

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

**Volume 1**

**Descriptions  
and  
Budget Schedules**

**Fiscal Year 2003**

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This volume presents a revised FY 2002 budget and a budget plan for FY 2003 financed only from existing resources. The FY 2003 plan leaves an ending balance of 7.5 percent of expenditures in the State General Fund.

A weakening economy and rapidly increasing medical costs cause substantial reductions to be made in FY 2003 in order for the budget to balance within existing resources. The Governor will separately present a funding package that will make the restoration of some of the reductions possible.

### **FY 2002 Revisions**

The Governor proposes very few changes in the current budget year with the exception of adding money to fund medical and foster care caseload expenses fully and to account for increases in available federal funds. For FY 2002, the Governor recommends a revised total budget of \$9.48 billion, with \$4.53 billion from the State General Fund. Previously approved amounts totaled \$9.20 billion, with \$4.51 billion from the State General Fund. Details of the proposed revisions in each agency can be found in Schedule 16 at the back of this volume.

### **FY 2003 Existing Resource Budget**

For the coming fiscal year that begins July 1, 2002, expenditures from all funding sources grow slightly to \$9.69 billion, but total State General Fund expenditures drop \$233.2 million to \$4.29 billion. All major areas of the State General Fund budget are reduced to stay within available revenue and to accommodate unavoidable cost increases.

State General Fund cost increases accounted for in the FY 2003 budget plan include \$52.0 million to fund SRS and Aging caseload projections fully, \$10.0 million to cover a federal Title XIX shortfall at the state hospitals, \$6.0 million to fund KPERS rate increases, \$12.4 million to pay the state's share of employee health care costs, and \$9.0 million to annualize the current year employee pay plan.

The entire KDOT demand transfer is eliminated in FY 2003 reducing the State General Fund budget by \$146.7 million. The loss of this transfer requires projects to be cut from the Comprehensive Transportation Program in a corresponding amount. The public education Base Budget per Pupil drops from \$3,870 to \$3,712, for a reduction in total expenditures of \$91.1 million. No increases are given to higher education and the current higher education funding level is reduced by \$27.1 million.

While this plan adds money to SRS and Aging to fund caseload cost increases, other social service reductions decrease funding for the Senior Care Act, SRS grant programs, Medikan and General Assistance, and family preservation. Reductions at the Department of Corrections include the closure of four facilities. No salary increase is offered for state employees. A half year moratorium on payments into the KPERS Death and Disability Fund continues in FY 2003.

**Financing.** The budget plan is built using the November 2001 Consensus Revenue Estimate. However, the consensus numbers are adjusted by continuing to treat local demand transfers as revenue transfers and converting remaining demand transfers to revenue transfers. The approved FY 2002 budget uses \$51.0 million of Intergovernmental Transfer money that otherwise would have been deposited in the Senior Services Trust Fund. In FY 2003, \$70.0 million is used from this source, leaving approximately \$50.0 million in the Senior Services Trust Fund for use in FY 2004.

**Economic Outlook.** During the winter of 2001 sales tax receipts fell below projections, contributing to a downward revision of revenue projections in April. From April through September, monthly tax receipts matched closely with the April Consensus Revenue Estimate, but by the end of the summer the national economy edged toward recession. The terrorist attacks of September 11 pushed the economic downturn deeper. FY 2002 revenue projections were revised downward again in the November Consensus Revenue Estimate. FY 2003 estimates are built on the assumption that Kansas faces a continuing economic downturn through FY 2002 but that modest growth

will return to the Kansas economy in the latter part of calendar year 2002.

**Children's Initiatives Fund.** In FY 2002, \$40.0 million was transferred to this fund and \$37.65 million was approved for expenditure. The Governor suggests no changes to the current year appropriations from this fund. In FY 2003, \$45.0 million will transfer into the fund and the Governor recommends \$45.0 million of expenditures. The Governor's proposal tracks closely with the recommendations of the Children's Cabinet and enhances appropriations for smoking prevention grants, infants and toddlers, HealthWave, and four-year-old at-risk programs.

**Economic Development Initiatives Fund.** In FY 2003, the Governor proposes spending \$43.2 million. Income into the fund is stable but does not grow from year to year. To stay within available fund balances, the base budgets of the Department of Commerce and Housing, KTEC, and Kansas Inc. are lowered. Funding for the Board of Regents from this source also is reduced, but the loss is replaced by other funds. Starting in FY 2003, financing from the fund for the Department of Commerce and Housing will be appropriated as an operating grant.

**Budget Preparation.** This budget is the product of a careful planning process. The process began immediately following the 2001 Legislative Session and involved continuous monitoring of all state revenues, discussion of program and policy options, and a review of agency priorities. Agencies were directed to submit budget requests by September 15. Each agency was given a State General Fund allocation and was expected to keep their agency budget request within the allocated amount. Allocation amounts were determined by using the approved FY 2002 budget as a base, adding pay plan annualization and any expected caseload expenditures, and deducting one-time expenditures occurring in FY

2002. Agencies were also directed to submit a reduced resource package that proposed ways in which their budget request could be reduced by 4.0 percent. Agencies also had the opportunity to ask for enhancements to their allocation.

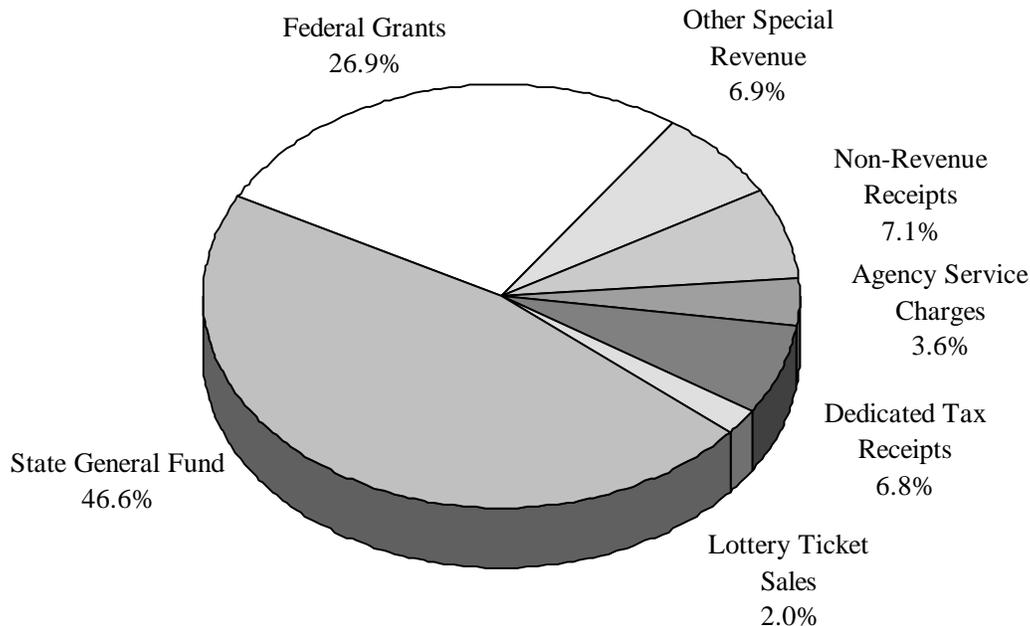
**Long-Term Plan.** Each year the state will face increasing caseload costs, increasing KPERS costs, and increasing costs for employee health insurance. Just to fund these basic and necessary cost increases requires almost a 2.0 percent State General Fund budget increase each year. In addition, replacement of monies from the Intergovernmental Transfer Fund must begin in FY 2004 and continue in FY 2005. Further, to avoid another round of project cuts, funding for the transfer to the State Highway Fund must be reinstated in FY 2004.

The table on the following page outlines a multi-year scenario for the State General Fund. FY 2003 ends with the statutorily required ending balance of 7.5 percent. FY 2004 and beyond assume a revenue growth rate of 3.7 percent. The outlook continues to treat demand transfers as revenue transfers and assumes the state will again fund the sales tax transfer for the Comprehensive Transportation Program. Expected cost increases are shown for KPERS, caseloads, employee health care, inmate food and medical contracts, new debt service, and funding of SB 345 for higher education. Intergovernmental transfer funds are replaced. In addition, very minimal increases are shown for public and higher education, state employee salaries, and inflation. Even with the minimal increases, education and state agencies would still be well below FY 2002 budget levels.

The table then shows that \$88.3 million would need to be reduced from the FY 2004 budget. If that reduction were made in FY 2004, another reduction of \$58.5 million would still be necessary in FY 2005 to balance within existing resources.

# All Funding Sources

## Receipts



## Fiscal Year 2003

The pie chart above shows FY 2003 receipts by major category. The largest single source is the State General Fund, which accounts for 46.6 percent of all receipts included in this report. Specific information regarding receipts to the State General Fund is presented in the following section.

In FY 2003, the State of Kansas will receive \$2.57 billion in federal grants, which represents 26.9 percent of total receipts. This estimate is an increase of \$144.1 million, or 5.9 percent, from FY 2002. A total of 41 agencies will receive these federal funds in FY 2003. The Department of Social and Rehabilitation Services will receive the most federal funds, 56.4 percent, followed by the Department of Transportation with 12.5 percent. A complete list of state agencies receiving federal funds is included in Schedule 13.

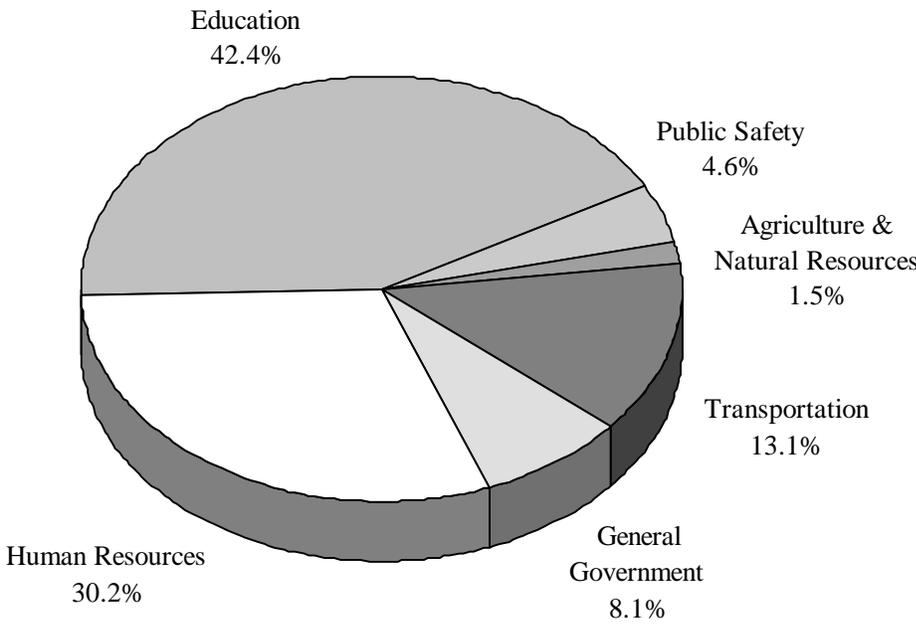
Dedicated tax receipts represent revenues from taxes that are collected for a specific purpose and are deposited in special revenue funds, rather than the

State General Fund. For example, taxes on motor fuels and vehicle registrations, as well as a dedicated sales tax of one-quarter of a cent, are assessed and credited to the State Highway Fund. In addition, statewide property taxes of 1.5 mills are assessed for financing construction and maintenance of state buildings at Regents institutions and state social service institutions. These sources are projected to account for 6.9 percent of total revenues in FY 2003.

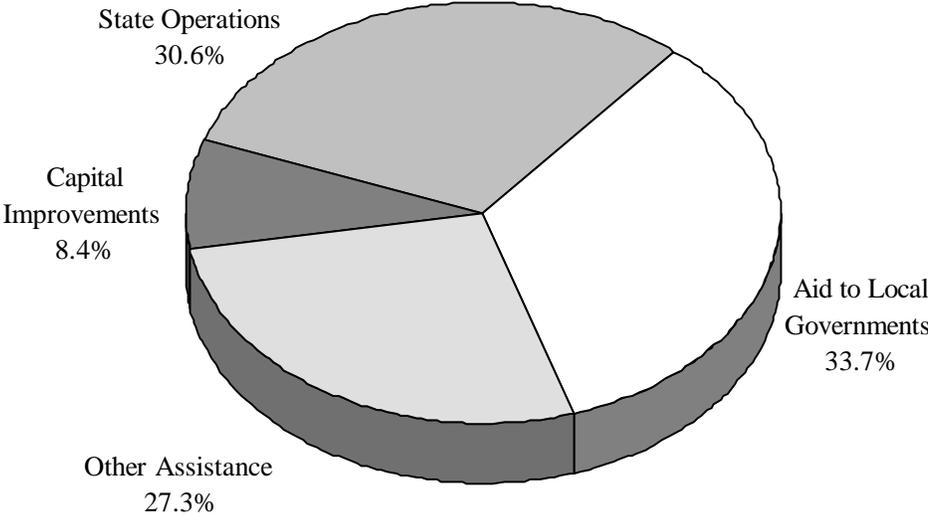
Agency service charges include revenues received for services provided by state agencies. These include charges for inspections, examinations, and audits; fees collected for tuition and other purposes at Regents institutions; and admissions to the Kansas State Fair. This revenue category constitutes 3.6 percent of total receipts.

Non-revenue receipts are transfers from other funds, collections, and reimbursements realized by agencies. Examples of non-revenue receipts include collections

# Expenditures by Function



# Expenditures by Category



Fiscal Year 2003

## FY 2003 Recommended Expenditures from All Funding Sources

(Dollars in Millions)

	State Operations	Local Aid	Other Assistance Grants & Benefits	Capital Improvements	Total
General Government	376.8	220.4	189.6	3.1	789.8
Human Resources	533.2	155.5	2,228.7	14.0	2,931.4
Education	1,222.1	2,639.1	205.8	41.8	4,108.8
Public Safety	349.0	66.3	8.3	18.1	441.7
Ag & Natural Resources	128.5	8.1	7.6	5.7	149.9
Transportation	359.2	181.1	2.7	729.3	1,272.3
Total	\$2,968.8	\$3,270.4	\$2,642.6	\$812.0	\$9,693.9

*Totals may not add because of rounding.*

by the Department of Human Resources for the payment of unemployment benefits and child support collection from absent parents. Proceeds from the sale of revenue bonds are also included in this category. This financing source is estimated to account for 7.1 percent of total receipts to the state.

Lottery sales are anticipated to account for 2.0 percent of all receipts. Revenues from this source are from the sale of lottery tickets. Other special revenue receipts include license fees, interest earnings on special revenue funds, non-federal grants, the sale of state property, and numerous other miscellaneous revenue sources. Some agency fee funds retain interest earned. This source accounts for 6.9 percent of all revenue receipts in FY 2003.

**Summary of Expenditures from All Funding Sources.** As indicated in the table above, the Governor recommends expenditures of \$9.69 billion from all funding sources in FY 2003. Approximately 61.0 percent of the total budget is recommended for grants, including 33.7 percent for aid to local governments and 27.3 percent for direct assistance to individuals. Expenditures of \$2.6 billion for direct assistance to Kansas citizens consist largely of public assistance, medical assistance, and unemployment insurance benefits. The Governor recommends \$3.0 billion for the operation of state agencies, representing 30.5 percent of total expenditures. Of total state operations, salaries and wages represent 62.4 percent of all state operations. It should be noted that the Regents system accounts for \$924.3 million, or 49.9 percent, of all expenditures for salaries and wages. The Governor also recommends \$812.0 million for

capital expenditures. Capital improvements for the Department of Transportation total \$729.3 million and account for 89.8 percent of capital spending. Approximately 5.1 percent of expenditures relate to construction projects and maintenance of Regents institutions. Details of capital projects are contained in the Capital Budget section of this volume.

**Comparison of Major Components of the Total State Budget.** The table on the next page illustrates ten of the state agencies which constitute 91.0 percent of the budget from all funding sources in FY 2003. The four largest of these budgets, the Department of Education, the Department of Social and Rehabilitation Services with its state hospitals, the Board of Regents and its universities, and the Department of Transportation, total 76.5 percent. The remaining state agencies constitute only 9.0 percent of total state expenditures.

**Balance Sheet for All Funding Sources.** The table on page 11 summarizes the condition of all of the funds that are used to support expenditures identified in *The Governor's Budget Report* in a single balance sheet. The table illustrates beginning balances, State General Fund receipts, receipts to special revenue funds, reportable expenditures from all funding sources, and ending balances for FY 2001, FY 2002, and FY 2003.

Receipts for both the State General Fund and special revenue funds are identified by major receipt classifications, and expenditures from all funding sources are identified by major object of expenditure, such as salaries and wages or contractual services. As

## Comparison of Major Components of the Total State Budget

*Percentage of the Total Recommended Amount*

*(Dollars in Millions)*

Agency	FY 2003 Recommended	Percent of the Total	Cumulative Percent
Department of Education	\$ 2,516.8	26.0 %	26.0 %
SRS & Hospitals	2,066.8	21.3	47.3
Board of Regents & Universities	1,561.7	16.1	63.4
Department of Transportation	1,272.3	13.1	76.5
Department on Aging	415.0	4.3	80.8
Department of Human Resources	306.4	3.2	84.0
Department of Corrections & Facilities	239.1	2.5	86.4
Department of Health & Environment	182.0	1.9	88.3
State Lottery	136.0	1.4	89.7
State Treasurer	121.1	1.2	91.0
All Other Agencies	876.7	9.0	100.0
Total	\$ 9,693.9		

*Total may not add because of rounding.*

illustrated, receipts to the state totaled \$9.8 billion in FY 2001. Net receipts are projected to increase by a

total of \$281.5 million in FY 2002 and then decline by \$555.8 million in FY 2003.

## Budget Summary for All Funding Sources

(Dollars in Thousands)

	<u>FY 2001</u> Actual	<u>FY 2002</u> Gov. Estimate	<u>FY 2003</u> Gov. Rec.
Beginning Balances	\$ 1,327,472	\$ 2,399,445	\$ 3,119,309
Add: Released Encumbrances	2,252	--	--
Net Receipts			
State General Fund:			
Motor Carrier Property Taxes	17,920	20,000	20,000
Income Taxes	2,214,065	2,275,000	2,371,000
Inheritance Taxes	41,196	45,000	47,000
Excise Taxes	1,888,860	1,923,500	1,980,300
Other Taxes	69,792	75,262	80,750
Other Revenue	183,215	(2,370)	(56,566)
State General Fund Total	\$ 4,415,048	\$ 4,336,392	\$ 4,442,484
Special Revenue Funds:			
Property Taxes Dedicated to Building Funds	34,211	38,386	39,765
Motor Fuels Taxes	359,847	378,965	382,635
Motor Vehicle Registration Taxes	129,000	131,000	133,000
Sales Tax Dedicated to Highway Fund	140,949	187,346	96,869
Agency Service Charges	334,602	347,739	360,092
Licenses, Permits, and Registrations	82,859	87,295	86,927
Lottery Ticket Sales	187,886	199,996	194,496
Sale of Goods and Services	124,072	126,966	120,846
Interest, Dividends, Rents, & Royalties	172,385	181,020	106,312
Federal Grants	2,584,954	2,501,677	2,645,856
Non-federal Gifts, Donations, & Grants	93,575	110,585	94,387
Other Revenue	69,916	61,172	263,945
Non-revenue Receipts	1,190,361	1,514,359	680,216
Special Revenue Funds Total	\$ 5,504,617	\$ 5,866,506	\$ 5,205,347
Total Receipts	\$ 9,919,665	\$ 10,202,898	\$ 9,647,831
Total Available	\$ 11,249,389	\$ 12,602,343	\$ 12,767,140
Expenditures by Object			
Salaries & Wages	1,728,544	1,821,288	1,853,915
Contractual Services	667,981	691,233	655,505
Commodities	154,228	158,871	155,305
Capital Outlay	172,524	184,368	183,471
Debt Service	99,136	102,730	120,676
Non-expense Items	1,608,040	1,066,373	913,113
Aid to Local Governments	3,309,027	3,403,396	3,270,386
Other Assistance, Grants, & Benefits	2,273,607	2,532,602	2,642,601
Capital Improvements	444,898	588,545	812,037
Total Expenditures	\$ 8,849,944	\$ 9,483,034	\$ 9,693,897
Ending Balances	\$ 2,399,445	\$ 3,119,309	\$ 3,073,243

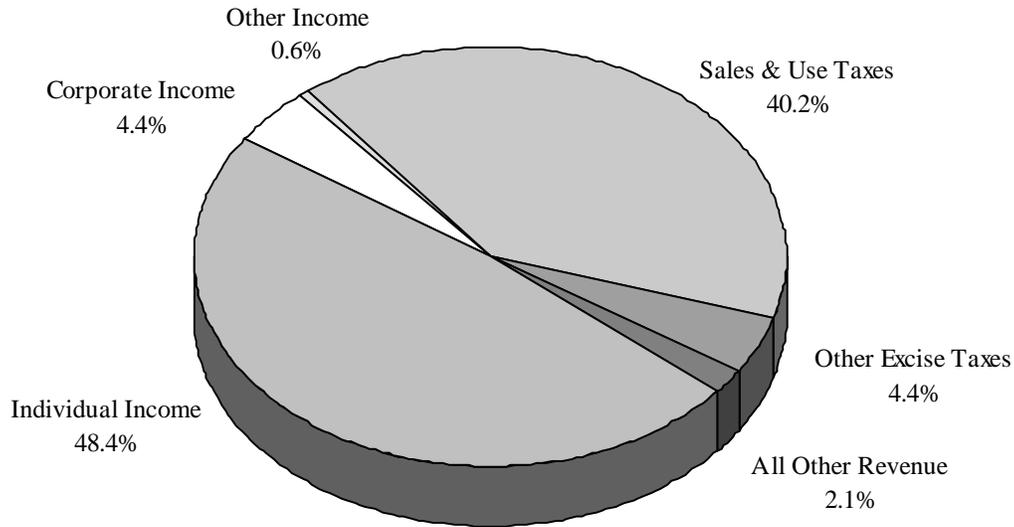
Receipts and expenditures have been adjusted to exclude KPERS contributions or benefit payments.

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

# State General Fund

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## Receipts



## Fiscal Year 2003

The State General Fund accounts for 46.6 percent of all receipts to the state. The pie chart above illustrates the proportional contribution each revenue source is estimated to make to the State General Fund in FY 2003. The State General Fund includes all revenues and expenditures not accounted for by other specific funds. All revenues coming into the state treasury not specifically authorized by statute or the constitution to be placed in a separate fund are deposited in the State General Fund.

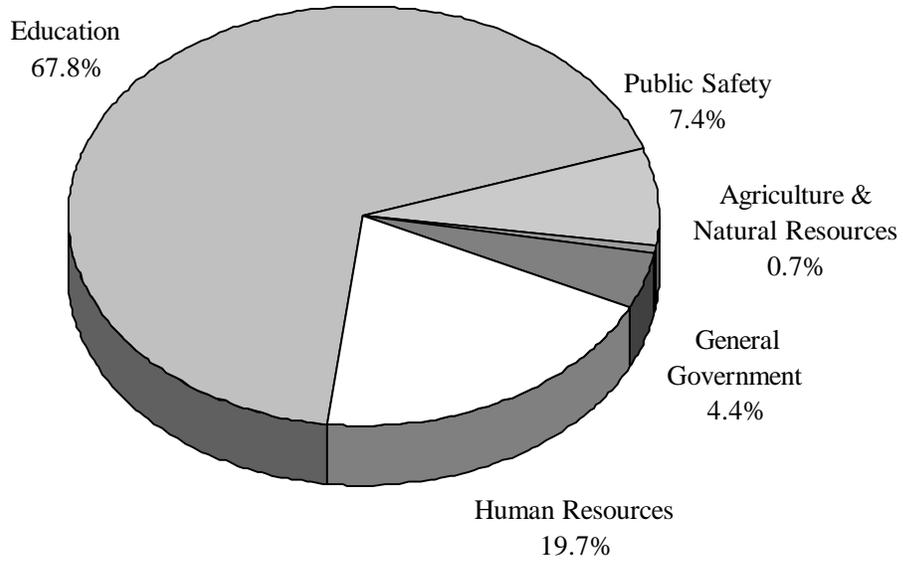
Receipts are estimated to total \$4,442.5 million in FY 2003, an increase of 2.4 percent from FY 2002 receipts of \$4,336.9 million. These amounts were projected by the Consensus Revenue Estimating Group in November 2001 and are adjusted to reflect the Governor's proposals. Individual income taxes account for the largest source of revenue. An estimated \$2.2 billion will be received in the State General Fund in FY 2003 from this source. The sales tax is the next largest source of revenue and is projected to generate \$1.5 billion during FY 2003.

**Summary of Expenditures from the State General Fund.** As indicated in the table at the top of page 14,

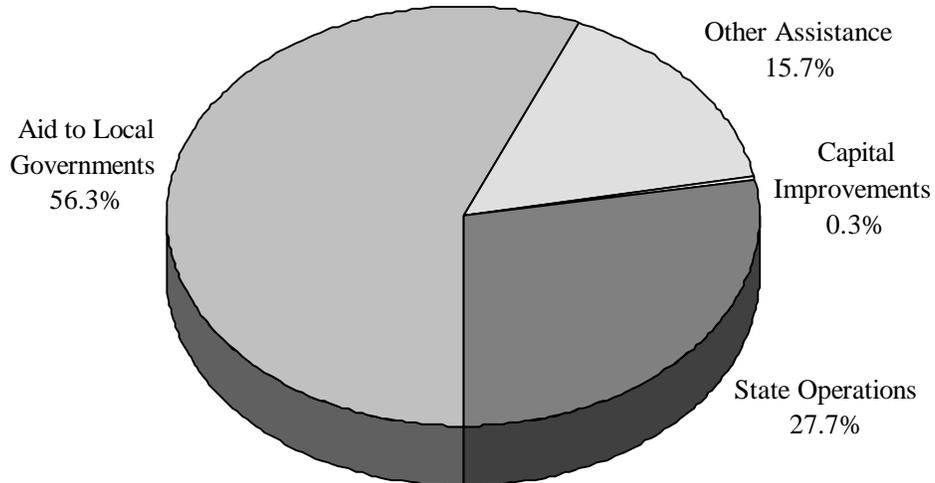
State General Fund expenditures of \$4,294.5 million are recommended by the Governor for FY 2003. A significant majority of State General Fund dollars are distributed to local governments and agencies to provide services for Kansans. Of the total, 28.2 percent provides for the operation of state agencies; 56.4 percent will be distributed to local governments; 15.2 percent will provide assistance, grants, and benefits to Kansas citizens; and 0.3 percent will be used for capital improvements.

Of the \$1,209.1 million that is recommended for state operations, 47.7 percent will be distributed to agencies in the Education function of government, primarily for operation of the Regents universities. Public safety agencies, including the Kansas Highway Patrol, the Adjutant General's Department, the Kansas Bureau of Investigation, the Department of Corrections and the institutions under its supervision, and the Juvenile Justice Authority and its four juvenile correctional facilities, account for 22.2 percent of the total financing that is recommended for the state operations category of expenditures. The remaining third is distributed among the agencies in the other functions of government.

## Expenditures by Function



## Expenditures by Category



Fiscal Year 2003

## FY 2002 Recommended Expenditures from the State General Fund

(Dollars in Millions)

	<u>State Operations</u>	<u>Local Aid</u>	<u>Other Assistance Grants &amp; Benefits</u>	<u>Capital Improvements</u>	<u>Total</u>
General Government	184.6	0.3	2.6	2.8	190.3
Human Resources	152.7	69.3	624.9	--	847.0
Education	576.7	2,315.4	18.5	0.2	2,910.8
Public Safety	268.7	35.1	7.9	8.1	319.9
Ag & Natural Resources	26.3	--	--	0.3	26.6
Transportation	--	--	--	--	--
<b>Total</b>	<b>\$1,209.1</b>	<b>\$2,420.2</b>	<b>\$653.9</b>	<b>\$11.4</b>	<b>\$4,294.5</b>

*Totals may not add because of rounding.*

The Governor recommends a total of \$2,420.2 million for aid to local governments. A large majority of these monies, 76.3 percent, pay for the state's share of education costs for students in grades K-12. This includes the recommended base aid per pupil of \$3,712. The remaining dollars are used for community college and area vocational-technical school operating grants, grants to community mental health centers and community developmentally disabled organizations, and grants to community corrections agencies.

Agencies in the Human Resources function account for 95.6 percent of the \$653.9 million that is

recommended for distribution to individuals in the form of grant assistance and other benefits. The Department of Social and Rehabilitation Services will distribute \$490.6 million in assistance, while the Department on Aging will distribute \$134.1 million.

The Department of Corrections will receive 68.5 percent of the amount recommended by the Governor for capital improvements. The \$7.8 million recommended for Corrections finances debt service on bonds issued for prison construction. The other large expenditure for capital improvements is \$2.7 million for debt service payments made by the Department of Administration.

## Comparison of Major Components of the State General Fund Budget

*Percentage of the Total Recommended Amount  
(Dollars in Millions)*

Agency	<u>FY 2002 Recommended</u>	<u>Percent of the Total</u>	<u>Cumulative Percent</u>
Department of Education	\$ 2,206.2	51.4 %	51.4 %
Board of Regents & Universities	680.0	15.8	67.2
SRS & Hospitals	672.7	15.7	82.9
Department of Corrections & Facilities	212.2	4.9	87.8
Department on Aging	144.4	3.4	91.2
Judiciary	81.2	1.9	93.1
Juvenile Justice System	62.3	1.5	94.5
Department of Health & Environment	31.8	0.7	95.3
Department of Revenue	34.5	0.8	96.1
All Other Agencies	169.3	3.9	100.0
<b>Total</b>	<b>\$ 4,294.5</b>		

*Total may not add because of rounding.*

**Major Components of the State General Fund Budget.**

The table on the previous page represents recommendations for the nine state agencies that spend 96.1 percent of the State General Fund budget. The budget for the Department of Education, which includes all aid to school districts, is clearly the major user of State General Fund dollars. This budget alone accounts for 51.4 percent of the recommended State General Fund budget. The second largest consumer of the State General Fund budget, the Board of Regents and the institutions under its jurisdiction, constitutes 15.8 percent of the budget. These institutions include six state universities, KSU—ESARP, the University of Kansas Medical School, community colleges, and area vocational-technical schools.

Operation of the Department of Social and Rehabilitation Services totals 15.7 percent of the State General Fund budget. It includes cash assistance and medical assistance benefits to eligible Kansans as well as operation of the state hospitals. The cost of operating prison facilities at Topeka, Lansing, Larned, Hutchinson, El Dorado, Winfield, Norton, and Ellsworth, as well as the central office of the

Department of Corrections, accounts for 4.9 percent of the recommendation.

The Department on Aging, which provides services to older Kansans, represents 3.4 percent of the total. The operations of the Kansas court system represents 1.9 percent of all State General Fund expenditures. The Juvenile Justice Authority and juvenile facilities constitute 1.5 percent of the State General Fund budget. All remaining budgets total 5.4 percent of expenditures from the State General Fund.

The table below presents a four-year summation of State General Fund revenues and expenditures beginning with FY 2000. The revenues for FY 2002 and FY 2003 are the Consensus Revenue Estimating Group numbers adjusted for recommendations made by the Governor. The estimators revised the FY 2002 revenue projections down by \$113.4 million from the April 2001 estimate. The loss of revenue was primarily in the corporate and individual income tax and oil and gas severance taxes. The State General Fund Revenues section in this volume describes the economic assumptions used to make these estimates.

<b>State General Fund Summary</b>				
<i>(Dollars in Millions)</i>				
	<u>Actual FY 2000</u>	<u>Actual FY 2001</u>	<u>Gov. Rec. FY 2002</u>	<u>Gov. Rec. FY 2003</u>
Beginning Balance	\$ 540.7	\$ 378.0	\$ 365.7	\$ 174.9
Released Encumbrances	1.8	2.0	--	--
Adjusted Balance	542.5	380.0	365.7	174.9
Revenues	4,203.1	4,415.0	4,336.9	4,442.5
Total Available	\$ 4,745.6	\$ 4,795.1	\$ 4,702.6	\$ 4,617.4
Expenditures	4,367.6	4,429.4	4,527.7	4,294.5
Ending Balance	\$ 378.0	\$ 365.7	\$ 174.9	\$ 322.9
<i>As a Percentage of Expenditures</i>	8.7%	8.3%	3.9%	7.5%
Percent Change from Prior Year				
Revenues	5.6%	5.0%	(1.8%)	2.4%
Expenditures	4.1%	1.4%	2.2%	(5.1%)

*Totals may not add because of rounding.*

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## Financial Policies

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

### **Operating Policies**

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

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

### **Revenue Policies**

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

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

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

### **Cash Management Policies**

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

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

### **Debt Service Policies**

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

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

The underlying ratings for the most recently issued revenue bonds are Aa1 by Moodys and AA+ by Standard and Poor's. These ratings reflect the state's credit quality in the absence of general obligation debt. Other credit factors include a very low debt burden, a broadening and diversified economy that has demonstrated strong performance, declining unemployment, conservative fiscal management and sound financial operations, and an ample statutorily-mandated cash reserve.

### **Reserve Policy**

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

### **Accounting, Auditing, & Reporting Policies**

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

# Basis of Budgeting

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## Revenue

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

## Encumbrances

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

## Expenditures

Expenditures are separated into two categories: reportable and non-reportable. Reportable 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 capital projects, the debt service is the amount reported in the budget, not the cost of the project. The interest portion is treated as an operating expense, 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.

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

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

## Balances

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

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

# State General Fund Balances

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

## Ending Balance Requirements

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

## Cashflow

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. The uneven nature of revenue and expenditure patterns requires actions, such as adjusting the amount and timing of various large payments and transfers to avoid temporary indebtedness. Such indebtedness can occur when the state borrows from its own cash reserves to meet cashflow needs. However, administrative actions will not always ensure adequate fund balances to maintain a positive cashflow at various times during the fiscal year. Significant changes in budget obligations may create cashflow shortages during a given fiscal year even with the required 7.5 percent ending balance.

The projected ending balance for FY 2002 is 3.9 percent. This ending balance results from a reduction in the revenue estimates for FY 2002 and caseload increases at the Department of Social and Rehabilitation Services that are included in the Governor's current year expenditure estimate. The decline in revenues made it necessary to issue a \$150.0 million certificate of indebtedness in October 2001 and another \$200.0 million certificate in December 2001. These actions allow for a reasonable amount of cashflow to meet the obligations of the state.

## Recommendations

The table below depicts State General Fund receipts, expenditures, and year end balances from FY 1989 through FY 2003. The table shows significant variance in the ending balances from year to year. The drop between FY 1999 and FY 2000 reflects the beginning of several challenging budget years with unanticipated revenue drops and significant expenditure reductions.

Fiscal Year	Receipts	Expend.	Balances	Percent
1989	2,228.3	2,159.9	371.4	17.2
1990	2,300.5	2,400.3	272.9	11.4
1991	2,382.3	2,495.4	162.2	6.5
1992	2,465.8	2,491.3	140.5	5.6
1993	2,932.0	2,690.4	384.9	14.3
1994	3,175.7	3,111.0	454.4	14.6
1995	3,218.8	3,309.8	367.0	11.1
1996	3,448.3	3,439.2	379.2	11.0
1997	3,683.8	3,538.1	527.8	14.9
1998	4,023.7	3,799.1	756.3	19.9
1999	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	4,429.4	365.7	8.3
2002	4,336.9	4,527.7	174.9	3.9
2003	4,442.5	4,294.5	322.9	7.5

The Governor's recommendations for receipts and expenditures will provide an ending balance of \$174.9 million in FY 2002. The FY 2002 ending balance is less than expected when the 2001 Legislature adjourned. The major factors contributing to this difference are a \$113.4 million downward revision of FY 2002 revenues and current year expenditure increases for caseloads.

In FY 2003, the Governor's recommendation builds the ending balance back to 7.5 percent of expenditures

or \$322.9 million. The FY 2003 recommendation reflects estimated revenues that are \$147.9 million in excess of expenditures. The Governor's budget recommends changing two more State General Fund demand transfers, for a total of five, including the State Water Plan Fund, the Local Ad Valorem Tax Reduction Fund, the City and County Revenue Sharing Fund, the Special City and County Highway

Fund, and the School District Capital Improvement Fund into revenue transfers. This action removes \$148.3 million from reportable expenditures from the State General Fund and reduces receipts to the State General Fund by an equivalent amount, saving \$11.1 million in the required ending balance. In addition, the \$146.7 million transfer to the Department of Transportation is suspended for FY 2003.

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## State General Fund Revenues

Estimates for the State General Fund are developed using a consensus process that involves the Division of the Budget, the Kansas Legislative Research Department, the Department of Revenue, and three consulting economists, one each from the University of Kansas, Kansas State University, and Wichita State University. The Governor's budget is based on the State General Fund Consensus Revenue Estimating Group's estimates for FY 2002 and FY 2003.

### 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. Members use individual methodologies during this process. The group does not use a common economic forecasting model. It reconvenes in November to discuss and compare the estimates of the members. During that meeting the group develops a consensus on each State General Fund revenue source for both the current and upcoming fiscal years. These estimates become the basis for both the Governor and the Legislature upon which the annual state budget is built. 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 2002, 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

In general, the Kansas economy was weakening throughout the summer and prior to the terrorist

attacks of September 11. Changes in both consumer behavior and consumer confidence since that time, along with announcements of layoffs in the aviation manufacturing, telecommunications, and public utility sectors, all suggested that Kansas was facing an economic downturn. The duration and severity of the downturn is unknown and will be affected by any number of international, national, and regional economic and political developments. The consensus revenue estimates were based on the assumption that modest growth will return to the Kansas economy during the latter part of calendar year 2002. The state's economy will likely mirror the national economy with expected growth in the Gross Domestic Product of 1.2 percent in calendar year 2002. This growth will follow the decline that occurred during the last half of calendar year 2001.

**Kansas Personal Income.** Personal income in Kansas grew by 4.7 percent in 2001. This growth rate is below the 5.2 percent growth rate in calendar year 2000 and the 5.0 percent growth rate in 1999. The expected growth rate for calendar year 2002 is 3.0 percent. In 2003, personal income is expected to grow by 5.1 percent. These levels are down from a peak growth rate of 6.6 percent in calendar year 1998.

**Employment.** Manufacturing employment in Kansas is expected to continue to decline because of the layoffs that have occurred in the Wichita Metropolitan Area in the aviation industry. Recently announced layoffs in telecommunications, public utilities, and other sectors also are expected to contribute to increases in unemployment. The overall Kansas unemployment rate is expected to be 4.0 percent in 2002 and 4.3 percent in 2003.

**Agriculture.** The All Farm Products Index of Prices shows the prices received by farmers. In September 2001, the index was 94, which is up from the 2000 level of 89. This increase indicates that the agricultural sector may improve in 2002 and 2003.

**Oil & Gas.** The average price per taxable barrel of Kansas crude oil is expected to be \$23 in FY 2002 and to remain at that level for FY 2003. Gross oil production, which has been declining steadily for the last ten years, is anticipated to continue to decline.

The price of natural gas also is expected to decrease from \$4.34 per mcf to \$2.65 per mcf in FY 2002. A slight rebound is expected in FY 2003 when the price is forecast to reach \$2.90 per mcf. Significant changes in the natural gas market have occurred since spring 2001. Increased storage, the weakening economy, and the lower demand are the underlying factors that have caused the decrease in prices. The price in 2001 was \$4.34 per mcf. Production is expected to continue decreasing as natural gas reserves, especially those in the Hugoton field, are depleted.

**Inflation.** Inflation, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), is estimated to be 3.0 percent in calendar year 2001 compared to 3.4 percent in calendar year 2000. The CPI-U is expected to decrease to 2.0 percent for calendar year 2002 but increase to 2.3 percent for calendar year 2003.

**Interest Rates.** The Pooled Money Investment Board makes investments of the portfolio in bank certificates of deposit, repurchase agreements, and other securities authorized by law. The state earned 5.96 percent on its State General Fund investments in FY 2001. The average rate of return being forecasted for FY 2002 is 2.53 percent. The rate for FY 2003 is 2.68 percent. The anticipated rate of return on state investments is based on the forecasted rates for three-month commercial paper, the rate of return on special agricultural loans, and the rate of return on unclaimed state property.

**Accounts Receivable.** Additional staff resources for tax collections were provided to the Department of Revenue during the 2001 Legislative Session. The estimate for additional collections in FY 2002 is \$49.01 million. The additional collections in FY 2003 are expected to remain at the FY 2002 level.

**New Federal Tax Law Effect.** The Economic Growth and Tax Relief Reconciliation Act of 2001 is expected to reduce FY 2002 and FY 2003 tax receipts. Specifically, individual income tax receipts are expected to decrease by \$7.0 million in FY 2002 and by \$18.0 million in FY 2003. No effect is expected on estate tax receipts, because the Kansas Estate Tax Act conforms to the federal law that was effective on December 31, 1997. Sales tax receipts are forecast to be slightly positive because of an anticipated increase in consumer activity.

## Receipts

**FY 2002.** Estimated receipts to the State General Fund for FY 2002 are \$4,335.9 million as developed by the Consensus Revenue Estimating Group. The consensus estimate is a 1.8 percent, or \$113.4 million, decrease from actual FY 2001 revenues of \$4,415.0 million. However, the FY 2002 estimate would represent an increase of 0.7 percent had certain demand transfers not been changed to revenue transfers. Specifically, the Local Ad Valorem Tax Reduction, City County Revenue Sharing, and Special City and County Highway Fund transfers are treated as revenue transfers starting in FY 2002. Previously, these transfers were treated as demand transfers, or State General Fund expenditures. The change effectively increased transfers out of the State General Fund by \$100.0 million in FY 2002.

For FY 2002, individual income, sales, and compensating use tax estimates were increased by a total of \$148.7 million over the FY 2001 actual collections. However, the total increase was not enough to offset the change in how the transfers were handled and the reductions in other tax and revenue sources.

The estimate for individual income tax receipts in FY 2002 is \$2,055.0 million. This estimate was revised downward by \$27.5 million from the April 2001 estimate. A number of factors contributed to the decrease, including the overall weakening economy, expected layoffs, reduced growth in personal income, and the effect of the new federal tax law. In addition, receipts through October 2001 were \$17.9 million below the prior fiscal year.

Estimated receipts from corporation income tax are expected to be \$195.0 million in FY 2002, which is an 8.0 percent decrease from the FY 2001 actuals. This estimate was reduced by \$25.2 million from the April 2001 estimate. The weakening economy also played a role in this reduction. Overall corporate profits are now expected to be negative for both calendar year 2001 and calendar year 2002. Receipts through October 2001 were \$21.3 million below the prior fiscal year receipts.

Retail sales tax receipts are expected to reach \$1,475.0 million in FY 2002. This estimate reflects an anticipated reduction in consumer demand. Even

though demand is expected to decline, the estimate shows a 3.6 percent expected growth rate over actual FY 2001 receipts.

In FY 2002, the compensating use tax is expected to show receipts totaling \$255.0 million, which reflects an 8.1 percent increase over FY 2001 actual receipts. The strong increase is expected to continue throughout the fiscal year.

Severance tax receipts are estimated to be \$60.7 million in FY 2002, which is considerably lower than the \$101.5 million received during FY 2001. The decrease is attributed to lower prices for both oil and natural gas. The financial institutions privilege tax is estimated to reach \$25.0 million, while the insurance premiums tax is expected to increase by 5.1 percent, from \$67.7 million in FY 2001 to \$71.2 million in FY 2002.

Finally, interest earnings underwent a substantial downward revision. The April 2001 estimate was \$60.8 million. The November 2001 estimate is \$37.5 million. The reduction is based primarily on the significant cut from 5.96 percent in calendar year 2001 to 2.53 percent in calendar year 2002.

The Governor's recommendations increase the consensus estimates for FY 2002 by \$961,500. The increase is attributable to a \$250,000 transfer from the State Water Plan Fund to the State General Fund and to \$711,500 in additional insurance premium tax revenues. The insurance premium revenues will increase because the transfer of 1.0 percent of total receipts to the Insurance Department will be eliminated. No additional taxes or tax increases are

included in the Governor's FY 2002 budget recommendation.

**FY 2003.** Total receipts of \$4,588.6 million are estimated for FY 2003. The estimate represents an increase of \$252.6 million, or 5.8 percent, when compared to the FY 2002 estimate. The growth is stimulated by individual income, sales, and compensating use tax collections. Interest earnings are expected to decline with State General Fund balances.

For FY 2003, the Governor's recommendation results in a net decrease of revenues by \$146.1 million. Similar to FY 2002, the recommendation includes the conversion of demand transfers to revenue actions. The specific changes include the State Water Plan transfer (\$6.0 million), the LAVTR transfer (\$52.5 million), the CCRS transfer (\$33.5 million), the SCCHF transfer (\$11.2 million), and the School District Capital Improvement transfer (\$45.1 million). Similar to the recommendation for the previous fiscal year, in FY 2003, insurance premium tax receipts will increase by \$750,000, because the transfer to the Insurance Department will be eliminated. In addition, agency earnings will increase by \$324,000 to account for the increase in the reimbursement rate charged by the Department of Corrections to inmates who are in Kansas correctional facilities. Finally, \$1,065,638 will be transferred from the KPERS Death and Disability Special Revenue Fund to the State General Fund.

The table on the next page reflects revenue estimates, by source, for the State General Fund. These numbers show estimates agreed to by the Consensus Revenue Estimating Group, as adjusted for the changes proposed by the Governor.

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

	FY 2001 Actual		FY 2002 Gov. Estimate		FY 2003 Gov. Rec.	
	Amount	Percent Change	Amount	Percent Change	Amount	Percent Change
<b>Property Tax:</b>						
Motor Carrier	\$17,920	11.1 %	\$20,000	11.6 %	\$20,000	-- %
<b>Income Taxes:</b>						
Individual	\$1,977,342	6.6 %	\$2,055,000	3.9 %	\$2,150,000	4.6 %
Corporation	211,907	(15.3)	195,000	(8.0)	195,000	--
Financial Inst.	24,816	11.3	25,000	0.7	26,000	4.0
Total	\$2,214,065	4.1 %	\$2,275,000	2.8 %	\$2,371,000	4.2 %
Estate	\$41,197	(34.5) %	\$45,000	9.2 %	\$47,000	4.4 %
<b>Excise Taxes:</b>						
Retail Sales	\$1,423,059	(1.2) %	\$1,475,000	3.7 %	\$1,515,000	2.7 %
Compensating Use	235,893	12.3	255,000	8.1	270,000	5.9
Cigarette	48,784	(0.7)	49,700	1.9	49,700	--
Tobacco Prod.	4,092	8.4	4,000	(2.2)	4,300	7.5
Cereal Malt Beverage	2,489	2.4	2,600	4.5	2,700	3.8
Liquor Gallonage	14,490	0.8	14,400	(0.6)	14,900	3.5
Liquor Enforcement	35,351	6.0	37,900	7.2	39,000	2.9
Liquor Drink	6,238	10.1	6,700	7.4	7,100	6.0
Corporate Franchise	16,927	0.6	17,500	3.4	17,700	1.1
Severance	101,537	91.7	60,700	(40.2)	59,900	(1.3)
Gas	87,320	125.7	46,600	(46.6)	46,200	(0.9)
Oil	14,217	(0.4)	14,100	(0.8)	13,700	(2.8)
Total	\$1,888,860	3.3 %	\$1,923,500	1.8 %	\$1,980,300	3.0 %
<b>Other Taxes:</b>						
Insurance Prem.	\$67,680	11.5 %	\$71,862	5.1 %	\$75,750	5.4 %
Miscellaneous	2,112	8.7	3,400	61.0	5,000	47.1
Total	\$69,792	11.5 %	\$75,262	6.8 %	\$80,750	7.3 %
<b>Total Taxes</b>	<b>\$4,231,834</b>	<b>3.3 %</b>	<b>\$4,338,762</b>	<b>2.5 %</b>	<b>\$4,499,050</b>	<b>3.7 %</b>
<b>Other Revenues:</b>						
Interest	\$80,269	(1.2) %	\$37,500	(53.3) %	\$33,500	(10.7) %
Net Transfers	59,755	--	(87,725)	--	(140,690)	--
Project 2000	--	--	(9,175)	--	--	--
Other Transfers	59,755	--	(78,550)	--	(140,690)	--
Agency Earnings	43,190	(5.3)	48,400	12.1	50,624	3.9
Total Other Revenue	\$183,215	-- %	(\$1,825)	-- %	(\$56,566)	-- %
<b>Total Receipts</b>	<b>\$4,415,048</b>	<b>5.0 %</b>	<b>\$4,336,937</b>	<b>(1.8) %</b>	<b>\$4,442,484</b>	<b>2.5 %</b>

## State General Fund Transfers

There are two kinds of transfers that can be made from the State General Fund. One is called a demand transfer, which by definition is an expenditure. Although a demand transfer is oftentimes transferred from the State General Fund to a special revenue fund in the state agencies administering these funds and spent from the special revenue fund, it retains its identity as a State General Fund expense.

<b>FY 2003 Revenue Transfers</b>	
<i>(Dollars in Millions)</i>	
State Highway Fund <i>Sales Tax</i>	--
Local Ad Valorem Tax Reduction Fund <i>Sales and Compensating Use Tax</i>	52.5
County and City Revenue Sharing Fund <i>Sales and Compensating Use Tax</i>	33.5
Special City and County Highway Fund <i>Motor Carrier Property Tax</i>	11.2
School District Capital Improvement Fund <i>General Revenues</i>	45.1
State Water Plan Fund <i>General Revenues</i>	6.0
<b>Total</b>	<b>\$148.3</b>
<b>FY 2003 Demand Transfer</b>	
State Fair Capital Improvements <i>General Revenues</i>	0.3

An important characteristic of a demand transfer is that the amount of the transfer in any given fiscal year is based on a formula or authorization in substantive law. The actual appropriation of the funds has traditionally been made through the authority of this law, rather than through an appropriation in an appropriations bill. However, adjustments to the transfers that depart from substantive law for budgetary reasons *are* included in appropriation bills. There have been seven demand transfers in recent years, which constituted 4.2 percent of total State General Fund expenditures in FY 2001, the last year all seven were considered demand transfers.

The other type of transfer is called a revenue transfer, because it is transferred directly out of the

unencumbered balances of the State General Fund. Revenue transfers are not counted as part of budgeted expenditures from the State General Fund.

The 2001 Legislature converted three of the seven demand transfers to revenue transfers: the Local Ad Valorem Tax Reduction Fund, the County and City Revenue Sharing Fund, and the Special City and County Highway Fund. In Kansas, the ending balance of the State General Fund for the forthcoming year must be at least 7.5 percent of expenditures in that fiscal year. By converting demand transfers to revenue transfers, these funds cease to be State General Fund expenditures and are no longer subject to the ending balance law. Therefore, this action had the effect of “freeing up” funds and making them available when the 2001 Legislature was finalizing the FY 2002 budget.

For FY 2003, the Governor recommends keeping the three converted transfers as revenue transfers. In addition, the Governor recommends that two more demand transfers be converted to revenue transfers: the State Water Plan Fund and the School District Capital Improvement Fund. The State Highway Fund demand transfer would be included in the conversion as well, except the financial status of the State General Fund necessitates suspension of this transfer for one year. That will leave the State Fair Capital Improvements Fund as the only demand transfer.

### Revenue Transfers

The largest transfer has been to the State Highway Fund. Statutorily this transfer is tied to a percentage of sales tax receipts—9.5 percent in FY 2002, 11 percent in FY 2003, 11.25 percent in FY 2004, and 12.0 percent in FY 2005. For FY 2002, the Governor’s current recommendation funds the transfer at \$94.6 million. For FY 2003, the Governor recommends that the transfer to the State Highway Fund be suspended.

The Local Ad Valorem Tax Reduction Fund (LAVTR) and the County and City Revenue Sharing Fund (CCRS) are funded from sales tax revenues. The LAVTR by statute is to receive 3.6 percent of sales and use tax receipts. The CCRS is to receive 2.8

percent of sales and use tax receipts. Both of them are distributed to local governments for property tax relief. For FY 2003, the budget includes a 4.0 percent reduction from the FY 2002 transfer amounts. The transfer for the LAVTR will total \$52.5 million and the CCRS \$33.5 million.

The Special City and County Highway Fund was established in 1979 to prevent the deterioration of city streets and county roads. Each year this fund receives an amount equal to the state property tax levied on motor carriers. The Governor recommends \$11.2 million for this transfer in FY 2003.

The remaining two revenue transfers are not based on any specific source of revenue to the State General Fund. The School District Capital Improvement Fund is used to support school construction projects. The

\$45.1 million recommended for this purpose in FY 2003 represents an 18.7 percent increase over the \$38.0 million approved in FY 2002, illustrating voter willingness to bond several large projects. The Governor also recommends continuation of the \$6.0 million specified in current law for the State Water Plan Fund, which is identical to the approved amount.

## **Demand Transfer**

The demand transfer to the State Fair is defined by statute as 5.0 percent of State Fair revenues up to \$300,000. In FY 2002, no transfer was made. In FY 2003, the Governor recommends \$300,000. As outlined previously in this section, this transfer is the only remaining demand transfer.

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# Kansas Intergovernmental Transfer Program

2000 SB 248 authorized the establishment of the Kansas Intergovernmental Transfer Program (KSIT). This program allows the state to draw down additional federal funding for long-term care services in Kansas. Transfers totaled \$109.5 million in FY 2001. Current estimates indicate that the state could draw down as much as \$100.0 million in additional federal funding in FY 2002 and \$50.0 million in FY 2003. Currently, 20 states draw down extra federal money through this program. However, because of changes in federal regulations, the program will end in FY 2003 after two transfers.

Under the program, the Secretary of Aging transfers monies from the State General Fund and the federal matching funds to nursing facilities run by local governments that have signed participation agreements with the Department on Aging. Then, after deducting a participation fee, the facilities transfer the state and federal funds back to the Secretary of Aging. The amount that had been transferred from the State General Fund is then transferred back to the State General Fund.

## Distribution of the Funds

For transfers occurring before July 1, 2001, 60.0 percent was transferred to the Senior Services Trust Fund, 15.3 percent was transferred to the State Medicaid Match Fund—SRS, 9.7 percent was transferred to the State Medicaid Match Fund—Department on Aging, 10.0 percent was transferred to the Long-Term Care Loan and Grant Fund, and 5.0 percent was transferred to the HCBS Programs Fund.

For transfers occurring on and after July 1, 2001, KSA 2001 Supp. 75-4365 provides for 70.0 percent to be transferred to the Senior Services Trust Fund, 5.0 percent to the Long-Term Care Loan and Grant Fund, and 25.0 percent to be split between the state Medicaid match funds in the Department on Aging and SRS. The amount transferred to each of these funds will be specified by appropriations acts of the Legislature. However, in the 2001 Omnibus Bill, the Legislature directed that the amounts that were to be transferred to the Senior Services Trust Fund be transferred instead to the newly created IGT funds in the Department on

Aging and the Department of Social and Rehabilitation Services. For each transfer 60.4 percent will go to the IGT fund of the Department of Social and Rehabilitation Services and 9.6 percent will go to the IGT fund of the Department on Aging. The bill provided for the transfers to the Senior Services Trust Fund to be diverted in this manner until an aggregate of \$51.0 million had been put into the IGT funds, \$44.0 million to the SRS fund, and \$7.0 million to the Aging fund.

The Governor recommends that the transfers to Senior Services Trust Fund continue to be diverted to the IGT funds until the end of the program. The Governor further recommends a transfer of \$15,697,867 in FY 2003 from the Senior Services Trust Fund to the IGT funds. These recommendations will provide for the use of \$51.0 million in FY 2002, \$70.0 million in FY 2003, and \$50.0 million in FY 2004 from the Senior Services Trust Fund.

**Senior Services.** An amount of \$65.7 million was transferred to the Senior Services Trust Fund in FY 2001. Based on the diversion plan no other transfers to this fund will occur. In FY 2003, \$15.7 million will be transferred out of the fund, leaving approximately \$50.0 million for use in FY 2004. Until the trust is depleted, the Senior Services Trust Fund will be invested by the Kansas Public Employees Retirement System, with interest earnings being credited to the Senior Services Fund quarterly. Expenditures from the Senior Services Fund can be used for projects intended to reduce future Medicaid costs, for seniors to avoid premature institutionalization, for a state match for senior service programs authorized by federal law, for improvement of the quality of life for customers of long-term care programs, or for financial assistance under the Senior Pharmacy Assistance Program.

2000 HB 2814 authorized the Senior Pharmacy Assistance Program in the Department on Aging to assist low-income citizens with the cost of prescription drugs. To become eligible, persons must be age 62 or older. The Secretary of Aging will be allowed to adjust the eligibility limits. The Secretary can also adjust maximum benefits, co-payments, and eligible drugs. The act took effect on July 1, 2001. If the

federal government had created a national pharmacy program, the bill would have been suspended and the state Senior Pharmacy Assistance Program would not have begun.

For FY 2002 and FY 2003, the Governor recommends funding of \$1.2 million for the Senior Pharmacy Assistance Program. Investment income generated from the Senior Services Trust Fund and transferred to the Senior Services Fund in FY 2001 was \$1.3 million.

**Long-Term Care.** The Long-Term Care Loan and Grant Fund is used to make loans and grants under the Long-Term Care and Loan Grant Program. The 2000 Legislature approved \$11.0 million in expenditures for the Long-Term Care Loan and Grant Program, including \$1.0 million for a grant to Horizons Health Plan, Inc. The Governor's recommendation for FY 2001 concurred with the \$1.0 million grant to Horizons Health Plan, Inc. However, to adjust for revised estimates for the KSIT Program, \$9.0 million was approved for the Long-Term Care Loan and Grant Program in FY 2001. The agency did not begin the program in FY 2001, so for FY 2002, the Governor recommends \$13.4 million. This recommendation includes the \$9.0 million not spent in FY 2001 and the FY 2002 approved amount of \$4.4 million. The Governor recommends \$4.4 million for FY 2003.

**Medicaid Match.** The state Medicaid match funds can be used in a variety of Medicaid programs administered by the Department on Aging and the Department of Social and Rehabilitation Services. For FY 2002, the approved amounts of \$12.3 million for

the Home and Community-Based Services for the Developmentally Disabled Waiver and \$10.95 million for the Home and Community-Based Services for the Frail Elderly Waiver are recommended. For FY 2003, the Governor recommends \$12.3 million for the Developmentally Disabled Waiver and \$10,973,923 for the Frail Elderly Waiver.

**Home & Community-Based Services.** The HCBS Programs Fund was to be used only in FY 2001. However, more money than expected was transferred to this fund in FY 2001. Therefore, a carry forward balance is available in FY 2002. The 2001 Legislature approved expenditures of \$250,000 from this fund in FY 2002 for the Home and Community-Based Services Waiver for the Frail Elderly. For FY 2003, the Governor recommends using the balance of \$226,077 for the Home and Community-Based Services for the Frail Elderly.

**IGT Funds.** The IGT funds will be used in FY 2002 and FY 2003 to fund Home and Community-Based Services Waivers in the Department on Aging and the Department of Social and Rehabilitation Services. For FY 2003, the Governor recommends \$7.5 million for the Home and Community-Based Services Waiver for the Frail Elderly and \$52.5 million for the Home and Community-Based Services Waiver for the Developmentally Disabled. State General Fund expenditures in each of these programs were reduced by the amount recommended for the IGT funds. The Governor also recommends transferring \$10.0 million from the IGT fund to the Title XIX Fund used to support the state hospitals.

# Children's Initiatives Fund

## Trust Fund

All proceeds from the national settlement with tobacco companies will be deposited in a trust fund, which has been named the Kansas Endowment for Youth (KEY) Fund. Money in this fund will be invested and managed by KPERS to provide ongoing earnings.

During FY 2000 the state received \$68.2 million in tobacco settlement payments. Payments in FY 2001 totaled \$52.1 million. The current estimate for payments in FY 2002 is \$56.9 million. However, the amount and timing of the estimated payments could change depending on the profitability of the companies, the legal actions pursued by individual states and the federal government, and interest accrued on delayed payments. On July 1, 2000, \$20.3 million 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, \$10.0 million will be transferred to the State General Fund and \$40.0 million to the Children's Initiatives Fund. Money deposited in the Children's Initiatives Fund will be available to benefit the physical and mental health, welfare, and safety of children in Kansas.

## Fund Summary

The table below summarizes the Children's Initiatives Fund for FY 2001 through FY 2003 and its predecessor, the Children's Health Care Programs Fund, for FY 2000. For FY 2002, the Governor recommends no changes to the \$38.65 million in expenditures for children's programs that the 2001

Legislature approved. For FY 2003, the Governor recommends spending \$45.0 million from the Children's Initiatives Fund.

## FY 2003 Recommendations

Each of the programs recommended for FY 2003 is listed in the table on the next page and described in detail in this section. In addition, Schedule 4 at the back of this volume provides data by program, by agency, for FY 2001 through FY 2003.

### Social & Rehabilitation Services

**Children's Mental Health Initiative.** The Governor recommends \$2.5 million from the Children's Initiatives Fund 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 from the Children's Initiatives Fund for the statewide Family Centered System of Care Program in FY 2003. The program provides mental health and prevention services for children with severe emotional disturbances.

**Therapeutic Preschool.** The Governor continues funding of therapeutic preschool programs with \$1.0 million from the Children's Initiatives Fund in FY 2003. The program serves infants and young children who are at risk for abuse, neglect, and future emotional, social, or behavioral disorders. Services

<b>Children's Initiatives Fund Summary</b>				
	Actual FY 2000	Actual FY 2001	Gov. Rec. FY 2002	Gov. Rec. FY 2003
Beginning Balance	\$ --	\$ --	\$ 1,775,242	\$ 3,125,242
Revenues	20,338,133	30,000,000	40,000,000	45,000,000
Total Available	\$ 20,338,133	\$ 30,000,000	\$ 41,775,242	\$ 48,125,242
Expenditures	20,338,133	28,224,758	38,650,000	45,000,000
Ending Balance	\$ --	\$ 1,775,242	\$ 3,125,242	\$ 3,125,242

### Children's Initiatives Fund

Program or Project	FY 2003
<b>Health &amp; Environment--Health</b>	
Healthy Start/Home Visitor	250,000
Infants & Toddlers Program	1,000,000
Smoking Prevention Grants	1,500,000
Total--KDHE	\$ 2,750,000
<b>Juvenile Justice Authority</b>	
Juvenile Prevention Program Grants	6,500,000
Juvenile Graduated Sanctions Grants	2,000,000
Total--JJA	\$ 8,500,000
<b>Social &amp; Rehabilitation Services</b>	
Children's Mental Health Initiative	2,500,000
Family Centered System of Care	5,000,000
Therapeutic Preschool	1,000,000
Child Care Services	1,400,000
Community Services for Child Welfare	2,600,000
Health Wave	2,000,000
Medical Assistance	3,000,000
Smart Start Kansas	4,000,000
Children's Cabinet Accountability Fund	600,000
Total--SRS	\$22,100,000
<b>Department of Education</b>	
Parent Education	3,000,000
Four-Year-Old At-Risk Programs	6,000,000
School Violence Prevention	500,000
Reading and Vision Research	400,000
Reading Recovery	500,000
Total--Education	\$10,400,000
<b>University of Kansas Medical Center</b>	
TeleKid Health Care Link	250,000
Pediatric Biomedical Research	1,000,000
Total--KUMC	\$ 1,250,000
Total	\$45,000,000

are targeted to two-and-a-half to five-year-old special needs children who have a severe emotional disturbance and who are unable to attend other preschools because of their behavior. The Therapeutic Preschool Program also extends care to kindergarten children who attend public school special education services for half of the day and the therapeutic preschool for the remainder.

**Child Care Services.** The Governor recommends \$1.4 million from the Children's Initiatives Fund 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 childcare assistance total \$59.4 million from all funding sources.

**Community Services for Child Welfare.** An amount of \$2.6 million from the Children's Initiatives Fund is recommended for community services for child welfare. This program will provide funding 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. The program continues an appropriation made by the 2000 Legislature.

**HealthWave.** The Governor recommends \$2.0 million from the Children's Initiatives Fund for HealthWave. This program provides insurance coverage for children whose family income is less than 200.0 percent of the federal poverty level. Cost sharing enables some families whose income is at or above 200.0 percent of the poverty level to participate in the program for a fee. The Governor recommends a total of \$47.3 million for HealthWave, including \$11.2 million from the State General Fund and \$34.0 million in federal funds.

**Smart Start Kansas.** The Governor recommends \$4.0 million from the Children's Initiatives Fund for Smart Start Kansas, a program of the Children's Cabinet. Grants will be awarded to early childhood programs that are research driven and outcome based. The programs must also be compatible with the Communities That Care model.

**Children's Cabinet Accountability Fund.** The Governor recommends \$600,000 from the Children's Initiatives Fund 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.

**Medical Assistance.** The Governor recommends \$3.0 million for FY 2003 to offset the cost of providing Medicaid services to low income children. The 2001 Legislature approved \$3.0 million for FY 2002 and reduced the State General Fund contribution by the same amount. The Children's Initiatives Fund dollars are part of the state's matching funds for federal Medicaid reimbursement.

## **Health & Environment—Health**

**Healthy Start/Home Visitor.** The Governor seeks to maintain the number of families that receive assistance through prenatal care and follow-up visits by recommending \$250,000 from the Children's Initiatives Fund. This recommendation continues funding at the level of the approved FY 2002 amount. The Governor's FY 2003 recommendation will provide a total of nearly \$1.1 million from all funding sources for the program.

**Infants & Toddlers Program.** The Governor recommends increased funding by \$500,000 from the Children's Initiatives Fund to enhance this program. It provides leadership in the planning, development, and promotion of policies and procedures to identify infants and toddlers with developmental delay and to provide early intervention services to eligible children and their families. In total for FY 2002, recommended expenditures for the program are \$6.2 million from state and federal funds. The Governor's recommendation continues the approved current year funding from the Children's Initiatives Fund.

**Smoking Prevention Grants.** The negative effects of smoking pose serious health risks to members of the community. The Governor recommends \$500,000 from the Children's Initiatives Fund in FY 2002 to be targeted for tobacco use prevention programs, the same as the approved amount for FY 2001. Administered by the Department, these funds could be distributed as grants to non-profit organizations or be used to implement new prevention programs within the Department.

## **Department of Education**

**Four-Year-Old At-Risk Programs.** The Governor recommends \$1.5 million in additional funding to expand services to approximately 595 more at-risk children. Under the recommendation, a total of 4,351 children will benefit from this early childhood educational opportunity. It is estimated there are approximately 5,500 at-risk children not served by head start or early head start in the state, who would benefit from this program. The \$6.0 million necessary to provide services is financed by the Children's Initiatives Fund.

**Parent Education.** The Governor recommends an additional \$500,000 from the Children's Initiatives Fund to expand the program to another 900 families. Total funding of \$7.6 million is financed by \$4.6 million from the State General Fund and \$3.0 million from the Children's Initiatives Fund. The Parent Education Program provides expectant parents and parents of infants and toddlers with information related to parenting skills, positive approaches to discipline, and development of self-esteem.

**School Violence Prevention Grants.** Since FY 2000, \$500,000 from this fund has been appropriated to address school violence prevention. The Governor recommends that \$500,000 be continued from the Children's Initiatives Fund to provide children with mental health and support services in the school setting. The program is competitive and is designed to reduce school violence, substance abuse, and the number of dropouts and delinquency. Schools must provide a 25.0 percent match to participate.

**Vision Research & Services.** Monies from the Children's Initiatives Fund were added in FY 2001 to expand services to 160 students. Vision therapy is provided to students by participating optometrists. Most of the \$400,000 cost included in the FY 2003 budget is for students' vision treatment and examinations. Students who if needed received treatment under the program increased their ability to converge their eyes on near objects, greatly improving their reading skills.

**Reading Recovery.** The Governor recommends \$500,000 for reading recovery grants. The reading recovery program model is directed at the lowest achieving children in reading and writing, and utilizes specific reading instructional techniques and strategies in daily one-on-one sessions with a program-trained teacher over an average period of 12 to 20 weeks. Since 1993, the program has successfully brought 82.0 percent of participating students to grade level in their reading in the Winfield school district.

## **University of Kansas Medical Center**

**Tele-Kid Health Care Link.** In continued support of expanding the Tele-Kid Health Care Link, the Governor recommends \$250,000 from the Children's Initiatives Fund. The University of Kansas Medical Center was the first hospital in the country to deliver

medical services to local schools. The project uses personal computer based telemedicine technology that links physicians and children for clinical visits from the school nurse's office to the doctor's office. The funding will assist the Medical Center in expanding the program to Wichita and in rural areas.

**Pediatric Biomedical Research.** The Governor recommends \$1.0 million from the Children's Initiative Fund. This will allow the Medical Center to expand pediatric medical research in epilepsy and other childhood diseases.

### **Juvenile Justice Authority**

**Prevention Program Grants.** The Governor recommends \$6.5 million for FY 2003 to address the

importance of prevention programs in reducing juvenile crime. The Governor's recommendation allows for the establishment and maintenance of community-based delinquency prevention programs. Programs include truancy prevention, mentoring, after school recreation, and family support services. The additional \$500,000 will provide technical assistance and professional services to support community data collection efforts.

**Graduated Sanctions Grants.** The Governor recommends \$2.0 million for community services for juvenile offenders who are not at risk. These funds, in addition to other funding, enable communities to provide supervision and structure for juvenile offenders through intake and assessment, intensive supervision, case management, and community support services.

## Gaming Revenues

The State Gaming Revenues Fund is capitalized through monthly transfers from the Kansas Lottery and the Kansas Racing and Gaming Commission. Transfers are then made from the Gaming Revenues Fund to funds specifically dedicated to economic development initiatives, prison construction and maintenance projects, local juvenile detention facilities, treatment of pathological gamblers, and the State General Fund.

The amounts transferred to the State Gaming Revenues Fund reflect gaming revenues from the Kansas Lottery and the Racing and Gaming Commission less the cost of financing the two agencies' operations. Remaining balances are transferred to the State Gaming Revenues Fund. All receipts to the Gaming Revenues Fund are subsequently transferred to various funds in accordance with a statutory formula. These transfers cannot exceed \$50.0 million each year. The current formula first transfers \$80,000 to the Problem Gambling Grant Fund. Then 85.0 percent of the balance 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 received.

The monthly transfers from the Kansas Lottery are designated to be any money in excess of what is needed for operation of the Lottery, or 30.0 percent of net sales, whichever is greater. The transfer rate has never been less than 30.0 percent, but in past years the Legislature has approved higher transfer rates to increase receipts to the State General Fund.

For FY 2002 and FY 2003, the Governor recommends a 30.0 percent transfer rate. Lottery sales have been down during FY 2002 as compared to previous years. Consequently, the agency is decreasing its FY 2002 revenue estimates slightly from \$200.0 million to \$199.0 million. Transfers to the State Gaming Revenues Fund will also decrease correspondingly from \$60.0 million to \$59.25 million. Assuming total Lottery sales of \$193.5 million in FY 2003, a further

reduction in receipts, the recommended transfer rate will result in almost \$57.5 million in transfers to the State Gaming Revenues Fund.

<b>Gaming Revenues Fund</b>			
<i>(Dollars in Thousands)</i>			
	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>
<b>Transfers In:</b>			
Lottery	\$56,535	\$59,250	\$57,450
Racing & Gaming	427	272	85
Total	\$56,962	\$59,522	\$57,535
<b>Transfers Out:</b>			
PGGF	80	80	80
EDIF	42,432	42,432	42,432
JDFF	2,496	2,496	2,496
CIBF	4,992	4,992	4,992
Transfer to SGF	\$ 6,962	\$ 9,522	\$ 7,535
Total	\$56,882	\$59,442	\$57,455

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 State Gaming Revenues Fund. This process takes into consideration such factors as adequate fund balances, encumbrances, anticipated revenues, and actual revenues and expenditures to date. The Governor's recommendations assume the agency will transfer approximately \$260,000 in FY 2002 and \$86,000 in FY 2003 to the State Gaming Revenues Fund. Racetracks throughout the state are currently experiencing a decrease in racing activities, thus reducing revenues to the state even further.

In the Gaming Revenues Fund table above, the \$9.52 million and \$7.54 million State General Fund transfers projected for FY 2002 and FY 2003, respectively, reflect the amount of revenues deposited in the Gaming Revenues Fund in each year, minus \$50.0 million in combined transfers to the PGGF, EDIF, CIBF, and JDFF.

# Economic Development Initiatives Fund

The Governor targets the limited resources of the EDIF to priority areas for economic development that affect the business community, technological development, and the capabilities of the state workforce.

## Fund Summary

The primary recipients of funds from the Economic Development Initiatives Fund in FY 2003 are the Department of Commerce and Housing (\$19.4 million) and the Kansas Technology Enterprise Corporation (\$12.2 million). These agencies, as well as Kansas, Inc., have the primary responsibilities of business and community development, stimulation of new technologies and related private-public technologies, and strategic planning. The recommendation also includes approximately \$10.0 million for the Board of Regents and the statutory transfer of \$2.0 million to the State Water Plan Fund.

A summary of the status of the EDIF Fund is presented in the table below. The Governor's recommendations in FY 2002 and FY 2003 represent

net reductions of more than \$1.6 million in EDIF expenditures. The reductions were the result of limited resources available to the EDIF coupled with an increase in demand for expenditures. If the reductions were not made, the fund would have a negative balance in FY 2003. Although the fund's current status indicates a negative balance in FY 2002, it is expected that this will not have an adverse effect on FY 2003 and, by the end of FY 2003, sufficient resources will be available to cover expenditures.

## EDIF Revenue

The Economic Development Initiatives Fund 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 Grant Fund, are transferred to the EDIF. The Gaming Revenues Fund is limited to \$50.0 million each year, and transfers to the EDIF can reach a maximum of \$42.4 million in a given fiscal year. The Governor's budget recommendations are based on available resources in the EDIF of \$43.4 million in FY

### Economic Development Initiatives Fund Summary

	Actual FY 2000	Actual FY 2001	Gov. Rec. FY 2002	Gov. Rec. FY 2003
Beginning Balance	\$ 3,946,773	\$ 1,296,256	\$ 1,868,021	\$ (221,399)
Released Encumbrances	2,956,301	6,669,290	--	--
Adjusted Balance	\$ 6,903,074	\$ 7,965,546	\$ 1,868,022	\$ (221,399)
Revenues				
Gaming Revenues	42,500,000	42,432,000	42,432,000	42,432,000
Other Revenues	1,698,246	1,774,093	1,108,253	1,032,300
Water Plan Transfer Out	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)
Death & Dis. Transfers Out	--	--	(10,308)	--
Total Available	\$ 49,101,320	\$ 50,171,639	\$ 43,397,967	\$ 41,242,901
Expenditures	47,805,064	48,303,618	43,619,366	41,241,388
Ending Balance	\$ 1,296,256	\$ 1,868,021	\$ (221,399)	\$ 1,513

2002 and \$41.2 million in FY 2003. The table on the previous page details the actual and estimated revenues to the fund.

The Governor estimates gaming revenues to the EDIF to be \$42.4 million in each of FY 2002 and FY 2003. "Other revenue" includes interest, transfers from other funds, reimbursement of loans, and recoveries from prior years. In FY 2002 and FY 2003, interest earnings are estimated at \$1.0 million. The statutory transfer to the State Water Plan Fund remains at \$2.0 million.

## FY 2003 Recommendations

By law, EDIF expenditures must conform to certain restrictions with respect to distribution. One concerns geographic distribution and the other economic development foundations.

**Geographic Distribution.** By statute, half of all expenditures from the EDIF must be distributed equally among the state's four congressional districts. Thus, each district is to receive a minimum of 12.5 percent. The EDIF geographic distribution table below shows that each district received a considerable amount more than that required by statute. The third congressional district had the majority of EDIF expenditures in FY 2001 because a large portion of EDIF dollars is spent for the Centers of Excellence, MAMTC, and EPSCoR programs in Kansas Technology Enterprise Corporation's budget.

EDIF Geographic Distribution	
	Percent
Congressional District 1	23.2
Congressional District 2	24.3
Congressional District 3	30.5
Congressional District 4	22.1
Total	100.0 %

**Investment in Economic Development.** For FY 2002 and FY 2003, the Governor recommends that the majority of Economic Development Initiatives Fund financing continue programs operated by the Department of Commerce and Housing, Kansas Technology Enterprise Corporation, and Board of

Regents. The recommendation maximizes the use of EDIF for clearly identified economic development programs, especially those relating to research capability, investment in job training, and business expansion. The table below highlights the percentage of EDIF expenditures used to finance the seven foundations of economic development. All state operations contribute to business capacity.

Economic Development Initiatives Fund			
<i>(Percent of Expenditures by Foundation)</i>			
	FY 2001	FY 2002	FY 2003
Human Capital	47.8	52.3	52.1
Technological	17.0	18.9	18.4
Business Capacity	13.5	14.6	14.5
Business Environment	2.3	1.1	1.2
Financial Capital	--	--	--
Quality of Life	4.0	1.2	1.2
Infrastructure Assist.	15.4	12.1	12.7
	100.0 %	100.0 %	100.0 %

*Totals may not add because of rounding.*

The Governor's recommendations for FY 2003 are summarized in the table on the next page and described below in detail by agency and by program. They are also listed in Schedule 5 at the back of this report for FY 2001 through FY 2003.

## Department of Commerce & Housing

The Governor recommends \$19.4 million from the EDIF for the Department of Commerce and Housing, \$15.3 million in the form of an operating grant, \$3.5 million for the Economic Opportunity Initiatives Program, and \$500,000 for the Existing Industry Expansion Program. During the 2001 interim, the Legislative Budget Committee recommended that the Department of Commerce and Housing's FY 2003 appropriation be prepared as an operating grant. The grant allows the agency the flexibility to focus on activities that produce measurable outcomes, rather than funding individual programs at a fixed amount. With the recommended operating grant in FY 2003, the agency expects to achieve the outcome measures presented in the table on page 41. If the operating grant is adjusted, the outcome measures will need to be adjusted accordingly.

## Economic Development Initiatives Fund

Program or Project	FY 2003
Department of Commerce & Housing	
Economic Opportunity Initiatives Fund	3,500,000
Existing Industry Expansion	500,000
Operating Grant	15,353,185
Total--Commerce & Housing	\$ 19,353,185
Kansas Technology Enterprise Corporation	
Research Matching Grants	1,260,000
Innovative Research Grants	396,000
Centers of Excellence	3,925,000
EPSCoR	3,000,000
Special Projects	79,303
Commercialization Grants	1,350,000
Mid-America Mfg. Technical Center	905,399
Operations	1,291,549
Total--KTEC	\$ 12,207,251
Kansas, Inc.	313,292
Board of Regents	
Matching Grants--AVTS	200,000
Postsecondary Aid--AVTS	6,467,660
Capital Outlay--AVTS	2,700,000
Total--Board of Regents	\$ 9,367,660
<b>Total</b>	<b>\$ 41,241,388</b>

### Kansas Technology Enterprise Corp.

The Kansas Technology Enterprise Corporation (KTEC) provides research support, direct company investments, and business assistance. KTEC's philosophy targets sustainable economic leadership through technological innovation. The Governor recommends an amount of \$12,207,251 for FY 2003.

**Research Matching Grants.** Grants are provided to small Kansas companies conducting applied research on new products that have commercial potential. In turn, KTEC receives a royalty percentage on commercial sales. The Governor recommends \$1,260,000 for this program in FY 2003.

**Innovative Research Grants.** This program provides mentoring and financial support for Kansas businesses seeking federal technology funds primarily through its Small Business Innovation Research Subprogram. The Governor recommends an allocation of \$396,000.

**Centers of Excellence.** There are five centers in Kansas universities statewide. Each center has its own technology specialization, including pharmaceutical research, aviation, information technology, business productivity, and manufacturing. The centers invest in Kansas university-based research and provide technical assistance to new and existing companies in Kansas. The centers of excellence are one of KTEC's largest programs, with an estimated \$3.9 million from the EDIF and \$3.0 million from federal funds.

**EPSCoR.** KTEC and federal agencies co-fund basic research in science and engineering at Kansas state universities. Kansas is considered an EPSCoR state by virtue of its universities historically receiving a disproportionately low per capita average of federal research dollars. The Governor recommends \$3.0 million in FY 2003 for EPSCoR.

**Special Projects.** This program supports recurring partnerships, and allows program experimentation. It has served as a catalyst for programs such as Innovation and Commercialization Corporations and Graduate Intern Program. The Governor continues this program at \$79,303 for FY 2003.

**Commercialization Grants.** Commercialization entails the development of technology research into a product concurrently with steps required to develop the business, such as marketing, sales, production, and negotiations. The agency formed innovation and commercialization corporations, which are structured as not-for-profit, tax-exempt 501(c)(3) companies. They provide business development services and limited financing to start-up technology-based business, facilitate technology transfer and commercialization from their regional universities, and develop entrepreneurial supportive networks and infrastructure in their regions. The Governor recommends \$1,350,000 in commercialization grants for FY 2003.

**Mid-America Manufacturing Technology Center.** With regional offices at four of the five centers of excellence, this program provides business assistance in improving a manufacturer's technical capabilities. Companies are assisted to be more competitive through the adoption of known technologies and processes. For FY 2003, the program will be allocated an estimated \$3.9 million, including \$905,399 from the EDIF and the balance from federal funds.

## Kansas, Inc.

The Governor recommends \$313,292 for Kansas, Inc. in FY 2003 to continue strategic analysis of, and planning for, economic development of the state. The agency conducts economic development planning, policy research, and program evaluation to accomplish its mission.

## Board of Regents

The Governor recommends \$9,367,660 for postsecondary education at primarily area vocational-technical schools in addition to approximately \$20.0 million in State General Fund dollars. The funding will be used for instruction, technical innovations, and capital outlay by the schools.

### EDIF Operating Grant Outcome Measures Department of Commerce & Housing

	<u>FY 2001 Actual</u>	<u>FY 2002 Gov. Estimate</u>	<u>FY 2003 Gov. Rec.</u>
Jobs created or retained by projects utilizing KDOC&H assistance	13,709	13,258	12,693
Payroll generated by projects utilizing KDOC&H assistance	\$418,438,934	\$402,963,127	\$386,675,162
Capital investment in Kansas resulting from projects utilizing KDOC&H assistance	\$1,111,764,518	\$1,016,609,783	\$976,281,392
Funds leveraged through match in projects utilizing KDOC&H assistance	\$28,213,467	\$38,878,900	\$38,630,900
Individuals trained through workforce development programs	11,800	11,100	10,600
Sales generated by projects utilizing KDOC&H assistance	\$83,742,680	\$67,145,000	\$66,780,000
Increase in visitation resulting from KDOC&H tourism promotion efforts	398,916	299,250	319,463
Tourism revenue generated as a result of KDOC&H tourism promotion	\$39,248,968	\$35,577,285	\$28,461,828
Kansans served with counseling, technical assistance, or business services	5,067	5,627	5,362
Number of communities receiving community assistance services	238	349	334
Number of Kansans with improved housing situations resulting from KDOC&H assistance	347	425	417

# State Water Plan Fund

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## Water Plan Objectives

In a report to the Governor and the 2002 Legislature, the Kansas Water Authority outlined its FY 2003 recommendations for implementing the Kansas Water Plan. Highlights include plan objectives developed by the Authority after extensive public input. Included in the plan are measurable objectives for each basin, review of the plan to identify priority issues, evaluation of the condition of the state's water resources, and evaluation of the effectiveness of water programs. Sub-objectives to be achieved by calendar year 2010, described below by major category, can be found in the Kansas Water Authority's *Report to the Governor and 2002 Legislature on Recommendations to Implement the Kansas Water Plan for FY 2003*.

**Public Water Supply.** This objective is designed to ensure sufficient surface water storage will be available to meet projected year 2040 public water supply needs. Further, this objective will ensure that less than 5.0 percent of public water suppliers will be drought vulnerable. Finally, all public water suppliers will 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 will be reduced by targeting those with unaccounted water of 30.0 percent or more. Also to be reduced are the number of irrigation points of diversion for which the acre feet per acre (AF/A) of water use exceeds the respective regional 1.0 AF/A standard in eastern Kansas, 1.5 AF/A in central Kansas, 2.0 AF/A in western Kansas will be reduced, and those who overpump the amount authorized by their water rights.

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

**Water Quality Protection.** The average concentration of bacteria, biochemical oxygen demand, dissolved solids, nutrients, metals, and

pesticides which have an adverse effect on the water quality of Kansas lakes and streams will be reduced.

**Flood Management.** Reduce the vulnerability to flood damage within identified communities and areas. This is achieved by preventing inappropriate development in flood prone areas, improved forecasting and warning systems, flood proofing and evacuation, and riparian and wetland protection and restoration.

**Riparian & Wetland Management** Priority wetlands and riparian areas will be maintained, enhanced, or restored. Such activities will ensure that soil erosion is kept to a minimum.

**Water-Based Recreation.** Increased recreational opportunities at public lakes and streams.

**Data & Research.** Data collection, research projects, and information sharing activities will focus on specific water resource issues, as identified in the water planning process, and guide state water resource program operations.

**Public Information & Education.** Develop public information activities that ensure public awareness of the status of water resources in Kansas and educational activities that will increase public knowledge and understanding of Kansas water resources. Such activities will assist the public in making more effective water conservation and management decisions.

## Fund Summary

Water Plan projects are largely financed through the State Water Plan Fund. The table on the next page summarizes State Water Plan Fund actual revenues and expenditures for FY 2001 and estimates for FY 2002 and FY 2003 to illustrate the financial status of the fund. The adjusted balance is based on expected balances for each agency, released encumbrances, and monies transferred or returned to the fund. It also includes new revenues deposited in the State Water Plan Fund from fund transfers and the proceeds of

### State Water Plan Fund Summary

	Actual FY 2000	Actual FY 2001	Gov. Rec. FY 2002	Gov. Rec. FY 2003
Beginning Balance	\$2,816,958	\$ 2,431,325	\$ 2,550,678	\$ 494,477
Released Encumbrances	222,509	1,613,995	--	300,000
Transfers In	90	--	--	--
Transfer Out to State General Fund	--	--	(250,000)	--
Adjusted Balance	3,039,557	4,045,320	2,300,678	794,477
Revenues	17,311,753	16,493,994	17,834,896	17,528,000
Total Available	\$20,351,310	\$ 20,539,314	\$ 20,135,574	\$ 18,322,477
Expenditures	17,919,985	17,987,636	19,641,097	18,064,480
Ending Balance	\$ 2,431,325	\$ 2,551,678	\$ 494,477	\$ 257,997

various fees. Agency carryforward balances, which have constituted a relatively large portion of the State Water Plan Fund, are expected to be substantially less at the end of FY 2002 than in previous years. This can be attributed to a 9.2 percent increase in expenditures between FY 2001 and FY 2002.

Also included in the FY 2002 adjusted balance is a revenue transfer of \$250,000 from the State Water Plan Fund to the State General Fund. In the fall of calendar year 2001, an error was discovered in the State General Fund transfer to the State Water Plan Fund that occurred during FY 2001. In that fiscal year, the statutory amount of \$6.0 million had been reduced to \$4,500,000. However, \$4,750,000 was actually transferred. This \$250,000 transfer allows the State General Fund to re-coup its loss.

### State Water Plan Revenue

New FY 2003 revenue estimates are shown in the State Water Plan revenue table in the next column. Included in the FY 2003 estimate are transfers of \$6.0 million from the State General Fund and \$2.0 million from the Economic Development Initiatives Fund. Starting in FY 2003, the Governor recommends that these transfers be treated as revenue transfers instead of demand transfers. User fee revenues, which make up the rest of this fund's revenue, are expected to be

approximately \$200,000 less in FY 2003 than in FY 2002. This is due to an expected decrease in the amount of commercial fertilizer registered for sale in Kansas and a decline in stock water and municipal water use.

### State Water Plan Fund Revenue

New Receipts:	FY 2003
State General Fund Transfer	\$ 6,000,000
EDIF Transfer	2,000,000
Municipal Water Fees	3,550,000
Fertilizer Registration Fees	3,038,000
Industrial Water Fees	1,235,000
Pesticide Registration Fees	910,000
Sand Royalty Receipts	405,000
Stock Water Fees	315,000
Fines	75,000
Total Receipts	\$ 17,528,000

### FY 2003 Recommendations

Starting in FY 2002, the expenditures from this fund have been appropriated directly from the Water Plan Fund to simplify the appropriation process and to facilitate management of the fund for cashflow purposes. The Governor's recommendations for this

## State Water Plan Fund

Project or Program	FY 2003
Kansas Corporation Commission	
Oil & Gas Well Plugging	400,000
University of Kansas	
Geological Survey	50,000
Department of Agriculture	
Interstate Water Issues	242,552
Floodplain Management	143,042
Subbasin Water Resources Mgt.	548,342
Total--Dept. of Agriculture	\$ 933,936
State Conservation Commission	
Water Resources Cost-Share	4,329,744
Nonpoint Source Pollution Asst.	3,150,000
Conservation District Aid	1,042,500
Buffer Initiatives	386,634
Water Rights Purchase	69,433
Watershed Dam Construction	705,000
Riparian and Wetland Program	250,000
Total--Conservation Commission	\$ 9,933,311
Health & Environment--Environment	
Contamination Remediation	1,351,840
Local Environmental Protection	1,800,000
Nonpoint Source Technical Asst.	431,043
TMDL Initiatives	461,792
Total--Health & Environment	\$ 4,044,675
Kansas Water Office	
Assessment & Evaluation	230,000
Federal Cost-Share Programs	160,285
GIS Data Access & Support Center	76,824
GIS Data Base Development	225,000
MOU--Operations & Maintenance	390,715
Ogallala Aquifer Institute	40,000
PMIB Loan Payment for Storage	261,810
Public Information	35,000
Stream Gauging Program	392,448
Technical Assist. to Water Users	436,298
Water Planning	154,077
Water Resource Education	55,000
Weather Modification	173,000
Kansas Water Authority	22,101
Total--Kansas Water Office	\$ 2,652,558
Wildlife & Parks	
Stream Monitoring	50,000
<b>Total</b>	<b>\$18,064,480</b>

fund for FY 2003 are summarized in the table on this page and described below in greater detail. In addition, State Water Plan Fund projects are listed in Schedule 6 in the back of this report for FY 2001 through FY 2003.

The Governor's recommendations for expenditures from the State Water Plan Fund totals \$18,064,480 for FY 2003. Under the Governor's recommendations, six state agencies receive appropriations from the State Water Plan Fund. In addition, the Kansas Corporation Commission will continue to receive a revenue transfer of \$400,000. These recommendations largely mirror the recommendations made by the Kansas Water Authority in its *Report to the Governor and 2002 Legislature on Recommendations to Implement the Kansas Water Plan for FY 2003*. The Water Authority's recommendations are based on the expected shortfall in the State Water Plan Fund and those programs considered to be of the highest priority.

### Kansas Corporation Commission

**Abandoned Oil & Gas Well Plugging.** This program was established during the 1996 Legislative Session to investigate, remediate, and plug oil and gas wells abandoned prior to July 1, 1996. In addition to the State Water Plan Fund, this program also receives funding from the State General Fund, the Corporation Commission's Conservation Fee Fund, refunds, and federal funds. This program will continue to receive a revenue of \$400,000 transfer from the State Water Plan Fund through FY 2009.

### University of Kansas

**Geological Survey.** Included in the Governor's recommended State Water Plan budget is \$50,000 for the Geological Survey. The additional funding will be used to continue the analysis of water depletion in the Ogallala Aquifer. This study began in FY 2002 as one of the Governor's water resource priorities. Specifically, the Geological Survey will evaluate estimated water level declines in the aquifer by decade and area, precipitation in the area, and aquifer recharge rates. The Governor's budget recommendation is \$10,000 greater than the Water Authority's recommendation.

## Department of Agriculture

The Department of Agriculture administers three State Water Plan projects: Interstate Water Issues, Floodplain Management, and Subbasin Water Resources Management. To finance these projects the Governor recommends \$933,936 for FY 2003. This represents a \$90,997 reduction from the revised FY 2002 estimate.

**Interstate Water Issues.** Interstate water issues will continue to be a priority of the Governor in order to protect the state's interest and entitlement to the use and benefits of water in interstate river basins. The project provides legal and technical support to the Division of Water Resources and represents the state's interests when interstate river compacts and other water issues are involved. Further, litigation on the Republican River Compact between Kansas and Colorado is expected to continue through FY 2003. The Governor recommends \$242,552 to support these activities.

**Floodplain Management.** For FY 2003, the Governor recommends \$143,042 for the Floodplain Management Program. This program provides local governments with technical and financial assistance to address floodplain management and other flooding issues in priority areas.

**Subbasin Water Resources Management.** This 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 comprised of environmental scientists familiar with the geology and hydrology of an assigned basin. These scientists analyze the basins and develop strategies to address a basin's water issues. In FY 2003, the Governor recommends \$548,342, a decrease of \$101,191 from FY 2002.

## State Conservation Commission

Of the \$18.0 million in State Water Plan Fund expenditures recommended for FY 2003, the majority of expenditures are by the State Conservation Commission. The Governor recommends a total of \$9,933,311 in State Water Plan expenditures for this agency.

**Water Resources Cost-Share Program.** For this program the Governor recommends \$4,329,744 in FY 2003. This is a \$750,206 reduction from the FY 2002 approved budget. This program enhances and conserves the state's soil and water resources through the use of financial incentives in a voluntary partnership with farmers, ranchers, and other land managers. Over the past several years, emphasis has shifted toward water quality improvement. The program also helps implement techniques of terracing, grass waterways, and grass planting to slow the loss of sediment and nutrients from agricultural lands.

**Nonpoint Source Pollution Assistance.** For FY 2003, the Governor recommends \$3,150,000 for the Nonpoint Source Pollution Assistance Program. This is a \$21,715 reduction from the FY 2002 approved budget for this purpose. This program provides technical assistance to conservation districts in the development of nonpoint source pollution plans. Pollution Assistance has experienced a high demand for assistance in upgrading failing septic systems and livestock waste systems. The Commission's efforts will focus on targeted resources within each of the conservation districts.

**Conservation District Aid.** For FY 2003, the Governor recommends \$1,042,500 for Conservation District Aid. The objective for this program is to increase county conservation district operating funds enabling local governing boards and staff to implement natural resource programs, which is critical to the success of conservation district programs. Furthermore, the county level leadership and delivery system provides the agency with the structure of local program administration of Conservation Commission programs, which assists the Commission in achieving its mission.

**Buffer Initiatives.** This program encourages the use of buffer strips by landowners to protect the state's natural water resources from nonpoint source pollutants. Previously, the program was operated only in the Kansas-Lower Republican River Basin in watersheds with high priority total maximum daily load impairments. The program has since been expanded into the Lower and Upper Arkansas River Basins and the Cimarron River Basin. For FY 2003, the Governor recommends expenditures of \$386,634, an increase of \$50,000 from the Water Authority's recommendation.

**Water Rights Purchase.** The Water Rights Purchase Program provides cost-share assistance to local organizations to purchase water rights from willing sellers. When purchased, the water rights are returned to the custodial care of the state and will not be available for future appropriation. This program is one of several initiatives established by the Governor to address the issue of water depletion in the Ogallala Aquifer. For FY 2003, the Governor recommends \$69,433.

**Watershed Dam Construction.** For FY 2003, the Governor recommends \$705,000 for watershed dam construction projects. This program's goal is to reduce flood damages and sedimentation through the construction of detention or grade stabilization dams and non-structural measures.

**Riparian and Wetland Program.** For FY 2003, the Governor recommends \$250,000 for the Riparian and Wetland Program. This program's goal is to protect, enhance, and restore riparian areas, wetlands, and associated habitats. This is accomplished by providing technical, educational, and financial assistance to landowners and the public in general.

## **Health & Environment—Environment**

**Contamination Remediation.** The Governor provides \$1,351,840 in FY 2003 to address environmental contamination at sites where there is no responsible party identified or where the responsible party is unable or unwilling to take corrective action. Funds are used for site assessments, comprehensive investigation, corrective actions, and emergency responses. There were 77 sites in the program as of September 2001. The issue at most of the sites involves contamination of public water supplies or domestic water wells. The Governor's budget recommendation is \$48,160 less than the FY 2002 approved budget.

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

102 counties are participating in Local Environmental Protection programs.

**Nonpoint Source Technical Assistance.** This program provides technical assistance and demonstration projects for nonpoint source pollution management at the local level. Planned FY 2003 activities include continuing pollution protection projects at Tuttle Creek, Perry, Clinton, Hillsdale, Melvern, Marion, Kanopolis, and El Dorado reservoirs. The Governor recommends \$431,043 for the program in FY 2003.

**Total Maximum Daily Loads (TMDL).** A TMDL is the maximum amount of pollution a specific river or lake can receive without violating the surface water quality standard. The water planning process and basin advisory committees are developing and implementing actions to meet the established TMDL levels. TMDLs were established for the Marais des Cygnes and Missouri basins during FY 2001. The Governor recommends \$461,792 to continue efforts to obtain flow and other supplemental data in other basins where TMDLs are not established and to provide follow-up monitoring where TMDLs have been set. Of this, \$255,000 will be used to conduct Use Attainability Analyses where necessary, especially where the designated uses may be closely reviewed upon the eventual establishment of TMDL levels. The Governor's recommendation reduces the program's budget \$42,355 from FY 2002.

## **Kansas Water Office**

The Governor recommends a total of \$2,652,558 from the State Water Plan Fund for the Kansas Water Office to implement various State Water Plan projects. The following highlights several projects included in the Governor's recommendations.

**Assessment & Evaluation.** The Kansas Water Office continually assesses the conditions of the state's water resources. These assessments are used to identify State Water Plan priorities. In addition, assessments serve as a base from which progress toward State Water Plan objectives are measured. For FY 2003, the Governor recommends \$230,000. This is an increase of \$30,000 from the FY 2002 revised estimate for this program.

**Federal Cost-Share Programs.** In FY 2003, the Governor recommends \$160,285 to continue federal cost-share programs. This is a decrease of \$89,715 from FY 2002. These programs include the evaluation of reservoirs and their potential to provide water storage for public water suppliers, riparian and wetland restoration projects, and other federal cost-share projects.

**GIS Database Development.** During FY 2001, the Kansas Water Office and the Division of Information Systems and Communications in the Department of Administration began development of a Geographical Information Systems database. This database includes a wide range of information, including aquifer locations, public land surveys, and identification of vulnerable natural resources. Information recorded in the GIS database is used to determine whether sufficient water storage will be available to meet projected calendar year 2040 public water supply needs. For FY 2003, the Governor recommends \$225,000 for the continued development of the GIS database. This recommendation is \$25,000 less than the FY 2002 revised estimate.

**MOU—Operations & Maintenance.** A portion of the water supply storage space purchased through a 1985 Memorandum of Understanding (MOU) with the 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 this reserve storage space, the Governor recommends \$390,715 for FY 2003. This represents a decrease of \$47,118 from the FY 2002 revised estimate.

**PMIB Loan Payment for Storage.** During the 1994 Legislative Session, funding was provided to purchase

additional water storage space that was expected to still be available under the 1985 MOU with the Corps of Engineers. In addition to the \$13.6 million appropriated to the Kansas Water Office, the 1994 Legislature provided statutory authority to borrow from the Pooled Money Investment Board. A total of \$1,972,310 was borrowed. The term of the loan was for ten years with interest based on the average rate on investments during the previous fiscal year. The first payment to the PMIB was made in FY 1998. For FY 2003, the Governor recommends \$261,810. This is a \$2,181 decrease from FY 2002.

**Stream Gauging Program.** The state has contracted with the United States Geological Survey for more than 100 years to operate a stream gauging station network in Kansas. These stations provide real-time streamflow and reservoir level data throughout the state. For FY 2003, the Governor recommends \$392,448 for this program, a decrease of \$23,552 from FY 2002.

**Technical Assistance to Water Users.** The Governor recommends \$436,298 for FY 2003 to provide educational and technical assistance to irrigators and municipalities in the preparation of water conservation plans. A special emphasis is placed on public water suppliers with 30.0 percent or more of “unaccounted for” water.

## **Department of Wildlife and Parks**

**Stream Monitoring.** The Governor recommends \$50,000 from the State Water Plan Fund for FY 2003 to determine the potential adverse effects of pollution on fish and wildlife in Kansas streams. This project is undertaken in cooperation with the Kansas Department of Health and Environment.

# State Employees

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## Salaries

**Pay Plan Annualization.** The pay plan approved for FY 2002 included a base salary increase for state employees of 1.5 percent at the beginning of the fiscal year and another 1.5 percent half way through the fiscal year. Financing for both parts was included in agency budgets for FY 2002. In FY 2003, funding needs to be added to the state budget to cover the cost of the second 1.5 percent for all of the fiscal year. The Governor's recommendations include this funding in each agency budget at a cost of \$14.5 million from all funding sources, with \$9.0 million of the total from the State General Fund.

**New Salary Plan.** The budget that the Governor must submit by law does not contain resources sufficient to recommend a salary increase for state employees for FY 2003.

**Longevity Bonuses.** The Governor does recommend, however, continuation of longevity bonus payments in FY 2003. Under existing statutes, all eligible employees are entitled to receive a bonus payment based on \$40 per year of employment service to 25 years, or \$1,000, if an employee has at least ten years of state service. To finance the longevity bonus program, \$11.9 million from all funding sources is recommended, of which \$5.9 million is from the State General Fund.

## Employee Benefits

**Health Rate Increases.** The Health Care Commission, the governing body of the health plan for state employees, certified group health rates for FY 2003 that are substantially higher than those for FY 2002. The increases in the various rate categories, combining medical and dental, range from 7.0 percent to almost 27.0 percent. The FY 2002 rates remain the same as were budgeted a year ago. Ordinarily the rates would be incorporated in the budget instructions distributed to agencies in the early summer for preparation of their budgets. However, the change for FY 2003 was of sufficient magnitude to warrant its

being treated as a statewide budget issue in the fall as part of the decisions the Governor makes in formulating his budget recommendations. In that way, it would be reviewed in the context of the total state budget.

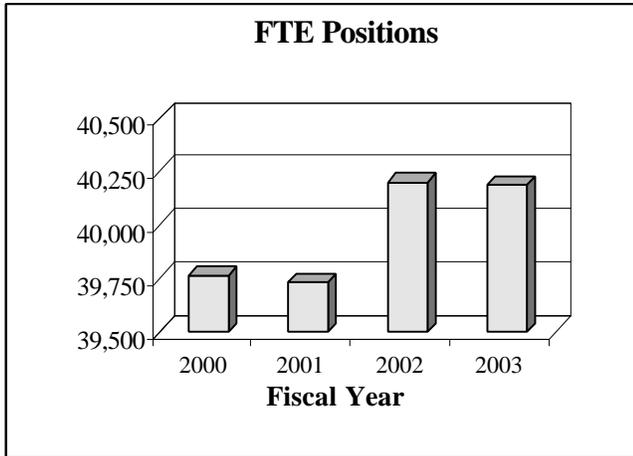
Accordingly, the Governor recommends financing that fully funds the rate increases certified by the Commission. These funds, amounting to \$19.8 million statewide from all funding sources, are included in the budget of each state agency that budgets for group health insurance. Of this amount, \$12.4 million is recommended from the State General Fund.

**KPERS Death & Disability Moratorium.** For FY 2003, the Governor recommends a six-month moratorium for the first half of the fiscal year on employer contributions to the KPERS Death and Disability Group Insurance Fund. As a result of prior year investment returns, the fund has a sufficient balance to replicate the six-month moratorium that was authorized by the 2001 Legislature for the first half of FY 2002. This moratorium saves approximately \$1.5 million in regular KPERS contributions from the State General Fund and \$6.8 million in KPERS school contributions, for a total savings of \$8.3 million. The budget of each state agency that budgets for this item has been adjusted accordingly.

## State Workforce

**Trends.** In recent years, the number of FTE positions in the state workforce has been declining, from 44,060.5 in FY 1996 to 39,732.4 in FY 2001. However, FY 2001 appears to be the low point of this trend. In FY 2002, the number increases to 40,197.8 and drops slightly to 40,187.8 in FY 2003. The trend is illustrated in the graph on the following page.

The upward trend from FY 2001 in FY 2002 is attributable to a number of changes, including additional staff for the Department of Revenue to collect taxes owed the state, additional financial examiners for the Banking Department, new positions



for the sex predator unit in SRS, staffing the new veterans' home at Winfield, additional research positions at Kansas State University, staff for a new 200-bed medium security unit at Ellsworth Correctional Facility, and new conservation officers for Wildlife and Parks. However, almost 200 of the 465.4 increases are the result of converting positions in a "temporary" category to regular FTE positions in the Departments of Health and Environment, SRS, and Wildlife and Parks in acknowledgement of their being truly permanent positions. The increases are partially offset by decreases at Larned State Hospital with the planned reduction of the hospital's patient population and the KU Medical Center as private contractual services replace state support for the hospital. Finally, a total of 11.0 positions responsible for administering federal Carl Perkins grants was transferred from the Department of Education to the Board of Regents, consistent with the reorganization of higher education.

**Counting the State Workforce.** An accurate count of the state workforce should include all positions

considered permanent and exclude temporary help. Most of the permanent employees are included in the category of FTE positions. However, the count is complicated by the fact that some permanent positions are also included in a category labeled "unclassified temporary" in the SHARP personnel and payroll system. The positions in this misleading category that are really permanent are easily identified because they participate in the state retirement system. By definition, an employee presuming to retire from state service ought to be considered permanent for counting purposes. These positions, non-FTE unclassified permanent, are reported in this manner throughout the budget documents.

**Statewide Summary of Salaries & Wages.** Expenditures for salaries and wages for all agencies combined are presented on the opposing page. They are detailed by the various base salary, benefit, and shrinkage components. It should be noted, however, that the row labeled "Annualization of FY 2002 Pay Plan Benefits" includes all benefit categories related to the annualization of salaries in the current year, rather than being included in each of the benefit categories.

Other changes in this table compared to previous years include the standardization of the main position categories used by the SHARP system, such as "Classified Regular," thus eliminating "Boards and Commissions" and "Student Help" as separate rows. In addition, no distinction is made between full time and part time in the categories representing employee and family health insurance. It should also be noted that the State General Fund portion of the salary budget is only an estimate for FY 2002 and FY 2003. The FY 2001 amount is an actual total from the accounting system.

## Statewide Salaries and Wages

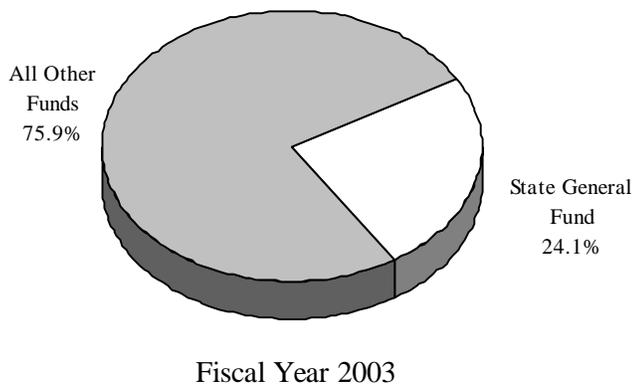
	FY 2001 Actual	FY 2002 Gov. Estimate	FY 2003 Base Budget	FY 2003 Enhance. Pkg.	FY 2003 Gov. Rec.
<b>Authorized Positions</b>					
Classified Regular	706,859,661	797,065,376	793,684,793	14,593,505	791,288,658
Classified Temporary	8,549,262	9,214,088	9,264,612	34,314	9,171,387
Unclassified Regular	643,871,023	688,349,160	688,969,743	3,548,124	689,385,906
Other Unclassified	91,384,677	83,874,188	84,235,974	168,750	84,203,949
Authorized Total	\$ 1,450,664,623	\$ 1,578,502,812	\$ 1,576,155,122	\$ 18,344,693	\$ 1,574,049,900
<b>New Positions</b>					
New Positions	--	741,977	3,181,836	--	3,095,808
Base Salary Increase	--	--	--	--	--
Unclassified Merit	--	--	--	--	--
Annualization of FY 2002 Pay Plan	--	8,074,805	18,441,950	5,022,330	18,323,273
New Total	\$ --	\$ 8,816,782	\$ 21,623,786	\$ 5,022,330	\$ 21,419,081
<b>Shift Differential</b>					
Shift Differential	2,097,511	2,504,557	2,563,732	10,352	2,544,263
Overtime	13,827,171	10,912,170	11,167,886	39,293	11,162,639
Holiday Pay	3,443,896	3,572,840	3,655,106	22,148	3,634,017
Longevity	9,994,174	10,365,572	11,222,567	--	11,217,007
Total Base Salaries	\$ 1,480,027,375	\$ 1,614,674,733	\$ 1,626,388,199	\$ 23,438,816	\$ 1,624,026,907
<b>Employee Retirement</b>					
KPERS	28,773,262	38,125,312	42,503,693	10,294	40,398,212
Deferred Compensation	318,472	373,245	394,912	--	388,892
TIAA	44,117,544	48,394,533	51,013,094	8,873	51,012,683
Kansas Police & Fire	2,443,775	2,627,639	2,533,531	--	2,533,531
Judges Retirement	3,220,585	2,646,936	2,648,496	23,656	2,606,661
Security Officers	4,465,722	5,833,733	6,540,822	123,145	6,142,246
Retirement Total	\$ 83,339,360	\$ 98,001,398	\$ 105,634,548	\$ 165,968	\$ 103,082,225
<b>Fringe Benefits</b>					
FICA	99,936,877	111,320,739	111,905,906	699,200	111,751,330
Workers Compensation	13,542,585	14,267,496	14,460,548	84,016	14,433,407
Unemployment	1,331,012	1,046,310	899,538	6,456	898,510
Retirement Sick & Annual Leave	6,412,167	6,368,613	6,388,865	36,771	6,383,881
Employee Health Insurance	87,787,631	103,702,694	103,786,105	803,366	121,091,931
Family Health Insurance	21,199,945	25,898,173	25,967,642	208,826	28,155,090
Regents GTA/GRA Insurance	186,019	613,518	617,518	--	617,518
Annual. FY 2002 Pay Plan Benefits	--	1,279,717	3,539,614	1,087,742	3,539,201
Total Fringe Benefits	\$ 313,735,596	\$ 362,498,658	\$ 373,200,284	\$ 3,092,345	\$ 389,953,092
Subtotal: Salaries and Wages	\$ 1,793,762,971	\$ 1,977,173,391	\$ 1,999,588,483	\$ 26,531,161	\$ 2,013,979,999
(Shrinkage)	--	83,987,394	110,192,761	(14,426,168)	86,051,820
Total Salaries and Wages	\$ 1,793,762,971	\$ 1,893,185,997	\$ 1,889,395,722	\$ 40,957,329	\$ 1,927,928,179
State General Fund Total	\$ 881,017,935	\$ 1,085,958,670	\$ 1,091,457,280	\$ 34,410,483	\$ 1,101,520,954
<b>FTE Positions</b>					
FTE Positions	39,732.4	40,197.8	40,180.3	264.0	40,187.8
Non-FTE Unclassified Perm. Pos.	544.4	435.6	441.1	(1.0)	439.1
Total State Positions	40,276.8	40,633.4	40,621.4	263.0	40,626.9

*Amounts include Off Budget expenditures for the Department of Administration, as well as the Departments of Wildlife & Parks and Transportation salaries and wages associated with the construction program budgeted as capital improvements. State General Fund amounts for FY 2002 and FY 2003 are estimated.*

# General Government Summary

The General Government function includes agencies that provide overall policy guidance to state government, perform general administrative services to all state agencies, collect and distribute state revenues, and implement regulatory functions. This function of government includes the budgets of elected officials; the Judiciary; administrative agencies, such as the Departments of Revenue, Administration, and Commerce and Housing; regulatory agencies, such as the Corporation Commission, the Insurance Department, the Kansas Racing and Gaming Commission; and other professional licensing and regulatory boards. Included in this function are 20 agencies with biennial budgets, 19 financed entirely from fees and one, the Governmental Ethics Commission, funded partly from the State General Fund and partly from special revenue funds.

## How It Is Financed



The Governor recommends a total of \$782.2 million in FY 2002 and \$789.8 million in FY 2003. These totals include \$193.2 million in FY 2002 and \$190.3 million in FY 2003 from the State General Fund. The State General Fund recommendation in FY 2003 represents a decrease of \$2.9 million, or 1.5 percent, from the FY 2002 Governor's estimated amount.

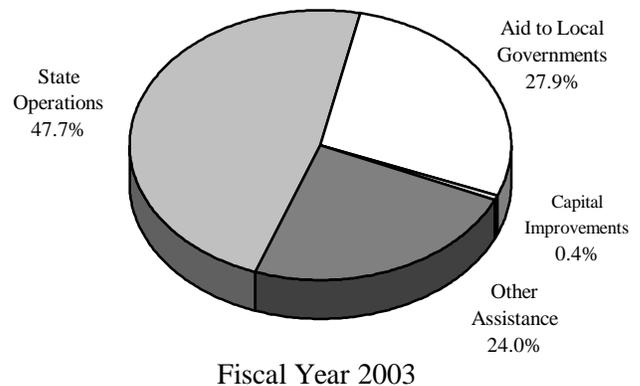
The FY 2003 State General Fund reductions in General Government reflect base budget cuts in every agency except the Judiciary. Local demand transfers are again treated as revenue transfers. Specifically, the Local Ad Valorem Tax Reduction Fund totaling \$52.5

million and the County and City Revenue Sharing Fund totaling \$33.5 million will be treated as revenue transfers in FY 2003.

The Governor recommends an additional \$1,827,830 from the State General Fund for FY 2003 on the debt service payment for the Statehouse renovation. The additional amount covers the debt service on the remaining \$24.0 million of the original \$40.0 million in bonds that were approved for this project. The debt service for the first \$16.0 million of the total, which is already included in the Department of Administration's base budget, is \$1,345,318 for FY 2003. Consequently, this addition will bring the debt service total to \$3,173,148.

For the FY 2003 recommendation, the Governor concurred with the amounts approved for all but 2 of the 20 biennial agencies. The two biennial agencies that requested and received relatively significant increases from the approved amounts are the Banking Department and the Real Estate Commission. The approved amounts were established during the 2001 Legislative Session.

## How It Is Spent



Biennial agency budgets were adjusted along with other agencies, for health insurance rate increases. The budgets were reduced to reflect a recommendation to continue the moratorium on employer contributions for death and disability insurance.

# Executive Branch Agencies

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## Department of Administration

The Governor recommends \$28,284,904 for FY 2003 from all funding sources for the portion of the Department's budget that is reported in statewide expenditure totals. Of this total, \$25,709,492 is from the State General Fund. The FY 2003 recommendation for the portion of the budget that is not reportable, otherwise called the "off budget," is \$105,352,904. The FY 2003 recommendations support a staff of 881.2 FTE positions and 6.0 non-FTE unclassified permanent positions, for a total of 887.2 FTE. The number of FTE positions increases by 2.0 because of the addition of the Workforce Safety Program.

**Budget Reductions.** State General Fund financing for the Department of Administration overall in FY 2003 has been reduced slightly more than 4.0 percent compared to the base budget level. Reductions are made in all major divisions, highlighted by a reduction of \$433,724 in support of the next upgrade to the SHARP personnel and payroll system. The effect of the reduced funding level is for the staff of the Division of Information Systems and Communications to devote more time to the upgrade at the expense of support of the database and a greater reliance on the administrative surcharge to user agencies. The FTE positions related to several of the reductions involving salaries are recommended to be retained in the agency's position limitation to allow the agency maximum flexibility to manage the reductions effectively with the least adverse effect on the services provided.

**Workforce Safety Program.** In FY 1998, the Legislature moved this program from the Department of Administration to the Department of Human Resources. With the concurrence of the two agencies, the Governor's budget recommendation transfers the program back to the Department of Administration starting in FY 2003. The budgetary effect is to relocate \$175,000 and 2.0 FTE positions. Financing for the program, all of which is from the State Workers' Compensation Self-Insurance Fund in the off budget of the Department of Administration, will not change.

**Public Broadcasting Grants.** The Governor recommends FY 2003 grants totaling \$2,009,048 for the ten eligible television and radio stations that are under the supervision of the Public Broadcasting Council. The funding is entirely from the State General Fund. The level of funding provided represents a decrease of 3.3 percent compared to the base budget level.

The recommendation also includes \$410,000 from the State General Fund for FY 2002 and \$450,000 for FY 2003 to finance the debt service payment on the \$6.0 million bond issuance to convert to digital technology under the federal mandate. The FY 2002 amount represents savings of \$90,000 from the \$500,000 appropriated for this purpose as originally recommended by the Governor and approved by the 2001 Legislature.

**Gubernatorial Transition.** In the FY 2003 budget, the Governor includes \$150,000 from the State General Fund for expenses related to a change in governors that will occur at the election in 2002. State law allows an amount up to \$150,000 to be appropriated for this purpose.

**Microsoft Licenses.** The Division of Information Systems and Communications is negotiating a Microsoft enterprise license that incorporates state agencies as well as local governments to increase the volume of users in order to take advantage of volume discounts, thereby lowering the cost of the license for all participants compared to what it otherwise would be. Any cost related to the license is financed from existing resources. DISC has designated \$250,000 from the State General Fund for each of FY 2002 and FY 2003 for the share representing the computer systems and applications within the Department of Administration.

## Kansas Corporation Commission

The Kansas Corporation Commission (KCC) is the regulatory agency that oversees rates for major utilities, petroleum exploration and production, and

some facets of the transportation industry. In addition, the KCC serves as a significant player in the development of energy policy for the state. The primary function of the Commission is to protect the public's interest through efficient and impartial resolution of jurisdictional issues.

The Governor recommends a budget of \$17,759,957, 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 Governor's recommendation will allow the Commission to maintain consistent performance while ensuring that rates for electricity, natural gas, and telecommunications services are reasonable.

**Abandoned Oil & Gas Well Plugging.** The Governor's recommendation for FY 2003 includes expenditures of \$1.9 million from the Abandoned Oil and Gas Well Plugging Fund. This fund was established during the 1996 Legislative Session for the purpose of investigating, remediating, and plugging oil and gas wells, which were abandoned prior to July 1, 1996. These wells present a threat to public health and the environment. As established, the fund receives \$400,000 each year from the State General Fund, the State Water Plan Fund, and the Conservation Fee Fund. The fund also will receive one half the state's share of the monies received from the federal government under the Mineral Leasing Act, which is estimated to be \$725,700 in FY 2003.

### **Citizens' Utility Ratepayer Board**

The primary responsibility of the Citizens' Utility Ratepayer Board (CURB) is to represent the interests of residential and small business utility consumers in proceedings before the Kansas Corporation Commission. In support of CURB's responsibilities, the Governor recommends \$581,205 from the agency's fee fund and 4.0 FTE positions in FY 2003.

### **Kansas Human Rights Commission**

The Commission strives to eliminate and prevent discrimination in the workplace, public accommodations, and housing throughout the state. The agency works to investigate complaints in a thorough and professional manner. The open case

inventory at the end of FY 2001 was 769. The agency anticipates a total of 739 open cases at the end of FY 2002 and 709 in FY 2003. One method of reducing the backlog is through mediation contracts with Kansas Legal Services. This program, which brings together public and private financing, has gained the agency national acclaim.

The Governor's recommendation recognizes the need for continuing funding for the contracts with Kansas Legal Services and education services. Reductions to the agency's base budget were made in salaries and wages, through increased shrinkage and an adjustment to unclassified salaries. The recommendation for FY 2003 is \$1,898,889 from all funding sources, with \$1,439,688 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 trial level public defender offices, an appellate defender office, and a death penalty defense unit, and it utilizes appointed and contracted counsel to provide defense services.

For FY 2003, the Governor provides \$14,775,449 for total expenditures, of which \$14,453,449 is from the State General Fund. The Governor's recommendation includes \$5,461,131 for payments to assigned counsel. Payments for assigned counsel were reduced \$156,000 in FY 2003. Because legal services for indigents must be provided when requested, the payments needed to operate this program will be carried forward into FY 2004. The Governor also recommends \$248,609 for the Legal Services to Prisoners Program, which reduces the FY 2002 funding level for this program in half. This budget recommendation will require the program to establish priorities in assisting inmates who request services. For FY 2003, the Governor recommends 166.5 positions for the agency.

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

The Health Care Stabilization Fund Board of Governors mandates basic professional liability

insurance for all active Kansas health care providers. The agency establishes and authorizes the Health Care Stabilization Fund and Health Care Provider Insurance Availability Plan. The Governor's recommendation of \$27,755,438 for FY 2003 continues operations of the Health Care Stabilization Fund Board of Governors and its 16.0 FTE positions. All expenditures are from the Health Care Stabilization Fund. The recommendation represents a net reduction in salaries of \$2,828 from the agency's base budget.

Of the total recommended by the Governor, the majority of these expenditures, approximately \$23.4 million, represent claims to be paid from the Health Care Stabilization Fund. Another \$4.4 million is for professional service costs related to defense of the Health Care Stabilization Fund and for representation of health care providers. The agency estimates that it will have 478 active cases and close 330 cases in FY 2003. This activity has not significantly changed compared to previous fiscal years.

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

The mission of KPERS is to safeguard the retirement system's assets by adhering to the highest standards of fiduciary and professional care, to comply strictly with the law, and to conduct business in a courteous, timely, and effective manner. The Governor's budget recommendation maintains the agency's current level of performance in administration of the retirement system and oversight of the investment portfolio.

The Governor's recommendation includes KPERS employer contribution rates of 4.48 percent in FY 2002 and 4.68 percent in FY 2003. The FY 2002 rate is based on an approved six-month moratorium of contributions for the first half of the fiscal year to the KPERS Death and Disability Group Insurance Fund. The Governor proposes to replicate this moratorium in FY 2003 so it will also be in effect for the first half of the fiscal year.

The total recommended budget for the agency in FY 2002 is \$31.3 million from the Kansas Public Employees Retirement System Fund, including support for 84.0 positions. The recommendation includes \$24.3 million for investment-related expenses and \$7.0 million for administrative costs.

<b>KPERS Benefit Payments</b>		
<i>(Dollars in Millions)</i>		
	<u>Regular</u>	<u>School</u>
FY 1997	\$201.6	\$195.1
FY 1998	216.1	212.9
FY 1999	237.4	235.2
FY 2000	251.2	254.7
FY 2001	274.7	284.3
FY 2002	306.2	321.8
FY 2003	317.9	341.0

Retirement benefits are not budgeted as reportable expenditures to avoid the double counting of employer contributions in the state budget. The above table shows actual and estimated KPERS-Regular and KPERS-School benefit payments.

### **Department of Commerce & Housing**

The Department of Commerce and Housing works to build the capability of communities and businesses to develop, innovate, diversify, and expand in a manner that creates wealth, quality jobs, and a superior quality of life for Kansans. In FY 2001, the Division of Housing of the Department of Commerce and Housing was awarded the administration of Section 8 multi-family property contracts. The contracts represent 278 properties in Kansas. The agency was appropriated \$36.6 million in federal funds for FY 2002. However, it has revised its request to begin administering contracts for only 156 properties in FY 2002, representing a reduction of \$18.9 million. It will begin administering all 278 properties in FY 2003.

The Governor's budget recommendation totals \$121,996,486 in FY 2003, including \$19.3 million from the Economic Development Initiatives Fund (EDIF) in the new form of an operating grant. The recommendation also includes \$200,000 from the State General Fund for the Eisenhower Library and Museum in Abilene. The Legislature recommended and approved this appropriation during the 2001 Legislative Session. The Governor cut 1.0 FTE position and reduced expenditures by a net of \$802,327, including \$838,876 from the EDIF. The EDIF reductions are the result of limited resources available to the EDIF coupled with an increase in

requested expenditures. Receipts to the EDIF are capped by statute at 85.0 percent of \$49.9 million in Lottery revenue. Further discussion of this agency's budget can be found in the Economic Development Initiatives Fund subsection in the Budget Issues section of this volume.

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

The Kansas Technology Enterprise Corporation (KTEC) is a quasi-public corporation owned by the State of Kansas. KTEC fosters innovation and the development of technology. Its programs fall under research, investment, and business assistance. Beginning in FY 2002, KTEC will experience a shift in leadership. KTEC's Board of Directors will begin a national search for a successor for the position of Executive Director.

For FY 2002, the Governor reduced salary expenditures by \$46,666, for a total budget of \$16,193,523, including \$12.9 million from the EDIF. The Governor's FY 2003 budget recommendation for KTEC is \$15,351,133, including \$12.2 million from the Economic Development Initiatives Fund (EDIF) and \$2.9 million in federal funding for MAMTC. The recommendation funds 30.0 positions. The reduction from FY 2002 to FY 2003 represents a \$661,216 decline from the EDIF. Besides operations, some of the agency's programs were reduced, including \$222,500 from the Centers of Excellence, \$126,000 from Innovation Research, \$241,500 from EPSCoR, and \$20,000 from Special Projects. The effect of the budget cuts is to reduce assistance to businesses in the form of less grant money offered and services provided. The reductions are the result of the limited availability of EDIF monies, as discussed previously. Further discussion of this budget can be found in the sections on economic development.

### **Kansas, Inc.**

Kansas, Inc., as the state's economic development "think tank," 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. For FY 2002,

contractual services were reduced by \$1,000, all from the EDIF. The agency's revised FY 2002 budget equals \$384,102. The Governor's recommendation for FY 2003 totals \$354,444, including \$313,292 from the EDIF to fund 4.0 FTE positions. Because of the limited availability of EDIF monies, the Governor reduced contractual service expenditures by \$31,889, all from the EDIF.

### **Kansas Lottery**

The Kansas Lottery strives to produce the maximum amount of revenue for the state and to maintain the integrity of all Lottery games. The agency reduced its FY 2002 other operating expenditures, including salaries and contractual services, by approximately \$1.2 million as a result of a decrease in sales during the year. The agency's revised budget for FY 2002 is \$139,747,228. For FY 2002, the agency projects total sales of \$199.0 million, down from the \$200.0 million previously projected. All Lottery expenditures are funded through revenues generated from the sale of Lottery tickets. The agency does not receive monies from the State General Fund, and no tax-generated revenue sources are used to support the Lottery.

For FY 2003, the Governor recommends \$136.0 million to finance 87.8 positions, a 2.7 percent decrease from FY 2002. The agency is projecting a further decrease in sales, and it will realize savings in operations from the close of its Wichita office. Sales revenues are estimated at \$193.5 million in FY 2003. The Lottery is mandated by statute to remit all excess revenues to the State Gaming Revenues Fund. Under sales and expenditure assumptions, \$59.25 million and \$57.45 million will be transferred to the state in FY 2002 and FY 2003, respectively. A complete explanation of the State Gaming Revenues Fund is found in the subsection of the same name in the Budget Issues section of this volume.

### **Kansas Racing & Gaming Commission**

The Racing and Gaming Commission consists of two programs: Racing Operations and Gaming Operations. The Racing Operations Program regulates statewide horse and dog racing activities, including the conduct of races, parimutuel wagering, and the collection of parimutuel taxes, admission taxes, and licensing fees.

These fees are deposited in the Racing Fund, with a portion of receipts going to the State Gaming Revenues Fund, which supports economic development, construction at correctional institutions, and local juvenile detention facilities. The Governor recommends \$4.9 million in FY 2002, a reduction of \$65,122 from the Racing Fund. The reduction represents salary savings from vacant positions. The Governor also recommends approximately \$5.0 million for the Racing Operations Program in FY 2003 and 43.0 positions. In addition, it is recommended that the Commission have only one Executive Director instead of the current structure of one Director for the Racing Program and one Director for the Gaming Program.

The Gaming Operations Program fulfills the state's responsibilities relative to the State-Tribal Compacts and the Tribal Gaming Oversight Act in the regulation of tribal gaming in Kansas. Responsibilities include conducting background checks of the agency's employees, monitoring compliance with internal controls and gaming rules, and monitoring compliance with licensing criteria. An amount of approximately \$1.4 million and 21.0 positions are recommended for the Gaming Operations Program in FY 2003. All gaming operations are financed through the Gaming Fund, which is capitalized through assessments to the four tribal casinos.

## **Department of Revenue**

The Kansas Department of Revenue collects taxes for the state. The Department's responsibilities also include regulation of the sale and distribution of alcoholic beverages, registration of motor vehicles, and licensure of drivers. The Governor recommends \$86,039,003 from all funding sources, with \$35,055,101 from the State General Fund for operating expenses in FY 2002. The revised recommendation includes a reduction of \$750,000 in funding from the State General Fund. Operations remain at the same level because this funding is replaced by an equal

amount from the Electronic Databases Fee Fund. The Secretary of Revenue is raising the fees associated with the fund to support the funding replacement.

For FY 2003, the Governor recommends \$86,197,593 from all funding sources, with \$34,479,022 from the State General Fund. The recommendation reflects a 5.0 percent reduction in the State General Fund. Of the total, 4.0 percent of the State General Fund reduction, or \$1,443,014, is replaced with funding from the Electronic Databases Fee Fund in the same manner as that recommended for FY 2002.

The Governor recommends continued funding of the revenue collections enhancement project. The project is on schedule to meet or exceed the projected estimate of \$45.0 million in additional revenues. The Governor and Legislature agreed to invest an additional \$3.2 million in State General Fund money to staff an additional 34.0 FTE positions. Total funding for the Department of Revenue, including these 34.0 new positions, allows staffing for 1,196.0 FTE positions for both FY 2002 and FY 2003.

## **Board of Tax Appeals**

The purpose of the five-member 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. This includes property tax issues regarding 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 2003, the Governor recommends total funding of \$2,053,352, with \$2,038,852 from the State General Fund. This reflects a 4.0 percent reduction to spending from the State General Fund. The Governor's recommendation eliminates 2.0 FTE positions for a recommended total of 29.0 FTE positions.

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## Biennial Budget Agencies

The 1994 Legislature authorized a biennial budgeting process for regulatory agencies, beginning in FY 1996. All of these agencies are general government agencies that regulate either a profession or an industry operating in Kansas and all at that time were funded entirely from fees charged to licensees. Beginning in FY 2001, the Governmental Ethics Commission became a biennial budget agency and the only biennial agency with a State General Fund appropriation.

These agencies are relatively small in both size of budget and number of personnel employed. Recommended amounts in FY 2003 range from \$20,285 for the Abstracters' Board of Examiners to \$5,721,964 for the Banking Department. Two agencies employ no full-time staff, and the Banking Department's 86.0 positions represent the largest staff of all the biennial budget agencies.

The 2001 Legislature enacted budgets for FY 2002 and FY 2003 for these agencies. With the exception of two agencies, the Banking Department and the Real Estate Commission, the Governor recommends only minor adjustments to the approved budgets for both years. The Governor's budget recommendations for FY 2002 and FY 2003 include increases for health insurance and adjustments for a moratorium on employer contributions for death and disability insurance. They also include the Governor's salary plan for FY 2002 and annualization of this increase for FY 2003. Some agencies will be upgrading computer systems using technology to improve efficiency and effectiveness. The Governor's recommendations allow for some fee increases within existing statutory limitations to ensure that the fiscal integrity of the fee funds supporting these agencies is maintained.

The Governor recommends a total of \$16.8 million for all 20 biennial agencies in FY 2002 and \$17.4 million in FY 2003, an increase of 4.0 percent above the estimate for FY 2002. The budget of each biennial agency is described briefly on the following pages.

### **Abstracters' Board of Examiners**

The Board protects the public from improper or fraudulent land transfers. The agency strives to

regulate equitably the individuals and firms that compile and sell abstracts of Kansas real estate. For FY 2002, the Governor recommends \$20,168 to issue 212 operative licenses and administer eight examinations. A part-time executive secretary manages the agency. The Governor recommends \$20,285 from the agency's fee funds for the FY 2003 budget.

### **Board of Accountancy**

The mission of the Board of Accountancy is to ensure that the public has a high degree of confidence in those holding themselves out to be Certified Public Accountants (CPAs). This mission is accomplished through the use of qualifying educational requirements, professional screening examinations, practical public accounting experience, ethical standards, internships, and continuing professional education and practice oversight for continued licensure. It is estimated that more than 3,200 CPAs will hold Kansas permits in FY 2003. An amount of \$189,663 is recommended by the Governor for FY 2003. All expenditures are from the Board of Accountancy Fee Fund.

### **Banking Department**

This agency examines all state-chartered banks, savings and loans, and trust departments. All such financial institutions are required by statute to be examined at least once each 18 months. The examinations can be performed by either federal examiners, such as the Federal Deposit Insurance Corporation, or by the Banking Department. This allows the agency to ensure the safety and soundness of banks, savings and loans, and trusts. In addition to the duty of regulating banks, the Banking Department assumed the functions of the former Consumer Credit Commissioner agency on July 1, 1999. The Banking Department is now responsible for regulating approximately 800 lenders of credit in the state. The goal is to benefit the consumer loan industry by protecting consumers from unfair practices of suppliers of consumer credit.

The agency seeks to eliminate the examination backlog within some of its programs. An amount of \$5,400,669 is recommended for FY 2002 and \$5,721,964 for FY 2003. This amount provides funding for 85.0 FTE positions and 1.0 non FTE unclassified permanent position in the agency, including 8.0 new FTE positions within the Consumer and Mortgage Lending Program.

## **Board of Barbering**

The purpose of the Board of Barbering is to ensure that safe, sanitary, and professional conditions are maintained in the barber profession. The Board provides for the licensure of 1,857 barbers, 950 barbering establishments, five barber colleges, and 25 barber instructors; the regulation and inspection of shops and schools to comply with sanitation requirements; and the investigation of complaints regarding the barber industry. Beginning in FY 1998, the Board conducts barber-licensing examinations at the Hutchinson Correctional Facility and United States Disciplinary Barracks at Fort Leavenworth. These examinations are conducted for inmates who have completed the barbering course of instruction and are close to parole or release.

The agency expects to achieve reductions in the percentage of barber shops with sanitation violations from 7.0 percent in FY 2002 to 6.7 percent in FY 2003. To aid the agency in achieving its mission, the Governor recommends \$129,914 in FY 2002 and \$132,390 in FY 2003 from the Barbering Fee Fund. The recommendations provide funding for 1.5 FTE positions.

## **Behavioral Sciences Regulatory Board**

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

The Governor's recommendation of \$486,815 for FY 2002 and \$517,271 for FY 2003 include planned

upgrades to computer equipment and reimburses advisory committee members for travel expenses incurred when attending meetings. The budget recommendations fund 8.0 FTE positions in both years.

## **Board of Cosmetology**

The Board of Cosmetology provides regulatory oversight for the profession of cosmetology. This regulation includes the licensure of cosmetologists, cosmetology salons, tanning facilities, and all beauty schools and instructors. To ensure that all facilities regulated by the board are clean and safe and meet the requirements of state law, the Board intends to conduct 3,960 routine facility inspections during FY 2002 and 4,180 in FY 2003. The Governor recommends \$722,187 for FY 2002 and \$761,970 in FY 2003 from the Cosmetology Fee Fund, which funds all services of the Board, including 12.0 FTE positions.

## **Department of Credit Unions**

The Department of Credit Unions provides a regulatory environment in which state-chartered credit unions can thrive without subjecting their members to undue risks. Outcomes are measured primarily by the level of safety and financial soundness of credit unions, as indicated by the industry-wide standard of the Capital Assets, Management Earning, and Liquidity (CAMEL) ratings, which are a measure of financial stability. Activities of this agency are financed by examination fees paid by the 111 regulated credit unions located in the state. Examinations are done on a 12 to 14-month cycle, and results are presented to the credit unions within 30 days. The agency seeks to provide timely field examination services. To attain this objective, the Governor recommends \$859,789 in FY 2002 and \$896,620 in FY 2003. The recommended amounts provide funding for 13.0 FTE positions, including a new financial examiner position.

## **Kansas Dental Board**

The Kansas Dental Board protects the public health of dental patients through the regulation of the dental and dental hygiene professions. The Board biennially

issues approximately 2,200 license renewals for dentists and 1,500 license renewals for hygienists. For FY 2003, the Governor recommends expenditures of \$328,839 from the agency's fee fund.

## **Governmental Ethics Commission**

The Governmental Ethics Commission ensures compliance with the campaign finance, conflict of interest, financial disclosure, and lobbying provisions of the Election Campaign Finance Act. This act affects state and county officers; candidates for public office; lobbyists; state employees; and members of public boards, councils, and commissions under the direct authority of the state. The Commission's work encompasses education and public awareness, advisory opinions, reviews and audits, investigations, enforcement (including the filing of complaints, holding public hearings, and assessing civil penalties), and general administrative activities. FY 2002 was the first year that the Governmental Ethics Commission submitted a biennial budget. The Governor's recommendation for FY 2003 totals \$581,182, of which \$464,056 will be from the State General Fund. The Governor's recommendation also funds a staff of 9.5 positions.

## **Board of Healing Arts**

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

Recommended funding from the Healing Arts Fee Fund totals \$2,084,630 in FY 2003 and supports 29.0 FTE positions. The Governor's recommendation will allow for licensure and registration of approximately 20,610 applicants in FY 2003. The budget also contains \$218,320 for impaired provider programs. This represents the cost of contracts between the Board and medical associations. The medical associations run the impaired provider programs.

## **Hearing Aid Board of Examiners**

Total expenditures of \$21,243 in FY 2002 and \$21,937 in FY 2003 are recommended by the Governor for the Hearing Aid Board of Examiners. The Board is responsible for protecting the hearing impaired from improper practices by regulating those who dispense hearing aids. The agency is staffed with a 0.4 unclassified position, but also makes use of contractual employees. It estimates it will issue 47 licenses and 236 license renewals in both FY 2002 and FY 2003.

## **Board of Mortuary Arts**

The mission of the Board of Mortuary Arts is to serve the public and the industry through the licensure of persons practicing in the field of mortuary arts, the investigation of inquiries and complaints, and the maintenance of public records on all registered individuals and establishments. The Governor recommends expenditures of \$213,541 in FY 2002 from the agency's fee fund, including 3.0 FTE positions. For FY 2003, the Governor recommends \$216,514 from the agency's fee fund to finance the inspection of approximately 700 funeral facilities.

## **Board of Nursing**

The mission of the board of Nursing is to assure Kansans of safe and competent practice by nurses and mental health technicians. The Board investigates complaints against licensees and imposes disciplinary sanctions against those who violate Board standards. The agency is addressing concerns raised by Legislative Post Audit and the agency regarding caseloads and licensing with the \$1,430,221 recommended for FY 2002 and the \$1,397,017 recommended for FY 2003. These recommendations fund 22.0 FTE positions, and the renewal system will improve customer relations with licensees, decrease the open case inventory, and monitor licensees' compliance.

## **Board of Examiners in Optometry**

The Board of Examiners in Optometry licenses and oversees examinations for optometrists. It also

responds to the questions and concerns of citizens. The Governor recommends \$83,770 in FY 2002 and \$85,305 in FY 2003. The Board is funded by licensure and examination fees. The Governor included funding beginning in FY 2002 to allow the agency to upgrade a position and hire an office manager. The agency also has a Secretary-Treasurer appointed by the Governor who provides oversight. The Board anticipates that it will regulate more than 500 optometrists in FY 2002.

### **Board of Pharmacy**

The Board of Pharmacy administers and enforces provisions of the state's Pharmacy Act and the Controlled Substances Act through the regulation and licensure of pharmacists and pharmacies. The agency is funded entirely from fees paid by the regulated community. The Board expects to conduct approximately 1,100 pharmacy inspections and issue 130 pharmacist licenses in the forthcoming fiscal year. The Governor recommends 6.0 FTE positions and expenditures of \$553,254 from the Board of Pharmacy Fee Fund in FY 2002 and \$571,321 in FY 2003.

### **Kansas Real Estate Appraisal Board**

The mission of the agency is to provide licensure and regulation of real estate appraisers, including educational requirements. The agency is further responsible for investigating complaints from the public in reference to questionable real estate appraisal practices. The Governor's recommendation includes \$245,753 for FY 2002 and \$256,455 for FY 2003. The recommended amount funds 3.0 positions and is financed from the Appraiser Fee Fund. This will allow the agency to issue an estimated 215 new and temporary licenses in FY 2002 and FY 2003.

### **Kansas Real Estate Commission**

The purpose of the Commission is to regulate real estate agents and protect the public from unscrupulous practitioners. The agency expects to approve 23 pre-license courses for 1,795 students in FY 2002. The agency anticipates the issuance, renewal, or conversion of a total of 8,025 licenses for brokers and salespeople in FY 2002 and 7,025 in FY 2003. The Governor's recommendation is for \$670,112 for FY

2002 and \$714,473 for FY 2003. The Governor recommends an increase in the Commission's expenditure authority by \$17,000 in FY 2002 and by \$20,000 in FY 2003 to finance an approved salary increase for the Executive Director and miscellaneous operating expenditures. All expenditures are financed from the Real Estate Fee Fund and the Real Estate Recovery Revolving Fund. The recommendation of the Governor maintains the existing level of operation and finances 13.0 FTE positions.

### **Office of the Securities Commissioner**

The Securities Commissioner protects investors from unfair or fraudulent practices by regulating mutual funds, securities offerings, and other financial services. All expenditures of the Commissioner are financed by fees paid by members of the regulated industries, 95.0 percent of which are located outside of Kansas. The Governor recommends \$2,042,207 for FY 2002 and \$2,113,020 for FY 2003. The recommendation provides funding for 27.8 FTE positions. In both fiscal years, funds in excess of budgeted expenditures and the \$50,000 statutory ending balance requirement are transferred to the State General Fund. The amount of this transfer is estimated to be \$6.8 million in FY 2002 and \$6.9 million in FY 2003.

### **Board of Technical Professions**

The Board regulates the practice of architecture, engineering, landscape architecture, land surveying, and geologist professions in Kansas. Regulation is accomplished through a system of licensure, testing, continuing education, and general oversight. The Governor recommends expenditures of \$535,155 in FY 2002 and \$555,193 in FY 2003 from the Board's fee fund. The recommended funding finances the 6.0 FTE positions that staff the Board's operations.

### **Board of Veterinary Examiners**

The Board of Veterinary Examiners ensures the safe and proper practice of veterinary medicine. The seven-member board fulfills this responsibility by testing and licensing veterinarians and technicians, ensuring licensed veterinarians complete continuing education requirements, and investigating consumer

complaints. The Governor recommends \$282,854 from the agency's fee fund for FY 2002. This recommendation includes funding for 3.0 FTE

positions. For FY 2003, the Governor recommends \$270,992 to maintain the present level of service, including the license renewal of 2,262 veterinarians.

# Executive Branch Elected Officials

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## Office of the Governor

The Governor proposes a budget totaling \$1,796,380, all of which is from the State General Fund. The budget level for FY 2003 is 4.0 percent lower than the base budget level for FY 2002 discounting the unspent funds that carried over from FY 2001 to FY 2002. This budget includes the Governor's Office located in the Statehouse, the Satellite Office in Wichita, and the Governor's Residence at Cedar Crest. The budget will support 29.0 FTE positions, 1.0 less than the number approved a year ago. The Kansas Workforce Investment Partnership, an employment program required by the federal government, is still coordinated from the Governor's Office. However, to simplify federal reporting requirements, the Coordinator's position and the funds supporting the program are budgeted in the Department of Human Resources.

## Office of the Lieutenant Governor

The Governor recommends \$124,569 for operation of the office in FY 2003. The office is financed entirely from the State General Fund. This funding level is reduced by 4.0 percent compared to the FY 2002 base budget level, as adjusted for the unspent funds that carried forward from FY 2001 to FY 2002. The recommendation supports 3.0 FTE positions and two part-time interns.

## Attorney General

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

The FY 2003 budget recommendation of \$21,101,515, of which \$4,708,941 is from the State General Fund,

finances 109.0 positions. It includes over \$12.8 million in grants and assistance to victims of crime. The recommendation is a reduction of \$194,244 from the State General Fund in the agency's base budget and a reduction of \$235,902 from all funding sources. The reductions were made to miscellaneous operating expenditures and funding for salaries and wages. The reductions amount to a 4.0 percent reduction from the agency's base budget request.

**Kansas v. Colorado Water Rights Litigation.** A special master assigned to the *Kansas v. Colorado* lawsuit by the U.S. Supreme Court issued a ruling on July 29, 1994, in favor of Kansas. The U.S. Supreme Court ruled in favor of Kansas in March 1995 and remanded the case to the special master for determination of damages and remedy. The state has requested that compensation be made in the form of money. Colorado has requested that it be allowed to pay in water. The table below shows actual and estimated funding for the litigation from FY 1984 through FY 2002. The Governor's budget includes \$1,124,546 in FY 2002 to complete litigation of this case.

<u>Fiscal Year</u>	<u>Amount</u>	<u>Fiscal Year</u>	<u>Amount</u>
1984	96,032	1994	354,457
1985	70,424	1995	506,250
1986	281,324	1996	1,042,688
1987	651,449	1997	921,800
1988	511,045	1998	730,715
1989	746,490	1999	950,215
1990	1,655,812	2000	1,523,871
1991	3,213,075	2001	878,174
1992	1,313,943	2002	1,124,546
1993	655,060	Total:	\$17,227,370

**Kansas v. Nebraska Water Rights Litigation.** The Attorney General filed suit in May 1998 against the State of Nebraska to settle a dispute between Kansas and Nebraska over Republican River water rights. The case was accepted by the U.S. Supreme Court and is currently being heard by a special master appointed by

the Supreme Court. As shown in the following table, the Governor recommends funding in the amount of \$1,209,194 from the State General Fund in FY 2002 and \$753,959 in FY 2003.

<b><i>Kansas v. Nebraska</i> Funding</b>			
<u>Fiscal Year</u>	<u>Amount</u>	<u>Fiscal Year</u>	<u>Amount</u>
1998	173,570	2002	1,209,194
1999	277,571	2003	753,959
2000	177,448		
2001	606,483	Total:	\$3,198,225

### **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. To address accessibility concerns, the agency will expend \$700,000 from a federal grant to study Kansans without health insurance in FY 2002. The agency will also expend a federal grant to provide technical support to its Senior Health Insurance Counseling for Kansas Program. A total of \$80,000 will be expended in FY 2002 and \$40,000 in FY 2003. To support the agency's operations and its 157.0 FTE positions, the Governor recommends \$20,457,593 from special revenue funds for FY 2003.

Insurance Department expenditures include administration of the Workers Compensation Fund and payment of claims. Claims are projected at \$4.5 million for FY 2003, a reduction from past years. Actual claims paid fell from \$10.6 million in FY 1999 to \$4.2 million in FY 2001. Legislation passed in 1993 limits the fund's liability to cases in which the accident occurred prior to July 1, 1994, except for insolvent or uninsured employers and reimbursements. The agency estimates that the number of active workers compensation cases will decline from 4,196 in FY 2001 to 3,776 in FY 2002 and 3,400 in FY 2003.

The Governor's recommendation includes using the agency's premium tax revenue as an additional revenue source for the State General Fund. The agency currently retains 1.0 percent of premium tax receipts. This change yields an additional \$711,500 to

the State General Fund in FY 2002 and \$746,000 in FY 2003.

### **Secretary of State**

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

The Governor's recommendation for FY 2003 finances 56.0 FTE positions in the Office of the Secretary of State. Funding from all sources totals \$3,385,008. Of this total, \$1,749,331 is from the State General Fund. Salaries were reduced by \$72,899 from the State General Fund from the level that the agency had requested. This reduction increases shrinkage to 7.9 percent from the requested rate of 4.9 percent.

### **State Treasurer**

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

The Governor's FY 2003 recommendation of \$121.1 million from all funding sources includes \$1,562,805 from the State General Fund. Two important State General Fund transfers to local governments are the local ad valorem tax reduction (LAVTR) and the county and city revenue sharing (CCRS). For FY 2003, the Governor recommends \$52.5 million for the LAVTR transfer and \$33.5 million for the CCRS transfer. The Governor recommends that these transfers continue to be treated as revenue transfers in

FY 2003. The transfer amounts are 4.0 percent lower than the approved amounts for FY 2002.

**Pooled Money Investment Board.** Even though the Board is a program in the Treasurer's budget, it is responsible for its own administrative functions. The 7.0 FTE positions manage the pool of available state monies and designate various state bank depositories for state and special monies in demand deposit and interest-bearing accounts. The Pooled Money

Investment Portfolio contains approximately \$1.7 billion in investments, with an earned FY 2002 yield averaging 3.3 percent through October 2001. The Pooled Money Investment Board's responsibilities further include the active management and administration of the Kansas Municipal Investment Pool. Total balances, which include deposits and earned interest for cities, counties, and schools, were \$464.5 million at the end of October 2001, with a total annual yield of 2.6 percent.

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## Legislative Branch Agencies

### Legislative Coordinating Council

The budget of the Legislative Coordinating Council provides compensation and expenses related to monthly meetings of the Council and funding for operating expenditures of Legislative Administrative Services. The budget supports 13.0 positions. The Legislative Coordinating Council budget request of \$1,031,490 from the State General Fund for FY 2002 is a reduction of \$135,622 from the approved, all generated from prior year savings. For FY 2003, the Governor recommends \$691,539 from the State General Fund. This amount reflects a \$28,564, or 4.0 percent, reduction to the FY 2003 operating budget.

### Legislature

For FY 2003, the Governor recommends \$13.0 million, of which \$12.9 million is from the State General Fund. The recommendation funds a support staff of 36.0 FTE positions, as well as temporary positions during the legislative session. The largest expenditure category is legislative compensation. Legislators receive daily compensation and a subsistence allowance per day during the session of the Legislature, plus a monthly allowance for those months the Legislature is not in session. The proposed budget reduces the Legislature's request by 4.0 percent, including a \$350,000 reduction in the \$2.1 million travel budget.

### Legislative Research Department

The Governor recommends \$2,438,836 from the State General Fund for FY 2003 in support of a staff of 37.0

FTE positions. The Legislative Research Department performs all research and fiscal analysis for the Legislature. The proposed FY 2003 budget reduces the salary budget by 4.2 percent.

### Legislative Division of Post Audit

The Legislative Division of Post Audit is responsible for the annual statewide audit of financial statement of the Division of Accounts and Reports; financial compliance audits of certain agencies required by law, compliance and control audits, and performance audits. Audit topics are selected by the Legislative Post Audit Committee. The Division expects to issue 30 performance audits in both FY 2002 and FY 2003. The Governor's recommendation totals \$1,764,535 from the State General Fund for FY 2003. The recommendation supports the existing 21.0 FTE positions, but imposes a 2.0 percent shrinkage rate and reduces other operating expenses by \$44,046.

### Revisor of Statutes

The Governor recommends \$2.4 million from the State General Fund for FY 2003 for the Revisor of Statutes and the agency's staff of 26.0 positions. The office provides bill drafting services to the Legislature, as well as editing and publishing annual supplements and replacement volumes for the *Kansas Statutes Annotated*. The Revisor plans to publish Volumes 5 and 5A of the statute books and draft 2,500 legislative documents in FY 2003. The Governor's proposed budget will impose a 2.0 percent shrinkage rate and reduce other operating expenditures by more than \$63,000.

## Judicial Branch Agencies

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### Judiciary

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

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

The state is divided into 31 judicial districts, and one district judge can serve several counties in sparsely populated areas of the state. However, in the more populated counties the district court can have more than one judge. For example, the 18th judicial district has 26 district court judges. District court operations account for 1,666.5 FTE positions in the Judiciary, which has a total of 1,816.0 FTE positions.

For FY 2002, the Governor recommends increasing expenditures from special revenue funds by \$1,339,377. The increase is the result of a Byrne grant that has been provided to develop and implement a new accounting and case management system for the district courts.

For FY 2003, the Governor recommends \$93,193,521 from all funding sources for the unified court system. Of this amount, \$81,194,174 is financed from the State General Fund. The recommendation includes nearly \$1.5 million from special revenue funds in aid and

grants in the base budget, reflecting the Judiciary's continuing efforts to assist local governments in child support enforcement, access to justice for all citizens, and innovative dispute resolution. The State General Fund recommendation for FY 2003 represents an increase of 2.8 percent compared to FY 2002. Most of this increase is attributable to pay plan annualization and benefit adjustments. The increase also funds \$374,886, from the State General Fund, for 3.0 new FTE positions and accompanying operating expenditures for an additional appellate court judge authorized by the passage of 2001 HB 2297. This bill provides for the addition of one new appellate judge and related staff in each of the next three years. Otherwise, the FY 2003 recommendation is based on the same level of operation as FY 2002.

### Judicial Council

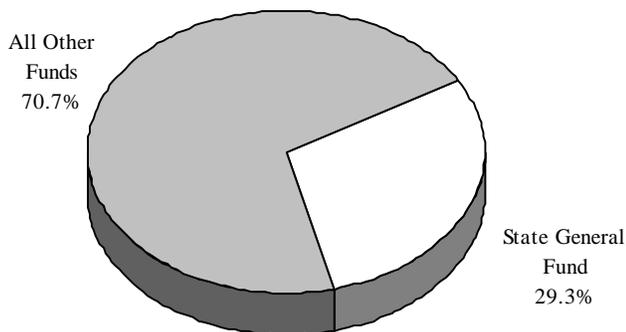
The Judicial Council was created in 1927 to review the volume and condition of business in the courts, the methods of court procedure, the time between the initiation of litigation and its conclusion, and the condition of dockets compared to finished business at the close of the term. The ten-member Council is made up of eight appointees of the Chief Justice and the chairpersons of the Judiciary Committees of the House and Senate. An amount of \$283,655 is recommended for FY 2003, of which \$199,721 is from the State General Fund. This is a total reduction of \$8,238 from the State General Fund from salaries and wages and other operating expenditures in the agency's base budget. This amount will finance 15 meetings of the Council and operations of the Council staff. The recommendation requires a reduction in the number of meetings from 21 to 15. The funding includes financing for publication of the 2000 supplements to *PIK-Criminal 3d*, *2001 Kansas Probate Forms*, and *Kansas Municipal Court Manual*. The Judicial Council has 4.0 FTE positions.

# Human Resources Summary

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

Although the next budget cycle will be a challenging one for the state, social services remains a priority for the Governor. His recommendations include caseload funding for welfare and medical assistance to the poor, disabled, and aged. His recommendation also funds the anticipated number of children in foster care and adoption who are waiting for permanent homes. Welfare-to-Work programs will receive \$2.5 million in federal funds in both FY 2002 and FY 2003. The Governor also recommends \$2.3 million from the State General Fund to maintain the availability of nutrition services for the elderly.

## How It Is Financed

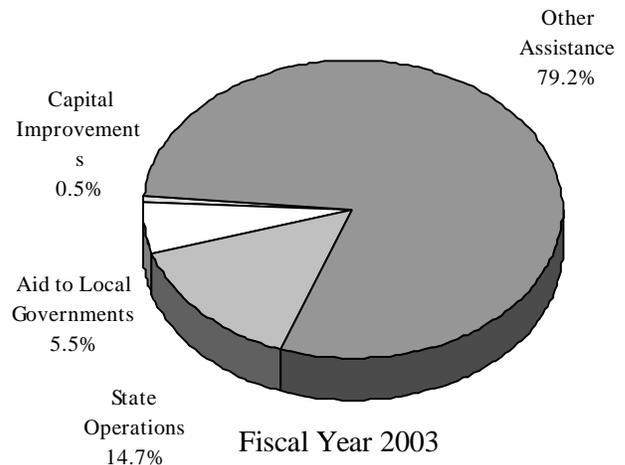


Fiscal Year 2003

The Governor recommends expenditures totaling \$2.7 billion in FY 2002, of which \$800.2 million is from the State General Fund. For FY 2003, a total of \$2.8 billion is recommended, of which \$824.9 million is from the State General Fund. For state operations, the expenditures recommended for this function total \$521.6 million in the current fiscal year and \$533.4 million in FY 2003 from all funding sources.

Positions in this function of government constitute approximately 21.8 percent of the total state workforce. The Governor recommends funding for 8,749.3 FTE positions and 73.3 non-FTE unclassified permanent positions in FY 2003.

## How It Is Spent



Fiscal Year 2003

Other assistance, grants, and benefits constitute approximately 79.2 percent of the Human Resources budget for which the Governor recommends \$2.1 billion in the current year and \$2.2 billion in FY 2003. The recommendation includes \$862.6 million for medical assistance and \$241.3 million for unemployment insurance claims. The Governor also recommends \$47.3 million to provide health insurance for approximately 29,800 uninsured children. The Governor's recommendation includes \$237.9 million for other assistance to the mentally ill and developmentally disabled. A total of \$54.3 million is recommended for home and community services for the frail elderly. The recommendation for aid to local governments totals \$165.0 million in the current year and \$155.5 million in FY 2003. The FY 2003 amounts include \$31.1 million for local health services, \$53.6 million for community mental health centers and community developmental disability organizations, and \$24.0 million for other social programs. The Governor's recommendation for other social programs includes enhanced funding from the Children's Initiatives Fund of \$500,000 for the Infant and Toddlers Program and an additional \$1.0 million for Tobacco Prevention Programs.

## Social & Rehabilitation Services

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The Governor's recommendations for the Department of Social and Rehabilitation Services total \$1,870.7 million for FY 2002 and \$1,968.2 million for FY 2003. They include State General Fund expenditures of \$618.8 million in the current year and \$639.7 million in FY 2003. The recommended budget includes salaries and wages for 4,088.2 positions in FY 2002 and 4,095.2 positions in FY 2003.

Of the FY 2003 expenditures recommended by the Governor, \$1,569.8 million, or 79.8 percent, finances assistance payments to individuals or to vendors who provide medical or other services to individuals in need. A total of \$95.5 million, or 4.9 percent, finances aid to local governments, which, in turn, provides services to agency clients. The recommendation for state operations in FY 2003 totals \$298.8 million, including the staffing costs for coordinating social services, administering 11 SRS area offices and branch offices in 105 counties, and providing vocational rehabilitation services to agency clients. Finally, the Governor recommends \$4,156,306 in FY 2003 for capital improvements at state institutions and agency offices. The capital improvement recommendation includes bonding authority for construction of a new state security hospital.

### Budget Approach

In developing its budget, SRS proposed several programs for reduction or elimination to meet the anticipated budget difficulties during FY 2003. This meant that not all services could continue at the same level or amount as in previous years or even as approved for FY 2002. The agency's proposed reductions were reviewed and a budget recommended that meets two key principles.

**Targeted Program Reductions.** Rather than make across-the-board cuts, programs within SRS were reviewed and the reductions targeted to minimize the effect on children and to emphasize the short-term nature of services that SRS provides. The agency should not encourage dependence on social services and should target services to the most needy. This focus led to recommendations eliminating the funeral assistance program, limiting eligibility for General

Assistance and MediKan to 24 months, targeting family preservation and family services to the most at-risk families, and reducing state-funded services to patients in nursing facilities for mental health. At the same time, the Governor's recommendation does enhance some programs that encourage self-sufficiency. Examples include increasing the child care assistance rate to 65.0 percent of community rates and funding the Working Healthy Ticket to Work Program for disabled adults. The Governor's recommendation also funds the consensus caseload estimates for Temporary Assistance to Families, Medicaid, Foster Care, and Adoption.

**Shared Responsibility.** To continue offering services to as many individuals as possible in times of shrinking state resources calls on all recipients to share in the cost of services. That means those with the ability to pay will be expected to contribute to the cost of services. The budget reflects this priority by requiring new fees for families receiving services, family preservation, and parents of children using the Home and Community Based Service Waivers.

The budget recommendation increases the pharmacy copayment in Medicaid from \$2 to \$3. SRS will also start a pilot project to collect support payments from parents of children in SRS or Juvenile Justice Authority custody. The budget recommendation makes changes in the way SRS programs have operated and reduces funding below current levels in some programs. However, the budget supports the agency's mission to protect children and promote adult self-sufficiency.

### Economic & Employment Assistance

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

Families with incomes less than 35.0 percent of the federal poverty level may qualify for assistance. Under this requirement, a family of three earning less than \$426 per month would be eligible. 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, added reporting requirements on the state, mandated child support enforcement procedures, and established work requirements for 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 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 attaining 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.

As part of the program expenses, the agency will transfer up to \$10.2 million to the Social Services

Block Grant to finance existing social service programs. The table also shows a significant increase in funds transferred to the Child Care Development Fund, which is used to finance the state's day care programs for low income working families.

The table details the ending balances in the program, which will reach an estimated \$38.8 million in FY 2003. The ending balance is 25.0 percent of the quarterly expenditures from the TANF Program in FY 2003. Congress is expected to reauthorize the TANF Program in FY 2003, and at least \$24.5 million is needed to provide federal funding in the first quarter of the state fiscal year until the new federal fiscal year begins on October 1, 2002.

**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 180.0 percent of the federal poverty level. To ensure compliance with federal reimbursement guidelines, the state adjusted its childcare rates for FY 2002 to 65.0 percent of community average rates.

<b>Temporary Assistance to Needy Families Block Grant</b>			
<i>(Dollars in Millions)</i>			
	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>
Beginning Balance	\$37.3	\$37.9	\$39.6
Revenue:			
State Funds	51.8	50.0	50.6
Earned Income Tax Credits*	13.2	13.2	13.2
Federal TANF Grant	101.9	101.9	101.9
Total Revenue Available	\$191.0	\$189.8	\$192.1
Expenditures:			
Administration	4.3	2.8	3.2
Information Systems	1.6	0.8	0.8
Program Staff	19.1	19.4	20.0
Temporary Assistance for Families	44.8	49.0	51.0
Employment Services	7.6	9.0	10.5
Child Care Regulation & Grants	7.0	6.7	6.7
Children's Services	49.3	33.8	34.0
Alcohol & Drug Abuse Services	0.6	0.6	0.6
Total Expenditures	\$134.3	\$122.1	\$126.8
Transfers:			
Child Care Development Fund	8.6	17.9	22.2
Social Welfare Block Grant	10.2	10.2	4.3
Ending Balances	\$37.9	\$39.6	\$38.8

\* The Earned Income Tax Credit is included in the Department of Revenue budget.

<b>Child Care</b>					
<u>Fiscal Year</u>	<u>Persons Served</u>	<u>Percent Change</u>	<u>Total (\$000)</u>	<u>Avg. Cost</u>	<u>Percent Change</u>
1996	13,107	7.0	27,278	173.43	1.1
1997	12,144	(7.3)	27,990	192.07	10.7
1998	12,617	3.9	32,851	216.98	13.0
1999	13,231	4.9	37,610	236.88	9.2
2000	14,524	9.8	44,226	253.75	7.1
2001	15,312	5.4	46,636	253.81	0.0
2002	16,393	7.1	52,412	266.43	5.0
2003	17,541	7.0	59,357	281.99	5.8

The Governor's recommendation provides the resources necessary to subsidize child care for an average of 16,393 children each month in FY 2002, which is a 12.4 percent increase in expenditures over the previous year. For FY 2003, the Governor recommends increasing expenditures by 13.2 percent to provide child care services, for an average of 17,541 persons each month. The following table details the history of the program.

**Temporary Assistance for Families.** In FY 2002, the Governor recommends \$49.0 million to finance benefits, for an average of 34,544 persons each month. For FY 2003, caseloads are expected to increase to an average of 37,338 persons each month, for total assistance of \$52.5 million. These amounts are shown in the table below along with amounts from prior years.

<b>Temporary Assistance for Families</b>					
Fiscal Year	Persons Served	Percent Change	Total (\$000)	Avg. Cost	Percent Change
1996	71,697	(12.1)	103,326	120.10	0.3
1997	57,762	(19.4)	83,170	119.99	(0.1)
1998	39,751	(31.2)	55,454	116.25	(3.1)
1999	32,757	(17.6)	46,260	117.68	1.2
2000	30,692	(6.3)	42,660	115.83	(1.6)
2001	31,788	3.6	44,674	117.11	1.1
2002	34,544	8.7	49,000	118.21	0.9
2003	37,338	8.1	52,500	117.17	(0.9)

The table shows that the declining TAF caseload has reversed, increasing almost to the FY 1998 levels. Weakening in the Kansas economy has contributed to the increase in TAF assistance. The remaining TAF clients have more difficulty finding and keeping jobs. At the same time, the first clients will reach the 60 month maximum benefit limit in October 2001.

**General Assistance.** The table below displays actual and budgeted expenditures for General Assistance. The Governor recommends expenditures of \$5.8 million in FY 2002 and \$5.4 million in FY 2003. The FY 2002 amount will fund benefits to an average of

<b>General Assistance</b>					
Fiscal Year	Persons Served	Percent Change	Total (\$000)	Avg. Cost	Percent Change
1996	4,440	(15.6)	7,754	145.54	1.3
1997	3,740	(15.8)	6,450	143.72	(1.2)
1998	2,323	(37.9)	4,390	157.49	9.6
1999	2,301	(0.9)	4,250	153.92	(2.3)
2000	2,220	(3.5)	4,183	157.02	2.0
2001	2,616	17.8	4,939	157.33	0.2
2002	3,060	17.0	5,800	157.95	0.4
2003	2,827	(7.6)	5,361	158.03	0.0

3,060 persons each month. For FY 2003, the Governor recommends limiting benefits to a maximum

of 24 months. This is a policy change suggested by SRS to target general assistance to those awaiting determination for federal disability benefits. The program was designed to be short term, and this policy change reinforces that idea. Under the Governor's recommendation, approximately 2,830 individuals will receive assistance during FY 2003.

### **Employment Training & Vocational Rehabilitation.**

The Governor's recommendation will provide employment training to more than 14,900 low income or disabled Kansans during FY 2003. The recommended budget in FY 2003 includes \$10.2 million for employment assistance to TAF recipients and Food Stamp recipients and \$14.0 million for vocational rehabilitation. The budget also provides \$4.3 million to local governments and private agencies to assist clients in developing work skills and assistive technologies.

### **Health Care Programs**

**Medical Assistance.** For FY 2002, the Governor adopts the consensus caseload estimate of \$790.0 million to provide medical care to low income and disabled Kansans. The current year recommendation represents a 15.1 percent increase over FY 2001 and a \$71.0 million increase over the approved budget for FY 2002. For FY 2003, the consensus caseload estimate for medical assistance totals \$862.6 million. The number of persons served by Medicaid continues to increase, as illustrated in the following table. Most of the growth in persons comes from low income children and families on cash assistance; however, these groups are relatively inexpensive to serve. The medically needy, blind, disabled, and aged populations have the highest demand for services, with greater costs. One of the largest cost drivers is the cost of prescription drugs. The cost of prescriptions made up 27.5 percent of Medicaid expenditures in FY 2001.

Although the Governor adopts the consensus caseload estimate, he recommends several policy changes to limit the growth in medical expenditures. To control the cost of pharmaceutical services, the budget recommendation reduces the dispensing fee to pharmacists from \$5 to \$4, reducing the reimbursement rate for prescription drugs, and raising the co-pay for Medicaid clients from \$2 to \$3 per prescription. SRS will also begin working with

doctors and pharmacists to create a preferred formulary designed to reduce prescription costs. These changes will save a projected \$6.0 million during FY 2003.

The budget recommendation also limits benefits in the MediKan Program. MediKan is a state-funded program that provides medical benefits to people awaiting determination for federal disability benefits. This provides medical benefits for those receiving General Assistance. The budget includes limiting MediKan benefits to 24 months. MediKan was intended to be a temporary benefit and the time limit, along with the limitation on General Assistance, reinforces the limited nature of these programs.

Home Health Services are another growing sector of Medicaid expenditures. They are used by the disabled and elderly to provide direct care allowing people to remain in their homes. However, some of the services billed by skilled nurses do not require a skilled provider, such as distributing medication. The recommendation limits Medicaid reimbursement to services that require a skilled nurse. Clients on Home and Community-Based Services Waivers will have to obtain prior approval for home health services beyond those included in the waiver. These changes are expected to save approximately \$11.9 million in FY 2003.

<b>Medical Assistance</b>					
Fiscal Year	Persons Served	Percent Change	Total (\$000)	Average Cost	Percent Change
1996	195,139	(0.2)	430,426	183.81	(4.4)
1997	189,587	(2.8)	484,405	212.92	15.8
1998	177,569	(6.3)	470,345	220.73	3.7
1999	173,939	(2.0)	544,037	260.65	18.1
2000	188,210	8.2	608,189	269.29	3.3
2001	197,999	5.2	686,298	288.85	7.3
2002	207,192	4.6	790,000	317.74	10.0
2003	213,800	3.2	862,599	336.22	5.8

With the recommended policy changes, the Governor's budget recommendation for regular Medicaid totals \$862.6 million in FY 2003. This amount will serve a projected average of 213,800 persons each month.

**HealthWave.** The FY 2003 recommendation includes \$47.3 million for the fifth year HealthWave to provide

insurance coverage to an average of 29,800 children each month who live in families with incomes less than 200.0 percent of the federal poverty level. HealthWave is financed with \$11.2 million from the State General Fund and \$34.0 million in other funds. Federal funds were made available by Title XXI of the federal Balanced Budget Act of 1997. The Governor also recommends \$2.0 million from the Children's Initiatives Fund to offset an increase in the premiums charged to HealthWave families.

**Home & Community-Based Services.** In an attempt to curb costs of Medicaid in nursing homes, the federal government allows states to design community programs as an alternative to institutional placements. The waived programs are matched at the state Medicaid rate of approximately 60.0 percent. SRS administers five waived programs and the Department on Aging has two. The table on the next page 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.

Several of the HCBS waiver programs are partially funded from the Intergovernmental Transfer approved by the 2000 Legislature. The Governor's budget uses these funds with State General Fund dollars as the state match for federal funds. The Governor's FY 2003 budget also includes a policy change requiring parents of children receiving HCBS services to contribute toward the cost of care. SRS has the authority to charge parents a fee for children served at home in the same way it charges parents for children in state hospitals. The parental fees will save \$1.7 million, including \$691,416 from the State General Fund, in the Technology Assistance and Developmentally Disabled waivers.

**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 2002 totals \$196.6 million, of which \$36.1 million is from the State General Fund. The remainder of the state contribution is funded from the Intergovernmental

Transfer HCBS Programs Fund and the State Medicaid Match Fund. The Governor includes \$40.3 million from these Intergovernmental Transfer Fund monies for FY 2002.

For FY 2003, the Governor recommends \$198.8 million for the developmental disabilities waiver. The amount of State General Fund monies was reduced to \$26.3 million after adding \$19.5 million from the Intergovernmental Transfer. The recommendation from the HCBS Programs Fund and State Medicaid Match Fund is \$48.8 million. The FY 2003 budget also includes \$11.0 million in new federal funds obtained by enhancing the match of existing state and local funds.

**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 who would be eligible for nursing facility care. The Governor recommends a total of \$61.3 million in the current year and \$58.4 million in FY 2003. The State General Fund portions of these programs total \$9.6 million in FY 2002 and \$8.4 million in FY 2003. In both fiscal years, part of this program is funded with \$15.0 million from the Intergovernmental Transfer HCBS Programs Fund.

Policy changes that reduce expenditures in the PD waiver are recommended in FY 2003. The

### Home & Community Based Services Waivers

(Dollars in Thousands)

	FY 1998	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Gov. Est.</u>	<u>Gov. Rec.</u>
<b>Department of Social &amp; Rehabilitation Services</b>						
Physically Disabled	24,667	43,386	52,369	57,605	61,250	58,406
Head Injured	3,543	4,308	4,847	3,608	7,463	7,463
Technology Assisted	20	69	126	153	154	97
Developmentally Disabled	120,072	156,893	170,351	175,760	196,611	198,820
Total SRS Waiver Programs	\$ 148,302	\$ 204,657	\$ 227,693	\$ 237,126	\$ 265,478	\$ 264,786
State General Fund Portion	\$ 59,996	\$ 79,916	\$ 86,793	\$ 79,401	\$ 47,663	\$ 36,698
<i>Percent Growth</i>	--	38.0%	11.3%	4.1%	12.0%	(0.3%)
<b>Department on Aging</b>						
Frail Elderly	26,539	34,922	46,500	49,528	53,600	54,275
Targeted Case Management	3,963	5,655	5,048	5,020	5,276	5,501
Total Aging Waiver Programs	\$ 30,502	\$ 40,577	\$ 51,548	\$ 54,548	\$ 58,876	\$ 59,776
State General Fund Portion	\$ 12,413	\$ 16,245	\$ 20,154	\$ 12,214	\$ 5,351	\$ 5,710
<i>Percent Growth</i>	--	33.0%	27.0%	5.8%	7.9%	1.5%
<i>(Persons Served)</i>						
Physically Disabled	1,941	2,890	3,204	3,603	3,615	3,274
Head Injured	--	86	86	74	145	137
Technology Assisted	--	30	30	34	33	31
Developmentally Disabled	3,728	5,120	5,244	5,044	5,108	4,817
Total SRS Waiver Programs	5,669	8,126	8,564	8,755	8,901	8,259
Frail Elderly	3,332	4,284	4,877	5,237	5,520	5,818
Targeted Case Management	2,832	3,641	4,145	4,127	4,350	4,585
Total Aging Waiver Programs	6,164	7,925	9,022	9,364	9,870	10,403

recommendation will eliminate separate billings for transportation and non-emergency medical transportation services. The cost of transportation services should be included as a regular part of services provided through the waiver. The change reduces expenditures by \$1.2 million in FY 2003. Attendant wages paid through the waiver will be reduced from \$12 to \$11 an hour to make them equivalent to wages paid by Independent Living Centers, saving \$1.6 million.

SRS will also transfer PD waiver funds to Regular Medicaid when a disabled person uses the Working Healthy Program to gain competitive employment. This program allows disabled persons to earn more than they could on the waiver and remain eligible for attendant care through Medicaid. This will transfer \$841,500 from the waiver to Regular Medical assistance. Finally, SRS will limit terminally ill patients to services provided through the PD waiver. Under current rules, terminally ill patients could access waiver services for day time care and hospice services through Medicaid for additional attendant care. This policy change will save \$241,342 in the Medicaid Program while providing a more inclusive set of services.

**Home & Community-Based Services for the Head Injured & 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 \$7.5 million for the Head Injured Waiver in both fiscal years. The Governor recommends \$154,000 in FY 2002 and \$97,000 in FY 2003 for the Technology Assistance Waiver. The reduction in FY 2003 reflects savings created by charging parents a fee for services provided to their children.

**Home & Community-Based Services for the Frail Elderly.** The recommendation provides \$53.6 million for FY 2002 to meet projected demand. The program targets elderly persons age 65 and over who would meet the requirements for nursing home placement. When this waiver was renewed in FY 2000, the functional eligibility score to qualify for the program was raised from 15 to 26. This 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 \$66.2 million from all funding sources for FY 2003. This includes \$10.2 million in state aid to community mental health centers—the same amount as FY 2002, \$12.7 million for nursing facilities, and \$43.3 million for grants to community mental health providers and the statewide Family Centered Systems of Care Program.

The remainder of the mental health budget appears as part of Regular Medicaid. The Governor recommended the Mental Health Initiative 2000 during the 2001 Legislative Session. The Initiative was designed to use State General Fund and local funds to match additional federal dollars. As part of the refinancing, SRS raised the Medicaid rates for a variety of mental health services. Community mental health centers used existing dollars to draw down the additional federal funds. This shifted part of the expenditures for mental health from this program into Medicaid.

Part of the recommendation includes a reduction in mental health grants and a reduction in the state only payments for mental health services. The budget includes a 30.0 percent reduction, \$3.1 million, from the State General Fund portion of mental health grants. The remaining grants will be targeted to services for clients with severe and persistent mental illness and other crisis services required under the Mental Health Initiatives 2000. The Governor also recommends eliminating the outside mental health services provided to residents of nursing facilities for mental health. These are paid with state funds only. The MediKan rates for mental health services also will be reduced. These reductions will save \$3.1 million from the State General Fund and encourage clients to

become less dependent in state services or move into Medicaid eligible services.

The Governor recommends that \$1.0 million from the State General Fund and \$1.8 million from the Children's Initiatives Fund be used for the Children's Mental Health Waiver Program in FY 2002. This initiative strengthens the natural support for children with severe disturbances through their families and communities. 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 1,100 children each month will receive services in FY 2003. The funding for this waiver is included in the Regular Medicaid budget for FY 2003.

**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. The Governor recommends \$20.0 million in FY 2002 and \$18.4 million in FY 2003 for aid to 28 community developmental disability organizations to coordinate services, such as assisted living and sheltered workshops. The recommendation reduces the amount of flexible community support grants by 25.0 percent, or \$1.5 million. The recommendation includes \$1.3 million for aid to independent living centers serving the physically disabled. The Governor also recommends \$26.3 million in FY 2003 for intermediate care facilities for the mentally retarded. These facilities provide 24-hour care, for an average of 300 mentally retarded individuals each month, but the caseload declines as more community services are provided.

## **Children & Family Policy**

**Family Preservation.** The Governor's recommended budget provides \$17.5 million in each of FY 2002 and FY 2003 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 recommends \$10.2 million in each fiscal year for the family preservation contract to serve approximately 2,600 families each year. This amount

does not fund the anticipated caseload of 4,300 families that would be eligible for services during FY 2003. At the same time, the recommended budget will require families using family preservation to contribute to the cost of services. The fee will be based on family income and is expected to reduce the required State General Fund amount by \$504,000. The budget recommendation for family support services totals \$2.0 million in each of FY 2002 and FY 2003.

**Foster Care.** The Governor recommends \$98.2 million in the current year and \$100.2 million in FY 2003 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.

Placements in the Foster Care Program are provided through private contracts with five providers across the state. The contracts, beginning in FY 2001, were based on a per child, per month rate. Within that rate, the contractors were responsible for placing children with foster parents, developing a permanency plan for the child, providing specialized mental health treatment, as needed, and reintegrating the child with its family or into another permanent living arrangement. The contract has been amended for FY 2002 to include a base monthly rate for the contractor's fixed expenses and to shift mental health services out of the contracts.

Beginning in October 2001, children in foster care and adoption services will be allowed to access mental health services through community mental health centers. The centers will then bill Medicaid for the cost of those services. This change reduced the rate paid for each child in foster care, but is expected to result in more continuity of care for children. The Governor's recommendation funds the estimated caseload for the current year and FY 2003. For FY 2002, the Governor includes \$97.0 million for the foster care contract, for an average of 3,569 children each month. The FY 2003 budget recommendation includes a reduction in the average monthly caseload to 3,488 and expenditures of \$99.0 million.

**Adoption & Permanency Services.** The Governor recommends \$51.0 million for adoption and other

programs to place children in permanent homes in FY 2002 and \$54.5 million in FY 2003. These programs benefit children whose parents' rights have been terminated or relinquished in an effort to provide the child with a permanent family. Adoption placements are coordinated through a contract with the Kansas Children's Service League. The contractor is responsible for recruiting adoptive families and preparing children for adoption. The statewide contract pays the contractor a monthly rate for every child awaiting placement. The Governor recommends

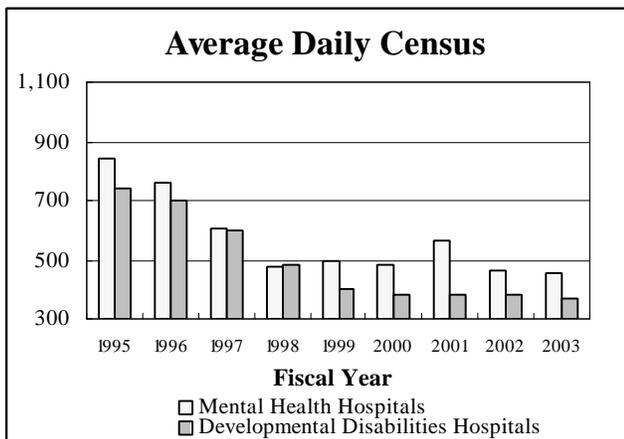
\$32.0 million for the FY 2002 average monthly caseload of 1,625 children and \$35.0 million for the FY 2003 average monthly caseload of 1,774 children.

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 \$17.2 million in FY 2002 and \$17.9 million in FY 2003 for these purposes.

# State Hospitals

Kansas has operated state hospitals since Osawatimie 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. However, in 1988, Norton State Hospital closed and its clients were relocated to community facilities and the remaining developmental disability hospitals. Since then, the trend has been a reduction in the number of institutions.

**Shift to Community Service.** In recent years, the primary statewide issue facing mental health and 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 populations that had previously been institutionalized. Through new programs within the community infrastructure and with the advent of antipsychotic medications, clients are able to avoid being institutionalized or are treated at state hospitals for shorter periods of time. This has resulted in a steady decline in the state hospital population.



**Hospital Closure Commission.** The 1995 Legislature created an 11-member Hospital Closure Commission. The Commission recommended the closure of Topeka State Hospital and Winfield State Hospital and Training Center. That recommendation was approved

by the 1996 Legislature. In June 1997, Topeka State Hospital released its last patient. Fiscal operations ended early in FY 1998. In January 1998, Winfield State Hospital and Training Center released its last resident and operations terminated in FY 1998. The average daily census for the state mental health hospitals and developmental disability hospitals from 1995 to 2003 are shown in the graph. The table below shows hospital and community spending for mental health and developmental disabilities since FY 1989.

Fiscal Year	State Hospitals	Community MH	Community DD	Total Community
1989	134.9	12.3	43.1	55.4
1990	146.2	24.4	54.6	79.0
1991	151.9	26.9	67.8	94.6
1992	150.9	31.7	78.7	110.4
1993	151.0	38.5	87.1	125.6
1994	152.6	49.3	101.0	150.3
1995	149.3	56.2	113.0	169.2
1996	143.6	64.2	131.0	195.2
1997	135.9	79.6	153.0	232.6
1998	104.3	82.5	179.3	261.8
1999	104.1	94.4	205.1	299.5
2000	101.7	103.2	216.5	319.7
2001	105.4	104.9	216.3	321.2
2002	102.8	73.1	320.1	393.2
2003	98.5	66.2	316.8	383.0

**Title XIX Fund Shortfall.** The state hospitals are funded primarily with monies from the State General Fund and the federal Title XIX Fund. Medicaid charges billed by the hospitals are collected in the State Institutional Title XIX Fund of SRS and then allocated to the hospitals. SRS estimates that total Title XIX receipts will decline from a \$63.0 million average in FY 2000, FY 2001, and FY 2002 to \$48,594,212 in FY 2003. The decline is primarily the result of a decrease in the collection of a source of revenue to the Title XIX Fund known as disproportionate share. SRS states that in FY 2002 disproportionate share will decline by more than 30.0 percent, or \$7,603,397, from the previous year for all of the state hospitals. Nevertheless, total Title XIX

### Title XIX Estimated Receipts Systemwide

	Actual FY 1999	Actual FY 2000	Actual FY 2001	Base Budget FY 2002	Base Budget FY 2003
Carry Forward Balance	\$ 19,502,581	\$ 12,435,165	\$ 2,023,356	\$ 23,242,552	\$ 7,091,232
Revenue:					
Medicaid	30,918,172	30,544,768	29,990,757	29,937,511	27,591,597
Disproportionate Share	23,237,924	22,287,889	24,644,405	17,040,438	13,911,383
Title XIX Adjustments	(3,658,533)	(522,770)	25,416,178	--	--
Total Available	\$ 70,000,144	\$ 64,745,052	\$ 82,074,696	\$ 70,220,501	\$ 48,594,212
Expenditures	57,564,979	62,721,696	58,832,144	63,129,269	60,894,212
Ending Balance	\$ 12,435,165	\$ 2,023,356	\$ 23,242,552	\$ 7,091,232	\$ (12,300,000)

receipts entering the Institutional Reimbursement Fund in FY 2002 are estimated to remain comparable to the previous fiscal year. This is primarily the result of a Title XIX adjustment from the federal Health Care Financing Administration for reimbursements that should have been received by the state hospitals in previous years, but were not.

SRS does not anticipate the collection of Title XIX adjustments after FY 2002. Consequently, total Title XIX receipts in FY 2003 are estimated to decline by more than 20.0 percent from the previous fiscal year. SRS estimates that the decline will require an additional \$12.3 million in funding from the State General Fund to the state hospitals so that current funding levels can be maintained. The table above illustrates the actual and estimated Title XIX receipts for FY 1999 through FY 2003. In FY 2003, the Governor recommends \$10.0 million from the SRS—Intergovernmental Transfer Fund to replace expenditures from the Title XIX Fund in the state hospitals.

### Mental Health Hospitals

The projected average daily census in the hospitals in FY 2003 is 455. Expenditures of \$53.7 million are included in the recommendation. The table illustrates the recommended operating expenditures, average daily census, and daily cost per client for each hospital in FY 2003. There are three main funding sources for operating expenditures of the mental health hospitals. They are the State General Fund, fee funds, and federal Medicaid Title XIX funds. Capital

improvements for the hospitals are funded through the State Institutions Building Fund. Fees from patient health insurance, Medicare, Social Security, and patient and family payments are collected. In the mental health institutions, only children, adolescents, and the elderly qualify for Medicaid reimbursements. The Governor's recommendations for each institution are detailed below.

#### Mental Health Hospitals

	Daily Census	Operating Budget	Daily per Client (\$)
Larned	245	27,773,355	311
Osawatomie	160	19,270,540	330
Rainbow	50	6,664,156	365
Total	455	\$53,708,051	\$323

#### Larned State Hospital

The Governor recommends a total of \$27.8 million in FY 2003 for Larned State Hospital, of which \$10.1 million is from the State General Fund. The recommendation is a reduction of \$554,715 from the agency's request, all from the State General Fund. The recommended reduction reflects the effect of Mental Health Initiative 2000, which significantly increased funding for community mental health centers and reduced the need for state inpatient hospital services. This recommendation will allow the Hospital to provide residential and medical services to an average resident population of 245 patients with a staff of 728.8. The recommendation will allow for full

accreditation from the federal Health Care Financing Center for Medicare and Medicaid Services (CMS).

### **Osawatomie State Hospital**

The Hospital's primary function is to diagnose, evaluate, and treat residents in its catchment area who are found by a community mental health center to require inpatient psychiatric treatment. For FY 2003, \$19.3 million is recommended to provide this treatment, with \$6.0 million from the State General Fund. The recommendation represents a reduction of \$440,676 from the State General Fund. The reduction will require the hospital to leave 7.0 vacant positions unfunded in the General Administration Program. The recommendation funds a total of 477.4 FTE positions. It continues full accreditation from the Joint Commission on Accreditation of Hospitals and certification from CMS.

### **Rainbow Mental Health Facility**

The Governor recommends \$6.7 million for FY 2003 expenditures, of which \$697,227 is from the State General Fund. Based on the agency's actual expenditures and its estimate for average daily census in FY 2003, the recommendation reduces \$280,188 from the agency's base budget, all from the State General Fund. The recommendation increases the shrinkage rate by 3.0 percent, requiring vacant positions to be unfilled for a longer time. It will support 154.7 positions and allow the facility to continue its role as a short-term treatment center for adults and a provider of extended inpatient treatment for adolescents and children. The facility will serve an average daily patient population of 50 in the 60-bed facility. The recommendation will allow for full accreditation.

### **Developmental Disability Hospitals**

The estimated average daily census in the hospitals will be 366 in FY 2003. The Governor recommends

<b>Developmental Disability Hospitals</b>			
	Daily Census	Operating Budget	Daily per Client (\$)
KNI	184	24,842,274	370
Parsons	182	19,979,049	301
Total	366	\$44,821,323	\$336

\$44.8 million for the developmental disability hospitals. The recommended operating expenditures, average daily census, and daily cost per client for each hospital in FY 2003 are shown in the table above. 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**

The Governor recommends \$24.8 million for the agency in FY 2003, of which \$9.8 million is from the State General Fund. The recommendation represents a reduction of \$390,867, or 1.6 percent, from the agency's request, with \$192,614 from the State General Fund and \$198,253 from the Title XIX Fund. As a result of the reduction, the agency will have to leave vacant positions unfilled for a longer period of time. The amount recommended will support a staff of 656.5 positions, including 655.5 FTE positions, to care for an average daily population of 184 residents at the Institute.

### **Parsons State Hospital & Training Center**

The recommendation for FY 2003 totals \$20.0 million and includes \$6.5 million from the State General Fund. The Governor's recommendation funds 514.3 positions and allows the agency to continue the residential and medical services to its patients. The budget recommendation is a reduction of \$290,782, or 4.6 percent, from the agency's State General Fund budget. At the recommended funding level, the agency will have to lower its average daily census to 182.

## Other Human Resources Agencies

### Department on Aging

The Governor's recommendation of \$415.0 million for FY 2003 includes \$144.4 million from the State General Fund, to finance nursing home services, community-based services, case management, the Senior Care Act, nutrition services, and other services for Kansans over the age of 65. The Department on Aging operates most of the programs provided by the state to serve the elderly. The services are provided by area agencies on aging and other providers.

**Long-Term Care.** Included in the FY 2003 recommendation is \$387.4 million for long-term care for the elderly Kansans who are eligible for the Medicaid Program. The State General Fund portion of this cost is \$134.1 million.

The recommendation includes \$54.3 million for the Home and Community-Based Services for the Frail Elderly, including \$3.1 million from the State General Fund, \$7.4 million from the Aging Intergovernmental Transfer (IGT) Fund, \$226,077 from the Aging HCBS Programs Fund, and \$11.0 million from the State Medicaid Match Fund. Monies in the State Medicaid Match Fund, the Aging IGT Fund, and the Aging HCBS Programs Fund are generated from the Kansas Intergovernmental Transfer Program.

The budget includes the cost of nursing home care for the elderly who are eligible for Medicaid. Nursing facility services are estimated to be \$326.4 million, of which \$128.8 million is from the State General Fund. Also included is \$4.1 million for the Long-Term Care Loan and Grant Program. This is a program that was authorized as a part of, and is funded through, the Kansas Intergovernmental Transfer Program. Finally, the recommendation includes \$5.5 million for Targeted Case Management, of which \$2.2 million is from the State General Fund.

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.

The following table illustrates that the number of persons receiving home and community-based services (HCBS) is growing and the number receiving nursing home services is expected to remain steady. This is because many of those receiving HCBS would have otherwise been served in nursing homes. Home and Community-Based Services include adult day care, sleep cycle support, personal emergency response, health care attendant services, wellness monitoring, and respite care.

<b>Long-Term Care Programs</b>			
	FY 2001	FY 2002	FY 2003
	<u>Actual</u>	<u>Gov. Est.</u>	<u>Gov. Rec.</u>
<b>HCBS Services:</b>			
Persons	5,237	5,520	5,818
<i>Percent Change</i>	7.4	5.4	5.4
<b>Nursing Homes:</b>			
Persons	11,162	11,200	11,200
<i>Percent Change</i>	(2.0)	0.3	--

**Nutrition & Meals.** The Governor recommends \$10.0 million, \$2.3 million from the State General Fund. The recommendation will provide for nutrition grants for 3,097,194 meals to the elderly under the Older Americans Act and 484,305 meals under the In-Home Meals Program. The following table compares the number and cost per meal recommended in FY 2002 and FY 2003 to actual FY 2001 amounts.

<b>Nutrition Programs</b>			
	FY 2001	FY 2002	FY 2003
	<u>Actual</u>	<u>Gov. Est.</u>	<u>Gov. Rec.</u>
<b>Congregate Meals:</b>			
Number of Meals	3,034,413	3,097,194	3,097,194
<i>Cost Per Meal</i>	\$5.28	\$4.32	\$4.32
<b>In-Home Meals:</b>			
Number of Meals	463,489	484,305	484,305
<i>Cost Per Meal</i>	\$3.96	\$3.97	\$4.03

**General Community Grants.** The 2001 Kansas Legislature required the Department on Aging to combine all of its State General Fund programs into one. The FY 2003 budget combines the Senior Care Act, Income Eligible, State General Fund Case Management, Environmental Modification, and

Custom Care programs under the umbrella of the Senior Care Act. The Department will request amendments to the Senior Care Act to complete the combination of programs. General community grants allow the customer to remain in a community-based setting rather than an institutional one.

The agency also provides services for older Americans, especially those at risk of losing their independence, through federal Older Americans Act funding. The act provides for supportive in-home and community-based services, such as nutrition, transportation, and case management. The Governor recommends \$8.3 million for general community grants. The State General Fund portion of the recommendation is \$3.6 million. The FY 2003 recommendation reduces funding for this program by 33.8 percent, or \$4.4 million, as compared to the FY 2002 approved amount. The entire reduction will be taken in the Senior Care Act Program where no federal funding will be forfeited and nutrition services will not be affected. The participants in this program have higher income levels than those who participate in the HCBS Frail Elderly Waiver Program.

The Governor's recommendation includes \$1.2 million for the Senior Pharmacy Assistance Program in FY 2002 and FY 2003. The funding for this program is provided from earnings on the Senior Services Trust Fund, which is part of the Kansas Intergovernmental Transfer Program.

### **Kansas Guardianship Program**

The Kansas Guardianship Program recruits and trains volunteers to serve as court-appointed guardians and conservators for disabled adults who are found by courts to be in need of these services. The Governor's budget recommendation provides \$1,073,050 from the State General Fund for FY 2003. As part of the recommendation, the amount available for stipends is reduced by \$20,000 in each fiscal year. The budget recommendations will allow the agency to provide guardians to 1,700 wards.

### **Health & Environment—Health**

The mission of the Department of Health and Environment is to protect and promote the health of

Kansans by providing community and personal health services, ensuring adequate sanitary conditions in public facilities and health facilities, as well as regulating and promoting environmental safety. The Department attempts to prevent disease and injury by protecting, promoting, and improving Kansans' health through a variety of public health service programs. These programs are designed to protect Kansans from communicable diseases, ensure healthy and safe adult and child care facilities, inspect food services for proper sanitation, assess environmental health risks, improve access to medical care, and promote healthy lifestyles which may help in diminishing chronic diseases.

For FY 2003, the Governor recommends \$118.6 million, including \$22.1 million from the State General Fund. The recommendation includes State General Fund expenditure reductions of \$318,788 for salaries and wages and \$154,532 for other operating expenditures. These reductions include amounts budgeted for vacant positions and operating expenditures, such as communication costs and travel expenses. The Governor maintains the levels of aid and grants requested by the agency and adds enhanced funding from the Children's Initiatives Fund for tobacco use prevention programs and the Infant and Toddler Program. Recommended expenditures for aid and grants to local governments, agencies, and individuals total \$61.2 million. Of the expenditures for the Division of Health, \$68.8 million is from federal funding sources.

**AIDS Drug Program.** The Governor recommends total expenditures of \$2,897,038 for HIV/AIDS medications. The recommendation includes federal funding of \$2,197,038, \$300,000 from the Kansas City Ryan White Title I medications program, and State General Fund financing of \$400,000.

**Community-Based Services.** The Governor maintains current funding of \$1.5 million for community-based services in FY 2003. Through this program communities establish comprehensive and continuous primary health care for clients and facilitate access to hospital and specialty care. 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 care.

**Aid to Local Health Departments.** The Governor maintains the current level of funding of \$5.0 million for this program in FY 2003, which provides funding to local health departments. The services provided are widely varied and include immunizations, screenings, and laboratory services. The funds will provide services in all 105 counties.

**Women, Infants, & Children Program.** Expenditures of \$38.1 million in FY 2003 will provide Women, Infants, and Children (WIC) program 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 pregnant women, mothers, and young children.

## **Department of Human Resources**

The FY 2003 Governor's recommendations for the Department of Human Resources include \$306,372,795 from all funding sources, with \$2,053,985 from the State General Fund. The Governor recommends reducing the base budget State General Fund amount by \$84,325. The reduction is spread proportionately throughout all agency programs that include State General Fund financing. This agency's expenditures are dominated by benefits paid to unemployed workers, which are projected to be \$241.3 million in FY 2003. The recommendation will allow the agency to provide services and support the existing 961.4 FTE positions.

**Workforce Investment Act.** The Workforce Investment Act of 1998 (WIA) is the culmination of a multi-year effort to reform the nation's job training, adult education, vocational rehabilitation, and other workforce preparation programs. Much of the Department's federal funding comes through its training and education programs. The Department of Human Resources is working to implement changes under the act, including establishment of One-Stop career centers. Full implementation of WIA began January 1, 2001.

The U.S. Department of Labor awarded Kansas a total of \$6.75 million of One-Stop implementation funds, to be spent over three years. The funds are being used to link together the many job training and public workforce programs currently in existence. The goal

of the One-Stop Career System is to improve the process of recruitment, hiring, and training for employers and job seekers.

**Unemployment Benefits.** Current year unemployment payments provided to individuals to replace part of their wages lost as a result of involuntary unemployment are expected to be \$234.3 million. The unemployment rate for Kansas is estimated to be 3.9 percent for FY 2002 and 4.0 percent for FY 2003. The unemployment rate in Kansas has been consistently below the U.S. rate since January 1980. For FY 2003, unemployment insurance payments are estimated at \$241.3 million.

**Federal Welfare-to-Work Grant.** Moving people from welfare to work is one of the primary goals of federal welfare policy. The Balanced Budget Act of 1997 pursues that goal by authorizing the U.S. Department of Labor to provide grants to states and communities to create job opportunities for the hardest-to-employ recipients of TANF.

In FY 1998, the Department received \$6.7 million in federal monies, which was matched with \$3.3 million from the State General Fund. An additional \$500,000 was provided in FY 2000 to match \$1.0 million in federal dollars. In addition, the agency will receive \$2.5 million in federal Welfare-to-Work funds in each of FY 2002 and FY 2003.

**Workers Compensation.** The Division of Workers Compensation spent \$1.1 million in FY 2000 to make major improvements to its computer system. The new system incorporates recommendations made during the 1999 Legislative Session, replacing outdated computers and allowing for electronic transmission of data. The agency will continue its efforts to improve technology, spending \$340,900 in FY 2002 and \$243,800 in FY 2003. Monies for technology improvements are generated by program savings in prior years.

## **Commission on Veterans' Affairs**

The Commission on Veterans' Affairs provides assistance to Kansas veterans and their dependents in obtaining U.S. Department of Veterans Affairs benefits and operates care facilities for veterans. The Governor recommends \$23.6 million from all funding

sources for the agency in FY 2003. The State General Fund portion of the recommendation is \$4.6 million. The Commission operates both the Kansas Soldiers' Home in Fort Dodge and the Kansas Veterans' Home in Winfield, which opened in FY 2000. For the Veterans' Home in FY 2003, the Governor recommends \$6.6 million, including \$1.6 million from the State General Fund. Under the Governor's recommendation, the Veterans' Home can continue to fill beds in the two buildings that are currently open. However, the recommendation does not include sufficient expenditure authority to open the final two buildings.

The Governor recommends \$4.1 million in FY 2002 and \$8.2 million in FY 2003 for the Veterans' Cemetery Program. The cemetery at Fort Dodge will be completed in the current year. The cemeteries at Winfield and Wakeeney will be completed in FY 2003, while planning for the Fort Riley Cemetery will begin in FY 2003. All expenditures reflected in the current and budget years are funded through federal Veterans Administration grants.

For the Administration Program in FY 2003, the Governor recommends \$1.8 million, including \$1.7 million from the State General Fund. The agency operates veterans' service centers in 12 field offices and six organizational offices. The Governor's recommendation reduces expenditures in the Administrative Program by \$70,980 from the State General Fund to close two field offices.

The Community-Based Outpatient Clinic will be totally self-funded in FY 2002 and receive no State General Fund support. In FY 2002, two payments of \$75,000 from the Clinic's Fee Fund will be made to reimburse the State General Fund for start-up costs that were provided in FY 1999. The Governor recommends expenditures of \$286,629 from the Clinic Fee Fund in FY 2003 for the program.

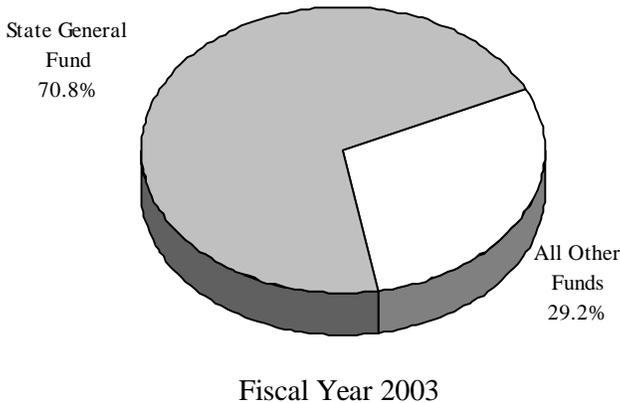
The recommendation continues residential and nursing home care for veterans and their families at the Kansas Soldiers' Home. The estimated operating cost for FY 2003 is \$6.7 million, including \$1.3 million from the State General Fund. The Governor's budget provides funding for 146.8 FTE positions to staff the institution.

# 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 Regents and the various institutions under its jurisdiction; the Board of Education, including the School for the Deaf and the School for the Blind; the Historical Society; the Kansas Arts Commission; and the State Library.

For Education, the Governor recommends \$4.3 billion in FY 2002 and \$4.1 billion in FY 2003. Of these amounts, \$3.1 billion in FY 2002 and \$2.9 billion in FY 2003 are from the State General Fund. Because of constraints on available state monies, the Governor reduces \$91.1 million from aid to local schools and \$27.1 million from higher education in FY 2003.

## How It Is Financed

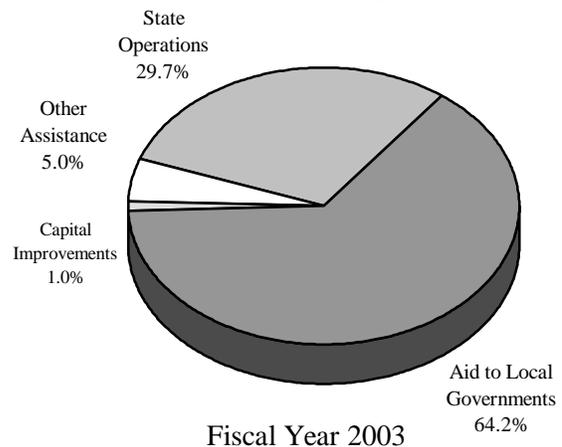


For FY 2003, the Governor recommends \$2.6 billion for local aid. That is a decrease of approximately \$126.3 million from FY 2002. Funding for state operations in this function remains relatively constant at \$1.2 billion in both FY 2002 and FY 2003. For other assistance, grants, and benefits, the Governor recommends \$205.8 million for FY 2003, \$408,223 more than in FY 2002. The following pie chart reflects expenditures for the Education function.

Support for K-12 education provides funding for the operation of public schools and special education aid, including education for gifted students, funding of KPERS employer contributions for schools, and other

grants financed from the State General Fund. The Governor provides additional funding in targeted areas from the Children's Initiatives Fund through expansion of the Four-Year-Old At-Risk and Parent Education Programs. Also, \$500,000 is recommended for the Reading Recovery Program.

## How It Is Spent



FY 2003 will be the second year in which the Regents institutions will receive state funding through an operating grant, rather than the formula-driven funding that was used in the past. Universities will be evaluated based on need and the current economic environment. This method of funding will give the universities additional flexibility while continuing to allow for adequate oversight of the budgets. Any new funding for operating grants will go directly to the Board of Regents, which will distribute the new funding to the universities. The Governor has recommended a 3.9 percent reduction in each operating grant for FY 2003, but will give the Board the ability to redistribute the funding. The Board of Regents will not set tuition for the 2002-2003 year until spring, so revenue from tuition cannot yet be determined.

In FY 2001 and FY 2002, over \$20.0 million was appropriated for the implementation of SB 345. This four-year initiative provides additional funding for community colleges, Washburn University, and faculty salary increases at the Regents universities. Because of limited state funds, the third year of that initiative cannot be funded in FY 2003.

# Elementary & Secondary Education

The *Kansas Constitution* establishes a ten-member State Board of Education 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 state law for 304 unified school districts.

Because the law requires the Governor to submit a balanced budget, state resources available to support school districts had to be reduced for FY 2003. Specifically, \$91.1 million from the general state aid appropriation is reduced, lowering the base state aid per pupil from the current level of \$3,870 to \$3,712.

Despite reductions to the general state aid budget, emphasis is still placed on early childhood education in the budget for FY 2003. Increases are for the Four-Year-Old At-Risk, Optometric Services, and the Parent Education Programs. Monies for the Reading Recovery Program are proposed. These increases are all made possible through additional Children's Initiatives Fund monies.

## Public School Finance

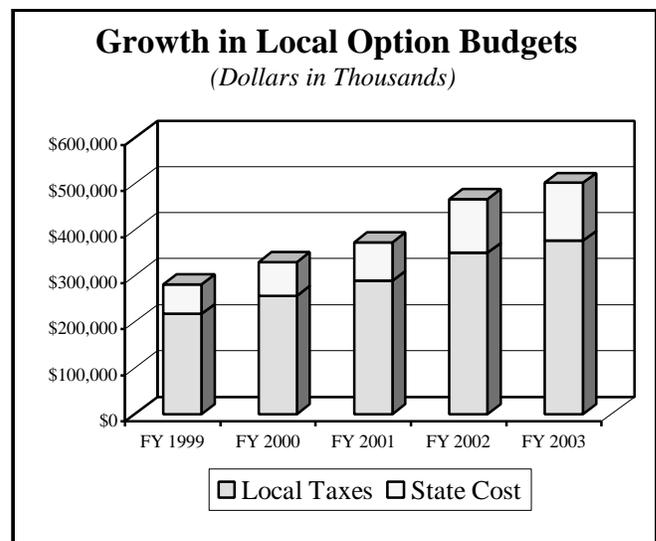
**State General Fund Obligation.** The basis for the Governor's recommendations is the estimate agreed upon by the Department of Education, the Division of the Budget, and the Legislative Research Department through the school finance consensus process. Estimates are developed twice a year on property tax revenue, student enrollment, adopted local option budgets, and capital improvement aid.

In FY 2002, funding is calculated on a base budget per pupil of \$3,870. The recommendation is based on an estimated enrollment of 577,900 weighted pupils. The number of students supported by the school finance formula was increased by 4,396.3 from the original estimate of 573,503.7 weighted pupils made a year ago. The increase is based on fall 2001 enrollments, and results largely from changing the pupil weighting for at-risk students from 9.0 to 10.0 percent. The State General Fund recommendation for the base school

finance formula is \$1,810.6 million in FY 2002, a reduction of \$457,160 from the amount approved by the 2001 Legislature.

One area of remarkable growth is the state's share of local option budgets adopted by school districts. The current year recommendation includes \$117.1 million to fund the state's share, an increase of \$21.5 million from the approved level of \$95.6 million. The increase is generated by revised current year estimates that reflect the change in authority the 2001 Legislature adopted. The school finance law provides for additional budgetary authority up to 25.0 percent of a school district's general fund budget if the voters of the district approve an additional mill levy. In some cases the law gives the local board authority to initiate or increase the existing local option budget.

Beginning in FY 2002, school districts were given new authority to channel state aid for special education (over \$200.0 million) through the school districts' general fund. This channeling increases the general fund base upon which the local option budget authority is calculated. As more districts adopt local option budgets, especially those with smaller tax bases, the state's costs rise. The graph below depicts recent growth in this area of the budget.



Finally, a demand transfer from the State General Fund of \$40.1 million is included in FY 2002 to aid school districts with bond and interest payments, \$2.1

million more than the approved amount based on the most recent estimates of demand.

<b>Base State Aid to School Districts</b>		
<i>(Dollars in Thousands)</i>		
	<u>FY 2002</u>	<u>FY 2003</u>
Estimated Obligation	\$ 2,236,473	\$2,139,398
Local Effort Estimates		
Property Tax	390,912	411,146
Cash Balance	4,440	2,500
Federal Impact Aid	9,000	9,000
Other	(1,300)	(1,300)
Total Local Effort	\$ 403,052	\$ 421,346
Net State Cost*	\$ 1,833,421	\$1,718,052
Less: Local Remit.	18,300	18,300
Appropriation	\$ 1,815,121	\$1,699,752

*\*Includes \$4.5 million in FY 2002 and \$6.0 million in FY 2003 from the Children's Initiatives Fund.*

The total Governor's recommendation for FY 2003 for the base school finance formula is \$1,699.8 million, including \$1,693.8 million from the State General Fund and \$6.0 million from the Children's Initiatives Fund. The recommendation funds the consensus estimated enrollment for the year. It also takes into account a reduction in base state aid per pupil of \$158. An additional \$4.0 million from the Children's Initiatives Fund expands the Four-Year-Old At-Risk Program to 4,351 students. The FY 2003 amount is based on per pupil funding of \$3,712, for a weighted pupil enrollment of 576,346.5.

As mentioned previously, state aid for local option budgets adopted by school districts is growing at a fast pace. The recommended FY 2003 budget includes \$125.8 million from the State General Fund for this aid program, an increase of \$8.7 million over the higher FY 2002 level.

The capital improvement transfer from the State General Fund of \$45.1 million is \$5.0 million more than FY 2002 and is reflective of the success school districts have had in passing bond issues. It is recommended that this item be changed from a demand transfer to a revenue transfer, consistent with changes made to other demand transfers.

The 20.0 mill property tax levy and other local resources will finance 18.0 percent of the school finance obligation in FY 2002, and the State General Fund and other state monies will provide for the remaining 82.0 percent. For FY 2003, local resources are budgeted to finance 19.7 percent of the costs, with state resources paying 81.3 percent. Past years have seen a more dramatic shift resulting from reductions in the mill levy from 35.0 to 27.0 mills in 1997, and then to 20.0 mills in 1998.

## **Education Budget Issues**

**Decrease Base State Aid per Pupil.** Constrained state revenues require the Governor to reduce base state aid per pupil by \$158. The resulting savings are \$91.1 million from the State General Fund and will be spread across all districts according to student enrollment.

**Special Education Services Aid.** A year ago, the Governor proposed increasing state support for special education, and transforming state aid into a weighting under the school finance formula. The Legislature did not adopt this change, but did authorize school districts to channel special education monies through their general fund budgets. The effect of this change was to increase the local option budget authority beyond previous levels.

For special education services, \$253.4 million from the State General Fund is recommended in FY 2003. It is estimated that state support will cover 85.0 percent of excess costs. For FY 2003, the total funding is an increase of \$11.2 million, or 4.6 percent, from the FY 2002 recommendation. Federal support is expected to be \$71.2 million, an increase of \$8.1 million, or 13.4 percent of the total estimated costs. The costs necessary to provide special education services are expected to grow 6.0 percent. The recommendation will support services to over 77,000 students, of which over 15,000 students will fall into the gifted category.

**Four-Year-Old At-Risk Programs.** In FY 2002, the Governor and Legislature approved the expenditure of \$8.7 million to provide competitive grants to fund early childhood education programs for up to 3,756 four-year-old at-risk students. The Governor recommends funding to expand these valuable services to approximately 595 more children in FY 2003. The

\$1.5 million necessary to provide these services is financed by the Children's Initiatives Fund.

**Parent Education.** For FY 2003, the Governor recommends an additional \$1.5 million from the Children's Initiatives Fund. Total state funding of \$7.6 million is financed by \$4.6 million from the State General Fund and \$3.0 million from the Children's Initiatives Fund. The program's local match has been lowered in recent years (from 100.0 percent to 75.0 percent in FY 1999 and to 65.0 percent in FY 2001) to make the program more attractive to school districts. 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. The additional \$1.5 million recommended for FY 2003 is to be used to expand service to additional families.

## Department of Education

The Governor's recommended budget in FY 2002 is \$2.6 billion, of which \$2.3 billion is from the State General Fund. The FY 2003 recommendation is over \$2.5 billion, with more than \$2.2 billion of State General Fund financing. The table on the following page outlines state, federal, and local support of elementary and secondary education. It does not include operations of the Department of Education.

**KPERS—School Employer Contributions.** As outlined elsewhere in this volume, the Governor recommends another two-quarter moratorium on payments to the KPERS Death & Disability Fund in FY 2003, similar to the one occurring in FY 2002. The proposed moratorium saves \$6.8 million. The state's contributions are invested by KPERS, along with other public employer contributions in the state, to finance retirement benefits to individuals employed by school districts, community colleges, and area vocational-technical schools.

**School Violence Prevention Grants.** In the past three years, \$500,000 from tobacco monies has been appropriated to address school violence prevention. The Governor recommends that \$500,000 be continued from the Children's Initiatives Fund in FY 2003 to provide children with mental health and support services in the school setting. The program is

competitive and is designed to reduce school violence, substance abuse, and the number of dropouts and delinquents. Local schools must provide a 25.0 percent match to participate.

**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. 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. For FY 2003, the Governor provides \$5.6 million from the State General Fund.

**Teaching Excellence Grants.** During FY 1999, 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. The Department of Education received \$40,000 to provide 40 grants of \$1,000 each to teachers to pay one-half the cost of participation. Teachers and their school districts provided the other half. Federal resources were tapped through the National Board to help defray a portion of the teacher's responsibility.

For FY 2002, a total of \$110,000 was approved for the program. The number of grants was expanded to 54, and the Governor and Legislature funded 56 awards of \$1,000 each to reward teachers willing to work to attain certification. Funding for this program is maintained at \$110,000 for FY 2003, with the anticipation of 56 awards and 54 scholarships. Additional monies will be available for these teacher scholarships from the Scholarship Repayment Fund.

**Miscellaneous Grants.** Included in the budget of the Department of Education are several pass-through grants to local organizations. The Governor recommends state funding of \$50,000 for the Communities in Schools Program, a drop-out prevention program. Increased support from the Children's Initiatives Fund of \$400,000 is provided in FY 2003 for the optometric services to students needing vision correction and \$500,000 for the Reading Recovery Program.

**Student Assessments.** The 1992 School District Finance and Quality Performance Act mandated state

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

(Dollars in Thousands)

	FY 2001 Actual		FY 2002 Gov. Est.		FY 2003 Gov. Rec.	
	SGF	All Funds	SGF	All Funds	SGF	All Funds
General State Aid	1,801,666	1,817,984	1,806,467	1,824,767	1,689,598	1,707,898
Four-Year-Old At-Risk Program	3,818	4,818	4,154	8,654	4,154	10,154
Subtotal--General State Aid	1,805,484	1,822,802	1,810,621	1,833,421	1,693,752	1,718,052
Supplemental State Aid	84,255	84,255	117,102	117,102	125,798	125,798
Capital Improvement Aid*	30,676	30,676	40,100	40,100	45,100	45,100
Special Education Aid	233,391	295,292	242,250	298,250	253,412	324,562
Deaf-Blind Program Aid	109	109	110	110	110	110
KPERS Employer Contribution	88,462	88,462	98,392	98,392	108,763	108,763
Inservice Aid	4,592	4,592	2,600	2,600	2,600	2,600
Teacher Excellence Grants	95	95	110	110	110	110
Teacher Mentoring	--	--	1,000	1,000	--	--
Structured Mentoring Programs	--	500	--	--	--	--
Juvenile Detention Grants	4,592	4,592	5,599	5,599	5,599	5,599
School Violence Prevention	--	492	--	500	--	500
Optometric Vision Study and Services	--	250	--	300	--	400
Parent Education Grants	4,620	6,120	4,265	6,765	4,640	7,640
School Food Assistance	2,510	93,770	2,510	95,135	2,510	96,265
Ed. Research and Innovative Prog.	11	2,791	11	4,823	11	5,082
Driver Education Program Aid	--	1,594	--	1,600	--	1,600
Alcohol and Drug Abuse	--	2,754	--	2,750	--	3,000
Goals 2000	--	4,423	--	880	--	--
Elem. and Secondary Education Prog.	--	69,949	--	71,925	--	72,925
Federal Class Size Reduction Initiative	--	10,530	--	12,644	--	6,717
Federal School Renovation Grants	--	--	--	7,460	--	--
Job Training Partnership Program Aid	--	11,231	--	4,750	--	4,850
Education for Economic Security Aid	--	2,350	--	--	--	--
Other Grants	60	446	320	401	--	581
Subtotal State & Federal Funding	\$2,258,856	\$2,538,075	\$2,324,990	\$2,606,618	\$2,242,405	\$2,530,254
<i>Amount Change from Prior Year</i>	47,175	71,355	66,133	68,543	(82,585)	(76,363)
<i>Percent Change from Prior Year</i>	2.1%	2.9%	2.9%	2.7%	(3.6%)	(2.9%)
Local General Aid Funding **	--	371,874	--	603,052	--	621,346
Local Supplemental Aid Funding	--	289,292	--	349,898	--	376,390
Subtotal Local Funding	\$ --	\$661,166	\$ --	\$952,950	\$ --	\$997,736
<i>Amount Change from Prior Year</i>	--	36,162	--	291,784	--	44,786
<i>Percent Change from Prior Year</i>	--	5.8%	--	44.1%	--	4.7%
<b>Total State, Federal, &amp; Local Funding</b>	<b>\$ 2,258,856</b>	<b>\$ 3,199,241</b>	<b>\$ 2,324,990</b>	<b>\$ 3,559,568</b>	<b>\$ 2,242,405</b>	<b>\$ 3,527,990</b>
<i>Amount Change from Prior Year</i>	47,175	107,517	66,133	360,327	(82,585)	(31,577)
<i>Percent Change from Prior Year</i>	2.1%	3.5%	2.9%	11.3%	(3.6%)	(0.9%)

\*Capital Improvement Aid switched from demand transfer to SGF Revenue Transfer in FY 2003.

\*\* Local General Aid Funding includes an estimated \$200.0 million in FY 2002 and 2003 to account for special education "flow-through".

accreditation of schools based on outcomes for school improvement and student performance established by the State Board of Education. Consistent with this act, the State Department of Education has made it a goal for all schools to demonstrate continuous improvement in student learning.

New standards have been adopted by the State Board of Education in recent years for reading, writing, mathematics, science, and social studies. Assessments based on the new standards in math, reading, and writing as well as alternative assessments will be administered in the 2001-2002 school year. Assessments based on the modified science and social studies standards are scheduled for the 2002-2003 school year. The Governor's budget provides \$1.2 million for administration of student assessments in each of FY 2002 and FY 2003.

### **School for the Blind**

The School is a source for a variety of services that include educational, residential, and health care for children with visual impairments up to 21 years of age, including students with multiple disabilities. Services are provided by a staff of 92.5 FTE positions. The curriculum includes all academic subjects necessary for accreditation by the Department of Education. Ultimately, students will acquire a high school diploma upon completion of the required academic coursework. An Individual Education Plan is developed for each student to measure progress and to plan future programs. Enrollment at the school during the regular term is projected to be 70 students for both FY 2002 and FY 2003, while attendance for the summer session is estimated to be 105. For FY 2003,

the Governor recommends \$4,864,484, including \$4,434,536 from the State General Fund. The recommendation reduces the base budget State General Fund amount for the School for the Blind by \$163,713. These reductions are primarily in other operating expenditures for instructional services. The recommendation also includes \$150,000 from the State General Fund in both years for Accessible Arts, a statewide special education initiative.

### **School for the Deaf**

The Kansas State School for the Deaf provides educational and residential services for students from across the state between the ages of three and 21 years. Students are referred to the school by either their parents or their school district. All essential academic subjects are included in the curriculum; however, special emphasis is placed on speech and communication skills at the elementary level. An Individual Education Plan is developed annually for each student to measure progress and to plan future programs.

The School also serves a few younger children in the Kansas City area as part of the Parents-as-Teachers Program to provide early language stimulation and promote communication skills appropriate to age. Enrollment at the School for the current year is approximately 170 and is supported by a staff of 173.5 FTE positions. For FY 2003, the Governor recommends \$7,990,832, including \$7,168,251 from the State General Fund, reducing the base budget State General Fund request for the School of the Deaf by \$264,728. These reductions are primarily in other operating expenditures for instructional services.

## Postsecondary Education

Oversight of the state's postsecondary educational institutions has been consolidated after many years of study. The 1999 Higher Education Coordination Act, SB 345, assigned to the Board of Regents the responsibility to coordinate all public postsecondary education in the state. Prior to July 1, 1999, responsibility for oversight of community colleges and vocational education was held by the State Board of Education.

The act directs the Board of Regents to adopt a comprehensive plan for coordination of postsecondary education; present a unified budget for postsecondary education; approve core indicators of quality performance of postsecondary educational institutions; and develop a policy agenda for improvement of postsecondary education. The Board is also to develop procedures so that maximum freedom of transferring courses among the institutions is ensured. The Board will also review institutional missions and goals.

The state provides financial support for six Regents universities, a medical school, a veterinary medical school, 19 community colleges, 16 technical colleges and schools, as well as Washburn University. In addition, the Governor recommends over \$15.6 million, including \$14.1 million from the State General Fund, in financial aid to students attending both public and private institutions in Kansas through numerous scholarship and grant programs. These monies are all channeled through the Board of Regents.

**Enrollments.** Kansas has an unusually high level of demand for postsecondary education. One study ranked Kansas 7th in the nation for the percentage of high school graduates who attended public higher education institutions in the 1999-2000 school year. The number of Kansas public high school graduates peaked in FY 2001 at 29,590 students. The National Center for Educational Statistics of the U.S. Department of Education projects that the number of graduates will begin to decline to approximately 27,570, or 6.8 percent, by FY 2012. Of course, the number of graduates directly affects enrollment at the universities. Recent university enrollments are outlined in the following table.

<b>University Enrollments</b>			
	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>
Univ. of Kansas	25,406	25,920	25,782
KU Med. Ctr.	2,432	2,409	2,408
Kansas State	21,543	21,929	22,396
Wichita State	14,613	14,810	14,854
Emporia State	5,610	5,616	5,823
Pittsburg State	6,289	6,418	6,723
Fort Hays State	5,533	5,506	5,626
Total--Regents	81,426	82,608	83,612
Washburn Univ.	5,851	5,916	6,118

Enrollment appears to have been unaffected by the implementation of qualified admissions. Qualified admissions took effect in the 2001-2002 school year. The 1996 Legislature directed the Board of Regents to establish admission standards for Regents institutions, beginning with FY 2002. The new qualifications will require high school graduates to have at least a 2.0 grade point average in the precollege curriculum prescribed by the Board of Regents, a minimum score of 21 on the American College Testing Program (ACT), or a ranking in the top one-third of the high school class. There was a concern that qualified admissions would have a negative effect on enrollment, but enrollment rose by over 1,000 students in both the 2001 and 2002 school years.

### Board of Regents

The Governor recommends \$176,969,698, including \$130,806,871 from the State General Fund, for FY 2003. The appropriation will include funding for postsecondary education, student financial assistance, capital rehabilitation at the universities, operational support for the Board of Regents, and development of a data coordination system for postsecondary institutions. The funding recommendation reflects a State General Fund reduction for community colleges, Washburn University, and vocational and technical schools. As discussed elsewhere, these reductions are necessitated by the status of the State General Fund and increasing costs elsewhere in the state budget.

**Kansas Higher Education Coordination Act.** The 1999 act created a higher education coordinating role for the Board; changed the funding mechanisms for the community colleges and Washburn University; provided for Regents faculty salary increases; and established performance funding for postsecondary institutions. No change was made to the Board's traditional governance of the Regents institutions. To fund the Higher Education Coordination Act in FY 2001 and FY 2002, over \$21.0 million was included in both years for community colleges, Washburn, and faculty salaries. Additional funding and positions were also added for the development of the postsecondary database. No new funding is recommended for FY 2003. Because of reductions in state revenues, the \$45.1 million requested by the Board for the act could not be included in the Governor's recommended budget.

## **Postsecondary Education**

To continue implementation of the Board's responsibilities for postsecondary education in FY 2003, the Governor recommends \$133,752,625, including \$113,989,017 from the State General Fund. This program oversees adult basic education, community colleges, vocational-technical schools, and Washburn University.

**Adult Basic Education.** The Postsecondary Education Program administers the Adult Basic Education Program, which provides services to adults with less than a high school education. The Governor recommends that funding be held at the FY 2002 level of \$4.0 million, including \$1.1 million from the State General Fund, for FY 2003. The Board's staff indicates that additional federal funding could become available in FY 2003 if matching funds can be identified.

**KAN-ED.** The 2001 Legislature authorized the Board of Regents to develop an implementation plan for KAN-ED under Chapter 136 of the *2001 Session Laws of Kansas*. The purpose of the KAN-ED network will be to operate and maintain a broadband technology-based network to which schools, libraries, and hospitals may connect for broadband Internet access for distance learning and for other communication needs. In FY 2002, \$345,000 was appropriated for this plan.

**Other Programs.** The Governor recommends the elimination of \$300,500 in State General Fund dollars for the Honors Academy, Distinguished Professors Awards, and the Midwestern Higher Education Commission dues. The Board is encouraged to find alternative sources of funding if it wishes to continue these programs because state funding is severely restricted.

**Community Colleges.** Postsecondary education opportunities are provided by the 19 community colleges to a variety of residents. The community colleges had a combined enrollment of 16,476 in the 2000/2001 school year. In addition to the traditional students who enter college directly from high school, there are a large number of students attending who wish to gain technical training either to further existing careers or begin new careers. The community colleges are assets to Kansas through education, workforce development, lifelong learning, and cultural opportunities for communities.

The Governor recommends \$85,174,486 for FY 2002 and \$81,818,611 for FY 2003 from the State General Fund. That is a 3.9 percent reduction of State General Fund dollars for FY 2003. As mentioned above, no additional funding was added for SB 345. The agency request included an additional \$16,126,898 for community colleges: \$2,704,141 to offset out-district tuition, \$10,407,754 for property tax relief, and \$3,015,003 for the colleges.

**Area Vocational-Technical Schools.** A total of 16 area vocational-technical schools operates in Kansas. Of these, seven function under the supervision of school districts, five are affiliated with community colleges, and four are independent technical colleges. These schools have no authority to increase local mill levy rates. They can receive budget increases only by increased state funding or transfers from community college or school district operating budgets.

The schools educate both high school students and postsecondary students, as well as provide training opportunities in cooperation with local business leaders. The Governor recommends \$29,666,871, including \$20,083,890 from the State General Fund, in FY 2002 and \$28,842,996, including \$19,675,336 from the State General Fund, in FY 2003. The FY 2003 recommendation reflects a \$50,000 reduction in Economic Development Initiatives Fund dollars as

well as some shifting between funding sources. It also reflects a 3.9 percent reduction in State General Fund dollars.

**Washburn University.** The City of Topeka acquired ownership of Washburn University in 1941, and the state has provided support to Washburn since 1961. Currently, the state operating grant for Washburn University is administered by the Board of Regents, with the funding mechanism for increases identified in the Kansas Higher Education Act. The Governor recommends an operating grant from the State General Fund of \$10,594,032 for FY 2002 and \$10,176,627 for FY 2003. The FY 2003 recommendation is a reduction of 3.9 percent from the prior year. Washburn served 6,118 students in the fall of 2001.

## Student Financial Assistance

Financial aid includes funding for student scholarships and grants. The Governor recommends \$15,659,541, including \$14,298,714 from the State General Fund. This is a decrease of \$24,500 from FY 2002 that can be attributed to a decline in the availability of repayment funds. The State General Fund reductions that were applied to other education programs were not applied to financial assistance. Financial assistance includes the programs listed below.

**Comprehensive Grant.** Initiated in FY 1999, this grant is for financially needy Kansas residents attending a Regents institution, Washburn University, or a Kansas private college. The purpose is to ensure the doors of higher education remain open to all. The Governor recommends \$11,451,883, including \$11.0 million in State General Fund monies, for FY 2003. The funding will assist approximately 8,500 students.

**State Scholarship Program.** This grant is designed to assist financially needy Designated State Scholars. Students are designated scholars on the basis of completing the Kansas Scholars Curriculum with an index number, utilizing an ACT Composite Score and the cumulative high school GPA. The Governor recommends \$1,278,688, including \$1,253,688 from the State General Fund, for FY 2003. The funding will assist approximately 1,300 students.

**Vocational Scholarship Program.** The Governor recommends \$125,000 from the State General Fund

for vocational scholarships in FY 2003. This will finance 250 awards for vocational training programs.

**Minority Fellowship Program.** For FY 2003, the Governor recommends \$97,950 for this fellowship. The funding will assist 12 students. This program is currently under review by the Office of Civil Rights, and no new fellowships were awarded in FY 2001 or FY 2002. The Board of Regents plans to continue to fund renewals for the current participants through FY 2003. The purpose of this program was to recruit and retain minority students in graduate education programs at Regents institutions.

**Osteopathic Scholarship Program.** This program is for Kansas residents who attend accredited osteopathic medical schools in other states. These students are partially funded by the state in exchange for one year of primary care service in Kansas for each year of scholarship support. Recipients who do not serve must repay the scholarship amount plus interest. The Governor recommends \$480,000 from the Osteopathic Scholarship Program Repayment Fund. This will fund 32 students in FY 2003 at a cost of \$15,000 each.

**Optometry Scholarship Program.** The Governor and Legislature authorized contracts between the Board of Regents and selected schools of optometry for approximately 40 students. The Governor recommends \$132,494, including \$115,000 from the State General Fund, in FY 2003. Students are ranked academically by the optometry schools and are funded in that order.

**Teacher Scholarship Program.** The purpose of this program is to reduce the teacher shortage in hard-to-fill disciplines and under-served areas. Typically 80.0 percent of the scholarships are awarded to students majoring in special education. To finance 87 students in FY 2003, the Governor recommends \$436,777, including \$374,277 from the State General Fund. The average scholarship is \$5,000.

**Nursing Scholarship Program.** For this need-based scholarship, the Governor recommends \$454,563, including \$248,563 from the State General Fund, \$45,000 from the Scholarship Repayment Fund, and \$161,000 from sponsors' contributions. Students seeking a nursing scholarship must locate a sponsor who will pay up to one-half the scholarship stipend and agree to employ the recipient within six months of

**FY 2001 Undergraduate Tuition  
and Fees for Full-time Students**

	Full-Year Cost	
	Resident	Non-Resident
University of Kansas	2,725	9,493
University of Colorado	3,223	16,541
University of Iowa	3,204	10,966
U. of N. Carolina-Chapel Hill	2,768	11,934
University of Oklahoma	2,491	6,571
University of Oregon	3,819	13,839
Peer Average	3,101	11,970
<i>KU as % of Peer Average</i>	<i>87.9%</i>	<i>79.3%</i>
Kansas State University	2,781	9,549
Colorado State	3,133	11,153
Iowa State	3,204	10,966
North Carolina State	2,746	11,912
Oklahoma State	2,587	6,667
Oregon State	3,654	13,104
Peer Average	3,065	10,760
<i>KSU as % of Peer Average</i>	<i>90.7%</i>	<i>88.8%</i>
Wichita State University	2,758	9,374
University of Akron	4,302	10,503
Portland State University	3,438	11,631
Univ. Nevada-Las Vegas	2,191	8,538
Oakland University	3,968	10,928
Old Dominion	3,796	11,386
Peer Average	3,684	11,108
<i>WSU as % of Peer Average</i>	<i>74.9%</i>	<i>84.4%</i>
Emporia State University	2,218	6,940
Fort Hays State University	2,182	6,904
Pittsburg State University	2,260	6,985
NW Missouri State U.	3,300	5,588
Western Carolina U.	2,260	9,530
Salisbury State U.	4,312	9,048
Eastern Washington U.	2,892	9,696
Northern Michigan U.	4,004	6,530
Peer Average	3,353	8,078
<i>ESU as % of Peer Average</i>	<i>66.1%</i>	<i>85.9%</i>
<i>FHSU as % of Peer Average</i>	<i>65.1%</i>	<i>85.5%</i>
<i>PSU as % of Peer Average</i>	<i>67.4%</i>	<i>86.5%</i>

licensure. Recipients must provide one year of service to the sponsor for each year of scholarship support. Recipients who do not serve must repay the scholarship plus interest. The recommendation will fund approximately 145 scholarships.

**ROTC Scholarship Program.** For FY 2003, the Governor recommends \$192,166 from the State General Fund for Reserve Officer Training Corps scholarships. This funding will provide 107 awards.

**Regents Institutions**

The Governor has consistently demonstrated his commitment to higher education. But, in FY 2003, state revenues will be severely restricted, and universities will have to rely on other sources of revenue for supplemental funding. The universities have two basic types of funding. "General use funds," which include state funding, tuition, and selected other funds, can be used by the institutions for general operations. "Restricted use funds," such as federal grants, dormitory fees, parking fees, and other targeted funds, are available only for specific purposes. Prior to FY 2002, the universities were funded based on the level of general use funding identified by the Legislature as appropriate for each institution. A new funding mechanism was developed for FY 2002.

**Operating Grants.** The Board of Regents proposed that, beginning in FY 2002, the universities would be funded through an operating grant based on need and the availability of state dollars. The Governor and Legislature agreed, and the universities' FY 2002 budgets were funded as State General Fund operating grants. Each university has a State General Fund appropriation with unlimited reappropriation authority. This change allows future funding to be based on specific institutional needs rather than a formula. The change also allows universities greater flexibility in managing their budgets. However, the change comes with the expectation that requests will be based on performance outcomes and that university finances will continue to be disclosed fully.

For FY 2003, the Board requested that any increase to these grants be appropriated to the Board for distribution to the universities. But, in order to help balance the budget, the Governor recommends a 3.9 percent decrease in operating grants. Because of procedural considerations, the reductions are made to each university's budget. In the spirit of honoring the Board's request, the Governor recommends that the Board be authorized to move state dollars between the universities and the Board office.

**Tuition.** The cost of attending a Regents institution has been favorable compared to other public four-year institutions. Resident undergraduate tuition and fees remain low when compared to each institution's peers. The table above shows the cost comparison.

Enrollment estimates for the current year indicate that student headcount enrollment will be 83,612 at Regents institutions. This is an increase of 1.2 percent, or 1,004 students. This is the fifth continuous year of an enrollment increase. The universities gained 856 non-resident students and 148 resident students. Interestingly, 68.5 percent of the increase was in off campus students. The increase in students will provide more than \$2.0 million in tuition revenue. A 1.0 percent increase in all tuition generates approximately \$2.0 million. A 1.0 percent increase in resident tuition generates approximately \$1.2 million.

In prior years, the Board of Regents set tuition approximately 16 months before the fall semester. This year, the Board has elected to set tuition rates for the 2002/2003 school year in the spring of 2002. Therefore, there is no estimate that can be made for tuition increases for the coming year. In FY 2002, tuition was increased in an amount to generate \$5.5 million. Tuition for Kansas residents and all medical students increased 3.0 percent. Tuition for non-residents increased \$6 per credit hour at regional universities (Emporia, Fort Hays, and Pittsburg), and \$7.50 per credit hour at the three research universities (KU, KSU, and Wichita). In FY 2001, the average tuition increase was 5.7 percent at regional universities and 5.3 percent at research universities.

**Expenditures.** For FY 2003, the budget makes a 3.9 percent reduction in the State General Fund operating grant at each university. The recommendation reflects the condition of state revenues in the current economy. In FY 2001 and FY 2002, over \$8.3 million in both years was approved for faculty salary increases. This provided faculty salary increases of over 6.0 percent when coupled with the salary increases for other state employees. This increase was in addition to other increases in funding provided by the state. Funding for FY 2002 and FY 2003 are shown in the table on the following page.

## **Emporia State University**

Emporia State University's instructional programs include high-quality baccalaureate and graduate degrees for students of all ages and specialized continuing education for practitioners, including education professionals. The University's teacher

education programs have the necessary depth to prepare teachers and specialized staff for careers in education.

The University addresses educational levels from pre-school through postsecondary. Emporia State University strives to make a major contribution to excellence in the public schools. In addition to teacher education, a variety of other programs are offered. Those programs include liberal arts and sciences, business, and library information management. Recently the University has added a doctoral program in the School of Library Information Management.

The Governor's recommendation for FY 2003 is \$29,367,514 for the state operating grant. The University's enrollment increased in FY 2002, and that increase is expected to be maintained in FY 2003. In the fall of 2001, Emporia State's enrollment was 5,823, an increase over 2000 enrollment of 5,616.

## **Fort Hays State University**

Fort Hays State University is the only state supported baccalaureate and graduate institution of higher education in the western half of Kansas. Its mission includes the application of computer technology to the educational environment and workplace curriculum. It is a rich resource for rural-oriented research and service. One of the University's goals is to become an eminent regional university by creating a campus environment that combines high technology and a personalized environment. To achieve this goal, it continuously upgrades the computing and telecommunications infrastructure, and integration of technology with the learning environment.

For FY 2003, the Governor recommends \$30,692,363 from the State General Fund for the state operating grant. Fort Hays is teaching an increasing number of credit hours because of its "virtual" university. The University did experience an increase in enrollment from 5,506 in fall 2000 to 5,626 in fall 2001.

## **Kansas State University**

For the Manhattan and Salina campuses of Kansas State University, the Governor's recommendation for

FY 2003 is \$102,859,513 from the State General Fund for the operating grant. Funding will permit the University to maintain services to 22,396 students and support 3,201.2 FTE positions.

Kansas State University remains committed to the belief that its ranked faculty should teach undergraduate courses. More than 60.0 percent of undergraduate classes are taught by full-time faculty. While graduate teaching assistants have teaching responsibilities, others support ranked faculty in undergraduate classes. Kansas State plans to increase the percentage of undergraduate credit hours taught by full-time ranked faculty and to ensure that the overall quality of instruction will continue to increase.

Strategies on this key goal are to hire additional faculty, if subsequent enrollment increases require it, continue efforts to improve the utilization of faculty time and talent, renovate large classrooms to accommodate modern, state-of-the-art instructional technologies, and train graduate teaching assistants to be effective teachers.

### KSU—Veterinary Medical Center

The Governor recommends \$9,656,262 from the State General Fund for the state operating grant in FY 2003. The recommendations finance 259.2 FTE positions. The Center will provide veterinary medical education

<b>Funding for Regents Universities</b>					
FY 2002	State General Fund Operating Grant	Other State Funds	General Use Funds	Restricted Use Funds	Total
University of Kansas	138,687,727	50,000	93,472,104	216,469,036	448,678,867
KU Medical Center	104,326,162	2,250,000	18,393,688	78,300,686	203,270,536
Kansas State	107,301,959	--	49,078,836	167,645,037	324,025,832
KSU--ESARP	49,296,711	3,000,000	7,970,461	48,221,480	108,488,652
KSU--Vet. Med.	10,052,324	--	12,224,730	2,567,575	24,844,629
Wichita State	65,903,685	--	30,074,222	52,063,295	148,041,202
Emporia State	30,589,220	--	9,193,167	19,517,867	59,300,254
Pittsburg State	33,546,613	447,806	11,342,443	21,901,168	67,238,030
Fort Hays State	31,951,242	--	8,843,159	18,725,370	59,519,771
Total	\$ 571,655,643	\$ 5,747,806	\$ 240,592,810	\$ 625,411,514	\$ 1,443,407,773

FY 2003	State General Fund Operating Grant	Other State Funds	General Use Funds	Restricted Use Funds	Total
University of Kansas	133,233,431	50,000	90,744,656	198,052,927	422,081,014
KU Medical Center	100,573,732	1,250,000	18,050,614	78,097,033	197,971,379
Kansas State	102,859,513	--	48,910,090	168,162,491	319,932,094
KSU--ESARP	47,264,410	--	7,970,461	47,423,620	102,658,491
KSU--Vet. Med.	9,656,262	--	11,802,596	2,463,112	23,921,970
Wichita State	63,307,080	--	30,074,222	48,555,327	141,936,629
Emporia State	29,367,514	--	9,193,167	15,723,855	54,284,536
Pittsburg State	32,224,876	--	11,342,443	22,050,670	65,617,989
Fort Hays State	30,692,363	--	8,843,159	16,805,799	56,341,321
Total	\$ 549,179,181	\$ 1,300,000	\$ 236,931,408	\$ 597,334,834	\$ 1,384,745,423

to 401 students, and the hospital and diagnostic clinic will provide veterinary services to the public.

Caseloads in the hospital and clinic are projected to increase 3.7 percent in the current year to 39,151 in part because of new customer services, such as transport of animals to and from the Manhattan facility throughout the region and on-site services, such as local rodeos. These new services encourage animal owners to use the Center's services, generating teaching cases for the veterinarian students.

The Veterinary Medical Center is in the final stages of completing a new oncology unit for the study of tumors. The hospital is installing diagnostic equipment with revenue generated by clinical and laboratory fees. Included are Computer Aided Tomography (CAT) and Magnetic Resonance Imaging (MRI) units. These units will be ready for client use by March 2002.

### **Kansas State University—ESARP**

For FY 2003, the Governor recommends \$47,264,410 for the operating grant from the State General Fund. The Extension Systems and Agriculture Research Program (ESARP) conducts research and provides community services. Its four primary areas of focus are agricultural industry competitiveness: natural resources and environmental management; food, nutrition, health, and safety; and youth, family, and community development. ESARP does not generate tuition revenues but does receive a federal land grant. In FY 2003, it is expected to receive almost \$8.0 million from this source. The agency has 1,430.2 FTE positions, including agents in the communities.

### **Pittsburg State University**

Pittsburg State University is a multi-purpose university whose primary objective is to offer strong undergraduate and graduate educational programs to those in its service area. It is committed to fulfilling its statewide mission in technology and economic development by facilitating partnerships with secondary and postsecondary educational institutions, businesses, and industries. This commitment is displayed through the University's College of

Technology, which is the center of technological excellence in the state.

The budget recommended by the Governor for FY 2003 is \$32,224,876 from the State General Fund for the state operating grant. A \$14-per-credit-hour fee for all on-campus technology classes is expected to generate \$300,000. This money will be used for acquisition of equipment, computers, maintenance, and software on approval by a campus committee. The University enrolled 6,723 full-time students in fall 2001, an increase of 305 students compared to fall 2000 enrollment.

### **University of Kansas**

The Governor recommends \$133,223,431 from the State General Fund for the state operating grant in FY 2003. In addition, the Governor recommends \$50,000 from the Water Plan Fund for the Geological Survey to do research on the Ogallala Aquifer. The University will continue to provide graduate and undergraduate education to 25,782 students and support 4,486.5 FTE positions.

Although KU has the highest retention rate (currently 78.0 percent) among the Regents institutions and is near the national average, the University intends to continue improving upon the rate to attain 80.0 percent for first-time freshmen entering in fall 2002. To do this, the University has expanded the Freshman Summer Institute to facilitate the transition from high school to college. Programs are being established at every residence hall to combine living and learning experiences with intensive advising, access to faculty, and other student services. In addition, the advising services for freshmen and sophomores will be improved. A centralized advising center for all freshmen and sophomores is now operational. In addition, minority faculty are being recruited, and a new program for freshmen with high ACT scores and ranking in their high school classes was started to provide extensive advising, special classes, and enrichment experiences.

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

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

## **University of Kansas Medical Center**

Governance of the University of Kansas Hospital was changed from the Kansas Board of Regents to a new public authority on October 1, 1998. The majority of hospital expenditures are no longer reflected in the state budget. However, the hospital does still contract and share certain operating costs with the portion of the Medical Center that remains a state agency.

For the Medical Center, the Governor recommends \$100,573,732 for the operating grant from the State General Fund. In addition, the Governor includes \$1,250,000 from the Children's Initiatives Fund in FY 2003. This funding will be used for pediatric research and the Tele-Kid Health Care Link. The Medical Center's vision is to be the premier, customer-focused, academic health science system in the region by becoming a regional and national leader in the education of primary health care professionals and in research and clinical services related to interdisciplinary centers of rural health and other areas.

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

**Medical Student Loan Program.** The University also administers the Medical Student Loan Program and the Kansas Residency Bridging Program. Each of these outreach programs is designed to provide an

increased supply of general practice physicians to rural areas. The Governor increased the Medical Student Loan Program to 30 loans a year three years ago, which is maintained in the FY 2003 budget. These 119 loans, which are for all four years of medical school, are projected to cost \$2,886,720 in FY 2003, of which \$2,166,764 is from the State General Fund and \$719,956 is from repayment funds.

**Tele-Kid Health Care Link.** The KU Medical Center launched a project in 1998 that made it the first in the country to deliver medical services to local schools. The Tele-Kid Health Care Link project uses a PC-based telemedicine technology that links physicians and children for clinical visits from the school nurse's office to the doctor's office.

In this initial project, KUMC pediatricians and other specialists were linked with children at various elementary schools in the Kansas City, Kansas vicinity. The Governor concurs that Wichita and rural children will also benefit from telemedicine technology that can bring health services directly into the schools; therefore, he recommends that \$250,000 in FY 2003 be spent on this program from the Children's Initiatives Fund.

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

## **Wichita State University**

For FY 2003, the Governor recommends \$63,307,080 from the State General Fund for the state operating grant. The recommendation includes 1,727.3 FTE positions and will permit the University to continue services to 14,854 students.

Unique to this institution are the demographics of its students. Wichita State's average student is 28.0 years old and had 59 hours of transfer credit upon receipt of a bachelor's degree. Approximately 13.4 percent of Wichita State's students come from other countries. In keeping with this institution's demographics, many students take courses at the three sites that are in Wichita, but which are located off the main campus.

WSU notes that 8,396 credit hours were taken at these off-campus sites in fall 2001.

Wichita State is working to increase external funding for its research, training, and public service functions. In FY 2001, the campus received \$25.6 million in external grant and contract awards for research,

training, and service projects. The University hopes to increase that level to \$27.0 million by FY 2002. To this end, the University is bringing experts to campus to offer workshops in an effort to improve the quality of proposals. Collaboration is encouraged with local industries and with faculty of other universities to provide more joint projects and proposals.

## Other Education Agencies

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### **Kansas Arts Commission**

The Commission offers grants and technical assistance to artists and arts organizations throughout the state. Funding is from both state and federal monies, including donations and gifts. The Governor recommends \$2,059,829 from all funding sources for FY 2003, with \$1,591,305 from the State General Fund, for services provided by 8.0 existing FTE positions. Of the total budget, \$1,525,738 is for arts programming and \$534,091 is for administration. The State General Fund base budget for the Kansas Arts Commission is reduced by \$66,304 in grants and aid to local organizations.

### **Historical Society**

The State Historical Society collects, interprets, and disseminates materials and information related to Kansas history in order to assist the public in understanding and appreciating Kansas heritage and how it relates to the present. This purpose is accomplished in four significant ways: documentary and research applications, historic preservation assistance regarding local historic properties, the management of state historic properties, and the interpretation of history at the Kansas Museum of History.

In FY 2002, the agency will use \$698,460 in federal monies for restoration of the William Allen White home. First constructed in the late 1880s, the Whites purchased the home in 1899 where they lived the remainder of their lives. The house, altered after a fire in 1920, contains many furnishings and belongings used by the family during the occupation of the house.

The Governor's recommendation for FY 2003 is \$8,515,762 from all funding sources, with \$6,161,960 from the State General Fund. The budget includes a \$250,000 pass-through grant to the Lewis & Clark

Bicentennial Commission and \$30,000 for the Cultural Heritage Center in Dodge City.

The Governor's recommendation also includes an \$85,000 grant to the Kansas Humanities Council. In FY 2003, the Humanities Council will use the state funds for community-based programming to match nearly \$500,000 in federal monies received through the National Endowment for the Humanities, as well as local funds across the state. Funding for the Historical Society's state operations in FY 2003 imposes a rather high shrinkage rate (10.7 percent), which will require the agency to make reductions to the services it provides the public. Although private fund raising has been relatively successful, private dollars are not available to compensate for the proposed operating reductions.

### **State Library**

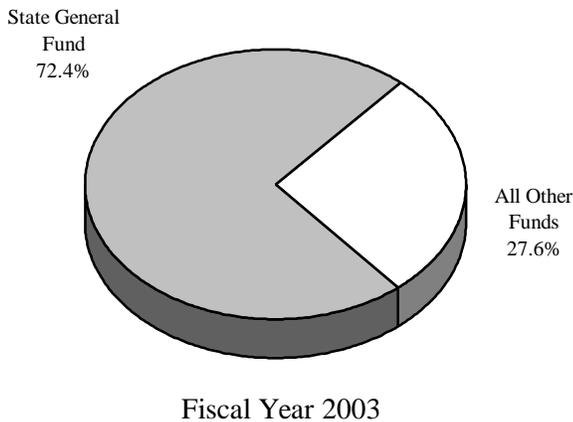
In addition to providing governmental information and research services to the public and government officials in Topeka, the State Library distributes grants to libraries and serves in a coordinating and technical resource role to encourage cost-effective, community-based library services. In FY 2000, the State Library was ranked eighth in the nation by the *American Libraries* magazine, based on per capita expenditures, the quantity of materials available, and the number of patron visits.

The Governor recommends \$6,814,981 from all funding sources, including \$5,213,060 from the State General Fund, for FY 2003 for services provided by the State Library, including the 27.0 existing FTE positions. Reductions to the budget for the State Library are made to agency operations \$63,838, as well as to support of local library operations \$152,696. The operating budget cut applied to the agency is suggested in order to lessen the effect on local libraries.

# 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. Public Safety agencies ensure the safety of Kansas citizens through management of the state correctional system, enforcement of fire and safety regulations, coordination and regulation of emergency services, serving the public in emergencies, investigation of crimes, and enforcement of state laws.

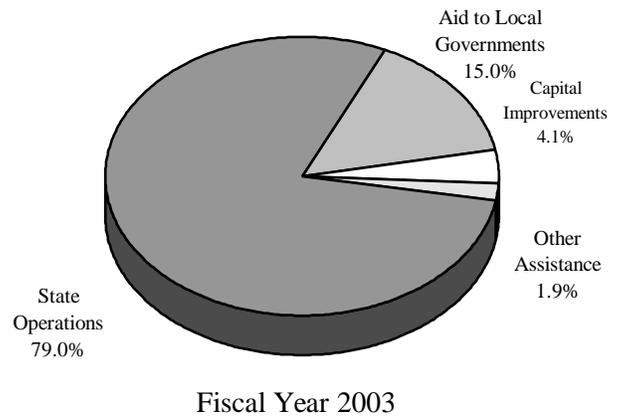
## How It Is Financed



The Governor recommends a budget of \$461.6 million from all funding sources, including \$318.1 million from the State General Fund, for this function in FY 2002. For FY 2003, \$441.7 million from all funding sources, including \$319.9 million from the State General Fund, is recommended for public safety agencies. Included in the FY 2003 recommendation is \$239.1 million for operation of the state correctional system. Expenditures also include \$88.8 million for the Juvenile Justice Authority and the juvenile correctional facilities under its jurisdiction. For the adult correctional system, the Governor recommends a \$1.5 million supplemental appropriation in FY 2002 from the State General Fund. This recommendation will fund the unanticipated increase of 500 inmates for food service and medical care.

Included in the FY 2003 recommendation is \$66.3 million for aid to local governments. These expenditures include \$13.6 million for grants to community corrections agencies, \$6.5 million for juvenile delinquency prevention grants, and \$3.5 million for criminal justice and law enforcement grants.

## How It Is Spent



For the adult correctional system, the Governor's FY 2003 recommendation budgets for an estimated average daily population of 8,238 inmates. The Governor's recommendation includes the closure of four correctional facilities, including the Osawatomie, Toronto, and Stockton minimum security units, as well as the Labette Correctional Conservation Camp.

The Juvenile Justice Authority has the responsibility for all juvenile offenders in the state. The Authority continues to assist communities in implementing and maintaining a continuum of community-based services to provide prevention, intervention, and rehabilitation services for troubled youth. The services allow problems of troubled youth to be addressed in their communities, while reserving the juvenile correctional facilities to rehabilitate juveniles who commit more violent and serious offenses. To accommodate the expected need for juvenile correctional facilities, the Authority is building new facilities and remodeling or replacing portions of existing facilities. The Governor's recommendation includes a partial year of funding for the new Larned Juvenile Correctional Facility, which will open in December 2002.

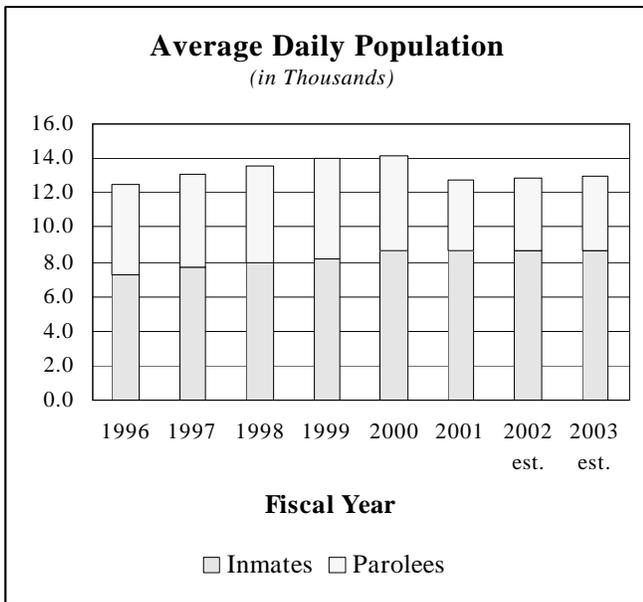
# Corrections

## Correctional System

The Kansas Correctional System comprises eight prison facilities, as well as oversight of community corrections agencies. The eight adult prison facilities can be found in the communities of Norton, Winfield, Ellsworth, Larned, El Dorado, Hutchinson, Topeka, and Lansing. There are currently 31 community corrections agencies that receive grants from the Department of Corrections. Some agencies serve a single county, such as Sedgwick, Reno, Leavenworth, and Johnson Counties, while others are multi-county agencies.

## Adult Prison Population

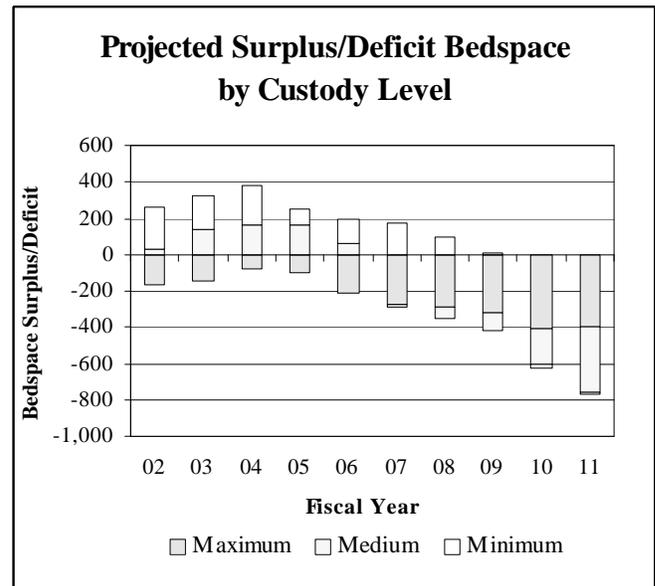
Each year, the Kansas Sentencing Commission releases its annual adult inmate prison population projections in September. The budgets for each facility, including medical and food service contracts, are based on this official projection. The latest projections by the Commission are considerably higher



than the year before. FY 2001 ended with a population of 8,539 inmates, which was 513 offenders higher than the previous projection. This increase was attributed by the Commission to a higher than expected rate of parole and postrelease violators returning to prison, as well as the application of special sentencing rules by the courts. As a result of this

unanticipated increase, State General Fund appropriations for inmate medical and health care contracts will need to be increased. For the remainder of the fiscal year, the Commission estimates an average daily population of 8,601 inmates for FY 2002 and 8,617 inmates for FY 2003.

As the prison population continues to increase, there is concern about the adequacy of medium and maximum security bedspace for male inmates. As illustrated by the graph below with current facility configurations, the correctional system is expected to have a deficit of maximum security beds from FY 2002 through FY 2011, a deficit of medium security beds from FY 2007



through FY 2011, while having a surplus of minimum security beds from FY 2002 through FY 2006. In some units at El Dorado Correctional Facility, as well as the new cellhouse at the Ellsworth Correctional Facility, the Department has some flexibility in utilizing the space for either maximum custody inmates (single-cell) or medium custody inmates (double-cell).

## Community Supervision

Community Supervision includes four subprograms: Parole and Post Release Supervision, Day Reporting Centers, Community Corrections, and the Labette Correctional Conservation Camp. Community Supervision is used as an alternative to incarceration.

For the most part, offenders convicted of lower severity offenses are assigned to community supervision. An average daily population of 4,076 offenders in parole supervision and 4,434 offenders in community corrections are expected to be served by community corrections agencies in FY 2003. This is an increase of 192 offenders in parole supervision and 382 offenders in community supervision from FY 2002.

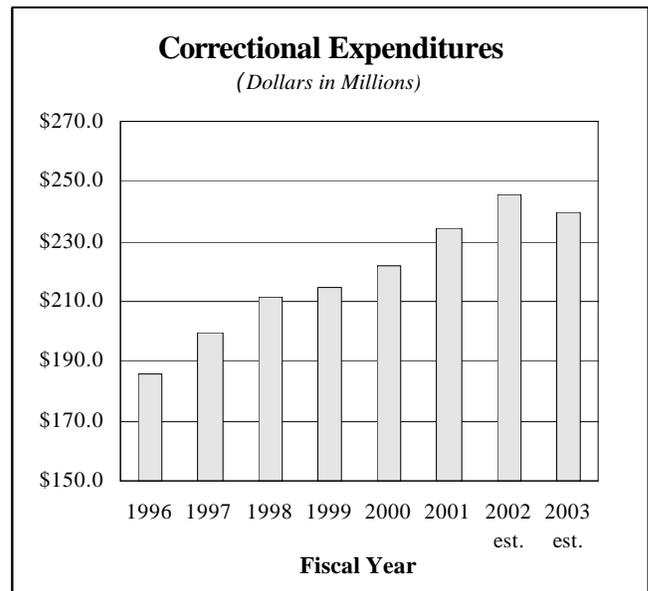
Although the 2000 Legislature authorized three day reporting centers (DRCs) for the supervision of post-incarceration condition violators in the Kansas City, Topeka, and Wichita areas, the only center in operation is in Topeka. The main reason for the delay in Wichita and Kansas City is finding a suitable location for the centers that is acceptable to the community, yet functional for the correctional system. However, with continued negotiations in each city, the Department expects the Kansas City DRC to be operational by March 1, 2001, and the Wichita DRC by July 1, 2002. For FY 2003, the Governor recommends total expenditures of \$3.4 million, including \$336,000 from the State General Fund. The centers are financed through the federal Violent Offender Incarceration/Truth-in-Sentencing Grant funds on a 90.0 percent federal/10.0 percent state match.

**Reduction in Community Corrections Funding.** The FY 2003 recommendation includes a \$1.75 million reduction to community corrections grant funding compared to FY 2002, for a total recommendation of \$13.6 million. This reduction will put a budgetary strain on community corrections agencies that provide adult offender services, such as substance abuse and vocational training.

### Systemwide Recommendations

For FY 2003, the Governor recommends expenditures of \$239.1 million from all funding sources, including \$212.2 million from the State General Fund. Included in this recommendation is funding for 3,058.5 FTE positions. Expenditures from FY 1996 to estimated expenditures in FY 2003 are illustrated in the graph. The budget recommendation includes a State General Fund reduction of \$4.3 million from the agency's FY 2003 base budget request. The following information summarizes the Department of Corrections' systemwide changes.

**Correctional Facility Closures.** Because of the surplus of minimum security beds available in various correctional facilities, along with funding shortages from the State General Fund, the budget recommends closure of the following minimum security facilities: the Toronto Unit of El Dorado Correctional Facility, the Osawatomie Unit of Lansing Correctional Facility,



and the Stockton Unit of Norton Correctional Facility. These closures will result in the deletion of approximately 262 minimum security beds and will save approximately \$3.1 million from the State General Fund in FY 2003. Inmates that are in these units will be shifted to other minimum security units in the correctional system.

Because of funding constraints on the State General Fund, the recommendations also include the closure of the Labette Correctional Conservation Camp. This camp, which is part of the community corrections system, has an average daily population of 216 inmates for FY 2002. The closure of this facility will save the state budget approximately \$2.9 million from all funding sources, including \$2.5 million from the State General Fund.

### Department of Corrections

For FY 2002, the Governor recommends a supplemental appropriation of \$1.5 million from the State General Fund for the inmate medical and food service contract. The unanticipated increase of approximately 500 inmates from the previous inmate

prison population projection requires this additional funding.

For FY 2003, the Governor recommends \$109,781,820 from all funding sources, including \$84,071,759 from the State General Fund. Funding is provided to allow the Secretary of Corrections to continue oversight of the correctional system and to provide managerial and technical assistance to the state's correctional facilities and community-based programs. The recommended budget provides funding for administrative costs, community-based programs, offender programs, Kansas Correctional Industries, debt service, and capital improvements.

**Offender Programs.** The Governor recommends \$11.3 million in FY 2003 for offender programs. This is a reduction of approximately \$550,000 from FY 2002. The Department provides rehabilitative programs and services to felony offenders in the state's correctional facilities, including substance abuse treatment through the therapeutic community.

**Health Care.** For FY 2003, the Governor recommends \$24.7 million to fund a contract with Prison Health Services, which covers all medical and mental health expenses for inmates housed in the state's correctional facilities. This is an increase of \$556,857 from the Governor's revised FY 2002 estimate of \$24.2 million. The services provided through the contract help maintain compliance with the United States District Court order regarding the medical and mental health treatment of inmates.

**Food Service.** The Governor recommends FY 2003 expenditures of \$12.8 million to fund the food service contract with Aramark Corporation. This is an increase of \$377,016 from the Governor's revised estimate of \$12.3 million for FY 2002. All food service contract expenditures for the eight facilities are funded through the Department of Corrections' central office. This recommendation will fund the contract with a revised average daily population of 8,205 inmates.

**Kansas Correctional Industries.** The Governor recommends expenditures of \$9.7 million from the Correctional Industries Fund for the operations of the Kansas Correctional Industries. Correctional Industries is entirely self-supporting from the manufacture and sale of a variety of products and services. These are sold to government agencies and

qualified organizations, such as state agencies and local governments.

### **El Dorado Correctional Facility**

For FY 2003, the Governor recommends \$20.4 million from all funding sources, including \$20.2 million from the State General Fund to provide staff and support for the El Dorado Correctional Facility and 447.5 FTE positions. This recommendation includes the closure of the Toronto minimum security unit, which will result in savings of approximately \$800,000 from the State General Fund, along with 19.0 FTE positions.

### **Hutchinson Correctional Facility**

For FY 2003, the Governor recommends \$25.0 million from all funding sources, including \$24.7 million from the State General Fund. The recommendation supports 512.0 FTE positions at the same level of operation as in FY 2002.

### **Lansing Correctional Facility**

To support 685.0 FTE positions in FY 2003, the Governor recommends expenditures of \$32.9 million from all funding sources, including \$32.6 million from the State General Fund. Included in this recommendation is the closure of the Osawatomie minimum security unit, which will result in savings of approximately \$991,000 from the State General Fund, along with 25.0 FTE positions.

### **Topeka Correctional Facility**

A total of \$11.1 million from all funding sources, including \$11.0 million from the State General Fund, is recommended by the Governor for FY 2003. A total of 249.0 FTE positions is included in this recommendation. This facility will be able to operate at the same level as it did in FY 2002.

### **Ellsworth Correctional Facility**

The Governor recommends \$10,645,375 for FY 2003. This recommendation includes \$10,607,441 from the

State General Fund. FY 2003 represents the first full year of operation of the facility's new 200-bed medium-security unit. The recommendation will finance facility operations, which include an ADP of 800 and a staff of 223.0 FTE positions and 1.0 non-FTE unclassified permanent position.

### **Larned Correctional Mental Health Facility**

In FY 2003, the Governor recommends \$7,991,051, including \$7,987,981 from the State General Fund, to provide the necessary staff and support for an average daily population of 260. The recommended budget supports 186.0 FTE positions. The recommended budget also maintains appropriate security levels for special needs inmates who are not able to function in a normal correctional setting.

### **Norton Correctional Facility**

For FY 2003, the Governor recommends \$11,228,217 from all funding sources, including \$10,942,404 from the State General Fund. The Governor also

recommends closing the East Unit in Stockton for a reduction of \$1,298,000. Included in the Governor's recommendation is \$177,495 from the State General Fund to finance operations of the East Unit for one month. This recommendation will support 236.0 FTE positions and 1.0 non-FTE unclassified permanent position. It will also finance an additional 30.0 FTE positions for the month of July 2002. Average daily population for FY 2003 is estimated at 635 inmates.

### **Winfield Correctional Facility**

The Governor recommends \$10,106,044, including \$9,961,667 from the State General Fund. The recommendation supports 201.0 FTE positions, 2.0 non-FTE unclassified permanent positions, and an average daily inmate population of 675. Winfield Correctional Facility, which is housed on the same campus as the Kansas Veterans' Home, provides funding for utilities, laundry, maintenance, and security services for the entire campus. Also included in the recommendation is \$1,970,492, all from the State General Fund, to finance the operation of the Wichita Work Release Facility.

# 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 state 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 38.0 FTE positions and \$57.1 million, including \$31.9 million from the State General Fund, for FY 2003. The recommendation provides \$48.7 million for community services, including \$8.0 million, specifically for prevention programs. The recommendation will allow the agency to continue providing services, including prevention, immediate intervention, community-based graduated sanctions, and operating juvenile correctional

facilities. The table below details actual and recommended expenditures for the Juvenile Justice Authority from FY 2001 through FY 2003.

In the agency's early years, the emphasis was on community planning and the development of community services. The agency provided communities with technical assistance and helped in the development of plans that met the individual needs of the community. Focus has shifted from community planning to implementation of those plans, which started in January 2000. Approximately \$24.8 million will be distributed to the communities in FY 2003, based on formulas developed by the agency. A total of \$6.5 million will be provided for prevention delinquency programs, funded from the Children's Initiatives Fund.

The Authority will expend \$3.8 million in federal grants for the community programs. The total funding provided for the placement of, and necessary services for, juvenile offenders is \$18.9 million. The agency identified \$981,000 in Purchase of Services savings

### Juvenile Justice Expenditures & Funding

	FY 2001 <u>Actual</u>	FY 2002 <u>Gov. Estimate</u>	FY 2003 <u>Gov. Rec.</u>
<b>Expenditures:</b>			
Administration	3,438,919	3,142,468	2,790,771
Management Information System (non-aid)	1,013,157	1,934,258	1,209,820
Juvenile Community Corrections	6,050,137	4,363,872	4,363,872
Case Management	8,499,411	4,997,516	4,997,516
Intake & Assessment	4,734,868	4,803,111	4,803,111
Other Intervention/Graduated Sanctions	--	4,119,917	4,119,917
Prevention	6,362,167	7,594,750	7,951,850
Purchase of Services/Community Vendor Payments	21,785,743	19,745,155	18,924,611
Other Services to Communities	3,204,336	3,611,903	3,530,193
Capital Improvements, Planning, & Debt Service	1,279,554	12,706,101	4,367,384
Subtotal	\$ 56,368,292	\$ 67,019,051	\$ 57,059,045
Juvenile Correctional Facilities	29,057,724	29,611,296	31,709,428
Total	\$ 85,426,016	\$ 96,630,347	\$ 88,768,473
<b>Funding:</b>			
State General Fund	62,072,179	62,857,831	62,321,532
Federal Funds	8,316,211	7,851,070	7,831,525
Other Funds	15,037,626	25,921,446	18,615,416
Total	\$ 85,426,016	\$ 96,630,347	\$ 88,768,473

because of lower estimates and use of other funding sources in FY 2002. The Governor incorporated these current year savings in the FY 2002 recommendation.

In FY 2003 reductions are reflected in Purchase of Services funding. This funding finances various services, including transportation, day reporting, clothing, and other items not centrally purchased by the Authority. The local Purchase of Services payments are eliminated, for a reduction of \$1,965,940. Local governments can utilize block grant monies to finance these services, which is an option with fewer adverse effects than reducing the block grants and operating expenditures at the juvenile correctional facilities. The 2001 Legislature reduced facility budgets for FY 2002 to account for lower populations. The Governor's recommendation also includes the elimination of the Crossroads Program funding and shifts funding from the Juvenile Detention Facilities Fund, replacing State General Fund financing.

The Authority continues to develop the Juvenile Justice Information System, with implementation set for June 2003. The Governor recommends \$2,034,258 for this system and the Authority's Management Information System in FY 2002 and \$1,209,820 for FY 2003. Expenditures will continue to decrease as the agency moves from implementation to maintenance of the system. Finally, the Governor recommends \$3,394,028 from the State Institutions Building Fund for debt service for FY 2003.

The debt service payments will be used to replace the Larned Juvenile Correctional Facility; construct a maximum security facility at Topeka; replace living units at the Topeka Facility; and convert a living unit at the Beloit Facility to maximum security. Additional funding is provided from the State Institutions Building Fund and the federal Violent Offender Incarceration/Truth-in-Sentencing Grant Fund. The estimated completion dates are December 2002 for the Larned replacement and March 2004 for the Topeka Complex. The total bed capacity upon facility completions will be 793.

## **Juvenile Correctional Facilities**

The Authority oversees the juvenile correctional facilities at Atchison, Beloit, Larned, and Topeka. The

facilities house individuals ages 10 to 23 who have been adjudicated as juvenile offenders under Kansas law and who have been ordered by the court to be held in state custody.

Population concerns at the facilities led to funding approval by the 2000 Legislature for two new facilities. Actual daily population of the facilities in FY 2000 was 573. The bed capacity for the four institutions is 592. Because of the sentencing matrix implemented in FY 2000, the population at the facilities has declined. Actual daily population in FY 2001 was 481. The matrix places only those juveniles who have committed serious crimes or are chronic or violent offenders in juvenile correctional facilities. The statutory change also resulted in the Commissioner of the Juvenile Justice Authority no longer having the authority to release offenders upon completion of their program.

The Juvenile Justice Authority continues to take actions to reduce the expected population growth after FY 2002. Implementation of the plans for community-based services as well as a partnership of the Authority and communities will allow the less serious offenders to receive rehabilitation in the community. The FY 2003 Governor's recommendation holds the facilities close to their base budget request, as nearly all reductions were made to the Central Office budget.

### **Atchison Juvenile Correctional Facility**

The Atchison Juvenile Correctional Facility houses 100 of the younger male offenders, generally 14 to 15 years old. Education, recreation, and counseling services are part of the structured activities provided for the rehabilitation of juveniles. For FY 2003, the Governor recommends \$6.5 million, including \$6.3 million from the State General Fund.

### **Beloit Juvenile Correctional Facility**

The only facility to house female juvenile offenders is the Beloit Juvenile Correctional Facility. The capacity of the facility is 100 beds. Education (including parenting classes), recreation, and counseling services are a portion of programs offered for rehabilitating juveniles. The Governor's recommended funding is \$5.5 million, including \$5.2 million from the State

General Fund, for FY 2003. This recommendation is a \$17,700 reduction from the agency's base budget.

### **Larned Juvenile Correctional Facility**

This facility currently houses 116 juveniles who generally commit less serious offenses than those juveniles incarcerated at the Topeka Facility. This facility also provides the federally funded Residential Substance Abuse Treatment Program. Male offenders are transferred here during the latter part of their stay to attend this program. The Larned Juvenile Correctional Facility is adjacent to the Larned Juvenile Correctional Mental Health Facility and Larned State Hospital. The existing facility will be replaced by a 152-bed facility midway through FY 2003. For FY 2003, the Governor recommends \$6.8 million, including \$6.4 million from the State General Fund. An additional \$1.7 million is provided to the agency for the partial year of operation.

### **Topeka Juvenile Correctional Facility**

The most secure and largest of the four facilities is the Topeka Juvenile Correctional Facility. The Facility is surrounded by a 21-foot high-security fence. A total of 276 of the system's most violent and chronic male juvenile offenders can be housed here. The juveniles are usually between 15 and 21 years old. A total of 57 beds was added in FY 2000 to accommodate the increasing number of juveniles coming into the system. Structured activities offered at the juvenile correctional facility include high school and vocational training, recreation, and counseling services for rehabilitating juveniles. A new maximum security facility will be built next to the existing Topeka Juvenile Correctional Facility. The new facility will be called the Kansas Juvenile Correctional Complex. The scheduled completion date for the Complex is March, 2004. For FY 2003, the Governor recommends \$13.0 million, including \$12.5 million from the State General Fund.

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## Other Public Safety Agencies

### Adjutant General

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

For FY 2003, the Governor's recommended budget totals \$28,264,435 from all funding sources, including \$4,647,291 from the State General Fund. The recommendation includes salaries and wages for 215.0 FTE positions and 90.0 non-FTE unclassified permanent positions. The recommendation reduces the agency's State General Fund financing by \$192,307, or 4.0 percent. Of the total reduced, \$2,993 is from the Operational Management Program, \$887 is from the Civil Air Patrol Program, \$2,520 is from the Assistance Program, \$9,977 is from the Emergency Preparedness Operation & Administration Program, and \$158,332 is from the Physical Plant Operations Program. Most reductions are in contractual services. The reduction in the State General Fund will lead to a loss in federal matching grants.

The Adjutant General's Department 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 existing state-owned armories statewide, construct certain replacement armories, and relinquish to communities armories that are no longer required to meet the agency's needs. The agency issued the first \$2.0 million in November 2000. Second \$2.0 million issue was done in November 2001.

### Emergency Medical Services Board

The Emergency Medical Services Board protects the health and welfare of the public by assuring

appropriate out-of-hospital care and transportation for sick and injured people. The Board establishes and enforces a set of minimum standards to accomplish its purpose. In addition, it is the responsibility of the Board to provide training and technical assistance to ensure that these minimum standards are met or exceeded as well as to investigate and take regulatory action when they are not.

To accomplish these objectives, the Governor recommends a budget of \$948,317 in FY 2003. Of the total, \$847,874 is from the State General Fund. The recommended budget supports 13.0 FTE positions and 2.0 non-FTE unclassified permanent positions, which provide assistance for the statewide emergency medical services plan. The recommendation reduces the agency's expenditures from the State General Fund by 4.0 percent. The recommendation includes a reduction of \$22,950 in telephone equipment and services costs incurred by the 400 and 800 MHZ communication system, a reduction of \$8,000 in salaries and wages, and a \$3,100 reduction in Regional Council Grants.

### State Fire Marshal

The State Fire Marshal's mission is protecting the lives and property of Kansas citizens from the hazards of fire and explosion by fostering a fire safe environment. To carry out this mission, the Governor recommends \$3,527,137 from the agency's fee fund in FY 2003. This recommendation includes 46.0 FTE positions and 1.0 non-FTE unclassified permanent position.

The Governor's recommendation includes \$416,782 to continue the agency's HAZMAT Program. This program provides training for local fire departments in the handling of hazardous materials. In addition, the State Fire Marshal is responsible for coordinating state and local agencies' efforts when responding to hazardous material clean-up situations. The recommendation also includes expenditures of \$250,000 in both years for potential costs billed to the Hazardous Materials Emergency Fund. The program was begun in FY 2002 and is funded by an annual transfer of \$750,000 from the Fire Marshal Fee Fund. The agency may approve up to \$250,000 each year in

reimbursements to communities incurring costs related to hazardous material emergencies.

## **Highway Patrol**

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

In FY 2002, sworn officers of the Highway Patrol received an additional 5.0 percent pay increase on top of the statewide elimination of steps one through three on the pay matrix, and the 3.0 percent increase was implemented beginning with the first pay period of FY 2002.

In support of this mission, the Governor recommends \$55.5 million for the Kansas Highway Patrol for FY 2003. This level of funding includes salaries and wages for 885.1 positions, including 823.8 FTE positions and 61.3 non-FTE unclassified permanent positions. Of the recommended funding for FY 2003, \$26.0 million is financed by the State General Fund. This amount is \$226,112 less than the agency's base budget, while total expenditures are \$15,376 less than requested. The expenditure reductions that resulted in this need for less funding are the result of an increase to agency salary shrinkage from 7.0 to 8.7 percent, in addition to the statewide adjustments for health rate increases and the death and disability moratorium. The increased shrinkage reduces expenditures by \$692,083, all from the State General Fund.

## **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 is also dedicated to the collection and dissemination of criminal information for the purpose of promoting public safety and the prevention of crime. The agency will receive a \$2.0 million federal grant from FY 2002 to FY 2004 for the purpose of

enhancing methamphetamine enforcement, evidence processing, and law enforcement training across the state. The agency is recommended to receive \$576,315 in FY 2003.

For FY 2003, the Governor recommends \$20,624,489 from all funding sources, including \$12,715,712 from the State General Fund. The recommendation reduces the agency's base State General Fund budget by \$256,516, or 2.0 percent. The recommendation reduces salaries and wages in the General Services Program by \$65,720 and leaves three Special Agent positions vacant in the Investigation Program. Funding for the Laboratory Program is also reduced by \$57,038. The recommendation will allow the agency to assist local law enforcement agencies in the investigation of predominantly violent crimes, perform investigations at the request of the Attorney General, maintain a criminal records database, and provide laboratory services for local and state law enforcement agencies. The Governor's recommendation provides the agency with 200.0 FTE and 81.0 non-FTE unclassified permanent positions.

## **Kansas Parole Board**

For FY 2003, the Governor recommends expenditures of \$535,306, all from the State General Fund. The Board conducts parole and parole violation hearings, as well as public comment sessions. The Board also has responsibilities associated with the parole and parole revocation of inmates who have been incarcerated. The recommendation includes support for the 4.0 FTE board members, which allows the agency to operate at the same level as it is for FY 2002.

## **Kansas Sentencing Commission**

The mission of the Kansas Sentencing Commission is to develop monitoring and reporting procedures to determine the effect of sentence guidelines on the Kansas correctional system. The agency also oversees all criminal justice federal funding that is available to the state and local governments. For FY 2003, the Governor recommends \$4.3 million from all funding sources, including \$460,520 from the State General Fund. This recommendation includes reductions of \$8,510 from the State General Fund for a 2.0 percent

shrinkage rate, as well as a reduction of \$4,000 from the State General Fund for capital outlay reductions. These reductions are from the agency's FY 2003 base request. The total budget includes funding for 10.0 FTE positions.

### **Ombudsman for Corrections**

The Ombudsman for Corrections is an agency independent from the Department of Corrections that monitors and facilitates improvements in policies, procedures, and practices within the state's correctional system. Through interventions and recommendations the agency aids the Department of Corrections in reducing tension, mitigating destructive

frustration, avoiding potentially costly lawsuits, and increasing both inmate and employee morale in the correctional environment. The goal of the agency is to address concerns of confinement in general and concerns that may be specific to one or more inmates.

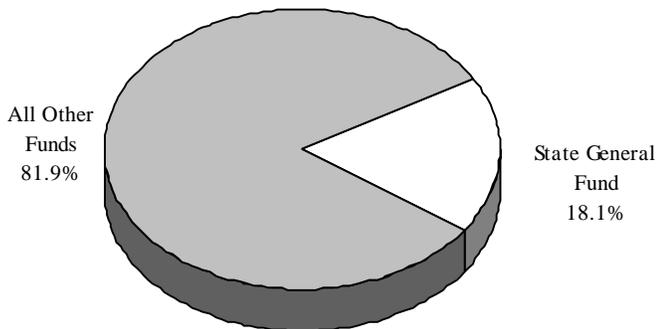
To accomplish this goal, the Governor recommends a total budget of \$198,524 in FY 2003. Of the total \$183,524 is from the State General Fund and the remainder is from the Inmate Benefit Fund. This recommendation is a \$3,537 State General Fund reduction from the agency's base budget, all of which will come out of supplies and travel. The recommended budget supports 3.5 FTE positions, which provide dispute resolution services to inmates in Kansas adult correctional facilities.

# Agriculture & Natural Resources Summary

The Agriculture and Natural Resources agencies promote, protect, improve, and restore natural resources in Kansas. This includes 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 by the Conservation Commission; the development of policy, technical assistance, and study of water resource management 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 by the State Fair.

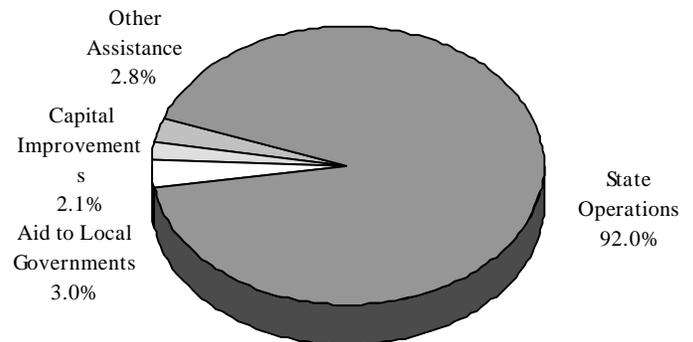
In the State Fair's budget, the Governor recommends holding harmless the state's share of financing capital improvements, which suffered a loss of revenue from reduced attendance at the 2001 Fair. The reduced attendance was variously attributed to an outbreak of Hepatitis A, gas-line explosions in the City of Hutchinson, and the terrorist attacks of September 11. In addition, also in the State Fair's budget, the recommendation includes funds to begin debt service payments in FY 2003 on a portion of the bonds authorized to implement the State Fair's capital improvement master plan. Enhancements are budgeted in the Governor's recommendation for recreational opportunities in the Department of Wildlife and Parks. Limited funding from the State General Fund in FY 2003 will require cutbacks in several operating expenditure categories in most natural resource agencies.

## How It Is Financed



Fiscal Year 2003

## How It Is Spent



Fiscal Year 2003

The Governor recommends \$149.9 million from all funding sources, including \$26.6 million from the State General Fund and \$18.1 million from the State Water Plan Fund in FY 2003. There are 1,300.5 state positions in this function of government, including 14.0 non-FTE unclassified permanent positions. Of the total recommendation, \$128.5 million is for state operations, \$8.1 million is for aid to local governments, and \$7.6 million is for other assistance, grants, and benefits in FY 2003. The recommendation includes capital improvement expenditures in the amount of \$5.7 million in FY 2003, of which \$300,000 is from the State General Fund.

Included in the Governor's FY 2003 budget is \$18,064,480 in State Water Plan Fund expenditures. Of this amount, \$17,614,480 is reported in this function of government. The State Water Plan Fund is the primary funding source for water-related issues. The fund is dedicated to implementation of the annual Kansas Water Plan, which promotes the management, conservation, and development of the state's water resources. The agencies receiving funding from the State Water Plan include the Department of Agriculture, State Conservation Commission, Department of Health and Environment, Kansas Water Office, and the Department of Wildlife and Parks.



# Agriculture & Natural Resources Agencies

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## Department of Agriculture

The Department of Agriculture provides adequate food safety, consumer protection, and natural resource protection for the citizens of Kansas. The Department is also a national leader in the research and prevention of agricultural threats, such as Karnal Bunt disease. For FY 2003, the Governor recommends \$20,223,221 from all funding sources, including \$9,811,542 from the State General Fund, \$9,477,743 in federal grants and fee funds, and \$933,936 from the State Water Plan Fund.

This recommendation represents a \$403,434 State General Fund reduction from the agency's FY 2003 base budget. Included in this recommendation is a total reduction \$123,044 for 4.0 FTE positions and \$20,292 in operating expenditures in the Statistical Services Subprogram and \$243,808 for 5.0 FTE positions in the Water Resources Program. These reductions will result in the elimination or reduction of nearly 50.0 percent of the surveys conducted by the Statistical Services Subprogram.

## Animal Health Department

The activities of the Animal Health Department are designed to protect the public from infectious and contagious livestock diseases and to regulate 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 agency's activities have proven to be effective, as shown in the quick reaction to an outbreak of tuberculosis in July 2001. The agency's responsiveness prevented the spread of the disease, and as a result the state maintained its "tuberculosis free" status. For FY 2003, the Governor recommends \$2,090,004 from all funding sources, including \$616,995 from the State General Fund. This recommendation represents a \$25,316 State General Fund reduction from the FY 2003 base budget. To offset this reduction the Governor recommends that expenditures from four of the agency's fee funds be increased. This will allow the Animal Health Department to continue to operate at a level comparable to that experienced in the past.

## State Conservation Commission

The State Conservation Commission protects and conserves Kansas' natural resources through the efficient implementation and administration of state programs. A nine-member commission governs the agency, which establishes policy and delegates responsibility for the administration of agency programs. For FY 2003, the Governor recommends \$10,973,242, of which \$600,594 is from the State General Fund and \$9,933,311 is from the State Water Plan Fund. This recommendation includes a reduction of \$370,013 from all funding sources. The reduction for the base budget State General Fund amount for the State Conservation Commission is \$17,509. The State Conservation Commission receives more than half of the approximately \$18.0 million in State Water Plan Fund dollars that are appropriated annually. Further discussion of the State Water Plan can be found in the Budget Issues section of this publication under the State Water Plan Fund.

## Health & Environment—Environment

The Division of Environment is organized into five distinct, yet interrelated, programs, with the goal of improving and protecting the health and environment of Kansans. The FY 2003 recommendation from all funding sources is \$63.4 million, of which \$9.7 million is from the State General Fund. The budget recommendation includes a reduction of \$460,391 from the agency's State General Fund base budget. The reductions for other operating expenditures, such as communication and travel costs, total \$298,525. The amount for salaries and wages was reduced by \$161,866, an amount that represents savings from vacant FTE positions. Approximately 24.0 percent of the Division's funding is from federal funds, 26.0 percent from fee revenue from regulated industries, and 50.0 percent from the State General Fund.

**Clean Air Act Activities.** The Governor recommends expenditures of \$3.5 million from the Air Quality Fee Fund to maintain compliance with mandates of the federal Clean Air Act. These monies finance regulatory, air quality monitoring, and educational

activities of the Department. In addition to monitoring air quality, the Department makes available to the public information regarding air quality pollutants in Kansas. Included in the recommendation is \$613,157 for grants to local governments for Clean Air Act assistance and implementation.

**Clean Water Activities.** The Governor recommends total expenditures of \$4.8 million for activities to implement the federal Clean Water and Safe Drinking Water Acts. The Division of Environment utilizes \$3.1 million in federal funds, \$272,069 in State Water Plan funds, and \$1.4 million from the State General Fund to implement nonpoint source pollution control projects, education programs to reduce bacterial contamination, and projects to improve water systems. The recommendation also includes \$513,354 from the State General Fund for the Confined Animal Feedlot Operations Program that performs permitting, sampling, and enforcement activities related to contamination of water supplies from animal feedlots. The Governor's recommendation includes \$28,638 in federal funds for a Stormwater Permitting Program that will address water pollution related to runoff from industrial sites and urban areas.

## **Kansas State Fair**

The State Fair is a traditional agricultural fair held in the City of Hutchinson over a ten-day period at the beginning of September each year. The 2001 Fair attracted 282,535 people, which were approximately 70,000 fewer than the average. Fair officials thought that the reduced attendance was caused by the public's apprehension over an outbreak of Hepatitis A and gas-line explosions in the city. Another factor may have been the terrorist attacks in New York and Washington, D. C. on September 11. At the same time, these factors are not expected to have an effect on other events held at the fair grounds in the future. These non-fair events attract approximately 150,000 people and include the Family Motor Coach Association, facility rentals, stall fees, and dormitory rentals. These events will generate additional revenue and increase utilization of the grounds and facilities.

In FY 2002, \$132,952 from the State General Fund is provided for promotion and advertising of the fair. Because of budget constraints this money is not continued in FY 2003. For FY 2003, the Governor

recommends expenditures of \$5,216,935, including the \$300,000 demand transfer from the State General Fund.

The 2001 Legislature recommended the issuance of \$29.0 million in 20-year bonds subject to approval by the State Finance Council. These bonds will fund the Fair's capital improvement master plan over a six-year period. The plan is to renovate 12 buildings, construct five new buildings, and build a recreational vehicle park. In addition, it will improve landscaping and roads and continue to make all facilities ADA compliant. In September 2001, the State Fair requested and the State Finance Council approved the first bond issue of \$17.5 million of the \$29.0 million authorized. In FY 2003, the City of Hutchinson and Reno County will pay the debt service of \$696,546. Starting in FY 2004, the Fair will pay the debt service on these bonds of approximately \$1.4 million from state funds and local government contributions.

## **Kansas Water Office**

The Kansas Water Office evaluates and develops public policies by coordinating the water resource operations of agencies and all levels of government. The agency also provides staffing and assistance to the Kansas Water Authority. The Kansas Water Authority is responsible for developing water resource policy and monitoring the progress of the numerous water resource programs. The Water Authority also makes annual recommendations to the Governor and Legislature on State Water Plan Fund expenditures.

The FY 2003 recommendation of the Governor totals \$5,627,407, including \$1,390,084 from the State General Fund, \$2,652,558 from the State Water Plan, and \$1,584,765 from special revenue funds and federal grants. This budget will reduce purchases for stationery, contractual services, and computer equipment by a total of \$57,280, all from the State General Fund. Water projects are discussed in detail in the Budget Issues section of this volume.

## **Department of Wildlife & Parks**

The mission of the Department of Wildlife and Parks is to conserve and enhance Kansas' natural heritage, its wildlife, and its habitats. These actions will

provide the public with opportunities to use and appreciate the natural living resources in Kansas. The result will be a deeper understanding of the inherent value of the state's natural living resources.

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

For FY 2003, the Governor recommends \$42.4 million in expenditures, of which \$4.2 million is from the State General Fund. This recommendation includes a reduction of \$172,846, or 4.1 percent, to the agency's State General Fund base budget. The reductions are concentrated in the Parks Division and will affect park operations, specifically equipment replacement and maintenance. The recommendation supports 407.0 FTE positions and 54.0 temporary positions.

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

The Governor's recommendation for FY 2003 emphasizes providing a continued effort to improve wildlife habitat, hunting, and viewing opportunities. In FY 2003, the Governor adds \$504,150 from the

Wildlife Fee Fund to increase ADA accessibility and improve maintenance at public lands.

The Governor's recommendation also includes enhanced funding levels to expand outdoor recreational opportunities for Kansans. Included in the recommendation is an additional \$100,000 from the Wildlife Fee Fund to expand the Walk-in-Hunting Access Program (WIHA). The enhanced level of financing provides a total of \$1,350,000 from the Wildlife Fee Fund for WIHA, which will allow the Department to lease approximately 1,000,000 acres for public access hunting. The recommendation also includes \$200,000 from the Wildlife Fee Fund to continue the public access fishing program, which is the angler's equivalent of WIHA.

Other items included in the recommendation are the continuation of the Hunter Recruitment and Retention Program, as well as financing to conduct surveys on users' needs, analyze the results, and design initiatives to respond to those needs.

**Grants-in-Aid.** The Governor recommends more than \$1.7 million in FY 2003 for aid to local governments and other assistance. Programs include Local Recreation Grants, Local Shooting Range Development, Outdoor Wildlife Learning Sites, Community Lake Assistance, and WILDSCAPE.

**State Water Plan Recommendation.** In FY 2003, the Governor recommends \$50,000 for stream monitoring. The Department works in conjunction with the Kansas Department of Health and Environment to monitor Kansas streams. Wildlife and Parks focuses its efforts on determining potential adverse effects on fish and wildlife.

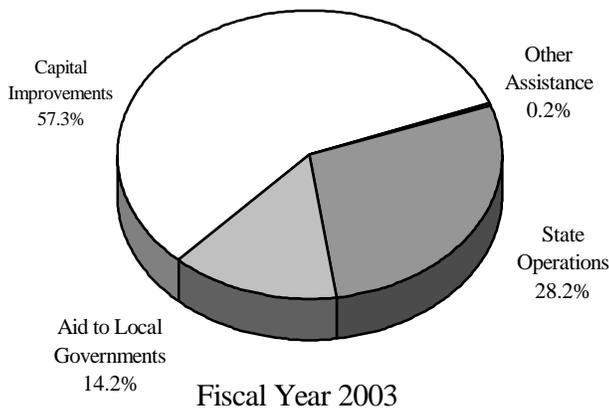
# Transportation Summary

The Kansas Department of Transportation (KDOT) is the only agency in the Transportation function. It provides a statewide transportation system that meets the needs of Kansas. The Department is responsible for maintaining and improving the state highway system, which contains more than 10,000 miles of roadways. It also provides planning, design, project development, and financial assistance to local governments to improve the overall quality and safety of local streets and roads.

## Comprehensive Transportation Program

The 1999 Legislature enacted a Comprehensive Transportation Program (CTP) to cover a ten-year period to plan, develop, and operate the various modes of transportation in Kansas. The original funding plan for the CTP, as passed by the 1999 Legislature, is shown in the column-length table on the next page. This table includes projects to improve the state highway system, provide assistance to cities and counties, preserve rail service and general aviation airports, and expand public transportation.

How It Is Spent



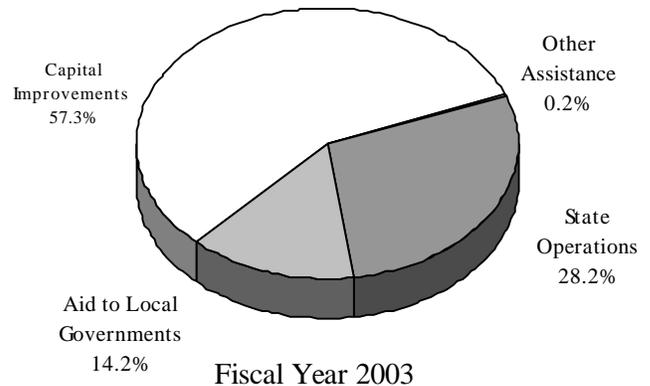
**Project Categories.** The Comprehensive Transportation Program continues the four categories of improvements that were used during the Comprehensive Highway Program that ended in FY 1998: substantial maintenance, major modification, priority bridge projects, and system enhancements.

Substantial maintenance projects protect the public's investment in the state highway system by preserving the original condition for as long as possible. Resurfacing projects, minor bridge repair, bridge painting, culvert replacement, emergency repair, sign refurbishing, pavement marking, and safety projects are examples of substantial maintenance projects.

Major modification projects improve the safety and service of the existing system. Projects in this category 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 state highway system. Substandard bridges are those in deteriorated condition, with deficiencies in load carrying capacity or that are too narrow.

How It Is Spent



System enhancements are major projects that improve safety, relieve congestion, improve access, or enhance economic development. The Department used evaluation criteria to select the system enhancement projects and announced these on August 4, 2000.

## Transportation Finance

Financing for activities of the Department of Transportation is derived from several sources. These

## Comprehensive Transportation Program Funding

	Total FY 2000-2009
Beginning Balance	\$ 475,189
Revenues:	
State Revenues	
Motor Fuel Taxes	3,930,400
SGF (Sales Tax) Transfer	1,830,010
Sales & Comp. Tax (1/4 cent)	1,071,513
Registration Fees	1,315,000
Interest	251,900
Miscellaneous Revenues	117,608
Statutory Transfers In	156,762
Subtotal	\$ 8,673,193
Federal & Local Receipts	
Federal Aid Reimbursement	2,812,783
Local Receipts	200,170
Subtotal Federal & Local	\$ 3,012,953
Total Revenues	\$ 11,686,146
Bond Proceeds	980,075
Total Resources	\$ 13,141,410
Expenditures:	
State Highway Maintenance	
Routine Maintenance	1,226,149
Substantial Maintenance	2,061,731
Total	\$ 3,287,880
State Highway Construction	
Major Modification & Priority Bridge	3,332,584
System Enhancements	968,867
Total	\$ 4,301,451
Modes	178,233
Local Assistance	
Special City & County Highway Fund	1,599,821
Local Federal Aid Projects	792,500
Partnership Programs	249,367
KLINK Maintenance Programs	33,600
Total	\$ 2,675,288
Management and Other	729,604
Transfers Out	489,312
Debt Service--CHP Bonds	852,821
Debt Service--CTP Bonds	345,214
Total Expenditures	\$ 12,859,803
Ending Balance	\$ 281,607
Required Ending Balance	220,237
Ending Balance over Required	\$ 61,370

sources include motor vehicle fuels taxes, motor vehicle registration fees, a dedicated state sales and compensating use tax of one-quarter of a cent, and significant federal support.

**State General Fund Transfers.** The agency also traditionally receives two State General Fund demand transfers. The largest transfer is based by statute on a percentage of sales tax receipts. In FY 2002, the Governor originally recommended \$121.1 million for this transfer. The 2001 Legislature cut that recommendation by \$42.9 million—\$20.0 million to offset additional bonding authority, \$6.5 million to offset operating expense reductions, and \$16.4 million to offset new receipts from a motor-fuel tax acceleration.

The Governor agreed with the bonding authority and operating expense portion of the cut, but disagreed with the cut associated with the fuel tax acceleration because the bill authorizing the acceleration did not pass. However, because of the way the bill was structured, the Governor had to line-item veto the whole \$42.9 million reduction to undo the fuel tax acceleration cut. As a result, the KDOT budget ended up with a transfer of \$26.5 million more than the Governor intended. That \$26.5 million has been reduced in the current year budget revisions, bringing the Governor's revised recommendation to \$94.6 million.

Because of the budget constraints on the State General Fund, this transfer is eliminated completely in FY 2003. The transfer was set by statute to rise to 11.0 percent of sales tax receipts, which would have resulted in a transfer of \$166.7 million. After adjustment for the \$20.0 million deduction related to increased bonding authority, the transfer would have been \$146.7 million.

As a result of the elimination of the transfer in FY 2003, KDOT will have to remove projects from the CTP project list. If the transfer is not reinstated at its full statutory level in FY 2004, more projects will have to be cut from the CTP project list each year the transfer is not set at its statutory amount.

The second traditional transfer is a transfer for aid to local governments. The 2001 Legislature made this transfer a revenue transfer, instead of a demand transfer. Kansas law bases this transfer on receipts

from the motor carrier property tax. Under the Governor's recommendation, this transfer will be maintained as a revenue transfer in FY 2003 and will be for \$11.2 million. The FY 2003 amount is the same as the FY 2002 amount.

## Expenditures

**FY 2002.** The Governor recommends expenditures of \$978.1 million, including \$94.6 million from the State General Fund. The amount recommended by the Governor will fund 3,247.5 FTE positions and 3.0 non-FTE unclassified permanent positions.

<b>Comprehensive Transportation Plan</b>		
<b>Construction Costs</b>		
<i>(Dollars in Thousands)</i>		
	<u>FY 2002</u>	<u>FY 2003</u>
Routine Maintenance	107,181	111,232
Substantial Maintenance	188,821	183,617
Major Mods./Priority Bridge	557,076	445,270
System Enhancements	117,084	98,816
Total	\$970,162	\$838,935

**FY 2003.** The Governor recommends FY 2003 expenditures of \$1,272.3 million. This represents an increase of \$294.2 million when compared to the FY 2002 recommendation. The size of the increase is a result of fewer projects being funded through bonds in FY 2003 than anticipated and more through cash outlays, which creates higher reportable expenditures. Another cause of this variance has been the reprioritization of projects within the Comprehensive Transportation Program. The Governor's budget reduces KDOT's operating budget by \$2.8 million in FY 2003. One of the reductions for FY 2003 is \$1.5 million in capital outlay for heavy equipment. There is an additional reduction in KDOT buildings of \$1.3 million.

Under the Governor's budget recommendation in FY 2003, the Department of Transportation will repair more than 2,700 miles of the highway system. The status of the state's highway system continues to show that the Department of Transportation maintains a safe and convenient system for its highway travelers. The Department estimates that 92.0 percent of all highway miles will be rated as having a "good" or "acceptable" surface condition in FY 2003. In addition, the Department will maintain bridges in order that 85.0 percent of all bridges meet traffic demands and will be rated as structurally sound.

# Children's Budget

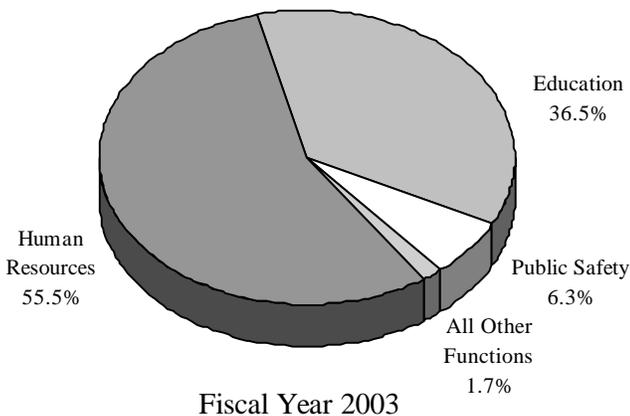
Created by action of the 1992 Legislature, the Children's Budget presents information concerning the state's efforts in meeting the needs of children. The information presented in this section meets the requirements of KSA 75-3717 et seq. that establish the Children's Budget.

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 provides reimbursement for medical services provided to eligible patients. The HealthWave Program serves eligible children in the state. In addition, the Regents institutions provide health services through the universities' public service programs.

## Expenditures by Function

*Totals Exclude Operating Aid to USDs*

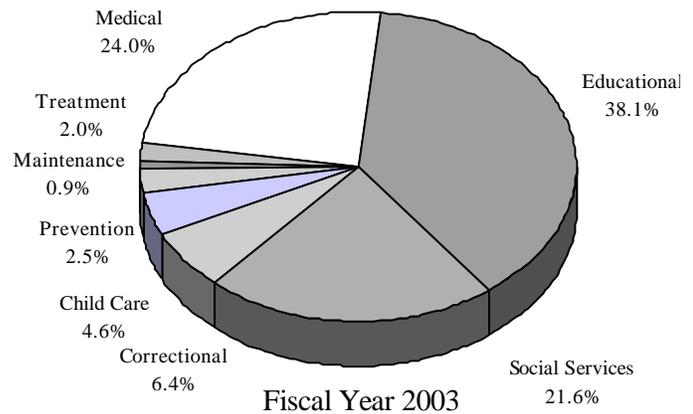


**Education & Training Programs.** The State of Kansas provides a variety of education programs for children and their parents. Children receive the education and social skills necessary to live successfully in society through the public school system. Welfare-to-Work programs funded through the Department of Human Resources and SRS help parents attain the skills necessary to avoid poverty. Through these programs, parents can improve the quality of life for their families. Expenditures for educational programs make up the largest portion of the Children's Budget.

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

## Expenditures by Category

*Totals Exclude Operating Aid to USDs*



**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.

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

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

**Institutional & Treatment Services.** Included in this category are the services of the state mental health and developmental disability hospitals. Many clients

formerly served in these settings are now being helped through community programs and the Home and Community-Based Services Waiver programs.

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

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

## General Government

In the General Government function, the major children's program expenditures are related to the support of juveniles involved in judicial actions and administration of the child support enforcement efforts of the district courts. The General Government expenditures of \$22.9 million make up 0.7 percent of the total recommended expenditures for children's programs for FY 2003.

### Department of Revenue

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

The Department of Revenue assigns 2.0 positions to fulfill the above requirements of law. These positions are financed by an annual transfer from the Social

Welfare Fund of SRS. A total of \$65,731 will be transferred to the Department of Revenue to finance the program for FY 2003.

### Banking Department

**Consumer Education.** A \$70,000 consumer education grant to the Kansas Council on Economic Education KCEE enables the Council to educate approximately 1,350 elementary and secondary education teachers on effective teaching practices on the subject of consumer economics in FY 2002. In FY 2003, the Governor recommends the same amount to be transferred to KCEE, and approximately 56,000 students will be taught by teachers who have benefited from this training.

**Credit Counseling.** The Banking Department will also spend \$25,000 to finance credit counseling for families in each of FY 2002 and FY 2003. Approximately 2,600 clients will benefit from this service in FY 2002. The number of clients participating is expected to increase to 2,800 in FY 2003.

### Securities Commissioner

**Stock Market Game.** Through a \$20,000 contract with the Kansas Council on Economic Education, *The Stock Market Game* is provided to schools across the state to promote an understanding of securities markets. The goal of this program is to expose those young people to financial decision-making at an early age, which will result in future benefits to individuals and the economy overall. Approximately 8,000 students in middle school and high schools will participate in FY 2002. The number of students participating in FY 2003 is estimated to be 9,000.

### Attorney General

**Child Abuse Investigations.** The Governor's recommendation includes \$77,000 for FY 2003 for operating expenditures associated with a special agent, a part-time secretary, and a part-time Assistant Attorney General in the Criminal Litigation Division. This recommendation funds the investigation of child

abuse and neglect reported in institutions and programs operated by the Department of Social and Rehabilitation Services. Approximately 83 children will be served through these investigations.

**Child Death Review Board.** The Child Death Review Board was created by the 1992 Legislature to focus on 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 2003, the Governor recommends \$116,000 from all funding sources for this program. It is estimated that approximately 500 deaths of Kansas children under age 18 will be reviewed by the Board.

**Abuse & Neglect Programs.** The Governor's budget includes \$260,000 for FY 2003 to provide grants to local agencies working to combat child abuse.

**Sexually Violent Predators.** Legislation that allows for the identification of sexually violent predators helps protect children by preventing certain sex offenders from repeatedly committing sexually violent offenses. Offenses that are specifically defined in statute include indecent liberties with a child, criminal sodomy, rape, indecent solicitation of a child, sexual exploitation of a child, and aggravated sexual battery. The Governor recommends \$154,000 from the State General Fund in FY 2003 to continue evaluations of convicted offenders.

**Programs for Domestic Abuse Victims & Dependents.** Children may be indirect as well as direct victims of domestic abuse and violence. It is estimated that 4,600 children need and will receive assistance, such as emergency food, clothing, and shelter; counseling; and education about domestic abuse through programs funded in the Governor's budget. For FY 2003, the Governor recommends \$2,018,171 from all funding sources to implement programs for domestic abuse victims and their dependents.

**Safe & Drug Free Schools & Communities Grant Programs.** The Governor recommends \$707,486 in FY 2003 for these programs, which focus on the eradication of drug use in schools and communities.

**DARE Program Coordination.** The Governor recommends \$147,326 in FY 2003 for coordination of the DARE (Drug Abuse Resistance Education)

Program, which was funded through 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 in FY 2003.

**Programs for Crime Victims.** There are numerous programs in the state which aid victims of crime. These programs include providing compensation and counseling to victims of crime, along with other local programs which focus on the effects of crime on victims and their dependents. The Governor recommends \$415,545 in FY 2003 for these services.

**Rape Prevention & Education.** Rape crisis intervention and rape prevention services are provided by numerous local agencies across the state. These programs provide crisis intervention services to help victims and educational programs to prevent rape. Approximately \$473,975 will be spent through this federal grant program in FY 2003.

**Medicaid Fraud & Abuse.** The goal of the Medicaid Fraud and Abuse Program is to ensure that limited Medicaid dollars are spent for services needed by beneficiaries and that the beneficiaries are protected from abuse and neglect by the providers of those services. Children make up 50.0 percent of those eligible for Medicaid services. For FY 2003, the Governor recommends \$738,077 for the Medicaid Fraud and Abuse Program.

**Child Exchange & Visitation Centers.** The Governor's recommendation includes \$319,125 in FY 2003 for the Child Exchange and Visitation Centers Program that was implemented in FY 1998. The goal of these centers is to facilitate non-custodial parents' access to their children by means of activities, including remediation, counseling, and education. The centers will serve approximately 1,050 children in FY 2003.

**Violence against Women Grant Program.** Federal legislation enacted in 1994 authorizes grants to support financial efforts to apprehend, prosecute, and adjudicate persons who commit violent crimes against women. Administering these funds reflects a commitment to children who can indirectly benefit from these grants. The Governor recommends expenditures of \$1,721,764 in FY 2003.

**Kids in Safe Schools Task Force.** The Kansas Department of Education, the Kansas Association of School Boards, the United School Administrators, the Kansas Chapter of the National Education Association, and the Kansas Chapter of the Parent-Teacher Association will work with the Attorney General to explore ways to keep Kansas kids safe in school.

**Child Abuse Prosecution.** A full-time Assistant Attorney General position was established in FY 1999 to provide resources to prosecute child abuse and neglect effectively. An amount of \$72,500 is recommended by the Governor in FY 2003 to continue the work of this position.

**Crime Victims Compensation Program.** Victims of crime, including children, may suffer economic loss that can be compensated through this program. Up to \$25,000 in payments can be made on behalf of each crime victim. The Governor recommends \$3,055,264 during FY 2003 for this program.

## Judiciary

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

For FY 2003, expenses of \$695,903 from all funding sources are anticipated. Additional training expenses are provided through the Judicial Branch Education Fund for conferences, which include topics for the judicial staff on foster care and child advocacy. It is anticipated that the CASA programs of the Judiciary will serve 3,400 children.

**Child Support Enforcement.** Since 1985, the Office of Judicial Administration has maintained a program to fulfill and enforce state and federal legislation,

rules, and regulations related to child support enforcement. The office works with the Department of Social and Rehabilitation Services to develop and maintain an automated management information system (MIS) to provide accounting and recording services. Information from the MIS is provided by the clerks of the district courts. The Office of Judicial Administration also provides administrative oversight of court trustee programs.

For FY 2003, expenditures are recommended at \$1,890,201. It is estimated that these expenditures will serve 163,393 children. In addition, expenditures will be made from the Judicial Branch Education Fund for the training of child support enforcement personnel.

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

For FY 2003, expenditures of \$7,841,823 are recommended to support activities of the court services officers. Expenditures from the Judicial Branch Education Fund will provide additional training for them. An estimated 25,408 juveniles will be affected by this program.

## Human Resources

The Human Resources function comprises a variety of programs in support of children and their families. The function includes the Department of Social and Rehabilitation Services and its institutions, as well as the Departments of Health and Environment and Human Resources. A total of \$792.5 million is recommended for expenditures for FY 2003, which is 22.7 percent of all expenditures for children's programs.

## **Social & Rehabilitation Services**

**Children & Family Prevention Services.** Prevention services for children, youth, and families are delivered statewide through community-based programs in five service delivery regions. For FY 2003, the Governor recommends \$519,000 for these programs. The recommendation will benefit approximately 200,000 families and 175,000 children.

**Temporary Assistance for Families.** The Governor's budget includes expenditures of \$57.5 million in FY 2003 to provide cash assistance to eligible families with children. Such children have been deprived of parental support because of the death, absence, incapacity, or unemployment of a parent. An estimated 28,241 families will be served in FY 2003.

**Family Energy Assistance.** Through the federal Low Income Energy Assistance Program, funds are available to help families meet their energy needs. Benefits vary according to criteria, including household size, income level, dwelling type, and utility rates. A total of \$4.8 million is estimated to be available for FY 2003. An estimated 31,919 children and 14,603 families will be served.

**Employment Programs.** These programs provide training services to families of vulnerable children. The programs are available to parents receiving food stamps. The Governor recommends \$21,960 for FY 2003. The programs will provide services to 702 families.

**Child Care Services.** In conjunction with employment preparation services, child care services are available to parents participating in SRS job preparation programs. Child care services are also available to foster care families and to assist parents in the first year of employment after leaving welfare. SRS estimates that 36,105 children will be served in FY 2003, with funding totaling \$59.4 million.

**Family Preservation.** These services are designed to maintain a child's own family unit as a safe environment, thereby preventing the need for foster care placement. Services include the teaching of parenting skills and crisis-oriented services. A total of \$10.2 million is recommended to serve an estimated 2,625 families in FY 2003. The recommendation includes \$2.5 million from the State General Fund.

**Community Funding.** This funding is available to SRS area offices and local organizations to establish local programs to prevent the unnecessary placement of children into foster care. The services are targeted for children safe from abuse or neglect, but are not able to remain at home because of their behavioral or mental health needs. For FY 2003, \$2.6 million is recommended from the Children's Initiatives Fund.

**Family Services & Grants.** SRS staff in local area offices provides these services. Social workers investigate allegations of abuse and neglect, assess family needs, and provide or arrange for services that help families stay together. The Governor recommends \$1.4 million for FY 2003 to provide services to 350 families.

**Foster Care.** Foster care services are provided to children and families when the court has found a child to be in need of care. Most children in foster care have been abused or neglected and require a variety of services to meet their developmental, emotional, and physical needs. Private contractors arrange case planning, residential placement, and medical and mental health services. The contractors also work with communities to coordinate services for children in foster care. For FY 2003, the Governor recommends \$100.2 million to provide foster care to 3,389 children each month. The recommendation includes \$44.8 million from the State General Fund.

**Adoption.** The adoption program contracts with the Kansas Children's Service League to identify adoptive families for children in the guardianship of SRS for whom no family exists or for whom parental ties have been legally terminated. The Governor's FY 2003 recommendation totals \$35.0 million, including \$16.8 million from the State General Fund, to serve 1,545 children each month.

**Adoption Support.** SRS provides payments to adoptive families to help in meeting the special needs of children. Subsidies can include one-time payments for legal fees or ongoing payments for a child's medical or developmental needs. The budget recommendation includes \$19.5 million, including \$8.3 million from the State General Fund, to provide support for 4,384 families each month in FY 2003.

**Child Care Grants.** The Department works to improve the quality and availability of child care in

Kansas. Quality child care is promoted by providing grants to public agencies, non-profit agencies, and private employers to establish child care for employees. Grants are also offered to improve training and reward innovation in early education programming. The Governor recommends \$1.9 million in FY 2003 to improve child care.

**Kansas 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 \$7.7 million to serve 825 children in FY 2003.

**Children's Trust Fund.** This program includes funding by the Children's Cabinet for community grants to plan and implement family resource and support programs. Funding is also provided for community early childhood services through the Smart Start Kansas Program to prepare children for school. The Children's Cabinet provides funding to outcome-based programs and evaluates the effectiveness of services provided. The Governor recommends \$4.7 million in FY 2003 for these programs, primarily from tobacco settlement proceeds.

**Juvenile Justice Programs.** SRS provides federal funding through Medicaid for children in the custody of the Commissioner of Juvenile Justice. The Juvenile Justice Authority budgets the State General Fund matching dollars, and the federal funds are transferred between agencies for medical services. The recommendation for SRS includes \$10.0 million in federal funding for Juvenile Justice in FY 2003.

**Substance Abuse Treatment.** Children and families are served through continuum of treatment services across the state. Services include assessment, social detoxification, outpatient, and residential treatment. For FY 2003, \$4.5 million is recommended to provide treatment to 1,700 children and 3,125 families.

**Mental Health State Aid.** The Governor recommends funding of \$504,508 from the State General Fund in FY 2003. The funding supports children's services at the community mental health centers. The Governor's recommendation will serve approximately 1,000 children in FY 2003.

**Mental Health Reform.** The Governor recommends funding of \$3.6 million from the State General Fund in FY 2003 to continue the implementation of mental health reform. The budget recommendation focuses on the development of community-based treatment alternatives to enable children and adolescents with severe emotional disturbances to live in community settings. The recommendation will serve approximately 5,610 children in FY 2003.

**Mental Health Special Purpose Grants.** Approximately \$1.9 million, including \$1.2 million from the State General Fund, is recommended in FY 2003 for community mental health centers to implement programs that assist children and youth suffering from severe emotional disturbances. The recommendation, serving a population of 1,550, will provide treatment in community environments that are less restrictive than institutions.

**Family Centered System of Care.** The Governor recommends \$5.0 million for the statewide Family Centered System of Care Program in FY 2003. The program provides mental health and prevention services for children with severe emotional disturbances and their families.

**Family Support.** The Governor's recommendation of \$3.5 million in FY 2003 will provide support to families with a developmentally disabled child living at home. The support provides respite care and helps defray the added costs of raising and caring for a child who has a lifelong disability. The recommendation will provide annual support to 1,315 families.

**Home & Community-Based Services Waiver for the Developmentally Disabled.** This program provides federal Medicaid funds for services in the community as an alternative to more expensive and restrictive institutional settings. The Governor's budget recommendation provides community services for 1,025 families in FY 2003 at a cost of approximately \$12.7 million. The recommendation includes a State General Fund Medicaid match of approximately \$5.1 million.

**Rehabilitation Services.** In the Rehabilitation Services Program, students with severe disabilities receive post-high school transition planning. Assistance includes job placement, supported employment, vocational assessment, and rehabilitation

technology. The Governor recommends \$10.3 million, including \$2.1 million from the State General Fund, to serve 4,339 families and 3,272 children in FY 2003.

**HealthWave.** The HealthWave Program provides insurance coverage to 49,354 uninsured children. The insurance will consist of a standard benefit package for children. Children are guaranteed eligibility for the program, and cost-sharing with families enables those below 200.0 percent of the poverty level to participate in the program. In FY 2003, expenditures of \$47.3 million are recommended for this program, including \$11.2 million from the State General Fund.

**Child Support Enforcement.** This program collects financial support owed to custodial parents. Expenditures of \$26.2 million will continue the state's efforts at collecting support for an estimated 158,930 children in FY 2003.

**Medical Assistance.** Government-funded medical services are available to children in the state who meet a variety of qualifications. All children receiving Temporary Assistance to Families are eligible. In addition, the program serves children under the age of ten with family income below the poverty level and children under the age of five whose family income falls below 133.0 percent of the poverty level. Infants less than one year old may receive benefits if family income does not exceed 150.0 percent of the poverty level. Other children may also be eligible for services depending on income and disability. In FY 2003, 170,408 children will receive medical services under the Governor's recommendation, which totals \$289.7 million.

## **Kansas Neurological Institute**

**Residential, Treatment, Education, & Training Services.** In FY 2002, Kansas Neurological Institute will serve six children with developmental disabilities. To pay the costs of caring for these children, the Governor recommends a total of \$1,125,319. The State General Fund will finance \$456,386 of the cost, and the balance will be paid by the federal Medicaid and Foster Grandparent Programs and by fees collected from the children's families. For FY 2003, the Governor recommends \$1,251,885, with \$455,925 from the State General Fund, to serve these six children.

## **Larned State Hospital**

**Adolescent Inpatient Services.** This program provides mental health services to adolescents ranging from 13 to 18 years of age. Those who require full-time inpatient treatment and/or extended inpatient evaluation are served. For FY 2002, the Governor recommends \$1,315,462 for this program with \$397,541 from the State General Fund. The recommendation provides staff and support services for an adolescent population of 90. In FY 2003, the Governor recommends \$1,345,679, with \$1,038,387 from the State General Fund, for the same number of adolescents in the program.

**Inpatient Services for Children.** Mental health services are also provided to children ranging from 5 to 13 years of age. An individualized treatment program is developed for each child, with emphasis on formal educational experiences. The Hospital estimates that it will serve 39 pre-adolescent children in both FY 2002 and FY 2003. Staffing and support services for these children is estimated at \$955,600 in FY 2002 and \$977,581 in FY 2003.

**Special Education Program.** Regular and special education services are provided to all children and adolescents in the psychiatric programs. The total cost of the educational contract with Fort Larned USD 495 is budgeted for, and paid by, Larned State Hospital. The Governor recommends \$1,389,788 in FY 2002 and \$1,188,300 in FY 2003 for the contract, all of which is from special revenue funds. The recommended amount in FY 2003 is a reduction of \$152,083 from the agency's request.

**Administration.** Larned State Hospital provides administrative services for the Adolescent, Children, and Special Education Programs. For FY 2002, \$4,706,887 of the agency's administrative costs can be attributed to these three programs. For FY 2003, \$4,781,908, with \$3,943,121 from the State General Fund, is recommended to cover the administrative costs for these programs.

## **Parsons State Hospital & Training Center**

**Residential, Treatment, Education, & Training Services.** Parsons State Hospital estimates it will treat 25 children with developmental disabilities in both FY

2002 and FY 2003. For FY 2002, a total of \$2,166,403 is recommended to pay the cost of caring for these children. The State General Fund will pay \$667,205 of these costs, with the balance paid by federal Medicaid monies and fees collected from the children's families. The recommended funding for FY 2003 is \$2,197,137, with \$702,464 from the State General Fund.

**Special Purpose School.** Special education services are provided to school aged residents of Parsons State Hospital. In both FY 2002 and FY 2003, \$339,600 is recommended from the State General Fund to fund educational services for 25 residents.

**Employee Child Care.** Reduced-cost child day care is available at Parsons State Hospital to state employees in the Parsons area. A nonprofit corporation operates the child care services in a state-owned building, with utilities and maintenance provided by the state. The Hospital will contribute \$6,563 to defray operating costs in both FY 2002 and FY 2003. Of these expenditures, \$2,498 is from the State General Fund in FY 2003.

**SEK Respite Care, Inc.** Support of respite care for children and adults with developmental disabilities who live with their families is provided through a contract with University Affiliated Programs of the University of Kansas. The contract coordinates respite care training through Parsons, Class LTD., Tri-Valley Development, and Labette Community College. Expenditures of \$59,200, \$18,927 in State General Fund expenditures, are recommended for FY 2003.

## **Rainbow Mental Health Facility**

**Inpatient Services.** The Governor's budget recommendation of approximately \$2,107,974 in FY 2002 and \$2,153,339 in FY 2003 will provide evaluation and treatment services to an estimated 143 adolescents and children. The program emphasizes the specific needs identified in individualized treatment plans.

**School.** Regular and special education services are provided to all children and adolescents in the psychiatric programs. For FY 2002, \$356,238 is recommended to fund educational services for 143 school aged patients. All of the recommended

expenditures are from the State General Fund. For FY 2003, \$365,000 is recommended from the State General Fund for this program.

## **Department of Health & Environment**

**Mothers & Infants Program.** Preventing infant mortality and child abuse and neglect are the goals of this program, which will serve approximately 12,700 families during FY 2003. The program provides comprehensive medical, nursing, nutrition, and social work services to mothers and children who may be at high risk for these behaviors. Approximately \$2.4 million is provided in the FY 2003 budget for this program.

**Adolescent Health.** Funding of \$351,744 will provide a variety of health services to approximately 2,050 youth through school-linked clinics, residential maternity homes, and teen pregnancy prevention projects in FY 2003.

**Healthy Start/Home Visitor.** This program supports nurses and supervised lay visitors in providing early identification of high-risk expectant families and families with newborns. Intervention services include support, education, and referral to reduce the incidence of poor pregnancy outcomes, child abuse, and neglect. The Governor's recommendation for FY 2003 provides \$1.0 million for the program. It is estimated that this level of funding will provide early intervention and support for 17,500 families.

**Child Health Program.** This program is designed to optimize the health of Kansas children through preventive and primary care services in communities. Infants, preschoolers, and school age children receive well-child checkups, immunizations, physical examinations, hearing and vision screenings, and referrals to private physicians. The program operates in 42 counties and offers a variety of health screenings and assessments. An amount of \$723,991 will provide services to 33,740 children for FY 2003.

**Black Infant Mortality.** Reducing mortality rates for infants, lowering teenage pregnancy rates, and strengthening family relationships are among the goals of programs located in Sedgwick and Wyandotte Counties. The programs will serve 1,500 individuals with funding of \$98,484 in FY 2003.

**Family Planning.** Local health departments provide Family Planning services designed to support basic preventive and primary women's reproductive health care. Services include examinations, education, outreach, and referral. Grants to local health departments totaling \$1.8 million will serve 42,838 families in FY 2003.

**Teenage Pregnancy Prevention.** The goals of these programs are to reduce long-term welfare dependency and the negative consequences of teen pregnancy. Funding of \$689,715 is recommended to provide primary and secondary pregnancy prevention services to approximately 18,000 Kansas youths.

**Abstinence Education.** Funding of \$261,185 seeks to promote abstinence in order to reduce out-of-wedlock births and to reduce the teen pregnancy rate. Six local agencies utilize abstinence only curricula to reach approximately 450 adolescent children.

**Pregnancy Maintenance.** The Governor recommends \$300,000 for this program, which provides funding for residents of maternity group homes.

**Special Health Services.** This program develops the functional skills of young Kansans who have, or are at risk for, a disability or chronic disease. The program will provide medical services, medications, prostheses, and other medical supplies to an estimated total of 13,750 children with the expenditure of \$2.5 million for FY 2003.

**Child Care Licensing.** The Department of Social and Rehabilitation Services licenses or registers all types of child care facilities, including day care, residential care, preschools, and child placement agencies. The program's objectives are to increase and ensure safe, healthy, and appropriate care opportunities for children placed in out-of-home care. The program will benefit approximately 140,000 children in FY 2003 with expenditures of \$1.6 million.

**Child Lead Poisoning Prevention.** The Department seeks to increase public awareness and education about lead poisoning prevention as well as to maintain a statewide infrastructure for childhood lead poisoning case management and reporting. Funding of \$116,159 in FY 2003 will provide education and awareness, benefiting approximately 7,500 children.

**Primary Care Grants.** Through this aid program, primary care clinics are subsidized to provide family-oriented services to the medically underserved. Funding of \$482,060 will support preventive, acute, and chronic care services delivered to 5,289 families in FY 2003.

**Migrant & Refugee Health.** Primary care services are provided to seasonal farm workers, refugees, and their families. Federal funding of \$158,064 will provide preventive, acute, and chronic care services to 947 families in FY 2003. In addition, \$100,000 in federal funds will fund a Refugee Health Assessment Program.

**Nutrition Services for Children.** The goal of these federal programs is to improve the health status and nutrition of pregnant women, mothers, and young children. The Women, Infants, and Children Program provides nutrition screening, counseling and education, food supplements, and health referral for infants, children under five years of age, and pregnant and breastfeeding women. The related Commodity Supplemental Food Program provides food for low-income pregnant, breastfeeding, and postpartum women, infants, and children under six years of age who are at nutritional risk. Approximately 55,000 families will benefit from the programs. For FY 2003, expenditures will be approximately \$35.6 million.

**Infants & Toddlers.** An amount of \$5.5 million is recommended to support community networks serving developmentally delayed infants and toddlers from birth to three years of age and their families. The Governor's recommendation will provide services to 3,710 children for FY 2003. The Governor's recommendation includes an increase of \$500,000 from the Children's Initiatives Fund, bringing the total amount of funding from the Children's Initiatives Fund to \$1.0 million.

**Health & Prevention Projects.** Funding is provided for education and screening programs directed at helping to prevent cardiovascular and related diseases, including early detection screenings, prevention of risk factors, and referral for treatment. For FY 2003, \$42,900 will provide these services to an estimated 20,000 families.

**Immunizations.** Halting the spread of preventable diseases is the goal of this program. The Department

provides Diphtheria-Tetanus-Pertussis vaccine, Inactivated Polio Vaccine, Measles-Mumps-Rubella vaccine, and other vaccines to local health departments for the immunization of infants, children, and adolescents. An estimated 225,000 children will receive state-supported immunizations through expenditures of \$2.5 million.

## Department of Human Resources

**Neighborhood Improvement Youth Employment Act.** A total of \$90,000 from the State General Fund is provided in FY 2003 to assist eligible children in receiving services through the Neighborhood Improvement Youth Employment Program (NIYEA). The NIYEA Program helps the children to complete secondary education. It also allows them to promote neighborhood pride and community responsibility. In addition, this program affords eligible youth the opportunity to explore vocational interests for career advancement.

**Job Service.** Youth served by the Job Service are defined as individuals age 21 or under who are registered for job search purposes. The Department of Human Resources estimates that 35,000 youth will receive services, such as counseling, testing, referral to supportive services, and Job Corps training, development, and placement. Job Services and Job Corps expenditures are recommended by the Governor to be \$750,000 in FY 2003 and Child Labor Enforcement and Education are recommended to be \$2,200.

## Education

By far the largest expenditures for children's programs occur in the Education function. They total \$2.6 billion, or 74.7 percent, of the recommended expenditures for children's programs for FY 2003. The recommendations include major expenditures of \$2.1 billion for operating aid to school districts. The Education function also includes funding for the state's Schools for the Blind and Deaf. In addition, funding is recommended for programs conducted by the Regents institutions, the Historical Society, the Arts Commission, and the State Library.

## Department of Education

**Operating Aid to USDs.** In addition to basic operating aid, the state provides aid to more than 445,000 children in the state's 304 unified school districts for teacher training, the employers' contribution to the retirement program for teachers and other staff, additional funding for districts that provide education services at county juvenile detention facilities, and equalization aid for districts with a local option budget. These state aid programs total \$2.3 billion in FY 2003. Federal aid totaling \$96.3 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.

**Capital Improvement Aid.** General obligation bonds passed by school districts for construction, remodeling, and major equipment purchases are partially paid by this state aid program, totaling \$45.1 million in FY 2003. The portion of each bond paid by the state varies among districts, but is based on the property wealth (assessed valuation per pupil) of each district. This variation among districts enables school districts with lower valuation levels to provide educational facilities of comparable quality to those in wealthier districts. It is recommended that this state aid be changed from a demand transfer from the State General Fund to a revenue transfer.

**Nutrition Services.** The U.S. Department of Agriculture administers several nutrition programs in which federal funds totaling \$93.8 million in FY 2003 are passed through the State Department of Education to school districts as well as child and adult care centers. The funds provide nutritious breakfasts, lunches, and afternoon milk in schools. Meals and snacks are also provided for children in child care facilities and after-school programs. Adults in adult day care facilities receive nutrition services as well. The state serves approximately 365,500 students and provides a \$2.5 million match for the available federal funds.

**Special Education Services.** The state distributes \$324.7 million in aid for special education services to school districts to help pay the transportation and other

costs associated with educating 79,350 students with special needs and students identified as gifted. Federal funding to assist with the costs of these special education services is estimated at \$71.2 million in FY 2003.

**Vocational Education.** The U.S. Department of Education is expected to distribute approximately \$5.1 million to Kansas schools that integrate academic, technical, and workplace skills in secondary and postsecondary programs.

**Parent Education.** This state program follows the “Parents as Teachers” model to provide expectant parents and parents of infants and toddlers with advice, resource materials, parenting skills, a positive approach to discipline, and other skills. Funds totaling \$7.6 million are recommended for FY 2003 to serve 16,600 children and their families.

**School Violence Prevention.** A total of \$500,000 from the Children’s Initiatives Fund is provided to continue the state’s school violence prevention program. The grants provide mental health support and services in the school setting. These mental health services should reach 2,000 Kansas children in FY 2003.

**Other Aid to Schools.** A combined \$5.5 million from various sources provides schools with funds to support safety education, drug abuse education, and other special programs.

## **School for the Blind**

In FY 2003, the Governor’s recommended operating expenditures and capital improvement projects of \$4,864,484 from all funding sources, including \$4,434,536 from the State General Fund, will provide for a continuation of services at the School. The School for the Blind provides specific educational, residential, and outreach services to children who are blind or have visual impairments. Also funded through the School’s budget is Accessible Arts, a non-profit corporation that provides technical assistance to teachers throughout the state on how to utilize the arts when teaching special education students. A total of 1,170 children is expected to receive services in FY 2003. The school will also provide technical assistance to localities statewide in FY 2003.

## **School for the Deaf**

The Kansas State School for the Deaf provides educational, residential, and outreach programming for 470 hearing impaired and deaf students throughout the state. In FY 2003, the Governor recommends \$7,990,832 from all funding sources, including \$7,168,251 from the State General Fund, for operating expenditures and capital improvement projects. Among the services recommended are early intervention assistance to promote language stimulation, auditory training units which are leased to school districts, and outreach services to provide technical assistance to school districts.

## **Board of Regents**

**Regents’ Honors Academy.** The Regents’ Honors Academy enriches the academic experience of 150 high school juniors and seniors by providing a four-week residential and instructional period at one of the Regents’ campuses. Students are selected for participation in the program on the basis of academic achievement. The program relies on \$110,000 from the State General Fund. Because of budgetary constraints, the program will not be offered in FY 2003.

## **Emporia State University**

The Governor recommends \$315,366 in FY 2003 for several programs at Emporia State University. These programs provide preschool, child development, and reading-related services to approximately 1,284 children. Of that amount, \$244,129 is for the University’s Child Development Center. The center provides care for children of faculty, staff, and students.

## **Fort Hays State University**

Several programs are budgeted for FY 2003 at Fort Hays State University. These programs include child care, speech and hearing diagnostics, as well as reading-related services to approximately 750 children. The Governor recommends \$377,318 for these programs. Included in this amount is \$86,293

for the Kelly Center, which provides psychological evaluations and therapy for children living in Western Kansas.

## **Kansas State University**

**Hoeflin Stone House Day Care.** The Governor recommends \$271,344, including \$107,595 from the State General Fund, in FY 2003 for the Hoeflin Stone House Day Care Center. The center will provide day care services to 35 children.

**Early Childhood Laboratory.** The Early Childhood Laboratory integrates children who exhibit a broad range of physical, intellectual, or emotional challenges with children who do not have disabilities. The group consists of 30 children, one third of whom have disabling conditions. The Governor's budget recommendations for FY 2003 is \$108,396, including \$50,013 from the State General Fund, for the laboratory.

**Family Center.** The Family Center offers family-related educational programs, counseling, and consultation services to the Manhattan community. For FY 2003, the Governor recommends \$265,246, including \$202,732 from the State General Fund, to provide these services to 350 children.

**Dispute Resolution Training & Family Preservation.** The University provides several services to the Department of Social and Rehabilitation Services. First, training in family dispute resolution will provide skills to SRS staff at a cost of \$1,163,875, including \$11,698 from the State General Fund, in FY 2003. It is estimated that this service will reach 1,000 children. Through a subcontract with the Kansas Children's Service League, the University provided family preservation services to 180 families. That contact will not be renewed for FY 2003.

**Kansas Child Care Training, Inc.** The Governor recommends \$266,714, including \$29,655 from the State General Fund, in FY 2003 for the Kansas Child Care Training Opportunities Program. The program provides in-service training opportunities to child care personnel in licensed or registered child care facilities. The University estimates that 30,000 children will benefit from this program in FY 2003.

**Speech & Hearing Center.** The Center assists 265 children who exhibit speech and language delays or hearing impairments. The recommendation for FY 2003 includes \$291,887 for the laboratory.

**After School Child Care Staff Assistance to USD 383.** Kansas State has two programs with USD 383. The first service provides teachers and staff who work with developmentally delayed children enrolled in the Early Childhood Laboratory programs at Kansas State. The other is a kindergarten child care program supported by USD 383 and KSU's School of Family Studies and Human Services. The program provides a developmentally appropriate, comprehensive care and education service. The programs provide services for 60 children for \$45,128.

## **Kansas State University—ESARP**

**Cooperative Extension Programs.** The FY 2003 recommendation is \$10,990,000, including \$3,779,000 from the State General Fund, for numerous programs. The mission is to deliver education programs for parents and other persons who influence youth to develop responsible decisionmaking skills, a concern for the community, an inquiring mind, a positive self-image, as well as interpersonal relationship and communication skills.

In addition to strengthening families, the Extension Service provides nutrition and health information to families and works at the local level to establish coalitions and interagency councils. These and other 4-H programs will serve over 745,000 Kansans.

## **Pittsburg State University**

Restricted fee funding of approximately \$200,000 is recommended for children's services in FY 2003. These programs provide a variety of athletic and academic programs for approximately 21,158 school children. The academic programs include special education as well as language and reading programs.

## **University of Kansas**

**Hilltop Child Development Center.** The Governor recommends \$1,102,670, including \$1,768 from the

State General Fund in FY 2003, to provide support for the Hilltop Child Development Center. The center provides day care services to 228 children.

**Edna A. Hill Child Development Center.** The Edna A. Hill Child Development Center is in the University's Department of Human Development and Family Life and provides day care services to 85 children. The recommendation includes \$219,158, including \$75,925 from the State General Fund, for the Center in FY 2003.

**Infant & Toddler Program.** The Infant and Toddler Program coordinates various activities for children and toddlers in the Institute for Life Span Studies. For FY 2003, the Governor recommends \$18,000 in special revenues to continue this program.

**Dependent Care Referral Service.** The budget recommendation for FY 2003 includes \$18,586 from the State General Fund to serve 550 children. The service is a licensed referral agency which helps locate child care and elder care providers for Douglas County residents and members of the University community.

**Early Intervention Program.** The emphasis of this clinic is on making available diagnostic and treatment services to the rural area of southeast Kansas. The program, at a cost of \$6,400 from special revenues in FY 2003, provides services to 225 children from birth to age 21. The clinic is a collaborative effort with Parsons State Hospital and Training Center, Kansas Special Health Services, and Labette County Medical Center.

**Early Childhood Special Services.** The Early Intervention Program is coordinated by the University's Department of Special Education and includes two on-site preschool classrooms and one off-site outreach service. Students from a variety of academic departments benefit from the experience of working in these classrooms. The Governor recommends \$14,500 from the State General Fund to serve 80 children in FY 2003.

**Child Care Resource & Referral Center for Labette & Cherokee Counties.** Through the use of a computer database, families are linked to day care providers, based on needs specified by the parents. The program is designed to satisfy the demands of a rural, sparsely populated area for child care resources

and referrals. The program serves approximately 620 children at a cost of \$52,000 in special revenue for FY 2003.

## **University of Kansas Medical Center**

**Tele-Kid Health Care Link.** The University of Kansas Medical Center (KUMC) launched a project in 1998 that made it the first in the country to deliver telemedical services to children in their schools. The program uses a PC-based telemedicine technology that links physicians and children for clinical visits from the school nurse's office to the doctor's office. In the initial project, KUMC pediatricians and other specialists were linked with children at four elementary schools in Kansas City, Kansas. In order to bring this program to children throughout the state, the Governor recommends that \$250,000 from the Children's Initiatives Fund be added to the Medical Center's budget in FY 2003.

**Special Health Services for Children.** The goals of this program are to provide early identification of children at-risk; assure availability of diagnostic and treatment services; and promote the functional skills of 2,700 young Kansans who have a disability or chronic disease. The Medical Center will spend over \$163,478 from special revenue funds in FY 2003 on this program.

**Child Development Unit.** Assessment services will be provided for children through the Child Development Unit at an estimated cost of \$10,000 in special revenue for FY 2003. This program tracks over 3,300 children as they transition through the Neonatal Intensive Care Unit and other services.

**Facial Rehabilitation & Spina Bifida Clinics.** The Sutherland Clinic will provide evaluations, treatment, and follow-up services to 125 children with craniofacial anomalies. The Clinic provides one-stop centralized services. Also, 100 children will be served by a spina bifida clinic. These two services will be provided at a projected cost of \$58,827 in FY 2003 from special revenues.

**Cystic Fibrosis Grant.** The Medical Center's Cystic Fibrosis Center will provide services to 250 children. The total cost of these services will be \$39,795 from special revenues in FY 2003.

**Pediatric Consultation Services & Seizure Clinic.**

The University's Children Center provides 180 pediatric consultation for Special Health Services at a cost of \$55,960 from special revenue in FY 2003. In addition, the staff pediatricians provide training courses for physicians, nurses, and other health care professionals who treat children with special health care needs. A pediatric seizure clinic provides ongoing, out-patient clinical services, educational services, and counseling services for 1,000 children with seizures. This clinic will receive \$32,040 from special revenue under the Governor's budget recommendations in FY 2003.

**NICU Follow-Up Clinic.** Established in 1983, this Neonatal Intensive Care Unit clinic serves premature infants or full-term babies who experienced difficulty in the neonatal period. These babies, having been released from the hospital, no longer need the services of a neonatologist but continue to be at risk for developmental problems.

**Project EAGLE.** A grant by the federal Department of Health and Human Services provides family preservation and support services in Wyandotte County. The project, an Early Head Start Program, works with 160 children to improve the lives of the children and families at an estimated cost of over \$2.0 million in FY 2003.

**KC Healthy Start.** This community-based program is designed to reduce infant mortality by 50.0 percent and improve the health and well being of women, infants, children, and families in Jackson and Wyandotte Counties. The Governor recommends \$145,270 in federal funding to 50 children in FY 2003.

**PKU & Sickle Cell Screening Program.** The screening program provides neonatal screening for congenital hypothyroidism and phenylketonuria (PKU) to allow early detection and treatment of these diseases that can result in mental retardation. The program has recently been expanded to include galactosemia. Sickle cell screening provides for the early detection of congenital diseases of the blood. The 1,700 screenings will cost an estimated \$58,500 in FY 2003.

**Teen Pregnancy Case Management.** This service assists 85 pregnant or parenting teens. The goals are to reduce long-term welfare dependency by teen

parents; reduce the negative economic, health, educational, vocational, and social consequences for teens and their children; increase levels of self-sufficiency; and delay the birth of a second child until completion of goals related to basic education and training. The Governor recommends that \$130,922 be spent from special revenues in FY 2003 on the program.

**Other Services Provided on Request.** The Medical Center also provides a variety of services to children on a fee-for-service basis. Pediatric residents are trained to determine eligibility for Social Security income; infants referred from the neonatal intensive care unit to the community are evaluated; parents are instructed in the proper use of child safety seats; new mothers are advised on breastfeeding; and children with hearing impairments are evaluated.

**Wichita State University**

**Child Development Center.** The recommendation includes \$535,562 for the Child Development Center in FY 2003 from special revenues. This center provides day care services to 188 children of University students, faculty, and staff. The Center also provides services to the general Wichita community when space is available.

**Upward Bound Program.** The Governor recommends \$637,500 in FY 2003 from special revenues for the Upward Bound Programs. The programs help low-income, first generation, and disabled students from the Wichita public school system improve their study skills. School drop-outs who plan to return to school are also eligible to participate. The programs will assist 210 students in FY 2003.

**Building Up Dreams in Urban Youth.** This mentoring program serves the Wichita community by pairing WSU student mentors with 200 at-risk children in grades kindergarten through five. The University's budget includes \$7,000 from special revenues for this program in FY 2003.

**Health Screenings & Public Health Services.** Nursing students and faculty provide health screenings for elementary age children at selected schools each academic year. In addition, health education

presentations are provided for children at nine elementary schools. Donated and in-kind services equate to \$7,800 from the State General Fund in FY 2003 to serve 1,700 children. In addition, nursing students give assistance in school health rooms in the Wichita, Maize, Valley Center, and Derby schools, as well as the Wichita Healthy Children Center. This assistance involves 2,200 children a year.

**Project Discovery.** Project Discovery identifies eligible students in the Wichita area and southeast Kansas and supports them in the pursuit and completion of a post secondary education. The Governor's recommendation of \$449,760 from federal sources will provide services to 3,000 youth.

**Speech-Language-Hearing Clinic.** The Governor's recommendation includes \$468,321, including \$203,118 from the State General Fund for this program in FY 2003. The clinic provides diagnosis and treatment to children who have speech, language, and hearing disorders. Faculty and professional staff of the Department of Communicative Disorders and Sciences manage the clinic, which will treat 2,030 children in FY 2003.

**Heskett Athletic Center Children's Activities.** The recommendation includes \$90,640 from special revenues in FY 2003 to continue the activities provided to 7,900 children by the Heskett Center. The Center offers programs to the children of University faculty, staff, and students. Activities include swimming lessons, gymnastics instruction, and many other recreational activities. The Center also hosts the National Youth Sport Program, which is a five-week program offered to economically disadvantaged children. This program provides a variety of sports programs, teaches children about the dangers of drugs and alcohol, and assists in career planning.

**Entrepreneurship Center.** This Center will provide entrepreneurship information, speakers, and class visits to 14,500 students in FY 2003. A total of \$14,550, including \$3,000 from the State General Fund, is provided to support the Center.

**Health Careers.** This program is targeted to economically disadvantaged and minority populations. Students entry to the College of Health Professions programs is facilitated. Students are also provided with mentoring, tutoring, and scholarship support. An

initial Summer Enrichment Program provides students with college-level coursework, life-skills education, and hands-on work experience in health care settings. This federal and state-supported program will provide for 136 students at a cost of \$168,623, including 76,083 from the State General Fund, in FY 2003.

**Dental Hygiene Clinic.** The Department of Dental Hygiene operates a treatment clinic that will serve approximately 2,800 children in FY 2003. Services include dental examinations, radiographs, fluoride treatments, and oral hygiene instructions. The Governor recommends \$44,686, including \$34,394 from the State General Fund, for continuation of this program. In addition, 300 children will have dental sealants placed on their permanent teeth through a private grant and donations of time by dentists, hygienists, faculty, and students.

**America Reads.** The America Reads Challenge is a federally funded program that allows universities to dedicate a portion of the federal work-study allocation to pay college students to tutor primary grades K-2 children in reading. WSU students majoring in teacher education or social sciences and qualifying for federal work-study aid are eligible to participate. Students work as co-op tutors in primary grade classrooms in designated Title I schools within the Wichita Public Schools system. Funding for this program is \$88,671 for FY 2003.

**Teacher Education Majors.** The WSU Cooperative Education Project for Teacher Education Majors is designated to provide \$10,530 in financial assistance from special revenues in FY 2003 to WSU students to help with their academic course work at the University. Through this program, WSU students work as co-op tutors or teaching assistants with disadvantaged students in the Wichita Public Schools. They give assistance by providing one-on-one tutoring or small group assistance to students struggling to learn reading or math.

**Communities in Schools.** The WSU Cooperative Education Partnership with Communities in Schools provides WSU students from the social sciences the opportunity to work with at-risk children in a school setting. The program provides financial assistance to WSU students to help with their academic course work at the University. Funding of \$9,486 in special revenues is recommended for FY 2003. The program

supports community efforts already in place to intervene effectively with at-risk elementary and secondary students. WSU students work with Communities in Schools staff to identify the needs of at-risk students and their families and connect them with available community resources.

## **Kansas Arts Commission**

The Commission provides funding and coordinating support for arts and cultural organizations to allow these organizations to maintain current programs targeted for children and to generate and extend children's arts programming. For FY 2003, \$1,607,382 from all funding sources, of which \$1,318,450 is from the State General Fund, is recommended to serve approximately 350,000 children across the state.

## **Historical Society**

The Historical Society provides various educational programs at the Kansas Museum of History and at the state-owned historic sites through the Education-Outreach Division. In Topeka, tours of the Museum of History, the Stach School, and Discovery Place, a hands-on gallery, are held for children of different ages throughout the year. The agency also disseminates traveling resource trunks, relating Kansas history and culture to students' classrooms.

In the summer, workshops at the museum from kindergarten through sixth grade are conducted for children to learn about Kansas cultural history. For the past three years, the agency has worked with Topeka Day Care to provide on-site day care in the summer. Educational programming will serve approximately 111,000 children in FY 2003. The Governor recommends a total of \$12,000 from the State General Fund for this agency's educational services to children.

## **State Library**

For FY 2003, \$1,423,576 from all funding sources, \$1,272,576 of which is from the State General Fund, will be distributed through grants to public libraries

across the state to support general operations, the Talking Book Program, and interlibrary loan programs, all of which benefit children. The State Library's consulting and library training staff assists librarians in enhancing children's services and sponsors a children's summer reading program in every public library. The Kansas Library Catalog Program also identifies child and family-related information for the educational and research uses of more than a half million Kansas children.

## **Public Safety**

Children's services expenditures for the Public Safety function come primarily from the Juvenile Justice Authority and the four juvenile correctional facilities. The total recommended Public Safety budget of \$89.3 million constitutes 2.6 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 services and care, correctional and rehabilitation programs, and delinquency prevention programs for juvenile offenders. Most of the programs and services funded by the agency are operated at the community level. The Authority also oversees four juvenile correctional facilities.

The Governor recommends \$57.1 million, including \$31.9 million from the State General Fund for FY 2003. This recommendation funds implementation and maintenance of the Juvenile Justice Information System, community services, and the debt service payments for construction of the Larned Juvenile Correctional Facility replacement and the Kansas Juvenile Correctional Complex at Topeka. A total of \$31.7 million, including \$30.4 million from the State General Fund, is recommended for operation of the juvenile correctional facilities. The agency's central office manages community-based programs that will provide approximately \$48.7 million in aid and assistance. Most of the reductions to the Juvenile Justice system budgets were made in aid and assistance, rather than to the facility operating budgets.

The agency's programs and recommendations for FY 2003 include the following.

**Delinquency Prevention.** For community-based delinquency prevention programs, the Governor recommends approximately \$8.0 million. The Authority and the communities continue to develop and implement programs to meet the needs of each community. Funding is provided from the Children's Initiatives Fund, the federal Juvenile Justice Delinquency Prevention grant, and the Juvenile Justice Delinquency Trust Fund.

**Community Services.** For services and programs that serve juvenile offenders in the community, the Governor recommends \$18,284,416, including \$14,284,416 from the State General Fund. The funding for FY 2003 matches the recommended FY 2002 recommendation. These services are referred to by the agency as intervention and are provided to the communities through a Graduated Sanctions formula. The primary core programs funded through this formula are intake and assessment, intensive supervision, and case management. The Intensive Supervision Program provides funding for drug testing, electronic monitoring, and substance abuse counseling. The Intake and Assessment Program provides for assessing the needs of juveniles once they are in the custody of law enforcement. This program works to determine the needs of juveniles and facilitate interventions and remedies through referral to community resources. Case management services are for juvenile offenders who do not need placement in a restrictive correctional setting and intensive supervision, but do need some supervision and additional community support services.

**Purchase of Services.** For the purchase of services, the Governor recommends \$18,924,611, including \$13,054,125 from the State General Fund. The purchase of service funding reimburses communities for out-of-home placements, detention, counseling, and other support services. The purchasing of services involves the Juvenile Justice Authority, Community Case Management Agencies, and providers. The agency identified savings in purchase of service estimates in FY 2002, reducing the expenditures needed to \$19,745,155, with \$12,954,125 from the State General Fund. A total of \$1,965,940, all from the State General Fund, is included for reimbursement to the communities for services, including day

reporting, clothing, and transportation of juveniles for FY 2002, but is not part of the Governor's FY 2003 recommendation.

**Other Community & Administration Funding.** For other community funding, the Governor recommends \$3,530,193 from all funding sources. The additional funding for the communities includes federal Juvenile Justice Accountability Incentive Block Grants, detention center grants, and detention center debt service. A total of \$9,306,618 from all funding sources, with \$2,691,179 from the State General Fund, is recommended for FY 2003. Included in the administration and other funding recommendation are the agency's capital improvements, operations, and Juvenile Justice Information System expenditures.

### **Atchison Juvenile Correctional Facility**

The Atchison Juvenile Correctional Facility houses younger male offenders generally between the ages of 14 and 15, with some offenders as young as 11 years old. The agency's estimate for average daily population for FY 2003 is 119. The Facility continues to offer structured activities, including education, recreation, and counseling for habilitation of the juveniles. For FY 2003, the Governor recommends \$6,478,554, including \$6,274,759 from the State General Fund.

### **Beloit Juvenile Correctional Facility**

The only facility that houses female juvenile offenders is the Beloit Juvenile Correctional Facility. The agency's estimate for average daily population for FY 2003 is 65. Conversion of the Facility's Morning View living unit to maximum-security rooms should be completed during FY 2002. Habilitation of juveniles is provided through education, recreation, and counseling services. For FY 2003, the Governor recommends \$5,455,342, including \$5,216,831 from the State General Fund.

### **Larned Juvenile Correctional Facility**

The Larned Juvenile Correctional Facility houses juveniles generally between the ages of 13 and 21 who have committed less serious offenses than juveniles

held at the Topeka Juvenile Correctional Facility. The agency's estimate for average daily population for FY 2003 is 116, prior to the opening of the replacement 152-bed facility. The Larned Facility provides education and habilitation programs, including substance abuse programs, to help juveniles return to their communities as productive citizens. The Facility currently benefits from support services provided by the Larned State Hospital, including food service, building maintenance, and education. During FY 2003, construction continues on the new Larned Juvenile Correctional Facility, with completion estimated for December 2002. For FY 2003, the Governor recommends \$6,794,423 including \$6,419,187 from the State General Fund.

### **Topeka Juvenile Correctional Facility**

The most serious and violent offenders are housed at the Topeka Facility. The agency's estimate for average daily population for FY 2003 is 254. Juveniles receive academic and vocational education as well as counseling and recreation. The Facility is surrounded by a fence, which provides extra security. The Facility is located adjacent to the site of the Kansas Juvenile Correctional Complex, a maximum security and diagnostic center for juvenile offenders which is under construction. Completion of the Complex is estimated for March 2004. For FY 2003, the Governor recommends \$12,981,079, including \$12,481,035 from the State General Fund.

### **Adjutant General**

The Governor recommends \$615,000 in FY 2002 to support the Adjutant General's "Starbase" Program to improve students' math, science, and technology skills during the summer months. The recommended funding for FY 2003 is \$575,000. This program will reach an estimated 5,000 children each in FY 2002 and FY 2003.

### **Agriculture & Natural Resources**

The Governor recommends \$533,561 for FY 2003 for children's programming for the Agricultural and Natural Resources function. These funds support

educational programs related to agricultural practices and the outdoors. The Department of Wildlife and Parks and the Kansas State Fair both participate in bringing these important programs to the youth of the state.

### **Kansas State Fair**

**Educational Services.** Two educational programs are offered at the Kansas State Fair. They are Kansas' Largest Classroom and Kansans with Disabilities Day. Kansas' Largest Classroom is designed to assist teachers in planning and organizing educational field trips to the Fair. Approximately \$2,710 from the agency's fee fund is included in the Governor's FY 2003 recommendation for these educational services. Approximately 8,000 children will participate in these events.

**Competitive Services.** A total of \$131,226 is recommended by the Governor for competitive events during the State Fair for FY 2003. Participants in competitive events include school marching bands, 4-H, Boy Scouts, Girl Scouts, and Future Farmers of America. Individual children also compete in various competitive exhibit departments, which include foods, fine arts, horse, sheep, llama, and other exhibits. Approximately 13,300 children will participate in these events.

### **Department of Wildlife & Parks**

**Wildlife Education Service (WES).** Through the WES Program, the Department of Wildlife and Parks distributes a series of instructional student booklets and teacher guides to all public and private K-12 schools in Kansas. Also included is a free loan reference center, which provides films, videotapes, learning kits, and computer software to assist in teaching youth to protect the environment. The Department will serve 18,500 youths through this program at a cost of \$40,000 in FY 2003.

**Hunter Education Program.** Individuals born after July 1, 1957, who wish to obtain a hunting license in Kansas must have completed a Hunter Education Program. The program teaches prospective hunters firearm safety, hunter ethics and safety, wildlife management, alcohol and drug education, wildlife

education, and first aid. An estimated 13,500 youths will participate in the Hunter Education Program in FY 2003 for which the Department will spend an estimated \$174,000.

**Fishing Clinics.** The Department sponsors fishing clinics to children from kindergarten through high school. The Department designs the clinics so that children will have fun while learning civic values and about stewardship of aquatic resources. The clinics also provide a forum in which children can build relationships with communities and families. The Department estimates expenditures of \$158,000 to serve 31,000 youths in FY 2003.

**Youth Hunter Education Challenge.** This is an advanced hunter education program specifically designed for young people. Its purpose is to promote the on-going development of hunting skills and to reinforce responsible hunting techniques. Participants hone their accuracy skills in archery, rifle, shotgun, and muzzleloader events and improve responsibility by learning how to orient themselves in unfamiliar territory, safe trailing, and wildlife identification. They are tested specifically on accountable and responsible hunting. The Challenge is coordinated by the Kansas Wildlife Officers Association, the Department's Hunter Education Section, the National Rifle Association, and the International Hunter Education Association. The Department estimates expenditures of \$525 to serve 50 youths in FY 2003.

**Boating Safety.** Current law requires anyone between 12 and 15 years of age to complete successfully a boating safety course before operating a personal watercraft. Additionally, any individual under the age of 16 is required to take a personal watercraft safety class before operating one. The Department will provide these courses to 11,200 youths during FY 2003 at a cost of \$21,800.

**Kansas Furharvester Education Program.** The Kansas Furharvester Program promotes safe, responsible behavior to emphasize the importance of wildlife laws and regulations to encourage safety. Individuals born after July 1, 1966, must complete a six-hour course, which is available by correspondence or through a certified instructor. Kansas is one of 15 states which operates such a program. For FY 2003, the Department estimates that 890 youths will be served by the program at a cost of \$5,300.

## Transportation

The Governor recommends \$945,500 in FY 2003 for children's educational programs promoting highway and traffic safety. These programs are financed primarily with federal funds and are expected to serve approximately 516,500 children in FY 2003.

### Department of Transportation

**Kansas Safety Belt Education.** The Governor recommends expenditures of \$1,500 in FY 2003 to educate and inform 36,000 children under the age of 14 about the proper use of safety seats.

**Drunk Driving Prevention.** In FY 2003, the Governor recommends \$107,000 to educate 65,000 teens about the dangers of alcohol and the consequences of driving under the influence of alcohol.

**Youth Alcohol Media Campaign.** The Governor recommends \$30,000 to develop an advertising program to reduce underage drinking. The Youth Alcohol Media Campaign is designed to change the use levels, attitudes, and behaviors of approximately 160,000 14 to 20-year olds statewide.

**Governor's Center for Teen Leadership.** This program provides leadership workshops and retreats for youth of all ages. The Governor's FY 2003 budget recommendation includes \$150,000 to allow 1,500 teens to obtain insight, awareness, and action planning skills related to drinking and drug free activities in their communities.

**School Traffic Officer Project STOP.** This program promotes youth traffic safety to prevent traffic injuries and deaths in the student population in USD 259. The Governor recommends \$90,000 to serve 48,000 students in FY 2003.

**Care/Call Underage Drinking Prevention Media Campaign.** The Governor recommends \$100,000 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. They will achieve this goal through the use of brochures, news releases, and related promotional items.

**Pedestrian/Bicycle Safety Program.** The Governor recommends \$12,000 from federal funding sources to provide 20,000 bicycle safety brochures and to produce a pedestrian school crossing guard manual for all Kansas school districts.

**Child Passenger Safety.** The Governor recommends \$115,000 to provide assistance to 6,000 children 95 counties. It also provides for child passenger safety instructors and technicians affiliated with loaner programs and fitting stations across the state.

**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 2001, the Governor’s revised estimates for FY 2002, the agencies’ requests for FY 2003, and the Governor’s recommendation for FY 2003.

## Expenditures for Children's Programs by Agency and Activity

	FY 2001 Actual Expenditures				FY 2002 Governor's Estimate		
	Type Served	Number Served	State General Fund	All Funding Sources	Number Served	State General Fund	All Funding Sources
<b>General Government</b>							
Department of Revenue							
Child Support Enforcement	N	--	--	48,360		--	65,414
Banking Department							
Credit Counseling	F	2,262	--	25,000	2,600	--	25,000
Consumer Education	C	50,000	--	70,000	56,000	--	70,000
Total--Banking Department			\$ --	\$95,000		\$ --	\$95,000
Securities Commissioner							
Stock Market Game	C	7,789	--	20,000	8,000	--	20,000
Attorney General							
Child Abuse Investigation in SRS Institutions	C	83	75,000	75,000	83	76,000	76,000
Child Death Review Board	N	--	65,000	102,000	N	66,000	114,000
Sexually Violent Predator Determinations	N	--	150,000	150,000	N	152,000	152,000
Child Abuse Programs	C	12,619	--	263,796	13,000	--	260,000
Domestic Abuse Programs	C	4,548	--	1,986,272	4,600	--	2,058,931
Drug Free Schools	C	--	--	678,209	N	--	754,185
Programs for Crime Victims	N	--	--	354,539	N	--	410,962
Rape Prevention Services	N	--	--	466,965	N	--	506,661
Victims of Crime Act--VRU	N	--	--	2,915,611	N	--	3,915,299
Crime Victims Compensation	N	--	--	2,789,515	N	--	3,051,607
Medicaid Fraud & Abuse	N	--	100,673	575,349	N	101,288	732,484
Child Visitation Centers	C	1,041	--	406,253	1,050	--	394,989
DARE Program	C	--	--	144,532	N	145,178	145,178
Child Abuse Prosecution	N	--	30,456	61,093	N	53,672	71,562
Total--Attorney General			\$421,129	\$10,969,134		\$594,138	\$12,643,858
Judiciary							
Permanency Plan. (CASA)	C	3,125	--	644,214	3,350	--	692,434
Child Support Enforcement	C	154,589	--	1,704,992	158,930	--	1,852,643
Court Services	C	14,149	6,652,355	7,191,424	14,432	7,211,374	7,718,888
Child Welfare--Federal Fund	N	--	--	107,191	N	--	121,588
Total--Judiciary			\$6,652,355	\$9,647,821		\$7,211,374	\$10,385,553
<b>Total--General Government</b>			<b>\$7,073,484</b>	<b>\$20,780,315</b>		<b>\$7,805,512</b>	<b>\$23,209,825</b>
<b>Human Resources</b>							
Social & Rehabilitation Services							
Drug Prevention--Families	F	310,000	--	518,771	200,000	--	344,000
Drug Prevention--Children	C	275,000	--	225,000	175,000	--	175,000
Parent Prevention Training	F	300,000	--	1,900,000	--	--	--
Temp.Assist. for Families	F	25,099	30,293,070	52,164,940	26,650	30,293,070	49,000,000
	C	45,836	--	--	48,669	--	--
Energy Assistance	F	14,603	--	7,237,642	14,603	--	4,950,320
	C	31,919	--	--	31,919	--	--
Employ.Prepare.Services--FS	F	522	5,338	10,675	702	9,150	18,300
Child Care Assistance	C	30,875	13,934,648	46,635,800	33,559	14,505,044	52,411,703
Family Preservation	F	3,831	3,716,237	12,985,298	2,686	2,488,891	10,219,572
Community Funding	C	1,200	2,411,564	2,594,641	1,200	2,600,000	2,600,000
Family Services and Grants	F	558	939,687	1,955,024	350	858,864	1,374,097
Foster Care	C	3,662	29,866,447	94,039,453	3,569	43,369,998	98,211,413
Adoption	C	1,443	20,870,219	40,304,937	1,625	14,824,419	32,000,000
Adopt.Support/Alt Perm.	F	4,053	7,851,494	16,583,581	4,219	8,622,539	18,876,659
Child Care Grants	C	2,500	--	2,501,968	2,500	--	1,850,000
Early Head Start	C	825	--	7,690,435	825	--	7,709,618
Children's Trust Funds	C	200	62	2,738,395	400	212,000	3,676,100

## Expenditures for Children's Programs by Agency and Activity

	FY 2001 Actual Expenditures				FY 2002 Governor's Estimate		
	Type Served	Number Served	State General Fund	All Funding Sources	Number Served	State General Fund	All Funding Sources
Juvenile Justice Programs	C	1,250	1,571,360	11,002,920	1,100	971,228	9,996,363
Substance Abuse Treatment	F	1,325	1,063,314	2,853,114	3,125	1,063,314	3,453,114
	C	1,700	544,200	1,047,568	1,700	544,200	1,047,568
Mental Health State Aid	C	1,000	504,508	504,508	1,000	504,508	504,508
Mental Health Reform	C	5,610	3,641,330	3,641,330	5,610	3,641,330	3,641,330
MH Special Purpose Grants	C	1,550	1,204,721	1,894,631	1,550	1,204,721	1,894,631
Family Centered Sys. of Care	F	2,000	--	5,000,000	2,000	--	5,000,000
Family Support	F	1,315	3,533,166	3,533,166	1,315	3,533,166	3,533,166
HCBS DD Waiver	F	1,025	5,076,190	12,700,000	1,025	5,076,190	12,700,000
Rehab. Services--Families	F	3,935	1,398,043	6,563,580	4,132	1,520,840	7,140,096
Rehab. Services--Children	C	2,968	527,241	2,475,312	3,116	573,444	2,692,224
HealthWave	C	32,040	8,096,800	28,844,878	40,800	10,722,834	42,125,055
Child Support Enforcement	C	153,212	8,048,145	22,122,396	154,589	9,591,613	25,633,584
Medical Assistance	C	158,116	77,851,700	226,113,287	149,357	92,834,166	265,459,945
Total--SRS			\$222,949,484	\$618,383,250		\$249,565,529	\$668,238,366
<b>State Institutions</b>							
<b>Kansas Neurological Institute</b>							
Residential Treatment/Educ.	C	7	515,298	1,428,258	6	456,386	1,125,319
<b>Larned State Hospital</b>							
Adolescent Inpatient	C	95	73,074	1,172,993	90	397,541	1,315,462
Children Inpatient	C	37	2,175	915,652	39	288,009	955,600
Special Education Program	C	--	806	1,390,252	N	--	1,389,788
Administration	C	--	2,568,550	2,511,038	N	2,310,298	4,706,887
<b>Parsons State Hospital</b>							
Residential Treatment	C	23	593,475	1,854,310	25	667,205	2,166,403
Special Purpose School	C	23	157,046	157,046	25	339,600	339,600
Employee Child Care	C	185	2,375	6,231	200	2,407	6,563
SEK Respite Care, Inc.	F	218	19,123	57,600	220	18,232	59,200
<b>Rainbow MH Facility</b>							
Inpatient Services	C	143	151,717	2,191,222	143	123,286	2,107,974
School	C	143	335,248	335,248	143	356,238	356,238
Total--State Institutions			\$4,418,887	\$12,019,850		\$4,959,202	\$14,529,034
<b>Health &amp; Environment</b>							
Mothers and Infants	F	12,967	1,380,451	2,390,837	12,708	1,380,451	2,390,837
Adolescent Health	C	2,089	233,961	351,744	2,047	233,961	351,744
Healthy Start/Home Visits	C	16,500	501,444	1,204,795	17,500	501,444	1,045,748
Child Health Program	C	34,428	13,913	723,990	33,740	13,913	723,991
Black Infant Mortality	C	1,535	49,369	98,484	1,504	49,369	98,484
Family Planning	F	43,712	98,880	2,022,539	42,838	98,880	1,819,610
Teenage Pregnancy Prevent.	C	17,800	537,660	906,011	18,300	537,660	889,715
Child Health Assessments	C	3,121	--	74,093	--	--	--
Abstinence Education	C	300	--	259,191	450	--	261,185
Pregnancy Maintenance	C	300	124,964	259,191	300	300,000	300,000
Special Health Services	C	13,500	667,396	2,553,526	13,750	670,644	2,558,988
Child Care Licensing	C	138,000	292,258	1,542,250	140,000	299,712	1,637,712
Child Lead Poison Prevention	C	6,000	--	47,889	7,500	--	116,159
Commun. Based Prim. Care	F	5,231	471,460	482,060	5,289	471,460	482,060
Migrant & Refugee Health	F	846	--	78,000	882	--	158,064
WIC Vouchers--Food Dollars	N	--	--	35,445,319	--	--	35,600,000
Infant Toddler Services	C	3,700	1,992,000	5,715,794	3,710	1,992,000	5,042,000
Refugee Health Assessment	C	65	--	51,556	65	--	100,000
Health & Prevention	F	20,000	--	19,613	20,000	--	42,900
Vaccines	C	225,000	674,898	1,166,898	225,000	674,898	2,507,104
Total--KDHE			\$7,038,654	\$55,393,780		\$7,224,392	\$56,126,301
<b>Department of Human Resources</b>							
NIYEA	C	80	90,000	90,000	80	90,000	90,000
Job Service/Job Corps	C	35,000	--	750,000	35,000	--	750,000
Child Labor	C	6	600	600	710	2,200	2,200

## Expenditures for Children's Programs by Agency and Activity

	FY 2001 Actual Expenditures				FY 2002 Governor's Estimate		
	Type Served	Number Served	State General Fund	All Funding Sources	Number Served	State General Fund	All Funding Sources
Workforce Investment Act	C	1,200	--	2,924,238	1,200	--	2,924,238
Total--DHR			\$90,600	\$3,764,838		\$92,200	\$3,766,438
<b>Total--Human Resources</b>			<b>\$234,497,625</b>	<b>\$689,561,718</b>		<b>\$261,841,323</b>	<b>\$742,660,139</b>
<b>Education</b>							
Department of Education							
Operating Aid to USDs	C	447,184	1,987,591,592	2,103,734,017	446,684	2,026,808,234	2,149,619,990
Safety Education	C	25,000	--	1,593,790	25,000	--	1,600,000
Capital Improvement Aid	C	225,000	30,375,589	30,675,589	225,000	38,000,000	38,000,000
Cultural Education	C	100,000	30,000	30,000	--	--	--
Environmental Education	C	25,000	30,000	30,000	25,000	30,000	30,000
Special Education Services	C	76,255	233,499,809	295,796,872	77,800	242,360,000	298,360,000
Vocational Education	C	20,000	103,830	11,584,806	20,000	105,906	4,961,812
Nutrition Services	C	365,000	2,510,454	94,507,141	365,250	2,510,486	95,135,486
Parent Education	C	16,254	4,620,000	6,120,000	16,400	3,839,500	6,339,500
Drug Abuse Education	C	447,184	--	2,754,396	446,684	--	2,750,000
Agricultural Education	C	20,000	--	30,000	25,000	35,000	35,000
Space Science Education	C	5,000	--	50,000	5,000	50,000	50,000
Vision Services	C	150	--	250,000	200	--	300,000
School Violence Prevention	C	2,000	--	491,870	2,000	--	500,000
School Renovation Grants	C	--	--	--	50,000	--	7,460,000
Reading Recovery	C	--	160,000	160,000	--	180,000	180,000
Communities in Schools	C	10,794	--	175,000	10,794	--	50,000
Total--Department of Education			\$2,258,921,274	\$2,547,983,481		\$2,313,919,126	\$2,605,371,788
School for the Blind	C	1,128	4,451,905	4,853,054	1,155	4,484,179	4,875,658
School for the Deaf	C	470	7,172,960	7,572,791	470	7,266,358	7,783,020
<b>Subtotal--Department of Education</b>			<b>\$2,270,546,139</b>	<b>\$2,560,409,326</b>		<b>\$2,325,669,663</b>	<b>\$2,618,030,466</b>
Emporia State University							
Miscellaneous Programs	C	1,184	10,407	318,399	1,284	12,694	303,596
Fort Hays State University							
Miscellaneous Programs	C	550	199,638	286,724	550	202,633	291,025
Kelly Center	C	250	85,018	85,018	250	86,293	86,293
Total--FHSU			\$284,656	\$371,742		\$288,926	\$377,318
Kansas State University							
Hoefflin St. House Daycare	C	35	97,591	246,118	35	102,471	258,423
Early Childhood Lab.	C	28	45,363	98,318	30	47,631	103,234
Family Center	F	340	183,884	240,586	350	193,078	252,615
Dispute Resolution Training	F	1,000	10,759	957,714	1,000	11,141	1,108,452
Ks. Childcare Training, Inc.	C	29,264	26,898	231,940	30,000	28,243	243,537
Staff Assistance to USD 383	C	20	--	17,472	20	--	17,580
Family Preservation Contract	F	180	--	337,856	180	--	100,000
Speech--Hearing Center	C	260	191,878	264,750	265	201,472	277,988
After School Child Care	C	40	8,785	25,085	40	9,224	26,339
Total--Kansas State			\$565,158	\$2,419,839		\$593,260	\$2,388,168
KSU--ESARP							
4-H Program	C	94,101	735,000	925,000	12,000	740,000	875,000
Youth Leadership Program	C	142	100,000	265,000	225	100,000	265,000
Leadership/Community	C	20,896	100,000	120,000	15,000	100,000	120,000
Army Youth & Teen Center	C	160	10,000	15,000	280	10,000	20,000
Youth Staff Dev./Training	F	75,000	24,000	50,000	25,000	27,000	100,000
Learning & Social Readiness	F	375	10,000	20,000	600	10,000	30,000
Parenting/Family Relationships	F	124,345	1,110,000	1,610,000	125,000	1,113,000	1,650,000
Nutrition	F	206,079	580,000	3,380,000	207,000	595,000	3,480,000
Mental & Emotional Wellness	F	55,000	234,900	3,121,026	55,000	241,000	3,214,000

## Expenditures for Children's Programs by Agency and Activity

	FY 2001 Actual Expenditures				FY 2002 Governor's Estimate		
	Type Served	Number Served	State General Fund	All Funding Sources	Number Served	State General Fund	All Funding Sources
Health Promotion	F	3,000	--	250,000	3,000	--	250,000
Building Communities	F	216,020	747,000	763,000	216,000	760,000	785,000
Total--KSU--ESARP			\$3,650,900	\$10,519,026		\$3,696,000	\$10,789,000
Pittsburg State University							
Miscellaneous Programs	C	19,935	15,226	199,537	21,154	13,400	198,000
Board of Regents							
Regents Honors Academy	C	150	110,000	110,000	150	110,000	110,000
University of Kansas							
Hilltop Child Dev. Center	C	225	1,768	1,131,890	228	1,768	1,102,670
Edna Hill Child Dev. Center	C	85	66,136	171,854	85	73,713	212,774
Infant/Toddler Prog. Coord.	N	--	--	18,000	--	--	18,000
Dependent Care Referral	F	550	17,836	17,836	550	18,586	18,586
Parson Outreach Clinic	C	220	--	6,400	225	--	6,400
Early Childhood Special Serv.	C	48	12,500	12,500	48	12,800	12,800
Labette/Cherokee Childcare	C	600	--	48,000	610	--	49,500
Total--University of Kansas			\$98,240	\$1,406,480		\$106,867	\$1,420,730
KU Medical Center							
Tele-Kid Health Care Link	C	444	--	250,000	800	--	250,000
Special Health Services	C	2,634	--	163,478	2,700	--	163,478
Child Development Unit	C	3,245	--	7,000	3,300	--	10,000
Spina Bifida Clinic	C	65	--	23,827	100	--	23,827
Cystic Fibrosis Grant	C	242	--	30,514	250	--	39,795
Pediatric Seizure Clinic	C	910	--	28,168	1,000	--	32,040
NICU Follow-Up Clinic	C	100	--	--	100	--	--
Project EAGLE	F	200	--	2,132,272	160	--	2,132,272
KC Healthy Start	F	40	--	145,270	50	--	145,270
PKU, et al. Screening	C	1,938	--	58,500	1,700	--	58,500
Pediatric Consultation Svcs.	C	58	--	40,344	180	--	55,960
Facial Rehabilitation	C	99	--	35,000	125	--	35,000
Teen Pregnancy Case Mgmt.	C	65	--	130,922	82	--	130,922
Total--KU Medical Center			\$	\$3,045,295		\$	\$3,077,064
Wichita State University							
Child Development Center	C	184	--	497,161	188	--	535,562
Upward Bound	C	110	--	344,468	110	--	346,120
Upwrd. Bnd. Math/Sci.	C	100	--	272,529	100	--	274,493
Health Careers	C	100	70,118	154,682	106	44,333	64,333
Public Health Services	C	2,200	--	2,500	2,200	--	Services Donated
Health Screenings	C	1,661	7,200	7,200	1,600	7,500	7,500
Project Discovery	C	3,034	--	406,805	3,000	--	436,661
Spch.-Lang.-Hearing Clinic	C	4,010	193,331	445,756	4,020	198,164	456,899
America Reads	C	588	--	46,048	610	--	88,671
Communities in Schools	C	2,598	--	9,838	2,604	--	9,486
Teacher Education Majors	C	680	--	8,050	700	--	10,530
Heskett Athletic Center	C	7,900	--	88,000	7,900	--	90,640
Entrepreneurship Center	C	14,107	3,000	14,075	14,325	3,000	14,325
Build. Dreams Urban Youth	C	148	--	4,919	200	--	7,000
Dental Hygiene Clin./ Sealant	C	2,900	33,782	45,782	2,800	34,394	44,686
Total--Wichita State University			\$307,431	\$2,347,813		\$287,391	\$2,386,906
<b>Subtotal--Regents Institutions</b>			<b>\$5,042,018</b>	<b>\$20,738,131</b>		<b>\$5,108,538</b>	<b>\$21,050,782</b>
Arts Commission							
Programming for the Arts	C	350,000	1,199,340	1,607,300	350,000	1,318,450	1,634,464
State Historical Society							
Educational Programming	C	111,206	11,988	17,988	111,000	12,000	18,000
State Library							
Grants to Local Libraries	C	--	1,096,259	1,141,259	--	1,098,814	1,143,814

## Expenditures for Children's Programs by Agency and Activity

	FY 2001 Actual Expenditures				FY 2002 Governor's Estimate		
	Type Served	Number Served	State General Fund	All Funding Sources	Number Served	State General Fund	All Funding Sources
Interlibrary Loan Programs	N	--	163,249	163,249	--	163,249	163,249
Community Access Network	N	--		171,000	--	--	106,000
Talking Books	N	--	10,513	10,513	--	10,513	10,513
Total--State Library			\$1,270,021	\$1,486,021		\$1,272,576	\$1,423,576
<b>Total--Education</b>			<b>\$2,278,069,506</b>	<b>\$2,584,258,766</b>		<b>\$2,333,381,227</b>	<b>\$2,642,157,288</b>
<b>Public Safety</b>							
Adjutant General							
STARBASE Education	C	3,010	--	466,153	5,000	--	615,000
Juvenile Justice Authority							
Juvenile Accountability	C	10,943	--	2,302,096	11,217	--	2,574,285
Delinquency Prevention	C	5,121	--	1,052,858	5,200	--	1,194,750
Prevention Grant	C	2,100	--	5,000,000	13,000	--	6,000,000
Intake & Assessment	C	28,159	4,734,868	4,734,868	28,500	2,803,111	4,803,111
Supervised Probation	C	1,417	5,050,137	6,050,137	1,422	4,363,872	4,363,872
Case Mgmt & Services	C	2,215	21,989,700	30,285,154	2,408	23,626,723	28,862,588
Delinq. Prevention Trust	C	1,540	--	309,309	1,550	--	400,000
Administration/Other	N	--	3,147,367	7,438,943		4,047,097	18,820,445
Total--JJA			\$34,922,072	\$57,173,365		\$34,840,803	\$67,019,051
Atchison Juv. Correctional Fac.							
Operations	C	195	5,968,885	6,162,946	238	6,315,466	6,518,059
Capital Improvements	C	--	--	367,000	--	--	--
Total--AJCF			\$5,968,885	\$6,529,946		\$6,315,466	\$6,518,059
Beloit Juv. Correctional Fac.							
Operations	C	50	5,268,766	5,582,065	80	5,079,295	5,312,520
Capital Improvements	C	--	--	205,156	--	--	--
Total--BJCF			\$5,268,766	\$5,787,221		\$5,079,295	\$5,312,520
Larned Juv. Correctional Fac.							
Operations	C	225	4,231,486	4,449,897	233	4,661,943	4,918,830
Topeka Juv. Correctional Fac.							
Operations	C	521	11,680,970	12,108,416	536	11,960,324	12,677,060
Capital Improvements	C	--	--	212,744	--	--	184,827
Total--TJCF			\$ 11,680,970	\$ 12,321,160		\$ 11,960,324	\$ 12,861,887
<b>Total--Public Safety</b>			<b>\$ 62,072,179</b>	<b>\$ 86,727,742</b>		<b>\$ 62,857,831</b>	<b>\$ 97,245,347</b>
<b>Agriculture &amp; Natural Resources</b>							
Kansas State Fair							
Educational Services	C	7,829	--	3,126	6,889	--	2,334
Competitive Services	C	16,996	--	129,377	14,678	--	129,515
Total--Kansas State Fair			\$ --	\$ 132,503		\$ --	\$ 131,849
Department of Wildlife & Parks							
Wildlife Education	C	17,340	--	37,580	17,740	--	38,700
Hunter Education	C	12,580	--	163,185	12,700	--	168,100
Boating Education	F	10,400	--	20,400	10,800	--	21,100
Fishing Clinics	C	28,600	--	148,350	29,500	--	153,000
Youth Challenge	C	40	--	495	45	--	510
Furharvester Education	C	575	--	4,945	670	--	5,100
Total--Wildlife and Parks			\$ --	\$ 374,955		\$ --	\$ 386,510
<b>Total--Agriculture &amp; Natural Resources</b>			<b>\$ --</b>	<b>\$ 507,458</b>		<b>\$ --</b>	<b>\$ 518,359</b>
<b>Transportation</b>							
Department of Transportation							
Ks. Safety Belt Ed. Office	C	32,000	--	137,500	35,000	--	140,000

## Expenditures for Children's Programs by Agency and Activity

	FY 2001 Actual Expenditures				FY 2002 Governor's Estimate		
	Type Served	Number Served	State General Fund	All Funding Sources	Number Served	State General Fund	All Funding Sources
Drunk Driving Prevent. Pgm.	C	31,000	--	105,000	62,000	--	107,000
Yth. Alcohol Media Campn.	C	157,000	--	203,000	160,000	--	225,000
Gov's Teen Leadership Ctr.	C	1,000	--	100,000	1,500	--	150,000
School Traffic Officer Project	C	48,000	--	79,000	48,000	--	80,000
Care/Call	C	140,000	--	90,000	140,000	--	98,000
Booster to Belts	C	500	--	180,000	2,000	--	181,000
Child Passenger Safety	C	3,000	--	115,000	6,000	--	118,918
Pedest./Bicycle Safety Prog.	C	10,000	--	9,000	20,000	--	12,000
Teen Court	C	11,000	--	253,000	11,000	--	258,000
<b>Total--Transportation</b>			\$ --	\$ 1,271,500		\$ --	\$ 1,369,918
<b>Total--Children's Programs</b>			\$2,581,712,794	\$3,383,107,499		\$2,665,885,893	\$3,507,160,876

C=individual children; F=families; N=number of children or families cannot be determined.

## Expenditures for Children's Programs by Agency and Activity

	FY 2003 Base Budget				FY 2003 Governor's Recommendations		
	Type Served	Number Served	State General Fund	All Funding Sources	Number Served	State General Fund	All Funding Sources
<b>General Government</b>							
Department of Revenue							
Child Support Enforcement	N	--	--	65,731		--	65,731
Banking Department							
Credit Counseling	F	2,800	--	25,000	2,800	--	25,000
Consumer Education	C	56,000	--	70,000	56,000		70,000
Total--Banking Department			\$ --	\$95,000		\$ --	\$95,000
Securities Commissioner							
Stock Market Game	C	9,000	--	20,000	9,000	--	20,000
Attorney General							
Child Abuse Investigation in SRS Institutions	C	83	77,000	77,000	83	77,000	77,000
Child Death Review Board	N	--	67,000	116,000	N	67,000	116,000
Sexually Violent Predator Determinations	N	--	154,000	154,000	N	154,000	154,000
Child Abuse Programs	C	13,000	--	260,000	13,000	260,000	260,000
Domestic Abuse Programs	C	4,600	--	2,018,171	4,600	--	2,018,171
Drug Free Schools	C	--	--	707,486	N	--	707,486
Programs for Crime Victims	N	--	--	415,595	N	--	415,595
Rape Prevention Services	N	--	--	473,975	N	--	473,975
Victims of Crime Act--VRU	N	--	--	3,628,994	N	--	3,628,994
Crime Victims Compensation	N	--	--	3,055,264	N	--	3,055,264
Medicaid Fraud & Abuse	N	--	35,385	738,077	N	--	738,077
Child Visitation Centers	C	1,050	--	319,125	C	--	319,125
DARE Program	C	--	147,326	147,326	N	147,326	147,326
Child Abuse Prosecution	N	--	72,500	72,500	N	72,500	72,500
Total--Attorney General			\$553,211	\$12,183,513		\$777,826	\$12,183,513
Judiciary							
Permanency Plan. (CASA)	C	3,400	--	695,903	3,400	695,903	695,903
Child Support Enforcement	C	163,393	--	1,890,201	163,393	--	1,890,201
Court Services	C	14,720	7,332,340	7,841,823	14,720	7,332,340	7,841,823
Child Welfare--Federal Fund	N	--	--	129,567	N	--	129,567
Total--Judiciary			\$7,332,340	\$10,557,494		\$8,028,243	\$10,557,494
<b>Total--General Government</b>			<b>\$7,885,551</b>	<b>\$22,921,738</b>		<b>\$8,806,069</b>	<b>\$22,921,738</b>
<b>Human Resources</b>							
Social & Rehabilitation Services							
Drug Prevention--Families	F	200,000	--	344,000	200,000	--	344,000
Drug Prevention--Children	C	175,000	--	175,000	175,000	--	175,000
Parent Prevention Training	F	--	--	--	--	--	--
Temp.Assist. for Families	F	28,241	30,293,070	51,011,183	28,241	30,293,070	57,500,000
	C	51,575	--	--	51,575	--	--
Energy Assistance	F	14,603	--	4,806,294	14,603	--	4,806,294
	C	31,919	--	--	31,919	--	--
Employ.Prepare.Services--FS	F	702	10,980	21,960	702	10,980	21,960
Child Care Assistance	C	36,105	16,035,655	60,588,577	36,105	15,671,022	59,356,841
Family Preservation	F	2,625	2,488,891	10,219,572	2,625	2,488,891	10,219,572
Community Funding	C	1,200	2,600,000	2,600,000	1,200	2,600,000	2,600,000
Family Services and Grants	F	350	858,864	1,374,097	350	858,864	1,374,097
Foster Care	C	3,389	41,560,743	95,189,055	3,389	44,752,595	100,211,413
Adoption	C	1,545	13,594,990	30,960,148	1,545	16,756,025	35,000,000
Adopt.Support/Alt Perm.	F	4,384	8,507,332	17,881,472	4,384	8,337,690	19,476,551
Child Care Grants	C	2,500	--	1,850,000	2,500	--	1,850,000
Early Head Start	C	825	--	7,709,618	825	--	7,709,618
Children's Trust Funds	C	400	3,211,500	3,676,100	400	212,000	4,676,100

## Expenditures for Children's Programs by Agency and Activity

	FY 2003 Base Budget				FY 2003 Governor's Recommendations		
	Type Served	Number Served	State General Fund	All Funding Sources	Number Served	State General Fund	All Funding Sources
Juvenile Justice Programs	C	1,100	870,947	9,996,363	1,100	870,947	9,996,363
Substance Abuse Treatment	F	3,125	1,063,314	3,453,114	3,125	1,063,314	3,453,114
	C	1,700	544,200	1,047,568	1,700	544,200	1,047,568
Mental Health State Aid	C	1,000	504,508	504,508	1,000	504,508	504,508
Mental Health Reform	C	5,610	3,641,330	3,641,330	5,610	3,641,330	3,641,330
MH Special Purpose Grants	C	1,550	1,204,721	1,894,631	1,550	1,204,721	1,894,631
Family Centered Sys. of Care	F	2,000	--	5,000,000	2,000	--	5,000,000
Family Support	F	1,315	3,533,166	3,533,166	1,315	3,533,166	3,533,166
HCBS DD Waiver	F	1,025	5,076,190	12,700,000	1,025	5,076,190	12,700,000
Rehab. Services--Families	F	4,339	1,597,030	7,497,792	4,339	1,597,030	7,497,792
Rehab. Services--Children	C	3,272	602,153	2,827,008	3,272	602,153	2,827,008
HealthWave	C	49,354	7,660,164	32,941,029	49,354	11,247,473	47,254,590
Child Support Enforcement	C	158,930	9,837,803	26,195,083	158,930	9,837,803	26,195,083
Medical Assistance	C	170,408	105,504,836	304,012,971	170,408	101,917,527	289,699,410
Total--SRS			\$260,802,387	\$703,651,639		\$263,621,499	\$720,566,009
State Institutions							
Kansas Neurological Institute							
Residential Treatment/Educ.	C	6	455,925	1,251,885	6	455,925	1,251,885
Larned State Hospital							
Adolescent Inpatient	C	90	1,038,387	1,345,679	90	1,038,387	1,345,679
Children Inpatient	C	39	754,087	977,581	39	754,087	977,581
Special Education Program	C	--	--	1,340,353	N	--	1,188,300
Administration	C	--	3,943,121	4,781,908	N	3,943,121	4,781,908
Marsons State Hospital							
Residential Treatment	C	25	702,464	2,197,137	25	702,464	2,197,137
Special Purpose School	C	25	339,600	339,600	25	339,600	339,600
Employee Child Care	C	200	2,498	6,563	25	2,498	6,563
SEK Respite Care, Inc.	F	220	18,927	59,200	220	18,927	59,200
Rainbow MH Facility							
Inpatient Services	C	143	166,573	2,153,339	143	166,573	2,153,339
School	C	143	365,000	365,000	143	365,000	365,000
Total--State Institutions			\$7,786,582	\$14,818,245		\$7,786,582	\$14,666,192
Health & Environment							
Mothers and Infants	F	12,708	1,380,451	2,390,837	12,708	1,380,451	2,390,837
Adolescent Health	C	2,047	233,961	351,744	2,047	233,961	351,744
Healthy Start/Home Visits	C	17,500	501,444	1,045,748	17,500	501,444	1,045,748
Child Health Program	C	33,740	13,913	723,991	33,740	13,913	723,991
Black Infant Mortality	C	1,504	49,369	98,484	1,504	49,369	98,484
Family Planning	F	42,838	98,880	1,819,610	42,838	98,880	1,819,610
Teenage Pregnancy Prevent.	C	18,300	537,660	889,715	18,300	537,660	689,715
Child Health Assessments	C	--	--	--	--	--	--
Abstinence Education	C	450	--	261,185	450	--	261,185
Pregnancy Maintenance	C	300	300,000	300,000	300	300,000	300,000
Special Health Services	C	13,750	670,644	2,558,988	13,750	670,644	2,558,988
Child Care Licensing	C	140,000	299,712	1,637,712	140,000	299,712	1,637,712
Child Lead Poison Prevention	C	7,500	--	116,159	7,500	--	116,159
Commun. Based Prim. Care	F	5,289	471,460	482,060	5,289	471,460	482,060
Migrant and Refugee Health	F	882	--	158,064	882	--	158,064
WIC Vouchers-Food Dollars	N	--	--	35,600,000	--	--	35,600,000
Infant Toddler Services	C	3,710	1,992,000	5,042,000	3,710	1,992,000	5,542,000
Refugee Health Assessment	C	65	--	100,000	65	--	100,000
Health and Prevention	F	20,000	--	42,900	20,000	--	42,900
Vaccines	C	225,000	674,898	2,507,104	225,000	674,898	2,507,104
Total--KDHE			\$7,224,392	\$56,126,301		\$7,224,392	\$56,426,301
Department of Human Resources							
NIYEA	C	80	90,000	90,000	80	90,000	90,000
Job Service/Job Corps	C	35,000	--	750,000	35,000	--	750,000
Child Labor	C	710	2,200	2,200	710	2,200	2,200

## Expenditures for Children's Programs by Agency and Activity

	FY 2003 Base Budget				FY 2003 Governor's Recommendations		
	Type Served	Number Served	State General Fund	All Funding Sources	Number Served	State General Fund	All Funding Sources
Workforce Investment Act	C	--	--	--	--	--	--
Total--DHR			\$92,200	\$842,200		\$92,200	\$842,200
<b>Total--Human Resources</b>			<b>\$275,905,561</b>	<b>\$775,438,385</b>		<b>\$278,724,673</b>	<b>\$792,500,702</b>
<b>Education</b>							
Department of Education							
Operating Aid to USDs	C	446,229	2,030,639,543	2,147,903,202	446,229	1,946,916,543	2,066,180,202
Safety Education	C	25,000	--	1,600,000	25,000	--	1,600,000
Capital Improvement Aid	C	235,000	43,000,000	43,000,000	235,000	45,100,000	45,100,000
Cultural Education	C	--	--	--	--	--	--
Environmental Education	C	25,000	30,000	30,000	--	--	--
Special Education Services	C	79,350	256,500,000	319,500,000	79,350	253,521,766	324,671,766
Vocational Education	C	20,000	105,906	5,061,812	20,000	105,906	5,061,812
Nutrition Services	C	365,500	2,510,486	96,265,486	365,500	2,510,486	96,265,486
Parent Education	C	16,600	5,006,266	7,506,266	16,600	4,639,500	7,639,500
Drug Abuse Education	C	446,229	--	3,000,000	446,229	--	3,000,000
Agricultural Education	C	25,000	35,000	35,000	--	--	--
Space Science Education	C	5,000	50,000	50,000	--	--	--
Vision Services	C	200	--	300,000	200	--	400,000
School Violence Prevention	C	2,000	--	500,000	2,000	--	500,000
School Renovation Grants	C	--	--	--	--	--	--
Reading Recovery	C	--	--	--	--	--	500,000
Communities in Schools	C	10,794	--	50,000	10,794	--	50,000
Total--Department of Education			\$2,337,877,201	\$2,624,801,766		\$2,252,794,201	\$2,550,968,766
School for the Blind	C	1,170	4,536,495	4,979,678	1,170	4,434,536	4,864,484
School for the Deaf	C	470	7,333,191	7,662,980	470	7,168,251	7,990,832
<b>Subtotal--Department of Education</b>			<b>\$2,349,746,887</b>	<b>\$2,637,444,424</b>		<b>\$2,264,396,988</b>	<b>\$2,563,824,082</b>
Emporia State University							
Miscellaneous Programs	C	1,284	12,995	315,366	1,284	12,995	315,366
Fort Hays State University							
Miscellaneous Programs	C	550	202,633	291,025	550	202,633	291,025
Kelly Center	C	250	86,293	86,293	250	86,293	86,293
Total--FHSU			\$288,926	\$377,318		\$288,926	\$377,318
Kansas State University							
Hoeflin St. House Daycare	C	35	107,595	271,344	35	107,595	271,344
Early Childhood Lab.	C	30	50,013	108,396	30	50,013	108,396
Family Center	F	350	202,732	265,246	350	202,732	265,246
Dispute Resolution Training	F	1,000	11,698	1,163,875	1,000	11,698	1,163,875
Ks. Childcare Training, Inc.	C	30,000	29,655	266,714	30,000	29,655	266,714
Staff Assistance to USD 383	C	20	--	17,472	20	--	17,472
Family Preservation Contract	F	--	--	--	--	--	--
Speech--Hearing Center	C	265	211,546	291,887	265	211,546	291,887
After School Child Care	C	40	9,685	27,656	40	9,685	27,656
Total--Kansas State			\$622,924	\$2,412,590		\$622,924	\$2,412,590
KSU--ESARP							
4-H Program	C	94,101	750,000	885,000	94,101	750,000	885,000
Youth Leadership Program	C	390	100,000	265,000	390	100,000	265,000
Leadership/Community	C	15,000	100,000	120,000	15,000	100,000	120,000
Army Youth & Teen Center	C	575	10,000	25,000	575	10,000	25,000
Youth Staff Dev./Training	F	25,000	30,000	150,000	25,000	30,000	150,000
Learning & Social Readiness	F	1,175	10,000	20,000	1,175	10,000	20,000
Parenting/Family Relationships	F	125,000	1,146,000	1,690,000	125,000	1,146,000	1,690,000
Nutrition	F	210,000	610,000	3,500,000	210,000	610,000	3,500,000
Mental & Emotional Wellness	F	55,000	248,000	3,300,000	55,000	248,000	3,300,000

## Expenditures for Children's Programs by Agency and Activity

	FY 2003 Base Budget				FY 2003 Governor's Recommendations		
	Type Served	Number Served	State General Fund	All Funding Sources	Number Served	State General Fund	All Funding Sources
Health Promotion	F	3,000	--	250,000	3,000	--	250,000
Building Communities	F	216,000	775,000	785,000	216,000	775,000	785,000
Total--KSU--ESARP			\$3,779,000	\$10,990,000		\$3,779,000	\$10,990,000
Pittsburg State University							
Miscellaneous Programs	C	21,158	13,400	200,000	21,158	13,400	200,000
Board of Regents							
Regents Honors Academy	C	150	110,000	110,000	--	--	--
University of Kansas							
Hilltop Child Dev. Center	C	228	1,768	1,102,670	228	1,768	1,102,670
Edna Hill Child Dev. Center	C	85	75,925	219,158	85	75,925	219,158
Infant/Toddler Program	F	--	--	18,000	--	--	18,000
Dependent Care Referral	F	550	18,586	18,586	550	18,586	18,586
Parson Outreach Clinic	C	225	--	6,400	225	--	6,400
Early Childhood Special Serv.	C	80	14,500	14,500	80	14,500	14,500
Labette/Cherokee Childcare	C	620	--	52,000	620	--	52,000
Total--University of Kansas			\$110,779	\$1,431,314		\$110,779	\$1,431,314
KU Medical Center							
Tele-Kid Health Care Link	C	800	--	250,000	800	--	250,000
Special Health Services	C	2,700	--	163,478	2,700	--	163,478
Child Development Unit	C	3,300	--	10,000	3,300	--	10,000
Spina Bifida Clinic	C	100	--	23,827	100	--	23,827
Cystic Fibrosis Grant	C	250	--	39,795	250	--	39,795
Pediatric Seizure Clinic	C	1,000	--	32,040	1,000	--	32,040
NICU Follow-Up Clinic	C	100	--	--	100	--	--
Project EAGLE	F	160	--	2,132,272	160	--	2,132,272
KC Healthy Start	F	50	--	145,270	50	--	145,270
PKU, et al. Screening	C	1,700	--	58,500	1,700	--	58,500
Pediatric Consultation Svcs.	C	180	--	55,960	180	--	55,960
Facial Rehabilitation	C	125	--	35,000	125	--	35,000
Teen Pregnancy Case Mgmt.	C	85	--	130,922	85	--	130,922
Total--KU Medical Center			\$ --	\$3,077,064		\$ --	\$3,077,064
Wichita State University							
Child Development Center	C	188	--	535,562	188	--	535,562
Upward Bound	C	110	--	354,773	110	--	354,773
Upwrd. Bnd. Math/Sci.	C	100	--	282,727	100	--	282,727
Health Careers	C	136	76,083	168,623	136	76,083	168,623
Public Health Services	C	2,200	--	Services Donated	2,200	--	Services Donated
Health Screenings	C	1,700	7,800	7,800	1,700	7,800	7,800
Project Discovery	C	3,000	--	449,760	3,000	--	449,760
Spch.-Lang.-Hearing Clinic	C	2,030	203,118	468,321	2,030	203,118	468,321
America Reads	C	610	--	88,671	610	--	88,671
Communities in Schools	C	2,604	--	9,486	2,604	--	9,486
Teacher Education Majors	C	700	--	10,530	700	--	10,530
Heskett Athletic Center	C	7,900	--	90,640	7,900	--	90,640
Entrepreneurship Center	C	14,500	3,000	14,550	14,500	3,000	14,550
Build. Dreams Urban Youth	C	200	--	7,000	200	--	7,000
Dental Hygiene Clin./ Sealant	C	2,800	34,394	44,686	2,800	34,394	44,686
Total--Wichita State University			\$324,395	\$2,533,129		\$324,395	\$2,533,129
<b>Subtotal--Regents Institutions</b>			<b>\$5,262,419</b>	<b>\$21,446,781</b>		<b>\$5,152,419</b>	<b>\$21,336,781</b>
Arts Commission							
Programming for the Arts	C	350,000	1,318,450	1,607,382	350,000	1,318,450	1,607,382
State Historical Society							
Educational Programming	C	111,000	12,000	18,000	111,000	12,000	18,000
State Library							
Grants to Local Libraries	C	--	1,098,814	1,143,814	--	1,098,814	1,143,814

## Expenditures for Children's Programs by Agency and Activity

	FY 2003 Base Budget				FY 2003 Governor's Recommendations			
	Type Served	Number Served	State General Fund	All Funding Sources	Number Served	State General Fund	All Funding Sources	
Interlibrary Loan Programs	N	--	163,249	163,249	--	163,249	163,249	
Community Access Network	N	--	--	106,000	--	--	106,000	
Talking Books	N	--	10,513	10,513	--	10,513	10,513	
Total--State Library			\$1,272,576	\$1,423,576		\$1,272,576	\$1,423,576	
<b>Total--Education</b>			<b>\$2,357,612,332</b>	<b>\$2,661,940,163</b>		<b>\$2,272,152,433</b>	<b>\$2,588,209,821</b>	
<b>Public Safety</b>								
Adjutant General								
STARBASE Education	C	5,000	--	575,000	5,000	--	575,000	
Juvenile Justice Authority								
Juvenile Accountability	C	11,497	--	2,591,550	11,497	--	2,591,550	
Delinquency Prevention	C	5,225	--	1,201,850	5,225	--	1,201,850	
Prevention Grant	C	17,336	--	6,000,000	17,336	--	6,500,000	
Intake and Assessment	C	28,750	2,803,111	4,803,111	28,750	2,803,111	4,803,111	
Supervised Probation	C	1,425	4,363,872	4,363,872	1,425	4,363,872	4,363,872	
Case Mgmt. & Services	C	2,428	24,137,498	30,207,984	2,428	22,071,558	28,042,044	
Delinq. Prevention Trust	C	1,600	--	250,000	1,600	--	250,000	
Administration/Other	N	--	3,360,414	9,349,389	--	2,691,179	9,306,618	
Total--JJA			\$34,664,895	\$58,767,756	68,261	\$31,929,720	\$57,059,045	
Atchison Juv. Correctional Fac.								
Operations	C	272	6,195,029	6,398,854	272	6,274,759	6,478,584	
Capital Improvements	C	--	--	--	--	--	--	
Total--AJCF			\$6,195,029	\$6,398,854		\$6,274,759	\$6,478,584	
Beloit Juv. Correctional Fac.								
Operations	C	80	5,168,065	5,406,576	80	5,216,831	5,455,342	
Capital Improvements	C	--	--	--	--	--	--	
Total--BJCF			\$5,168,065	\$5,406,576		\$5,216,831	\$5,455,342	
Barnard Juv. Correctional Fac.	C	240	6,289,688	6,663,677	240	6,419,187	6,794,423	
Topeka Juv. Correctional Fac.								
Operations	C	581	12,324,641	12,824,685	581	12,481,035	12,981,079	
Capital Improvements	C	--	--	--	--	--	--	
Total--TJCF			\$ 12,324,641	\$ 12,824,685		\$ 12,481,035	\$ 12,981,079	
<b>Total--Public Safety</b>			<b>\$ 64,642,318</b>	<b>\$ 90,636,548</b>		<b>\$ 62,321,532</b>	<b>\$ 89,343,473</b>	
<b>Agriculture &amp; Natural Resources</b>								
Kansas State Fair								
Educational Services	C	8,000	--	2,710	8,000	--	2,710	
Competitive Services	C	13,300	--	130,926	13,300	--	131,226	
Total--Kansas State Fair			\$ --	\$ 133,636		\$ --	\$ 133,936	
Department of Wildlife and Parks								
Wildlife Education	C	18,500	--	40,000	18,500	--	40,000	
Hunter Education	C	13,500	--	174,000	13,500	--	174,000	
Boating Education	F	11,200	--	21,800	11,200	--	21,800	
Fishing Clinics	C	31,000	--	158,000	31,000	--	158,000	
Youth Challenge	C	50	--	525	50	--	525	
Furharvester Education	C	890	--	5,300	890	--	5,300	
Total--Wildlife and Parks			\$ --	\$ 399,625		\$ --	\$ 399,625	
<b>Total--Agriculture &amp; Natural Resources</b>			<b>\$ --</b>	<b>\$ 533,261</b>		<b>\$ --</b>	<b>\$ 533,561</b>	
<b>Transportation</b>								
Department of Transportation								
Ks. Safety Belt Ed. Office	C	36,000	--	141,500	36,000	--	141,500	

## Expenditures for Children's Programs by Agency and Activity

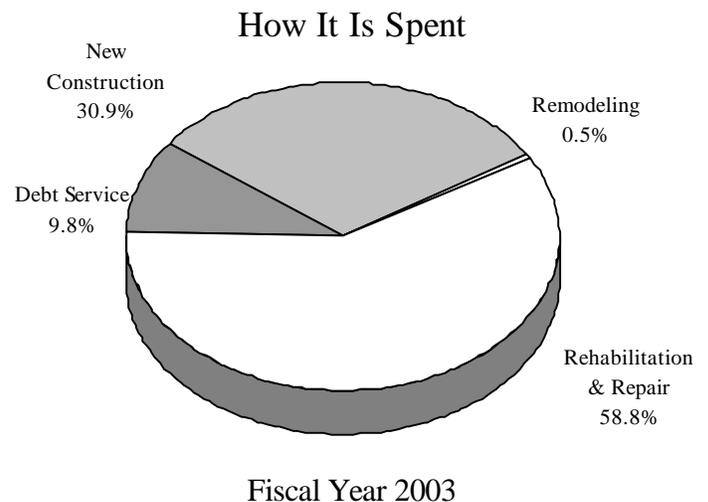
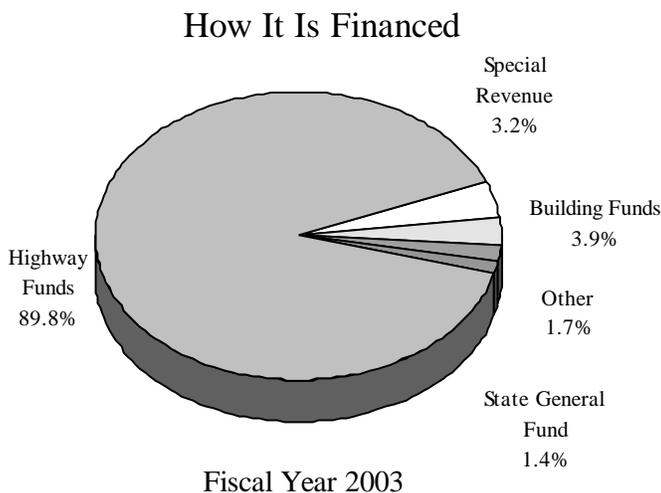
	FY 2003 Base Budget				FY 2003 Governor's Recommendations			
	Type Served	Number Served	State General Fund	All Funding Sources	Number Served	State General Fund	All Funding Sources	
Drunk Driving Prevent. Pgm.	C	65,000	--	107,000	65,000	--	107,000	
Yth. Alcohol Media Campn.	C	160,000	--	230,000	160,000	--	230,000	
Gov's Teen Leadership Ctr.	C	1,500	--	150,000	1,500	--	150,000	
School Traffic Officer Project	C	48,000	--	90,000	48,000	--	90,000	
Care/Call	C	140,000	--	100,000	140,000	--	100,000	
Booster to Belts	C	40,000	--	--	40,000	--	--	
Child Passenger Safety	C	6,000	--	115,000	6,000	--	115,000	
Pedest./Bicycle Safety Prog.	C	20,000	--	12,000	20,000	--	12,000	
Teen Court	C	--	--	--	--	--	--	
<b>Total--Transportation</b>			\$ --	\$ 945,500		\$ --	\$ 945,500	
<b>Total--Children's Programs</b>			\$2,706,045,762	\$3,552,415,595		\$2,622,004,707	\$3,494,454,795	

# Capital Budget Summary

**Summary of Governor's Recommendation.** The capital improvement recommendations included in the Governor's budget for FY 2002 total \$588.5 million. This amount is 6.2 percent of the total state budget financed from all funding sources. The Governor's recommendation for FY 2003 totals \$812.1 million from all funding sources, or 8.4 percent of the total state budget.

The capital budget, by project classification, is illustrated in the pie chart below. Rehabilitation and repair, the largest category, accounts for 58.8 percent of total capital projects. New construction accounts for 30.9 percent, and debt service is 9.8 percent. Remodeling is the smallest at 0.5 percent.

between FY 2002 and FY 2003 in the Governor's recommendation for the capital budget. In general, the current fiscal year contains a significant amount of funds that were not spent in FY 2001 but the expenditure authority "shifted" into FY 2002. That fact increases total expenditures for FY 2002 and bridges some of the distance between FY 2002 and FY 2003.



Total capital expenditures in the Governor's recommendation increase by \$223.6 million, or 38.0 percent, from FY 2002 to FY 2003. However, this large net increase is mostly attributable to the Department of Transportation bonding less in FY 2003 than previously anticipated. Reduced bonding in FY 2003 has the effect of increasing reportable expenditures in FY 2003 when compared to FY 2002. The increase in reportable expenditures in FY 2003 occurs because when bond proceeds are spent, they are treated as non-reportable expenditures until the bonds are paid through reportable debt service expenditures. Less bonding, while maintaining the total level of expenditures, requires more cash to be spent in FY 2003. This creates the majority of the difference

The largest increase, \$269.7 million, occurs in KDOT, reflecting mostly the increased reportable expenditures from the Comprehensive Transportation Program resulting from less bonding. Other notable increases are experienced at the Commission on Veterans' Affairs.

Notable decreases for FY 2003 occur in Kansas State University, University of Kansas, Ellsworth Correctional Facility, the Juvenile Justice Authority, and the Department of Wildlife and Parks. Each of these five agencies is experiencing a tapering off of major construction projects in FY 2003.

**Capital Budget Process.** Agencies requesting expenditure authority for capital projects submit a five-year facilities plan each July 1, consisting of the forthcoming fiscal year and the following four years. Capital projects are reviewed by the Division of the Budget for development of the Governor's recommendations. They are also reviewed by the Fiscal Section of the Kansas Legislative Research

Department as staff to the Joint Committee on State Building Construction as well as the “appropriation” committees of the Kansas House and Senate. In addition, the Division of Architectural Services in the Department of Administration provides technical support to the State Building Advisory Commission, an Executive Branch body responsible for reviewing the cost estimates and technical aspects of projects.

As a matter of policy, the state gives priority to maintaining its existing facilities before considering new construction. The use of revenue bonds for financing capital projects has increased in recent years. Other criteria for assessing the priority of capital projects include safety for state employees and visitors, compliance with prevailing building codes, modifications to enhance accessibility for the disabled, physical modifications caused by program changes, and cost effectiveness.

**Financing.** Transportation projects are a major part of the state’s total capital budget. Approximately 78.1 percent of FY 2002 and 89.8 percent of FY 2003 capital expenditures are for transportation projects.

The State Highway Fund is the single largest source of funding for capital improvements in the state budget. The fund receives its revenues primarily through highway user fees on motor fuel, vehicle registrations, and a one-fourth percent dedicated sales tax.

The three dedicated funding sources that make up most of the remainder of the capital budget are the Educational Building Fund (EBF), the State Institutions Building Fund (SIBF), and the Correctional Institutions Building Fund (CIBF). The EBF and the SIBF receive revenues from a mill tax levy based on the assessed valuation of all tangible taxable property in the state as of January 1 of each year. The CIBF receives its revenues from lottery and racing activities.

The status of the building funds is presented below, showing beginning balances, receipts, and expenditures. Interest on the debt service for Crumbling Classrooms is included in expenditures for the Educational Building Fund. In addition, expenditures from the State Institutions Building Fund include funding for new juvenile correctional

<b>Status of State Building Funds</b>						
	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>	<u>FY 2004</u>	<u>FY 2005</u>	<u>FY 2006</u>
<b>Educational Building Fund</b>						
Beginning Balance	\$15,173,999	\$15,302,678	\$ 4,959,941	\$ 6,470,073	\$18,953,038	\$ 32,444,679
Second Payment of Tax Levy	7,934,957	9,001,388	9,319,388	9,668,865	10,031,447	10,407,626
First Payment of Tax Levy	12,195,357	13,832,550	14,351,272	14,889,443	15,447,797	16,027,090
Motor Vehicle Taxes	2,676,476	2,756,770	2,839,473	2,924,657	3,012,397	3,102,769
Resources Available	\$37,980,789	\$40,893,385	\$31,470,073	\$33,953,038	\$47,444,679	\$ 61,982,164
Estimated Expenditures	\$22,678,111	\$35,933,444	\$25,000,000	\$15,000,000	\$15,000,000	\$ 15,000,000
<b>Correctional Institutions Building Fund</b>						
Beginning Balance	\$ 1,896,717	\$ 3,044,772	\$ --	\$ --	\$ --	\$ --
Gaming Revenues	4,992,391	5,242,472	5,000,000	5,000,000	5,000,000	5,000,000
Resources Available	\$ 6,889,108	\$ 8,287,244	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000
Estimated Expenditures	\$ 3,844,336	\$ 8,287,244	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000	\$ 5,000,000
<b>State Institutions Building Fund</b>						
Beginning Balance	\$10,606,289	\$13,153,829	\$ 8,782,313	\$12,455,785	\$ 3,980,858	\$ --
Second Payment of Tax Levy	3,967,479	4,500,694	4,659,694	4,834,432	5,015,723	5,203,813
First Payment of Tax Levy	6,098,849	6,916,275	7,175,634	7,444,722	7,723,899	8,013,545
Motor Vehicle Taxes	1,338,238	1,378,385	1,419,736	1,462,329	1,506,196	1,551,384
Resources Available	\$22,010,855	\$25,949,183	\$22,037,377	\$26,197,268	\$18,226,676	\$ 14,768,742
Estimated Expenditures	\$ 8,857,026	\$17,166,870	\$ 9,581,592	\$22,216,410	\$18,226,676	\$ 14,768,742

facilities' initial construction costs in FY 2001 and debt service in FY 2002 and thereafter and expenditures related to projects taking place at Larned State Hospital.

### **Effect on Operating Budgets**

This section includes a description of the operating costs that will accompany the completion of new facilities as they become operational.

**Juvenile Correctional Facilities.** The new Larned Juvenile Correctional Facility is scheduled to open in December 2002. The 152-bed facility will replace the existing 116 beds, currently located in three buildings on the Larned State Hospital grounds. Included in the Governor's FY 2003 recommendation is funding of approximately \$1.7 million from the State General Fund for an additional 19.0 FTE positions, 4.0 non-FTE unclassified permanent positions, and operating

expenditures. The recommendation also includes funding for a partial year school contract and other services currently provided by Larned State Hospital. The total operating cost for FY 2003 is \$6,794,423, with \$6,419,187 from the State General Fund. To fund this project and the new Kansas Juvenile Correctional Complex at Topeka, the 2000 Legislature approved a bond issuance. Debt Service is financed from the State Institutions Building Fund. The Complex is expected to open in March 2004.

**200-Bed Medium-Security Unit at Ellsworth Correctional Facility.** Included in the Ellsworth Correctional Facility recommendation the Governor is funding 40.5 FTE positions and operating costs associated with the new housing unit. This unit will go on-line in April 2002. Funding for three months of operations was provided by the 2001 Legislature for FY 2002. For FY 2003, the Governor recommends approximately \$1.25 million to finance operating and personnel costs associated with the new unit.

# Recommendations

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Following is a description of capital improvement projects by agency that are included in the Governor's recommendations. Capital expenditures are listed by agency in Schedules 13 and 14 and by project in the table at the end of this section.

## General Government

### Department of Administration

**Rehabilitation & Repair.** The Governor's recommendation for FY 2002 includes estimated expenditures totaling \$506,776 for rehabilitation and repair, of which \$225,000 is from the State General Fund and \$281,776 is from the State Buildings Depreciation Fund. The \$225,000 from the State General Fund consists of \$100,000 for maintaining the Judicial Center, \$54,596 of unspent monies from FY 2001, and new funds totaling \$70,404. The latter two total \$125,000 for maintaining the Statehouse and Cedar Crest. The \$281,776 from the State Buildings Depreciation Fund is for Landon, Docking, and Forbes. These amounts provide for the general maintenance and upkeep of the state's buildings in the Capitol Complex and at Forbes. For FY 2003, \$75,000 from the State General Fund is recommended for the Judicial Center and \$200,000 for Landon, Docking, and Forbes.

**Statehouse Improvements.** The recommendation includes \$94,490 from the State Budget Stabilization Fund and \$381,507 from the State General Fund for FY 2002 to continue a number of improvements related to renovating and improving the Statehouse and its grounds. The project includes the replacement of trees, shrubs, and flowers; restoration and cleaning of monuments; planning for further improvements; installation of a fire detection and suppression system; and planning and installation of security systems.

With the enactment of SB 660, the 2000 Legislature authorized the issuance of \$40.0 million in bonds through the Kansas Development Finance Authority, plus financing costs, to renovate and repair the

Statehouse. The bonds will be repaid from the State General Fund, with the first payment in FY 2002 of \$1,249,742, of which \$849,742 is interest and \$400,000 is principal. The level of payment is based on the issuance of \$16.0 million of the \$40.0 million. For FY 2003, the debt service on this \$16.0 million totals \$1,345,318, \$790,318 in interest and \$555,000 in principal.

In October 2001 the remaining \$24.0 million of the original \$40.0 million was issued. The Governor recommends the addition of \$1,827,830 for debt service on the \$24.0 million. Of this total, \$1,567,830 is interest and \$260,000 is principal. In December 2001, the State Finance Council approved the issuance of \$15.0 million more for the construction of an underground Capitol Complex parking garage, bringing the total level of debt to \$55.0 million. The first debt service payment on this additional \$15.0 million in bonding authority is not expected until FY 2004.

**Statehouse Elevator Renovation.** The Governor includes \$43,897 from the State Budget Stabilization Fund for FY 2002 to renovate the west passenger elevator and the south freight-passenger elevator in the Statehouse. The amount will provide for the upgrade of drive motors and mechanical equipment as well as installation of automated controls and safety features. It will be compliant with ADA standards.

**Statehouse Fire Alarm & Security Systems.** For FY 2002, the Governor recommends \$224,115 to upgrade the fire and smoke detection systems and install pull stations in the Statehouse. Of the total, \$118,616 is from the State General Fund and \$105,499 is recommended from the State Budget Stabilization Fund. The amount will contribute to a larger project begun in FY 1995.

**Judicial Center Improvements.** A year ago the Governor proposed a package of improvements to upgrade the Judicial Center consistent with the recent renovation of Cedar Crest and the ongoing restoration of the Statehouse. For FY 2002, a total of \$202,700 is estimated, \$124,730 from the State General Fund and \$77,970 from the State Budget Stabilization Fund.

The projects to be undertaken include \$41,200 for emergency power supply, \$62,000 for porch deck re-caulking, \$25,000 for signage, and \$74,500 for landscaping. The estimated project cost for landscaping actually totals \$154,500; however, the Judiciary in its budget will be contributing \$80,000. The expenditure authority for these projects was actually granted in FY 2001. However, the authority carried over into FY 2002. For FY 2002, \$25,000 is estimated from the State General Fund as a debt service interest payment over 16 years, entirely principal, to finance two projects: replacement of exterior lighting and replacement of two chillers that do not use coolants friendly to the environment. For FY 2003, the debt payment totals \$101,889, \$61,889 in interest and principal of \$40,000.

**Judicial Center Renovation of Attorney General's Space.** Also included in the Governor's budget recommendation is \$95,000 from the State General Fund for FY 2002 to plan for the renovation of space in the Judicial Center that was vacated when the Attorney General's Office relocated to Memorial Hall. The vacated space is being planned for new appellate court judges.

**Landon Electrical Power Supply.** The Governor recommends \$887,861 from the State Buildings Depreciation Fund for FY 2002 to undertake improvements to the electrical system in the Landon Building. The project started in FY 2000 after a near power failure occurred during the summer of 1999. The work to be done involves the installation of switches that will allow the transfer of electrical load from any generator to any other generator to maximize flexibility in continuing electrical power if a failure occurs. The project also will permit the discharge of generator exhaust safely above the top of the building, instead of at the third floor level. Finally, the three existing uninterruptable power supply units will be replaced.

**Landon Electrical Power System Study.** The Governor recommends \$180,000 from the State Buildings Depreciation Fund for FY 2002 to undertake a project to study the electrical power system failure mode in the Landon Building. This project stems from an incident that occurred in July 1999, when a small motor starter short-circuited in a power transformer, causing a power failure in the building. The power failure revealed weaknesses that make the electrical

system's functioning suspect. Unlike the previous project, which includes the implementation of actual improvements, this project is the starting point of a long-term, systematic effort to plan for the upgrade of the electrical system in this building.

**Landon Security Improvements.** The Governor recommends leaving \$30,000 of current authority from the State Buildings Depreciation Fund for FY 2002 to enhance security in the Landon Building and lapsing the remaining \$165,508 of current authority. The FY 2002 amount will conclude the project. The impetus for the project has been a recommendation contained in the *Threat Analysis*, a report prepared in 1998. The equipment to be installed includes alarm/detection systems, "duress" switches, and monitoring equipment.

**Landon & Docking Assessments.** The Governor recommends three new projects for FY 2003 related to the future use of the Landon and Docking Buildings. Amounts of \$250,000 from the State Buildings Depreciation Fund for each of Landon and Docking are recommended to undertake a comprehensive building assessment study that will evaluate the need and cost for upgrade and repair of these facilities to ensure their most functional use. Specifically included in the assessment will be electrical, mechanical, and plumbing systems; security; safety; and ADA compliance. These assessments will come in the wake of agencies vacating these facilities to take up residence in the Curtis Building and Security Benefit Group Building. In addition, the Governor recommends \$40,000, also from the State Buildings Depreciation Fund, for FY 2003 to undertake an Electrical Conditions Analysis in the Docking Building. Electrical switch gear and panel boards will be inspected and spare parts inventoried. Then a master plan will be developed to determine what repairs need to be made.

**Docking & Landon Fire Suppression Systems.** In light of the need for the building assessment studies for the Docking and Landon Buildings described above, the Governor recommends lapsing some of the current authority for the Docking and Landon Fire Suppression Systems project as well as decreasing the scope of the project. The Governor recommends reducing the scope to testing and ensuring that the emergency intercom systems in each of these buildings are audible in all parts of these buildings.

Following testing, additional audio speakers may need to be installed in parts of these two buildings. To accomplish this revised scope, the Governor recommends leaving \$50,000 of current authority from the State Buildings Depreciation Fund for FY 2002 for the Docking Building and lapsing the remaining \$1,103,199 of current authority. Also, the Governor recommends leaving \$50,000 of current authority from the State Buildings Depreciation Fund for FY 2002 for the Landon Building and lapsing the remaining \$1,001,720 of current authority. The building assessment studies may conclude that other alternatives to fire sprinkler systems are better investments of the state's resources.

**Docking Re-Roofing.** The Governor recommends \$106,000 from State Buildings Depreciation Fund for FY 2002 for replacement of the roof on the south wing of the 11th floor of the Docking State Office Building. The original roof dates back to 1948. In 1990, under a manufacturer's warranty, the roof was replaced. There is now evidence, more than ten years later, that the 1990 replacement was defective.

**Improvements to State Facilities.** The Governor recommends \$228,031 for FY 2002, all interest, for improvements to state facilities for which the Department of Administration is responsible. The debt service increases to \$771,063 for FY 2003, of which \$456,063 is interest and \$315,000 is principal. The Capitol Complex consolidation (Landon State Office Building "backfill") will involve remodeling the Landon State Office Building after the Department of Health and Environment moves to the Curtis Building. The Capitol Complex steam system will be 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 is currently unoccupied, will be remodeled for use as the SRS Staff Development and Training Center. The KDHE lab at Forbes Building #740 will be remodeled to meet the needs of the remaining laboratory operations. The unoccupied Woodward Building at the State Complex—West will be remodeled for Kansas Services for the Blind housing when clients attend training at the Rehabilitation Center for the Blind.

**Memorial Hall Parking Construction.** The Governor recommends \$52,000 from the Building and Ground Fund for FY 2002 for the construction of parking spaces on the west side and south side of Memorial Hall. The current total of 14 spaces will be increased by 15 to 29. Four of the new spaces will be van accessible for the disabled. The project will be undertaken jointly with the City of Topeka. The total project cost is estimated to be \$104,000, so the state and the city will each pay half.

**9th Street Parking for the Disabled.** An amount of \$70,000 from the Building and Ground Fund is estimated for FY 2002 to construct parking spaces on the south side of 9th Street between Topeka Boulevard and Harrison Street. The City of Topeka plans to transfer the right-of-way it owns along 9th Street to the Department of Administration as part of a joint effort to design and construct ADA van-accessible parking for the disabled. The city has indicated it will transfer the property without expense to the state.

**Repairs for State Parking Lots.** The Governor recommends \$95,000 from the Building and Ground Fund for FY 2002 and another \$95,000 for FY 2003 for maintenance and repairs to state parking lots in the Capitol Complex. These amounts are an annual appropriation to undertake a systematic approach in maintaining the lots.

**Energy Conservation Improvements Program.** The Governor recommends \$2,474,101 for FY 2002 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, \$2,080,000 is principal and \$394,101 is interest. For FY 2003, debt service is estimated to total \$2,066,680, \$1,750,000 of which is principal and \$316,680 is interest. Bond proceeds are used to finance energy conservation improvements at state facilities, with the utility savings from these projects to be returned to the State General Fund to pay off the bonds.

The Department of Administration, in addition to budgeting for the entire debt service payment on behalf of all participants, is itself a participant with its own energy conservation projects. The Department's own projects total \$156,391 for FY 2002 from the State Buildings Operating Fund, \$7,091 for interest

and \$149,300 for principal. The debt service payment for FY 2002 is the last for these bonds.

**Landon Building Debt Service.** The debt service amounts are recommended to finance the 1986 acquisition and the 1987 renovation of the Landon State Office Building. For FY 2002, \$922,197 from the State Buildings Operating Fund is recommended for the principal amount. An additional \$307,719 for the interest payment is included in the operating budget. The FY 2003 principal debt service payment totals \$936,920 and the interest payment \$243,107.

**Printing Plant Debt Service.** The debt service amount the Governor recommends is \$131,621 for FY 2002 from the Intragovernmental Printing Service Fund to finance the principal payment of the debt incurred to construct the State Printing Plant. The interest portion of the debt service, totaling \$90,241, is recommended as part of the operating budget. For FY 2003, \$138,676 is recommended from the same fund for the principal portion of the debt service. To finance the interest portion, \$83,186 is included in the operating budget.

**Memorial Hall Debt Service.** The debt service on the renovation of Memorial Hall, all of which is from the State Buildings Depreciation Fund, totals \$429,120 for FY 2002, \$244,120 interest and \$185,000 principal. For FY 2003, the total is \$431,233, of which \$236,233 is interest and \$195,000 principal.

**Paint & Grounds Shop Debt Service.** The Governor's recommendation contains funding to make debt service payments to the City of Topeka for the old police garage that the Division of Facilities Management planned as a shop for its painters and grounds personnel. However, the Division of Facilities Management has determined that the best use of this property is to demolish the building and construct a surface parking lot. This modified plan was approved by the Topeka City Council on November 27, 2001. Expenditures for debt service total \$38,238 from the Building and Ground Fund in FY 2002. Of this amount, \$24,236 is interest and \$14,002 is principal. For FY 2003, the total payment is also \$38,238, with the interest portion \$22,923 and principal \$15,315.

**Motor Pool Shop.** The debt service on this facility, also acquired from the City of Topeka, totals \$44,223,

all from the Motor Pool Service Fund, for FY 2002. The motor pool uses these facilities for servicing its vehicles. The principal is \$21,456 and interest is \$22,767. For FY 2003, the total is also \$44,223, \$23,837 for principal and \$20,386 for interest.

**Capitol Complex Tunnels.** The Governor also recommends \$1,102,260 from the State Buildings Depreciation Fund for FY 2003 for the Department of Administration's part of a system of pedestrian and utility tunnels in the Capitol Complex. The total project is estimated to cost \$11,102,260, \$10,000,000 from federal highway funds and \$1,102,260 from the State Buildings Depreciation Fund to match the federal dollars. The federal funds, which will be spent from KDOT's budget, are being made available because the pedestrian aspect of the tunnels represents an alternative form of transportation.

The project is part of a larger plan for the Capitol Complex. Currently, steam flows from Docking to the Capitol through the tunnel that connects these buildings. From the Capitol, it flows southeast, under Jackson Street to Memorial Hall, where it divides to serve Landon and the Judicial Center. The steam line running under the Capitol grounds is old and earmarked for abandonment. The long-range plan is to have the steam flow from the Capitol to Landon alongside a new pedestrian tunnel. Then the steam would flow from Landon to Memorial Hall through the new tunnel recommended in this project and from Memorial Hall to the Curtis Building and to the Judicial Center in the same line it flows now.

**Topeka State Hospital Cemetery Memorial.** The Governor recommends \$20,000 from the Memorial Gifts Fund for FY 2003 to serve as seed money to erect a memorial for those buried on the Topeka State Hospital grounds. The 2000 Legislature enacted HB 2355, authorizing an appropriate memorial and setting up the Topeka State Hospital Cemetery Memorial Gift Fund. Capitalization of the fund is expected to be accomplished from private donations. The total cost of the project is anticipated to be \$200,000, with \$20,000 in FY 2003 and \$180,000 in FY 2004. The work to be done includes a memorial, a plaque with the names of those buried in the cemetery, and fencing around the site.

**Lapses.** The Governor's recommendation lapses unused monies from a number of accounts in FY 2002.

These include \$109,500 for the Docking roof drain line replacement, \$583,983 for the Landon/Forbes chiller conversion, \$18,786 for the Docking switchgear replacement, \$125,900 for the Forbes #740 Building reroofing, \$94,200 for the installation of Landon south economizer, \$1,103,199 for the Docking fire suppression system, \$1,001,720 for the Landon fire suppression system, \$165,508 for Landon security improvements, \$545,000 for the Docking HVAC system renovation, and \$1,000,000 for the Capitol Complex steam distribution. The last item was a duplication of one project within the debt-financed improvements to state facilities. Most of the others are lapsed to allow the Division of Facilities Management to assess the future use of Docking and Landon.

## **Department of Commerce & Housing**

**Rehabilitation & Repair.** The Department operates travel information centers in Kansas City, Goodland, and Belle Plaine. These centers provide tourism information to travelers throughout the state. The Governor recommends \$15,000 for each of FY 2002 and FY 2003 from the Economic Development Initiatives Fund for rehabilitation and repair of the centers.

## **Insurance Department**

**Debt Service.** The Governor's recommendation includes \$120,000 in FY 2002 and \$130,000 in FY 2003 for debt service principal payments on the Insurance Building in Topeka. Debt service payments are financed from the agency's Insurance Building Principal and Interest Fund. Interest payments are included in the agency's operating budget and total \$59,925 in FY 2002 and \$52,483 in FY 2003. The Kansas Development Finance Authority issued revenue bonds, totaling \$1,795,000, in 1991 for remodeling the building. Debt service payments will cease in FY 2007.

**Rehabilitation & Repair.** The Governor recommends \$20,000 for rehabilitation projects for each of FY 2002 and FY 2003 from the agency's Rehabilitation and Repair Fund. The recommendation will finance contingent repairs to the Insurance Department Building. A total of \$17,000 completes the carpet replacement plan in FY 2002.

## **Judiciary**

With the passage of HB 2297 during the 2001 Legislative Session, one new appellate court judge will be added each year for four years starting in FY 2003. As a result, the Governor recommends \$114,400 from the State General Fund for FY 2003 to renovate part of the Judicial Center to create a judicial suite for the first additional judge. The judicial suite will include a portion of the space vacated by the Attorney General as part of the AG's relocation to Memorial Hall.

## **Human Resources**

### **Social & Rehabilitation Services**

**Rehabilitation & Repair—Chanute Office Building.** The Governor recommends \$166,000 in FY 2002 and \$300,000 in FY 2003 for routine maintenance and rehabilitation and repair projects at the Chanute Office Building. For FY 2002, the recommendation will replace the building's exterior windows. The FY 2003 recommendation will be used for window replacement, re-roofing, and electrical equipment upgrades. Funding in both years is from rent revenues.

**Rehabilitation & Repair—State Institutions.** The Governor recommends expenditures from the State Institutions Building Fund for rehabilitation and repair projects at the state institutions servicing the mentally ill and developmentally disabled. Recommendations for both FY 2002 and FY 2003 fund the continual rehabilitation and repair needs of the state institutions, including equipment replacement, plumbing repairs, code compliance, renovations, and other major maintenance needs. The Governor recommends \$3,996,950 for FY 2002 and \$3,500,000 for FY 2003.

**State Security Hospital.** For FY 2002, the Governor recommends \$2.6 million from the State Institutions Building Fund for the architectural and engineering design of a State Security Hospital on the campus of Larned State Hospital. For FY 2003, the Governor recommends issuing bonds totaling \$50,120,884 financed through the State Institutions Building Fund, for the construction of a new State Security Hospital.

However, the Governor recommends that the first payment be delayed until FY 2004. Construction of the facility is estimated to begin in FY 2003 and should be completed in FY 2005. The facility will replace the three separate buildings on the Larned State Hospital campus currently used to treat security patients.

**Sex Predator Capacity Expansion.** The Governor recommends \$1,085,330 in FY 2002 and \$356,306 for FY 2003 from the State Institutions Building Fund for planning and construction of phase two of a 20-bed modular building on the campus of Larned State Hospital. The building will accommodate the growing census in Social and Rehabilitation Services' Sexual Predator Treatment Program. Phase one design has been completed, and construction is estimated to be completed by March 2002.

### **Larned State Hospital**

**Rehabilitation & Repair.** The Governor recommends \$471,607 from the State Institutions Building Fund for FY 2002 for rehabilitation and repair projects, including remodeling a ward in Jung Building, removing and replacing utility tunnel piping, and resurfacing street pavement.

### **Osawatomie State Hospital**

**Rehabilitation & Repair.** To complete general maintenance and repair projects that were begun in FY 2000, the Governor recommends \$15,026 in expenditures from the State Institutions Building Fund for FY 2002.

### **Parsons State Hospital & Training Center**

**Rehabilitation & Repair.** The Governor recommends \$20,958 from the State Institutions Building Fund in FY 2002 for rehabilitation and repair projects. The amount recommended is a balance carried forward from FY 2001 and will be used to cover contractual services costs associated with general maintenance and repair projects that will begin in FY 2002.

### **Rainbow Mental Health Facility**

**Rehabilitation & Repair.** For FY 2002, expenditures of \$2,604 is recommended from the State Institutions Building Fund for rehabilitation and repair projects. These are unspent funds from FY 2001.

### **Department of Human Resources**

**Rehabilitation & Repair—Reed Act.** For FY 2002, the Governor recommends \$50,000 to make general repairs, including roofing, overlaying parking lots, mudjacking or replacing sidewalks, painting, and carpeting. In FY 2003, the Governor also recommends \$50,000 for general repairs.

**New Office Building at 427 SW Topeka Boulevard.** For FY 2003, the Governor recommends that the Department of Human Resources use \$210,000 from the agency's Employment Security Fund for the planning expenses of a new office building. The planning costs include architectural services and costs for the purchase of land, buildings, and razing of existing structures. The total cost of the project is estimated to be \$3,376,000.

**1430 SW Topeka Boulevard.** The agency is purchasing the building at 1430 SW Topeka. For FY 2002, the interest payment is \$52,000 from the Special Employment Security Fund, and there is no principal payment. For FY 2003, the interest payment will be \$85,000 and the principal will be \$55,000, for a total of \$140,000.

**Building Renovation of 401 SW Topeka Boulevard.** For FY 2001, the Governor recommended the issuance of bonds in the amount of \$1,905,000 to redesign and remodel the agency headquarters at 401 SW Topeka Boulevard. The building was built in 1951, with the last major renovation in 1978. Included in the renovation will be installation of a new HVAC system, replacement of the electrical service entrance and distribution to the building, extensive plumbing work, and improvements to the elevator. The Governor further recommended using \$248,707 in penalty and interest funds to pay back the bonds in FY 2001 and FY 2002. Starting in FY 2003, the bonds will be paid from federal funds. The agency will continue with renovation of the building and estimates the cost of the

debt service to be \$260,000, including principal of \$130,000 and interest of \$130,000.

## **Commission on Veterans' Affairs**

**Rehabilitation & Repair.** The Governor recommends \$100,000 in both FY 2002 and FY 2003 from the State Institutions Building Fund for rehabilitation and repair at the Kansas Soldiers' Home. The funding will be used to renovate cottages, complete projects to meet ADA requirements, and make general repairs throughout the facility. The SIBF recommendation for the Kansas Veterans' Home is \$79,008 in FY 2002 and \$147,733 in FY 2003. Projects include repairing roads, replacing windows and external lighting, and continuing tuckpointing and sealing projects.

**Facility Improvements.** The Governor recommends the expenditure of \$557,942 from the State Institutions Building Fund for the Kansas Soldiers' Home's Facility Conservation Improvement Project. This funding was appropriated, but not spent, in FY 1999. The Home has secured additional funding for the project of \$1,036,178 from a Federal Home Construction Grant by the federal Veterans' Administration.

**Veterans' Cemeteries.** 1999 SB 19 authorized the establishment of a statewide system of veterans' cemeteries. The Commission will build cemeteries in Fort Dodge, Winfield, WaKeeney, and Fort Riley. To implement this system a total of \$355,000 from the State Institutions Building Fund was appropriated in FY 2000 and FY 2001 for planning expenditures. After construction begins on each cemetery, the federal government will reimburse the state for the planning expenditures associated with each cemetery. When the agency receives reimbursement for planning of one cemetery, that funding will be used to plan the next. When the federal government has reimbursed the planning expenses for the final cemetery, \$355,000 will be returned to the State Institutions Building Fund. Construction on the cemetery at Fort Dodge began this year. The final cemetery at Fort Riley should be completed in FY 2004. The Governor recommends expenditures of \$3,980,862 in FY 2002 and \$7,619,920 in FY 2003 from the Veterans' Cemeteries Federal Construction Grant Fund for these projects.

## **Education**

### **School for the Blind**

**Rehabilitation & Repair.** For FY 2002, the Governor recommends \$152,990 for rehabilitation and repair of the school grounds, to be funded from the State Institutions Building Fund. Some of the projects consist of a continuation of the bleacher construction and a contingency plan for other rehabilitation and repair. For FY 2003, the Governor recommends \$59,435 for rehabilitation and repair. These repairs and replacements will include buildings, sidewalks, electrical, plumbing, and heating and cooling. This funding will allow for the timely implementation of new regulations from the Americans with Disabilities Act.

**Fire Alarm System Upgrade.** For FY 2002, the Governor recommends \$77,606 to upgrade the fire alarm system for the School. The goal of the upgrade is to combine all building alarms into one system for monitoring. This will require extensive electrical and communications work as well as the general system upgrade. Funding is from the State Institutions Building Fund.

**Student Residence & Dining Facility.** For FY 2002, the Governor recommends \$102,915 to complete the construction of a new independent living facility, with individual suites for students who are close to graduation. This project is funded by a multi-year appropriation from the State Institutions Building Fund.

### **School for the Deaf**

**Rehabilitation & Repair.** For FY 2002, the Governor recommends \$345,048 for continued renovation, rehabilitation, and repair projects at the School. Some of the projects are asbestos removal, elementary school site improvements, and the Roberts Building renovation. The School owns buildings that are in need of modification in order to be in compliance with fire, health, and safety inspections. For FY 2003, the Governor recommends \$165,000 for rehabilitation and repair, which includes equipment, building, and ground repairs. The State Institutions

Building Fund will fund both years of the rehabilitation and repair projects.

**Renovation of Dormitory.** For FY 2002, the Governor recommends \$384,686 for the first year of the dormitory renovation. For FY 2003, the Governor recommends \$327,792 from the State Institutions Building Fund to continue the second year of the eight-year plan to renovate the dormitory completely. To provide a safe and pleasant place to live, the Governor recommends bringing the dormitory up to fire code requirements to address the educational program needs of the students. The eight-year projected total cost for the dormitory renovation is \$3,167,697, all of it to be funded from the SIBF. The renovation will include the installation of additional exits to meet fire safety codes, internal sprinkler systems, a new fire alarm system with visual warning devices, upgrades of lighting and electrical needs, and renovation of restrooms.

**Pool & Roof Replacement.** For FY 2002, the Governor recommends that \$285,272 be spent from the State Institutions Building Fund for pool maintenance and the replacement of the Foltz gymnasium roof.

**Auditorium Air Conditioning.** For FY 2002, the Governor recommends \$55,942 from the State Institutions Building Fund to install air conditioning in the School's auditorium.

## Board of Regents

**Rehabilitation & Repair.** The Governor recommends \$10.0 million in FY 2003 from the Educational Building Fund for the ongoing rehabilitation and repair of campus facilities. The funding is distributed through a formula based on total square feet for each institution.

**Crumbling Classroom Debt Service.** The Governor recommends that \$15.0 million be transferred from the Educational Building Fund in FY 2003 to make the debt service payment on the "Crumbling Classroom" bond issue. Debt service for FY 2002 is \$8,850,000 in principal and \$6,150,000 in interest. Debt service for FY 2003 consists of \$9,280,000 in principal and \$5,720,000 in interest. These bond issues were approved during the 1996 Legislative Session upon the

Governor's recommendation. The initial bonds of \$50.0 million were issued in November 1996, and another \$110.0 million was issued in October 1997.

The universities are using the \$173.0 million generated by these bond issues to make substantial repairs to campus buildings to bring buildings into compliance with the Americans with Disabilities Act and life/safety codes and to make classroom improvements. Several additions to buildings at the University of Kansas, Kansas State University, and Emporia State University are being made, and a new nursing education building is being constructed at the Medical Center.

## Emporia State University

**Rehabilitation & Repair.** Funds for rehabilitation and repair are initially appropriated to the Board of Regents. The Governor recommends \$3,349,797 in FY 2002 from the Educational Building Fund, of which \$556,000 is from the allocation of new funds from the Board of Regents, \$385,889 is reappropriated from FY 2001, and \$2,407,908 is Crumbling Classrooms money.

**Parking Lot Improvements.** To finance parking lot improvements, the Governor recommends \$90,000 each in both FY 2002 and FY 2003 from campus parking fees.

**Residence Hall Debt Service.** Financing of the debt service on the residence halls comes from previously authorized student fees. The Governor recommends \$180,000 in FY 2002 and \$190,000 in FY 2003 to pay the principal on the bonds for improvements to the halls.

**Student Recreational Building.** Bonds have been issued for construction of the student recreational building that begins in FY 2002. The total cost of the facility is expected to be \$3.0 million. The Governor recommends \$90,000 for principal bond payments in FY 2002 and \$95,000 in FY 2003. Planning and construction for the building are financed through student fees.

**Student Union Renovation.** Funds are budgeted annually for continuing improvements to the Student

Union. For the next several years, most of the available funds will be directed toward code compliance issues and repairs related to the Americans with Disabilities Act. The Governor recommends \$131,000 in both FY 2002 and FY 2003 to pay for the debt service for renovations at the Student Union.

**Men's Dormitories.** The Governor recommends expenditures of \$40,000 in FY 2002 and \$45,000 in FY 2003 to pay for debt service on the men's dormitories, which were built in 1969.

**William Allen White Renovation.** The Governor recommends \$394,170 in FY 2002 and the same amount in FY 2003 from restricted fees to continue the project to renovate the William Allen White Library.

## **Fort Hays State University**

**Rehabilitation & Repair.** Funds for rehabilitation and repair are initially appropriated to the Board of Regents. The Governor recommends \$1,916,452 in FY 2002 from the Educational Building Fund, of which \$718,000 is from the allocation of new funds from the Board of Regents, \$170,772 is reappropriated from FY 2001, and \$1,027,680 is Crumbling Classrooms funding.

**Student Housing Debt Service.** The Governor recommends \$195,000 in FY 2002 and \$195,000 in FY 2003 to pay the principal on the bonds from restricted fees. The bonds finance the renovation and remodeling of student dormitories.

**Parking Improvements.** To finance parking improvements on campus, the Governor recommends \$300,000 each in FY 2002 and FY 2003. These improvements are funded by parking fees.

## **Kansas State University**

**Rehabilitation & Repair.** The Governor recommends \$2,998,000 from the Educational Building Fund for rehabilitation and repair of campus facilities in FY 2002. Of this amount, \$132,000 is a reappropriation from FY 2001 and \$2,866,000 is a transfer of new funds from the Board of Regents.

**Aeronautical Center Lease Payment.** The Governor recommends \$189,446 in both FY 2002 and FY 2003 from the State General Fund for the tenth and eleventh payments in a lease-purchase agreement with the Salina Airport Authority. The payments have allowed the College to acquire the International Training Center and a recently-completed laboratory for the Airframe and Powerplant Program. The lease-purchase agreement is for 20 years.

**University Debt Service.** The Governor recommends \$2,283,395 in FY 2002 and \$2,343,024 in FY 2003 from special revenue funds for principal payments on various projects funded through revenue bonds. These projects include housing projects, parking lot projects, and a building renovation project.

**Parking Improvements.** To finance parking improvements, the Governor recommends \$800,000 in FY 2002 and \$775,000 in FY 2003 from campus parking fees. The work is based on two studies of parking operations. One study reviewed paved surfaces and the other parking and traffic patterns.

**Food Safety & Security Research Facility.** The University plans to construct a new research facility at the Manhattan campus. The institution is seeking federal funding for the five-year \$82.2 million project. The facility will need "bio-security," which would enable investigation of infectious diseases and provide for safe handling of biotechnology products. The Governor recommends the use of \$3.0 million in federal funding during FY 2003.

## **KSU—Extension Systems & Agricultural Research Programs**

**Eastern Kansas Horticulture-Forestry Research & Education Center.** The Department of Horticulture, Forestry, and Recreation Resources provides outreach services throughout the state. To house research and visiting scientists, the agency will construct a new center at the Sunflower Army Ammunition Plant. In addition to the main building, however, this center will have two 750-square foot teaching laboratory spaces to assist classroom instruction, a plant material handling structure, research and teaching greenhouse spaces, and a pesticide storage and handling facility.

The Governor recommends the use of \$1.0 million from gift funds in the current year.

**Grain Science Center.** KSU—ESARP plans to construct a \$20.6 million five-building complex for the Grain Science Center. The project consists of four phases: \$5.9 million for a Biological and Industrial Value-Added Program, \$5.5 million for a feed mill, \$5.5 million for a flour mill, and \$4.0 million for the International Grains Program. These projects will continue and expand research and teaching activities to improve both livestock production efficiency and crop utilization potential for Kansas and the U.S. The Biological and Industrial Value-Added Program will be funded by \$3.0 million from the Educational Building Fund and the remainder through private gifts and restricted fees. The Governor includes \$7.0 million in FY 2002 for the Value-Added Program. An additional \$4.0 million from federal funds is recommended for the International Grains Program in FY 2003.

## **Pittsburg State University**

**Rehabilitation & Repair.** Funds for rehabilitation and repair are initially appropriated to the Board of Regents. The Governor recommends \$1,724,675 in FY 2002 from the Educational Building Fund, \$668,000 of which is from the allocation of new funds from the Board of Regents, and \$1,056,675 is reappropriated from FY 2001.

**Parking Improvements.** To finance parking lot improvements, the Governor recommends \$200,000 each in FY 2002 and FY 2003 from campus parking fees.

**Student Housing Improvements.** The Governor includes \$1,836,000 in FY 2002 and \$1,250,000 in FY 2003 from student fees to make planned improvements to on-campus student housing.

**Jack H. Overman Student Center.** Financing of the debt service on the J. H. Overman Student Center renovation comes from previously authorized student fees. The Governor recommends \$198,250 in FY 2002 and \$196,610 in FY 2003 to make the principal payment on bonds issued to renovate the student center. In addition, the Governor recommends

\$350,000 in FY 2002 and \$1,333,000 in FY 2003 from student fees to complete several remodeling projects.

**Horace Mann Debt Service.** The Governor recommends \$121,750 in FY 2002 and \$138,390 in FY 2003 for debt service principal payments on the renovation of the Horace Mann Administration Building. These debt service payments are made from restricted fees.

**Student Health Center & Hospital Improvements.** The Governor recommends \$100,000 in FY 2002 and \$550,000 in FY 2003 from restricted fees to expand the Student Health Center reception area, complete needed remodeling projects, and provide space for another physician.

## **University of Kansas**

**Rehabilitation & Repair.** The Governor recommends \$5,709,047 from the Educational Building Fund for rehabilitation and repair of campus facilities in FY 2002. Of this amount, \$2,887,047 is a reappropriation from FY 2001 and \$2,822,000 is a transfer of new funds from the Board of Regents. The Governor also recommends expenditures of \$1,428,958 from restricted use fee funds to make repairs and improvements to various campus facilities in the current year.

**Parking Improvements.** The Governor recommends \$458,594 in 2002 and \$252,000 in FY 2003 from parking fees for the completion of various parking improvements on the campus.

**Residence Hall Renovations.** The University of Kansas is remodeling the residence halls on campus to a new, suite-style construction. To date, Templin and Lewis Halls have been re-configured. The FY 2002 budget recommendation includes \$540,000 from housing fees for this remodeling.

**Athletic Strength Center Expansion.** Student-athlete training programs are a year-round operation for the Kansas University Athletic Corporation, and an expansion of facilities supporting student athletes is being proposed. The Governor includes athletic corporation and endowment funds of \$1,098,386 in FY 2002 for the facility expansion.

**Child Care Facility.** The University has constructed a new child care facility in the Stouffer Place apartment complex on undeveloped property. The Governor recommends \$47,529 in FY 2002 for completion of this facility.

**Dole Institute.** The University of Kansas has established the Robert J. Dole Institute of Public Service and Public Policy to study major policy issues, encourage student participation and citizen involvement in public life, and offer scholars the opportunity to study politics. The Dole Institute will occupy a free-standing building on the campus to house the new institute. In support of the project, the Governor recommends, for FY 2002, \$2,489,542 from the State Budget Stabilization Fund to be matched with \$5.2 million of private gifts.

**Budig Hall.** Hoch Auditorium burned in June 1991 and construction of a new facility, Budig Hall, began in September 1994. Classes were held in a section of the building in August 1997 while construction continued. The Governor recommends \$891,536 in FY 2002 to complete the three levels below the main floor of the Hall. Funding for the completion was from the University's Tuition Accountability Fund. Budig Hall is a \$22.0 million classroom/office facility.

**Renovation of Robinson Gymnasium.** The University was authorized by the 1998 Legislature to spend \$960,000 from the Sponsored Research Overhead Fund to renovate 8,000 square feet in Robinson Gymnasium. The space will be used to house a new weight-management program sponsored by the National Institute of Health in the University's Department of Health, Sport, and Exercise Sciences. In FY 2002, the University plans to spend the remaining \$257,828 of the original \$960,000 to complete the project.

**University Debt Service.** The Governor recommends \$3,150,000 in FY 2002 and \$2,535,000 in FY 2003 from special revenue funds for principal payments on various projects funded through revenue bonds. These projects include housing projects, parking lot projects, the Regents Center, Student Union renovations, and the Watkins Health Center.

**Student Union Renovation.** The Governor recommends \$34,910 from restricted funds in FY 2002 to complete renovation of the Student Union.

## University of Kansas Medical Center

**Rehabilitation & Repair.** For continued funding for rehabilitation and repair, the Governor recommends \$2,157,754 from the Educational Building Fund for the Medical Center facilities in FY 2002, which includes a reappropriation of \$1,080,754 from FY 2001.

**Parking Lot Improvements.** To perform ongoing routine maintenance on the Medical Center's parking lots, the Governor recommends expenditures of parking fee funds of \$459,267 in FY 2002 and \$499,664 in FY 2003. Expenditures will be from fees collected from those who use the parking lots.

**Center for Health in Aging.** The new facility to house the Center on Aging will provide a single-entry point clinic area, an auditorium for older adults and family education, a community resource center, and a wellness center, among other services for the elderly and their families. In his recommended budget, the Governor includes \$147,205 in FY 2002 to complete construction of this new facility. In addition, \$100,000 in FY 2002 and \$105,000 in FY 2003 is recommended to pay debt service on the project.

**Nursing Education Building.** Under the Crumbling Classrooms Initiative, the Medical Center began construction of a new nursing facility in January 1999. The Governor recommends \$4,876 in FY 2002 for the completion of this \$11.9 million facility.

**Addition to Research Support Facility.** The Medical Center's Research Support Facility was constructed in 1992 to house various animals used in medical research. This biomedical research program has expanded rapidly in recent years, in part, as a result of additional federal research funding. With the new research programs being undertaken at the Medical Center, additional space in this building is needed. The Governor recommends expenditures of \$603,190 in FY 2002 to complete construction of the addition.

**Wahl Hall Renovation.** The Governor recommends \$900,000 in FY 2002 and \$1.2 million in FY 2003 from restricted fees for the renovation of Wahl Hall, if the funding becomes available. The plan will renovate a portion of Wahl Hall east (level five and six) for the establishment of a kidney institution, with funding

from a proposed National Institutes of Health grant. This project will primarily renovate laboratory space.

## **Wichita State University**

**Rehabilitation & Repair.** A total of \$2,910,117 is recommended for FY 2002 by the Governor from the Educational Building Fund for rehabilitation and repair of campus facilities. Of this amount, \$1,749,117 is a reappropriation from FY 2001 and \$1,161,000 is a transfer of new 2002 funds from the Board of Regents.

**Housing System Rehabilitation & Repair.** The Governor's recommendations include \$341,387 in FY 2002 for rehabilitation and repair of University housing. Funding for the rehabilitation and repair projects comes from fees charged to residents.

**Parking Improvements.** The Governor recommends \$578,613 in FY 2002 and \$200,000 in FY 2003 from parking fees for parking improvements on the campus.

**Parking & Housing Debt Service.** The Governor recommends \$570,000 in FY 2002 and \$600,000 in FY 2003 for payment of principal on a bonded project to renovate campus parking and housing.

## **Historical Society**

**Rehabilitation & Repair.** In order to continue rehabilitation and repair projects at the Kansas History Center Complex and the state's historic sites, the Governor recommends \$129,381 from the State General Fund and \$156,092 from federal and private funds in FY 2002. Included are funds for repairs at the William Allen White residence in Emporia. In FY 2003, \$221,092 from federal funds are recommended for rehabilitation and repair projects.

## **Public Safety**

### **Department of Corrections**

**Rehabilitation & Repair.** The Governor recommends rehabilitation and repair projects in FY

2002 and FY 2003 totaling \$4.2 million and \$3.5 million, respectively. Financed from the Correctional Institutions Building Fund, the Department will disburse the funds among the correctional facilities as needed.

**RDU Relocation Bonds Debt Service.** The Governor recommends expenditures of \$1,418,000 from the State General Fund in FY 2002 for the debt service payment in association with relocation of the Reception and Diagnostic Unit to El Dorado. Of this amount, \$888,000 is for interest and \$530,000 is for principal. For FY 2003, \$1,410,000 is recommended from the State General Fund, including \$545,000 for principal and \$865,000 for interest.

**Labette Correctional Conservation Camp Debt Service.** For FY 2002, the Governor recommends a debt service payment of \$166,000, including \$115,000 for principal and \$51,000 for interest. This amount will be paid from the State General Fund. For FY 2003, the Governor recommends \$162,000 from the State General Fund for this payment, including \$115,000 for principal and \$47,000 for interest.

**Ellsworth Correctional Facility Debt Service.** For debt service payments for this facility, the Governor recommends \$1,070,000 from the State General Fund in FY 2002, including \$665,000 for principal and \$405,000 for interest. For FY 2003, the Governor recommends \$1,622,000 from the State General Fund, including \$1,255,000 for the principal payment.

**Wichita Work Release Facility Debt Service.** In FY 2002, a total of \$166,000 from the State General Fund is recommended for the debt service payment for the Wichita Work Release Facility. Of this amount, \$130,000 is for principal and \$36,000 is for interest. For FY 2003, the Governor recommends \$169,000 from the State General Fund, including \$140,000 for principal and \$29,000 for interest.

**Revenue Refunding Bonds Debt Service.** The Governor recommends \$7,324,000 from all funding sources in FY 2002 for the debt service payment for the revenue refunding bonds. Of this amount, \$6,024,000 is for principal and \$1,300,000 is for interest. Of the amount budgeted for principal, \$3,724,000 is from the State General Fund, \$1,542,472 is from the Correctional Institutions Building Fund, and \$757,528 is from special revenue funds.

For FY 2003, the Governor recommends \$7,246,000 from all funding sources. Of this amount, \$5,945,000 is for principal and \$1,301,000 is for interest. Of the amount budgeted for principal, \$3,645,000 is from the State General Fund, \$1,542,472 is from the Correctional Institutions Building Fund, and \$757,528 is from special revenue funds.

**Topeka & Lansing Correctional Facilities Debt Service.** For FY 2002, the Governor recommends \$1,006,000 from the State General Fund for the payment for the debt service payment for the Topeka and Lansing Correctional Facilities. Of this amount, \$820,000 is for principal and \$186,000 is for interest. For FY 2003, the Governor recommends \$1,009,000 from the State General Fund, including \$860,000 for principal and \$149,000 for interest.

**El Dorado Correctional Facility Site Utilities Debt Service.** For FY 2002, the Governor recommends \$1,180,000 for the principal payment on the replacement of the site utilities at the facility. This payment will be paid from revenues received from the Construction Defects Recovery Fund in the Department of Administration. The fund received a settlement from a lawsuit involving contractors for the site utilities. For FY 2003, the Governor recommends a principal payment of \$1,256,000 from the State General Fund and \$619,000 from special revenue funds for a total of \$1,875,000.

**Kansas Correctional Industries Rehabilitation & Repair.** For FY 2003, the Governor recommends expenditures of \$302,000 from the Correctional Industries Fund for the rehabilitation and repair of various correctional industries buildings.

### **El Dorado Correctional Facility**

**Rehabilitation & Repair.** The Governor recommends a total of \$103,756 from the Correctional Institutions Building Fund for ongoing projects in FY 2002. These funds were reappropriated from FY 2001.

### **Ellsworth Correctional Facility**

**Rehabilitation & Repair.** For rehabilitation and repairs, the Governor recommends \$58,315 from the Correctional Institutions Building Fund in FY 2002.

**200-Bed Medium-Security Unit.** The Governor also recommends \$4,004,672 to finish construction of a 200-bed medium-security unit in FY 2002. Of this, \$98,736 is from the State General Fund, with the remainder coming from the Violent Offender Incarceration/Truth-in-Sentencing federal grant. The unit is scheduled to open in April 2002.

### **Hutchinson Correctional Facility**

**Rehabilitation & Repair.** For ongoing rehabilitation and repair projects, the Governor recommends \$580,372 from the Correctional Institutions Building Fund in FY 2002. These funds were reappropriated from FY 2001.

### **Lansing Correctional Facility**

**Rehabilitation & Repair.** For rehabilitation and repairs, the Governor recommends \$543,812 from the Correctional Institutions Building Fund in FY 2002. These funds were reappropriated from FY 2001.

### **Larned Correctional Mental Health Facility**

**Rehabilitation & Repair.** For ongoing rehabilitation and repair projects, the Governor recommends \$177,790 from the Correctional Institutions Building Fund in FY 2002. Of this total, \$98,473 is dedicated to the relocation of the Chemical Dependency Recovery Program from Larned State Hospital to the Facility's West Unit.

### **Norton Correctional Facility**

**Rehabilitation & Repair.** For ongoing rehabilitation and repair projects, the Governor recommends \$312,013 from the Correctional Institutions Building Fund in FY 2002.

### **Topeka Correctional Facility**

**Rehabilitation & Repair.** The Governor recommends \$734,419 from the Correctional

Institutions Building Fund for ongoing rehabilitation and repair projects in FY 2002. These funds were reappropriated from FY 2001.

## **Winfield Correctional Facility**

**Rehabilitation & Repair.** For ongoing rehabilitation and repair projects, the Governor recommends \$95,812 from the Correctional Institutions Building Fund in FY 2002.

## **Adjutant General**

**Armory Repair & Debt Service.** The Governor recommends \$195,000 in FY 2002 and \$197,124 in FY 2003 from the State General Fund to finance the debt service payment associated with the issuance of bonds in both years for the rehabilitation and repair of the 58 statewide armories. Of the \$195,000 in FY 2002, \$100,000 will be used for debt service principal and \$95,000 will be used for debt service interest. Of the recommended amount in FY 2003, \$105,000 will be used to fund debt service principal and \$92,124 will be used for debt service interest.

## **Highway Patrol**

**Training Center Debt Service.** The Governor recommends \$345,000 in FY 2002 from the Highway Patrol Training Center Fund to finance debt service on the Training Center in Salina and \$365,000 in FY 2003. This amount is the principal portion of the debt, which was incurred in FY 1993 for purchase of the Training Center.

**Rehabilitation, Repair, & Scale Replacement.** The Governor recommends \$263,701 in FY 2002 and an additional \$270,249 in FY 2003 for facility rehabilitation, repair, and scale replacement for motor carrier inspection ports across the state and at the Training Center in Salina. Of these amounts, \$50,000 each year comes from the Highway Patrol Training Center Fund, with the remainder coming from the Motor Carrier Inspection Fund.

**Port Modernization.** An amount of \$110,872 is recommended from the Motor Carrier Inspection Fund by the Governor in FY 2003 for port modernization.

These funds will go to rebuild those weigh-stations located on Interstate 70 and Interstate 35 as well as alleviate some ingress and egress issues at the ports.

## **Kansas Bureau of Investigation**

**Rehabilitation & Repair.** The Governor recommends \$373,329 for FY 2002 for rehabilitation and repair projects at the agency's facilities across the state. Of the recommended amount, \$30,000 is from the State General Fund, \$50,000 is from the State Forfeiture Fund, and \$293,329 is from the Remodel Great Bend Facility Fund. The Governor's budget recommendation will allow for routine maintenance activities as well as unanticipated repairs.

**Headquarters Building Debt Service.** The Governor recommends \$190,000 and \$205,000 from the State General Fund to finance the debt service principal payments on the headquarters building in Topeka in FY 2002 and FY 2003, respectively. In addition, \$116,703 for FY 2002 and \$106,575 for FY 2003 are included in the agency's operating budget to finance the interest portion on the debt service payments for these two fiscal years.

## **Juvenile Justice Authority**

**Rehabilitation & Repair—Juvenile Correctional Facilities.** The Governor recommends \$973,356 from the State Institutions Building Fund for rehabilitation projects of the state's four juvenile correctional facilities for FY 2003. The recommendation for FY 2002 includes a \$33,024 reappropriation from FY 2001. Projects at the Atchison, Beloit, and Topeka facilities include installation of additional security lighting and fire systems and road repavement. A total of \$1,033,024 is included for rehabilitation projects in FY 2002.

**Facility Expansion.** A total of \$21,677 from the State Institutions Building Fund is recommended by the Governor to continue planning efforts for facility expansion and construction in FY 2002, with the entire amount reappropriated from FY 2001.

**Debt Service.** The Governor recommends \$1,550,000 from the State Institutions Building Fund for payment

of the principal portion of revenue bonds issued for facility construction and expansion of the juvenile correctional facilities. A total of \$1,305,000 is recommended for the FY 2002 principal payment. Bonds have been issued in FY 2002 to build a 225-bed facility adjacent to the Topeka Juvenile Correctional Facility, a 152-bed facility at Larned, and to convert a living unit at the Beloit Facility to maximum-security rooms.

The 2000 Legislature recommended a total of \$60.0 million for the new facilities and the Beloit project. This total includes \$5.5 million from the Violent Offender Incarceration/Truth-in-Sentencing federal grant, \$4.5 million from the State Institutions Building Fund as well as \$50.0 million in bonds. Of those amounts, a total of \$3,999,362 from the State Institutions Building Fund reappropriated from FY 2001, along with the entire Violent Offender Incarceration/Truth-in-Sentencing grant. Interest payments totaling \$1,844,028 from the State Institutions Building Fund will be made in FY 2003. Estimated completion dates are December 2001 for the Beloit project, December 2002 for the Larned project, and March 2004 for the Topeka project.

## **Agriculture & Natural Resources**

### **Kansas State Fair**

**Rehabilitation & Repair.** For FY 2002, the Governor recommends \$601,123 from the State Fair Capital Improvements Fund for various rehabilitation and repair projects on the State Fairgrounds in Hutchinson. For FY 2003, the Governor recommends \$170,530 from the State General Fund for rehabilitation and repair projects.

**Master Plan Improvements.** For FY 2002, the Governor recommends that the Kansas Development Finance Authority issue bonds up to \$29.0 million for capital improvements for the Kansas State Fair. The financing 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. The agency requested, and in September 2001 the State Finance Council

authorized, \$17.5 million of the \$29.0 million, plus issuance costs, be issued at that time, for a total of \$17,860,000. For FY 2002 and FY 2003, the local government will fund the debt service principal payments of approximately \$27,775 and \$696,546, respectively.

**Meadowlark Building Air Conditioning.** For FY 2003, the Governor recommends \$300,000 to be funded from the State Fair Capital Improvements Fund and \$129,470 from the State General Fund for installation of air conditioning in the Meadowlark Building. The agency received a grant of \$100,000 from the Kansas Department of Commerce and Housing for this project in FY 2002.

This building, formerly known as the Industrial Building, is a 40,800 square foot building that is used for a variety of activities. During the Fair, it houses over 200 commercial exhibitors. During non-Fair periods, it is used for monthly flea markets, a Home and Garden Show, automobile sales, and company picnics. The majority of these non-Fair activities occur from October through early May because of a lack of air conditioning.

## **Department of Wildlife & Parks**

The Governor's recommendation continues capital improvement projects for the Department of Wildlife and Parks for FY 2002, with estimated expenditures of \$11,703,800 from all funding sources. Included among the FY 2002 recommended expenditures are projects financed by the State General Fund totaling \$381,968. For FY 2003, the Governor recommends expenditures of \$4,423,735 for capital improvements from all funding sources, including special revenue and federal funds.

**Rehabilitation & Repair.** The Governor continues efforts to ensure that the state's parks, public lands, and wildlife areas are in good repair and are accessible to all visitors. For FY 2002, an amount of \$4,869,835 from all funding sources is recommended for rehabilitation and repair, and in FY 2003, the recommendation is \$2,672,035 from all funding sources. There are several categories of rehabilitation and repair that are emphasized. These categories are general rehabilitation and repair, ADA accessibility, and road and bridge maintenance.

General rehabilitation and repair includes maintenance on any facility managed by the Department. For FY 2002, the Governor recommends a total of \$1,332,815 from all funding sources for general rehabilitation and repair. Of the total, \$41,359 is from the State General Fund, \$91,402 is from the Park Fee Fund, and \$1,200,054 is from the Wildlife Fee Fund. For FY 2003, the total for rehabilitation and repair is \$970,035. The mix of financing will be the Land and Water Conservation Fund (\$149,242), the Federal Fund (\$50,000), the Wildlife Fee Fund (\$504,150), and the Park Fee Fund (\$266,643).

Of the total amount recommended for rehabilitation and repair in FY 2002, the Governor includes financing specifically for ADA accessibility of \$89,000 from the Wildlife Fee Fund and \$30,000 from the Federal Fund National Recreational Trails Account. The Governor's recommendation for FY 2003 is \$307,000, of which \$103,500 is from the Land and Water Conservation Fund, \$100,000 is from the Wildlife Fee Fund, and \$103,500 is from the Park Fee Fund.

Another category of rehabilitation and repair is for road and bridge maintenance. This category is focused on ensuring that access roads and bridges in state parks, public lands, wildlife areas, and other facilities managed by the Department are safe. To ensure the safety of users, the Governor recommends \$2,751,097 from the State Highway Fund for FY 2002. Of the total, \$2,143,865 is for access roads and \$607,232 is for bridges. The Governor's budget recommendation for FY 2003 totals \$1,700,000 from the State Highway Fund, of which \$1,500,000 is for roads and \$200,000 is for bridges.

**Boating Access & Development.** In recognition of the United States Fish and Wildlife Service's mandate to provide boating access in Kansas, the Governor recommends expenditures for boating access and development of \$2,941,891 for FY 2002 and \$801,700 in FY 2003 from the Wildlife Fee Fund.

**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. In recognition of the need for enhanced recreational activities, the Governor recommends an

amount of \$1,732,567 from special revenue funds for both land and wetlands acquisition, development, and rehabilitation in FY 2002. Included in the total is \$932,567 for land and \$800,000 for wetlands. Financing for land is from the Wildlife Conservation Fund. Financing for wetlands includes \$100,000 from the Migratory Waterfowl Propagation and Protection Fund and \$600,000 from the Wildlife Conservation Fund. In addition, \$132,747 from Wildlife Fee Fund is specifically for Playa Lake development.

In FY 2003, the Governor recommends a total of \$950,000 for both land and wetlands development. The recommendation includes \$500,000 from the Wildlife Fee Fund for land. It also includes \$450,000 for wetlands, of which \$350,000 is from the Wildlife Conservation Fund and \$100,000 is from the Migratory Waterfowl Propagation and Protection Fund.

**Continuation of Other Projects Approved for FY 2001.** Because of the long-term nature of capital improvements, it is common for some projects to encompass multiple fiscal years. The Department has four such projects, which include angler facilities improvements, flood damage repair, Milford Wetlands development, and the Parks 2000 Initiative. The Governor has included financing for each of these projects.

A total of \$256,814 from the Wildlife Fee Fund is provided for improving angler facilities in Kansas in FY 2002. The recommended financing will be used to improve boating and fishing access throughout the Department's water-based facilities. The projects will include ADA compliance, improved lighting, parking lots, ramps, trash collection sites, and bathroom facilities.

For state fishing lake dam repair, the Governor has recommended a total of \$1,269,359 from the Land and Water Conservation Fund. For ongoing development of the Milford Wetlands, the Governor has included \$340,609 from the State General Fund. The Governor first recommended development of the Milford Reservoir Wetlands in FY 1999. The recommendation included \$361,512 from the State General Fund to provide the match for \$1,263,306 in federal funds to develop wetlands specifically at Milford Reservoir. In FY 1999, \$20,903 from the State General Fund financing was expended.

The overall estimated cost to develop Milford Reservoir Wetlands is \$5.0 million and includes three phases. The first phase is financed through a combination of monies from the State General Fund and federal funds through the U.S. Corp of Engineers, as discussed above. The remaining two phases are estimated to cost \$2.9 million, of which \$888,488 is from a combination of state funds and monies from private gifts and donations.

For the Parks 2000 Initiative, the Governor recommends \$291,925 from the State Budget Stabilization Fund in FY 2002. Five years ago, the Governor recommended the Parks 2000 Initiative. Beginning in FY 1999, this major capital improvement plan for state parks was appropriated \$10.0 million from the State Budget Stabilization Fund. Project design and the first phase of actual construction were completed during FY 1999 at a total cost of \$4,225,128. The second phase of construction was carried out in FY 2000 at a cost of \$4,393,840. The third phase of the Initiative was completed in FY 2001 at a cost of \$1,168,854. The remaining projects will be completed in FY 2002 at a cost of \$291,925. The Parks 2000 Initiative will restore, preserve, and enhance the state's park system.

## Transportation

### Kansas Department of Transportation

The Governor recommends \$459.6 million in FY 2002 and \$729.3 million in FY 2003 for Department of

Transportation capital improvement projects. Included in the recommendation are \$94.6 million from the State General Fund in FY 2002. The table below details the recommendation by major expenditure classification.

<b>Comprehensive Transportation Plan Construction Costs</b> <i>(Dollars in Thousands)</i>		
	<u>FY 2002</u>	<u>FY 2003</u>
Routine Maintenance	107,181	111,232
Substantial Maintenance	188,821	183,617
Major Mods./Priority Bridge	557,076	445,270
System Enhancements	117,084	98,816
Total	\$970,162	\$838,935

Included in the FY 2002 budget are funds for rehabilitation and repair projects, replacement of deteriorated roofs on agency facilities, construction of replacement chemical storage buildings for use by the area and sub-area shops, replacement of deteriorated equipment storage sheds at the area and sub-area shops, and the building of remote chemical storage facilities to reduce loading times for maintenance equipment. Also included are funds to repair the District Three Shop in Norton, District Materials Laboratory in Topeka, and the sub-area Shop in Sedan. Funds are also planned for the construction of a sub-area shop in Salina that is to be built on land purchased for this purpose in FY 2002.

## Expenditures for Capital Improvements by Project

	FY 2001 <u>Actual</u>	FY 2002 <u>Gov. Estimate</u>	FY 2003 <u>Base Budget</u>	FY 2003 <u>Enhance. Pkg.</u>	FY 2003 <u>Gov. Rec.</u>
<b>Educational Building Fund</b>					
Board of Regents					
Rehabilitation & Repair	--	--	10,000,000	--	10,000,000
Crumbling Classrooms--Principal	8,465,000	8,850,000	9,280,000	--	9,280,000
Emporia State University					
Rehabilitation & Repair	501,967	941,889	--	--	--
Fort Hays State University					
Rehabilitation & Repair	670,263	888,772	--	--	--
Kansas State University					
Rehabilitation & Repair	1,951,386	2,998,000	--	--	--
KSU--ESARP					
Grain Science Center	--	3,000,000	--	--	--
Pittsburg State University					
Rehabilitation & Repair	372,991	1,314,675	--	--	--
ANG/Armory Student Rec. Center	--	410,000	--	--	--
University of Kansas					
Rehabilitation & Repair	1,706,063	5,709,047	--	--	--
KU Medical Center					
Rehabilitation & Repair	1,541,888	2,157,754	--	--	--
Addition to Research Support Fac.	25,365	603,190	--	--	--
Wichita State University					
Rehabilitation & Repair	908,188	2,910,117	557,386	--	--
Subtotal--Educational Building Fund	16,143,111	29,783,444	19,837,386	--	19,280,000
Crumbling Classrooms--Interest	6,535,000	6,150,000	5,720,000	--	5,720,000
<b>Total--EBF</b>	<b>\$ 22,678,111</b>	<b>\$ 35,933,444</b>	<b>\$ 25,557,386</b>	<b>\$ --</b>	<b>\$ 25,000,000</b>

## State Institutions Building Fund

Social & Rehabilitation Services					
Rehabilitation & Repair	--	--	1,148,322	--	--
Institutional Rehabilitation & Repair	656,073	3,706,950	4,013,605	--	3,500,000
Additional Rehab.--Larned SH	--	--	2,535,023	12,615,584	--
New State Security Hospital	--	--	--	53,551,911	--
Temp. Housing for Sex. Predators	750,000	3,975,330	--	--	356,306
Kansas Neurological Institute					
Rehabilitation & Repair	417,247	--	--	--	--

## Expenditures for Capital Improvements by Project

	FY 2001 <u>Actual</u>	FY 2002 <u>Gov. Estimate</u>	FY 2003 <u>Base Budget</u>	FY 2003 <u>Enhance. Pkg.</u>	FY 2003 <u>Gov. Rec.</u>
Larned State Hospital					
Rehabilitation & Repair	1,649,790	471,607	--	--	--
Osawatomie State Hospital					
Rehabilitation & Repair	739,850	15,026	--	--	--
Parsons State Hospital					
Rehabilitation & Repair	773,832	20,958	--	--	--
Rainbow Mental Health Facility					
Rehabilitation & Repair	2,396	2,604	--	--	--
Commission on Veterans' Affairs					
Rehabilitation & Repair	482,866	179,008	2,614,483		247,733
Veterans' Cemeteries	463,826	--	--	--	--
Facility Improvements	--	--	557,942	--	557,942
School For the Blind					
Rehabilitation & Repair	172,507	142,556	59,435	--	59,435
Bleacher Construction	43,759	6,242	--	--	--
Dining Room & Dorm Renovation	--	102,915	--	--	--
Residence Hall Renov. Contingency	--	4,192	--	--	--
Fire Alarm Upgrade	784	77,606	--	--	--
School for the Deaf					
Rehabilitation & Repair	262,465	297,471	120,000	45,000	165,000
Install Auditorium A/C	--	55,942	--	--	--
Asbestos Removal	2,490	481	--	--	--
Elementary School Site Imp.	549	4,097	--	--	--
Foltz Gym Roof	--	75,705	--	--	--
New Educational Meeting Facility	--	--	--	290,835	--
Parks-Bilger/Taylor Gym Roof	--	--	--	139,885	--
Pool & Laundry Roof Replacement	49,151	150,849	--	--	--
Pool Repair	--	58,718	--	--	--
Purchase Football Field and Housing	--	--	--	100,000	--
Renovate Dormitory	--	384,686	--	327,792	327,792
Roberts Building Renovation	324,987	42,999	--	--	--
Juvenile Justice Authority					
Rehabilitation & Repair	89	1,033,024	1,050,000	1,575,887	973,356
Facility Construction & Expansion	500,639	3,999,362	--	--	--
Facility Expansion	778,826	21,677	--	--	--
Debt Service--Larned and Topeka	--	1,305,000	1,550,000	--	1,550,000
Beloit Juvenile Correctional Facility					
Rehabilitation & Repair	205,156	--	--	--	--
Topeka Juvenile Correctional Facility					
Rehabilitation & Repair	212,744	184,827	--	--	--

## Expenditures for Capital Improvements by Project

	FY 2001 <u>Actual</u>	FY 2002 <u>Gov. Estimate</u>	FY 2003 <u>Base Budget</u>	FY 2003 <u>Enhance. Pkg.</u>	FY 2003 <u>Gov. Rec.</u>
Atchison Juvenile Correctional Facility Rehabilitation & Repair	367,000	--	--	--	--
Subtotal--SIBF	8,857,026	16,319,832	13,648,810	68,646,894	7,737,564
Juvenile Justice Projects--Interest	--	847,038	1,844,028	--	1,844,028
<b>Total--SIBF</b>	<b>\$ 8,857,026</b>	<b>\$ 17,166,870</b>	<b>\$ 15,492,838</b>	<b>\$ 68,646,894</b>	<b>\$ 9,581,592</b>

## Correctional Institutions Building Fund

Department of Corrections Rehabilitation & Repair	74,666	4,138,483	3,457,528	--	3,457,528
Debt Service--Const. & Other Projs.	1,000,000	1,542,472	1,542,472	--	1,542,472
El Dorado Correctional Facility Rehabilitation & Repair	20,283	103,756	--	--	--
Ellsworth Correctional Facility Rehabilitation & Repair	27,994	58,315	--	--	--
Hutchinson Correctional Facility Rehabilitation & Repair	644,639	580,372	--	--	--
Lansing Correctional Facility Rehabilitation & Repair	1,400,296	543,812	--	--	--
New Maintenance Shop Building	--	--	--	631,948	--
Larned Correctional Facility Rehabilitation & Repair	21,249	79,317	--	--	--
CDRU New Unit	201,527	98,473	--	--	--
Norton Correctional Facility Rehabilitation & Repair	157,572	312,013	--	--	--
Topeka Correctional Facility Rehabilitation & Repair	205,296	734,419	--	--	--
Winfield Correctional Facility Rehabilitation & Repair	90,814	95,812	--	--	--
<b>Total--CIBF</b>	<b>\$ 3,844,336</b>	<b>\$ 8,287,244</b>	<b>\$ 5,000,000</b>	<b>\$ 631,948</b>	<b>\$ 5,000,000</b>

## State General Fund

Department of Administration Rehabilitation & Repair	45,404	125,000	--	180,000	--
Ad Astra Cap. Dome Reinforce.	--	--	--	750,000	--
Dillon House Repairs	--	--	--	84,000	--

## Expenditures for Capital Improvements by Project

	FY 2001 <u>Actual</u>	FY 2002 <u>Gov. Estimate</u>	FY 2003 <u>Base Budget</u>	FY 2003 <u>Enhance. Pkg.</u>	FY 2003 <u>Gov. Rec.</u>
Energy Conservation Imp. Program	1,975,000	2,080,000	1,750,000	--	1,750,000
Judicial Center Improvements	--	25,000	55,000	--	40,000
Judicial Center Improvements	--	124,730	--	872,000	--
Judicial Center Rehab. & Repair	--	100,000	100,000	--	75,000
Judicial Ctr. Renov. of AG's Space	--	95,000	--	--	--
Statehouse Cmte. Rm. Remodeling	49,780	--	--	--	--
Statehouse Fire/Security Install.	--	118,616	--	--	--
Statehouse Grounds & Fac. Imps.	6,600	381,507	--	--	--
Statehouse Improvements	--	400,000	555,000	935,000	815,000
Judiciary					
Renovation of Chambers	--	--	--	--	114,400
Social & Rehabilitation Services					
Rehab. & Repair at State Hospitals	--	--	--	27,240,881	--
Osawatomie State Hospital					
Rehabilitation & Repair	14,902	--	--	--	--
Department of Human Resources					
Capital Operating Expenditures	--	--	66,800	--	--
Emporia State University					
William Allen White Renovation	--	--	--	334,921	--
Fort Hays State University					
McCartney Hall Renovation	--	--	--	295,000	--
Kansas State University					
Aeronautical Center Lease	189,446	189,446	189,446	--	189,446
Pittsburg State University					
ANG/Armory Student Rec. Center	--	--	--	1,825,400	--
University of Kansas					
Rehabilitation & Repair	1,469,319	--	--	--	--
Electrical Distribution Imps.	--	--	--	4,140,000	--
KU Medical Center					
Applegate Energy Center	--	--	--	13,972,000	--
Wichita State University					
Rehabilitation & Repair	25,800	--	--	--	--
3-D Art and Graduate Painting Fac.	--	--	--	485,925	--
Historical Society					
Rehabilitation & Repair	385,185	129,381	75,000	188,500	--
Hist. Sites Preservation and Devel.	--	--	--	948,207	--
Museum ADA Alarms and Signs	--	--	--	53,375	--

## Expenditures for Capital Improvements by Project

	FY 2001 Actual	FY 2002 Gov. Estimate	FY 2003 Base Budget	FY 2003 Enhance. Pkg.	FY 2003 Gov. Rec.
Department of Corrections					
Rehabilitation & Repair	--	--	--	1,542,472	--
Debt Service--ECF	1,020,000	665,000	1,255,000	--	1,255,000
Debt Service--EDCF Site Utilities	--	--	1,256,000	--	1,256,000
Debt Serv.--Labette Conserv. Camp	110,000	115,000	115,000	--	115,000
Debt Serv.--RDU Reloc. Bond Issue	510,000	530,000	545,000	--	545,000
Debt Service--Rev. Refund. Bond	4,245,000	3,724,000	3,645,000	--	3,645,000
Debt Serv.--TCF & LCF Bond Issue	--	820,000	860,000	--	860,000
Debt Service--Wichita Work Release	125,000	130,000	140,000	--	140,000
Ellsworth Correctional Facility					
200-Bed Medium Security Unit	519,017	98,736	--	--	--
Hutchinson Correctional Facility					
New Industries Building	--	--	--	673,520	--
Control Center & Armory Reloc.	--	--	--	74,632	--
Larned Correctional Facility					
Construct New Warehouse	--	--	--	339,677	--
Norton Correctional Facility					
Medium Security Dining Area	--	--	--	475,956	--
New Warehouse and Maint. Shop	--	--	--	753,750	--
Topeka Correctional Facility					
Rehabilitation & Repair	20,708	--	--	--	--
Industries Building	--	--	--	416,848	--
Adjutant General					
Reroof Armories	9,815	--	--	--	--
Armory Repair--Debt Service	--	100,000	105,000	--	105,000
Kansas Bureau of Investigation					
Rehabilitation & Repair	15,000	30,000	--	--	--
Headquarters Bldg.--Debt Service	180,000	190,000	205,000	--	205,000
State Fair					
ADA Improvements	150,000	--	--	--	--
Rehabilitation & Repair	300,000	--	300,000	--	300,000
Department of Wildlife and Parks					
Rehabilitation & Repair	44,589	6,359	--	--	--
Crawford State Lake Sewer Repair	--	35,000	--	--	--
Steve Lloyd Wetland Development	--	340,609	--	--	--
Rehab. & Repair--Parks Imps.	--	--	--	350,758	--
Department of Transportation					
Construction Contracts	51,708,599	94,558,506	148,999,858	--	--
<b>Total--State General Fund</b>	<b>\$ 63,119,164</b>	<b>\$ 105,111,890</b>	<b>\$ 160,217,104</b>	<b>\$ 56,932,822</b>	<b>\$ 11,409,846</b>

## Expenditures for Capital Improvements by Project

	FY 2001 <u>Actual</u>	FY 2002 <u>Gov. Estimate</u>	FY 2003 <u>Base Budget</u>	FY 2003 <u>Enhance. Pkg.</u>	FY 2003 <u>Gov. Rec.</u>
<b>Regents Restricted Funds</b>					
Board of Regents					
Rehabilitation & Repair	209,025	--	--	--	--
Emporia State University					
Men's Dormitories	35,000	40,000	45,000	--	45,000
Residence Hall Debt Service	170,000	180,000	190,000	--	190,000
Student Rec. Building Debt Serv.	--	90,000	95,000	--	95,000
Student Union Renovation	131,000	131,000	131,000	--	131,000
Restricted Use Capital Projects	4,245,520	2,407,908	--	--	--
Fort Hays State University					
Student Housing Debt Service	180,000	195,000	195,000	--	195,000
Restricted Use Capital Projects	1,055,708	1,027,680	--	--	--
Kansas State University					
Food Safety & Sec. Research Fac.	--	--	3,000,000	--	3,000,000
Parking Improvements	382,408	800,000	775,000	--	775,000
Restricted Use Capital Projects	11,675,039	--	--	--	--
University Debt Service	2,070,455	2,283,395	2,343,024	--	2,343,024
KSU--ESARP					
Horticulture-Forestry Res. & Ed. Ctr.	--	1,000,000	--	--	--
Pittsburg State University					
Jack H. Overman Student Center	--	350,000	1,333,000	--	1,333,000
Horace Mann Debt Service	105,530	121,750	138,390	--	138,390
Overman Student Center Debt Serv.	199,470	198,250	196,610	--	196,610
Restricted Use Capital Projects	1,579,723	--	--	--	--
University of Kansas					
Rehabilitation & Repair	907,459	1,428,958	--	--	--
Athletic Strength Center Expansion	45,190	1,098,386	--	--	--
Budig Hall Construction	89,900	891,536	--	--	--
Child Care Facility Construction	149,845	47,529	--	--	--
Dole Institute Construction	26,480	7,689,542	--	--	--
Equipment for Bioreseach Facility	--	--	--	5,000,000	--
Parking Improvements	583,137	458,594	252,000	--	252,000
Residence Hall Renovations	826,330	540,000	--	--	--
Robinson Gymnasium Renovation	230,995	257,828	--	--	--
Student Union Renovation	34,910	34,910	--	--	--
Restricted Use Capital Projects	5,214,124	--	--	--	--
University Debt Service	2,045,000	3,150,000	2,535,000	--	2,535,000
KU Medical Center					
Wahl Hall Renovation	--	900,000	1,200,000	--	1,200,000
Ctr. for Health in Aging Debt Serv.	90,000	100,000	105,000	--	105,000

## Expenditures for Capital Improvements by Project

	FY 2001 Actual	FY 2002 Gov. Estimate	FY 2003 Base Budget	FY 2003 Enhance. Pkg.	FY 2003 Gov. Rec.
Parking Lot Improvements	485,750	459,267	449,664	--	449,664
Center for Health in Aging	558,795	147,205	--	--	--
Nursing Educ. Bldg. Construction	2,865	4,876	--	--	--
Restricted Use Capital Projects	971,123	--	--	--	--
Addition to Research Support Fac.	--	--	400,000	--	--
Wichita State University					
Housing System Rehab. & Repair	673,006	341,387	--	--	--
Parking & Housing--Debt Service	--	570,000	600,000	--	600,000
Parking Improvements	109,000	578,613	200,000	--	200,000
Restricted Use Capital Projects	1,269,111	--	--	--	--
<b>Total--Regents Rest. Funds</b>	<b>\$ 36,351,898</b>	<b>\$ 27,523,614</b>	<b>\$ 14,183,688</b>	<b>\$ 5,000,000</b>	<b>\$ 13,783,688</b>

## Special Revenue Funds

Department of Administration					
9th Street Parking for the Disabled	--	70,000	--	--	--
Executive Mansion Gifts Projects	325,996	--	--	--	--
History Center Repair of Defects	106,330	--	--	--	--
Judicial Center Improvements	--	77,970	--	--	--
Memorial Hall Parking	--	52,000	--	--	--
Paint & Grounds Shop Debt Service	4,395	14,002	15,315	--	15,315
Repairs for State Parking Lots	--	95,000	95,000	--	95,000
State Elevator Renovation	21,403	43,897	--	--	--
State Fair Repair of Defects	4,880	--	--	--	--
Statehouse Fire Alarm & Sec. Sys.	--	105,499	--	--	--
Statehouse Grounds & Fac. Imps.	27,861	94,490	--	--	--
Topeka St. Hosp. Mem. Cemetery	--	--	--	20,000	20,000
Department of Commerce & Housing					
Goodland Info. Ctr. Rehab. & Repair	--	100,000	--	--	--
Travel Info. Ctrs. Rehab. & Repair	19,060	15,000	15,000	--	15,000
Insurance Department					
Rehabilitation & Repair	169,169	37,000	20,000	--	20,000
Insurance Building Debt Service	115,000	120,000	130,000	--	130,000
Social & Rehabilitation Services					
Chanute Area Office Rehab. & Rep.	166,000	166,000	300,000	--	300,000
Department of Human Resources					
Rehabilitation & Repair	52,846	50,000	50,000	--	50,000
Building Renovation	--	120,862	63,200	--	130,000
Debt Service for 1430 SW Topeka	--	--	55,000	--	55,000
Bond Issuance for New Building	--	--	125,000	--	--
Planning Money for New Building	--	--	--	--	210,000
Commission on Veterans' Affairs					
Facility Improvements	--	--	1,036,178	--	1,036,178
Veterans' Cemeteries	--	3,980,862	7,619,920	--	7,619,920

## Expenditures for Capital Improvements by Project

	FY 2001 <u>Actual</u>	FY 2002 <u>Gov. Estimate</u>	FY 2003 <u>Base Budget</u>	FY 2003 <u>Enhance. Pkg.</u>	FY 2003 <u>Gov. Rec.</u>
Emporia State University					
Parking Lot Improvements	19,184	90,000	90,000	--	90,000
William Allen White Renovation	394,170	394,170	394,170	--	394,170
Fort Hays State University					
Parking Improvements	213,816	300,000	300,000	--	300,000
KSU--ESARP					
Construct Grain Science Center	--	4,000,000	4,000,000	--	4,000,000
Pittsburg State University					
ANG/Armory Student Rec. Center	--	--	1,000,000	--	1,000,000
Parking Lot Improvements	187,255	200,000	200,000	--	200,000
Student Health Ctr. Improvements	--	100,000	550,000	--	550,000
Student Housing Improvements	567,747	1,836,000	1,250,000	--	1,250,000
Historical Society					
Rehabilitation & Repair	207,913	156,092	221,092	--	221,092
Department of Corrections					
Debt Service--Rev. Refund. Bonds	--	757,528	757,528	--	757,528
Corr. Industries--Rehab. and Repair	--	--	302,000	--	302,000
Debt Service--EDCF Site Utilities	1,130,000	1,180,000	619,000	--	619,000
Ellsworth Correctional Facility					
200-Bed Medium Security Unit	4,671,096	3,905,936	--	--	--
Hutchinson Correctional Facility					
Rehabilitation & Repair	30,299	--	--	--	--
Juvenile Justice Authority					
Facility Construction and Expansion	--	5,500,000	--	--	--
Osawatomie State Hospital					
Rehabilitation & Repair	128	--	--	--	--
Adjutant General					
Reroof Armories	1,645,304	--	--	--	--
Kansas Bureau of Investigation					
Rehabilitation & Repair	--	50,000	--	--	--
Remodel Great Bend Facility	--	293,329	--	--	--
Highway Patrol					
Rehabilitation & Repair	177,322	263,701	270,249	--	270,249
Training Center--Debt Service	325,000	345,000	365,000	--	365,000
Port Modernization	--	--	110,872	--	110,872

## Expenditures for Capital Improvements by Project

	FY 2001 Actual	FY 2002 Gov. Estimate	FY 2003 Base Budget	FY 2003 Enhance. Pkg.	FY 2003 Gov. Rec.
State Fair					
Rehabilitation & Repair	27,944	601,123	15,497	--	15,497
Master Plan Debt Service	--	27,775	696,546	--	696,546
Meadowlark Building AC	--	--	284,503	--	284,503
Department of Wildlife & Parks					
Rehabilitation & Repair	1,603,604	2,038,179	467,885	--	467,885
Rehab. & Repair--Parks Imps.	--	--	--	350,758	--
Rehab. & Repair--Public Lands	--	--	--	498,650	504,150
Crawford State Lake Sewer Repair	--	40,000	--	--	--
Motorboat Access	835,585	3,198,705	801,700	--	801,700
Wetlands Acquisition & Devel.	139,165	800,000	450,000	--	450,000
Land Acquisition	74,602	932,567	500,000	--	500,000
Roads Maintenance	1,001,306	2,143,865	1,500,000	--	1,500,000
Bridge Maintenance	94,887	607,232	200,000	--	200,000
River Access	--	--	--	100,000	--
Remodel Engineering Office	--	--	--	33,876	--
Parks 2000	1,168,854	291,925	--	--	--
State Fishing Lake Dam Repair	1,109,484	1,269,359	--	--	--
<b>Total--Spec. Revenue Funds</b>	<b>\$ 16,637,605</b>	<b>\$ 36,465,068</b>	<b>\$ 24,870,655</b>	<b>\$ 1,003,284</b>	<b>\$ 25,546,605</b>
State Highway Fund					
Department of Transportation					
Design Contracts	50,879,146	48,000,000	50,500,000	--	50,500,000
Construction Operations	52,109,477	57,097,092	58,517,226	--	59,243,486
Construction Contracts	77,776,473	63,377,494	300,122,892	--	449,122,750
City/County Construction	72,578,129	140,054,960	116,676,640	--	116,676,640
Debt Service	42,945,000	45,095,000	47,405,000	--	47,405,000
KDOT Buildings--Rehab. & Repair	3,656,247	11,429,035	7,616,377	--	6,356,185
<b>Total--State Highway Fund</b>	<b>\$ 299,944,472</b>	<b>\$ 365,053,581</b>	<b>\$ 580,838,135</b>	<b>\$ --</b>	<b>\$ 729,304,061</b>
<b>Total--Statewide Cap. Imps.</b>	<b>\$ 444,897,612</b>	<b>\$ 588,544,673</b>	<b>\$ 818,595,778</b>	<b>\$ 132,214,948</b>	<b>\$ 812,061,764</b>
Department of Administration					
Rehabilitation & Repair	28,000	281,776	75,000	125,000	200,000
Capitol Complex Tunnels	--	--	--	345,500	345,500
Docking 11th Floor Re-Roofing	--	106,000	--	--	--
Docking Bldg. Assessment Study	--	--	--	250,000	250,000
Docking Elec. Equip. Cond. Survey	--	--	--	40,000	40,000
Docking Fire Suppression System	--	50,000	--	--	--
Docking Renovation	155,000	--	--	--	--
Energy Conservation Projects	143,700	149,300	--	--	--
Landon Bldg. Assessment Study	--	--	--	250,000	250,000
Landon Elec. Power System Study	--	180,000	--	--	--
Landon Fail Safe Power Supply	20,069	887,861	--	--	--

## Expenditures for Capital Improvements by Project

	FY 2001	FY 2002	FY 2003	FY 2003	FY 2003
	<u>Actual</u>	<u>Gov. Estimate</u>	<u>Base Budget</u>	<u>Enhance. Pkg.</u>	<u>Gov. Rec.</u>
Landon Fire Suppression System	--	50,000	--	--	--
Landon Security Improvements	33,870	30,000	--	--	--
Landon St. Off. Bldg.--Debt Service	901,773	922,197	936,920	--	936,920
Landon-Memorial Tunnel & Walkway	--	277,860	--	--	--
Landon-Statehouse Tunnel/Walkway	--	478,900	--	--	--
Mem. Hall Off. Bldg.--Debt Service	175,000	185,000	195,000	--	195,000
Motor Pool Shop--Debt Service	19,312	21,456	23,837	--	23,837
Printing Plant--Debt Service	130,963	131,621	138,676	--	138,676
State of Kansas Building Projects	--	--	315,000	--	315,000
<b>Total--Off-Budget Expend.</b>	<b>\$ 1,607,687</b>	<b>\$ 3,751,971</b>	<b>\$ 1,684,433</b>	<b>\$ 1,010,500</b>	<b>\$ 2,694,933</b>

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## The Budget Process: A Primer

The purpose of this primer is to describe briefly the annual budget and appropriations process for the State of Kansas.

The Governor, by KSA 75-3721, must present spending recommendations to the Legislature. *The Governor's Budget Report* reflects expenditures for both the current and upcoming fiscal years and identifies the sources of financing for 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 2003 Governor's Budget Report*, the actual fiscal year is FY 2001, the current fiscal year is FY 2002, and the budget year is FY 2003.

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 of the "uncommitted" revenue sources available to the state. It is also the fund to which most general tax receipts are credited. The Legislature may spend State General Fund dollars for any governmental purpose.

Special revenue funds, by contrast, are dedicated to a specific purpose. For instance, the Legislature may not spend monies from the State Highway Fund to build new prisons. The State Highway Fund, which is the largest state special revenue fund, can be used only for highway purposes. It consists primarily of motor fuel taxes, federal grants, vehicle registration fees, a dedicated one-fourth cent sales tax, and a transfer from the State General Fund. Other examples of special revenue funds are the three state building funds, which can be used only for capital improvements; federal funds made available for specific purposes; and the Board of Accountancy Fee Fund, which can be used only to support operations of the Board.

**Revenue Estimates.** The tool used by both the Governor and the Legislature to determine State General Fund revenue is the "consensus revenue estimate" prepared by the Consensus Revenue Estimating Group.

The consensus revenue estimate is important because both the Governor and the Legislature base their budget decisions on it. The estimate is categorized by major source and covers a two-year period: the current year and the budget year. In addition, KSA

75-6701 requires that the Director of the Budget and the Director of the Legislative Research Department certify a joint estimate of State General Fund resources to the Legislature. The revenue estimating process is the source of that estimate.

The Consensus Revenue Estimating Group is composed of representatives of the Division of the Budget, the Department of Revenue, the Legislative Research Department, and one consulting economist each from the University of Kansas, Kansas State University, and Wichita State University. The Director of the Budget serves as unofficial chairperson of the group.

The Consensus Revenue Estimating Group meets each spring and fall. Before December 4 (typically in November) of each year, the group makes its initial estimate for the budget year and revises its estimate for the current year. The results are reported to the Governor, Legislature, and public in a joint memorandum from the Director of Legislative Research and the Director of the Budget. The group meets again before April 4 to review the fall estimate and additional data. The group then publishes a revised estimate which the Legislature may use in adjusting expenditures, if 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 2003 is \$4.59 billion, which is subject to revision in April 2002. 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.

**“Spending Lid” Statute.** This term refers to KSA 75-6701 to 75-6704. The purpose of the law is to ensure an adequate operating balance in the State General Fund. The practical effect of this provision is to target the ending balance in the State General Fund to be at least 7.5 percent of authorized expenditures and demand transfers in the budget year.

The “spending lid” statute requires that *The Governor's Budget Report* and actions of the Legislature 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.

**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 resources, education, public safety, agriculture and natural resources, and transportation. Category of expenditure classifies expenditures by budgeting and accounting objects of expenditure (state operations; aid to local governments; other assistance, grants, and benefits; and capital improvements).

Each of the six functions of government is discussed in a section of this volume. The following is a brief description of each function.

*General Government* includes state agencies with both administrative and regulatory functions. These agencies include the state's elected officials (Governor, Secretary of State, etc.) and the Department of Administration. The Corporation Commission, the Board of Nursing, the Racing 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 8.1

percent of total expenditures and 4.4 percent of State General Fund expenditures recommended by the Governor for FY 2003 are for General Government.

<b>Expenditures by Function, FY 2003</b>			
<i>(Dollars in Millions)</i>			
		<u>State</u>	<u>All Funding</u>
		<u>General Fund</u>	<u>Sources</u>
General Government	\$	190.3	\$ 789.8
		4.4%	8.1%
Human Resources	\$	824.9	\$ 2,812.8
		12.2%	29.0%
Education	\$	2,910.8	\$ 4,108.8
		67.8%	42.4%
Public Safety	\$	319.9	\$ 441.7
		7.5%	4.6%
Agriculture & Natural Resources	\$	48.7	\$ 268.5
		1.1%	2.8%
Transportation		--	\$ 1,272.3
		--	13.1%
Total	\$	4,294.5	\$ 9,693.9
		100.0%	100.0%

*Totals may not add because of rounding.*

Agencies in the *Human Resources* function provide services to individuals. Such services include the nutrition programs of the Department on Aging; care of the developmentally disabled by the Department of Social and Rehabilitation Services; services to veterans provided by the Kansas Commission on Veterans' Affairs; job training placement assistance provided by the Department of Human Resources; Division of Health programs in the Department of Health and Environment; and financial assistance and social services provided by the Department of Social and Rehabilitation Services. Recommended Human Resources expenditures for FY 2003 constitute 29.0 percent of all recommended expenditures and 12.2 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 42.4 percent of total expenditures for FY 2003 and 67.8 percent of the State General Fund expenditures.

*Public Safety* agencies ensure the safety and security of Kansas citizens. Agencies in this function include the Department of Corrections and law enforcement agencies. Also included are the Juvenile Justice Authority and the juvenile correctional facilities (for youth offenders), the Highway Patrol, and the Kansas Bureau of Investigation. Public Safety expenditures constitute 4.6 percent of the total recommended expenditures for the FY 2003 budget and 7.5 percent of recommended expenditures from the State General Fund.

*Agriculture and Natural Resources* agencies protect the natural and physical resources of the state and regulate the use of those resources. The FY 2003 expenditures recommended by the Governor constitute 2.8 percent of total expenditures and 1.1 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. Responsibilities of this agency include maintenance and construction of highways in Kansas. Recommended expenditures constitute 13.1 percent of the total recommended budget for FY 2003 and no State General Fund expenditures.

Categories of expenditure are based on accounting objects of expenditure. The four general categories are state operations; aid to local governments; other assistance, grants, and benefits; and capital improvements. The first three categories constitute what are called operating expenditures.

Following is a brief guide to the general categories of expenditure:

*State Operations* includes expenses incurred conducting the day-to-day business of state government. The largest category of these costs is the salaries and wages paid to state employees. Expenditures in this category constitute 27.9 percent of the FY 2003 total budget and 30.6 percent of the State General Fund budget.

*Aid to Local Governments* consists of payments made to governments which provide services at the local level and in most cases have taxing authority. General State Aid to school districts is an example; it consists of more than \$1,699.8 million for FY 2003. This category constitutes 33.7 percent of the FY 2003 total budget and 56.3 percent of the State General Fund budget.

<b>Expenditures by Category, FY 2003</b>			
<i>(Millions of Dollars)</i>			
	State	All Funding	
	General Fund	Sources	
State Operations	\$ 1,197.7	\$ 2,968.8	
	27.9%	30.6%	
Aid to Local Governments	\$ 2,419.3	\$ 3,270.4	
	56.3%	33.7%	
Other Assistance, Grants, & Benefits	\$ 674.0	\$ 2,642.6	
	15.7%	27.3%	
Capital Improvements	\$ 3.6	\$ 812.1	
	0.1%	8.4%	
Total	\$ 4,294.5	\$ 9,693.9	
	100.0%	100.0%	

*Totals may not add because of rounding.*

*Other Assistance, Grants, and Benefits* constitutes payments to individuals and agencies that are not governmental units. 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 27.3 percent of total expenditures in FY 2003 and 15.7 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. Highway construction costs are estimated at \$729.3 million for FY 2003. This represents 89.8 percent of all capital improvement expenditures. Capital improvement expenditures represent 8.4 percent of total expenditures in FY 2003 and 0.1 percent of State

General Fund expenditures. Included in this volume are separate sections on capital improvements and debt service.

**State Employees.** A major part of the state operations category of expenditures is salary and wage payments to employees in the State Civil Service. For FY 2003, 19.1 percent of all expenditures are estimated for salaries and wages.

The State Civil Service, by KSA 75-2935, includes the classified and the unclassified service. Employees hired to fill positions in the classified service must be hired on the basis of merit and fitness and on the basis of competitive examinations. These employees are also promoted and discharged according to rules and regulations established for administration of the Kansas Civil Service Act.

The classified service includes *regular* full-time and part-time positions. The classified service also includes the following special types of appointments:

*Limited Term* appointments are made in cases where the position will be eliminated at the end of a predetermined length of time as stipulated in a federal grant or contractual agreement. Except for this time factor, which means an employee in one of these positions has no layoff rights, limited term appointments are the same as classified positions.

*Temporary* positions may be either classified or unclassified. Those positions in the classified service require the employee filling the position to work fewer than 1,000 hours in a 12-month period. The unclassified 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 specific agencies, or types of agencies, for specific purposes. Examples are all employees of the Legislature; teaching, research, student, and health care employees of Regents institutions; and all employees of the courts. Unclassified positions are governed by rules and regulations of the 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 and strategies for fulfilling the agency mission; and allocate resources according to priority and ensure accountability for the use of those resources. As part of the strategic planning process, agencies identify an

agency mission, agency philosophy, goals and objectives, and performance measures to track progress toward the plan.

Agencies are requested to prepare 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. Legislative and Judicial agencies are not subject to the allocation process. 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 budget components are intended to reflect program priorities.

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. Each level of budget represents the agency’s best judgment concerning program priorities. Further, budget submissions document performance at each level of spending that relates to the outputs and outcomes identified in the agency’s strategic plan. Evaluation of performance at each budget level provides a means for weighing budget alternatives and is a tool used to determine agency budgets.

Beginning September 15, analysts in the Division of the Budget review agency budget requests. The Division of the Budget recommendations, based on those analyses, are provided to each state agency by November 10. The agencies then have ten days to determine whether to appeal those recommendations to the Secretary of Administration. Many appeal the recommendations in writing; some also request 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 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 budget requests. Following receipt of the Governor's recommendations, legislative fiscal analysts begin updating 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 budget analysis and copies are distributed to each legislator.

**Consideration by First House.** The Governor's budget recommendations are drafted into appropriation language by the Office of the Revisor of Statutes. Appropriations are 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 chairpersons of the committees appoint subcommittees to consider appropriations for various agencies. Subcommittees vary in size. Usually between two and five persons are named to a subcommittee. After reviewing the budget requests, the subcommittee drafts a report which details all budgetary adjustments to the Governor's budget recommendations that the subcommittee wishes to make. The subcommittee report may contain administrative or programmatic recommendations.

The subcommittee report is presented to the full committee for consideration. A committee may adjust the recommendations of its subcommittee in any area or it may adopt the entire report as submitted. The appropriations are reprinted 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.

**Consideration by Second House.** The process for review of the appropriations in the second house repeats the steps followed in the house of origin.

**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 returns to the conference committee for further review and 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, and 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 for the meetings. Items are eligible to receive Finance Council consideration only if they are characterized as a legislative delegation to the Finance Council. Approval of Finance Council items typically requires the vote of the Governor and a majority of the legislative members.

Present statutes characterize the following items of general application to state agencies as legislative delegations, allowing them to receive Finance Council approval under certain circumstances:

1. Increases in expenditure limitations on special revenue funds and 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 statute.
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.

Certain other items of limited application are characterized as legislative delegations by individual legislative acts, allowing them to be subject to Finance Council action. The Finance Council cannot appropriate money from the State General Fund, authorize expenditures for a purpose that specifically was rejected by the previous legislative session, or commit future legislative sessions to provide funds for a particular program.

*Prepared by the Division of the Budget in cooperation with the Legislative Research Department.*

## **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, remodeling, rehabilitation and repair, razing, and the principal portion of debt service for a capital expense. The interest portion of the debt is an operating expense.

## **Classified Temporary Positions**

An appointment not exceeding 999 hours of employment in a 12-month period. Temporary

positions do not count toward the agency's FTE position limitation. Employees in these positions do not generally receive fringe benefits.

## **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 as employee fringe benefits.

## **Full-Time Equivalent (FTE) Positions**

State employee positions that are permanent and either full-time or part-time but mathematically equated to full-time, e.g., two half-time positions equal one full-time position. Limited term positions are included in the limitation. Teaching positions contracted for nine or more months are considered 1.0 FTE position.

## **Functions of Government**

The six classifications into which similar agencies are grouped to reflect the basic purposes of state government: General Government, Human Resources, Education, Public Safety, Agriculture & Natural Resources, and Transportation (see the Primer).

## **Fund**

A fund is a basic unit of classification in both the budget process and the accounting system for agency monies. Fund names and numbers are included in the Division of Accounts and Reports' *Central Chart of Accounts*, which lists every active fund by agency.

## **Holiday Pay**

Payments to employees working on a legal holiday, such as certain personnel in correctional facilities or state hospitals, who receive additional compensation at the rate of one and one-half times the regular rate of pay. The additional pay may be given in the form of wages or compensatory time credits.

## **Lapse**

That portion of an appropriation not spent or reappropriated. A lapsed appropriation reverts to the fund from which it was made and becomes part of the unappropriated balance. 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 \$40 per year of service times the number of years of state service. Minimum eligibility is ten years of state service, and the maximum payment is \$1,000, or 25 years of service.

## **Multi-Year Appropriation**

A legislative authorization to expend funds that provides funding for more than one fiscal year.

## **Non-Expense Item**

This is an expenditure of funds that has no budgetary implications—for example, an expense incurred from the purchase of supplies for which an agency is subsequently reimbursed. The amount is shown 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. A work period may vary depending on the type of position. A normal work period is 40 hours for one work week. However, law enforcement and firefighters have different work period requirements.

## **Performance Budgeting**

A budgeting process that uses strategic plans and performance measures to distribute available financial resources 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 specified expenditure accounts under the authority of laws other than appropriation acts. Examples are transfers to the State Fair Capital Improvements Fund. For budgeting, these transfers are treated as State General Fund expenditures.

## **Transfer (Revenue)**

Authority in appropriation bills transferring all or part of the revenue in a fund to another fund prior to expending the funds. The Governor’s budget recommendation includes the State General Fund transfer to the State Water Plan Fund and the School District Capital Improvement Fund as revenue transfers. These transfers are demand transfers in statute, but the Governor proposes to convert them to revenue transfers.

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# Major State Funds

The state's major funds are described below, including the source of their revenue and how they are used, as a guide to understanding the schedules that follow.

## **Children's Initiatives Fund**

A fund capitalized by proceeds from the national settlement with tobacco companies. The fund finances programs designed to benefit the physical and mental health, welfare, and safety of children.

## **Clearing Funds**

Funds into which monies are transferred from other funds and then disbursed for a particular expenditure, such as payroll.

## **Correctional Institutions Building Fund**

A fund for financing capital improvements at state correctional facilities. Income is derived from a transfer of 10.0 percent of the State Gaming Revenues Fund, with an annual maximum of \$5.0 million.

## **Economic Development Initiatives Fund**

A fund for financing economic activities. The fund, which is administered by the Department of Commerce and Housing, receives revenues from lottery and racing activities. Most monies are appropriated directly from this fund to various agencies, while a few are transferred to special revenue funds.

## **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.

## **Highway Funds**

The State Highway Fund and several other special purpose funds. Receipts are dedicated to the maintenance and construction of state and local streets and highways and to operations of the Department of Transportation and the Department of Revenue's Division of Motor Vehicles. Revenue sources include motor fuel taxes, motor vehicle registration taxes, driver's license fees, special vehicle permits, federal funds, and proceeds from the sale of bonds.

## **Intra-Governmental Service Funds**

Funds that account for the provision of goods and services by state agencies for other state agencies. Through these funds, goods and services are charged to, and paid by, the recipient agency.

## **Juvenile Detention Facilities Fund**

A fund financing facilities or programs that provide an alternative to the detention of juveniles in local jails. The fund is capitalized by a transfer of 5.0 percent of the revenues to the State Gaming Revenues Fund and 20.0 percent of the collections from the reinstatement of driver's licenses.

## **Retirement Funds**

The employee retirement funds managed by the Kansas Public Employees Retirement System. Employees of participating state and local governments are eligible to receive retirement benefits from these funds, which are financed by investment earnings and employer and employee contributions.

## **Shared Tax Collection Funds**

A distribution of tax revenues, state and local-initiated, to local governments. If the revenue is from a locally-passed tax, the state collects the tax and remits it to the local government. If a statewide tax, the appropriate percentage is remitted to the local government.

## **Special 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 fund, created to function as a clearing fund, disburses receipts from lottery sales, taxes, and fees on racing activities in accordance with a statutorily-prescribed formula. Of all receipts to the fund, 85.0 percent is transferred to the Economic Development

Initiatives Fund, 10.0 percent to the Correctional Institutions Building Fund, and 5.0 percent to the Juvenile Detention Facilities Fund.

## **State General Fund**

A fund for revenues not dedicated for special purposes. It is used to finance government operations not provided for by special revenue funds. The principal revenue sources for the State General Fund include individual and corporate income taxes, sales and compensating use taxes, severance and other excise taxes, the estate tax, and interest earnings.

## **State Institutions Building Fund**

A fund for constructing, equipping, and repairing buildings at the state mental institutions under SRS, the juvenile correctional facilities under the Juvenile Justice Authority, and the Schools for the Deaf and Blind under the Department of Education. Income is derived from a one-half mill, statewide levy on property subject to ad valorem taxation.

## **State Water Plan Fund**

A fund establishing a dedicated source of funding to provide for the water resource needs of the state. The fund receives a \$6.0 million transfer from the State General Fund and a \$2.0 million transfer from the Economic Development Initiatives Fund. Other receipts come from fees charged to water users, pesticide label fees, fertilizer use fees, and environmental fines.

## **Trust & Agency Funds**

Funds containing monies received, held, and disbursed by the state acting as a trustee, agent, or custodian. These are monies collected by the state as agent and disbursed to other governments and individuals. Examples include inmate or patient benefit funds and the KPERS Fund.

## Schedule 1--Expenditures Statewide from All Funding Sources

	<u>FY 2001 Actual</u>	<u>FY 2002 Gov. Estimate</u>	<u>FY 2003 Base Budget</u>	<u>FY 2003 Enhance. Pkg.</u>	<u>FY 2003 Gov. Rec.</u>
<b>Summary of State Expenditures</b>					
State Operations	2,822,412,763	2,958,491,274	2,987,172,068	102,147,489	2,968,847,626
Aid to Local Governments	3,309,026,869	3,403,396,238	3,438,179,554	433,875,834	3,270,386,458
Other Assistance	2,273,606,620	2,532,601,758	2,560,412,927	184,787,095	2,642,601,332
<b>Subtotal--Operating Expenditures</b>	<b>\$8,405,046,252</b>	<b>\$8,894,489,270</b>	<b>\$8,985,764,549</b>	<b>\$720,810,418</b>	<b>\$8,881,835,416</b>
Capital Improvements	444,897,612	588,544,673	818,595,778	132,214,948	812,061,764
<b>Total Reportable Expenditures</b>	<b>8,849,943,864</b>	<b>9,483,033,943</b>	<b>9,804,360,327</b>	<b>853,025,366</b>	<b>9,693,897,180</b>
Non-expense Items	1,608,039,676	1,066,373,082	912,872,572	90,000	913,112,572
<b>Total Expenditures</b>	<b>\$10,457,983,540</b>	<b>\$10,549,407,025</b>	<b>\$10,717,232,899</b>	<b>\$853,115,366</b>	<b>\$10,607,009,752</b>
<b>Expenditures by Object</b>					
Salaries and Wages	1,728,544,430	1,821,288,295	1,838,098,965	40,380,656	1,853,915,398
Contractual Services	667,980,778	691,233,469	688,268,596	47,680,876	655,504,833
Commodities	154,227,777	158,871,456	155,696,642	5,233,651	155,305,081
Capital Outlay	172,523,855	184,367,955	186,013,358	7,397,658	183,471,450
Debt Services	99,135,923	102,730,099	119,094,507	1,454,648	120,675,864
<b>Subtotal--State Operations</b>	<b>\$2,822,412,763</b>	<b>\$2,958,491,274</b>	<b>\$2,987,172,068</b>	<b>\$102,147,489</b>	<b>\$2,968,872,626</b>
Aid to Local Governments	3,309,026,869	3,403,396,238	3,438,179,554	433,875,834	3,270,386,458
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<b>Total Expenditures</b>	<b>\$10,457,983,540</b>	<b>\$10,549,407,025</b>	<b>\$10,717,232,899</b>	<b>\$853,115,366</b>	<b>\$10,607,009,752</b>
<b>Expenditures by Fund Class *</b>					
State General Fund	4,429,641,838	4,527,696,009	4,616,792,986	648,743,631	4,294,541,593
Water Plan	12,837,636	13,241,097	18,371,964	875,356	17,664,480
EDIF	48,303,618	43,619,366	43,564,541	6,446,500	41,241,388
Children's Initiatives Fund	28,224,758	38,650,000	37,650,000	14,154,000	45,000,000
State Budget Stabilization Fund	1,244,601	3,103,323	--	--	--
State Highway Fund	867,898,363	982,267,774	1,023,547,430	--	1,172,077,254
Educational Building Fund	22,678,111	35,933,444	25,557,386	--	25,000,000
State Institutions Building Fund	8,857,026	17,166,870	15,492,838	68,646,894	9,581,592
Correctional Building Fund	3,844,336	8,287,244	5,000,000	631,948	5,000,000
Other Funds	5,034,453,253	4,879,441,898	4,931,255,754	113,617,037	4,996,903,445
<b>Total--Expenditures</b>	<b>\$10,457,983,540</b>	<b>\$10,549,407,025</b>	<b>\$10,717,232,899</b>	<b>\$853,115,366</b>	<b>\$10,607,009,752</b>

\* Non-expense items are included throughout the various funding sources.

## Schedule 2--Expenditures from All Funding Sources by Agency

	FY 2001 Actual	FY 2002 Gov. Estimate	FY 2003 Base Budget	FY 2003 Enhance. Pkg.	FY 2003 Gov. Rec.
<b>General Government</b>					
Department of Administration	26,084,121	29,465,055	27,282,614	4,819,102	28,284,904
Kansas Corporation Commission	17,325,822	18,047,007	17,575,548	274,498	17,759,957
Citizens' Utility Ratepayer Board	508,912	606,186	605,449	46,138	581,205
Kansas Human Rights Commission	1,746,569	1,985,554	1,939,033	88,098	1,898,889
Board of Indigents' Defense Services	15,082,995	15,117,471	15,270,159	425,329	14,775,449
Health Care Stabilization	25,801,905	27,724,786	27,758,266	--	27,755,438
Kansas Public Employees Retirement System	29,206,771	30,211,696	31,238,267	193,690	31,294,261
Department of Commerce & Housing	92,844,804	105,240,355	122,798,813	2,788,000	121,996,486
Kansas Technology Enterprise Corporation	17,941,692	16,193,523	16,102,262	22,937,500	15,351,133
Kansas, Inc.	468,622	384,102	386,333	30,000	354,444
Kansas Lottery	80,535,321	139,747,228	136,046,350	27,904,625	136,007,356
Kansas Racing & Gaming Commission	5,920,169	6,200,702	6,395,468	181,255	6,367,464
Department of Revenue	92,093,339	86,039,003	85,969,293	100,000	86,197,593
Board of Tax Appeals	1,954,732	2,196,280	1,944,743	--	2,053,352
Abstracters' Board of Examiners	18,164	20,168	20,285	--	20,285
Board of Accountancy	166,145	179,432	187,915	--	189,663
Banking Department	4,289,995	5,400,669	5,614,921	223,992	5,721,964
Board of Barbering	119,005	129,914	131,177	--	132,390
Behavioral Sciences Regulatory Board	431,322	486,815	512,945	--	517,271
Board of Cosmetology	583,754	722,187	752,980	--	761,970
Department of Credit Unions	765,832	859,789	888,217	--	896,620
Kansas Dental Board	287,762	321,902	327,208	--	328,839
Governmental Ethics Commission	536,482	570,303	574,491	--	581,182
Board of Healing Arts	1,916,016	1,990,963	2,066,884	--	2,084,630
Hearing Aid Board of Examiners	14,733	21,243	21,937	--	21,937
Board of Mortuary Arts	199,269	213,541	214,222	--	216,514
Board of Nursing	1,192,574	1,430,221	1,383,705	--	1,397,017
Board of Examiners in Optometry	59,980	83,770	84,631	--	85,305
Board of Pharmacy	509,316	553,254	566,462	--	571,321
Real Estate Appraisal Board	197,340	245,753	254,104	--	256,455
Kansas Real Estate Commission	644,381	670,112	668,373	83,893	714,473
Office of the Securities Commissioner	1,880,684	2,042,207	2,092,598	--	2,113,020
Board of Technical Professions	484,570	535,155	550,711	--	555,193
Board of Veterinary Examiners	234,580	282,854	268,889	--	270,992
Office of the Governor	1,652,703	2,178,647	1,850,187	--	1,796,380
Office of the Lieutenant Governor	118,767	147,605	127,293	--	124,569
Attorney General	20,307,551	23,625,633	21,261,569	1,726,041	21,101,515
Insurance Department	19,480,576	21,196,847	20,345,729	--	20,457,593
Secretary of State	3,664,945	3,527,828	3,418,376	70,000	3,385,008
State Treasurer	120,759,790	123,274,726	142,688,954	28,988	121,053,970
Legislative Coordinating Council	555,273	1,031,490	714,090	--	691,539
Legislature	11,946,272	13,330,389	13,416,918	--	13,002,907
Legislative Research Department	2,428,835	2,534,190	2,538,678	--	2,438,836
Legislative Division of Post Audit	1,649,675	1,867,114	1,822,613	--	1,764,535
Revisor of Statutes	2,468,447	2,486,866	2,474,591	--	2,399,616
Judiciary	87,130,728	90,769,582	95,518,929	3,023,591	93,193,521
Judicial Council	335,307	315,990	289,351	36,047	283,655
<b>Total--General Government</b>	<b>\$ 694,546,547</b>	<b>\$ 782,206,107</b>	<b>\$ 814,962,531</b>	<b>\$ 64,980,787</b>	<b>\$ 789,808,616</b>
<b>Human Resources</b>					
Social & Rehabilitation Services	1,709,799,994	1,870,737,537	1,888,028,709	243,715,715	1,968,234,501
Kansas Neurological Institute	24,967,419	24,931,386	24,738,499	562,660	24,842,274
Larned State Hospital	32,477,705	31,096,836	17,834,033	13,712,270	27,773,355
Osawatomie State Hospital	21,049,467	19,991,089	19,194,660	633,448	19,270,540

## Schedule 2--Expenditures from All Funding Sources by Agency

	FY 2001 Actual	FY 2002 Gov. Estimate	FY 2003 Base Budget	FY 2003 Enhance. Pkg.	FY 2003 Gov. Rec.
<b>Human Resources Cont'd</b>					
Parsons State Hospital & Training Center	20,642,785	20,165,020	19,886,102	343,517	19,979,049
Rainbow Mental Health Facility	6,304,404	6,620,701	6,738,365	161,224	6,664,156
<b>Subtotal--SRS</b>	<b>\$1,815,241,774</b>	<b>\$1,973,542,569</b>	<b>\$1,976,420,368</b>	<b>\$259,128,834</b>	<b>\$2,066,763,875</b>
Department on Aging	376,738,945	410,517,993	426,184,826	7,098,378	414,998,422
Health & Environment--Health	105,270,236	114,816,268	116,964,817	4,177,738	118,601,492
Department of Human Resources	285,905,749	299,559,860	305,864,979	506,804	306,372,795
Commission on Veterans' Affairs	12,076,775	16,316,245	27,674,485	2,123,512	23,560,049
Kansas Guardianship Program	1,026,483	1,110,350	1,083,806	93,328	1,073,050
<b>Total--Human Resources</b>	<b>\$2,596,259,962</b>	<b>\$2,815,863,285</b>	<b>\$2,854,193,281</b>	<b>\$273,128,594</b>	<b>\$2,931,369,683</b>
<b>Education</b>					
Department of Education	2,565,628,476	2,638,821,899	2,644,627,106	358,320,233	2,516,844,744
School for the Blind	5,070,105	5,252,573	4,963,178	38,000	4,864,484
School for the Deaf	8,212,434	8,916,156	7,782,980	1,317,655	7,990,832
<b>Subtotal--Department of Ed.</b>	<b>\$2,578,911,015</b>	<b>\$2,652,990,628</b>	<b>\$2,657,373,264</b>	<b>\$359,675,888</b>	<b>\$2,529,700,060</b>
Board of Regents	149,582,034	172,249,438	182,799,353	74,431,316	176,969,698
Emporia State University	58,498,834	59,300,254	55,489,075	627,630	54,284,536
Fort Hays State University	58,685,674	59,519,771	57,600,200	599,066	56,341,321
Kansas State University	319,994,454	324,025,832	324,150,983	1,301,452	319,932,094
KSU--Veterinary Medical Center	21,320,942	24,844,629	24,318,032	143,521	23,921,970
Kansas State University--ESARP	97,205,983	108,488,652	104,597,090	495,829	102,658,491
Pittsburg State University	63,373,517	67,238,030	66,939,726	2,231,874	65,617,989
University of Kansas	444,086,923	448,678,867	427,545,310	10,843,254	422,081,014
University of Kansas Medical Center	193,763,495	203,270,536	202,123,622	14,870,371	197,971,379
Wichita State University	143,633,022	148,041,202	145,090,620	1,171,347	141,936,629
<b>Subtotal--Regents</b>	<b>\$1,550,144,878</b>	<b>\$1,615,657,211</b>	<b>\$1,590,654,011</b>	<b>\$106,715,660</b>	<b>\$1,561,715,121</b>
Kansas Arts Commission	2,019,742	2,151,727	2,121,499	430,725	2,059,829
Historical Society	8,332,391	8,318,519	8,334,223	1,758,590	8,515,762
State Library	6,837,428	7,003,018	7,012,763	2,620,982	6,814,981
<b>Total--Education</b>	<b>\$4,146,245,454</b>	<b>\$4,286,121,103</b>	<b>\$4,265,495,760</b>	<b>\$471,201,845</b>	<b>\$4,108,805,753</b>
<b>Public Safety</b>					
Department of Corrections	104,237,205	110,911,301	112,630,352	16,689,604	109,781,820
El Dorado Correctional Facility	18,194,954	20,601,668	20,879,998	1,312,715	20,392,365
Ellsworth Correctional Facility	13,485,322	13,300,866	10,484,407	506,784	10,645,375
Hutchinson Correctional Facility	24,056,067	24,750,979	24,572,188	1,304,835	24,961,588
Lansing Correctional Facility	32,643,564	33,190,091	33,386,755	1,075,718	32,894,772
Larned Correctional Mental Health Facility	7,604,104	7,849,702	7,845,595	419,617	7,991,051
Norton Correctional Facility	11,617,746	12,450,830	12,350,362	1,601,520	11,228,217
Topeka Correctional Facility	12,897,923	11,538,448	10,955,210	1,592,222	11,119,951
Winfield Correctional Facility	9,649,744	10,017,272	9,962,624	436,942	10,106,044
<b>Subtotal--Corrections</b>	<b>\$ 234,386,629</b>	<b>\$ 244,611,157</b>	<b>\$ 243,067,491</b>	<b>\$ 24,939,957</b>	<b>\$ 239,121,183</b>
Juvenile Justice Authority	56,368,292	67,019,051	58,767,756	6,032,374	57,059,045
Atchison Juvenile Correctional Facility	6,529,446	6,518,059	6,398,854	394,675	6,478,584
Beloit Juvenile Correctional Facility	5,787,221	5,312,520	5,406,576	70,992	5,455,342
Larned Juvenile Correctional Facility	4,449,897	4,918,830	6,645,822	468,013	6,794,423
Topeka Juvenile Correctional Facility	12,291,160	12,861,887	12,824,685	587,294	12,981,079
<b>Subtotal--Juvenile Justice</b>	<b>\$ 85,426,016</b>	<b>\$ 96,630,347</b>	<b>\$ 90,043,693</b>	<b>\$ 7,553,348</b>	<b>\$ 88,768,473</b>
Adjutant General	34,772,206	34,944,573	28,405,572	2,271,021	28,264,435
Ombudsman for Corrections	184,240	196,229	191,875	7,738	198,524
Emergency Medical Services Board	951,475	952,481	851,248	109,036	948,317

## Schedule 2--Expenditures from All Funding Sources by Agency

	<b>FY 2001 Actual</b>	<b>FY 2002 Gov. Estimate</b>	<b>FY 2003 Base Budget</b>	<b>FY 2003 Enhance. Pkg.</b>	<b>FY 2003 Gov. Rec.</b>
<b>Public Safety Cont'd</b>					
State Fire Marshal	3,148,246	3,505,121	3,243,166	100,139	3,527,137
Highway Patrol	51,466,949	55,037,296	55,466,822	2,472,763	55,451,446
Kansas Bureau of Investigation	21,070,668	20,264,671	20,696,429	--	20,624,489
Kansas Parole Board	521,333	531,567	532,298	8,422	535,306
Sentencing Commission	3,439,410	4,961,243	4,270,492	63,292	4,261,095
<b>Total--Public Safety</b>	<b>\$ 435,367,172</b>	<b>\$ 461,634,685</b>	<b>\$ 446,769,086</b>	<b>\$ 37,525,716</b>	<b>\$ 441,700,405</b>
<b>Agriculture &amp; Natural Resources</b>					
Department of Agriculture	18,079,788	21,198,804	20,504,939	465,582	20,223,221
Animal Health Department	1,846,451	2,005,232	2,066,539	131,976	2,090,004
State Conservation Commission	10,263,390	12,493,928	11,343,255	728,056	10,973,242
Health & Environment--Environment	58,863,194	62,852,703	63,493,496	2,766,384	63,371,759
Kansas State Fair	4,427,345	4,017,763	5,338,151	162,384	5,216,935
Kansas Water Office	6,017,178	7,264,774	5,795,057	--	5,627,407
Department of Wildlife & Parks	40,851,626	49,295,507	41,647,380	1,934,042	42,429,337
<b>Total--Agriculture &amp; Natural Resources</b>	<b>\$ 140,348,972</b>	<b>\$ 159,128,711</b>	<b>\$ 150,188,817</b>	<b>\$ 6,188,424</b>	<b>\$ 149,931,905</b>
<b>Transportation</b>					
Kansas Department of Transportation	837,175,757	978,080,052	1,272,750,852	--	1,272,280,818
<b>Total--Transportation</b>	<b>\$ 837,175,757</b>	<b>\$ 978,080,052</b>	<b>\$ 1,272,750,852</b>	<b>\$ --</b>	<b>\$ 1,272,280,818</b>
<b>Total Expenditures</b>	<b>\$ 8,849,943,864</b>	<b>\$ 9,483,033,943</b>	<b>\$ 9,804,360,327</b>	<b>\$ 853,025,366</b>	<b>\$ 9,693,897,180</b>

### Schedule 3--Expenditures from the State General Fund by Agency

	<u>FY 2001 Actual</u>	<u>FY 2002 Gov. Estimate</u>	<u>FY 2003 Base Budget</u>	<u>FY 2003 Enhance. Pkg.</u>	<u>FY 2003 Gov. Rec.</u>
<b>General Government</b>					
Department of Administration	22,962,295	26,623,289	24,736,846	4,799,102	25,709,492
Kansas Human Rights Commission	1,361,435	1,527,054	1,480,533	88,098	1,439,688
Board of Indigents' Defense Services	14,770,829	14,788,815	14,948,159	425,329	14,453,449
Kansas Public Employees Retirement System	--	32,000	--	--	--
Department of Commerce & Housing	5,014	200,000	200,000	--	200,000
Kansas Technology Enterprise Corporation	--	--	--	20,000,000	--
Kansas, Inc.	--	--	--	--	--
Department of Revenue	45,317,164	35,055,101	35,805,102	--	34,479,022
Board of Tax Appeals	1,947,305	2,181,780	1,930,243	--	2,038,852
Behavioral Sciences Regulatory Board	--	--	--	--	--
Department of Credit Unions	--	--	--	--	--
Governmental Ethics Commission	400,526	407,766	458,165	--	464,056
Office of the Governor	1,565,836	2,178,647	1,850,187	--	1,796,380
Office of the Lieutenant Governor	118,767	147,605	127,293	--	124,569
Attorney General	5,152,525	6,539,449	4,855,740	1,726,041	4,708,941
Secretary of State	2,021,913	1,786,843	1,799,741	70,000	1,749,331
State Treasurer	90,546,829	1,533,200	1,612,326	28,988	1,562,805
Legislative Coordinating Council	555,273	1,031,490	714,090	--	691,539
Legislature	11,793,772	13,105,038	13,285,918	--	12,871,907
Legislative Research Department	2,428,835	2,534,190	2,538,678	--	2,438,836
Legislative Division of Post Audit	1,649,667	1,867,114	1,822,613	--	1,764,535
Revisor of Statutes	2,468,447	2,486,866	2,474,591	--	2,399,616
Judiciary	78,334,525	78,900,471	83,610,625	2,888,696	81,194,174
Judicial Council	216,669	233,193	205,926	36,047	199,721
<b>Total--General Government</b>	<b>\$ 283,617,626</b>	<b>\$ 193,159,911</b>	<b>\$ 194,456,776</b>	<b>\$ 30,062,301</b>	<b>\$ 190,286,913</b>
<b>Human Resources</b>					
Social & Rehabilitation Services	583,800,279	618,778,900	623,885,774	90,807,944	639,692,952
Kansas Neurological Institute	8,483,424	9,285,296	9,600,620	562,660	9,796,562
Larned State Hospital	10,451,036	9,768,106	10,313,238	13,712,270	10,136,233
Osawatomie State Hospital	4,134,446	5,595,467	5,905,464	633,448	5,958,603
Parsons State Hospital & Training Center	6,355,482	6,210,388	6,357,942	343,517	6,450,889
Rainbow Mental Health Facility	902,756	438,168	888,132	161,224	697,227
<b>Subtotal--SRS</b>	<b>\$ 614,127,423</b>	<b>\$ 650,076,325</b>	<b>\$ 656,951,170</b>	<b>\$ 106,221,063</b>	<b>\$ 672,732,466</b>
Department on Aging	129,751,661	142,349,727	152,017,749	3,153,583	144,407,696
Health & Environment--Health	21,768,929	22,452,162	22,020,720	4,043,836	22,087,091
Department of Human Resources	3,071,046	2,906,889	2,108,132	550,590	2,053,985
Commission on Veterans' Affairs	5,794,945	3,794,070	6,395,812	2,105,767	4,603,024
Kansas Guardianship Program	1,026,483	1,110,350	1,083,806	93,328	1,073,050
<b>Total--Human Resources</b>	<b>\$ 775,540,487</b>	<b>\$ 822,689,523</b>	<b>\$ 840,577,389</b>	<b>\$ 116,168,167</b>	<b>\$ 846,957,312</b>
<b>Education</b>					
Department of Education	2,268,192,128	2,333,775,147	2,346,819,830	358,209,514	2,206,219,321
School for the Blind	4,451,906	4,527,583	4,534,995	38,000	4,434,536
School for the Deaf	7,172,960	7,266,358	7,333,191	414,143	7,168,251
<b>Subtotal--Department of Ed.</b>	<b>\$ 2,279,816,994</b>	<b>\$ 2,345,569,088</b>	<b>\$ 2,358,688,016</b>	<b>\$ 358,661,657</b>	<b>\$ 2,217,822,108</b>
Board of Regents	120,365,883	135,268,901	135,137,155	74,408,399	130,806,871
Emporia State University	29,712,799	30,589,220	30,572,053	627,630	29,367,514
Fort Hays State University	31,226,663	31,951,242	31,951,242	599,066	30,692,363
Kansas State University	103,574,087	107,301,959	107,078,402	1,301,452	102,859,513
KSU--Veterinary Medical Center	9,688,142	10,052,324	10,052,324	143,521	9,656,262
Kansas State University--ESARP	48,569,081	49,296,711	49,203,009	495,829	47,264,410
Pittsburg State University	32,454,366	33,546,613	33,546,613	2,231,874	32,224,876
University of Kansas	134,292,779	138,687,727	138,687,727	5,843,254	133,223,431
University of Kansas Medical Center	99,592,756	104,326,162	104,325,975	14,870,371	100,573,732
Wichita State University	63,610,280	65,903,685	65,903,685	1,171,347	63,307,080
<b>Subtotal--Regents</b>	<b>\$ 673,086,836</b>	<b>\$ 706,924,544</b>	<b>\$ 706,458,185</b>	<b>\$ 101,692,743</b>	<b>\$ 679,976,052</b>

### Schedule 3--Expenditures from the State General Fund by Agency

	<u>FY 2001 Actual</u>	<u>FY 2002 Gov. Estimate</u>	<u>FY 2003 Base Budget</u>	<u>FY 2003 Enhance. Pkg.</u>	<u>FY 2003 Gov. Rec.</u>
<b>Education Cont'd</b>					
Kansas Arts Commission	1,527,568	1,655,236	1,657,609	430,725	1,591,305
Historical Society	6,169,838	5,996,751	5,981,464	1,683,590	6,161,960
State Library	5,213,867	5,403,611	5,413,357	2,620,982	5,213,060
<b>Total--Education</b>	<b>\$ 2,965,815,103</b>	<b>\$ 3,065,549,230</b>	<b>\$ 3,078,198,631</b>	<b>\$ 465,089,697</b>	<b>\$ 2,910,764,485</b>
<b>Public Safety</b>					
Department of Corrections	84,113,425	83,857,001	87,207,227	16,689,604	84,071,759
El Dorado Correctional Facility	17,886,724	20,415,102	20,805,397	1,312,715	20,247,134
Ellsworth Correctional Facility	8,741,387	9,287,005	10,446,473	506,784	10,607,441
Hutchinson Correctional Facility	22,755,545	23,838,130	24,321,550	1,304,835	24,708,493
Lansing Correctional Facility	30,753,518	32,365,279	33,141,755	443,770	32,649,772
Larned Correctional Mental Health Facility	7,376,054	7,671,912	7,842,525	419,617	7,987,981
Norton Correctional Facility	11,223,060	11,856,762	12,066,169	1,601,520	10,942,404
Topeka Correctional Facility	12,586,211	10,591,123	10,811,592	1,592,222	10,974,038
Winfield Correctional Facility	9,370,254	9,684,979	9,820,919	436,942	9,961,667
<b>Subtotal--Corrections</b>	<b>\$ 204,806,178</b>	<b>\$ 209,567,293</b>	<b>\$ 216,463,607</b>	<b>\$ 24,308,009</b>	<b>\$ 212,150,689</b>
Juvenile Justice Authority	34,922,072	34,840,803	34,664,895	4,261,104	31,929,720
Atchison Juvenile Correctional Facility	5,968,885	6,315,466	6,195,029	394,675	6,274,759
Beloit Juvenile Correctional Facility	5,268,766	5,079,295	5,168,065	70,028	5,216,831
Larned Juvenile Correctional Facility	4,231,486	4,661,943	6,271,833	468,013	6,419,187
Topeka Juvenile Correctional Facility	11,680,970	11,960,324	12,324,641	587,294	12,481,035
<b>Subtotal--Juvenile Justice</b>	<b>\$ 62,072,179</b>	<b>\$ 62,857,831</b>	<b>\$ 64,624,463</b>	<b>\$ 5,781,114</b>	<b>\$ 62,321,532</b>
Adjutant General	4,990,533	4,802,616	4,807,673	2,199,747	4,647,291
Ombudsman for Corrections	170,262	177,571	176,875	7,738	183,524
Emergency Medical Services Board	818,601	850,618	851,248	109,036	847,874
Highway Patrol	24,841,974	26,049,049	26,254,271	2,242,934	26,028,159
Kansas Bureau of Investigation	12,627,290	12,799,657	12,825,792	--	12,715,712
Kansas Parole Board	521,333	531,567	532,298	8,422	535,306
Sentencing Commission	709,845	467,282	471,639	38,271	460,520
<b>Total--Public Safety</b>	<b>\$ 311,558,195</b>	<b>\$ 318,103,484</b>	<b>\$ 327,007,866</b>	<b>\$ 34,695,271</b>	<b>\$ 319,890,607</b>
<b>Agriculture &amp; Natural Resources</b>					
Department of Agriculture	9,927,899	10,086,303	10,085,854	274,465	9,811,542
Animal Health Department	631,336	628,999	632,989	131,976	616,995
State Conservation Commission	5,344,441	6,612,365	618,103	84,107	600,594
Health & Environment--Environment	9,669,908	10,091,439	10,035,355	1,886,889	9,702,760
Kansas State Fair	450,000	132,952	437,404	--	300,000
Kansas Water Office	1,444,495	1,418,942	1,432,008	--	1,390,084
Department of Wildlife & Parks	3,590,560	4,664,355	4,310,753	350,758	4,220,301
<b>Total--Agriculture &amp; Natural Resources</b>	<b>\$ 31,058,639</b>	<b>\$ 33,635,355</b>	<b>\$ 27,552,466</b>	<b>\$ 2,728,195</b>	<b>\$ 26,642,276</b>
<b>Transportation</b>					
Kansas Department of Transportation	62,051,788	94,558,506	148,999,858	--	--
<b>Total--Transportation</b>	<b>\$ 62,051,788</b>	<b>\$ 94,558,506</b>	<b>\$ 148,999,858</b>	<b>\$ --</b>	<b>\$ --</b>
<b>Total Expenditures</b>	<b>\$ 4,429,641,838</b>	<b>\$ 4,527,696,009</b>	<b>\$ 4,616,792,986</b>	<b>\$ 648,743,631</b>	<b>\$ 4,294,541,593</b>

## Schedule 4--Expenditures from the Children's Initiatives Fund by Agency

	FY 2001 Actual	FY 2002 Gov. Estimate	FY 2003 Base Budget	FY 2003 Enhance. Pkg.	FY 2003 Gov. Rec.
<b>Human Resources</b>					
Social & Rehabilitation Services					
Children's Cabinet Accountability Fund	250,000	550,000	550,000	1,954,000	600,000
Children's Mental Health Initiative	1,800,000	1,800,000	1,800,000	--	2,500,000
Family Centered System of Care	5,000,000	5,000,000	5,000,000	--	5,000,000
Therapeutic Preschool	1,000,000	1,000,000	1,000,000	--	1,000,000
Child Care Services	1,400,000	1,400,000	1,400,000	--	1,400,000
Community Services for Child Welfare	2,599,999	2,600,000	2,600,000	--	2,600,000
Health Wave	1,000,000	1,000,000	1,000,000	--	2,000,000
Smart Start Kansas	2,738,395	3,000,000	3,000,000	11,475,000	4,000,000
Medical Assistance	--	3,000,000	3,000,000	--	3,000,000
<b>Total--SRS</b>	<b>\$ 15,788,394</b>	<b>\$ 19,350,000</b>	<b>\$ 19,350,000</b>	<b>\$ 13,429,000</b>	<b>\$ 22,100,000</b>
Health & Environment--Health					
Healthy Start Program	249,495	250,000	250,000	--	250,000
Infants and Toddlers Program	500,000	500,000	500,000	--	1,000,000
Smoking Prevention Grants	500,000	500,000	500,000	725,000	1,500,000
<b>Total--Health and Environment</b>	<b>\$ 1,249,495</b>	<b>\$ 1,250,000</b>	<b>\$ 1,250,000</b>	<b>\$ 725,000</b>	<b>\$ 2,750,000</b>
<b>Total--Human Resources</b>	<b>\$ 17,037,889</b>	<b>\$ 20,600,000</b>	<b>\$ 20,600,000</b>	<b>\$ 14,154,000</b>	<b>\$ 24,850,000</b>
<b>Education</b>					
Department of Education					
Optometric Assn Vision Study	250,000	300,000	300,000	--	400,000
Parent Education Program	1,500,000	2,500,000	2,500,000	--	3,000,000
Four-Year-Old At-Risk Program	1,000,000	4,500,000	4,500,000	--	6,000,000
School Violence Prevention	491,870	500,000	500,000	--	500,000
Communities in Schools	125,000	--	--	--	--
Mentoring Program Grants	499,999	--	--	--	--
Reading Recovery	--	--	--	--	500,000
<b>Total--Department of Ed.</b>	<b>\$ 3,866,869</b>	<b>\$ 7,800,000</b>	<b>\$ 7,800,000</b>	<b>\$ --</b>	<b>\$ 10,400,000</b>
University of Kansas Medical Center					
Telekid Health Care Link	250,000	2,250,000	1,250,000	--	1,250,000
<b>Total--Regents</b>	<b>\$ 250,000</b>	<b>\$ 2,250,000</b>	<b>\$ 1,250,000</b>	<b>\$ --</b>	<b>\$ 1,250,000</b>
State Library					
Community Access Network	70,000	--	--	--	--
<b>Total--Education</b>	<b>\$ 4,186,869</b>	<b>\$ 10,050,000</b>	<b>\$ 9,050,000</b>	<b>\$ --</b>	<b>\$ 11,650,000</b>
<b>Public Safety</b>					
Juvenile Justice Authority					
Prevention Program Grants	5,000,000	6,000,000	6,000,000	--	6,500,000
Intervention & Graduated Sanctions Grants	2,000,000	2,000,000	2,000,000	--	2,000,000
<b>Total--Public Safety</b>	<b>\$ 7,000,000</b>	<b>\$ 8,000,000</b>	<b>\$ 8,000,000</b>	<b>\$ --</b>	<b>\$ 8,500,000</b>
<b>Total Expenditures</b>	<b>\$ 28,224,758</b>	<b>\$ 38,650,000</b>	<b>\$ 37,650,000</b>	<b>\$ 14,154,000</b>	<b>\$ 45,000,000</b>

## Schedule 5--Expenditures from the EDIF Fund by Agency

	FY 2001 Actual	FY 2002 Gov. Estimate	FY 2003 Base Budget	FY 2003 Enhance. Pkg.	FY 2003 Gov. Rec.
<b>General Government</b>					
Department of Administration					
Smoky Hills Public Television	350,000	--	--	--	--
<b>Total--Department of Administration</b>	<b>\$ 350,000</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ --</b>
Department of Commerce & Housing					
Small Business Development Centers	485,000	485,000	--	--	--
Certified Development Companies	400,000	400,000	--	--	--
Kansas Industrial Training/Retraining	3,600,000	3,600,000	--	--	--
Trade Show Promotion	147,523	150,000	--	--	--
National Teachers Hall of Fame	100,000	--	--	--	--
Capacity Planning Grants	197,000	197,000	--	--	--
Main Street Development Grants	216,772	216,800	--	--	--
Tourism Promotion Grants	1,052,100	1,052,100	--	--	--
Training Equipment	277,500	277,500	--	--	--
Agriculture Product Development	540,000	535,000	--	--	--
Motion Picture/Television Tax Rebate	6,449	75,000	--	--	--
HOME Program	533,022	530,000	--	--	--
Travel Information Centers	9,510	115,000	--	--	--
Existing Industry Expansion	1,151,634	500,000	--	--	500,000
Wichita World Trade Center	42,000	--	--	--	--
Eisenhower Center	300,000	--	--	--	--
Economic Opportunity Initiatives Fund	5,493,667	3,500,000	--	--	3,500,000
Operations	8,620,459	8,496,551	--	--	--
Operating Grant	--	--	20,192,061	2,788,000	15,353,185
<b>Total--Commerce &amp; Housing</b>	<b>\$ 23,172,636</b>	<b>\$ 20,129,951</b>	<b>\$ 20,192,061</b>	<b>\$ 2,788,000</b>	<b>\$ 19,353,185</b>
Kansas Technology Enterprise Corporation					
Special Projects	118,257	79,303	79,303	--	79,303
Centers of Excellence	4,350,001	4,350,000	4,127,500	187,500	3,925,000
Innovative Research Grants	427,534	516,000	416,000	--	396,000
Research Matching Grants	1,490,225	1,260,000	1,347,500	500,000	1,260,000
Commercialization Grants	1,176,439	1,450,000	1,450,000	2,000,000	1,350,000
EPSCOR	3,200,000	3,000,000	3,200,000	--	3,000,000
Mid-America Mfg. Technology Center	963,351	900,000	900,000	250,000	905,399
Operations	1,360,253	1,341,174	1,438,374	--	1,291,549
<b>Total--KTEC</b>	<b>\$ 13,086,060</b>	<b>\$ 12,896,477</b>	<b>\$ 12,958,677</b>	<b>\$ 2,937,500</b>	<b>\$ 12,207,251</b>
Kansas, Inc.					
Operations	379,772	343,102	345,181	30,000	313,292
<b>Total--Kansas, Inc.</b>	<b>\$ 379,772</b>	<b>\$ 343,102</b>	<b>\$ 345,181</b>	<b>\$ 30,000</b>	<b>\$ 313,292</b>
<b>Total--General Government</b>	<b>\$ 36,988,468</b>	<b>\$ 33,369,530</b>	<b>\$ 33,495,919</b>	<b>\$ 5,755,500</b>	<b>\$ 31,873,728</b>
<b>Education</b>					
Department of Education					
Agriculture in the Classroom	30,000	--	--	--	--
Challenger Project	50,000	--	--	--	--
<b>Total--Department of Education</b>	<b>\$ 80,000</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ --</b>
Board of Regents					
Vocational Education	2,700,000	2,700,000	2,700,000	--	2,700,000
Postsecondary Aid	6,916,110	6,882,981	6,916,110	--	6,467,660
Technology Innovation	165,070	166,855	200,000	--	200,000
Comprehensive Grant	250,000	250,000	250,000	--	--
<b>Total--Regents</b>	<b>\$ 10,031,180</b>	<b>\$ 9,999,836</b>	<b>\$ 10,066,110</b>	<b>\$ --</b>	<b>\$ 9,367,660</b>

## Schedule 5--Expenditures from the EDIF Fund by Agency

	FY 2001 Actual	FY 2002 Gov. Estimate	FY 2003 Base Budget	FY 2003 Enhance. Pkg.	FY 2003 Gov. Rec.
<b>Education Cont'd</b>					
Kansas Arts Commission					
Operations	119,110	--	--	--	--
<b>Total-- Kansas Arts Commission</b>	<b>\$ 119,110</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ --</b>
Historical Society					
Visitor Donation Match	48,875	--	--	75,000	--
Kansas Humanities Council Grant	35,000	--	--	--	--
Historic Sites Repairs	6,985	--	--	--	--
Operations	40,000	--	--	--	--
<b>Total--Historical Society</b>	<b>\$ 130,860</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ 75,000</b>	<b>\$ --</b>
State Library					
Aid to Libraries	170,000	--	--	--	--
<b>Total--State Library</b>	<b>\$ 170,000</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ --</b>
<b>Total--Education</b>	<b>\$ 10,531,150</b>	<b>\$ 9,999,836</b>	<b>\$ 10,066,110</b>	<b>\$ 75,000</b>	<b>\$ 9,367,660</b>
<b>Public Safety</b>					
Adjutant General					
Educational Assistance	50,000	250,000	--	--	--
<b>Total--Public Safety</b>	<b>\$ 50,000</b>	<b>\$ 250,000</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ --</b>
<b>Agriculture &amp; Natural Resources</b>					
Kansas State Fair					
Capital Improvements	100,000	--	--	--	--
Operations	134,000	--	2,512	116,000	--
<b>Total--Kansas State Fair</b>	<b>\$ 234,000</b>	<b>\$ --</b>	<b>\$ 2,512</b>	<b>\$ 116,000</b>	<b>\$ --</b>
Department of Wildlife & Parks					
Local Outdoor Recreation	500,000	--	--	500,000	--
<b>Total--Department of Wildlife &amp; Parks</b>	<b>\$ 500,000</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ 500,000</b>	<b>\$ --</b>
<b>Total--Agriculture &amp; Natural Resources</b>	<b>\$ 734,000</b>	<b>\$ --</b>	<b>\$ 2,512</b>	<b>\$ 616,000</b>	<b>\$ --</b>
<b>Total Expenditures</b>	<b>\$ 48,303,618</b>	<b>\$ 43,619,366</b>	<b>\$ 43,564,541</b>	<b>\$ 6,446,500</b>	<b>\$ 41,241,388</b>

## Schedule 6--Expenditures from the State Water Plan Fund by Agency

	FY 2001 Actual	FY 2002 Gov. Estimate	FY 2003 Base Budget	FY 2003 Enhance. Pkg.	FY 2003 Gov. Rec.
<b>General Government</b>					
Kansas Corporation Commission					
Gas and Oil Well Plugging	400,000	400,000	400,000	--	400,000
<b>Total--General Government</b>	<b>\$ 400,000</b>	<b>\$ 400,000</b>	<b>\$ 400,000</b>	<b>\$ --</b>	<b>\$ 400,000</b>
<b>Education</b>					
University of Kansas					
Geological Survey	--	50,000	50,000	--	50,000
<b>Total--Regents</b>	<b>\$ --</b>	<b>\$ 50,000</b>	<b>\$ 50,000</b>	<b>\$ --</b>	<b>\$ 50,000</b>
<b>Total--Education</b>	<b>\$ --</b>	<b>\$ 50,000</b>	<b>\$ 50,000</b>	<b>\$ --</b>	<b>\$ 50,000</b>
<b>Agriculture &amp; Natural Resources</b>					
Department of Agriculture					
Floodplain Management	70,267	136,578	143,068	--	143,042
Best Management Practices	50,000	--	--	--	--
Interstate Water Issues	215,092	243,905	242,242	71,022	242,552
Subbasin Water Resources Management	590,003	644,450	648,525	100,000	548,342
<b>Total--Department of Agriculture</b>	<b>\$ 925,362</b>	<b>\$ 1,024,933</b>	<b>\$ 1,033,835</b>	<b>\$ 171,022</b>	<b>\$ 933,936</b>
State Conservation Commission					
Nonpoint Source Pollution Assistance	2,910,375	3,471,715	3,323,433	176,567	3,150,000
Aid to Conservation Districts	1,035,500	1,038,000	1,042,500	--	1,042,500
Multipurpose Small Lakes	230,000	230,000	--	--	--
Watershed Dam Construction	805,000	805,000	805,000	--	705,000
Water Quality Buffer Initiative	70,383	265,134	386,634	--	386,634
Riparian and Wetland Program	200,000	250,000	250,000	--	250,000
Water Rights Purchase	--	69,433	69,433	277,767	69,433
Water Resources Cost Share	4,266,299	5,079,950	4,450,000	150,000	4,329,744
<b>Total--Conservation Commission</b>	<b>\$ 9,517,557</b>	<b>\$ 11,209,232</b>	<b>\$ 10,327,000</b>	<b>\$ 604,334</b>	<b>\$ 9,933,311</b>
Health & Environment					
Assessment of Sediment Quality	--	50,000	--	--	--
Contamination Remediation	1,396,240	1,397,506	1,400,000	--	1,351,840
Local Environmental Protection Program	1,799,789	1,800,000	1,800,000	--	1,800,000
Nonpoint Source Program	490,925	434,335	428,112	--	431,043
TMDL Initiatives	254,830	454,147	511,792	--	461,792
Use Attainability Analysis	109,531	--	--	--	--
<b>Total--Health &amp; Environment</b>	<b>\$ 4,051,315</b>	<b>\$ 4,135,988</b>	<b>\$ 4,139,904</b>	<b>\$ --</b>	<b>\$ 4,044,675</b>
Kansas Water Office					
Assessment and Evaluation	199,400	200,000	250,000	--	230,000
Federal Cost-Share Programs	250,000	250,000	180,000	--	160,285
GIS Administrative Support	17,800	--	--	--	--
GIS Data Access and Support Center	159,500	143,773	81,824	--	76,824
GIS Data Base Development	250,000	250,000	250,000	--	225,000
Groundwater Condition Evaluation	70,000	--	--	--	--
MOU--Storage Operations and Maintenance	430,927	437,833	390,715	--	390,715
Ogallala Aquifer Institute	--	45,000	45,000	--	40,000
PMIB Loan Payment for Storage	268,895	263,991	261,810	--	261,810
Public Information	30,000	30,000	40,000	--	35,000
Stream Gauging	377,628	416,000	392,448	--	392,448
Technical Assistance to Water Users	440,116	440,795	451,298	--	436,298

## Schedule 6--Expenditures from the State Water Plan Fund by Agency

	<b>FY 2001 Actual</b>	<b>FY 2002 Gov. Estimate</b>	<b>FY 2003 Base Budget</b>	<b>FY 2003 Enhance. Pkg.</b>	<b>FY 2003 Gov. Rec.</b>
<b>Ag. &amp; Natural Resources Cont'd</b>					
Water Planning Process	--	55,552	164,077	--	154,077
Water Resource Education	60,000	60,000	60,000	--	55,000
Weather Modification	345,563	178,000	178,000	--	173,000
Kansas Water Authority	--	--	26,053	--	22,101
Kansas River Study	143,573	--	--	--	--
<b>Total--Water Office</b>	<b>\$ 3,043,402</b>	<b>\$ 2,770,944</b>	<b>\$ 2,771,225</b>	<b>\$ --</b>	<b>\$ 2,652,558</b>
<b>Department of Wildlife &amp; Parks</b>					
River Recreation	--	--	--	100,000	--
Stream Monitoring	50,000	50,000	50,000	--	50,000
<b>Total--Wildlife &amp; Parks</b>	<b>\$ 50,000</b>	<b>\$ 50,000</b>	<b>\$ 50,000</b>	<b>\$ 100,000</b>	<b>\$ 50,000</b>
<b>Total--Agriculture &amp; Natural Resources</b>	<b>\$ 17,587,636</b>	<b>\$ 19,191,097</b>	<b>\$ 18,321,964</b>	<b>\$ 875,356</b>	<b>\$ 17,614,480</b>
<b>Total Expenditures *</b>	<b>\$ 17,987,636</b>	<b>\$ 19,641,097</b>	<b>\$ 18,771,964</b>	<b>\$ 875,356</b>	<b>\$ 18,064,480</b>

\* Total Water Plan expenditures include the demand transfer from the State General Fund and the transfer to the Kansas Corporation Commission.

## Schedule 7--Expenditures from All Funding Sources for State Operations by Agency

	<u>FY 2001 Actual</u>	<u>FY 2002 Gov. Estimate</u>	<u>FY 2003 Base Budget</u>	<u>FY 2003 Enhance. Pkg.</u>	<u>FY 2003 Gov. Rec.</u>
<b>General Government</b>					
Department of Administration	19,714,905	21,590,605	20,764,719	1,668,003	21,631,811
Kansas Corporation Commission	16,582,757	16,362,187	16,615,758	274,498	16,800,167
Citizens' Utility Ratepayer Board	508,912	606,186	605,449	46,138	581,205
Kansas Human Rights Commission	1,746,569	1,985,554	1,939,033	88,098	1,898,889
Board of Indigents' Defense Services	14,585,777	14,620,253	14,689,926	425,329	14,526,840
Health Care Stabilization	3,289,156	4,362,328	4,395,808	--	4,392,980
KPERS	29,206,771	30,211,696	31,238,267	193,690	31,294,261
Department of Commerce & Housing	20,637,998	24,489,703	24,398,849	2,038,000	24,154,896
Kansas Technology Enterprise Corp.	2,718,363	2,573,360	2,521,180	--	2,380,051
Kansas, Inc.	468,622	384,102	386,333	30,000	354,444
Kansas Lottery	20,889,232	22,191,228	19,844,350	1,066,625	19,805,356
Kansas Racing & Gaming Commission	4,396,160	4,553,702	4,748,468	181,255	4,720,464
Department of Revenue	68,488,480	74,095,753	74,537,543	100,000	74,765,843
Board of Tax Appeals	1,954,732	2,196,280	1,944,743	--	2,053,352
Abstracters' Board of Examiners	18,164	20,168	20,285	--	20,285
Board of Accountancy	166,145	179,432	187,915	--	189,663
Banking Department	4,254,995	5,375,669	5,589,921	223,992	5,696,964
Board of Barbering	119,005	129,914	131,177	--	132,390
Behavioral Sciences Regulatory Board	430,072	486,815	512,945	--	517,271
Board of Cosmetology	578,754	718,630	752,980	--	761,970
Department of Credit Unions	765,832	859,789	888,217	--	896,620
Kansas Dental Board	287,762	321,902	327,208	--	328,839
Governmental Ethics Commission	536,482	570,303	574,491	--	581,182
Board of Healing Arts	1,916,016	1,990,963	2,066,884	--	2,084,630
Hearing Aid Board of Examiners	14,733	21,243	21,937	--	21,937
Board of Mortuary Arts	199,269	213,541	214,222	--	216,514
Board of Nursing	1,192,574	1,430,221	1,383,705	--	1,397,017
Board of Examiners in Optometry	53,269	83,770	84,631	--	85,305
Board of Pharmacy	509,316	553,254	566,462	--	571,321
Real Estate Appraisal Board	197,340	245,753	254,104	--	256,455
Kansas Real Estate Commission	644,381	670,112	668,373	83,893	714,473
Office of the Securities Commissioner	1,880,684	2,042,207	2,092,598	--	2,113,020
Board of Technical Professions	484,570	535,155	550,711	--	555,193
Board of Veterinary Examiners	234,580	282,854	268,889	--	270,992
Office of the Governor	1,652,553	2,178,647	1,850,187	--	1,796,380
Office of the Lieutenant Governor	118,767	147,605	127,293	--	124,569
Attorney General	8,599,439	10,409,877	8,481,183	1,726,041	8,321,129
Insurance Department	9,481,970	11,201,647	10,367,529	--	10,479,393
Secretary of State	3,664,945	3,527,828	3,418,376	70,000	3,385,008
State Treasurer	3,510,889	3,600,209	3,772,240	28,988	3,744,734
Legislative Coordinating Council	555,273	1,031,490	714,090	--	691,539
Legislature	11,946,272	13,330,389	13,416,918	--	13,002,907
Legislative Research Department	2,428,835	2,534,190	2,538,678	--	2,438,836
Legislative Division of Post Audit	1,649,675	1,867,114	1,822,613	--	1,764,535
Revisor of Statutes	2,468,447	2,486,866	2,474,591	--	2,399,616
Judiciary	85,609,200	89,157,895	94,024,169	3,023,591	91,584,361
Judicial Council	335,307	315,990	289,351	36,047	283,655
<b>Total--General Government</b>	<b>\$351,693,949</b>	<b>\$378,744,379</b>	<b>\$379,085,299</b>	<b>\$11,304,188</b>	<b>\$376,789,262</b>
<b>Human Resources</b>					
Social & Rehabilitation Services	276,759,311	286,014,626	299,742,077	9,916,119	298,786,836
Kansas Neurological Institute	24,549,166	24,931,386	24,738,499	562,660	24,842,274
Larned State Hospital	30,827,127	30,625,229	17,834,033	13,712,270	27,773,355
Osawatomie State Hospital	20,287,126	19,974,936	19,193,533	633,448	19,269,413

## Schedule 7--Expenditures from All Funding Sources for State Operations by Agency

	<u>FY 2001</u> <u>Actual</u>	<u>FY 2002</u> <u>Gov. Estimate</u>	<u>FY 2003</u> <u>Base Budget</u>	<u>FY 2003</u> <u>Enhance. Pkg.</u>	<u>FY 2003</u> <u>Gov. Rec.</u>
<b>Human Resources--Cont'd</b>					
Parsons St. Hospital & Training Center	19,868,343	20,142,062	19,884,102	343,517	19,977,049
Rainbow Mental Health Facility	6,296,998	6,617,227	6,737,495	161,224	6,663,286
<b>Subtotal--SRS</b>	<b>\$378,588,071</b>	<b>\$388,305,466</b>	<b>\$388,129,739</b>	<b>\$25,329,238</b>	<b>\$397,312,213</b>
Department on Aging	10,077,759	10,282,316	9,921,882	--	9,306,258
Health & Environment--Health	45,500,962	55,073,138	56,609,793	2,202,738	56,946,468
Department of Human Resources	53,998,238	54,479,455	53,862,028	506,804	54,447,280
Commission on Veterans' Affairs	11,124,985	12,338,375	16,213,962	2,123,512	14,313,276
Kansas Guardianship Program	1,026,483	1,110,350	1,083,806	93,328	1,073,050
<b>Total--Human Resources</b>	<b>\$500,316,498</b>	<b>\$521,589,100</b>	<b>\$525,821,210</b>	<b>\$30,255,620</b>	<b>\$533,398,545</b>
<b>Education</b>					
Department of Education	19,523,204	20,604,344	19,821,652	1,661,219	20,090,480
School for the Blind	4,853,055	4,919,062	4,903,743	38,000	4,805,049
School for the Deaf	7,572,791	7,845,208	7,662,980	414,143	7,498,040
<b>Subtotal--Department of Education</b>	<b>\$31,949,050</b>	<b>\$33,368,614</b>	<b>\$32,388,375</b>	<b>\$2,113,362</b>	<b>\$32,393,569</b>
Board of Regents	9,126,729	10,827,221	10,319,826	26,227,036	10,019,326
Emporia State University	48,944,033	50,819,676	50,338,294	292,709	49,133,755
Fort Hays State University	51,946,383	52,488,937	52,485,818	304,066	51,226,939
Kansas State University	237,444,176	240,132,238	240,220,760	1,301,452	236,001,871
KSU--Veterinary Medical Center	21,272,157	24,796,507	24,269,910	143,521	23,873,848
Kansas State University--ESARP	96,108,715	99,527,969	99,636,407	495,829	97,697,808
Pittsburg State University	55,079,032	57,442,588	57,006,959	406,474	55,685,222
University of Kansas	339,508,209	341,171,535	338,506,308	1,703,254	333,042,012
University of Kansas Medical Center	184,555,357	194,576,255	195,623,446	898,371	191,513,003
Wichita State University	129,448,335	134,221,835	134,313,984	685,422	131,717,379
<b>Subtotal--Regents</b>	<b>\$1,173,433,126</b>	<b>\$1,206,004,761</b>	<b>\$1,202,721,712</b>	<b>\$32,458,134</b>	<b>\$1,179,911,163</b>
Kansas Arts Commission	515,223	529,778	529,457	125,000	534,091
Historical Society	6,769,811	7,020,046	7,025,131	468,508	7,031,670
State Library	2,140,219	2,307,309	2,317,054	50,000	2,271,968
<b>Total--Education</b>	<b>\$1,214,807,429</b>	<b>\$1,249,230,508</b>	<b>\$1,244,981,729</b>	<b>\$35,215,004</b>	<b>\$1,222,142,461</b>
<b>Public Safety</b>					
Department of Corrections	78,483,287	79,768,848	81,329,354	10,012,432	81,540,822
El Dorado Correctional Facility	18,171,987	20,497,912	20,879,998	1,312,715	20,392,365
Ellsworth Correctional Facility	8,266,925	9,237,879	10,484,407	506,784	10,645,375
Hutchinson Correctional Facility	23,377,381	24,170,607	24,572,188	556,683	24,961,588
Lansing Correctional Facility	31,240,197	32,646,279	33,386,755	443,770	32,894,772
Larned Correctional MH Facility	7,381,244	7,671,912	7,845,595	79,940	7,991,051
Norton Correctional Facility	11,460,046	12,138,817	12,350,362	371,814	11,228,217
Topeka Correctional Facility	12,671,055	10,804,029	10,955,210	1,175,374	11,119,951
Winfield Correctional Facility	9,558,891	9,921,460	9,962,624	436,942	10,106,044
<b>Subtotal--Corrections</b>	<b>\$200,611,013</b>	<b>\$206,857,743</b>	<b>\$211,766,493</b>	<b>\$14,896,454</b>	<b>\$210,880,185</b>
Juvenile Justice Authority	4,452,076	5,923,764	5,810,746	270,865	5,844,619
Atchison Juvenile Correctional Facility	6,162,446	6,518,059	6,398,854	394,675	6,478,584
Beloit Juvenile Correctional Facility	5,582,065	5,312,520	5,406,576	70,992	5,455,342
Larned Juvenile Correctional Facility	4,449,897	4,918,830	6,645,822	468,013	6,794,423
Topeka Juvenile Correctional Facility	12,078,416	12,677,060	12,824,685	587,294	12,981,079
<b>Subtotal--Juvenile Justice</b>	<b>\$32,724,900</b>	<b>\$35,350,233</b>	<b>\$37,086,683</b>	<b>\$1,791,839</b>	<b>\$37,554,047</b>
Adjutant General	21,018,194	21,696,666	21,550,781	2,271,021	21,409,644
Ombudsman for Corrections	184,240	196,229	191,875	7,738	198,524
Emergency Medical Services Board	872,467	874,981	773,748	109,036	873,917

## Schedule 7--Expenditures from All Funding Sources for State Operations by Agency

	<u>FY 2001</u> <u>Actual</u>	<u>FY 2002</u> <u>Gov. Estimate</u>	<u>FY 2003</u> <u>Base Budget</u>	<u>FY 2003</u> <u>Enhance. Pkg.</u>	<u>FY 2003</u> <u>Gov. Rec.</u>
<b>Public Safety Cont'd</b>					
State Fire Marshal	2,908,486	3,230,121	3,218,166	100,139	3,252,137
Highway Patrol	50,960,483	54,428,595	54,720,701	2,472,763	54,705,325
Kansas Bureau of Investigation	19,843,840	18,702,584	18,922,289	--	18,850,349
Kansas Parole Board	521,333	531,567	532,298	8,422	535,306
Sentencing Commission	713,277	793,651	750,692	63,292	741,295
<b>Total--Public Safety</b>	<b>\$330,358,233</b>	<b>\$342,662,370</b>	<b>\$349,513,726</b>	<b>\$21,720,704</b>	<b>\$349,000,729</b>
<b>Agriculture &amp; Natural Resources</b>					
Department of Agriculture	18,079,788	21,198,804	20,504,939	465,582	20,223,221
Animal Health Department	1,846,451	2,005,232	2,066,539	131,976	2,090,004
State Conservation Commission	1,476,590	2,358,727	1,895,959	148,722	1,919,635
Health and Environment--Environment	53,227,839	58,142,266	58,350,950	2,643,309	58,279,213
Kansas State Fair	3,948,682	3,388,865	4,041,605	162,384	3,920,389
Kansas Water Office	6,017,178	7,219,774	5,750,057	--	5,582,407
Department of Wildlife & Parks	33,043,727	35,856,707	35,992,795	100,000	36,270,602
<b>Total--Ag. &amp; Natural Resources</b>	<b>\$117,640,255</b>	<b>\$130,170,375</b>	<b>\$128,602,844</b>	<b>\$3,651,973</b>	<b>\$128,285,471</b>
<b>Transportation</b>					
Kansas Department of Transportation	307,596,399	336,094,542	359,167,260	--	359,231,158
<b>Total--Transportation</b>	<b>\$307,596,399</b>	<b>\$336,094,542</b>	<b>\$359,167,260</b>	<b>--</b>	<b>\$359,231,158</b>
<b>Total Expenditures</b>	<b>\$2,822,412,763</b>	<b>\$2,958,491,274</b>	<b>\$2,987,172,068</b>	<b>\$102,147,489</b>	<b>\$2,968,847,626</b>

## Schedule 8--Expenditures from the State General Fund for State Operations by Agency

	<u>FY 2001</u> <u>Actual</u>	<u>FY 2002</u> <u>Gov. Estimate</u>	<u>FY 2003</u> <u>Base Budget</u>	<u>FY 2003</u> <u>Enhance. Pkg.</u>	<u>FY 2003</u> <u>Gov. Rec.</u>
<b>General Government</b>					
Department of Administration	18,836,724	20,585,427	19,712,996	2,603,003	20,570,444
Kansas Human Rights Commission	1,361,435	1,527,054	1,480,533	88,098	1,439,688
Board of Indigents' Defense Services	14,273,611	14,291,597	14,367,926	425,329	14,204,840
KPERS	--	32,000	--	--	--
Department of Commerce & Housing	5,014	--	--	--	--
Department of Revenue	32,231,640	35,055,101	35,805,102	--	34,479,022
Board of Tax Appeals	1,947,305	2,181,780	1,930,243	--	2,038,852
Governmental Ethics Commission	400,526	407,766	458,165	--	464,056
Office of the Governor	1,565,836	2,178,647	1,850,187	--	1,796,380
Office of the Lieutenant Governor	118,767	147,605	127,293	--	124,569
Attorney General	5,152,525	6,539,449	4,855,740	1,726,041	4,708,941
Secretary of State	2,021,913	1,786,843	1,799,741	70,000	1,749,331
State Treasurer	1,878,291	1,533,200	1,612,326	28,988	1,562,805
Legislative Coordinating Council	555,273	1,031,490	714,090	--	691,539
Legislature	11,793,772	13,105,038	13,285,918	--	12,871,907
Legislative Research Department	2,428,835	2,534,190	2,538,678	--	2,438,836
Legislative Division of Post Audit	1,649,667	1,867,114	1,822,613	--	1,764,535
Revisor of Statutes	2,468,447	2,486,866	2,474,591	--	2,399,616
Judiciary	78,334,525	78,900,471	83,610,625	2,888,696	81,079,774
Judicial Council	216,669	233,193	205,926	36,047	199,721
<b>Total--General Government</b>	<b>\$177,240,775</b>	<b>\$186,424,831</b>	<b>\$188,652,693</b>	<b>\$7,866,202</b>	<b>\$184,584,856</b>
<b>Human Resources</b>					
Social & Rehabilitation Services	88,364,383	93,217,328	96,154,464	3,830,324	95,990,220
Kansas Neurological Institute	8,483,424	9,285,296	9,600,620	562,660	9,796,562
Larned State Hospital	10,451,036	9,768,106	10,313,238	13,712,270	10,136,233
Osawatomie State Hospital	4,119,544	5,595,467	5,905,464	633,448	5,958,603
Parsons St. Hospital & Training Center	6,355,482	6,210,388	6,357,942	343,517	6,450,889
Rainbow Mental Health Facility	902,756	438,168	888,132	161,224	697,227
<b>Subtotal--SRS</b>	<b>\$118,676,625</b>	<b>\$124,514,753</b>	<b>\$129,219,860</b>	<b>\$19,243,443</b>	<b>\$129,029,734</b>
Department on Aging	4,285,874	4,974,156	4,630,471	--	4,347,718
Health & Environment--Health	12,186,704	12,601,186	12,169,791	2,793,836	12,236,162
Department of Human Resources	1,299,054	2,064,889	1,391,332	550,590	1,413,421
Commission on Veterans' Affairs	5,789,847	3,794,070	6,395,812	2,105,767	4,603,024
Kansas Guardianship Program	1,026,483	1,110,350	1,083,806	93,328	1,073,050
<b>Total--Human Resources</b>	<b>\$143,264,587</b>	<b>\$149,059,404</b>	<b>\$154,891,072</b>	<b>\$24,786,964</b>	<b>\$152,703,109</b>
<b>Education</b>					
Department of Education	9,224,184	8,785,348	8,833,035	1,596,500	8,914,716
School for the Blind	4,451,906	4,527,583	4,534,995	38,000	4,434,536
School for the Deaf	7,172,960	7,266,358	7,333,191	414,143	7,168,251
<b>Subtotal--Department of Education</b>	<b>\$20,849,050</b>	<b>\$20,579,289</b>	<b>\$20,701,221</b>	<b>\$2,048,643</b>	<b>\$20,517,503</b>
Board of Regents	2,913,260	3,786,329	3,254,633	482,243	3,352,583
Emporia State University	29,712,799	30,589,220	30,572,053	292,709	29,367,514
Fort Hays State University	31,226,663	31,951,242	31,951,242	304,066	30,692,363
Kansas State University	103,384,641	107,112,513	106,888,956	1,301,452	102,670,067
KSU--Veterinary Medical Center	9,688,142	10,052,324	10,052,324	143,521	9,656,262
Kansas State University--ESARP	48,569,081	49,296,711	49,203,009	495,829	47,264,410
Pittsburg State University	31,925,612	33,017,859	33,017,859	406,474	31,696,122
University of Kansas	132,823,460	138,687,727	138,687,727	1,703,254	133,223,431
University of Kansas Medical Center	96,393,151	101,019,100	101,095,390	898,371	96,984,947
Wichita State University	63,584,480	65,903,685	65,903,685	685,422	63,307,080
<b>Subtotal--Regents</b>	<b>\$550,221,289</b>	<b>\$571,416,710</b>	<b>\$570,626,878</b>	<b>\$6,713,341</b>	<b>\$548,214,779</b>
<b>Education--Cont'd</b>					
Kansas Arts Commission	193,318	321,286	323,659	45,000	323,659

## Schedule 8--Expenditures from the State General Fund for State Operations by Agency

	<u>FY 2001 Actual</u>	<u>FY 2002 Gov. Estimate</u>	<u>FY 2003 Base Budget</u>	<u>FY 2003 Enhance. Pkg.</u>	<u>FY 2003 Gov. Rec.</u>
Historical Society	5,784,653	5,837,370	5,876,464	493,508	6,131,960
State Library	1,347,411	1,530,565	1,540,311	50,000	1,492,710
<b>Total--Education</b>	<b>\$578,395,721</b>	<b>\$599,685,220</b>	<b>\$599,068,533</b>	<b>\$9,350,492</b>	<b>\$576,680,611</b>
<b>Public Safety</b>					
Department of Corrections	60,701,229	59,780,115	62,134,682	10,012,432	62,472,214
El Dorado Correctional Facility	17,884,040	20,415,102	20,805,397	1,312,715	20,247,134
Ellsworth Correctional Facility	8,222,079	9,188,269	10,446,473	506,784	10,607,441
Hutchinson Correctional Facility	22,751,797	23,838,130	24,321,550	556,683	24,708,493
Lansing Correctional Facility	30,750,447	32,365,279	33,141,755	443,770	32,649,772
Larned Correctional MH Facility	7,375,970	7,671,912	7,842,525	79,940	7,987,981
Norton Correctional Facility	11,222,932	11,856,762	12,066,169	371,814	10,942,404
Topeka Correctional Facility	12,564,639	10,591,123	10,811,592	1,175,374	10,974,038
Winfield Correctional Facility	9,370,215	9,782,779	9,820,919	436,942	9,961,667
<b>Subtotal--Corrections</b>	<b>\$180,843,348</b>	<b>\$185,489,471</b>	<b>\$191,391,062</b>	<b>\$14,896,454</b>	<b>\$190,551,144</b>
Juvenile Justice Authority	3,115,121	3,947,097	3,360,414	270,865	2,691,179
Atchison Juvenile Correctional Facility	5,968,885	6,315,466	6,195,029	394,675	6,274,759
Beloit Juvenile Correctional Facility	5,268,766	5,079,295	5,168,065	70,028	5,216,831
Larned Juvenile Correctional Facility	4,231,486	4,661,943	6,271,833	468,013	6,419,187
Topeka Juvenile Correctional Facility	11,680,970	11,960,324	12,324,641	587,294	12,481,035
<b>Subtotal--Juvenile Justice</b>	<b>\$30,265,228</b>	<b>\$31,964,125</b>	<b>\$33,319,982</b>	<b>\$1,790,875</b>	<b>\$33,082,991</b>
Adjutant General	4,856,016	4,702,616	4,702,673	2,199,747	4,542,291
Ombudsman for Corrections	170,262	177,571	176,875	7,738	183,524
Emergency Medical Services Board	818,601	850,618	851,248	109,036	847,874
Highway Patrol	24,841,974	26,049,049	26,254,271	2,242,934	26,028,159
Kansas Bureau of Investigation	12,432,290	12,579,657	12,620,792	--	12,510,712
Kansas Parole Board	521,333	531,567	532,298	8,422	535,306
Sentencing Commission	709,845	467,282	471,639	38,271	460,520
<b>Total--Public Safety</b>	<b>\$255,458,897</b>	<b>\$262,811,956</b>	<b>\$270,320,840</b>	<b>\$21,293,477</b>	<b>\$268,742,521</b>
<b>Agriculture &amp; Natural Resources</b>					
Department of Agriculture	9,927,899	10,086,303	10,085,854	274,465	9,811,542
Animal Health Department	631,336	628,999	632,989	131,976	616,995
State Conservation Commission	594,441	362,365	618,103	84,107	600,594
Health & Environment--Environment	9,669,908	10,091,439	10,035,355	1,886,889	9,702,760
Kansas State Fair	--	132,952	137,404	--	--
Kansas Water Office	1,444,495	1,418,942	1,432,008	--	1,390,084
Department of Wildlife & Parks	3,545,971	4,282,387	4,310,753	--	4,220,301
<b>Total--Ag. &amp; Natural Resources</b>	<b>\$25,814,050</b>	<b>\$27,003,387</b>	<b>\$27,252,466</b>	<b>\$2,377,437</b>	<b>\$26,342,276</b>
<b>Total Expenditures</b>	<b>\$1,180,174,030</b>	<b>\$1,224,984,798</b>	<b>\$1,240,185,604</b>	<b>\$65,674,572</b>	<b>\$1,209,053,373</b>

## Schedule 9--Expenditures from All Funding Sources for Aid to Local Governments

	<u>FY 2001</u> <u>Actual</u>	<u>FY 2002</u> <u>Gov. Estimate</u>	<u>FY 2003</u> <u>Base Budget</u>	<u>FY 2003</u> <u>Enhance. Pkg.</u>	<u>FY 2003</u> <u>Gov. Rec</u>
<b>General Government</b>					
Department of Administration					
Emergency Flood Control	252,152	250,000	250,000	--	250,000
Grants to Public Broadcasting Stations	322,742	336,634	335,547	40,716	335,547
<b>Total--Department of Administration</b>	<b>\$ 574,894</b>	<b>\$ 586,634</b>	<b>\$ 585,547</b>	<b>\$ 40,716</b>	<b>\$ 585,547</b>
Kansas Corporation Commission					
Gas Pipeline Safety Grants	--	538,609	--	--	--
Energy Conservation Grants	583,962	1,146,211	959,790	--	959,790
<b>Total--Kansas Corp. Commission</b>	<b>\$ 583,962</b>	<b>\$ 1,684,820</b>	<b>\$ 959,790</b>	<b>\$ --</b>	<b>\$ 959,790</b>
Department of Commerce & Housing					
Community Services Building Grants	4,265,689	4,652,560	4,652,560	--	4,652,560
Housing Assistance Program	9,541,528	23,120,735	44,865,735	--	44,865,735
Emergency Shelter	93,691	--	--	--	--
HOME Program	6,610,596	8,427,350	8,427,350	--	8,406,150
Community Development Block Grant	18,204,665	23,110,000	23,100,000	--	23,100,000
Agriculture Products Development	78,600	82,000	80,000	--	80,000
Weatherization Assistance Program	3,453,629	3,161,647	3,161,647	--	3,161,647
Partnership Projects	--	1,000,000	1,000,000	--	1,000,000
Small Business Development Centers	485,000	485,000	485,000	--	436,500
Training Equipment	277,500	277,500	277,500	--	--
Community Capacity Building Grants	197,000	197,000	197,000	--	177,000
Economic Opportunity Initiatives Fund	100,000	--	--	--	--
Kansas Industrial Training/ Retraining	2,050	--	--	--	--
School-to-Work Program	5,088,217	4,108,717	1,694,749	--	1,694,749
Federal Flood Mitigation	483,919	133,420	133,700	--	133,700
State Trust Fund	536,471	1,500,000	--	--	--
Strategic Initiatives	--	--	--	350,000	--
IMPACT	10,233,586	--	--	--	--
<b>Total--Dept. of Com. &amp; Housing</b>	<b>\$ 59,652,141</b>	<b>\$ 70,255,929</b>	<b>\$ 88,075,241</b>	<b>\$ 350,000</b>	<b>\$ 87,708,041</b>
Department of Revenue					
Sand Royalty Fund	97,659	104,500	108,000	--	108,000
Co. Treas. Vehicle Licensing Fee Fund	122,850	113,750	113,750	--	113,750
Mineral Production Tax Fund	6,916,005	7,260,000	6,750,000	--	6,750,000
County Drug Tax Fund	766,208	965,000	960,000	--	960,000
<b>Total--Department of Revenue</b>	<b>\$ 7,902,722</b>	<b>\$ 8,443,250</b>	<b>\$ 7,931,750</b>	<b>\$ --</b>	<b>\$ 7,931,750</b>
Banking Department					
State Aid	35,000	25,000	25,000	--	25,000
Attorney General					
Crime Victims Assistance Fund	732,274	713,633	637,383	--	637,383
Child Exchange Visitation Centers	123,683	103,133	103,133	--	103,133
Violence against Women Fund	1,680,811	1,654,628	1,654,628	--	1,654,628
Drug Free Schools Fund	639,596	719,745	672,605	--	672,605
Protection from Abuse	1,198,250	974,812	974,812	--	974,812
Federal Preventive Health Block Grant	466,965	499,757	467,000	--	467,000
Family Violence Prevention Services	767,294	1,061,856	1,020,825	--	1,020,825
Victims of Crime Act--VRU	2,803,670	3,738,192	3,500,000	--	3,500,000
<b>Total--Attorney General</b>	<b>\$8,412,543</b>	<b>\$9,465,756</b>	<b>\$9,030,386</b>	<b>--</b>	<b>\$9,030,386</b>

## Schedule 9--Expenditures from All Funding Sources for Aid to Local Governments

	<u>FY 2001</u> <u>Actual</u>	<u>FY 2002</u> <u>Gov. Estimate</u>	<u>FY 2003</u> <u>Base Budget</u>	<u>FY 2003</u> <u>Enhance. Pkg.</u>	<u>FY 2003</u> <u>Gov. Rec</u>
<b>General Government--Cont'd</b>					
Insurance Department					
Senior Health Insurance Counseling	80,276	68,200	68,200	--	68,200
Firefighters' Associations Grants	5,439,965	5,250,000	5,250,000	--	5,250,000
SHIPMATES Grant	--	20,000	10,000	--	10,000
<b>Total--Insurance Department</b>	<b>\$ 5,520,241</b>	<b>\$ 5,338,200</b>	<b>\$ 5,328,200</b>	<b>\$ --</b>	<b>\$ 5,328,200</b>
State Treasurer					
Local Ad Valorem Tax Reduction	54,137,407	54,680,671	60,976,916	--	52,493,444
Tax Increment Financing	840,188	995,000	1,032,000	--	1,032,000
County and City Revenue Sharing	34,531,131	34,876,346	46,605,298	--	33,481,292
Local Alcoholic Liquor Fund	17,009,080	17,820,000	18,450,000	--	18,450,000
Rental of Motor Vehicles Excise Tax	2,720,232	2,800,000	2,850,000	--	2,850,000
Racing Admissions Tax	2,270	2,500	2,500	--	2,500
<b>Total--State Treasurer</b>	<b>\$ 109,240,308</b>	<b>\$ 111,174,517</b>	<b>\$ 129,916,714</b>	<b>\$ --</b>	<b>\$ 108,309,236</b>
Judiciary					
Judiciary Technology Fund	(36,804)	--	--	--	--
Child Welfare Federal Fund	30,000	25,000	--	--	--
Dispute Resolution Fund	25,482	25,000	25,000	--	25,000
Permanent Families Account	453,672	476,921	479,154	--	479,154
<b>Total--Judiciary</b>	<b>\$ 472,350</b>	<b>\$ 526,921</b>	<b>\$ 504,154</b>	<b>\$ --</b>	<b>\$ 504,154</b>
<b>Total--General Government</b>	<b>\$ 192,394,161</b>	<b>\$ 207,501,027</b>	<b>\$ 242,356,782</b>	<b>\$ 390,716</b>	<b>\$ 220,382,104</b>
<b>Human Resources</b>					
Social & Rehabilitation Services					
Office of Prevention	3,384,715	3,208,986	--	550,000	--
Child Care Development Grants	2,631,418	1,850,000	1,850,000	--	1,850,000
Early Head Start/Head Start	7,690,435	7,709,618	7,709,618	1,800,000	7,709,618
Discretionary Grants/ Community Funding	2,547,141	--	--	--	--
Children & Family Services Grants	2,531,291	2,598,517	2,598,517	--	2,598,517
Adoption Independent Living	39,900	--	--	--	--
Children's Cabinet Grants	2,738,395	3,676,100	3,676,100	11,475,000	4,676,100
Com. Devel. Disab. Support Grants	19,644,620	20,006,512	19,855,904	--	18,355,904
Community Mental Health Centers	10,233,297	10,233,297	10,233,297	--	10,233,297
Developmental Disabilities Council Grants	247,846	584,486	584,486	--	584,486
Independent Living Center Grants	1,335,253	1,323,988	1,723,988	--	1,323,988
Mental Health Grants	41,358,978	46,387,964	46,387,964	--	43,317,964
Substance Abuse Treatment	14,606,322	--	--	--	--
Healthwave Outreach	862,330	--	--	--	--
Grant to Horizon Health Care	1,000,000	--	--	--	--
Refugee Assistance	467,640	468,000	468,000	--	468,000
Rehabilitation Services Grants	4,904,354	4,318,899	4,405,277	--	4,405,277
Miscellaneous Grants	112,576	--	--	--	--
<b>Total--Social &amp; Rehabilitation Services</b>	<b>\$ 116,336,511</b>	<b>\$ 102,366,367</b>	<b>\$ 99,493,151</b>	<b>\$ 13,825,000</b>	<b>\$ 95,523,151</b>
<b>Subtotal--SRS</b>	<b>\$ 116,336,511</b>	<b>\$ 102,366,367</b>	<b>\$ 99,493,151</b>	<b>\$ 13,825,000</b>	<b>\$ 95,523,151</b>
Department on Aging					
Administration	75,009	43,000	41,000	30,000	41,000
Program Grants	11,788,034	12,713,571	12,713,571	443,720	8,293,563
Nutrition Grants	9,327,450	9,982,231	9,982,231	--	9,982,231
<b>Total--Department on Aging</b>	<b>\$ 21,190,493</b>	<b>\$ 22,738,802</b>	<b>\$ 22,736,802</b>	<b>\$ 473,720</b>	<b>\$ 18,316,794</b>

## Schedule 9--Expenditures from All Funding Sources for Aid to Local Governments

	<u>FY 2001 Actual</u>	<u>FY 2002 Gov. Estimate</u>	<u>FY 2003 Base Budget</u>	<u>FY 2003 Enhance. Pkg.</u>	<u>FY 2003 Gov. Rec</u>
<b>Human Resources--Cont'd</b>					
Health & Environment--Health					
General Health Programs	5,026,595	5,026,596	5,026,596	1,250,000	5,026,596
Primary Health Project	1,520,840	1,520,840	1,520,840	--	1,520,840
Other Federal Grants	71,273	75,000	122,800	--	122,800
Teen Pregnancy Prevention	1,005,844	1,020,706	1,020,706	--	820,706
Pregnancy Maintenance	56,250	300,000	300,000	--	300,000
Food Service Inspection	589,608	600,000	600,000	--	600,000
Sexually Trans. Disease Control Proj.	296,304	296,304	296,304	--	296,304
WIC Program	7,309,964	5,500,000	5,600,000	--	5,600,000
Commodity Supplemental Food Program	204,339	242,694	248,762	--	248,762
Mothers & Infants Health Program	2,441,151	2,529,664	2,484,327	--	2,484,327
Healthy Start	750,000	250,000	250,000	--	250,000
Title XIX--Medicaid	158,324	206,358	206,358	--	206,358
Family Planning/Federal Title X	1,867,994	1,819,610	1,819,610	--	1,819,610
Preventive Health Block Grant	478,783	421,621	421,621	--	421,621
Migrant Health Program	48,000	70,000	70,000	--	70,000
Lead Poisoning and Prevention Program	92,000	92,000	92,000	--	92,000
Disease Prevention Health Promotion	215,921	379,753	451,421	--	451,421
Smoking Prevention Grants	500,000	500,000	500,000	725,000	1,500,000
AIDS Services/Education	1,227,724	930,225	893,650	--	893,650
District Coroners Fund	234,794	--	469,588	--	469,588
Immunization Programs	537,089	595,000	595,000	--	595,000
Infant & Toddler Program	4,795,237	5,534,831	5,534,831	--	6,034,831
Gifts, Grants, and Donations	392	--	--	--	--
Child Care and Development Block Grant	1,174,621	1,338,000	1,338,000	--	1,338,000
<b>Total--Health &amp; Environment--Health</b>	<b>\$ 30,603,047</b>	<b>\$ 29,249,202</b>	<b>\$ 29,862,414</b>	<b>\$ 1,975,000</b>	<b>\$ 31,162,414</b>
Department of Human Resources					
State Employment Programs	12,816,201	10,667,000	10,475,000	--	10,465,564
<b>Total--Human Resources</b>	<b>\$ 180,946,252</b>	<b>\$ 165,021,371</b>	<b>\$ 162,567,367</b>	<b>\$ 16,273,720</b>	<b>\$ 155,467,923</b>
<b>Education</b>					
Department of Education					
General State Aid	1,806,484,117	1,815,121,000	1,801,674,000	272,288,266	1,699,752,000
School District Finance Fund	16,317,952	18,300,000	16,419,000	--	18,300,000
Supplemental State Aid	84,254,921	117,102,079	105,375,000	--	125,798,000
Bond & Interest Aid	30,675,589	40,100,000	43,000,000	--	--
KPERS Employer Contribution	88,462,484	98,391,841	118,781,150	4,751,149	108,762,960
Special Education Services Aid	295,131,758	298,250,000	319,390,000	35,000,000	324,561,766
Reading Recovery	160,000	--	--	--	500,000
Reward Outstanding Schools	--	--	--	8,000,000	--
Health Insurance	--	--	--	32,300,000	--
Juvenile Detention Grants	4,703,317	5,599,393	5,599,393	475,865	5,599,393
Deaf-Blind Program Aid	109,015	110,000	110,000	--	110,000
In-Service Education Aid	4,591,753	2,600,000	2,600,000	4,900,000	2,600,000
School Food Assistance	93,770,198	95,135,486	96,265,486	--	96,265,486
Driver Education Program Aid	1,576,150	1,600,000	1,600,000	--	1,600,000
Federal Vocation Education Aid	11,231,370	4,750,000	4,850,000	--	4,850,000
Alcohol & Drug Abuse Programs	2,754,396	2,750,000	3,000,000	--	3,000,000
Federal Class Size Reduction Initiative	10,268,855	11,600,000	11,600,000	--	11,600,000
Federal School Renovation Grants	--	7,460,000	--	--	--
Goals 2000	4,422,599	880,000	--	--	--

## Schedule 9--Expenditures from All Funding Sources for Aid to Local Governments

	<u>FY 2001</u> <u>Actual</u>	<u>FY 2002</u> <u>Gov. Estimate</u>	<u>FY 2003</u> <u>Base Budget</u>	<u>FY 2003</u> <u>Enhance. Pkg.</u>	<u>FY 2003</u> <u>Gov. Rec</u>
<b>Education--Cont'd</b>					
Ed. Research & Innovative Prog.	2,402,974	4,422,014	4,681,769	--	4,681,769
Elementary & Secondary Ed. Prog.	10,529,793	12,644,452	6,716,600	--	6,716,600
Education for Economic Security Aid	69,949,179	71,925,000	72,925,000	--	72,925,000
Structured Mentoring	499,999	--	--	--	--
Communities in Schools	175,000	50,000	50,000	125,000	50,000
Cultural Heritage Center	130,000	--	--	--	--
Environmental Education Program	30,000	30,000	30,000	5,000	--
Optometric Research & Services	250,000	300,000	300,000	--	400,000
Agriculture in the Classroom	30,000	35,000	35,000	5,000	--
Challenger Project	50,000	50,000	50,000	--	--
Sports Halls of Fame	--	50,000	50,000	--	--
Jones Institute for Teachers	--	155,000	155,000	--	--
Teacher Scholarships	--	--	--	1,500,000	--
Mentor Teachers	--	1,000,000	1,000,000	1,500,000	--
Teaching Excellence Scholarships	41,000	38,000	38,000	744,000	38,000
Christa McAuliffe Fellowship Program	31,290	31,290	31,290	--	31,290
Teacher of the Year Classroom Substitute	--	--	--	25,000	--
School Violence Prevention Grants	491,870	500,000	500,000	--	500,000
Parent Education	6,120,000	6,764,500	7,506,266	(5,006,266)	7,639,500
<b>Total--Department of Education</b>	<b>\$ 2,545,645,579</b>	<b>\$ 2,617,745,055</b>	<b>\$ 2,624,332,954</b>	<b>\$ 356,613,014</b>	<b>\$ 2,496,281,764</b>
<b>Board of Regents</b>					
Operating Grant for Washburn University	9,270,411	10,594,032	10,594,032	1,626,806	10,176,627
Postsecondary Aid for Vocational Ed.	26,424,068	26,966,871	27,000,000	2,200,000	26,142,996
Adult Basic Education	4,027,456	4,470,103	4,899,978	414,504	4,001,107
Technical Equipment	450,000	450,000	450,000	--	450,000
Technical Innovation	165,070	166,855	200,000	--	200,000
Vocational Education Capital Outlay	2,700,000	2,700,000	2,700,000	--	2,700,000
Faculty Salary Enhancement	--	--	--	13,422,757	--
Performance Funding	--	--	--	13,887,315	--
Truck Driver Training	69,935	70,000	70,000	--	70,000
Community College Operations	74,086,918	85,174,486	85,174,486	16,126,898	81,818,611
Carl Perkins Grant	--	6,226,417	6,382,078	--	6,382,078
Other Aid	17,500	129,412	129,412	--	129,412
<b>Total--Board of Regents</b>	<b>\$ 117,211,358</b>	<b>\$ 136,948,176</b>	<b>\$ 137,599,986</b>	<b>\$ 47,678,280</b>	<b>\$ 132,070,831</b>
<b>Emporia State University</b>					
Miscellaneous Aid	38,763	38,763	38,763	--	38,763
<b>Kansas State University</b>					
Miscellaneous Aid	4,064,491	2,824,848	2,824,848	--	2,824,848
<b>Kansas State University--Vet. Med.</b>					
Miscellaneous Aid	2,923	2,413	2,413	--	2,413
<b>Kansas State University--ESARP</b>					
Miscellaneous Aid	1,072,803	946,196	946,196	--	946,196
<b>University of Kansas Medical Center</b>					
Miscellaneous Aid	37,020	--	--	--	--
<b>Subtotal--Regents</b>	<b>\$ 122,427,358</b>	<b>\$ 140,760,396</b>	<b>\$ 141,412,206</b>	<b>\$ 47,678,280</b>	<b>\$ 135,883,051</b>
<b>Kansas Arts Commission</b>					
Arts Grants	1,473,519	1,590,949	1,561,042	305,725	1,494,738
<b>Education--Cont'd</b>					

## Schedule 9--Expenditures from All Funding Sources for Aid to Local Governments

	<u>FY 2001</u> <u>Actual</u>	<u>FY 2002</u> <u>Gov. Estimate</u>	<u>FY 2003</u> <u>Base Budget</u>	<u>FY 2003</u> <u>Enhance. Pkg.</u>	<u>FY 2003</u> <u>Gov. Rec</u>
<b>Historical Society</b>					
Historic Preservation Grants	7,562	13,000	13,000	--	13,000
Federal Historic Preservation Fund	68,926	85,000	85,000	--	85,000
Kansas Humanities Council	110,000	85,000	85,000	100,000	85,000
Cultural Heritage Center	--	30,000	30,000	--	30,000
Lewis & Clark Bicentennial Commission	--	--	--	--	250,000
Heritage Trust Grants	778,807	800,000	800,000	--	800,000
<b>Total--Historical Society</b>	<b>\$ 965,295</b>	<b>\$ 1,013,000</b>	<b>\$ 1,013,000</b>	<b>\$ 100,000</b>	<b>\$ 1,263,000</b>
<b>State Library</b>					
Grants-in-Aid to Public Libraries	4,247,044	4,302,546	4,302,546	2,570,982	4,149,850
<b>Total--Education</b>	<b>\$ 2,674,758,795</b>	<b>\$ 2,765,411,946</b>	<b>\$ 2,772,621,748</b>	<b>\$ 407,268,001</b>	<b>\$ 2,639,072,403</b>
<b>Public Safety</b>					
<b>Department of Corrections</b>					
Conservation Camp	2,205,260	2,247,250	2,247,250	90,000	187,250
Community Corrections	14,563,973	15,292,720	14,559,220	5,044,700	13,559,220
Correctional Industries	750,000	--	--	--	--
<b>Total--Department of Corrections</b>	<b>\$ 17,519,233</b>	<b>\$ 17,539,970</b>	<b>\$ 16,806,470</b>	<b>\$ 5,134,700</b>	<b>\$ 13,746,470</b>
<b>Juvenile Justice Authority</b>					
Delinquency Prevention Formula Grants	5,000,000	6,000,000	6,000,000	--	6,500,000
Juv. Justice Delinquency Prevention Grants	1,052,858	1,194,750	1,201,850	--	1,201,850
Juv. Justice Delinquency Trust Fund	309,309	400,000	250,000	--	250,000
Juvenile Accountability Block Grant	2,302,096	2,574,285	2,591,550	--	2,591,550
Management Information System	32,246	100,000	--	--	--
Intervention/Graduated Sanctions Grants	--	4,119,917	4,119,917	--	4,119,917
Community Corrections	6,050,137	4,363,872	4,363,872	--	4,363,872
Case Management	8,499,411	4,997,516	4,997,516	--	4,997,516
Intake & Assessment	4,734,868	4,803,111	4,803,111	--	4,803,111
Purchase-of-Service	12,734,005	10,755,174	11,198,370	4,185,622	10,998,370
Community Vendor Payments	1,965,940	1,965,940	1,965,940	--	--
Education Grants	59,684	55,000	55,000	--	55,000
Juvenile Detention Facilities	810,310	882,618	883,643	--	883,643
<b>Total--Juvenile Justice Authority</b>	<b>\$ 43,550,864</b>	<b>\$ 42,212,183</b>	<b>\$ 42,430,769</b>	<b>\$ 4,185,622</b>	<b>\$ 40,764,829</b>
<b>Adjutant General</b>					
Hazardous Materials (HMEP) Grant	--	11,466,723	5,662,424	--	5,662,424
Emergency Planning	--	401,856	382,848	--	382,848
State and Local Assistance Grant	202,348	700,000	700,000	--	700,000
Federal Emergency Grants	11,569,284	--	--	--	--
State Emergency Fund	--	544,481	--	--	--
<b>Total--Adjutant General</b>	<b>\$ 11,771,632</b>	<b>\$ 13,113,060</b>	<b>\$ 6,745,272</b>	<b>\$ --</b>	<b>\$ 6,745,272</b>
<b>Kansas Bureau of Investigation</b>					
Federal Grants Fund	1,031,828	998,758	1,569,140	--	1,569,140
<b>Sentencing Commission</b>					
Criminal Justice & Law Enforce. Grants	2,726,133	4,167,592	3,519,800	--	3,519,800
<b>Total--Public Safety</b>	<b>\$ 76,599,690</b>	<b>\$ 78,031,563</b>	<b>\$ 71,071,451</b>	<b>\$ 9,320,322</b>	<b>\$ 66,345,511</b>

## Schedule 9--Expenditures from All Funding Sources for Aid to Local Governments

	<u>FY 2001</u> <u>Actual</u>	<u>FY 2002</u> <u>Gov. Estimate</u>	<u>FY 2003</u> <u>Base Budget</u>	<u>FY 2003</u> <u>Enhance. Pkg.</u>	<u>FY 2003</u> <u>Gov. Rec</u>
<b>Agriculture &amp; Natural Resources</b>					
State Conservation Commission					
Aid to Conservation Districts	1,035,500	1,038,000	1,041,500	--	747,811
Watershed Planning	805,000	804,000	805,000	--	705,000
Multipurpose Small Lakes	230,000	230,000	--	--	--
<b>Total--State Conservation Commission</b>	<b>\$ 2,070,500</b>	<b>\$ 2,072,000</b>	<b>\$ 1,846,500</b>	<b>\$ --</b>	<b>\$ 1,452,811</b>
Health & Environment--Environment					
Air Pollution Control Programs	682,232	938,508	1,108,707	123,075	1,108,707
Waste Management	1,383,811	1,360,000	1,360,000	--	1,360,000
EPA NPS Source Implementations	1,088,277	651,400	651,400	--	651,400
State Water Plan Projects	1,866,618	1,800,000	1,800,000	--	1,750,000
Miscellaneous Grants	452,158	--	--	--	--
<b>Total--Health &amp; Environment--Environ.</b>	<b>\$ 5,473,096</b>	<b>\$ 4,749,908</b>	<b>\$ 4,920,107</b>	<b>\$ 123,075</b>	<b>\$ 4,870,107</b>
Department of Wildlife & Parks					
Land and Water Conservation Grants	87,875	500,000	500,000	--	500,000
Shooting Range Development	299,611	150,000	150,000	--	150,000
National Recreational Trails Grant	288,480	820,000	820,000	--	820,000
Outdoor Wildlife Learning Sites (OWLS)	30,000	40,000	40,000	--	40,000
Community Lakes Assistance Program	386,946	225,000	225,000	--	225,000
Local Outdoor Recreation Grant Program	500,000	--	--	500,000	--
Specialized Wildlife Studies	134,820	--	--	--	--
<b>Total--Department of Wildlife &amp; Parks</b>	<b>\$ 1,727,732</b>	<b>\$ 1,735,000</b>	<b>\$ 1,735,000</b>	<b>\$ 500,000</b>	<b>\$ 1,735,000</b>
<b>Total--Ag. &amp; Natural Resources</b>	<b>\$ 9,271,328</b>	<b>\$ 8,556,908</b>	<b>\$ 8,501,607</b>	<b>\$ 623,075</b>	<b>\$ 8,057,918</b>
<b>Transportation</b>					
Kansas Department of Transportation					
Connecting Links Payments	2,994,426	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	151,703,675	154,338,222	156,623,761	--	156,623,761
Federal Transit Administration	4,440,553	4,447,801	4,755,338	--	4,755,338
Federal Highway Safety	825,240	2,094,500	2,045,500	--	2,045,500
Technology Transfer	11,103	--	--	--	--
Metropolitan Transportation Planning	2,588,361	1,203,000	1,226,000	--	1,226,000
Coordinated Public Transportation--Fed.	857,351	1,000,000	1,000,000	--	1,000,000
Underage Drinking Enforcement	400,000	400,000	650,000	--	650,000
Coordinated Public Transportation--State	5,703,113	6,864,000	5,600,000	--	5,600,000
Aviation Grants	3,016,000	2,665,900	3,300,000	--	3,300,000
Other Miscellaneous State Aid	16,821	--	--	--	--
<b>Total--Kansas Dept. of Transportation</b>	<b>\$ 175,056,643</b>	<b>\$ 178,873,423</b>	<b>\$ 181,060,599</b>	<b>\$ --</b>	<b>\$ 181,060,599</b>
<b>Total--Transportation</b>	<b>\$ 175,056,643</b>	<b>\$ 178,873,423</b>	<b>\$ 181,060,599</b>	<b>\$ --</b>	<b>\$ 181,060,599</b>
<b>Total--Aid to Local Governments</b>	<b>\$ 3,309,026,869</b>	<b>\$ 3,403,396,238</b>	<b>\$ 3,438,179,554</b>	<b>\$ 433,875,834</b>	<b>\$ 3,270,386,458</b>

## Schedule 10--Expenditures from the State General Fund for Aid to Local Governments

	FY 2001 Actual	FY 2002 Gov. Estimate	FY 2003 Base Budget	FY 2003 Enhance. Pkg.	FY 2003 Gov. Rec
<b>General Government</b>					
Department of Administration					
Grants to Public Broadcasting Stations	322,742	336,634	335,547	40,716	335,547
State Treasurer					
Local Ad Valorem Tax Reduction	54,137,407	--	--	--	--
County and City Revenue Sharing	34,531,131	--	--	--	--
<b>Total--State Treasurer</b>	<b>\$ 88,668,538</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ --</b>
<b>Total--General Government</b>	<b>\$ 88,991,280</b>	<b>\$ 336,634</b>	<b>\$ 335,547</b>	<b>\$ 40,716</b>	<b>\$ 335,547</b>
<b>Human Resources</b>					
Social & Rehabilitation Services					
Office of Prevention	386,569	295,457	--	500,000	--
Children & Family Services Grants	1,431,991	1,444,201	1,444,201	--	1,444,201
Early Head Start/Head Start	--	--	--	1,800,000	--
Children's Cabinet Grants	--	212,000	212,000	--	212,000
Com. Devel. Disab. Support Grants	12,088,236	12,292,289	12,292,289	--	10,792,289
Community Mental Health Centers	10,233,297	10,233,297	10,233,297	--	10,233,297
Independent Living Center Grants	61,119	64,293	446,031	--	46,031
Mental Health Grants	28,918,820	29,502,456	29,502,456	--	29,502,456
Rehabilitation Services Grants	836,740	899,372	917,398	--	917,398
Substance Abuse Treatment	2,147,049	--	--	--	--
<b>Total--Social &amp; Rehabilitation Services</b>	<b>\$ 56,103,821</b>	<b>\$ 54,943,365</b>	<b>\$ 55,047,672</b>	<b>\$ 2,300,000</b>	<b>\$ 53,147,672</b>
<b>Subtotal--SRS</b>	<b>\$ 56,103,821</b>	<b>\$ 54,943,365</b>	<b>\$ 55,047,672</b>	<b>\$ 2,300,000</b>	<b>\$ 53,147,672</b>
Department on Aging					
Administration	47,999	37,000	37,000	30,000	37,000
Program Grants	8,051,936	8,062,974	8,062,974	443,720	3,642,966
Nutrition Grants	2,008,448	2,316,847	2,316,847	--	2,316,847
<b>Total--Department on Aging</b>	<b>\$ 10,108,383</b>	<b>\$ 10,416,821</b>	<b>\$ 10,416,821</b>	<b>\$ 473,720</b>	<b>\$ 5,996,813</b>
Health & Environment--Health					
General Health Programs	5,026,595	5,026,596	5,026,549	1,250,000	5,026,549
Primary Health Project	1,520,840	1,520,840	1,520,840	--	1,520,840
Family Planning	98,880	98,880	98,880	--	98,880
Teen Pregnancy Prevention	537,660	537,660	537,660	--	537,660
Pregnancy Maintenance	56,250	300,000	300,000	--	300,000
Immunization Programs	350,000	350,000	350,000	--	350,000
Infant & Toddler Program	1,992,000	1,992,000	1,992,000	--	1,992,000
SIDS Program Network Grant	--	25,000	25,000	--	25,000
<b>Total--Health &amp; Environment--Health</b>	<b>\$ 9,582,225</b>	<b>\$ 9,850,976</b>	<b>\$ 9,850,929</b>	<b>\$ 1,250,000</b>	<b>\$ 9,850,929</b>
Department of Human Resources					
State Employment Programs	371,681	325,000	325,000	--	315,564
<b>Total--Human Resources</b>	<b>\$ 76,166,110</b>	<b>\$ 75,536,162</b>	<b>\$ 75,640,422</b>	<b>\$ 4,023,720</b>	<b>\$ 69,310,978</b>
<b>Education</b>					
Department of Education					
General State Aid	1,805,484,117	1,810,621,000	1,797,174,000	272,288,266	1,693,752,000
Supplemental State Aid	84,254,921	117,102,079	105,375,000	--	125,798,000

## Schedule 10--Expenditures from the State General Fund for Aid to Local Governments

	<u>FY 2001 Actual</u>	<u>FY 2002 Gov. Estimate</u>	<u>FY 2003 Base Budget</u>	<u>FY 2003 Enhance. Pkg.</u>	<u>FY 2003 Gov. Rec</u>
<b>Education--Cont'd</b>					
Bond and Interest Aid	30,675,589	40,100,000	43,000,000	--	--
KPERS Employer Contribution	88,462,484	98,391,841	118,781,150	4,751,149	108,762,960
Special Education Services Aid	233,390,794	242,250,000	256,390,000	35,000,000	253,411,766
Reward Outstanding Schools	--	--	--	8,000,000	--
Health Insurance	--	--	--	32,300,000	--
Juvenile Detention Grants	4,703,317	5,599,393	5,599,393	475,865	5,599,393
Communities in Schools	--	--	--	125,000	--
Cultural Heritage Center	30,000	--	--	--	--
Environmental Education Program	30,000	30,000	30,000	5,000	--
Agriculture in the Classroom	--	35,000	35,000	5,000	--
Challenger Project	--	50,000	50,000	--	--
Sports Halls of Fame	--	50,000	50,000	--	--
Teacher Scholarships	--	--	--	1,500,000	--
Jones Institute for Teachers	--	155,000	155,000	--	--
Teaching Excellence Scholarships	41,000	38,000	38,000	744,000	38,000
Deaf-Blind Program Aid	109,015	110,000	110,000	--	110,000
In-Service Education Aid	4,591,753	2,600,000	2,600,000	4,900,000	2,600,000
School Food Assistance	2,510,454	2,510,486	2,510,486	--	2,510,486
Ed. Research & Innovative Prog.	10,500	10,500	10,500	--	10,500
Mentor Teachers	--	1,000,000	1,000,000	1,500,000	--
Teacher of the Year Classroom Sub.	--	--	--	25,000	--
Parent Education	4,620,000	4,264,500	5,006,266	(5,006,266)	4,639,500
<b>Total--Department of Education</b>	<b>\$ 2,258,913,944</b>	<b>\$ 2,324,917,799</b>	<b>\$2,337,914,795</b>	<b>\$ 356,613,014</b>	<b>\$ 2,197,232,605</b>
<b>Board of Regents</b>					
Washburn Operating Grant	9,270,411	10,594,032	10,594,032	1,626,806	10,176,627
Postsecondary Aid for Vocational Ed.	19,507,958	20,083,890	20,482,340	2,200,000	19,675,336
Adult Basic Education	1,099,261	1,100,000	1,100,000	414,504	1,100,000
Technical Equipment	450,000	450,000	450,000	--	450,000
Faculty Salary Enhancement	--	--	--	13,422,757	--
Universities Operating Grant	--	--	--	25,721,876	--
Performance Funding	--	--	--	13,887,315	--
Community College Operations	74,086,918	85,174,486	85,174,486	16,126,898	81,818,611
<b>Total--Board of Regents</b>	<b>\$ 104,414,548</b>	<b>\$ 117,402,408</b>	<b>\$ 117,800,858</b>	<b>\$ 73,400,156</b>	<b>\$ 113,220,574</b>
<b>Kansas Arts Commission</b>					
Arts Grants	1,303,250	1,302,950	1,302,950	385,725	1,236,646
<b>Historical Society</b>					
Cultural Heritage Center	--	30,000	30,000	--	30,000
<b>State Library</b>					
Grants-in-Aid to Public Libraries	3,866,456	3,873,046	3,873,046	2,570,982	3,720,350
<b>Total--Education</b>	<b>\$ 2,368,498,198</b>	<b>\$ 2,447,526,203</b>	<b>\$2,460,921,649</b>	<b>\$ 432,969,877</b>	<b>\$ 2,315,440,175</b>
<b>Public Safety</b>					
<b>Department of Corrections</b>					
Conservation Camp	2,629,435	2,685,866	2,697,325	90,000	224,325
Community Corrections	14,752,742	15,309,220	14,559,220	5,044,700	13,559,220
<b>Total--Department of Corrections</b>	<b>\$ 17,382,177</b>	<b>\$ 17,995,086</b>	<b>\$ 17,256,545</b>	<b>\$ 5,134,700</b>	<b>\$ 13,783,545</b>

## Schedule 10--Expenditures from the State General Fund for Aid to Local Governments

	<u>FY 2001</u> <u>Actual</u>	<u>FY 2002</u> <u>Gov. Estimate</u>	<u>FY 2003</u> <u>Base Budget</u>	<u>FY 2003</u> <u>Enhance. Pkg.</u>	<u>FY 2003</u> <u>Gov. Rec</u>
<b>Public Safety--Cont'd</b>					
Juvenile Justice Authority					
Management Information System	32,246	100,000	--	--	--
Intervention/Graduated Sanctions Grants	--	4,119,917	4,119,917	--	4,119,917
Community Corrections	5,050,137	4,363,872	4,363,872	--	4,363,872
Case Management	6,499,411	4,997,516	4,997,516	--	4,997,516
Intake & Assessment	4,734,868	2,803,111	2,803,111	--	2,803,111
Purchase-of-Service	7,034,622	5,663,309	5,271,884	3,990,239	5,071,884
Community Vendor Payments	1,965,940	1,965,940	1,965,940	--	--
<b>Total--Juvenile Justice Authority</b>	<b>\$ 25,317,224</b>	<b>\$ 24,013,665</b>	<b>\$ 23,522,240</b>	<b>\$ 3,990,239</b>	<b>\$ 21,356,300</b>
Adjutant General					
State Emergency Grants	41,423	--	--	--	--
<b>Total--Public Safety</b>	<b>\$ 42,740,824</b>	<b>\$ 42,008,751</b>	<b>\$ 40,778,785</b>	<b>\$ 9,124,939</b>	<b>\$ 35,139,845</b>
<b>Transportation</b>					
Kansas Department of Transportation					
Special County & City Highway Aid	10,343,189	--	--	--	--
<b>Total--Transportation</b>	<b>\$ 10,343,189</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ --</b>
<b>Total--Aid to Local Governments</b>	<b>\$ 2,586,739,601</b>	<b>\$ 2,565,407,750</b>	<b>\$2,577,676,403</b>	<b>\$ 446,159,252</b>	<b>\$ 2,420,226,545</b>

## Schedule 11--Expenditures from All Funding Sources for Other Assistance, Grants, & Benefits by Agency

	<u>FY 2001 Actual</u>	<u>FY 2002 Gov. Estimate</u>	<u>FY 2003 Base Budget</u>	<u>FY 2003 Enhance. Pkg.</u>	<u>FY 2003 Gov. Rec</u>
<b>General Government</b>					
Department of Administration					
Canceled Warrant Payments	164,027	122,130	122,130	--	122,130
Earned Interest on Federal Funds	911,600	911,600	1,011,600	--	1,011,600
Public TV Digital Conversion Debt	--	410,000	485,841	--	450,000
Grants to Public Broadcasting Stations	1,715,681	1,841,375	1,742,462	269,383	1,673,501
Smoky Hills Public TV Equipment	350,000	--	--	--	--
Grant to Leavenworth County	75,000	--	--	--	--
Claims	10,365	--	--	--	--
<b>Total--Department of Administration</b>	<b>\$ 3,226,673</b>	<b>\$ 3,285,105</b>	<b>\$ 3,362,033</b>	<b>\$ 269,383</b>	<b>\$ 3,257,231</b>
Kansas Corporation Commission					
Energy Related Grants	154,022	--	--	--	--
Claims	5,081	--	--	--	--
<b>Total--Kansas Corp. Commission</b>	<b>\$ 159,103</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ --</b>
Board of Indigents' Defense Services					
Legal Services for Prisoners	497,218	497,218	580,233	--	248,609
Health Care Stabilization					
Health Care Stabilization Fund	22,512,749	23,362,458	23,362,458	--	23,362,458
Department of Commerce & Housing					
Trade Show Assistance	147,523	150,000	150,000	--	150,000
KIT and KIR Programs	3,596,506	3,600,000	3,600,000	--	3,600,000
Wichita World Trade Center	42,000	--	--	--	--
Certified Development Companies	400,000	400,000	400,000	--	360,000
Strategic Initiatives	--	--	--	400,000	--
Tourism Grants	1,052,100	1,052,100	1,052,100	--	980,797
Motion Picture Tax Credits	6,450	75,000	75,000	--	50,000
School-to-Work	3,500	2,000	--	--	--
Eisenhower Museum Grant	300,000	200,000	200,000	--	200,000
Greyhound Tourism Grants	41,550	50,823	50,823	--	50,823
Teachers Hall of Fame	100,000	--	--	--	--
Economic Opportunity Initiatives Fund	5,393,666	3,500,000	3,500,000	--	3,500,000
Main Street Development	247,772	221,800	221,800	--	201,800
Agriculture Products Development	44,583	628,000	560,000	--	525,129
Existing Industry Expansion Program	1,151,634	500,000	500,000	--	500,000
Claims	8,321	--	--	--	--
<b>Total--Dept. of Com. &amp; Housing</b>	<b>\$ 12,535,605</b>	<b>\$ 10,379,723</b>	<b>\$ 10,309,723</b>	<b>\$ 400,000</b>	<b>\$ 10,118,549</b>
Kansas Technology Enterprise Corporation					
Applied Research Matching Grants	1,490,225	1,209,000	1,296,500	500,000	1,209,000
SSBIR Grants	427,534	516,000	416,000	--	396,000
Center of Excellence Grants	4,350,000	4,350,000	4,127,500	187,500	3,925,000
Strategic Technologies Initiative	--	--	--	20,000,000	--
MAMTC	4,333,595	3,015,860	3,011,779	250,000	3,011,779
EPSCoR	3,200,000	3,000,000	3,200,000	--	3,000,000
Special Projects	148,257	109,303	109,303	--	109,303
Commercialization Grants	1,273,718	1,420,000	1,420,000	2,000,000	1,320,000
<b>Total--KTEC</b>	<b>\$ 15,223,329</b>	<b>\$ 13,620,163</b>	<b>\$ 13,581,082</b>	<b>\$ 22,937,500</b>	<b>\$ 12,971,082</b>
Kansas Lottery					
Prize Money & Commission Payments	59,646,089	117,556,000	116,202,000	26,838,000	116,202,000

## Schedule 11--Expenditures from All Funding Sources for Other Assistance, Grants, & Benefits by Agency

	<u>FY 2001 Actual</u>	<u>FY 2002 Gov. Estimate</u>	<u>FY 2003 Base Budget</u>	<u>FY 2003 Enhance. Pkg.</u>	<u>FY 2003 Gov. Rec</u>
<b>General Government--Cont'd</b>					
Kansas Racing & Gaming Commission					
Horse Breeding Development	459,174	473,000	473,000	--	473,000
Greyhound Breeding Development	306,825	396,000	396,000	--	396,000
County Fair Benefit Funds	758,010	778,000	778,000	--	778,000
<b>Total--Racing &amp; Gaming Comm.</b>	<b>\$ 1,524,009</b>	<b>\$ 1,647,000</b>	<b>\$ 1,647,000</b>	<b>\$ --</b>	<b>\$ 1,647,000</b>
Department of Revenue					
KS Qualified Ethyl Producer Fund	2,479,739	3,500,000	3,500,000	--	3,500,000
Homestead Property Tax Refund	13,085,524	--	--	--	--
Other Assistance	136,874	--	--	--	--
<b>Total--Department of Revenue</b>	<b>\$ 15,702,137</b>	<b>\$ 3,500,000</b>	<b>\$ 3,500,000</b>	<b>\$ --</b>	<b>\$ 3,500,000</b>
Behavioral Sciences Regulatory Board					
Claims	1,250	--	--	--	--
Board of Cosmetology					
Claims	5,000	3,557	--	--	--
Optometry Board					
Claims	6,711	--	--	--	--
Office of the Governor					
Claims	150	--	--	--	--
Attorney General					
Tort Claims	782,564	1,000,000	1,000,000	--	1,000,000
Victims of Crime Fund	71,196	600,000	600,000	--	600,000
Crime Victims Compensation	2,441,809	2,150,000	2,150,000	--	2,150,000
<b>Total--Attorney General</b>	<b>\$ 3,295,569</b>	<b>\$ 3,750,000</b>	<b>\$ 3,750,000</b>	<b>\$ --</b>	<b>\$ 3,750,000</b>
Insurance Department					
Workers Compensation	4,193,743	4,500,000	4,500,000	--	4,500,000
Other Claims	453	--	--	--	--
<b>Total--Insurance Department</b>	<b>4,194,196</b>	<b>4,500,000</b>	<b>4,500,000</b>	<b>--</b>	<b>4,500,000</b>
Treasurer					
Unclaimed Property	8,008,593	8,500,000	9,000,000	--	9,000,000
Judiciary					
Access to Justice Fund	1,049,178	1,084,766	990,606	--	990,606
<b>Total--General Government</b>	<b>\$ 147,587,559</b>	<b>\$ 191,685,990</b>	<b>\$ 190,785,135</b>	<b>\$ 50,444,883</b>	<b>\$ 189,547,535</b>
<b>Human Resources</b>					
Social & Rehabilitation Services					
Early Head Start	222,528	--	--	--	--
Adoption Contract	40,304,937	32,000,000	30,960,148	4,586,170	35,000,000
Permanent Guardianship	65,285	250,000	250,000	--	250,000
Adoption Support	16,583,581	17,209,782	17,881,472	--	17,881,472
Independent Living Grants--Adoption	15,526	1,226,877	1,226,877	--	1,226,877
Discretionary Grants for Children/Com.	47,500	2,600,000	2,600,000	--	2,600,000
Family Preservation	12,985,298	10,219,572	10,219,572	6,614,263	10,219,572
Foster Care Contract	94,039,453	97,000,000	95,189,055	2,782,615	99,000,000
Foster Care Maint./Behavior Mgmt.	4,021,643	1,211,413	1,211,413	1,613,818	1,211,413
Grants for Children and Families	2,497,889	1,388,071	1,388,071	1,263,908	1,388,071

## Schedule 11--Expenditures from All Funding Sources for Other Assistance, Grants, & Benefits by Agency

	<u>FY 2001 Actual</u>	<u>FY 2002 Gov. Estimate</u>	<u>FY 2003 Base Budget</u>	<u>FY 2003 Enhance. Pkg.</u>	<u>FY 2003 Gov. Rec</u>
<b>Human Resources--Cont'd</b>					
Juvenile Justice Authority Services	7,762,497	7,294,099	7,294,099	--	7,294,099
Alcohol and Drug Abuse Programs	30,000	16,849,507	23,002,144	1,250,000	23,002,144
Children's Mental Health Waiver	8,999,858	2,800,000	--	--	--
HCBS/DD Waiver	175,759,758	196,611,452	189,509,202	8,370,000	198,820,202
Head Injured Waiver	3,607,662	7,462,500	7,462,500	--	7,462,500
Community Support Grants	--	112,500	112,500	--	112,500
Intermediate Care Facilities--MR	23,802,580	27,242,588	26,333,094	--	26,333,094
HealthWave	28,807,932	42,125,055	32,941,029	14,313,561	47,254,590
Nursing Facilities/Mental Health	13,458,062	13,662,500	10,604,163	755,380	12,687,500
HCBS/Physically Disabled Waiver	57,604,827	61,250,444	58,808,944	5,000,000	58,405,646
Regular Medical Assistance	686,297,853	790,000,000	813,093,093	71,802,616	862,598,995
Technology Assistance Waiver	153,178	154,000	154,000	--	97,000
Mental Health Grants	376,787	--	--	--	--
Services for the Blind	619,239	88,947	90,726	--	90,726
Child Care Assistance	46,635,922	52,411,703	60,588,576	2,529,893	59,356,841
Child Support Pass Through	96,456	100,000	100,000	--	100,000
Disability Determination Services	3,272,426	3,338,072	3,404,832	--	3,404,832
TAF Employment Preparation	7,490,688	8,704,770	10,187,599	--	10,187,599
Food Stamps Employment	10,676	18,300	21,960	--	21,960
Funeral Assistance	466,454	363,315	--	--	--
General Assistance	4,938,765	5,800,000	4,262,085	672,813	5,361,198
Low Income Energy Assistance	17,272,604	11,813,919	11,470,202	--	11,470,202
Refugee Assistance	20,379	28,800	28,800	--	28,800
Temporary Assistance to Families	44,674,252	49,000,000	46,000,000	5,011,183	52,500,000
Vocational Rehabilitation Program	11,875,971	13,790,804	14,021,101	--	14,021,101
Adult Protective Services	275,292	379,274	379,274	--	379,274
Miscellaneous Grants and Claims	38,341	--	--	--	--
<b>Total--Social &amp; Rehabilitation Services</b>	<b>\$ 1,315,132,099</b>	<b>\$ 1,474,508,264</b>	<b>\$ 1,480,796,531</b>	<b>\$ 126,566,220</b>	<b>\$ 1,569,768,208</b>
<b>State Hospitals</b>					
Claims	14,875	3,997	3,997	--	3,997
<b>Subtotal--SRS</b>	<b>\$ 1,315,146,974</b>	<b>\$ 1,474,512,261</b>	<b>\$ 1,480,800,528</b>	<b>\$ 126,566,220</b>	<b>\$ 1,569,772,205</b>
<b>Department on Aging</b>					
Administration	7,634	--	--	--	--
Targeted Case Management	4,656,410	5,276,400	5,500,800	--	5,500,800
Senior Pharmacy Assistance Program	--	1,200,000	1,200,000	--	1,200,000
Adult Care Homes	291,282,135	317,420,475	332,550,772	4,099,228	326,400,000
HCBS/FE	49,524,514	53,600,000	54,274,570	2,525,430	54,274,570
<b>Total--Department on Aging</b>	<b>\$ 345,470,693</b>	<b>\$ 377,496,875</b>	<b>\$ 393,526,142</b>	<b>\$ 6,624,658</b>	<b>\$ 387,375,370</b>
<b>Health &amp; Environment--Health</b>					
Women, Infants, and Children Program	29,328,486	30,000,000	30,000,000	--	30,000,000
<b>Department of Human Resources</b>					
Unemployment Insurance Benefits	218,766,201	234,310,000	241,310,000	--	241,310,000
Workforce Investment Act/JTPA	206,998	205,000	205,000	--	205,000
Miscellaneous Claims	65,265	--	--	--	--
<b>Total--Department of Human Resources</b>	<b>\$ 219,038,464</b>	<b>\$ 234,515,000</b>	<b>\$ 241,515,000</b>	<b>\$ --</b>	<b>\$ 241,515,000</b>
<b>Commission on Veterans' Affairs</b>					
Claims	5,098	--	--	--	--
<b>Total--Human Resources</b>	<b>\$ 1,908,989,715</b>	<b>\$ 2,116,524,136</b>	<b>\$ 2,145,841,670</b>	<b>\$ 133,190,878</b>	<b>\$ 2,228,662,575</b>

## Schedule 11--Expenditures from All Funding Sources for Other Assistance, Grants, & Benefits by Agency

	<u>FY 2001 Actual</u>	<u>FY 2002 Gov. Estimate</u>	<u>FY 2003 Base Budget</u>	<u>FY 2003 Enhance. Pkg.</u>	<u>FY 2003 Gov. Rec</u>
<b>Education</b>					
Department of Education					
Teaching Excellence Scholarships	54,000	72,000	72,000	46,000	72,000
Driver Education Program Aid	17,640	--	--	--	--
Robert C. Byrd Scholarship Program	388,053	400,500	400,500	--	400,500
<b>Total--Department of Education</b>	<b>\$ 459,693</b>	<b>\$ 472,500</b>	<b>\$ 472,500</b>	<b>\$ 46,000</b>	<b>\$ 472,500</b>
Board of Regents					
State Scholarships	1,705,803	1,755,571	1,755,571	--	1,755,571
Comprehensive Grants Program	10,676,766	11,000,000	11,000,000	500,000	11,000,000
Vocational Scholarships	136,000	125,000	125,000	--	125,000
Scholarships for Osteopathic Education	465,000	480,000	480,000	--	480,000
Minority Scholarships	366,893	379,569	381,069	--	381,069
Minority Fellowship Program	84,000	97,950	97,950	--	97,950
Nursing Scholarships	443,679	454,563	454,563	--	454,563
Kansas Work Study	17,661	538,951	538,951	--	538,951
Teachers Scholarship Program	488,518	436,777	436,777	--	436,777
ROTC Reimbursement Program	18,185	192,166	192,166	--	192,166
Optometry Education Program	135,368	158,494	132,494	26,000	132,494
Other Student Financial Assistance	32,049	5,000	5,000	--	5,000
<b>Total--Board of Regents</b>	<b>\$ 14,569,922</b>	<b>\$ 15,624,041</b>	<b>\$ 15,599,541</b>	<b>\$ 526,000</b>	<b>\$ 15,599,541</b>
Emporia State University					
Basic Opportunity Federal Grants	4,019,197	4,166,848	4,166,848	--	4,166,848
Fort Hays State University					
Education Opportunity Grants	4,594,317	4,594,195	4,594,195	--	4,594,195
Other Student Financial Assistance	25,187	25,187	25,187	--	25,187
<b>Total--Fort Hays State University</b>	<b>\$ 4,619,504</b>	<b>\$ 4,619,382</b>	<b>\$ 4,619,382</b>	<b>\$ -</b>	<b>\$ 4,619,382</b>
Kansas State University					
Student Financial Assistance	62,217,053	74,797,905	74,797,905	--	74,797,905
Kansas State University--Vet. Med. Ctr.					
Student Financial Assistance	45,862	45,709	45,709	--	45,709
Kansas State University--ESARP					
Student Financial Assistance	24,465	14,487	14,487	--	14,487
Pittsburg State University					
Other Student Financial Assistance	5,281,769	5,264,767	5,264,767	--	5,264,767
University of Kansas					
Student Financial Assistance	91,249,962	86,201,002	86,252,002	--	86,252,002
KU Medical Center					
Medical Scholarships	978,264	998,000	998,000	--	1,356,200
Wichita Resident Stipends	2,805,423	2,811,964	2,832,589	--	2,832,589
Topeka Residency Program	394,182	395,098	397,996	--	397,996
Other Student Financial Assistance	1,317,463	116,927	116,927	--	116,927
<b>Total--KU Medical Center</b>	<b>\$ 5,495,332</b>	<b>\$ 4,321,989</b>	<b>\$ 4,345,512</b>	<b>\$ --</b>	<b>\$ 4,703,712</b>
Wichita State University					
Student Financial Assistance	11,199,582	9,419,250	9,419,250	--	9,419,250
<b>Subtotal--Regents</b>	<b>\$ 198,722,648</b>	<b>\$ 204,475,380</b>	<b>\$ 204,525,403</b>	<b>\$ 526,000</b>	<b>\$ 204,883,603</b>

## Schedule 11--Expenditures from All Funding Sources for Other Assistance, Grants, & Benefits by Agency

	<u>FY 2001 Actual</u>	<u>FY 2002 Gov. Estimate</u>	<u>FY 2003 Base Budget</u>	<u>FY 2003 Enhance. Pkg.</u>	<u>FY 2003 Gov. Rec</u>
<b>Education--Cont'd</b>					
Kansas Arts Commission					
Arts Grants	31,000	31,000	31,000	--	31,000
Historical Society					
Historic Preservation Grants	4,187	--	--	--	--
State Library					
Community Access Network	450,165	393,163	393,163	--	393,163
<b>Total--Education</b>	<b>\$ 199,667,693</b>	<b>\$ 205,372,043</b>	<b>\$ 205,422,066</b>	<b>\$ 572,000</b>	<b>\$ 205,780,266</b>
<b>Public Safety</b>					
Correctional Institutions					
Claims	30,928	--	--	--	--
Juvenile Justice Authority					
Purchase of Service Assistance	7,085,798	7,024,041	7,926,241	--	7,926,241
Adjutant General					
Individual & Family Grant Disaster	322,348	29,713	--	--	--
Miscellaneous Grants & Benefits	4,519	4,519	4,519	--	4,519
State Emergency Fund	--	615	--	--	--
Claims	394	--	--	--	--
<b>Total--Adjutant General</b>	<b>\$ 327,261</b>	<b>\$ 34,847</b>	<b>\$ 4,519</b>	<b>\$ --</b>	<b>\$ 4,519</b>
Emergency Medical Services Board					
Oper. of EMS Regional Councils	79,008	77,500	77,500	--	74,400
Fire Marshal					
Fire Fighter Certification	26,160	25,000	25,000	--	25,000
Cap Hutchinson Gas Wells	200,000	--	--	--	--
Hazardous Materials Emergency	--	250,000	--	--	250,000
Purchase of Detection Equipment	13,600	--	--	--	--
<b>Total--Fire Marshal</b>	<b>239,760</b>	<b>\$ 275,000</b>	<b>\$ 25,000</b>	<b>\$ --</b>	<b>\$ 275,000</b>
Highway Patrol					
Claims	4,144	--	--	--	--
<b>Total--Public Safety</b>	<b>\$ 7,766,899</b>	<b>\$ 7,411,388</b>	<b>\$ 8,033,260</b>	<b>\$ --</b>	<b>\$ 8,280,160</b>
<b>Agriculture &amp; Natural Resources</b>					
State Fair					
Claims	719	--	--	--	--
State Conservation Commission					
Riparian Wetland Program	190,000	223,220	223,220	--	223,220
Water Resource Cost-Share	4,140,218	4,753,865	4,242,751	150,000	4,242,751
Water Rights Purchase	--	69,433	69,433	277,767	69,433
Buffer Initiative	53,610	225,134	346,634	--	346,634
Non-Point Source Pollution	2,332,472	2,791,549	2,718,758	151,567	2,718,758
<b>Total--State Conservation Commission</b>	<b>\$ 6,716,300</b>	<b>\$ 8,063,201</b>	<b>\$ 7,600,796</b>	<b>\$ 579,334</b>	<b>\$ 7,600,796</b>
Kansas Water Office					
Ogallala Aquifer Institute	--	45,000	45,000	--	45,000

**Schedule 11--Expenditures from All Funding Sources for Other Assistance, Grants, & Benefits by Agency**

	<u>FY 2001</u> <u>Actual</u>	<u>FY 2002</u> <u>Gov. Estimate</u>	<u>FY 2003</u> <u>Base Budget</u>	<u>FY 2003</u> <u>Enhance. Pkg.</u>	<u>FY 2003</u> <u>Gov. Rec</u>
<b>Ag. &amp; Natural Resources--Cont'd</b>					
Department of Wildlife & Parks					
Other Assistance Grants	2,231	--	--	--	--
Claims	5,860	--	--	--	--
Total--Department of Wildlife & Parks	\$ 8,091	\$ --	\$ --	\$ --	\$ --
<b>Total--Ag. &amp; Natural Resources</b>	<b>\$ 6,725,110</b>	<b>\$ 8,108,201</b>	<b>\$ 7,645,796</b>	<b>\$ 579,334</b>	<b>\$ 7,645,796</b>
<b>Transportation</b>					
Department of Transportation					
Claims	869,644	400,000	400,000	--	400,000
Rail Grant	2,000,000	3,100,000	2,285,000	--	2,285,000
<b>Total--Transportation</b>	<b>\$ 2,869,644</b>	<b>\$ 3,500,000</b>	<b>\$ 2,685,000</b>	<b>\$ --</b>	<b>\$ 2,685,000</b>
<b>Total--Other Asst., Grants, &amp; Benefits</b>	<b>\$ 2,273,606,620</b>	<b>\$ 2,532,601,758</b>	<b>\$ 2,560,412,927</b>	<b>\$ 184,787,095</b>	<b>\$ 2,642,601,332</b>

## Schedule 12--Expenditures from the State General Fund for Other Assistance, Grants, & Benefits by Agency

	<u>FY 2001</u> <u>Actuals</u>	<u>FY 2002</u> <u>Gov. Estimate</u>	<u>FY 2003</u> <u>Base Budget</u>	<u>FY 2003</u> <u>Enhance. Pkg.</u>	<u>FY 2003</u> <u>Gov. Rec</u>
<b>General Government</b>					
Department of Administration					
Public TV Digital Conversion Debt	--	410,000	485,841	--	450,000
Grants to Public Broadcasting Stations	1,715,680	1,841,375	1,742,462	269,383	1,673,501
Claims	10,365	--	--	--	--
<b>Total--Department of Administration</b>	<b>\$ 1,726,045</b>	<b>\$ 2,251,375</b>	<b>\$ 2,228,303</b>	<b>\$ 269,383</b>	<b>\$ 2,123,501</b>
Board of Indigents' Defense Services					
Legal Services for Prisoners	497,218	497,218	580,233	--	248,609
Department of Commerce & Housing					
Eisenhower Museum Grant	--	200,000	200,000	--	200,000
Kansas Technology Enterprise Corporation					
Strategic Technologies Initiative	--	--	--	20,000,000	--
Department of Revenue					
Homestead Property Tax Refund	13,085,524	--	--	--	--
<b>Total--General Government</b>	<b>\$ 15,308,787</b>	<b>\$ 2,948,593</b>	<b>\$ 3,008,536</b>	<b>\$ 20,269,383</b>	<b>\$ 2,572,110</b>
<b>Human Resources</b>					
Social & Rehabilitation Services					
Adoption Contract	15,893,064	14,824,419	13,594,990	3,106,997	16,756,025
Adoption Support	7,851,194	8,147,551	8,507,332	--	8,507,332
Independent Living Grants--Adoption	1,368	306,719	306,719	--	306,719
Family Preservation	3,716,237	2,488,891	1,948,891	6,502,730	1,948,891
Foster Care Contract	29,807,609	42,812,646	41,560,743	1,923,616	44,195,243
Behavior Management	2,350,758	557,352	557,352	--	557,352
Community Funding	204,334	16,042	16,042	--	16,042
Grants for Children and Families	--	773,391	773,391	2,000,001	773,391
Alcohol and Drug Abuse Programs	--	2,152,885	2,335,388	1,000,000	2,335,388
Children's Mental Health Waiver	1,000,000	1,000,000	--	--	--
HCBS/DD Waiver	54,790,739	36,065,128	46,462,878	3,011,250	26,265,344
Head Injured Waiver	1,446,709	1,970,000	1,970,000	--	1,970,000
Community Support Grants	--	37,500	37,500	--	37,500
Intermediate Care Facilities of MR	9,634,651	11,016,428	10,535,987	--	10,535,987
HealthWave	7,088,068	10,722,834	7,660,164	4,091,309	11,247,473
Nursing Facilities/Mental Health	9,729,413	9,812,408	7,524,687	536,327	9,023,483
HCBS/Physically Disabled Waiver	23,102,326	9,566,238	8,586,238	2,007,500	8,424,282
Regular Medical Assistance	219,650,842	263,705,444	266,006,623	26,353,107	292,644,391
HCBS Autism Waiver	--	--	--	870,000	--
Technology Assistance Waiver	61,501	61,831	61,831	--	38,855
Child Care Assistance	511,124	14,505,044	16,035,655	2,529,893	15,671,022
Disability Determination	13,934,648	25,251	25,756	--	25,756
TAF Employment Preparation	18,118	--	--	2,831,196	--
Food Stamps Employment Preparation	5,338	9,150	10,980	--	10,980
Funeral Assistance	466,454	363,315	--	--	--
General Assistance	4,805,508	5,800,000	4,262,085	672,813	5,361,198
Services for the Blind	297,307	407,778	383,455	--	383,455
Temporary Assistance to Families	30,293,053	30,293,070	30,293,070	--	30,293,070

## Schedule 12--Expenditures from the State General Fund for Other Assistance, Grants, & Benefits by Agency

	<u>FY 2001</u> <u>Actuals</u>	<u>FY 2002</u> <u>Gov. Estimate</u>	<u>FY 2003</u> <u>Base Budget</u>	<u>FY 2003</u> <u>Enhance. Pkg.</u>	<u>FY 2003</u> <u>Gov. Rec</u>
<b>Human Resources--Cont'd</b>					
Vocational Rehabilitation Programs	2,560,483	2,961,680	3,010,669	--	3,010,669
Adult Protective Services	111,229	215,212	215,212	--	215,212
<b>Total--Social &amp; Rehabilitation Service</b>	<b>\$ 439,332,075</b>	<b>\$ 470,618,207</b>	<b>\$ 472,683,638</b>	<b>\$ 57,436,739</b>	<b>\$ 490,555,060</b>
<b>Subtotal--SRS</b>	<b>\$ 439,332,075</b>	<b>\$ 470,618,207</b>	<b>\$ 472,683,638</b>	<b>\$ 57,436,739</b>	<b>\$ 490,555,060</b>
Department on Aging					
Administration	7,634	--	--	--	--
Targeted Case Management	1,867,778	2,110,560	2,200,320	--	2,200,320
Adult Care Homes	103,317,671	121,608,190	131,260,309	1,669,691	128,800,000
HCBS/FE	10,164,321	3,240,000	3,509,828	1,010,172	3,062,845
<b>Total--Department on Aging</b>	<b>\$ 115,357,404</b>	<b>\$ 126,958,750</b>	<b>\$ 136,970,457</b>	<b>\$ 2,679,863</b>	<b>\$ 134,063,165</b>
Department of Human Resources					
NIYEA & OKEP	\$ 1,371,662	\$ 755,800	\$ --	\$ --	\$ --
Kansas Commission on Veterans' Affairs					
Miscellaneous Claims	5,098	--	--	--	--
<b>Total--Human Resources</b>	<b>\$ 556,066,239</b>	<b>\$ 598,332,757</b>	<b>\$ 609,654,095</b>	<b>\$ 60,116,602</b>	<b>\$ 624,618,225</b>
<b>Education</b>					
Department of Education					
Teaching Excellence Scholarships	54,000	72,000	72,000	--	72,000
Board of Regents					
State Scholarships	1,266,054	1,278,688	1,278,688	--	1,278,688
Comprehensive Grants Program	10,426,766	10,750,000	10,750,000	500,000	11,000,000
Vocational Scholarships	125,000	125,000	125,000	--	125,000
Minority Scholarships	362,569	359,569	361,069	--	361,069
Minority Fellowship Program	84,000	97,950	97,950	--	--
Nursing Scholarships	248,563	248,563	248,563	--	248,563
Kansas Work Study	17,661	538,951	538,951	--	538,951
Teachers Scholarship Program	374,277	374,277	374,277	--	374,277
ROTC Reimbursement Program	18,185	192,166	192,166	--	192,166
Optometry Education Program	115,000	115,000	115,000	26,000	115,000
<b>Total--Board of Regents</b>	<b>\$ 13,038,075</b>	<b>\$ 14,080,164</b>	<b>\$ 14,081,664</b>	<b>\$ 526,000</b>	<b>\$ 14,233,714</b>
Pittsburg State University					
Other Student Financial Assistance	528,754	528,754	528,754	--	528,754
KU Medical Center					
Medical Scholarships	--	--	--	--	358,200
Wichita Resident Stipends	2,805,423	2,911,964	2,832,589	--	2,832,589
Topeka Residency Program	394,182	395,098	397,996	--	397,996
<b>Total--KU Medical Center</b>	<b>\$ 3,199,605</b>	<b>\$ 3,307,062</b>	<b>\$ 3,230,585</b>	<b>\$ --</b>	<b>\$ 3,588,785</b>
<b>Subtotal--Regents</b>	<b>\$ 16,766,434</b>	<b>\$ 17,915,980</b>	<b>\$ 17,841,003</b>	<b>\$ 526,000</b>	<b>\$ 18,351,253</b>
Kansas Arts Commission					
Arts Grants	31,000	31,000	31,000	--	31,000

**Schedule 12--Expenditures from the State General Fund for Other Assistance, Grants, & Benefits by Agency**

	<u>FY 2001</u> <u>Actuals</u>		<u>FY 2002</u> <u>Gov. Estimate</u>		<u>FY 2003</u> <u>Base Budget</u>		<u>FY 2003</u> <u>Enhance. Pkg.</u>		<u>FY 2003</u> <u>Gov. Rec</u>
<b>Total--Education</b>	\$ 16,851,434	\$	18,018,980	\$	17,944,003	\$	526,000	\$	18,454,253
<b>Public Safety</b>									
Correctional Institutions									
Claims	30,928		--		--		--		--
Juvenile Justice Authority									
Purchase of Service Assistance	6,489,727		6,880,041		7,782,241		--		7,882,241
Adjutant General									
Miscellaneous Grants & Benefits	83,279		--		--		--		--
<b>Total--Public Safety</b>	\$ 6,603,934	\$	6,880,041	\$	7,782,241	\$	--	\$	7,882,241
<b>Agriculture &amp; Natural Resources</b>									
State Conservation Commission									
Water Resource Cost-Share	4,325,000		4,325,000		--		--		--
Non-Point Source Pollution	425,000		1,825,000		--		--		--
Buffer Initiative	--		100,000		--		--		--
<b>Total--State Conservation Commissior</b>	\$ 4,750,000	\$	6,250,000	\$	--	\$	--	\$	--
<b>Total--Ag. &amp; Natural Resources</b>	\$ 4,750,000	\$	6,250,000	\$	--	\$	--	\$	--
<b>Total--Other Asst., Grants &amp; Benefits</b>	\$ 599,580,394	\$	632,430,371	\$	638,388,875	\$	80,911,985	\$	653,526,829

## Schedule 13--Expenditures from All Funding Sources for Capital Improvements by Agency

	FY 2001 Actual	FY 2002 Gov. Estimate	FY 2003 Base Budget	FY 2003 Enhance. Pkg.	FY 2003 Gov. Rec.
<b>General Government</b>					
Department of Administration	2,567,649	4,002,711	2,570,315	2,841,000	2,810,315
Department of Commerce & Housing	19,060	115,000	15,000	--	15,000
Insurance Department	284,169	157,000	150,000	--	150,000
Judiciary	--	--	--	--	114,400
<b>Total--General Government</b>	<b>\$ 2,870,878</b>	<b>\$ 4,274,711</b>	<b>\$ 2,735,315</b>	<b>\$ 2,841,000</b>	<b>\$ 3,089,715</b>
<b>Human Resources</b>					
Social & Rehabilitation Services	1,572,073	7,848,280	7,996,950	93,408,376	4,156,306
Kansas Neurological Institute	417,247	--	--	--	--
Larned State Hospital	1,649,790	471,607	--	--	--
Osawatomie State Hospital	754,880	15,026	--	--	--
Parsons State Hospital & Training Center	773,832	20,958	--	--	--
Rainbow Mental Health Facility	2,396	2,604	--	--	--
<b>Subtotal--SRS</b>	<b>\$ 5,170,218</b>	<b>\$ 8,358,475</b>	<b>\$ 7,996,950</b>	<b>\$ 93,408,376</b>	<b>\$ 4,156,306</b>
Department of Human Resources	52,846	170,862	360,000	--	445,000
Commission on Veterans' Affairs	946,692	4,159,870	11,828,523	--	9,461,773
<b>Total--Human Resources</b>	<b>\$ 6,169,756</b>	<b>\$ 12,689,207</b>	<b>\$ 20,185,473</b>	<b>\$ 93,408,376</b>	<b>\$ 14,063,079</b>
<b>Education</b>					
School for the Blind	217,050	333,511	59,435	--	59,435
School for the Deaf	639,643	1,070,948	120,000	903,512	492,792
<b>Subtotal--Department of Ed.</b>	<b>\$ 856,693</b>	<b>\$ 1,404,459</b>	<b>\$ 179,435</b>	<b>\$ 903,512</b>	<b>\$ 552,227</b>
Board of Regents	8,674,025	8,850,000	19,280,000	--	19,280,000
Emporia State University	5,496,841	4,274,967	945,170	334,921	945,170
Fort Hays State University	2,119,787	2,411,452	495,000	295,000	495,000
Kansas State University	16,268,734	6,270,841	6,307,470	--	6,307,470
Kansas State University--ESARP	--	8,000,000	4,000,000	--	4,000,000
Pittsburg State University	3,012,716	4,530,675	4,668,000	1,825,400	4,668,000
University of Kansas	13,328,752	21,306,330	2,787,000	9,140,000	2,787,000
University of Kansas Medical Center	3,675,786	4,372,292	2,154,664	13,972,000	1,754,664
Wichita State University	2,985,105	4,400,117	1,357,386	485,925	800,000
<b>Subtotal--Regents</b>	<b>\$ 55,561,746</b>	<b>\$ 64,416,674</b>	<b>\$ 41,994,690</b>	<b>\$ 26,053,246</b>	<b>\$ 41,037,304</b>
Historical Society	593,098	285,473	296,092	1,190,082	221,092
<b>Total--Education</b>	<b>\$ 57,011,537</b>	<b>\$ 66,106,606</b>	<b>\$ 42,470,217</b>	<b>\$ 28,146,840</b>	<b>\$ 41,810,623</b>
<b>Public Safety</b>					
Department of Corrections	8,214,666	13,602,483	14,494,528	1,542,472	14,494,528
El Dorado Correctional Facility	20,283	103,756	--	--	--
Ellsworth Correctional Facility	5,218,106	4,062,987	--	--	--
Hutchinson Correctional Facility	674,938	580,372	--	748,152	--
Lansing Correctional Facility	1,400,296	543,812	--	631,948	--
Larned Correctional Mental Health Facility	222,776	177,790	--	339,677	--
Norton Correctional Facility	157,572	312,013	--	1,229,706	--
Topeka Correctional Facility	226,004	734,419	--	416,848	--
Winfield Correctional Facility	90,814	95,812	--	--	--
<b>Subtotal--Corrections</b>	<b>\$ 16,225,455</b>	<b>\$ 20,213,444</b>	<b>\$ 14,494,528</b>	<b>\$ 4,908,803</b>	<b>\$ 14,494,528</b>
Juvenile Justice Authority	1,279,554	11,859,063	2,600,000	1,575,887	2,523,356
Atchison Juvenile Correctional Facility	367,000	--	--	--	--
Beloit Juvenile Correctional Facility	205,156	--	--	--	--
Topeka Juvenile Correctional Facility	212,744	184,827	--	--	--
<b>Subtotal--Juvenile Justice</b>	<b>\$ 2,064,454</b>	<b>\$ 12,043,890</b>	<b>\$ 2,600,000</b>	<b>\$ 1,575,887</b>	<b>\$ 2,523,356</b>

## Schedule 13--Expenditures from All Funding Sources for Capital Improvements by Agency

	<u>FY 2001</u> <u>Actual</u>	<u>FY 2002</u> <u>Gov. Estimate</u>	<u>FY 2003</u> <u>Base Budget</u>	<u>FY 2003</u> <u>Enhance. Pkg.</u>	<u>FY 2003</u> <u>Gov. Rec.</u>
<b>Public Safety Cont'd</b>					
Adjutant General	1,655,119	100,000	105,000	--	105,000
Highway Patrol	502,322	608,701	746,121	--	746,121
Kansas Bureau of Investigation	195,000	563,329	205,000	--	205,000
<b>Total--Public Safety</b>	<b>\$ 20,642,350</b>	<b>\$ 33,529,364</b>	<b>\$ 18,150,649</b>	<b>\$ 6,484,690</b>	<b>\$ 18,074,005</b>
<b>Agriculture &amp; Natural Resources</b>					
Kansas State Fair	477,944	628,898	1,296,546	--	1,296,546
Department of Wildlife & Parks	6,072,076	11,703,800	3,919,585	1,334,042	4,423,735
<b>Total--Agriculture &amp; Natural Resources</b>	<b>\$ 6,550,020</b>	<b>\$ 12,332,698</b>	<b>\$ 5,216,131</b>	<b>\$ 1,334,042</b>	<b>\$ 5,720,281</b>
<b>Transportation</b>					
Kansas Department of Transportation	351,653,071	459,612,087	729,837,993	--	729,304,061
<b>Total--Transportation</b>	<b>\$ 351,653,071</b>	<b>\$ 459,612,087</b>	<b>\$ 729,837,993</b>	<b>\$ --</b>	<b>\$ 729,304,061</b>
<b>Total Expenditures</b>	<b>\$ 444,897,612</b>	<b>\$ 588,544,673</b>	<b>\$ 818,595,778</b>	<b>\$ 132,214,948</b>	<b>\$ 812,061,764</b>

## Schedule 14--Expenditures from the State General Fund for Capital Improvements by Agency

	FY 2001 Actual	FY 2002 Gov. Estimate	FY 2003 Base Budget	FY 2003 Enhance. Pkg.	FY 2003 Gov. Rec.
<b>General Government</b>					
Department of Administration	2,076,784	3,449,853	2,460,000	2,821,000	2,680,000
Judiciary	--	--	--	--	114,400
<b>Total--General Government</b>	<b>\$ 2,076,784</b>	<b>\$ 3,449,853</b>	<b>\$ 2,460,000</b>	<b>\$ 2,821,000</b>	<b>\$ 2,794,400</b>
<b>Human Resources</b>					
Social & Rehabilitation Services	--	--	--	27,240,881	--
Osawatomie State Hospital	14,902	--	--	--	--
<b>Subtotal--SRS</b>	<b>\$ 14,902</b>	<b>\$ --</b>	<b>\$ --</b>	<b>\$ 27,240,881</b>	<b>\$ --</b>
Department of Human Resources	--	--	66,800	--	--
<b>Total--Human Resources</b>	<b>\$ 14,902</b>	<b>\$ --</b>	<b>\$ 66,800</b>	<b>\$ 27,240,881</b>	<b>\$ --</b>
<b>Education</b>					
Emporia State University	--	--	--	334,921	--
Fort Hays State University	--	--	--	295,000	--
Kansas State University	189,446	189,446	189,446	--	189,446
Pittsburg State University	--	--	--	1,825,400	--
University of Kansas	1,469,319	--	--	4,140,000	--
University of Kansas Medical Center	--	--	--	13,972,000	--
Wichita State University	25,800	--	--	485,925	--
<b>Subtotal--Regents</b>	<b>\$ 1,684,565</b>	<b>\$ 189,446</b>	<b>\$ 189,446</b>	<b>\$ 21,053,246</b>	<b>\$ 189,446</b>
Historical Society	385,185	129,381	75,000	1,190,082	--
<b>Total--Education</b>	<b>\$ 2,069,750</b>	<b>\$ 318,827</b>	<b>\$ 264,446</b>	<b>\$ 22,243,328</b>	<b>\$ 189,446</b>
<b>Public Safety</b>					
Department of Corrections	6,010,000	5,984,000	7,816,000	1,542,472	7,816,000
Ellsworth Correctional Facility	519,017	98,736	--	--	--
Hutchinson Correctional Facility	--	--	--	748,152	--
Larned Correctional Mental Health Facility	--	--	--	339,677	--
Norton Correctional Facility	--	--	--	1,229,706	--
Topeka Correctional Facility	20,708	--	--	416,848	--
<b>Subtotal--Corrections</b>	<b>\$ 6,549,725</b>	<b>\$ 6,082,736</b>	<b>\$ 7,816,000</b>	<b>\$ 4,276,855</b>	<b>\$ 7,816,000</b>
Adjutant General	9,815	100,000	105,000	--	105,000
Kansas Bureau of Investigation	195,000	220,000	205,000	--	205,000
<b>Total--Public Safety</b>	<b>\$ 6,754,540</b>	<b>\$ 6,402,736</b>	<b>\$ 8,126,000</b>	<b>\$ 4,276,855</b>	<b>\$ 8,126,000</b>
<b>Agriculture &amp; Natural Resources</b>					
Kansas State Fair	450,000	--	300,000	--	300,000
Department of Wildlife & Parks	44,589	381,968	--	350,758	--
<b>Total--Agriculture &amp; Natural Resources</b>	<b>\$ 494,589</b>	<b>\$ 381,968</b>	<b>\$ 300,000</b>	<b>\$ 350,758</b>	<b>\$ 300,000</b>
<b>Transportation</b>					
Kansas Department of Transportation	51,708,599	94,558,506	148,999,858	--	--
<b>Total--Transportation</b>	<b>\$ 51,708,599</b>	<b>\$ 94,558,506</b>	<b>\$ 148,999,858</b>	<b>\$ --</b>	<b>\$ --</b>
<b>Total Expenditures</b>	<b>\$ 63,119,164</b>	<b>\$ 105,111,890</b>	<b>\$ 160,217,104</b>	<b>\$ 56,932,822</b>	<b>\$ 11,409,846</b>

## Schedule 15--Federal Receipts by Agency

	<u>FY 2001</u> <u>Actual</u>	<u>FY 2002</u> <u>Gov. Estimate</u>	<u>FY 2003</u> <u>Gov. Rec.</u>
<b>General Government</b>			
Department of Administration	252,152	250,000	250,000
Kansas Corporation Commission	1,252,964	2,452,304	1,021,000
Kansas Human Rights Commission	442,442	339,300	376,000
Department of Commerce & Housing	45,219,099	62,113,494	80,361,644
Kansas Technology Enterprise Corp.	4,437,242	2,869,242	2,869,242
Kansas Inc.	65,000	--	--
Department of Revenue	11,752	50,000	50,000
Attorney General	6,941,082	8,835,854	8,509,766
Insurance Department	1,298,000	120,000	--
Judiciary	105,547	122,524	129,962
<b>Total--General Government</b>	<b>\$ 60,025,280</b>	<b>\$ 77,152,718</b>	<b>\$ 93,567,614</b>
<b>Human Resources</b>			
Social & Rehabilitation Services	1,376,821,947	1,367,923,364	1,446,463,031
Kansas Neurological Institute	353,510	357,156	357,156
Department on Aging	136,675,395	12,955,693	12,900,630
Health & Environment	104,519,485	131,286,609	115,815,510
Department of Human Resources	55,494,428	60,491,500	56,073,872
Commission on Veterans' Affairs	2,070,257	5,859,626	11,064,029
<b>Total--Human Resources</b>	<b>\$ 1,675,935,022</b>	<b>\$ 1,578,873,948</b>	<b>\$ 1,642,674,228</b>
<b>Education</b>			
Department of Education	261,226,599	275,419,353	277,704,131
Board of Regents	4,228,035	11,563,771	12,141,739
Emporia State University	4,173,809	4,325,522	4,336,335
Fort Hays State University	5,768,024	5,739,427	5,785,807
Kansas State University	77,994,372	79,475,098	79,602,056
KSU Veterinary Medical Center	42,210	28,978	30,011
Kansas State University--ESARP	17,098,927	16,909,072	17,218,527
Pittsburg State University	5,208,220	5,154,203	5,157,552
University of Kansas	76,733,273	75,025,000	75,025,000
KU Medical Center	35,997,566	37,043,776	38,707,252
Wichita State University	13,860,573	14,569,973	13,831,706
Kansas Arts Commission	497,247	473,000	473,000
Historical Society	268,038	335,000	385,000
State Library	1,361,033	1,580,336	1,571,206
<b>Total--Education</b>	<b>\$ 504,457,926</b>	<b>\$ 527,642,509</b>	<b>\$ 531,969,322</b>
<b>Public Safety</b>			
Department of Corrections	2,421,686	6,888,830	3,658,344
El Dorado Correctional Facility	206,517	--	--
Ellsworth Correctional Facility	765,160	3,905,936	--
Hutchinson Correctional Facility	312,693	41,403	--
Lansing Correctional Facility	--	330,000	--
Topeka Correctional Facility	83,047	39,662	80,519
Juvenile Justice Authority	4,507,303	2,182,603	4,370,520
Adjutant General	27,926,680	14,121,049	23,756,273
Emergency Medical Services Board	143,818	100,000	100,000

## Schedule 15--Federal Receipts by Agency

	<u>FY 2001</u> <u>Actual</u>	<u>FY 2002</u> <u>Gov. Estimate</u>	<u>FY 2003</u> <u>Gov. Rec.</u>
Highway Patrol	2,677,590	2,268,044	2,340,335
Kansas Bureau of Investigation	3,443,842	3,908,193	4,664,157
Sentencing Commission	5,603,345	7,131,183	6,864,553
<b>Total--Public Safety</b>	<b>\$ 48,091,681</b>	<b>\$ 40,916,903</b>	<b>\$ 45,834,701</b>
 <b>Agriculture &amp; Natural Resources</b>			
Department of Agriculture	2,328,716	2,628,467	2,442,819
State Conservation Commission	--	245,000	149,065
Kansas Water Office	107,500	363,463	76,315
Department of Wildlife & Parks	8,155,677	8,426,745	8,351,292
<b>Total--Agriculture &amp; Natural Resources</b>	<b>\$ 10,591,893</b>	<b>\$ 11,663,675</b>	<b>\$ 11,019,491</b>
 <b>Transportation</b>			
Kansas Department of Transportation	285,852,092	265,427,000	320,791,000
<b>Total--Transportation</b>	<b>\$ 285,852,092</b>	<b>\$ 265,427,000</b>	<b>\$ 320,791,000</b>
 <b>Statewide Total</b>	 <b>\$ 2,584,953,894</b>	 <b>\$ 2,501,676,753</b>	 <b>\$ 2,645,856,356</b>

## Schedule 16--Current Year Adjustments

	<u>State General Fund</u>	<u>All Funding Sources</u>
<b>General Government</b>		
Department of Administration		
Savings Incentive Expenditures	179,638	179,638
Miscellaneous Operating Expenditures	309,539	(352,616)
Public Broadcasting Equipment Grants	10,000	10,000
New Capital Improvement Reappropriation	70,404	70,404
Ongoing Capital Improvement Reappropriation	684,866	1,058,722
Total--Department of Administration	\$1,254,447	\$966,148
Kansas Corporation Commission		
Salary & Wages Adjustment	--	94,651
Miscellaneous Operating Expenditures	--	166,734
Federal Special Projects Grants	--	492,466
Total--Kansas Corporation Commission	--	\$753,851
Citizens' Utility Ratepayer Board		
Consulting Fees Adjustments	--	51,095
Miscellaneous Operating Expenditures	--	716
Total--Citizens' Utility Ratepayer Board	--	\$51,811
Kansas Human Rights Commission		
Savings Incentive Expenditures	58,176	58,176
Board of Indigents' Defense Services		
Increased Shrinkage	(90,000)	(90,000)
Reappropriated Assigned Counsel Savings	940	940
Miscellaneous Operating Expenditures	--	(30,344)
Total--Board of Indigents' Defense Services	(\$89,060)	(\$119,404)
Health Care Stabilization Fund Board of Governors		
Claims & Administrative Expenditures	--	(1,886,043)
KPERS		
Salary & Wage Adjustments	--	79,364
Contractual Services Expenditure Reductions	--	(3,953,947)
Commodities Expenditure Revision	--	78,850
Capital Outlay Expenditure Revision	--	350,000
Total--KPERS	--	(\$3,445,733)
Department of Commerce & Housing		
Section 8 Housing Administration	--	(18,892,907)
Grants Adjustment	--	(5,000)
Total--Department of Commerce & Housing	--	(\$18,897,907)
Kansas Technology Enterprise Corp.		
Salary & Wage Adjustments	--	(46,666)
KTEC Holdings	--	(16,841)
MAMTC Program Change	--	(1,568,000)
Total--Kansas Technology Enterprise Corp.	--	(\$1,631,507)
Kansas, Inc.		
Strategic Plan	--	41,000
Miscellaneous Operating Expenditures	--	439
Total--Kansas, Inc.	--	\$41,439
Kansas Lottery		
Salary & Wage Adjustments	--	(142,091)
Prize, Vendor, & Retailer Payouts	--	358,209

## Schedule 16--Current Year Adjustments

	<u>State General Fund</u>	<u>All Funding Sources</u>
Cost of Sales	--	(792,105)
Total--Kansas Lottery	--	(\$575,987)
Kansas Racing & Gaming Commission		
Salary & Wage Adjustments	--	(65,122)
Greyhound Breeding Development	--	51,184
Total--Kansas Racing & Gaming Commission	--	(\$13,938)
Department of Revenue		
Qualified Ethyl Alcohol Producer Incentive Fund	--	1,000,000
Fee Fund Reappropriation	(750,000)	--
Miscellaneous Operating Expenditures	(1)	179,664
Adjustments to Aid to Local Governments	--	2,580,750
Total--Department of Revenue	(\$750,001)	\$3,760,414
Board of Tax Appeals		
Salary & Wage Adjustments	(10,740)	(10,740)
Savings Incentive Expenditures	82,603	82,603
Total--Board of Tax Appeals	\$71,863	\$71,863
Banking Department		
Official Hospitality Increases	--	1,200
Savings Incentive Expenditures	--	100,094
Total--Banking Department	--	\$101,294
Board of Barbering		
Car Repair and Temporary Help	--	3,000
Behavior Sciences Regulatory Board		
Savings Incentive Expenditures	--	1,861
Board of Mortuary Arts		
Operating Expenditure Increase	--	7,612
Board of Nursing		
Savings Incentive Expenditures	--	5,934
Board of Examiners in Optometry		
Miscellaneous Operating Expenditures	--	1
Kansas Real Estate Commission		
Salary & Wage Adjustments	--	2,270
Moving Costs and Rent	--	5,800
Miscellaneous Operating Expenditures	--	14,730
Total--Kansas Real Estate Commission	--	\$22,800
Office of the Securities Commissioner		
Hearing and Litigation Costs	--	25,000
Office of the Governor		
KWIP Program Transferred to Human Resources	--	(117,633)
Operating Expenditure Reappropriation	341,633	341,633
Total--Office of the Governor	\$341,633	\$224,000
Office of the Lieutenant Governor		
Operating Expenditure Reappropriation	21,149	21,149
Attorney General		
Other State and Fee Funds	--	(16,387)
Adjustments to Federal Funds	--	820,002

## Schedule 16--Current Year Adjustments

	<u>State General Fund</u>	<u>All Funding Sources</u>
Adjustments in Colorado Water Litigation	159,170	159,170
Adjustments in Nebraska Water Litigation	294,281	294,281
Litigation Costs Carry-forward	55,931	55,931
Miscellaneous Operating Expenditures	79,776	79,776
Total--Attorney General	\$589,158	\$1,392,773
Insurance Department		
Salary & Wage Adjustments	--	(75,769)
Federal Grant--SHIPMATES	--	80,000
Workers Compensation Savings	--	(2,000,000)
Savings Incentive Expenditures	--	440,000
Miscellaneous Operating Expenditures	--	564,064
Decrease in Aid to Local Governments	--	(131,250)
Total--Insurance Department	--	(\$1,122,955)
Secretary of State		
Salary & Wage Adjustments	--	595
Miscellaneous Operating Expenditures	(426)	6
Total--Secretary of State	(\$426)	\$601
State Treasurer		
Salary & Wage Adjustments	(43,317)	(38,832)
Report Unclaimed Property Claims "On Budget"	--	6,500,000
Miscellaneous Operating Expenditures	(15,183)	(37,519)
Aid to Local Governments	--	4,443,867
Total--State Treasurer	(\$58,500)	\$10,867,516
Legislative Coordinating Council		
Miscellaneous Operating Expenditures	47,987	47,987
Legislature		
Increased Fee Fund Expenditures	--	94,351
Miscellaneous Operating Expenditures	265,474	265,474
Total--Legislature	\$265,474	\$359,825
Legislative Research Department		
Miscellaneous Operating Expenditures	(55,871)	(55,871)
Legislative Division of Post Audit		
Miscellaneous Operating Expenditures	89,371	89,371
Revisor of Statutes		
Miscellaneous Operating Expenditures	(37,414)	(37,414)
Judiciary		
Byrne Grant for New Case Management System	--	1,339,377
Savings Incentive Expenditures	12,198	12,198
Total--Judiciary	\$12,198	\$1,351,575
Judicial Council		
Miscellaneous Operating Expenditures	--	(2,959)
<b>Total--General Government</b>	<b>\$1,760,184</b>	<b>(\$7,563,717)</b>

## Human Resources

Social & Rehabilitation Services		
Temporary Assistance to Families Caseload	--	3,000,000
General Assistance Caseload	1,000,000	1,000,000
Nursing Facilities for Mental Health Caseload	1,378,263	1,781,920

## Schedule 16--Current Year Adjustments

	<u>State General Fund</u>	<u>All Funding Sources</u>
Medical Caseload	16,496,955	42,393,361
Fund FY 2002 Pending Medicaid Claims	4,500,000	11,250,000
HealthWave Caseload	2,558,670	9,184,026
Sex Predator Positions	812,066	812,066
Foster Care Caseload	4,424,307	6,399,999
Adoption Caseload	3,912,315	5,000,000
Reduce Travel and Capital Outlay in ITS	(176,453)	(496,422)
Adjust Childcare Caseload	(230,611)	(794,874)
Slow MMIS Reprocurement	(467,500)	(4,675,000)
Reduce SGF in Waiver Support Grants	(400,000)	(400,000)
Reappropriation of HCBS Disability Waivers	1,004,674	1,004,674
Miscellaneous Adjustments	(11)	498,064
Additional Federal Energy Assistance	--	4,663,919
Vocational Rehabilitation Assistance	--	2,350,523
Intermediate Care Facilities for Mental Health	--	2,171,482
Alcohol and Drug Rehabilitation Assistance	--	927,815
Fund Kansas Payment Center Contract	733,754	1,650,720
Additional Medicaid in DD Waiver	--	6,500,000
Independent Living Federal Grant	--	149,795
Capital Project Reappropriations	--	372,301
Total--Social & Rehabilitation Services	\$35,546,429	\$94,744,369
Kansas Neurological Institute		
Systemwide Funding Reappropriation	(60,000)	--
Miscellaneous Operating Expenditures	--	70,274
Total--Kansas Neurological Institute	(\$60,000)	\$70,274
Larned State Hospital		
Computer Leasing Adjustment	8,234	8,234
Miscellaneous Operating Expenditures	(23,916)	64,797
Total--Larned State Hospital	(\$15,682)	\$73,031
Osawatomie State Hospital		
Computer Leasing Adjustment	12,352	12,352
Miscellaneous Operating Expenditures	(2,596)	(369,441)
Total--Osawatomie State Hospital	\$9,756	(\$357,089)
Parsons State Hospital and Training Center		
Systemwide Funding Reappropriation	60,000	--
Capital Improvement Reappropriation	--	20,958
Total--Parsons State Hospital and Training Center	\$60,000	\$20,958
Rainbow Mental Health Facility		
Computer Leasing Adjustment	5,067	5,067
Funding Switch from State General Fund to Fee Funds	(250,000)	--
Medical Health Policy Changes	(40,912)	--
Capital Improvement Reappropriation	--	2,604
Total--Rainbow Mental Health Facility	(\$285,845)	\$7,671
Department on Aging		
Salary & Wage Adjustments	(328,965)	(429,301)
Miscellaneous Operating Expenditures	--	(144,834)
Capital Outlay Adjustments	(200,000)	15,754
Aid to Local Governments	--	9,665
Other Assistance	894,415	9,471,691
Total--Department on Aging	\$365,450	\$8,922,975

## Schedule 16--Current Year Adjustments

	<u>State General Fund</u>	<u>All Funding Sources</u>
Health & Environment--Health		
Savings Incentive Expenditures	40,165	40,165
Trauma Plan Registry	--	270,465
Funding for AIDS medications	740,213	740,213
Revised Federal Fund Estimates	--	1,041,738
Revised Special Revenue Fund Estimates	--	400,000
Total--Health and Environment--Health	\$780,378	\$2,492,581
Department of Human Resources		
Salary & Wage Adjustments	--	(2,115,268)
Contractual Service Adjustments	--	4,471,635
Commodity Adjustments	--	188,209
Capital Outlay Adjustments	--	518,400
Savings Incentive Expenditures	55,040	55,040
Reappropriation Welfare-to-Work	757,488	757,488
Employment Assistance & Job Training	--	10,342,000
Miscellaneous Operating Expenditures	--	(57,477)
Unemployment Insurance Claims	--	30,415,000
Capital Improvement Reappropriation	--	(59,138)
Debt Service for Purchase of Building	--	111,138
Total--Department of Human Resources	\$812,528	\$44,627,027
Commission on Veterans' Affairs		
Salary & Wage Adjustments	(421,479)	(2,371,122)
Capital Outlay Savings	--	(3,707,326)
Veterans' Hospital Planned Reappropriation Spent	(600,957)	--
Miscellaneous Operating Expenditures	209,227	605,274
Total--Commission on Veterans' Affairs	(\$813,209)	(\$5,473,174)
Kansas Guardianship Program		
Savings Incentive Expenditures	50,913	50,913
Stipend Payments	(20,000)	(20,000)
Total--Guardianship Program	\$30,913	\$30,913
	<b>\$36,430,718</b>	<b>\$145,159,536</b>
<b>Education</b>		
Department of Education		
School Finance Adjustments	20,165,079	22,046,079
Special Education Excess Costs to 85.0 Percent	(14,140,000)	(14,140,000)
Teacher Mentor Program	1,000,000	1,000,000
Parent Education	(375,000)	(375,000)
Transfer to Board of Regents for Vocational Ed.	(375,432)	(375,432)
Additional Federal and Other Grants	--	4,995,913
Miscellaneous Operating Expenditures	2,135	2,135
Total--Department of Education	\$6,276,782	\$13,153,695
School for the Blind		
Technology Lending Library	43,404	43,404
Miscellaneous Operating Expenditures	(6,798)	18,083
Capital Improvement Reappropriation	--	274,076
Total--School for the Blind	\$36,606	\$335,563
School for the Deaf		
New Federal Grants	--	16,223
Miscellaneous Operating Expenditures	--	45,965
Capital Improvement Reappropriation	--	349,365
Total--School for the Deaf	--	\$411,553

## Schedule 16--Current Year Adjustments

	<u>State General Fund</u>	<u>All Funding Sources</u>
Board of Regents		
Faculty Salary Enhancement Transfer	(8,383,427)	(8,383,427)
Miscellaneous Operating Expenditures	186,409	186,409
Adjustments to Non-State Funding	--	(883,257)
Transfer Out for Building Repair	--	(2,000,000)
Adjustments to Financial Aid	373,930	340,800
Total--Board of Regents	(\$7,823,088)	(\$10,739,475)
Emporia State University		
Faculty Salary Enhancement	412,807	412,807
Miscellaneous Operating Expenditures	17,167	17,167
Increased Estimate of Restricted Use Funding	--	3,432,402
Equipment Reserve Fund	--	237,205
Capital Improvement Reappropriation	--	466,000
Total--Emporia State University	\$429,974	\$4,565,581
Fort Hays State University		
Faculty Salary Enhancement	433,486	433,486
Miscellaneous Operating Expenditures	4,241	4,241
Increased Estimate of Restricted Use Funding	--	314,564
Equipment Reserve Fund	--	38,700
Capital Improvement Reappropriation	--	518,000
Total--Fort Hays State University	\$437,727	\$1,308,991
Kansas State University		
Faculty Salary Enhancement	1,681,062	1,681,062
Miscellaneous Operating Expenditures	223,557	223,557
Appropriation Technical Adjustment	(470,000)	(470,000)
Revised Estimate of General Fees	--	1,865,692
Revised Estimate of Restricted Use Funding	--	2,511,765
Total--Kansas State University	\$1,434,619	\$5,812,076
KSU--Veterinary Medical Center		
Faculty Salary Enhancement	183,846	183,846
Revised Estimate of General Fees	--	1,516,721
Revised Estimate of Restricted Use Funding	--	2,055,205
Total--KSU--Veterinary Medical Center	\$183,846	\$3,755,772
Kansas State University--ESARP		
Faculty Salary Enhancement	661,176	661,176
Miscellaneous Operating Expenditures	93,702	93,702
Revised Estimate of Restricted Use Funding	--	(1,059,331)
Federal Grant Reductions	--	(344,530)
Capital Improvement Reappropriation	--	(3,000,000)
Total--Kansas State University--ESARP	\$754,878	(\$3,648,983)
Pittsburg State University		
Faculty Salary Enhancement	530,145	530,145
Miscellaneous Operating Expenditures	101	101
Increased Estimate of Restricted Use Funding	--	2,224,688
Equipment Reserve Fund	--	447,806
Capital Improvement Reappropriation	--	668,000
Total--Pittsburg State University	\$530,246	\$3,870,740
University of Kansas		
Faculty Salary Enhancement	2,378,776	2,378,776
Revised Estimate of Restricted Use Funding	--	13,831,012

## Schedule 16--Current Year Adjustments

	<u>State General Fund</u>	<u>All Funding Sources</u>
Capital Improvement Reappropriation	--	15,661,330
Total--University of Kansas	\$2,378,776	\$31,871,118
<b>KU Medical Center</b>		
Faculty Salary Enhancement	1,139,005	1,139,005
Miscellaneous Operating Expenditures	187	187
Revised Estimate of Restricted Use Funding	--	14,038,358
Capital Improvement Reappropriation	--	1,000,000
Total--KU Medical Center	\$1,139,192	\$16,177,550
<b>Wichita State University</b>		
Faculty Salary Enhancement	963,124	963,124
Revised General Fees Estimate for Operations	--	1,161,869
Revised Estimate of Restricted Use Funding	--	4,644,160
Total--Wichita State University	\$963,124	\$6,769,153
<b>Kansas Arts Commission</b>		
Miscellaneous Operating Expenditures	699	14,005
Other Assistance/Aid to Locals	--	47,394
Total--Kansas Arts Commission	\$699	\$61,399
<b>Historical Society</b>		
Salary & Wage Adjustments	(527)	(527)
Miscellaneous Operating Expenditures	--	122,201
Additional Federal Preservation Monies	--	160,403
Capital Improvement Reappropriation	54,381	54,381
Total--Historical Society	\$53,854	\$336,458
<b>State Library</b>		
Miscellaneous Operating Expenditures	493	80,351
<b>Total--Education</b>	<b>\$6,797,728</b>	<b>\$74,121,542</b>
<b>Public Safety</b>		
<b>Department of Corrections</b>		
Facilities Operations Reappropriation	(299,969)	(299,969)
Treatment & Programs Reappropriation	(308,777)	(308,777)
Federal Funds Receipt Adjustment	--	(1,619,986)
Treatment Programs for DUI Offenders	--	619,000
Transfer to Facilities	(222,800)	(222,800)
Report Inmate Benefit Fund "On Budget"	--	2,812,844
Revised Correctional Industries Expenditures	--	(1,902,394)
Food Service Contract Supplement	876,779	876,779
Medical Contract Supplement	616,705	616,705
Facilities Transfer to Central Office	317,265	317,265
Corrections Officer Pool Transfer to Facilities	(332,000)	(332,000)
Miscellaneous Operating Expenditures	(2,304)	89,725
Capital Improvement Reappropriation	--	136,674
Total--Department of Corrections	\$644,899	\$783,066
<b>El Dorado Correctional Facility</b>		
Correctional Officer Pool Transfer from Central Office	53,000	53,000
Transfer to Topeka Correctional Facility	(64,500)	(64,500)
Transfer to Central Office for Medical Contract	(317,265)	(317,265)
Savings Incentive Expenditures	181	181
Miscellaneous Operating Expenditures	(1)	(189)
Capital Improvement Reappropriation	--	103,729
Total--El Dorado Correctional Facility	(\$328,585)	(\$225,044)

## Schedule 16--Current Year Adjustments

	<u>State General Fund</u>	<u>All Funding Sources</u>
Ellsworth Correctional Facility		
200-Bed Unit Reappropriation	(64,264)	(64,264)
Savings Incentive Expenditures	286	286
Increase in General Fee Fund Receipts	--	12,000
Violent Offender Incarceration Federal Fund	--	2,275,936
Correctional Officer Pool Transfer from Central Office	22,000	22,000
Capital Improvement Reappropriation	--	58,315
Total--Ellsworth Correctional Facility	(\$41,978)	\$2,304,273
Hutchinson Correctional Facility		
Correctional Officer Pool Transfer from Central Office	59,000	59,000
Transfer to Winfield Correctional Facility	(150,000)	(150,000)
Miscellaneous Operating Expenditures	--	1,335
Savings Incentive Expenditures	1,766	1,766
Capital Improvement Reappropriation	--	580,372
Total--Hutchinson Correctional Facility	(\$89,234)	\$492,473
Lansing Correctional Facility		
Correctional Officer Pool Transfer from Central Office	95,000	95,000
Savings Incentive Expenditures	4,179	4,179
Capital Improvement Reappropriation	--	543,812
Total--Lansing Correctional Facility	\$99,179	\$642,991
Larned Correctional Mental Health Facility		
Correctional Officer Pool Transfer from Central Office	21,000	21,000
Savings Incentive Expenditures	14,423	14,423
Capital Improvement Reappropriation	--	177,790
Total--Larned Correctional Mental Health Facility	\$35,423	\$213,213
Norton Correctional Facility		
Correctional Officer Pool Transfer from Central Office	32,000	32,000
Savings Incentive Expenditures	7,853	7,853
Increase in General Fee Fund Receipts	--	115,055
Capital Improvement Reappropriation	--	312,013
Total--Norton Correctional Facility	\$39,853	\$466,921
Topeka Correctional Facility		
Correctional Officer Pool Transfer from Central Office	25,000	25,000
Savings Incentive Expenditures	2,959	2,959
Miscellaneous Operating Expenditures	--	62,948
Transfer from El Dorado Correctional Facility	64,500	64,500
Capital Improvement Reappropriation	--	734,419
Total--Topeka Correctional Facility	\$92,459	\$889,826
Winfield Correctional Facility		
Correctional Officer Pool Transfer from Central Office	397,800	397,800
Decrease in General Fee Fund Expenditures	--	(22,568)
Capital Improvement Reappropriation	--	95,812
Total--Winfield Correctional Facility	\$397,800	\$471,044
Juvenile Justice Authority		
Savings Incentive Expenditures	57,803	57,803
Miscellaneous Operating Expenditures	(128,743)	--
Aid to Local Government Adjustments	(981,000)	(800,000)
Federal Financing Adjustment	--	718,824
Capital Improvement Reappropriation	--	9,546,674
Total--Juvenile Justice Authority	(\$1,051,940)	\$9,523,301

## Schedule 16--Current Year Adjustments

	<u>State General Fund</u>	<u>All Funding Sources</u>
Atchison Juvenile Correctional Facility		
Savings Incentive Expenditures	7,669	7,669
Beloit Juvenile Correctional Facility		
Miscellaneous Operating Expenditures	(21,603)	(21,603)
Federal Financing Adjustment	--	(21,436)
Fee Fund Adjustment	--	(39,999)
Total--Beloit Juvenile Correctional Facility	(\$21,603)	(\$83,038)
Larned Juvenile Correctional Facility		
Savings Incentive Program	159	159
Miscellaneous Operating Expenditures	128,391	128,391
Federal Financing Adjustment	--	(506)
Fee Fund Adjustment	--	27,296
Total--Larned Juvenile Correctional Facility	\$128,550	\$155,340
Topeka Juvenile Correctional Facility		
Savings Incentive Expenditures	130	130
Federal Financing Adjustment	--	21,692
Fee Fund Adjustment	--	150,000
Capital Improvement Reappropriation	--	184,827
Total--Topeka Juvenile Correctional Facility	\$130	\$356,649
Adjutant General		
Miscellaneous Operating Expenditures	14,837	14,837
Federal Disaster Aid	--	10,677,783
State Emergency Fund--Hoisington Tornado	--	545,096
Total--Adjutant General	\$14,837	\$11,237,716
Ombudsman for Corrections		
Savings Incentive Expenditures	2,372	2,372
Correct Inmate Benefit Fund Errors	--	1,564
Increase in Inmate Benefit Fund--KSIP	--	1,666
Total--Ombudsman for Corrections	\$2,372	\$5,602
Emergency Medical Services Board		
Savings Incentive Expenditures	3,867	3,867
State Fire Marshal		
Miscellaneous Operating Expenditures	--	43,866
Hazardous Materials Emergency Fund	--	250,000
Total--State Fire Marshal	--	\$293,866
Highway Patrol		
Salary & Wage Adjustments	--	1,386,659
Miscellaneous Operating Expenditures	--	1,602,061
Total--Highway Patrol	--	\$2,988,720
Kansas Bureau of Investigation		
Savings Incentive Expenditures	56,214	56,214
Federal Grants	--	1,167,587
Total--Kansas Bureau of Investigation	56,214	\$1,223,801
Kansas Parole Board		
Savings Incentive Expenditures	293	293
Miscellaneous Operating Expenditures	3,665	3,665
Total--Kansas Parole Board	\$3,958	\$3,958

## Schedule 16--Current Year Adjustments

	<u>State General Fund</u>	<u>All Funding Sources</u>
Kansas Sentencing Commission		
Federal Fund Receipt Revision	--	3,109,192
Miscellaneous Operating Expenditures	--	60,406
Total--Kansas Sentencing Commission	--	\$3,169,598
<b>Total--Public Safety</b>	<b>(\$6,130)</b>	<b>\$34,925,812</b>
<b>Agriculture &amp; Natural Resources</b>		
Department of Agriculture		
Fee Fund Increases	--	178,172
Revised Federal Fund Estimates	--	326,680
Reduced Water Plan Fund Expenditures	--	(7,216)
Specialty Crop Federal Grant	--	710,000
Total--Department of Agriculture	--	\$1,207,636
Animal Health Department		
Reduction in Fee Fund Expenditures	--	(600)
State Conservation Commission		
Buffer Participation Incentive Expenditures	--	150,000
Riparian Participation Incentive Expenditures	--	60,000
Environmental Improvement Incentive Expenditures	--	10,000
Miscellaneous Operating Expenditures	--	102,735
Federal Funds	--	320,134
Total--State Conservation Commission	--	\$642,869
Health & Environment--Environment		
Revised Special Revenue Fund Estimates	--	433,723
Revised Federal Funds Estimates	--	850,000
Total--Health & Environment--Environment	--	\$1,283,723
Kansas State Fair		
Operating Expenditure/Fee Fund Transfer	--	(95,033)
Miscellaneous Operating Expenditures	--	(213,639)
Total--Kansas State Fair	--	(\$308,672)
Kansas Water Office		
Miscellaneous Operating Expenditures	--	314,228
Revised Federal Fund Estimates	--	148,730
Storage at Kanopolis--Water Supply Fund	--	706,005
Total--Kansas Water Office	--	\$1,168,963
Department of Wildlife & Parks		
Salary & Wage Adjustments	--	(47,318)
Miscellaneous Operating Expenditures	12,829	12,829
Capital Improvement Reappropriation	346,968	5,251,050
Total--Department of Wildlife & Parks	\$359,797	\$5,216,561
<b>Total--Agriculture &amp; Natural Resources</b>	<b>\$359,797</b>	<b>\$9,210,480</b>
<b>Transportation</b>		
Kansas Department of Transportation		
Additional Bonding Offset	(20,000,000)	--
Demand Transfer Removed in Governor's Veto	(6,500,000)	--
Miscellaneous Operating Expenditures	--	(3,479,751)
Local Aid Adjustment	--	(2,207,765)
Other Assistance Adjustment	--	3,100,000

## Schedule 16--Current Year Adjustments

	<u>State General Fund</u>	<u>All Funding Sources</u>
Capital Projects Adjustment	--	29,646,130
Total--Kansas Department of Transportation	(26,500,000)	\$27,058,614
<b>Total--Transportation</b>	<b>(26,500,000)</b>	<b>\$27,058,614</b>
<b>Statewide Total</b>	<b>\$18,842,297</b>	<b>\$282,912,267</b>

## Schedule 17--Authorized Positions by Agency

	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>	<u>FY 2003</u>	<u>FY 2003</u>
	<u>Actual</u>	<u>Gov. Estimate</u>	<u>Base Budget</u>	<u>Enhance. Pkg.</u>	<u>Gov. Rec.</u>
<b>General Government</b>					
Department of Administration					
FTE Positions	874.4	879.0	879.2	7.0	881.2
Non-FTE Unclassified Permanent Positions	4.8	6.0	6.0	--	6.0
Total--Department of Administration	879.2	885.0	885.2	7.0	887.2
Kansas Corporation Commission					
FTE Positions	210.0	211.0	211.0	2.0	211.0
Non-FTE Unclassified Permanent Positions	--	3.0	3.0	--	3.0
Total--Kansas Corporation Commissior	210.0	214.0	214.0	2.0	214.0
Citizens' Utility Ratepayer Board	4.0	4.0	4.0	1.0	4.0
Kansas Human Rights Commission	36.0	37.0	37.0	1.0	37.0
Board of Indigents' Defense Services					
FTE Positions	164.0	165.5	165.5	--	165.5
Non-FTE Unclassified Permanent Positions	1.0	1.0	1.0	--	1.0
Total--Board of Indigents' Defense Services	165.0	166.5	166.5	--	166.5
Health Care Stabilization Board of Governors	16.0	16.0	16.0	--	16.0
KPERS	84.0	84.0	84.0	1.0	84.0
Department of Commerce & Housing					
FTE Positions	136.0	149.0	149.0	--	148.0
Non-FTE Unclassified Permanent Positions	4.0	4.0	4.0	--	4.0
Total--Department of Commerce & Housing	140.0	153.0	153.0	--	152.0
Kansas Technology Enterprise Corp.					
FTE Positions	29.0	29.0	29.0	--	29.0
Non-FTE Unclassified Permanent Positions	1.0	1.0	1.0	--	1.0
Total--Kansas Technology Enterprise Corp.	30.0	30.0	30.0	--	30.0
Kansas, Inc.	4.0	4.0	4.0	--	4.0
Kansas Lottery	87.8	87.8	87.8	--	87.8
Kansas Racing & Gaming Commissior	64.0	64.0	64.0	--	64.0
Department of Revenue	1,162.0	1,196.0	1,196.0	--	1,196.0
Board of Tax Appeals	31.0	31.0	27.0	--	29.0
Abstracters' Board of Examiners	--	--	--	--	--
Board of Accountancy	3.0	3.0	3.0	--	3.0
Banking Department					
FTE Positions	77.0	85.0	85.0	--	85.0
Non-FTE Unclassified Permanent Positions	1.0	1.0	1.0	--	1.0
Total--Banking Department	78.0	86.0	86.0	--	86.0
Board of Barbering	1.5	1.5	1.5	--	1.5
Behavioral Sciences Regulatory Board	7.8	8.0	8.0	--	8.0
Board of Cosmetology	12.0	12.0	12.0	--	12.0

## Schedule 17--Authorized Positions by Agency

	<b>FY 2001</b>	<b>FY 2002</b>	<b>FY 2003</b>	<b>FY 2003</b>	<b>FY 2003</b>
	<b>Actual</b>	<b>Gov. Estimate</b>	<b>Base Budget</b>	<b>Enhance. Pkg.</b>	<b>Gov. Rec.</b>
Department of Credit Unions	12.0	13.0	13.0	--	13.0
Kansas Dental Board	2.0	2.5	2.5	--	2.5
Governmental Ethics Commission					
FTE Positions	9.0	9.0	9.0	--	9.0
Non-FTE Unclassified Permanent Positions	0.5	0.5	0.5	--	0.5
Total--Governmental Ethics Commission	9.5	9.5	9.5	--	9.5
Board of Healing Arts	29.0	29.0	29.0	--	29.0
Hearing Aid Board of Examiners	0.4	0.4	0.4	--	0.4
Board of Mortuary Arts	3.0	3.0	3.0	--	3.0
Board of Nursing	22.0	22.0	22.0	--	22.0
Board of Examiners in Optometry	1.0	1.0	1.0	--	1.0
Board of Pharmacy	6.0	6.0	6.0	--	6.0
Kansas Real Estate Appraisal Board	3.0	3.0	3.0	--	3.0
Kansas Real Estate Commission	13.0	13.0	13.0	1.0	13.0
Office of the Securities Commissioner	27.8	27.8	27.8	--	27.8
Board of Technical Professions	6.0	6.0	6.0	--	6.0
Board of Veterinary Examiners	3.0	3.0	3.0	--	3.0
Office of the Governor	30.0	29.0	29.0	--	29.0
Office of the Lieutenant Governor	3.0	3.0	3.0	--	3.0
Attorney General					
FTE Positions	90.0	95.0	95.0	--	95.0
Non-FTE Unclassified Permanent Positions	16.0	14.0	14.0	--	14.0
Total--Attorney General	106.0	109.0	109.0	--	109.0
Insurance Department					
FTE Positions	157.0	157.0	157.0	--	157.0
Non-FTE Unclassified Permanent Positions	2.0	4.5	4.5	--	4.5
Total--Insurance Department	159.0	161.5	161.5	--	161.5
Secretary of State	57.0	56.0	56.0	--	56.0
State Treasurer	55.5	55.5	55.5	--	55.5
Legislative Coordinating Council	13.0	13.0	13.0	--	13.0
Legislature	33.0	33.0	33.0	--	33.0
Legislative Research Department	37.0	37.0	37.0	--	37.0
Legislative Division of Post Audit	21.0	21.0	21.0	--	21.0
Revisor of Statutes	26.0	26.0	26.0	--	26.0
Judiciary	1,815.5	1,813.0	1,816.0	--	1,816.0
Judicial Council	4.0	4.0	4.0	--	4.0

## Schedule 17--Authorized Positions by Agency

	FY 2001 Actual	FY 2002 Gov. Estimate	FY 2003 Base Budget	FY 2003 Enhance. Pkg.	FY 2003 Gov. Rec.
<b>Total--FTE Positions</b>	<b>5,482.7</b>	<b>5,548.0</b>	<b>5,547.2</b>	<b>13.0</b>	<b>5,550.2</b>
<b>Total--Non-FTE Unclassified Perm. Pos.</b>	<b>30.3</b>	<b>35.0</b>	<b>35.0</b>	<b>--</b>	<b>35.0</b>
<b>Total--General Government</b>	<b>5,513.0</b>	<b>5,583.0</b>	<b>5,582.2</b>	<b>13.0</b>	<b>5,585.2</b>
<b>Human Resources</b>					
Social & Rehabilitation Services					
FTE Positions	3,878.5	4,050.5	4,021.5	56.0	4,050.5
Non-FTE Unclassified Permanent Positions	168.2	37.7	44.7	--	44.7
Total--Social & Rehabilitation Services	4,046.7	4,088.2	4,066.2	56.0	4,095.2
Kansas Neurological Institute					
FTE Positions	655.5	655.5	655.5	--	655.5
Non-FTE Unclassified Permanent Positions	1.0	1.0	1.0	--	1.0
Total--Kansas Neurological Institute	656.5	656.5	656.5	--	656.5
Larned State Hospital					
FTE Positions	744.8	725.8	725.8	--	725.8
Non-FTE Unclassified Permanent Positions	--	1.0	1.0	--	1.0
Total--Larned State Hospital	744.8	726.8	726.8	--	726.8
Osawatomie State Hospital					
	477.4	477.4	477.4	--	477.4
Parsons St. Hospital & Training Center					
FTE Positions	513.0	513.5	513.5	--	513.5
Non-FTE Unclassified Permanent Positions	2.1	0.9	0.9	--	0.9
Total--Parsons State Hospital & Training Ctr	515.1	514.3	514.3	--	514.3
Rainbow Mental Health Facility					
	126.8	126.8	126.8	--	126.8
<b>Subtotal--FTE Positions</b>	<b>6,396.0</b>	<b>6,549.5</b>	<b>6,520.5</b>	<b>56.0</b>	<b>6,549.5</b>
<b>Subtotal--Non-FTE Unclassified Perm. Pos.</b>	<b>171.3</b>	<b>40.6</b>	<b>47.6</b>	<b>--</b>	<b>47.6</b>
<b>Subtotal--SRS</b>	<b>6,567.3</b>	<b>6,590.0</b>	<b>6,568.0</b>	<b>56.0</b>	<b>6,597.0</b>
Department on Aging					
FTE Positions	157.0	157.1	157.1	--	157.1
Non-FTE Unclassified Permanent Positions	4.0	1.8	1.8	--	1.8
Total--Department on Aging	161.0	158.9	158.9	--	158.9
Health & Environment--Health					
	428.5	513.0	513.0	9.0	513.0
Department of Human Resources					
FTE Positions	964.3	963.4	961.4	9.5	961.4
Non-FTE Unclassified Permanent Positions	19.0	19.0	19.0	--	19.0
Total--Department of Human Resources	983.3	982.4	980.4	9.5	980.4
Commission on Veterans' Affairs					
FTE Positions	463.3	555.3	555.3	18.0	555.3
Non-FTE Unclassified Permanent Positions	5.0	5.0	5.0	--	5.0

## Schedule 17--Authorized Positions by Agency

	<b>FY 2001</b>	<b>FY 2002</b>	<b>FY 2003</b>	<b>FY 2003</b>	<b>FY 2003</b>
	<b>Actual</b>	<b>Gov. Estimate</b>	<b>Base Budget</b>	<b>Enhance. Pkg.</b>	<b>Gov. Rec.</b>
Total--Veterans' Affairs	468.3	560.3	560.3	18.0	560.3
Kansas Guardianship Program	13.0	13.0	13.0	--	13.0
<b>Total--FTE Positions</b>	<b>8,422.1</b>	<b>8,751.3</b>	<b>8,720.3</b>	<b>92.5</b>	<b>8,749.3</b>
<b>Total--Non-FTE Unclassified Perm. Pos.</b>	<b>199.3</b>	<b>66.3</b>	<b>73.3</b>	<b>--</b>	<b>73.3</b>
<b>Total--Human Resources</b>	<b>8,621.4</b>	<b>8,817.6</b>	<b>8,793.6</b>	<b>92.5</b>	<b>8,822.6</b>
<b>Education</b>					
Department of Education					
FTE Positions	201.5	190.5	190.5	17.5	208.0
Non-FTE Unclassified Permanent Positions	--	33.0	33.0	--	33.0
Total--Department of Education	201.5	223.5	223.5	17.5	241.0
School for the Blind	92.5	92.5	92.5	--	92.5
School for the Deaf	173.5	173.5	173.5	6.0	173.5
<b>Subtotal--FTE Positions</b>	<b>467.5</b>	<b>456.5</b>	<b>456.5</b>	<b>23.5</b>	<b>474.0</b>
<b>Subtotal--Non-FTE Unclassified Perm. Pos.</b>	<b>--</b>	<b>33.0</b>	<b>33.0</b>	<b>--</b>	<b>33.0</b>
<b>Subtotal--Board of Education</b>	<b>467.5</b>	<b>489.5</b>	<b>489.5</b>	<b>23.5</b>	<b>507.0</b>
Board of Regents					
FTE Positions	28.0	43.0	43.0	--	45.0
Non-FTE Unclassified Permanent Positions	2.0	2.0	2.0	--	--
Total--Board of Regents	30.0	45.0	45.0	--	45.0
Emporia State University	692.0	692.0	692.0	--	692.0
Fort Hays State University	710.0	710.0	710.0	--	710.0
Kansas State University	3,178.0	3,201.2	3,201.2	--	3,201.2
KSU--Veterinary Medical Center	254.5	259.2	259.2	--	259.2
Kansas State University--ESARF	1,430.2	1,430.2	1,430.2	--	1,430.2
Pittsburg State University	796.3	796.3	796.3	--	796.3
University of Kansas	4,485.1	4,489.7	4,486.5	--	4,486.5
KU Medical Center	2,448.7	2,352.3	2,352.3	--	2,352.3
Wichita State University	1,727.3	1,727.3	1,727.3	--	1,727.3
<b>Subtotal--FTE Positions</b>	<b>15,750.1</b>	<b>15,701.2</b>	<b>15,698.0</b>	<b>--</b>	<b>15,700.0</b>
<b>Subtotal--Non-FTE Unclassified Perm. Pos.</b>	<b>2.0</b>	<b>2.0</b>	<b>2.0</b>	<b>--</b>	<b>--</b>
<b>Subtotal--Regents</b>	<b>15,752.1</b>	<b>15,703.2</b>	<b>15,700.0</b>	<b>--</b>	<b>15,700.0</b>
Kansas Arts Commission	8.0	8.0	8.0	1.0	8.0

## Schedule 17--Authorized Positions by Agency

	FY 2001 Actual	FY 2002 Gov. Estimate	FY 2003 Base Budget	FY 2003 Enhance. Pkg.	FY 2003 Gov. Rec.
Historical Society	136.5	136.5	136.5	--	136.5
State Library	27.0	27.0	27.0	--	27.0
<b>Total--FTE Positions</b>	<b>16,389.1</b>	<b>16,329.2</b>	<b>16,326.0</b>	<b>24.5</b>	<b>16,345.5</b>
<b>Total--Non-FTE Unclassified Perm. Pos.</b>	<b>2.0</b>	<b>35.0</b>	<b>35.0</b>	<b>--</b>	<b>33.0</b>
<b>Total--Education</b>	<b>16,391.1</b>	<b>16,364.2</b>	<b>16,361.0</b>	<b>24.5</b>	<b>16,378.5</b>
<b>Public Safety</b>					
Department of Corrections					
FTE Positions	319.0	319.0	319.0	--	319.0
Non-FTE Unclassified Permanent Positions	15.0	15.0	15.0	--	15.0
Total--Department of Corrections	334.0	334.0	334.0	--	334.0
El Dorado Correctional Facility					
FTE Positions	468.0	466.0	466.5	--	447.5
Non-FTE Unclassified Permanent Positions	0.5	0.5	--	--	--
Total--El Dorado Correctional Facility	468.5	466.5	466.5	--	447.5
Ellsworth Correctional Facility					
FTE Positions	182.5	223.0	223.0	1.0	223.0
Non-FTE Unclassified Permanent Positions	1.0	1.0	1.0	--	1.0
Total--Ellsworth Correctional Facility	183.5	224.0	224.0	1.0	224.0
Hutchinson Correctional Facility					
FTE Positions	512.0	512.0	512.0	--	512.0
Non-FTE Unclassified Permanent Positions	0.5	0.5	0.5	--	0.5
Total--Hutchinson Correctional Facility	512.5	512.5	512.5	--	512.5
Lansing Correctional Facility	710.0	710.0	710.0	1.0	685.0
Larned Correctional MH Facility	186.0	186.0	186.0	1.0	186.0
Norton Correctional Facility					
FTE Positions	266.0	266.0	266.0	1.0	236.0
Non-FTE Unclassified Permanent Positions	--	1.0	1.0	--	1.0
Total--Norton Correctional Facility	266.0	267.0	267.0	1.0	237.0
Topeka Correctional Facility					
FTE Positions	220.0	220.0	220.0	--	249.0
Non-FTE Unclassified Permanent Positions	3.0	3.0	3.0	--	3.0
Total--Topeka Correctional Facility	223.0	223.0	223.0	--	252.0
Winfield Correctional Facility					
FTE Positions	201.0	201.0	201.0	7.0	201.0
Non-FTE Unclassified Permanent Positions	--	2.0	2.0	(2.0)	2.0
Total--Winfield Correctional Facility	201.0	203.0	203.0	5.0	203.0
<b>Subtotal--FTE Positions</b>	<b>3,064.5</b>	<b>3,103.0</b>	<b>3,103.5</b>	<b>11.0</b>	<b>3,058.5</b>
<b>Subtotal--Non-FTE Unclassified Perm. Pos.</b>	<b>20.0</b>	<b>23.0</b>	<b>22.5</b>	<b>(2.0)</b>	<b>22.5</b>
<b>Subtotal--Corrections</b>	<b>3,084.5</b>	<b>3,126.0</b>	<b>3,126.0</b>	<b>9.0</b>	<b>3,081.0</b>
Juvenile Justice Authority					
FTE Positions	36.0	38.0	38.0	4.0	38.0
Non-FTE Unclassified Permanent Positions	8.0	9.0	9.0	--	9.0
Total--Juvenile Justice Authority	44.0	47.0	47.0	4.0	47.0
Atchison Juvenile Correctional Facility	120.0	119.0	119.0	10.0	119.0

## Schedule 17--Authorized Positions by Agency

	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>	<u>FY 2003</u>	<u>FY 2003</u>
	<u>Actual</u>	<u>Gov. Estimate</u>	<u>Base Budget</u>	<u>Enhance. Pkg.</u>	<u>Gov. Rec.</u>
Beloit Juvenile Correctional Facility	104.0	104.0	104.0	--	104.0
Larned Juvenile Correctional Facility					
FTE Positions	128.0	129.0	148.0	15.0	148.0
Non-FTE Unclassified Permanent Positions	8.0	8.0	12.0	--	12.0
Total--Larned Juvenile Correctional Facility	136.0	137.0	160.0	15.0	160.0
Topeka Juvenile Correctional Facility	226.0	226.0	226.0	15.0	226.0
<b>Subtotal--FTE Positions</b>	<b>614.0</b>	<b>616.0</b>	<b>635.0</b>	<b>44.0</b>	<b>635.0</b>
<b>Subtotal--Non-FTE Unclassified Perm. Pos.</b>	<b>16.0</b>	<b>17.0</b>	<b>21.0</b>	<b>--</b>	<b>21.0</b>
<b>Subtotal--Juvenile Justice</b>	<b>630.0</b>	<b>633.0</b>	<b>656.0</b>	<b>44.0</b>	<b>656.0</b>
Adjutant General					
FTE Positions	215.0	215.0	215.0	40.0	215.0
Non-FTE Unclassified Permanent Positions	95.0	90.0	90.0	--	90.0
Total--Adjutant General	310.0	305.0	305.0	40.0	305.0
Ombudsman for Corrections	3.5	3.5	3.5	--	3.5
Emergency Medical Services Board					
FTE Positions	13.0	13.0	13.0	2.0	13.0
Non-FTE Unclassified Permanent Positions	2.0	2.0	2.0	--	2.0
Total--Emergency Medical Services	15.0	15.0	15.0	2.0	15.0
State Fire Marshal					
FTE Positions	44.0	46.0	46.0	2.0	46.0
Non-FTE Unclassified Permanent Positions	2.3	1.0	1.0	--	1.0
Total--State Fire Marshal	46.3	47.0	47.0	2.0	47.0
Highway Patrol					
FTE Positions	823.8	823.8	823.8	--	823.8
Non-FTE Unclassified Permanent Positions	61.3	61.3	61.3	--	61.3
Total--Highway Patrol	885.1	885.1	885.1	--	885.1
Kansas Bureau of Investigator					
FTE Positions	200.0	200.0	200.0	--	200.0
Non-FTE Unclassified Permanent Positions	84.0	84.0	81.0	--	81.0
Total--Kansas Bureau of Investigator	284.0	284.0	281.0	--	281.0
Kansas Parole Board	4.0	4.0	4.0	--	4.0
Kansas Sentencing Commission					
FTE Positions	10.0	10.0	10.0	1.0	10.0
Non-FTE Unclassified Permanent Positions	2.0	2.0	2.0	1.0	2.0
Total--Kansas Sentencing Commission	12.0	12.0	12.0	2.0	12.0
<b>Total--FTE Positions</b>	<b>4,991.8</b>	<b>5,034.3</b>	<b>5,053.8</b>	<b>100.0</b>	<b>5,008.8</b>
<b>Total--Non-FTE Unclassified Perm. Pos.</b>	<b>282.6</b>	<b>280.3</b>	<b>280.8</b>	<b>(1.0)</b>	<b>280.8</b>
<b>Total--Public Safety</b>	<b>5,274.4</b>	<b>5,314.6</b>	<b>5,334.6</b>	<b>99.0</b>	<b>5,289.6</b>
<b>Agriculture &amp; Natural Resources</b>					
Department of Agriculture					
FTE Positions	303.2	302.5	300.5	4.0	300.5
Non-FTE Unclassified Permanent Positions	17.2	15.0	14.0	--	14.0
Total--Department of Agriculture	320.4	317.5	314.5	4.0	314.5
Animal Health Department	31.0	31.0	31.0	2.0	31.0

## Schedule 17--Authorized Positions by Agency

	<b>FY 2001</b>	<b>FY 2002</b>	<b>FY 2003</b>	<b>FY 2003</b>	<b>FY 2003</b>
	<b>Actual</b>	<b>Gov. Estimate</b>	<b>Base Budget</b>	<b>Enhance. Pkg.</b>	<b>Gov. Rec.</b>
State Conservation Commission	13.5	14.5	14.5	1.0	15.5
Health and Environment--Environment	411.0	488.0	488.0	25.0	488.0
Kansas State Fair	22.0	22.0	22.0	2.0	22.0
Kansas Water Office					
FTE Positions	22.5	22.5	22.5	--	22.5
Non-FTE Unclassified Permanent Positions	5.0	1.0	--	--	--
Total--Kansas Water Office	27.5	23.5	22.5	--	22.5
Department of Wildlife & Parks					
FTE Positions	396.0	407.0	407.0	--	407.0
Non-FTE Unclassified Permanent Positions	5.0	--	--	--	--
Total--Department of Wildlife & Parks	401.0	407.0	407.0	--	407.0
<b>Total--FTE Positions</b>	<b>1,199.2</b>	<b>1,287.5</b>	<b>1,285.5</b>	<b>34.0</b>	<b>1,286.5</b>
<b>Total--Non-FTE Unclassified Perm. Pos.</b>	<b>27.2</b>	<b>16.0</b>	<b>14.0</b>	<b>--</b>	<b>14.0</b>
<b>Total--Agriculture &amp; Natural Resources</b>	<b>1,226.4</b>	<b>1,303.5</b>	<b>1,299.5</b>	<b>34.0</b>	<b>1,300.5</b>
<b>Transportation</b>					
Kansas Department of Transportation					
FTE Positions	3,247.5	3,247.5	3,247.5	--	3,247.5
Non-FTE Unclassified Permanent Positions	3.0	3.0	3.0	--	3.0
Total--Kansas Department of Transportation	3,250.5	3,250.5	3,250.5	--	3,250.5
<b>Total--FTE Positions</b>	<b>39,732.4</b>	<b>40,197.8</b>	<b>40,180.3</b>	<b>264.0</b>	<b>40,187.8</b>
<b>Total--Non-FTE Unclassified Perm. Pos.</b>	<b>544.4</b>	<b>435.6</b>	<b>441.1</b>	<b>(1.0)</b>	<b>439.1</b>
<b>Total--Positions</b>	<b>40,276.8</b>	<b>40,633.4</b>	<b>40,621.4</b>	<b>263.0</b>	<b>40,626.9</b>