KANSAS
DIVISION OF THE BUDGET

Kathleen Sebelius, Governor
Duane A. Goossen, Director

http://budget.ks.gov

M E M O R A N D U M

TO: Agency Heads and Finance Officers

FROM: Duane A. Goossen, Director of the Budget

DATE: June 18, 2007

SUBJECT: FY 2009 Budget Cost Indices
Financial Management System Development Fee

The FY 2009 Budget Cost Indices are now available on the Division of the Budget website which can be found in the Agency Information Center of our website: http://budget.ks.gov. The cost indices show expected rates and costs for a variety of items such as fringe benefits, rent, postage, information services, and equipment. These rates and costs are to be used as guidelines in preparing your FY 2009 budget request.

Please take special notice of a new Financial Management System (FMS) Development Fee listed on page 9 that takes effect on July 1, 2007. A project to implement a new statewide financial management system is scheduled to begin in FY 2009, with activities to prepare for the implementation beginning this fall. The 2007 Legislature directed the Department of Administration to begin collecting the fee in FY 2008 as one source of funding for the project. The Legislature chose the use of a fee as an alternative to a direct State General Fund appropriation for the project in FY 2008. Initially, the fee will be based on the number of agency STARS transactions. Please note that the transaction fees currently charged to fund operations of the State Treasurer's office will no longer be in effect in FY 2008. In addition, the KANWIN rate increase scheduled to occur in FY 2008 will not be implemented, freeing up resources to finance the new FMS fee.

If you have questions about the new FMS fee or any of the other rates listed in the *Budget Cost Indices,* please do not hesitate to contact me or the budget analyst for your agency.

Budget Cost Indices: Cost indices for FY 2008 and FY 2009 are provided as guidelines to be used by all state agencies in preparing their budget requests.

Salaries and Wages

Salary Adjustments ..... Agencies should not budget for step movement or a base salary adjustment. Any adjustments to the salary plan will be handled on a statewide basis.

Longevity Bonus Payments ..... Longevity bonuses should be budgeted at $50 per year of service (KSA 75-5541, as amended by 2007 HB 2368).

	FY 2008	FY 2009
Shift Differential for Regular Employees (per hour or 10% of base salary)	$0.30	$0.30
Shift Differential for Highway Patrol Troopers	0.75	0.75
Retention Incentive Differential for Building Trades Employees	0.30	0.30

Rates for Computing Fringe Benefits

KPERS Regular and School Member Retirement		
Retirement Rate	6.37 %	6.97 %
Death & Disability Insurance	1.00	1.00
Composite Total	7.37 %	7.97 %
TIAA Members Current Service		
Retirement Rate	8.50 %	8.50 %
Death & Disability Insurance	1.00	1.00
Composite Total	9.50 %	9.50 %
Judges Retirement		
Retirement Rate & Disability Benefits	22.38 %	22.08 %
Death Insurance	0.40	0.40
Composite Total	22.78 %	22.48 %
Deferred Compensation		
Retirement Rate	8.00 %	8.00 %
Death & Disability Insurance	1.00	1.00
Composite Total	9.00 %	9.00 %
Retirees Returning to Different Employer (state)	10.99 %	11.35 %
Retired Nurses Returning to Same Employer[1]	6.99 %	

[1] Discontinued effective FY 2009.

	FY 2008	FY 2009
Security Officer Retirement—Group A—Age 55		
Retirement Rate	6.84 %	7.44 %
Death & Disability Insurance	1.00	1.00
Composite Total	7.84 %	8.44 %
Security Officer Retirement—Group B—Age 60		
Retirement Rate	6.70 %	7.30 %
Death & Disability Insurance	1.00	1.00
Composite Total	7.70 %	8.30 %
KBI[2]	14.22 %	14.56 %
Highway Patrol State Troopers[2]	14.73 %	15.01 %
Highway Patrol CASP & Motor Carrier Inspectors, State Fire Marshal, and Regents[2]	13.32 %	13.80 %
FICA Rate (Composite Rate for OASDI—6.2% and Medicare—1.45%)	7.65 %	7.65 %
Maximum Salary for OASDI (none for Medicare)		
Paychecks issued July 1-December 31, 07, 08	$97,500	$102,300
Paychecks issued January 1-June 30, 08, 09	102,300	106,800
Unemployment Insurance Assessment	0.13 %	0.10 %
State Leave Payment Assessment	0.50 %	0.50 %
Single Member Health Insurance Premium (Monthly)		
Full-Time Employees	$401.06	$401.06
Part-Time Employees (minimum of 1,000 Hours)	319.46	319.46
Dependent Health Insurance Premium (Monthly)		
Full-Time Employees	185.60	185.60
Part-Time Employees (minimum of 1,000 Hours)	146.76	146.76
Workers Compensation Assessment		
Experienced-based Rates by Agency:		
Abstracters Board of Examiners	1.373 %	1.471 %
Board of Accountancy	1.025	1.025
Department of Administration	1.025	1.128
Attorney General	1.025	0.968
Banking Department	1.025	0.972
Board of Barbering	1.025	1.025
Behavioral Sciences Regulatory Board	1.025	0.994
Citizens Utility Ratepayer Board	1.025	1.025
Department of Commerce	1.025	0.934
Kansas Corporation Commission	1.025	1.007
Board of Cosmetology	1.025	1.025
Department of Credit Unions	1.025	0.996

[2] Composite total, including retirement rate as well as death and disability benefits.

	FY 2008	FY 2009
Kansas Dental Board	1.025 %	1.025 %
Governmental Ethics Commission	1.025	1.025
Office of the Governor	1.025	0.994
Board of Healing Arts	1.373	1.341
Hearing Instruments Board of Examiners	1.025	1.025
Kansas Human Rights Commission	1.025	1.025
Board of Indigents Defense Services	1.025	0.934
Insurance Department	1.025	0.934
Health Care Stabilization	1.025	0.983
Judicial Council	1.025	1.025
Judiciary	1.025	0.934
KPERS	1.025	0.969
Kansas Technology Enterprise Corp.	1.025	0.986
Kansas, Inc.	1.025	1.025
Legislative Coordinating Council	1.025	0.981
Legislative Division of Post Audit	1.025	1.025
Legislative Research Department	1.025	0.982
Legislature	1.025	0.934
Office of the Lieutenant Governor	1.025	0.996
Kansas Lottery	1.025	0.957
Board of Mortuary Arts	1.025	1.025
Board of Nursing	1.025	0.975
Board of Examiners in Optometry	1.025	1.025
Board of Pharmacy	1.025	0.998
Kansas Racing and Gaming Commission	1.373	1.340
Real Estate Appraisal Board	1.025	1.025
Kansas Real Estate Commission	1.025	1.025
Department of Revenue	1.025	0.934
Revisor of Statutes	1.025	1.025
Secretary of State	1.025	0.950
Office of the Securities Commissioner	1.025	0.994
Board of Tax Appeals	1.025	0.987
Board of Technical Professions	1.025	1.025
State Treasurer	1.025	0.981
Board of Veterinary Examiners	1.025	1.025
Social and Rehabilitation Services	1.025	0.934
Kansas Neurological Institute	1.549	1.859
Larned State Hospital	1.764	2.117
Osawatomie State Hospital	2.109	2.531
Parsons State Hospital and Training Center	1.373	1.648
Rainbow Mental Health Facility	1.549	1.859
Kansas Health Policy Authority	1.025	1.081
Department on Aging	1.025	0.934
Health and Environment	1.025	0.934
Department of Labor	1.025	1.005
Commission on Veterans Affairs	1.764	2.117

	FY 2008	FY 2009
Department of Education	1.025 %	0.934 %
School for the Blind	1.373	1.532
School for the Deaf	1.549	1.859
Board of Regents	1.025	0.981
Emporia State University	1.025	0.934
Fort Hays State University	1.025	0.934
Kansas State University	1.025	0.934
KSU—Veterinary Medical Center	1.025	0.934
Kansas State University—ESARP	1.025	0.934
Pittsburg State University	1.025	0.934
University of Kansas	0.855	0.779
KU Medical Center	0.855	0.779
Wichita State University	0.855	0.779
Kansas Arts Commission	1.025	1.025
Historical Society	1.025	0.988
State Library	1.373	1.331
Department of Corrections	1.025	0.934
El Dorado Correctional Facility	1.549	1.859
Ellsworth Correctional Facility	1.373	1.648
Hutchinson Correctional Facility	1.549	1.859
Lansing Correctional Facility	1.764	2.117
Larned Correctional MH Facility	1.764	2.117
Norton Correctional Facility	1.373	1.648
Topeka Correctional Facility	1.549	1.859
Winfield Correctional Facility	1.373	1.422
Juvenile Justice Authority	1.025	0.982
Atchison Juvenile Correctional Facility	1.764	2.117
Beloit Juvenile Correctional Facility	1.373	1.600
Larned Juvenile Correctional Facility	1.373	1.648
Kansas Juvenile Correctional Complex	1.859	1.971
Adjutant General	1.373	1.486
Emergency Medical Services Board	1.025	0.994
State Fire Marshal	1.549	1.781
Highway Patrol	1.549	1.604
Kansas Bureau of Investigation	1.025	0.934
Kansas Parole Board	1.025	1.025
Sentencing Commission	1.549	1.561
Kansas Commission on Peace Officers' Standards and Training	0.855	0.779
Department of Agriculture	1.025	0.934
Animal Health Department	1.373	1.355
State Conservation Commission	1.025	0.982
Kansas State Fair	1.764	2.117
Kansas Water Office	1.025	0.994
Department of Wildlife and Parks	1.373	1.604
Kansas Department of Transportation	2.109	2.531

General Cost Guidelines[3]

	FY 2008	FY 2009
Motor Vehicle Supplies	1.2%	1.9%
Clothing	1.1	1.0
Food	2.4	1.9
Fuel Oil and Coal	(1.7)	1.1
Gasoline and Oil	(3.7)	(1.7)
Electricity	2.9	1.1
Natural Gas	4.4	1.1
Medical Care	5.3	4.9
General	2.3	2.1

Use 8.5 percent for financing items acquired under the master lease equipment program.

Rent & Other Cost Estimates

Base Rates per Square Foot:[4]

Office Space:		
Docking, Landon, Memorial, Curtis, Awl, Finney, Eisenhower, 1020 Kansas	$16.13	$16.45
Computer Space:		
Docking, Landon, Curtis, Eisenhower	45.36	46.47
Storage Space:		
Docking, Landon, Memorial, Curtis, Finney, Eisenhower	5.06	5.16
Other Building Costs:		
Moving Costs (per square foot)[5]	2.00	2.00
Lease Administration Costs (per square foot)	0.03	0.03
Security Keycard (each)	11.00	11.50
Security Card Reader Installation	Actual	Actual
Security Card Reader (maintenance and support per month)	32.00	33.00
State Records Center (per cubic foot)	4.50	4.50

[3] Source: Moody's Economy.com, May 2007.

[4] The total rates represent the space rental rates for state buildings. The federal rates, for agencies with federal fund revenues, represent that portion of the total rates that federal funds are estimated to finance. The difference must be financed from non-federal sources when the total rate exceeds the federal rate.

[5] Actual moving rates could vary, depending on the type of moving services required. The cost estimate is for packing, transporting, and unpacking only. Space design, telephone connect and disconnect, office partitions, etc. are not included.

	FY 2008	FY 2009
Federal Rates per Square Foot:		
Office Space:		
Docking	9.46	9.45
Landon	15.34	14.87
Memorial & Eisenhower	16.13 [6]	16.45 [6]
Curtis	15.59	15.44
Awl	13.52	13.83
Computer Space:		
Docking	39.88	30.20
Landon	33.97	32.36
Eisenhower	45.36 [6]	46.47 [6]
Curtis	32.40	33.93
Monumental Building Surcharge per Square Foot[7]		
For support of State Capitol, Judicial Center, Cedar Crest, and Capitol Complex Parking Lots	2.19	2.32
Private Reimbursement per Mile:		
Automobile	0.470	0.520
Motorcycle	0.305	0.320
Airplane	1.070	1.130

Subsistence:	FY 2008		FY 2009	
	Meals	Lodging[8]	Meals	Lodging[8]
In-State—Regular	$34	$73	$36	$75
Out-of-State—Regular	34	92	36	95
Out-of-State—High Cost	39	135	41	139
Out-of-State—Special High Cost	47	150	50	154
International Travel	50 [9]	Actual	53	Actual
Conference Lodging (KAR 1-16-18a(e))[10]		Actual		Actual

[6] These federal allowable rates calculate to more than the total rates. The federal rates for them are shown as being equal to the total rates to indicate that federal funds can cover up to 100.0 percent of these costs.

[7] Applies to all agencies located within Shawnee County; cannot be funded with federal funds; rate per square foot of rentable space in state buildings or leased space. Used to support the maintenance and operation of the State Capitol, Judicial Center, Cedar Crest, and Capitol Complex parking lots.

[8] Actual cost of lodging up to this maximum.

[9] Or actual to a maximum of $84 in FY 2008 and $87 in FY 2009.

[10] Meals allowance is based on destination city.

DISC Rate Estimates	Unit	FY 2008	FY 2009
Information Processing Services:			
MVS CPU	Hour	$415	$415
CICS On-line processing	Second	0.21	0.21
Data Storage	Mb Month	0.0075	0.0075
Data Entry Service	Hour	24.00	24.00
STARS Payment Documents	Detail Line	0.25	0.25
Enterprise Applications—State[11]	Per Employee	3.75	3.75
Enterprise Applications—Regents[11]	Per Employee	2.00	2.00
Video Management Services	Hour	50.00	60.00
Telecommunication Services:			
Data Connect to Network			
SNA & TCP/IP (Includes wiring, hub, & router; minimum nodes for remote sites)	Node/Month	35.00	40.00
KANWIN Router Only:			
1-6 nodes	Router/Month	200.00	225.00
7-23 nodes	Router/Month	450.00	505.00
>23 nodes	Router/Month	650.00	730.00
Internal DSU (Router Feature)	DSU/Month	8.00	8.00
Internal CSU (Router Feature)	CSU Month	17.00	17.00
Dial Access (Remote 800 Service)	Minute	0.12	0.12
Dial Access (Local Topeka Only)	Minute	0.04	0.04
Dial Access (Internet Topeka Only)	Monthly	12.00	12.00
Voice Switching Service	Month	15.00	17.50
Voice Mail Topeka and Wichita	Station Month	1.00	1.00
Customer Support Services:[12]			
Intranet Home Page	Month	5.00	5.00
Local Area Network Support (Basic)	Node/Month	20.00	20.00
Local Area Network Support (Intermediate)	Node/Month	40.00	40.00
Local Area Network Support (Advanced)	Node/Month	60.00	60.00
Programming Services	Hour	50.00	60.00
DISC Technical Services	Hour	50.00	60.00
DISC Technical Services Off Hours	Hour	75.00	90.00

[11] Applies to all state agencies based on rate per employee per payroll period. This rate supports STARS, SHARP, and BMS applications.

[12] The statewide telecommunications installation and repair services contract administered by the Division of Purchases designates six areas of service within the state. This takes advantage of localized fees and services versus a single, higher fee for statewide coverage. Please refer to the website http://da.ks.gov/purch/contracts/contractdata/07763.doc for specific contract details. Information regarding area, job type, and contractor is available at the following website: http://da.ks.gov/purch/adds/PricingSheet.xls.

	Unit	FY 2008	FY 2009
KANS-A-N Long Distance:			
Interstate			
Switched to Switched	Per Minute	0.0551	0.0551
Switched to Dedicated	Per Minute	0.0325	0.0325
Dedicated to Switched	Per Minute	0.0325	0.0325
Dedicated to Dedicated	Per Minute	0.0276	0.0276
56/64K Dedicated to Dedicated	Per Minute	0.0710	0.0710
384K Dedicated to Dedicated	Per Minute	0.1821	0.1821
384K Dedicated to Switched	Per Minute	0.3944	0.3944
56/64K Switched to Dedicated	Per Minute	0.0699	0.0699
56/64K Switched to Switched	Per Minute	0.1398	0.1398
Intrastate			
Switched to Switched	Per Minute	0.0749	0.0749
Switched to Dedicated	Per Minute	0.0468	0.0468
Dedicated to Switched	Per Minute	0.0468	0.0468
Dedicated to Dedicated	Per Minute	0.0221	0.0221
56/64K Dedicated to Dedicated	Per Minute	0.0595	0.0595
384K Dedicated to Dedicated	Per Minute	0.1951	0.1951
384K Dedicated to Switched	Per Minute	0.4376	0.4376
56/64K Switched to Dedicated	Per Minute	0.0771	0.0771
56/64K Switched to Switched	Per Minute	0.1398	0.1398
International Calls	Per Minute	At Cost	At Cost
Operator-Assisted Calls	Per Call	3.25	3.25
Directory Assistance (Local)	Per Call	1.25	1.25
Directory Assistance			
Intrastate	Per Call	2.00	2.00
Interstate	Per Call	2.00	2.00
International	Per Call	2.00	2.00
Interactive Voice Response	Per Call	0.04	0.04
Administrative Surcharge (Applies to all rate categories listed above; cannot be funded with federal funds)	All Rates Above	2.5 %	2.5 %
Other Rates (Not subject to administrative surcharge):			
Agency Security Service	Per Month	At Cost	At Cost
Vendor Data Circuits	Drop/Month	At Cost	At Cost
Video Access Circuits	Circuit/Month	At Cost	At Cost
Frame Relay Circuits	Circuit/Month	At Cost	At Cost
Special Toll Services		At Cost	At Cost

Central Mail Estimation Factors:

The Central Mail Assessment covers the cost of operations for building mail, metering, presorting mail, and mail automation. In July of each year, DISC distributes a one-time assessment to recover these costs. The billing is determined based on each agency's share of the previous year's total billings for postage. Actual postage is billed at cost on a monthly basis.

The U.S. Postal Service has not announced rate increases for FY 2008. For FY 2008, customers should multiply their FY 2007 annual charges by 1.10 percent. DISC projects customer assessments for FY 2008 to increase 1.075 percent over FY 2007. See example below:

	FY 2007	Times Factor	FY 2008	FY 2009
1st Class Postage	$1,000	1.100	$1,100	
1st Class Postage	$1,100	1.075		$1,183
Assessment	$1,000	1.075	$1,075	
Assessment	$1,075	1.075		$1,156

For customers submitting mail for barcode/sorting services only, the following rate applies:

Rate Category	Unit	FY 2008 Rate	FY 2009 Rate
MLOCR Bar-coding	Mail Piece	$0.025	$0.025

Contact: Agencies needing assistance for budgeting DISC services should contact Morey Sullivan at (785) 296-3343.

Financial Management Development Fee:

In 2007 SB 357 the Legislature directed the Department of Administration to institute an FMS development fee to provide funding for the development of a new Financial Management System to replace STARS. The rate becomes effective in FY 2008 and is based on an agency's STARS transactions. This fee cannot be funded with federal funds.

	Unit	FY 2008	FY 2009
FMS Development—State	Per Transaction	0.38	0.38
FMS Development—Regents	Per Transaction	0.10	0.10

Division of Printing[13]

Printing Services	2.0 %	2.0 %
Black and white copying, single sided, per sheet	$0.036	$0.036
Black and white copying, duplex, per sheet	0.064	0.064
Color copying, single sided, per 8 1/2 x 11 sheet	0.25	0.25
Color copying, single sided, per 11 x 17 sheet	0.50	0.50
Graphic design services, per hour	47.00	47.00

[13] These prices are subject to change because of renegotiation of equipment rental or fluctuation in material costs.

Price and Cost Guidelines for Selected Equipment Items:	FY 2008 Est. Price	FY 2009 Est. Price
Statewide Contract Management Fee		
(Applied to orders against statewide requirements contracts)	0.5 %	0.5 %
New Motor Vehicles—Passenger (Fleet Prices)		
Sedan, 4-door compact	$11,300	$11,600
Sedan, 4-door intermediate	14,000	14,400
Sedan, 4-door full size (non-police)	23,000	23,700
New Motor Vehicles—Trucks (Fleet Prices)		
Mini-Van, 5-passenger	15,900	16,400
Mini-Van, 7-passenger	17,200	17,700
Van, 5-passenger	16,500	17,000
Van, 8-passenger	17,200	17,700
Van, 12-passenger	18,000	18,500
Van, 15-passenger	19,900	20,500
Suburban, 1/2 ton (2 w/d)	29,800	30,700
Suburban, 3/4 ton (2 w/d)	30,800	31,700
Pickup, compact, extended cab	12,100	12,400
Pickup, 1/2 ton	13,000	13,400
Pickup, 3/4 ton	16,500	17,000
Pickup, 1 ton	20,600	21,200
4 w/d pickup, 1/2 ton	16,300	16,800
4 w/d pickup, 3/4 ton	19,100	19,700
4 w/d ext cab compact pickup	16,800	17,300
Cabs and chassis, 1 ton	20,100	20,700
One ton, with flat bed and hoist	24,700	25,400
Cab and chassis, 1-1/2 ton (GVW up to 17,000 pounds)	29,800	30,600
Vertical Files - Economy		
2-drawer, metal, letter	152	160
2-drawer, metal, legal	173	182
4-drawer, metal, letter	213	225
5-drawer, metal, letter	283	299
5-drawer, metal, legal	315	332
Traditional Style Steel Desks		
Flat top, 72” x 36,” executive, double pedestal	1,006	1,072
Flat top, 60” x 30,” executive, double pedestal	898	957
60” x 30,” executive, single pedestal	861	918
Double pedestal typing return	719	767
Contemporary Style Steel Desks		
Double pedestal, 70” x 36”	500	521
Double pedestal, 60” x 30”	434	453
Single pedestal, 60” x 30”	417	435
Single pedestal, typing return, 45” long w/drawers	240	250

	FY 2008 Est. Price	FY 2009 Est. Price
Steel Storage Units		
Storage, steel, 78” x 36” x 18,” shelves w/doors	$243	$246
Shell Chairs (fabric inner shell)		
Swivel tilt arm chair	113	121
Steno posture	72	77
Stack chair	84	97
Economy stack chair	40	43
Ergonomic Style Office Chairs		
Executive high back swivel tilt w/arms and casters	314	358
Same as above with low back	294	336
Manager swivel tilt w/arms and casters	254	286
Secretarial swivel	233	256
Facsimile Equipment		
Plain paper fax, 500 pages/month volume	98	102
Plain paper fax, 1,000 pages/month volume, 1 MB memory, 36.6 Kbps	449	454
Plain paper fax, dual access 2,000 pages/month volume, 2 MB memory, 36.6 Kbps	809	814
Rental Photocopiers (price quoted is monthly)		
Digital Copier with stand, speed of 20 copies per minute, 30,000 copies per month volume	85	85
Digital Copier with stand and sorter, speed of 33 copies per minute, 40,000 copies per month volume	118	118
Digital Copier with sorter, automatic document feeder and automatic duplexing, speed of 50 copies per minute, 100,000 copies per month volume	273	273
Digital Copier, console style, sorter, automatic document feeder and automatic duplexing, speed of 60 copies/minute, 120,000 copies per month volume	375	375
Digital Copier, console style, sorter, automatic document feeder and automatic duplexing, speed of 85 copies/minute, 400,000 copies per month volume	1,020	1,020
Laptop / Notebook Microcomputers		
Desktop Replacement	1,359	1,359
Standard Laptop	1,125	1,125
Ultra-Light Weight	1,340	1,340

	FY 2008 Est. Price	FY 2009 Est. Price
Desktop Microcomputers		
Intel Configuration	$749	$749
Intel Duo Core2 1.86 GHz, 2GB RAM, 80GB Hard Drive, DVD-RW		
AMD Configuration	695	695
Athlon™ 64X2 3800+ Dual Core, 2GB RAM, 80GB Hard Drive, DVD-RW		
Monitors		
17” Flat Panel	175	175
19” Flat Panel	206	206
20” Flat Panel	275	275