percent Change	*8.8%*	*4.7%*	*14.0%*	*10.7%*	*4.1%*
Department on Aging					
Frail Elderly	54,125	55,707	63,264	67,127	71,281
Targeted Case Management	3,633	4,030	4,408	4,879	4,831
Total Aging Waiver Programs	$ 57,758	$ 59,737	$ 67,673	$ 72,007	$ 76,112
State General Fund Portion	$ 22,549	$ 23,562	$ 26,880	$ 28,121	$ 30,506
Percent Change	*18.8%*	*3.4%*	*13.3%*	*6.4%*	*5.7%*

who are eligible for nursing facility care. The Governor recommends a total of $102.1 million in the current year and $105.7 million in FY 2009. The State General Fund portions of these programs total $41.2 million in FY 2008 and $42.4 million in FY 2009. The recommendation for FY 2009 includes additional funding for waiting lists.

Home & Community-Based Services for Traumatic Brain Injuries & Technology Assistance. These waivers target people with traumatic head injuries resulting in long-term disability and children dependent on medical technology. These waivers address one-time expenses for equipment and services, as well as respite and personal services. The Governor's budget recommendations provide $6.8 million for traumatic brain injuries in FY 2008 and $7.9 million in FY 2009. Unlike other waivers that SRS administers, the Traumatic Brain Injury Waiver is a rehabilitation waiver focused on assisting persons to return to the highest possible level of independence. It is important to start services as soon as possible to have the most effective treatment for persons who have experienced a traumatic brain injury. Requiring people to wait for services would reduce the effectiveness of treatment and decrease the functional outcomes for the persons waiting to be served. The Governor's recommendation includes enhanced funding of $1.1 million to ensure that a waiting list does not have to be implemented. The Governor recommends $240,806 in FY 2008 and $242,487 in FY 2009 for the Technology Assistance waiver.

Home & Community-Based Services for the Developmentally Disabled. This waiver targets adults and children who are born with a variety of developmental disabilities. Through institutional downsizing, clients are often shifted out of state hospitals or intermediate care facilities for the developmentally disabled, allowing more individuals to be served for the same amount of money. The Governor's recommendation for FY 2008 totals $279.3 million, of which $112.7 million is from the State General Fund.

For FY 2009, the Governor recommends $290.7 million for the developmental disabilities waiver. The amount of State General Fund monies is $116.5 million. The Governor includes $11.2 million in her recommendation to reduce the waiting lists for developmental disability services.

Home & Community-Based Services for the Frail Elderly. The Governor's recommendation provides $71.3 million for the Frail Elderly waiver and $4.8 million for Targeted Case Management for FY 2009. The programs target elderly persons age 65 and over who meet the requirements for nursing home placement. The functional eligibility score to qualify for the programs is 26, which coincides with minimum eligibility for nursing facility placement.

Mental Health Services. The Mental Health Reform Act provides for increased community services and establishes a timetable for a corresponding reduction in hospital beds. The act charges the community mental health centers with the responsibility of being the "gatekeepers" of the public mental health system. All admissions to state hospitals go through the participating community mental health centers. The act also requires community mental health centers to provide services to all clients regardless of ability to pay, but emphasizes services to adults with severe and persistent mental illnesses and children with severe emotional disturbances.

For community mental illness programs, the Governor recommends a total of $44.7 million from all funding sources for FY 2009. This includes $10.2 million in state aid to community mental health centers, the same amount as FY 2008, and $34.5 million for grants to community mental health providers and the statewide Family Centered Systems of Care Program. The remainder of the mental health budget totals $192.2 million and appears as part of consensus caseload estimates for SRS—Regular Medical. These expenditures are included in both the Consensus Caseloads table on page 92 and the Medicaid table on page 97.

In accordance with the Children's Cabinet recommendation for Children's Initiatives Fund expenditures in FY 2009, the Governor did not include expenditures of $1.0 million for the Therapeutic Preschool Program or expenditures of $228,000 for the School Violence Prevention initiative. Neither of these programs has demonstrated the accomplishment of performance goals and neither fits well into the Children's Cabinet's focus on early childhood development.

The Governor recommends that $3.8 million from the Children's Initiatives Fund be used for the Children's

Mental Health Waiver Program in FY 2009. This initiative strengthens the natural support from their families and communities for children affected by severe disturbances. The program expands community-based mental health services to provide early intervention, help in maintaining family custody, and prevention of more costly and restrictive treatment. The Department estimates that an average of 2,868 children will receive services in FY 2009. The funding for this waiver is included in the mental health Prepaid Ambulatory Health Plan.

The FY 2008 recommendation for mental health includes an additional $17.0 million from the State General Fund that was approved last year. This additional funding was added to replace federal dollars that can no longer be claimed as SRS ends the practice of claiming certified match. However, for FY 2009, the Governor's recommendation reduces grants to community mental health centers by $7.0 million from the State General Fund. Additional federal Medicaid funding of $1.7 million in FY 2008 and $8.7 in FY 2009 will make up for this reduction. Also, after a year of transition with the switch to managed care, the community mental health centers will have adequate funding.

Community Support Services. To enable people with developmental and physical disabilities to live in community settings, the Department provides funding to a variety of community organizations and programs across the state. The Governor recommends $29.4 million in FY 2009 for aid to 28 community developmental disability organizations to coordinate services, such as assisted living and sheltered workshops. The recommendation also includes $2.7 million for aid to independent living centers serving the physically disabled.

The Governor's recommendation increases funding from the State General Fund by $618,000 for independent living centers and the Youth Empowerment Grant in order to maintain level program funding, that otherwise would have been reduced because of federal audit decisions. The Governor also recommends $18.6 million in FY 2009 for intermediate care facilities for the mentally retarded. These facilities provide 24-hour care for an average of 253 individuals each month, but the caseload is declining as more community services are provided.

Consensus Caseloads

Caseload Process. Consensus caseload is a process through which the Division of the Budget and the Legislative Research Department meet twice a year with social service agencies that have entitlement programs to estimate expenditures for the current and upcoming fiscal year. The first meeting is normally held in the fall so that the estimates can be included in the Governor's budget recommendation. In April, another meeting is held to update the estimates. Any changes may be presented in a Governor's budget amendment during the "wrap-up" session of the Legislature. Those programs that are entitlement programs include Medicaid Regular Medical, Medicaid Nursing Facilities, Temporary Assistance to Families, Nursing Facilities for Mental Health, General Assistance, and Reintegration/Foster Care.

In the past, the two agencies that administered these programs were the Department of Social and Rehabilitation Services and the Department on Aging. Beginning in FY 2007, the Medicaid Regular Medical Program has been administered by the Kansas Health Policy Authority, so representatives from that agency joined the process. Certain mental health services, addiction treatment services, and case management services for the developmentally disabled that are a part of the Regular Medical Assistance Program remain with the Department of Social and Rehabilitation Services. The Division of the Budget, Legislative Research Department, Department of Social and Rehabilitation Services, Kansas Health Policy Authority, and Department on Aging met on November 2, 2007, to revise the estimates on caseload expenditures for FY 2008 and to make initial estimates for FY 2009. The table on the next page outlines actual expenditures in caseload programs in FY 2005, FY 2006, and FY 2007 and the current estimates for FY 2008 and FY 2009 agreed to at the meeting.

Caseload Adjustments. For FY 2008, the estimate is a decrease of $9.3 million from all funding sources, including $8.3 million from the State General Fund, as compared to the expenditures approved by the 2007 Legislature. The overall reduction is largely because of a decreased estimate for KHPA Regular Medical expenditures of $21.0 million, including $6.6 million from the State General Fund. In addition, the Governor's recommendation includes a funding switch of $15.0 million from the State General Fund to the

Consensus Caseloads

(Dollars in Thousands)

	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Gov Est.	FY 2009 Gov Rec.
Department of Social & Rehab. Services					
Temporary Assist. to Families	64,932	63,865	56,715	51,000	49,000
General Assistance	8,955	8,748	8,539	8,700	8,700
Reintegration/Foster Care	94,799	121,675	137,478	149,637	165,000
Adoption	34,342	--	--	--	
Nursing Facil. for Mental Health	13,117	11,750	13,233	13,300	14,000
Regular Medical	1,252,045	193,902	217,482	266,106	257,956
Total--SRS Caseload Programs	$ 1,468,191	$ 399,941	$ 433,449	$ 488,743	$ 494,656
State General Fund Portion	$ 530,942	$ 186,528	$ 191,212	$ 256,659	$ 268,976
Percent Change	*18.6%*	*(71.0%)*	*8.4%*	*12.8%*	*1.2%*
Division of Health Policy & Finance					
Regular Medical	$ --	$ 1,185,203	$ --	$ --	$ --
State General Fund Portion	$ --	$ 386,815	$ --	$ --	$ --
Kansas Health Policy Authority					
Regular Medical	$ --	$ --	$ 1,161,149	$ 1,197,000	$ 1,242,079
State General Fund Portion	$ --	$ --	$ 444,588	$ 423,000	$ 464,079
Percent Change				*3.1%*	*3.8%*
Department on Aging					
Nursing Facilities	$ 351,041	$ 318,615	$ 343,881	$ 352,500	$ 365,000
State General Fund Portion	$ 128,239	$ 124,829	$ 136,611	$ 142,269	$ 146,292
Percent Change	*12.5%*	*(9.2%)*	*7.9%*	*2.5%*	*3.5%*
Total--Consensus Caseloads	$ 1,819,232	$ 1,903,759	$ 1,938,479	$ 2,038,243	$ 2,101,735
State General Fund Portion	$ 659,181	$ 698,173	$ 772,412	$ 821,928	$ 879,347

Medical Programs Fee Fund. Fee fund revenues were $19.6 million higher in FY 2007 than the estimate a year ago. The estimates for State General Fund expenditures for both the General Assistance Program and the Reintegration/Foster Care contract are also slightly lower than the approved amounts. Nursing Facility expenditures and Temporary Assistance to Families expenditures did not change in the current year. The estimate for SRS's Regular Medical is reduced by $8.2 million from all funding sources. The State General Fund portion of that increase is $1.4 million.

The FY 2009 initial estimate is $2.1 billion, including $879.3 million from the State General Fund. The estimate is an increase over FY 2008 of $63.5 million from all funding sources, with a State General Fund increase of $57.4 million. With this total increase, Regular Medical expenses for KHPA were increased by $41.1 million from the State General Fund and $45.1 million from all funding sources. This portion of the increase can be attributed to increased caseloads and higher per person expenditures.

Nursing Facility expenditures were increased by $12.5 million, including $4.0 million from the State General Fund in FY 2009. A slight decrease in the number of residents was offset by an increase in costs resulting from policy changes made in the previous legislative session. The 2007 Legislature approved re-basing rates to reflect a three-year average of costs using the three most recent years of cost data instead of using the cost data for 2003, 2004, and 2005.

Estimates for the Reintegration/Foster Care contract increased by $15.4 million, including $13.4 million from the State General Fund. This increase is largely the result of a change to the contracts from pre-payments to retroactive payments. Therefore, the FY 2008 funding reflects only 11 months of payments, while the FY 2009 amount includes funding for a full year. The estimate also assumes there will be an increased number of children in the foster care system. The increased demand for State General Fund support also reflects changes in the reimbursement methodology for Level IV and V residential placement facilities.

The FY 2009 estimate for the Prepaid Ambulatory Health Plan (PAHP) is $6.8 million lower than in FY 2008. The PAHP is a prepaid plan, whereas the old plan made retroactive payments. Therefore, the budget for FY 2008 represents 13 months of services and the budget for FY 2009 represents 12 months of services.

Children & Family Policy

Family Preservation. The Governor's recommended budget provides $11.9 million in each of FY 2008 and FY 2009 to provide services to families at risk of having children removed from the home and placed in the custody of SRS. The main parts of these services are the contract for family preservation services and family services provided directly by SRS caseworkers. The Governor's recommendation for the family preservation contract is estimated to serve approximately 2,893 families in FY 2008 and 2,813 families in FY 2009. The recommendation for family support services totals $2.3 million in FY 2009.

Reintegration/Foster Care. An amount of $149.6 million is recommended by the Governor in the current year and $165.0 million in FY 2009 for foster care and family reintegration services. Foster Care includes payments to families and group foster homes for care and services provided to children placed in the homes. SRS also provides clothing, transportation, counseling, and other goods or services on behalf of a specific child.

Beginning in FY 2006, there are no longer separate contracts for foster care and adoption services. Reintegration/foster care services are provided by the family preservation provider if out-of-home placement is required during the 12-month service period for a family preservation referral. Services are provided by the reintegration/foster care provider for all other referrals. The family preservation or reintegration/foster care provider will continue to provide services to the child and family until the child has been reintegrated or has received another permanent placement, such as adoption.

This continuity of service by the same provider will result in a more timely permanent placement and will minimize delays in permanency plans which were a characteristic of the previously separate contracts. In that contract, children were moved between contracts and providers as their permanency plans changed. Most children who require out-of-home placement have been abused or neglected and have significant developmental, physical, and emotional needs that require an array of service and care options.

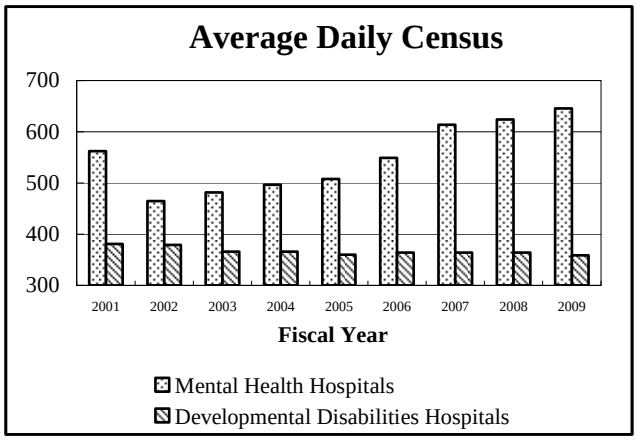
The preferred placement for children is with relatives. When no relatives are available, family foster homes are the next placement option. When possible, children are to be placed in settings which allow them to continue to attend the same school they attended prior to out-of-home placement. Siblings are to be placed together whenever possible. Some children require more structured treatment-oriented settings in group homes, residential centers, or Medicaid funded inpatient psychiatric facilities. These Medicaid expenditures are included in the Mental Health Division budget. The consensus caseload estimate for Foster Care for FY 2009 is $165.0 million to serve an average of 6,041 children each month. The Consensus Caseload table on the previous page displays actual and budgeted expenditures for reintegration/foster care.

Under the contracts, the statewide Adoption Resource Recruitment contractor provides recruitment and training for families interested in foster parenting/adoption. This contract totals $3.9 million in FY 2008 and $3.1 million in FY 2009 and is no longer a part of consensus caseload.

Adoption subsidy payments are made to families who adopt a child with special emotional or physical needs. Expenditures are for ongoing subsidy payments and, when appropriate, for non-recurring costs associated with the adoption of a special needs child. The Governor recommends $25.1 million in FY 2008 and $28.0 million in FY 2009 for these purposes. The recommendation includes enhanced funding of $700,324 in FY 2008 and $3.7 million in FY 2009 to serve more children in both years.

State Hospitals

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 developmentally disabled. Institutions for the developmentally disabled began to be closed as those involved in the care of the developmentally disabled became more certain that, for most developmentally disabled people, homes in the community provided a more fully participatory life. In 1988, Norton State Hospital closed and its clients were relocated to homes in the community and the remaining developmental disability hospitals. By 1998, both Topeka State Hospital and Winfield State Hospital had also been closed, with the majority of residents moving to homes in their communities.



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

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

Mental Health Hospitals

For FY 2009, the three state mental health hospitals, Larned State, Osawatomie State, and Rainbow Mental Health Facility, project a combined average daily census of 646 patients. The Governor's recommended budget includes $90.4 million in expenditures for the operation of these hospitals. This funding will come from three main sources: the State General Fund, the individual hospital fee funds, and federal Medicaid Title XIX funds. The hospital fee funds come from patient health insurance, Medicare, Social Security, and payments from patients and their families. In the mental health institutions, only children, adolescents, and the elderly qualify for Medicaid reimbursements. Capital improvements for the hospitals are funded

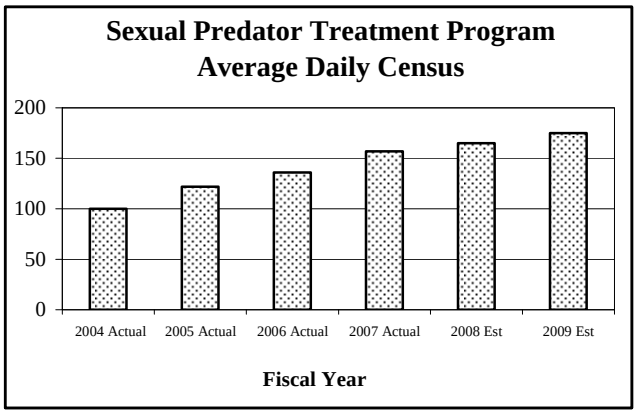
Mental Health Hospitals

	Daily Census	Operating Budget	Daily per Client ($)
Larned	432	56,325,190	357
Osawatomie	171	26,090,365	418
Rainbow	43	7,986,381	509
Total	646	$90,401,936	383

through the State Institutions Building Fund and are not included in the table on the previous page. The recommendations for each institution are summarized below.

Larned State Hospital

For FY 2009, the Governor recommends $56.3 million, of which $43.6 million is from the State General Fund. Through this funding, the Hospital will provide residential and medical services to an average resident population of 432 patients. The Governor's recommendation will fund 1,004.20 FTE and 17.98 non-FTE positions.



This Hospital evaluates and treats persons committed by the courts of criminal jurisdiction, as well as correctional inmates. In response to the increasing demand for services for those referred by the Unified Judicial System or the Department of Corrections, a new state security hospital was opened in June 2005. The State Security Hospital has the capacity to house 250 residents. The FY 2009 estimated average resident population will be 175. For FY 2009, the Governor recommends $15.5 million, of which $14.5 million is from the State General Fund, to operate the State Security Hospital Program. The amount recommended will fund 283.00 FTE and 4.00 non-FTE positions.

Larned State Hospital also maintains the state's Sexual Predator Treatment Program. The demand for services in this program grew dramatically between FY 2003 and FY 2004. During FY 2005 census growth remained stable, but began to grow again in FY 2006 and is expected to maintain similar growth through FY 2008 and FY 2009. In FY 2007, the budget for the Sexual Predator Transition Program at Osawatomie State Hospital, which had been a part of the SRS budget, was transferred to Larned State Hospital's Sexual Predator Treatment Program to allow for better planning and oversight. For FY 2008, the Governor recommends $13,371,474, of which $11,702,320 is from the State General Fund, for the combined programs of the Sexual Predator Treatment Program. This amount includes supplemental funding of $778,555 from the State General Fund to increase capacity in both the Sexual Predator Treatment Program and the Sexual Predator Transition Program. For FY 2009, the Governor recommends $13,905,504, of which $12,255,003 is from the State General Fund, for these two programs. The recommendation will fund 276.00 FTE and 10.98 non-FTE positions serving an estimated 175 residents.

Osawatomie State Hospital

For FY 2009, the Governor recommends funding of $26.1 million, of which $16.2 million is from the State General Fund. The recommendation will fund 428.6 FTE positions. The average daily census is expected to be 171 patients.

Rainbow Mental Health Facility

The Governor recommends $7,986,381 for FY 2009, of which $5,399,407 is from the State General Fund. The recommendation will fund 122.20 FTE positions. The facility expects to have an average daily census of 43 patients in FY 2009.

Developmental Disability Hospitals

For FY 2009, the estimated average daily census in the two state developmental disability hospitals will be

Developmental Disability Hospitals

	Daily Census	Operating Budget	Daily per Client ($)
KNI	161	28,734,284	489
Parsons	198	25,444,062	352
Total	359	$54,178,346	841

359. To serve these residents, the Governor recommends $54.2 million. Shown in the table on the previous page are the recommended operating expenditures, average daily census, and daily cost per client for each hospital in FY 2009. Operating expenditures are funded mainly from the State General Fund, fee funds, and federal Medicaid Title XIX funds. Additional federal funding is available for community programs.

Kansas Neurological Institute

For FY 2009, the Governor recommends $28.7 million for the Kansas Neurological Institute, of which $11.1 million is from the State General Fund. The amount recommended will support a staff of 570.20 FTE positions who will care for an average daily population of 161 residents at the Institute, which is located in Topeka.

Parsons State Hospital & Training Center

The Governor's recommendation for Parsons State Hospital and Training Center totals $25.4 million and includes $10.4 million from the State General Fund for FY 2009. The Governor's budget funds 497.20 FTE positions. This level of funding will allow the Hospital to provide residential and medical services to an average population of 198.

Kansas Health Policy Authority

During FY 2006, the Division of Health Policy and Finance of the Department of Administration was designated the single state agency for Medicaid and administered the State Medicaid Program and selected other programs that had been transferred from SRS. Effective July 1, 2006, the Kansas Health Policy Authority (KHPA) was designated the single state agency for Medicaid. KHPA is responsible for administration of the State Medicaid Plan, drawing down all Medicaid funding for all state agencies, and performing all federal reporting activities. The chart below contains actual expenditures for FY 2006 and FY 2007 and recommendations for FY 2008 and FY 2009 in the major Medicaid programs. The chart excludes funding not reported in the state budget or Medicaid funding used for administrative purposes, such as salaries and contracts for administration. KHPA also took over the administration of Medicaid Regular Medical, HealthWave, Ticket to Work, and the Medicaid Management Information System.

Major Medicaid Programs

(Dollars in Thousands)

	FY 2006 Actual	FY 2007 Actual	FY 2008 Gov Est.	FY 2009 Gov Rec.
Social & Rehabilitation Services				
HCBS--Physically Disabled	80,981	94,424	102,144	105,731
HCBS--Head Injured	5,615	8,277	6,845	7,890
HCBS--Technology Assisted	185	180	241	242
HCBS--Developmentally Disabled	221,150	248,146	279,255	290,727
HCBS--Autism	--	--	744	749
Nursing Facilities for Mental Health	11,750	13,233	13,300	14,000
ICF/MR	17,372	17,079	18,458	18,613
Regular Medical	193,902	217,482	266,106	257,956
State Hospitals	45,623	44,690	45,064	45,064
Total--SRS Medicaid Programs	$ 576,577	$ 643,511	$ 732,156	$ 740,971
State General Fund Portion	$ 217,536	$ 217,804	$ 280,507	$ 284,715
Div. of Health Policy & Finance--Administration				
Regular Medical	$ 1,185,203	$ --	$ --	$ --
State General Fund Portion	$ 387,009	$ --	$ --	$ --
Kansas Health Policy Authority				
Regular Medical	$ --	$ 1,161,149	$ 1,197,000	$ 1,242,079
State General Fund Portion	$ --	$ 444,588	$ 423,000	$ 464,079
Department on Aging				
Nursing Facilities	318,615	343,881	352,500	365,000
Program of All-Inclusive Care for the Elderly	2,916	3,029	7,092	8,183
HCBS--Frail Elderly	55,707	63,264	67,127	71,281
HCBS--Targeted Case Management	4,030	4,408	4,879	4,831
Total--Aging Medicaid Programs	$ 381,268	$ 414,583	$ 431,599	$ 449,296
State General Fund Portion	$ 149,541	$ 164,694	$ 173,253	$ 180,078
Department of Health & Environment				
Foster Care Home & Hospital Certification	$ 1,732	$ 2,360	$ 2,287	$ 2,287
State General Fund Portion	$ 971	$ 1,284	$ 1,211	$ 1,211
Juvenile Justice Authority				
Level V & VI Group Homes	$ 20,745	$ 9,325	$ 15,963	$ 6,019
State General Fund Portion	$ 8,182	$ 6,141	$ 10,963	$ 8,546
Total--Major Medicaid Programs	$ 2,165,525	$ 2,230,929	$ 2,379,005	$ 2,440,651
State General Fund Portion	$ 763,239	$ 834,511	$ 888,934	$ 938,629

The Governor recommends total expenditures by KHPA for FY 2008 of $1.3 billion, including $465.1 million from the State General Fund. The Governor adopts the consensus caseload estimate for Medicaid Regular Medical of $1.2 billion and fully funds the expected caseload of the State Children's Health Insurance Program (SCHIP), which is not a consensus program. The recommended amount for State General Fund expenditures is $24.9 million less than the approved amount. These savings can be attributed to an unanticipated $15.0 million dollar fee fund balance and lower estimates for the Regular Medical Program and the SCHIP Program. For FY 2009, the Governor recommends total expenditures of $1.4 billion, including $513.7 million from the State General Fund. Again in FY 2009, the Governor adopts the consensus caseload estimate for Medicaid Regular Medical of $1.2 billion and fully funds the expected caseload of SCHIP.

Prior Authorization & Preferred Drug Lists. For FY 2009 the Governor recommends the initiation of a MediKan Preferred Drug List. The Preferred Drug List for the Medicaid Regular Medical Program has been in use for several years and has helped in controlling pharmacy expenditures which had been growing exponentially. KHPA estimates that this policy will save $7.9 million from the State General Fund. The Kansas Medicaid also currently operates a manual Prior Authorization System for pharmaceuticals, which requires a review of certain prescription drugs by a trained health provider before the pharmaceutical is authorized for payment. The Governor recommends $825,000, including $206,250 from the State General Fund, for the purchase of a computer program that will automate the Prior Authorization System. The system will be accessible to pharmacists at the point of purchase. Physicians and pharmacists will receive real time notification of denials or requirement for additional information. This will allow them to provide the required information immediately or select a more appropriate therapy at the point of care. The same system will eventually be usable for prior authorization of durable medical equipment and selected medical procedures.

Premium Assistance. 2007 Senate Bill 11 authorized the initiation of a premium assistance program for low income families. The Governor includes in her recommendation $10.0 million, including $4.0 million from the State General Fund to begin the program in FY 2009. Kansas Healthy Choices will use state and federal Medicaid funds to subsidize the purchase of private health insurance, either through employer sponsored health insurance or through a state procured private health insurance plan. Some states are moving to this model to encourage low income families to participate in private health insurance coverage, shore up the private coverage market and prevent crowd-out, and achieve cost savings by bringing in employer contributions to help offset costs. Kansas Healthy Choices will be phased in over four years with a "legislative trigger" to evaluate the program and provide adequate funding. Current Medicaid eligibility covers adults who earn up to 37.0 percent of the federal poverty level. The $10.0 million funding will provide coverage for families who earn between 37.0 percent and 50.0 percent of the federal poverty level. Assistance will be available beginning January 1, 2009. The Governor also recommends $1,037,500, including $518,750 from the State General Fund, and 3.00 FTE positions for operation expenditures of the new program.

Integrated Enrollment System. KHPA is responsible for Medicaid eligibility policy and eligibility and enrollment in the State Employee Health Plan (SEHP). Currently KHPA uses two systems that are maintained by separate agencies, the Medicaid eligibility system maintained by SRS and the employee enrollment system maintained by the Department of Administration. The SRS system is 20 years old, designed to manage the state's welfare programs, and no longer meets the needs of either SRS or KHPA. System changes are expensive, cannot keep pace with Medicaid eligibility policy, and require KHPA staff to expend significant hours to manually work around the system. To address this issue, the Governor recommends $8.0 million, including $4.0 million from the State General Fund, to begin the process of procuring a web-based eligibility and enrollment system. KHPA will take the lead in the purchase, but there is also funding included in the Governor's recommendation for SRS for its part of the purchase. This project will require several years of funding to build a system that will meet the needs of both SRS and KHPA. The funding provided in FY 2009 will allow the medical eligibility component of the system to be operational in July of 2010.

Health Care Information Projects. The Governor recommends $450,000 from the State General Fund, to

finance additional Health Information Exchange Initiatives with the goal of improving efficiency, quality of care and patient safety, as well as improving health care information for consumers. The recommendation also includes $100,000, with $50,000 from the State General Fund, for the Enhanced Care Management Project. This project works with community resources to improve the quality of care and appropriate health care utilization by adult Medicaid beneficiaries with chronic illnesses.

Children's Initiatives Fund. Finally, the Governor adds $5.0 million from the State General Fund to replace funding from the Children's Initiatives Fund in the Medicaid Regular Medical Program and the HealthWave Program. The Children's Cabinet proposed altering which programs receive CIF support, and the Governor agreed, recommending the redirection of those Children's Initiatives Fund dollars to other programs that more closely adhere to the focus on programs for children ages birth to five.

Other Human Services Agencies

Department on Aging

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

The Governor's recommendation for FY 2008 includes the lapse of all unspent State General Fund monies from a variety of the agency's administration and program accounts totaling $1.7 million. Savings were found primarily in the Targeted Case Management Program, Home and Community-Based Services for the Frail Elderly (HCBS-FE) Waiver Program, and the Nursing Facilities Services Program as the result of revised estimates of the number of individuals receiving services. The revised estimates allow for the lapse of unneeded State General Fund monies from the agency while still providing the current level of services.

The Governor's recommendation of $492,905,409 for FY 2009 includes $194,735,313 from the State General Fund to finance nursing home services, community-based services, case management, the Senior Care Act, nutrition services, and other services to Kansans over the age of 65. This amount includes additional funding for adult care home licensure and certification to cover expenditures above and beyond the cap in federal Medicare funding.

Long-Term Care. Included in the FY 2009 recommendation is $451.2 million for long-term care for elderly Kansans who are eligible for the Medicaid Program. The State General Fund portion of this cost is $180.8 million. The recommendation includes $71.3 million for the Home and Community-Based Services for the Frail Elderly (HCBS-FE) Waiver Program, of which $28.6 million is from the State General Fund. Included in this amount is an enhancement of $2,495,000 from all funding sources for the HCBS-FE Waiver Program to expand Attendant Care Services from eight hours per day to 12 hours per day and to begin offering companion services to customers on the waiver.

Nursing Facility Services
(Dollars in Millions)

	FY 2007 Actual	FY 2008 Gov. Est.	FY 2009 Gov. Rec.
Nursing Facilities:			
Budget	$ 343.9	$ 352.5	$ 365.0
Persons	10,508	10,340	10,133
Percent Change	*7.8*	*2.5*	*3.5*

The budget includes the cost of nursing home care for the elderly who are eligible for Medicaid. Nursing facility services are estimated to be $365.0 million, of which $146.3 million is from the State General Fund. In addition, the budget includes funding for the Program of All-Inclusive Care for the Elderly (PACE). Funding for PACE totals $8.2 million, of which $3.3 million is from the State General Fund. This amount includes an enhancement of $1,152,000, of which $461,722 is from the State General Fund, to expand the Topeka PACE site to a capacity of 150 clients. Finally, the budget includes $4.8 million for Targeted Case Management, of which $1.9 million is from the State General Fund. The table on the previous page shows the budget based on caseload estimates for nursing facilities.

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

Nutrition & Meals. The Governor recommends $11.6 million, $4.1 million of which is from the State General Fund, for the Department's Nutrition Program. This amount includes enhancement funding of $1,007,672 to finance the second phase of the three-

phase plan to raise the federal minimum wage. This level of funding will provide nutrition grants for 3,517,659 meals to the elderly under the Older Americans Act Meals Program. The table below compares the number and cost per meal in FY 2008 and FY 2009 to actual FY 2007 amounts.

Nutrition Program

	FY 2007 Actual	FY 2008 Gov. Est.	FY 2009 Gov. Rec.
Agency Budget	$8,969,072	$10,589,930	$11,589,602
Local Resources	7,933,732	6,882,356	6,890,356
Total	$16,902,804	$17,472,286	$18,479,958
Number of Meals	3,489,161	3,517,659	3,517,659
Cost per Meal	*$4.84*	*$4.96*	*$5.25*

General Community Grants. The Senior Care Act Program, funded through the State General Fund, provides general community grants that allow the customer to remain in a community-based setting, rather than being forced into an institutional setting. The agency also provides services for older Americans, especially those at risk of losing their independence, through the federal Older Americans Act funding. The act provides for supportive in-home and community-based services, as well as nutrition, transportation, and case management services.

The Governor recommends $13.2 million for general community grants in FY 2009, including $7.9 million for Senior Care Act Services. Beginning in FY 2006, funding for the Senior Care Act was split, with $4.5 million coming from the Social Services Block Grant and the remainder from the State General Fund. Participants in the Senior Care Act have higher income levels than those who participate in the HCBS-FE Waiver Program.

Kansas Guardianship Program

The Kansas Guardianship Program, with 12.00 FTE positions, recruits volunteers to serve as court-appointed guardians or conservators for disabled adults found to be in need of these services by the courts. The Governor's recommendation provides $1,311,606 from the State General Fund for FY 2009. The budget will allow the agency to maintain its current operations and provide guardians or conservators to an anticipated 1,523 individuals.

Health & Environment—Health

The mission of the Division of Health of the Department of Health and Environment is to protect and promote the health of Kansans by providing community health services and to ensure adequate sanitary conditions in public facilities. The Division attempts to prevent disease and injury by protecting, promoting, and improving Kansans' health through a variety of public health service programs. Programs are designed to ensure healthy and safe child care facilities, maintain proper sanitation at food service and lodging facilities, improve access to medical care, and promote healthy lifestyles. Acquiring healthy lifestyle habits is an important way to diminish the severity and frequency of chronic diseases.

According to the United Health Foundation's national study, Kansas was recognized as one of the states in the nation with the highest overall measures of health improvement scores during the survey period that measured differences between 2005 and 2006. The state's ranking in overall health moved up six places in the 2007 report to 17th place overall. The division has been instrumental in efforts to reduce the adult smoking rate to an all-time low of 17.8 percent in 2007, and has implemented the Governor's 2004 Blue Ribbon Panel recommendations to improve childhood immunization rates. Kansas made dramatic improvements in 2006, moving from 43rd to 12th nationally, and immunization rates will continue to improve through the statewide immunization registry, and the recent expansion of the Immunize Kansas Kids Project.

For FY 2009, the Governor recommends $158.7 million, including $29.5 million from the State General Fund. Of the expenditures for Division of Health, $103.6 million is from federal funding sources. Recommended expenditures for aid and grants to local government, agencies, and individuals total $93.6 million. The Governor's recommended expenditures from the Children's initiatives Fund (CIF) for tobacco use prevention programs, the Healthy Start Program, Infant & Toddler Services, and the Children with Special Needs Program maintain base funding amounts that were approved for FY 2008. Beginning in FY 2009 the Governor recommends funding for the Newborn Screening Program from the CIF, and the recommendation includes an increase of $866,388 to adequately fund the expansion of the program that

increases the number of newborn screenings as required in 2007 SB 11.

Community-Based Services. The Governor's recommendation maintains funding of $4.5 million from the State General Fund for the Primary Health Care Community-Based Services Program in FY 2009. Through this program, communities establish comprehensive and continuous primary health care for clients and facilitate access to hospitals and specialty care. Collectively, these local clinics are referred to as the "Safety Net." Local health departments and nonprofit organizations are eligible to apply for funding. The program supports integrated primary health care and reduces duplication by encouraging local organizations to link services and facilitate access to health care. Providing effective and regular primary and preventive care produces cost savings by reducing hospitalizations, visits to emergency departments, and visits to specialists.

Healthy Family Services. The Governor maintains current funding of $300,000 from the State General Fund for the Healthy Family Services Program in Wyandotte and Geary Counties. The program utilizes public health nurse case management techniques for high-risk families to reduce health disparities for low-income mothers and children. The $300,000 from the State General Fund is used as a match to receive Medicaid funding.

Aid to Local Health Departments. This program's recommendation maintains the current funding level of $5.1 million from the State General Fund in FY 2009. The program provides funding to all 105 county health departments that provide services such as immunizations, screenings, and laboratory testing.

Immunization Program. Current funding of $550,000 is recommended by the Governor in FY 2009. The funding continues the Division's efforts to expand partnerships between the Women, Infants, and Children (WIC) federal program and KDHE's health programs; and continues development of the electronic immunization registry and education programs that increase access to childhood immunizations.

Expanded Newborn Screening. Total expenditures of $2.55 million from the Children's Initiatives Fund recommended by the Governor in FY 2009 will provide the funding necessary for the Division to implement the state's commitment to increase the number and type of newborn screenings that identify metabolic disorders in newborns. The expansion from four to 29 screenings performed is detailed in 2007 SB 11, and is the result of an extensive effort by the Governor, KDHE staff, legislators, parents, and health advocates to allow for the early identification of metabolic disorders for which treatments are available. Early diagnosis and treatments can prevent serious disabilities and health problems.

Women, Infants, & Children. Expenditures of $44.5 million in federal funding in FY 2009 will provide Women, Infants, and Children Program (WIC) services that include nutrition screening, counseling, education, and food supplements for infants, children, pregnant women, and breast-feeding women. The goal of the program is to improve the health status and nutrition of program participants. The Governor's recommendation for FY 2009 also maintains current funding of $22,425 from the State General Fund to improve access to fresh produce for low-income mothers and children through the WIC Farmers' Market Program.

Infants & Toddlers Services. The Governor recommends FY 2009 funding of $8.5 million for the program, including $3.5 million from the State General Fund, $1.2 million from the Children's Initiatives Fund, and $3.8 million in federal funds. The funds are used to support community networks that serve developmentally delayed infants and toddlers from birth to three years of age. The program will serve 6,700 children in FY 2009.

Pregnancy Maintenance Initiative. The Governor's recommendation for FY 2009 maintains current funding of $400,000 from the State General Fund for the initiative which provides services for pregnant women, including medical care, housing assistance, adoption guidance, substance abuse treatment, and parenting education. Grants are awarded to providers in eight counties.

Youth Mentoring. The Governor recommends current funding levels of $395,000 from the State General Fund in FY 2009 to support mentoring programs for school-aged children. These programs select and train adults to serve as positive role models. Expenditures include the cost of KBI background checks for mentors, salary and wages for program

administration, grants to mentoring organizations, and technical assistance and training.

Department of Labor

The FY 2009 Governor's recommendations for the Department of Labor include a total of $362,229,389 from all funding sources, with $699,301 from the State General Fund. The majority of the Department's expenditures are in the form of benefits paid to unemployed workers, which are estimated to be $313.0 million in FY 2009. The remaining $49.2 million is used to operate the agency's programs.

Labor Relations & Employment Standard Program Funding Shift. The Governor recommends $210,644 from the State General Fund for FY 2009, for a funding shift from the State General Fund to the Labor Relations and Employment Standards Program. A transfer is made from the Special Employment Security Fund to Federal Indirect Offset Fund replacing a portion of the State General Fund appropriation for the Employment Standards Program. The funding shift will allow the agency to utilize the Special Employment Security Fund for anticipated increases in salaries and wages as the federal funding for administration of the Unemployment Insurance operations has remained stagnant.

Unemployment Benefits. Unemployment payments provided to individuals to replace part of their wages lost as a result of involuntary unemployment are expected to be $313.0 million in FY 2009, which is a decrease of $4.1 million, or 1.3 percent, from the FY 2008 estimate. The unemployment rate for Kansas is estimated to be 4.8 percent for FY 2008 and then decrease to 4.6 percent for FY 2009. The Department of Labor indicates that although the number of unemployed is expected to drop in FY 2009, the weekly benefit will increase from $305 in FY 2008 to $315 in FY 2009.

Workers Compensation. The Kansas Workers Compensation Act constitutes self-contained, no-fault legislation that requires most employers operating in Kansas to provide benefits in the form of salary indemnification and medical treatment to employees who suffer accidental, physical injury, or occupational diseases arising out of and in the course of employment. The Governor's recommendation to support this program totals $8.7 million in FY 2009. The recommendation is financed totally from special revenue funds, the majority of which comes from the Worker's Compensation Fee Fund.

Commission on Veterans Affairs

The FY 2009 Governor's recommendation for the Commission on Veterans Affairs includes a total of $22,033,620 from all funding sources, with $9,437,677 from the State General Fund. With this funding, the agency will provide assistance to Kansas veterans and their dependents in obtaining U.S. Department of Veterans Affairs benefits, as well as provide assisted living and long-term care, and a system of veterans cemeteries.

Administration & Veteran Services. For the Administration Program, which provides central management and staff support to the four programs of the agency, the Governor recommends $869,461, with $868,140 from the State General Fund, in FY 2009. For the Veteran Services Program, the Governor recommends an additional $40,000 in FY 2008 to fund the Veteran Services Representative position in Emporia. For FY 2009, the Governor recommends $1,874,471, with $1,745,466 from the State General Fund, to operate veteran services centers in 14 field offices throughout the state and the Veteran Claims Assistance Program operated by the Veterans of Foreign Wars and the American Legion. The amount recommended includes continued funding for the Veteran Services Representative position in Emporia.

Veterans Homes. The Commission operates two homes in Kansas, providing domiciliary, assisted living, and long-term care for veterans, their spouses, and dependent children. Funding for the operation of these facilities comes from three sources: the State General Fund, and fee and federal funds based on the census of each Home. The Kansas Soldiers Home is currently reorganizing in order to provide better, more up-to-date services to its veteran population. To aid in this reorganization, the Governor recommends an additional $291,600 for FY 2008. This amount will pay for consultants, new equipment, and additional services for the residents of the Home. For FY 2009, the Governor recommends a total of $7,827,694, with $2,759,445 from the State General Fund for the Home in Fort Dodge. Of this amount, the Governor

recommends $250,000 in enhanced funding to increase staff salaries and training opportunities. During FY 2007, this Home served 174 veterans and spouses with authorization for a staff of 245.00 FTE positions.

For FY 2009, the Governor recommends $9,500,675, with $3,327,218 from the State General Fund, to operate the Kansas Veterans Home in Winfield. These amounts include $162,000, with $124,000 from the State General Fund, for salaries and wages, new equipment, and facility upgrades. This Home currently serves 151 veterans and spouses with authorization for a staff of 343.00 FTE positions.

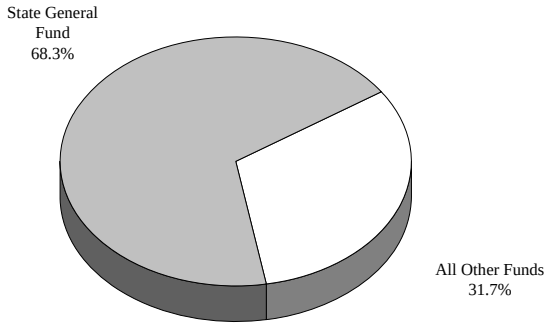
Cemeteries. As part of its mission, the Commission currently operates three cemeteries in Kansas: one at Fort Dodge, dedicated in March 2003; one at WaKeeney, dedicated in September 2004; and one at Winfield, dedicated in October 2004. The Commission expects the new cemetery at Fort Riley to be dedicated in FY 2009. For FY 2009, the Governor recommends $763,408 for operation and maintenance of these cemeteries, with $733,408 from the State General Fund and $30,000 in federal veterans burial reimbursements. The Governor's budget includes $125,598 for first-year operation of the cemetery at Fort Riley.

Education

Education Summary

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

How It Is Financed



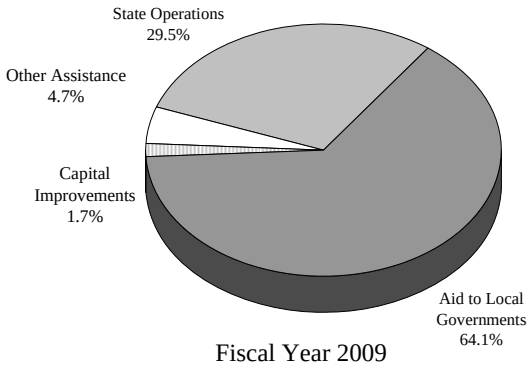
Fiscal Year 2009

The Governor's recommended budget for K-12 education fully finances consensus estimates for the school finance formula. In the current year, a net increase of $24.2 million from the State General Fund is added to meet these obligations. In FY 2009, another $75.8 million was added to finance general state aid, supplemental general state aid, special education, KPERS—School, as well as the capital improvement state aid and capital outlay state aid transfers. In total, $100.0 million was added for FY 2008 and FY 2009, all from the State General Fund over previously budgeted amounts.

The Governor's recommendation includes a new three-year phase-in for all-day kindergarten, which will cost $77.0 million over three years, beginning in FY 2010. The program will be targeted first to economically disadvantaged students. Also, the Governor recommends expanding the mentor teacher program to include a three-year program that pays mentor teachers $1,000 per year per mentor teacher. Under the Governor's recommendation, the School for the Deaf and the School for the Blind continue to improve campus facilities to meet the needs of the students and current ADA standards.

For postsecondary education in FY 2009, the Governor recommends $2.2 billion, including over $855.5 million from the State General Fund. Included in the recommendation is $58.6 million targeted directly for infrastructure support in addition to what universities spend through their physical plant programs. Also, $35.0 million is recommended for a postsecondary education operating grant. This grant includes all new funding for universities, community colleges, vocational institutions, and Washburn University. Combining new funding for all postsecondary education was requested by the Board of Regents and recommended by the Governor. In the past only the universities were under an operating grant for new funding. The postsecondary education operating grant will be distributed at the discretion of the Board of Regents.

How It Is Spent



Fiscal Year 2009

Funding for the State Library in FY 2009 includes $250,000 from the State General Fund to provide for a library courier system to support the statewide interlibrary loan program and provide a more effective means of sharing library materials across the state.

The Governor's recommendation for the Historical Society for FY 2009 includes $500,000 from the Expanded Lottery Act Revenues Fund for historic site preservation and development.

Elementary & Secondary Education

The ten-member State Board of Education is given responsibility by the *Kansas Constitution* for general supervision of public schools and educational institutions, except those delegated to the State Board of Regents. Under the guidance of the State Board of Education and the Board's appointed Commissioner of Education, the Department of Education provides funding and program guidance in carrying out federal and state law for 296 unified school districts.

The issue most widely discussed regarding elementary and secondary education has been the *Montoy v. State of Kansas* court case. In response to this case, legislation was enacted during the 2005 and 2006 Legislative Sessions that greatly increased state funding for aid to schools. The 2006 legislation originally added $466.2 million, phased in over three years (FY 2007 to FY 2009). The Supreme Court subsequently dismissed the appeal, finding that the Legislature had responded to concerns that the funding formula failed to provide adequate and equitable distribution of funding for students.

The Governor's budget recommendations for FY 2008 and FY 2009 fully fund the enhanced school formula. Since FY 2004, the state has invested over $1.0 billion in additional state resources for Kansas schools.

State Aid to School Districts

The state's largest category of expenditure, state aid to school districts, is circulated through various aid programs, including general state aid, through which monies are distributed to school districts on a per pupil basis; supplemental general state aid which is the state's share of the cost for local option budgets; special education; and the employer's cost for teacher retirement benefits through KPERS. The Governor's recommendations in these areas are enumerated in this section. The cost of educating students enrolled in public schools is divided between local, state, and federal resources. On page 111, a full-page table shows the budgeted amounts by major aid program that includes state, federal, and local sources.

Kansas follows a foundation formula, which provides for a base funding amount that is multiplied by a weight for each student. The weight factor varies depending on the attributes defined in the formula. For example, varying funding levels are provided to students enrolled in vocational programs or bilingual education programs, and to students enrolled in smaller school districts.

General State Aid. The Governor's budget recommendations for FY 2008 and FY 2009 are based on the estimates agreed upon by the Department of Education, the Division of the Budget, and the Legislative Research Department through the school finance consensus process. A meeting was held in November 2007, and estimates were developed on property tax revenue, student enrollment weightings, and adopted local option budgets. The table on the next page outlines the state's obligation for general state aid in the current and budget years.

Key Expenditures for Aid to Schools
(Dollars in Millions)

	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual	FY 2008 Projected	FY 2009 Projected	Cum. Increase FY 2004-2009
General State Aid	1,621.9	1,753.2	1,873.3	1,982.7	2,088.7	2,183.4	561.5
LOB State Aid	160.6	159.7	218.9	268.2	307.9	332.7	172.1
Special Education Aid	249.8	249.8	291.4	334.0	403.5	427.6	177.8
KPERS Employer Contribution	119.8	138.2	161.5	192.4	221.4	249.4	129.6
Total	$ 2,152.1	$ 2,300.9	$ 2,545.1	$ 2,777.3	$ 3,021.5	$ 3,193.1	$ 1,041.0
Dollar Change	*62.8*	*148.8*	*244.2*	*232.2*	*244.2*	*171.6*	*1,041.0*
Percent Change	*3.0%*	*6.9%*	*10.6%*	*9.1%*	*8.8%*	*5.7%*	*48.4%*

Under current law, base state aid per pupil (BSAPP) is $4,374 for FY 2008. The FY 2008 budget recommendation is based on an estimated enrollment of 614,377 weighted pupils, a 3.7 percent increase over the previous year, primarily because of increases in weightings provided for in the formula, as well as more students attending school. In developing new estimates, it was discovered that property taxes generated from the statewide mill levy for support of schools will generate more local effort than previously estimated.

General State Aid to School Districts
(Dollars in Thousands)

	FY 2008 Gov. Est.	FY 20089 Gov. Rec.
Estimated Obligation	$ 3,054,285	$3,184,790
Local Effort Estimates		
Property Tax	552,362	560,071
Cash Balance	1,300	1,800
Federal Impact Aid	11,500	11,500
Special Ed Serv. Aid	367,000	392,000
HB 2583 "Slider"	4,445	7,051
Total Local Effort	$ 936,607	$ 972,422
Net State Cost	$ 2,117,678	$2,212,368
Less: Local Remit.	29,000	29,000
State Appropriation	$ 2,088,678	$2,183,368

The total Governor's recommendation for FY 2009 for general state aid is $2,212.4 million, including $2,183.4 million from the State General Fund and $29.0 million from the State School District Finance Fund. This level of funding provides for a base state aid per pupil of $4,433, paid on 630,000 weighted students.

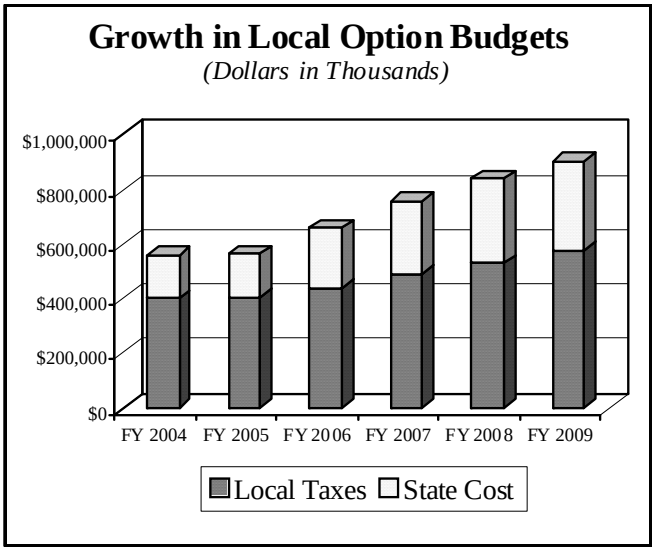
The recommendation funds the state's estimated obligation for the year under current law. Funding is continued to maintain the Four-Year-Old At-Risk Program at 6,000 students, the population of children not served by Head Start or other early childhood programs.

All-Day Kindergarten. In recognition of the importance of early education, the Governor again recommends a three-year phase-in of state financing of all-day kindergarten. The state currently finances half-day kindergarten for students, counting these students as 0.5 under the current school finance formula. Under the Governor's recommendations, the program would be phased first by targeting economically disadvantaged students. $25.0 million will be added in FY 2010, then an additional $26.0 million each in FY 2011 and FY 2012 for a total of $77.0 million. In FY 2010, the Governor's recommendation will include buildings with 61.0 percent and higher free and reduced price lunch students. For FY 2011, this percentage will drop to 33.0 percent. Then, in FY 2012, all buildings will be served.

Local Option Budgets. The state's share of local option budgets is paid through supplemental general state aid. As local school boards or district voters allow for the increase in the size of their local option budgets, the state's expenses grow. Districts are allowed to adopt local option budgets up to 31.0 percent of the general fund budget in FY 2009; for many years, the maximum was 25.0 percent.

The Governor's FY 2008 recommendation includes $307.9 million to fund the state's share of local option budgets, an increase of $39.7 million, or 14.8 percent, from the FY 2007 level, reflecting the change in the maximum allowed, which is applied to the districts' ever larger general fund budgets. This is an increase of $5.5 million over the approved amount.

Beginning in FY 2002, school districts were given new authority to channel state aid for special education through the school districts' general fund. This



channeling also increases the general fund base upon which the local option budget authority is calculated. As more districts adopted local option budgets, especially those with smaller tax bases, the state's costs have risen. The graph above depicts the remarkable growth in this area of the budget.

The recommended FY 2009 State General Fund budget for supplemental general state aid includes $332.7 million, a $20.0 million or 4.9 percent, increase over the current year budgeted expenditures.

Special Education Services Aid. For special education services, $403.5 million from the State General Fund is recommended in FY 2008 and $427.6 million in FY 2009. It is estimated that state support will cover 92.0 percent of excess costs. In the current year, an additional $31.7 million is recommended to cover anticipated expenses, as estimated by the Department of Education, Legislative Research Department, and Division of the Budget. Most of this shortfall is a result of reduced Medicaid reimbursements and revised administrative costs for the state hospitals.

Federal support is expected to be $99.3 million, an increase of $2.9 million over FY 2008. Under the Governor's recommendation for FY 2009, it is anticipated that school districts will receive only $11.5 million of Medicaid funding for eligible special education students. In previous fiscal years, approximately $35.0 million in reimbursements were received. Recent agreements with the federal government have removed local school district's ability to bundle rates for reimbursement.

Special Education Excess Costs
(Dollars in Thousands)

	FY 2008 Gov. Est.	FY 2009 Gov. Rec.
Estimated Expenditures	$ 723,742	$ 761,423
Excess Cost Computation:		
Regular Ed Costs	(176,806)	(185,371)
Federal Aid	(96,400)	(99,300)
Medicaid Reimburse.	(11,500)	(11,500)
SRS Admin. Costs	(500)	(500)
Total Excess Costs	$ 438,537	$ 464,752
Excess Costs Required by Law	92.0%	92.0%
State Appropriation	$ 403,454	$ 427,571

KPERS—School Employer Contributions. Although employees of unified school districts are not state employees, the employer's cost of providing them retirement benefits rests with the state. An annual State General Fund appropriation is made to the Department of Education to cover quarterly payments to KPERS for this cost. In the current year, an additional $2.9 million is recommended to cover anticipated expenses to the fund. The Governor's recommendation in FY 2009 for this appropriation is $249.4 million, a $28.1 million increase over the current year. As salaries rise at the district level, the state's costs rise proportionately. Also affecting the state's cost for this expenditure are planned increases in the state's contribution rate to the KPERS Fund to ensure future viability of the fund.

Bond & Interest State Aid. A revenue transfer from the State General Fund of $69.2 million is included in FY 2008 to aid school districts with bond and interest payments. The capital improvement transfer from the State General Fund in FY 2009 is estimated at $74.2 million. State law establishes a formula upon which state aid is determined. This amount is transferred from the State General Fund to a special revenue account in the Department for expenditures for affected districts. It is not recorded as a State General Fund expenditure.

Capital Outlay State Aid Demand Transfer. Created by the 2005 Legislature, state aid for capital outlay purchases by schools is budgeted at $22.9 million in FY 2008 and $25.4 million in FY 2009. One criticism of the previous school finance law was that districts were allowed to impose a mill levy with no state aid to equalize the funds across school districts. Those districts with lesser tax bases were unable to raise equivalent funds than wealthier districts. This new state aid program equalizes the local mill levy. This is currently the only demand transfer from the State General Fund. As such, it is shown as an expense of the State General Fund and is not accounted for as a transfer.

Department of Education

The Governor's recommended budget in FY 2008 is $3,577.0 million, of which $3,079.1 million is from

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

(Dollars in Thousands)

	FY 2007 Actual		FY 2008 Gov. Est.		FY 2009 Gov. Rec.	
	SGF	All Funds	SGF	All Funds	SGF	All Funds
State Aid:						
General State Aid	1,966,915	1,997,937	2,070,008	2,099,008	2,161,908	2,190,908
Four Year-Old At-Risk Program	15,779	15,779	18,670	18,670	21,460	21,460
Subtotal--General State Aid	1,982,694	2,013,716	2,088,678	2,117,678	2,183,368	2,212,368
Supplemental General State Aid	268,209	268,209	307,878	307,878	332,659	332,659
Bond & Interest Aid	--	63,697	--	69,238	--	74,238
Capital Outlay Aid	20,492	20,492	22,940	22,940	25,440	25,440
Declining Enrollment Aid	12	12	50	50	50	50
Special Education Aid	334,004	429,583	403,455	500,205	427,571	526,096
Deaf-Blind Program Aid	109	109	110	110	110	110
KPERS Employer Contribution	192,426	192,426	221,380	221,380	249,431	249,431
Teachers' Professional Development	1,748	1,748	1,750	1,750	1,750	1,750
Teacher Mentoring	1,019	1,019	1,650	1,650	3,150	3,150
Teacher Excellence Grants	232	232	269	269	277	277
Pre-K Pilot	--	--	--	--	--	6,200
Juvenile Detention Grants	7,408	7,408	8,062	8,062	7,935	7,935
Optometric Vision Study and Services	--	300	--	300	--	300
Parent Education Grants	7,358	7,358	7,540	7,540	--	7,540
Driver Education Program Aid	--	1,613	--	2,018	--	1,818
Alcohol & Drug Abuse	--	2,099	--	2,000	--	1,750
Other State-Funded Grants	830	880	1,350	1,400	945	995
No Child Left Behind & Other Federal Aid:						
Elem. & Secondary Education Prog.	--	98,294	--	100,428	--	103,405
Improving Teacher Quality	--	21,368	--	21,042	--	21,042
21st Century Community Learning	--	5,767	--	5,920	--	5,920
Rural & Low Income Schools	--	108	--	108	--	108
Language Acquisition State Grants	--	2,647	--	3,100	--	3,100
Reading First	--	5,347	--	5,000	--	5,400
Ed. Research and Innovative Prog.	--	4,412	--	5,131	--	5,131
Vocational Education	--	5,180	--	5,110	--	5,110
School Food Assistance	2,510	130,152	2,510	132,925	2,510	135,675
Subtotal State & Federal Funding	$ 2,819,051	$ 3,284,176	$ 3,067,622	$ 3,543,232	$ 3,235,196	$ 3,736,998
Amount Change from Prior Year	*235,104*	*233,604*	*248,571*	*259,056*	*167,574*	*193,766*
Percent Change from Prior Year	*9.1%*	*7.7%*	*8.8%*	*7.9%*	*5.5%*	*5.5%*
Local General Fund Budgets	--	863,982	--	936,607	--	972,422
Districts' Share of Local Option Budget	--	491,185	--	532,171	--	575,006
Subtotal Local Funding	$ --	$ 1,355,167	$ --	$ 1,468,778	$ --	$ 1,547,428
Amount Change from Prior Year	--	*122,891*	--	*236,502*	--	*78,650*
Percent Change from Prior Year	--	*10.0%*	--	*8.4%*	--	*5.4%*
Total State, Local & Federal Funding	**$ 2,819,051**	**$ 4,639,343**	**$ 3,067,622**	**$ 5,012,010**	**$ 3,235,196**	**$ 5,284,426**
Amount Change from Prior Year	*235,104*	*356,495*	*248,571*	*372,667*	*167,574*	*272,416*
Percent Change from Prior Year	*9.1%*	*8.3%*	*8.8%*	*8.0%*	*5.5%*	*5.4%*

the State General Fund. The FY 2009 recommendation is $3,770.5 million, with $3,247.1 million of State General Fund financing. The table on the preceding page outlines state, local, and federal support of elementary and secondary education. It does not include operating costs of the Department of Education itself, which are $33.5 million in FY 2009. As shown on the table, State General Fund support to schools increases in FY 2009 over FY 2007 by over $416.0 million.

Professional Development Aid. For several years, no state funding of professional development aid was provided as a result of the state's financial difficulties. Professional development activities help educators improve their teaching skills and enhance student achievement. Research studies show that between 20.0 and 40.0 percent of the variation of student achievement is attributable to teacher expertise. For FY 2009, the Governor again recommends funding this state aid program at $1.75 million. Requests for state aid are dependent on a written plan submitted by the district and approved by the State Board of Education.

Mentor Teacher Program. The Department of Education has a program to assist teachers in their first year of serving in the classroom. Assistance at this time helps new teachers be successful, keeping them in the classroom. Bonuses in the amount of $1,000 are paid to those senior teachers who serve as mentors to new teachers and $500 for the second year. The Governor recommends expanding the bonuses to pay $1,000 per year for three years. As a result, the Governor recommends expenditures of $3,150,000 from the State General Fund for this program in FY 2009. This is an increase of $1.5 million from FY 2008, nearly doubling the program.

Governor's Teaching Excellence Award. In addition to addressing the needs of new teachers, the Governor continues support for the National Board Certification Program for the state's finest experienced teachers. Several years ago, the Department of Education and Emporia State University collaborated to establish a program promoting teacher excellence through meeting standards established by the National Board for Professional Teaching Standards. National Board Certification is voluntary and open to all teachers who have a baccalaureate degree and three years of classroom experience in either a public or private school. Teachers who attain National Board Certification receive a master teacher's certificate from the State Board, valid for ten years, and a bonus of $1,000 in each of those ten years. In the program's first year, the Department of Education received $40,000 to provide 40 scholarship grants of $1,000 each to teachers to pay one-half the cost of participation. Teachers and their school districts provided the other half. Federal resources were tapped through the National Board to help defray a portion of the teacher's responsibility.

With the success of this program, funding for this program is recommended at $269,000 in FY 2008 and $277,000 in FY 2009. It is anticipated that 277 bonus awards for teachers who are certified and for those seeking certification will be paid. Professional certification takes the next step to provide assurance of high-quality practice.

Teacher Scholarships. For information outlining the additional resources in the Governor's budget to encourage university students to become teachers, refer to the Postsecondary Education section of this volume.

Leadership Academies. The Governor recommends $300,000 to conduct leadership academies for teacher leaders, principals, superintendents, and other district administrators. This recommendation would fund an Information Resource Specialist position who would coordinate all academy activities, honorariums to coaches and mentors, academy expenses and educational resource materials.

Replace Loss in Federal Title V Funds. The Governor recommends expenditures in FY 2009 of $119,722 from the State General Fund to offset the loss of Title V funds. Without this additional funding, the Board would have to eliminate two classified Education Program Consultant positions.

Parent Education. The Governor recommends continued funding for the state's program to assist parents. However, for FY 2009, the Governor recommends state funding of $7.5 million from the Children's Initiatives Fund instead of the State General Fund. 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.

Juvenile Detention Facilities. The state provides special support to meet the educational needs of students housed in juvenile detention facilities and a variety of other alternative juvenile placements, such as the Flint Hills Job Corps Center. School districts receive aid based on twice the base state aid per pupil or the actual expenses of providing the educational services, whichever is less. In FY 2008, the Governor provides $8.1 million from the State General Fund. Additional students in the state and the higher base state aid amount both increase the amount of monies distributed through this aid program. For FY 2009, $7.9 million from the State General Fund is recommended, pending future enrollment data for this group of students.

Miscellaneous Grants. Included in the budget of the Department of Education are several pass-through grants to local organizations. Continued support from the Children's Initiatives Fund of $300,000 is provided in FY 2009 for the optometric services to students needing vision correction to improve learning. The Governor also recommends $10,000 from the State General Fund for the school safety hotline, $40,000 for Agriculture in the Classroom, and $515,000 for grants to be distributed at the discretion of the State Board.

No Child Left Behind (NCLB) Act. The latest reauthorization of the Elementary and Secondary Education Act signed in 2002 embodies four key principles: accountability for results; greater flexibility for states and school districts in the use of federal funds; more choices for parents; and an emphasis on teaching methods that have been demonstrated to work. The act also places an increased emphasis on reading, especially for young children, enhancing the quality of our nation's teachers, and ensuring that all children in America's schools learn English.

Under NCLB, a unitary accountability system must apply to all schools. State assessments must be the same for all students, aligned to state standards, provide accommodations to those who need them, and an alternative assessment for students with disabilities who cannot participate in the regular assessment. State, district, and school performance is measured according to adequate yearly progress (AYP) toward the ultimate goal of 100.0 percent of students proficient in reading and mathematics by 2013-2014. NCLB prescribes a set of escalating consequences for schools that do not meet AYP.

The law requires each state to test every child every year from grade three through eight in reading and math and one year in the tenth through twelfth grade span. Federal funding is provided for states to design and implement tests, but has not been provided to administer them.

The act affects virtually every program authorized under the Elementary and Secondary Education Act—ranging from Title I and efforts to improve teacher quality to initiatives for limited English proficient students and safe and drug-free schools. The Department of Education continues to work with school districts to ensure Kansas complies with all aspects of the new federal law.

School for the Blind

The School for the Blind provides educational, residential, outreach, and health care services for children with visual or other impairments until the age of 21. The School's curriculum includes all academic subjects necessary for accreditation by the Department of Education. In addition to academics, many students receive intensive instructions in special disability-specific learning skills, such as cane travel, technology, daily living, and Braille. An Individual Education Plan is developed for each student to measure progress as well as plan for the student's future educational goals. Students residing in the dormitory receive additional hours of instruction related to academics and special needs in order to develop independent living skills. The School expects to have 75.0 percent of graduates enroll in a postsecondary or vocational-technical education program.

For FY 2009, the Governor recommends $6,301,549 from all funding sources, including $5,733,065 from the State General Fund, for the School's operating expenses and capital improvement projects. Included in the Governor's recommendation is an additional $118,865 from the State General Fund to reduce budgeted staff turnover. 93.50 FTE positions will serve approximately 175 students at the Kansas City campus during the regular and summer term and 235 students through its statewide outreach program.

School for the Deaf

The School for the Deaf provides a variety of services that include educational, residential, outreach, and health care for children with hearing and other impairments until the age of 21. The School's curriculum includes all academic subjects necessary for accreditation by the Department of Education, and students acquire a high school diploma upon completion of coursework. Students receive intensive instructions in learning skills that are specific to their disability with a special emphasis on speech and communication skills at the elementary level. An Individual Education Plan is developed for each student to measure progress. Younger children in the Kansas City area are served by the Parents as Teachers Program, which provides early language stimulation and promotes communication skills that are appropriate to the child's age. Students residing in the dormitory receive additional hours of instruction related to academics and special needs to help foster independent living. The School expects to have over 70.0 percent of its students scoring proficient or higher in math and reading. A staff of 173.50 FTE positions will provide services to approximately 356 students for FY 2009.

For FY 2009, the Governor recommends $10,065,870 from all funding sources, including $9,403,169 from the State General Fund, for the School's operating and capital expenses. The budget includes funding for educational, residential, and outreach services.

Postsecondary Education

Postsecondary education for Kansas is coordinated through the Board of Regents. The state provides varying levels of financial support to the six Regents universities, a medical school, a veterinary medical school, 19 community colleges, 16 technical colleges and schools, as well as Washburn University. More than $2.2 billion is provided for postsecondary education. The funding includes approximately $32.8 million in financial aid to students attending both public and private institutions. The funding also includes capital improvements. The table on this page shows the Governor's recommendations for increased funding for postsecondary education.

Board of Regents

The Board of Regents develops policy for postsecondary education, reviews institutions' missions, goals and performance measures, and approves and presents a unified budget for postsecondary institutions. Funding is requested for office operations, state support for community colleges, technical institutions, and new funding for Regents universities. In addition, many student financial aid programs flow through the Board's office. Funding and programs that are administered by the Board of Regents are described below.

Postsecondary Institutions Operating Grant

The Postsecondary Institutions Operating Grant represents new funding for the Regents universities, community colleges, vocational-technical schools, and Washburn University. In developing the amount of the grant to be awarded, the Governor does not use a formula, but rather takes into consideration variables such as the economy, the needs of the institutions, and spending mandates. The funding is appropriated to the Board, which then distributes it to the institutions as it considers appropriate. For FY 2008, the $28.5 million operating grant was for only the state universities. The grant, however, included $7.8 million that gave the universities the option to provide a one-time bonus of $860 to their employees. That left approximately $20.7 million of ongoing funding.

For FY 2009, the Governor recommends an operating grant of $35.0 million from the State General Fund. FY 2009 is the first year that the grant will be for all postsecondary institutions rather than just the Regents universities. The Governor combined the funding at the request of the Board of Regents to allow them discretion in keeping with their statutory responsibilities.

Community Colleges

Community colleges in Kansas provide educational opportunities for workforce development, lifelong learning, cultural opportunities, and traditional education. For many it is a way to increase job skills and for others it is a step toward a bachelors degree. The 19 community colleges throughout the state served 119,658 students in the 2006-2007 academic year. In addition to the operating grant that will be distributed by the Board of Regents, the Governor recommends $106,265,068 from the State General Fund for FY 2009. Community colleges are also eligible for the Technical Education Technology and Equipment Grant, from the Economic Development Initiatives Fund, with a two-to-one match by the college.

Increased Funding for Postsecondary Education in FY 2009

Postsecondary Ed. Op. Grant	35,000,000
KS Acad. of Math & Science	150,000
Technical Education Equip.	2,500,000
Capital Improvements	15,000,000
Comprehensive Grant	3,000,000
Military Service Scholarship	500,000
STEM Service Scholarship	1,000,000
KSU Veterinary Training Program	100,000
KU School of Pharmacy	1,000,000
Wichita Ctr. for Grad. Med. Ed.	1,000,000
NIAR	4,000,000
Aviation Infrastructure	2,500,000
Total Increase	$ 65,750,000

Vocational-Technical Colleges & Schools

There are 16 area vocational-technical schools operating in Kansas. The institutions provide training opportunities to meet the needs of local businesses. They also meet the traditional role of educating high school and postsecondary students in vocational and technical fields of study. In addition to the operating grant that will be distributed by the Board of Regents, the Governor recommends $34,010,397 from the State General Fund for FY 2009.

Postsecondary Technical Education Authority. The 2007 Legislature authorized the 12-member Technical Education Authority that began in FY 2008 and will sunset in six years on June 30, 2014. The Legislature also made provisions for 5.00 FTE positions acting as support staff. The Authority's expenditures are housed in the Board of Regents' Administration Program. The purpose of the authority is to coordinate statewide planning for technical education, new programs, and contract training with business; as well as the development of a seamless system for the delivery of technical education between secondary school level and the postsecondary school level. It will make recommendations to the Board of Regents on a variety of issues, including funding. The Governor recommends $793,245 from the State General Fund for FY 2009.

Technical Education Technology & Equipment Grant. The Authority will also make recommendations on the distribution of the Technical Education Technology and Equipment Grant. The grant requires a two-to-one match by the technical school or community college receiving the grant. The Governor recommends $2.5 million from the Expanded Lottery Act Revenues Fund for this grant in FY 2009.

Washburn University

Washburn University has received a portion of its operating funds from the state since 1961. The Board of Regents administers the funding going to Washburn University including new funding distributed through the Postsecondary Institution Operating Grant. The Governor recommends $12,126,216 in base funding from the State General Fund for FY 2009. The university served 6,901 students in the fall of 2007. It also provides the community with educational and cultural opportunities. One of these opportunities provides free classes to individuals over 65 years of age.

Adult Basic Education

The Adult Education Program provides technical assistance and job development opportunities through the 31 federal and state-funded programs in Kansas. The program assists adults in becoming literate and obtaining the knowledge and skills necessary to improve employment, assist parents in obtaining the educational skills necessary to be involved in their children's education, and assist adults in completing a secondary school education and continuing their education. The Governor recommends $1,548,998, which will match $4,376,617 in federal funds throughout the state.

KAN-ED

The KAN-ED network operates and maintains a broadband technology-based network to which hospitals, schools, and libraries can connect for broadband Internet access for distance learning and for other communication needs. The Governor recommends $8.0 million from the Kansas Universal Service Fund and $2,021,268 from the State General Fund for FY 2009. The Kansas Universal Service Fund revenues are derived from an assessment on users of intrastate telecommunication services.

Other Board of Regents Programs

Kansas Academy for Mathematics & Science. The 2006 Legislature established the Kansas Academy of Mathematics & Science (KAMS). It is a two-year residential program of study for talented high school students culminating in both a high school diploma and college credits equivalent to an associate of arts or science. The Governor recommends $100,000 in FY 2008 and $250,000 in FY 2009 from the State General Fund for this new program. The Board of Regents plans to award the $100,000 in FY 2008 to the university selected to host the program to finalize its plans. The Board of Regents notes that it will not need

full funding in FY 2009, because it will take some time for personnel to be hired and students to be recruited. The Board indicates that the program will not be ready to take students until FY 2010. Expenditures are estimated to be $713,000 in FY 2010 and rise to $938,000 by FY 2014. The proposal calls for admitting 40 students the first year. An additional 40 students will be admitted the next year, for a total of 80 Kansas students at any given time.

Nursing Faculty & Supplies Grant. To create the capacity for more nursing school graduates, a state program was established. FY 2009 is the third year of this ten-year program designed to increase the nursing faculty and required teaching supplies at postsecondary institutions. For the State General Fund financed program, the Governor recommends $1.8 million in both FY 2008 and FY 2009. The grant must be matched on a two-to-one basis by the institution receiving the funding.

Postsecondary Education Database System. The Administration Program in the Board of Regents has received a $600,000 annual appropriation from the State General Fund and 4.00 FTE positions for the development and implementation of a postsecondary education database. The Governor recommends that the funding continue for FY 2008 and FY 2009. This project was begun in FY 2002 to enhance the management of the postsecondary institutions under the Board of Regents. At one time this database was projected to have a completion date, but now it is considered an ongoing project.

Research Initiative. The 2002 Legislature authorized $120.0 million in bonding authority to fund four research projects: construction of a life science center at the University of Kansas Medical Center, construction of a food safety research facility at Kansas State University, expansion of an aeronautical engineering complex at Wichita State University, and equipping a research facility at the University of Kansas. The 2005 Legislature authorized an additional $5.0 million in bonding authority to expand the program for an aviation de-icing tunnel at Wichita State University. However, because of a shift in the needs of the aviation industry, $3.0 million of the additional bond proceeds was made available to Pittsburg State University for the Polymer Research Center. The state's share of the debt service for these bonds is shown in the table on this page.

Research Initiative Debt Service

Funded through a tranfer from SGF

FY 2005	FY 2006	FY 2007	FY 2008
$2,006,586	$76,414	$7,452,570	$8,750,000
FY 2009	**FY 2010**	**FY 2011**	**FY 2012**
$9,583,000	$9,583,000	$9,585,000	$2,130,430
FY 2013	**Total State Obligation**		
$833,000	$50,000,000		

The state is responsible for the first $50.0 million in debt service, not to exceed $10.0 million a year. More than $18.2 million will have been paid by the end of FY 2008. After the state's obligation has been fulfilled, the universities will assume responsibility and the debt service will be paid from revenues generated by the facilities.

Southwest Kansas Access. This program was created in 2003 to facilitate delivery of baccalaureate level face-to-face courses to place-bound students in western Kansas. Students complete a general education degree at a community college and the universities provide the upper division coursework required for a four-year degree. Currently, courses are offered in technology, general studies, nursing, and social work. SW Kansas Access does not fund courses directly but acts as an insurance policy for the universities providing the courses. If enrollment in a class is not sufficient for the university to meet expenses, the SW Kansas Access will provide the needed funding. This encourages universities to offer courses without the financial concern in less populated areas of the state. The Governor recommends $200,000 from the State General Fund in FY 2009.

Student Financial Assistance

Included in the Board of Regents are financial aid programs, which are discussed below. Some of the programs are administered directly by the Board of Regents staff and some are dispersed to the universities and other postsecondary educational institutions to make the awards. It will appear that some of the programs have a greater degree of funding in FY 2008 than in FY 2009. The funding for FY 2008 includes unused funds from FY 2007 that are rolled over for expenditure in FY 2008. For all of these programs, the Governor recommends

$24,313,162, including $22,811,479 from the State General Fund, for FY 2008 and $27,404,161, including $25,710,277 from the State General Fund, for FY 2009. The FY 2009 recommendation includes an additional $3.0 million for the Comprehensive Grant Program and $1.4 million for the Teacher Service Scholarship Program.

Kansas Ethnic Minority Scholarship. This scholarship is designed to assist financially needy, academically competitive students who are members of any of the following ethnic groups: African American, American Indian or Alaskan Native; Asian or Pacific Islander; or Hispanic. Scholarships average $1,850 per student per year from the State General Fund. The Governor recommends $492,567 to help 266 students in FY 2008 and $315,213 to help 170 students in FY 2009.

Kansas Teachers Service Program. During the 2007 Legislative Session, the four teacher scholarship programs were consolidated into one program. The new program requires that at least 70.0 percent of the funding be used for scholarships. The additional funding may be used for the Teacher Education Competitive Grant. This grant focuses on creating ways to increase the supply of teachers in Kansas. The scholarship portion of the Teacher Service Scholarship program provides a $5,000 annual scholarship that requires the recipient, upon graduation, to teach in special education, mathematics, science, music, foreign language, and English as a second language or in underserved areas of the state. Recipients sign agreements to teach one year for each year of scholarship support. The Governor recommends $2,306,474 from the State General Fund in FY 2008 to help 461 students, and $1,962,859 from the State General Fund, to help 393 students in FY 2009. The service agreement is similar to ones used for other financial aid programs.

STEM Teachers Service Program. This new scholarship will be targeted at students wishing to teach in science, technology, engineering, or mathematics. The program will have the same requirements and award as the Teachers Service Program. The Governor recommends $1.0 million from the State General Fund for FY 2009.

Nursing Service Scholarship Program. The Nursing Service Scholarship is funded jointly by the state and a medical provider or sponsoring facility. The maximum scholarship stipend is not to exceed 70.0 percent of the cost of attendance at a school of nursing. The scholarship is approximately $3,500 annually and the cost is split between the state and the sponsor. The amount the sponsoring facility pays is based on its location. The student is required to work one year at the facility for each year of scholarship support. The Governor recommends $771,750, including $680,500 from the State General Fund for FY 2008 and $643,040, including $443,592 from the State General Fund for FY 2009. The Board of Regents estimates that this will finance approximately 246 students in FY 2008 and 205 in FY 2009.

Nurse Educator Grant. This $200,000 State General Fund grant will be distributed to registered nurses who are enrolled in a masters or doctorate program of nursing. The grant requires a two-to-one match by the universities, making a total of $600,000 available. The grant cannot exceed 70.0 percent of the cost of attendance. The Governor recommends $200,000 for this grant in both FY 2008 and FY 2009.

State Scholarship. The State Scholarship is to assist the top 20.0 to 40.0 percent of Kansas high school graduates who are designated as state scholars. This designation is based on completion of a specific curriculum, students' grade point average, and ACT composite score. For this State General Fund financed scholarship, the Governor recommends $1,310,000 for FY 2008 and $1,133,000 in FY 2009. The scholars may receive up to $1,000 a year based on financial need.

Kansas Comprehensive Grants. The Comprehensive Grants are available to needy Kansas residents enrolled full-time at eighteen private colleges and universities located in Kansas, the six state universities, and Washburn University. The purpose of the grant is to help ensure that higher education remains open to all students who qualify. The funding allows approximately one in three eligible students to receive awards ranging from $200 to $3,000 at private institutions and $100 to $1,100 at public institutions. The Governor recommends $16,462,400, including $15,689,878 from the State General Fund, for FY 2008 and $19,462,400, including $18,689,878 from the State General Fund, for FY 2009. Based on an average award of $1,563, approximately 12,452 awards will be made in FY 2009.

Vocational Scholarships. This scholarship is available for students enrolled in approved vocational programs at community or technical colleges and some two-year programs at four-year institutions. The scholarship amount per applicant is $500. The Governor recommends from the State General Fund, $282,692 in FY 2008 and $121,275 in FY 2009.

Kansas Osteopathic Medical Service Scholarship. Recipients receive $15,000 per year for up to four years of study at nationally accredited osteopathic schools. Preference for the award goes to first year students. Participants must serve in a rural area of Kansas one year for each year of assistance. Approximately 34 students will receive scholarships in FY 2008 and 30 students in FY 2009. From the repayment fund, the Governor recommends $508,391 in FY 2008 and $450,000 in FY 2009.

Kansas Optometry Service Scholarship. To encourage optometrists to establish a practice in Kansas, the scholarship helps pay the difference between resident and nonresident tuition at eligible out-of-state institutions. Recipients must return one year of practice for each year of assistance. The average scholarship is $12,400 per year. The Governor recommends $169,630, including $113,850 from the State General Fund, for both FY 2008 and FY 2009. This amount will fund 34 scholarships annually.

ROTC Scholarship Program. The Reserve Officer Training Corps Scholarship average award is $1,800 and is funded through the State General Fund. The Governor recommends approximately 103 scholarships annually and $186,401 in both FY 2008 and FY 2009.

National Guard Educational Assistance. This program provides $1,800 in tuition assistance to each participating National Guard member. The assistance is designed to encourage participation in the Guard. The Governor recommends $941,807 in FY 2008 and $925,838 in FY 2009 from the State General Fund. The funding will allow 523 awards in FY 2008 and 514 in FY 2009.

Tuition & Fee Waivers. Waivers are available to young people raised in foster care, dependents and spouses of deceased public safety officers and military personnel, and prisoners of war. The Foster Care Tuition Waiver program reflects only students who were recipients of the waiver prior to FY 2007. The Department of Social and Rehabilitation Services now administers the program and postsecondary institutions continue to waive tuition and fees but are not reimbursed. The Governor recommends $90,000, from the State General Fund, in both FY 2008 and FY 2009. In FY 2007, 18 waivers were given and approximately 30 waivers are expected in both FY 2008 and FY 2009.

Regents Universities

The universities have gained increased flexibility in the way they use their revenue in recent years. The universities have, with the Board of Regents approval, significantly increased their tuition. In FY 2008, the universities received a $28,529,005 operating grant that was distributed by the Board of Regents. Included in the funding was a one-time distribution of $7,759,877 for an $860 bonus per employee, if the universities chose to use it for that purpose. The ongoing funding from the FY 2008 university operating grant is $20,769,128 and remains at the universities to which it was distributed. For FY 2009, the Governor recommends $35.0 million for the new postsecondary education operating grant. At the request of the Board of Regents, the FY 2009 operating grant will be distributed among community colleges, vocational institutions, Washburn University, and state universities at the discretion of the Board. In addition, the state has provided funding for the universities' deferred maintenance projects. The total funding for Regents universities is shown in the table on the following page.

In FY 2008, the universities will begin receiving additional funding for infrastructure and building support. Each university will directly receive interest earnings from its General Fees Fund, Restricted Use Fund, and research overhead fund, as well as the housing funds that it currently retains interest on. The Board of Regents will distribute $30.0 million in FY 2008 and $50.0 million in FY 2009 for deferred maintenance projects. Additional information on this topic can be located in the capital improvement section of this report.

Enrollments. Enrollment at the universities has slowed to an average increase of 615 per year over a four year period. The increase between FY 2007 and

Funding for Regents Universities

FY 2008	State General Fund	Infrastructure Funds	Tuition*	EDIF/ CIF/WP	Other Funds	Total
ESU	$ 34,899,579	$ 4,541,079	$ 20,908,514	--	23,062,645	$ 83,411,817
FHSU	36,561,937	3,921,761	17,761,872	--	27,985,719	86,231,289
Kansas State U.	115,562,702	16,363,303	129,702,474	--	248,506,863	510,135,342
KSU--ESARP	54,807,626	1,000,000	--	300,000	73,282,943	129,390,569
KSU--Vet. Med. Ctr.	11,281,788	200,000	11,559,817	--	13,242,647	36,284,252
PSU	38,112,545	4,998,566	22,510,734	--	24,878,462	90,500,307
KU	151,271,038	21,402,468	196,614,000	40,000	196,775,963	566,103,469
KU Med. Ctr.	122,878,425	5,508,370	23,800,000	253,117	126,002,876	278,442,788
WSU	74,640,991	5,687,189	49,408,392	4,750,000	72,867,846	207,354,418
Total	$ 640,016,631	$ 63,622,736	$ 472,265,803	$ 5,343,117	$ 806,605,964	$ 1,987,854,251

FY 2009	State General Fund	Infrastructure Funds	Tuition*	EDIF/ELARF/ CIF/WP	Other Funds	Total
ESU	$ 34,386,866	$ 668,000	$ 19,190,761	--	23,144,185	$ 77,389,812
FHSU	36,290,095	613,000	17,971,677	--	28,136,980	83,011,752
Kansas State U.	114,265,966	3,606,000	122,915,947	--	251,167,440	491,955,353
KSU--ESARP	54,084,620	--	--	300,000	72,821,601	127,206,221
KSU--Vet. Med. Ctr.	11,257,430	--	11,536,615	--	10,459,135	33,253,180
PSU	37,279,417	773,000	23,074,674	326,999	24,971,531	86,425,621
KU	149,573,488	1,391,000	199,771,125	1,040,000	188,651,836	540,427,449
KU Med. Ctr.	120,402,811	360,000	24,400,163	908,000	127,671,177	273,742,151
WSU	72,028,991	1,196,000	50,208,273	8,144,208	73,752,738	205,330,210
Board Transfers**	35,000,000	50,000,000	--	--	--	85,000,000
Total	$ 664,569,684	$ 58,607,000	$ 469,069,235	$ 10,719,207	$ 800,776,623	$ 2,003,741,749

** Tuition expenditure estimates for FY 2008 are based on FY 2007 student enrollment. Tuition expenditure estimates for FY 2009 are based on FY 2007 student enrollment and FY 2008 tuition rates. Tuition will increase in FY 2009, but the amount will not be determined until the summer of 2008.*

*** These funds are transferred by the Board of Regents to state universities. The State General Fund $35.0 million operating grant will be distributed to all postsecondary institutions; however, the majority of funding will go to the state universities.*

FY 2008 was 557 pupils. Within that 557 there was a 243 student decline in Kansas residents and an 800 student increase in non-residents. The enrollment increase was 2,681 in FY 2002 and 1,307 in FY 2003. It is difficult to determine, but the change could be due to a change in the economy, which usually moves in the opposite direction of enrollment. Or enrollment could have been affected by increasing tuition rates or the differential between Kansas and other states' tuition and fees.

University Headcount Enrollment

	FY 2006	FY 2007	FY 2008
Univ. of Kansas	26,934	26,773	26,342
KU Med. Ctr.	2,690	2,840	2,918
Kansas State	23,182	23,141	23,332
Wichita State	14,076	14,298	14,442
Emporia State	6,288	6,473	6,354
Pittsburg State	6,628	6,859	7,087
Fort Hays State	9,019	9,122	9,588
Total Regents	88,817	89,506	90,063

Tuition. Over the past seven years, Kansas public universities have had large increases in tuition. Tuition rates are shown in the table below. In FY 2007 the increases ranged between $70 at Fort Hays State University and $369 at the University of Kansas, an average increase of 8.8 percent. In FY 2008 the increases ranged between $82 at Fort Hays State University and $227 at the Kansas State University, an average increase of 7.2 percent. The comparisons for FY 2007 and FY 2008 exclude the two state medical schools. Tuition rates for FY 2009 will be set in the summer of 2008.

The Regents universities estimate that they will spend over $472,265,803 from tuition revenues in FY 2008. In making the estimate of available revenues for

Resident Tuition & Fees

	FY 2007	FY 2008	FY 2008 Increase
KU	$ 3,076	$ 3,299	7.2 %
KUMC	10,823	11,475	6.0
KSU	2,890	3,117	7.9
KSU–Vet. Med.	5,605	6,125	9.3
WSU	2,258	2,402	6.4
ESU	1,793	1,963	9.5
PSU	1,895	2,030	7.1
FHSU	1,596	1,668	4.5

budgetary purposes, the universities assume the number of students will be at the FY 2007 level. The expenditure of tuition receipts could change as new students are added or subtracted. In FY 2008, the University of Kansas and Kansas State University resident tuition and fees were more than ten percent above their peers.

Emporia State University

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

For FY 2009, the Governor recommends $77,389,812, including $34,386,866 from the State General Fund. The State General Fund financing includes $242,889 for the Reading Recovery Program and $145,766 for the National Board Certification/Future Teacher Academy. ESU's tuition and fees increased $170 in FY 2008 and headcount enrollment declined by 119 students.

Fort Hays State University

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

For FY 2009, the Governor recommends $83,011,752, including $36,290,095 from the State General Fund. Included in the recommendation is funding to staff the new Educational Center at Cheyenne Bottoms Wetland, a large bird sanctuary. The Center has been developed in partnership with the Kansas Department of Wildlife and Parks and is expected to open in early FY 2009. FHSU's tuition and fees increased $82 in FY 2008 and headcount enrollment declined by 466 students.

Kansas State University

Kansas State University was founded in 1863, the first land-grant college in the nation established under the provisions of the Morrill Act of 1862. The University's land-grant mandate, based on federal and state legislation, is focused on instructional, research, and extension activities, which is unique among the Regents institutions. The University's main campus is in Manhattan, which is the site of the new Biosecurity Research Institute. The Salina campus began as the Kansas College of Technology, which was merged with the University in 1991. The Governor recommends base funding of $491,955,353, including $114,265,966 from the State General Fund, for FY 2009. The University will also receive additional funding through distributions from the Board of Regents in FY 2009.

Kansas State University—ESARP

In FY 1993, the Agricultural Experiment Station; Cooperative Extension Service; International Grains, Meat and Livestock Programs were transferred to a newly established Extension Systems and Agriculture Research Program (ESARP). ESARP conducts research and provides community services in nutrition,

agricultural industry competitiveness; health and safety; youth, family, and community development; and environmental management. The Governor recommends $127,206,221, including $54,084,620 from the State General Fund, for FY 2009. Approximately $8,859,437 is from federal land grant funds.

KSU—Veterinary Medical Center

The College of Veterinary Medicine was established in 1919 and was included within the main campus until 1978 when it became the Kansas State University Veterinary Medical Center. Since it was established, more than 5,000 women and men have received a Doctorate in Veterinary Medicine. The teaching hospital is one of the largest in the nation. Each year, 17,000 animals are treated in this state-of-the-art facility. Animal owners are encouraged to use the Center, thereby generating teaching cases for the veterinary students. The Governor recommends $33,253,180, including $11,257,430 from the State General Fund for FY 2009. This includes funding $100,000 for the third year of the Veterinary Training Program for Rural Kansas service scholarship.

Pittsburg State University

Pittsburg State University is organized into four colleges. They are arts and sciences, business, education, and technology. The College of Technology is the center of excellence for technology in Kansas. The College of Technology is particularly focused on supporting economic development both in the region and nationally. The Governor recommends $86,425,621, including $37,279,417 from the State General Fund, for FY 2009. As with all universities, Pittsburg State will also receive additional funding distribution from the Board of Regents.

University of Kansas

The University of Kansas was established by the 1864 Legislature. It is a major comprehensive research and teaching university that serves as a center for learning, scholarship, and creative endeavor. It is the only Regents institution to hold a membership in the Association of American Universities, a select group of 62 public and private research universities that represent excellence in graduate and professional education and the highest achievements in research internationally. The Governor recommends $540,427,449, including $149,573,488 from the State General Fund, for FY 2009. The Governor has included in her recommendation $1.0 million from the Expanded Lottery Act Revenues Fund to begin planning for the construction of the expanded School of Pharmacy. The Governor also recommends $50.0 million in bonding authority for the project. Debt service will begin in FY 2010 and is estimated to be $5.0 million a year for 15 years.

University of Kansas Medical Center

The University of Kansas Medical Center, an integral and unique component of the University of Kansas and the Board of Regents system, is composed of the School of Medicine, located in Kansas City and Wichita, and the Schools of Nursing, Allied Health, and a Graduate School. The Center was established in 1905 through a merger of a number of proprietary medical schools to form a four-year school directed by the University of Kansas. The governance of the Center's hospital changed for the Kansas Board of Regents to a new public authority in FY 1999. The Kansas City campus covers 50 acres and includes more than 50 buildings. The Wichita branch of the Center was established in 1973 to increase the opportunities for clinical education in the state. The Governor recommends $273,742,151, including $120,402,811 from the State General Fund, for FY 2009.

As part of the recommendation, the Governor has continued to include $5.0 million for support of the new Cancer Center. The Cancer Center will deliver state-of-the-art care. The goal is to attain the National Cancer Institute designation by 2010. The Governor's recommendation also includes an additional $1.0 million from the State General Fund in both FY 2008 and FY 2009 for the Wichita Center for Graduate Medical Education to support programs for doctors in their final stage of training by serving as a medical resident.

Medical Student Loan Program. The Medical Student Loan Program is designed to provide an increased supply of general practice physicians to rural

areas. The program provides tuition and a $2,000 monthly stipend for students at the School of Medicine. Students must enter a primary care specialty and then practice in a non-urban county. Failure to satisfy the service commitment requires repaying the loan plus a substantial interest penalty. For FY 2009, the Governor recommends $5,445,179, including $2,786,764 from the State General Fund, $400,000 from the Medical Student Loan Program Provider Assessment Fund, and $2,268,415 from the Medical Loan Repayment Fund. This amount would support 120 loans.

Wichita State University

Wichita State University is located in the largest metropolitan area in Kansas and provides educational opportunities to nearly 15,000 students annually. The University began as Fairmount College in 1895 with 16 students. It became a Municipal University of Wichita in 1926 and Wichita State University in 1963. Wichita is a center for the aviation industry. The industry and the University have collaborated on research projects vital to the aviation industry.

FY 2008 was the fifth year the University received appropriations for aviation research, to address the industry's most pressing problems that are identified by manufacturers' representatives. The problems are matched to the University's faculty with appropriate interests and expertise. For FY 2009, the Governor recommends $205,330,210, including $72,028,991 from the State General Fund. The funding includes $4.0 million from the Economic Development Initiatives Fund for continuing aviation research and $2.5 million from Expanded Lottery Act Revenues Fund for support of the aviation industry in the state.

Other Education Agencies

Kansas Arts Commission

Through State General Fund appropriations and grants from the National Endowment for the Arts, as well as private gifts and donations, the Kansas Arts Commission offers grants and technical assistance to artists and arts organizations throughout Kansas. For FY 2009, the Governor recommends $2,338,051 from all funding sources, with $1,769,261 from the State General Fund. The Governor's recommendation includes an enhancement of $100,000 from the State General Fund to augment grant funding in response to the increasing needs of the agency's constituents. The budget will support the existing 8.00 FTE positions. Of the total amount recommended, $1,621,558 is for arts programming and $716,493 is for administration. The Commission expects to sponsor art programs in 66 counties in FY 2009.

Historical Society

To assist the public in understanding and appreciating the state's heritage and how it relates to the present, the State Historical Society collects, interprets, and disseminates materials and information related to Kansas history. To accomplish this, the agency uses the following means: historic preservation consultation concerning local historic properties, documentary and research applications, interpretation of history at the Kansas Museum of History, and management of local state historic properties.

For FY 2008, the Governor recommends an additional $20,413 in private and grant funds to continue the work begun on exterior repairs of the Goodnow House, an historic property in Manhattan, Kansas. For FY 2009, the Governor recommends $10,396,150, which includes $6,546,471 from the State General Fund. This recommendation also includes enhanced funding of $500,000 from the Expanded Lottery Act Revenues Fund for historic site preservation and development. From this amount, the agency plans to spend $172,000 for collection shelving to maximize existing space at the Historical Society facility, $154,775 to continue structural stabilization on Goodnow House, and $173,225 for historic site preservation and development.

The Kansas Humanities Council and the Heritage Center in Dodge City, Kansas both receive pass-through grants from the State Historical Society. For FY 2009, the amounts recommended for these grants will be $81,830 and $27,930, respectively. In addition, the Governor recommends $70,000 from the State General Fund to continue the "Kansans Tell Their Stories" project begun in FY 2008 for total funding to the Humanities Council of $151,830. To provide community-based programming, the Humanities Council will supplement its state funds with matching federal monies from the National Endowment for the Humanities and local funds from across the state.

State Library

For FY 2009, the Governor recommends $7,733,003 from all funding sources, with $5,832,718 from the State General Fund. This recommendation will allow the State Library to provide information services to its constituents, distribute grants to libraries, and serve as a technical resource to encourage cost-effective, community-based library services. The Governor's recommendation supports the Library's existing 27.00 FTE positions.

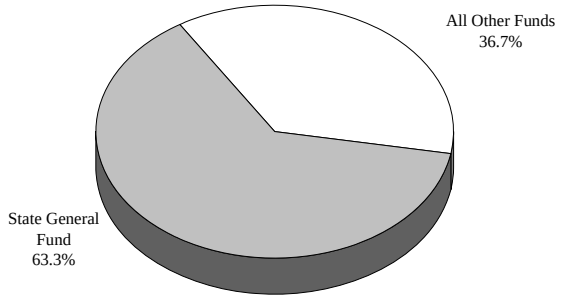
The State General Fund amount recommended by the Governor includes $250,000 in enhanced funding for a library courier system to support the statewide interlibrary loan program. This system will provide a timely and cost-effective means of sharing library materials across the state. The Governor also recommends $60,864 to create the position of Statewide Youth Services Consultant. This employee will work with libraries across Kansas to enhance children's library services, as well as obtain grants, both federal and private, to develop additional children's library programs.

Public Safety

Public Safety Summary

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

How It Is Financed

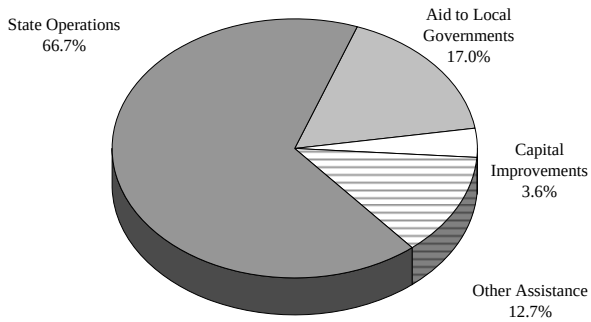


Fiscal Year 2009

The Governor recommends a budget of $797.2 million from all funding sources, including $417.8 million from the State General Fund, for this function in FY 2008. For FY 2009, $693.9 million from all funding sources, including $439.6 million from the State General Fund, is recommended. For FY 2009, 5,130.20 FTE positions and 564.68 non-FTE positions are recommended, for a total of 5,694.88.

The Governor's recommendation for operation of the adult correctional facilities is based on an average daily population (ADP) of 8,965 inmates in FY 2008 and 9,115 inmates in FY 2009. These ADP estimates are based on the official adult prison population projections from the Kansas Sentencing Commission that were released in September 2007. For the Department of Corrections, the Governor recommends funding of $750,000 from the State General Fund for additional operational expenditures for the correctional facilities in FY 2009.

How It Is Spent



Fiscal Year 2009

To enhance services at the local level for juveniles, the Governor recommends $4.9 million from the State General Fund for the Juvenile Justice Authority to offer an incentive grant program for local juvenile corrections districts. The program will allow the state to match local funding for juvenile services on a dollar-for-dollar basis.

The recommendation for the KBI includes $1.4 million from the State General Fund to finance projects to support the Criminal Justice Information System (CJIS). The projects include adding 3.00 new information technology FTE positions; installing a new central messaging switch; replacing essential hardware and software programs; and enhancing network and bandwidth capabilities.

The Governor also recommends $365,000 from the State General Fund for the Kansas Department of Emergency Management (KDEM) office to offset an expected decrease in local non-federal soft matches because of the disasters that have occurred over the previous year. The non-federal soft match is used to finance the state's 50.0 percent match for the Emergency Management Performance Grant.

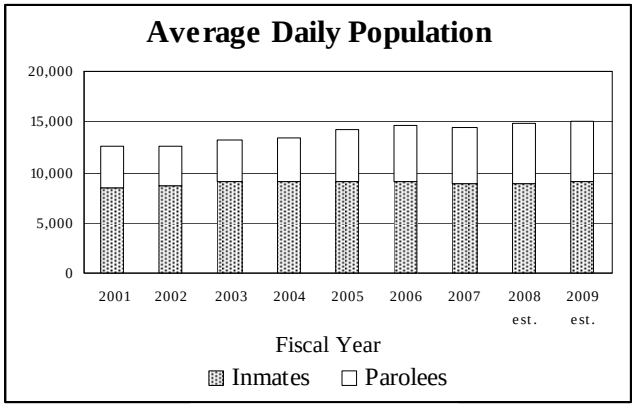
Adult Corrections

Department of Corrections

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

Adult Prison Population

Each year, the Kansas Sentencing Commission releases its adult inmate prison population projections in September. At the end of FY 2008, the Commission estimates the total prison population will be 9,015. This is a reduction of 368 inmates from the estimate made by the Commission last year. At the end of FY 2009, the Commission estimates a population of 9,083 inmates, which is a decrease of 422 inmates from the projections made in FY 2007. By the end of FY 2017, the Commission projects a population of 9,251 inmates which represents an increase of 397 inmates over a ten-year period.



The Department of Corrections uses the Sentencing Commission's official estimates to project an average daily population for each facility. Many of the Department's budgeted expenditures are based on the average daily population for each facility, including the medical and food service contracts. The graph on this page shows the history of the correctional system's average daily population from FY 2001 through FY 2007 and the projected levels for FY 2008 and FY 2009.

To address the projected prison population increases, the 2007 Legislature approved $39.5 million in bonding authority to the Department of Corrections to fund prison capacity expansion projects. Any bonds issued require the approval of the State Finance Council. On October 17, 2007, the State Finance Council approved the issuance of the bonds to finance capital improvement projects to expand prison capacity.

Central Office Programs

For FY 2009, the Governor recommends $138.6 million from all funding sources for central office programs in the Department of Corrections, including $122.9 million from the State General Fund and $3.7 million from the Expanded Lottery Act Revenues Fund. This funding level will allow the Secretary of Corrections to continue oversight of the correctional system and to provide managerial and technical assistance to the state's adult correctional facilities and community-based programs. The Governor's recommended budget, summarized in the table on the next page, provides financial support for administrative costs, community-based programs, offender programs, Kansas Correctional Industries, debt service, and capital improvements.

Central Administration. For FY 2009, the Governor recommends $11.5 million for expenditures related to the administrative activities of the Department including policy development; fiscal management, staff training programs; and information technology. Of the total amount, $11.0 million is from the State General Fund.

Medical & Mental Health Care. The Governor recommends expenditures of $46.8 million to fund adult offender health care services in FY 2009. Of this

amount, $46.4 million is from the State General Fund, $362,000 is from the federal alien incarceration grant, and $42,000 is from inmate sick call fees. The State General Fund amount includes enhanced funding of $884,000 to continue health care services for offenders. The Department of Corrections contracts with Correct Care Solutions for inmate medical care. The contract covers all medical and mental health expenses for inmates housed in the state's correctional facilities.

Central Office Programs

	FY 2009
Expenditures:	
Central Administration	11,506,433
Inmate Medical/Mental Health Care	46,829,625
Food Service	13,913,121
Offender Programs	11,510,999
Community Supervision:	
Community Corrections	19,988,546
Parole & Post Release Supervision	11,875,599
Day Reporting Centers & Re-entry	8,691,705
Correctional Conservation Camps	3,371,324
Special Programs	577,206
Debt Servce & Capital Improvements	10,290,000
Total	$138,554,558
Funding:	
State General Fund	122,897,391
Expanded Lottery Act Revenues Fund	3,679,303
Corr. Institutions Building Fund	6,610,697
Inmate Benefit Fund	1,316,724
Federal Funds	1,041,066
Other Funds	3,009,377
Total	$138,554,558

Food Service. The Governor recommends $13.9 million from the State General Fund in FY 2009 for the food service contract with Aramark Corporation. All contract expenditures for the eight correctional facilities are funded through the Central Office to minimize administrative costs.

Offender Programs. For FY 2009, the Governor recommends $11.5 million from all funding sources for offender programs, including $8.8 million from the State General Fund. This recommendation includes additional funding of $750,000 from the State General Fund to continue rehabilitative programs and services for felony offenders in the state's correctional facilities, including vocational and technical education, and therapeutic communities for substance abuse rehabilitation.

Community Corrections. Community Corrections is a state and local partnership that promotes public safety by providing highly structured community supervision to felony offenders, holding offenders accountable to their victims and communities, and improving offenders' ability to live productively and lawfully. The Department is responsible for the oversight of 31 community corrections agencies. For FY 2009, the Governor recommends expenditures of $20.0 million from the State General Fund for community corrections agencies.

Parole & Post-Release Supervision. For parole and post-release supervision in FY 2009, the Governor recommends expenditures of $11.9 million from all funding sources, including $11.2 million from the State General Fund. The State General Fund amount includes enhanced funding of $203,000 to cover additional costs associated with the relocation of the Olathe and Salina parole offices. Also included in the total is additional funding of $100,000 from the State General Fund to continue monitoring high-risk offenders, including sex offenders, using Global Positioning System (GPS) technology.

Day Reporting Centers/Reentry Programs. For FY 2009, the Governor recommends $8.7 million from all funding sources for operation of the day reporting centers and the state's reentry programs. Of this total amount, $7.8 million is from the State General Fund. The state operates day reporting centers in Wichita and Topeka, as well as reentry programs in Shawnee, Sedgwick, and Wyandotte Counties. Included in the State General Fund amount is enhanced funding of $219,000 for the Wyandotte County Reentry Program. This additional funding will provide enough resources for the program to operate the entire fiscal year.

Additionally, the Governor's recommendation will allow the Department of Corrections to maintain funding for programs that were started in FY 2008 through grants from the Justice/Equality/Human Dignity/Tolerance (JEHT) Foundation. The JEHT Foundation has agreed to provide funds over a three-year period, beginning in FY 2007 to establish state and local services to support implementation of the Department's Reentry and Risk Reduction Plan and Strategy; however, the state must sustain financing once the original JEHT funds are expended.

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

Correctional Conservation Camps. For FY 2009, the Governor recommends expenditures of $3.4 million from the State General Fund for the operations of the Labette Conservation Camp and the Female Conservation Camp in Oswego.

Special Programs. This program includes expenditures from federally financed activities and initiatives with systemwide effect. Also included are expenditures for the Victims Services Program. The Governor recommends $577,206 from all funding sources for FY 2009, including $210,276 from the State General Fund.

Correctional Facilities

The table on this page summarizes the recommended level of expenditures for the eight correctional facilities, along with the estimated average daily populations for FY 2009.

Additional Facility Operating Expenditures Funding. For FY 2008 and FY 2009, the Governor recommends enhancing the operating budgets of the eight correctional facilities. Increases in operating costs, such as utilities and inmate clothing, have created budget shortfalls for the facilities. For FY 2008, the Governor recommends a supplemental appropriation of $500,000 in the Central Office to be distributed by the Secretary based on priority need. For FY 2009, this amount totals $750,000.

Inmate Transportation Vehicles. The Department of Corrections operates a transportation system to provide an orderly and secure means to move inmates within the State of Kansas and out-of-state. This system includes hubs at Lansing Correctional Facility, Hutchinson Correctional Facility, and Norton Correctional Facility. Some of the vehicles used to transport the inmates have high mileage and have experienced mechanical breakdowns. To replace some of these aging vehicles and ensure public safety, the Governor recommends $361,198 from the State General Fund.

Adult Correctional Facilities

	FY 2008 Gov. Est.	FY 2009 Gov. Rec.	ADP
Correctional Facility:			
El Dorado	24,021,581	24,183,789	1,350
Ellsworth	12,300,444	12,198,046	825
Hutchinson	28,589,633	28,425,676	1,763
Lansing	37,411,536	37,315,002	2,430
Larned Mntl. Hlth.	9,573,448	9,446,824	365
Norton	15,064,051	14,305,261	810
Topeka	13,526,247	13,220,582	662
Winfield	12,254,706	12,205,547	785
From Central Office	500,000	750,000	
Total	$153,241,646	$152,050,727	8,990
Funding:			
State General Fund	148,509,507	149,838,862	
Federal Funds	550,665	566,330	
CIBF *	2,356,644	--	
Other Funds	1,824,830	1,645,535	
Total	$153,241,646	$152,050,727	

** Funds for FY 2009 are budgeted in the Central Office.*

Kansas Correctional Industries

The Governor recommends expenditures of $9.6 million from the Correctional Industries Fund for Kansas Correctional Industries. KCI is entirely self-supporting from the manufacture and sale of a variety of products and services sold to state agencies and local governments. The Governor recommends transferring $935,000 in FY 2009 from the Correctional Industries Fund to the Department of Corrections General Fees Fund to aid the Department in financing offender programs.

Juvenile Justice

The duties of the Juvenile Justice Authority and the Commissioner of Juvenile Justice are outlined in the Juvenile Justice Reform Act of 1996. The Juvenile Justice Authority assumed responsibility for all juvenile offenders and operation of the juvenile correctional facilities on July 1, 1997. The agency's mission is to promote public safety, hold juvenile offenders accountable for their behavior, and improve the ability of youth to live productively and responsibly in their communities.

Juvenile Justice Authority

The Governor recommends $76.2 million for the Juvenile Justice Authority, including $39.5 million from the State General Fund, for FY 2008. The recommendation will finance 42.00 FTE positions and 18.00 non-FTE unclassified permanent positions. Included in the recommendation is $6.2 million from the State General Fund to assist with the conversion costs of Psychiatric Residential Treatment Facilities (PRTF). The funding was recommended by the Governor and approved by the 2007 Legislature.

The Governor recommends $72.0 million, including $48.5 million from the State General Fund, for FY 2009, which will finance 42.00 FTE positions and 18 non-FTE unclassified permanent positions, for a total of 60.00 positions. The recommendation includes $3.5 million from the State General Fund for additional funding for graduated sanctions programs. The agency will implement a new formula for each of the 31 judicial districts to receive funding. Each of the judicial districts will receive $107,000 in base funding, with the rest determined by total number of intakes conducted within the district annually, the total number of new case plans created annually, and the average daily population of youth in intensive supervision probation or case management.

The Governor also recommends $1.0 million from the State General Fund to establish an incentive grant program, which will give local judicial districts an incentive to provide more funding to juvenile justice programs. Also, included in the Governor's recommendation is $380,000 from the State General Fund for an information systems rewrite. Currently, the Juvenile Justice Authority operates three database systems. The rewrite will allow the agency to consolidate all three systems into a web-based application. In addition, the Governor recommends replacing the $9.0 million from the Children's Initiatives Fund the agency receives for prevention and graduated sanctions programs with funds from the State General Fund.

Central Office Programs

	FY 2009
Expenditures:	
Administration	2,318,345
Management Information Systems	1,545,614
Contracts & Audits	1,200,219
Community Programs:	
Graduated Sanctions:	
Intake & Assessment	5,710,298
Community Corrections	5,481,365
Community Case Management	7,100,505
Incentive Funding	1,000,000
Delinquency Prevention	5,834,612
Aid to Local Governments	6,735,644
Purchase-of-Services	27,034,035
Subtotal--Community Programs	$ 58,896,459
Debt Service & Capital Improvements	8,036,694
Total	$ 71,997,331
Funding:	
State General Fund	48,518,754
State Institutions Building Fund	8,036,694
Federal Funds	10,941,111
Other Funds	4,500,772
Total	$ 71,997,331

The table on this page summarizes the programs managed by the central office of the Juvenile Justice Authority for FY 2009. Also included are the sources of funding for these programs.

A goal of the Juvenile Justice Reform Act is to reserve juvenile correctional facility placement for the most violent and chronic offenders. Those not committed to a facility are rehabilitated through a network of community-based programs, consisting of five components: graduated sanctions, incentive funding,

delinquency prevention, aid to local governments, and purchase-of-services. During FY 2009, $58.9 million will be distributed to providers under these community programs.

Graduated Sanctions. These programs consist of three core programs, for which the Governor recommends $18.3 million from the State General Fund. For FY 2009, the Governor recommends $5.7 million for intake and assessment, $5.5 million for community corrections, and $7.1 million for community case management.

Incentive Funding. For FY 2009, the Governor is recommending $1.0 million from the State General Fund for the creation of an incentive grant program. This recommendation will provide the judicial districts with an opportunity to receive state funding if the district agrees to a dollar for dollar match to provide enhanced services to juveniles.

Delinquency Prevention. These programs provide assistance to juveniles not yet adjudicated but who exhibit at-risk behavior. The Governor recommends $5.8 million from all funding sources for delinquency prevention programs.

Aid to Local Governments. The Governor recommends $6.7 million for these programs for FY 2009. Funding for these programs includes debt service payments for local juvenile detention facilities, prevention and intervention programs, and financial assistance to local juvenile districts.

Purchase-of-Services. For FY 2009, the Governor recommends $27.0 million from all funding sources for purchase-of-services programs. The Juvenile Justice Authority has entered into numerous agreements with foster care, treatment center, group home, and vocational and educational service providers. Funding from the State General Fund for purchase-of-services programs was reduced by $4.9 million. This amount was then applied towards additional funding for graduated sanctions, incentive funding, and an information systems rewrite.

Juvenile Correctional Facilities

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

Juvenile Correctional Facilities

	FY 2008 Gov. Est.	FY 2009 Gov. Rec.
Juvenile Corr. Facility:		
Atchison Juv. Corr. Fac.	5,978,868	5,845,391
Beloit Juv. Corr. Fac.	4,161,819	4,224,195
Larned Juv. Corr. Fac.	8,587,870	8,617,421
Kansas Juv. Corr. Comp.	16,218,821	16,322,681
Total	$ 34,947,378	$ 35,009,688
Funding:		
State General Fund	33,613,835	33,836,147
Federal Funds	866,708	831,859
Other Funds	466,835	341,682
Total	$ 34,947,378	$ 35,009,688

For FY 2009, the Governor recommends $35.0 million from all funding sources, including $33.8 million from the State General Fund, for the operation of the four juvenile correctional facilities. The Governor's recommendation will finance 585.50 FTE positions and 25.00 non-FTE unclassified permanent positions. The juvenile population at the four juvenile correctional facilities is expected to increase slightly during FY 2008. For FY 2007, the actual average daily juvenile population was 419. The Juvenile Justice Authority is projecting an average daily population of 484 during FY 2008 and 487 during FY 2009. Due to the estimated population increase, the Governor's FY 2008 and FY 2009 recommendations do not include any expenditure reductions from the State General Fund.

Other Public Safety Agencies

Adjutant General

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

The Governor recommends $252,528,811, including $10,596,864 from the State General Fund, in FY 2008. This is an increase of approximately $61.7 million from the agency's approved budget. The increase results mainly from revised estimates for disaster relief and Homeland Security expenditures. Included in the recommendation is $22,966,819, of which $4,118,580 is from the State Emergency Fund, for disaster relief approved by the State Finance Council in December 2007. This amount is actually from the State General Fund, because the State Emergency Fund derives all its funds from State General Fund transfers.

For FY 2009, the Governor recommends $149,708,141, including $18,914,783 from the State General Fund and $6,226,807 from the Expanded Lottery Act Revenues Fund. Included in the recommendation are salaries and wages for 221.00 FTE positions and 228.55 non-FTE unclassified permanent positions. The recommendation includes $54,013 from all funding sources, including $40,511 from the State General Fund for 1.00 Logistics Specialist FTE position. The new Logistics Specialist will be responsible for ensuring that support requirements needed to facilitate effective and efficient incident management are met. The recommendation will also support 1.00 Grant Administrator FTE position for the Kansas Department of Emergency Management (KDEM). This new position will assist in fiscal administration and coordination of federal grant requirements.

The Governor also recommends switching funding of $2,226,807 from the State General Fund to the Expanded Lottery Act Revenues Fund for debt service payments for the armory renovation bonds. The FY 2009 recommendation also includes $4.0 million from the Expanded Lottery Act Revenues Fund for the construction of a second training center. The location of this training center is not yet determined. The training center will assist the state in meeting training requirements and improve the proficiency and capabilities of all first responders and public safety organizations, as well as the National Guard.

The FY 2009 recommendation also includes $319,452 from the State General Fund to pay the Homeland Security Coordinators' salaries and wages and other related expenditures. Previously, these positions were financed by approximately three-fourths federal funds and one-fourth State General Fund. Because the federal funds are decreasing, the Governor recommends switching the remaining financing to state funds. The Governor also recommends $365,000 from the State General Fund to help support the KDEM office. KDEM is primarily financed with Emergency Management Performance Grant (EMPG) federal funds which are matched 50.0 percent with non-federal funds. The additional funds are needed because of rising KDEM expenditures, and the agency is estimating that the local non-federal match will decrease, due to local governments paying for disasters that happened over the last year. Therefore, less money will be available to be used as non-federal match by the state for its EMPG funds.

Death Benefits. Included in the Governor's budget for FY 2008 is $500,000 from the State General Fund for death benefits of $250,000 each in state funds to beneficiaries of the last two service members who were killed. This provides death benefits equal to those provided to other guard members killed in action.

Emergency Medical Services Board

The Emergency Medical Services Board continues to ensure that quality out-of-hospital care and transportation of patients is available in Kansas through education, inspection, and regulation of the emergency medical services profession. The Governor

recommends expenditures of $2,303,840 in FY 2009, which will fund 14.00 FTE positions. Of this amount, $1,286,879 is from the Emergency Medical Services Operating Fund. In FY 2009, the Governor recommends continuing a transfer of $300,000 from the Emergency Medical Services Operating Fund to the Education Incentive Grant Payment Fund for the training and certification of future emergency medical service technicians. A 0.25 percent levy on fire insurance premiums, which is authorized by law, provides the Emergency Medical Services Board with the necessary financing to carry out its mission.

State Fire Marshal

For FY 2009, the Governor recommends $4,539,344, including $3,694,355 from the Fire Marshal Fee Fund. This recommendation will finance 52.00 FTE positions and 1.00 non-FTE unclassified permanent position. Included in the Governor's recommendation is $384,976 for the agency's HAZMAT program and $162,440 for the propane licensing program. The State Fire Marshal estimates 370 requests for fire investigations for FY 2009. The Governor's recommendation will allow the agency the necessary funding to continue its mission to protect the lives and property of the citizens of Kansas from the hazards of fire and explosions.

The Governor recommends a transfer of $99,237 in both FY 2008 and FY 2009 from the Fire Marshal Fee Fund to the Kansas Department of Health and Environment (KDHE). In FY 2008, the State Fire Marshal's Youth Programs Division was transferred to KDHE. This transfer will provide the necessary funding to KDHE to finance the Division. For FY 2008 and FY 2009, the Governor recommends a transfer of $50,000 from the Fire Marshal Fee Fund to the agency's Hazardous Materials Emergency Fund to begin to repay a loan that was initiated in FY 2004 due to a funding shortage in the Fire Marshal Fee Fund. The Governor recommends allowing the agency discretion over how much may be transferred and the timing of each transfer.

Highway Patrol

The Highway Patrol's mission is to provide service, courtesy, and protection to the citizens of Kansas through being responsive to citizen concerns, preserving individual dignity and constitutional rights, and the enforcement of traffic and other state laws to enhance the safety of travelers. The Governor recommends expenditures of $90,877,378 from all funding sources, including $37,906,563 from the State General Fund, for FY 2009. The agency has 859.00 FTE positions and 38.00 non-FTE unclassified permanent positions.

The Governor recommends $1,343,902 from all funding sources, including $1,019,083 from the State General Fund, for a 4.0 percent pay increase for certain classifications of state troopers and motor carrier inspectors. The recommended increase is due to a memorandum of agreement (MOA) between the Department of Administration, the Highway Patrol, and the Kansas State Troopers Association signed in June 2007. In addition, the Governor also recommends $671,714, including $509,340 from the State General Fund, for a 2.0 percent pay increase, also included in the MOA, for FY 2008. Also included in the Governor's recommendation is $158,192 from the State General Fund to finance 3.00 non-FTE unclassified permanent positions responsible for administering the agency's federal homeland security funds. Currently, these positions are financed through federal funding projected to end in FY 2008.

Kansas Bureau of Investigation

The mission of the Kansas Bureau of Investigation is to provide professional investigative and laboratory services to Kansas criminal justice agencies. The agency also collects and disseminates criminal information for the purpose of promoting public safety and the prevention of crime. The agency will continue to assist local law enforcement agencies in the investigation of predominantly violent crimes, perform investigations at the request of the Attorney General, maintain a criminal records database, and provide laboratory services for state and local law enforcement agencies.

For FY 2008, the Governor recommends $29,253,696 from all funding sources, including $17,629,674 from the State General Fund. This is an increase of approximately $2.0 million above the agency's approved budget. The majority of the increase is from the agency's Record Check Fee Fund and Homeland

Security Funds. The Record Check Fee Fund will be expended on salary and wage expenditures and to rebuild the Kansas Incident Based Reporting System. The increase in Homeland Security funds will be spent on technology projects.

The Governor recommends $28,629,253 for FY 2009, including $18,233,280 from the State General Fund and $311,850 from the Expanded Lottery Act Revenues Fund. The budget recommendation will support a total of 349.13 FTE positions. The recommendation includes $1,353,699 from the State General Fund to finance projects to support the Criminal Justice Information System (CJIS). Of that amount, $186,846 will be for 3.00 new information technology FTE positions, $500,000 will be for a new central messaging switch, $250,000 will be to replace core hardware and software, and $416,853 will be for new network interface cards and bandwidth lines.

The recommendation also includes $250,000 from the Expanded Lottery Act Revenues Fund to finance the expansion of the KBI complex. Of that amount, $50,000 will be used to purchase and raze property on the same block as the headquarters building; $50,000 for a site master plan for the entire KBI complex; and $150,000 for a needs assessment of a new forensic science laboratory. The Governor also recommends switching the debt service payment for the headquarters of $311,850 from the State General Fund to the Expanded Lottery Act Revenues Fund.

Kansas Commission on Peace Officers Standards & Training

The 2006 Legislature amended current law to remove the regulation of peace officers from the University of Kansas and made it a separate state agency. The Commission will oversee the basic training curriculum for all Kansas law enforcement officers. It also grants certification to all full-time and part-time officers who meet the qualifications. The new agency was approved for 7.00 FTE positions, with the law enforcement officers having all powers and privileges given to an agent of the Kansas Bureau of Investigation. For FY 2008, $715,516 was appropriated from an increase in docket fees. For FY 2009, the Governor recommends $726,251 from the same source.

Kansas Parole Board

The Kansas Parole Board enhances the safety of the citizens of the State by determining the suitability of incarcerated offenders to return to Kansas communities. The Board conducts parole suitability and parole revocation hearings, special hearings, full board reviews, and public comment sessions. There are three members who serve on the Board, and the Department of Corrections provides staffing for administrative functions. The Governor recommends expenditures of $511,503 from the State General Fund for FY 2009. Included in this amount is $6,729 from the State General Fund for additional expenses related to communications and travel.

Kansas Sentencing Commission

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

For FY 2008, the Governor recommends a total of $10,314,987 from all financing sources. Of that total, $9,918,067 is from the State General Fund. This recommendation includes full financing for the alternative sentencing program at $9,547,717. For FY 2009, the Governor recommends a total of $10,147,638 from all financing sources, of which $9,674,344 is from the State General Fund. This recommendation also includes full financing of the alternative sentencing program at $9,410,862.

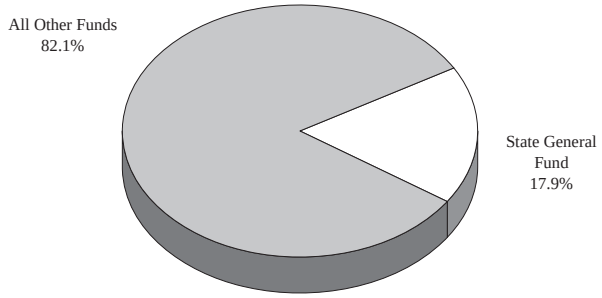
The Governor also recommends 1.00 new FTE position and $42,607 from the State General Fund for FY 2009. The position is needed to meet the challenges of increased complexity of Journal Entry documents and to capture additional data that is important in performing prison population projections, research, analysis, and evaluation of sentencing and crime trends within the state.

Agriculture & Natural Resources

Agriculture & Natural Resources Summary

The agriculture and natural resources functions of Kansas are managed by seven state agencies that promote, protect, improve, and restore the state's natural resources. These functions include agricultural product regulation and development, protection from exotic pests, and implementation of interstate water agreements through the Department of Agriculture; maintenance of state parks, state fishing lakes, and wildlife areas through the Department of Wildlife and Parks; conservation and management of soil and water resources management by the Conservation Commission; the development of policy, providing of technical assistance, and study of water resources by the Water Office; environmental protection through the Department of Health and Environment; preventive public health maintenance and eradication of infectious diseases affecting livestock and domestic animals by the Animal Health Department; and promotion of Kansas products through the State Fair.

How It Is Financed



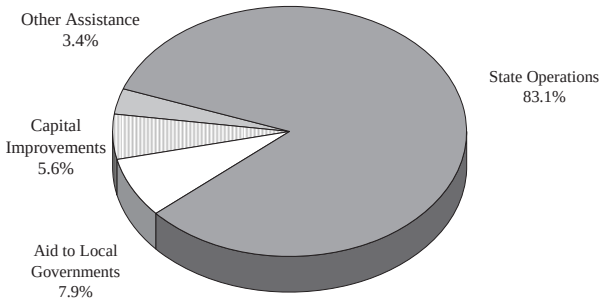
Fiscal Year 2009

The Governor recommends $197,990,628 from all funding sources, including $35,354,234 from the State General Fund and $23,415,479 from the State Water Plan Fund, for FY 2009. There are 1,429.07 positions in this function: 1,306.09 FTE positions and 122.98 non-FTE unclassified permanent positions.

The Governor recommends additional resources for Wildlife & Parks to supplement staff that monitor state park and wildlife areas. Additional inspectors are also recommended to examine dairies and other facilities involved in production of food.

To maintain the vitality of the State Fair and to help the agency finance alternative energy projects, the Governor recommends $120,000 from the Economic Development Initiatives Fund. Such funds will be used to increase marketing and promotion of the State Fair and increase prize money for competitive exhibits.

How It Is Spent



Fiscal Year 2009

Included in the FY 2009 budget is $23.4 million in State Water Plan Fund expenditures to finance the annual Kansas Water Plan, which promotes the management, conservation, and development of the state's water resources. The Governor's budget includes a $1.0 million enhancement for the Wichita Aquifer Restoration Project. The state funding will help support the $125.0 million budgeted for Phase II of the project. The Governor also recommends State Water Plan expenditures of $581,214 related to the *Kansas v. Colorado* damage award from the 1984 lawsuit.

For FY 2009, the Governor recommends $1.6 million from the State General Fund to the Department of Wildlife and Parks. This funding will eliminate vehicle visitation fees and provide free admission for all Kansas residents to the state parks. In addition, the Governor recommends $3.0 million from the Expanded Lottery Act Revenues Fund to replace and supplement State General Fund monies used for normal park rehabilitation and repair, as well as $1.5 million to aid restoring parks that received extensive flood damage in the spring and early summer of 2007.

Agriculture & Natural Resources Agencies

Department of Agriculture

The mission of the Department of Agriculture is to protect food safety for human consumption along with the state's natural resources and provide water resource allocation for the citizens of Kansas. The Department is a national leader in the research and prevention of agricultural economic threats, such as Karnal Bunt disease. The agency monitors agriculture products, regulates weights and measures, and monitors development of water resources through various agency programs. In addition, the Department coordinates with other natural resource agencies to endure efficient use of resources. The Governor's recommendation for the Department of Agriculture for FY 2009 totals $26,902,841 from all funding sources, including $12,303,319 from the State General Fund, and $1,405,008 from the State Water Plan Fund.

The Governor's recommendation includes $583,635 from the State Water Plan Fund to continue to protect Kansas' interest on the Arkansas River and the Republican River and to ensure interstate compact compliance related to the water lawsuit settlements for both rivers. Of this amount, $192,948 will be used for ongoing expenses related to monitoring compliance. This recommendation includes salaries for 3.00 FTE positions dedicated to this activity and associated with operating expenditures. The remaining $390,687 will be used for continuing contractual services with consultants to verify compliance independently and assist with the technical aspects of monitoring the compact settlements, such as hydrological modeling and analysis.

Weights & Measures Equipment. The Weights and Measures Division operates two large-scale test trucks when inspecting large-capacity scales that are used to buy and sell grain. The suspension system on one of the trucks has become a safety hazard for the operators, as well as alignment and steering problems and excessive tire wear. Cables for the loading system, which are used for loading and unloading up to 5,000 pounds, are known to break. If a cable breaks, it can seriously injure anyone within reach of the cable or the weights. For these reasons, the Governor recommends enhanced funding of $160,000 from the State General Fund to replace the older large-scale truck test truck.

Agriculture Inspector II Positions. The Governor recommends the addition of two Agriculture Inspector II positions, one for the Dairy Inspection Program and one for the Food Safety Program for FY 2009. Increases in the number of large dairies in western Kansas and the number of small dairy processing plants have enhanced staff responsibilities to inspect, sample, and test new facilities. The Governor recommends $49,407 from the special revenue funds, for the addition of one Agriculture Inspector II in the Dairy Inspection Program in order for the agency to meet its statutory requirements. The Governor also recommends $53,142 from special revenue funds, for the addition of another Agriculture Inspector II position for the Food Safety Program. Increases in inspections, licensing, and evaluations have occurred as the number of facilities have increased throughout the state, therefore this additional position will ensure the agency meets FDA guidelines for the ratio of inspectors to facilities. The agency has the flexibility to fund vehicles for these positions within the Governor's recommendation for vehicles allowing the agency to increase its fleet size for the addition of these staff.

Animal Health Department

The Animal Health Department's goal is to ensure the public health of Kansas citizens through prevention, control, and eradication of infectious diseases that affect the health and well-being of livestock and domestic animals. The Department regulates facilities that breed, sell, or harbor companion animals. The agency is also responsible for registering and inspecting livestock brands designed to identify lost or stolen livestock. The effectiveness and responsiveness of the agency's activities have prevented the spread of tuberculosis in the state. As a result, the state was designated a "tuberculosis free" state in 2002. The state is also "free" of brucellosis, pseudorabies, and equine infectious anemia. The Governor recommends $2,810,416 from all funding sources, including $953,341 from the State General Fund, for FY 2009.

The Governor's recommendation will allow the agency to maintain its disease-free status.

The Governor recommends enhanced funding of $10,000 from the State General Fund in FY 2009. Of this amount, $5,000 is to help with pound and animal shelter relinquishment fees; and $5,000 is to help with boarding and veterinary expenses associated with companion animals that are seized from a premise because of evidence of abuse or neglect that violates state law.

State Conservation Commission

The State Conservation Commission (SCC) protects and conserves Kansas' natural resources through the efficient implementation of state programs. A nine-member commission governs the agency, which establishes policy and delegates responsibility for the implementation of programs. For FY 2009 the Governor recommends $16,100,476, including $1,222,898 from the State General Fund, $14,126,101 from the State Water Plan Fund, and $751,477 from other funding sources.

Conservation Easements. The Governor's recommendation maintains current funding of $311,500 from the State General Fund for conservation easements for FY 2009. A priority for the funding is to establish easements in the vicinity of military bases as part of the Army Compatible Use Buffer Program. A conservation easement is a parcel of land, whereby a landowner voluntarily limits future development of that parcel for conservation purposes.

Lake Restoration. Beginning in FY 2008, revenue from the Clean Water Drinking Fee Fund is deposited to the State Water Plan Fund instead of the State General Fund. According to legislation that passed during the 2005 Legislative Session, 85.0 percent of the revenue must be used for lake restoration projects, and specifically for lakes that are used for public water supply purposes; while the remaining 15.0 percent is to be used for technical assistance in the Kansas Water Office. The $2.71 million from the State Water Plan Fund in the SCC's budget in FY 2008 for lake restoration projects represents 85.0 percent of the estimated FY 2008 revenue of $3,192,662. Two specific lake projects were approved by the 2007 Legislature for FY 2008: the restoration and protection of Mission Lake which supplies water for the City of Horton, and the Washington County Rural Water District No. 1 Low Head Dam Project. The Governor recommends State Water Plan monies of $2,713,762 for FY 2009 by the State Conservation Commission for lake restoration projects.

Water Transition Assistance Program. The Commission has established an irrigation water right retirement program for over-appropriated areas with sustainable irrigation potential. The Governor recommends from the State Water Plan Fund $1,000,228 for FY 2009, which will target areas in three western groundwater management districts and the Ogallala fringe outside those three districts. The program offers incentives to landowners who agree to retire their water rights on a permanent basis, and transition the land to dryland crops.

Horsethief Reservoir. The Governor recommends State Water Plan monies of $1,123,176 in FY 2009 as part of the agency's Multipurpose Small Lakes Program. The Horsethief Reservoir project, located in Hodgeman County, will provide 452 acres of permanent water for recreation and have a floodwater storage capacity of 12,868 acre feet. In addition to the state funding, financing for the project is proposed from the Pawnee Watershed Joint District No. 81, local bonding sources, and other state and federal sources. The voters of five affected counties in southwest Kansas passed a revenue bond proposal that provides approximately $9.0 million of the funding needed to construct the reservoir. The estimated total cost of the project is $15.9 million, including state funding of $4.5 million. Total state funding to date, including the Governor's recommendation for FY 2009 is $4,503,176. The FY 2009 appropriation will be the final appropriation of state funding for the project.

Aid to Conservation Districts. The Governor recommends enhanced funding of $119,765 for this aid program for FY 2009. Legislation passed during the 2007 Legislative Session increases the cap on state matching funds from $10,000 to $25,000. After calculating the increases that local districts were willing to contribute for conservation activities, $119,765 was needed to match the increase in local contributions. Total funding of $2,255,919 is recommended from the State Water Plan Fund for the program in FY 2009.

Salt Cedar Control Projects. The Governor's recommendation maintains current funding levels of $50,000 from the State Water Plan Fund for the program. Salt cedars are shrubs that grow on stream banks and cause water quantity and quality problems by reducing stream flow and increasing the salinity of the water.

Watershed Dam Construction Projects. The Governor recommends State Water Plan funding of $1.05 million in FY 2009 for new construction projects located above federal reservoirs with public water supply function and also for some rehabilitation projects at other dams. There are approximately 6,000 dams that were built to provide public water supply or flood protection. Some of the dams are in good shape, and need only routine maintenance to remain useful. Others have physical problems that need to be repaired while still other are located upstream from properties that could be damaged should there be a breach to the dam. The program is a joint federal, state, and local partnership that provides assistance for engineering fees, sediment removal, structure upgrades, and structural replacements. The federal program through the Natural Resources Conservation Service started in FY 2002 and the state program began in FY 2006.

Nonpoint Source Pollution Assistance Program. State Water Plan Fund support of $2.0 million recommended by the Governor for FY 2009 will enable the agency to offer assistance to landowners in planting native vegetation or establishing other conservation practices that will protect surface and ground water quality. The program also offers assistance to landowners who enroll in the Conservation Reserve Enhancement Program (CREP), including the permanent plugging of any irrigation wells that will no longer be used when the water rights for the property are retired.

Health & Environment—Environment

The Division of Environment of the Department of Health and Environment is organized into five programs within the Division that implement regulatory activities to limit exposure to materials that are potentially harmful to the environment. The Division also assesses environmental conditions within the state and implements plans to remediate contamination when it is found, with the goal of protecting public health and protecting the environment of Kansas.

An important issue during the last few years has been the contamination in southeastern Kansas resulting from a long history of mining. The Division identified over 270,000 cubic yards of highly contaminated smelter waste, slag, soil, and sediment at a 135-acre site at the eastern edge of Galena. After months of negotiations with the Environmental Protection Agency (EPA), the Department of Justice, and a responsible party, a settlement of approximately $7.0 million has now been agreed upon, which will be sufficient to address contamination at the Galena and two smaller sites in southeastern Kansas. *The Governor's FY 2008 Budget Report* included an appropriation of $680,000 from the State General Fund for the 10.0 percent matching funds for the Superfund designation, and to negotiate the "buyout" of the City of Treece, which has been seriously affected by the contamination problems.

The Governor's recommendation from all funding sources for FY 2009 is $73.6 million, including $9.7 million from the State General Fund, $3.9 million from the State Water Plan Fund, $41.0 million from fee funds, and $16.3 million from federal funds.

Clean Air Act Activities. The Governor recommends expenditures of $850,000 from the State General Fund, $4.4 million from the Air Quality Fee Fund, and $1.5 million in federal funds to maintain compliance with mandates of the federal Clean Air Act. The monies finance air quality monitoring, presenting educational programs, and making information regarding air quality pollutants available to the public.

Clean Water Activities. The Division of Environment is responsible for implementing regulations to comply with the federal Clean Water Act and Safe Drinking Water Act. The Governor's recommendation of $14.6 million for FY 2009 includes $1.1 million from the State General Fund, $3.9 million in State Water Plan Funds, and $9.6 million in federal funds.

Contamination Remediation. The Governor provides $979,338 from the State Water Plan Fund in FY 2009 in order to address environmental contamination at sites where there is no responsible party identified or where the responsible party is

unable to pay for the needed corrective action. The funding is used for site assessments, investigations, corrective actions, and emergency responses.

Local Environmental Protection. For FY 2009, the Governor recommends $1,502,735 from the State Water Plan Fund that will be distributed as aid to counties so that each county has the funding to implement approved environmental protection plans.

Watershed Restoration & Protection Plans (WRAPS.) State Water Plan expenditures of $800,000 for the WRAPS program is recommended by the Governor for FY 2009. The program is designed to assist local groups to work together to identify water quality and water resource issues within a watershed district, and then develop and implement local solutions to address those problems.

Kansas State Fair

The State Fair is held in the City of Hutchinson over a ten-day period in early September each year. Attendance at the 2007 State Fair was 338,363 people. In addition, the fairgrounds attract approximately 175,000 people to more than 290 non-fair events during the year. Non-fair events include recreational vehicle shows and rallies, flea markets, livestock shows and sales, auctions, horse shows, art and craft shows, and farm machinery exhibitions. These non-fair events generate utilization of the grounds and facilities during the days the State Fair is not held.

For FY 2009, the Governor recommends $6,736,251 from all funding sources, including $120,000 from the Economic Development Initiatives Fund. At the end of the fiscal year, the State Fair is required by law to transfer 5.0 percent of its gross receipts from the State Fair Fee Fund to its State Fair Capital Improvements Fund. At the beginning of the following fiscal year, a matching amount up to $300,000 is transferred from the State General Fund to the same State Fair Capital Improvements Fund. The Governor recommends for FY 2009, that the $300,000 come from the Expanded Lottery Act Revenues Fund (ELARF) instead of the State General Fund to the State Fair Capital Improvement Fund. The Governor also recommends that the State Fair's debt service expenditures of $1,540,821 for FY 2009 be financed with ELARF monies.

Marketing & Promotion. For FY 2009, the Governor recommends $100,000 from the Economic Development Initiatives Fund for enhanced marketing and promotion of the State Fair. The increase in marketing will provide greater awareness of the agency's website as a one-stop source of Fair information, events, and tickets. In addition, this funding will increase promotion of the Kansas State Fair though various media channels including radio, television, and print advertising.

Competitive Exhibitor Premiums. The Governor recommends $20,000 from the Economic Development Initiatives Fund for competitive exhibit premiums. The Fair gives prizes and awards called "premiums," to Fair exhibitors and participants. The ability of the Fair to compensate participants adequately for their winning exhibits can affect the number of entries in these competitive events. The Fair has implemented a "Got Blue?" promotion to attract both current and potential competitive exhibitors.

Salary & Wage Increase for Part-Time Employees. During the ten-day period of the State Fair, nearly 600 part-time employees work many various and important jobs that make it possible to successfully operate the Fair. Most of these seasonal employees receive less than the federal minimum wage and have not received a wage increase since 2004. The Governor recommends $20,792 from the State Fair Fee Fund in FY 2009 for increased wages for seasonal fair-week employees.

Kansas Water Office

The Kansas Water Office evaluates and develops water policy by coordinating the water resource operations of state agencies, local governments, and the federal government. The agency also provides staffing and assistance to the Kansas Water Authority, a 24-member authority that represent water users, environmental interest, and the general public. State agency heads are considered ex-officio (non-voting) members of the Authority that meets five to six times per year, and advises the Governor and the Legislature on water policy issues, and also makes recommendations to the Governor and the Legislature regarding State Water Plan expenditures.

The Governor's recommendation for FY 2009 is $12,268,206, including $2,350,593 from the State General Fund, $3,960,337 from the State Water Plan Fund, and $5,957,276 from other funding sources. The recommendation includes enhanced funding of $1.0 million from the State Water Plan Fund for the Wichita Aquifer Storage and Recovery Project.

Wichita Aquifer Storage & Recovery Project. The recommendation provides $1.0 million in State Water Plan support to supplement local funding for the $125.0 million cost for Phase II of the project. The project started with Phase I in 2006, and is expected to help meet the city's water supply needs through 2050. Much of the water supply for the City of Wichita comes from the equus beds aquifer, and that supply needs to be increased to meet future water needs. The recovery program injects treated surplus surface flows from the Little Arkansas River water into the equus beds aquifer for storage and later recovery. In addition to storage, the project also involves a hydraulic barrier to a brine plume adjacent to the river near Burrton, Kansas. The project is expected to add up to 65 billion gallons of water to aquifer storage to meet demand, protect the aquifer from the intrusion of chloride contamination from the Burrton area, and reduce power costs for pumping for the city, private well owners, and irrigators. The City of Wichita did obtain authorization for up to $30 million in federal funds during the 2006 session of Congress, however, a direct appropriation of funds has not yet been made.

Weather Stations. The Governor's recommendation maintains the current funding of $100,000 from the State Water Plan Fund for the program that encourages level of innovative approaches to improving the management of crop watering, such as irrigation-scheduling weather stations, mobile irrigation labs, and field demonstration projects.

Weather Modification. The Governor recommends funding of $240,000 from the State Water Plan Fund for the program in FY 2009. The goal of the program is to reduce crop-hail damage. The Water Office issues contracts for pilots to release silver iodide into clouds to reduce crystal formation, thereby reducing hail size.

Neosho River Basin Issues. The Kansas Water Office has determined that a number of water quality issues related to sedimentation exist in the Neosho River Basin. These include algae blooms at Marion Reservoir, which have led to water quality problems. Sedimentation in John Redmond Reservoir has reduced available water storage capacity. The Governor recommends $500,000 from the State Water Plan Fund to address these reservoir issues in FY 2009. This amount is a continuation of the $500,000 amount appropriated for FY 2008 because of the long-range nature of the project.

Department of Wildlife & Parks

The Department of Wildlife and Parks works to manage natural systems properly by striking a balance between natural resource integrity and human benefits, such as sport hunting and fishing, camping, land use, and development. This philosophy aids the Department in fulfilling its mission of conserving and enhancing Kansas' natural heritage, its wildlife, and its habitats. The major programs of the agency, Parks, Grants-in-Aid, and Fisheries and Wildlife, reflect its focus on conserving natural resources and providing recreational opportunities.

For FY 2009, the Governor recommends $59,564,719 in expenditures, with $8,849,851 from the State General Fund. This amount includes enhanced funding of $4,658,797, with $257,197 from the State General Fund and will support 419.50 FTE and 21.00 non-FTE positions.

Parks Program. Half price vehicle admission has been in effect throughout calendar year 2007 and has been popular with Kansas residents. Despite the widespread flooding which caused some parks to be closed over major holidays, park visitation has been increasing. For FY 2009, the Governor recommends $1.6 million from the State General Fund to provide free vehicle admission to all state parks. The agency sells permits according to the calendar year, and this amount would fund the last half of FY 2009, which is the first half of calendar year 2009. The total cost of open admissions for all of calendar year 2009 would be $3,200,000.

Ongoing Parks Rehabilitation & Repair. For FY 2009, the Governor recommends $3.0 million from the ELARF to be used for state parks rehabilitation and repair. This funding will build on the initiative of the past two years to provide additional state support to

better maintain the lands and facilities of the state parks. The Department plans to use these funds for extensive facility repairs, including renovation of campsites, administrative and maintenance buildings; upgrading shower and toilet buildings and electrical service to campgrounds; and restoring sewer and water infrastructure.

Disaster Damage & Develop Green Space. For FY 2009, the Governor recommends $1.5 million to be used to repair extensive damage to the state parks caused by high winds, long-term flooding, and heavy rains during the spring and summer of 2007. The state parks, unlike most public lands managed by the Department, are built on land intended for flood control. As such, they are not eligible for federal emergency funding when flooding occurs. New gaming monies will pay for debris removal; repairs to campsites, boat ramps, playgrounds, beaches, and docks; replacement of underground wiring, picnic tables, trees, and grass; as well as repairs to spillways, shoreline, and trails.

Additional Positions. For FY 2009, the Governor recommends $542,500, with $145,350 from the State General Fund, for 9.00 additional FTE positions and associated start-up equipment and supplies. According to 2000 census data, there was approximately one law enforcement field officer for every 39,000 Kansas citizens, and this officer covered approximately 1,200 square miles. To aid in dealing with increasing demand, 3.00 additional Natural Resources Officer II positions will be added.

An additional park ranger will be added at Clinton State Park, a large park, which has experienced marked increases in visitation in the past several years due to its proximity to the large and growing population centers of northeast Kansas. Due to its size and visitation, office duties at El Dorado State Park simulate those of a city clerk and city treasurer in a town of 25,000 on a daily basis. For this reason, an additional Administrative Assistant will be added to serve at the park. Currently, one person is in charge of nearly 10,000 acres of public lands consisting of four wildlife areas: Jamestown, Brzon, Griswold, and Lovewell. A wildlife management position will be created to serve as assistant area manager and take responsibility for the Jamestown Wildlife Area.

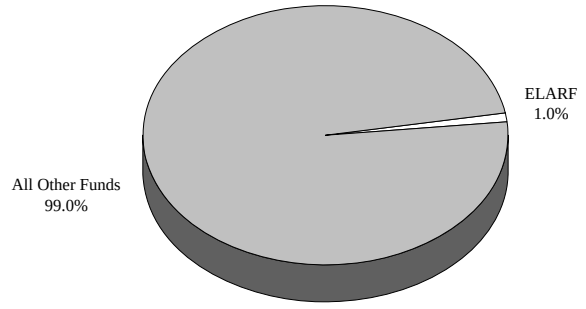
Two positions will be created at the Pratt office. To assist the Division Director and Assistant Division Director, as well as aid in administering the National Recreational Trails Grant Program, the Land and Water Conservation Fund, and the AMERICORPS program, 1.00 Administrative Assistant will be added for the Parks Division. One additional Technical Support Consultant II for the Information Technology Section will be added to respond to an increasing reliance on automated systems which requires additional support for servicing Department hardware and software needs.

Transportation

Transportation Summary

The Kansas Department of Transportation (KDOT), and the Department of Administration are the only agencies in the Transportation function. KDOT is responsible for maintaining and improving the state highway system, which contains more than 10,000 miles of roadway. It also provides planning, design, project development, and financial assistance to local governments to improve the overall quality and safety of local streets. The Kansas Department of Transportation uses the Comprehensive Transportation Program (CTP) as its model for determining the best course to accomplish these initiatives. The Department of Administration is responsible for administering a portion of the debt service authorized by the 2004 Legislature to support the CTP.

How It Is Financed



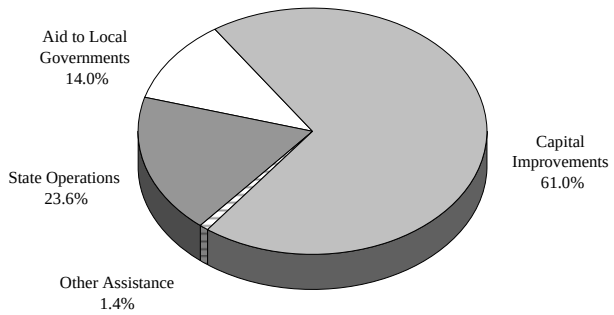
Fiscal Year 2009

The Governor recommends a total of $1,418,321,888 in FY 2008 and $1,623,410,382 in FY 2009. The State Highway Fund will fund the majority of these expenditures for both fiscal years, with $1,223,243,295 and $1,467,066,655 being spent in FY 2008 and FY 2009, respectively. The State General Fund will finance $16,151,075 of the FY 2008 recommendation to pay the debt service on $210.0 million in State General Fund-backed CTP bonds that were issued in 2006 through the Department of Administration's budget. In FY 2009, the Governor recommends $16,148,175 from the Expanded Lottery Act Revenues Fund for the debt service paid by the Department of Administration.

Financing for activities of KDOT comes primarily from the State Highway Fund. The Highway Fund receives income from motor fuel taxes, motor vehicle registration fees, a dedicated portion of the state sales tax, and the federal government. The 2004 Legislature increased the amount of sales and use tax deposited in the State Highway Fund, rather than the State General Fund, beginning in FY 2007 and again in FY 2008.

In FY 2004, the $94.6 million transfer was not made from the State General Fund to the State Highway Fund to bolster the balances at a time when the State General Fund was experiencing financial problems. In FY 2007, the Highway Fund began to receive these dollars back from the State General Fund.

How It Is Spent



Fiscal Year 2009

A revenue transfer moves State General Fund money to the Special City and County Highway Fund (SCCHF) to aid local governments in road construction. The SCCHF also receives income from motor fuel taxes. The fund received only half of its scheduled transfer in FY 2003 and did not receive any transfer from the State General Fund in FY 2004. The FY 2004 aid was still distributed, however, using uncommitted fund balances. In FY 2005, the State General Fund transfer to the SCCHP was reinstated as a $10.1 million revenue transfer. The FY 2008 and FY 2009 revenue transfers are continued at this same level.

Transportation Agencies

Department of Transportation

FY 2008. The Governor recommends $1,402,170,813 in expenditures for FY 2008. This amount is approximately $171.2 million greater than the agency's FY 2008 approved budget from a year ago. The increase in expenditures can mainly be attributed to planned projects not being let in FY 2007, causing expenditures to carry forward into FY 2008. The Governor's revised estimate of expenditures for FY 2008 increases the operating budget from the State Highway Fund by $1.7 million. This amount represents the agency's request to cover increased repair costs from responding to natural disasters and increased fuel and material costs for construction.

FY 2009. The Governor recommends expenditures of $1,607,262,207 for FY 2009. This total represents an increase of $205.1 million when compared to the revised FY 2008 estimates. The majority of the increase is found in capital improvement expenditures. These expenditures increased by $200.8 million, because the agency will complete the letting of projects in the ten-year Comprehensive Transportation Program (CTP), including several substantial projects. The Governor's recommendation includes transferring $32,906,563 from the State Highway Fund to the State General Fund for operations of the Kansas Highway Patrol.

The recommended budget includes expenditures for improvements to the agency's own buildings of approximately $7.0 million. Projects in the program include rehabilitation and repair, replacement of deteriorating roofs on existing buildings, construction of equipment storage sheds to protect equipment, and miscellaneous renovation and construction projects. The Governor's FY 2009 recommendation also includes $6,367,000 for the construction of a new Troop F headquarters building for the Kansas Highway Patrol.

Under the Governor's recommendation in FY 2009, the Department of Transportation will repair more than 2,356 miles of the highway system and will complete the letting of all remaining CTP projects. The status of the highway system continues to show that the Department of Transportation maintains a safe and convenient system. The Department estimates that 84.0 percent of non-Interstate highway miles will be rated as having a "good" or "acceptable" surface condition in FY 2009. In addition, the Department will maintain bridges so that 86.0 percent of all bridges meet traffic demands and will be rated as structurally sound.

For FY 2009, the Governor recommends 3,150.50 FTE positions. This represents a reduction of 51.00 FTE positions compared to FY 2008. This reduction is in accordance with the plan developed by the agency to decrease its workforce gradually as the CTP enters its final years.

Comprehensive Transportation Program

The 1999 Legislature enacted the Comprehensive Transportation Program to cover a ten-year period to plan, develop, and operate the various modes of transportation in Kansas. The plan provides funding to preserve, modernize, and enhance the existing Kansas highway system and provides increased support for local roads, airports, railroads, and public transportation. As originally passed, the CTP would have provided $12.8 billion in improvements throughout the life of the program. All identified improvements are scheduled to be let by the end of FY 2009.

Project Categories

The CTP continues to make use of the same four categories of improvement that were used during the original Comprehensive Transportation Program that ended in FY 1998:

Regular Maintenance activities are designed to preserve, repair, and restore the roadway system to accepted standards. These activities are typically performed by the Department's workforce.

Substantial Maintenance projects protect the public's investment in the state highway system by undertaking improvements that preserve the original condition for as long as possible. These projects are typically let out to contract.

Major Modifications-Priority Bridge projects improve the safety and service of the existing system. Projects include reconstruction or rehabilitation of pavement, widening traffic lanes, adding or widening shoulders, and eliminating steep hills or sharp curves. Priority bridge projects replace or rehabilitate substandard bridges on the system.

System Enhancement projects include additions to the state highway system or projects which substantially improve safety, relieve congestion, improve access, or enhance economic development.

CTP Financing

Transfers. When the CTP started, one of its main sources of funding was an annual transfer from the State General Fund to the State Highway Fund based on a percentage of the state sales tax as established by statute. However, difficult financial times for the State General Fund a few years ago forced the transfers to be reduced and eventually eliminated altogether. In FY 2002, the transfer was initially made according to conform to the law in the amount of $94.2 million. However, because the State General Fund could not actually afford to make the transfer at that time, the 2002 Legislature transferred $94.6 million, $400,000 more than the original transfer, back to the State General Fund. The intent was to repay the State Highway Fund by the end of FY 2003. At the end of FY 2003, however, the amount was not repaid, because the conditions of the State General Fund had not improved sufficiently to do so. Because of continuing financial difficulties with the State General Fund, the scheduled FY 2003 and FY 2004 transfers were not made at all. The 2004 Legislature eliminated future transfers entirely as part of a larger restructuring of the CTP. As a result, a new repayment schedule was put into place with the first installment due in FY 2007.

Comprehensive Transportation Program Construction Costs
(*Dollars in Thousands)*

	FY 2008	FY 2009
Routine Maintenance	138,703	142,711
Substantial Maintenance	183,186	192,933
Major Mods.-Priority Bridge	401,160	353,486
System Enhancements	198,364	168,362
Total	$921,413	$857,492

In keeping with that schedule, the Governor includes a transfer of $30.9 million from the State General Fund to the State Highway Fund in FY 2009. This serves as the third of four years of "payback" of the amounts not paid in past years as well as for several other adjustments made during the 2003 Legislative Session.

Bonding. With the loss of the transfers in prior years, measures needed to be taken during that time to complete the CTP without State General Fund support. Therefore, the 2001 Legislature granted additional bonding authority of $277.0 million and increased motor fuel taxes to pay off the bonds.

The 2004 Legislature authorized the issuance of an additional $150.0 million in bonds to finance the CTP. The 2004 Legislature also approved up to $60.0 million in bonds but only if needed to offset potential shortfalls in anticipated federal receipts. That made the total potential bonding authority $210.0 million during that year. Ultimately, the Department needed the full amount; therefore, the State Finance Council authorized the issuance of this entire $210.0 million in bonds in January 2006.

For FY 2008, the Governor recommends $16,151,075 to cover the scheduled debt service payments for these bonds, of which $9,416,075 is interest and $6,735,000 is principal. In FY 2009, the Governor recommends $16,148,175 from the Expanded Lottery Act Revenues Fund to cover the scheduled debt service payments. Of this amount, $9,138,175 is for interest payments and $7,010,000 is for principal payments.

Sales Tax. The 2004 Legislature also granted KDOT a greater portion of the dedicated state sales tax to help with CTP financing. In FY 2007, this portion of the tax went from .25 percent to .38 percent, and it increased further in FY 2008 to .65 percent. KDOT's increased portion of the sales tax rate is estimated to be approximately $170.0 million in FY 2008 and $173.0 million in FY 2009.

CTP Cashflow

The CTP cashflow reflects the financing changes that have been made in previous years and demonstrates the ability of the state to pay for the CTP projects. The Governor's recommendations for FY 2008 and FY 2009 are projected to leave the CTP with a positive ending balance in FY 2009. The table on the next page highlights this fact. The table does not show actual expenditures for FY 2000, FY 2001, and FY 2002. It represents only the final seven years of the CTP. However, the total column covers the entire ten-year period for the Comprehensive Transportation Program, including those first three years.

Comprehensive Transportation Program Cashflow

(Dollars in Thousands)

	2003	2004	2005	2006	2007	2008	2009	Total FY 00-2009
Beginning Balance	826,877	718,181	645,367	714,065	647,203	516,817	335,241	559,875
Revenues:								
SGF Sales Tax Transfer	--	--	--	--	--	--	--	208,237
All Other Receipts	1,118,580	1,027,667	1,117,171	1,151,324	1,310,881	1,399,675	1,418,071	11,446,684
Subtotal	$ 1,118,580	$ 1,027,667	$ 1,117,171	$ 1,151,324	$ 1,310,881	$ 1,399,675	$ 1,418,071	$ 11,654,921
Net from Bond Sales	2,043	258,770	347,000	--	--	--	--	1,288,111
SGF-Backed Bond Revenues	--	--	--	210,000	--	--	--	210,000
Net TRF Loan Transactions	--	--	(15,000)	15,000	(10,000)	--	--	(10,000)
Total Receipts	$ 1,120,623	$ 1,286,437	$ 1,449,171	$ 1,376,324	$ 1,300,881	$ 1,399,675	$ 1,418,071	$ 13,143,032
Available Resources	$ 1,947,500	$ 2,004,618	$ 2,094,538	$ 2,090,389	$ 1,948,084	$ 1,916,492	$ 1,753,312	$ 13,702,907
Expenditures:								
Maintenance	245,075	283,796	299,811	314,444	306,168	320,603	345,432	2,905,485
Construction	475,476	568,402	520,426	542,242	467,085	599,524	521,848	5,025,480
Modes	21,719	19,515	21,645	23,238	31,869	27,490	27,721	215,666
Local Support	247,989	258,461	276,179	294,813	326,527	331,567	338,543	2,817,141
Management	53,001	58,600	57,970	56,103	66,799	69,304	76,527	597,403
Transfers Out*	67,548	87,657	97,159	95,836	99,324	102,881	113,246	805,420
Subtotal	$ 1,110,808	$ 1,276,431	$ 1,273,190	$ 1,326,676	$ 1,297,772	$ 1,451,369	$ 1,423,317	$ 12,366,595
Debt Service	118,511	82,820	107,283	116,510	133,495	129,882	130,270	1,136,587
Total Expenditures	$ 1,229,319	$ 1,359,251	$ 1,380,473	$ 1,443,186	$ 1,431,267	$ 1,581,251	$ 1,553,587	$ 13,503,182
Ending Balance	718,181	645,367	714,065	647,203	516,817	335,241	199,725	199,725
Minimum Ending Balance Requirement**	132,250	159,577	159,948	180,502	163,575	153,843	197,208	197,208
Available Ending Balance	585,931	485,790	554,117	466,701	353,242	181,398	2,517	2,517

* *Transfers Out are shown as expenditures for this cashflow table but are really revenue transfers.*

** *Required ending balances reflect:*

Amounts required to satisfy debt service on bonds.

Funds allocated by statute for distribution to specific programs.

Amount necessary to provide for orderly payment of bills.

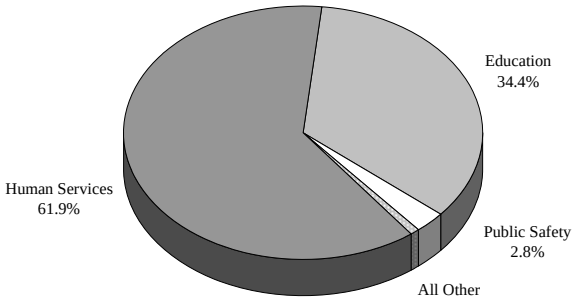
Children's Budget

Children's Budget Summary

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

Expenditures by Function

Totals Exclude Operating Aid to USDs



Fiscal Year 2009

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

Medical & Health Services. Medical services are provided through several state and federally-funded programs. For example, the Medicaid Program makes reimbursements for medical services provided to eligible patients. The HealthWave Program serves eligible children in the state. Expenditures for medical and health services make up 36.5 percent of the Children's Budget.

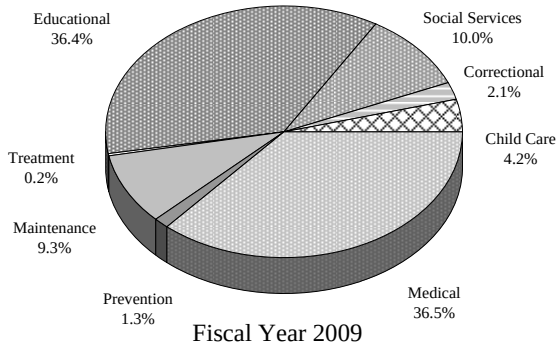
Education & Training Programs. The State of Kansas provides a variety of education programs for children and their parents. Children receive the education and social skills necessary to live successfully in the society through the public school system. The Workforce Development program funded through SRS helps parents attain the skills necessary to avoid poverty. Through these programs, parents can improve the quality of life for their families. Expenditures for educational programs make up 36.4 percent of the Children's Budget, excluding operating aid to USDs.

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), reintegration/foster care, as well as permanent guardianship. Maintenance services make up 9.3 percent of the Children's Budget.

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. Social services make up 10.0 percent of the Children's Budget.

Expenditures by Category

Totals Exclude Operating Aid to USDs



Fiscal Year 2009

Child Care Services. State-supported child care services benefit children. These services provide early childhood education opportunities. Child care services provided through SRS support parents in becoming self-sufficient. The Child Care Licensing Program at the Department of Health and Environment ensures safety in care facilities. Child care services make up 4.2 percent of the Children's Budget.

Correctional Activities. Rehabilitation services for adjudicated youth are provided by four juvenile correctional facilities. In addition, the state provides grants to support community prevention and corrections programs. Correctional activities make up 2.1 percent of the Children's Budget.

Prevention Services. These programs reduce the need for future costly services that remove a child from the home and avoid institutionalization, if possible. An example of this category of service is preventive health services provided by the Department of Health and Environment, which include services delivered through local health departments. Prevention services make up 1.3 percent of the Children's Budget.

Institutional & Treatment Services. Included in this category are the services of the state mental health and developmental disability hospitals. Many clients who were formerly served in these institutional settings are now being provided services through the community programs and the Home and Community-Based Services Waiver Programs. Institutional and treatment services now make up 0.2 percent of the Children's Budget.

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

General Government

In the General Government function, the major program expenditures for the benefit of children are related to the support of juveniles involved in judicial actions and administration of the child support enforcement efforts of the district courts. General Government expenditures included in the Children's Budget for FY 2009 total $21.0 million, of which $12.6 million is from the State General Fund.

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 arrearages may also be addressed by establishing a lien on certain personal property, such as a motor vehicle. The Department of Revenue assigns 2.00 FTE positions to fulfill the above requirements of the law. These positions are financed by an annual transfer from the Social Welfare Fund of SRS. A total of $60,000 will be transferred to the Department of Revenue to finance the program in FY 2009.

Banking Department

Credit Counseling. The Office of the State Bank Commissioner will spend $258,000 to finance credit counseling for families in FY 2009. Of the total, $120,000 is to provide consumer credit education training for primary and secondary teachers, $88,000 is for consumer credit counseling, and $50,000 is for housing and credit counseling.

Office of the Governor

The Governor's Grants Office administers programs benefiting children with financing from the State General Fund as well as federal funds.

Victim Services. Part of the State General Fund monies are used as matching funds for two federal grants that serve children under the Family Violence Prevention and Services Act and the Victims of Crime Act. The total estimate for this program from the State General Fund is $196,219 in FY 2009.

Drug Free Schools. These programs focus on the eradication of drug use and violence in schools and communities. Federal funds totaling $538,897 will benefit approximately 16,000 children.

Sexual Violence Prevention & Education. Sexual violence prevention services and crisis intervention are provided by numerous local agencies across the state. Approximately $320,000 will be administered through this federal grant program in FY 2009 for these educational programs.

Family Violence Prevention & Services. This program funds not-for-profit domestic violence programs that provide shelter and related assistance to families who are victims of domestic violence. Approximately $273,370 will reach 4,080 children in FY 2009.

Victims of Crime Act. This grant program funds state and local governments, Native American tribes, and not-for-profit, community, and faith-based organizations that provide direct assistance to crime victims. Expenditures of $511,507 for FY 2009 will be awarded through this grant program. The program is anticipated to benefit 6,500 children.

Child Visitation Centers. Funds in the amount of $99,600 for FY 2009 will reach approximately 900 children in the Child Exchange and Visitation Centers Program. The goal of these centers is to facilitate non-custodial parents' access to their children by means of activities, including remediation, counseling, and education.

Safe Havens. Approximately $117,293 for FY 2009 will reach 325 children in the Federal Safe Havens Program to provide supervised visitation and safe exchanges of children in situations involving domestic violence, child abuse, sexual assault, or stalking.

Byrne Justice Assistance Grant. This grant program provides state and local governments, Native American tribes, and not-for-profit, community, and faith-based organizations funding for enhancing the criminal justice system. A portion of the funds is used for prevention efforts regarding drug abuse among children and youth and intervention for abused children. Funds in the amount of $213,395 will be used in FY 2009. This program will benefit an estimated 2,000 children.

Children's Advocacy Centers. State General Fund monies are used for the multidisciplinary team approach to investigating and intervening in cases of suspected child abuse, primarily sexual abuse, in a safe place for children to be heard without further victimization. The program will assist an estimated 2,500 children with $1,962,941.

Outreach Services. Part of the State General Fund monies are also used to provide enhanced outreach services to victims of domestic violence and sexual assault as well as their children. The total estimate for this program is $602,500.

Attorney General

Child Visitation Centers. The goal of these centers is to facilitate non-custodial parents' access to their children by means of activities, including remediation counseling and education. For FY 2009, the Governor recommends expenditures of $177,774 from the Crime Victim Assist—Child Visitation Center Fund for this program.

Child Death Review Board. The Child Death Review Board was created by the 1992 Legislature to focus on unexplained child deaths, primarily those deaths that are the result of abuse or neglect. National data indicate that 20.0 percent of child deaths are preventable. For FY 2009, the Governor recommends $93,757 from the State General Fund for this program.

Child Abuse Program. The Governor's budget includes $241,109 for FY 2009 from the Crime Victims Assistance Fund to provide grants to private agencies working to combat child abuse.

Programs for Domestic Abuse Victims & Dependents. Children may be indirect as well as direct victims of domestic abuse and violence. Children will receive assistance, such as emergency food, clothing, and shelter; counseling; and education about domestic abuse through programs funded in the Governor's budget. For FY 2009, the Governor recommends $1.8 million from all funding sources to implement programs for domestic abuse victims and their dependents.

DARE Program Coordination. The Governor recommends $123,254 in FY 2009 from the State General Fund for coordination of the DARE (Drug Abuse Resistance Education) Program. The program was funded by federal grants through FY 1999. The program was funded by the Children's Initiatives Fund in FY 2000, by agency fee funds in FY 2001, and by the State General Fund beginning in FY 2002.

Judiciary

Child Support Enforcement. Through a cooperative reimbursement agreement with the Department of Social and Rehabilitation Services, the Judiciary provides information and other services for child support enforcement programs. The Governor recommends $2,255,097, including $237,432 from the State General Fund, in FY 2008 to serve 155,436 children and $2,264,392, including $237,432 from the State General Fund, for FY 2009 to serve

approximately 155,000 children. The State General Fund portion of $237,432 will match federal funding and allow $460,897 in federal dollars to be used.

Child Welfare. This program of the Judiciary's is federally funded through the Court Improvement Program to assess and improve foster care and adoption procedures, laws, and regulations. Federal law requires that the state complete a reassessment of child welfare and the court system and create a five-year plan. Funding is used to create education programs for judges, prosecutors, guardians *ad litem*, state child welfare attorneys, and others working in the Kansas child welfare system. Funding the program requires $522,143, including $66,908 from the State General Fund, in FY 2008 and $425,282, including $55,873 from the State General Fund, in FY 2009.

Court Services Officers—Civil. This program serves 19,400 children and families annually. The Court service officers assist judges by gathering information and performing investigations in areas other than the criminal justice system. Some of the duties include supervising children in need of care as directed by the court, participating in child community-based program planning and activities, and conducting investigations and report on custodial arrangements for children involved in domestic action. The Governor recommends $9,929,741, including $9,400,883 from State General Fund in FY 2008 and $9,849,412, including $9,331,825 from the State General Fund, in FY 2009.

Permanency Planning. The Permanency Planning program provides grants to Court Appointed Special Advocate (CASA) programs and Citizen Review Boards. It also assists in developing and monitoring these volunteer programs designed to assist children in need. Kansas currently has Review Boards servicing 11 judicial districts and CASA programs servicing 26 judicial districts. A CASE volunteer is appointed to advocate for the child's best interests and assists the court in obtaining the most permanent, safe, and home-like placement possible.

In addition, the Office of the Judicial Administrator assists in training judges and court service officers in juvenile matters. This program serves approximately 2,800 children annually, at an expected cost of $835,012 in FY 2008 and $865,424 in FY 2009 from special revenue funds.

Human Services

The Human Services function comprises a variety of programs in support of children and their families. This function includes the Department of Social and Rehabilitation Services and its institutions, the Kansas Health Policy Authority, the Department of Health and Environment, and the Department of Labor. The recommendation for FY 2009 totals $1,428.1 million, including $544.3 million from the State General Fund.

Social & Rehabilitation Services

Substance Abuse Treatment. Beginning in FY 2008, Medicaid funded alcohol and drug abuse treatment services are provided through the Prepaid Inpatient Health Plan (PIHP). The services are purchased through a managed care organization (MCO), Value Options. The MCO will contract with treatment providers throughout the state to provide quality accessible, effective treatment services. SRS estimates costs of $6.2 million to serve approximately 146,000 children in FY 2009.

Prevention Services. Addiction prevention services for youth, children, and families are delivered through community-based programs in five service regions across the state. For FY 2009, the Governor includes funding of $6.3 million for prevention services to approximately 10,500 children and families. The State General Fund portion of this recommendation is $1.9 million.

Adoption Resource Recruitment. SRS has a contract for statewide recruitment of adoptive families for children in the guardianship of the agency and for whom no family exists or for whom parental ties have been legally terminated. The Governor recommends $3.1 million for this contract in FY 2009.

Adoption Support. SRS provides payments to adoptive families to help meet the special needs of children. Subsidies can include one-time payments for legal fees or on-going payments for a child's medical or developmental needs. The budget recommendation of $28.0 million for FY 2009 includes $14.1 million from the State General Fund. The agency's estimate for the number served through this funding is 6,899 children.

Behavior Management Services. This program is for the purchase of maintenance costs, i.e., room and board charges, for custody and non-custody children in Therapeutic Foster Care and Level V Residential Placements. These costs are paid by the state's Medicaid fiscal agent through the Medicaid Management Information System. In FY 2008, new residential placement categories will be implemented that will eventually eliminate these specific expenses. Most of the costs of the new placements will be fully covered by Medicaid through the Health Care Policy budget or become the responsibility of the Child Welfare Community Based Services contractors. However, due to lag time in the Medicaid billing process, expenses for services prior to FY 2008 may continue to appear for as long as two years.

CDDO Targeted Case Management. Individuals with a developmental disability (DD) have a case manager who works with them and their family. DD Targeted Case Management will assist the individual and their support network to identify, select, obtain, coordinate, and use both paid services and natural supports that are available to enhance the person's independence, integration, and productivity consistent with the person's capabilities and preferences as outlined in the individual's person-centered support plan. Case management includes the following elements: assessment, support planning, support coordination, advocacy and transition planning. Approximately 1,750 children will be served through this program in FY 2009. The estimated cost of these services is $5.3 million.

Attendant Care for Independent Living (ACIL). Services are purchased by Community Supports and Services for children, birth to eighteen years of age, who are dependent on technology to sustain life or who are chronically ill. These children receive in-home health care from registered nurses, licensed practical nurses, or home health aides who are provided by home health agencies licensed by the Department of Health and Environment. These long term medical supports are referred to as Attendant Care for Independent Living. The estimate for FY 2009 is $19.5 million, including $7.8 million from the State General Fund.

Autism Waiver. During the most recent legislative session, the Governor recommended and the Legislature approved a new Home and Community-Based Waiver for young children with autism spectrum disorders (ASD). The Autism Waiver is designed to provide intensive early intervention services to children with ASD. Studies show that early intensive intervention for these children is the most effective method for increasing functional skills, replacing challenging behavior, and improving quality of life. The services funded by the Autism Waiver include respite care to provide relief to primary caregivers, parent support and training, intensive individual supports which will provide the therapy needed to assist the child in acquiring, retaining, improving, and generalization of the self-help, socialization, and adaptive skills needed. Consultative clinical and therapeutic services and family adjustment counseling are also provided. The estimate for FY 2009 is $748,503, including $300,000 from the State General Fund.

Family Support. Family Support Grants provide funding to families to help raise and care for their children who are developmentally disabled and living at home. Some children are over 21 years of age. Services include such support as respite, direct cash payments, in-home attendant care, family training, surrogate parenting, home modifications, and van lifts. The estimated number served in FY 2009 is 1,418 families at a cost of $3.5 million from the State General Fund.

HCBS/DD Waiver Services. The HCBS/DD Waiver provides Medicaid funds for services similar to family support, described above, to individuals who are developmentally disabled who would otherwise be served in more expensive and more restrictive public or private facilities. Since 1992, the HCBS/DD Waiver has served children five through eighteen years of age in addition to adults who are developmentally disabled. For FY 2009, the budget includes $21.3 million to serve 1,111 children on the HCBS/DD Waiver.

Positive Behavior Support. Positive Behavior Support (PBS) assists with designing and implementing successful services strategies for persons with severe behavior challenges. PBS is a set of research-based strategies that are intended to increase quality of life and decrease problem behaviors by designing effective environments and teaching individuals appropriate social and communication skills. PBS is the integration of: valued outcomes;

behavioral and biomedical science; validated procedures; and system changes to enhance an individual's quality of life and reduce problem behaviors. This service is provided to children under the age of 21, who are at risk of out-of-home placement with a developmental disability, a diagnosis of autism, or who have sustained a traumatically inflicted brain injury. These services will be provided to an estimated 41 children at a cost of $255,300 in FY 2009.

Head Injury Rehabilitation Hospitals. Head Injury Rehabilitation Hospitals provide services to individuals with Traumatic Brain Injuries (TBI) who require services at a level of intensity, duration, or frequency that may not be available in the community-based setting. Services must be restorative and rehabilitative, and include behavioral therapy, cognitive therapy, drug and alcohol abuse therapy, independent living skills training, occupational therapy, and physical therapy. The FY 2009 budget includes $116,000 to serve approximately four children.

Child Care Assistance. Child Care Assistance enables low-income families to enter the workforce and retain employment, while providing safe and developmentally appropriate care for children. To be eligible for child care, families must have incomes below 185.0 percent of the federal poverty level and must comply with child support enforcement requirements. Families with incomes above 70.0 percent of the federal poverty level are required to pay a share of the child care cost. Assistance is provided for children up to age 13, and for children with special needs. Child care is provided by centers, licensed providers, registered providers, and unregulated providers, which covers care by relatives and care provided by persons in the child's home. The amount of assistance provided varies by location, family income and size, the number of children in care, the type of child care setting, and hours of care. For FY 2009, the Governor recommends expenditures of $85.1 million to provide assistance to 22,500 families.

Child Care Quality. The majority of child care quality expenditures are devoted to resource and referral services. Resource and referral programs are an important component of the state's child care infrastructure. The core role is to provide information to parents about child care available in their communities and referrals to other programs in response to family needs. Databases on child care programs are also maintained, the supply of child care is increased by providing training and technical assistance to new and existing providers, and child care quality is improved by offering training for family child care providers, center staff, and directors. Because of the lack of affordable care for infants, the department also funds training, technical assistance, and resources specific to infant and toddler caregivers. The department also contracts for literacy activities and assists with the cost of the Kansas Enrichment Network. The budget includes $3.1 million for these activities in FY 2009.

Child Support Enforcement. Congress enacted Title IV-D of the Social Security Act, the Child Support Enforcement (CSE) program, to counteract the increasing tax burden of public assistance programs for children left unsupported by one or both parents, and to improve the lives of children living in poverty. The CSE Program improves the quality of life for children; reduces expenditures for cash assistance, food stamps, foster care, and medical assistance; helps families become independent of public assistance; and whenever possible, returns the responsibility of supporting children to parents.

The program provides a full range of child and medical support services from the establishment of orders of modification and enforcement of those orders. SRS is the designated Title IV-D CSE agency for Kansas. Services are provided in all areas of the state by a number of CSE regional staff and by contracts with one prosecuting attorney, some court trustees, and private sector providers. For FY 2009, $60.1 million is budgeted for CSE activities to serve an estimated 129,444 families.

Community Funding. The Community Services Program funds local collaborative efforts to provide services to children and their families to prevent unnecessary placements of children into foster care. These efforts are primarily directed at children who are safe from abuse and/or neglect by their care givers, but who need preventive services, either because of their own behaviors or the parent's need for support. These could be children with behavioral problems, truants, or children with serious medical or mental health needs. These services are designed to be provided by community providers to prevent SRS

from becoming involved with the family through an abuse/neglect or non-abuse/neglect assessment. This program is funded by Children's Initiatives Funds.

Family Preservation. Family Preservation in-home services are intensive services offered to families who are at imminent risk of having a child removed from their home, unless the family can make the changes necessary to provide adequate care and safety. These services assist the family in identifying and understanding the problems within the family that place a child at risk of out-of-home placement, and assist them in finding ways to change how the family unit functions. This program is funded by a combination of State General Fund, Fee Fund, Children's Initiatives Fund, Title IV-B Federal Grant, Title IV-E Federal entitlement funds, and TANF funds. Title IV-B requires a 25.0 percent state match while the Title IV-E administrative expenses require a 50.0 percent state match. The budget includes $11.4 million in FY 2009 to serve an estimated 2,813 families.

Family Services. Safety and prevention of out-of-home care are the primary goals of Family Services. These services address the stresses that are impairing family functioning, enable parents to be in charge of their children, and build on resources of the family and community. Services may be offered by SRS staff or through referrals to other community agencies. Family Services recognizes the inherent integrity and value of the family. Whether a child is in need of protection or is in conflict with home or community, the use of family-centered services is an effective approach for preserving the family and the family's safe functioning. These services are primarily delivered to the family unit rather than to individual family members. However, individual family members may also receive specific services. Services may be court ordered, recommended by SRS, or requested by the family. These services are funded by a variety of state and federal funding sources. The FY 2009 recommendation is $2.3 million to serve approximately 578 families.

Funeral Assistance. The Funeral Assistance program assists with the funeral expenses of former cash, medical, or food stamp recipients. This assistance is paid directly to funeral homes. The agency estimates expenditures of $88,225 from the State General Fund for the funerals of 131 children.

Grandparents as Caregivers. The Grandparents as Caregivers program is premised on the recognition that raising a grandchild often places additional financial, social, and psychological strain on grandparents with fixed incomes. The program's purpose is to encourage families to remain together for the long-term success of the grandparents and children for whom they care. A grandparent is eligible for financial assistance if he or she is at least 50 years old, has custody of a grandchild through state placement, legal guardianship or other legal means, and has an annual income below 130.0 percent of the federal poverty level. Other close relatives who are the legal guardian or who have legal custody of the child may be eligible if they meet the program criteria. The FY 2009 budget for this program is $1.6 million from the State General Fund.

Independent Living. Youth ages fifteen and over in out-of-home placement, are provided life skills services by the Child Welfare Community-Based Service providers. Providers assist youth to prepare for adulthood and self-sufficiency by providing an array of services and supports including daily living skills; housing, transportation and community resources; money management; self-care; social development; and work and study skills. Young people between the ages of 15 and 23, who are no longer in out-of-home placement, may also be eligible for services and supports to help them make the transition to self-sufficiency. These services are provided by the local SRS offices to all youth who are eligible for Chafee or Education and Training Voucher funding, and were in SRS, JJA, or tribal custody. Financial assistance is also available to eligible youth for postsecondary education, certified training programs, and monthly independent living subsidy. For FY 2009, the budget includes $2.5 million to serve 1,010 children.

Kansas Coalition on Sexual & Domestic Violence Grant. The Kansas Coalition on Sexual and Domestic Violence (KCSDV) developed a training course that illustrates the implications of domestic violence on Child Protective Services efforts when battered women and children are involved. Social workers who participate in this training will be able to offer appropriate interventions to the entire family when domestic violence is indicated in the investigation, and develop family-centered plans that capitalize upon the strengths of the protective parent, including safety plans to help family members remain safe and free

from abuse. KCSDV has provided funding for one training position in Children and Family Services Central Office.

Kansas Early Head Start. The Kansas Early Head Start program provides early intervention to enhance children's development during their formative years, enables parents to be better caretakers and teachers to their children, and helps parents meet their own goals, including economic independence. Comprehensive services available to program participants include weekly home visits, physical and mental health education, nutrition education, social services, parental involvement and education, services for children with disabilities, job seeking and retention support, and child care for parents who are working or are in school. For FY 2009, the Governor recommends $11.3 million, including $1.9 million from the State General Fund, to serve 1,177 children.

Low Income Energy Assistance. The Low Income Energy Assistance program provides a one-time annual benefit to low income households to be used for energy bills and to avoid the shutoff of utility services during the winter. To qualify for energy assistance, households must have incomes below 130.0 percent of the federal poverty level, must have made recent payments on their energy bills, and must pay directly for heating costs or must pay rent which includes utility costs. Assistance levels vary depending on household income, the type of dwelling, the number of household members, and energy type. Payments are sent directly to the utility or fuel provider, and the payments are credited to the household's bill.

MH-PAHP. Beginning on July 1, 2007, Mental Health Administration is assisted with its purchasing of Medicaid funded community mental health services through a managed care contract with Kansas Health Solutions (KHS). KHS contracts with a variety of community mental health providers that include community mental health centers and other private mental health practitioners. KHS is responsible to ensure persons with mental illness, who are Medicaid eligible, receive a comprehensive array of timely, quality, accessible, and effective mental health services in all areas of the state. The FY 2009 budget includes $41.1 million to serve 145,622 children. Prior to implementation of the PAHP, services were provided to children through the MH Behavioral Management Program, the CMHC Certified Match Program, and the MH Private Psychiatrist and Psychologist Fee for Service Program.

MH-Family Centered System of Care. This program continues the KanFocus project model and will focus on collaboration, be family focused and community-based, and be culturally competent. A broad range of stakeholders in a community will collaborate to leverage needed services for children. The budget includes $5.0 million from the Children's Initiatives Fund to serve 8,350 families.

MH-PRTF. A Psychiatric Residential Treatment Facility (PRTF) provides comprehensive mental health treatment to children and adolescents who, due to mental illness, substance abuse, or severe emotional disturbance, are in need of treatment that can most effectively be provided in a psychiatric residential treatment facility. All other ambulatory care resources available in the community have been identified, and if not accessed, determined to not meet the immediate treatment needs of the youth. PRTF programs are designed to offer a short term, intense, focused treatment program to promote a successful return of the child or adolescent to the community. Specific outcomes of the mental health services include the resident returning to the family or to another less restrictive community living situation as soon as clinically possible and when treatment in a PRTF is no longer medically necessary. The residential treatment facility is expected to work actively with the family, other agencies, and the community to offer strengths-based, culturally competent, medically appropriate treatment designed to meet the individual needs of the resident including those residents identified with emotional and behavioral issues. The FY 2009 budget estimate is $29.0 million, including $11.5 million from the State General Fund, to provide services for 343 children.

Mental Health Grants & State Aid. Mental Health Grants are awarded to local community mental health centers used to implement programs and services that assist children and youth with serious emotional disturbances and their families. The services provided will help them to control symptoms by providing treatment in the least restrictive and most normal setting; develop skills to enhance independent functioning; acquire resources to assist the client or family in directing their own lives; and advocate with

the family unit as they set their own goals to develop their strengths and supports while increasing community integration.

Permanent Custodianship. Permanent Custodianship is a viable permanency option for children in Kansas, and is explored when there are compelling reasons why reintegration and adoption are not the preferred permanency options for the child due to age, strong family bonds, or cultural traditions. When custodianship is established for the youth, a subsidy may be provided to assist these families who are willing to assume the responsibility of establishing a permanent home for older children and their siblings. Once eligibility is determined and an agreement is in place, the subsidy can continue until the child reaches eighteen years of age or longer, while the child completes his or her high school education. The Governor recommends $430,000 in FY 2009 to serve 138 children.

Children's Cabinet. The Children's Cabinet administers the CIF Accountability funds, the Quality Initiative for Infants, the Early Childhood Initiatives Grant, the Community Based Child Abuse Prevention funding, and Smart Start Kansas. The Children's Cabinet also began the CIF Pre-K Pilot Program in FY 2007 and will continue to administer the program in FY 2008. However, the Governor recommends that the program be moved to the Department of Education in FY 2009.

The Pre-K Pilot Program will evaluate a high quality learning experience for children in the year prior to entering kindergarten. The pilots are located in Barber, Comanche, Crawford, Douglas, Ford, Geary, Johnson, Kingman, Kiowa, Reno, Riley, Sedgwick, Shawnee and Wyandotte/Leavenworth counties. Approximately 1,006 children will be served annually. The pilots will be implemented in a mix of school and community-based early childhood programs that meet the nationally recognized program standards for quality. At least 50.0 percent of spaces in the Pre-K Pilots will be in community-based programs. An evaluation is being conducted to determine the impact of the Pre-K Pilots on children's readiness for success in school.

The Quality Initiative for Infants and Toddlers funding will increase access and improve quality of care for young children. The initiative will increase the number of local Infant/Toddler Specialists that provide services to regulated child care providers who care for children under age three.

The Cabinet was awarded a $50,000 two-year Early Childhood Initiatives Grant from the National Alliance of Children's Trust Funds to implement a family strengthening approach to reducing child abuse and neglect. The Cabinet is partnering with the Kansas Association of Child Care Resource and Referral agencies to implement this grant.

Community Based Child Abuse Prevention funds are used for programs designed for the primary prevention of child abuse and neglect. Funds for this program are also distributed to community partnerships. Approximately 16 grants are supporting establishment of child abuse prevention services in communities.

The goal of Smart Start Kansas is to help children enter school ready to succeed. It is a framework or model for community planning and decision-making. Smart Start allows flexibility to meet local needs, yet provides structure by requiring implementation of core services proven effective by research. The program's core services are family support services, including the availability of high quality, affordable early learning experiences for families who need or choose them and health services for children. Smart Start Kansas serves as a pilot to test the success of local decision-making and accountability for results. Currently, the 17 Smart Start Kansas sites serve 47 counties in Kansas. In addition, Smart Start funds expended for family support activities are used to match federal Community Based Child Abuse Prevention funds. All together, these grantees impacted 25,675 children.

Rehabilitation Services. Rehabilitation Services helps secondary students with severe disabilities prepare for employment through the Vocational Rehabilitation Program. Without these services, research has demonstrated that most special education students leaving high school will not acquire appropriate employment, and many of the functional abilities gained through special education would be lost. The budget includes $2.7 million to serve 2,321 children in FY 2009.

Reintegration/Foster Care & Family Preservation Services—Out-Of-Home. On March 1, 1997, private contract agencies, Child Welfare Community-Based

Service (CWCBS) providers, assumed responsibility for Reintegration/Foster Care services under the supervision of SRS staff. Services provided include case planning, placement, service delivery, and collaboration with communities. Providers help to assure children receive appropriate services in close proximity to their home.

The SRS social worker assigned to the child's case is responsible for monitoring service delivery to achieve established outcomes. Reintegration services are provided to children and families when the court has found the child to be a "Child in Need of Care" and requiring out-of-home placement to meet their safety needs. Most children who require out-of-home placement have been abused or neglected, and have significant developmental, physical, and emotional needs that require a wide and extensive array of service and care options.

The preferred placement for children is with relatives or with a person with whom the family or child has a close personal relationship, as this allows the child to continue connection with persons important to them. When no relatives are available, family foster homes are the next placement option. When possible, children are placed in settings which allow them to continue to attend the same school they attended prior to out-of-home placement. Siblings are also placed together whenever possible unless other circumstances dictate. Some children will require more structured treatment-oriented settings in group homes, residential centers, or Medicaid-funded inpatient psychiatric facilities. The recommendation for FY 2009 is $165.0 million, including $115.6 million from the State General Fund.

Systems of Care Grant. The Family Centered Systems of Care Grant is a five-year demonstration grant to improve child welfare outcomes by focusing on child and family involvement in developing the plan of care by focusing on strengths of the family. There are statewide and local steering committees as well as family advisory councils. In addition to promoting the principles statewide, work is being done with two pilot communities, Cherokee and Reno Counties. The pilot communities, based upon community assessment results, have focused community collaboration efforts on the development of services to prevent out-of-home placements. This federal grant will end September 30, 2008.

Temporary Assistance for Families. The Temporary Assistance for Families Program provides cash assistance for basic needs such as clothing, housing, utilities, and transportation, to severely low-income families while they strive to become self-sufficient. To qualify for assistance, families must have very few assets and little or no income. Almost all families with an adult must participate in work activities and seek employment. Employment assistance services include unsubsidized and subsidized employment, work experience, on-the-job training, job search and job readiness assistance, community service, vocational educational training, job skills training, and education related to employment. Adults receiving cash assistance also receive help to address problems around child care, alcohol or drug abuse, domestic violence, as well as other factors that affect family stability. The Governor recommends $49.0 million in FY 2009 to serve 33,595 families.

Kansas Early Childhood Block Grant. The Governor recommends that new additional tobacco settlement funds be earmarked for early childhood programs. The centerpiece of her early childhood initiative is this new block grant. In FY 2008, $5.0 million and in FY 2009 $18.0 million will be spent on this new program. The funding will be transferred to the new Early Childhood Block Grant (ECBG), which will be administered by the Children's Cabinet. The funds will be used for grants to school districts, child care centers and homes, Early Head Start sites, Head Start sites, and community-based programs that provide research-based child development services for at-risk infants, toddlers and their families, and preschool for three- and four-year-olds.

The grant process will be driven by accountability measures and research-based programming, as well as a focus on at-risk children and underserved areas. Thirty percent of all block grant funds will be set aside for infant and toddler programs. The Children's Cabinet will work to leverage block grant funds to draw down private investment to expand the state's network of quality early learning opportunities for all children ages birth to five. While new money for early childhood programs will be directed to the ECBG, the Governor supports a system-wide review of all programs financed by the Children's Initiatives Fund to ensure that monies are allocated efficiently and effectively, with strong coordination in all programs and agencies.

Larned State Hospital

Children's Services. Larned State Hospital provides mental health services to children and adolescents who require full-time inpatient treatment and/or extended inpatient evaluation. These individuals range in age from five to 18 years old. Each child has an individualized treatment program, and regular and special education services are provided to all children and adolescents in the psychiatric programs. For FY 2009, the Governor recommends $2,741,512, of which $2,217,471 is from the State General Fund, for these services.

Parsons State Hospital & Training Center

School-Age Children's Services. Parsons State Hospital estimates it will provide services to 16 children with developmental disabilities in FY 2009. For these services, the Governor recommends funding of $1,997,067. Of this amount, $779,213 is from the State General Fund and the balance is financed from federal Medicaid monies and charges collected from the children's families.

Special Purpose School. Special education services are provided to school-aged residents of Parsons State Hospital through a contract with the Southeast Kansas Regional Educational Service Center (USD 609). For FY 2009, the Governor recommends $395,151, of which $180,000 is from the State General Fund for education services for 15 residents.

Day Care Operation. Reduced-cost child day care is available at Parsons State Hospital to state employees in the Parsons area. A nonprofit corporation operates the child care services in a state-owned building, with utilities and maintenance provided by the state. The Hospital will contribute $16,000 to defray operating costs in FY 2009. Of this amount, $6,400 is from the State General Fund. The facility expects to serve 346 children in FY 2009.

Kansas Health Policy Authority

Children's Health Insurance. The Medicaid Regular Medical Program will provide for the health needs of approximately 160,000 children in Kansas in FY 2009. The cost of these services will total $669.6 million, including $253.6 million from the State General Fund. The State Children's Health Insurance Program (SCHIP) will serve approximately 40,000 children who are not Medicaid eligible. The Governor recommends $69.6 million for SCHIP in FY 2009. The State General Fund portion of that recommendation is $19.8 million.

Health & Environment—Health

Mothers & Children Health Program. Prevention of infant mortality, child abuse, and child neglect are the goals of this program which will serve approximately 78,300 children during FY 2009. The program supports nurses and supervised lay visitors in providing early identification of high-risk expectant families and families with newborns. Infants, preschoolers, and school-aged children receive well-child checkups, immunizations, physical examinations, hearing and vision screenings, and referrals to private physicians to reduce the incidence of infant mortality. A total of $3.9 million, including $1.9 million from the State General Fund, and $250,000 from the Children's Initiatives Fund is recommended by the Governor for FY 2009.

School Health. The goal of this program is to provide funding for collaboration between school nurses and public health nurses to assure screening, community referral systems, and follow-up services for school-aged children. The Governor recommends funding of $176,744, including $58,961 from the State General Fund in FY 2009 to provide a variety of health services to approximately 2,400 youth through school-linked clinics, residential maternity homes, and teen pregnancy prevention projects.

Teen Pregnancy Prevention & Black Infant Mortality. The goals of these programs are to reduce long-term welfare dependency and the negative consequences of teen pregnancy. Local projects provide case management and health education services to youth with an emphasis on improving health outcomes. The Governor recommends total funding of $817,364, including $587,029 from the State General Fund in FY 2009 to serve approximately 19,600 youth and their parents.

Abstinence Education. The Governor recommends federal funding of $202,348 in FY 2009 in order to

reduce out-of-wedlock births and reduce the teen pregnancy rate. Five local agencies utilize abstinence only curricula to reach approximately 10,400 adolescent children.

Expanded Newborn Screening. Total expenditures of $2.5 million from the Children's Initiatives Fund recommended by the Governor in FY 2009 will provide the funding necessary for the Division to implement the state's commitment to increase the number and type of newborn screenings that identify metabolic disorders in newborns. The expansion from four to 29 screenings performed is detailed in 2007 SB 11, and is the result of an extensive effort by the Governor, KDHE staff, legislators, parents, and health advocates to allow for the early identification of metabolic disorders for which treatments are available. Early diagnosis and treatment can prevent serious disabilities and health problems. Included in the $2.5 million amount for expanded newborn screening is $208,000 from the Children's Initiatives Fund for the Children with Special Needs Program that provides specialized formula and treatment products for children with metabolic disorders.

Newborn Hearing Aid Loaner Program. The goal of this program is to help provide small children with temporary hearing assistance devices until they receive their permanent devices. The program will serve 50 children in FY 2009 with funding of $50,000 from the Children's Initiatives Fund.

Children with Special Health Care Needs. The Governor recommends funding of $2.7 million, including $703,129 from the State General Fund in FY 2009 to serve 11,000 children and youth. The program provides nursing case management services to help families obtain appropriate medical specialty services, medications, durable medical equipment, and financial assistance for their children with disabling medical conditions or chronic diseases. The program operates a toll-free number so that information for families is easily accessible.

Women Infants & Children (WIC) Nutrition Services. Expenditures of $44.5 million, including $22,425 from the State General Fund are recommended by the Governor for FY 2009. The program establishes WIC Farmer's Markets and offers nutrition screening, counseling, education, food supplements for approximately 105,000 women and children. Of the total funding, $120,000 provides peer support and counseling for breastfeeding women.

Infants & Toddlers. The Governor recommends FY 2009 expenditures of $8.6 million, including $3.5 million from the State General Fund, $1.2 million from the Children's Initiatives Fund, and federal funding to 36 local networks that provide services for infants and toddlers from birth to age two who have development delays. Approximately 6,700 infants and toddlers will be served by the program during FY 2009.

Child Care Licensing. The Division of Health licenses or registers all types of child care facilities, including day care, residential care, preschools, and child placement agencies. The objectives of the program is to increase and ensure safe, healthy, and appropriate care opportunities for children placed in out-of-home care. The Governor's recommended funding for FY 2009 totals $5,138,817, including $1,602,698 from the State General Fund and will regulate facilities for 144,300 children.

Child Lead Poisoning Prevention. The program seeks to increase public awareness and education about lead poisoning prevention and to maintain a statewide infrastructure for childhood lead poisoning case management and reporting. The Governor recommends federal funding of $751,500 for FY 2009 that will benefit 65,000 children.

Community-Based Primary Care Grants. The Division of Health, through this aid program, supports primary care clinics that provide family-oriented services to the medically underserved. The Governor recommends State General Fund financing of $1.4 million to provide preventive, acute, and chronic care services to 66,000 families in FY 2009.

Migrant & Refugee Health Assessment. Primary care services are provided to seasonal farm workers, refugees, and their families. Federal funding of $180,000 will provide preventive, acute, and chronic care services to 1,505 families in FY 2009.

Immunizations. The goal of this program is to halt the spread of preventable diseases. The Division of Health provides the Diphtheria-Tetanus-Pertussis (DPT), Inactivated Polio, and Measles-Mumps-Rubella (MMR) vaccines as well as other vaccines to

local health departments for the immunization of infants, children, and adolescents. The Governor recommends expenditures of $1,159,598, including $869,598 from the State General Fund that will serve 446,752 children in FY 2009.

Department of Labor

Child Labor Enforcement & Presentations. The Department of Labor has two basic functions that benefit children. First, the Department reviews Workers Compensation accident reports concerning minors and referral of potential child labor violations to United States Department of Labor and investigation of complaints of possible child labor violations. Second, presentations are made to employers and other groups regarding the type of work minors are allowed to perform, the hours that are permissible, and other information relating to employment of minors. The Department expects to serve 910 individuals through these programs in FY 2009 at a cost of $2,350 from the State General Fund.

Education

By far the largest expenditures for children's programs occur in the Education function. They total $3.8 billion, or 71.6 percent, of the recommended expenditures for children's programs for FY 2009. The recommendations include major expenditures of $3.0 billion for operating aid to school districts. The Education function also includes funding for the state's Schools for the Blind and Deaf. In addition, funding is recommended for programs conducted by the Regents institutions, the Arts Commission, the Historical Society, and the State Library.

Department of Education

Operating Aid to USDs. The state provides aid to more than 469,000 children in the state's 296 unified school districts for basic operating aid, the employers' contribution to the retirement program for teachers and other staff, additional funding for districts that provide education services at county juvenile detention facilities, and equalization aid for districts with a local option budget. These state aid programs total $3.0 billion in FY 2009. Federal aid totaling $144.0 million also is distributed to districts by the Department of Education to support various programs, including educational services to low-income, migrant, homeless and other at-risk students, improved mathematics, science and reading instruction, enhanced library services and instructional media materials, and integrated technology training.

Pre-K Pilot. The Governor recommends $6.2 million from the Children's Initiatives Fund for a pre-kindergarten program to prepare four-year-olds for success in school. This program was previously in the budget of the Department of Social and Rehabilitation Services. All classrooms in the pilot will be required to meet teacher qualification requirements, implement a research-based curriculum, maintain low teacher-child rations, complete at least 15 hours of teacher training annually, and provide referrals to additional community services for families that need them. The pilot will be implemented in a mix of school and community based early childhood programs.

Capital Improvement Aid. Voter-approved general obligation bonds are used by school districts for construction, remodeling, and major equipment purchases. The payback of these bonds is partially paid by this state aid program, totaling $74.5 million in FY 2009. The portion of each bond's debt service paid by the state varies among districts, but is based on the property wealth (assessed valuation per pupil) of each district. This variation among districts enables school districts with lower valuation levels to provide educational facilities of comparable quality to those in wealthier districts. This particular state aid program has been changed from a demand transfer to a revenue transfer and is no longer shown as an expenditure from the State General Fund.

Capital Outlay Aid. This program was created by the 2005 Legislature to provide more equity in capital outlay levies to comply with the Supreme Court order to increase state aid to school districts. These funds, totaling $22.4 million in FY 2009, are used for such things as the purchase of equipment, school buses, and remodeling, construction, and major repairs to buildings.

Nutrition Services. The U.S. Department of Agriculture administers several nutrition programs in

which federal funds totaling $133.1 million in FY 2009 will be 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 523,000 people and provides a $2.5 million match for the available federal funds.

Special Education Services. The state distributes $397.2 million in aid for special education services to school districts to help pay the transportation and other costs associated with educating 80,597 students with special needs and students identified as gifted. Federal funding to assist with the costs of these special education services is estimated at $98.5 million in FY 2009.

Vocational Education. In FY 2009, approximately $5.3 million will be distributed by the Department of Education to Kansas schools in order to integrate academic, technical, and workplace skills. Another $148,000 in state and federal funds will be expended to support career and technical student organizations.

Parent Education. Kansas follows the "Parents as Teachers" model to provide expectant parents and parents of infants and toddlers with advice, resource materials, parenting skills, a positive approach to discipline, and other skills to ensure children are ready for school. Funds totaling $7.5 million from the Children's Initiatives Fund are recommended for FY 2009 to serve 19,000 children and their families.

Other Aid to Schools. Schools are provided a combined $4.8 million from various sources to support safety education, drug abuse education, and other special programs for FY 2009.

School for the Blind

For FY 2009, the Governor recommends $6,298,615, including $5,733,065 from the State General Fund, for the Kansas School for the Blind. The enrollment at the Kansas City campus during the regular school year and summer term is estimated to be 175 students in FY 2009. The School expects to serve an additional 235 students through its statewide outreach program and provide approximately 880 students with books, instructional material, and specialized technology. The School's 93.50 FTE positions provide various services, including educational, residential, outreach and health care for children with visual and other impairments until the age of 21. Students residing in the dormitory receive additional hours of instruction related to academics and special needs in order to develop into independent adults. The School expects to have 75.0 percent of its graduates enrolled in a post-secondary or vocational-technical education program. Also in the School's budget is funding for the Accessible Arts, which provides technical assistance to enhance the arts for vision-impaired students.

School for the Deaf

The Kansas School for the Deaf serves 356 hearing impaired students in the state who receive assistance in educational, residential, and outreach services. The School provides early intervention assistance to promote communication skills and auditory training units that are leased to school districts statewide. The Governor recommends $10,010,910 from all funding sources, including $9,403,169 from the State General Fund, for operating expenditures and capital improvements in FY 2009. The School for the Deaf is staffed by 173.50 FTE positions. The School expects 75.0 percent of its students to improve their math and reading scores and from the previous year.

Emporia State University

Center for Early Childhood Education. The Center for Early Childhood Education provides care for children of Emporia State University students, faculty, staff, and the community members. The licensed capacity of the Center is 86 children; however, with part-time enrollments, it serves 157 children between the ages of 12 months and ten years. The Governor recommends expenditures of $302,000 in both FY 2008 and FY 2009 from federal and fee funds.

Reading Related Services. These services provide reading and science instruction related services to 508 school-age children, ages six through eight. Pre-service teachers provide individual and small group lessons. Practicum students also test, diagnose, and

remediate children with reading problems. This program is funded through the State General Fund. Expenditures are expected to be $25,069 in FY 2008 and $25,677 in FY 2009.

Expanding Your Horizons Conference. This one-day conference is held each year in the spring and brings 270 girls in grades six through eight and their parents and teachers to the Emporia State University Campus. Goals of the conference include: increasing girls' interest in science and mathematics; fostering awareness of career opportunities for women in mathematics and science related fields; and providing girls with the opportunity to meet and form personal contacts with successful women. Expenditures in both FY 2008 and FY 2009 are expected to be $12,854, including $6,704 from the State General Fund. Participants contribute approximately $4,550 in registration fees.

Sonia Kovalesky Mathematics Day. This one-day conference, named for a famous 19th-century mathematician, is designed to honor and encourage 75 high school women in their junior year to continue in their math studies. Funding for this program is provided through a $1,500 corporate grant.

Master It. The Mathematics and Science to Explore Careers—Investigating Together (Master It) is a program for 24 young women that consists of a one-week summer residential program at Emporia State University. Participants live in a residence hall chaperoned by college women and have the opportunity to interact with University faculty, women professionals, and other participants. The Governor recommends expenditures for both FY 2008 and FY 2009 of $26,707, including $22,707 from the State General Fund. The funding also includes registration fees of $4,000.

America Reads\Counts Program. America Reads\Counts Program provides reading and mathematical tutorial help for children in nine of the local public and private schools in Emporia. The program uses college students in the University's Teacher Education Program as tutors. Last year, 18 University students provided tutorial help in math and reading for 259 children. Expenditures are expected to be $26,492 in FY 2008 and $26,500 in FY 2009, all from special revenue funds paid as stipends to the tutors.

Fort Hays State University

Herndon Clinic. The Herndon Speech, Language, Hearing Clinic provides comprehensive diagnostics and treatment to 485 children of Western Kansas. It is administered by Fort Hays State University personnel in local offices throughout the community. Expenditures are expected to be $266,309, including $257,765 from the State General Fund, in both FY 2008 and FY 2009.

Tiger Tots Nurtury Center. The Fort Hays State University's Tiger Tots Nurtury Center provides child care and pre-school for 24 children of students and staff. The Governor recommends expenditures of $93,291 in both FY 2008 and FY 2009 from special revenue funds.

Kansas State University

Hoeflin Stone House Child Care Center. Stone House provides full-day, full-year, early education for three groups of children: infants and toddlers, aged six weeks through three years; toddlers, ranging from 15 to 30 months of age; and preschoolers, aged two and a half to five years. The program serves a total of 30 children. Only children eligible for Early Head Start services are enrolled in the infant-toddler program. The Governor recommends expenditures of $293,241, including $106,611 from the State General Fund, in both FY 2008 and FY 2009.

Early Childhood Laboratory. Operated in collaboration with the public school system, the Early Childhood Laboratory is located in the Hoeflin House Child Care Center. A total of 44 children participate in four part-day preschool classrooms for a portion of the year. The program integrates children who have identified developmental delays and disabilities with children who are typically developing. The University sponsors the child care programs for the education of teachers, the observation and interpretation of human growth and development, and research in a natural setting for faculty and students. Expenditures for the laboratory are expected to be $96,784, including $49,555 from the State General Fund, for both FY 2008 and FY 2009.

Family Center. Since 1972, the Family Center has provided applied educational training to students and

family-related educational programs, counseling, and consultation services to the community. Students under faculty supervision offer marriage and family therapy and family life education. Several projects are designed to address topics such as the placement of minority children in foster care, mediation for divorce, and therapy for juvenile sex offenders. These services will be used by 375 families at a cost of $309,000, including $200,878 from the State General Fund, in both FY 2008 and FY 2009.

Dispute Resolution Training. The Kansas State University's School of Family Studies and Human Services provides a Mediation/Dispute Resolution in Families curriculum and skills training for the state's Department of Social and Rehabilitation Services staff. The program is expected to indirectly serve 1,000 families at a cost of $661,500 from special revenue.

Kansas Child Care Training. This statewide organization was established to offer training opportunities for 16,390 child care personnel in licensed or registered child care facilities. The Governor recommends $73,050, including $17,213 from the State General Fund, for this training in both FY 2008 and FY 2009.

USD 383 Manhattan-Ogden Public Schools Program. This program provides teachers and staff to work with developmentally delayed children enrolled in the Early Childhood Laboratory programs at Kansas State University. Approximately 20 children will be served at a cost of $19,850 from special revenue.

Speech & Hearing Center. The Center serves children with speech, language, and hearing problems from birth to adulthood. Services include evaluation and intervention for children with conditions resulting from communication disorders such as cleft palate, cerebral palsy, autism, or deafness. The Center will serve 265 children and the Governor recommends $319,725, including $209,611 from the State General Fund, for both FY 2008 and FY 2009.

After School Child Care at Grade Schools. The kindergarten child care program is located at Roosevelt Elementary School in Manhattan, Kansas. The program, operating before or after each kindergarten session, provides a developmentally appropriate, comprehensive early care and education service for 30 children in part-day kindergarten. The after-school program for elementary-aged children operates from 3:30 to 5:30 and serves 32 children. The cost of the After School Child Care is $67,630, including $9,597 from the State General Fund, in both FY 2008 and FY 2009.

Infant Program. Through a contract with Early Head Start, childcare is provided for eight infants and toddlers ages six weeks to three years. In addition to providing high quality full-day care to eligible children, the program provides laboratory experience for undergraduate and graduate students. The Governor recommends $55,000, including $6,318 from the State General Fund, for both FY 2008 and FY 2009.

Kansas State University—ESARP

4-H Program. The 4-H Program focuses on the development of five life skills for children: a positive self-concept, an inquiring mind, a concern for the community, healthy interpersonal relationships, and sound decision-making skills by creating nearly 1,000 ongoing program sites across the state. The multi-faceted program serves approximately 145,000 children. The Governor recommends for both FY 2008 and FY 2009, $898,906 including $742,846 from the State General Fund.

Youth Leadership & Community Involvement Initiative. In partnership with the Kansas 4-H Foundation, this initiative establishes older youth leadership training. Participants master small and large group facilitation skills, the intricacies of public policy development through democratic government, valuing diversity, and how to serve on public boards and in communities as advocates for youth perspective. Approximately 40,000 young people are involved in this training annually. The Governor recommends for both FY 2008 and FY 2009 $244,494, including $98,838 from the State General Fund.

Army Youth & Teen Center Technical Assistance. This is part of a U.S. Army initiative to establish 4-H clubs on army posts. Technical assistance provided by Kansas State University staff includes development of army personnel and management strategies for youth centers that go beyond recreation to support social skills, and workforce development. Staff also provides and supports curriculum for army sites as well as

establishment of computer lab homework and learning facilities at each youth center. The program serves 3,000 children at an annual cost of $41,616, including $20,808 from the State General Fund.

Community Youth Development & Training. The University's Extension Service provides opportunities for teen leaders, organizational leaders, and others from non-affiliated community youth development groups to increase their individual and organizational skills. Many communities have local youth organizations that lack affiliation with larger youth organizations. Kansas State University Extension Systems holds a unique position with expertise in paid and volunteer staff development, experiential learning curricula, leadership, and establishing effective adult-youth partnership as well as management skills to establish and maintain youth groups. The expected cost for in initiative is $109,970, including $28,091 from the State General Fund, for both FY 2008 and FY 2009.

Learning and Social Readiness. In partnership with other organizations, the university students provide activities and learning experiences. Activities include reading to pre-school children each week and demonstrating science experiments to children in a variety of settings. Approximately 800 children participate in activities throughout the year. The program is expected to cost $41,616, including $13,005 from the State General Fund in both FY 2008 and FY 2009.

Improve Parenting Skills & Family Relationships. KSU-ESARP is committed to developing and delivering educational programs that contribute to effective parenting and successful family relationships. It provides programs throughout the state on Basic Living Skills, Families and Divorce, Stepping Stones for Stepfamilies, Parent's University, and Family Financial Management. It is estimated that these programs reach 100,000 families each year. The Governor recommends $1,581,408, including $1,014,390 from the State General Fund in both FY 2008 and FY 2009.

Promote Healthier & Safer Lives—Nutrition. This program reaches 250,000 families annually and provides nutrition and wellness information to young, low-income parents and their children through the Expanded Food and Nutrition Education Program and the Family Nutrition Program. Classes are offered across the state at cooperating agency locations and in-home visits. Instruction is available on budgeting of food dollars, healthy food choices and preparation, food safety skills, and how to establish positive meal times and diet attitudes within the family. The Governor recommends $3,641,400, including $473,382 from the State General Fund in both FY 2008 and FY 2009.

Health Education. This community initiative bridges all aspects of the University's Family Studies and Human Services Department and 4-H Youth Development to provide 10,000 families with the education and skills to lead mentally and physically healthy lives. The program cost $208,080 in both FY 2008 and FY 2009 from special revenue.

Build Strong Healthy Communities. The Family and Consumer Sciences Department works to expand peoples' capacity to address many problems that communities face today. Education to improve leadership skills help adults and youth effectively address public issues and take action to improve themselves, their organizations, and their communities. An example of this is the development, promotion, and use of walking trails. Approximately 10,000 families participate in the Communities program. The Governor recommends $770,936, including $457,776 from the State General Fund in both FY 2008 and FY 2009.

Pittsburg State University

Pre-School Lab. This is a learning laboratory for children three and a half to five years old. It serves as a training facility for students majoring in Early Childhood Development and Early Childhood Education. The pre-school laboratory provides opportunities to interact with young children under the guidance of skilled instructors. The Governor recommends $23,000 from special revenue funds for this lab in both FY 2008 and FY 2009 to serve 35 children each year.

Kansas Council on Fitness. Third graders from the surrounding counties participate in activities designed to promote and encourage fitness and healthy lifestyle activities. Each student receives information on nutrition, exercise habits, drug, alcohol, and tobacco.

The program will serve 17,950 children in FY 2008 at a cost of $24,500 and 18,000 children in FY 2009 at a cost of $25,500. Funding is from special revenue funds.

YES Program. This program serves 744 children annually by university students providing tutorial assistance, mentoring, and acting as classroom aides. The program focuses on at-risk or disadvantaged students, primarily at the elementary and secondary level. Expenditures are expected to be $39,623, including $18,294 from the State General Fund, in both FY 2008 and FY 2009.

America Reads Challenge. America Reads Challenge provides reading tutorial help from college students for 496 children in area public and private schools and is funded through the federal work-study program. The goal is to have all children read well and independently by the end of third grade. The program uses college students as tutors. Expenditures are expected to be $26,415, including $3,585 from the State General Fund, in both FY 2008 and FY 2009.

Science Day. The Physics, Biology, and Chemistry Departments at Pittsburg State University sponsor a secondary student competition in science to promote awareness of physical concepts. Approximately 710 students will demonstrate their knowledge. In addition to traditional test, students compete in a variety of events that require hands-on science. For example, student will put physics principles to work in the Paper Tower, Mousetrap Car, and a variety of competitions. The Governor recommends $1,228 from special revenue funds in both FY 2008 and FY 2009.

Career Exploration. A total of approximately 1,109 secondary students are expected to participate in Technology Days, Nursing Career Day, and Annual Opportunities in the Business Profession, which introduces them to opportunities in these areas. The program is expected to cost $8,872 from special revenue funds in both FY 2008 and FY 2009.

Curriculum & Instruction. An estimated 400 young authors, in grades one through six, and many of their parents are expected to attend the Young Authors Conference sponsored by the Department of Curriculum and Instruction at Pittsburg State University. The students, who have all written and illustrated their own books, will have the opportunity to meet nationally known children's book authors and illustrators. Their parents will hear from literacy specialists. The cost of this program is $10,000 from special revenue funds in both FY 2008 and FY 2009.

University of Kansas

Hilltop Child Development Center. The Hilltop Child Development Center's mission is to provide quality child care services to the University community. In addition to providing child care to 260 children, Hilltop provides on-the-job training to 50 to 60 students each semester. Students earn course credit by volunteering or observing at the Center. University faculty and students conducting research involving young children often use Hilltop as a study site. The Governor recommends expenditures of $1,464,978, including $1,768 from the State General Fund for FY 2008 and $1,577,700, including $1,768 from the State General Fund for FY 2009.

Edna A. Hill Child Development Center. This Child Development Center serves approximately 75 children, ages two weeks to six years. All programs are full-day and serve children with disabilities, risk for developmental delays, and normally developing children in the same classroom. Children's classrooms serve as research and teacher training sites, and contribute to high quality education for both university students and young children. The University of Kansas states that the Center has successfully attained a national and international reputation for its research and approach to early childhood educational and teacher training. Expenditures are expected to be $365,000 in both FY 2008 and FY 2009 from special revenue funds.

KU Center on Developmental Disabilities—Services for Children with Special Care Needs—Telehealth Program. The Telehealth Program is designed to link telemedicine services of the University of Kansas Medical Center to rural areas to meet specific needs that are difficult to meet locally. Specifically, this program is designed to provide diagnosis and consultation regarding autism and challenging or aberrant behavior of young children. The cost of this program is expected to be $18,500 from special revenue funds in both FY 2008 and FY 2009. It serves approximately ten children annually.

Assistive Technology for Kansans. The Assistive Technology for Kansans program is designed to provide a variety of programs and services to children and families in Kansas, focusing on the utilization of assistive technology. Assistive technology is any device that can be used to increase the independence or productivity of a person with a disability or chronic health condition. The program has five regional access sites in Kansas that provide demonstrations of the devices. The sites loan devices to those that need them, put refurbished durable medical equipment into use, and provide assistance in identifying public and private funding resources. The program serves 425 families. The Governor recommends expenditures of $150,000 in both FY 2008 and FY 2009 from special revenue funds.

Respite Care for Families. The mission of the program is to give individuals and their families' access to respite services and support. Services are provided in the person's home or community, and give care providers of persons with disabilities or aging a break from the challenging task of caring for loved ones. The program serves approximately 100 families. The cost of the program is $60,000 in both FY 2008 and FY 2009 from special revenue.

University of Kansas Medical Center

Center for Child Health. The Center evaluates and identifies a syndrome or delay in a child's behavior or physical ability. The Center also works with students from outside the University to teach them the signs of various syndromes and the potential treatments. Approximately 1,041 children are evaluated annually. The Governor recommends $14,955 from special revenue funds in both FY 2008 and FY 2009.

Services for Children with Special Health Care Needs. The Developmental Disabilities Center coordinates special clinics to: provide early identification of children at risk, with disabilities, or with chronic diseases; assure availability of diagnostic and treatment services; and promote skills of children who have a disability or chronic disease by providing or supporting a system of specialty health care. Patients are seen in the following special health services clinics: Spina Bifida, Cystic Fibrosis, Seating Clinic, Cerebral Palsy, and Cleft Lip or Cleft Palate. The program services approximately 1,586 children and costs $149,540 from special revenue funds annually.

Cystic Fibrosis Grant. The Cystic Fibrosis clinic provides a multi-disciplinary approach to treat children with this disorder. The program works as a team and staff stay current on the latest treatment regiments. This clinic treats 220 children annually at a cost of $26,630 from special revenue funds.

Spina Bifida Clinic. The clinic provides a team approach for the interdisciplinary evaluation, treatment and follow-up for children who have been diagnosed with Spina Bifida. The program's expenditures are $25,755 from special revenue funds annually and it will serve 69 patients in FY 2008 and 71 in FY 2009.

PKU Screening Program. The program provides neonatal screening for congenital hypothyroidism and phenylketonuria to allow early detection and treatment of diseases that result in mental retardation. The program has now been expanded to include galactosemia. Approximately 1,900 screenings are done each year. The Governor recommends $73,982 from special revenue funds for both FY 2008 and FY 2009 for this program.

Pediatric Seizure Clinic. The clinic provides ongoing outpatient clinical, educational, and counseling services to families with children affected by seizures. One pediatric neurologist provides clinical services for the diagnosis, treatment, management, and follow-up of children with seizure disorders. The program also has a counselor/educator. Expenditures for the program are $19,200 annually. The Clinic expects to serve 275 children in FY 2008 and 310 children in FY 2009.

Project EAGLE, an Early Head Start Program. This Head Start Program serves approximately 185 children and their families in Wyandotte County. Family support advocates work in partnership with families in identifying needs, establishing goals, coordination, and linking families with the appropriate community resources. Interagency agreements exist with 60 community agencies that provide and assist with complex and comprehensive needs of families. Weekly home visits include the infusion of a developmentally appropriate early childhood educational plan for all children and their parents. Emphasis is also placed on assisting adult family

members to acquire the skills they need to move toward economic self-sufficiency. Expenditures are $2,132,272 annually, which include 61.6 percent federal funding, 32.8 percent state funding, and 5.6 percent local funding.

Sutherland Institute for Facial Rehabilitation. The Institute provides evaluation, treatment and follow-up services to children with a variety of craniofacial anomalies such as cleft lip, cleft palate, and other deformities. The Institute team includes specialists in plastic surgery, dentistry, speech pathology, genetics, psychology, and social work. The Governor recommends $35,000 from special revenue funds annually to serve 55 children in FY 2008 and 60 children in FY 2009.

Project HOPE—Teen Pregnancy Case Management. The Project provides comprehensive case management services for pregnant or parenting teens. The program receives support, supervision and direction from the staff of Project HOPE. The program is aimed at increasing levels of maternal self-sufficiency, health education, and delaying the birth of a second child until basic education and vocational training have been completed. The Project serves approximately 85 young women in the Kansas City area and costs $190,922 from special revenue funds annually.

Pediatric Consultation Services. This program is expected to serve 275 children in FY 2008 and 310 children in FY 2009. Consultation services are provided for several clinics at the Medical Center. In addition, the pediatricians staff special clinics for children and provide training courses for physicians, nurses, and other health care professionals in areas related to providing services for children with special health care needs. The Governor recommends $10,760 from special revenue funds in both FY 2008 and FY 2009.

Other Services. The University of Kansas Medical Center provides a number of medical programs at no cost or on a fee for service basis. They are enumerated in the table following this narrative, and include a Neonatal Intensive Care Unit Developmental Follow-Up Clinic, an Audiology Clinic, a Feeding Clinic, a Cerebral Palsy Clinic, a Seating Clinic, and the Hartley Family Center for the Deaf & Hard of Hearing.

Wichita State University

Speech-Language-Hearing Clinic. The Clinic provides diagnosis and treatment to children and adults who have speech, language, and hearing problems. Services are available on a fee-for-services basis to University students, staff, and faculty, as well as residents of surrounding communities. Recommendations are provided to the parents/families of the children evaluated so that proper services can be implemented as soon as possible. The Clinic serves 4,500 children. For FY 2008, the Governor recommends $499,500, including $93,330 from the State General Fund, and for FY 2009 the recommendation is $503,500, including $94,300 from the State General Fund.

Dental Hygiene Clinic. The Clinic operates a 24 chair treatment facility in Ahlberg Hall providing both preventive and prophylactic services to the public. Approximately 2,870 patients are seen in the Hygiene Clinic each year. Children receive a dental examination, radiographs, dental prophylaxis, fluoride treatment, oral hygiene instructions and approximately 100 of those children require a sealant. In addition, dental hygiene students go into the community to provide dental health education to groups of children, including children with developmental disabilities. The program is expected to cost $42,529, including $38,126 from the State General Fund, in FY 2008 and $43,486, including $39,000 from the State General Fund, in FY 2009.

School of Nursing—Health Screenings. Nursing faculty and students provide health screenings for elementary age children at selected schools each year. In addition, health education presentations are provided for children at elementary schools. They also provide primary care in a variety of clinics, including not-for-profit and indigent clinics. Approximately 2,000 children are screened each year at a cost of $9,300 per year from the State General Fund.

School of Nursing—Services Provided by Nursing Students. Assistance is provided by nursing students to 6,000 children through presentations made on health topics at high schools and community groups. The students also provide assistance in school health rooms in the Wichita area schools. The Governor recommends $17,250 from the State General Fund for these services in both FY 2008 and FY 2009.

Physician Assistant—Healthy Options for Planeview. Healthy Options for Planeview is a health education and outreach center serving low-income neighborhoods throughout Sedgwick County sponsored by seven universities. Programs offered include: Moms & Mentors, a parenting program; Healthy Kids; Smart Kids—Oral Health Initiative; physician assistant clinics; summer youth camps; child care; and special events. Transportation is provided for children to health care partners when needed. The program is expected to serve 3,200 children and families in FY 2008 and 3,300 in FY 2009. The Governor recommends $2,900 for Planeview in FY 2008 and $3,000 in FY 2009. Funding is from special revenue funds.

Physician Assistants—West High School Health Science Program. Wichita State University's College of Health Professions Physician Assistant Department provides instruction and support to the 60 to 70 junior and senior students enrolled in the Health Sciences Program at West High School in Wichita. The University's faculty and students provide instruction in basic health topics for the high school's students as a service learning project. The program is expected to serve 65 students at a cost of $8,750 in FY 2008 and 73 students at a cost of $9,500 in FY 2009. Funding is from special revenue funds.

Physician Assistants—High School Sports Physicals. Each year the Physician Assistant faculty and students travel to Stafford County and conduct high school sports physicals, required before participation in any sporting activity. Approximately 260 physicals are given to high school students each year at a cost of $15,600 from special revenue funds.

Physician Assistant—Minority Recruitment & Retention Grant. Beginning in FY 2007, Wichita State University received a three year grant to increase the diversity in the physician assistant program. Three area high schools with a high level of diversity and special programs emphasizing the health professions were identified to participate in this initiative. The program serves approximately 200 students each year. Physician assistant students teach classes and each high school has a cooperative education student assigned for 20 hours a week during the school year to assist in the work with these children. The cost of this program is $30,000 from special revenue funds per year.

Health Professions Tour. Every fall semester, the College of Health Professions offers area high school juniors and seniors the opportunity to tour the College's classroom/ laboratories and learn about health professions academic programs. The tours include presentations and demonstrations in each of the professional programs. Approximately 850 students attended the tour at a cost of $19,800 in FY 2008 and 875 students are expected to attend in FY 2009 at a cost of $20,000. Funding is from special revenue funds.

Upward Bound. This program provides secondary school students with limited income, first generation, and persons with disabilities an opportunity to improve their academic, social and personal skills while preparing for a postsecondary education. Services include tutoring, test preparation, study skills, campus visits, and summer residential program. The programs services 150 students in grades 9-12 in the Wichita area. This federally funded program will expend $387,361 in both FY 2008 and FY 2009.

Upward Bound Regional Math/Science Program. This federally funded program advances interest in mathematics, science, and computer technology in 100 high school students in grades eight to 12. The program includes a six to eight week summer residential program at Wichita State University. Participants receive academic instruction, research opportunities, tutorial support, career counseling, and computer instruction during their time in the program. The federal grant for this program is expected to be $303,547 in both FY 2008 and FY 2009.

Talent Search—Project Discovery. This program helps provides assistance to 200 middle and high school students whose families do not typically attend postsecondary education. Assistance is offered on per-college course planning and selection, completing college admission applications and financial aid forms, and preparing for entrance examinations. The program also provides mentoring, tutorial services, and summer school enrichment for middle school students. Guidance is also provided for receiving a high school diploma. The Governor recommends $498,906 in FY 2008 and $513,873 in FY 2009 from special revenue for this program.

GEAR UP (Gaining Early Awareness & Readiness for Undergraduate Programs). GEAR UP serves

2,500 students in kindergarten through twelfth grade who are first generation, foster, or adoptive care with limited income. Services provided include tutoring, mentoring, college preparation workshops for students and parents, workshops for teachers and counselors, college campus tours, and cultural activities. The program is funded by a U.S. Department of Education grant, whereby Wichita State University receives $2.5 million in funding annually for five years to administer this statewide program.

Kids Training Team. The Kids Training Team at Wichita State University is actively involved in the support of approximately 662 children experiencing serious emotional disturbances and their families. The focus is on the training of case managers who provide coordination and services to these children. The training is provided to groups of direct service providers statewide. The program is tied to the Medicaid waiver granted to the state for Home and Community Based Services for Seriously Emotionally Disturbed Children. The Governor recommends $80,000, including $19,000 from the State General Fund, in both FY 2008 and FY 2009.

Haskett Center. The Center offers three categories of programs to teach children a variety of skills. The children's aquatics program teaches children to swim and dive and can lead to Red Cross certification. The children's instructional programs include gymnastics, sports camp, Tae Kwon Do, and rock climbing. The instruction is generally introductory but offers children the opportunity to learn advanced skills. The National Youth Sports Program serves economically disadvantaged youth. The program runs for five weeks in the summer. Sports programs include softball, flag football, soccer, basketball, tennis, bowling, and swimming. Educational programs include instruction in math, science, computer skills, nutrition, drug and alcohol awareness, and wellness. The Haskett Center services approximately 10,400 children a year with expenditures of $49,434, including $20,000 from the State General Fund, in both FY 2008 and FY 2009.

WSU Child Development Center. This child care facility is a non-profit organization, operated with restricted use funds. The Center provides daycare services for the children of Wichita State University students, faculty, staff, and alumni. Children from the community attend on a space available basis. The Center can care for 188 children. The Governor recommends $624,736 in FY 2008 and $627,037 in FY 2009 for the Center.

America Reads Challenge. This federally funded program allows universities to dedicate a portion of the federal work-study allocation to pay college students to tutor children in kindergarten through second grade in reading. This program serves 600 children annually with expenditures of $85,000 per year.

Communities in Schools. The Wichita State University Cooperative Education Partnership with Communities in Schools provides university students from social sciences the opportunity to work with at-risk children in a school setting. The program supports community efforts already in place to effectively intervene with 1,500 at-risk elementary and secondary students. The Governor recommends expenditures of $16,080 from special revenue funds in both FY 2008 and FY 2009.

Teacher Education Majors. The Wichita State University Cooperative Education Project for Teacher Education Majors has university students work as tutors and teaching assistants with disadvantaged students in the Wichita public schools. The university students give assistance by providing one-on-one tutoring or small group assistance to students struggling to learn reading and math. The program serves 600 students and costs $16,719 per year from special revenue funds.

Kansas Arts Commission

Arts Grants and Technical Assistance. The Kansas Arts Commission uses its programming grants to fund arts programs that affect Kansas residents of all ages. Through these grants and technical assistance to artists and arts organizations spread across Kansas, the Kansas Arts Commission is able to enrich children's appreciation of art. For FY 2009, the Governor recommends $1,642,068, with $1,399,196 from the State General Fund. This funding, which is intended to support and extend children's art programming, comes primarily from state appropriations, as well as grants from the National Endowment for the Arts. The Commission expects to serve nearly 1.6 million children in 66 counties in FY 2009.

Historical Society

The Historical Society provides a number of educational programs for children throughout Kansas, at state-owned historic sites through the Education-Outreach Division. In addition, tours of the Museum of History, the Stach School, and Discovery Place, a hands-on gallery, are offered throughout the year for children of all ages. In children's classrooms across the state, the agency makes available traveling resource trunks, which provide historical materials relating to Kansas history and culture.

The Historical Society conducts summer workshops at the museum intended to instruct students in kindergarten through sixth-grade about Kansas history. It also participates in Kansas Day and the History and Environmental Fair. Curriculum used by Kansas schools on Kansas history is developed by Society staff. For FY 2009, the Governor recommends a total of $36,000 from the State General Fund to allow the agency to directly serve approximately 86,000 children.

State Library

The State Library expects to serve 500,000 children in FY 2009, and the Governor recommends $1,720,891, with $1,564,538 from the State General Fund in her budget to provide these services. Beyond grants to public libraries across the state, the State Library supports the Talking Books Program and the interlibrary loan programs, both of which benefit children. The Library also administers Homework Kansas, an online tutoring program, through which school children receive real-time help from qualified teachers via the Internet.

The Library has always provided as much consultation and training as possible to augment children's services in Kansas. The agency sponsors a summer reading program in every public library in Kansas. New for FY 2009, the Governor's recommendation includes enhanced funding of $60,864 from the State General Fund to allow the Library to hire a full-time staff member dedicated to developing programs, grants, and partnering opportunities to assist libraries across the state in providing enhanced services to children and youth.

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 $58.8 million for FY 2009 constitutes 1.1 percent of the state's total children's services expenditures.

Juvenile Justice Authority

The Juvenile Justice Authority is responsible for all juvenile offenders in Kansas. The Authority provides programs for juvenile offenders including correctional, delinquency prevention, and rehabilitation programs. The Authority is also responsible for the oversight of the four juvenile correctional facilities. For FY 2008, the Governor recommends $23.4 million, including $13.2 million from the State General Fund and $27.8 million, including $26.7 million from the State General Fund for FY 2009 for children's programs. Included in this recommendation is $1.0 million from the State General Fund, which will allow the agency to establish an incentive grant program to encourage local judicial districts to provide more funding to juvenile justice programs.

Funding is provided by the Juvenile Justice Authority to local judicial districts to provide community programs to juvenile offenders. These programs are provided to communities through a graduated sanctions formula. These services include intake and assessment, intensive supervision, and community case management. The intake and assessment program provides assistance to local law enforcement for juveniles in custody. An assessment is provided for the needs of each juvenile and additional assistance is provided to the juvenile and their families.

The intensive supervision program provides substance abuse testing and counseling, electronic monitoring, and frequent face-to-face contact with the juveniles. Community case management provides supervision to youth who have behavior problems, family issues, or other issues. Youth in this program typically do not need placement in a juvenile correctional facility. Community case management providers are reimbursed through purchase of service funding, which is supported in the Governor's recommendation.

Reimbursements include out-of-home placements, detention, counseling, and other services.

In FY 2008, the agency received $9.0 million from the Children's Initiative fund to finance prevention programs and a portion of the graduated sanctions grants. Beginning in FY 2009, the Governor recommends funding the $9.0 million for the two above mentioned programs from the State General Fund. Prevention grants, which are distributed to local judicial districts, will assist in reducing juvenile crime. The Governor's recommendation will fund various prevention programs including truancy prevention, mentoring, parent training, family support services, and after school programs.

Atchison Juvenile Correctional Facility

The Atchison Juvenile Correctional Facility houses male offenders with a designed capacity to hold up to 132 juveniles. The facility offers juveniles education, recreation, counseling, and other programs to assist with rehabilitation efforts. The Governor recommends $5,978,868, including $5,722,101 from the State General Fund in FY 2008 and $5,845,391, including $5,754,391 from the State General Fund for FY 2009.

Beloit Juvenile Correctional Facility

The Beloit Juvenile Correctional Facility is the only facility that houses female juvenile offenders. The facility has a designed capacity to hold up to 100 juvenile offenders. To assist with rehabilitation efforts education, counseling, and recreational programs are provided to the juveniles at the facility. The Governor recommends $4,161,819, including $4,089,027 from the State General Fund in FY 2008 and $4,224,195, including $4,130,966 from the State General Fund for FY 2009.

Kansas Juvenile Correctional Complex

The Kansas Juvenile Correctional Complex houses male juvenile offenders between the ages of 13 and 23. Programs provided at this facility to the juveniles include academic and vocational education, counseling, and various recreational activities. For FY 2008, the Governor recommends $16,218,821, including $15,297,468 from the State General Fund. For FY 2009, the Governors recommendation includes $16,322,681, including $15,416,000 from the State General Fund.

Larned Juvenile Correctional Facility

The Larned Juvenile Correctional Facility houses male juvenile offenders between the ages of 10 and 23. Juveniles at this facility receive treatment for mental health or substance abuse issues. For FY 2008, the Governor recommends $8,587,870, including $8,505,239 from the State General Fund and $8,617,421, including $8,534,790 from the State General Fund for FY 2009.

Adjutant General

The Governor recommends $820,000 in FY 2009 to support the Adjutant General's "Starbase" Program to improve students' math, science, and technology skills during the summer months. This program will reach an estimated 5,000 children in FY 2009.

Agriculture & Natural Resources

The Governor recommends $611,468 for FY 2009 for children's programming for the Agriculture and Natural Resources function. These funds support educational programs related to agricultural practices and the outdoors. The Kansas State Fair and the Department of Wildlife and Parks participate in bringing these important programs to the youth of the state.

Kansas State Fair

The Kansas State Fair offers two types of youth services, which are educational and competitive. Educational Programs offered include Kansas' Largest Classroom, which is to assist teachers in planning and organizing educational field trips to the Kansas State Fair. Some of the more popular educational exhibits for the field trips at the 2007 Fair were: Kansas State

University College of Veterinary Medicine Birthing Center, Milking Demonstrations, AgriLand, and Ag in the Classroom mini classes. Approximately 19,771 will participate in these events at a cost of $203,658 in FY 2009.

Department of Wildlife & Parks

Wildlife Education Service (WES). The information provided by the WES Program is intended to teach young people ways to protect the environment. The program provides a free reference center, consisting of films, learning kits, videotapes, and computer software, all of which are available for loan to public and private school districts in Kansas. In addition, the program provides instructional booklets for students and guides for teachers, which are distributed throughout the public education system in Kansas. For FY 2009, the agency plans to use $30,819 to serve 16,250 young people through this program.

Hunter Education Program. The Hunter Education Program teaches both adults and youth firearm safety, hunter ethics and safety, wildlife management, alcohol and drug education, wildlife education, and first aid. Anyone born after July 1, 1957, is required by law to take a Hunter Education class in order to obtain a hunting license in Kansas. The agency estimates that it will spend $151,366, and that 12,050 young people will take one of these classes during FY 2009.

Fishing Clinics. Children from kindergarten through high school improve their relationships with their families and communities, as well as have fun while developing civic values and stewardship of aquatic resources, when they attend Department-sponsored fishing clinics. These clinics are expected to serve 29,750 children in FY 2009 at a cost of $158,000.

Youth Hunter Education Challenge. The Youth Hunter Education Challenge is a collaboration between the Kansas Wildlife Officer Association, the Department's Hunter Education Section, the National Rifle Association, and the International Hunter Education Association. Each year the Department provides this advanced hunter education program to promote the ongoing development of hunting skills and to reinforce responsible hunting techniques. Those who participate in the program take part in archery, shotgun, rifle, and muzzleloader events. They also practice wildlife identification, safe trailing while hunting, and how to orient themselves in unfamiliar territory. At the end of the program, participants are tested on accountable and responsible hunting. For FY 2009, the Department plans expenditures of $525 to serve 50 young people.

Boating Safety. Boating safety courses will be provided to 10,800 young people in Kansas during FY 2009 at a cost of $21,800. According to current law, anyone between 12 and 15 years of age must complete one of these courses successfully before being allowed to operate a personal watercraft. Anyone who is 17 years of age or older and wishes to operate a power boat must also take one of these courses.

Kansas Furharvester Education Program. During FY 2009, $5,300 will be spent to provide a six-hour course, available by correspondence or through a certified instructor, intended to promote safe, responsible behavior, with an emphasis on the role that wildlife laws and regulations play in maintaining safety. One of only 15 states to operate such a program, Kansas requires that all individuals born after July 1, 1966, complete this course. The Department estimates that approximately 750 young people will be served by the program.

Archery in the Schools. Coordinated by the Department, but taught by local physical education instructors, the Archery in the Schools program provides training in elementary and secondary classes administered during a two-week physical education program. The program is expected to serve 650 children at a cost of $40,000 from the Wildlife Fee Fund in FY 2009, to be matched by the Archery Trade Association.

Transportation

Department of Transportation

The Governor recommends $711,300 in FY 2009 for children's educational programs promoting highway and traffic safety. These programs are financed primarily with federal funds and are expected to serve approximately 253,300 children in FY 2009.

Pedestrian/Bicycle Safety Program. The Governor recommends $19,000 from federal funding sources to serve 19,000 children by providing bicycle safety brochures and producing a pedestrian school crossing guard manual for all Kansas school districts.

Child Passenger Safety. The Governor recommends $100,000 to provide assistance to 7,500 children in all Kansas counties. This program provides for child passenger safety instructors and technicians affiliated with loaner programs and fitting stations across the state. This program targets populations of minority groups and low-income families.

Youth Leadership Summit. This program provides leadership workshops and retreats for youth of all ages. The Governor's FY 2009 recommendation includes $95,000 to allow 1,000 teens to obtain insight, awareness, and planning skills related to drinking and drug-free measures in their communities.

Teen Safe Driving. This program promotes youth traffic safety to prevent injuries and deaths in the student population in Kansas. The Governor recommends $16,000 for 800 students in FY 2009.

Care/Call Underage Drinking Prevention Media Campaign. The Governor recommends $156,300 to serve 140,000 teens. This program is aimed at enforcing underage drinking laws by targeting communities, law enforcement, schools, and parents to prevent and report underage drinking parties. The program will achieve this goal through the use of brochures, news releases, and related promotional items.

Traffic Safety Resource Office. The Governor recommends $325,000 for the Traffic Safety Resource Office (TSRO) in FY 2009. The TSRO will administer and implement a statewide program providing public education, information, technical assistance, research, and evaluation aimed at reducing the incidence of alcohol-related crashes, reducing underage drinking, and increasing the seat belt use in Kansas. The TSRO will enhance current safe driving activities through speaking opportunities, distributing educational materials, producing a quarterly newsletter, assisting in child seat check lanes, and serving as an overall resource to traffic-safety related questions. The Governor's recommendation will allow the TSRO to serve 85,000 children.

Children's Budget—The following table displays program expenditures and numbers served by children's programs. For each program, next to the first "Number Served" amount, there is a code letter "C," "F," or "N." The letter "C" means that the number served refers to individual children. "F" refers to the number of families served. The "N" signifies that the number of children or families cannot be determined accurately. The table is organized by function of government and by agency. It shows actual expenditures and the number of children or families served for FY 2007, the Governor's revised estimates for FY 2008, the agencies' requests for FY 2009, and the Governor's recommendation for FY 2009.

Expenditures for Children's Programs by Agency and Activity

		FY 2007 Actual Expenditures			FY 2008 Governor's Estimate		
	Type Served	Number Served	State General Fund	All Funding Sources	Number Served	State General Fund	All Funding Sources
General Government							
Department of Revenue							
Child Support Enforcement	N	--	--	60,000	--	--	60,000
Banking Department							
Credit Counseling	F	10,096	--	364,442	10,096	--	258,000
Office of the Governor							
Byrne Justice Assistance	C	938	--	73,328	2,000	--	194,588
Child Visitation Centers	C	827	--	98,459	980	--	116,015
Child Advocacy Centers	C	--	--	--	1,500	962,941	962,941
Drug Free Schools	C	17,231	--	625,423	17,250	--	647,184
Family Violence Prev. & Serv.	C	4,026	--	269,534	4,080	--	274,706
Outreach Services	C	--	--	--	--	--	--
Safe Havens	C	--	--	--	237	--	87,970
Sexual Violence Prevention	N	--	--	263,142	--	--	320,000
Victim Services	C	1,006	212,656	212,656	1,020	226,301	226,301
Victims of Crime Act	C	6,868	--	581,091	7,000	--	630,497
Total--Office of the Governor			$ 212,656	$ 2,123,633		$ 1,189,242	$ 3,460,202
Attorney General							
Child Death Review Board	C	424	70,434	70,434	576	93,757	93,757
Child Visitation Centers	F	918	--	185,873	1,000	--	177,774
DARE Program	C	10,000	65,263	65,263	11,000	73,254	73,254
Child Abuse & Neglect Prog.	C	32,835	--	285,218	33,000	--	241,109
Domestic Abuse Programs	F	35,465	--	1,620,919	36,200	--	1,834,760
Total--Attorney General			$ 135,697	$ 2,227,707		$ 167,011	$ 2,420,654
Judiciary							
Child Support Enforcement	C	156,332	237,432	1,820,120	155,436	237,432	2,255,097
Child Welfare	N	--	31,206	245,645	--	66,908	522,143
Court Serv. Officers--Civil	C	19,437	8,815,572	9,351,761	19,400	9,400,883	9,929,741
Permanency Planning	C	2,872	--	754,096	2,800	--	835,012
Total--Judiciary			$ 9,084,210	$ 12,171,622		$ 9,705,223	$ 13,541,993
Total--General Government			**$ 9,432,563**	**$ 16,947,404**		**$ 11,061,476**	**$ 19,740,849**
Human Services							
Social & Rehabilitation Services							
AAPS Prevention Services	F	13,032	4,815,899	1,368,525	10,503	1,906,423	6,334,499
ACIL	N	250	8,180,473	20,763,104	250	7,623,998	19,152,341
Adopt. Resource Recruitment	F	259	1,597,435	3,736,460	259	1,893,462	3,913,872
Adoption Support	C	6,045	7,571,855	21,719,860	6,174	11,317,341	23,279,623
Autism Waiver	F	--	--	--	25	300,000	444,417
Behavior Management Svcs.	C	166	1,045,861	1,208,422	47	18,792	130,823
CDDO Cert. Match--TCM	C	1,750	231,441	5,277,600	1,750	231,441	5,277,600
Children's Cabinet	F	--	--	546,126	--	--	541,802
CMHC Certified Match	F	21,550	26,328,152	67,508,082	--	--	--
Child Care Assistance	F	19,407	17,656,753	76,928,124	21,600	19,823,863	80,092,800
Child Care Quality	F	--	--	3,053,374	--	--	3,126,411
Child Support Enforcement	F	130,367	222,902	59,038,800	129,018	2,613,893	60,073,249

Expenditures for Children's Programs by Agency and Activity

		FY 2009 Base Budget			FY 2009 Governor's Recommendations		
	Type Served	Number Served	State General Fund	All Funding Sources	Number Served	State General Fund	All Funding Sources
General Government							
Department of Revenue							
Child Support Enforcement	N	--	--	60,000	--	--	60,000
Banking Department							
Credit Counseling	F	10,096	--	258,000	10,096	--	258,000
Office of the Governor							
Byrne Justice Assistance	C	2,000	--	213,395	2,000	--	213,395
Child Visitation Centers	C	900	--	99,600	900	--	99,600
Child Advocacy Centers	C	2,500	1,962,941	1,962,941	2,500	1,962,941	1,962,941
Drug Free Schools	C	16,000	--	538,897	16,000	--	538,897
Family Violence Prev. & Serv.	C	4,080	--	273,370	4,080	--	273,370
Outreach Services	C	1,500	602,500	602,500	1,500	602,500	602,500
Safe Havens	C	325	--	117,293	325	--	117,293
Sexual Violence Prevention	N	--	--	320,000	--	--	320,000
Victim Services	C	1,020	196,219	196,219	1,020	196,219	196,219
Victims of Crime Act	C	6,500	--	511,507	6,500	--	511,507
Total--Office of the Governor			$ 2,761,660	$ 4,835,722		$ 2,761,660	$ 4,835,722
Attorney General							
Child Death Review Board	C	505	93,757	93,757	505	93,757	93,757
Child Visitation Centers	F	1,000	--	177,774	1,000	--	177,774
DARE Program	C	12,000	73,254	73,254	12,000	123,254	123,254
Child Abuse & Neglect Prog.	C	33,000	--	241,109	33,000	--	241,109
Domestic Abuse Programs	F	36,200	--	1,834,760	36,200	--	1,834,760
Total--Attorney General			$ 167,011	$ 2,420,654		$ 217,011	$ 2,470,654
Judiciary							
Child Support Enforcement	C	155,000	237,432	2,264,392	155,000	237,432	2,264,392
Child Welfare	N	--	55,873	425,282	--	55,873	425,282
Court Serv. Officers--Civil	C	19,400	9,331,825	9,849,412	19,400	9,331,825	9,849,412
Permanency Planning	C	2,800	--	865,424	2,800	--	865,424
Total--Judiciary			$ 9,625,130	$ 13,404,510		$ 9,625,130	$ 13,404,510
Total--General Government			**$ 12,553,801**	**$ 20,978,886**		**$ 12,603,801**	**$ 21,028,886**
Human Services							
Social & Rehabilitation Services							
AAPS Prevention Services	F	10,503	1,906,423	6,334,499	10,503	1,906,423	6,334,499
ACIL	N	250	7,439,212	18,269,184	250	7,815,600	19,500,000
Adopt. Resource Recruitment	F	259	2,012,837	4,109,568	229	1,416,628	3,132,176
Adoption Support	C	6,476	12,513,380	25,070,104	6,899	14,071,869	28,041,145
Autism Waiver	F	25	300,000	444,417	25	300,000	748,503
Behavior Management Svcs.	C	166	144,501	466,958	108	251,025	305,539
CDDO Cert. Match--TCM	C	1,750	231,441	5,277,600	1,750	231,441	5,277,600
Children's Cabinet	F	--	--	541,802	--	--	541,802
CMHC Certified Match	F	--	--	--	--	--	--
Child Care Assistance	F	20,589	22,345,898	82,636,320	22,500	24,813,578	85,104,000
Child Care Quality	F	--	--	3,106,411	--	--	3,106,411
Child Support Enforcement	F	129,444	2,222,208	60,073,249	129,444	2,222,208	60,073,249

Expenditures for Children's Programs by Agency and Activity

		FY 2007 Actual Expenditures			FY 2008 Governor's Estimate		
	Type Served	Number Served	State General Fund	All Funding Sources	Number Served	State General Fund	All Funding Sources
Social & Rehabilitation Services, Cont.							
Community Child Abuse	N	--	--	1,133,591	--	--	1,098,736
Community Services	F	6,412	--	2,005,649	5,515	--	1,726,332
Early Childhood Initiatives	N	--	--	24,551	--	--	49,955
Family Preservation In-Home	C	2,534	352,075	9,859,536	2,893	462,598	11,364,083
Family Services	F	552	16,086	2,172,754	604	114,726	2,376,657
Family Support	F	1,418	3,415,000	3,415,000	1,418	3,533,656	3,533,656
Funeral Assistance	C	116	63,212	63,212	131	88,225	8,822
Grandparents as Caregivers	C	255	200,614	200,614	563	1,067,513	1,067,513
HCBS DD Waiver Svcs.	F	986	6,748,800	16,322,534	986	6,748,800	16,322,534
Independent Living	C	878	1,032,740	2,963,646	878	359,748	1,798,738
Coalition on Dom. Violence	C	--	--	61,392	--	--	67,066
KS Early Head Start	C	1,017	1,853,004	9,742,397	1,177	1,852,779	11,342,397
Low Income Energy Assist.	C	19,177	515,059	6,156,285	19,273	575,699	8,076,356
MH PAHP	C	--	--	--	145,622	16,739,314	41,475,012
MH Behavioral Mgt.	C	1,359	24,995,916	23,474,712	--	--	--
MH Family Centered Care	N	8,350	--	5,000,000	8,350	--	5,000,000
MH PRTF	C	--	--	--	343	11,459,992	28,900,000
MH Private Psychiatrists	C	2,075	555,944	1,398,600	--	--	--
MH State Aid	C	21,550	2,046,659	2,046,659	21,550	2,046,659	2,046,659
MH Therapeutic Preschool	C	2,826	--	1,000,000	2,826	--	1,000,000
MH School Violence Prev.	C	4,827	--	228,000	4,957	--	228,000
Mental Health Grants	C	21,550	7,610,795	7,610,765	21,550	7,610,795	7,610,795
Permanent Custodianship	C	151	--	427,606	238	557,974	807,974
Positive Behavior Support	C	31	83,091	208,657	41	101,707	252,000
Pre-K Pilot	C	--	--	2,674,350	1,006	--	5,000,000
Quality Initiative for Infants	N	--	--	--	--	--	500,000
Rehabilitation Services	N	2,348	523,640	2,458,404	2,418	578,383	2,715,414
Reintegration/Foster Care	C	5,501	80,405,911	137,478,220	5,829	102,163,619	149,636,886
Smart Start Kansas	C	23,453	--	8,730,036	25,675	--	8,986,264
Substance Abuse Treatment	F	--	--	--	145,622	2,528,470	6,264,792
Systems of Care	F	--	--	368,268	--	--	501,945
HI Rehabilitation Hospital	C	4	45,240	116,000	4	45,240	116,000
Temp. Assist. for Families	F	29,554	29,821,726	56,715,195	35,066	29,821,028	51,000,000
Early Childhood Block Grant	C	--	--	--	--	--	5,000,000
Total--SRS			$ 227,936,283	$ 565,205,110		$ 234,186,138	$ 578,242,023
Larned State Hospital							
Children's Services	N	17	1,998,145	2,961,609	17	2,279,127	2,788,389
Parsons St. Hospital & Training Ctr.							
Day-Care Operation	C	326	6,267	15,669	342	6,400	16,000
School Age Children	C	16	728,887	1,907,211	16	805,048	2,034,693
Special Purpose School	C	34	160,492	353,526	21	180,000	395,151
Total--Parsons State Hospital			$ 895,646	$ 2,276,406		$ 991,448	$ 2,445,844
Rainbow Mental Health Facility							
Education Services	C	197	189,109	313,032	--	--	--
Psychiatric Services	C	197	236,243	1,247,853	--	--	--
Total--Rainbow MH Facility			$ 425,352	$ 1,560,885		$ --	$ --

Expenditures for Children's Programs by Agency and Activity

		FY 2009 Base Budget			FY 2009 Governor's Recommendations		
	Type Served	Number Served	State General Fund	All Funding Sources	Number Served	State General Fund	All Funding Sources
Social & Rehabilitation Services, Cont.							
Community Child Abuse	N	--	--	1,104,241	--	--	1,104,241
Community Services	F	5,515	--	1,726,332	5,515	--	1,726,332
Early Childhood Initiatives	N	--	--	--	--	--	--
Family Preservation In-Home	C	2,813	656,102	11,364,083	2,813	372,939	11,364,083
Family Services	F	578	14,726	2,276,657	578	14,726	2,276,657
Family Support	F	1,418	3,533,656	3,533,656	1,418	3,533,656	3,533,656
Funeral Assistance	C	131	88,225	88,225	131	88,225	88,225
Grandparents as Caregivers	C	934	1,644,960	1,644,960	934	1,644,960	1,644,960
HCBS DD Waiver Svcs.	F	986	6,748,800	16,322,534	1,111	8,748,800	21,322,534
Independent Living	C	878	359,748	1,798,738	1,010	1,019,353	2,458,343
Coalition on Dom. Violence	C	--	--	66,304	--	--	66,304
KS Early Head Start	C	1,177	1,852,779	11,342,397	1,177	1,852,779	11,342,397
Low Income Energy Assist.	C	19,273	592,818	7,085,709	19,273	--	7,085,709
MH PAHP	C	145,622	16,739,314	41,108,337	145,622	16,739,314	41,108,337
MH Behavioral Mgt.	C	--	--	--	--	--	--
MH Family Centered Care	N	8,350	--	5,000,000	8,350	--	5,000,000
MH PRTF	C	343	11,459,992	28,963,741	343	11,459,992	28,963,741
MH Private Psychiatrists	C	--	--	--	--	--	--
MH State Aid	C	21,550	2,046,659	2,046,659	21,550	2,046,659	2,046,659
MH Therapeutic Preschool	C	2,826	--	1,000,000	--	--	--
MH School Violence Prev.	C	4,957	--	228,000	--	--	--
Mental Health Grants	C	21,550	7,610,795	7,610,795	21,550	7,610,795	7,610,795
Permanent Custodianship	C	103	70,200	320,200	138	180,000	430,000
Positive Behavior Support	C	41	101,707	252,000	41	102,324	255,300
Pre-K Pilot	C	1,006	--	5,000,000	--	--	--
Quality Initiative for Infants	N	--	--	500,000	--	--	500,000
Rehabilitation Services	N	2,321	574,461	2,697,002	2,321	574,461	2,697,002
Reintegration/Foster Care	C	5,761	105,000,000	148,000,000	6,041	115,600,000	165,000,000
Smart Start Kansas	C	25,675	--	8,435,737	25,675	--	8,435,737
Substance Abuse Treatment	F	145,622	2,528,470	6,209,406	145,622	2,528,470	6,209,406
Systems of Care	F	--	--	150,938	--	--	150,938
HI Rehabilitation Hospital	C	4	45,240	116,000	4	45,240	116,000
Temp. Assist. for Families	F	35,066	29,821,028	51,000,000	33,595	29,821,028	49,000,000
Early Childhood Block Grant	C	--	--	--	--	--	18,000,000
Total--SRS			$ 240,605,580	$ 573,322,763		$ 257,012,493	$ 611,702,280
Larned State Hospital							
Children's Services	N	17	2,217,471	2,741,512	17	2,217,471	2,741,512
Parsons St. Hospital & Training Ctr.							
Day-Care Operation	C	346	6,400	16,000	346	6,400	16,000
School Age Children	C	16	779,213	1,997,067	16	779,213	1,997,067
Special Purpose School	C	15	180,000	395,151	15	180,000	395,151
Total--Parsons State Hospital			$ 965,613	$ 2,408,218		$ 965,613	$ 2,408,218
Rainbow Mental Health Facility							
Education Services	C	--	--	--	--	--	--
Psychiatric Services	C	--	--	--	--	--	--
Total--Rainbow MH Facility			$ --	$ --		$ --	$ --

Expenditures for Children's Programs by Agency and Activity

		FY 2007 Actual Expenditures			FY 2008 Governor's Estimate		
	Type Served	Number Served	State General Fund	All Funding Sources	Number Served	State General Fund	All Funding Sources
Kansas Health Policy Authority							
Medicaid Regular Medical	C	149,956	205,306,483	577,019,989	151,779	230,947,616	614,657,914
SCHIP	C	35,433	16,528,302	59,469,297	37,763	17,881,529	63,286,247
Total--KHPA			$ 221,834,785	$ 636,489,286		$ 248,829,145	$ 677,944,161
Health & Environment--Health							
Abstinence Education	C	10,400	--	202,348	10,400	--	202,348
Child Care Licensing	F	144,135	1,506,619	4,952,958	144,300	1,602,698	5,146,700
Child Lead Poison Prevention	C	65,000	--	737,573	65,000	--	749,197
Child Special Health Service	F	11,000	448,793	2,471,682	11,000	979,477	2,754,772
Commun. Based Primary Care	F	46,280	864,000	864,000	55,536	1,400,000	1,400,000
Immunizations	C	278,104	885,850	949,895	446,752	869,598	1,469,723
Infant & Toddler Services	C	6,465	3,521,305	7,834,513	6,600	3,521,305	8,588,629
Maternal & Child Health	F	76,155	1,895,808	3,959,260	77,300	1,895,808	3,959,260
Migrant Health	F	1,270	--	176,000	1,320	--	176,000
Newborn Hearing Loaner Prog.	C	50	50,000	50,000	50	50,000	50,000
Newborn Metabolic/Hearing	C	40,686	500,000	500,000	41,000	1,300,000	1,300,000
School Health	C	2,400	58,961	176,744	2,400	58,961	17,644
Teen Pregnancy Prevention	C	19,400	587,029	817,364	19,500	587,029	817,364
WIC	F	100,000	--	42,852,297	102,000	22,425	43,272,425
Total--Health & Environ.--Health			$ 10,318,365	$ 66,544,634		$ 12,287,301	$ 69,904,062
Department of Labor							
Child Labor Enforcement	C	861	1,500	1,500	875	1,525	1,525
Child Labor Education	C	12	1,175	1,175	10	975	975
Total--Department of Labor			$ 2,675	$ 2,675		$ 2,500	$ 2,500
Total--Human Services			**$ 463,411,251**	**$ 1,275,040,605**		**$ 498,575,659**	**$ 1,331,326,979**
Education							
Department of Education							
After School Program	C	4,911	375,000	375,000	6,000	775,000	775,000
Agriculture Education	C	25,000	35,000	35,000	25,000	35,000	35,000
Capital Improvement Aid	C	281,266	--	63,697,079	281,400	--	69,515,228
Capital Outlay Aid	C	375,022	20,492,154	20,492,154	375,200	22,545,000	22,545,000
Challenger Learning Centers	C	10,800	300,000	300,000	--	--	--
Communities in Schools	C	20,000	35,000	85,000	21,000	35,000	85,000
Drug Abuse Education	C	468,778	--	2,099,114	469,000	--	2,000,000
Environmental Education	C	25,000	35,000	35,000	25,000	35,000	35,000
History Education	C	315,000	50,000	50,000	315,000	50,000	50,000
Kansas Career Pipeline	C	--	--	--	245,000	420,120	420,120
Nutrition Services	C	523,000	2,510,485	130,152,252	523,000	2,510,486	132,925,486
Operating Aid to Schools	C	468,778	2,453,747,272	2,622,712,412	469,000	2,661,482,159	2,830,934,356
Parent Education	C	18,800	7,358,466	7,358,466	19,050	7,539,500	7,539,500
Pre-K Pilot	C	--	--	--	--	--	--
Safety Education	C	19,267	--	1,612,737	19,100	--	2,017,800
Special Education Services	C	80,097	334,112,712	429,692,409	80,597	372,194,435	468,944,435
Vision Services	C	350	--	300,000	350	--	300,000
Vocational Education	C	21,000	149,827	5,479,362	21,000	148,485	5,406,970
Total--Department of Education			$ 2,819,200,916	$ 3,284,475,985		$ 3,067,770,185	$ 3,543,528,895
School for the Blind							
Education of Blind Children	C	1,268	5,169,530	5,827,061	1,290	6,028,810	6,319,631

Expenditures for Children's Programs by Agency and Activity

		FY 2009 Base Budget			FY 2009 Governor's Recommendations		
	Type Served	Number Served	State General Fund	All Funding Sources	Number Served	State General Fund	All Funding Sources
Kansas Health Policy Authority							
Medicaid Regular Medical	C	160,039	253,621,035	669,578,103	160,039	253,621,035	669,578,103
SCHIP	C	40,597	19,831,068	69,570,489	40,597	19,831,068	69,570,489
Total--KHPA			$ 273,452,103	$ 739,148,592		$ 273,452,103	$ 739,148,592
Health & Environment--Health							
Abstinence Education	C	10,400	--	202,348	10,400	--	202,348
Child Care Licensing	F	144,300	1,602,698	5,138,817	144,300	1,602,698	5,138,817
Child Lead Poison Prevention	C	65,000	--	751,500	65,000	--	751,500
Child Special Health Service	F	11,000	703,129	2,684,277	11,000	703,129	2,684,277
Commun. Based Primary Care	F	66,000	1,400,000	1,400,000	66,000	1,400,000	1,400,000
Immunizations	C	446,752	869,598	1,159,598	446,752	869,598	1,159,598
Infant & Toddler Services	C	6,700	3,521,305	8,588,629	6,700	3,521,305	8,588,629
Maternal & Child Health	F	78,300	1,895,808	3,959,260	78,300	1,895,808	3,959,260
Migrant Health	F	1,505	--	180,000	1,505	--	180,000
Newborn Hearing Loaner Prog.	C	50	50,000	50,000	50	--	50,000
Newborn Metabolic/Hearing	C	42,000	2,156,277	2,156,277	42,000	--	2,500,000
School Health	C	2,400	58,961	176,744	2,400	58,961	176,744
Teen Pregnancy Prevention	C	19,600	587,029	817,364	19,600	587,029	817,364
WIC	F	105,000	22,425	44,522,425	105,000	22,425	44,522,425
Total--Health & Environ.--Health			$ 12,867,230	$ 71,787,239		$ 10,660,953	$ 72,130,962
Department of Labor							
Child Labor Enforcement	C	900	1,375	1,375	900	1,375	1,375
Child Labor Education	C	10	975	975	10	975	975
Total--Department of Labor			$ 2,350	$ 2,350		$ 2,350	$ 2,350
Total--Human Services			**$ 530,110,347**	**$ 1,389,410,674**		**$ 544,310,983**	**$ 1,428,133,914**
Education							
Department of Education							
After School Program	C	6,000	775,000	775,000	6,000	775,000	775,000
Agriculture Education	C	25,000	35,000	35,000	25,000	35,000	35,000
Capital Improvement Aid	C	281,400	--	74,500,000	281,400	--	74,500,000
Capital Outlay Aid	C	375,200	22,400,000	22,400,000	375,200	22,400,000	22,400,000
Challenger Learning Centers	C	--	--	--	--	--	--
Communities in Schools	C	21,000	35,000	85,000	21,000	35,000	85,000
Drug Abuse Education	C	469,000	--	1,750,000	469,000	--	1,750,000
Environmental Education	C	25,000	35,000	35,000	25,000	35,000	35,000
History Education	C	315,000	50,000	50,000	315,000	50,000	50,000
Kansas Career Pipeline	C	--	--	--	--	--	--
Nutrition Services	C	523,000	2,510,486	135,675,486	523,000	2,510,486	135,675,486
Operating Aid to Schools	C	469,000	2,734,884,210	2,907,890,310	469,000	2,804,921,751	2,985,305,351
Parent Education	C	19,050	7,539,500	7,539,500	19,050	--	7,539,500
Pre-K Pilot	C	--	--	--	1,000	--	6,200,000
Safety Education	C	19,000	--	1,817,800	19,000	--	1,817,800
Special Education Services	C	80,597	397,194,435	495,719,435	80,597	397,194,435	495,719,435
Vision Services	C	350	--	300,000	350	--	300,000
Vocational Education	C	21,000	148,064	5,406,128	21,000	148,064	5,406,128
Total--Department of Education			$ 3,165,606,695	$ 3,653,978,659		$ 3,228,104,736	$ 3,737,593,700
School for the Blind							
Education of Blind Children	C	1,290	5,477,215	6,040,012	1,290	5,733,065	6,298,615

Expenditures for Children's Programs by Agency and Activity

	Type Served	FY 2007 Actual Expenditures Number Served	FY 2007 State General Fund	FY 2007 All Funding Sources	FY 2008 Governor's Estimate Number Served	FY 2008 State General Fund	FY 2008 All Funding Sources
School for the Deaf							
Education of Deaf Children	C	356	8,501,658	9,552,453	356	9,053,139	9,584,158
Emporia State University							
America Reads/Counts Prog.	C	259	--	26,454	259	--	26,492
Center for Early Childhood Ed.	C	162	3,887	288,024	157	--	302,000
Expanding Your Horizons	C	282	--	11,350	270	6,704	12,854
MASTER-IT	C	13	--	8,700	24	22,707	26,707
Reading Related Services	C	485	22,779	22,779	508	25,069	25,069
Sonia Kovalevsky Math Day	C	73	--	1,500	75	--	1,500
Total--Emporia State University			$ 26,666	$ 358,807		$ 54,480	$ 394,622
Fort Hays State University							
Herndon Clinic	F	485	245,490	253,628	485	257,765	266,309
Tigers Tots Nursery Center	C	24	--	88,849	24	--	93,291
Total--Ft. Hays State University			$ 245,490	$ 342,477		$ 257,765	$ 359,600
Kansas State University							
After School Child Care	C	62	9,408	68,250	62	9,597	67,630
Early Childhood Laboratory	C	44	48,584	94,500	44	49,555	96,784
Family Center	F	350	196,940	294,000	375	200,878	309,000
Hoeflin Stone House	C	28	104,520	278,250	30	106,611	293,241
Infant Program	C	8	6,194	55,000	8	6,318	55,000
Kansas Child Care Training	N	22,400	16,875	100,050	16,390	17,213	73,050
Dispute Resolution Training	F	1,000	--	630,000	1,000	--	661,500
Speech & Hearing Center	C	265	205,501	304,500	265	209,611	319,725
USD 383 Manhattan-Ogden	C	20	--	18,900	20	--	19,850
Total--Kansas State University			$ 588,022	$ 1,843,450		$ 599,783	$ 1,895,780
Kansas State University--ESARP							
4-H Program	C	145,000	728,280	881,280	145,000	742,846	898,906
Army Youth & Teen Center	C	3,000	20,400	40,800	3,000	20,808	41,616
Strong, Healthy Communities	C	10,000	448,800	755,820	10,000	457,776	770,936
Community Youth Dev.	N	30,000	27,540	107,814	30,000	28,091	109,970
Health Education	F	10,000	--	204,000	10,000	--	208,080
Improve Parenting Skills	F	100,000	994,500	1,550,400	100,000	1,014,390	1,581,408
Learning & Social Readiness	C	800	12,750	40,800	800	13,005	41,616
Promote Healthier Lives	C	250,000	464,100	3,570,000	250,000	473,382	3,641,400
Youth Leadership Program	F	40,000	96,900	239,700	40,000	98,838	244,494
Total--KSU--ESARP			$ 2,793,270	$ 7,390,614		$ 2,849,136	$ 7,538,426
Pittsburg State University							
America Reads Challenge	C	447	2,943	25,186	496	3,585	26,415
Career Exploration	C	1,109	--	8,872	1,109	--	8,872
Curriculum & Instruction	C	400	--	11,720	400	--	10,000
Kansas Council on Fitness	C	17,446	--	22,500	17,950	--	24,500
Pre-school Lab	C	18	--	17,507	35	--	23,000
Science Day	C	710	--	1,228	710	--	1,228
YES Program	C	669	18,031	36,064	744	18,294	39,623
Total--Pittsburg State University			$ 20,974	$ 123,077		$ 21,879	$ 133,638

Expenditures for Children's Programs by Agency and Activity

		FY 2009 Base Budget			FY 2009 Governor's Recommendations		
	Type Served	Number Served	State General Fund	All Funding Sources	Number Served	State General Fund	All Funding Sources
School for the Deaf							
Education of Deaf Children	C	356	9,131,920	9,572,661	356	9,403,169	10,010,910
Emporia State University							
America Reads/Counts Prog.	C	259	--	26,500	259	--	26,500
Center for Early Childhood Ed.	C	157	--	302,000	157	--	302,000
Expanding Your Horizons	C	270	6,704	12,854	270	6,704	12,854
MASTER-IT	C	24	22,707	26,707	24	22,707	26,707
Reading Related Services	C	508	25,677	25,677	508	25,677	25,677
Sonia Kovalevsky Math Day	C	75	--	1,500	75	--	1,500
Total--Emporia State University			$ 55,088	$ 395,238		$ 55,088	$ 395,238
Fort Hays State University							
Herndon Clinic	F	485	257,765	266,309	485	257,765	266,309
Tigers Tots Nursery Center	C	24	--	93,291	24	--	93,291
Total--Ft. Hays State University			$ 257,765	$ 359,600		$ 257,765	$ 359,600
Kansas State University							
After School Child Care	C	62	9,597	67,630	62	9,597	67,630
Early Childhood Laboratory	C	44	49,555	96,784	44	49,555	96,784
Family Center	F	375	200,878	309,000	375	200,878	309,000
Hoeflin Stone House	C	30	106,611	293,241	30	106,611	293,241
Infant Program	C	8	6,318	55,000	8	6,318	55,000
Kansas Child Care Training	N	16,390	17,213	73,050	16,390	17,213	73,050
Dispute Resolution Training	F	1,000	--	661,500	1,000	--	661,500
Speech & Hearing Center	C	265	209,611	319,725	265	209,611	319,725
USD 383 Manhattan-Ogden	C	20	--	19,850	20	--	19,850
Total--Kansas State University			$ 599,783	$ 1,895,780		$ 599,783	$ 1,895,780
Kansas State University--ESARP							
4-H Program	C	145,000	742,846	898,906	145,000	742,846	898,906
Army Youth & Teen Center	C	3,000	20,808	41,616	3,000	20,808	41,616
Strong, Healthy Communities	C	10,000	457,776	770,936	10,000	457,776	770,936
Community Youth Dev.	N	30,000	28,091	109,970	30,000	28,091	109,970
Health Education	F	10,000	--	208,080	10,000	--	208,080
Improve Parenting Skills	F	100,000	1,014,390	1,581,408	100,000	1,014,390	1,581,408
Learning & Social Readiness	C	800	13,005	41,616	800	13,005	41,616
Promote Healthier Lives	C	250,000	473,382	3,641,400	250,000	473,382	3,641,400
Youth Leadership Program	F	40,000	98,838	244,494	40,000	98,838	244,494
Total--KSU--ESARP			$ 2,849,136	$ 7,538,426		$ 2,849,136	$ 7,538,426
Pittsburg State University							
America Reads Challenge	C	496	3,585	26,415	496	3,585	26,415
Career Exploration	C	1,109	--	8,872	1,109	--	8,872
Curriculum & Instruction	C	400	--	10,000	400	--	10,000
Kansas Council on Fitness	C	18,000	--	25,500	18,000	--	25,500
Pre-school Lab	C	35	--	23,000	35	--	23,000
Science Day	C	710	--	1,228	710	--	1,228
YES Program	C	744	18,294	39,623	744	18,294	39,623
Total--Pittsburg State University			$ 21,879	$ 134,638		$ 21,879	$ 134,638

Expenditures for Children's Programs by Agency and Activity

		FY 2007 Actual Expenditures			FY 2008 Governor's Estimate		
	Type Served	Number Served	State General Fund	All Funding Sources	Number Served	State General Fund	All Funding Sources
University of Kansas							
Assistive Technology	F	425	--	150,000	425	--	150,000
E.A. Hill Child Dev. Center	C	70	1,712	355,515	70	--	365,000
Hilltop Child Dev. Center	C	260	1,768	1,414,191	260	1,768	1,464,978
Respite Care for Families	F	100	--	60,000	100	--	60,000
KU Ctr. on Dev. Disabilities	N	--	--	18,000	--	--	18,000
Tele-Health Clinic	C	10	--	500	10	--	500
Total--University of Kansas			$ 3,480	$ 1,998,206		$ 1,768	$ 2,058,478
University of Kansas Medical Center							
Audiology Clinic	F	1,700	--	--	1,700	--	--
Center for Child Health	C	1,041	--	14,955	1,041	--	14,955
Cerebral Palsy Clinic	F	73	--	--	73	--	--
Cystic Fibrosis Grant	F	145	--	26,630	175	--	26,630
Feeding Clinic	F	100	--	--	110	--	--
Hartley Family Center	F	45	--	--	45	--	--
NICU Dev. Follow-up Clinic	C	80	--	--	90	--	--
PKU Screening Program	C	1,900	--	73,982	1,900	--	73,982
Pediatric Consultation Services	F	250	--	10,760	275	--	10,760
Pediatric Seizure Clinic	F	250	--	19,200	275	--	19,200
Project EAGLE	F	185	--	2,132,272	185	--	2,132,272
Project HOPE--Teen Pregnancy	F	85	--	190,992	85	--	190,992
Seating Clinic	C	89	--	--	89	--	--
Spina Bifida Clinic	F	71	--	25,755	69	--	25,755
Special Health Care Srvcs.	F	1,586	--	149,540	1,586	--	149,540
Sutherland Institute	C	50	--	35,000	55	--	35,000
Total--KU Medical Center			$ --	$ 2,679,086		$ --	$ 2,679,086
Wichita State University							
America Reads Challenge	C	700	--	40,717	600	--	85,000
Health Professions Tour	C	800	--	18,000	850	--	19,800
Communities in Schools	C	1,148	--	16,080	1,500	--	16,080
Dental Hygiene Clinic	F	2,800	37,258	41,690	2,870	38,126	42,529
Dental Hygiene Sealant Grant	C	100	--	6,000	100	--	6,000
GEAR UP	C	2,500	--	3,193,242	2,500	--	2,500,000
Heskett Center	F	10,400	20,000	49,434	10,400	20,000	49,434
Kids Training	F	662	19,000	80,000	662	19,000	80,000
Healthy Options for Planeview	F	3,000	--	2,800	3,200	--	2,900
High School Sports Physicals	C	260	--	15,600	260	--	15,600
Minority Recruitment Grant	C	200	--	30,000	200	--	30,000
Health Science Program	C	60	--	8,000	65	--	8,750
Nursing Health Screenings	C	1,800	8,528	8,528	2,000	9,300	9,300
Nursing Students Services	C	5,750	16,500	16,500	6,000	17,250	17,250
Speech Lang. Hearing Clinic	F	4,050	91,500	494,772	4,100	93,330	499,500
Talent Search--Proj. Disc.	F	2,000	--	498,906	2,000	--	498,906
Teacher Education Majors	C	600	--	16,719	600	--	16,719
Upward Bound	F	150	--	376,000	150	--	387,361
Regional Math/Science Prog.	F	100	--	298,508	100	--	303,547
WSU Child Dev. Center	F	188	--	622,037	188	--	624,736
Total--Wichita State University			$ 192,786	$ 5,833,533		$ 197,006	$ 5,213,412

Expenditures for Children's Programs by Agency and Activity

		FY 2009 Base Budget			FY 2009 Governor's Recommendations		
	Type Served	Number Served	State General Fund	All Funding Sources	Number Served	State General Fund	All Funding Sources
University of Kansas							
Assistive Technology	F	425	--	150,000	425	--	150,000
E.A. Hill Child Dev. Center	C	75	--	365,000	75	--	365,000
Hilltop Child Dev. Center	C	260	1,768	1,577,700	260	1,768	1,577,700
Respite Care for Families	F	100	--	60,000	100	--	60,000
KU Ctr. on Dev. Disabilities	N	--	--	18,000	--	--	18,000
Tele-Health Clinic	C	10	--	500	10	--	500
Total--University of Kansas			$ 1,768	$ 2,171,200		$ 1,768	$ 2,171,200
University of Kansas Medical Center							
Audiology Clinic	F	1,700	--	--	1,700	--	--
Center for Child Health	C	1,041	--	14,955	1,041	--	14,955
Cerebral Palsy Clinic	F	73	--	--	73	--	--
Cystic Fibrosis Grant	F	220	--	26,630	220	--	26,630
Feeding Clinic	F	110	--	--	110	--	--
Hartley Family Center	F	45	--	--	45	--	--
NICU Dev. Follow-up Clinic	C	100	--	--	100	--	--
PKU Screening Program	C	1,900	--	73,982	1,900	--	73,982
Pediatric Consultation Services	F	310	--	10,760	310	--	10,760
Pediatric Seizure Clinic	F	310	--	19,200	310	--	19,200
Project EAGLE	F	185	--	2,132,272	185	--	2,132,272
Project HOPE--Teen Pregnancy	F	85	--	190,992	85	--	190,992
Seating Clinic	C	89	--	--	89	--	--
Spina Bifida Clinic	F	71	--	25,755	71	--	25,755
Special Health Care Srvcs.	F	1,586	--	149,540	1,586	--	149,540
Sutherland Institute	C	60	--	35,000	60	--	35,000
Total--KU Medical Center			$ --	$ 2,679,086		$ --	$ 2,679,086
Wichita State University							
America Reads Challenge	C	600	--	85,000	600	--	85,000
Health Professions Tour	C	875	--	20,000	875	--	20,000
Communities in Schools	C	1,500	--	16,080	1,500	--	16,080
Dental Hygiene Clinic	F	2,870	39,000	43,486	2,870	39,000	43,486
Dental Hygiene Sealant Grant	C	--	--	--	--	--	--
GEAR UP	C	2,500	--	2,500,000	2,500	--	2,500,000
Heskett Center	F	10,400	20,000	49,434	10,400	20,000	49,434
Kids Training	F	662	19,000	80,000	662	19,000	80,000
Healthy Options for Planeview	F	3,300	--	3,000	3,300	--	3,000
High School Sports Physicals	C	260	--	15,600	260	--	15,600
Minority Recruitment Grant	C	200	--	30,000	200	--	30,000
Health Science Program	C	73	--	9,500	73	--	9,500
Nursing Health Screenings	C	2,000	9,300	9,300	2,000	9,300	9,300
Nursing Students Services	C	6,000	17,250	17,250	6,000	17,250	17,250
Speech Lang. Hearing Clinic	F	4,500	94,300	503,500	4,500	94,300	503,500
Talent Search--Proj. Disc.	F	2,000	--	513,873	2,000	--	513,873
Teacher Education Majors	C	600	--	16,719	600	--	16,719
Upward Bound	F	150	--	387,361	150	--	387,361
Regional Math/Science Prog.	F	100	--	303,547	100	--	303,547
WSU Child Dev. Center	F	188	--	627,037	188	--	627,037
Total--Wichita State University			$ 198,850	$ 5,230,687		$ 198,850	$ 5,230,687

Expenditures for Children's Programs by Agency and Activity

	Type Served	FY 2007 Actual Expenditures Number Served	State General Fund	All Funding Sources	FY 2008 Governor's Estimate Number Served	State General Fund	All Funding Sources
Kansas Arts Commission							
Promotion of the Arts	N	1,434,873	1,199,196	1,470,491	1,434,873	1,299,196	1,636,899
Historical Society							
KS History Education	C	86,107	36,401	36,401	86,000	36,000	36,000
State Library							
Interlibrary Loan Develop.	C	113,906	156,167	156,167	116,000	156,167	156,167
KS Talking Books Services	C	538	37,281	37,281	538	37,281	37,281
Library Information Tech.	C	485,000	--	111,353	500,000	--	111,353
Local Library Development	C	552,000	1,045,226	1,045,226	555,000	1,045,226	1,045,226
State Library Services	C	22,000	265,000	265,000	24,000	265,000	265,000
Statewide Children's Services	C	157,504	--	45,000	170,137	--	45,000
Total--State Library			$ 1,503,674	$ 1,660,027		$ 1,503,674	$ 1,660,027
Total--Education			**$ 2,839,482,063**	**$ 3,323,591,668**		**$ 3,089,672,821**	**$ 3,583,038,652**
Public Safety							
Juvenile Justice Authority							
Community Case Mgt.	C	4,150	4,399,385	6,033,019	4,200	4,363,479	5,933,838
Incentive Funding	C	--	--	--	--	--	--
Intake & Assessment	C	21,394	4,532,212	4,532,212	21,400	4,543,632	4,543,632
Intensive Supervision	C	2,428	4,220,331	4,220,331	2,450	4,314,698	4,314,698
JABG	C	3,831	--	423,205	3,482	--	384,525
Delinquency Prevention	C	2,173	--	521,101	1,992	--	477,598
Prevention Trust Fund	C	2,519	--	331,366	924	--	293,942
Prevention/Intervention	C	49,539	--	7,221,020	50,000	--	7,429,641
Total--Juvenile Justice Authority			$ 13,151,928	$ 23,282,254		$ 13,221,809	$ 23,377,874
Atchison Juvenile Correctional Facility							
Operations	C	97	5,788,823	6,011,973	99	5,722,101	5,978,868
Beloit Juvenile Correctional Facility							
Operations	C	64	4,030,293	4,586,714	75	4,089,027	4,161,819
Kansas Juvenile Correctional Complex							
Operations	C	702	14,825,642	15,464,688	721	15,297,468	16,218,821
Larned Juvenile Correctional Facility							
Operations	C	246	8,183,444	8,383,148	280	8,505,239	8,587,870
Adjutant General							
Starbase	C	3,340	--	471,761	5,000	--	480,000
Total--Public Safety			**$ 45,980,130**	**$ 58,200,538**		**$ 46,835,644**	**$ 58,805,252**
Agriculture & Natural Resources							
Kansas State Fair							
4H & FFA	C	4,486	--	191,516	3,896	--	190,120
Boy & Girl Scouts	C	106	--	7,710	125	--	7,357
Do Arts	C	2,496	--	2,502	2,301	--	2,484

Expenditures for Children's Programs by Agency and Activity

		FY 2009 Base Budget			FY 2009 Governor's Recommendations		
	Type Served	Number Served	State General Fund	All Funding Sources	Number Served	State General Fund	All Funding Sources
Kansas Arts Commission							
Promotion of the Arts	N	1,578,359	1,399,196	1,642,068	1,578,359	1,399,196	1,642,068
Historical Society							
KS History Education	C	86,000	36,000	36,000	86,000	36,000	36,000
State Library							
Interlibrary Loan Develop.	C	120,000	156,167	156,167	120,000	156,167	156,167
KS Talking Books Services	C	538	37,281	37,281	538	37,281	37,281
Library Information Tech.	C	510,000	--	111,353	510,000	--	111,353
Local Library Development	C	558,000	1,045,226	1,045,226	558,000	1,045,226	1,045,226
State Library Services	C	26,000	265,000	265,000	26,000	265,000	265,000
Statewide Children's Services	C	171,000	--	45,000	257,000	60,864	105,864
Total--State Library			$ 1,503,674	$ 1,660,027		$ 1,564,538	$ 1,720,891
Total--Education			**$ 3,187,138,969**	**$ 3,693,334,082**		**$ 3,250,224,973**	**$ 3,777,706,839**
Public Safety							
Juvenile Justice Authority							
Community Case Mgt.	C	4,200	4,363,479	5,933,838	4,200	7,100,505	7,100,505
Incentive Funding	C	--	--	--	13,460	1,000,000	1,000,000
Intake & Assessment	C	21,400	4,543,632	4,543,632	21,400	5,710,298	5,710,298
Intensive Supervision	C	2,450	4,314,698	4,314,698	2,450	5,481,365	5,481,365
JABG	C	3,134	--	355,600	3,134	--	355,600
Delinquency Prevention	C	2,140	--	513,243	2,140	--	513,243
Prevention Trust Fund	C	802	--	255,082	802	--	255,082
Prevention/Intervention	C	50,000	--	7,429,641	50,000	7,429,641	7,429,641
Total--Juvenile Justice Authority			$ 13,221,809	$ 23,345,734		$ 26,721,809	$ 27,845,734
Atchison Juvenile Correctional Facility							
Operations	C	102	5,644,511	5,735,511	102	5,754,391	5,845,391
Beloit Juvenile Correctional Facility							
Operations	C	75	4,031,018	4,124,247	75	4,130,966	4,224,195
Kansas Juvenile Correctional Complex							
Operations	C	737	15,085,086	15,982,952	737	15,416,000	16,322,681
Larned Juvenile Correctional Facility							
Operations	C	280	8,367,891	8,450,522	280	8,534,790	8,617,421
Adjutant General							
Starbase	C	5,000	--	820,000	5,000	--	820,000
Total--Public Safety			**$ 46,350,315**	**$ 58,458,966**		**$ 60,557,956**	**$ 63,675,422**
Agriculture & Natural Resources							
Kansas State Fair							
4H & FFA	C	3,896	--	190,175	3,896	--	190,175
Boy & Girl Scouts	C	125	--	7,665	125	--	7,665
Do Arts	C	2,400	--	2,558	2,400	--	2,558

Expenditures for Children's Programs by Agency and Activity

		FY 2007 Actual Expenditures			FY 2008 Governor's Estimate		
	Type Served	Number Served	State General Fund	All Funding Sources	Number Served	State General Fund	All Funding Sources
Kansas State Fair, Cont.							
Kansas Largest Classroom	C	6,971	--	19,960	6,942	--	3,723
Marching Bands	C	6,445	--	320	6,397	--	291
Total--Kansas State Fair			$ --	$ 222,008		$ --	$ 203,975
Department of Wildlife & Parks							
Archery in the Schools	C	250	--	20,000	650	--	40,000
Boating Safety	C	10,445	--	20,285	10,600	--	21,100
Fishing Clinics	C	29,100	--	152,300	29,250	--	155,000
Furharvester Education	F	589	--	4,945	625	--	5,100
Hunter Education	F	11,640	--	148,358	11,840	--	146,997
Wildlife Education Service	C	15,460	--	24,840	16,060	--	30,429
Youth Challenge	C	42	--	500	45	--	510
Total--Dept. of Wildlife & Parks			**$ --**	$ 371,228		**$ --**	$ 399,136
Total--Agriculture & Natural Resources			**$ --**	**$ 593,236**		**$ --**	**$ 603,111**
Transportation							
Kansas Department of Transportation							
Care/Call	C	140,000	--	156,300	140,000	--	156,300
Child Passenger Safety	C	6,500	--	82,821	7,500	--	100,000
KS Drunk Driving Prevention	C	60,000	--	251,751	--	--	--
KS Safety Belt Education	C	37,000	--	309,123	--	--	--
Pedestrian/Bicycle Safety	C	19,000	--	18,513	19,000	--	19,000
Teen Safe Driving	C	500	--	11,443	750	--	14,000
Traffic Safety Res. Office	C	--	--	--	85,000	--	325,000
Youth Leadership Summit	C	1,000	--	93,012	1,000	--	93,000
Total--KS Dept. of Transportation			**$ --**	$ 922,963		**$ --**	$ 707,300
Total--Transportation			**$ --**	**$ 922,963**		**$ --**	**$ 707,300**
Total--Children's Programs			**$ 3,358,306,007**	**$ 4,675,296,414**		**$ 3,646,145,600**	**$ 4,994,222,143**

Expenditures for Children's Programs by Agency and Activity

	Type Served	FY 2009 Base Budget Number Served	State General Fund	All Funding Sources	FY 2009 Governor's Recommendations Number Served	State General Fund	All Funding Sources
Kansas State Fair, Cont.							
Kansas Largest Classroom	C	6,950	--	2,959	6,950	--	2,959
Marching Bands	C	6,400	--	301	6,400	--	301
Total--Kansas State Fair			$ --	$ 203,658		$ --	$ 203,658
Department of Wildlife & Parks							
Archery in the Schools	C	650	--	40,000	650	--	40,000
Boating Safety	C	10,800	--	21,800	10,800	--	21,800
Fishing Clinics	C	29,750	--	158,000	29,750	--	158,000
Furharvester Education	F	750	--	5,300	750	--	5,300
Hunter Education	F	12,050	--	151,366	12,050	--	151,366
Wildlife Education Service	C	16,250	--	30,819	16,250	--	30,819
Youth Challenge	C	50	--	525	50	--	525
Total--Dept. of Wildlife & Parks			**$ --**	$ 407,810		**$ --**	$ 407,810
Total--Agriculture & Natural Resources			**$ --**	**$ 611,468**		**$ --**	**$ 611,468**
Transportation							
Kansas Department of Transportation							
Care/Call	C	140,000	--	156,300	140,000	--	156,300
Child Passenger Safety	C	7,500	--	100,000	7,500	--	100,000
KS Drunk Driving Prevention	C	--	--	--	--	--	--
KS Safety Belt Education	C	--	--	--	--	--	--
Pedestrian/Bicycle Safety	C	19,000	--	19,000	19,000	--	19,000
Teen Safe Driving	C	800	--	16,000	800	--	16,000
Traffic Safety Res. Office	C	85,000	--	325,000	85,000	--	325,000
Youth Leadership Summit	C	1,000	--	95,000	1,000	--	95,000
Total--KS Dept. of Transportation			**$ --**	$ 711,300		**$ --**	$ 711,300
Total--Transportation			**$ --**	**$ 711,300**		**$ --**	**$ 711,300**
Total--Children's Programs			**$ 3,776,153,432**	**$ 5,163,505,376**		**$ 3,867,697,713**	**$ 5,291,867,829**

Debt Service

Types of Debt

The State of Kansas uses debt financing to pay for certain state expenditures. Debt can be divided into five distinct categories.

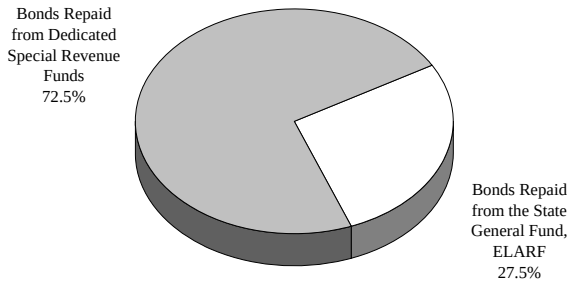
As discussed elsewhere in this report, the Governor proposes to use a portion of the revenues estimated to be available under the new gaming legislation to make debt service payments on bonds backed by the State General Fund. Should the gaming legislation be ruled unconstitutional by the courts, the payments would revert to the State General Fund.

Traditional Bonds. The first category is traditional debt financing through the issuance of bonds, which can be further divided by debt service payments financed from the State General Fund and the new Expanded Lottery Act Revenues Fund and debt financed from special revenue sources. For purposes of budgeting debt service, bonds backed by the State General Fund but paid back with gaming revenues are grouped together.

Except for the Kansas Department of Transportation, which issues bonds to finance highways and other transportation projects, the Kansas Development Finance Authority (KDFA) is the issuer of revenue bonds for the state and some local governments. KDFA was created by the Legislature in 1987 as an independent instrumentality of the state to operate as a public corporation rather than as a state agency. The Authority is charged by the Legislature with providing access to the capital markets to state agencies and other public and private organizations.

KDFA accomplishes this purpose in part by issuing debt to fund capital improvements and certain public purpose programs. KDFA issues debt, among other purposes, for local government projects, acquisition, and renovation of state office space, construction and renovation of state university facilities, prison construction and expansion, and energy conservation improvements. KDFA also issues bonds or other debt instruments to finance health care facilities, affordable multifamily housing, and beginning farmer loans. Most of the debt issued by KDFA can be characterized as pledge-of-revenue debt, meaning that bonds are debt serviced by a dedicated stream of revenue, such as a pledge of dormitory or parking garage revenues.

Total Bond Indebtedness



Fiscal Year 2009

The remaining obligations KDFA issues on behalf of the state can be characterized as State General Fund appropriation bonds, such as those bonds issued to renovate the Capitol Building. Of the state's total bonded indebtedness, only 27.5 percent is an obligation of the State General Fund and the Expanded Lottery Act Revenues Fund, as illustrated by the pie chart.

Provisions in the *Kansas Constitution* allow for the limited issuance of general obligation bonds subject to certain restrictions. However, no bonds have been issued under these provisions for decades. No other provisions in the constitution or state law limit the amount of debt that can be issued for Kansas agencies.

As of June 30, 2007, various state agencies had legislatively authorized but unissued debt of $315,669,488. Although the amount of debt for financing capital improvement projects has increased in the past several years, debt service still constitutes a small part of the overall state budget. The state has consistently demonstrated strong fiscal management practices, carefully maintaining expenditures in line with revenues, thereby avoiding the need for restrictive statutory debt limits.

PMIB Loans. The second category consists of a few loans issued by the Pooled Money Investment Board.

These loans usually charge interest sufficient to recoup the loss of earnings that would otherwise be made on the investment of idle funds. The legal authorization to finance the 27th payroll that occurred in FY 2006 makes provision for a PMIB loan up to $6.0 million in case the other financing mechanisms fail to provide sufficient resources to cover the obligation. To date no such loan has been necessary.

Facilities Conservation Improvement Program. The third category includes the financing of energy improvements for state facilities under a program administered by the Department of Administration, the Facilities Conservation Improvement Program. The financing is provided through lease purchase agreements with a financial institution, and the debt service is repaid from the energy savings generated by the improvements.

Master Lease Purchase Program. The fourth category is the Master Lease Purchase Program administered by the Department of Administration. This program finances mostly equipment acquisitions by state agencies and represents a line-of-credit concept.

Third Party & Other Debt. Third Party debt is where an agency purchases personal computers, for example, and the vendor maintains an affiliation with a finance company in order to provide financing to the purchasing agency. The finance company constitutes the third party. There are other similar financing arrangements. In some cases the vendor itself provides financing, or the vendor recovers the cost of sales promotions by adjusting the price structure accordingly.

Budgeting for Debt Payments

When traditional bonds are issued, KDFA is responsible for the total debt service obligation to the bondholders. The source of funds to meet these obligations comes in part from investment earnings on idle bond proceeds (bond reserve funds or capitalized interest funds) or earnings on project funds which may eventually be used to pay contractors for their work. Permitted earnings on debt service monies may likewise be used to defray debt service costs. After considering the interest earned on bond funds, the "shortfall" represents the remaining amount that must be appropriated in agency budgets from pledged revenue sources or appropriations.

The table at the end of this section depicts only the portion of the debt service included in agency budgets. Therefore, the numbers reported on the table will be the same as amounts that the Governor recommends and the Legislature approves.

Ratings

Although the state has no general obligation debt, and thus no general obligation debt rating, KDFA works with the rating agencies to facilitate the state's issuer "shadow" credit rating. Standard & Poor's "AA+" credit rating reflects the state's general creditworthiness. Credit factors include a very low debt burden, continued economic diversification, and historically conservative and responsible fiscal management.

The issuer rating assigned by Moody's Corporation remains "Aa1." Moody's rating is an issuer rating, which like the Standard & Poor's rating, can be characterized as an implicit general obligation rating that reflects the state's history of favorable financial management, the strength and stability of the Kansas economy, and relatively low debt levels. The rating is based on Kansas' traditionally strong fiscal discipline.

Debt Projects

Following are brief descriptions of new, changing, or expanded projects that are debt financed, primarily capital improvements but also including the actuarial soundness of the KPERS Fund.

Department of Administration

Statehouse Renovation. The 2000 Legislature approved an issuance of bonds totaling $40.0 million for renovation of the Statehouse, starting with the east wing. The 2001 Legislature, with the approval of the State Finance Council, authorized the issuance of another $15.0 million in bonds for an underground parking garage. The 2004 Legislature authorized

$19.8 million more for Phase II of the Statehouse renovation. Another $26.9 million was authorized by the 2005 Legislature to complete Phase III of the renovation. The 2006 Legislature authorized an additional $16.2 million to cover cost increases experienced since the original bonding amounts were authorized.

The 2007 Legislature authorized an additional $55.0 million in bonding authority to addressed increased construction costs for the project. Total debt that has been authorized totals $172.9 million as of January 2008. The Governor also recommends further bond authorization in the amount of $38.8 million in FY 2009 for the exterior masonry repair and rehabilitation of the Statehouse. Repayment of these bonds will begin in FY 2010.

For FY 2009, the Governor recommends revised Statehouse renovation debt service expenditures of $10,052,858 from the Expanded Lottery Act Revenues Fund. Prior debt service payments have been made from the State General Fund.

Docking State Office Building Renovation. The Governor's recommendation includes bond authorization in the amount of $80.0 million in FY 2009 for the renovation of the Docking State Office Building plus $16.0 million for furnishings and moving costs. This authorization will fund the removal of all exterior and interior walls to the steel girders, and then rebuild from the inside out. Repayment of these bonds will begin in FY 2010 from the Expanded Lottery Act Revenues Fund and will be approximately $5.5 million each year for 30 years.

KDOT Comprehensive Transportation Program. FY 2009 will mark the second fiscal year that a principal payment will be made for the bonds that were issued in March 2006 for the KDOT Comprehensive Transportation Program. The Governor has included expenditures of $16,148,175 from the Expanded Lottery Act Revenues Fund in FY 2009, including $7,010,000 for principal and $9,138,175 for interest. Prior debt service payments have been made from the State General Fund but are switched for FY 2009.

KPERS Pension Obligation Bonds. Included in the Governor's recommendation is a State General Fund appropriation of $36,146,303 in FY 2009 for debt service on KPERS pension obligation bonds. The debt service will retire $500.0 million in bonds that were issued in FY 2004 to eliminate the unfunded liability of the KPERS System. Payments will continue at approximately $36.1 million each year, with the final payment scheduled in June 2034.

Board of Regents

Infrastructure Projects. The 2007 Legislature authorized and the Governor concurred with $20.0 million in bonding authority to finance infrastructure improvement projects at Washburn University, community colleges, and vocational-technical institutions. In total, the bonds cannot exceed $100.0 million. No more than $20.0 million can be issued in any single year, and not more than $15.0 million in bonds can be issued for any single institution. Debt service interest on the bonds will be paid with State General Fund dollars while the institutions pay the principal. The first applications for use of this funding are due December 21, 2007.

Kansas State University

Bramlage Coliseum & the Bill Snyder Family Stadium. This FY 2009 project will expand the Bramlage Coliseum to include Title IX compliant men's and women's locker room facilities and support areas, a practice/training gym, ticket and retail space, and a Hall of Fame. The Bill Snyder Family Stadium improvements include the demolition of outdated restroom and concession buildings, construction of loge box seating, and parking lot resurfacing. The Governor recommends $45.0 million in bonding authority. The debt service will be repaid from athletic department revenue and private gift funds beginning in FY 2010.

Peters Student Recreation Center. This project will provide 88,400 square feet of new space as well as modifications to the existing building. The project includes a cardio and weight room, an extension of the indoor track, additional multi-purpose activity courts, a 40-foot indoor rock climbing wall, a new entrance on the south side, and renovation of the existing facility. The Governor recommends $24.0 million in bonding authority in FY 2009. The debt service will be repaid from a student privilege fee beginning in FY 2010.

University of Kansas

School of Pharmacy. As proposed by the Governor, expansion of the School of Pharmacy consists of a new building on the Lawrence campus and an addition and partial renovation of the Roberts Center for Research in Wichita. The expanded capacity will assist the state in meeting the need for new pharmacists and tie in with the state's bioscience industry. The Governor recommends $50.0 million in bonding authority. Debt service on the 15-year issue is expected to be $5.0 million per year beginning in FY 2010. The Governor also recommends $1.0 million from the Expanded Lottery Act Revenues Fund for FY 2009 to begin the project.

Jayhawker Tower Renovation. The Jayhawker Tower apartments were built in 1967 as privately-owned housing and were acquired by the University in 1981. The complex has four towers, each with 75 apartments. The buildings need major mechanical renovation, to include enhancements in lighting, data service, and life-safety systems. FY 2009 will be Phase One of the project and will address Tower A. The Governor recommends $8.1 million in bonding authority in FY 2009. The debt service will begin in FY 2010 and will be secured with a pledge of the revenue from the University's housing system.

Department of Corrections

RDU Relocation Debt Service. The debt service payment for the RDU is related to bonds that were issued to fund the relocation of the Reception and Diagnostic Unit from Topeka Correctional Facility to El Dorado Correctional Facility. The Governor recommends transferring funding for the FY 2009 payment of $1,401,000 from the State General Fund to the Expanded Lottery Act Revenues Fund. Of the total amount, $755,000 is for principal and $646,000 is for interest.

Labette Correctional Conservation Camp Debt Service. The debt service for Labette is to pay for a 100-bed expansion project that was authorized in 1997. For FY 2009, the Governor recommends $160,000 from the Expanded Lottery Act Revenues Fund, including $150,000 for principal and $10,000 for interest. This debt service payment had been funded previously from the State General Fund.

Revenue Refunding Bonds Debt Service. These bond issues paid for the construction of El Dorado Correctional Facility and Larned Correctional Mental Health Facility. For FY 2009, the Governor recommends $2,259,000 from all funding sources to pay the debt service for the revenue refunding bonds. Of this amount, $1,830,000 is for principal and $429,000 is for interest. Of the total principal payment, $140,303 will be from the Expanded Lottery Act Revenues Fund and $1,689,697 will be paid from the Correctional Institutions Building Fund. To offset the portion of the FY 2009 debt service payment that is from the Corrections Institutions Building Fund, the Governor recommends transferring $1,689,697 million from the Expanded Lottery Act Revenues Fund to the Corrections Institutions Building Fund. This will allow the Department of Corrections to use more CIBF resources to address enduring maintenance needs of the correctional facilities.

Facility Infrastructure Improvements Debt Service. In FY 2007, the Department of Corrections was authorized to issue $19.2 million in bonds to provide additional funding for substantial infrastructure needs at the correctional facilities. Some of the projects identified were replacing locking systems; upgrading utility tunnels; adding water treatment systems; ensuring ADA compliance; and upgrading security and fire alarm systems. For FY 2009, the Governor recommends $1,549,000 for the debt service payment, including $625,000 for principal and $924,000 for interest. Moreover, the Governor recommends transferring the source of the FY 2009 payment from the State General Fund to the Expanded Lottery Act Revenues Fund.

Adjutant General

Armory Rehabilitation Plan. The agency was authorized to issue $22.0 million in bonds to fund the Armory Rehabilitation Plan over a five-year period starting in FY 2001. The plan will rehabilitate selected state-owned armories and replace other armories. Bonds were issued totaling $2.0 million in November 2000, $2.0 million in November 2001, $6.0 million in June 2003, $6.0 million in June 2004, and $6.0 million in November 2005. The 2005 Legislature authorized the issuance of an additional $9.0 million in bonds to complete the Amory Renovation Plan. The bonds will be issued in $3.0 million increments each, starting in FY 2007 and ending in FY 2009.

For FY 2008, the Governor recommends $1,974,519 from the State General Fund to finance the debt service payment on bonds issued for the Armory Rehabilitation Plan. Of the total, $1,090,000 will be principal and $884,519 will be interest. The Governor recommends $2,226,807 in FY 2009 from the Expanded Lottery Act Revenues Fund to finance the debt service payment. Of the recommended amount, $1,235,000 will be principal and $991,807 interest.

Readiness Center. The agency was authorized by the 2005 Legislature to issue $1,450,711 in bonds to fund the Pittsburg State University/Kansas National Guard Readiness Center project. The Adjutant General is constructing an armory, classroom, and recreation center in cooperation with Pittsburg State. The bonds were issued in October 2006, and the first debt service payment was in FY 2008. The Governor recommends $117,388 from the State General Fund in FY 2008 to finance the debt service payment on the bonds. Of the total, $55,000 will be for the principal and $62,388 for interest. For FY 2009, the Governor recommends $115,188 from the State General Fund. Of this amount, $55,000 will be for principal and $60,188 for interest. Pittsburg State University and the Adjutant General's Office share the responsibility of the debt service for this $5.5 million project. Of the total amount, Pittsburg State University is responsible for $4,025,763 and the Adjutant General's Office is responsible for $1,450,711.

Training Center. The 2007 Legislature approved $9.0 million in bonding authority for a training center in Salina. The training center will assist the state in meeting training requirements and improve the proficiency and capabilities of all first responders and public safety organizations as well as the National Guard. For FY 2009, the Governor recommends $677,189 from the State General Fund to finance the first debt service payment on the bonds issued for the construction of the training center. Of this amount, $290,000 will be used for principal and $387,189 for interest.

Kansas Bureau of Investigation

Headquarters Building Debt Service. The Governor recommends $265,000 in FY 2008 from the State General Fund and $285,000 in FY 2009 from the Expanded Lottery Act Revenues Fund to finance the debt service principal payments on the headquarters building in Topeka. Included in the agency's operating budget is $42,668 in FY 2008 from the State General Fund and $26,850 in FY 2009 from the Expanded Lottery Act Revenues Fund to finance the interest portion on the debt service payments.

Kansas State Fair

KSA 2-226 authorized the issuance of bonds up to a total of $29.0 million to finance capital improvements for the State Fair. The bond proceeds will allow the State Fair Board to make extensive improvements to the fairgrounds in Hutchinson, as specified in the Board's capital improvement master plan.

At the end of the fiscal year, the State Fair is required by law to transfer 5.0 percent of its gross receipts from the State Fair Fee Fund to its State Fair Capital Improvements Fund. At the beginning of the following fiscal year, a matching amount up to $300,000 is transferred from the State General Fund to the same State Fair Capital Improvements Fund. The Governor recommends for FY 2009, that the $300,000 be transferred from the Expanded Lottery Act Revenues Fund (ELARF) instead of the State General Fund to the State Fair Capital Improvement Fund. The Governor also recommends that the State Fair's debt service State General Fund expenditures of $1,540,821 for FY 2009 be financed with ELARF funds.

Indebtedness of the State

	FY 2006 Actual	FY 2007 Actual	FY 2008 Estimate	FY 2009 Estimate	Prin. Balance June 30, 2009 Estimate
State General Fund & Expanded Lottery Act Revenues Fund Bonded Indebtedness					
Department of Administration					
Principal	3,960,000	4,009,128	11,075,000	20,670,000	809,440,000
Interest	3,993,935	24,962,512	40,296,437	39,972,858	
Kansas Public Employees Retirement System					
Principal	2,736,086	2,786,547	2,816,161	2,465,000	14,190,000
Interest	475,606	425,201	398,055	745,947	
Total--General Government	**$ 11,165,627**	**$ 32,183,388**	**$ 54,585,653**	**$ 63,853,805**	**$ 823,630,000**
Kansas Board of Regents					
Principal	1,220,000	1,290,000	1,295,000	1,350,000	7,985,000
Interest	532,584	500,629	461,004	406,004	
Pittsburg State University					
Principal	--	--	143,359	160,000	3,905,000
Interest	--	--	187,801	166,999	
University of Kansas Medical Center					
Principal	880,000	350,000	370,000	395,000	11,085,000
Interest	557,503	533,344	524,595	513,000	
Wichita State University					
Principal	1,050,000	1,159,852	1,215,000	1,275,000	6,525,000
Interest	226,543	188,912	427,949	369,208	
Total--Education	**$ 4,466,630**	**$ 4,022,737**	**$ 4,624,708**	**$ 4,635,211**	**$ 29,500,000**
Adjutant General					
Principal	850,000	1,060,000	1,145,000	1,580,000	30,455,000
Interest	415,666	845,695	946,907	1,439,184	
Department of Corrections					
Principal	3,502,818	1,766,242	2,520,303	1,670,303	38,915,000
Interest	1,282,764	1,297,401	1,243,000	2,009,000	
Kansas Bureau of Investigation					
Principal	265,000	265,000	265,000	285,000	300,000
Interest	38,176	31,385	42,668	26,850	
Total--Public Safety	**$ 6,354,424**	**$ 5,265,723**	**$ 6,162,878**	**$ 7,010,337**	**$ 69,670,000**
State Fair Board					
Principal	1,050,000	1,080,000	1,120,000	1,155,000	22,525,000
Interest	1,107,285	1,167,251	1,128,884	1,085,821	
Total--Ag. & Natural Resources	**$ 2,157,285**	**$ 2,247,251**	**$ 2,248,884**	**$ 2,240,821**	**$ 22,525,000**
Total					
Principal	**$ 15,513,904**	**$ 13,766,769**	**$ 21,964,823**	**$ 31,005,303**	**$ 945,325,000**
Interest	**$ 8,630,062**	**$ 29,952,330**	**$ 45,657,300**	**$ 46,734,871**	
Total--SGF & ELARF Bonded Indebtedness	**$ 24,143,966**	**$ 43,719,099**	**$ 67,622,123**	**$ 77,740,174**	
Non-SGF Bonded Indebtedness					
Department of Commerce					
Principal	12,305,000	11,100,000	11,550,000	13,450,000	56,075,000
Interest	2,456,720	2,572,406	3,975,513	3,095,038	
Total--General Government	**$ 14,761,720**	**$ 13,672,406**	**$ 15,525,513**	**$ 16,545,038**	**$ 56,075,000**

Indebtedness of the State

	FY 2006 Actual	FY 2007 Actual	FY 2008 Estimate	FY 2009 Estimate	Prin. Balance June 30, 2009 Estimate
Social & Rehabilitation Services					
Principal	2,810,000	2,895,000	2,995,000	3,115,000	66,315,000
Interest	3,113,043	3,285,321	3,497,756	3,377,100	
Department of Labor					
Principal	145,000	1,895,000	1,965,000	2,035,000	18,240,000
Interest	271,262	1,022,020	955,708	881,358	
Health & Environment--Health					
Principal	415,000	430,000	450,000	470,000	616,470,000
Interest	37,838	69,011	51,095	31,620	
Total--Human Services	**$ 6,792,143**	**$ 9,596,352**	**$ 9,914,559**	**$ 9,910,078**	**$ 701,025,000**
Kansas Board of Regents					
Principal	10,880,000	17,670,562	16,070,000	17,430,000	143,577,163
Interest	4,196,414	4,782,009	7,680,000	7,150,210	
Emporia State University					
Principal	386,426	564,757	631,000	631,000	10,692,902
Interest	33,143	464,904	485,606	463,191	
Fort Hays State University					
Principal	205,000	210,000	500,000	525,000	12,430,000
Interest	239,214	235,116	542,224	523,548	
Kansas State University					
Principal	2,620,000	2,907,093	3,225,000	3,810,000	115,610,000
Interest	1,159,738	1,757,202	4,720,816	5,249,319	
Pittsburg State University					
Principal	335,000	365,000	430,000	470,000	12,235,000
Interest	440,955	493,314	546,317	542,487	
University of Kansas					
Principal	1,860,000	2,996,875	3,395,000	3,540,000	72,815,000
Interest	2,023,492	2,256,211	2,629,293	2,615,072	
University of Kansas Medical Center					
Principal	330,000	465,000	480,000	500,000	4,875,000
Interest	--	451,465	463,303	454,241	
Wichita State University					
Principal	780,000	805,000	845,000	870,000	12,330,000
Interest	483,761	493,440	667,368	633,643	
Total--Education	**$ 25,973,143**	**$ 36,917,948**	**$ 43,310,927**	**$ 45,407,711**	**$ 384,565,065**
Department of Corrections					
Principal	1,620,000	1,689,697	1,689,697	1,689,697	--
Interest	69,697	--	--	--	
Juvenile Justice Authority					
Principal	2,255,102	2,360,000	2,460,000	2,580,000	36,735,000
Interest	2,344,410	2,227,865	2,130,328	2,013,633	
Highway Patrol					
Principal	695,000	725,000	735,000	275,000	2,930,000
Interest	251,682	220,321	187,481	155,731	
Total--Public Safety	**$ 7,235,891**	**$ 7,222,883**	**$ 7,202,506**	**$ 6,714,061**	**$ 39,665,000**

Indebtedness of the State

	FY 2006 Actual	FY 2007 Actual	FY 2008 Estimate	FY 2009 Estimate	Prin. Balance June 30, 2009 Estimate
Department of Transportation					
Principal	46,755,000	53,020,000	50,330,000	52,990,000	1,685,895,000
Interest	67,441,667	68,623,027	77,239,698	74,967,183	
Total--Transportation	**$ 114,196,667**	**$ 121,643,027**	**$ 127,569,698**	**$ 127,957,183**	**$ 1,685,895,000**
Total					
Principal	**$ 84,396,528**	**$ 100,098,984**	**$ 97,750,697**	**$ 104,380,697**	**$ 2,867,225,065**
Interest	**$ 84,563,036**	**$ 88,953,632**	**$ 105,772,506**	**$ 102,153,374**	
Total Non-SGF Indebtedness	**$ 168,959,564**	**$ 189,052,616**	**$ 203,523,203**	**$ 206,534,071**	
Off Budget					
Department of Administration					
Principal	1,622,771	1,705,000	1,780,000	1,850,000	40,225,000
Interest	1,819,801	1,745,434	1,671,548	1,596,412	
Total--Off Budget Indebtedness	**$ 3,442,572**	**$ 3,450,434**	**$ 3,451,548**	**$ 3,446,412**	

Pool Money Investment Board Loans

Kansas State University--ESARP					
Principal	525,000	1,350,000	1,000,000	--	--
Interest	49,024	38,031	18,963	--	
Kansas Water Office					
Principal	229,946	232,039	--	--	--
Interest	7,999	5,906	--	--	
Department of Wildlife & Parks					
Principal	500,000	700,000	--	--	--
Interest	15,153	15,153	--	--	
Total					
Principal	1,254,946	2,282,039	1,000,000	--	--
Interest	72,176	59,090	18,963	--	
Total--PMIB Loans	**$ 1,327,122**	**$ 2,341,129**	**$ 1,018,963**	**$ --**	
Off Budget					
Department of Administration					
Principal	1,622,771	1,705,000	1,780,000	1,850,000	40,225,000
Interest	1,819,801	1,745,434	1,671,548	1,596,412	
Total--Off Budget PMIB Loans	**$ 3,442,572**	**$ 3,450,434**	**$ 3,451,548**	**$ 3,446,412**	

Master Lease Program

Department of Administration					
Principal	4,486	10,797	11,405	12,047	7,160
Interest	883	2,009	1,401	759	
Total--General Government	**$ 5,369**	**$ 12,806**	**$ 12,806**	**$ 12,806**	**$ 7,160**
Social & Rehabilitation Services					
Principal	240,009	18,958	191,870	172,146	21,351
Interest	6,421	3,254	2,488	--	
Osawatomie State Hospital					
Principal	81,819	121,215	109,636	80,652	67,102
Interest	14,084	19,008	10,907	5,987	

Indebtedness of the State

	FY 2006 Actual	FY 2007 Actual	FY 2008 Estimate	FY 2009 Estimate	Prin. Balance June 30, 2009 Estimate
Health & Environment--Health					
Principal	378,831	223,853	199,105	210,232	1,496,016
Interest	136,773	118,657	112,173	101,045	
Department of Labor					
Principal	--	56,116	68,316	71,743	290,524
Interest	--	18,236	18,514	15,087	
Total--Human Services	**$ 857,937**	**$ 579,297**	**$ 713,009**	**$ 656,892**	**$ 1,874,993**
Board of Regents					
Principal	9,529	10,062	10,625	11,219	49,795
Interest	5,241	4,708	4,145	3,551	
Kansas State University					
Principal	1,312,496	1,932,873	517,581	355,052	546,059
Interest	91,756	95,596	51,254	36,528	
Pittsburg State University					
Principal	95,568	96,161	4,516	--	--
Interest	5,938	3,193	128	--	
University of Kansas					
Principal	13,919	--	--	--	--
Interest	258	--	--	--	
University of Kansas Medical Center					
Principal	639,562	975,530	1,138,255	841,723	494,925
Interest	43,011	101,076	81,508	41,503	
Emporia State University					
Principal	23,242	15,783	21,088	22,306	54,034
Interest	2,822	4,722	4,942	3,724	
Total--Education	**$ 2,243,342**	**$ 3,239,704**	**$ 1,834,042**	**$ 1,315,606**	**$ 1,144,813**
Highway Patrol					
Principal	393,320	413,789	435,323	457,978	988,699
Interest	139,946	119,477	97,943	75,288	
Kansas Bureau of Investigation					
Principal	--	--	576,378	474,824	997,942
Interest	--	--	39,065	48,244	
Total--Public Safety	**$ 533,266**	**$ 533,266**	**$ 1,148,709**	**$ 1,056,334**	**$ 1,986,641**
Department of Wildlife & Parks					
Principal	9,301	4,771	--	--	--
Interest	298	29	--	--	
Total--Ag. & Natural Resources	**$ 9,599**	**$ 4,800**	**$ --**	**$ --**	**$ --**
Principal	**$ 3,202,082**	**$ 3,879,908**	**$ 3,284,098**	**$ 2,709,922**	**$ 5,013,607**
Interest	**$ 447,431**	**$ 489,965**	**$ 424,468**	**$ 331,716**	
Total--Master Lease Program	**$ 3,649,513**	**$ 4,369,873**	**$ 3,708,566**	**$ 3,041,638**	
Off Budget					
Department of Administration					
Principal	1,356,628	1,578,356	1,496,054	972,109	1,600,601
Interest	105,461	187,829	175,967	109,913	
Total--Off Budget Master Lease	**$ 1,462,089**	**$ 1,766,185**	**$ 1,672,021**	**$ 1,082,022**	

Indebtedness of the State

Facilities Conservation Improvement Program

	FY 2006 Actual	FY 2007 Actual	FY 2008 Estimate	FY 2009 Estimate	Prin. Balance June 30, 2009 Estimate
Insurance Department					
Principal	--	58,745	60,861	63,054	509,759
Interest	--	8,084	21,257	19,892	
Total--General Government	**$ --**	**$ 66,829**	**$ 82,118**	**$ 82,946**	**$ 509,759**
Kansas Neurological Institute					
Principal	110,013	114,895	119,995	125,320	--
Interest	81,138	75,419	71,375	66,050	
Parsons State Hospital & Training Center					
Principal	104,737	109,118	113,619	113,666	1,586,070
Interest	82,549	77,977	107,733	74,109	
University of Kansas					
Principal	605,187	739,303	776,396	739,982	15,117,881
Interest	665,149	806,444	748,744	784,392	
Total--Human Services	**$ 1,648,773**	**$ 1,923,156**	**$ 1,937,862**	**$ 1,903,519**	**$ 16,703,951**
School for the Blind					
Principal	24,115	25,276	26,494	27,770	318,542
Interest	15,315	18,055	17,434	16,158	
School for the Deaf					
Principal	72,154	54,197	56,464	58,826	787,766
Interest	20,892	38,591	36,808	34,446	
Emporia State University					
Principal	11,700	12,378	13,096	13,856	30,956
Interest	4,514	3,836	3,118	2,358	
Fort Hays State University					
Principal	169,690	183,046	179,671	184,258	4,040,837
Interest	195,695	176,246	177,304	169,808	
Kansas State University					
Principal	319,139	337,221	344,257	344,534	1,530,163
Interest	106,834	110,175	95,113	79,471	
Pittsburg State University					
Principal	438,195	452,198	481,395	504,738	5,640,482
Interest	444,075	309,881	295,871	272,529	
Total--Education	**$ 1,822,318**	**$ 1,721,100**	**$ 1,727,025**	**$ 1,708,752**	**$ 12,348,746**
El Dorado Correctional Facility					
Principal	124,257	177,517	159,723	159,723	1,590,173
Interest	127,720	74,460	88,389	88,389	
Ellsworth Correctional Facility					
Principal	74,344	77,088	77,097	77,097	556,920
Interest	20,560	27,175	27,660	27,660	
Hutchinson Correctional Facility					
Principal	237,778	248,112	248,112	248,112	1,203,217
Interest	92,308	80,551	82,517	82,517	
Lansing Correctional Facility					
Principal	317,347	328,842	240,754	353,097	1,966,851
Interest	97,229	103,240	92,488	80,145	

Indebtedness of the State

	FY 2006 Actual	FY 2007 Actual	FY 2008 Estimate	FY 2009 Estimate	Prin. Balance June 30, 2009 Estimate
Larned Correctional Mental Health Facility					
Principal	14,730	14,762	14,762	14,762	106,644
Interest	5,274	5,222	5,294	5,294	
Norton Correctional Facility					
Principal	143,672	149,535	155,637	161,988	914,659
Interest	55,635	53,784	48,228	41,877	
Topeka Correctional Facility					
Principal	62,753	62,957	64,015	64,015	462,477
Interest	17,013	23,809	22,961	22,961	
Winfield Correctional Facility					
Principal	120,293	125,201	125,201	125,201	765,820
Interest	46,248	45,091	45,490	45,490	
Total--Public Safety	**$ 1,557,161**	**$ 1,597,346**	**$ 1,498,328**	**$ 1,598,328**	**$ 7,566,761**
Total					
Principal	**$ 2,950,104**	**$ 3,270,391**	**$ 3,257,549**	**$ 3,379,999**	**$ 37,129,217**
Interest	**$ 2,078,148**	**$ 2,038,040**	**$ 1,987,784**	**$ 1,913,546**	
Total--FCIP Program	**$ 5,028,252**	**$ 5,308,431**	**$ 5,245,333**	**$ 5,293,545**	

Indebtedness of the State

Third Party & Other Debt

	FY 2006 Actual	FY 2007 Actual	FY 2008 Estimate	FY 2009 Estimate
Department of Administration				
Principal	52,732	58,240	64,329	40,650
Interest	29,729	24,221	18,132	12,329
Attorney General				
Principal	39,435	42,655	42,655	42,655
Interest	--	--	--	--
Citizens Utility Ratepayer Board				
Principal	1,680	1,527	869	912
Interest	--	--	--	--
Kansas Corporation Commission				
Principal	45,425	45,579	46,528	46,528
Interest	--	--	--	--
Judiciary				
Principal	41,363	36,282	34,781	34,781
Interest	--	--	--	--
Total--General Government	**$ 210,364**	**$ 208,504**	**$ 207,294**	**$ 177,855**
Osawatomie State Hospital				
Principal	81,819	105,384	99,434	48,975
Interest	14,084	15,074	8,328	4,465
Total--Human Services	**$ 95,903**	**$ 120,458**	**$ 107,762**	**$ 53,440**
Kansas State University				
Principal	847,156	798,066	802,951	136,014
Interest	58,217	42,633	40,013	34,476
Pittsburg State University				
Principal	91,297	106,129	13,071	14,293
Interest	5,565	7,796	5,013	3,791
University of Kansas				
Principal	55,000	2,655,000	310,133	310,133
Interest	--	--	--	--
University of Kansas Medical Center				
Principal	797,927	694,132	484,802	473,750
Interest	147,918	393,133	332,291	288,333
Wichita State University				
Principal	--	468,286	624,637	649,522
Interest	--	241,649	465,233	440,348
Total--Education	**$ 2,003,080**	**$ 5,406,824**	**$ 3,078,144**	**$ 2,350,660**
Kansas Water Office				
Principal	438,233	479,067	509,853	527,480
Interest	489,611	667,155	644,378	626,749
Total--Ag. & Natural Resources	**$ 927,844**	**$ 1,146,222**	**$ 1,154,231**	**$ 1,154,229**
Principal	**$ 2,492,067**	**$ 5,490,347**	**$ 3,034,043**	**$ 2,325,693**
Interest	**$ 745,124**	**$ 1,391,661**	**$ 1,513,388**	**$ 1,410,491**
Total--Third Party & Other Debt	**$ 3,237,191**	**$ 6,882,008**	**$ 4,547,431**	**$ 3,736,184**

Capital Budget

Capital Budget Summary

FY 2008 Expenditures

The capital budget approved by the 2007 Legislature for FY 2008 totaled $906,261,746 from all funding sources. Of that total, $21,393,311 was approved from the State General Fund. The Governor's revised estimate of capital expenditures for the same fiscal year now totals $1,102,561,020, with $22,854,841 from the State General Fund.

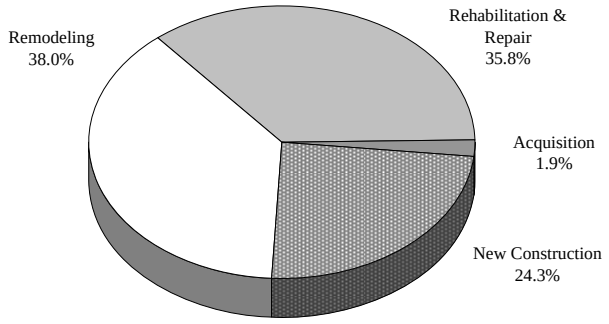
Because of the long-term nature of capital projects, every year a significant portion of the funds appropriated for them remain unspent at the end of the fiscal year and carry over into the following fiscal year to become available for expenditure there. As a consequence, the current fiscal year typically shows a higher level of expenditure, because it includes this carryover money in addition to the regular appropriation of funds for new projects.

FY 2009 Expenditures

The capital budget recommended by the Governor for FY 2009 is $1,280,280,346 from all funding sources, of which $4,183,929 is from the State General Fund. Other major funding sources include $1,113,874,376 financed from the State Highway Fund, $61,255,871 from the aggregate of the three building funds, and the remaining $100,966,170 from an assortment of other funds. Expenditures from all funding sources for capital improvements increased by $178,089,496 over the Governor's recommended expenditures for FY 2008. Meanwhile capital expenditures financed by the State General Fund were $18,300,742 below FY 2008 SGF expenditures. The differences are attributable to components of the Governor's recommendation to reduce existing debt payments as well as to increase expenditures for infrastructure needs by financing a portion of those expenditures from the Expanded Lottery Act Revenues Fund (ELARF.) Total expenditures from the ELARF for infrastructure maintenance and improvements are recommended at $31,785,303.

There are several other notable changes from FY 2008 to FY 2009, including an increase of $1.5 million for rehabilitation and repair projects and an additional $1.5 million for flood damage repairs at the state parks; an increase of $500,000 for historic site preservation and development; funding of $2.8 million to renovate the Topeka Juvenile Correctional Facility administration building; and, financing of $670,190 for the first debt service payment on bonds issued for the construction of the Adjutant General's training center in Salina.

How It Is Spent



Fiscal Year 2009

The pie chart above illustrates capital expenditures by project type in accordance with the categories provided by the Budget Instructions, as published by the Division of the Budget. Renovation and remodeling, the largest project category at 38.0 percent, is more extensive than just repairs, often converting facilities to a different use. This category is largely affected this year by KDOT projects. Rehabilitation and repair, the second largest category at 35.8 percent, includes projects intended to keep facilities in working order. New construction involves the erection of a facility where none existed before or one in which the old facility was totally demolished and then rebuilt. The smallest category is 1.9 percent for acquisition, which represents the purchase of property or an existing facility.

Capital Budget Process

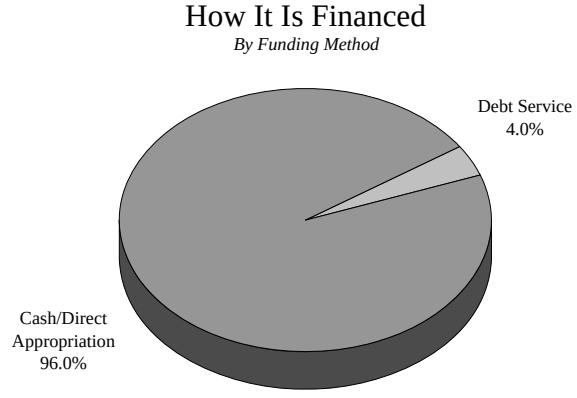
Agencies requesting expenditure authority for capital projects submit a five-year facilities plan each July 1, consisting of the forthcoming fiscal year and the following four years. Capital projects are reviewed by

the Division of the Budget for development of the Governor's recommendations. They are also reviewed by the 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 Facilities Management in the Department of Administration provides technical support to the State Building Advisory Commission, an Executive Branch body responsible for reviewing the cost estimates and technical aspects of projects.

The state gives priority to maintaining its existing facilities before considering new construction. Other criteria for assessing the priority of capital projects include safety for state employees and visitors, compliance with prevailing building codes, modifications to enhance accessibility for the disabled, physical modifications caused by program changes, and cost effectiveness. Most projects are funded through direct appropriations in the State General Fund and special revenue funds. However, the use of revenue bonds for financing capital projects continues to increase.

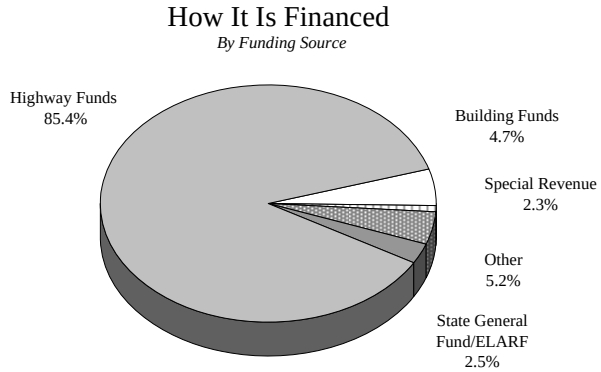
Financing

The following pie chart illustrates the portion of the capital budget that is debt financed compared to the portion financed from direct appropriations of cash. Only the principal portion of the debt service is considered a capital improvement.



Fiscal Year 2009

Transportation projects are by far the largest part of the state's capital budget. They constitute 83.0 percent of the FY 2008 expenditures for capital improvements and, as indicated by the pie chart below showing expenditures by funding source, and 87.0 percent of FY 2009 capital expenditures. The State Highway Fund in the Transportation function is the single largest source of funding for capital improvements in the state budget. The fund receives its revenues primarily through highway user fees on motor fuel, vehicle registrations, a dedicated portion of sales and use tax, and federal funds.



Fiscal Year 2009

The three dedicated funding sources that make up most of the remainder of the capital budget are the Educational Building Fund (EBF), the State Institutions Building Fund (SIBF), and the Correctional Institutions Building Fund (CIBF). The EBF receives revenues from a one-mill tax levy and a portion of motor vehicle property tax receipts. The SIBF receives revenues from a 0.5 mill tax levy and a portion of motor vehicle property tax receipts. The CIBF receives its revenues from gaming activities. The table on the next page shows the status of the building funds, including the past two complete fiscal years, the current year, the forth-coming year, and estimates for two future years.

Building Funds

The one-mill tax on real property is expected to generate approximately $29.8 million in FY 2008 for the Educational Building Fund. New appropriations from the fund, all of which are dedicated to the improvement of facilities at state universities, totaled $37.6 for FY 2008, excluding the $415,000 for the insurance premium on state facilities, which is budgeted in the Department of Administration. Of

expenditures for FY 2008, $15.0 million is earmarked for the debt service on Crumbling Classroom bonds, and another $15.0 million is available as a pool of funds for undertaking rehabilitation and repair projects. For FY 2009, the Governor maintains the $15.0 million for Crumbling Classroom debt service by depositing $15.0 million from expanded gaming revenues in the EBF, increasing available funding for rehabilitation and repair projects to $30.0 million.

A number of agencies depend on monies available in the State Institutions Building Fund for capital improvements, including state hospitals, juvenile correctional facilities, the School for the Blind, the School for the Deaf, and the Commission on Veterans Affairs. Revenues to the fund, which are derived from a half mill levy on real property, are estimated to be $14.8 million for FY 2008 and $14.9 million for FY 2009.

The 2006 Legislature enacted legislation to exempt certain business equipment and machinery from property tax as an economic incentive. Starting in FY 2008, the law will reduce property tax receipts both to the EBF and the SIBF. Another provision of the same law, the so-called "slider," to some extent will mitigate the effect of this revenue loss. These adjustments are shown in the building funds table below.

Status of State Building Funds

	FY 2006 Actual	FY 2007 Gov. Est.	FY 2008 Gov. Rec.	FY 2009 Estimate	FY 2010 Estimate	FY 2011 Estimate
Educational Building Fund						
Beginning Balance	$ 8,148,466	$ 9,788,177	$ 13,772,498	$ 5,905,882	$ 8,947,883	$ 6,096,953
Released Encumbrances/Adjs.	23,108	--	--	--	--	--
Property Tax	26,867,118	28,485,793	29,568,200	29,780,202	31,379,040	31,427,198
"Slider" Return of Funds	--	--	222,664	420,662	355,330	250,666
Motor Vehicle Taxes	1,874,879	3,188,231	3,235,256	3,316,137	3,414,700	3,399,041
Transfer in from ELARF	--	--	--	15,000,000	15,000,000	15,000,000
Other Receipts/Recoveries	10,955	1,852,167	--	--	--	--
Resources Available	$ 36,924,526	$ 43,314,368	$ 46,798,618	$ 54,422,883	$ 59,096,953	$ 56,173,858
Expenditures	$ 27,136,349	$ 29,541,870	$ 40,892,736	$ 45,475,000	$ 53,000,000	$ 53,000,000
State Institutions Building Fund						
Beginning Balance	$ 11,735,074	$ 10,951,248	$ 12,813,716	$ 11,159,501	$ 10,397,871	$ 8,991,160
Released Encumbrances/Adjs.	28,775	3,815	--	--	--	--
Property Tax	13,483,712	14,302,651	14,672,760	14,679,756	15,689,520	15,838,932
"Slider" Return of Funds	--	--	111,336	210,338	177,670	125,333
Motor Vehicle Taxes	937,439	1,594,113	1,666,647	1,708,313	1,759,088	1,751,021
Other Receipts/Refunds	--	915,135	--	--	--	--
Vet Cemetery Repayment	--	--	--	--	455,000	--
Resources Available	$ 26,185,000	$ 27,766,962	$ 29,264,459	$ 27,757,908	$ 28,479,149	$ 26,706,446
Expenditures	$ 15,233,752	$ 14,953,246	$ 18,104,958	$ 17,360,037	$ 19,487,989	$ 19,877,749
Correctional Institutions Building Fund						
Beginning Balance	$ 1,477,937	$ 1,510,453	$ 1,513,101	$ 30,450	$ 26,450	$ 22,450
Released Encumbrances/Adjs.	22,304	13,992	--	--	--	--
Gaming Revenues	4,992,000	4,992,000	4,992,000	4,992,000	4,992,000	4,992,000
Transfer in from ELARF	--	--	--	1,689,697	1,689,697	1,689,697
Other Receipts/Recoveries	4,828	--	--	--	--	--
Resources Available	$ 6,497,069	$ 6,516,445	$ 6,505,101	$ 6,712,147	$ 6,708,147	$ 6,704,147
Expenditures	$ 4,986,616	$ 5,003,344	$ 6,474,651	$ 6,685,697	$ 6,685,697	$ 6,685,697

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

Capitol Complex Maintenance. The Governor recommends expenditures of $3.0 million from the ELARF for on-going Capitol Complex maintenance projects in FY 2009. There are many deferred maintenance projects in the complex that have built up over the years. This recommendation will allow the Department to prioritize and fund these projects with an ongoing source of new revenue.

Docking State Office Building Renovation Planning. In order to begin renovations that the Department has presented to the Legislature for the Docking State Office Building, the Governor recommends $1.0 million in FY 2009 from the ELARF for planning expenditures. The Governor also includes bond authority of $80.0 million to fund the renovation, and $16.0 million to cover furnishings and moving costs. Debt service on the bonds will begin in FY 2010. This project will modernize the Docking State Office Building by stripping the building to its girders and rebuilding the structure. Many years of deferred maintenance have taken a toll on the building's infrastructure.

Utility Tunnel Repair. The Governor recommends a supplemental appropriation from the State General Fund in the amount of $370,170 to make temporary repairs to the Capitol Complex Utility Tunnel. The tunnel houses two 13,200 volt power lines along Jackson Street and both lines are in conduit with the lines crossing the utility tunnel encased in concrete. The encasement and pipes are broken, which have exposed the live high-voltage cables. The funding would be used to stop the water infiltration of the tunnel south of 10th Street, install a new pump to drain the tunnel from the Statehouse to Memorial Hall, repair major joints and fractures of the tunnel walls and roof, and repair existing pipe and conduit support framing. These repairs would extend the life of the tunnel and utilities for approximately two years.

State Buildings Rehabilitation & Repair. The Governor recommends expenditures of $200,000 in FY 2008 and $400,000 in FY 2009 from the State Buildings Depreciation Fund for various rehabilitation and repair projects at several state owned buildings, including the Curtis State Office Building, Memorial Hall, the Docking State Office Building, and the Landon State Office Building. Projects include general maintenance, asbestos abatement, and minor building refurbishments.

Statehouse & Cedar Crest Rehabilitation & Repair. The Governor recommends expenditures of $237,253 in FY 2008 and $200,000 in FY 2009 from the State General Fund for Statehouse and Cedar Crest rehabilitation and repair projects. These expenditures will allow contingency for unplanned emergency maintenance projects.

Judicial Center Rehabilitation & Repair. The Governor recommends expenditures of $100,000 in both FY 2008 and FY 2009 from the State General Fund for various Judicial Center rehabilitation and repair projects. This recommendation allows the Department to address emergency repair projects.

Landon State Office Building Facade Repair. The Governor recommends expenditures of $2,159,234 from the Statewide Maintenance and Disaster Relief Fund in FY 2008. This project will make necessary repairs to the terracotta and brick facade of the building.

Printing Plant Rehabilitation & Repair. The Governor recommends expenditures of $75,000 from the Printing Services Depreciation Fund for rehabilitation and repair projects at the Printing Plant in FY 2009. These projects include replacing condensate pumps and piping, air compressors, chillers, and hot water pumps.

State Complex West Rehabilitation & Repair. The Governor recommends expenditures of $60,353 in FY 2008 and in FY 2009 for rehabilitation and repair projects at the State Complex West. The complex was formerly part of Topeka State Hospital.

Statehouse Improvements. The Legislature authorized the issuance of $74.8 million in bonds to finance renovation of the Statehouse, including the east wing, a new parking garage, underground maintenance vaults in each quadrant, the shell for the future visitors center, and relocation of utilities. The bond issue was refinanced during the spring of 2006 to take advantage of more favorable interest rates. The project is an effort to renovate the entire Statehouse by 2011 at an estimated cost of $172.9 million. This estimate was increased by the Legislative Coordinating Council from the original estimate of $135.0 million. For FY 2008, the Governor recommends $7,245,283 for debt service, of which $2,380,000 is principal and $4,865,283 is interest. For FY 2009, the Governor recommends $10,052,858 for debt service, of which $4,390,000 is principal and $5,662,858 is interest. All funding for this debt service payment is from the State General Fund in FY 2008. However, in FY 2009, funding is recommended from the Expanded Lottery Act Revenues Fund.

Judicial Center Improvements. The Governor recommends $99,020 from the State General Fund for Judicial Center improvements in FY 2008. This amount is for debt service on bonds that were financed over a 16-year period, beginning in FY 2002. Of the debt service, $65,000 is for principal and $50,754 is for interest. In FY 2009, the Governor recommends $101,170 from the Expanded Lottery Act Revenues Fund to pay debt service, of which $70,000 is for principal and $31,170 is for interest.

Improvements to State Facilities. The Governor recommends $767,413 for FY 2008, including $390,000 for principal and $377,413 for interest, for state facilities' improvements, all from the State Buildings Depreciation Fund. For FY 2009, the Governor recommends $770,838 for debt service payments, including $410,000 for principal and $360,838 for interest. Projects involved under this umbrella include the Capitol Complex consolidation, which has involved remodeling the Landon State Office Building after the relocation of several departments; the Capitol Complex steam system, which was upgraded by developing a steam heat boiler system for the Curtis Building and upgrading the steam lines for heating the existing buildings in the Capitol Complex; the Brigham Building at the State Complex West, which has been remodeled for use as the SRS Staff Development and Training Center; the KDHE lab at Forbes Building No. 740, which has been remodeled to meet the needs of the remaining laboratory operations; and the Woodward Building at the State Complex West, which has been remodeled for Kansas Services for the Blind to house clients attending training at the Rehabilitation Center for the Blind.

Energy Conservation Improvements Program. The Governor recommends $625,754 for FY 2008 from the State General Fund for the debt service payment on the energy conservation improvement bonds issued by the Kansas Development Finance Authority prior to FY 1999. Of that amount, $575,000 is for principal and $50,754 is for interest. For FY 2009, debt service is estimated to total $407,813, including $352,500 of which is principal and $55,313 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.

Printing Plant Debt Service. The Governor recommends expenditures of $184,928 from the Intragovernmental Printing Service Fund to finance the debt service payment for the original construction of the State Printing Plant. Of the total amount, $178,347 is for principal and $6,581 is for interest. For FY 2009, the recommended debt service payment totals $184,928, including $179,970 for principal and $4,958 for interest.

Docking State Office Building Chillers. The Governor recommends $486,287 in FY 2008 from the State General fund to finance the debt service payment for the Docking State Office Building Chillers. Of this amount, $377,102 is for principal and $109,185 is for interest. For FY 2009, $494,829 is recommended for the debt service payment, including $406,190 for principal and $88,639 for interest. The building's aging chillers were replaced during FY 2007.

Memorial Hall Debt Service. The debt service on the renovation of Memorial Hall, all of which is from the

State Buildings Operating Fund, totals $438,017 for FY 2008, including $250,000 for principal and $188,018 for interest. For FY 2009, total debt service payments total $436,480, of which $260,000 is for principal and $176,480 is for interest.

Paint & Grounds Shop Debt Service. The Governor's recommendation contains funding to make debt service payments to the City of Topeka for the property that includes the old police garage. The Division of Facilities Management demolished the garage and constructed a parking lot in its place. Expenditures for debt service total $38,238 from the State Building Operating Fund in FY 2008 and FY 2009. Expenditures in FY 2008 include $23,979 for principal and $14,259 for interest. For FY 2009, $26,228 is for principal and $12,010 is for interest.

Motor Pool Building. The debt service on this facility, also acquired from the City of Topeka, totals $44,223 from the Buildings and Grounds Fund for FY 2008. Of this amount, $40,350 is for principal and $3,873 for interest. For FY 2009, expenditures of $14,741 are recommended, including $14,422 for principal and $318 for interest. FY 2009 will be the final payment for this bond issue.

Eisenhower Building Debt Service. In FY 2000, the state purchased the Security Benefit Group building located at 700 SW Harrison for $18.5 million. In 2002, the Legislature approved the bonding of $10.6 million for renovation and rehabilitation of the building. The resulting debt service will be paid from the State Buildings Operating Fund. In FY 2008, the Governor recommends expenditures of $2,246,118, which includes $1,140,000 for principal and $1,106,118 for interest. For FY 2009, the Governor recommends expenditures of $2,239,096, including $1,180,000 for principal and $1,059,096 for interest.

Department of Commerce

Rehabilitation & Repair. The Governor recommends $96,000 in FY 2008 and $100,000 for FY 2009 for general rehabilitation and repair. The costs will be financed from the Wagner Peyser Federal Fund. This money will be used for upkeep on various buildings across the state owned by the Department. The projects include roofing, overlaying of parking lots, mudjacking or replacing sidewalks, painting, carpeting, and caulking.

Topeka Workforce Building Debt Service. Bonds were issued originally by the Department of Labor, when this building was its responsibility, to purchase the property located at 1430 SW Topeka Blvd. to accommodate the Department's workforce program. The property was transferred under Executive Reorganization Order No. 31, approved by the 2004 Legislature, to the Department of Commerce. Debt payments associated with the property are financed by the Reimbursement and Recovery Fund. The debt payment in FY 2008 includes $70,000 for principal and $66,045 for interest. In FY 2009, the payment for principal is $70,000 and the interest is $63,070.

Insurance Department

Rehabilitation & Repair. The Governor recommends $60,000 in FY 2009 for unforeseen repairs to the Insurance Department Building from agency fee funds. In previous years, funds have been used to upgrade mechanical systems, repair elevators, and replace and repair carpet.

Energy Conservation Projects. The Governor recommends $82,118 in debt service payments from agency fee funds in FY 2008 and $82,946 in FY 2009 to address the antiquated heating/cooling systems in the 76 year-old building. In FY 2008, the amount dedicated to the principal payment is $60,861, while $21,251 is dedicated to the interest payment. For FY 2009, $63,054 is dedicated to the principal payment, and $19,892 is dedicated to the interest payment. The upgrades to the heating and cooling systems make it possible to maintain even temperatures and a comfortable work environment throughout the year while enhancing energy efficiency.

Judiciary

Renovation for Judge's Chambers. The 14th Court of Appeals Judge, as well as a research attorney and administrative assistant will join the Court in January 2009. To accommodate the new judge, a portion of the Judicial Center will need to be remodeled for

chambers. The Governor recommends $143,483 from the State General Fund in FY 2009 for this purpose.

Human Services

Social & Rehabilitation Services

Rehabilitation & Repair—Chanute Office Building. SRS uses funding from rental revenues for routine maintenance and rehabilitation and repair projects at the Chanute Office Building. The Governor recommends $200,000 for both FY 2008 and FY 2009.

State Security Hospital. SRS issued bonds totaling $50.1 million in FY 2003 to finance the construction of a new State Security Hospital. Construction was completed in FY 2005. For FY 2008, the Governor recommends $3,905,856 from the State Institutions Building Fund to finance the debt service payments. Of the recommended amount, $1,765,000 is for principal and $2,140,856 is for interest. For FY 2009, the Governor recommends $3,907,100 from the State Institutions Building Fund. Of that amount, $1,850,000 is for debt service principal and $2,057,100 is for debt service interest.

Rehabilitation & Repair—State Institutions. The Governor recommends expenditures from the State Institutions Building Fund for rehabilitation and repair projects at the state hospitals for the mentally ill and developmentally disabled. The Governor's recommendation of $4.1 million in the current year and $1.4 million in FY 2009 will finance the ongoing rehabilitation and repair needs, such as plumbing repairs, equipment replacement, code compliance, renovations, and other maintenance needs.

The Governor recommended and the 2004 Legislature approved a bond issuance of $35.0 million and a one-time appropriation of $7.0 million in FY 2005 to address a backlog of rehabilitation and repair projects at the state hospitals for the mentally ill. Debt service payments on those bonds began in FY 2005 and are financed through the SIBF. The Governor recommends $2.6 million for debt service payments in both FY 2008 and FY 2009. Debt service principal will be $1.2 million in FY 2008 and $1.3 million in FY 2009. Debt service interest will be $1.4 million in FY 2008 and $1.3 million in FY 2009.

Kansas Neurological Institute

Energy Conservation Debt Service. The Kansas Neurological Institute participated in the Department of Administration's Facilities Conservation Improvement Program. The program was implemented by the state to help facilities capture savings in energy costs by performing various improvements in energy management systems, lighting retrofits, mechanical improvements, and water conservation measures. The debt service is then paid by the savings generated by the improvements. For FY 2008, the Governor recommends $191,370 for the Institute's energy conservation debt service payments. Of this amount, $119,995 is for the principal portion of the debt service payment. For FY 2009, the Governor recommends $191,370, of which $125,320 is for the principal portion of the debt service payment. The debt service payments are financed from the Institute's special revenue funds.

Parsons State Hospital & Training Center

Energy Conservation Debt Service. For FY 2008, the Governor recommends $187,728 for energy conservation debt service payments. Of this amount, $113,619 is for the principal payment. For FY 2009, the Governor recommends $187,779 for energy conservation debt service payments. Of this amount, $113,666 is for the principal payment. The debt service payments are financed from the Hospital's special revenue funds.

Osawatomie State Hospital

Rehabilitation & Repair. The Governor recommends expenditures of $58 from special revenue funds for FY 2008 and FY 2009 for rehabilitation and repair at the Hospital. These expenditures are included in the Hospital's Physical Plant and Central Services Program, which is responsible for the repair and upkeep of the buildings and grounds of the Hospital.

Department of Labor

Rehabilitation & Repair. A total of $40,000 is recommended by the Governor in special revenue funds for general rehabilitation and repair in FY 2009. This money will be used for upkeep on various buildings across the state. The Governor also recommends $1,615,417, from the federal Reed Act Fund in FY 2009, for Phase II renovation of the Eastman Building. The Eastman Building is currently being used to the Unemployment Insurance Call Center operations. The Kansas Department of Labor plans to move other agency operations into the building with further renovations. The renovations will include the remodel of two large office spaces, remodeling four restrooms to make the restroom ADA compliant, replacing the roof, and replacing all windows and exterior panels.

Headquarters Debt Service. Bonds were issued on behalf of the Department of Labor to finance a renovation of the Department's headquarters, which is located at 401 SW Topeka Blvd. in Topeka. The debt payment in FY 2008 includes $155,000 for principal and $123,008 for interest. In FY 2009, the principal is $160,000 and the interest is $118,358. These payments are financed by the Special Employment Security Fund.

Purchase & Renovate Eastman Building. During the 2005 Legislative Session, the Kansas Department of Labor (DOL) was authorized to use for other capital improvement projects the savings from the bond proceeds originally requested to renovate the Department's headquarters building. The Department will use these remaining proceeds, along with other agency funds, to remodel the Eastman Building, which is located at the State Complex West (Topeka State Hospital grounds). The amount of bond proceeds that will be used totals $550,000. An additional $350,000 in expenditures from the Human Resources Special Projects Fund also will be used to remodel the building. DOL is using the Department of Administration's Master Lease Program to finance the remaining portion of this renovation. The total amount financed is $511,980. The FY 2009 debt service includes $71,743 for principal and $15,087 for interest. These payments are financed by the Special Employment Security Fund.

The actual purchase of the Eastman Building was financed by federal funds. The Kansas Department of Labor was granted authority by the United States Department of Labor to use $350,000 from the Employment Security Administration Sale of Property Fund to purchase the building. This sale was approved by the Finance Council in September 2005.

Commission on Veterans Affairs

Rehabilitation & Repair. In addition to the $362,280 approved by the 2007 Legislature for rehabilitation and repair at the Kansas Soldiers Home, the Governor recommends a supplemental appropriation from the State Institutions Building Fund of $20,000. This amount will pay for extensive repairs to a cottage damaged by fire in July 2007.

For FY 2009, the Governor recommends $540,380 from the State Institutions Building Fund for rehabilitation and repair at the Soldiers Home. The funding will be used for routine maintenance of the cottages; street maintenance and repair; stone and foundation repair of the historic buildings; replacement of plumbing, water heaters, and flooring in a number of cottages; roof and gutter repairs to Pershing Hall; replacement of heating systems in several common buildings; renovation of bathrooms in the domiciliary buildings; continuation of projects necessary to meet ADA requirements; and general repair and upkeep of the facility. For rehabilitation and repair at the Kansas Veterans Home, the Governor recommends $153,531 from the State Institutions Building Fund for general rehabilitation and repair. The recommended amount will pay for general maintenance and repair of the facility, as well as $25,000 for inflation and contingencies associated with replacement of pneumatic controls in Donlon and Timmerman Halls and $38,000 for carpet replacement.

Veterans Cemeteries. A statewide system of veterans cemeteries was authorized by the Legislature in 1999. In addition to the Kansas Soldiers Home cemetery at Fort Dodge, established in 1980, cemeteries were opened in 2004 at Winfield and WaKeeney. To implement this system, a total of $455,000 from the State Institutions Building Fund was appropriated for FY 2001 for planning expenditures. After construction begins on each cemetery, the federal government reimburses the state for the planning expenditures associated with that cemetery. This reimbursement is, in turn, used for planning the next

cemetery. When the federal government has reimbursed the planning expenses for the final cemetery, at Fort Riley, $455,000 will be returned to the State Institutions Building Fund. This reimbursement is now planned for early FY 2010. For FY 2009, the Governor recommends $500,000 from the Veterans Cemeteries Federal Construction Grant Fund to complete construction of the cemetery at Fort Riley.

Kansas Soldiers Home Generator Grant Additional Funding. The Kansas Soldiers Home applied for a grant from the U.S. Department of Veterans Affairs to provide backup power to the facility. The cost for the project was estimated originally to be $617,500, and for FY 2007, $216,125 was appropriated from the State Institutions Building Fund and $401,375 approved to be spent from the federal grant. The bids were reviewed in late FY 2007, and the current estimate for the project is $764,026, an increase of $146,526. For FY 2008, the Governor recommends an additional appropriation of $51,284 from the State Institutions Building Fund and authorization to spend an additional $95,242 in federal grant funds on this project.

Education

School for the Blind

Rehabilitation & Repair. The Governor recommends expenditures of $71,544 for FY 2008 and $74,360 for FY 2009 from the State Institutions Building Fund for general maintenance. The projects will include repairs to emergency equipment; electrical plumbing, heating and cooling systems; buildings; and sidewalks.

Drainage System Installation. For FY 2008, the Governor recommends $37,515 from the State Institutions Building Fund for ongoing construction to install an underground drain. This new drain will allow storm water to drain properly from the campus grounds and correct land erosion problems.

Brighton Building Roof Replacement. The Brighton Building is a recreation center that was constructed in 1963 and is undergoing interior renovation. The building has an irregularly shaped roof, which is made up of six half-barrel shaped formations. The valleys in between these formations do not drain rainwater effectively, and the drains become clogged with tree debris and leaves. These conditions create water leakage into the building from standing water on the roof. The Governor recommends $83,263 from the State Institutions Building Fund to re-roof the Brighton Building in FY 2008.

Energy Conservation Debt Service. The Governor recommends $43,928 for FY 2008 from the State General Fund to finance the debt incurred to implement energy conservation upgrades for the School for the Blind. Of this amount, $26,494 is for the principal payment and $17,434 is for interest. For FY 2009, the Governor recommends the same total amount for debt service which includes $27,770 for principal and $16,158 for interest.

Install Key Card Entry System. For FY 2009, the Governor recommends $210,472 from the State Institutions Building Fund to install an electronic key card system. Currently, the School uses three different metal key systems to control access to the campus buildings and the rooms within each building, which makes securing the campus cumbersome. An electronic key card system will increase the safety and security of the student population by providing efficient control of access to buildings and rooms.

School for the Deaf

Rehabilitation & Repair. The Governor recommends expenditures of $190,000 for FY 2008 and $195,000 for FY 2009 from the State Institutions Building Fund for general campus maintenance and repair projects. Such projects include masonry and metal work; repairs to electrical motors, plaster walls, boiler systems, and sidewalks, some of which are repairs as a result to safety inspections.

Roth Dorm Renovation. Built in 1935, the Roth Building dormitories do not meet present day building code requirements or program needs for the students. The School for the Deaf provides residential housing for students that live outside of the Kansas City area. The remodeling of the dormitories began in 2002 with the update of fire escapes and safety codes and the renovation of the east wing. The renovation of the east wing is substantially complete. To finalize the

renovation of the east wing, the Governor recommends $623 from the State Institutions Building Fund for FY 2008.

Roth Building Roof Repair. The Governor recommends $8,090 from the State Institutions Building Fund for FY 2008 to continue repairs to the roof of the Roth Administration Building and adjoining student dormitories. These repairs will include sealing and tuck pointing the roof to prevent additional water damage to the building.

Roth Building Windows Replacement. To replace the original windows on the Roth Administration Building, the Governor recommends $125,000 from the State Institutions Building Fund for FY 2008. The wooden, single pane windows are over 70 years old and have deteriorated.

Energy Conservation Debt Service. The Governor recommends $93,272 for FY 2008 and the same amount in FY 2009 from the State General Fund to finance the debt service related to the replacement of heating and air conditioning systems. For FY 2008, $56,464 is for principal and $36,808 is for interest. For FY 2009, $58,826 is for principal and $34,446 is for interest.

Install Fire Resistant Doors. To reconcile the Roth Administration Building with state fire codes, the Governor recommends $162,000 from the State Institutions Building Fund for FY 2009 to install fire resistant doors. The State Fire Marshal requires the School for the Deaf to have the ability to enclose the interior stairways of the building to prevent a fire from spreading to other floors. To comply with these regulations, access to each of the three floors from the east and west stairways must have fire resistant doors installed.

Board of Regents

For the Board of Regents and Regents universities, the Governor recommends $114,967,775 in FY 2008, including $82,374,345 from state sources, and $103,719,522 in FY 2009, including $78,784,566 from state sources, for capital improvements. These improvements are funded from a variety of sources and do not include physical plant expenditures at universities or potential private contributions for deferred maintenance projects.

The portion of the Governor's recommendation that applies to the Board of Regents office is $16,070,000 in FY 2008 and $67,430,000 in FY 2009 all from state funding sources. The following text explains the recommendation for the Board, and the table on the next page outlines capital project funding by university.

Rehabilitation & Repair from the Educational Building Fund. For FY 2009, the Governor recommends $30.0 million from the Educational Building Fund for rehabilitation and repair of university buildings. The Board of Regents distributes the funding to universities at the beginning of the fiscal year for projects it has approved. As a general rule, the amount of the distribution is based on the square footage of each university's buildings. The source of revenue for the Educational Building Fund is a statewide one mill levy on taxable property, and in FY 2009, a $15.0 million transfer from the Expanded Lottery Act Revenues Fund.

Crumbling Classroom Debt Service. The 1996 Legislature approved the Governor's recommendation for a $160.0 million bond issue for rehabilitation and repair of university buildings. In FY 2005, the bond issue was restructured. This generated savings from lower interest rates, which provided an additional $1.1 million for projects. The debt service remained essentially unchanged at $15.0 million per year. For FY 2008 the principal is $12,045,000 and the interest is $2,955,000. For FY 2009 the principal is $12,665,000 and the interest is $2,335,000. Debt service on the bonds is financed through the Educational Building Fund.

Research Initiative Debt Service. To encourage and finance research at state universities the Governor and legislature authorized the issuance of $125.0 million in bonds. The approval of projects involved the Board of Regents and the legislature. Those projects included the Life Science Research Center at the University of Kansas Medical Center, the Biosecurity Research Institute at Kansas State University, equipping a research facility at the University of Kansas, the Engineering Research Laboratory at Wichita State University, and the Polymer Research Center at Pittsburg State University. The state is responsible for the first $50.0 million in debt service, financed through a transfer from the State General Fund to a special revenue account at the Board of Regents.

Research Initiative Debt Service

Funded through a tranfer from SGF

FY 2005	FY 2006	FY 2007	FY 2008
$2,006,586	$76,414	$7,452,570	$8,750,000
FY 2009	**FY 2010**	**FY 2011**	**FY 2012**
$9,583,000	$9,583,000	$9,585,000	$2,130,430
FY 2013	**Total State Obligation**		
$833,000	$50,000,000		

After the first $50.0 million in debt service, the universities will assume responsibility for paying the obligation from revenue generated by the facilities. The table above shows the scheduled state payments by fiscal year. For FY 2008, the debt service principal is $4,025,000 and the interest is $4,725,000 and for FY 2009, the debt service principal is $4,765,000 and the interest is $4,818,000.

Educational Institution Long-Term Infrastructure Maintenance Program. The 2007 Legislature adopted a five-year program to address maintenance problems at postsecondary institutions. The program is administered by the Board of Regents. Three different plans can be identified within this program. First, annual transfers are made to the Board of Regents for distribution to the universities to fund deferred maintenance projects. On July 1, 2007, the Board of Regents received a $30.0 million transfer from the Statewide Maintenance and Disaster Relief Fund to its Infrastructure Maintenance Fund. The Statewide Maintenance and Disaster Relief Fund derived its revenue from the State General Fund. The $30.0 million was then transferred to the Regents universities.

On July 1, 2008, $13.0 million will be similarly transferred. In addition, $7.0 million will be transferred directly from the State General Fund to the Board's Infrastructure Maintenance Fund, for a total of $20.0 million. In FY 2010 and FY 2011 the transfer will be $15.0 million annually and then drop to $10.0 million in FY 2012.

Regents Universities Capital Improvement Projects

FY 2008	Educ. Bldg. Fund	Other State Funds	Interest Earnings	Infrastructure Maintenance	Debt Service Principal	Total
Board of Regents	$ --	$ --	$ --	$ --	$ 16,070,000	$ 16,070,000
ESU	2,080,079	90,000	649,000	1,812,000	631,000	5,262,079
FHSU	1,253,761	250,000	595,000	2,073,000	679,671	4,851,432
Kansas State U.	4,996,803	4,699,446	2,300,500	9,066,000	4,257,092	25,319,841
KSU--ESARP	--	--	200,000	--	--	200,000
KSU--Vet. Med. Ctr.	--	--	1,000,000	--	1,350,000	2,350,000
PSU	2,178,566	2,882,500	750,000	2,070,000	1,054,754	8,935,820
KU	11,451,468	11,674,542	1,350,000	8,601,000	4,171,396	37,248,406
KU Med. Ctr.	1,873,870	--	349,500	3,285,000	850,000	6,358,370
WSU	1,733,189	--	861,000	3,093,000	2,684,638	8,371,827
Total	$ 25,567,736	$ 19,596,488	$ 8,055,000	$ 30,000,000	$ 31,748,551	$ 114,967,775

FY 2009	Educ. Bldg. Fund	Other State Funds	Interest Earnings	Infrastructure Maintenance	Debt Service Principal	Total
Board of Regents	$ 30,000,000	$ --	$ --	$ 20,000,000	$ 17,430,000	$ 67,430,000
ESU	--	90,000	668,000	--	631,000	1,389,000
FHSU	--	400,000	613,000	--	709,258	1,722,258
Kansas State U.	--	4,489,446	3,606,000	--	4,176,076	12,271,522
KSU--ESARP	--	--	--	--	--	--
KSU--Vet. Med. Ctr.	--	--	--	--	--	--
PSU	--	2,882,500	773,000	--	1,134,738	4,790,238
KU	--	2,500,000	1,391,000	--	4,279,982	8,170,982
KU Med. Ctr.	--	2,700,000	360,000	--	895,000	3,955,000
WSU	--	--	1,196,000	--	2,794,522	3,990,522
Total	$ 30,000,000	$ 13,061,946	$ 8,607,000	$ 20,000,000	$ 32,050,576	$ 103,719,522

Second, the Legislature authorized tax credits for contributions to universities for deferred maintenance projects, community colleges for capital improvements, and to technical colleges for maintenance and technical equipment. The credits will be in effect for tax years 2008 through 2012. Tax credits for contributions to each community and technical college will be limited to $78,125 for 2008, $156,250 for 2009, and $208,233 per year for 2010, 2011, and 2012.

The third part is for Washburn University, community colleges, and technical colleges. The Legislature authorized bonding to finance infrastructure improvement projects. In total, the bonds cannot exceed $100.0 million. No more than $20.0 million can be issued in any single year, and not more than $15.0 million in bonds can be issued for any single institution. Debt service interest on the bonds will be paid by the state with institution paying principal.

Regents Universities

The Governor recommends $98,897,775 in FY 2008, including $66,304,345 from state sources, and $36,289,522 in FY 2009, including $11,354,566 from state sources, for capital improvements at Board of Regents universities. These improvements are funded from a variety of sources and do not include transfers to the Board of Regents that have not yet been distributed to universities, physical plant expenditures or potential private contributions for deferred maintenance projects. Listed on the previous page is an explanation of the various capital projects the universities will complete, grouped by funding source. A comprehensive table on this page lists by institution the dollar amount in each category.

Educational Building Fund. The first of these sources is the Educational Building Fund also discussed in the Board of Regents section. The universities receive a $15.0 million distribution from the Board based on the gross square feet of their facilities. It is common that the funds are not all expended and the balance is carried forward to the following year. The universities show that $14,166,870 was expended in FY 2007 and that $25,567,736 is available in FY 2008. No funding is shown here for FY 2009 because that distribution has not yet taken place. Most of the projects funded by the Educational Building Fund are small.

Special Revenue Funds. The universities always have a number of capital improvements that are financed with special revenue funds such as parking and housing fee funds. The Governor recommends $19,596,488 in FY 2008 and $12,061,946 in FY 2009.

University Interest Earnings. The universities have the authority to use interest earnings from several funds for rehabilitation and repair of their facilities. Previously, the State General Fund benefitted from these earnings. The universities estimate that they will spend $8,055,000 in FY 2008 and $8,607,000 in FY 2009 for maintenance projects financed by these interest earnings.

Infrastructure Maintenance Program. The Educational Institution Long-Term Infrastructure Maintenance Program is discussed under the Board of Regents section. Below is the portion of the program that applies to the universities. In early FY 2008, $30.0 million was transferred to the Board of Regents, which distributed it to the universities for infrastructure support. The Governor recommends that $20.0 million be used for the same purpose in FY 2009; however that funding recommendation is shown in the Board of Regents budget. The projects have been identified for FY 2008 and are shown in the table in this section. The FY 2009 projects will be selected from a list of necessary repairs and rehabilitation developed by the universities and approved by the Board of Regents.

Debt Service—Principal Payments. In the budget, the principal portion of debt service is shown in the capital improvements data rather than showing the expenditure of bond proceeds. Those principal payments are shown in the table later in this section. Universities also have bonding and debt service that is "off-budget," meaning that the debt service is paid with private funding and are not included in the table below. An example of this would be debt service paid by an endowment association or athletic corporation. The Governor recommends $15,678,551 in FY 2008 and $14,620,576 in FY 2009 for principal payments on debt service.

Historical Society

Rehabilitation & Repair. The Historical Society is responsible for a variety of buildings with different

maintenance needs. For FY 2009, the Governor recommends $125,000 from the State General Fund for routine and emergency repairs at the state historic sites and the Kansas Museum of History. The amount approved from the State General Fund for rehabilitation and repair for FY 2008 is $349,167. Rehabilitation and repair funding helps the agency address unforeseen repair and maintenance issues associated with the buildings and equipment. Recognizing the deteriorating condition of many historic sites in the state and the backlog of projects at those sites, the Governor recommends $500,000 from the Expanded Lottery Act Revenues Fund in FY 2009 for historic site preservation and development

Goodnow House. For FY 2008, the Governor recommends authorization for the Historical Society to spend $20,413 in private and federal grants on exterior stabilization of the Goodnow House. Goodnow House, located in Manhattan, Kansas, is one of the state's 17 historic sites. This funding will allow the agency to continue work already begun to replace the roof, repair the woodwork and stonework, and paint the exterior wood components.

Fort Hays Guardhouse Exhibits. For FY 2009, the Governor recommends $200,000 in private donations and grants to provide new exhibits for the Fort Hays Guardhouse. The existing exhibits were installed in the 1960s and were removed while the Guardhouse underwent restoration in FY 2007. New, interactive exhibits depicting a soldier's life at Fort Hays and the functions of the Guardhouse are planned.

Public Safety

Department of Corrections

Rehabilitation & Repair. The Governor recommends $4.7 million in FY 2008 and $4.9 million in FY 2009 from the Correctional Institutions Building Fund (CIBF) for rehabilitation and repair projects at the correctional facilities. The Department of Corrections is responsible for disbursing the funds among the correctional facilities as needed. For FY 2009, the Governor recommends transferring $1,689,697 from the Expanded Lottery Act Revenues Fund to the CIBF to offset the portion of the fund that is used to pay debt service related to revenue refunding bonds. This will allow the Department of Corrections to use more Corrections Institutions Building Fund resources to address persistent maintenance issues at the correctional facilities.

RDU Relocation Debt Service. The Governor recommends expenditures of $1,411,000 from the State General Fund for FY 2008 for the debt service payment in association with the relocation of the Reception and Diagnostic Unit from Topeka Correctional Facility to El Dorado Correctional Facility. Of the total amount, $730,000 is for principal and $681,000 is for interest. For FY 2009, the Governor recommends $1,401,000 for this debt service, including $755,000 for principal and $646,000 for interest. The Governor recommends switching monies for the FY 2009 payment from the State General Fund to the Expanded Lottery Act Revenues Fund.

Labette Correctional Conservation Camp Debt Service. This debt service is utilized to pay for a 100-bed expansion project that was authorized in 1997. For FY 2008, the Governor recommends a debt service payment of $157,000 from the State General Fund, including $140,000 for principal and $17,000 for interest. For FY 2009, the Governor recommends $160,000 for this debt service, including $150,000 for principal and $10,000 for interest. The Governor recommends switching funding for the FY 2009 payment from the State General Fund to the Expanded Lottery Act Revenues Fund.

Revenue Refunding Bonds Debt Service. These bond issues paid for the construction of El Dorado Correctional Facility and Larned Correctional Mental Health Facility. To pay the debt service for the revenue refunding bonds, the Governor recommends $2,265,000 for FY 2008 from all funding sources. Of this amount, $1,760,000 is for principal and $505,000 is for interest. The amount budgeted for the principal payment from the Correctional Institutions Building Fund is $1,689,697 with the remaining $70,303 from the State General Fund. For FY 2009, the Governor recommends $2,259,000 from all funding sources. Of this amount, $1,830,000 is for principal and $429,000 is for interest. Of the total principal payment, $140,303 will be from the Expanded Lottery Act Revenues Fund and $1,689,697 will be from the Correctional Institutions Building Fund.

Ellsworth Correctional Facility Debt Service. This debt service is utilized to pay for the original construction costs for Ellsworth Correctional Facility. For the debt service payment, the Governor recommends $1,620,000 from the State General Fund for FY 2008, including $1,580,000 for principal and $40,000 for interest. This is the final payment for this debt service.

Facility Infrastructure Improvements Debt Service. In FY 2007, the Department of Corrections was authorized to issue $19.2 million in bonds to provide additional funding for substantial infrastructure needs at the correctional facilities. Some of the projects identified were replacing locking systems; upgrading utility tunnels; adding water treatment systems; ensuring ADA compliance; and upgrading security and fire alarm systems. For FY 2009, the Governor recommends $1,549,000 for the debt service payment, including $625,000 for principal and $924,000 for interest. Moreover, the Governor recommends transferring funding for the FY 2009 payment from the State General Fund to the Expanded Lottery Act Revenues Fund.

Kansas Correctional Industries—Rehabilitation & Repair. For FY 2008, the Governor recommends expenditures of $72,000 from the Correctional Industries Fund for rehabilitation and repair of various buildings and grounds. For FY 2009, the Governor recommends $80,000 from the Correctional Industries Fund for this purpose.

Kansas Correctional Industries—Industries Buildings. In FY 2008, the Governor recommends $575,000 from the Correctional Industries Fund to construct a 26,500 square foot building at Hutchinson Correctional Facility. In FY 2009, the Governor recommends the same amount from the Correctional Industries Fund to construct a 20,000 square foot building at El Dorado Correctional Facility. These buildings will be used to increase manufacturing capacity in order to meet increases in demand for items produced by inmate workers.

El Dorado Correctional Facility

Rehabilitation & Repair. The Governor recommends a total of $27,317 from the Correctional Institutions Building Fund for rehabilitation and repair projects in FY 2008. These funds were transferred from the Department of Corrections.

Facilities Conservation Improvement Program. Each of the correctional facilities participates in the Facilities Conservation Improvement Program, which is administered by the Department of Administration. The program allows the facilities to replace toilets, showerheads, boilers, and other energy-consuming devices with more efficient equipment. Financing is provided through a line of credit, and each facility will repay its ten-year obligation from the budget savings it realizes as a result of installing more energy-efficient equipment. For El Dorado Correctional Facility, the Governor recommends $248,112 from the State General Fund for this debt payment in FY 2008. Of this amount, $159,723 is principal and $88,389 is interest. Identical amounts from the State General Fund are recommended for FY 2009.

Ellsworth Correctional Facility

Rehabilitation & Repair. For FY 2008, the Governor recommends $137,400 from the Correctional Institutions Building Fund for general maintenance projects. Of this amount, $136,710 was transferred from the Department of Corrections and $690 was reappropriated from the previous fiscal year.

Facilities Conservation Improvement Program. For the Ellsworth Correctional Facility, the Governor recommends $104,757 from the State General Fund for this debt payment in FY 2008. Of this amount, $77,097 is for principal and $27,660 is for interest. Identical amounts from the State General Fund are recommended for FY 2009.

Hutchinson Correctional Facility

Rehabilitation & Repair. For rehabilitation and repair projects in FY 2008, the Governor recommends $297,615 from the Correctional Institutions Building Fund. Of this amount, $259,140 was transferred from the Department of Corrections and $38,475 was reappropriated from the previous fiscal year.

Facilities Conservation Improvement Program. For the Hutchinson Correctional Facility, the Governor recommends $330,629 from the State General Fund for this debt payment in FY 2008. Of this amount,

$248,112 is for principal and $82,517 is for interest. Identical amounts from the State General Fund are recommended for FY 2009.

Lansing Correctional Facility

Rehabilitation & Repair. For FY 2008, the Governor recommends $217,339 from the Correctional Institutions Building Fund for general repairs and maintenance. Of this amount, $85,321 was transferred from the Department of Corrections and $132,018 was reappropriated from FY 2007.

Facilities Conservation Improvement Program. For the Lansing Correctional Facility, the Governor recommends $433,242 from the State General Fund for this debt payment in FY 2008. Of this amount, $340,754 is for principal and $92,488 is for interest. The total amount recommended for FY 2009 is the same with $353,097 for principal and $80,145 for interest.

Larned Correctional Mental Health Facility

Rehabilitation & Repair. For rehabilitation and repair projects in FY 2008, the Governor recommends $221,488 from the Correctional Institutions Building Fund. Of this amount, $219,654 was transferred from the Department of Corrections and $1,834 was reappropriated from FY 2007.

Facilities Conservation Improvement Program. For the Larned Correctional Mental Health Facility, the Governor recommends $20,056 from the State General Fund for this debt payment in FY 2008. Of this amount, $14,762 is for principal and $5,294 is for interest. Identical amounts from the State General Fund are recommended for FY 2009.

Norton Correctional Facility

Rehabilitation & Repair. For FY 2008, the Governor recommends $854,719 from the Correctional Institutions Building Fund for general repairs and maintenance. Of this amount, $814,973 was transferred from the Department of Corrections and $39,746 was reappropriated from the previous fiscal year.

Facilities Conservation Improvement Program. For the Norton Correctional Facility, the Governor recommends $203,865 from the State General Fund for this debt payment in FY 2008. Of this amount, $155,637 is for principal and $48,228 is for interest. The total amount recommended for FY 2009 is the same with $161,988 for principal and $41,877 for interest.

Topeka Correctional Facility

Rehabilitation & Repair. For rehabilitation and repair projects in FY 2008, the Governor recommends $464,329 from the Correctional Institutions Building Fund. Of this amount, $252,159 was transferred from the Department of Corrections and $212,170 was reappropriated from FY 2007.

Facilities Conservation Improvement Program. For the Topeka Correctional Facility, the Governor recommends $86,976 from the State General Fund for this debt payment in FY 2008. Of this amount, $64,015 is for principal and $22,961 is for interest. Identical amounts from the State General Fund are recommended for FY 2009.

Winfield Correctional Facility

Rehabilitation & Repair. For FY 2008, the Governor recommends $136,437 from the Correctional Institutions Building Fund for general repairs and maintenance. Of this amount, $46,200 was transferred from the Department of Corrections and $90,237 was reappropriated from the previous fiscal year.

Facilities Conservation Improvement Program. For the Winfield Correctional Facility, the Governor recommends $170,691 from the State General Fund for this debt payment in FY 2008. Of this amount, $125,201 is for principal and $45,490 is for interest. Identical amounts from the State General Fund are recommended for FY 2009.

Juvenile Justice Authority

Rehabilitation & Repair. The Governor recommends $372,446 in FY 2008 and $738,146 in FY 2009 from

the State Institutions Building Fund for rehabilitation and repair projects at the juvenile correctional facilities. Projects that will be completed in FY 2008 include repairing locks and doors at Atchison, upgrading an HVAC unit at Beloit, and installing a pre-action sprinkler system at the Kansas Juvenile Correctional Complex. The projects to be completed in FY 2009 include installing additional security lighting at Atchison and upgrading control panels and intercoms in the living units at Larned.

Facility Construction Debt Service. The Governor recommends $1,975,000 in principal and $2,021,513 in interest in FY 2008 from the State Institutions Building Fund for the payment on the debt for the construction of the Kansas Juvenile Correctional Complex, the Larned Juvenile Correctional Facility, and the expansion of the Beloit Juvenile Correctional Facility. For FY 2009, the Governor recommends $2,075,000 in principal and $1,922,763 in interest for the payment. Bonds were issued in FY 2002 for the three projects. Renovation was completed at the Beloit Facility in May 2002, construction was completed at the Larned Facility in June 2003, and the Kansas Juvenile Correctional Complex was opened in September 2004.

Maintenance Building Construction—Atchison. For FY 2008, the Governor recommends $537,792 from the State Institutions Building Fund for the construction of a new maintenance building at the Atchison Juvenile Correctional Facility. The new maintenance building will be approximately 6,500 square feet.

Maintenance Building Razing—Atchison. For the Atchison Juvenile Correctional Facility, the Governor recommends $87,682 in FY 2009 from the State Institutions Building for the razing of the current maintenance building. A replacement building will be constructed during FY 2008.

Living Units Razing—Kansas Juvenile Correctional Complex. The Governor recommends $420,004 from the State Institutions Building Fund in FY 2009 for the razing of two living units at the Kansas Juvenile Correctional Complex, which are no longer in use.

Administration Building Renovation—Kansas Juvenile Correctional Complex. For FY 2009, the Governor recommends $2,793,099 from the State Institutions Building Fund for the renovation of the old Topeka Juvenile Correctional Facility administration building at the Kansas Juvenile Correctional Complex. The renovation will allow the Juvenile Justice Authority Central Office to move its operations from its present location in downtown Topeka to the administration building. Renovations will include roof replacement and upgrading the fire alarm system.

Atchison Juvenile Correctional Facility

Rehabilitation & Repair. In FY 2008, the Governor recommends $165,767 from the State Institutions Building Fund to fund various rehabilitation and repair projects at the Atchison Juvenile Correctional Facility. Projects that will be completed including repairing an air conditioner at the facility's school and window replacements for several facility buildings. Of the above amount, $149,738 was transferred from the Juvenile Justice Authority and $16,029 was reappropriated from FY 2007.

Adjutant General

Armory Repair Debt Service. The agency was authorized to issue $22.0 million in bonds to fund the Armory Rehabilitation Plan over a five-year period starting in FY 2001. Selected existing state-owned armories across the state are being rehabilitated, and certain armories are being replaced. Bonds were issued totaling $2.0 million in November 2000, $2.0 million in November 2001, $6.0 million in June 2003, $6.0 million in June 2004, and $6.0 million in November 2005. The 2005 Legislature authorized the issuance of an additional $9.0 million in bonds to complete the Armory Renovation Plan. The bonds will be issued in $3.0 million increments each, starting in FY 2007 and ending in FY 2009.

For FY 2008, the Governor recommends $1,974,519 from the State General Fund to finance the debt service payment on bonds issued for the Armory Rehabilitation Plan. Of the recommended amount, $1,090,000 will be used for principal and $884,519 for interest. The Governor recommends $2,226,807 in FY 2009 from the Expanded Lottery Act Revenues Fund to finance the payment. Of the recommended amount, $1,235,000 will be used for principal and $991,807 for interest.

Armory Repair. In addition to the bond proceeds, the Adjutant General receives federal money to assist in the renovation of armories. The state matches these federal funds dollar for dollar. In each of FY 2008 and FY 2009, the Governor recommends $1.0 million from federal funds for armory renovation projects. The federal money is used to replace roofs, doors, windows, plumbing systems, electrical systems, and HVAC systems.

Armory Construction. For FY 2008, the Governor recommends $117,388 from the State General Fund to finance the debt service payment on bonds issued for the construction of the Armory/Classroom/Recreation Center at Pittsburg State University. Of this amount, $55,000 will be used for principal and $62,388 for interest. For FY 2009, the Governor recommends $115,188 from the State General Fund. Of this amount, $55,000 will be used for principal and $60,188 for interest. Pittsburg State University and the Adjutant General's Office share the responsibility of the debt service for this $5.5 million project. Of the total amount, Pittsburg State University is responsible for $4,025,763 and the Adjutant General's Office is responsible for $1,450,711.

Training Center. The 2007 Legislature approved $9.0 million in bonding authority for one training center in Salina. For FY 2009, the Governor recommends $677,189 from the State General Fund to finance the first debt service payment on bonds issued for the construction. Of this amount, $290,000 will be used for principal and $387,189 for interest. For FY 2009, the Governor also recommends $4.0 million from the Expanded Lottery Act Revenues Fund to finance the construction of the second training center. The location of the second training center has not yet been determined. These training centers will assist the state in meeting training requirements and improve the proficiency and capabilities of all first responders and public safety organizations as well as the National Guard.

Highway Patrol

Rehabilitation, Repair, & Scale Replacement. In FY 2008, the Governor recommends $256,083 and $262,000 in FY 2009 for the rehabilitation and repair of KHP facilities and scale replacement. Of the above amounts, $206,083 in FY 2008 and $212,000 in FY 2009 is from the KHP Operations Fund and $50,000 is from the Highway Patrol Training Center Fund in both fiscal years.

Training Academy Debt Service. The Governor recommends $470,000 for FY 2008 from the Highway Patrol Training Center Fund to finance debt service on the agency's Training Academy in Salina. This amount represents the principal portion of the debt, which was incurred in FY 1993 for the purchase of the Training Academy. This will be the final debt service payment.

Fleet Facility Debt Service. For FY 2008, the Governor recommends $220,000 and $230,000 for FY 2009 from the KHP Operations Fund for the debt service principal payment for the construction of the Highway Patrol fleet facility. In November 2001, bonds were issued in the amount of $3,995,000 to purchase the facility.

Vehicle Inspection Facility Debt Service. The Governor recommends $45,000 in both FY 2008 and FY 2009 from the agency's Vehicle Identification Number Fee Fund for the principal portion of the debt service payment on the bonds issued for the acquisition of the Vehicle Inspection Facility in Olathe.

KHP Training Academy Roof & Boiler Replacement. For FY 2009, the Governor recommends $845,199 from the Highway Patrol Training Center Fund for the replacement of five roofs and a boiler at the Training Academy in Salina.

Kansas Bureau of Investigation

Rehabilitation & Repair. For FY 2009, the Governor recommends $105,000 from the State General Fund to finance various rehabilitation and repair projects. The agency will prioritize the projects for its headquarters building and regional offices.

Headquarters Building Debt Service. The Governor recommends $265,000 in FY 2008 from the State General Fund and $285,000 in FY 2009 from the Expanded Lottery Act Revenues Fund to finance the debt service principal payments on the headquarters building in Topeka. Included in the agency's operating budget is $42,668 in FY 2008 from the State General Fund and $26,850 in FY 2009 from the Expanded Lottery Act Revenues Fund to finance the interest portion on the debt service payments.

Renovate Headquarters & Great Bend Laboratory. For FY 2008, the Governor recommends $148,196 from the State General Fund to renovate the headquarters. This amount was reappropriated from FY 2007. The renovation of the headquarters started in FY 2007 and will be complete by the end of FY 2008.

Headquarters Land Acquisition. The 2007 Legislature approved $124,000 from the State General Fund for FY 2008 to purchase land and homes in the same block as the existing KBI headquarters building in Topeka. In addition, the money can be used to demolish the homes on the purchased land. The Governor recommends $50,000 from the Expanded Lottery Act Revenues Fund in FY 2009 to complete the buyout and demolition project.

KBI Complex—Site Master Plan. The KBI's five-year capital improvement plan includes the purchasing and razing of the remaining buildings on the same block as the Headquarters. The funds for this purpose were approved by the 2007 Legislature. On the purchased land, the agency plans to build a new forensic science laboratory and a storage facility. The Governor recommends $50,000 from the Expanded Lottery Act Revenues Fund to complete an overall KBI Complex site master plan. The site master plan will define space utilization, general appearance, traffic flow, utilities, code compliance, and phasing of the entire project.

In addition, the Governor recommends $150,000 from the Expanded Lottery Act Revenues Fund for a needs assessment of a new forensic science laboratory. The needs assessment will provide insight into expanding laboratory services for the KBI that is not currently offered but needed by the Kansas Criminal Justice Community. The assessment will also provide projected space needed to accommodate changing statutory mandates and estimate a budget for the entire laboratory project.

Agriculture & Natural Resources

Kansas State Fair

Rehabilitation & Repair. The Governor recommends $109,867 for FY 2008 and $112,064 for FY 2009 from the State Fair Capital Improvements Fund for miscellaneous and contingency repair projects on the State Fairgrounds in Hutchinson.

Electrical Sub-Metering Equipment. For FY 2008, the Governor recommends $25,000 from the State General Fund for electrical sub-metering equipment that will enable the agency to monitor electricity usage at each building.

Master Plan Debt Service. In FY 2002, the Kansas Development Finance Authority was authorized to issue revenue bonds totaling $29.0 million to finance a capital improvement master plan to upgrade the facilities at the Kansas State Fair. For FY 2008, the Governor recommends $2,248,884 for the debt service payment. Of this amount, $1,120,000 is for the principal and $1,128,884 is for interest. The financing of this payment is $1,548,884 from the State General Fund, $400,000 from the State Fair Debt Service Revenue Fund, and $300,000 from the City of Hutchinson and Reno County.

For FY 2009, the Governor recommends $2,240,821 for the debt service payment. Of this amount, $1,155,000 is for the principal and $1,085,821 is for interest. The financing of this $1,540,821 payment is from the Expanded Lottery Act Revenues Fund (ELARF), the State Fair Debt Service Revenue Fund, and monies from the City of Hutchinson and Reno County. The Governor also recommends that the $300,000 match to the State Fair Capital Improvements Fund be transferred from ELARF instead of the State General Fund for FY 2009.

Department of Wildlife & Parks

Rehabilitation & Repair. In an ongoing response to the need to keep the state's parks, public lands, and wildlife areas in good repair and accessible to all visitors, the Governor recommends $9,965,504 from all funding sources for rehabilitation and repair in FY 2008. Of this amount, $3,689,500 was approved by the 2007 Legislature. The amount recommended for FY 2008 includes carry-forward balances from continuing projects approved in previous years. For FY 2009, the recommendation is $7,376,000 from all funding sources. The categories of rehabilitation and repair that are emphasized by these recommendations

are general rehabilitation and repair, as well as road and bridge maintenance.

General rehabilitation and repair includes maintenance of the facilities managed by the Department. For FY 2008, the Governor recommends $5,997,592 from all funding sources. Of this amount $8,167 is from the Parks Fee Fund, $1,407,248 is from the Wildlife Fee Fund, $152,500 is from the Wildlife Fund—Federal, $1,136,644 is from the Land and Water Conservation Fund, $345,000 is from the Wildlife Conservation Fund, $200,000 is from the Wildlife Conservation Fund—Federal, $76,868 is from the Migratory Waterfowl Fund, $233,050 is from the Tuttle Creek Mitigation Fund, $2,256,264 is from the State General Fund, and $181,851 from federal emergency funds.

For FY 2009, the total for rehabilitation and repair is $4,084,000, including $3,000,000 from the Expanded Lottery Act Revenues Fund, $150,000 from the Wildlife Conservation Fund, $500,000 from the Parks Fee Fund, $400,000 from the Land and Water Conservation Fund, and $34,000 from private donations.

To ensure that access roads and bridges in state parks, public lands, wildlife areas, and other facilities managed by the Department are well maintained and safe, the Governor recommends $3,967,912 from the State Highway Fund for FY 2008. Of this amount, $3,635,816 is for access roads and $332,096 is for bridges. For FY 2009, the Governor's budget recommendation totals $1,792,000 from the State Highway Fund, of which $1,592,000 is for roads and $200,000 is for bridges.

Repair to Flood Damaged Parks. For FY 2009, the Governor recommends enhanced funding of $1.5 million from the Expanded Lottery Act Revenues Fund to cover damage to the state parks during the spring and summer of 2007. High winds, heavy rains, and long-term flooding caused extensive damage to many of the state parks. This funding will pay for debris removal; repairs to campsites, boat ramps, playgrounds, beaches, and docks; replacement of underground wiring, picnic tables, trees, and grass; as well as repairs to spillways, shoreline, and trails. While some public lands under the Department's management received federal grants for flood repairs, because the state parks are built on land intended for flood control, they are not eligible for such monies.

Coast Guard Boating Projects. To continue a program to provide secure, off-season storage facilities for the Department's powerboats, the Governor recommends $125,296 for FY 2008. Of this amount, $124,000 was approved by the 2007 Legislature. The Governor recommends $100,000 from the Boating Fee Fund for FY 2009.

Land/Wetland Acquisition & Development. The Department of Wildlife and Parks acquires and develops both land and wetlands in Kansas to provide public access to all citizens for wildlife viewing, habitat preservation, hunting and other recreational opportunities. To enhance recreational activities, the Governor recommends carry-forward funds of $1,693,733, in addition to the $1,200,000 approved by the 2007 Legislature, for a total of $2,893,733 from special revenue funds for land and wetlands acquisition, development, and rehabilitation in FY 2008. Of this amount, $2,251,866 is for land acquisition, and $641,867 is for wetlands. Financing for land acquisition and development is from the Wildlife Conservation Fund, the Wildlife Conservation Fund—Federal, the Wildlife Fee Fund, and the Wildlife Fund—Federal, and financing for wetlands is from the Wildlife Conservation Fund, the Wildlife Conservation Fund—Federal, and the Migratory Waterfowl Propagation and Protection Fund.

For FY 2009, the Governor recommends $950,000 for both land and wetlands development. The recommendation includes $300,000 from the Wildlife Conservation Fund and $200,000 from the Wildlife Conservation Fund—Federal for land, and $150,000 from the Migratory Waterfowl Fund and $300,000 from the Wildlife Conservation Fund—Federal for wetlands.

River Access. In keeping with the agency's mission of enhancing recreational opportunities, the Governor recommends expenditures of $50,000 from the Boating Fund—Federal for river access in FY 2009. The funds will be used to continue a long-range program to increase river access in Kansas. In the past, the Department has worked with communities to construct boat ramps at St. George, White Cloud, Atchison, Kaw Point, and Lecompton.

Motorboat Access. In response to the U.S. fish and Wildlife Service requirement that at least 10.5 percent

of the federal funds received by the Department be used for motorboat access projects, the Governor recommends $2,270,220 for FY 2008. Of this amount, $935,700 was approved by the 2007 Legislature. The balance consists of amounts carried forward from the Boating Fee Fund, Wildlife Fund—Federal, and the Wildlife Fee Fund. For FY 2009, $1,303,500 is recommended. Of the amount recommended, $1,100,000 is from the Wildlife Fund—Federal, $123,500 is from the Wildlife Conservation Fund—Federal, and $80,000 is from the Wildlife Fee Fund. This funding will be used for lighting, parking, toilet facilities, boat ramps, fish cleaning stations, and other motorboat access facilities.

Transportation

Department of Administration

Comprehensive Transportation Program (CTP) Bonds. The 2004 Legislature authorized the issuance of $210.0 million in bonds to support the Department of Transportation's CTP. The bonds are repaid through appropriations from the State General Fund to the Department of Transportation. For FY 2008, the Governor recommends debt service payments totaling $16,151,075, including $6,735,000 for principal and $9,416,075 for interest. For FY 2009, the Governor recommends debt service payments from the Expanded Lottery Act Revenues Fund totaling $16,148,175, including $7,010,000 for principal and $9,138,175 for interest.

Kansas Department of Transportation

The Governor recommends $913,063,962 in FY 2008 and $1,113,874,376 in FY 2009 for the Department of Transportation's capital improvement projects. Included in the FY 2009 budget are funds for rehabilitation and repair projects; replacement of deteriorated roofs on the agency's facilities; replacement of deteriorated equipment storage sheds at the area and sub-area shops; construction of equipment bay extensions, chemical storage buildings and bunkers, and vehicle wash bays; updates to electrical service at three facilities; replacement of a freight elevator; and construction of a new Troop F headquarters for the Kansas Highway Patrol. The table below summarizes the recommendations for expenditures that are related to the Comprehensive Transportation Program by major classification of expenditure. The totals in the table will not match the total for capital improvement expenditures cited above, because the table includes only the Routine and Substantial Maintenance Programs and the agency's Priority Bridge and System Enhancement projects.

Comprehensive Transportation Program Construction Costs
(*Dollars in Thousands)*

	FY 2008	FY 2009
Routine Maintenance	138,703	142,711
Substantial Maintenance	183,186	192,933
Major Mods.-Priority Bridge	401,160	353,486
System Enhancements	198,364	168,362
Total	$921,413	$857,492

Expenditures for Capital Improvements by Project

	FY 2007 Actual	FY 2008 Gov. Estimate	FY 2009 Base Budget	FY 2009 Enhance. Pkg.	FY 2009 Gov. Rec.
Educational Building Fund					
Board of Regents					
Rehabilitation & Repair	--	--	15,000,000	--	30,000,000
Crumbling Classroom Debt Service	11,450,000	12,045,000	12,665,000	--	12,665,000
Emporia State University					
Rehabilitation & Repair	347,849	2,080,079	--	--	--
Fort Hays State University					
Rehabilitation & Repair	1,191,988	1,253,761	--	--	--
Kansas State University					
Rehabilitation & Repair	4,335,012	4,996,803	--	--	--
KSU--Veterinary Medical Center					
Rehabilitation & Repair	192,840	--	--	--	--
Pittsburg State University					
Rehabilitation & Repair	228,281	2,178,566	--	--	--
Armory/Classroom/Recreation Center	250,452	--	--	--	--
University of Kansas					
Rehabilitation & Repair	3,392,860	11,451,468	--	--	--
University of Kansas Medical Center					
Rehabilitation & Repair	1,444,321	1,873,870	--	--	--
Wichita State University					
Rehabilitation & Repair	2,783,267	1,733,189	--	--	--
Subtotal--EBF	**$ 25,616,870**	**$ 37,612,736**	**$ 27,665,000**	**$ --**	**$ 42,665,000**
Crumbling Classrooms Interest	3,550,000	2,955,000	2,335,000	--	2,335,000
State Building Insurance Premium	375,000	415,000	475,000	--	475,000
Total--EBF	**$ 29,541,870**	**$ 40,982,736**	**$ 30,475,000**	**$ --**	**$ 45,475,000**
State Institutions Building Fund					
Social & Rehabilitation Services					
State Hospital Rehabilitation & Repair	2,144,547	1,414,185	1,415,500	16,221,380	1,415,500
State Hospital Rehab. & Repair Debt Serv.	1,200,000	1,230,000	1,265,000	--	1,265,000
State Security Hospital Debt Service	1,695,000	1,765,000	1,850,000	--	1,850,000
Osawatomie State Hospital Remodel	--	2,700,000	--	--	--
Commission on Veterans Affairs					
Emergency Rehabilitation & Repair	--	20,000	--	--	--
KVH Rehabilitation & Repair	182,902	271,875	115,531	--	153,531
KSH Rehabilitation & Repair	401,615	329,780	540,380	--	540,380
KVH Backup Generator Grant	79,935	--	--	--	--
KSH Backup Generator Grant	149,988	51,284	--	--	--
Soldiers Home Facility Conserv. Improv.	--	609,069	--	--	--
KVH Emergency Exit Sidewalks	--	12,000	--	--	--
KVH Tornado Shelter/Window Replacement	25,748	505,956	--	--	--
KSH HIPAA Compliant Nurses Station	--	32,500	--	--	--
School for the Blind					
Rehabilitation & Repair	66,730	71,544	74,360	--	74,360
Drainage System Installation	19,635	37,515	--	--	--
Reroof Brighton Building	--	83,263	--	--	--
Install Key Card Entry System	--	--	210,472	--	210,472
School for the Deaf					
Rehabilitation & Repair	195,485	190,000	190,000	5,000	195,000
Install Key Card Entry System	19,577	--	--	--	--
Parks-Bilger/Taylor Gym Roof Repair	1,921	--	--	--	--
Roth Building Roof Repair	131,910	8,090	--	--	--
Roth Dorm Renovation	483,444	623	--	674,787	--
Roth Building Window Replacement	--	125,000	--	--	--
Install Fire Resistant Doors	--	--	--	162,000	162,000

Expenditures for Capital Improvements by Project

	FY 2007 Actual	FY 2008 Gov. Estimate	FY 2009 Base Budget	FY 2009 Enhance. Pkg.	FY 2009 Gov. Rec.
Juvenile Justice Authority					
Rehabilitation & Repair	1,361	372,446	798,146	--	738,146
AJCF-Maintenance Building Construction	--	537,792	--	--	--
AJCF-Raze Maintenance Building	--	--	--	87,682	87,682
AJCF-Install Emergency Power Generator	--	--	--	681,318	--
KJCC-Construct Employee Security Station	--	--	--	50,000	--
KJCC-Raze Living Units	--	--	--	420,004	420,004
TJCF-Administration Building Renovation	--	--	--	--	2,793,099
Facility Construction Debt Service	1,885,000	1,975,000	2,075,000	--	2,075,000
Atchison Juvenile Correctional Facility					
Rehabilitation & Repair	121,178	165,767	--	--	--
Beloit Juvenile Correctional Facility					
Rehabilitation & Repair	405,522	--	--	--	--
Kansas Juvenile Correctional Complex					
Rehabilitation & Repair	263,761	--	--	--	--
Larned Juvenile Correctional Facility					
Rehabilitation & Repair	32,232	--	--	--	--
Subtotal--SIBF	**$ 9,507,491**	**$ 12,508,689**	**$ 8,534,389**	**$ 18,302,171**	**$ 11,980,174**
SRS Projects--Interest	3,285,321	3,497,756	3,377,100	--	3,377,100
Juvenile Justice Projects--Interest	2,104,174	2,021,513	1,922,763	--	1,922,763
State Building Insurance Premium	56,260	77,000	80,000	--	80,000
Total--SIBF	**$ 14,953,246**	**$ 18,104,958**	**$ 13,914,252**	**$ 18,302,171**	**$ 17,360,037**
Correctional Institutions Building Fund					
Department of Corrections					
Rehabilitation & Repair	22,640	2,357,310	3,231,303	--	4,921,000
Revenue Refunding Debt Service	1,689,697	1,689,697	1,689,697	--	1,689,697
El Dorado Correctional Facility					
Rehabilitation & Repair	91,538	27,317	--	--	--
Ellsworth Correctional Facility					
Rehabilitation & Repair	61,189	137,400	--	--	--
Hutchinson Correctional Facility					
Rehabilitation & Repair	775,011	297,615	--	--	--
Lansing Correctional Facility					
Rehabilitation & Repair	717,495	217,339	--	--	--
Larned Correctional Mental Health Facility					
Rehabilitation & Repair	421,690	221,488	--	--	--
Norton Correctional Facility					
Rehabilitation & Repair	171,435	854,719	--	--	--
Topeka Correctional Facility					
Rehabilitation & Repair	243,580	464,329	--	--	--
Winfield Correctional Facility					
Rehabilitation & Repair	749,069	136,437	--	--	--
Subtotal--CIBF	**$ 4,943,344**	**$ 6,403,651**	**$ 4,921,000**	**$ --**	**$ 6,610,697**
State Building Insurance Premium	60,000	71,000	75,000	--	75,000
Total--CIBF	**$ 5,003,344**	**$ 6,474,651**	**$ 4,996,000**	**$ --**	**$ 6,685,697**
State General Fund					
Department of Administration					
Memorial Hall Passive Access Entrance	1,172	--	--	--	--
Dillon House Repairs	52,000	--	--	--	--
Statehouse-Cedar Crest Rehab. & Repair	431,824	237,253	200,000	--	200,000
Judicial Center-Rehabilitation & Repair	105,568	100,000	100,000	125,000	100,000
Statehouse Renovation Debt Service	3,079,145	2,380,000	3,520,000	870,000	--
Judicial Center Improvements Debt Service	65,000	65,000	70,000	--	--
Energy Conservation Improvement Projects	695,000	575,000	352,500	--	352,500
Docking State Office Building Chillers	244,942	377,102	406,190	--	406,190

Expenditures for Capital Improvements by Project

	FY 2007 Actual	FY 2008 Gov. Estimate	FY 2009 Base Budget	FY 2009 Enhance. Pkg.	FY 2009 Gov. Rec.
Department of Administration, Cont'd.					
Comprehensive Transportation Prog. Debt Serv.	264,297	6,735,000	7,010,000	--	--
Utility Tunnel Repair	--	370,170	--	--	--
Docking Building Fire Alarm Upgrade	--	--	--	245,388	--
Landon Building Emergency Stairwell	--	--	--	72,800	--
Landon Building Fire Detection System	--	--	--	863,153	--
Landon Building Fire Suppression System	--	--	--	515,995	--
Capitol Complex Maint. Tunnel Replacement	--	--	--	3,001,440	--
Judicial Center Sprinkler System	--	--	--	976,302	--
Judiciary					
Renovate Judge's Chamber	1,158	139,984	143,483	--	143,483
Kansas Neurological Institute					
Energy Conservation Improvement Debt Serv.	114,895	--	--	--	--
Larned State Hospital					
Rehabilitation & Repair	1,975	--	--	--	--
Parsons State Hospital					
Energy Conservation Improvement Debt Serv.	109,118	--	--	--	--
School for the Blind					
Energy Conservation Improvement Debt Serv.	25,276	26,494	27,770	--	27,770
School for the Deaf					
Energy Conservation Improvement Debt Serv.	54,704	56,464	58,826	--	58,826
Board of Regents					
Rehabilitation & Repair	5,636	--	--	--	--
Infrastructure Maintenance	--	--	--	84,393,000	--
Kansas State University					
Lease-Purchase of Aeronautical Center	189,446	189,446	189,446	--	189,446
Kansas State University--ESARP					
Rehabilitation & Repair	13,703	--	--	--	--
Pittsburg State University					
Energy Conservation Improvement Debt Serv.	126,930	141,659	148,532	--	148,532
Readiness Center Debt Service	--	143,359	160,000	--	--
Rehabilitation & Repair	70,555	--	--	--	--
University of Kansas					
Rehabilitation & Repair	402,985	--	--	--	--
Energy Conservation Improvement Debt Serv.	714,303	763,768	728,120	--	728,120
University of Kansas Medical Center					
Rehabilitation & Repair	6,507	--	--	--	--
Energy Conservation Improvement Debt Serv.	350,000	370,000	395,000	--	--
Wichita State University					
Aviation Research Initiative Debt Service	1,273,003	1,215,000	1,275,000	--	--
Historical Society					
Historic Sites Preservation & Development	--	--	--	252,150	--
Rehabilitation & Repair	240,445	349,167	125,000	--	125,000
Replace Skylights at Museum of History	173,238	--	--	--	--
Rehabilitation & Repair at Museum of History	482,770	--	--	238,185	--
Department of Corrections					
Rehabilitation & Repair	--	--	--	1,689,697	--
Revenue Refunding Bonds Debt Service	303	70,303	140,303	--	--
Ellsworth Correctional Facility Debt Service	1,505,000	1,580,000	--	--	--
Labette Conservation Camp Debt Service	135,000	140,000	150,000	--	--
Labette Conservation Camp Rehab. & Repair	39,825	100,911	50,067	--	50,067
RDU Relocation Bonds Debt Service	125,939	730,000	755,000	--	--
Infrastructure Projects Debt Service	--	--	625,000	--	--
El Dorado Correctional Facility					
Energy Conservation Improvement Debt Serv.	177,517	159,723	159,723	--	159,723
Ellsworth Correctional Facility					
Energy Conservation Improvement Debt Serv.	77,088	77,097	77,097	--	77,097

Expenditures for Capital Improvements by Project

	FY 2007 Actual	FY 2008 Gov. Estimate	FY 2009 Base Budget	FY 2009 Enhance. Pkg.	FY 2009 Gov. Rec.
Hutchinson Correctional Facility					
Rehabilitation & Repair	10,280	--	--	--	--
Expand South Unit Visiting Room	--	--	--	167,050	--
Energy Conservation Improvement Debt Serv.	248,112	248,112	248,112	--	248,112
Lansing Correctional Facility					
Energy Conservation Improvement Debt Serv.	328,842	340,754	353,097	--	353,097
Larned Correctional Mental Health Facility					
Energy Conservation Improvement Debt Serv.	36,556	14,762	14,762	--	14,762
Norton Correctional Facility					
Energy Conservation Improvement Debt Serv.	149,535	155,637	161,988	--	161,988
Topeka Correctional Facility					
Rehabilitation & Repair	9,542	--	--	--	--
Energy Conservation Improvement Debt Serv.	62,957	64,015	64,015	--	64,015
Winfield Correctional Facility					
Rehabilitation & Repair	5,062	--	--	--	--
Energy Conservation Improvement Debt Serv.	125,201	125,201	125,201	--	125,201
Atchison Juvenile Correctional Facility					
Rehabilitation & Repair	3,030	--	--	--	--
Beloit Juvenile Correctional Facility					
Rehabilitation & Repair	198,322	--	--	--	--
Kansas Juvenile Correctional Complex					
Rehabilitation & Repair	82,031	--	--	--	--
Adjutant General					
Armory Repair Debt Service	1,060,000	1,090,000	1,095,675	139,325	--
National Guard Bureau Rehab. & Repair	188,837	--	--	--	--
Construct Great Plains Reg. Training Spoke #1	--	--	--	4,133,000	--
Liberal Vehicle Storage Compound Repair	--	--	--	336,753	--
Armory Construction	--	55,000	55,000	--	55,000
Salina Training Center Debt Service	--	--	--	290,000	290,000
Kansas Bureau of Investigation					
Rehabilitation & Repair	100,000	100,000	105,000	--	105,000
KBI Complex - Site Master Plan	--	--	--	50,000	--
Headquarters Land Acquisition	--	124,000	--	55,540	--
Back-up Generator Replacement	--	--	--	100,000	--
Topeka Forensic Science Laboratory	--	--	--	150,000	--
Evidence Control Center Expansion	--	--	--	142,500	--
Great Bend Office - Rehab. & Repair	863,385	--	--	136,500	--
Renovate Headquarters	242,894	148,196	--	--	--
Purchase Annex (IMA Building)	1,100,000	--	--	--	--
Headquarters Building Acquisition Debt Serv.	265,000	265,000	285,000	--	--
Kansas State Fair					
Rehabilitation & Repair	2,375,727	--	--	--	--
Energy Enhancements	--	25,000	--	20,000	--
Master Plan Debt Service	685,000	715,000	745,000	--	--
Department of Wildlife & Parks					
Parks Rehabilitation & Repair	1,501,586	2,256,264	1,500,000	--	--
Pratt Office Renovation	--	35,000	--	--	--
Total--State General Fund	**$ 20,998,166**	**$ 22,854,841**	**$ 21,619,907**	**$ 98,963,778**	**$ 4,183,929**
Expanded Lottery Act Revenues Fund					
Department of Administration					
Comprehensive Transportation Prog. Debt Serv.	--	--	--	--	7,010,000
Statehouse Renovation Debt Service	--	--	--	--	4,390,000
Judicial Center Improvements Debt Service	--	--	--	--	70,000
Capitol Complex Maintenance	--	--	--	--	3,000,000
Docking Renovation Planning	--	--	--	--	1,000,000

Expenditures for Capital Improvements by Project

	FY 2007 Actual	FY 2008 Gov. Estimate	FY 2009 Base Budget	FY 2009 Enhance. Pkg.	FY 2009 Gov. Rec.
Historical Society					
Historic Site Preservation & Development	--	--	--	--	500,000
University of Kansas					
School of Pharmacy Expansion	--	--	--	--	1,000,000
University of Kansas Medical Center					
Energy Conservation Improvement Debt Serv.	--	--	--	--	395,000
Pittsburg State University					
Readiness Center Debt Service	--	--	--	--	160,000
Wichita State University					
Aviation Research Debt Service	--	--	--	--	1,275,000
Department of Corrections					
Revenue Refunding Bonds Debt Service	--	--	--	--	140,303
Labette Conservation Camp Debt Service	--	--	--	--	150,000
RDU Relocation Bonds Debt Service	--	--	--	--	755,000
Infrastructure Projects Debt Service	--	--	--	--	625,000
Adjutant General					
Armory Repair Debt Service	--	--	--	--	1,235,000
Great Plains Regional Training Center	--	--	--	--	4,000,000
Kansas Bureau of Investigation					
Headquarters Building Acquisition Debt Serv.	--	--	--	--	285,000
Headquarters Land Acquisition	--	--	--	--	50,000
KBI Complex - Site Master Plan	--	--	--	--	200,000
Kansas State Fair					
Master Plan Debt Service	--	--	--	--	1,045,000
Department of Wildlife & Parks					
Parks Rehabilitation & Repair	--	--	--	--	3,000,000
Parks Flood Repair & Develop Green Space	--	--	--	--	1,500,000
Total--ELARF	**$ --**	**$ --**	**$ --**	**$ --**	**$ 31,785,303**
Regents Restricted Funds					
Board of Regents					
Research Initiative	6,220,562	4,025,000	4,765,000	--	4,765,000
Infrastructure Maintenance	--	--	20,000,000	--	20,000,000
Emporia State University					
Rehabilitation & Repair	18,873	--	--	--	--
Student Recreation Center	110,000	115,000	120,000	--	120,000
Residence Halls	287,378	335,000	--	--	--
Student Union Renovation	122,379	131,000	131,000	--	131,000
Twin Towers Renovation	45,000	50,000	380,000	--	380,000
Parking Lot Improvements	--	90,000	90,000	--	90,000
Infrastructure Maintenance	--	2,461,000	668,000	--	668,000
Fort Hays State University					
Rehabilitation & Repair	154,627	--	--	--	--
Infrastructure Maintenance	--	2,668,000	613,000	--	613,000
Energy Conservation Projects	183,046	179,671	184,258	--	184,258
Memorial Hall Renovation	--	285,000	300,000	--	300,000
Lewis Field Stadium Renovation	60,000	60,000	65,000	--	65,000
Student Housing	150,000	155,000	160,000	--	160,000
Mindes Hall HVAC	--	--	--	--	--
Parking Improvements	202,553	250,000	400,000	--	400,000
Kansas State University					
Rehabilitation & Repair	1,444,094	--	--	--	--
Student Union Renovation Debt Service	375,000	390,000	410,000	--	410,000
Parking Facility Debt Service	--	--	335,000	--	335,000
Energy Conservation Debt Service	1,717,527	1,797,092	1,166,076	--	1,166,076
Farrell Library Expansion Debt Service	170,000	180,000	190,000	--	190,000
Student Recreation Complex Debt Service	460,000	480,000	505,000	--	505,000
Ackert Hall Renovation Debt Service	95,000	100,000	105,000	--	105,000

Expenditures for Capital Improvements by Project

	FY 2007 Actual	FY 2008 Gov. Estimate	FY 2009 Base Budget	FY 2009 Enhance. Pkg.	FY 2009 Gov. Rec.
Kansas State University, Cont'd.					
Jardine Student Housing Debt Service	1,062,093	1,250,000	1,405,000	--	1,405,000
Salina Student Housing Debt Service	50,000	60,000	60,000	--	60,000
K-State Union Sprinkler System	--	1,000,000	--	--	--
Konza Barn Renovation	--	710,000	--	--	--
Aircraft Runway Improvements at Salina	--	2,000,000	2,000,000	--	2,000,000
Biosecurity Research Institute	3,695,079	--	--	--	--
Parking Lot Improvements	942,750	800,000	2,300,000	--	2,300,000
Infrastructure Maintenance	--	11,366,500	3,606,000	--	3,606,000
Kansas State University--ESARP					
Rehabilitation & Repair	211,213	--	--	--	--
Grain Science Ctr. Feed Mill Debt Service	1,000,000	1,350,000	--	--	--
Infrastructure Maintenance	--	1,000,000	--	--	--
KSU--Veterinary Medical Center					
Rehabilitation & Repair	94,834	--	--	--	--
Infrastructure Maintenance	--	200,000	--	--	--
Pittsburg State University					
Rehabilitation & Repair	348,257	--	--		--
Energy Conservation Improvements Debt Serv.	325,268	339,736	356,206	--	356,206
Bonita Terrace Debt Service	--	55,000	85,000	--	85,000
Willard Hall Debt Service	125,000	130,000	135,000	--	135,000
Horace Mann Hall Debt Service	140,000	145,000	150,000	--	150,000
Jack H. Overman Student Center Debt Serv.	100,000	100,000	100,000	--	100,000
Armory/Classroom/Recreation Center	3,886,009	--	--	--	--
Student Housing	337,192	750,000	750,000	--	750,000
Parking Improvements	233,843	300,000	300,000	--	300,000
Student Hospital	73,532	1,582,500	1,582,500	--	1,582,500
Jack H. Overman Student Center	--	250,000	250,000	--	250,000
Infrastructure Maintenance	--	2,820,000	773,000	--	773,000
University of Kansas					
Rehabilitation & Repair	5,778,156	1,018,363	--	--	--
Infrastructure Maintenance	--	9,951,000	1,391,000	--	1,391,000
Child Care Facility	104,437	727,000	--	--	--
Student Union Addition	3,089,136	--	--	--	--
Parking Improvements	--	600,000	800,000	--	800,000
Scholarship Hall #4	--	3,582,000	--	--	--
Computer Services Facilities	--	--	--	--	--
Student Housing	1,001,069	668,000	700,000	--	700,000
Multicultural Resource Center	2,399,835	5,000,000	--	--	--
Wescoe Hall Offices & Classrooms	575,976	43,633	--	--	--
Storm Damage Repair	4,329,972	35,546	--	--	--
Student Housing Debt Service	654,578	770,000	795,000	--	795,000
Parking Facilities	831,338	850,000	890,000	--	890,000
Child Care Facility	125,959	130,000	135,000	--	135,000
Continuing Education Building	140,000	150,000	155,000	--	155,000
Student Recreation & Fitness Center	900,000	1,130,000	1,185,000	--	1,185,000
Student Union Addition	350,000	365,000	380,000	--	380,000
Energy Conservation	25,000	12,628	11,862	--	11,862
University of Kansas Medical Center					
Rehabilitation & Repair	310,984	--	--	--	--
Center for Health in Aging Debt Service	120,000	125,000	130,000	--	130,000
Research Support Facility Debt Service	225,000	230,000	240,000	--	240,000
Parking Facility #3 Debt Service	120,000	125,000	130,000	--	130,000
Lied Bio-Medical Building	--	--	2,100,000	--	2,100,000
Parking Improvements	--	--	600,000	--	600,000
Infrastructure Maintenance	--	3,634,500	360,000	--	360,000

Expenditures for Capital Improvements by Project

	FY 2007 Actual	FY 2008 Gov. Estimate	FY 2009 Base Budget	FY 2009 Enhance. Pkg.	FY 2009 Gov. Rec.
Wichita State University					
Rehabilitation & Repair	1,410,466	--	--	--	--
Energy Conservation Project Debt Service	468,286	624,638	649,522	--	649,522
Student Housing Debt Service	490,000	510,000	520,000	--	520,000
On-Campus Parking Improvements Debt Serv.	315,000	335,000	350,000	--	350,000
Infrastructure Maintenance	--	3,954,000	1,196,000	--	1,196,000
Total--Regents Restricted Funds	**$ 48,206,301**	**$ 74,531,807**	**$ 57,158,424**	**$ --**	**$ 57,158,424**
Special Revenue Funds					
Department of Administration					
Landon State Office Building Façade Repair	370,766	2,159,234	--	--	--
Debt Service--Motor Pool Building	38,238	40,350	14,422	--	14,422
Parking Lot/Sidewalk Maintenance	--	--	--	150,000	150,000
Department of Commerce					
Rehabilitation & Repair	26,523	96,000	100,000	--	100,000
Topeka Workforce Building Debt Service	65,000	70,000	70,000	--	70,000
Insurance Department					
Rehabilitation & Repair	25,451	60,000	60,000	--	60,000
Energy Conservation Improvement Debt Serv.	90,097	60,861	63,054	--	63,054
Social & Rehabilitation Services					
Chanute Office Building Rehab. & Repair	300,001	200,000	200,000	--	200,000
Kansas Neurological Institute					
Energy Conservation Improvement Debt Serv.	--	119,995	125,320	--	125,320
Osawatomie State Hospital					
Rehabilitation & Repair	58	58	58	--	58
Parsons State Hospital					
Energy Conservation Improvement Debt Serv.	1,372	113,619	113,666	--	113,666
Department of Labor					
Rehabilitation & Repair	27,548	40,000	40,000	--	40,000
Eastman Building--Purchase & Renovate	505,599	--	1,615,417	--	1,615,417
Remodel 1309 Topeka Blvd.	13,228	--	--	--	--
HVAC System for 1309 Topeka Blvd.	246,333	--	--	--	--
Master Lease	74,352	68,316	71,743	--	71,743
Debt Service for Rehab. of Headquarters	131,765	155,000	160,000	--	160,000
Commission on Veterans Affairs					
KSH Backup Generator Grant	--	1,344,925	--	--	--
Veterans Cemeteries Rehabilitation & Repair	1,075	--	--	--	--
KSH Health & Safety Grant Match	88,105	--	--	--	--
KVH Tornado Shelter/Window Replacement	--	940,871	--	--	--
Kansas Veterans Cemetery--Fort Riley	14,718	5,795,531	500,000	--	500,000
Historical Society					
Historic Sites Preservation & Development	429,547	195,413	200,000	--	200,000
Department of Corrections					
Facility Rehabilitation & Repair	--	2,406,082	--	--	--
Correctional Industries Rehab. & Repair	29,946	72,000	80,000	--	80,000
Construct Industry Building at Hutchinson CF	--	575,000	--	--	--
Construct Industry Building at El Dorado CF	--	--	575,000	--	575,000
Koch Building Renovation	111,880	--	--	--	--
Showroom Expansion at Topeka CF	538,061	--	--	--	--
Hutchinson Correctional Facility					
Rehabilitation & Repair	5,669	--	--	--	--
Lansing Correctional Facility					
Construct Temporary Clinic	--	150,000	--	--	--
Adjutant General					
Armory Rehabilitation & Repair	7,701,610	1,000,000	1,000,000	--	1,000,000
Fusion Center	--	1,612,500	--	--	--
Highway Patrol					
Training Academy Debt Service	470,000	470,000	--	--	--
Fleet Facility Debt Service	210,000	220,000	230,000	--	230,000

Expenditures for Capital Improvements by Project

	FY 2007 Actual	FY 2008 Gov. Estimate	FY 2009 Base Budget	FY 2009 Enhance. Pkg.	FY 2009 Gov. Rec.
Highway Patrol, Cont'd.					
Vehicle Inspection Facility Debt Service	45,000	45,000	45,000	--	45,000
Rehabilitation & Repair/Scale Replacement	209,164	256,083	262,000	--	262,000
Roof Repairs	--	--	--	845,199	845,199
Kansas Bureau of Investigation					
Renovate Headquarters	62,750	--	--	--	--
Renovate Headquarters Laboratory	37,350	--	--	--	--
Annex Security System	1,821	--	--	--	--
Kansas State Fair					
Rehabilitation & Repair	88,214	109,867	112,064	--	112,064
Master Plan Debt Service	395,000	405,000	410,000	--	110,000
Department of Wildlife & Parks					
Parks Flood Repair	--	181,851	--	--	--
Tuttle Creek Mitigation Project	763,800	--	--	--	--
Parks Rehabilitation & Repair	1,123,960	1,144,811	934,000	--	934,000
Sebelius Reservoir Minimum Pool Increase	--	1,000,000	--	--	--
Milford Nature Center Classroom	--	75,000	--	--	--
Pratt Office Renovation	--	105,000	--	--	--
Milford Fish Hatchery Renovation	1,011,448	1,702,251	--	--	--
Coast Guard Boating Projects	--	125,296	100,000	--	100,000
Tuttle Creek Mitigation Project	--	233,050	--	--	--
Prairie Spirit Rail Trail Development	1,365,549	--	--	--	--
Cheyenne Bottoms	2,470,680	--	--	--	--
Bridge Maintenance	557,380	332,096	200,000	--	200,000
Roads Maintenance	93,059	3,635,816	1,592,000	--	1,592,000
Boating Access/Development	--	77,889	--	--	--
River Access	--	100,000	50,000	--	50,000
Federally Mandated Boating Access	1,089,454	2,270,220	1,303,500	--	1,303,500
Public Lands Major Maintenance	1,412,751	1,836,616	150,000	--	150,000
Park 24 Development	--	745,000	--	--	--
Labette Co. Land Acquisition	--	--	--	--	--
Wetlands Acquisition/Development	--	641,867	450,000	--	450,000
Land Acquisition	207,418	2,251,866	500,000	--	500,000
Repair Shawnee State Fishing Lake Dam	--	345,000	--	--	--
Total--Special Revenue Funds	**$ 22,451,740**	**$ 35,585,334**	**$ 11,327,244**	**$ 995,199**	**$ 12,022,443**
State Highway Fund					
Kansas Department of Transportation					
KDOT Buildings--Rehab. & Repair	4,377,199	8,830,274	15,913,987	--	13,392,987
Substantial Maintenance	140,524,277	183,185,600	192,932,902	--	192,932,902
Debt Service on Highway Projects	53,020,000	50,330,000	52,990,000	--	52,990,000
City/County Construction	181,385,358	294,285,200	169,603,731	--	169,603,731
Construction Contracts	380,648,186	229,650,400	523,245,900	--	523,245,900
Construction Operations	101,018,030	118,427,070	130,512,264	2,349,388	132,744,565
Design Contracts	19,989,494	28,355,418	28,964,291	--	28,964,291
Total--State Highway Fund	**$ 880,962,544**	**$ 913,063,962**	**$ 1,114,163,075**	**$ 2,349,388**	**$ 1,113,874,376**
Total--State Capital Improvements	**$ 1,012,686,456**	**$ 1,102,561,020**	**$ 1,245,389,039**	**$ 120,610,536**	**$ 1,280,280,346**
Off-Budget Expenditures					
Department of Administration					
State Buildings Rehabilitation & Repair	399,344	200,000	200,000	200,000	400,000
Printing Plant Rehabilitation & Repair	--	--	--	75,000	75,000
Complex West Rehabilitation & Repair	60,354	60,353	60,353	--	60,353
State Facilities Improvements Debt Service	380,000	390,000	410,000	--	410,000
Printing Plant Debt Service	171,928	178,347	179,970	--	179,970
Memorial Hall Debt Service	235,000	250,000	260,000	--	260,000
Paint & Grounds Shop Debt Service	--	23,979	26,228	--	26,228
Eisenhower Building Debt Service	1,084,483	1,140,000	1,180,000	--	1,180,000
Total--Off-Budget Expenditures	**$ 2,331,109**	**$ 2,242,679**	**$ 2,316,551**	**$ 275,000**	**$ 2,591,551**

The Budget Process

A Primer

The purpose of this primer is to describe briefly the annual budget and appropriations process for the state.

The Governor, by KSA 75-3721, must present spending recommendations to the Legislature. *The Governor's Budget Report* reflects expenditures for both the current and upcoming fiscal years and identifies the sources of financing for them.

The Legislature uses *The Governor's Budget Report* as a guide as it appropriates the money necessary for state agencies to operate. Only the Legislature can authorize expenditures by the State of Kansas. The Governor recommends spending levels, while the Legislature chooses whether to accept or modify those recommendations. The Governor may veto legislative appropriations, although the Legislature may override any veto by a two-thirds majority vote.

Fiscal Years. It is important when reading the budget to consider which fiscal year is being discussed. The state *fiscal year* runs from July 1 to the following June 30 and is numbered for the calendar year in which it ends. The *current fiscal year* is the one which ends the coming June. The *actual fiscal year* is the year which concluded the previous June. The *budget year* refers to the next fiscal year, which begins the July following the Legislature's adjournment. Finally, *out-years* refer to the years beyond the budget year. In *The FY 2009 Governor's Budget Report*, the actual fiscal year is FY 2007, the current fiscal year is FY 2008, and the budget year is FY 2009.

By law, *The Governor's Budget Report* must reflect actual year spending, the Governor's revised spending recommendations for the current fiscal year, state agency spending requests for the budget year, and the Governor's spending recommendations for the budget year. The budget recommendations cannot include the expenditure of anticipated income attributable to proposed legislation. Expenditure data are shown by agency and category of expenditure in the schedules at the back of this volume. Those same data are included, by agency and program, in *Volume 2* of *The Governor's Budget Report*.

Annual-Biennial Budgets. Appropriations for agency operating expenditures have been made on an annual basis since 1956. With enactment of legislation in 1994, the budgets of 20 state agencies were approved on a biennial basis starting with FY 1996. They were all financed through fee funds. Since then, two of these merged and a non-fee agency was added, leaving the total at 20.

Financing of State Spending. Frequent reference is made to *State General Fund* expenditures and expenditures from *all funding sources*. Expenditures from all funding sources include both State General Fund expenditures and expenditures from special revenue funds. All money spent by the state must first be appropriated by the Legislature, either from the State General Fund or from special revenue funds.

The State General Fund receives the most attention in the budget because it is the largest source of the "uncommitted" revenue available to the state. It is also the fund to which most general tax receipts are credited. The Legislature may spend State General Fund dollars for any governmental purpose.

Special revenue funds, by contrast, are dedicated to a specific purpose. For instance, the Legislature may not spend monies from the State Highway Fund to build new prisons. The State Highway Fund, which is the largest state special revenue fund, can be used only for highway purposes. It consists primarily of motor fuel taxes, federal grants, vehicle registration fees, and a dedicated portion of sales and use tax. Other examples of special revenue funds are the three state building funds, which are used predominantly for capital improvements; federal funds made available for specific purposes; and the Board of Accountancy Fee Fund, which can be used only to support operations of the Board. The Economic Development Initiatives Fund, the Children's Initiatives Fund, the Kansas Endowment for Youth Fund, the Expanded Lottery Act Revenues Fund, and the State Water Plan Fund are special revenue funds. However, these funds function the same as the State General Fund.

Revenue Estimates. The tool used by both the Governor and the Legislature to determine State General Fund revenue is the "consensus revenue estimate" prepared by the Consensus Revenue Estimating Group.

The consensus revenue estimate is important because both the Governor and the Legislature base their budget decisions on it. The estimate is categorized by major source and covers a two-year period: the current year and the budget year. In addition, KSA 75-6701 requires that the Director of the Budget and the Director of the Legislative Research Department certify a joint estimate of State General Fund resources to the Legislature. The revenue estimating process is the source of that estimate.

The Consensus Revenue Estimating Group is composed of representatives of the Division of the Budget, the Department of Revenue, the Legislative Research Department, and one consulting economist each from the University of Kansas, Kansas State University, and Wichita State University. The Director of the Budget serves as unofficial chairperson.

The Consensus Revenue Estimating Group meets each spring and fall. Before December 4 (typically in November) of each year, the group makes its initial estimate for the budget year and revises its estimate for the current year. The results are reported to the Governor, Legislature, and public in a joint memorandum from the Director of Legislative Research and the Director of the Budget. The group meets again before April 20 to review the fall estimate and additional data. The group then publishes a revised estimate which the Legislature may use in adjusting expenditures, if necessary.

The consensus revenue estimate is the official revenue projection for the State General Fund. Estimates of revenues to other funds are prepared by individual state agencies, reviewed by the Division of the Budget, and included in *The Governor's Budget Report*.

The State General Fund consensus revenue estimate for FY 2009 is $6.2 billion, which is subject to revision in April 2008. This estimate and the assumptions upon which it is based are discussed in the State General Fund Revenues section of this volume. A complete discussion of the economy is included in *The Governor's Economic and Demographic Report*. This report is prepared by the Division of the Budget and a Wichita State University economist.

Budget Balancing Mechanisms. This term refers to KSA 75-6701 to 75-6704. The purpose of the law is to ensure an adequate operating balance in the State General Fund. The practical effect of this provision is to target the ending balance in the State General Fund to be at least 7.5 percent of authorized expenditures and demand transfers in the budget year. The statutory provisions were suspended for the first time for FY 2003, and the suspension was continued in FY 2004, FY 2005, 2006, and 2007. For FY 2008, the Governor proposed a budget that conformed to the statutory requirement for a 7.5 percent ending balance. However, the 2007 Legislature suspended the requirement once again, approving a budget that left a 4.8 percent ending balance.

The "spending lid" statute requires *The Governor's Budget Report* and actions of the Legislature to comply with its provisions. An "Omnibus Reconciliation Spending Limit Bill" must be the last appropriation bill passed by the Legislature. The purpose of the bill is to reconcile State General Fund expenditures and revenues by reducing expenditures, if necessary, to meet the provisions of the "spending lid."

The final provision of the "spending lid" act allows the Governor to reduce State General Fund expenditures in the current fiscal year, when the Legislature is not in session, by an amount not to exceed that necessary to retain an ending balance in the State General Fund of $100.0 million. The Governor must make the reductions "across the board" by reducing each line item of expenditure by a fixed percentage. The only exceptions are debt service obligations, state retirement contributions for school employees, and transfers to the School District Capital Improvements Fund. The reductions must be approved by the State Finance Council.

In addition to the "spending lid" act, the Governor has the authority under a statutory allotment system to limit expenditures of the State General Fund and special revenue funds when it appears that available monies are not sufficient to satisfy expenditure obligations. This authority applies to agencies of the Executive Branch but not the Legislature or the Judiciary. Allotments can be made on a case-by-case basis and do not have to be across the board. Agencies have the right to appeal any allotment amount and the Governor makes the final determination. The allotment system had not been used for 30 years; however, budget problems in FY 2003 required reductions to be made twice under this law.

Classification of State Spending. The State of Kansas classifies state spending by function of government and by category of expenditure. Function of government is a grouping of agencies which make expenditures for similar programs and purposes. There are six functions of government: general government, human services, education, public safety, agriculture and natural resources, and transportation. Category of expenditure classifies expenditures according to budgeting and accounting objects of expenditure (state operations; aid to local governments; other assistance, grants, and benefits; and capital improvements).

Each of the six functions of government is discussed in a section of this volume. The following is a brief description of each function.

FY 2009 Expenditures by Function

(Dollars in Millions)

	SGF	All Funds
General Government	$ 270.7	$ 844.4
	4.2%	*6.2%*
Human Services	$ 1,516.1	$ 4,154.5
	23.7%	*30.6%*
Education	$ 4,131.9	$ 6,053.7
	64.6%	*44.6%*
Public Safety	$ 439.6	$ 693.9
	6.9%	*5.1%*
Agriculture & Natural Resources	$ 35.4	$ 198.0
	0.6%	*1.5%*
Transportation	$ --	$ 1,623.4
	0.0%	*12.0%*
Total	$ 6,393.6	$ 13,567.9
	100.0%	*100.0%*

Totals may not add because of rounding.

General Government includes state agencies with both administrative and regulatory functions. These agencies include elected officials (the Governor, Secretary of State, etc.) and the Department of Administration. The Board of Nursing, the Kansas Corporation Commission, the Racing and Gaming Commission, and the Department of Revenue are examples of agencies that perform a regulatory function. Other general government agencies include the Legislature and the Judiciary. Approximately 6.2 percent of total expenditures and 4.2 percent of State General Fund expenditures recommended by the Governor for FY 2009 are for General Government.

Agencies in the *Human Services* function provide services to individuals. Such services include the nutrition programs of the Department on Aging; care of the developmentally disabled as well as financial assistance and social services by the Department of Social and Rehabilitation Services; health care programs administered by Kansas Health Policy Authority; services to veterans provided by the Kansas Commission on Veterans Affairs; job training placement assistance provided by the Department of Labor; and Division of Health programs in the Department of Health and Environment. Expenditures recommended for Human Services for FY 2009 constitute 30.6 percent of all recommended expenditures and 23.7 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 44.6 percent of total expenditures for FY 2009 and 64.6 percent of the State General Fund expenditures.

Public Safety agencies ensure the safety and security of Kansas citizens. Agencies in this function include the Department of Corrections and law enforcement agencies. Also included are the Juvenile Justice Authority and the juvenile correctional facilities, the Highway Patrol, and the Kansas Bureau of Investigation. Public Safety expenditures constitute 5.1 percent of the total recommended expenditures for the FY 2009 budget and 6.9 percent of recommended expenditures from the State General Fund.

Agriculture and Natural Resources agencies protect the natural and physical resources of the state and regulate the use of those resources. The FY 2009 expenditures recommended by the Governor constitute 1.5 percent of total expenditures and 0.6 percent of State General Fund expenditures. Agencies included in this function are the Department of Agriculture, the Division of Environment of the Department of Health

and Environment, and the Department of Wildlife and Parks.

Transportation includes only the Department of Transportation and bond payments in the Department of Administration. Responsibilities of this agency include maintenance and construction of highways in Kansas. Recommended expenditures constitute 12.0 percent of the total recommended budget for FY 2009 and none of the recommended State General Fund expenditures.

Categories of expenditure are based on accounting objects of expenditure. The four general categories are state operations; aid to local governments; other assistance, grants, and benefits; as well as capital improvements. The first three categories constitute what are called operating expenditures.

Following is a brief guide to the general categories of expenditure:

State Operations includes expenditures incurred conducting the day-to-day business of state government. The largest category of these costs is the salaries and wages paid to state employees. Expenditures in this category constitute 29.7 percent of the FY 2009 total budget and 25.4 percent of the State General Fund budget.

Aid to Local Governments consists of payments made to governments which provide services at the local level and in most cases have taxing authority. General State Aid to school districts is an example; it consists of more than $2,183.4 million for FY 2009. This category constitutes 32.1 percent of the FY 2009 total budget and 54.4 percent of the State General Fund budget.

Other Assistance, Grants, and Benefits constitutes payments to individuals and agencies that are not governments. Medicaid payments, financial aid for postsecondary education, nutrition assistance for mothers and their babies, and temporary assistance for needy families are examples. This category includes 28.8 percent of total expenditures in FY 2009 and 20.2 percent of the State General Fund.

Capital Improvements include highway construction costs as well as the cost of rehabilitation and repair, razing, remodeling, and construction of state-owned buildings and other facilities. Some of these projects are financed by bond issues. The cost of that portion of the debt service payment on bonds that represents the principal is also included in this category. By far the largest portion of the expenditures in this category is highway construction costs. Capital improvement expenditures represent 9.4 percent of total expenditures in FY 2009 and 0.1 percent of State General Fund expenditures. Included in this volume are separate sections on capital improvements and debt service.

FY 2009 Expenditures by Category

(Dollars in Millions)

	SGF	All Funds
State Operations	$1,621.1	$ 4,025.8
	25.4%	*29.7%*
Aid to Local Governments	$3,479.1	$ 4,353.3
	54.4%	*32.1%*
Other Assistance, Grants, & Benefits	$1,289.2	$ 3,908.5
	20.2%	*28.8%*
Capital Improvements	$ 4.2	$ 1,280.3
	0.1%	*9.4%*
Total	$6,393.6	$ 13,567.9
	100.0%	*100.0%*

Totals may not add because of rounding.

State Employees. A major part of the state operations category of expenditures is salary and wage payments to employees in the State Civil Service. For FY 2009, 18.8 percent of all expenditures are budgeted for salaries and wages.

The State Civil Service, by KSA 75-2935, includes the classified and the unclassified service. Employees hired to fill positions in the classified service must be hired on the basis of merit as determined by standardized requirements for knowledge, skills, and abilities. These employees are also promoted and discharged according to rules and regulations established for administration of the Kansas Civil Service Act.

The classified personnel service includes *regular* full-time and part-time positions. The classified service also includes the following special types of appointments:

Limited Term appointments are made in cases where the position will be eliminated at the end of a predetermined length of time as stipulated in a federal grant or contractual agreement. Except for this time factor, which means an employee in one of these positions has no layoff rights, limited term appointments are the same as classified positions.

Temporary positions may be either classified or unclassified. Those positions in the classified service require the employee filling the position to work no more than 999 hours in a 12-month period. The unclassified temporary category in the SHARP personnel and payroll system consists of two groups: those that truly are temporary and non-FTE unclassified permanent positions. Positions in the second group are counted as part of the state workforce because they participate in the state retirement system.

The regular unclassified service includes full-time and part-time positions specifically designated as being in the unclassified service. Typically these positions are defined by certain agencies, or types of agencies, for particular purposes. Examples are all employees of the Legislature; teaching, research, student, and health care employees of the Regents institutions; and all employees of the courts. Unclassified positions are governed by rules and regulations of the appointing agencies and are not subject to Civil Service Act rules and regulations.

Children's Budget. KSA 75-3717(a)(2) requires that the Governor include in *The Governor's Budget Report* a listing of all state agency programs that "provide services for children and their families." The information is summarized in the Children's Budget, which includes expenditures from all funding sources and from the State General Fund, by agency and by project; the number of children or families served in each program; and a brief description of each of the agency programs.

Budget Process. Producing a budget is a continuous process. However, it does have certain discrete phases. In the Executive Branch, the budget process begins as soon as the legislative session ends. At that time, the budget staff prepares *The Comparison Report*. This report compares the budget recommended by the Governor for the current and budget fiscal years to the budget approved by the Legislature.

In June, budget instructions are distributed by the Division of the Budget to state agencies. These instructions include allocations that each Executive Branch agency uses in budget preparation and instructions for preparing a capital budget for the budget year based on the approved budget for the current fiscal year, as adjusted for one-time expenditures, caseloads, and the annualization of partial-year funding. Enhancement packages and reduced resource packages are also a part of budget preparation.

On July 1, agencies use the budget instructions to submit a capital budget. The capital budget contains a five-year plan, which includes the capital improvement requests for the current year, the budget year, and four out-years following the budget year.

Concurrent with preparation of financial segments of the agency budget is completion of agency strategic plans that are submitted with the budget in September. Agency strategic plans establish a clear definition of mission and a direction for the future; develop agency-wide work plans and agency-specific objectives as well as strategies for fulfilling the agency mission; and allocate resources according to priority and ensure accountability for the use of those resources. As part of the strategic planning process, agencies identify an agency mission, agency philosophy, goals and objectives, and performance measures to track progress toward the plan.

Agencies are requested to prepare one complete operating budget for submission on September 15. For Executive Branch agencies, the submission is based on an allocation prepared by the Division of the Budget in June. Each Executive Branch budget submission also includes reduced resource packages that detail how the services provided by the agency would be affected under a reduced resource scenario. The Division of the Budget also prepares a reduction amount for these agencies to use in preparing their reduction packages. Agencies may also submit requests for incremental additions to their base budgets in the form of enhancement packages that represent new programs or the expansion of existing ones. All of the budget components are intended to reflect program priorities.

According to law, the Governor cannot make a recommendation with respect to the budget request submitted by the Judiciary. As a matter of policy, the

Governor treats the legislative budgets in the same way, although pay plan adjustments are made. Therefore, the Governor includes these budgets as requested to present a complete state budget that accounts for all demands for state funds. Modification to the Judiciary and Legislative Branch budgets, if any, is now the responsibility of the Legislature.

The individual budgets submitted by state agencies show program expenditures with appropriate funding sources for each program within the agency. These data are shown for the actual fiscal year, the current year, and the budget year. Budget submissions also document performance that relates to the outputs and outcomes identified in the agency's strategic plan. Evaluation of performance provides a means for weighing budget alternatives.

Beginning September 15, analysts in the Division of the Budget review agency budget requests. The Division of the Budget recommendations, based on those analyses, are provided to each state agency by November 10. The agencies then have ten days to determine whether to appeal those recommendations to the Secretary of Administration. Many appeal the recommendations in writing; some also request an appointment to present an oral appeal.

Once the appeal process has been completed, the Division of the Budget staff prepares its presentations for the Governor. An analysis of the difference between the Division of the Budget recommendations and the agency's request, including the effect on performance, is presented to the Governor. The analysis includes the agency's request and the basis for it, the Division of the Budget recommendation and the basis for it, and the agency's appeal, if any. The Governor uses this information to make budget determinations for all Executive Branch agencies. The Division of the Budget then aggregates final recommendations and prepares *The Governor's Budget Report*.

During this same period, between September 15 and commencement of the legislative session in January, the Legislative Research Department's fiscal staff also is analyzing agency budgets. Following receipt of the Governor's recommendations, legislative fiscal analysts update their analysis for each agency to reflect the recommendations of the Governor. These updated budget analyses are printed in the Legislative Research Department's annual analysis and copies are distributed to each legislator.

Consideration by Legislature. The Governor's budget recommendations are drafted into appropriation language by the Office of the Revisor of Statutes. Appropriations are usually divided into three parts: supplemental appropriations, capital improvement appropriations, and budget year expenditure authority for all agencies except biennial agencies, whose expenditure authorizations cover a two-year period. The appropriations are simultaneously considered by the Ways and Means Committee of the Senate and the Appropriations Committee of the House.

The Chairperson of the Ways and Means Committee appoints Senate Subcommittees and the Speaker appoints House Budget Committees to consider appropriations for various agencies. They vary in size; usually between two and nine persons are named to a subcommittee or budget committee. After reviewing the budget requests, the subcommittee or budget committee drafts a report which details all budgetary adjustments to the Governor's budget recommendations. The House Budget Committees make recommendations to the House Appropriations Committee. The budget committee or subcommittee report may contain administrative or programmatic recommendations.

The subcommittee or budget committee report is presented to the full committee for consideration. A committee may adjust the recommendations of its subcommittee or budget committee in any area or it may adopt the entire report as submitted. The appropriations are reprinted in order to reflect the recommendations of the full committee. The appropriations are then presented to either the House or Senate, which may amend or reject them.

Conference Committee Action. Upon completion of consideration of the appropriations by both chambers, the bills typically go to a conference committee so that differences between the House and Senate versions can be reconciled. Each chamber then votes to accept or reject this appropriation bill. If either chamber rejects the conference committee report on the appropriation bill, it is returned to the conference committee for further review and for possible modification.

Omnibus Appropriation Bill. Traditionally, this has been the last appropriation bill of the session. It contains any appropriation necessary to carry out the intent of the Legislature that has not yet been included in another appropriation bill. Since the advent of the statutory requirement for an Omnibus Reconciliation Spending Limit Bill to be passed at the end of the session, the Omnibus Appropriation Bill has served as the reconciliation bill.

State Finance Council. The State Finance Council is a statutory body that provides a mechanism for making certain budgetary and personnel adjustments when the Legislature is not in session. The Council consists of nine members: the Governor, the Speaker of the House, the President of the Senate, the House and Senate majority leaders, minority leaders, as well as Ways and Means and Appropriations Committee chairpersons.

The Governor serves as chairperson of the Finance Council. Meetings are at the call of the Governor, who also prepares the agenda. Items are eligible to receive Finance Council consideration only if they are characterized as a legislative delegation to the Finance Council. Approval of Finance Council items typically requires the vote of the Governor and a majority of the legislative members.

Present statutes characterize the following items of general application to state agencies as legislative delegations, allowing them to receive Finance Council approval under certain circumstances:

1. Increases in expenditure limitations on special revenue funds and release of State General Fund appropriations.
2. Authorization for state agencies to contract with other state or federal agencies, if the agencies do not already have such authorization.
3. Authorization of expenditures from the State Emergency Fund for purposes enumerated in the statutes.
4. Increases in limitations on positions imposed by appropriation acts on state agencies.
5. Approval of the issuance of certificates of indebtedness to maintain a positive cashflow for the State General Fund.
6. Approval to issue bonds for capital projects when an agency has been granted bonding authority.

Certain other items of limited application are characterized as legislative delegations by individual legislative acts, allowing them to be subject to Finance Council action. The Finance Council cannot appropriate money from the State General Fund, authorize expenditures for a purpose that specifically was rejected by the previous legislative session, or commit future legislative sessions to provide funds for a particular program.

The chart on the next page is intended to capture the essential elements of the budget process on a single page over the course of a complete yearly cycle and to depict the roles and interactions of the primary agencies involved in developing and approving the state budget.

Prepared by the Division of the Budget in cooperation with the Legislative Research Department.

Kansas Budget Cycle

	June	July	August	September	October	November	December	January	February	March	April	May
State Agencies	Prepare 5-year capital improvement plans for submission July 1		Prepare budgets in budget system & submit to Budget Division & Legislative Research							Review budgets & request amendments to update the Governor's recommend-ations		
Governor & Budget Division	Budget Division issues instructions & allocations to agencies in developing budget requests	Budget Division conducts agency budget training, analyzes capital projects, & makes on-site agency visits		Budget staff analyzes agency budget requests & makes preliminary recommendations		Budget Division recommend-ations provided to agencies & agency appeals are heard	Governor develops recommend-ations to the Legislature & Budget Division prepares budget documents	Governor submits *Budget Report* to Legislature by 8th calendar day of the Session (21st day for new Governor)	Budget Division prepares fiscal notes on legislative bills, drafts introduced version of appropriation bills, tracks legislative adjustments to Governor's recommendations, & prepares amendments to Governor's original recommendations for the Omnibus Bill			Budget Division reconciles final budget numbers with legislative fiscal staff & prepares post-session report
Consensus Revenue Estimating Group						Project State General Fund revenues					Project State General Fund revenues	
Legislative Fiscal Staff	Legislative fiscal staff prepares *Fiscal Facts*, *Appropriations Report*, & works with interim legislative committees				Legislative fiscal staff analyzes agency budget requests, begins to prepare Budget Analysis, & continues to work with interim committees			Fiscal staff analyzes Governor's budget recommend-ations & completes the Budget Analysis	Legislative fiscal staff works with subcommittees & budget committees of Senate Ways & Means & House Appropriations on finalizing the budget		Fiscal staff prepares items for Omnibus Bill consideration & works with Legislature to develop Omnibus Bill	Legislative fiscal staff reconciles final budget numbers with Budget Division & prepares post-session report
Legislature		Legislative interim committees review assigned topics; House Appropriations, Senate Ways & Means, Legislative Post Audit, & State Building Committee tour state (October of odd numbered years)						Subcommittees of House Appropriations & Senate Ways & Means begin review of agency budgets	Appropriations bills are reviewed & acted upon in the House & Senate	Conference Committees resolve differences in appropriations bills	Omnibus Bill considered & acted upon	Legislature adjourns

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

Revenue Policies

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

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

The state collects taxes, penalties and interest, and other revenues. Internally, state collection units make multiple efforts to collect amounts due the state by using administrative procedures and liens against property. Persistent delinquencies are pursued through legal proceedings and, after exhausting all remedies, may be referred to a private collection agency.

Cash Management Policies

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

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

Debt Service Policies

The state incurs debt through the issuance of revenue bonds mainly to finance capital improvements, equipment, certain grant programs, and reducing the unfunded liability of the KPERS Fund. The use of debt financing for operating expenses in state government is limited.

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

The most recent issuer credit ratings for the State of Kansas are AA+ by Standard and Poor's and Aa1 by Moody's Corporation. These ratings indicate that the state has a strong capacity to meet its financial commitments and reflect the following credit factors: a relatively diverse economic base, conservative fiscal management, and a low debt burden.

Reserve Policy

State law requires an ending balance of at least 7.5 percent of total expenditures in the State General Fund for the Governor's budget recommendations and the legislative-approved budget.

Accounting, Auditing, & Reporting Policies

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

Basis of Budgeting

Revenue

Receipts to funds in Kansas generally are credited on a cash basis, not as accounts receivable. However, each July 1 for cashflow purposes, the Educational Building Fund, Correctional Institutions Building Fund, and State Institutions Building Fund are credited with receipts totaling 95.0 percent of each fund's actual receipts in the previous fiscal year. In a similar manner, the Children's Initiatives Fund, the Economic Development Initiatives Fund, and the Kansas Endowment for Youth Fund receive credits at the beginning of the year for cashflow needs.

Encumbrances

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

Expenditures

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

With debt-financed projects, the debt service is reported, not the cost of the project. The interest portion of capital projects is an operating expense, whereas the principal portion is a capital expense.

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

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

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

Balances

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

Funds that become unencumbered when a cash outlay is made are shown as an addition to the beginning balance of the fiscal year following the year from which the funds were unencumbered, except released encumbrances from the State General Fund are credited to the 27th Payroll Adjustment Account. The effect is to increase available funds; however, reported expenditures in prior fiscal years are not adjusted for the unencumbered amounts.

Budget Preparation

The FY 2009 budget for the State of Kansas was prepared with the intent of maximizing the effectiveness of every tax dollar available for state government operations and the delivery of services.

As the first step in budget preparation, instructions were sent to state agencies in July 2007 on how to produce their requests. Agencies that receive annual appropriations were to prepare a revised FY 2008 budget and a new FY 2009 request. The agencies on a biennial budget cycle already had FY 2008 and FY 2009 authorized budgets and were advised to prepare revisions, if necessary, to those budgets. Executive Branch agencies were given allocation amounts for the State General Fund, the Economic Development Initiatives Fund, and the Children's Initiatives Fund. Agencies were expected to build their base budgets within the amount of funds allocated.

Allocations were based on the approved FY 2008 budget with amounts removed for the employee bonuses and motor vehicle purchases that were authorized for FY 2008. A small number of other agency-specific amounts were added to cover necessary additional spending, such as debt service on KPERS bonds and school finance (2006 SB 549). If the FY 2008 approved budget contained one-time spending items, those amounts were deleted from the agency's FY 2009 allocation. No funds were added to allocation amounts to cover inflation, new programs not yet approved by the Legislature, or an FY 2009 salary plan.

Agencies that wished to request funds beyond the amounts allocated were instructed to ask for the funding as an enhancement. Also, agencies were directed to submit reduced resource packages that outlined how their State General Fund budget request could be cut by 2.0 percent, if it were necessary to take those steps.

The Legislative and Judicial Branches of government were not given allocations as part of their budget instructions, nor were they expected to submit reduced resource packages. The budget requests of these branches of government are fully included in the Governor's recommendations as they requested, with increases that account for her salary plan.

Regents universities were also not given allocations or expected to submit reduced resource packages. Their FY 2008 State General Fund appropriation came through an operating grant. In their FY 2009 budget request, the universities were instructed to hold State General Fund request to the FY 2008 level.

A number of agencies do not receive any allocated funds, typically those financed by fees imposed on those who are regulated by the agency. Those agencies were expected to submit budget requests that simply continued current services from FY 2008 to FY 2009. Any funds to pay for new services were to be requested as enhancements.

Agency budget requests were due to the Division of the Budget on September 15. The Division used the requests submitted to develop an initial set of recommendations for each agency and distributed those recommendations to agencies on November 9. Written appeals to the initial recommendations were collected by November 20. Agency appeals presented in person were heard November 19 and 20.

The Governor developed final recommendations in December after considering the Division of the Budget's initial recommendations, agency appeals, and other factors. The resources used to finance the Governor's recommendations are based on the November 2007 Consensus Revenue Estimate and legislation enacted by the 2007 Legislature that expanded lottery revenues.

Glossary

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.

Base Budget

A level of expenditure for the forthcoming fiscal year based on the approved budget of the preceding year, as adjusted for the deletion of one-time expenses and the addition of funds to annualize partial year funding in the preceding fiscal year or for caseloads in entitlement programs. The base budget serves as the reference point for enhancements and reduced resource deletions.

Biennial Budget

A budget which plans revenues and expenditures for the two forthcoming fiscal years, rather than one year. The 1994 Legislature enacted legislation requiring fee-funded agencies to submit biennial budgets beginning on September 15, 1994, for FY 1996 and FY 1997. The 2001 Legislature made the budget of the Ethics Commission biennial. All other agencies submit annual requests.

Budget

A plan of operation, including an estimate of proposed expenditures and the means to finance them, to meet the needs of the public.

Capital Improvements

Projects involving new construction, acquisition, remodeling, rehabilitation and repair, razing, and the principal portion of debt service for a capital expense. The interest portion is an operating expense.

Classified Temporary Positions

An appointment not exceeding 999 hours of employment in a 12-month period. Temporary positions do not count toward the agency's FTE position limitation. Employees in these positions do not receive fringe benefits.

Decrements

The decremental decrease in expenditures or positions, or both, to reduce or delete a service or program, primarily when revenues are insufficient to continue support at the base budget level.

Enhancements

The incremental increase in expenditures or positions to expand a service or program or provide a new one.

Expenditure

The actual payment of money out of any state fund or the commitment to make such a payment in the form of an encumbrance, either firm or contingent.

Expenditure Limitation

A limitation placed on expenditures that can be made from a special revenue fund.

Expenditures, Non-Reportable

Disbursements that do not result in a net reduction of statewide assets. An example is a refund, where an agency is reimbursed for an item. Also non-reportable are certain "off budget" expenditures, most occurring in the Department of Administration. For example, dollars are spent in many state agencies' budgets for printing services provided by the Division of Printing. Those dollars are spent again for the salaries, utilities, equipment, paper supplies, and other operating costs of the Printing Plant. To avoid reporting expenditures twice, the agencies' printing costs are treated as reportable and the Printing Plant's are non-reportable.

Fiscal Year

A 12-month period beginning July 1 and ending June 30 of the following year that is used as the state budget, accounting, and appropriation period.

Fringe Benefits

State expenditures for retirement, social security, workers compensation, unemployment insurance, state leave payment assessment upon retirement (including sick and annual leave), and group health insurance.

Full-Time Equivalent (FTE) Positions

State employee positions that are permanent and either full-time or part-time but mathematically equated to full-time, e.g., two half-time positions equal one full-time position. Limited term positions are included in the limitation. Teaching positions contracted for nine or more months are considered 1.00 FTE position.

Functions of Government

The six classifications into which similar agencies are grouped to reflect the basic purposes of state government: General Government, Human Services, Education, Public Safety, Agriculture and Natural Resources, and Transportation (see the Primer).

Fund

A fund is a basic unit of classification in both the budget process and the accounting system for agency monies. Fund names and numbers are included in the Division of Accounts and Reports' *Central Chart of Accounts*, which lists every active fund by agency.

Holiday Pay

Payments to employees working on a legal holiday, such as certain personnel in correctional facilities or state hospitals, who receive additional compensation at the rate of one and one-half times the regular rate of pay. The additional pay may be given in the form of wages or compensatory time credits.

Lapse

That portion of an appropriation not spent or reappropriated. A lapsed appropriation reverts to the fund from which it was made and becomes part of the unappropriated balance. At the end of the fiscal year, State General Fund appropriations automatically lapse unless specific authorization reappropriates the funds.

Line-Item Appropriation

An appropriation of funds made by the Legislature for a specific purpose. The purpose could be limited to a specific item, such as equipment, or more generally to a category of expenditure or a program.

Longevity

Bonus payments made to eligible state employees based on $50 per year of service times the number of years of state service, according to the most current appropriation language. Minimum eligibility is ten years of state service, and the maximum payment is $1,250, for 25 years of service.

Multi-Year Appropriation

A legislative authorization to expend funds that provides funding for more than one fiscal year.

Non-Expense Item

This is an expenditure of funds that has no budgetary implications—for example, an expense incurred from the purchase of supplies for which an agency is subsequently reimbursed. The amount is shown in the budget as a "non-expense" to acknowledge the transaction, but it is not included in an agency's expenditure totals to avoid overstating the true cost of government services.

Non-FTE Unclassified Permanent Positions

The category of "unclassified temporary" in the SHARP system consists of two groups: one that truly is temporary and the other permanent because the employees in the permanent group participate in the state retirement system. The category of Non-FTE Unclassified Permanent refers to the second group, which is reported as part of the state workforce.

Overtime Pay

Pay or compensatory time credits at a time and a half rate for hours worked over the maximum number of hours required in a work period, which may vary depending on the type of position. A normal work period is 40 hours per week, although law enforcement and firefighters have a different work week.

Performance Budgeting

A budgeting process that uses strategic plans and performance measures to distribute available financial resources to accomplish goals and objectives. Outcome measures gauge the ultimate effect of programs on the problems or conditions they are intended to affect. Output measures indicate the level of resource input or intermediate agency work effort. Efficiency measures compare input to output.

Position Classification Actions

An "individual position" action, approved by Personnel Services, to change the classification from an existing class to a different one at the same or a different pay grade or a "classification study" action to redefine the work in a class or a class series, reassign pay grades, or establish new classes at the same or a different pay grade.

Program

A set of related operations that follows a planned course of action to achieve a specified purpose and set of objectives. Programs classify agency services and provide a framework for resource allocation decisions.

Reappropriation

Funds remaining unexpended or unencumbered at the end of the current fiscal year that are carried over to the next fiscal year. Expenditures that can be made by an agency from such reappropriated funds may or may not be limited.

Shift Differential

An additional amount per hour, either a flat dollar amount or a percentage increase, paid to certain classified employees who work shifts other than the normal day shift.

Shrinkage

The difference, expressed as a percentage, between the cost of fully funding salaries and wages in a budget, assuming all positions are filled all the time, and actual salary costs, taking vacancies into account.

Supplemental Appropriation

An appropriation made to finance the operations of state government during the current fiscal year in addition to regular appropriations already approved. Supplemental appropriations are considered where a shortage of funds is anticipated as a result of an emergency or unforeseen occurrence.

Total Positions

The sum of FTE positions and non-FTE unclassified permanent positions, representing a complete reporting of positions constituting the state workforce.

Transfer (Demand)

Funds transferred annually from the State General Fund to a special revenue fund in accordance with a formula in statute but treated as expenditures from the State General Fund. By FY 2004, all of them had been converted to revenue transfers with the amount of the transfers determined through the appropriations process. However, the 2006 Legislature passed legislation to make the School District Capital Outlay State Aid Fund a demand transfer.

Transfer (Revenue)

Authority in appropriation bills "relocating" all or part of the unencumbered balance in a fund to another fund prior to expenditure. The Governor proposed and the Legislature approved conversion of all State General Fund demand transfers to revenue transfers through the appropriation process.

Schedules

The state's major funds are described below, including the source of their revenue and how they are used, as a guide to understanding the schedules that follow.

Children's Initiatives Fund

A fund capitalized by proceeds from the national settlement with tobacco companies. The fund finances programs designed to benefit the physical and mental health, welfare, and safety of children.

Clearing Funds

Funds into which monies are transferred from other funds and then disbursed for a particular non-reportable expenditure, such as payroll.

Correctional Institutions Building Fund

A fund for financing capital improvements at state correctional facilities. Income is derived from a transfer of 10.0 percent of the State Gaming Revenues Fund, with an annual maximum of $4,992,000.

Economic Development Initiatives Fund

A fund for financing economic activities that receives revenues from lottery activities. Most monies are appropriated directly from this fund to various agencies. However, with the KEOIF fund in the Department of Commerce, EDIF monies are transferred to and spent out of it.

Educational Building Fund

A fund for constructing, equipping, and repairing buildings at state universities. Income is derived from a one-mill, statewide levy on property subject to ad valorem taxation.

Employment Security Fund

The fund from which unemployment benefits are paid. Deposits consist of employer taxes, contributions, fines, and penalties levied on employers for unemployment benefits; federal grants for federal employees, former military personnel, and extended benefits; and interest earned on unemployment trust funds deposited in the U.S. Treasury.

Enterprise Funds

Funds that account for charges for services, usually of a commercial nature, rendered to the public for compensation. An example is accounting for dormitory operations at state universities.

Expanded Lottery Act Revenues Fund

The state's share of revenues from electronic gaming machines at parimutuel tracks and from four destination casinos are deposited in the new Expanded Lottery Act Revenues Fund (ELARF) created by the Expanded Lottery Act (2007 SB 66). The legislation stipulates that monies in this fund must be used for the reduction of state debt, improvements to the state's infrastructure, and reduction of local ad valorem taxes.

Highway Funds

The State Highway Fund and several other special purpose funds. Receipts are dedicated to the maintenance and construction of state and local streets and highways and to operations of the Department of Transportation and the Department of Revenue's Division of Motor Vehicles. Revenue sources include motor fuel taxes, motor vehicle registration taxes, driver's license fees, special vehicle permits, federal funds, and proceeds from the sale of bonds.

Intra-Governmental Service Funds

Funds that account for the exchange of goods and services between state agencies. Through these non-reportable funds, goods and services are charged to, and paid by, the recipient agency.

Juvenile Detention Facilities Fund

A fund financing facilities or programs that provide an alternative to the detention of juveniles in local jails. The fund is capitalized by a transfer of 5.0 percent of the revenues to the State Gaming Revenues Fund and 20.0 percent of the collections from the reinstatement of driver's licenses.

KEY Fund

The Kansas Endowment for Youth (KEY) Fund, which was created by the 1999 Legislature, is a trust fund in which all the tobacco settlement proceeds are deposited. The fund is invested and managed by the Kansas Public Employees Retirement System. Administrative expenditures for the Children's Cabinet can also be made from the fund.

Retirement Funds

Employee retirement funds managed by the Kansas Public Employees Retirement System. Employees of participating governments at the state and local levels are eligible to receive retirement benefits from these funds, which are financed by investment earnings and employer and employee contributions.

Special Revenue Funds

Funds into which statutorily-earmarked receipts are deposited. There are many of these funds, and the revenues consist largely of special fees or levies assessed by the state as well as federal grant-in-aid receipts. Generally, these monies must be expended for purposes specified by state statutes or, in the case of federal grants, for purposes specified by the federal government. A special class of these funds is the agency fee fund, which consists of fee receipts collected by an agency and retained in its budget.

State Emergency Fund

A fund used to meet state obligations arising from natural disasters, match federal payments to individuals and families, and offer rewards to catch wanted criminals. The State Finance Council, a joint legislative/executive body that generally meets when the Legislature is not in session, is empowered to authorize expenditures from the fund. A small balance is retained for payment of rewards. When the Council approves payments for emergencies, the Director of the Budget certifies the amount, up to $10.0 million, and Accounts and Reports transfers monies from the State General Fund to this fund.

State Gaming Revenues Fund

This is a clearing fund that disburses receipts from lottery sales in accordance with a statutorily-prescribed formula. Of all receipts to the fund, a specific amount is designated for the Problem Gambling Grant Fund. Of the amount remaining, 85.0 percent is transferred to the Economic Development Initiatives Fund, 10.0 percent to the Correctional Institutions Building Fund, and 5.0 percent to the Juvenile Detention Facilities Fund. Revenues in excess of the statutory formula go to the State General Fund.

State General Fund

A fund for revenues not dedicated for special purposes. It is used to finance government operations not provided for by special revenue funds. The principal revenue sources for the State General Fund include individual and corporate income taxes, sales and compensating use taxes, severance and other excise taxes, the estate tax, and interest earnings.

State Institutions Building Fund

A fund established in the *Kansas Constitution* for constructing, equipping, and repairing buildings at the state mental institutions under SRS, the juvenile correctional facilities under the Juvenile Justice Authority, the Schools for the Deaf and Blind under the Department of Education, and the veterans homes and cemeteries. Income is derived from a one-half mill, statewide levy on property subject to ad valorem taxation.

State Water Plan Fund

A fund establishing a dedicated source of funding to provide for the water resource needs of the state. The fund is authorized by law to receive a $6.0 million transfer from the State General Fund and a $2.0 million transfer from the Economic Development Initiatives Fund. Other receipts come from fees charged to water users, pesticide label fees, fertilizer use fees, and environmental fines.

Trust & Agency Funds

Funds containing monies received, held, and disbursed by the state acting as a trustee, agent, or custodian. These are monies collected by the state as agent and disbursed to other governments and individuals. Examples include inmate or patient benefit funds and the KPERS Fund.

Schedules 1.1—6.2—Summary of Expenditures present expenditures first by Category of Expenditure, then by Fund, as follows:

	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
Capital Improvements	6.1	6.2

In each case, a "1" after the decimal point (as in 1.1) indicates funding from all funding sources (State General Fund plus special revenue funds) and a "2" (as in 1.2) indicates State General Fund only. In only one category, "Total Expenditures by Agency," are there schedules beyond "2." In this category, there are 2.3 for the Children's Initiatives Fund, 2.4 for the EDIF, 2.5 for the State Water Plan Fund, and 2.6 for the new Expanded Lottery Act Revenues Fund. All of the schedules contain actual expenditure information for FY 2007, the estimates of the Governor for the current fiscal year, and the recommendations of the Governor for the budget year. The Base Budget column shows amounts requested by Executive Branch agencies in their budget submission in keeping with allocations developed by the Division of the Budget. The Enhancement column represents agency requests for new or expanded expenditure authority.

Legislative agencies and the Judiciary are not subject to the allocation process. Therefore, the Base Budget column for them represents the request they submitted unconstrained by the financial resources of the state. Consistent with the practice of not making a recommendation concerning these budgets, by law for the Judiciary and by policy for the legislative agencies, the "FY 2009 Gov. Rec." column represents the budgets requested by these agencies, adjusted only for implementation of a pay plan and for increases to longevity bonuses for all state agencies.

Non-expense items are not counted as reportable expenditures in the state budget. These are expenditures without an effect on an agency's budget, such as expenses for supplies that are subsequently reimbursed. Adding them into an agency's expenditure totals would overstate the true cost of government operations.

Schedule 1.1--Expenditures Statewide from All Funding Sources

	FY 2007 Actual	FY 2008 Gov. Estimate	FY 2009 Base Budget	FY 2009 Enhance. Pkg.	FY 2009 Gov. Rec.
Summary of State Expenditures					
State Operations	3,557,620,239	3,893,333,651	3,826,407,727	132,502,778	4,025,832,098
Aid to Local Governments	3,809,637,943	4,209,339,292	4,193,544,486	186,116,389	4,353,337,252
Other Assistance	3,588,592,215	3,891,540,425	3,785,055,674	172,975,001	3,908,466,136
Subtotal--Operating Expenditures	**$10,955,850,397**	**$11,994,213,368**	**$11,805,007,887**	**$491,594,168**	**$12,287,635,486**
Capital Improvements	1,012,686,456	1,102,561,020	1,245,389,039	120,610,536	1,280,280,346
Total Expenditures	**$11,968,536,853**	**$13,096,774,388**	**$13,050,396,926**	**$612,204,704**	**$13,567,915,832**
Expenditures by Object					
Salaries & Wages	2,249,726,543	2,440,362,610	2,419,843,087	47,414,501	2,484,606,854
Contractual Services	891,884,728	973,916,785	943,781,529	59,328,586	1,029,079,677
Commodities	176,605,273	198,930,881	188,911,318	2,901,031	190,496,000
Capital Outlay	123,922,616	131,001,945	116,829,304	21,869,015	128,617,433
Debt Service	115,481,079	149,121,430	157,042,489	989,645	158,032,134
Regents Operating Adjustments	--	--	--	--	35,000,000
Subtotal--State Operations	**$3,557,620,239**	**$3,893,333,651**	**$3,826,407,727**	**$132,502,778**	**$4,025,832,098**
Aid to Local Governments	3,809,637,943	4,209,339,292	4,193,544,486	186,116,389	4,353,337,252
Other Assistance	3,588,592,215	3,891,540,425	3,785,055,674	172,975,001	3,908,466,136
Subtotal--Operating Expenditures	**$10,955,850,397**	**$11,994,213,368**	**$11,805,007,887**	**$491,594,168**	**$12,287,635,486**
Capital Improvements	1,012,686,456	1,102,561,020	1,245,389,039	120,610,536	1,280,280,346
Total Expenditures	**$11,968,536,853**	**$13,096,774,388**	**$13,050,396,926**	**$612,204,704**	**$13,567,915,832**
Expenditures by Fund Class					
State General Fund	5,607,710,384	6,112,133,303	6,197,692,778	399,449,954	6,393,597,772
Water Plan Fund	17,896,253	30,082,428	24,705,563	119,765	23,455,415
Economic Development Initiatives Fund	38,437,216	40,505,589	36,921,594	4,431,537	38,870,380
Expanded Lottery Act Revenues Fund	--	--	--	--	61,701,139
Children's Initiatives Fund	46,730,101	57,267,182	51,721,081	--	65,284,844
State Highway Fund	1,340,457,728	1,389,413,346	1,591,254,767	4,517,433	1,594,974,221
Educational Building Fund	29,541,870	40,982,736	30,475,000	--	45,475,000
State Institutions Building Fund	14,953,246	18,104,958	13,914,252	18,302,171	17,484,864
Correctional Institutions Building Fund	5,003,344	6,474,651	4,996,000	--	6,685,697
Other Funds	4,867,806,711	5,401,810,195	5,098,715,891	185,383,844	5,320,386,500
Total Expenditures	**$11,968,536,853**	**$13,096,774,388**	**$13,050,396,926**	**$612,204,704**	**$13,567,915,832**

Schedule 1.2--State Expenditures from the State General Fund

	FY 2007 Actual	FY 2008 Gov. Estimate	FY 2009 Base Budget	FY 2009 Enhance. Pkg.	FY 2009 Gov. Rec.
Salaries & Wages	1,092,377,390	1,195,546,699	1,173,942,147	49,896,356	1,208,814,219
Other Operating Expenditures	328,540,988	373,243,240	372,742,304	59,040,256	412,280,359
Subtotal--State Operations	**$ 1,420,918,378**	**$ 1,568,789,939**	**$ 1,546,684,451**	**$ 108,936,612**	**$ 1,621,094,578**
Aid to Local Governments	3,025,634,141	3,299,529,161	3,389,386,225	125,553,177	3,479,148,637
Other Assistance	1,140,159,699	1,220,959,362	1,240,002,195	65,996,387	1,289,170,628
Subtotal--Operating Expenditures	**$ 5,586,712,218**	**$ 6,089,278,462**	**$ 6,176,072,871**	**$ 300,486,176**	**$ 6,389,413,843**
Capital Improvements	20,998,166	22,854,841	21,619,907	98,963,778	4,183,929
Total Expenditures	**$ 5,607,710,384**	**$ 6,112,133,303**	**$ 6,197,692,778**	**$ 399,449,954**	**$ 6,393,597,772**
State Operations					
General Government	205,052,493	236,915,339	247,426,113	19,823,379	252,927,782
Human Services	219,940,905	272,748,422	251,887,074	49,804,657	281,740,558
Education	642,206,014	673,409,458	663,407,220	6,236,973	700,388,702
Public Safety	316,661,068	340,393,477	340,541,339	25,536,839	351,019,802
Agriculture & Natural Resources	32,329,471	35,907,168	34,284,530	7,534,764	35,017,734
Transportation	4,728,427	9,416,075	9,138,175	--	--
Subtotal--State Operations	**$ 1,420,918,378**	**$ 1,568,789,939**	**$ 1,546,684,451**	**$ 108,936,612**	**$ 1,621,094,578**
Aid to Local Governments					
General Government	15,331	294,169	294,169	181,154	294,169
Human Services	26,503,880	29,096,401	29,073,644	8,032,342	29,436,406
Education	2,965,799,859	3,231,375,177	3,324,893,351	103,645,667	3,394,835,892
Public Safety	33,315,071	38,763,414	35,125,061	13,694,014	54,582,170
Agriculture & Natural Resources	--	--	--	--	--
Transportation	--	--	--	--	--
Subtotal--Aid to Local Governments	**$ 3,025,634,141**	**$ 3,299,529,161**	**$ 3,389,386,225**	**$ 125,553,177**	**$ 3,479,148,637**
Other Assistance					
General Government	12,817,492	16,653,297	12,381,394	3,039,349	16,242,446
Human Services	1,073,173,077	1,138,154,146	1,165,479,610	52,603,767	1,204,926,087
Education	27,001,399	32,788,055	30,675,002	3,418,819	35,390,002
Public Safety	26,851,509	33,052,364	31,129,689	6,934,452	32,275,593
Agriculture & Natural Resources	316,222	311,500	336,500	--	336,500
Transportation	--	--	--	--	--
Subtotal--Other Assistance	**$ 1,140,159,699**	**$ 1,220,959,362**	**$ 1,240,002,195**	**$ 65,996,387**	**$ 1,289,170,628**
Capital Improvements					
General Government	4,675,809	4,244,509	4,792,173	6,670,078	1,202,173
Human Services	225,988	--	--	--	--
Education	4,129,501	3,255,357	3,107,694	84,883,335	1,277,694
Public Safety	7,140,258	5,588,711	4,465,040	7,390,365	1,704,062
Agriculture & Natural Resources	4,562,313	3,031,264	2,245,000	20,000	--
Transportation	264,297	6,735,000	7,010,000	--	--
Subtotal--Capital Improvements	**$ 20,998,166**	**$ 22,854,841**	**$ 21,619,907**	**$ 98,963,778**	**$ 4,183,929**
Total Expenditures	**$ 5,607,710,384**	**$ 6,112,133,303**	**$ 6,197,692,778**	**$ 399,449,954**	**$ 6,393,597,772**

Schedule 2.1--Expenditures from All Funding Sources by Agency

	FY 2007 Actual	FY 2008 Gov. Estimate	FY 2009 Base Budget	FY 2009 Enhance. Pkg.	FY 2009 Gov. Rec.
General Government					
Department of Administration	46,614,583	62,484,409	67,101,442	20,927,485	84,167,562
Kansas Corporation Commission	19,314,560	21,649,255	20,004,507	229,100	20,686,168
Citizens Utility Ratepayer Board	672,049	871,499	792,881	--	803,448
Kansas Human Rights Commission	2,029,549	2,204,583	2,186,609	--	2,238,656
Board of Indigents Defense Services	20,776,536	23,497,270	24,020,405	597,990	24,249,586
Health Care Stabilization	28,321,113	33,719,785	33,448,833	--	33,483,656
Kansas Public Employees Retirement Sys.	43,583,463	54,609,948	49,516,390	314,713	56,318,486
Department of Commerce	110,252,809	137,103,946	114,109,170	240,200	116,856,033
Kansas Technology Enterprise Corporation	13,851,434	14,068,311	14,407,065	4,000,000	14,337,652
Kansas, Inc.	752,278	704,348	606,998	94,000	617,839
Kansas Lottery	49,020,053	57,930,168	50,904,126	1,497,273	97,418,681
Kansas Racing & Gaming Commission	5,663,180	11,871,778	24,161,785	5,721,227	23,927,635
Department of Revenue	90,663,391	99,788,917	95,742,687	4,948,556	99,783,425
Board of Tax Appeals	1,783,698	2,138,094	2,118,314	50,000	2,166,399
Abstracters Board of Examiners	20,181	21,797	21,814	--	21,814
Board of Accountancy	251,818	354,776	310,900	--	315,829
Banking Department	7,800,291	8,535,961	8,236,981	53,100	8,586,684
Board of Barbering	135,724	146,109	142,238	11,600	155,863
Behavioral Sciences Regulatory Board	525,191	635,742	612,261	--	623,495
Board of Cosmetology	659,590	842,870	753,199	76,199	806,669
Department of Credit Unions	840,205	942,497	837,716	11,600	894,213
Kansas Dental Board	335,809	394,826	375,782	--	382,794
Governmental Ethics Commission	630,660	667,604	678,749	--	690,383
Board of Healing Arts	2,695,642	3,050,525	3,135,850	--	3,229,712
Hearing Instruments Board of Examiners	25,891	29,576	28,843	--	28,884
Board of Mortuary Arts	240,862	284,058	271,079	--	276,617
Board of Nursing	1,552,804	1,842,515	1,783,338	--	1,854,345
Board of Examiners in Optometry	90,508	130,514	129,406	--	130,434
Board of Pharmacy	644,286	888,641	784,039	24,000	763,737
Real Estate Appraisal Board	271,964	324,959	323,670	--	326,840
Kansas Real Estate Commission	843,273	1,238,246	1,085,562	132,300	1,105,979
Office of the Securities Commissioner	3,615,221	3,075,326	2,798,896	113,038	2,912,771
Board of Technical Professions	595,830	587,797	566,621	--	577,455
Board of Veterinary Examiners	226,842	305,962	274,922	--	268,898
Office of the Governor	13,032,937	16,201,630	18,627,337	--	18,753,650
Office of the Lieutenant Governor	192,292	240,654	213,795	--	217,386
Attorney General	17,141,786	19,643,522	19,818,588	1,184,414	21,656,256
Insurance Department	21,744,129	23,357,865	23,348,618	--	23,626,584
Secretary of State	5,313,473	5,924,843	6,102,053	--	6,165,714
State Treasurer	15,039,396	17,567,563	18,520,755	100,000	17,973,555
Legislative Coordinating Council	815,997	1,200,943	784,406	--	799,905
Legislature	15,991,373	16,461,326	19,738,315	--	20,056,237
Legislative Research Department	3,029,062	3,647,958	3,600,840	--	3,678,206
Legislative Division of Post Audit	2,419,159	2,607,993	2,600,871	51,429	2,648,474
Revisor of Statutes	2,650,290	3,837,150	3,483,193	--	3,548,603
Judiciary	112,990,512	120,282,710	120,300,252	12,440,815	122,839,073
Judicial Council	1,004,260	1,521,763	1,383,830	5,000	1,395,573
Total--General Government	**$ 666,665,954**	**$ 779,438,532**	**$ 760,795,931**	**$ 52,824,039**	**$ 844,367,858**
Human Services					
Social & Rehabilitation Services	1,375,331,341	1,533,979,783	1,502,472,939	112,830,168	1,572,164,572
Kansas Neurological Institute	27,078,699	28,554,355	27,999,454	339,660	28,734,284
Larned State Hospital	51,400,669	54,720,419	52,917,323	4,807,237	56,325,190
Osawatomie State Hospital	23,926,843	25,473,627	25,186,263	3,329,082	26,090,365

Schedule 2.1--Expenditures from All Funding Sources by Agency

	FY 2007 Actual	FY 2008 Gov. Estimate	FY 2009 Base Budget	FY 2009 Enhance. Pkg.	FY 2009 Gov. Rec.
Parsons State Hospital & Training Center	23,244,139	25,179,323	24,713,561	273,000	25,444,062
Rainbow Mental Health Facility	8,010,782	8,031,892	7,718,810	1,157,453	7,986,381
Subtotal--SRS	**$ 1,508,992,473**	**$ 1,675,939,399**	**$ 1,641,008,350**	**$122,736,600**	**$ 1,716,744,854**
Kansas Health Policy Authority	1,296,369,103	1,341,411,534	1,365,750,913	25,100,000	1,400,565,192
Department on Aging	453,680,897	474,202,664	472,738,106	17,286,168	492,905,409
Health & Environment--Health	152,408,194	161,796,897	157,177,380	14,515,915	158,706,983
Department of Labor	304,714,464	364,615,363	361,073,066	72,000	362,229,389
Commission on Veterans Affairs	18,576,358	29,702,170	20,621,307	1,883,737	22,033,620
Kansas Guardianship Program	1,173,759	1,349,629	1,284,057	13,500	1,311,606
Total--Human Services	**$ 3,735,915,248**	**$ 4,049,017,656**	**$ 4,019,653,179**	**$181,607,920**	**$ 4,154,497,053**
Education					
Department of Education	3,315,445,364	3,577,030,274	3,686,199,947	47,260,755	3,770,476,535
School for the Blind	5,913,429	6,222,825	6,042,946	624,643	6,301,549
School for the Deaf	9,552,442	9,717,871	9,627,621	1,513,582	10,065,870
Subtotal--Department of Education	**$ 3,330,911,235**	**$ 3,592,970,970**	**$ 3,701,870,514**	**$ 49,398,980**	**$ 3,786,843,954**
Board of Regents	223,421,160	241,686,476	270,564,456	144,531,445	327,665,784
Emporia State University	70,313,198	83,411,817	76,811,657	--	77,389,812
Fort Hays State University	77,889,796	86,231,289	82,451,295	209,430	83,011,752
Kansas State University	459,038,955	510,135,342	487,761,115	--	491,955,353
Kansas State University--ESARP	119,856,794	129,390,569	126,140,706	--	127,206,221
KSU--Veterinary Medical Center	33,172,254	36,284,252	32,839,280	100,000	33,253,180
Pittsburg State University	83,434,633	90,500,307	85,710,793	--	86,425,621
University of Kansas	548,694,593	566,103,469	534,160,160	--	540,427,449
University of Kansas Medical Center	235,779,017	278,442,788	269,598,013	--	273,742,151
Wichita State University	198,105,788	207,354,418	199,784,012	--	205,330,210
Subtotal--Regents	**$ 2,049,706,188**	**$ 2,229,540,727**	**$ 2,165,821,487**	**$144,840,875**	**$ 2,246,407,533**
Kansas Arts Commission	2,111,483	2,341,964	2,223,187	100,000	2,338,051
Historical Society	9,729,535	9,906,193	9,445,196	1,604,335	10,396,150
State Library	7,412,117	7,789,297	7,374,195	657,364	7,733,003
Total--Education	**$ 5,399,870,558**	**$ 5,842,549,151**	**$ 5,886,734,579**	**$196,601,554**	**$ 6,053,718,691**
Public Safety					
Department of Corrections	119,786,153	143,898,736	142,061,657	12,672,536	148,180,126
El Dorado Correctional Facility	23,437,085	24,021,581	23,654,871	1,094,441	24,183,789
Ellsworth Correctional Facility	11,949,057	12,300,444	11,917,266	518,319	12,198,046
Hutchinson Correctional Facility	28,213,526	28,589,633	27,765,791	1,314,502	28,425,676
Lansing Correctional Facility	36,321,009	37,411,536	36,476,461	1,177,897	37,315,002
Larned Correctional Mental Health Facility	9,401,748	9,573,448	9,220,111	614,629	9,446,824
Norton Correctional Facility	13,874,519	15,064,051	13,966,030	673,695	14,305,261
Topeka Correctional Facility	12,841,740	13,526,247	12,906,981	677,875	13,220,582
Winfield Correctional Facility	12,496,078	12,254,706	11,934,334	441,803	12,205,547
Subtotal--Corrections	**$ 268,320,915**	**$ 296,640,382**	**$ 289,903,502**	**$ 19,185,697**	**$ 299,480,853**
Juvenile Justice Authority	64,259,247	76,155,768	75,961,616	6,399,804	71,997,331
Atchison Juvenile Correctional Facility	6,011,973	5,978,868	5,735,511	473,684	5,845,391
Beloit Juvenile Correctional Facility	4,586,714	4,161,819	4,124,247	424,138	4,224,195
Kansas Juvenile Correctional Complex	15,464,688	16,218,821	15,982,952	1,316,337	16,322,681
Larned Juvenile Correctional Facility	8,383,148	8,587,870	8,450,522	305,132	8,617,421
Subtotal--Juvenile Justice	**$ 98,705,770**	**$ 111,103,146**	**$ 110,254,848**	**$ 8,919,095**	**$ 107,007,019**
Adjutant General	129,507,285	252,528,811	40,367,768	133,776,105	149,708,141
Emergency Medical Services Board	1,644,289	2,541,500	2,280,004	38,000	2,303,840
State Fire Marshal	4,504,869	4,701,259	4,371,797	112,144	4,539,344
Highway Patrol	86,381,695	88,901,997	87,288,920	3,545,847	90,877,378
Kansas Bureau of Investigation	29,028,804	29,253,696	26,524,660	2,802,029	28,629,253
Kansas Parole Board	483,998	519,397	494,582	21,729	511,503

Schedule 2.1--Expenditures from All Funding Sources by Agency

	FY 2007 Actual	FY 2008 Gov. Estimate	FY 2009 Base Budget	FY 2009 Enhance. Pkg.	FY 2009 Gov. Rec.
Comm. on Peace Officers Stand. & Training	--	715,516	715,516	--	726,251
Sentencing Commission	8,986,528	10,314,987	10,088,809	74,829	10,147,638
Total--Public Safety	**$ 627,564,153**	**$ 797,220,691**	**$ 572,290,406**	**$168,475,475**	**$ 693,931,220**
Agriculture & Natural Resources					
Department of Agriculture	27,901,766	25,933,291	25,532,920	1,202,486	26,902,841
Animal Health Department	2,811,987	2,774,504	2,704,866	394,261	2,810,416
State Conservation Commission	11,786,714	22,184,856	18,343,839	119,765	16,100,476
Health & Environment--Environment	65,885,578	72,631,634	71,978,687	3,454,857	73,607,719
Kansas State Fair	9,049,321	6,682,546	6,518,541	185,349	6,736,251
Kansas Water Office	6,912,789	12,546,394	11,247,128	1,038,065	12,268,206
Department of Wildlife & Parks	56,133,029	67,473,245	54,905,922	1,783,500	59,564,719
Total--Agriculture & Natural Resources	**$ 180,481,184**	**$ 210,226,470**	**$ 191,231,903**	**$ 8,178,283**	**$ 197,990,628**
Transportation					
Department of Administration	4,992,724	16,151,075	16,148,175	--	16,148,175
Kansas Department of Transportation	1,353,047,032	1,402,170,813	1,603,542,753	4,517,433	1,607,262,207
Total--Transportation	**$ 1,358,039,756**	**$ 1,418,321,888**	**$ 1,619,690,928**	**$ 4,517,433**	**$ 1,623,410,382**
Total Expenditures	**$11,968,536,853**	**$13,096,774,388**	**$13,050,396,926**	**$612,204,704**	**$13,567,915,832**

Schedule 2.2--Expenditures from the State General Fund by Agency

	FY 2007 Actual	FY 2008 Gov. Estimate	FY 2009 Base Budget	FY 2009 Enhance. Pkg.	FY 2009 Gov. Rec.
General Government					
Department of Administration	33,644,382	51,070,825	59,146,735	15,277,485	56,335,947
Kansas Corporation Commission	--	--	177,121	--	--
Kansas Human Rights Commission	1,715,512	1,791,729	1,722,480	--	1,774,298
Board of Indigents Defense Services	19,685,109	22,497,270	23,020,405	597,990	23,249,586
Kansas Public Employees Retirement System	3,507,635	10,214,217	3,210,948	--	6,400,000
Department of Commerce	4,454,765	624,940	613,705	--	618,272
Kansas Technology Enterprise Corporation	266,255	--	--	--	--
Kansas, Inc.	25,000	--	--	--	--
Kansas Racing & Gaming Commission	39,829	--	--	--	--
Department of Revenue	20,420,363	21,572,916	20,942,768	420,572	21,367,861
Board of Tax Appeals	1,499,439	1,637,685	1,617,080	50,000	1,665,165
Governmental Ethics Commission	498,388	548,469	520,526	--	529,160
Office of the Governor	3,905,091	5,320,352	8,704,339	--	8,821,153
Office of the Lieutenant Governor	192,292	240,654	213,795	--	217,386
Attorney General	4,920,257	5,229,223	5,187,691	1,184,414	6,955,289
Secretary of State	91,365	149,398	--	--	--
State Treasurer	9,071	90,929	--	100,000	--
Legislative Coordinating Council	815,997	1,200,943	784,406	--	799,905
Legislature	15,903,897	16,283,173	19,651,845	--	19,969,767
Legislative Research Department	2,968,787	3,647,958	3,600,840	--	3,678,206
Legislative Division of Post Audit	2,419,159	2,607,993	2,600,871	51,429	2,648,474
Revisor of Statutes	2,650,290	3,837,150	3,483,193	--	3,548,603
Judiciary	102,928,242	109,321,490	109,545,101	12,027,070	111,936,288
Judicial Council	--	220,000	150,000	5,000	151,210
Total--General Government	**$ 222,561,125**	**$ 258,107,314**	**$ 264,893,849**	**$ 29,713,960**	**$ 270,666,570**
Human Services					
Social & Rehabilitation Services	552,372,812	658,093,239	650,534,041	62,638,130	680,003,835
Kansas Neurological Institute	12,103,803	13,497,979	10,408,078	339,660	11,115,403
Larned State Hospital	39,901,239	43,765,902	40,329,892	5,515,833	43,612,932
Osawatomie State Hospital	10,359,647	11,897,199	15,279,835	3,329,082	16,183,138
Parsons State Hospital & Training Center	8,883,316	10,142,481	9,676,719	273,000	10,407,220
Rainbow Mental Health Facility	4,330,250	5,389,898	5,131,836	1,157,453	5,399,407
Subtotal--SRS	**$ 627,951,067**	**$ 742,786,698**	**$ 731,360,401**	**$ 73,253,158**	**$ 766,721,935**
Kansas Health Policy Authority	481,934,915	465,130,425	486,867,637	11,343,750	513,700,254
Department on Aging	175,667,561	187,378,162	188,802,845	9,009,419	194,735,313
Health & Environment--Health	24,674,109	33,862,634	29,343,230	14,515,915	29,496,965
Department of Labor	382,733	495,993	466,410	421,287	699,301
Commission on Veterans Affairs	8,059,706	8,995,428	8,315,748	1,883,737	9,437,677
Kansas Guardianship Program	1,173,759	1,349,629	1,284,057	13,500	1,311,606
Total--Human Services	**$ 1,319,843,850**	**$ 1,439,998,969**	**$ 1,446,440,328**	**$ 110,440,766**	**$ 1,516,103,051**
Education					
Department of Education	2,829,714,175	3,079,085,983	3,176,661,517	47,223,219	3,247,064,222
School for the Blind	5,169,531	5,738,191	5,477,215	624,643	5,733,065
School for the Deaf	8,501,647	9,053,139	9,131,920	671,795	9,403,169
Subtotal--Department of Education	**$ 2,843,385,353**	**$ 3,093,877,313**	**$ 3,191,270,652**	**$ 48,519,657**	**$ 3,262,200,456**
Board of Regents	169,805,397	193,014,126	186,398,244	147,025,308	225,973,700
Emporia State University	33,368,553	34,899,579	34,386,866	--	34,386,866
Fort Hays State University	34,231,165	36,561,937	36,080,665	209,430	36,290,095
Kansas State University	111,105,517	115,562,702	114,265,966	--	114,265,966
Kansas State University--ESARP	52,043,225	54,807,626	54,084,620	--	54,084,620
KSU--Veterinary Medical Center	10,736,967	11,281,788	11,157,430	100,000	11,257,430

Schedule 2.2--Expenditures from the State General Fund by Agency

	FY 2007 Actual	FY 2008 Gov. Estimate	FY 2009 Base Budget	FY 2009 Enhance. Pkg.	FY 2009 Gov. Rec.
Pittsburg State University	35,998,201	38,112,545	37,606,416	--	37,279,417
University of Kansas	145,199,325	151,271,038	149,573,488	--	149,573,488
University of Kansas Medical Center	116,269,631	122,878,425	120,310,811	--	120,402,811
Wichita State University	73,355,915	74,640,991	73,673,199	--	72,028,991
Subtotal--Regents	**$ 782,113,896**	**$ 833,030,757**	**$ 817,537,705**	**$147,334,738**	**$ 855,543,384**
Kansas Arts Commission	1,548,312	1,658,614	1,654,397	100,000	1,769,261
Historical Society	6,724,672	6,652,077	6,146,603	1,573,035	6,546,471
State Library	5,364,540	5,609,286	5,473,910	657,364	5,832,718
Total--Education	**$3,639,136,773**	**$3,940,828,047**	**$4,022,083,267**	**$198,184,794**	**$4,131,892,290**
Public Safety					
Department of Corrections	99,985,250	119,567,675	122,233,652	12,637,536	122,897,391
El Dorado Correctional Facility	23,164,068	23,869,280	23,530,729	1,094,441	24,059,647
Ellsworth Correctional Facility	11,845,887	12,110,828	11,867,798	518,319	12,147,449
Hutchinson Correctional Facility	27,019,004	27,863,159	27,387,386	1,314,502	28,041,643
Lansing Correctional Facility	35,318,514	36,744,197	36,176,461	1,177,897	37,015,002
Larned Correctional Mental Health Facility	8,977,991	9,351,960	9,217,911	614,629	9,444,624
Norton Correctional Facility	13,519,186	14,020,514	13,777,212	673,695	14,111,327
Topeka Correctional Facility	11,850,815	12,179,881	12,019,060	677,875	12,316,182
Winfield Correctional Facility	11,511,763	11,869,688	11,688,884	441,803	11,952,988
Subtotal--Corrections	**$ 243,192,478**	**$ 267,577,182**	**$ 267,899,093**	**$ 19,150,697**	**$ 271,986,253**
Juvenile Justice Authority	33,789,359	39,472,588	39,409,855	5,160,800	48,518,754
Atchison Juvenile Correctional Facility	5,788,823	5,722,101	5,644,511	473,684	5,754,391
Beloit Juvenile Correctional Facility	4,030,293	4,089,027	4,031,018	424,138	4,130,966
Kansas Juvenile Correctional Complex	14,825,642	15,297,468	15,085,086	1,316,337	15,416,000
Larned Juvenile Correctional Facility	8,183,444	8,505,239	8,367,891	305,132	8,534,790
Subtotal--Juvenile Justice	**$ 66,617,561**	**$ 73,086,423**	**$ 72,538,361**	**$ 7,680,091**	**$ 82,354,901**
Adjutant General	11,072,095	10,596,864	8,013,385	21,246,511	18,914,783
Highway Patrol	34,954,504	38,470,359	35,870,985	2,625,249	37,906,563
Kansas Bureau of Investigation	18,835,510	17,629,674	16,826,212	2,756,564	18,233,280
Kansas Parole Board	483,998	519,397	494,582	21,729	511,503
Sentencing Commission	8,811,760	9,918,067	9,618,511	74,829	9,674,344
Total--Public Safety	**$ 383,967,906**	**$ 417,797,966**	**$ 411,261,129**	**$ 53,555,670**	**$ 439,581,627**
Agriculture & Natural Resources					
Department of Agriculture	11,230,458	12,162,274	11,531,538	927,731	12,303,319
Animal Health Department	774,241	943,477	903,853	394,261	953,341
State Conservation Commission	1,237,022	1,218,474	1,203,094	--	1,222,898
Health & Environment--Environment	9,711,668	11,719,652	10,779,864	3,014,857	9,674,232
Kansas State Fair	3,880,885	1,573,884	1,540,821	20,000	--
Kansas Water Office	2,284,542	2,308,144	2,314,206	1,038,065	2,350,593
Department of Wildlife & Parks	8,089,190	9,324,027	8,592,654	2,159,850	8,849,851
Total--Agriculture & Natural Resources	**$ 37,208,006**	**$ 39,249,932**	**$ 36,866,030**	**$ 7,554,764**	**$ 35,354,234**
Transportation					
Department of Administration	4,992,724	16,151,075	16,148,175	--	--
Total Expenditures	**$5,607,710,384**	**$6,112,133,303**	**$6,197,692,778**	**$399,449,954**	**$6,393,597,772**

Schedule 2.3--Expenditures from the Children's Initiatives Fund by Agency

	FY 2007 Actual	FY 2008 Gov. Estimate	FY 2009 Base Budget	FY 2009 Enhance. Pkg.	FY 2009 Gov. Rec.
Human Services					
Social & Rehabilitation Services					
Children's Cabinet Accountability Fund	546,125	541,802	541,802	--	541,802
Children's Mental Health Initiative	3,799,999	3,800,000	3,800,000	--	3,800,000
Family Centered System of Care	5,000,000	5,000,000	5,000,000	--	5,000,000
Therapeutic Preschool	947,897	1,000,000	1,000,000	--	--
Child Care Services	1,399,999	1,400,000	1,400,000	--	1,400,000
Community Services for Child Welfare	3,492,101	3,298,597	3,492,101	--	3,208,938
Smart Start Kansas	8,730,036	8,986,263	8,443,279	--	8,443,965
Family Preservation	2,957,899	3,151,403	2,957,899	--	3,241,062
School Violence Prevention	228,000	228,000	228,000	--	--
Attendant Care for Independent Living	50,000	50,000	50,000	--	--
Pre-K Pilot	2,000,000	5,000,000	5,000,000	--	--
Early Head Start	--	1,600,000	1,600,000	--	1,600,000
Child Care Quality Initiative	--	500,000	500,000	--	500,000
Early Childhood Block Grant	--	5,000,000	--	--	18,000,000
Total--SRS	**$ 29,152,056**	**$ 39,556,065**	**$ 34,013,081**	**$ --**	**$ 45,735,767**
Kansas Health Policy Authority					
HealthWave	2,000,000	2,000,000	2,000,000	--	--
Medical Assistance	3,000,000	3,000,000	3,000,000	--	--
Immunization Outreach	500,000	500,000	500,000	--	500,000
Total--KHPA	**$ 5,500,000**	**$ 5,500,000**	**$ 5,500,000**	**$ --**	**$ 500,000**
Health & Environment--Health					
Healthy Start/Home Visitor	250,000	250,000	250,000	--	250,000
Infants & Toddlers Program	1,200,000	1,200,000	1,200,000	--	1,200,000
Smoking Prevention Grants	999,999	1,000,000	1,000,000	--	1,000,000
PKU/Hemophilia	208,000	208,000	208,000	--	208,000
Newborn Hearing Aid Loaner Program	--	--	--	--	50,000
SIDS Network Grant	--	--	--	--	75,000
Newborn Screening	--	--	--	--	326,675
Total--KDHE--Health	**$ 2,657,999**	**$ 2,658,000**	**$ 2,658,000**	**$ --**	**$ 3,109,675**
Total--Human Services	**$ 37,310,055**	**$ 47,714,065**	**$ 42,171,081**	**$ --**	**$ 49,345,442**
Education					
Department of Education					
Reading & Vision Research	300,000	300,000	300,000	--	300,000
Parent Education	--	--	--	--	7,539,500
Pre-K Pilot	--	--	--	--	6,200,000
Total--Department of Education	**$ 300,000**	**$ 300,000**	**$ 300,000**	**$ --**	**$ 14,039,500**
University of Kansas Medical Center					
Tele-Kid Health Care Link	265,392	253,117	250,000	--	--
Total--Education	**$ 565,392**	**$ 553,117**	**$ 550,000**	**$ --**	**$ 14,039,500**
Public Safety					
Juvenile Justice Authority					
Juvenile Prevention Program Grants	5,385,716	5,579,530	5,579,530	--	--
Juvenile Graduated Sanctions Grants	3,468,938	3,420,470	3,420,470	--	--
Total--Public Safety	**$ 8,854,654**	**$ 9,000,000**	**$ 9,000,000**	**$ --**	**$ --**
Agriculture & Natural Resources					
Health & Environment--Environment					
Newborn Screening	--	--	--	--	1,899,902
Total--Agriculture & Natural Resources	**$ --**	**$ --**	**$ --**	**$ --**	**$ 1,899,902**
Total Expenditures	**$ 46,730,101**	**$ 57,267,182**	**$ 51,721,081**	**$ --**	**$ 65,284,844**

Schedule 2.4--Expenditures from the Economic Development Initiatives Fund by Agency

	FY 2007 Actual	FY 2008 Gov. Estimate	FY 2009 Base Budget	FY 2009 Enhance. Pkg.	FY 2009 Gov. Rec.
General Government					
Department of Commerce					
Operating Grant	15,075,152	16,946,554	15,936,572	211,400	16,170,250
Older Kansans Employment Program	332,278	330,481	330,481	--	330,676
Rural Opportunity Program	--	2,100,000	2,100,000	--	2,106,471
Eisenhower Foundation Grant	--	200,000	--	--	--
Kansas Sports Hall of Fame Grant	--	250,000	--	--	--
Kansas Innovation Consortium	--	--	--	--	150,000
Total--Department of Commerce	**$ 15,407,430**	**$ 19,827,035**	**$ 18,367,053**	**$ 211,400**	**$ 18,757,397**
Kansas Technology Enterprise Corporation					
Operations	1,862,697	1,808,675	1,887,106	--	1,816,678
University & Strategic Research	5,183,666	5,188,682	5,100,927	1,000,000	5,100,927
Product Development Financing	1,476,957	1,185,772	1,519,030	2,000,000	1,519,030
Commercialization	1,906,631	2,684,128	2,660,002	1,000,000	2,661,017
Mid-America Mfg. Technology Center	1,524,990	1,401,054	1,440,000	--	1,440,000
Total--KTEC	**$ 11,954,941**	**$ 12,268,311**	**$ 12,607,065**	**$ 4,000,000**	**$ 12,537,652**
Kansas, Inc.					
Operations	527,999	504,743	401,976	94,000	409,831
Total--General Government	**$ 27,890,370**	**$ 32,600,089**	**$ 31,376,094**	**$ 4,305,400**	**$ 31,704,880**
Human Services					
Social & Rehabilitation Services					
Call Center	340,000	--	--	--	--
Total--Human Services	**$ 340,000**	**$ --**	**$ --**	**$ --**	**$ --**
Education					
Board of Regents					
Vocational Education Capital Outlay	2,565,000	2,565,000	2,565,000	--	2,565,000
Postsecondary Aid for Vocational Education	6,957,162	--	--	--	--
Technology Innovation & Internship	185,340	180,500	180,500	6,137	180,500
Total--Board of Regents	**$ 9,707,502**	**$ 2,745,500**	**$ 2,745,500**	**$ 6,137**	**$ 2,745,500**
Kansas State University--ESARP					
Agriculture Experiment Stations	300,000	300,000	300,000	--	300,000
Wichita State University					
Aviation Research	--	4,750,000	2,500,000	--	4,000,000
Kansas Arts Commission					
Economic Impact Study of Arts	14,000	--	--	--	--
Total--Education	**$ 10,021,502**	**$ 7,795,500**	**$ 5,545,500**	**$ 6,137**	**$ 7,045,500**
Agriculture & Natural Resources					
Kansas State Fair					
Ticket Marketing & Premiums	70,000	70,000	--	120,000	120,000
Economic Impact Study	--	40,000	--	--	--
Alternative Energy Systems & Utilities	95,384	--	--	--	--
Largest Classroom	19,960	--	--	--	--
Total--Kansas State Fair	**$ 185,344**	**$ 110,000**	**$ --**	**$ 120,000**	**$ 120,000**
Total--Agriculture & Natural Resources	**$ 185,344**	**$ 110,000**	**$ --**	**$ 120,000**	**$ 120,000**
Total Expenditures	**$ 38,437,216**	**$ 40,505,589**	**$ 36,921,594**	**$ 4,431,537**	**$ 38,870,380**

Schedule 2.5--Expenditures from the State Water Plan Fund by Agency

	FY 2007 Actual	FY 2008 Gov. Estimate	FY 2009 Base Budget	FY 2009 Enhance. Pkg.	FY 2009 Gov. Rec.
Education					
University of Kansas					
Geological Survey	40,000	40,000	40,000	--	40,000
Total--Education	**$ 40,000**	**$ 40,000**	**$ 40,000**	**$ --**	**$ 40,000**
Agriculture & Natural Resources					
Department of Agriculture					
Ozark Aquifer Spring River Initiative	--	92,340	--	--	--
Interstate Water Issues	667,776	591,647	576,577	--	583,635
Water Use Study	60,000	60,000	60,000	--	60,000
Compliance Water Model	1,150,846	--	--	--	--
Subbasin Water Resources Management	--	667,474	739,996	--	761,373
Total--Department of Agriculture	**$ 1,878,622**	**$ 1,411,461**	**$ 1,376,573**	**$ --**	**$ 1,405,008**
State Conservation Commission					
Water Resources Cost-Share	3,323,365	3,323,365	3,412,218	--	3,326,594
Nonpoint Source Pollution Assistance	2,388,592	3,992,784	3,623,854	--	2,000,000
Water Transition Assistance Program	64,856	2,618,705	1,498,000	--	1,000,228
Aid to Conservation Districts	1,048,000	2,136,154	2,136,154	119,765	2,255,919
Conservation Reserve Enhancement Program	--	2,000,000	--	--	--
Watershed Dam Construction	1,265,970	1,140,529	1,055,000	--	1,055,000
Water Quality Buffer Initiatives	265,437	391,720	350,000	--	350,000
Riparian & Wetland Program	88,013	364,478	251,782	--	251,782
Multipurpose Small Lakes	1,100,000	1,250,000	1,123,176	--	1,123,176
Lake Restoration/Management	--	2,719,713	2,895,836	--	2,713,762
Salt Cedar Control Projects	33,750	50,000	50,000	--	50,000
Total--Conservation Commission	**$ 9,577,983**	**$ 19,987,448**	**$ 16,396,020**	**$ 119,765**	**$ 14,126,461**
Health & Environment--Environment					
Contamination Remediation	904,574	1,031,530	976,151	--	979,338
Local Environmental Protection Program	1,502,737	1,502,850	1,502,735	--	1,502,735
Nonpoint Source Program	246,803	336,513	292,651	--	299,743
TMDL Initiatives	257,172	342,087	299,985	--	301,793
Use Attainability Analysis	169,040	--	--	--	--
Soil Treatment Study	--	120,361	--	--	--
Watershed Rest. & Protect. Plans (WRAPS)	799,796	800,204	800,000	--	800,000
Total--KDHE--Environment	**$ 3,880,122**	**$ 4,133,545**	**$ 3,871,522**	**$ --**	**$ 3,883,609**
Kansas Water Office					
Assessment & Evaluation	989,772	951,493	860,000	--	860,000
GIS Data Base Development	247,405	250,000	250,000	--	250,000
MOU--Storage Operations and Maintenance	388,639	694,060	301,418	--	301,418
PMIB Loan Payment for Storage	237,352	--	--	--	--
Technical Assistance to Water Users	299,858	642,921	646,030	--	624,919
Water Resource Education	76,500	91,500	84,000	--	84,000
Weather Stations	60,000	100,000	100,000	--	100,000
Weather Modification	120,000	240,000	240,000	--	240,000
Wichita Aquifer Recovery Project	--	--	--	--	1,000,000
Neosho River Basin Issues	--	500,000	500,000	--	500,000
Total--Water Office	**$ 2,419,526**	**$ 3,469,974**	**$ 2,981,448**	**$ --**	**$ 3,960,337**
Department of Wildlife & Parks					
Stream Monitoring	40,000	40,000	40,000	--	40,000
Sebelius Reservoir	60,000	1,000,000	--	--	--
Total--Department of Wildlife & Parks	**$ 100,000**	**$ 1,040,000**	**$ 40,000**	**$ --**	**$ 40,000**
Total--Agriculture & Natural Resources	**$ 17,856,253**	**$ 30,042,428**	**$ 24,665,563**	**$ 119,765**	**$ 23,415,415**
Total Expenditures	**$ 17,896,253**	**$ 30,082,428**	**$ 24,705,563**	**$ 119,765**	**$ 23,455,415**

Schedule 2.6--Expenditures from the Expanded Lottery Act Revenues Fund by Agency

	FY 2007 Actual	FY 2008 Gov. Estimate	FY 2009 Base Budget	FY 2009 Enhance. Pkg.	FY 2009 Gov. Rec.
General Government					
Department of Administration					
Statehouse Renovation Debt Service	--	--	--	--	10,052,858
Judicial Center Improvements Debt Service	--	--	--	--	101,170
Capitol Complex Maintenance	--	--	--	--	3,000,000
Docking Renovation Planning	--	--	--	--	1,000,000
Total--Department of Administration	**$ --**	**$ --**	**$ --**	**$ --**	**$ 14,154,028**
Kansas Public Employees Retirement System					
Retirement Benefits Debt Payment	--	--	--	--	3,210,948
Department of Commerce					
Bioenergy Research Program	--	--	--	--	2,000,000
Total--General Government	**$ --**	**$ --**	**$ --**	**$ --**	**$ 19,364,976**
Education					
Board of Regents					
Technical Education Equipment Grant	--	--	--	--	2,500,000
Pittsburg State University					
Readiness Center	--	--	--	--	326,999
University of Kansas					
School of Pharmacy Expansion	--	--	--	--	1,000,000
University of Kansas Medical Center					
Energy Conservation Improvement Debt Serv.	--	--	--	--	908,000
Wichita State University					
Aviation Research Debt Service	--	--	--	--	1,644,208
NIAR-Aviation Infrastructure	--	--	--	--	2,500,000
Total--Wichita State University	**$ --**	**$ --**	**$ --**	**$ --**	**$ 4,144,208**
Historical Society					
Historic Site Preservation & Development	--	--	--	--	500,000
Total--Education	**$ --**	**$ --**	**$ --**	**$ --**	**$ 9,379,207**
Public Safety					
Department of Corrections					
Prison Capacity Expansion Bonds	--	--	--	--	3,679,303
Adjutant General					
Armory Renovation Bonds	--	--	--	--	2,226,807
Regional Training Center	--	--	--	--	4,000,000
Total--Adjutant General	**$ --**	**$ --**	**$ --**	**$ --**	**$ 6,226,807**
Kansas Bureau of Investigation					
KBI Complex-Site Master Plan	--	--	--	--	250,000
Headquarters Acquisition Bonds	--	--	--	--	311,850
Total--Kansas Bureau of Investigation	**$ --**	**$ --**	**$ --**	**$ --**	**$ 561,850**
Total--Public Safety	**$ --**	**$ --**	**$ --**	**$ --**	**$ 10,467,960**
Agriculture & Natural Resources					
Kansas State Fair					
Master Plan Debt Service	--	--	--	--	1,840,821
Department of Wildlife & Parks					
Ongoing Parks Rehabilitation & Repair	--	--	--	--	3,000,000
Disaster Damage & Develop Green Space	--	--	--	--	1,500,000
Total--Department of Wildlife & Parks	**$ --**	**$ --**	**$ --**	**$ --**	**$ 4,500,000**
Total--Agriculture & Natural Resources	**$ --**	**$ --**	**$ --**	**$ --**	**$ 6,340,821**
Transportation					
Department of Administration					
Comprehensive Transportation Prog. Debt Serv.	--	--	--	--	16,148,175
Total Expenditures	**$ --**	**$ --**	**$ --**	**$ --**	**$ 61,701,139**

Schedule 3.1--Expenditures from All Funding Sources for State Operations by Agency

	FY 2007 Actual	FY 2008 Gov. Estimate	FY 2009 Base Budget	FY 2009 Enhance. Pkg.	FY 2009 Gov. Rec.
General Government					
Department of Administration	28,410,489	46,453,504	53,469,324	11,058,904	65,015,444
Kansas Corporation Commission	19,113,477	20,534,255	19,989,507	229,100	20,568,655
Citizens Utility Ratepayer Board	672,049	871,499	792,881	--	803,448
Kansas Human Rights Commission	2,029,549	2,204,583	2,186,609	--	2,238,656
Board of Indigents Defense Services	20,776,536	23,497,270	24,020,405	597,990	24,249,586
Health Care Stabilization	5,853,999	5,413,287	5,142,335	--	5,177,158
Kansas Public Employees Retirement System	40,075,828	44,395,731	46,305,442	314,713	46,707,538
Department of Commerce	31,798,737	36,078,054	33,970,472	190,200	34,717,335
Kansas Technology Enterprise Corporation	2,754,985	2,884,863	2,915,108	--	2,845,695
Kansas, Inc.	752,278	704,348	606,998	94,000	617,839
Kansas Lottery	23,535,622	31,164,544	23,902,849	1,497,273	67,371,114
Kansas Racing & Gaming Commission	4,515,776	9,455,287	7,400,208	5,721,227	9,723,517
Department of Revenue	76,417,366	81,804,292	80,600,062	4,948,556	83,901,800
Board of Tax Appeals	1,783,698	2,138,094	2,118,314	50,000	2,166,399
Abstracters Board of Examiners	20,181	21,797	21,814	--	21,814
Board of Accountancy	251,818	354,776	310,900	--	315,829
Banking Department	7,435,849	8,277,961	7,978,981	53,100	8,328,684
Board of Barbering	135,724	146,109	142,238	11,600	155,863
Behavioral Sciences Regulatory Board	525,191	635,742	612,261	--	623,495
Board of Cosmetology	659,521	842,870	753,199	76,199	806,669
Department of Credit Unions	840,205	942,497	837,716	11,600	894,213
Kansas Dental Board	335,809	394,826	375,782	--	382,794
Governmental Ethics Commission	630,660	667,604	678,749	--	690,383
Board of Healing Arts	2,695,642	3,050,525	3,135,850	--	3,229,712
Hearing Instruments Board of Examiners	25,891	29,576	28,843	--	28,884
Board of Mortuary Arts	240,862	284,058	271,079	--	276,617
Board of Nursing	1,552,804	1,842,515	1,783,338	--	1,854,345
Board of Examiners in Optometry	90,508	130,514	129,406	--	130,434
Board of Pharmacy	644,286	888,641	784,039	24,000	763,737
Real Estate Appraisal Board	271,964	324,959	323,670	--	326,840
Kansas Real Estate Commission	843,273	1,238,246	1,085,562	132,300	1,105,979
Office of the Securities Commissioner	3,574,319	3,075,326	2,798,896	113,038	2,912,771
Board of Technical Professions	595,830	587,797	566,621	--	577,455
Board of Veterinary Examiners	226,842	305,962	274,922	--	268,898
Office of the Governor	3,065,253	3,364,069	3,312,619	--	3,438,932
Office of the Lieutenant Governor	192,292	240,654	213,795	--	217,386
Attorney General	9,635,089	11,615,855	11,822,945	1,012,414	13,488,613
Insurance Department	10,173,097	11,462,004	11,400,564	--	11,678,530
Secretary of State	4,825,807	5,924,843	6,102,053	--	6,165,714
State Treasurer	2,593,677	4,496,563	4,300,155	100,000	4,372,955
Legislative Coordinating Council	815,997	1,200,943	784,406	--	799,905
Legislature	15,981,373	16,461,326	19,738,315	--	20,056,237
Legislative Research Department	3,029,062	3,647,958	3,600,840	--	3,678,206
Legislative Division of Post Audit	2,419,159	2,607,993	2,600,871	51,429	2,648,474
Revisor of Statutes	2,650,290	3,837,150	3,483,193	--	3,548,603
Judiciary	111,138,281	118,159,379	118,128,868	12,440,815	120,667,689
Judicial Council	1,004,260	1,521,763	1,383,830	5,000	1,395,573
Total--General Government	**$ 447,611,205**	**$ 516,182,412**	**$ 513,186,834**	**$ 38,733,458**	**$ 581,956,417**
Human Services					
Social & Rehabilitation Services	273,471,682	325,367,909	316,753,106	17,832,206	339,121,354
Kansas Neurological Institute	26,962,907	28,434,360	27,874,134	339,660	28,608,964
Larned State Hospital	51,398,602	54,720,419	52,917,323	4,807,237	56,325,190
Osawatomie State Hospital	23,925,637	25,472,421	25,185,057	3,329,082	26,089,159

Schedule 3.1--Expenditures from All Funding Sources for State Operations by Agency

	FY 2007 Actual	FY 2008 Gov. Estimate	FY 2009 Base Budget	FY 2009 Enhance. Pkg.	FY 2009 Gov. Rec.
Parsons State Hospital & Training Center	23,132,359	25,065,704	24,599,895	273,000	25,330,396
Rainbow Mental Health Facility	8,010,717	8,031,892	7,718,810	1,157,453	7,986,381
Subtotal--SRS	**$ 406,901,904**	**$ 467,092,705**	**$ 455,048,325**	**$ 27,738,638**	**$ 483,461,444**
Kansas Health Policy Authority	72,390,173	75,042,381	78,381,760	15,100,000	89,117,039
Department on Aging	17,540,932	18,569,138	17,167,304	905,378	18,343,576
Health & Environment--Health	61,821,931	69,526,749	63,605,485	8,032,581	65,135,088
Department of Labor	57,782,801	41,552,047	40,485,906	72,000	41,642,229
Commission on Veterans Affairs	17,629,633	19,785,379	19,462,396	1,883,737	20,836,709
Kansas Guardianship Program	1,173,759	1,349,629	1,284,057	13,500	1,311,606
Total--Human Services	**$ 635,241,133**	**$ 692,918,028**	**$ 675,435,233**	**$ 53,745,834**	**$ 719,847,691**
Education					
Department of Education	31,269,033	33,798,349	32,517,416	752,957	33,478,963
School for the Blind	5,801,788	6,004,009	5,730,344	624,643	5,988,947
School for the Deaf	8,665,401	9,337,694	9,378,795	671,795	9,650,044
Subtotal--Department of Education	**$ 45,736,222**	**$ 49,140,052**	**$ 47,626,555**	**$ 2,049,395**	**$ 49,117,954**
Board of Regents	19,832,972	25,258,953	23,173,130	395,620	58,124,458
Emporia State University	63,702,297	72,015,053	69,287,972	--	69,866,127
Fort Hays State University	67,911,101	73,339,384	72,731,765	209,430	73,292,222
Kansas State University	322,041,536	353,797,528	344,936,690	--	349,130,928
Kansas State University--ESARP	112,975,283	123,039,044	122,228,036	--	123,293,551
KSU--Veterinary Medical Center	32,762,075	35,851,364	32,618,015	--	32,931,915
Pittsburg State University	68,468,482	73,626,621	72,982,689	--	73,697,517
University of Kansas	481,061,562	489,826,063	487,920,178	--	493,187,467
University of Kansas Medical Center	222,872,791	262,461,325	256,024,813	--	260,168,951
Wichita State University	171,914,431	188,479,042	185,299,441	--	190,845,639
Subtotal--Regents	**$ 1,563,542,530**	**$ 1,697,694,377**	**$ 1,667,202,729**	**$ 605,050**	**$ 1,724,538,775**
Kansas Arts Commission	628,005	726,846	701,629	--	716,493
Historical Society	6,844,865	7,705,853	7,584,436	494,000	7,965,390
State Library	2,988,341	3,217,743	3,081,196	657,364	3,440,004
Total--Education	**$ 1,619,739,963**	**$ 1,758,484,871**	**$ 1,726,196,545**	**$ 3,805,809**	**$ 1,785,778,616**
Public Safety					
Department of Corrections	97,752,681	112,316,071	112,862,035	10,130,883	117,290,807
El Dorado Correctional Facility	23,165,279	23,834,541	23,495,148	1,094,441	24,024,066
Ellsworth Correctional Facility	11,810,213	12,085,947	11,840,169	518,319	12,120,949
Hutchinson Correctional Facility	27,172,068	28,043,906	27,517,679	1,147,452	28,177,564
Lansing Correctional Facility	35,270,225	36,703,443	36,123,364	1,177,897	36,961,905
Larned Correctional Mental Health Facility	8,943,247	9,337,198	9,205,349	614,629	9,432,062
Norton Correctional Facility	13,553,442	14,053,695	13,804,042	673,695	14,143,273
Topeka Correctional Facility	12,524,732	12,997,903	12,842,966	677,875	13,156,567
Winfield Correctional Facility	11,616,579	11,993,068	11,809,133	441,803	12,080,346
Subtotal--Corrections	**$ 241,808,466**	**$ 261,365,772**	**$ 259,499,885**	**$ 16,476,994**	**$ 267,387,539**
Juvenile Justice Authority	6,133,598	6,643,985	6,492,010	410,800	6,986,941
Atchison Juvenile Correctional Facility	5,887,683	5,813,101	5,735,511	473,684	5,845,391
Beloit Juvenile Correctional Facility	3,982,870	4,161,819	4,124,247	424,138	4,224,195
Kansas Juvenile Correctional Complex	15,118,135	16,218,821	15,982,952	1,316,337	16,322,681
Larned Juvenile Correctional Facility	8,350,916	8,587,870	8,450,522	305,132	8,617,421
Subtotal--Juvenile Justice	**$ 39,473,202**	**$ 41,425,596**	**$ 40,785,242**	**$ 2,930,091**	**$ 41,996,629**
Adjutant General	33,551,023	41,500,619	37,012,209	1,489,190	39,655,813
Emergency Medical Services Board	1,161,488	1,531,031	1,380,489	38,000	1,404,325
State Fire Marshal	4,504,869	4,451,259	4,121,797	112,144	4,289,344

Schedule 3.1--Expenditures from All Funding Sources for State Operations by Agency

	FY 2007 Actual	FY 2008 Gov. Estimate	FY 2009 Base Budget	FY 2009 Enhance. Pkg.	FY 2009 Gov. Rec.
Highway Patrol	71,744,641	78,280,956	76,341,394	2,700,648	79,084,653
Kansas Bureau of Investigation	24,849,802	27,186,500	24,693,840	2,167,489	26,548,433
Kansas Parole Board	483,998	519,397	494,582	21,729	511,503
Comm. on Peace Officers Stand. & Training	--	715,516	715,516	--	726,251
Sentencing Commission	830,191	981,324	888,809	74,829	947,638
Total--Public Safety	**$ 418,407,680**	**$ 457,957,970**	**$ 445,933,763**	**$ 26,011,114**	**$ 462,552,128**
Agriculture & Natural Resources					
Department of Agriculture	26,949,532	25,928,291	25,532,920	1,202,486	26,902,841
Animal Health Department	2,801,942	2,774,504	2,704,866	394,261	2,810,416
State Conservation Commission	2,504,547	2,647,984	2,455,080	--	2,486,733
Health & Environment--Environment	59,205,246	65,978,499	65,013,522	3,454,857	66,642,554
Kansas State Fair	5,505,077	5,427,679	5,251,477	165,349	5,469,187
Kansas Water Office	6,912,789	12,481,946	11,247,128	1,038,065	12,268,206
Department of Wildlife & Parks	42,778,145	46,353,352	46,296,422	1,783,500	47,955,219
Total--Ag. & Natural Resources	**$ 146,657,278**	**$ 161,592,255**	**$ 158,501,415**	**$ 8,038,518**	**$ 164,535,156**
Transportation					
Department of Administration	4,728,427	9,416,075	9,138,175	--	9,138,175
Kansas Department of Transportation	285,234,553	296,782,040	298,015,762	2,168,045	302,023,915
Total--Transportation	**$ 289,962,980**	**$ 306,198,115**	**$ 307,153,937**	**$ 2,168,045**	**$ 311,162,090**
Total Expenditures	**$ 3,557,620,239**	**$ 3,893,333,651**	**$ 3,826,407,727**	**$ 132,502,778**	**$ 4,025,832,098**

Schedule 3.2--Expenditures from the State General Fund for State Operations by Agency

	FY 2007 Actual	FY 2008 Gov. Estimate	FY 2009 Base Budget	FY 2009 Enhance. Pkg.	FY 2009 Gov. Rec.
General Government					
Department of Administration	25,802,926	43,401,214	51,637,222	5,558,904	51,916,434
Kansas Corporation Commission	--	--	177,121	--	--
Kansas Human Rights Commission	1,715,512	1,791,729	1,722,480	--	1,774,298
Board of Indigents Defense Services	19,685,109	22,497,270	23,020,405	597,990	23,249,586
Department of Commerce	224,765	244,940	233,705	--	238,272
Kansas Technology Enterprise Corporation	176,255	--	--	--	--
Kansas, Inc.	25,000	--	--	--	--
Kansas Racing & Gaming Commission	39,829	--	--	--	--
Department of Revenue	20,420,283	21,572,916	20,942,768	420,572	21,367,861
Board of Tax Appeals	1,499,439	1,637,685	1,617,080	50,000	1,665,165
Governmental Ethics Commission	498,388	548,469	520,526	--	529,160
Office of the Governor	2,375,681	2,707,189	2,655,547	--	2,772,361
Office of the Lieutenant Governor	192,292	240,654	213,795	--	217,386
Attorney General	4,638,596	5,054,223	5,012,691	1,012,414	6,608,289
Secretary of State	76,735	149,398	--	--	--
State Treasurer	9,071	90,929	--	100,000	--
Legislative Coordinating Council	815,997	1,200,943	784,406	--	799,905
Legislature	15,893,897	16,283,173	19,651,845	--	19,969,767
Legislative Research Department	2,968,787	3,647,958	3,600,840	--	3,678,206
Legislative Division of Post Audit	2,419,159	2,607,993	2,600,871	51,429	2,648,474
Revisor of Statutes	2,650,290	3,837,150	3,483,193	--	3,548,603
Judiciary	102,924,482	109,181,506	109,401,618	12,027,070	111,792,805
Judicial Council	--	220,000	150,000	5,000	151,210
Total--General Government	**$ 205,052,493**	**$ 236,915,339**	**$ 247,426,113**	**$ 19,823,379**	**$ 252,927,782**
Human Services					
Social & Rehabilitation Services	98,099,411	130,069,352	119,078,133	21,113,795	135,547,696
Kansas Neurological Institute	11,988,011	13,497,979	10,408,078	339,660	11,115,403
Larned State Hospital	39,899,207	43,765,902	40,329,892	5,515,833	43,612,932
Osawatomie State Hospital	10,358,524	11,896,051	15,278,687	3,329,082	16,181,990
Parsons State Hospital & Training Center	8,773,691	10,142,481	9,676,719	273,000	10,407,220
Rainbow Mental Health Facility	4,330,185	5,389,898	5,131,836	1,157,453	5,399,407
Subtotal--SRS	**$ 173,449,029**	**$ 214,761,663**	**$ 199,903,345**	**$ 31,728,823**	**$ 222,264,648**
Kansas Health Policy Authority	20,633,884	24,812,042	24,949,254	7,343,750	30,302,871
Department on Aging	6,279,826	7,546,665	6,693,074	380,979	7,170,534
Health & Environment--Health	9,964,607	14,790,002	10,278,186	8,032,581	10,556,921
Department of Labor	382,733	495,993	466,410	421,287	699,301
Commission on Veterans Affairs	8,057,067	8,992,428	8,312,748	1,883,737	9,434,677
Kansas Guardianship Program	1,173,759	1,349,629	1,284,057	13,500	1,311,606
Total--Human Services	**$ 219,940,905**	**$ 272,748,422**	**$ 251,887,074**	**$ 49,804,657**	**$ 281,740,558**
Education					
Department of Education	10,663,086	11,464,283	11,202,886	715,421	11,868,050
School for the Blind	5,144,255	5,711,697	5,449,445	624,643	5,705,295
School for the Deaf	8,446,943	8,996,675	9,073,094	671,795	9,344,343
Subtotal--Department of Education	**$ 24,254,284**	**$ 26,172,655**	**$ 25,725,425**	**$ 2,011,859**	**$ 26,917,688**
Board of Regents	7,008,879	8,572,320	8,196,248	2,895,620	43,121,704
Emporia State University	33,280,436	34,811,462	34,298,749	--	34,298,749
Fort Hays State University	34,231,165	36,561,937	36,080,665	209,430	36,290,095
Kansas State University	110,916,071	115,373,256	114,076,520	--	114,076,520
Kansas State University--ESARP	52,029,522	54,807,626	54,084,620	--	54,084,620
KSU--Veterinary Medical Center	10,636,967	11,081,788	10,957,430	--	10,957,430

Schedule 3.2--Expenditures from the State General Fund for State Operations by Agency

	FY 2007 Actual	FY 2008 Gov. Estimate	FY 2009 Base Budget	FY 2009 Enhance. Pkg.	FY 2009 Gov. Rec.
Pittsburg State University	35,797,416	36,717,080	36,187,437	--	36,020,438
University of Kansas	143,968,151	150,507,270	148,845,368	--	148,845,368
University of Kansas Medical Center	110,085,717	116,739,161	114,218,547	--	114,705,547
Wichita State University	72,078,163	73,425,991	72,398,199	--	72,028,991
Subtotal--Regents	**$ 610,032,487**	**$ 638,597,891**	**$ 629,343,783**	**$ 3,105,050**	**$ 664,429,462**
Kansas Arts Commission	350,016	359,418	355,201	--	370,065
Historical Society	5,552,111	6,073,150	5,911,843	462,700	6,241,711
State Library	2,017,116	2,206,344	2,070,968	657,364	2,429,776
Total--Education	**$ 642,206,014**	**$ 673,409,458**	**$ 663,407,220**	**$ 6,236,973**	**$ 700,388,702**
Public Safety					
Department of Corrections	80,349,002	95,085,099	98,610,030	10,095,883	100,944,072
El Dorado Correctional Facility	22,983,800	23,709,557	23,371,006	1,094,441	23,899,924
Ellsworth Correctional Facility	11,768,232	12,033,731	11,790,701	518,319	12,070,352
Hutchinson Correctional Facility	26,758,226	27,615,047	27,139,274	1,147,452	27,793,531
Lansing Correctional Facility	34,985,225	36,403,443	35,823,364	1,177,897	36,661,905
Larned Correctional Mental Health Facility	8,941,180	9,337,198	9,203,149	614,629	9,429,862
Norton Correctional Facility	13,369,544	13,864,877	13,615,224	673,695	13,949,339
Topeka Correctional Facility	11,777,387	12,115,866	11,955,045	677,875	12,252,167
Winfield Correctional Facility	11,381,333	11,744,487	11,563,683	441,803	11,827,787
Subtotal--Corrections	**$ 222,313,929**	**$ 241,909,305**	**$ 243,071,476**	**$ 16,441,994**	**$ 248,828,939**
Juvenile Justice Authority	3,560,486	3,964,979	4,008,357	410,800	4,497,256
Atchison Juvenile Correctional Facility	5,785,711	5,722,101	5,644,511	473,684	5,754,391
Beloit Juvenile Correctional Facility	3,831,971	4,089,027	4,031,018	424,138	4,130,966
Kansas Juvenile Correctional Complex	14,742,850	15,297,468	15,085,086	1,316,337	15,416,000
Larned Juvenile Correctional Facility	8,183,444	8,505,239	8,367,891	305,132	8,534,790
Subtotal--Juvenile Justice	**$ 36,104,462**	**$ 37,578,814**	**$ 37,136,863**	**$ 2,930,091**	**$ 38,333,403**
Adjutant General	5,884,871	6,138,720	6,812,710	1,320,923	6,536,770
Highway Patrol	34,954,154	36,470,359	35,870,985	2,625,249	37,906,563
Kansas Bureau of Investigation	16,264,231	16,992,478	16,436,212	2,122,024	18,128,280
Kansas Parole Board	483,998	519,397	494,582	21,729	511,503
Sentencing Commission	655,423	784,404	718,511	74,829	774,344
Total--Public Safety	**$ 316,661,068**	**$ 340,393,477**	**$ 340,541,339**	**$ 25,536,839**	**$ 351,019,802**
Agriculture & Natural Resources					
Department of Agriculture	11,227,298	12,162,274	11,531,538	927,731	12,303,319
Animal Health Department	774,241	943,477	903,853	394,261	953,341
State Conservation Commission	925,522	906,974	891,594	--	911,398
Health & Environment--Environment	9,711,668	11,719,652	10,779,864	3,014,857	9,674,232
Kansas State Fair	820,158	833,884	795,821	--	--
Kansas Water Office	2,284,542	2,308,144	2,314,206	1,038,065	2,350,593
Department of Wildlife & Parks	6,586,042	7,032,763	7,067,654	2,159,850	8,824,851
Total--Ag. & Natural Resources	**$ 32,329,471**	**$ 35,907,168**	**$ 34,284,530**	**$ 7,534,764**	**$ 35,017,734**
Transportation					
Department of Administration	4,728,427	9,416,075	9,138,175	--	--
Total Expenditures	**$1,420,918,378**	**$1,568,789,939**	**$1,546,684,451**	**$ 108,936,612**	**$1,621,094,578**

Schedule 4.1--Expenditures from All Funding Sources for Aid to Local Governments

	FY 2007 Actual	FY 2008 Gov. Estimate	FY 2009 Base Budget	FY 2009 Enhance. Pkg.	FY 2009 Gov. Rec.
General Government					
Department of Administration					
Emergency Flood Control	272,078	268,729	268,729	--	268,729
Public Broadcasting	--	294,169	294,169	181,154	294,169
Wireless 911 Grants	5,911,400	5,744,996	5,691,469	--	5,691,469
Total--Department of Administration	**$ 6,183,478**	**$ 6,307,894**	**$ 6,254,367**	**$ 181,154**	**$ 6,254,367**
Kansas Corporation Commission					
Energy Conservation Grants	149,083	15,000	15,000	--	15,000
Department of Commerce					
Greensburg Economic Development	55,000	--	--	--	--
KIT & KIR Programs	201,945	--	--	--	--
Small Business Development Centers	--	1,000,000	1,000,000	--	1,000,000
Small Community Improvement Proj.	--	500,000	500,000	--	500,000
Community Services Revolving Loan	3,868,420	3,000,000	3,000,000	--	3,000,000
IMPACT Program	25,349	--	--	--	--
Community Development Block Grant	15,979,150	19,700,000	20,000,000	--	20,000,000
Early Childhood Apprenticeship	30,474	72,449	51,900	--	51,900
Community Development Programs	45,000	--	--	--	--
Kansas Partnership Program	--	200,000	200,000	--	200,000
Total--Department of Commerce	**$ 20,205,338**	**$ 24,472,449**	**$ 24,751,900**	**$ --**	**$ 24,751,900**
Kansas Lottery					
Expanded Lottery Act Payments	--	369,090	--	--	3,046,290
Department of Revenue					
Sand Royalty Fund	68,941	70,000	70,000	--	70,000
County Treasurer Vehicle Licensing	148,225	142,625	142,625	--	142,625
Mineral Production Tax Fund	8,629,655	9,672,000	7,230,000	--	9,469,000
County Drug Tax Fund	580,844	700,000	700,000	--	700,000
State Emergency Fund	--	2,500,000	--	--	--
Miscellaneous Grants	209,217	--	--	--	--
Total--Department of Revenue	**$ 9,636,882**	**$ 13,084,625**	**$ 8,142,625**	**$ --**	**$ 10,381,625**
Office of the Governor					
Federal & Other Grant Programs	2,270,931	3,454,597	4,109,994	--	4,109,994
Attorney General					
Child Advocacy Centers	--	47,000	47,000	--	47,000
Local Law Enforcement Partnership	--	230,000	230,000	--	230,000
Project Safe Neighborhoods	122,678	90,000	90,000	--	90,000
Total--Attorney General	**$ 122,678**	**$ 367,000**	**$ 367,000**	**$ --**	**$ 367,000**
Insurance Department					
Firefighter Association Grants	9,137,145	9,150,000	9,200,000	--	9,200,000
Secretary of State					
HAVA	487,666	--	--	--	--
State Treasurer					
Tax Increment Financing	961,432	981,000	1,000,600		1,000,600
Judiciary					
Child Welfare Federal Fund	2,103	--	--	--	--
Technology Fund	4,497	350,000	350,000	--	350,000
Permanent Families Account	291,068	330,537	340,152	--	340,152
Miscellaneous Aid	701	--	--	--	--
Total--Judiciary	**$ 298,369**	**$ 680,537**	**$ 690,152**	**$ --**	**$ 690,152**
Total--General Government	**$ 49,453,002**	**$ 58,882,192**	**$ 54,531,638**	**$ 181,154**	**$ 59,816,928**

Schedule 4.1--Expenditures from All Funding Sources for Aid to Local Governments

	FY 2007 Actual	FY 2008 Gov. Estimate	FY 2009 Base Budget	FY 2009 Enhance. Pkg.	FY 2009 Gov. Rec.
Human Services					
Social & Rehabilitation Services					
Children's Cabinet Grants	1,803,126	9,646,534	9,103,688	--	9,103,688
Early Childhood Block Grant	--	5,000,000	--	--	18,000,000
Pre-K Pilot	939,828	4,750,000	4,750,000	--	--
Early Head Start	9,742,397	11,342,397	11,342,397	453,696	11,342,397
Mental Health Grants	8,206,539	8,071,598	8,071,598	--	7,789,729
Substance Abuse Treatment Grants	15,040	15,000	15,000	--	15,000
Discretionary Grants/Commun. Funding	3,075,153	--	--	--	--
Total--SRS	**$ 23,782,083**	**$ 38,825,529**	**$ 33,282,683**	**$ 453,696**	**$ 46,250,814**
Department on Aging					
Nutrition Grants	3,502,862	3,859,551	3,870,302	362,762	4,233,064
Senior Care Act	738,574	1,109,120	1,083,200	732,550	1,083,200
Federal Community Grants	3,234,240	3,182,426	3,182,426	--	3,182,426
Miscellaneous Grants	19,137	--	--	--	--
Total--Aging	**$ 7,494,813**	**$ 8,151,097**	**$ 8,135,928**	**$ 1,095,312**	**$ 8,498,690**
Health & Environment--Health					
General Health Programs	5,147,321	5,139,807	5,139,807	4,281,197	5,139,807
Primary Health Project	2,520,840	4,520,840	4,520,840	154,350	4,520,840
Other Federal Aid	232,782	323,668	325,299	--	325,299
Teen Pregnancy Prevention	767,995	769,868	767,995	--	767,995
Food Service Inspection	958,000	958,000	958,000	--	958,000
Sexually Trans. Disease Control Proj.	313,585	282,226	282,226	--	282,226
Medical Student Loan Repayment	17,500	17,500	17,500	--	17,500
Mothers & Infants Health Program	11,268,906	9,875,235	9,977,068	--	9,977,068
Healthy Start	250,000	250,000	250,000	--	250,000
Family Planning	2,263,266	2,150,379	2,150,379	--	2,150,379
Preventive Health Block Grant	1,044,026	1,166,991	1,167,813	--	1,167,813
Community Prescription Support	750,000	750,000	750,000	--	750,000
Lead Poisoning and Prevention Program	116,595	109,075	109,075	--	109,075
Homeland Security Aid	6,774,308	5,889,261	5,839,261	--	5,839,261
AIDS Services/Education	2,136,585	1,437,017	1,437,017	--	1,437,017
Healthy Kansans 2010	--	--	--	1,000,000	--
District Coroners Fund	264,945	252,452	257,501	--	257,501
Immunization Programs	789,907	990,231	990,231	--	990,231
Rape Crisis Centers	300,000	300,000	300,000	--	300,000
Domestic Violence/Sexual Assault Pgm.	225,000	2,225,000	2,225,000	--	2,225,000
Youth Mentoring Programs	243,970	301,767	296,002	--	296,002
Infant & Toddler Program	4,721,305	4,944,805	4,944,855	1,047,787	4,944,855
Child Care & Development Block Grant	4,374,142	4,418,506	4,418,506	--	4,418,506
Total--KDHE--Health	**$ 45,480,978**	**$ 47,072,628**	**$ 47,124,375**	**$ 6,483,334**	**$ 47,124,375**
Total--Human Services	**$ 76,757,874**	**$ 94,049,254**	**$ 88,542,986**	**$ 8,032,342**	**$ 101,873,879**
Education					
Department of Education					
General State Aid	2,013,715,947	2,117,678,000	2,216,306,000	32,158,000	2,212,368,000
Supplemental General State Aid	268,208,778	307,878,000	317,388,000	2,782,000	332,659,000
Capital Outlay State Aid	20,492,154	22,939,522	22,400,000	1,630,000	25,439,522
Declining Enrollment State Aid	12,376	50,000	50,000	--	50,000
KPERS Employer Contribution	192,425,537	221,379,713	218,428,360	--	249,430,859
Special Education Services Aid	429,105,164	499,855,497	495,234,435	--	525,721,455
After School Programs	--	300,000	300,000	--	300,000
Juvenile Detention Grants	7,407,788	8,061,862	7,934,825	1,245,823	7,934,825

Schedule 4.1--Expenditures from All Funding Sources for Aid to Local Governments

	FY 2007 Actual	FY 2008 Gov. Estimate	FY 2009 Base Budget	FY 2009 Enhance. Pkg.	FY 2009 Gov. Rec.
Department of Education, Cont'd.					
Teaching Excellence Scholarships	204,000	229,000	260,000	--	260,000
Mentor Teachers	1,019,000	1,650,000	1,650,000	1,500,000	3,150,000
Professional Development for Teachers	1,747,783	1,750,000	1,750,000	6,250,000	1,750,000
Deaf-Blind Program Aid	104,555	105,000	105,000	--	105,000
School Food Assistance	97,267,389	99,304,486	101,354,486	850,000	101,354,486
Parent Education	7,358,466	7,539,500	7,539,500	--	7,539,500
Discretionary Grants	209,613	210,000	210,000	--	210,000
Alcohol & Drug Abuse Programs	2,099,114	2,000,000	1,750,000	--	1,750,000
School Safety Programs	1,594,501	1,997,800	1,798,800	--	1,798,800
Bond & Interest Aid	63,697,079	69,238,000	74,500,000	--	74,238,000
Ed. Research & Innovative Prog.	3,281,739	3,988,000	3,988,000	--	3,988,000
Elementary & Secondary Ed. Prog.	97,667,418	99,798,125	102,775,000	--	102,775,000
21st Century Community Learning Ctrs.	5,698,267	5,850,000	5,850,000	--	5,850,000
Pre-K Pilot Program	--	--	--	--	6,200,000
Rural & Low Income Schools	108,335	108,300	108,100	--	108,100
Language Assistance Grants to States	2,646,851	3,100,000	3,100,000	--	3,100,000
Federal Reading First Grants	5,346,636	5,000,000	5,400,000	--	5,400,000
Improving Teacher Quality	21,367,883	21,042,000	21,042,000	--	21,042,000
Vocational Education Grants	5,179,708	5,110,000	5,110,000	--	5,110,000
Total--Department of Education	**$ 3,247,966,081**	**$ 3,506,162,805**	**$ 3,616,332,506**	**$ 46,415,823**	**$ 3,699,632,547**
Board of Regents					
Washburn Operating Grant	11,467,516	11,926,216	11,926,216	200,000	12,126,216
Postsecondary Aid for Vocational Ed.	38,300,187	40,010,397	40,010,397	--	40,010,397
Adult Basic Education	4,697,766	4,948,998	5,548,998	52,666	5,548,998
Technical Equipment	424,077	441,040	441,040	--	441,040
Technical Ed. Technology/Equipment	--	4,000,000	--	4,136,000	2,500,000
Technical Innovation & Internships	185,340	180,500	180,500	6,137	180,500
Nursing Equipment and Facilities	2,000,000	--	--	--	--
Nursing Faculty & Supplies Grant	1,200,000	1,800,000	1,800,000	61,200	1,800,000
Vocational Education Capital Outlay	2,565,000	2,565,000	2,565,000	--	2,565,000
KS Academy for Math & Science	--	100,000	100,000	--	250,000
Community College Operating Grant	96,118,732	100,065,068	100,065,068	6,200,000	106,265,068
Out-District Tuition Off-set	6,400,000	6,400,000	6,400,000	(6,400,000)	--
KAN-ED	1,450,946	1,377,000	1,400,000	--	1,400,000
No Child Left Behind	522,383	583,946	583,946	--	583,946
SW Kansas Access	35,919	838,608	200,000	--	200,000
Truck Driver Training	70,000	70,000	70,000	--	70,000
Motorcycle Safety	106,190	106,000	106,000	--	106,000
Adult Learners Access Grant	--	--	--	200,000	--
Postsecondary Ed. Operating Grant	--	--	--	52,159,978	--
Other Aid	82,142	131,588	160,000	--	160,000
Total--Board of Regents	**$ 165,626,198**	**$ 175,544,361**	**$ 171,557,165**	**$ 56,615,981**	**$ 174,207,165**
Kansas State University					
Educational Aid	1,118,142	2,161,518	2,161,518	--	2,161,518
Kansas State University--ESARP					
Educational Aid	426,296	244,582	244,582	--	244,582
Subtotal--Regents	**$ 167,170,636**	**$ 177,950,461**	**$ 173,963,265**	**$ 56,615,981**	**$ 176,613,265**
Kansas Arts Commission					
Arts Grants	93,567	101,814	95,916	--	95,916
Historical Society					
Historic Preservation Aid	449,475	560,000	560,000	500,000	560,000
Kansas Humanities Council	151,830	201,830	81,830	120,000	151,830
Total--Historical Society	**$ 601,305**	**$ 761,830**	**$ 641,830**	**$ 620,000**	**$ 711,830**

Schedule 4.1--Expenditures from All Funding Sources for Aid to Local Governments

	FY 2007 Actual	FY 2008 Gov. Estimate	FY 2009 Base Budget	FY 2009 Enhance. Pkg.	FY 2009 Gov. Rec.
State Library					
Talking Books--READ Equipment	377,643	378,210	378,210	--	378,210
Grants to Libraries	2,393,562	2,393,562	2,393,562	--	2,393,562
Interlibrary Loan Development	552,658	624,670	624,670	--	624,670
Local Library Projects	232,200	278,555	--	--	--
Federal Library Services & Technology	415,212	394,680	394,680	--	394,680
Total--State Library	**$ 3,971,275**	**$ 4,069,677**	**$ 3,791,122**	**$ --**	**$ 3,791,122**
Total--Education	**$ 3,419,802,864**	**$ 3,689,046,587**	**$ 3,794,824,639**	**$ 103,651,804**	**$ 3,880,844,680**
Public Safety					
Department of Corrections					
Correctional Conservation Camps	2,292,300	2,312,450	2,354,340	70,000	2,354,340
Offender Programs	5,000	--	--	--	--
Community Corrections	15,485,419	19,548,912	19,548,912	781,956	19,548,912
Total--Department of Corrections	**$ 17,782,719**	**$ 21,861,362**	**$ 21,903,252**	**$ 851,956**	**$ 21,903,252**
Juvenile Justice Authority					
Detention Payments to Communities	3,150,960	3,182,470	3,182,470	--	3,182,470
Juv. Justice Delinquency Prevent. Grant	5,385,716	5,579,530	5,579,530	--	5,579,530
Prevention Trust Fund Grants	66,927	293,942	255,082	--	255,082
Community Corrections	4,220,331	4,314,698	4,314,698	1,166,667	5,481,365
Case Management	6,033,019	5,933,838	5,933,838	1,166,667	7,100,505
Intake & Assessment	4,532,212	4,543,632	4,543,632	1,166,666	5,710,298
Grant Matching Funds	--	--	--	250,000	--
Incentive Funding	--	--	--	1,000,000	1,000,000
Intervention	1,633,634	1,850,111	1,850,111	--	1,850,111
Parent Modeling	750,000	--	--	--	--
Juvenile Detention Facilities	238,350	238,350	238,350	--	238,350
Juvenile Detention Facility Debt	598,691	593,815	595,870	--	595,870
Federal Grants to Local Governments	944,306	862,123	868,843	--	868,843
Community Placement Providers	1,577,396	--	--	--	--
Total--Juvenile Justice Authority	**$ 29,131,542**	**$ 27,392,509**	**$ 27,362,424**	**$ 4,750,000**	**$ 31,862,424**
Adjutant General					
FEMA Grants--Public Assistance	10,521,178	67,997,012	--	46,112,308	44,521,742
FEMA Grants--Hazard Mitigation	741,947	27,817,613	--	14,325,002	--
U.S. DOT Grants	179,847	173,164	173,164	--	173,164
State Disaster Match	1,633,870	16,376,363	--	8,092,058	5,957,109
ODP Homeland Sec. Grants--EMPG	1,267,156	582,811	611,720	--	611,720
OPD Homeland Sec. Grants--Other	149,534	360,000	120,000	--	360,000
Total--Adjutant General	**$ 14,493,532**	**$ 113,306,963**	**$ 904,884**	**$ 68,529,368**	**$ 51,623,735**
Emergency Medical Services Board					
Hospital Preparedness Grant	--	110,000	--	--	--
Training for Underserved Areas	202,489	300,000	300,000	--	300,000
Rural Access to Emergency Devices	154,144	954	--	--	--
Revolving Grant Program	--	483,265	483,265	--	483,265
Total--Emergency Medical Services	**$ 356,633**	**$ 894,219**	**$ 783,265**	**$ --**	**$ 783,265**
Highway Patrol					
Homeland Security	13,625,748	9,622,458	10,402,868		10,402,868
Kansas Bureau of Investigation					
HIDTA Federal Grant	1,440,820	1,400,000	1,440,820	--	1,440,820
Project Safe Neighborhood Grant	61,400	--	--	--	--

Schedule 4.1--Expenditures from All Funding Sources for Aid to Local Governments

	FY 2007 Actual	FY 2008 Gov. Estimate	FY 2009 Base Budget	FY 2009 Enhance. Pkg.	FY 2009 Gov. Rec.
Kansas Bureau of Investigation, Cont'd.					
DNA Expansion Program	3,582	--	--	--	--
Cold Case Investigations	--	30,000	--	--	--
Total--KBI	**$ 1,505,802**	**$ 1,430,000**	**$ 1,440,820**	**$ --**	**$ 1,440,820**
Total--Public Safety	**$ 76,895,976**	**$ 174,507,511**	**$ 62,797,513**	**$ 74,131,324**	**$ 118,016,364**
Agriculture & Natural Resources					
Animal Health					
Federal Aid to Counties	10,000	--	--	--	--
State Conservation Commission					
Aid to Conservation Districts	1,048,000	2,136,154	2,136,154	119,765	2,255,919
Watershed Dam Planning Construction	1,265,970	1,140,529	1,005,000	--	1,005,000
NRCS 2002 Farm Bill	77,748	126,000	117,000	--	117,000
Lake Restoration	--	2,719,713	2,895,836	--	2,713,762
Multipurpose Small Lakes	1,100,000	1,250,000	1,123,176	--	1,123,176
Riparian & Wetland Restoration	450	900	900	--	900
Total--State Conservation Commiss.	**$ 3,492,168**	**$ 7,373,296**	**$ 7,278,066**	**$ 119,765**	**$ 7,215,757**
Health & Environment--Environment					
Waste Management Aid	1,415,883	1,280,000	1,530,000	--	1,530,000
Air Pollution Control Program Aid	991,029	990,730	990,729	--	990,729
WRAPS Aid	799,796	800,204	800,000	--	800,000
Nonpoint Source Federal Aid	1,262,881	1,944,247	2,002,574	--	2,002,574
Contamination Remediation	379,996	--	--	--	--
TMDL Initiatives	--	55,175	56,801	--	56,801
LEPP Aid	1,502,737	1,502,850	1,502,735	--	1,502,735
Other Federal Aid	23,875	79,929	82,326	--	82,326
Total--KDHE--Environment	**$ 6,376,197**	**$ 6,653,135**	**$ 6,965,165**	**$ --**	**$ 6,965,165**
Department of Wildlife & Parks					
Land & Water Conservation Fund	467,514	500,000	500,000	--	500,000
Wildlife Fee Fund	268,535	--	--	--	--
Non-Game Wildlife Improvement Fund	2,000	--	--	--	--
Federal Grants Fund	358,897	900,000	900,000	--	900,000
Boating Fund Federal	50,000	--	--	--	--
Total--Dept. of Wildlife & Parks	**$ 1,146,946**	**$ 1,400,000**	**$ 1,400,000**	**$ --**	**$ 1,400,000**
Total--Ag. & Natural Resources	**$ 11,025,311**	**$ 15,426,431**	**$ 15,643,231**	**$ 119,765**	**$ 15,580,922**
Transportation					
Kansas Department of Transportation					
Connecting Links Payments	2,838,942	3,360,000	3,360,000	--	3,360,000
County Equalization Aid Adjustment	2,500,000	2,500,000	2,500,000	--	2,500,000
Special City and County Highway Aid	151,446,812	154,233,000	157,121,000	--	157,121,000
Federal Transit Administration	2,559,878	--	--	--	--
Federal Highway Safety	4,042,432	5,200,000	3,400,000	--	3,400,000
Metropolitan Transportation Planning	2,163,071	1,794,939	1,823,479	--	1,823,479
State Coordinated Public Transportation	6,672,338	7,339,378	6,000,000	--	6,000,000
Aviation Grants	3,479,443	3,000,000	3,000,000	--	3,000,000
Total--Dept. of Transportation	**$ 175,702,916**	**$ 177,427,317**	**$ 177,204,479**	**$ --**	**$ 177,204,479**
Total--Transportation	**$ 175,702,916**	**$ 177,427,317**	**$ 177,204,479**	**$ --**	**$ 177,204,479**
Total--Aid to Local Governments	**$ 3,809,637,943**	**$ 4,209,339,292**	**$ 4,193,544,486**	**$ 186,116,389**	**$ 4,353,337,252**

Schedule 4.2--Expenditures from the State General Fund for Aid to Local Governments

	FY 2007 Actual	FY 2008 Gov. Estimate	FY 2009 Base Budget	FY 2009 Enhance. Pkg.	FY 2009 Gov. Rec.
General Government					
Department of Administration					
Public Broadcasting	--	294,169	294,169	181,154	294,169
Secretary of State					
HAVA	14,630	--	--	--	--
Judiciary					
Miscellaneous Aid	701	--	--	--	--
Total--General Government	**$ 15,331**	**$ 294,169**	**$ 294,169**	**$ 181,154**	**$ 294,169**
Human Services					
Social & Rehabilitation Services					
Children's Cabinet Grants	--	10,000	10,000	--	10,000
Early Head Start	1,853,004	1,852,779	1,852,779	453,696	1,852,779
Mental Health Grants	6,756,153	6,866,942	6,866,942	--	6,866,942
Discretionary Grants/Commun. Funding	2,566,151	--	--	--	--
Total--SRS	**$ 11,175,308**	**$ 8,729,721**	**$ 8,729,721**	**$ 453,696**	**$ 8,729,721**
Department on Aging					
Nutrition Grants	920,496	1,124,928	1,135,679	362,762	1,498,441
Senior Care Act	738,574	1,109,120	1,083,200	732,550	1,083,200
Total--Department on Aging	**$ 1,659,070**	**$ 2,234,048**	**$ 2,218,879**	**$ 1,095,312**	**$ 2,581,641**
Health & Environment--Health					
General Health Programs	5,072,171	5,051,807	5,051,807	4,281,197	5,051,807
Primary Health Project	2,520,840	4,520,840	4,520,840	154,350	4,520,840
Community Prescription Support	750,000	750,000	750,000	--	750,000
Family Planning	98,880	98,880	98,880	--	98,880
Teen Pregnancy Prevention	537,660	539,533	537,660	--	537,660
Rape Crisis Centers	300,000	300,000	300,000	--	300,000
Domestic Violence/Sexual Assault Pgms.	225,000	2,225,000	2,225,000	--	2,225,000
AIDS Services/Education	50,000	50,000	50,000	--	50,000
Healthy Kansans 2010	--	--	--	1,000,000	--
Immunization Program	349,676	550,000	550,000	--	550,000
Youth Mentoring Programs	243,970	301,767	296,002	--	296,002
Infant & Toddler Program	3,521,305	3,744,805	3,744,855	1,047,787	3,744,855
Total--KDHE--Health	**$ 13,669,502**	**$ 18,132,632**	**$ 18,125,044**	**$ 6,483,334**	**$ 18,125,044**
Total--Human Services	**$ 26,503,880**	**$ 29,096,401**	**$ 29,073,644**	**$ 8,032,342**	**$ 29,436,406**
Education					
Department of Education					
General State Aid	1,982,694,510	2,088,678,000	2,187,406,000	32,158,000	2,183,368,000
Supplemental General State Aid	268,208,778	307,878,000	317,388,000	2,782,000	332,659,000
Capital Outlay State Aid	20,492,154	22,939,522	22,400,000	1,630,000	25,439,522
Declining Enrollment State Aid	12,376	50,000	50,000	--	50,000
KPERS Employer Contribution	192,425,537	221,379,713	218,428,360	--	249,430,859
Special Education Services Aid	334,003,604	403,455,497	397,084,435	--	427,571,455
After School Programs	--	300,000	300,000	--	300,000
Juvenile Detention Grants	7,407,788	8,061,862	7,934,825	1,245,823	7,934,825
Teaching Excellence Scholarships	204,000	229,000	260,000	--	260,000
Mentor Teachers	1,019,000	1,650,000	1,650,000	1,500,000	3,150,000
Professional Development for Teachers	1,747,783	1,750,000	1,750,000	6,250,000	1,750,000
Deaf-Blind Program Aid	104,555	105,000	105,000	--	105,000
School Food Assistance	2,364,187	2,364,486	2,364,486	850,000	2,364,486
Parent Education	7,358,466	7,539,500	7,539,500	--	--
Discretionary Grants	209,613	210,000	210,000	--	210,000
Total--Department of Education	**$ 2,818,252,351**	**$ 3,066,590,580**	**$ 3,164,870,606**	**$ 46,415,823**	**$ 3,234,593,147**

Schedule 4.2--Expenditures from the State General Fund for Aid to Local Governments

	FY 2007 Actual	FY 2008 Gov. Estimate	FY 2009 Base Budget	FY 2009 Enhance. Pkg.	FY 2009 Gov. Rec.
Board of Regents					
Washburn Operating Grant	11,467,516	11,926,216	11,926,216	200,000	12,126,216
Postsecondary Aid for Vocational Ed.	25,025,284	34,010,397	34,010,397	--	34,010,397
Technical Ed. Technology/Equipment	--	4,000,000	--	4,136,000	--
KS Academy for Math & Science	--	100,000	100,000	--	250,000
Adult Basic Education	1,348,998	1,548,998	1,548,998	52,666	1,548,998
Technical Equipment	424,077	441,040	441,040	--	441,040
Community College Operating Grant	96,118,732	100,065,068	100,065,068	6,200,000	106,265,068
Out District Tuition Off-Set	6,400,000	6,400,000	6,400,000	(6,400,000)	--
KAN-ED	202	--	--	--	--
Nursing Equipment and Facilities	2,000,000	--	--	--	--
Nursing Faculty & Supplies Grant	1,200,000	1,800,000	1,800,000	61,200	1,800,000
SW Kansas Access	35,919	838,608	200,000	--	200,000
Adult Learners Access Grant	--	--	--	200,000	--
Postsecondary Ed. Operating Grant	--	--	--	52,159,978	--
Total--Board of Regents	**$ 144,020,728**	**$ 161,130,327**	**$ 156,491,719**	**$ 4,249,866**	**$ 156,641,719**
Kansas Arts Commission					
Arts Grants	51,087	55,998	52,754	--	52,754
Historical Society					
Kansas Humanities Council	151,830	201,830	81,830	120,000	151,830
Historic Preservation Aid	--	--	--	500,000	--
Total--Historical Society	**$ 151,830**	**$ 201,830**	**$ 81,830**	**$ 620,000**	**$ 151,830**
State Library					
Talking Books--READ Equipment	377,643	378,210	378,210	--	378,210
Grants to Libraries	2,393,562	2,393,562	2,393,562	--	2,393,562
Interlibrary Loan Development	552,658	624,670	624,670	--	624,670
Total--State Library	**$ 3,323,863**	**$ 3,396,442**	**$ 3,396,442**	**$ --**	**$ 3,396,442**
Total--Education	**$ 2,965,799,859**	**$ 3,231,375,177**	**$ 3,324,893,351**	**$ 103,645,667**	**$ 3,394,835,892**
Public Safety					
Department of Corrections					
Correctional Conservation Camps	2,292,300	2,312,450	2,354,340	70,000	2,354,340
Community Corrections	15,485,419	19,548,912	19,548,912	781,956	19,548,912
Total--Department of Corrections	**$ 17,777,719**	**$ 21,861,362**	**$ 21,903,252**	**$ 851,956**	**$ 21,903,252**
Juvenile Justice Authority					
Community Corrections	4,220,331	4,314,698	4,314,698	1,166,667	5,481,365
Case Management	4,399,385	4,363,479	4,363,479	1,166,667	7,100,505
Intake & Assessment	4,532,212	4,543,632	4,543,632	1,166,666	5,710,298
Juv. Justice Delinquency Prevent. Grant	--	--	--	--	5,579,530
Intervention	--	--	--	--	1,850,111
Juvenile Placement in Communities	1,146,972	--	--	--	--
Parent Modeling	750,000	--	--	--	--
Grant Matching Funds	--	--	--	250,000	--
Incentive Funding	--	--	--	1,000,000	1,000,000
Total--Juvenile Justice Authority	**$ 15,048,900**	**$ 13,221,809**	**$ 13,221,809**	**$ 4,750,000**	**$ 26,721,809**
Adjutant General					
State Disaster Match	488,452	1,680,243	--	8,092,058	5,957,109
Highway Patrol					
Homeland Security	--	2,000,000	--	--	--
Total--Public Safety	**$ 33,315,071**	**$ 38,763,414**	**$ 35,125,061**	**$ 13,694,014**	**$ 54,582,170**
Total--Aid to Local Governments	**$ 3,025,634,141**	**$ 3,299,529,161**	**$ 3,389,386,225**	**$ 125,553,177**	**$ 3,479,148,637**

Schedule 5.1--Expenditures from All Funding Sources for Other Assistance, Grants, & Benefits by Agency

	FY 2007 Actual	FY 2008 Gov. Estimate	FY 2009 Base Budget	FY 2009 Enhance. Pkg.	FY 2009 Gov. Rec.
General Government					
Department of Administration					
Canceled Warrant Payments	2,009,941	105,000	105,000	--	105,000
Earned Interest on Federal Funds	1,631,259	--	--	--	--
Public Broadcasting Grants	3,166,805	3,270,917	2,566,654	2,867,349	3,066,654
Claims	128,956	42,985	42,985	--	42,985
Total--Department of Administration	**$ 6,936,961**	**$ 3,418,902**	**$ 2,714,639**	**$ 2,867,349**	**$ 3,214,639**
Kansas Corporation Commission					
Kansas Electric Transmission Authority	--	1,100,000	--	--	102,513
Energy Conservation Grants	52,000	--	--	--	--
Total--KCC	**$ 52,000**	**$ 1,100,000**	**$ --**	**$ --**	**$ 102,513**
Health Care Stabilization					
Health Care Stabilization Fund	22,467,114	28,306,498	28,306,498	--	28,306,498
Kansas Public Employees Retirement Sys.					
Actuarial Cost of 2006 SB 270	300,000	--	--	--	--
Actuarial Cost of 2007 SB 362	--	7,000,000	--	--	--
1.0% Retiree COLA Payment	--	--	--	--	6,400,000
Retirement Benefits Debt Payment	3,207,635	3,214,217	3,210,948	--	3,210,948
Total--KPERS	**$ 3,507,635**	**$ 10,214,217**	**$ 3,210,948**	**$ --**	**$ 9,610,948**
Department of Commerce					
Trade Show Assistance	42,117	50,000	35,000	50,000	35,000
KIT and KIR Programs	2,893,320	2,895,000	2,895,000	--	2,895,000
IMPACT Program	13,747,267	17,979,468	16,411,968	--	16,411,968
Older Kansans Employment Program	325,280	320,227	320,285	--	320,285
Strong Military Bases Program	225,000	375,000	375,000	--	375,000
Energy Program Grants	4,000,000	--	--	--	--
Eisenhower Foundation Grants	--	200,000	--	--	--
Kansas Sports Hall of Fame	--	250,000	--	--	--
Market Development Fund	37,153	55,000	55,000	--	55,000
Small Business Development Centers	368,500	350,000	350,000	--	350,000
Certified Development Corporations	304,500	279,500	279,500	--	279,500
Commission on Disability Concerns	5,000	5,000	5,000	--	5,000
Community Development	340,450	214,000	210,000	--	210,000
Community Service Employment	884,414	940,923	978,560	--	978,560
Attraction Development Grants	150,312	167,000	--	--	--
Workforce Development	19,892,851	24,476,316	22,392,335	--	22,392,335
WIRED Federal Grant	--	1,483,126	1,486,816	--	1,486,816
Economic Opportunity Initiatives Fund	6,006,125	3,000,000	3,000,000	--	3,000,000
Greensburg Economic Development	37,430	11,757,770	--	--	--
Southeast Kansas Flood-NEG	--	4,907,340	--	--	--
Goodyear Bond Repayment	3,125,433	249,349	--	--	--
State Affordable Airfare Fund	5,000,000	5,000,000	5,000,000	--	5,000,000
Main Street Development	--	47,424	28,747	--	28,747
Association Assistance Plan Fund	--	500,000	500,000	--	500,000
Center for Entrepreneurship	460,000	435,000	435,000	--	435,000
Early Childhood Apprenticeship Program	2,259	--	--	--	--
Bioenergy Research Program	--	--	--	--	2,000,000
Agricultural Marketing Program	294,800	300,000	308,587	--	308,587
Existing Industry Expansion Program	15,000	50,000	50,000	--	50,000
Rural Opportunity Program	--	100,000	100,000	--	100,000
Total--Department of Commerce	**$ 58,157,211**	**$ 76,387,443**	**$ 55,216,798**	**$ 50,000**	**$ 57,216,798**

Schedule 5.1--Expenditures from All Funding Sources for Other Assistance, Grants, & Benefits by Agency

	FY 2007 Actual	FY 2008 Gov. Estimate	FY 2009 Base Budget	FY 2009 Enhance. Pkg.	FY 2009 Gov. Rec.
Kansas Technology Enterprise Corporation					
University and Strategic Research	5,170,862	5,174,682	5,086,927	1,000,000	5,086,927
Product Development Financing	1,348,550	1,132,771	1,466,030	2,000,000	1,466,030
Commercialization	1,609,000	1,699,000	1,699,000	1,000,000	1,699,000
MAMTC	2,968,037	3,176,995	3,240,000	--	3,240,000
Total--KTEC	**$ 11,096,449**	**$ 11,183,448**	**$ 11,491,957**	**$ 4,000,000**	**$ 11,491,957**
Kansas Lottery					
Prize Money & Commission Payments	25,484,431	26,396,534	27,001,277	--	27,001,277
Kansas Racing & Gaming Commission					
Horse Breeding Development	430,219	352,417	2,366,179	--	2,050,402
Greyhound Racing Purse Supplement	--	645,907	5,292,000	--	4,344,667
Greyhound Breeding Development	121,867	193,801	2,135,363	--	1,819,586
Greyhound Promotion & Development	--	38,247	134,423	--	95,754
Horse Racing Purse Supplement	--	645,907	5,292,000	--	4,344,667
County Fair Benefit Funds	595,318	540,212	1,541,612	--	1,549,042
Total--Racing & Gaming Comm.	**$ 1,147,404**	**$ 2,416,491**	**$ 16,761,577**	**$ --**	**$ 14,204,118**
Department of Revenue					
KS Qualified Ethyl Producer Fund	4,597,936	4,500,000	3,500,000	--	3,500,000
KS Qualified Biodiesel Producer Fund	--	400,000	3,500,000	--	2,000,000
Division of Vehicles Operating Fund	11,127	--	--	--	--
Claims	80	--	--	--	--
Total--Department of Revenue	**$ 4,609,143**	**$ 4,900,000**	**$ 7,000,000**	**$ --**	**$ 5,500,000**
Banking Department					
Credit Counseling	364,442	258,000	258,000	--	258,000
Office of the Securities Commissioner					
Investor Education	40,902	--	--	--	--
Cosmetology					
Claims	69	--	--	--	--
Office of the Governor					
Federal & Other Grants Programs	6,167,343	6,769,801	5,155,932	--	5,155,932
Child Advocacy Center Grants	--	985,436	1,985,617	--	1,985,617
Domestic Violence Prevention	1,529,410	1,627,727	1,600,665	--	1,600,665
Enhancement Outreach	--	--	2,462,510	--	2,462,510
Total--Office of the Governor	**$ 7,696,753**	**$ 9,382,964**	**$ 11,204,724**	**$ --**	**$ 11,204,724**
Attorney General					
Crime Victims Assistance	779,188	984,563	984,563	--	984,563
Crime Victims Compensation	2,348,224	2,500,000	2,500,000	--	2,500,000
Tort Claims	832,772	1,200,000	1,200,000	--	1,200,000
Other Claims	936	--	--	--	--
Annual School Policing Conference	10,000	--	--	--	--
KC Area Metro Crime Conference	15,000	--	--	--	--
Protection from Abuse Fund	1,312,822	1,301,104	1,269,080	--	1,269,080
Victims of Crime Fund	1,829,352	1,500,000	1,500,000	--	1,500,000
NetSmartz	255,725	175,000	175,000	--	175,000
Cyber Crime	--	--	--	150,000	150,000
DARE	--	--	--	10,000	10,000
Crime Stoppers	--	--	--	12,000	12,000
Total--Attorney General	**$ 7,384,019**	**$ 7,660,667**	**$ 7,628,643**	**$ 172,000**	**$ 7,800,643**
Insurance Department					
Workers Compensation	2,318,339	2,625,000	2,625,000	--	2,625,000

Schedule 5.1--Expenditures from All Funding Sources for Other Assistance, Grants, & Benefits by Agency

	FY 2007 Actual	FY 2008 Gov. Estimate	FY 2009 Base Budget	FY 2009 Enhance. Pkg.	FY 2009 Gov. Rec.
State Treasurer					
KIDS Match	43,279	90,000	720,000	--	100,000
Unclaimed Property	11,441,008	12,000,000	12,500,000	--	12,500,000
Total--State Treasurer	**$ 11,484,287**	**$ 12,090,000**	**$ 13,220,000**	**$ --**	**$ 12,600,000**
Legislature					
Claim	10,000	--	--	--	--
Judiciary					
Permanent Families Account	236,068	274,167	290,152	--	290,152
Access to Justice Fund	1,297,031	1,028,643	1,047,597	--	1,047,597
Miscellaneous Aid	19,605	--	--	--	--
Total--Judiciary	**$ 1,552,704**	**$ 1,302,810**	**$ 1,337,749**	**$ --**	**$ 1,337,749**
Total--General Government	**$ 164,309,863**	**$ 197,642,974**	**$ 187,977,810**	**$ 7,089,349**	**$ 192,474,864**
Human Services					
Social & Rehabilitation Services					
Adoption Contract	3,736,460	3,913,872	4,109,568	--	3,132,176
Permanent Guardianship	427,606	807,974	320,200	526,674	430,000
Money Follows the Person Grant	--	--	--	5,013,615	--
Adoption Support	21,719,860	25,070,104	23,279,623	3,271,808	28,041,145
Indep. Living Grants--Adoption Support	2,963,646	2,952,151	1,798,738	659,605	2,581,439
Children's Cabinet Grants	9,343,530	--	--	--	--
Family Preservation	10,166,256	11,364,083	11,364,083	--	11,364,083
Foster Care Contract	137,469,070	149,636,886	148,000,000	12,878,926	165,000,000
Grants for Children & Families	2,168,912	2,376,657	2,276,657	--	2,276,657
Alcohol & Drug Abuse Programs	19,944,277	22,150,491	22,150,491	2,400,000	22,150,491
HCBS/DD Waiver	248,145,859	279,254,523	278,767,991	15,625,000	290,726,845
Head Injured Waiver	8,277,479	6,844,597	6,781,306	6,287,392	7,889,590
Independent Living Support	1,790,428	--	1,973,988	759,851	--
Intermediate Care Facilities--MR	17,002,709	18,392,971	18,213,431	367,400	18,547,517
Discretionary Grants/Commun. Funding	3,745,971	5,101,133	5,086,410	--	5,086,410
Nursing Facilities/Mental Health	13,574,494	13,300,000	13,300,000	--	14,000,000
HCBS/Physically Disabled Waiver	94,423,948	102,144,039	101,240,997	13,042,000	105,731,002
Technology Assistance Waiver	179,712	240,806	238,676	4,816	242,487
Community Dev. Disab. Support	15,320,986	19,350,038	19,350,038	281,000	19,350,038
HCBS Autism Waiver	--	744,417	736,739	2,500,000	748,503
Attendant Care for Independent Living	20,763,104	19,152,341	18,269,184	3,964,321	19,500,000
Head Injury Rehabilitation Hospital	5,882,483	6,100,000	6,000,000	474,000	6,480,000
Positive Behavior Support	208,657	252,000	252,000	--	255,300
CDDO Targeted Case Management	28,293,720	18,495,659	18,803,568	945,000	16,728,000
Substance Abuse Treatmt. Fee for Serv.	14,689,801	23,105,776	25,400,000	508,000	22,792,800
Prepaid Ambulatory Health Plan	578,290	164,585,482	152,521,741	--	157,685,482
Private Psychiatrists & Psychologists	3,680,510	--	--	--	--
CMHC Certified Match	126,405,026	--	--	--	--
Behavior Management Services/PRTF	23,474,712	30,008,126	30,887,111	--	30,923,370
Mental Health Grants	44,660,121	36,634,078	36,634,078	135,000	28,687,947
Non-Custody Behavior Management	1,208,422	130,823	495,649	--	305,539
Services for the Blind	29,635	24,985	27,185	--	27,185
Child Care Assistance	76,928,123	80,092,800	82,636,320	4,860,449	85,104,000
Child Support Pass-Through	(111,679)	100,000	100,000	--	100,000
Disability Determination Services	4,231,407	4,419,944	4,419,944	--	4,419,944

Schedule 5.1--Expenditures from All Funding Sources for Other Assistance, Grants, & Benefits by Agency

	FY 2007 Actual	FY 2008 Gov. Estimate	FY 2009 Base Budget	FY 2009 Enhance. Pkg.	FY 2009 Gov. Rec.
Social & Rehabilitation Services, Cont'd.					
TAF Employment Preparation	11,022,620	12,042,333	12,042,333	--	12,042,333
Food Stamps Employment	52,454	107,436	107,436	--	107,436
Funeral Assistance	580,349	810,000	810,000	--	810,000
General Assistance	8,539,284	8,700,000	9,000,000	--	8,700,000
Low Income Energy Assistance	11,952,588	15,680,453	13,757,087	--	12,757,087
Refugee Assistance	219,810	366,448	369,994	--	369,994
Temporary Assistance to Families	56,715,195	51,000,000	51,000,000	3,818,029	49,000,000
Adult Protective Services	342,458	507,307	435,307	--	435,307
Develop. Disabilities Council Grants	266,979	584,486	584,486	--	584,486
Rehabilitation Services	21,508,429	24,864,428	22,323,971	--	25,106,991
Miscellaneous Grants & Claims	13,712	--	--	--	--
Grandparents as Caregivers	200,615	1,067,513	1,840,320	--	1,840,320
Total--SRS	**$ 1,072,738,028**	**$ 1,162,477,160**	**$ 1,147,706,650**	**$ 78,322,886**	**$ 1,182,061,904**
State Hospitals					
Claims	3,492	1,148	1,148	--	1,148
Subtotal--SRS	**$ 1,072,741,520**	**$ 1,162,478,308**	**$ 1,147,707,798**	**$ 78,322,886**	**$ 1,182,063,052**
Kansas Health Policy Authority					
Regular Medical Assistance	1,161,147,977	1,197,000,000	1,218,000,000	--	1,232,079,000
Ticket to Work	1,540,775	1,875,815	1,875,815	--	1,875,815
Premium Assistance	--	--	--	10,000,000	10,000,000
HealthWave	61,290,178	67,493,338	67,493,338	--	67,493,338
Total--KHPA	**$ 1,223,978,930**	**$ 1,266,369,153**	**$ 1,287,369,153**	**$ 10,000,000**	**$ 1,311,448,153**
Department on Aging					
Targeted Case Management	4,408,290	4,879,158	4,830,945	--	4,830,945
Nutrition	5,466,210	6,730,379	6,711,628	644,910	7,356,538
Senior Care Act	1,602,756	2,421,656	2,326,800	1,563,124	2,326,800
Nursing Facilities--Caseload	343,881,484	352,500,000	349,459,724	--	365,000,000
PACE	3,029,161	7,092,262	7,031,302	1,947,000	8,183,302
Older Americans Act	6,398,750	6,258,136	6,258,136	--	6,258,136
HCBS/FE	63,264,442	67,127,382	69,990,327	11,130,444	71,281,410
Miscellaneous Grants	594,059	473,456	826,012	--	826,012
Total--Department on Aging	**$ 428,645,152**	**$ 447,482,429**	**$ 447,434,874**	**$ 15,285,478**	**$ 466,063,143**
Health & Environment--Health					
Women, Infants, & Children Program	43,000,907	43,250,000	44,500,000	--	44,500,000
Smoking Prevention Grants	999,999	1,000,000	1,000,000	--	1,000,000
Advanced Education General Dentistry	415,000	415,000	415,000	--	415,000
Newborn Hearing Aid Loaner Program	50,000	50,000	50,000	--	50,000
SIDS Network Grant	75,000	75,000	75,000	--	75,000
Pregnancy Maintenance Initiative	500,000	400,000	400,000	--	400,000
Other Federal Grants	64,379	7,520	7,520	--	7,520
Total--KDHE--Health	**$ 45,105,285**	**$ 45,197,520**	**$ 46,447,520**	**$ --**	**$ 46,447,520**
Department of Labor					
Unemployment Benefits	245,932,838	322,800,000	318,700,000	--	318,700,000
Commission on Veterans Affairs					
Claims	2,639	3,000	3,000	--	3,000
Total--Human Services	**$ 3,016,406,364**	**$ 3,244,330,410**	**$ 3,247,662,345**	**$ 103,608,364**	**$ 3,324,724,868**

Schedule 5.1--Expenditures from All Funding Sources for Other Assistance, Grants, & Benefits by Agency

	FY 2007 Actual	FY 2008 Gov. Estimate	FY 2009 Base Budget	FY 2009 Enhance. Pkg.	FY 2009 Gov. Rec.
Education					
Department of Education					
Optometric Assn. Vision Study	300,000	300,000	300,000	--	300,000
Challenger Project	300,000	--	--	--	--
School Food Assistance	33,465,543	34,201,000	34,901,000	54,000	34,901,000
After School Programs	--	100,000	100,000	--	100,000
Agriculture in the Classroom	35,000	35,000	35,000	5,000	40,000
Kansas Career Pipeline Grant	--	420,120	--	--	--
Deaf-Blind Program Aid	4,553	5,000	5,000	--	5,000
Teaching Excellence Scholarships	27,500	40,000	17,025	22,975	17,025
Discretionary Grants	285,387	285,000	285,000	10,000	295,000
Communities in Schools	50,000	50,000	50,000	--	50,000
Driver Education	18,236	20,000	19,000	--	19,000
Elementary & Secondary Ed. Prog.	46,000	50,000	50,000	--	50,000
Special Education	478,137	350,000	375,000	--	375,000
Ed. Research & Innovative Prog.	1,130,752	1,143,000	1,143,000	--	1,143,000
Community Service Grants	69,142	70,000	70,000	--	70,000
Total--Department of Education	**$ 36,210,250**	**$ 37,069,120**	**$ 37,350,025**	**$ 91,975**	**$ 37,365,025**
Board of Regents					
State Scholarships	1,868,331	2,083,420	1,905,721	--	1,905,721
Comprehensive Grants Program	14,193,042	15,689,878	15,689,878	3,000,000	18,689,878
Vocational Scholarships	119,000	282,692	121,275	--	121,275
Minority Scholarships	314,125	492,567	315,213	--	315,213
Scholarships for Osteopathic Ed.	--	508,391	450,000	--	450,000
Optometry Education Program	113,850	169,630	169,630	3,871	169,630
Nursing Scholarships	566,875	771,750	643,040	--	643,040
Nurse Educator Grant Program	200,000	200,000	200,000	6,800	200,000
Workforce Development Loan	30,615	53,740	53,740	--	53,740
Kansas Work Study	528,172	528,172	528,172	17,958	528,172
Teachers Service Scholarship Program	359,244	2,306,474	2,105,253	66,737	2,105,253
Math & Science Teacher Scholarship	225,000	--	--	--	--
STEM Teachers Service Scholarship	--	--	--	--	1,000,000
Special Ed. Teacher Scholarship	111,750	--	--	--	--
Teacher Education Scholarship	83,250	--	--	--	--
National Guard Ed. Assistance	922,164	941,807	925,838	31,478	925,838
ROTC Reimbursement Program	74,341	186,401	186,401	--	186,401
Military Service Scholarship	--	488,240	--	--	500,000
Tuition Waivers	133,994	110,000	110,000	--	110,000
Student Aid, Grants, & Scholarships	442,039	--	--	--	--
Total--Board of Regents	**$ 20,285,792**	**$ 24,813,162**	**$ 23,404,161**	**$ 3,126,844**	**$ 27,904,161**
Emporia State University					
Reading Recovery Program	88,117	88,117	88,117	--	88,117
Federal Student Financial Assistance	4,600,292	4,892,096	4,892,096	--	4,892,096
Student Aid, Grants, & Scholarships	991,013	1,154,472	1,154,472	--	1,154,472
Total--Emporia State University	**$ 5,679,422**	**$ 6,134,685**	**$ 6,134,685**	**$ --**	**$ 6,134,685**
Fort Hays State University					
Federal Student Financial Assistance	5,148,337	5,148,337	5,148,337	--	5,148,337
Student Aid, Grants, & Scholarships	2,888,144	2,892,136	2,848,935	--	2,848,935
Total--Fort Hays State University	**$ 8,036,481**	**$ 8,040,473**	**$ 7,997,272**	**$ --**	**$ 7,997,272**

Schedule 5.1--Expenditures from All Funding Sources for Other Assistance, Grants, & Benefits by Agency

	FY 2007 Actual	FY 2008 Gov. Estimate	FY 2009 Base Budget	FY 2009 Enhance. Pkg.	FY 2009 Gov. Rec.
Kansas State University					
Federal Student Financial Assistance	110,576,476	113,754,954	113,756,506	--	113,756,506
Student Aid, Grants, & Scholarships	10,766,800	15,101,501	14,634,879	--	14,634,879
Total--Kansas State University	**$ 121,343,276**	**$ 128,856,455**	**$ 128,391,385**	**$ --**	**$ 128,391,385**
KSU--Veterinary Medical Center					
Veterinary Training Program	100,000	200,000	200,000	100,000	300,000
Student Aid, Grants, & Scholarships	22,505	32,888	21,265	--	21,265
Total--KSU--Veterinary Medical Ctr.	**$ 122,505**	**$ 232,888**	**$ 221,265**	**$ 100,000**	**$ 321,265**
Kansas State University--ESARP					
Federal Student Financial Assistance	5,046,097	1,787,951	1,788,588	--	1,788,588
Student Aid, Grants, & Scholarships	184,202	1,968,992	1,879,500	--	1,879,500
Total--KSU--ESARP	**$ 5,230,299**	**$ 3,756,943**	**$ 3,668,088**	**$ --**	**$ 3,668,088**
Pittsburg State University					
Federal Student Financial Assistance	6,206,307	5,428,945	5,428,945	--	5,428,945
Student Aid, Grants, & Scholarships	2,514,525	2,508,921	2,508,921	--	2,508,921
Total--Pittsburg State University	**$ 8,720,832**	**$ 7,937,866**	**$ 7,937,866**	**$ --**	**$ 7,937,866**
University of Kansas					
Federal Student Financial Assistance	13,714,612	11,285,000	11,325,000	--	11,325,000
Student Aid, Grants, & Scholarships	29,102,815	27,744,000	27,744,000	--	27,744,000
Total--University of Kansas	**$ 42,817,427**	**$ 39,029,000**	**$ 39,069,000**	**$ --**	**$ 39,069,000**
University of Kansas Medical Center					
Medical Scholarships	2,786,764	2,786,764	2,786,764	--	2,786,764
Wichita/Salina Resident Stipends	3,877,198	3,985,342	3,984,342	--	3,985,342
Federal Student Financial Assistance	1,570,499	384,893	380,000	--	380,000
Student Aid, Grants, & Scholarships	2,094,953	2,466,094	2,467,094	--	2,466,094
Total--KU Medical Center	**$ 10,329,414**	**$ 9,623,093**	**$ 9,618,200**	**$ --**	**$ 9,618,200**
Wichita State University					
Education Opportunity Grants	522,145	408,055	408,055	--	408,055
Federal Student Financial Assistance	8,725,660	8,910,000	8,910,000	--	8,910,000
Student Aid, Grants, & Scholarships	10,203,530	1,185,494	1,175,994	--	1,175,994
Total--Wichita State University	**$ 19,451,335**	**$ 10,503,549**	**$ 10,494,049**	**$ --**	**$ 10,494,049**
Subtotal--Regents	**$ 242,016,783**	**$ 238,928,114**	**$ 236,935,971**	**$ 3,226,844**	**$ 241,535,971**
Kansas Arts Commission					
Arts Grants	1,389,911	1,513,304	1,425,642	100,000	1,525,642
Historical Society					
Historic Preservation Grants	44,421	27,930	27,930	--	27,930
Cultural Heritage Center	816,596	850,000	850,000	--	850,000
Other Grants	96,348	16,000	16,000	--	16,000
Subtotal--Historical Society	**$ 957,365**	**$ 893,930**	**$ 893,930**	**$ --**	**$ 893,930**
State Library					
Grants to Libraries	452,501	501,877	501,877	--	501,877
Total--Education	**$ 281,026,810**	**$ 278,906,345**	**$ 277,107,445**	**$ 3,418,819**	**$ 281,822,445**
Public Safety					
Correctional Institutions					
Claims	64,071	--	--	--	--
Juvenile Justice Authority					
Purchase of Service Assistance	26,663,827	39,234,036	39,234,036	--	27,034,035
Prevention Trust Fund Grants	264,439	--	--	--	--
Federal Grants to Non-Profits	179,480	--	--	--	--
Total--Juvenile Justice Authority	**$ 27,107,746**	**$ 39,234,036**	**$ 39,234,036**	**$ --**	**$ 27,034,035**

Schedule 5.1--Expenditures from All Funding Sources for Other Assistance, Grants, & Benefits by Agency

	FY 2007 Actual	FY 2008 Gov. Estimate	FY 2009 Base Budget	FY 2009 Enhance. Pkg.	FY 2009 Gov. Rec.
Atchison Juvenile Correctional Facility					
Claims	82	--	--	--	--
Kansas Juvenile Correctional Complex					
Claims	761	--	--	--	--
Adjutant General					
FEMA Grants--Public Assistance	61,571,637	70,792,612	--	47,149,016	45,522,689
FEMA Grants--Hazard Mitigation	529,606	9,272,543	--	4,775,001	--
FEMA Grants--Individual Assistance	1,014,320	--	--	--	--
State Hazardous Mitigation Match	--	1,236,339	--	--	--
State Disaster Match	8,261,759	11,847,235	--	6,934,452	6,025,904
Military Emergency Relief	50,000	150,000	150,000	--	150,000
Claims	671	--	--	--	--
DOD--Community Economic Planning	84,829	165,000	150,000	--	150,000
National Guard Death Benefits	999,461	500,000	--	--	--
Total--Adjutant General	**$ 72,512,283**	**$ 93,963,729**	**$ 300,000**	**$ 58,858,469**	**$ 51,848,593**
Emergency Medical Services Board					
Oper. of EMS Regional Councils	116,250	116,250	116,250	--	116,250
Rural Health Options Grant	9,500	--	--	--	--
Claims	418	--	--	--	--
Total--Emergency Medical Services	**$ 126,168**	**$ 116,250**	**$ 116,250**	**$ --**	**$ 116,250**
Fire Marshal					
Hazardous Materials	--	250,000	250,000	--	250,000
Highway Patrol					
Claims	77,142	7,500	7,658	--	7,658
Kansas Sentencing Commission					
Substance Abuse Treatment	8,156,337	9,333,663	9,200,000	--	9,200,000
Total--Public Safety	**$ 108,044,590**	**$ 142,905,178**	**$ 49,107,944**	**$ 58,858,469**	**$ 88,456,536**
Agriculture & Natural Resources					
Department of Agriculture					
Claims	3,723	--	--	--	--
Drought Assistance Program	948,511	5,000	--	--	--
Total--Agriculture	**$ 952,234**	**$ 5,000**	**$ --**	**$ --**	**$ --**
Animal Health Department					
Claims	45	--	--	--	--
State Conservation Commission					
Water Transition Assistance Program	--	2,535,881	1,415,663	--	915,663
Water Resources Cost Share	3,205,764	3,158,967	3,249,794	--	3,160,941
Conservation Reserve Program	--	2,000,000	--	--	--
Riparian & Wetland Program	120,142	363,578	250,882	--	250,882
Buffer Initiative	233,161	351,720	310,000	--	310,000
Conservation Easements	311,500	311,500	311,500	--	311,500
Non-Point Source Pollution	1,919,432	3,441,930	3,072,854	--	1,449,000
Total--State Conservation Commiss.	**$ 5,789,999**	**$ 12,163,576**	**$ 8,610,693**	**$ --**	**$ 6,397,986**
Health & Environment--Environment					
Claims	304,135	--	--	--	--
State Fair					
Claims	303	--	--	--	--
Kansas Water Office					
Water Conservation Project Grants	--	64,448	--	--	--

Schedule 5.1--Expenditures from All Funding Sources for Other Assistance, Grants, & Benefits by Agency

	FY 2007 Actual	FY 2008 Gov. Estimate	FY 2009 Base Budget	FY 2009 Enhance. Pkg.	FY 2009 Gov. Rec.
Department of Wildlife & Parks					
National Wild Turkey Federation	25,000	--	--	--	--
Mig. Bird Habitat Canadian Jt. Venture	25,000	--	--	--	--
Western KS Pheasant Initiative	105,000	--	--	--	--
KS Coop F & W Research Unit	40,000	--	--	--	--
Prompt Payment Interest Penalties	39	--	--	--	--
Investigations	15,000	--	390,000	--	390,000
Quail Initiative	45,000	--	--	--	--
Jamestown Wetlands	303,550	610,000	--	--	--
Farmers & Hunters Feed the Hungry	49,584	15,000	40,000	--	40,000
Scholarships to Students	500	--	--	--	--
Claims	2,180	--	--	--	--
Total--Dept. of Wildlife & Parks	**$ 610,853**	**$ 625,000**	**$ 430,000**	**$ --**	**$ 430,000**
Total--Ag. & Natural Resources	**$ 7,657,569**	**$ 12,858,024**	**$ 9,040,693**	**$ --**	**$ 6,827,986**
Transportation					
Department of Transportation					
Transportation Grants	8,876,469	14,497,494	13,759,437	--	13,759,437
Rail Grant	1,660,622	--	--	--	--
Claims	609,928	400,000	400,000	--	400,000
Total--Department of Transportation	**$ 11,147,019**	**$ 14,897,494**	**$ 14,159,437**	**$ --**	**$ 14,159,437**
Total--Transportation	**$ 11,147,019**	**$ 14,897,494**	**$ 14,159,437**	**$ --**	**$ 14,159,437**
Total--Other Asst., Grants & Benefits	**$ 3,588,592,215**	**$ 3,891,540,425**	**$ 3,785,055,674**	**$ 172,975,001**	**$ 3,908,466,136**

Schedule 5.2--Expenditures from the State General Fund for Other Assistance, Grants, & Benefits by Agency

	FY 2007 Actual	FY 2008 Gov. Estimate	FY 2009 Base Budget	FY 2009 Enhance. Pkg.	FY 2009 Gov. Rec.
General Government					
Department of Administration					
Public Broadcasting Grants	3,166,805	3,270,917	2,566,654	2,867,349	3,066,654
Department of Commerce					
Commission on Disability Concerns	5,000	5,000	5,000	--	5,000
Strong Military Bases Program	225,000	375,000	375,000	--	375,000
Energy Program Grants	4,000,000	--	--	--	--
Total--Department of Commerce	**$ 4,230,000**	**$ 380,000**	**$ 380,000**	**$ --**	**$ 380,000**
Kansas Technology Enterprise Corporation					
Commercialization	90,000	--	--	--	--
Kansas Public Employees Retirement Sys.					
Actuarial Cost of 2006 SB 270	300,000	--	--	--	--
Actuarial Cost of 2007 SB 362	--	7,000,000	--	--	--
1.0% Retiree COLA Payment	--	--	--	--	6,400,000
Retirement Benefits Debt Payment	3,207,635	3,214,217	3,210,948	--	--
Total--KPERS	**$ 3,507,635**	**$ 10,214,217**	**$ 3,210,948**	**$ --**	**$ 6,400,000**
Department of Revenue					
Claims	80	--	--	--	--
Office of the Governor					
Domestic Violence Prevention Grants	1,529,410	1,627,727	1,600,665	--	1,600,665
Child Advocacy Center Grants	--	985,436	1,985,617	--	1,985,617
Enhancement Outreach	--	--	2,462,510	--	2,462,510
Total--Office of the Governor	**$ 1,529,410**	**$ 2,613,163**	**$ 6,048,792**	**$ --**	**$ 6,048,792**
Attorney General					
Other Claims	936	--	--	--	--
Annual School Policing Conference	10,000	--	--	--	--
KC Area Metro Crime Conference	15,000	--	--	--	--
Cyber Crime	--	--	--	150,000	150,000
DARE	--	--	--	10,000	10,000
Crime Stoppers	--	--	--	12,000	12,000
NetSmartz	255,725	175,000	175,000	--	175,000
Total--Attorney General	**$ 281,661**	**$ 175,000**	**$ 175,000**	**$ 172,000**	**$ 347,000**
Legislature					
Claims	10,000	--	--	--	--
Judiciary					
Miscellaneous Aid	1,901	--	--	--	--
Total--General Government	**$ 12,817,492**	**$ 16,653,297**	**$ 12,381,394**	**$ 3,039,349**	**$ 16,242,446**
Human Services					
Social & Rehabilitation Services					
Adoption Contract	1,597,435	1,893,462	2,012,837	--	1,416,628
Permanent Guardianship	--	557,974	70,200	526,674	180,000
Adoption Support	7,571,855	12,513,380	11,317,341	2,067,700	14,071,869
Independent Living Grants	1,032,740	690,430	359,748	659,605	617,988
Money Follows the Person Grant	--	--	--	1,039,360	--
Family Preservation	658,795	462,598	656,102	--	372,939
Foster Care Contract	80,402,274	102,163,619	105,000,000	10,421,009	115,600,000
Grants for Children & Families	16,086	114,726	14,726	--	14,726
Alcohol and Drug Abuse Programs	2,032,997	4,950,077	4,950,077	2,400,000	4,950,077
HCBS/DD Waiver	97,606,405	112,707,126	113,514,326	6,362,500	116,523,318
Head Injured Waiver	3,286,755	2,761,348	2,761,348	2,560,226	3,162,148

Schedule 5.2--Expenditures from the State General Fund for Other Assistance, Grants, & Benefits by Agency

	FY 2007 Actual	FY 2008 Gov. Estimate	FY 2009 Base Budget	FY 2009 Enhance. Pkg.	FY 2009 Gov. Rec.
Social & Rehabilitation Services, Cont'd.					
Independent Living Support	556,069	--	1,302,219	759,851	--
Intermediate Care Facilities--MR	6,751,358	7,425,240	7,416,509	149,605	7,433,845
Discretionary Grants/Commun. Funding	1,919,623	2,130,735	2,130,735	--	2,130,735
Nursing Facilities/Mental Health	11,523,649	11,348,890	11,300,000	--	12,000,000
HCBS/Physically Disabled Waiver	37,494,204	41,225,334	41,225,334	5,310,702	42,376,986
Technology Assistance Waiver	39,987	97,189	97,189	1,961	97,189
Community Dev. Disab. Support	15,320,986	19,350,038	19,350,038	281,000	19,350,038
HCBS Autism Waiver	--	300,000	300,000	1,018,000	300,000
Attendant Care for Independent Living	8,180,473	7,623,998	7,439,212	1,614,272	7,815,600
Head Injury Rehabilitation Hospital	2,130,981	2,400,000	2,394,386	193,013	2,597,184
Positive Behavior Support	83,091	101,707	101,707	--	102,324
Non-Custody Behavior Management	1,045,861	18,792	157,972	--	251,025
CDDO Targeted Case Management	1,340,621	7,674,295	7,589,120	384,804	6,704,582
Substance Abuse Treatmt. Fee for Serv.	5,840,590	9,325,491	10,200,000	206,858	9,135,354
Prepaid Ambulatory Health Plan	37,744	63,551,540	61,521,548	--	62,521,540
Private Psychiatrists & Psychologists	1,430,742	--	--	--	--
CMHC Certified Match	31,196,969	--	--	--	--
Mental Health Grants	36,454,235	28,089,589	28,089,589	135,000	21,089,589
Behavior Management Services/PRTF	24,995,916	11,430,000	11,459,992	--	11,460,000
Services for the Blind	4,566	4,292	4,625	--	4,625
Child Care Assistance	17,656,753	19,823,863	22,345,898	4,860,449	24,813,578
Disability Determination	4,856	12,426	12,426	--	12,426
Food Stamps Employment Preparation	26,228	53,718	53,718	--	53,718
Funeral Assistance	580,349	810,000	810,000	--	810,000
General Assistance	8,539,284	8,700,000	9,000,000	--	8,700,000
Low Income Energy Assistance	1,000,000	1,000,000	1,000,000	--	--
Temporary Assistance to Families	29,821,028	29,821,028	29,821,028	--	29,821,028
Adult Protective Services	158,614	507,307	435,307	--	435,307
Rehabilitation Services	4,549,721	6,586,441	4,670,610	118,050	6,959,732
Miscellaneous Grants & Claims	7,638	--	--	--	--
Grandparents as Caregivers	200,615	1,067,513	1,840,320	--	1,840,320
Total--SRS	**$ 443,098,093**	**$ 519,294,166**	**$ 522,726,187**	**$ 41,070,639**	**$ 535,726,418**
State Hospitals					
Claims	2,649	1,148	1,148	--	1,148
Subtotal--SRS	**$ 443,100,742**	**$ 519,295,314**	**$ 522,727,335**	**$ 41,070,639**	**$ 535,727,566**
Kansas Health Policy Authority					
Regular Medical Assistance	444,588,327	423,000,000	444,600,000	--	462,079,000
Ticket to Work	299,727	400,000	400,000	--	400,000
Premium Assistance	--	--	--	4,000,000	4,000,000
HealthWave	16,412,977	16,918,383	16,918,383	--	16,918,383
Total--KHPA	**$ 461,301,031**	**$ 440,318,383**	**$ 461,918,383**	**$ 4,000,000**	**$ 483,397,383**
Department on Aging					
Targeted Case Management	1,757,122	1,969,716	1,967,161	--	1,936,243
Senior Care Act	1,602,756	2,391,656	2,326,800	1,563,124	2,326,800
Nursing Facilities	136,610,912	142,269,000	142,300,000	--	146,292,000
PACE	1,202,945	2,863,146	2,863,146	792,818	3,279,868
Nutrition	1,398,750	1,952,475	1,933,724	644,910	2,578,634
HCBS/FE	25,123,026	26,151,456	28,500,061	4,532,276	28,569,593
Miscellaneous Grants	33,154	--	--	--	--
Total--Department on Aging	**$ 167,728,665**	**$ 177,597,449**	**$ 179,890,892**	**$ 7,533,128**	**$ 184,983,138**

Schedule 5.2--Expenditures from the State General Fund for Other Assistance, Grants, & Benefits by Agency

	FY 2007 Actual	FY 2008 Gov. Estimate	FY 2009 Base Budget	FY 2009 Enhance. Pkg.	FY 2009 Gov. Rec.
Health & Environment--Health					
SIDS Network Grant	75,000	75,000	75,000	--	--
Newborn Hearing Aid Loaner Program	50,000	50,000	50,000	--	--
Advanced Education General Dentistry	415,000	415,000	415,000	--	415,000
Pregnancy Maintenance Initiative	500,000	400,000	400,000	--	400,000
Total--KDHE--Health	**$ 1,040,000**	**$ 940,000**	**$ 940,000**	**$ --**	**$ 815,000**
Kansas Commission on Veterans Affairs					
Claims	2,639	3,000	3,000	--	3,000
Total--Human Services	**$ 1,073,173,077**	**$ 1,138,154,146**	**$ 1,165,479,610**	**$ 52,603,767**	**$ 1,204,926,087**
Education					
Department of Education					
Challenger Project	300,000	--	--	--	--
School Food Assistance	146,298	146,000	146,000	54,000	146,000
After School Programs	--	100,000	100,000	--	100,000
Agriculture in the Classroom	35,000	35,000	35,000	5,000	40,000
Kansas Career Pipeline Grant	--	420,120	--	--	--
Deaf-Blind Program Aid	4,553	5,000	5,000	--	5,000
Teaching Excellence Scholarships	27,500	40,000	17,025	22,975	17,025
Discretionary Grants	285,387	285,000	285,000	10,000	295,000
Total--Department of Education	**$ 798,738**	**$ 1,031,120**	**$ 588,025**	**$ 91,975**	**$ 603,025**
Board of Regents					
State Scholarships	1,034,947	1,310,898	1,133,199	--	1,133,199
Comprehensive Grants Program	14,193,042	15,689,878	15,689,878	3,000,000	18,689,878
Vocational Scholarships	119,000	282,692	121,275	--	121,275
Minority Scholarships	314,125	492,567	315,213	--	315,213
Nursing Scholarships	368,375	680,500	443,592	--	443,592
Nurse Educator Grant Program	200,000	200,000	200,000	6,800	200,000
Optometry Education Program	113,850	113,850	113,850	3,871	113,850
Kansas Work Study	528,172	528,172	528,172	17,958	528,172
Teachers Service Scholarship Program	359,244	2,306,474	1,962,859	66,737	1,962,859
STEM Teachers Service Scholarship	--	--	--	--	1,000,000
Math & Science Teacher Scholarship	225,000	--	--	--	--
Special Ed. Teacher Scholarship	111,750	--	--	--	--
Teacher Education Scholarship	83,250	--	--	--	--
ROTC Reimbursement Program	74,341	186,401	186,401	--	186,401
National Guard Ed. Assistance	922,164	941,807	925,838	31,478	925,838
Military Service Scholarship	--	488,240	--	--	500,000
Tuition Waivers	68,894	90,000	90,000	--	90,000
Other Student Financial Assistance	54,000	--	--	--	--
Total--Board of Regents	**$ 18,770,154**	**$ 23,311,479**	**$ 21,710,277**	**$ 3,126,844**	**$ 26,210,277**
Emporia State University					
Reading Recovery Program	88,117	88,117	88,117	--	88,117
KSU--Veterinary Medical Center					
Veterinary Training Program	100,000	200,000	200,000	100,000	300,000
Pittsburg State University					
Student Aid, Grants, & Scholarships	3,300	1,110,447	1,110,447	--	1,110,447
University of Kansas					
Student Aid, Grants, & Scholarships	113,886	--	--	--	--

Schedule 5.2--Expenditures from the State General Fund for Other Assistance, Grants, & Benefits by Agency

	FY 2007 Actual	FY 2008 Gov. Estimate	FY 2009 Base Budget	FY 2009 Enhance. Pkg.	FY 2009 Gov. Rec.
University of Kansas Medical Center					
Medical Scholarships	2,786,764	2,786,764	2,786,764	--	2,786,764
Wichita Resident Stipends	3,040,643	2,982,500	2,910,500	--	2,910,500
Total--KU Medical Center	**$ 5,827,407**	**$ 5,769,264**	**$ 5,697,264**	**$ --**	**$ 5,697,264**
Wichita State University					
Student Aid, Grants, & Scholarships	4,749	--	--	--	--
Subtotal--Regents	**$ 24,907,613**	**$ 30,479,307**	**$ 28,806,105**	**$ 3,226,844**	**$ 33,406,105**
Kansas Arts Commission					
Arts Grants	1,147,209	1,243,198	1,246,442	100,000	1,346,442
Historical Society					
Grants for Operating Expenses	27,930	27,930	27,930	--	27,930
Other Grants	96,348	--	--	--	--
Total--Historical Society	**$ 124,278**	**$ 27,930**	**$ 27,930**	**$ --**	**$ 27,930**
State Library					
Grants to Libraries	23,561	6,500	6,500	--	6,500
Total--Education	**$ 27,001,399**	**$ 32,788,055**	**$ 30,675,002**	**$ 3,418,819**	**$ 35,390,002**
Public Safety					
Correctional Institutions					
Claims	64,071	--	--	--	--
Juvenile Justice Authority					
Purchase of Service Assistance	15,179,973	22,285,800	22,179,689	--	17,299,689
Total--Juvenile Justice	**$ 15,179,973**	**$ 22,285,800**	**$ 22,179,689**	**$ --**	**$ 17,299,689**
Atchison Juvenile Correctional Facility					
Claims	82	--	--	--	--
Kansas Juvenile Correctional Complex					
Claims	761	--	--	--	--
Adjutant General					
State Disaster Match	2,399,803	1,082,901	--	6,934,452	6,025,904
Claims	671	--	--	--	--
National Guard Death Benefits	999,461	500,000	--	--	--
Military Emergency Relief	50,000	50,000	50,000	--	50,000
Total--Adjutant General	**$ 3,449,935**	**$ 1,632,901**	**$ 50,000**	**$ 6,934,452**	**$ 6,075,904**
Highway Patrol					
Claims	350	--	--	--	--
Kansas Sentencing Commission					
Substance Abuse Treatment	8,156,337	9,133,663	8,900,000	--	8,900,000
Total--Public Safety	**$ 26,851,509**	**$ 33,052,364**	**$ 31,129,689**	**$ 6,934,452**	**$ 32,275,593**
Agriculture & Natural Resources					
Department of Agriculture					
Claims	3,160	--	--	--	--
State Conservation Commission					
Conservation Easements	311,500	311,500	311,500	--	311,500
Department of Wildlife & Parks					
Farmers & Hunters Feed the Hungry	--	--	25,000	--	25,000
Claims	1,562	--	--	--	--
Total--Dept. of Wildlife & Parks	**$ 1,562**	**$ --**	**$ 25,000**	**$ --**	**$ 25,000**
Total--Ag. & Natural Resources	**$ 316,222**	**$ 311,500**	**$ 336,500**	**$ --**	**$ 336,500**
Total--Other Asst., Grants, & Benefits	**$ 1,140,159,699**	**$ 1,220,959,362**	**$ 1,240,002,195**	**$ 65,996,387**	**$ 1,289,170,628**

Schedule 6.1--Expenditures from All Funding Sources for Capital Improvements by Agency

	FY 2007 Actual	FY 2008 Gov. Estimate	FY 2009 Base Budget	FY 2009 Enhance. Pkg.	FY 2009 Gov. Rec.
General Government					
Department of Administration	5,083,655	6,304,109	4,663,112	6,820,078	9,683,112
Department of Commerce	91,523	166,000	170,000	--	170,000
Insurance Department	115,548	120,861	123,054	--	123,054
Judiciary	1,158	139,984	143,483	--	143,483
Total--General Government	**$ 5,291,884**	**$ 6,730,954**	**$ 5,099,649**	**$ 6,820,078**	**$ 10,119,649**
Human Services					
Social & Rehabilitation Services	5,339,548	7,309,185	4,730,500	16,221,380	4,730,500
Kansas Neurological Institute	114,895	119,995	125,320	--	125,320
Larned State Hospital	1,975	--	--	--	--
Osawatomie State Hospital	58	58	58	--	58
Parsons State Hospital & Training Center	110,490	113,619	113,666	--	113,666
Subtotal--SRS	**$ 5,566,966**	**$ 7,542,857**	**$ 4,969,544**	**$ 16,221,380**	**$ 4,969,544**
Department of Labor	998,825	263,316	1,887,160	--	1,887,160
Commission on Veterans Affairs	944,086	9,913,791	1,155,911	--	1,193,911
Total--Human Services	**$ 7,509,877**	**$ 17,719,964**	**$ 8,012,615**	**$ 16,221,380**	**$ 8,050,615**
Education					
School for the Blind	111,641	218,816	312,602	--	312,602
School for the Deaf	887,041	380,177	248,826	841,787	415,826
Subtotal--Department of Education	**$ 998,682**	**$ 598,993**	**$ 561,428**	**$ 841,787**	**$ 728,428**
Board of Regents	17,676,198	16,070,000	52,430,000	84,393,000	67,430,000
Emporia State University	931,479	5,262,079	1,389,000	--	1,389,000
Fort Hays State University	1,942,214	4,851,432	1,722,258	--	1,722,258
Kansas State University	14,536,001	25,319,841	12,271,522	--	12,271,522
Kansas State University--ESARP	1,224,916	2,350,000	--	--	--
KSU--Veterinary Medical Center	287,674	200,000	--	--	--
Pittsburg State University	6,245,319	8,935,820	4,790,238	--	4,790,238
University of Kansas	24,815,604	37,248,406	7,170,982	--	8,170,982
University of Kansas Medical Center	2,576,812	6,358,370	3,955,000	--	3,955,000
Wichita State University	6,740,022	8,371,827	3,990,522	--	3,990,522
Subtotal--Regents	**$ 76,976,239**	**$ 114,967,775**	**$ 87,719,522**	**$ 84,393,000**	**$ 103,719,522**
Historical Society	1,326,000	544,580	325,000	490,335	825,000
Total--Education	**$ 79,300,921**	**$ 116,111,348**	**$ 88,605,950**	**$ 85,725,122**	**$ 105,272,950**
Public Safety					
Department of Corrections	4,198,291	9,721,303	7,296,370	1,689,697	8,986,067
El Dorado Correctional Facility	269,055	187,040	159,723	--	159,723
Ellsworth Correctional Facility	138,277	214,497	77,097	--	77,097
Hutchinson Correctional Facility	1,039,072	545,727	248,112	167,050	248,112
Lansing Correctional Facility	1,046,337	708,093	353,097	--	353,097
Larned Correctional Mental Health Facility	458,246	236,250	14,762	--	14,762
Norton Correctional Facility	320,970	1,010,356	161,988	--	161,988
Topeka Correctional Facility	316,079	528,344	64,015	--	64,015
Winfield Correctional Facility	879,332	261,638	125,201	--	125,201
Subtotal--Corrections	**$ 8,665,659**	**$ 13,413,248**	**$ 8,500,365**	**$ 1,856,747**	**$ 10,190,062**
Juvenile Justice Authority	1,886,361	2,885,238	2,873,146	1,239,004	6,113,931
Atchison Juvenile Correctional Facility	124,208	165,767	--	--	--
Beloit Juvenile Correctional Facility	603,844	--	--	--	--
Kansas Juvenile Correctional Complex	345,792	--	--	--	--
Larned Juvenile Correctional Facility	32,232	--	--	--	--
Subtotal--Juvenile Justice	**$ 2,992,437**	**$ 3,051,005**	**$ 2,873,146**	**$ 1,239,004**	**$ 6,113,931**

Schedule 6.1--Expenditures from All Funding Sources for Capital Improvements by Agency

	FY 2007 Actual	FY 2008 Gov. Estimate	FY 2009 Base Budget	FY 2009 Enhance. Pkg.	FY 2009 Gov. Rec.
Adjutant General	8,950,447	3,757,500	2,150,675	4,899,078	6,580,000
Highway Patrol	934,164	991,083	537,000	845,199	1,382,199
Kansas Bureau of Investigation	2,673,200	637,196	390,000	634,540	640,000
Total--Public Safety	**$ 24,215,907**	**$ 21,850,032**	**$ 14,451,186**	**$ 9,474,568**	**$ 24,906,192**
Agriculture & Natural Resources					
Kansas State Fair	3,543,941	1,254,867	1,267,064	20,000	1,267,064
Department of Wildlife & Parks	11,597,085	19,094,893	6,779,500	--	9,779,500
Total--Agriculture & Natural Resources	**$ 15,141,026**	**$ 20,349,760**	**$ 8,046,564**	**$ 20,000**	**$ 11,046,564**
Transportation					
Department of Administration	264,297	6,735,000	7,010,000	--	7,010,000
Kansas Department of Transportation	880,962,544	913,063,962	1,114,163,075	2,349,388	1,113,874,376
Total--Transportation	**$ 881,226,841**	**$ 919,798,962**	**$ 1,121,173,075**	**$ 2,349,388**	**$ 1,120,884,376**
Total Expenditures	**$ 1,012,686,456**	**$ 1,102,561,020**	**$ 1,245,389,039**	**$ 120,610,536**	**$ 1,280,280,346**

Schedule 6.2--Expenditures from the State General Fund for Capital Improvements by Agency

	FY 2007 Actual	FY 2008 Gov. Estimate	FY 2009 Base Budget	FY 2009 Enhance. Pkg.	FY 2009 Gov. Rec.
General Government					
Department of Administration	4,674,651	4,104,525	4,648,690	6,670,078	1,058,690
Judiciary	1,158	139,984	143,483	--	143,483
Total--General Government	**$ 4,675,809**	**$ 4,244,509**	**$ 4,792,173**	**$ 6,670,078**	**$ 1,202,173**
Human Services					
Kansas Neurological Institute	114,895	--	--	--	--
Larned State Hospital	1,975	--	--	--	--
Parsons State Hospital & Training Center	109,118	--	--	--	--
Total--Human Services	**$ 225,988**	**$ --**	**$ --**	**$ --**	**$ --**
Education					
School for the Blind	25,276	26,494	27,770	--	27,770
School for the Deaf	54,704	56,464	58,826	--	58,826
Subtotal--Department of Education	**$ 79,980**	**$ 82,958**	**$ 86,596**	**$ --**	**$ 86,596**
Board of Regents	5,636	--	--	84,393,000	--
Kansas State University	189,446	189,446	189,446	--	189,446
Kansas State University--ESARP	13,703	--	--	--	--
Pittsburg State University	197,485	285,018	308,532	--	148,532
University of Kansas	1,117,288	763,768	728,120	--	728,120
University of Kansas Medical Center	356,507	370,000	395,000	--	--
Wichita State University	1,273,003	1,215,000	1,275,000	--	--
Subtotal--Regents	**$ 3,153,068**	**$ 2,823,232**	**$ 2,896,098**	**$ 84,393,000**	**$ 1,066,098**
Historical Society	896,453	349,167	125,000	490,335	125,000
Total--Education	**$ 4,129,501**	**$ 3,255,357**	**$ 3,107,694**	**$ 84,883,335**	**$ 1,277,694**
Public Safety					
Department of Corrections	1,806,067	2,621,214	1,720,370	1,689,697	50,067
El Dorado Correctional Facility	177,517	159,723	159,723	--	159,723
Ellsworth Correctional Facility	77,088	77,097	77,097	--	77,097
Hutchinson Correctional Facility	258,392	248,112	248,112	167,050	248,112
Lansing Correctional Facility	328,842	340,754	353,097	--	353,097
Larned Correctional Mental Health Facility	36,556	14,762	14,762	--	14,762
Norton Correctional Facility	149,535	155,637	161,988	--	161,988
Topeka Correctional Facility	72,499	64,015	64,015	--	64,015
Winfield Correctional Facility	130,263	125,201	125,201	--	125,201
Subtotal--Corrections	**$ 3,036,759**	**$ 3,806,515**	**$ 2,924,365**	**$ 1,856,747**	**$ 1,254,062**
Atchison Juvenile Correctional Facility	3,030	--	--	--	--
Beloit Juvenile Correctional Facility	198,322	--	--	--	--
Kansas Juvenile Correctional Complex	82,031	--	--	--	--
Subtotal--Juvenile Justice	**$ 283,383**	**$ --**	**$ --**	**$ --**	**$ --**
Adjutant General	1,248,837	1,145,000	1,150,675	4,899,078	345,000
Kansas Bureau of Investigation	2,571,279	637,196	390,000	634,540	105,000
Total--Public Safety	**$ 7,140,258**	**$ 5,588,711**	**$ 4,465,040**	**$ 7,390,365**	**$ 1,704,062**
Agriculture & Natural Resources					
Kansas State Fair	3,060,727	740,000	745,000	20,000	--
Department of Wildlife & Parks	1,501,586	2,291,264	1,500,000	--	--
Total--Agriculture & Natural Resources	**$ 4,562,313**	**$ 3,031,264**	**$ 2,245,000**	**$ 20,000**	**$ --**
Transportation					
Department of Administration	264,297	6,735,000	7,010,000	--	--
Total Expenditures	**$ 20,998,166**	**$ 22,854,841**	**$ 21,619,907**	**$ 98,963,778**	**$ 4,183,929**

Schedule 7—Federal Receipts by Agency contains federal formula grants and reimbursements to state agencies participating in federally-sponsored programs. The schedule reflects only the amount of federal funding received, not the amount expended. Federal fund expenditures are not presented because, in some cases, they are mingled with state funds so their identity as federal funds is not maintained. An example would be the Department of Transportation's State Highway Fund, which combines federal matching funds with state dollars in a single fund. When expenditures are made from the State Highway Fund, therefore, it is no longer possible to determine whether the funds being spent are federal or state funds.

Schedule 7--Federal Receipts by Agency

	FY 2007 Actual	FY 2008 Gov. Estimate	FY 2009 Gov. Rec.
General Government			
Department of Administration	272,078	268,729	268,729
Kansas Corporation Commission	1,431,947	1,471,716	1,365,799
Kansas Human Rights Commission	377,458	365,550	353,850
Department of Commerce	51,479,322	84,481,123	61,240,351
Kansas Technology Enterprise Corporation	1,485,264	1,800,000	1,800,000
Department of Revenue	687,047	1,887,619	--
Office of the Governor	10,212,427	12,746,738	11,214,008
Attorney General	2,875,938	2,987,908	3,099,228
Insurance Department	169,198	200,000	70,000
Secretary of State	4,708	2,000	8,500
Judiciary	213,686	432,012	340,748
Total--General Government	**$ 69,209,073**	**$ 106,643,395**	**$ 79,761,213**
Human Services			
Social & Rehabilitation Services	288,066,897	358,560,055	354,261,838
Kansas Neurological Institute	388,627	390,982	390,005
Kansas Health Policy Authority	1,359,729,054	1,513,829,381	1,536,860,963
Department on Aging	15,853,752	16,216,759	15,803,729
Health & Environment--Health	80,548,333	102,680,011	102,744,602
Department of Labor	24,020,622	51,839,666	31,201,890
Commission on Veterans Affairs	187,437	7,421,208	672,058
Total--Human Services	**$ 1,768,794,722**	**$ 2,050,938,062**	**$ 2,041,935,085**
Education			
Department of Education	385,639,157	400,933,890	403,874,971
School for the Blind	6,460	6,461	6,460
Board of Regents	12,147,729	12,074,849	11,878,205
Emporia State University	7,151,791	8,532,704	8,532,704
Fort Hays State University	7,489,312	7,367,389	7,372,332
Kansas State University	149,788,681	152,999,289	152,999,289
Kansas State University--ESARP	36,152,226	41,631,977	41,631,977
KSU--Veterinary Medical Center	90,817	95,643	95,643
Pittsburg State University	7,738,223	7,786,979	7,738,223
University of Kansas	105,021,280	100,000,000	100,000,000
University of Kansas Medical Center	3,138,681	3,030,847	3,570,666
Wichita State University	31,787,824	23,188,000	23,188,000
Kansas Arts Commission	481,100	674,701	571,300
Historical Society	632,297	805,471	835,256
State Library	1,793,456	1,718,113	1,804,558
Total--Education	**$ 749,059,034**	**$ 760,846,313**	**$ 764,099,584**
Public Safety			
Department of Corrections	1,101,945	1,472,448	533,426
Topeka Correctional Facility	104,651	132,282	130,181
Juvenile Justice Authority	1,952,823	--	374,129
Beloit Juvenile Correctional Facility	383	--	--
Adjutant General	106,043,466	215,853,851	122,596,822
Emergency Medical Services Board	39,144	--	--
Highway Patrol	20,580,286	20,028,486	16,720,585
Kansas Bureau of Investigation	4,532,689	4,717,984	3,834,963
Sentencing Commission	60,000	20,000	50,000
Total--Public Safety	**$ 134,415,387**	**$ 242,225,051**	**$ 144,240,106**

Schedule 7--Federal Receipts by Agency

	FY 2007 Actual	FY 2008 Gov. Estimate	FY 2009 Gov. Rec.
Agriculture & Natural Resources			
Department of Agriculture	5,280,222	6,220,298	4,118,522
Animal Health Department	988,323	916,771	852,271
State Conservation Commission	134,140	36,384	--
Health & Environment--Environment	19,290,896	20,966,160	20,221,814
Kansas Water Office	43,106	335,550	270,000
Department of Wildlife & Parks	12,200,198	12,371,196	12,110,219
Total--Agriculture & Natural Resources	**$ 37,936,885**	**$ 40,846,359**	**$ 37,572,826**
Transportation			
Kansas Department of Transportation	371,978,002	380,055,622	381,279,462
Total Receipts	**$ 3,131,393,103**	**$ 3,581,554,802**	**$ 3,448,888,276**

Schedule 8—Current Year Adjustments reconciles the differences between the approved FY 2008 budget, as published in the *Comparison Report* (July 2007) by the Division of the Budget, and the Governor's estimate of revised expenditures for FY 2008, as published in this report. The purpose of the schedule is to track the changes that have occurred since the 2007 Legislature approved the FY 2008 budget.

From the time when the *Comparison Report* was published, a number of changes have occurred. Revised expenditures reflected in the Governor's recommendations include reappropriations of expenditures from FY 2007 to FY 2008. These reappropriations represent funds approved to be spent prior to FY 2008 under authority granted in legislation. Other changes that have occurred include actions taken by the State Finance Council, actions accomplished through Executive Directive authority of the Governor, internal transfers between a central office and its institutions or between institutions, and recommendations by the Governor to reflect updated information on caseloads or institutional populations, changes in expenditure patterns, new or revised policy directives, or changes in federal grants.

Schedule 8--Current Year Adjustments

	State General Fund	All Funding Sources
Department of Administration		
Operations Shift of Expenditure Authority from Prior Year	2,761,395	2,761,395
Increase in Wireless Enhanced 911 Grants	--	800,000
Shift Financial Management System Expenditures to FY 2009	(648,422)	(648,422)
Human Resource Staff for Administration of Employee Compensation	29,915	29,915
Surplus Property Operating Expenditures	--	(68,468)
Federal Cash Management Expenditures	--	(1,426,156)
Municipal Accounting Expenditures	--	10,295
Federal Flood Control Expenditures	--	(16,601)
Miscellaneous Operating Expenditures Reduction	--	(11,025)
Utility Tunnel Repairs	370,170	370,170
Ongoing Capital Improvements	--	1,973,341
Total--Department of Administration	$ 2,513,058	$ 3,774,444
Kansas Corporation Commission		
Miscellaneous Operating Expenditures Increase	$ --	$ 264,358
Citizens Utility Ratepayer Board		
Consulting Fees for Expert Testimony	$ --	$ 79,229
Kansas Human Rights Commission		
Operations Shift of Expenditure Authority from Prior Year	41,941	41,941
Federal Funds	--	(80,659)
Miscellaneous Operating Expenditures Increase	--	4,699
Total--Kansas Human Rights Commission	$ 41,941	$ (34,019)
Board of Indigents Defense Services		
Indigents Defense Fee Fund Expenditures	--	400,000
Assigned Counsel Expenditure Adjustment	(700,000)	(700,000)
Total--Board of Indigents Defense Services	$ (700,000)	$ (300,000)
Health Care Stabilization		
Miscellaneous Operating Expenditures Increase	--	(226,103)
Independent Professional Accounting and Audit Review	--	75,000
Claim Payouts	--	(636,213)
Savings Incentive Expenditures	--	217,079
Total--Health Care Stabilization Fund Board of Governors	$ --	$ (570,237)
Kansas Public Employees Retirement System		
Revised Investment Fee Expenditures	--	572,767
Revised Non-Retirement Administration Expenses	--	(8,992)
Transfer of Deferred Compensation Program	--	138,755
Information Technology Project Expenditures	--	437,588
Savings Incentive Expenditures	--	45,820
Total--Kansas Public Employees Retirement System	$ --	$ 1,185,938
Department of Commerce		
Operations Shift of Expenditure Authority from Prior Year	8,223	913,585
Greensburg Tornado National Emergency Grant	--	11,932,774
Southeast Kansas Flood National Emergency Grant	--	4,996,679
Disability Navigation Federal Grant	--	1,017,268
WIRED Federal Grant	--	1,651,303
WIA Federal Funds	--	5,201,290

Schedule 8--Current Year Adjustments

	State General Fund	All Funding Sources
Department of Commerce, Cont'd.		
IMPACT Expenditures	--	4,564,551
Miscellaneous Operating Expenditures Increase	--	80,045
Total--Department of Commerce	$ 8,223	$ 30,357,495
Kansas Technology Enterprise Corporation		
Operations Shift of Expenditure Authority from Prior Year	--	82,859
Increase Shrinkage Rate	--	(102,966)
Lapse Heartland BioVentures Funding	--	(333,333)
Federal Funds	--	(64,951)
Total--Kansas Technology Enterprise Corporation	$ --	$ (418,391)
Kansas, Inc.		
Miscellaneous Operating Expenditures Reduction	$ --	$ (13,538)
Kansas Lottery		
Decrease in State Paid Prize Payments	--	(3,858,791)
Expanded Lottery Expenses Program	--	628,820
Aid to Local Expanded Lottery Act Payments	--	369,090
Racetrack Gaming Facility Manager Expanded Lottery Act Payments	--	4,921,200
Miscellaneous Operating Expenditures Reduction	--	(1,799,045)
Savings Incentive Expenditures	--	472,588
Total--Kansas Lottery	$ --	$ 733,862
Kansas Racing & Gaming Commission		
Racing Purse Supplements and Breeding Development Funding	--	1,915,056
Wichita Greyhound Park Closure and Reduced Racing Expenditures	--	(2,423,245)
Additional Expanded Lottery Act Regulation Program Expenditures	--	1,713,689
Additional Tribal Gaming Regulation Program Expenditures	--	130,947
Savings Incentive Expenditures	--	50,000
Total--Kansas Racing & Gaming Commission	$ --	$ 1,386,447
Department of Revenue		
Operations Shift of Expenditure Authority from Prior Year	11,203	11,203
Fee Funds	--	(1,464,495)
Federal Funds	--	840,444
County Business Restoration Assistance Program	--	2,500,000
Increase in County Mineral Production Tax Estimate	--	2,442,000
Total--Department of Revenue	$ 11,203	$ 4,329,152
Board of Accountancy		
Savings Incentive Expenditures	$ --	$ 46,679
Banking Department		
Additional Consumer Education Expenditures	--	62,500
Savings Incentive Expenditures	--	373,365
Total--Banking Department	$ --	$ 435,865
Board of Barbering		
Miscellaneous Operating Expenditures Increase	$ --	$ 6,800
Board of Cosmetology		
Miscellaneous Operating Expenditures Increase	--	15,000
Savings Incentive Expenditures	--	68,601
Total--Board of Cosmetology	$ --	$ 83,601

Schedule 8--Current Year Adjustments

	State General Fund	All Funding Sources
Department of Credit Unions		
Miscellaneous Operating Expenditures Adjustment	--	(51,525)
Savings Incentive Expenditures	--	66,492
Total--Department of Credit Unions	$ --	$ 14,967
Kansas Dental Board		
Savings Incentive Expenditures	$ --	$ 19,000
Governmental Ethics Commission		
Operations Shift of Expenditure Authority from Prior Year	28,352	28,352
Miscellaneous Operating Expenditures Reduction	(19,377)	(19,377)
Total--Government Ethics Commission	$ 8,975	$ 8,975
Behavioral Sciences Regulatory Board		
Savings Incentive Expenditures	$ --	$ 26,689
Board of Mortuary Arts		
Savings Incentive Expenditures	$ --	$ 16,637
Board of Nursing		
Savings Incentive Expenditures	$ --	$ 53,632
Board of Pharmacy		
Savings Incentive Expenditures	$ --	$ 5,160
Real Estate Appraisal Board		
Savings Incentive Expenditures	$ --	$ 8,022
Kansas Real Estate Commission		
Savings Incentive Expenditures	$ --	$ 164,491
Office of the Securities Commissioner		
Salary and Wage Increase for Investigator Positions	--	34,639
Investor Education Expenditures	--	(719)
Miscellaneous Operating Expenditures Increase	--	20,000
Savings Incentive Expenditures	--	238,477
Total--Office of the Securities Commissioner	$ --	$ 292,397
Board of Technical Professions		
Savings Incentive Expenditures	$ --	$ 24,222
Office of the Governor		
Grant Assistance	--	1,071,517
Miscellaneous Operating Expenditures Increase	107,765	61,975
Total--Officer of the Governor	$ 107,765	$ 1,133,492
Office of the Lieutenant Governor		
Miscellaneous Operating Expenditures Increase	$ 22,786	$ 22,786
Board of Veterinary Examiners		
Salary and Wage Adjustment	--	(3,263)
Savings Incentive Expenditures	--	30,670
Total--Board of Veterinary Examiners	$ --	$ 27,407
Attorney General		
Operations Shift of Expenditure Authority from Prior Year	476,913	476,913
Salary and Wage Adjustments	--	464,309
Aid to Local Governments	--	47,000
Other Assistance	--	1,000,000
Internet Training Education	(307)	(307)

Schedule 8--Current Year Adjustments

	State General Fund	All Funding Sources
Attorney General, Cont'd.		
Abuse & Training Exploitation	(424,004)	(424,004)
Miscellaneous Operating Expenditures Reduction	(144,815)	(144,815)
Total--Attorney General	$ (92,213)	$ 1,419,096
Insurance Department		
Highway Patrol Security Officer	--	70,000
Fee Funds	--	(836,691)
Federal Funds	--	127,000
Savings Incentive Expenditures	--	556,780
Total--Insurance Department	$ --	$ (82,911)
Secretary of State		
Unspent HAVA Funds from Previous Years	$ 99,398	$ --
State Treasurer		
Operations Shift of Expenditure Authority from Prior Year	40,929	40,929
Tax Increment Financing Aid to Locals	--	45,338
Unclaimed Property Claims	--	2,000,000
KIDS Matching Grant	--	90,000
Miscellaneous Operating Expenditures Reduction	--	(25,582)
Savings Incentives Expenditures - PMIB	--	152,474
Total--State Treasurer	$ 40,929	$ 2,303,159
Legislative Coordinating Council		
Miscellaneous Operating Expenditures Increase	$ 134,242	$ 134,242
Legislature		
Miscellaneous Operating Expenditures Increase	$ (93,153)	$ --
Legislative Research Department		
Miscellaneous Operating Expenditures Increase	$ 185,922	$ 185,922
Legislative Division of Post Audit		
Miscellaneous Operating Expenditures Increase	$ (71,929)	$ (71,929)
Revisor of Statutes		
Miscellaneous Operating Expenditures Increase	$ 117,709	$ 117,709
Judiciary		
Operations Shift of Expenditure Authority from Prior Year	428,067	428,067
Special Revenue Fund Adjustments	--	15,733
Total--Judiciary	$ 428,067	$ 443,800
Total--General Government	**$ 2,762,923**	**$ 47,614,650**
Social & Rehabilitation Services		
Smart Start Kansas Shift of Expenditure Authority from Prior Year	--	542,984
Transfer to Wildlife & Parks for Meat for the Hungry Program	(25,000)	(25,000)
Transfer to Rainbow Mental Health Facility for Lost Title XIX Funds	(1,100,000)	(1,100,000)
Fee Funds	--	316,171
Federal Funds	--	1,064,078
Spread FY 2007 Child Welfare Savings into FY 2009	(236,454)	(614,460)
Consensus Caseload Increase--General Assistance	(300,000)	(300,000)
Consensus Caseload Decrease--Foster Care	(2,836,381)	1,636,886
Consensus Caseload Increase--HI Rehab Hospitals	5,614	100,000
Consensus Caseload Increase--ACIL	184,786	883,157
Consensus Caseload Increase--CDDO TCM	85,175	(307,909)

Schedule 8--Current Year Adjustments

	State General Fund	All Funding Sources
Social & Rehabilitation Services, Cont'd.		
Consensus Caseload Increase--NFMH	48,890	--
Consensus Caseload Decrease--PRTF	(29,992)	(63,741)
Consensus Caseload Increase--PAHP	2,029,992	12,063,741
Consensus Caseload Decrease--PIHP	(874,509)	(2,294,224)
Child Care Caseload Decrease	(2,522,035)	(2,522,035)
Improve Intake & Assessment	9,000,000	9,000,000
Adoption Support Caseload Increase	1,548,769	1,790,104
Permanent Custodianship Caseload Increase	239,302	207,160
CFS Independent Living Caseload Increase	--	513,267
Disaster Funds	--	2,241,040
MH Admin Claiming	--	1,678,955
CIF Kansas Early Childhood Block Grant	--	5,000,000
ICF/MR Durable Medical Equipment	8,731	21,627
Shift HCBS/DD Funds to Foster Care	(807,200)	(2,000,000)
SIBF Shift of Expenditure Authority from Prior Year	--	1,085
SIBF from Osawatomie State Hospital	--	2,700,000
Total--Social & Rehabilitation Services	$ 4,419,688	$ 30,532,886
Kansas Neurological Institute		
Miscellaneous Operating Expenditures Adjustment	--	24,750
Debt Service Interest Payments	--	(3,625)
Capital Improvements Energy Conservation Principal Payment	--	(5)
Total--Kansas Neurological Institute	$ --	$ 21,120
Larned State Hospital		
Replace Fee Funds	500,000	--
Expand Sexual Predator Transition House Program	228,486	228,486
Expand Sexual Predator Treatment Program	550,069	550,069
Miscellaneous Operating Expenditure Increases	--	20,560
Total--Larned State Hospital	$ 1,278,555	$ 799,115
Osawatomie State Hospital		
Increase Core Staffing Ratio and Add FTE Positions	300,000	300,000
Miscellaneous Operating Expenditures Reduction	--	(6,000)
Correct Duplication of Capital Project	--	(2,700,000)
Total--Osawatomie State Hospital	$ 300,000	$ (2,406,000)
Parsons State Hospital & Training Center		
Shift of Expenditure Authority from Prior Year	$ 150	$ 150
Rainbow Mental Health Facility		
Shift of Expenditure Authority from Prior Year	55,916	55,916
Transfer from SRS to Replace Lost XIX Funds	1,100,000	--
Transfer Savings from Education Program to Osawatomie State Hospital	(300,000)	(300,000)
Total--Rainbow Mental Health Facility	$ 855,916	$ (244,084)
Kansas Health Policy Authority		
Shift of Expenditure Authority from Prior Year	3,058,092	3,058,092
Consensus Caseload--Regular Medical	(8,399,807)	(21,000,000)
Fee Funds	--	425,188
Federal Funds	(1,365,043)	2,176,718
Office of Inspector General	(98,570)	(98,569)
Switch Fee Fund to Replace SGF	(15,000,000)	--
Total--Kansas Health Policy Authority	$ (21,805,328)	$ (15,438,571)

Schedule 8--Current Year Adjustments

	State General Fund	All Funding Sources
Department on Aging		
Operations Shift of Expenditure Authority from Prior Year	941,427	941,427
Salaries & Wages Reductions	(127,156)	299,765
Operating Expenditure Adjustments	(135,888)	758,474
Aid to Local Governments	--	51,592
Other Assistance	(1,398,183)	(3,465,068)
Nursing Facility Caseload Estimate	(31,000)	10,528
Savings Incentive Expenditures	289,519	289,519
Total--Department on Aging	$ (461,281)	$ (1,113,763)
Health & Environment--Health		
Operations Shift of Expenditure Authority from Prior Year	4,244,015	4,224,015
Fee Funds	--	2,255,159
Federal Funds	--	2,025,197
Transfer from the State Fire Marshal	--	98,637
Intra-Agency Transfer of Expenditure Authority to Environment	8,722	8,722
Savings Incentive Expenditures	--	121,536
Total--Health & Environment--Health	$ 4,252,737	$ 8,733,266
Department of Labor		
Operations Shift of Expenditure Authority from Prior Year	5,040	5,040
OOE Adjustments	--	(13,160)
Federal Funds	--	1,287,512
Unemployment Insurance (UI) Benefit Adjustments	--	44,423,975
UI Investigators	--	184,838
UI Consolidation of Call Centers	--	400,000
Workplace and Health Safety Program	--	320,000
Financial Management System Fee	--	291,421
Saving Incentive Expenditures	16,990	265,056
Total--Department of Labor	$ 22,030	$ 47,164,682
Commission on Veterans Affairs		
Operations Shift of Expenditure Authority from Prior Year	223,192	223,192
Miscellaneous Operating Expenditure Adjustments	--	1,441,204
Emporia VSR Veteran Service Representative	40,000	40,000
Equipment and Services for Kansas Veterans Home	--	91,600
SIBF Shift of Expenditure Authority from Prior Year	--	1,127,029
Total--Commission on Veterans Affairs	$ 263,192	$ 2,923,025
Kansas Guardianship Program		
Operations Shift of Expenditure Authority from Prior Year	$ 52,517	$ 52,517
Total--Human Services	**$ (10,821,824)**	**$ 71,024,343**
Department of Education		
Operations Shift of Expenditure Authority from Prior Year	333,380	333,380
Estimate of Federal Grants	--	17,017,508
Shift Operating Expenditures to Budget Year	(68,065)	(68,065)
School Finance Consensus Adjustments to State Aid	21,227,584	21,050,356
KPERS-School Consensus Adjustment	2,951,353	2,951,353
Additional Capital Outlay State Aid Demand Transfer	145,000	145,000
Miscellaneous Operating Expenditure Reductions	--	(643,891)
Additional Capital Improvement Bond & Interest Aid	--	2,515,228
Total--Department of Education	$ 24,589,252	$ 43,300,869

Schedule 8--Current Year Adjustments

	State General Fund	All Funding Sources
School for the Blind		
Additional Salaries & Wages	117,917	117,917
Additional Contractual Services to Repay KSDE	160,000	160,000
Fee & Special Revenue Funds	--	(111,617)
Federal Funds	--	(7,539)
SIBF Shift of Expenditure Authority from Prior Year	--	38,236
Total--School for the Blind	$ 277,917	$ 196,997
School for the Deaf		
Fee & Special Revenue Funds	--	(15,496)
Federal Funds	--	(140)
SIBF Shift of Expenditure Authority from Prior Year	--	8,713
Total--School for the Deaf	$ --	$ (6,923)
Board of Regents		
Operations Shift of Expenditure Authority from Prior Year	2,601,396	2,879,019
27th Payroll Certification	(8,223)	(8,223)
University Operating Grant Distribution to Universities	(28,529,005)	(28,529,005)
Infrastructure Support Distribution to Universities	--	(30,000,000)
Special Revenue Expenditures	--	(1,298,662)
Distribution of EBF to Universities for Rehabilitation & Repair	--	(15,000,000)
Change in Operating Expenditures	(268,000)	632,000
Total--Board of Regents	$ (26,203,832)	$ (71,324,871)
Emporia State University		
Operations Shift of Expenditure Authority from Prior Year	54,431	54,431
Operating Grant from the Board of Regents	1,691,948	1,691,948
Infrastructure Support Distribution	--	2,461,000
Tuition Expenditures	--	3,907,885
Restricted Fee Expenditures	--	395,990
EBF Rehabilitation & Repair Distribution	--	2,080,079
Total--Emporia State University	$ 1,746,379	$ 10,591,333
Fort Hays State University		
Operations Shift of Expenditure Authority from Prior Year	8,007	8,007
Operating Grant from the Board of Regents	1,747,262	1,747,262
Infrastructure Support Distribution	--	2,668,000
Fee Funds	--	580,057
EBF Rehabilitation & Repair Distribution	--	1,253,761
Total--Fort Hays State University	$ 1,755,269	$ 6,257,087
Kansas State University		
Operating Grant from the Board of Regents	4,606,606	4,606,606
Infrastructure Support Distribution	--	9,066,000
Tuition Expenditures	--	16,950,607
Restricted Fee Expenditures	--	(1,633,142)
Federal Funds	--	(3,929,629)
EBF Rehabilitation & Repair Distribution	--	4,996,803
Total--Kansas State University	$ 4,606,606	$ 30,057,245
Kansas State University--ESARP		
Operating Grant from the Board of Regents	2,850,147	2,850,147
Special Revenue Fund Expenditures	--	(893,639)
Restricted Fee Expenditures	--	(1,007,572)
Federal Land Grant Expenditures	--	336,804
Federal Funds	--	(5,565,487)
Total--Kansas State University--ESARP	$ 2,850,147	$ (4,279,747)

Schedule 8--Current Year Adjustments

	State General Fund	All Funding Sources
KSU--Veterinary Medical Center		
Operating Grant from the Board of Regents	459,124	459,124
Other General Use Expenditures	--	3,459,440
Tuition Expenditures	--	114,787
Restricted Fee Expenditures	--	(182,443)
Special Revenue Funds	--	(452,874)
Total--KSU--Veterinary Medical Center	$ 459,124	$ 3,398,034
Pittsburg State University		
Operations Shift of Expenditure Authority from Prior Year	4,710	4,710
Operating Grant from the Board of Regents	1,835,842	1,835,842
Infrastructure Support Distribution	--	2,070,000
Tuition Expenditures	--	(121,103)
Restricted Fee Expenditures	--	304,960
Special Revenue Funds	--	(1,559,138)
Federal Funds	--	658,426
EBF Rehabilitation & Repair Distribution	--	2,178,565
Total--Pittsburg State University	$ 1,840,552	$ 5,372,262
University of Kansas		
Operating Grant from the Board of Regents	6,267,235	6,267,235
Infrastructure Support Distribution	--	9,951,000
Tuition Expenditures	--	17,072,181
Special Revenue Funds	--	(16,469,340)
EBF Rehabilitation & Repair Distribution	--	11,451,468
Total--University of Kansas	$ 6,267,235	$ 28,272,544
University of Kansas Medical Center		
Operations Shift of Expenditure Authority from Prior Year	--	3,117
Operating Grant from the Board of Regents	5,787,525	5,787,525
Funding for Wichita Center for Graduate Medical Education	1,000,000	1,000,000
Infrastructure Support Distribution	--	3,634,500
Tuition Expenditures	--	648,000
Restricted Fee Expenditures	--	12,432,031
Special Revenue Funds	--	4,256,356
Federal Funds	--	10,018,076
EBF Rehabilitation & Repair Distribution	--	1,873,869
Total--University of Kansas Medical Center	$ 6,787,525	$ 39,653,474
Wichita State University		
Operations Shift of Expenditure Authority from Prior Year	79,729	79,729
Operating Grant from the Board of Regents	3,283,316	3,283,316
Infrastructure Support Distribution	--	3,093,000
Tuition Expenditures	--	3,467,134
Restricted Fee Expenditures	--	315,846
EBF Rehabilitation & Repair Distribution	--	1,733,189
Total--Wichita State University	$ 3,363,045	$ 11,972,214
Kansas Arts Commission		
Operating Expenditure Adjustment	--	10,634
Federal Funds	--	167,035
Total--Kansas Arts Commission	$ --	$ 177,669
Historical Society		
Operations Shift of Expenditure Authority from Prior Year	224,167	224,167
Miscellaneous Operating Expenditures Reduction	--	(24,104)
Total--Historical Society	$ 224,167	$ 200,063

Schedule 8--Current Year Adjustments

	State General Fund	All Funding Sources
State Library		
Operations Shift of Expenditure Authority from Prior Year	304	304
Special Revenue Funds	--	4,000
Grants & Gifts Funds	--	371,453
Federal Funds	--	(7,898)
Total--State Library	$ 304	$ 367,859
Total--Education	**$ 28,563,690**	**$ 104,206,109**
Department of Corrections		
Operations Shift of Expenditure Authority from Prior Year	344,266	344,266
Parole Services Operations	78,000	78,000
GPS Monitoring of Offenders	100,000	100,000
Facilities Operations	500,000	500,000
Transfer to Facilities for Operating	(923,691)	(923,691)
JEHT Foundation Grant Expenditures	(262,847)	231,692
Reentry Program Expenditures	(13,261)	(572,596)
Revised Offender Program Fund Expenditures	--	39,882
Revised Food Service Contract	(386,120)	(386,120)
Revised Special Revenue Fund Expenditures	--	116,467
Infrastructure Fund Transfer to Lansing Correctional Facility	--	(150,000)
Federal Funds	--	993,255
Decreased Sales by Kansas Correctional Industries	--	(184,562)
Savings Incentive Expenditures	56,737	56,737
Ongoing Capital Improvements	--	967,481
Distribute CIBF to Correctional Facilities	--	(1,841,474)
Total--Department of Corrections	$ (506,916)	$ (630,663)
El Dorado Correctional Facility		
Transfer from Central Office for Operating Expenditures	197,500	197,500
General Fees Fund Expenditures	--	20,809
Central Office CIBF Distribution	--	27,317
Total--El Dorado Correctional Facility	$ 197,500	$ 245,626
Ellsworth Correctional Facility		
Transfer from Central Office for Operating Expenditures	45,000	45,000
General Fees Fund Expenditures	--	17,494
Savings Incentive Expenditures	2,630	2,630
Central Office CIBF Distribution	--	136,710
Ongoing Capital Improvements	--	690
Total--Ellsworth Correctional Facility	$ 47,630	$ 202,524
Hutchinson Correctional Facility		
Transfer from Central Office for Operating Expenditures	123,000	123,000
Savings Incentive Expenditures	1,039	1,039
Central Office CIBF Distribution	--	259,140
Ongoing Capital Improvements	--	38,475
Total--Hutchinson Correctional Facility	$ 124,039	$ 421,654
Lansing Correctional Facility		
Transfer from Central Office for Operating Expenditures	460,500	460,500
General Fees Fund Expenditures	--	15,000
Infrastructure Fund Transfer from Central Office	--	150,000
Savings Incentive Expenditures	6,268	6,268
Central Office CIBF Distribution	--	85,321
Ongoing Capital Improvements	--	132,018
Total--Lansing Correctional Facility	$ 466,768	$ 849,107

Schedule 8--Current Year Adjustments

	State General Fund	All Funding Sources
Larned Correctional Mental Health Facility		
Transfer from Central Office for Operating Expenditures	5,691	5,691
Central Office CIBF Distribution	--	219,654
Ongoing Capital Improvements	--	1,834
Total--Larned Correctional Mental Health Facility	$ 5,691	$ 227,179
Norton Correctional Facility		
Transfer from Central Office for Operating Expenditures	45,000	45,000
Savings Incentive Expenditures	7,272	7,272
Central Office CIBF Distribution	--	814,973
Ongoing Capital Improvements	--	39,746
Total--Norton Correctional Facility	$ 52,272	$ 906,991
Topeka Correctional Facility		
Transfer from Central Office for Operating Expenditures	47,000	47,000
General Fees Fund Expenditures	--	(19,189)
Housing Federal Female Inmates	--	590
Savings Incentive Expenditures	229	229
Central Office CIBF Distribution	--	252,159
Ongoing Capital Improvements	--	212,170
Total--Topeka Correctional Facility	$ 47,229	$ 492,959
Winfield Correctional Facility		
General Fee Fund Expenditures	--	6,351
Savings Incentive Expenditures	386	386
Central Office CIBF Distribution	--	46,200
Ongoing Capital Improvements	--	90,237
Total--Winfield Correctional Facility	$ 386	$ 143,174
Juvenile Justice Authority		
Operations Shift of Expenditure Authority from Prior Year	17,179	55,563
Transfer from Atchison Juvenile Correctional Facility	249,000	249,000
Fee Funds	--	(406,365)
Federal Funds	--	2,281,311
Kansas Juvenile Delinquency Prevention	--	(56,058)
Transfer of SIBF to Atchison Juvenile Correctional Facility	--	(149,738)
Transfer of SIBF from Larned Juvenile Correctional Facility	--	410
SIBF Lapse	--	(16,610)
Total--Juvenile Justice Authority	$ 266,179	$ 1,957,513
Atchison Juvenile Correctional Facility		
Operations Shift of Expenditure Authority from Prior Year	760	16,789
Transfer of SGF to Juvenile Justice Authority Central Office	(249,000)	(249,000)
Federal Funds	--	(29,000)
Transfer of SIBF from Juvenile Justice Authority Central Office	--	149,738
Total--Atchison Juvenile Correctional Facility	$ (248,240)	$ (111,473)
Beloit Juvenile Correctional Facility		
Operations Shift of Expenditure Authority from Prior Year	1,096	1,096
Federal Funds	--	(6,333)
Total--Beloit Juvenile Correctional Facility	$ 1,096	$ (5,237)
Larned Juvenile Correctional Facility		
Federal Funds	$ --	$ 82,631

Schedule 8--Current Year Adjustments

	State General Fund	All Funding Sources
Kansas Juvenile Correctional Complex		
Operations Shift of Expenditure Authority from Prior Year	376	376
Fee Funds	--	276,341
Federal Funds	--	57,002
Total--Kansas Juvenile Correctional Complex	$ 376	$ 333,719
Adjutant General		
Unspent Military Activation Payments from Prior Year	96,000	96,000
NG Life Insurance Shift of Expenditure Authority from Prior Year	320,490	320,490
Other Operating Expenditures Adjustments	2,180	(939,104)
Aid to Local Governments	680,243	37,311,517
Homeland Security Funds	--	4,836,851
Other Assistance for Disaster Relief	82,901	19,781,009
Military Death Benefits	500,000	500,000
Debt Service Funding for Armory Bonds	(1,904)	(1,904)
Military Activation Payments	(121,000)	(121,000)
National Guard Life Insurance Reimbursement	(610,490)	(610,490)
Debt Service Payments	3,359	3,359
Rehab. & Repair Shift of Expenditure Authority from Prior Year	545	545
Rehab. & Repair of National Guard Bureau	--	500,000
Total--Adjutant General	$ 952,324	$ 61,677,273
Emergency Medical Services Board		
Federal Funds	--	321,440
Savings Incentive Expenditures	--	67,507
Total--Emergency Medical Services Board	$ --	$ 388,947
State Fire Marshal		
Federal Funds	--	(9,616)
Savings Incentive Expenditures	--	44,211
Total--State Fire Marshal	$ --	$ 34,595
Highway Patrol		
Trooper Pay Increase	--	191,854
Fee Funds	--	(524,292)
Federal Funds	--	2,345,686
Homeland Security Funds	--	(8,994,851)
Total--Highway Patrol	$ --	$ (6,981,603)
Kansas Bureau of Investigation		
Contractual Services--KIBRS Project	--	250,000
Homeland Security Funds	--	681,713
Fee Funds	--	143,011
Federal Funds	--	808,004
Capital Improvements Shift of Expenditure Authority from Prior Year	148,196	148,196
Total--Kansas Bureau of Investigation	$ 148,196	$ 2,030,924
Kansas Parole Board		
Operations Shift of Expenditure Authority from Prior Year	$ 6,703	$ 6,703
Kansas Sentencing Commission		
Operations Shift of Expenditure Authority from Prior Year	286,579	286,579
Miscellaneous Operating Expenditures Increase	--	3,274
Total--Kansas Sentencing Commission	$ 286,579	$ 289,853
Total--Public Safety	**$ 1,847,812**	**$ 62,562,396**

Schedule 8--Current Year Adjustments

	State General Fund	All Funding Sources
Department of Agriculture		
Operations Shift of Expenditure Authority from Prior Year	--	7,430
Homeland Security Funding	--	181,795
Fee Funds	--	269,894
Federal Funds	--	(1,409,264)
Total--Department of Agriculture	$ --	$ (950,145)
State Conservation Commission		
Operations Shift of Expenditure Authority from Prior Year	4,814	3,205,470
Partial Lapse of Unspent State Water Plan Fund Monies	--	(571,110)
Federal Funds	--	(31,365)
Total--State Conservation Commission	$ 4,814	$ 2,602,995
Health & Environment--Environment		
Operations Shift of Expenditure Authority from Prior Year	88,757	230,421
Fee Funds	--	1,406,066
Federal Funds	--	1,386,902
Intra-Agency Transfer of Expenditure Authority from Health	(8,722)	--
Total--Health & Environment--Environment	$ 80,035	$ 3,023,389
Kansas State Fair		
Fee Funds	--	(124,349)
Receptionist Position	--	25,375
Total--Kansas State Fair	$ --	$ (98,974)
Kansas Water Office		
Operations Shift of Expenditure Authority from Prior Year	--	194,060
Fee Funds	--	154,404
Miscellaneous Operating Expenditures Reductions	--	(131,996)
Total--Kansas Water Office	$ --	$ 216,468
Department of Wildlife & Parks		
Operations Shift of Expenditure Authority from Prior Year	964,254	964,254
Flood Damage Repair	--	1,095,182
Miscellaneous Operating Expenditure Reductions	(207,881)	(442,084)
Capital Improvements Shift of Expenditure Authority from Prior Year	--	8,111,021
Total--Department of Wildlife & Parks	$ 756,373	$ 9,728,373
Total--Agriculture & Natural Resources	**$ 841,222**	**$ 14,522,106**
Kansas Department of Transportation		
State Operating Expenditures	--	3,491,018
Aid to Local Governments	--	(289,845)
Other Assistance & Grants	--	(842,960)
Savings Incentive Expenditures	--	807,078
Ongoing Capital Improvements	--	168,827,768
Total--Kansas Department of Transportation	$ --	$ 171,993,059
Total--Transportation	**$ --**	**$ 171,993,059**
Statewide Total	**$ 23,193,823**	**$ 471,922,663**

Schedules 9.1—9.3—Positions by Agency present three views of the state workforce.

Schedule 9.1—Authorized Positions by Agency reflects the total number of positions approved for each state agency. The purpose of this schedule is to provide information regarding the size of the state workforce by agency. Total positions are divided into full-time equivalent (FTE) positions and non-FTE unclassified permanent positions. If only one row of numbers appears in the table, the agency has only FTE positions and no non-FTE unclassified permanent ones. FTE positions are permanent full-time or regular part-time positions equated to full-time. The number of FTE positions for each agency is typically constrained by a limitation included in appropriation bills; however, positions in legislative and judicial agencies along with several agencies of the Executive Branch, such as Regents institutions, are not constrained by a limitation. Similarly, non-FTE unclassified permanent positions are not subject to a position limitation. The "non-FTE unclassified permanent" label is intended to reflect the fact that these are permanent positions that should properly be counted as part of the state workforce, although they are treated as unclassified temporary positions in the SHARP personnel and payroll system.

Schedule 9.2—Headcount by Agency shows the average number of employees on the state payroll for all biweekly payrolls for actual FY 2005, FY 2006, and FY 2007. Headcount includes everyone on the state payroll, both permanent and temporary. It is calculated by dividing the number of checks issued in a fiscal year by 26 biweekly payrolls (27 in the case of FY 2006), yielding the average number of employees on the payroll during that fiscal year.

Schedule 9.3—Mathematical FTE Positions by Agency restores the historical concept of FTE by representing the state workforce as the number of positions mathematically equated to full time. What is currently called authorized FTE positions has become an artificially inflated total, because reductions for planned staff turnover and other budget reductions to salaries prevent many agencies from filling the positions they are legally authorized. To balance their budgets, they must leave positions vacant for all or part of a fiscal year. Therefore, the legal FTE count remains higher than what the budget can really support. This table represents a view that mathematically equates to full time the number of positions actually filled for the fiscal years indicated, including overtime and any leave time in which employees were in pay status. For example, if an agency is legally authorized 10.00 FTE positions but one of them was vacant for half of the fiscal year, this table would report that agency's mathematical FTE total as 9.50. This table presents a more accurate and precise picture of FTE positions, including for budgeting purposes a view that indicates the number of positions that the budget can actually support.

Schedule 9.1--Authorized Positions by Agency

	FY 2007 Actual	FY 2008 Gov. Estimate	FY 2009 Base Budget	FY 2009 Enhance. Pkg.	FY 2009 Gov. Rec.
General Government					
Department of Administration					
FTE Positions	759.55	761.55	759.55	2.00	763.55
Non-FTE Unclassified Permanent Positions	15.90	37.13	37.00	--	37.00
Total--Department of Administration	775.45	798.68	796.55	2.00	800.55
Kansas Corporation Commission					
FTE Positions	214.00	214.00	214.00	--	214.00
Non-FTE Unclassified Permanent Positions	6.50	6.50	6.50	--	6.50
Total--Kansas Corporation Commission	220.50	220.50	220.50	--	220.50
Citizens Utility Ratepayer Board	6.00	6.00	6.00	--	6.00
Kansas Human Rights Commission	34.00	34.00	34.00	--	34.00
Board of Indigents Defense Services	191.00	193.00	193.00	--	193.00
Health Care Stabilization	17.00	17.00	17.00	--	17.00
Kansas Public Employees Retirement System	85.25	86.25	86.25	2.00	86.25
Department of Commerce					
FTE Positions	423.10	424.43	418.74	--	418.74
Non-FTE Unclassified Permanent Positions	45.00	49.50	48.00	--	48.00
Total--Department of Commerce	468.10	473.93	466.74	--	466.74
Kansas Technology Enterprise Corporation	16.00	16.00	16.00	--	16.00
Kansas, Inc.					
FTE Positions	4.50	4.50	4.50	--	4.50
Non-FTE Unclassified Permanent Positions	1.00	1.00	1.00	--	1.00
Total--Kansas, Inc.	5.50	5.50	5.50	--	5.50
Kansas Lottery	87.00	94.00	86.00	13.00	99.00
Kansas Racing & Gaming Commission					
FTE Positions	67.00	146.00	77.75	122.25	160.50
Non-FTE Unclassified Permanent Positions	9.00	8.00	8.00	--	8.00
Total--Racing & Gaming Commission	76.00	154.00	85.75	122.25	168.50
Department of Revenue					
FTE Positions	1,146.00	1,146.00	1,146.00	--	1,146.00
Non-FTE Unclassified Permanent Positions	15.50	15.50	15.50	--	15.50
Total--Department of Revenue	1,161.50	1,161.50	1,161.50	--	1,161.50
Board of Tax Appeals	26.00	26.00	26.00	--	26.00
Abstracters Board of Examiners	--	--	--	--	--
Board of Accountancy	3.00	3.00	3.00	--	3.00
Banking Department					
FTE Positions	90.00	97.00	99.00	--	99.00
Non-FTE Unclassified Permanent Positions	2.00	1.00	1.00	--	1.00
Total--Banking Department	92.00	98.00	100.00	--	100.00
Board of Barbering					
FTE Positions	1.50	1.50	1.50	--	1.50
Non-FTE Unclassified Permanent Positions	0.50	0.50	0.50	--	0.50
Total--Board of Barbering	2.00	2.00	2.00	--	2.00

Schedule 9.1--Authorized Positions by Agency

	FY 2007 Actual	FY 2008 Gov. Estimate	FY 2009 Base Budget	FY 2009 Enhance. Pkg.	FY 2009 Gov. Rec.
Behavioral Sciences Regulatory Board	8.00	8.00	8.00	--	8.00
Board of Cosmetology	12.00	12.00	12.00	1.00	12.00
Department of Credit Unions	12.00	12.00	12.00	--	12.00
Kansas Dental Board	3.00	3.00	3.00	--	3.00
Governmental Ethics Commission					
FTE Positions	9.00	9.00	9.00	--	9.00
Non-FTE Unclassified Permanent Positions	0.50	0.50	0.50	--	0.50
Total--Governmental Ethics Commission	9.50	9.50	9.50	--	9.50
Board of Healing Arts					
FTE Positions	32.00	39.00	39.00	--	39.00
Non-FTE Unclassified Permanent Positions	2.00	--	--	--	--
Total--Board of Healing Arts	34.00	39.00	39.00	--	39.00
Hearing Instruments Board of Examiners	0.40	0.40	0.40	--	0.40
Board of Mortuary Arts	3.00	3.00	3.00	--	3.00
Board of Nursing	22.00	24.00	24.00	--	24.00
Board of Examiners in Optometry					
FTE Positions	0.80	0.80	0.80	--	0.80
Non-FTE Unclassified Permanent Positions	1.00	1.00	1.00	--	1.00
Total--Board of Examiners in Optometry	1.80	1.80	1.80	--	1.80
Board of Pharmacy	7.00	10.00	8.00	--	8.00
Real Estate Appraisal Board	2.00	2.00	2.00	--	2.00
Kansas Real Estate Commission	14.00	15.00	15.00	--	15.00
Office of the Securities Commissioner	30.13	32.13	32.13	--	32.13
Board of Technical Professions	6.00	6.00	6.00	--	6.00
Board of Veterinary Examiners	3.00	3.00	3.00	--	3.00
Office of the Governor	41.70	37.95	37.80	--	37.80
Office of the Lieutenant Governor	3.50	3.50	3.50	--	3.50
Attorney General					
FTE Positions	102.00	102.00	102.00	13.00	120.00
Non-FTE Unclassified Permanent Positions	12.00	12.60	12.60	--	12.60
Total--Attorney General	114.00	114.60	114.60	13.00	132.60
Insurance Department					
FTE Positions	143.00	143.00	143.00	--	143.00
Non-FTE Unclassified Permanent Positions	4.00	4.00	4.00	--	4.00
Total--Insurance Department	147.00	147.00	147.00	--	147.00
Secretary of State	55.00	55.00	55.00	--	55.00
State Treasurer	55.50	55.50	55.50	--	55.50
Legislative Coordinating Council	11.00	11.00	11.00	--	11.00
Legislature	35.00	36.00	37.00	--	37.00

Schedule 9.1--Authorized Positions by Agency

	FY 2007 Actual	FY 2008 Gov. Estimate	FY 2009 Base Budget	FY 2009 Enhance. Pkg.	FY 2009 Gov. Rec.
Legislative Research Department	40.00	40.00	40.00	--	40.00
Legislative Division of Post Audit	26.00	26.00	26.00	1.00	26.00
Revisor of Statutes					
FTE Positions	29.50	31.50	31.50	--	31.50
Non-FTE Unclassified Permanent Positions	--	3.00	3.00	--	3.00
Total--Revisor of Statutes	29.50	34.50	34.50	--	34.50
Judiciary	1,843.30	1,846.30	1,849.30	38.50	1,849.30
Judicial Council	4.00	7.00	7.00	--	7.00
Total--FTE Positions	**5,724.73**	**5,844.31**	**5,764.22**	**192.75**	**5,881.97**
Total--Non-FTE Unclassified Perm. Pos.	**114.90**	**140.23**	**138.60**	**--**	**138.60**
Total--General Government	**5,839.63**	**5,984.54**	**5,902.82**	**192.75**	**6,020.57**
Human Services					
Social & Rehabilitation Services					
FTE Positions	3,670.61	3,668.63	3,669.63	9.00	3,669.63
Non-FTE Unclassified Permanent Positions	72.60	72.60	72.60	--	72.60
Total--Social & Rehabilitation Services	3,743.21	3,741.23	3,742.23	9.00	3,742.23
Kansas Neurological Institute	575.20	570.20	570.20	--	570.20
Larned State Hospital					
FTE Positions	976.20	1,004.20	976.20	76.50	1,004.20
Non-FTE Unclassified Permanent Positions	16.98	17.98	16.98	--	17.98
Total--Larned State Hospital	993.18	1,022.18	993.18	76.50	1,022.18
Osawatomie State Hospital	404.60	428.60	428.60	75.40	428.60
Parsons State Hospital & Training Center	467.20	497.20	497.20	--	497.20
Rainbow Mental Health Facility	117.20	122.20	122.20	21.00	122.20
Subtotal--FTE Positions	**6,211.01**	**6,291.03**	**6,264.03**	**181.90**	**6,292.03**
Subtotal--Non-FTE Unclassified Perm. Pos.	**89.58**	**90.58**	**89.58**	**--**	**90.58**
Subtotal--SRS	**6,300.59**	**6,381.61**	**6,353.61**	**181.90**	**6,382.61**
Kansas Health Policy Authority					
FTE Positions	204.33	263.88	263.88	--	266.88
Non-FTE Unclassified Permanent Positions	11.39	10.00	10.00	--	10.00
Total--Kansas Health Policy Authority	215.72	273.88	273.88	--	276.88
Department on Aging					
FTE Positions	208.00	209.00	209.00	--	209.00
Non-FTE Unclassified Permanent Positions	9.50	10.50	10.50	--	10.50
Total--Department on Aging	217.50	219.50	219.50	--	219.50
Health & Environment--Health					
FTE Positions	416.10	414.90	413.90	3.00	413.90
Non-FTE Unclassified Permanent Positions	167.35	168.35	160.35	--	160.35
Total--Health & Environment--Health	583.45	583.25	574.25	3.00	574.25
Department of Labor					
FTE Positions	601.23	552.00	552.00	--	552.00
Non-FTE Unclassified Permanent Positions	43.15	37.40	37.40	--	37.40
Total--Department of Labor	644.38	589.40	589.40	--	589.40

Schedule 9.1--Authorized Positions by Agency

	FY 2007 Actual	FY 2008 Gov. Estimate	FY 2009 Base Budget	FY 2009 Enhance. Pkg.	FY 2009 Gov. Rec.
Commission on Veterans Affairs					
FTE Positions	557.80	556.75	526.75	35.00	536.75
Non-FTE Unclassified Permanent Positions	--	--	--	--	24.00
Total--Commission on Veterans Affairs	557.80	556.75	526.75	35.00	560.75
Kansas Guardianship Program	12.00	12.00	12.00	--	12.00
Total--FTE Positions	**8,210.47**	**8,299.56**	**8,241.56**	**219.90**	**8,282.56**
Total--Non-FTE Unclassified Perm. Pos.	**320.97**	**316.83**	**307.83**	**--**	**332.83**
Total--Human Services	**8,531.44**	**8,616.39**	**8,549.39**	**219.90**	**8,615.39**
Education					
Department of Education					
FTE Positions	215.70	212.25	210.25	3.00	212.25
Non-FTE Unclassified Permanent Positions	64.30	71.55	69.35	1.00	70.35
Total--Department of Education	280.00	283.80	279.60	4.00	282.60
School for the Blind	93.50	93.50	93.50	--	93.50
School for the Deaf	173.50	173.50	173.50	--	173.50
Subtotal--FTE Positions	**482.70**	**479.25**	**477.25**	**3.00**	**479.25**
Subtotal--Non-FTE Unclassified Perm. Pos.	**64.30**	**71.55**	**69.35**	**1.00**	**70.35**
Subtotal--Board of Education	**547.00**	**550.80**	**546.60**	**4.00**	**549.60**
Board of Regents	58.50	63.50	63.50	2.00	63.50
Emporia State University	806.90	823.50	822.60	--	822.60
Fort Hays State University	733.60	737.50	737.50	--	737.50
Kansas State University	3,349.55	3,475.87	3,475.87	--	3,475.87
Kansas State University--ESARP	1,390.29	1,389.68	1,389.68	--	1,389.68
KSU--Veterinary Medical Center	315.63	323.08	323.08	--	323.08
Pittsburg State University	855.33	877.93	877.93	--	877.93
University of Kansas	5,350.00	5,450.01	5,450.01	--	5,450.01
University of Kansas Medical Center	2,256.56	2,702.80	2,702.80	--	2,702.80
Wichita State University	1,840.13	1,880.64	1,880.64	--	1,880.64
Subtotal--FTE Positions	**16,956.49**	**17,724.51**	**17,723.61**	**2.00**	**17,723.61**
Subtotal--Regents	**16,956.49**	**17,724.51**	**17,723.61**	**2.00**	**17,723.61**
Kansas Arts Commission	8.00	8.00	8.00	--	8.00
Historical Society					
FTE Positions	134.00	134.00	134.00	--	134.00
Non-FTE Unclassified Permanent Positions	4.00	4.00	4.00	--	4.00
Total--Historical Society	138.00	138.00	138.00	--	138.00
State Library	27.00	27.00	27.00	--	27.00
Total--FTE Positions	**17,608.19**	**18,372.76**	**18,369.86**	**5.00**	**18,371.86**
Total--Non-FTE Unclassified Perm. Pos.	**68.30**	**75.55**	**73.35**	**1.00**	**74.35**
Total--Education	**17,676.49**	**18,448.31**	**18,443.21**	**6.00**	**18,446.21**

Schedule 9.1--Authorized Positions by Agency

	FY 2007 Actual	FY 2008 Gov. Estimate	FY 2009 Base Budget	FY 2009 Enhance. Pkg.	FY 2009 Gov. Rec.
Public Safety					
Department of Corrections					
FTE Positions	306.70	320.70	324.70	--	324.70
Non-FTE Unclassified Permanent Positions	49.00	102.00	98.00	--	98.00
Total--Department of Corrections	355.70	422.70	422.70	--	422.70
El Dorado Correctional Facility					
FTE Positions	464.00	463.00	462.00	--	462.00
Non-FTE Unclassified Permanent Positions	3.00	3.00	3.00	--	3.00
Total--El Dorado Correctional Facility	467.00	466.00	465.00	--	465.00
Ellsworth Correctional Facility					
FTE Positions	221.00	220.00	219.00	--	219.00
Non-FTE Unclassified Permanent Positions	3.00	3.00	3.00	--	3.00
Total--Ellsworth Correctional Facility	224.00	223.00	222.00	--	222.00
Hutchinson Correctional Facility					
FTE Positions	514.00	513.00	512.00	--	512.00
Non-FTE Unclassified Permanent Positions	4.00	4.00	4.00	--	4.00
Total--Hutchinson Correctional Facility	518.00	517.00	516.00	--	516.00
Lansing Correctional Facility					
FTE Positions	696.00	701.00	700.00	--	700.00
Non-FTE Unclassified Permanent Positions	2.00	2.00	2.00	--	2.00
Total--Lansing Correctional Facility	698.00	703.00	702.00	--	702.00
Larned Correctional Mental Health Facility					
FTE Positions	186.00	185.00	185.00	--	185.00
Non-FTE Unclassified Permanent Positions	1.00	1.00	1.00	--	1.00
Total--Larned Corr. Mental Health Facility	187.00	186.00	186.00	--	186.00
Norton Correctional Facility					
FTE Positions	265.00	264.00	264.00	--	264.00
Non-FTE Unclassified Permanent Positions	3.00	3.00	3.00	--	3.00
Total--Norton Correctional Facility	268.00	267.00	267.00	--	267.00
Topeka Correctional Facility					
FTE Positions	248.00	246.00	246.00	--	246.00
Non-FTE Unclassified Permanent Positions	6.00	8.00	8.00	--	8.00
Total--Topeka Correctional Facility	254.00	254.00	254.00	--	254.00
Winfield Correctional Facility					
FTE Positions	201.00	200.00	200.00	--	200.00
Non-FTE Unclassified Permanent Positions	2.00	2.00	2.00	--	2.00
Total--Winfield Correctional Facility	203.00	202.00	202.00	--	202.00
Subtotal--FTE Positions	**3,101.70**	**3,112.70**	**3,112.70**	**--**	**3,112.70**
Subtotal--Non-FTE Unclassified Perm. Pos.	**73.00**	**128.00**	**124.00**	**--**	**124.00**
Subtotal--Corrections	**3,174.70**	**3,240.70**	**3,236.70**	**--**	**3,236.70**
Juvenile Justice Authority					
FTE Positions	42.00	42.00	42.00	--	42.00
Non-FTE Unclassified Permanent Positions	15.50	18.00	18.00	--	18.00
Total--Juvenile Justice Authority	57.50	60.00	60.00	--	60.00
Atchison Juvenile Correctional Facility					
FTE Positions	99.00	99.00	99.00	--	99.00
Non-FTE Unclassified Permanent Positions	--	6.00	6.00	--	6.00
Total--Atchison Juvenile Correctional Facility	99.00	105.00	105.00	--	105.00

Schedule 9.1--Authorized Positions by Agency

	FY 2007 Actual	FY 2008 Gov. Estimate	FY 2009 Base Budget	FY 2009 Enhance. Pkg.	FY 2009 Gov. Rec.
Beloit Juvenile Correctional Facility					
FTE Positions	87.00	87.00	87.00	--	87.00
Non-FTE Unclassified Permanent Positions	--	1.00	1.00	--	1.00
Total--Beloit Juvenile Correctional Facility	87.00	88.00	88.00	--	88.00
Kansas Juvenile Correctional Complex					
FTE Positions	253.50	253.50	253.50	18.00	253.50
Non-FTE Unclassified Permanent Positions	--	11.00	11.00	--	11.00
Total--Kansas Juvenile Correctional Complex	253.50	264.50	264.50	18.00	264.50
Larned Juvenile Correctional Facility					
FTE Positions	146.00	146.00	146.00	2.00	146.00
Non-FTE Unclassified Permanent Positions	5.00	7.00	7.00	--	7.00
Total--Larned Juvenile Correctional Facility	151.00	153.00	153.00	2.00	153.00
Subtotal--FTE Positions	**627.50**	**627.50**	**627.50**	**20.00**	**627.50**
Subtotal--Non-FTE Unclassified Perm. Pos.	**20.50**	**43.00**	**43.00**	**--**	**43.00**
Subtotal--Juvenile Justice	**648.00**	**670.50**	**670.50**	**20.00**	**670.50**
Adjutant General					
FTE Positions	219.00	219.00	219.00	10.50	221.00
Non-FTE Unclassified Permanent Positions	279.45	228.55	228.55	--	228.55
Total--Adjutant General	498.45	447.55	447.55	10.50	449.55
Emergency Medical Services Board	14.00	14.00	14.00	--	14.00
State Fire Marshal					
FTE Positions	51.00	52.00	52.00	1.00	52.00
Non-FTE Unclassified Permanent Positions	3.00	2.00	1.00	--	1.00
Total--State Fire Marshal	54.00	54.00	53.00	1.00	53.00
Highway Patrol					
FTE Positions	857.00	859.00	859.00	--	859.00
Non-FTE Unclassified Permanent Positions	32.00	38.00	38.00	--	38.00
Total--Highway Patrol	889.00	897.00	897.00	--	897.00
Kansas Bureau of Investigation					
FTE Positions	220.00	220.00	220.00	4.00	223.00
Non-FTE Unclassified Permanent Positions	104.63	126.13	126.13	--	126.13
Total--Kansas Bureau of Investigation	324.63	346.13	346.13	4.00	349.13
Kansas Parole Board	3.00	3.00	3.00	--	3.00
Comm. on Peace Officers Standards & Training	--	5.00	7.00	--	7.00
Sentencing Commission					
FTE Positions	10.00	10.00	10.00	1.00	11.00
Non-FTE Unclassified Permanent Positions	4.00	4.00	4.00	--	4.00
Total--Sentencing Commission	14.00	14.00	14.00	1.00	15.00
Total--FTE Positions	**5,103.20**	**5,122.20**	**5,124.20**	**36.50**	**5,130.20**
Total--Non-FTE Unclassified Perm. Pos.	**516.58**	**569.68**	**564.68**	**--**	**564.68**
Total--Public Safety	**5,619.78**	**5,691.88**	**5,688.88**	**36.50**	**5,694.88**
Agriculture & Natural Resources					
Department of Agriculture					
FTE Positions	308.49	314.49	314.49	3.00	316.49
Non-FTE Unclassified Permanent Positions	29.98	23.98	23.98	--	23.98
Total--Department of Agriculture	338.47	338.47	338.47	3.00	340.47

Schedule 9.1--Authorized Positions by Agency

	FY 2007 Actual	FY 2008 Gov. Estimate	FY 2009 Base Budget	FY 2009 Enhance. Pkg.	FY 2009 Gov. Rec.
Animal Health Department					
FTE Positions	33.00	33.00	33.00	4.00	33.00
Non-FTE Unclassified Permanent Positions	1.00	1.00	1.00	--	1.00
Total--Animal Health Department	34.00	34.00	34.00	4.00	34.00
State Conservation Commission					
FTE Positions	13.00	14.00	14.00	--	14.00
Non-FTE Unclassified Permanent Positions	9.00	8.00	8.00	--	8.00
Total--State Conservation Commission	22.00	22.00	22.00	--	22.00
Health & Environment--Environment					
FTE Positions	462.30	474.60	475.60	3.00	475.60
Non-FTE Unclassified Permanent Positions	63.00	64.00	67.00	--	67.00
Total--Health & Environment--Environment	525.30	538.60	542.60	3.00	542.60
Kansas State Fair	23.00	24.00	23.00	1.00	24.00
Kansas Water Office					
FTE Positions	22.50	23.50	23.50	0.50	23.50
Non-FTE Unclassified Permanent Positions	2.00	2.00	2.00	--	2.00
Total--Kansas Water Office	24.50	25.50	25.50	0.50	25.50
Department of Wildlife & Parks					
FTE Positions	407.50	410.50	410.50	12.00	419.50
Non-FTE Unclassified Permanent Positions	20.00	21.00	23.00	(3.00)	21.00
Total--Department of Wildlife & Parks	427.50	431.50	433.50	9.00	440.50
Total--FTE Positions	**1,269.79**	**1,294.09**	**1,294.09**	**23.50**	**1,306.09**
Total--Non-FTE Unclassified Perm. Pos.	**124.98**	**119.98**	**124.98**	**(3.00)**	**122.98**
Total--Agriculture & Natural Resources	**1,394.77**	**1,414.07**	**1,419.07**	**20.50**	**1,429.07**
Transportation					
Kansas Department of Transportation					
FTE Positions	3,220.50	3,201.50	3,150.50	--	3,150.50
Non-FTE Unclassified Permanent Positions	37.25	41.75	41.75	--	41.75
Total--Kansas Department of Transportation	3,257.75	3,243.25	3,192.25	--	3,192.25
Total--FTE Positions	**41,136.88**	**42,134.42**	**41,944.43**	**477.65**	**42,123.18**
Total--Non-FTE Unclassified Perm. Pos.	**1,182.98**	**1,264.02**	**1,251.19**	**(2.00)**	**1,275.19**
Total--Positions	**42,319.86**	**43,398.44**	**43,195.62**	**475.65**	**43,398.37**

Schedule 9.2--Headcount by Agency

	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual
General Government			
Department of Administration	715.08	655.00	615.00
Kansas Corporation Commission	208.65	212.41	215.31
Citizens Utility Ratepayer Board	5.19	5.48	5.69
Kansas Human Rights Commission	32.31	33.33	33.42
Board of Indigents Defense Services	167.35	170.67	175.38
Health Care Stabilization	14.81	14.67	15.81
Kansas Public Employees Retirement System	88.96	85.81	83.08
Department of Commerce	359.31	394.41	372.92
Kansas Technology Enterprise Corporation	24.77	24.19	16.23
Kansas, Inc.	3.96	3.15	3.73
Kansas Lottery	85.38	85.52	83.92
Kansas Racing & Gaming Commission	68.04	67.22	65.69
Department of Revenue	1,107.19	1,101.22	1,128.27
Board of Tax Appeals	22.23	23.96	23.73
Abstracters Board of Examiners	2.31	2.19	2.23
Board of Accountancy	4.85	5.07	4.81
Banking Department	87.04	93.19	94.50
Board of Barbering	3.35	3.81	3.69
Behavioral Sciences Regulatory Board	8.65	9.22	10.19
Board of Cosmetology	16.31	15.37	16.35
Department of Credit Unions	13.96	13.78	12.69
Kansas Dental Board	4.85	4.44	4.50
Governmental Ethics Commission	13.35	13.00	13.38
Board of Healing Arts	39.31	42.41	42.54
Hearing Instruments Board of Examiners	2.15	1.81	2.00
Board of Mortuary Arts	3.54	3.52	3.69
Board of Nursing	23.77	24.00	24.38
Board of Examiners in Optometry	2.15	2.37	2.42
Board of Pharmacy	10.08	10.15	9.58
Real Estate Appraisal Board	5.31	5.96	5.31
Kansas Real Estate Commission	15.35	15.67	15.23
Office of the Securities Commissioner	29.50	31.70	31.23
Board of Technical Professions	8.38	8.19	8.88
Board of Veterinary Examiners	6.69	6.19	5.65
Office of the Governor	52.81	56.74	53.23
Office of the Lieutenant Governor	2.69	2.81	4.23
Attorney General	102.23	103.67	107.00
Insurance Department	128.77	127.11	125.65
Secretary of State	58.50	61.30	64.23
State Treasurer	46.77	47.11	39.42
Legislative Coordinating Council	11.00	11.00	11.12
Legislature	278.92	285.41	287.23
Legislative Research Department	37.69	38.11	38.92
Legislative Division of Post Audit	21.08	25.33	26.27
Revisor of Statutes	30.38	31.04	31.54
Judiciary	1,965.42	1,972.93	1,989.81
Judicial Council	8.88	10.93	19.65
Total--General Government	**5,949.27**	**5,962.57**	**5,949.73**
Human Services			
Social & Rehabilitation Services	3,480.88	3,323.11	3,342.85
Kansas Neurological Institute	675.77	676.63	673.08
Larned State Hospital	878.96	912.22	1,087.04

Schedule 9.2--Headcount by Agency

	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual
Osawatomie State Hospital	412.58	409.70	415.27
Parsons State Hospital & Training Center	617.88	620.00	619.85
Rainbow Mental Health Facility	122.04	125.04	130.77
Subtotal--SRS	**6,188.11**	**6,066.70**	**6,268.86**
Administration--Health Policy & Finance	--	132.74	--
Kansas Health Policy Authority	--	0.89	188.96
Department on Aging	178.23	180.81	178.96
Health & Environment--Health	967.23	978.04	990.62
Department of Labor	592.73	496.04	491.08
Commission on Veterans Affairs	396.15	381.19	380.62
Kansas Guardianship Program*	--	--	--
Total--Human Services	**8,322.45**	**8,236.41**	**8,499.10**
Education			
Department of Education	254.00	255.37	255.69
School for the Blind	89.96	85.48	88.85
School for the Deaf	164.77	166.81	167.19
Subtotal--Department of Education	**508.73**	**507.66**	**511.73**
Board of Regents*	58.54	58.81	56.35
Kansas Arts Commission	9.58	8.70	8.62
Historical Society	168.12	167.63	168.04
State Library	27.12	29.74	30.15
Total--Education	**772.09**	**772.54**	**774.89**
Public Safety			
Department of Corrections	311.62	314.67	287.27
El Dorado Correctional Facility	447.73	441.70	451.35
Ellsworth Correctional Facility	217.31	221.78	220.92
Hutchinson Correctional Facility	504.15	511.30	513.31
Lansing Correctional Facility	657.12	644.15	662.42
Larned Correctional Mental Health Facility	178.92	176.96	177.50
Norton Correctional Facility	255.73	251.26	257.42
Topeka Correctional Facility	225.15	229.89	232.50
Winfield Correctional Facility	200.23	200.04	198.96
Subtotal--Corrections	**2,997.96**	**2,991.75**	**3,001.65**
Juvenile Justice Authority	51.65	48.52	48.46
Atchison Juvenile Correctional Facility	86.54	84.74	74.54
Beloit Juvenile Correctional Facility	78.69	69.44	61.96
Kansas Juvenile Correctional Complex	18.77	237.11	226.58
Larned Juvenile Correctional Facility	150.12	143.15	133.35
Topeka Juvenile Correctional Facility	203.88	--	--
Subtotal--Juvenile Justice	**589.65**	**582.96**	**544.89**
Adjutant General	404.81	437.07	492.08
Emergency Medical Services Board	15.62	15.96	18.58
State Fire Marshal	48.65	49.44	49.96
Highway Patrol	849.65	874.63	878.00
Kansas Bureau of Investigation	253.54	252.48	264.46
Kansas Parole Board	3.00	3.00	3.00
Sentencing Commission	10.92	10.74	12.96
Total--Public Safety	**5,173.80**	**5,218.03**	**5,265.58**

** The Guardianship Program and Regents universities are excluded because payroll data from these agencies are not in the SHARP system.*

Schedule 9.2--Headcount by Agency

	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual
Agriculture & Natural Resources			
Department of Agriculture	295.85	295.44	302.85
Animal Health Department	29.65	31.44	31.85
State Conservation Commission	15.85	20.70	19.58
Health & Environment--Environment**	--	--	--
Kansas State Fair	26.81	26.93	26.88
Kansas Water Office	25.04	24.41	24.77
Department of Wildlife & Parks	701.46	691.63	681.69
Total--Ag. & Natural Resources	**1,094.66**	**1,090.55**	**1,087.62**
Transportation			
Kansas Department of Transportation	3,182.00	3,122.56	3,085.19
Total Headcount	**24,494.27**	**24,402.66**	**24,662.11**

*** KDHE payroll data are not separated by function into "health" and "environment." Totals for this agency are shown entirely under "health."*

Schedule 9.3--Mathmatical FTE Positions by Agency

	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual
General Government			
Department of Administration	702.28	641.11	604.55
Kansas Corporation Commission	203.12	206.85	207.92
Citizens Utility Ratepayer Board	4.47	4.94	5.06
Kansas Human Rights Commission	29.60	30.80	31.16
Board of Indigents Defense Services	165.47	167.36	170.79
Health Care Stabilization	14.76	14.64	15.57
Kansas Public Employees Retirement System	83.75	82.34	80.46
Department of Commerce	346.93	377.69	356.32
Kansas Technology Enterprise Corporation	23.04	21.87	14.54
Kansas, Inc.	3.94	2.96	3.49
Kansas Lottery	83.63	83.71	82.01
Kansas Racing & Gaming Commission	61.31	60.57	59.25
Department of Revenue	1,080.09	1,069.50	1,090.66
Board of Tax Appeals	20.22	21.58	21.73
Abstracters Board of Examiners	0.95	0.95	0.94
Board of Accountancy	2.92	2.93	2.84
Banking Department	82.12	88.11	90.19
Board of Barbering	2.35	2.33	2.35
Behavioral Sciences Regulatory Board	7.00	7.22	7.46
Board of Cosmetology	11.32	11.95	12.22
Department of Credit Unions	13.00	12.66	11.39
Kansas Dental Board	2.99	2.94	2.99
Governmental Ethics Commission	8.91	8.80	8.86
Board of Healing Arts	30.73	32.76	34.32
Hearing Instruments Board of Examiners	1.25	1.43	1.39
Board of Mortuary Arts	3.00	3.00	3.00
Board of Nursing	21.76	21.88	22.08
Board of Examiners in Optometry	1.71	1.73	1.80
Board of Pharmacy	7.82	7.28	6.75
Real Estate Appraisal Board	2.00	2.00	2.00
Kansas Real Estate Commission	12.32	12.09	11.77
Office of the Securities Commissioner	27.23	29.42	30.10
Board of Technical Professions	5.00	4.87	5.05
Board of Veterinary Examiners	2.88	2.95	2.97
Office of the Governor	41.82	45.25	43.74
Office of the Lieutenant Governor	2.62	2.82	3.81
Attorney General	95.49	96.96	98.96
Insurance Department	126.64	125.17	123.88
Secretary of State	54.23	55.96	57.45
State Treasurer	44.91	45.13	38.53
Legislative Coordinating Council	11.00	11.00	11.10
Legislature	105.02	112.62	113.16
Legislative Research Department	37.59	38.10	38.89
Legislative Division of Post Audit	20.94	25.21	26.14
Revisor of Statutes	28.92	29.06	29.31
Judiciary	1,855.08	1,858.47	1,866.43
Judicial Council	4.06	4.15	5.62
Total--General Government	**5,498.19**	**5,493.12**	**5,461.00**
Human Services			
Social & Rehabilitation Services	3,427.80	3,272.26	3,290.73
Kansas Neurological Institute	541.88	542.52	539.78
Larned State Hospital	789.91	813.98	929.24

Schedule 9.3--Mathmatical FTE Positions by Agency

	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual
Osawatomie State Hospital	383.13	385.95	391.21
Parsons State Hospital & Training Center	467.02	462.18	468.50
Rainbow Mental Health Facility	111.82	113.71	118.73
Subtotal--SRS	**5,721.56**	**5,590.60**	**5,738.19**
Administration--Health Policy & Finance	--	129.45	--
Kansas Health Policy Authority	--	0.89	184.59
Department on Aging	176.02	178.98	177.31
Health & Environment--Health	947.55	958.38	970.48
Department of Labor	553.76	475.85	475.95
Commission on Veterans Affairs	364.38	351.13	348.95
Kansas Guardianship Program*	--	--	--
Total--Human Services	**7,763.27**	**7,685.28**	**7,895.47**
Education			
Department of Education	238.59	237.73	237.98
School for the Blind	80.26	77.99	81.69
School for the Deaf	142.51	143.86	143.71
Subtotal--Department of Education	**461.36**	**459.58**	**463.38**
Board of Regents*	53.22	54.41	51.32
Kansas Arts Commission	7.99	6.89	7.07
Historical Society	129.08	127.25	125.61
State Library	26.05	27.74	28.40
Total--Education	**677.70**	**675.87**	**675.78**
Public Safety			
Department of Corrections	306.46	310.68	282.45
El Dorado Correctional Facility	450.79	446.44	455.19
Ellsworth Correctional Facility	218.16	222.09	221.94
Hutchinson Correctional Facility	512.08	515.92	520.29
Lansing Correctional Facility	661.40	658.26	669.69
Larned Correctional Mental Health Facility	178.84	176.49	177.79
Norton Correctional Facility	259.92	256.02	261.11
Topeka Correctional Facility	230.25	233.58	236.99
Winfield Correctional Facility	201.21	201.55	200.43
Subtotal--Corrections	**3,019.11**	**3,021.03**	**3,025.88**
Juvenile Justice Authority	50.11	47.12	47.32
Atchison Juvenile Correctional Facility	84.91	83.26	73.71
Beloit Juvenile Correctional Facility	76.19	67.72	60.32
Kansas Juvenile Correctional Complex	19.84	241.50	230.48
Larned Juvenile Correctional Facility	148.26	141.71	132.14
Topeka Juvenile Correctional Facility	207.47	--	--
Subtotal--Juvenile Justice	**586.78**	**581.31**	**543.97**
Adjutant General	378.48	409.36	424.95
Emergency Medical Services Board	13.01	12.78	14.01
State Fire Marshal	48.38	49.71	50.14
Highway Patrol	874.58	893.60	889.44
Kansas Bureau of Investigation	251.90	251.88	264.49
Kansas Parole Board	3.00	3.00	3.00
Sentencing Commission	9.96	10.03	12.12
Total--Public Safety	**5,185.20**	**5,232.70**	**5,228.00**

** The Guardianship Program and Regents universities are excluded because payroll data from these agencies are not in the SHARP system.*

Schedule 9.3--Mathmatical FTE Positions by Agency

	FY 2005 Actual	FY 2006 Actual	FY 2007 Actual
Agriculture & Natural Resources			
Department of Agriculture	292.01	290.85	298.12
Animal Health Department	28.09	30.04	31.14
State Conservation Commission	14.28	19.36	18.39
Health & Environment--Environment**	--	--	--
Kansas State Fair	25.35	25.65	25.19
Kansas Water Office	22.26	22.51	22.37
Department of Wildlife & Parks	563.86	563.50	553.79
Total--Ag. & Natural Resources	**945.85**	**951.91**	**949.00**
Transportation			
Kansas Department of Transportation	3,231.54	3,159.65	3,131.53
Total Mathematical FTE Positions	**23,301.75**	**23,198.53**	**23,340.78**

*** KDHE payroll data are not separated by function into "health" and "environment." Totals for this agency are shown entirely under "health."*

Index

Index

Abstracters Board 75
Accountancy 75
Adjutant General 44, 133, 180, 204, 230
Administration, Department of 43, 68, 202, 218, 234
Aging, Department on 100
Agriculture, Department of 49, 140
Animal Health Department 140
Arts Commission, Kansas 124, 178
Atchison Juvenile Correctional Facility 132, 180, 230
Attorney General 77, 159

Banking Department 75, 158
Barbering, Board of 75
Behavioral Sciences Board 75
Beloit Juvenile Correctional Facility 132, 180
Blind, School for the 113, 170, 223

Citizens Utility Ratepayer Board 69
Commerce Department of 38, 41, 43, 71, 220
Conservation Commission, State 49, 141
Corporation Commission, Kansas 69
Corrections, Department of 128, 204, 227
Cosmetology, Board of 76
Credit Unions, Department of 76

Deaf, School for the 114, 170, 223
Dental Board, Kansas 75
Development Finance Authority, Kansas 45

Education, Department of 34, 35, 108, 169
El Dorado Correctional Facility 130, 228
Ellsworth Correctional Facility 130, 228
Emergency Medical Services Board 133
Emporia State University 121, 170, 225

Fire Marshal, State 134
Fort Hays State University 121, 171, 225

Governmental Ethics Commission 75
Governor, Office of the 77, 158
Guardianship Program, Kansas 101

Healing Arts, Board of 75
Health Care Stabilization Fund Board of Governors 70
Health & Environment, Department of 34, 35, 50, 101, 142, 167
Hearing Instruments Board of Examiners 75
Highway Patrol 134, 231

Historical Society 44, 124, 179, 226
Human Rights Commission, Kansas 69
Hutchinson Correctional Facility 130, 228

Indigents Defense Services, Board of 69
Insurance Department 78, 220

Judicial Council 81
Judiciary 81, 159, 220
Juvenile Justice Authority 131, 179, 229

Kansas Bureau of Investigation 45, 134, 205, 231
Kansas Health Policy Authority 34, 97, 167
Kansas Juvenile Correctional Complex 132, 180
Kansas Neurological Institute 96, 221
Kansas Public Employees Retirement System 70
Kansas State Fair 40, 143, 180, 205, 232
Kansas State University 121, 171, 203, 225
KSU—Extension Services & Agricultural Research Programs 40, 121, 172, 225
Kansas State University—Veterinary Medical Center 122, 225
Kansas Technology Enterprise Corporation 39, 71
Kansas, Inc. 40, 72

Labor, Department of 103, 169, 222
Lansing Correctional Facility 130, 229
Larned Correctional Mental Health Facility 130, 229
Larned Juvenile Correctional Facility 132, 180
Larned State Hospital 95, 167
Legislative Coordinating Council 80
Legislative Division of Post Audit 80
Legislative Research Department 80
Legislature 80
Library, State 124, 179
Lieutenant Governor, Office of the 77
Lottery, Kansas 72

Mortuary Arts, Board of 75

Norton Correctional Facility 130, 229
Nursing, Board of 76

Optometry, Board of 75
Osawatomie State Hospital 95, 221

Parole Board, Kansas 135
Parsons State Hospital & Training Center 96, 167, 221
Peace Officers, Commission on Standards & Training 135
Pharmacy, Board of 75
Pittsburg State University 122, 173, 225

Racing & Gaming Commission, Kansas 73
Rainbow Mental Health Facility 95
Real Estate Appraisal Board 75
Real Estate Commission 75
Regents, Board of 40, 43 54, 115, 203, 224
Revenue, Department of 74, 158
Revisor of Statutes 80

Secretary of State 78
Securities Commissioner, Office of the 76
Sentencing Commission, Kansas 135
Social & Rehabilitation Services, Department of 33, 34, 35, 86, 160, 221

Tax Appeals, Board of 74
Technical Professions 75
Topeka Correctional Facility 130, 229
Transportation, Kansas Department of 150, 181, 234
Treasurer, State 79

University of Kansas 44, 122, 174, 204, 225
University of Kansas Medical Center 122, 175, 225

Veterans Affairs, Kansas Commission on 103, 222
Veterinary Examiners, Board of 75

Water Office, Kansas 51, 143
Wichita State University 40, 44, 123, 176, 225
Wildlife & Parks, Department of 45, 52, 144, 181, 232
Winfield Correctional Facility 130, 229

Statutory Budget

Statutory Budget

The portion of the state budget financed from the State General Fund is subject to an ending balance requirement. State law requires that the budget submitted by the Governor and the budget approved by the Legislature leave an ending balance of at least 7.5 percent of expenditures for the forthcoming fiscal year. Because the level of resources available in the State General Fund has not allowed the state to meet this requirement for the past few years, the legal requirement for an ending balance has been suspended in every one of the last six years.

However, because the suspension is applicable only a year at a time, the Governor is legally obligated to submit a budget based on an ending balance of the original 7.5 percent for the next fiscal year. In her two most recent budgets, Governor Sebelius has met this ending balance requirement, but because of rapidly increasing state aid to schools, she is not able to do so this year.

Therefore, to satisfy the requirements of KSA 75-3721 and KSA 76-6701, the Governor in this section submits a complete budget with an ending balance of 7.5 percent for the State General Fund for FY 2009. The summary table below presents State General Fund revenues, expenditures, and balances based on the requirements of current law.

The schedule on the following pages presents a budget, by agency, in which the Department of Education is reduced by the full $147.4 million. This amount represents the reduction necessary to produce the required ending balance. The base upon which the reduction is made is the FY 2009 Governor's recommendations presented earlier in this volume. Rather than leave the monies idle in the State General Fund, the Governor recommends investing them in the state's education system.

State General Fund Summary

(Dollars in Millions)

	Gov. Rec. FY 2008	Statutory FY 2009
Beginning Balance	$ 935.0	$ 536.3
Revenues	5,713.5	6,175.2
Total Available	$ 6,648.4	$ 6,711.6
Gov. Rec. Expenditures	6,112.1	6,393.6
Reduction to Reach Balance	--	(147.4)
Total Expenditures	$ 6,112.1	$ 6,246.2
Ending Balance	$ 536.3	$ 465.4
As a Percentage of Expenditures	*8.8%*	*7.5%*

Totals may not add because of rounding.

Although this budget is required to be submitted by law, the Governor does not regard it as representative of her budget proposals or priorities. The budget recommendations she submits to the Legislature for consideration and approval are those contained in the preceding pages of this volume as well as Volume 2 of *The Governor's Budget Report*. For purposes of tracking legislative adjustments and eventually reporting an approved budget, the Governor's true recommendations, not this "statutory budget," will be used as the point of reference.

Reductions Required to Meet 7.5 Percent Ending Balance

	FY 2009 Gov. Rec.	Reduction Amount	Statutory Budget Scenario
General Government			
Department of Administration	56,335,947	--	56,335,947
Kansas Human Rights Commission	1,774,298	--	1,774,298
Board of Indigents Defense Services	23,249,586	--	23,249,586
Kansas Public Employees Retirement Sys.	6,400,000	--	6,400,000
Department of Commerce	618,272	--	618,272
Department of Revenue	21,367,861	--	21,367,861
Board of Tax Appeals	1,665,165	--	1,665,165
Governmental Ethics Commission	529,160	--	529,160
Office of the Governor	8,821,153	--	8,821,153
Office of the Lieutenant Governor	217,386	--	217,386
Attorney General	6,955,289	--	6,955,289
Legislative Coordinating Council	799,905	--	799,905
Legislature	19,969,767	--	19,969,767
Legislative Research Department	3,678,206	--	3,678,206
Legislative Division of Post Audit	2,648,474	--	2,648,474
Revisor of Statutes	3,548,603	--	3,548,603
Judiciary	111,936,288	--	111,936,288
Judicial Council	151,210		151,210
Total--General Government	**$ 270,666,570**	**$ --**	**$ 270,515,360**
Human Resources			
Social & Rehabilitation Services	680,003,835	--	680,003,835
Kansas Neurological Institute	11,115,403	--	11,115,403
Larned State Hospital	43,612,932	--	43,612,932
Osawatomie State Hospital	16,183,138	--	16,183,138
Parsons State Hospital & Training Center	10,407,220	--	10,407,220
Rainbow Mental Health Facility	5,399,407	--	5,399,407
Subtotal--SRS	**$ 766,721,935**	**$ --**	**$ 766,721,935**
Kansas Health Policy Authority	513,700,254		513,700,254
Department on Aging	194,735,313	--	194,735,313
Health & Environment--Health	29,496,965	--	29,496,965
Department of Labor	699,301	--	699,301
Commission on Veterans Affairs	9,437,677	--	9,437,677
Kansas Guardianship Program	1,311,606	--	1,311,606
Total--Human Resources	**$ 1,516,103,051**	**$ --**	**$ 1,516,103,051**

Reductions Required to Meet 7.5 Percent Ending Balance

	FY 2009 Gov. Rec.	Reduction Amount	Statutory Budget Scenario
Education			
Department of Education	3,247,064,222	(147,400,000)	3,099,664,222
School for the Blind	5,733,065	--	5,733,065
School for the Deaf	9,403,169	--	9,403,169
Subtotal--Department of Ed.	**$ 3,262,200,456**	**$ (147,400,000)**	**$ 3,114,800,456**
Board of Regents	225,973,700	--	225,973,700
Emporia State University	34,386,866	--	34,386,866
Fort Hays State University	36,290,095	--	36,290,095
Kansas State University	114,265,966	--	114,265,966
Kansas State University--ESARP	54,084,620	--	54,084,620
KSU--Veterinary Medical Center	11,257,430	--	11,257,430
Pittsburg State University	37,279,417	--	37,279,417
University of Kansas	149,573,488	--	149,573,488
University of Kansas Medical Center	120,402,811	--	120,402,811
Wichita State University	72,028,991	--	72,028,991
Subtotal--Regents	**$ 855,543,384**	**$ --**	**$ 855,543,384**
Kansas Arts Commission	1,769,261	--	1,769,261
Historical Society	6,546,471	--	6,546,471
State Library	5,832,718	--	5,832,718
Total--Education	**$ 4,131,892,290**	**$ (147,400,000)**	**$ 3,984,492,290**
Public Safety			
Department of Corrections	122,897,391	--	122,897,391
El Dorado Correctional Facility	24,059,647	--	24,059,647
Ellsworth Correctional Facility	12,147,449	--	12,147,449
Hutchinson Correctional Facility	28,041,643	--	28,041,643
Lansing Correctional Facility	37,015,002	--	37,015,002
Larned Correctional MH Facility	9,444,624	--	9,444,624
Norton Correctional Facility	14,111,327	--	14,111,327
Topeka Correctional Facility	12,316,182	--	12,316,182
Winfield Correctional Facility	11,952,988	--	11,952,988
Subtotal--Corrections	**$ 271,986,253**	**$ --**	**$ 271,986,253**

Reductions Required to Meet 7.5 Percent Ending Balance

	FY 2009 Gov. Rec.	Reduction Amount	Statutory Budget Scenario
Juvenile Justice Authority	48,518,754	--	48,518,754
Atchison Juvenile Correctional Facility	5,754,391	--	5,754,391
Beloit Juvenile Correctional Facility	4,130,966	--	4,130,966
Kansas Juvenile Correctional Complex	15,416,000	--	15,416,000
Larned Juvenile Correctional Facility	8,534,790	--	8,534,790
Subtotal--Juvenile Justice	**$ 82,354,901**	**$ --**	**$ 82,354,901**
Adjutant General	18,914,783	--	18,914,783
Highway Patrol	37,906,563	--	37,906,563
Kansas Bureau of Investigation	18,233,280	--	18,233,280
Kansas Parole Board	511,503	--	511,503
Sentencing Commission	9,674,344	--	9,674,344
Total--Public Safety	**$ 439,581,627**	**$ --**	**$ 439,581,627**
Agriculture & Natural Resources			
Department of Agriculture	12,303,319	--	12,303,319
Animal Health Department	953,341	--	953,341
State Conservation Commission	1,222,898	--	1,222,898
Health & Environment--Environment	9,674,232	--	9,674,232
Kansas Water Office	2,350,593	--	2,350,593
Department of Wildlife & Parks	8,849,851	--	8,849,851
Total--Agriculture & Natural Resources	**$ 35,354,234**	**$ --**	**$ 35,354,234**
Total Expenditures	**$ 6,393,597,772**	**$ (147,400,000)**	**$ 6,246,197,772**

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- Cash Management

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