THE GOVERNOR'S

Budget Report

STATE OF KANSAS

VOLUME 1 FISCAL YEAR 2008

KATHLEEN SEBELIUS, GOVERNOR

K A N S A S

OFFICE OF THE GOVERNOR

KATHLEEN SEBELIUS, GOVERNOR

January 11, 2007

Dear Fellow Kansans:

With the submission of this report, I present my budget recommendations for the fiscal years 2007 and 2008 for consideration by the 2007 Kansas Legislature.

My budget recommendations are based on the key principles of supporting and improving education, growing the Kansas economy, improving health care, providing stewardship of Kansas natural resources, and operating state government efficiently.

The recommendations in this budget can be financed with existing funds while still leaving a 7.5 percent ending balance in our State General Fund as required by law.

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

Sincerely,

KATHLEEN SEBELIUS
Governor

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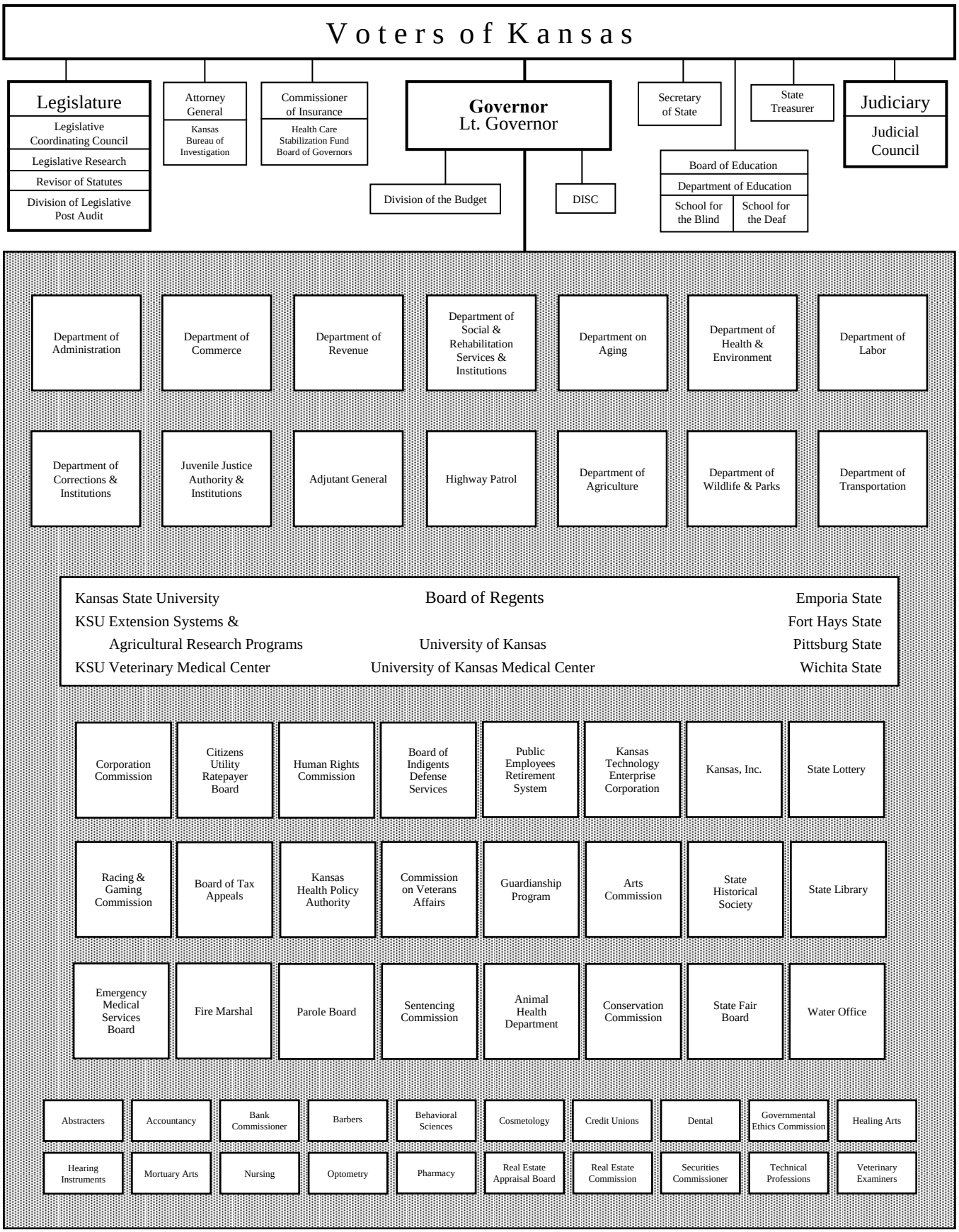
The Governor's

Budget Report

Volume 1

Descriptions and Budget Schedules

Fiscal Year 2008


Voters of Kansas
Legislature
Legislative Coordinating Council
Legislative Research
Revisor of Statutes
Division of Legislative Post Audit
Attorney General
Kansas Bureau of Investigation
Commissioner of Insurance
Health Care Stabilization Fund Board of Governors
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School for the Blind
School for the Deaf
State Treasurer
Judiciary
Judicial Council
Department of Administration
Department of Commerce
Department of Revenue
Department of Social & Rehabilitation Services & Institutions
Department on Aging
Department of Health & Environment
Department of Labor
Department of Corrections & Institutions
Juvenile Justice Authority & Institutions
Adjutant General
Highway Patrol
Department of Agriculture
Department of Wildlife & Parks
Department of Transportation
Kansas State University
KSU Extension Systems & Agricultural Research Programs
KSU Veterinary Medical Center
Board of Regents
University of Kansas
University of Kansas Medical Center
Emporia State
Fort Hays State
Pittsburg State
Wichita State
Corporation Commission
Citizens Utility Ratepayer Board
Human Rights Commission
Board of Indigents Defense Services
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Kansas Technology Enterprise Corporation
Kansas, Inc.
State Lottery
Racing & Gaming Commission
Board of Tax Appeals
Kansas Health Policy Authority
Commission on Veterans Affairs
Guardianship Program
Arts Commission
State Historical Society
State Library
Emergency Medical Services Board
Fire Marshal
Parole Board
Sentencing Commission
Animal Health Department
Conservation Commission
State Fair Board
Water Office
Abstracters
Accountancy
Bank Commissioner
Barbers
Behavioral Sciences
Cosmetology
Credit Unions
Dental
Governmental Ethics Commission
Healing Arts
Hearing Instruments
Mortuary Arts
Nursing
Optometry
Pharmacy
Real Estate Appraisal Board
Real Estate Commission
Securities Commissioner
Technical Professions
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Readers of *The FY 2008 Governor's Budget Report* can access this information on the Kansas Division of the Budget's website at http://budget.ks.gov.

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Budget Summary

Overview

Governor Kathleen Sebelius presents a revised FY 2007 budget and a new budget plan for FY 2008. The budget meets the 7.5 percent State General Fund ending balance required by Kansas law.

Five basic principles guide the Governor's budget recommendations:

Support and improve Kansas schools;

Grow the economy and create jobs;

Improve health care;

Provide stewardship of Kansas natural resources;

Operate state government efficiently.

State General Fund Budget Totals
(Dollars in Millions)

	Amount	Percent Change
FY 2006 Actual Expenditures	$ 5,139.4	--
FY 2007 Approved (May 2006)	5,516.4	7.3%
Expenditures Shifting Forward	22.9	--
FY 2007 Approved with Shifts	5,539.3	7.8%
FY 2007 Revised Rec.	5,586.1	8.7%
FY 2008 Governor's Rec.	6,015.1	7.7%

FY 2007

The revised budget for FY 2007 supports the initiatives that were included in the original FY 2007 budget approved by the Kansas Legislature but incorporates the most current estimates for human service caseloads and school finance formula costs. The updated caseload and school finance estimates explain almost all of the proposed $46.8 million State General Fund upward revision. The recent human service caseload estimates do not materially change the overall budget, but do require a greater share of state funding than earlier estimates projected. School finance estimates rise chiefly because of special education and KPERS—School costs. The revised budget from all funding sources increases by $480.3 million as a result of capital expenditure costs shifting from one fiscal year to the next within the Department of Transportation and to account for additional federal receipts in a variety of agencies. Details of all current year revisions can be found in Schedule 8 at the end of this volume.

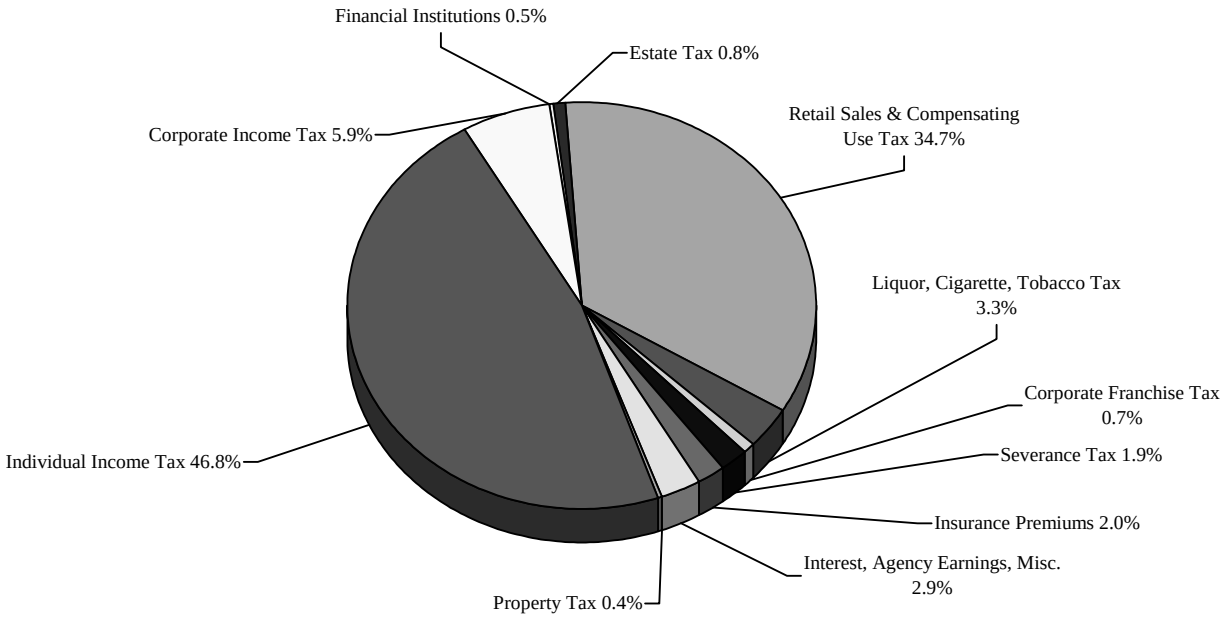
All Funding Sources Budget Totals
(Dollars in Millions)

	Amount	Percent Change
FY 2006 Actual Expenditures	$ 11,432.7	--
FY 2007 Approved (May 2006)	11,891.3	4.0%
FY 2007 Revised Rec.	12,371.6	8.2%
FY 2008 Governor's Rec.	12,390.1	0.1%

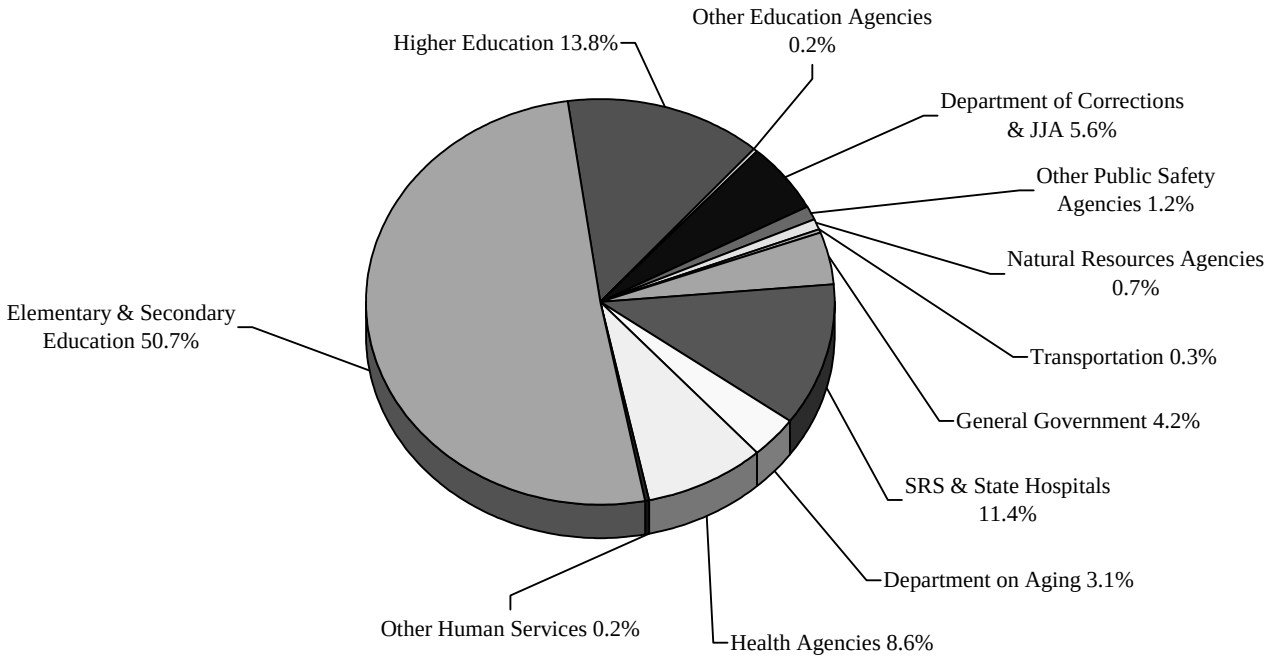
FY 2008

For FY 2008, five basic budget principles guide the allocation of resources. The State General Fund projected ending balance is $451.2 and equals 7.5 percent of expenditures. The budget includes funding for the second year of the school finance plan plus a phased-in all-day kindergarten program. More than $45.0 million in new funding is dedicated to higher education. A rural development initiative and On TRACK will help expand job creation. Healthy Kansas First Five ensures all young children in Kansas have health care. Natural resource agency budgets incorporate new water and energy initiatives. A salary plan for state employees recommends step movement for all classified employees plus a cost-of-living adjustment of 1.5 percent. The recommendations fully incorporate human service caseload projections and expected bond payment costs.

Where State Dollars Come From
State General Fund
FY 2008



Where State Dollars Go
State General Fund
FY 2008



State General Fund Summary

(Dollars in Millions)

	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Gov. Est.	FY 2008 Gov. Rec.
Beginning Balance	$ 122.7	$ 327.5	$ 478.7	$ 733.6	$ 779.1
Released Encumbrances	2.4	--	--	--	--
Revenue from Taxes	4,387.1	4,718.5	5,325.3	5,604.8	5,715.7
Governor's Tax Package	--	--	--	--	(12.8)
Interest	13.9	23.3	54.3	89.0	104.0
Agency Earnings	55.3	75.9	57.0	60.6	64.0
Federal Flexible Grant	45.7	--	--	--	--
Transfers:					
Special County/City Highway Fund	--	(10.1)	(10.1)	(10.1)	(10.1)
School Capital Improvement Aid	(49.9)	(53.0)	(57.5)	(62.6)	(67.0)
Water Plan Fund	(3.8)	(3.7)	(6.0)	(6.0)	(6.0)
State Fair	--	--	(0.3)	(0.0)	(0.3)
Regents Faculty of Distinction	(0.3)	(0.3)	(0.9)	(2.5)	(2.0)
Regents Research Corp Debt Service	--	(3.1)	(0.2)	(9.6)	(9.6)
Biosciences Initiative	--	--	(20.0)	(20.0)	(25.0)
Spirit/Innovia/Goodyear Incentives	--	--	(5.7)	(9.0)	(8.0)
Property Tax Slider--2006 HB 2583	--	--	--	--	(28.3)
Highway Patrol-Wichita Fair Airfare	28.9	30.7	32.3	30.0	30.3
KEY Fund	9.9	1.7	0.4	--	--
KDOT Loan Payment	--	--	--	(32.5)	(30.9)
Colorado Water Litigation Settlement	--	19.4	--		--
27th Paycheck	--	--	32.7	--	--
All Other Transfers	32.1	42.1	(7.1)	(0.4)	(26.8)
Total Available	$ 4,644.0	$ 5,168.8	$ 5,873.1	$ 6,365.2	$ 6,466.3
Expenditures					
Aid to K-12 Schools	2,165.7	2,314.9	2,583.9	2,822.7	3,023.9
Higher Education	673.6	706.1	747.1	785.2	830.7
SRS, KHPA, Aging Caseloads	527.8	659.2	698.2	738.7	798.9
All Other Expenditures	949.3	1,009.9	1,110.2	1,239.5	1,361.6
Total Expenditures	$ 4,316.5	$ 4,690.1	$ 5,139.4	$ 5,586.1	$ 6,015.1
Ending Balance	$ 327.5	$ 478.7	$ 733.6	$ 779.1	$ 451.2
As Percentage of Expenditures	*7.6%*	*10.2%*	*14.3%*	*13.9%*	*7.5%*

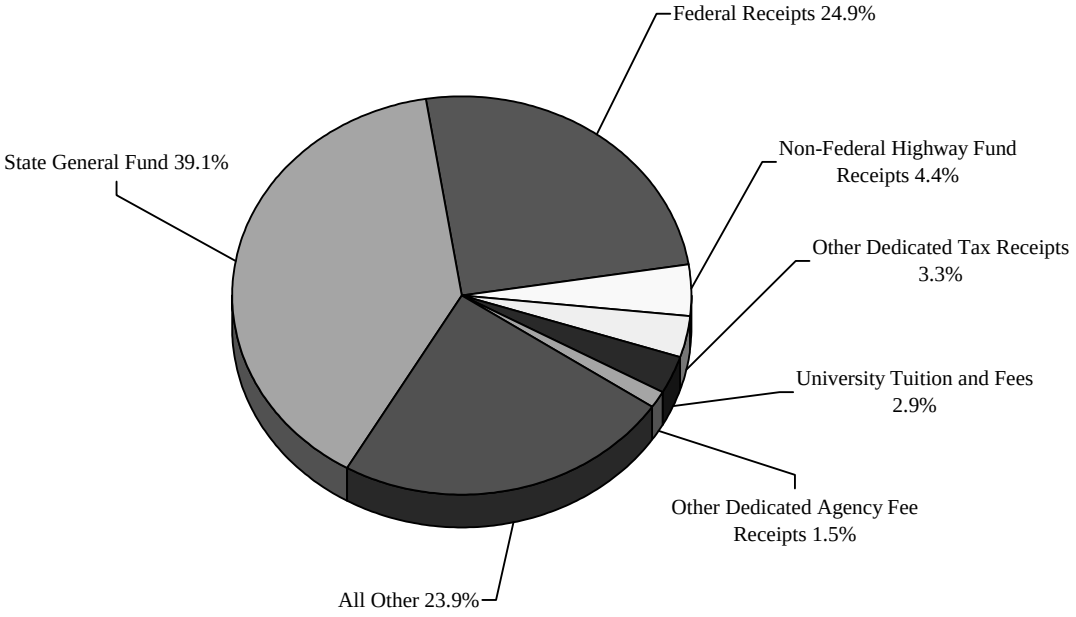
Totals may not add because of rounding.

Revenues for FY 2007 and FY 2008 reflect CRE of November 3, 2006, with Governor's revenue adjustments.

How the All Funds Budget Is Financed

All Sources of Funding

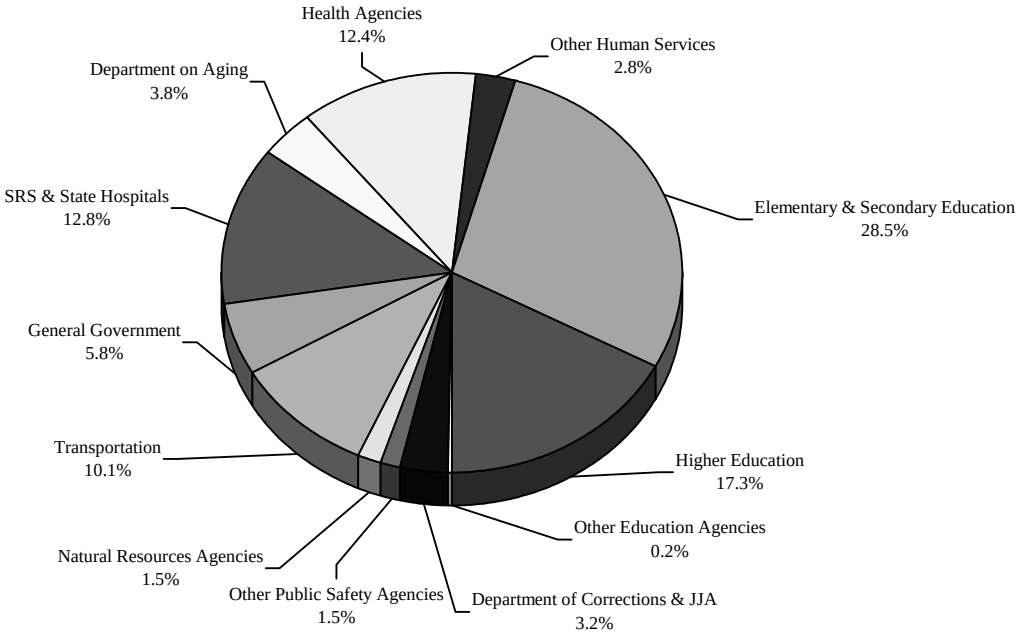
FY 2008



Where All Funds Go

All Sources of Funding*

FY 2008



** Excludes non-reportable expenditures.*

Key Components of the Budget for FY 2008

Strengthening Kansas Schools. The budget fully supports the multi-year school finance plan enacted in the 2006 Session and adds $15.0 million to begin a statewide phase-in of all-day kindergarten.

Ensuring Quality Higher Education. The FY 2008 plan includes a $30.0 million increase in university operating grants; a 4.0 percent increase in funding for community colleges, Washburn University, and technical schools; and $3.0 million in new funding for student financial aid programs.

Improving Health Care for Kansas Children. The Healthy Kansas First Five Program ensures that all Kansas children from birth through age five have health coverage.

Caring for the Elderly and Disabled. Home and Community-Based Service (HCBS) programs for the frail elderly already operate without waiting lists, and additional funding is budgeted to continue that policy. A proposed $19.8 million increase addresses waiting list issues in the HCBS developmentally disabled and physically disabled programs, and $1.5 million begins a new HCBS autism waiver.

Promoting Job Growth. The number of jobs in Kansas has grown steadily over the last two years. A proposed rural development initiative and the On TRACK initiative build on the gains already made.

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

Targeted Tax Reduction. To maintain a competitive tax climate, the budget allows for the tax exempt threshold of the corporate franchise tax to rise to $1.0 million in tax year 2008 and allows the surtax on corporate income to be reduced to 2.95 percent in tax year 2008 and 2.75 percent in tax year 2009.

Supporting Our Military & Veterans. The budget continues funding for the Military Bill of Rights and increases appropriations to purchase life insurance for activated Guard members. Veterans services are enhanced by reinvesting savings generated from the Veterans Services Grant Program.

Making Kansans Safer. For FY 2008, new investments are budgeted for Department of Corrections facilities, new camera equipment for the Highway Patrol, and enhancements for the Criminal Justice Information System.

Kansas Energy. Support for biofuels production continues in the FY 2008 budget plan. The Kansas Energy Office expands, and $1.0 million is included to spur the construction of an electric transmission line to carry wind-generated electricity.

Protecting Water Resources. For a third year, the budget enhances the resources of the State Water Plan so water resource efforts can be expanded.

Protecting Vulnerable Kansans. The Governor's budget fully funds the costs for Medicaid medical services, nursing home care, foster care, and temporary assistance for families. In FY 2008, more than 300,000 people are expected to receive medical services through state programs; more than 10,000 people are supported in nursing homes; almost 5,500 children will be in foster care; and 41,000 will receive support through temporary assistance for families.

Keeping Transportation Promises. To complete all promised road projects in the Comprehensive Transportation Program (CTP), the budget follows the agreement to dedicate $175.0 million of sales tax receipts to the Highway Fund instead of the State General Fund, and to fund fully all CTP bond repayment costs.

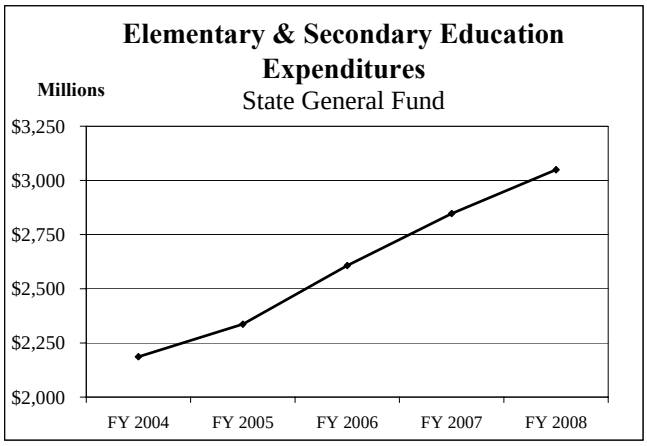
Recognizing Service. The budgeted state employee compensation plan provides step movement for all classified state employees, a 1.5 percent cost-of-living adjustment, and increases in longevity pay.

Financial Stability. Over the last five years the State General Fund ending balance grew from just above zero to a projected $451.2 million, or 7.5 percent of expenditures, at the end of FY 2008.

Budget Principle: Support & Improve Education

K-12 Schools. The Governor's budget fully supports the multi-year school finance plan passed in the 2006 Session and adds $15.0 million to begin a five-year statewide phase-in of all-day kindergarten. Kindergarten students are currently counted as .5 in the school finance formula, but would move to .6 in the first year of the phase-in.

More than 50.0 percent of the State General Fund budget is dedicated to K-12 schools. Over the last five years, investment in schools has increased significantly. The revised FY 2007 budget includes $238.8 million in new funding to cover general state aid, special education, local option budget aid, and KPERS—School. For FY 2008, the Governor's budget includes an additional $201.2 million, which includes funding to begin the all-day kindergarten phase-in. Completing the multi-year plan will require approximately $125.0 million in new funding in FY 2009.



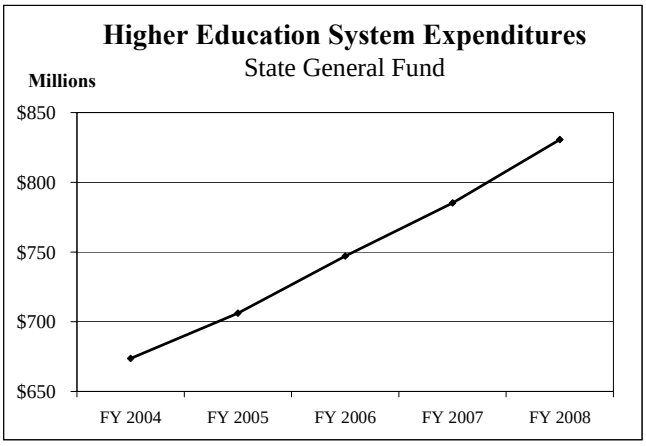
Postsecondary Education. The Governor's FY 2008 budget dedicates more than $41.0 million in new funding to support the Kansas higher education system.

Budgets for Regents universities are funded through an operating grant in order to provide them with control of all their funding sources without restriction from the state. The FY 2008 budget adds $30.0 million to existing operating grant amounts.

The budget provides a 4.0 percent increase in support for community colleges, Washburn University, and technical schools, and a $200,000 increase for adult education.

Student financial aid through the Comprehensive Grant Program increases by $3.0 million in FY 2008. In all, $28.7 million of State General Fund financing is committed to student aid and scholarship programs.

To address a growing issue of teacher shortages, the budget includes $1.0 million for competitive teacher grants and $1.0 million for teacher scholarships.



Early Childhood. Three key enhancements strengthen the state's early childhood programs. Funding for Early Head Start, which provides comprehensive early intervention services to Kansas children, increases by $2.2 million, for a total of $11.9 million. A Pre-K Pilot Program begun last year to enhance the quality of services available to four-year-olds grows from $2.0 million to $5.5 million. A new $1.0 million Child Care Quality Initiative is designed to improve the quality and availability of child care in Kansas.

Budget Principle: Grow the Economy & Create Jobs

Economic Indicators. The Kansas economy is growing and creating jobs. As noted by the Consensus Estimating Group that met in November 2006, the state's economy is expected to continue the trend of positive growth buoyed by a stable employment picture and an improved agricultural sector. The FY 2007 budget is based on the consensus group's economic assumptions, a few of which are listed in the table below.

Kansas Economic Indicators
(Percentage Increase)

	CY 2006	CY 2007	CY 2008
Gross State Product	5.6%	4.8%	4.7%
Kansas Personal Income	6.4%	5.3%	5.2%
Inflation (CPI-U)	3.4%	2.6%	2.5%
Unemployment Rate*	4.8%	4.6%	4.8%

**Fiscal Year basis.*

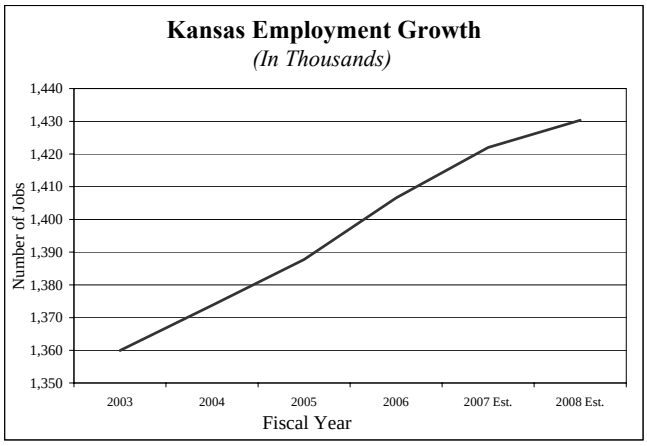
Tax Receipts. Reflecting the state's economy and steady job growth, State General Fund tax receipts have been growing for the last three years, and they are forecast to continue growing in FY 2007 and FY 2008.

State General Fund Tax Receipts
(Dollars in Thousands)

	Receipts from Taxes	Percent Change
FY 2004	$4,387,130	3.6%
FY 2005	4,718,544	7.6%
FY 2006	5,325,257	12.9%
FY 2007 (Estimate)	5,604,800	5.2%
FY 2008 (Estimate)	5,702,900	1.8%

Tax Reductions. A phase-out of the property tax on business machinery and equipment has successfully begun, and inheritance taxes will begin to phase out in tax year 2007. The budget proposed for FY 2008 further allows for the tax exempt threshold of the corporate franchise tax to rise to $1.0 million in tax year 2007, benefiting small businesses, and for the surcharge on corporate income to be reduced to 2.95 percent in tax year 2008, and to 2.75 percent in tax year 2009.

Kansas Job Growth. Through November 2006, Kansas has experienced steady job growth, as illustrated in the table below.



To further job creation, the FY 2008 budget continues funding for the Department of Commerce, KTEC, the Economic Revitalization Act, bioscience initiatives, and monitoring of the federal Base Realignment and Closure Commission (BRAC).

Rural Development. A new $2.1 million Rural Opportunity Program will help communities attract new businesses and jobs to rural areas of the state.

Workforce Development. A new $3.0 million On TRACK (Training, Recruitment, and Careers in Kansas) initiative will focus on developing new recruitment and career training strategies, including sign-on bonuses for new employees in specific industries. Additionally, $2.5 million to the National Institute for Aviation Research will contribute to a strong Kansas aviation industry.

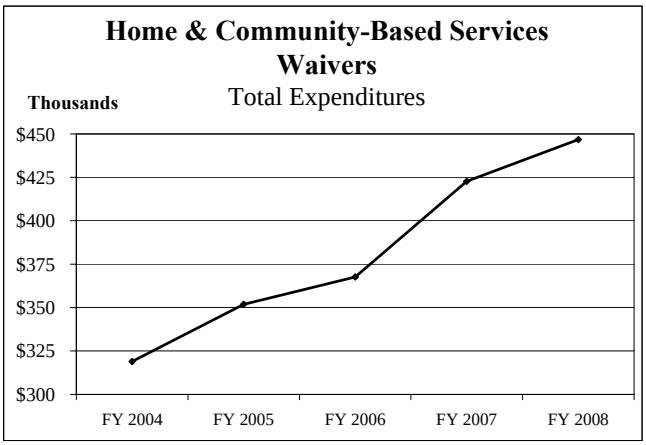
Budget Principle: Improve Health Care

A commitment to improve Kansas health care is incorporated throughout the FY 2008 budget.

Healthy Kansas First Five. Children who start life healthy have a greater chance for success in school and in life, which is why $4.0 million from the State General Fund, $10.0 million total, is included to ensure that all children from birth to age five have health coverage.

Childhood Obesity. The FY 2008 budget contains additional funding of more than $700,000 to begin a childhood obesity reduction initiative within the Regular Medicaid Medical Program.

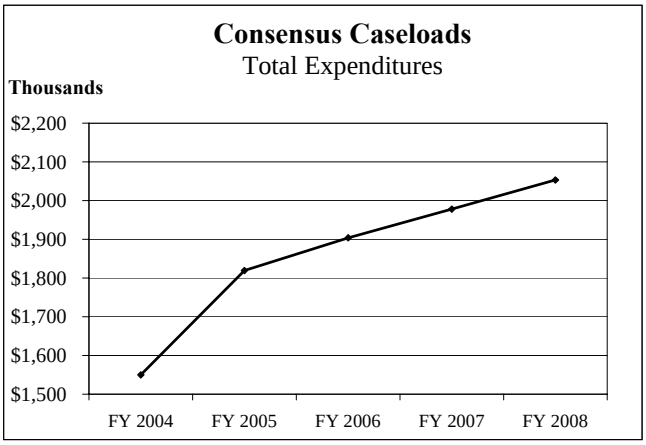
Enhanced HCBS Services. The no-waiting-list policy for the Home and Community-Based Services for the Frail Elderly is continued in FY 2008. The budget increases funding for HCBS services for the developmental disabled and the physically disabled by $19.8 million from FY 2007 to FY 2008.



Adult Dental Coverage. Beginning in FY 2007 dental coverage was added as a benefit for people enrolled in Home and Community-Based Service (HCBS) programs for the developmentally disabled and physically disabled. For FY 2008, the budget includes funds to expand dental coverage to HCBS frail elderly waiver participants.

Autism Waiver. A new $1.5 million HCBS waiver program will provide services for young children with autism spectrum disorder who cannot receive the services they need from any other existing program.

Fully Fund Medicaid Caseloads. More than 300,000 Kansans receive medical benefits through the Medicaid program, and more than 10,000 Kansans rely on Medicaid to support nursing home stays. Though Medicaid costs have been rising, the FY 2007 budget again fully funds the Medicaid services for those eligible.



State Employee Health Benefits. The state covers 95.0 percent of the cost of state employee health insurance and an average of 45.0 percent for the coverage of dependents. Federal rules do not allow state employee dependents to receive HealthWave benefits, but beginning in January 2006 the state's HealthyKids program has paid 90.0 percent of the cost of health coverage for employee children who otherwise would have been eligible for the HealthWave Program. More than 1,300 employees have been approved to enroll their children in HealthyKids for the 2007 plan year.

Budget Principle: Provide Stewardship of Kansas Natural Resources

Water Plan Enhancements. Over a three-year period, water resources have received a significant amount of new State General Fund support. An annual transfer from the State General Fund to the Water Plan Fund has been restored to $6.0 million, and in FY 2007 $2.2 million of salary and operation costs were shifted from the Water Plan Fund to the State General Fund so that Water Plan dollars could be more directly invested in water projects. The FY 2008 budget proposes another shift of $2.5 million so that enhancements for existing programs and a project for water level restoration at Keith Sebelius Reservoir can be funded from the Water Plan.

Key Water Plan Fund Investments

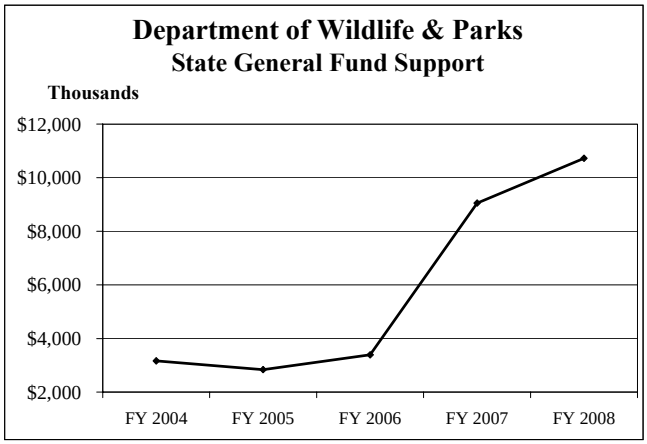
- Water Resources Cost-Share
- Nonpoint Source Pollution Assistance
- Conservation District Aid
- Lake Restoration
- Watershed Restoration & Protection Plans
- Interstate Water Monitoring
- Sebelius Reservoir Water Level Restoration

Ethanol/Biodiesel Fuel Support. To encourage the production and use of ethanol and biodiesel, Kansas offers a 30-cent per-gallon subsidy to producers. To pay for the ethanol subsidy, the budget contains $4.5 million in FY 2007 and $3.5 million in FY 2008. Subsidy support for biodiesel production begins in FY 2007 with an appropriation of $437,500, but quickly increases to $3.5 million in FY 2008.

Kansas Energy Council. The Kansas Energy Council, responsible for developing and guiding a state energy plan, is expanded as part of the FY 2008 budget and supported with $175,000 from the State General Fund.

Clean Air, Clean Water. The budget dedicates more than $6.0 million to support the Clean Air Act and $13.4 million to implement Clean Water Act and Safe Drinking Act provisions.

Free Access to State Parks. Kansas state parks provide opportunities to enjoy and celebrate the state's natural resources. The Governor proposes all Kansans have access to the parks without paying entry fees and includes enhanced funding of $1.6 million in the FY 2008 budget to make that possible. The cost of free access totals $3.2 million per year, but a portion of that cost was already included in the budget during the 2006 Legislative Session. Half price access began January 1, 2007.



Electric Transmission. The Governor recommends $100,000 to continue financing operations of the Kansas Electric Transmission Authority and $1.0 million to plan for construction of an electric transmission line to carry wind-generated electricity.

Treece Superfund Site. The FY 2008 budget includes $680,000 of state funds to match $6.0 million in federal funds to address health and safety issues at the Superfund site in the City of Treece in southeast Kansas.

State Government Energy Conservation. The Governor continues to direct state government to improve energy efficiency. Energy audits will be completed on state owned and leased buildings, energy saving suggestions will be sought from state employees, capital improvement projects will be reviewed to ensure energy-efficient practices are used, and the recycling program will be expanded.

Budget Principle: Operate State Government Efficiently

Savings & Efficiencies. During her time in office, Governor Sebelius and her administration have focused on making sure tax dollars spent by the state do not go toward unnecessary costs, but are spent as much as possible on services directly benefiting Kansans.

Through FY 2007, this redirected focus has generated $1.0 billion in savings that previously were spent in areas now eliminated, or achieved from areas where the State of Kansas was not taking full advantage of its purchasing power or its capacity to collect debts. For example, sending pay advices electronically rather than by mail has already saved more than $2.0 million; streamlining operations of the Division of Personnel Services has saved almost $3.0 million; timers on the light fixtures in the Docking Office Building save $150,000 each year on electricity costs; and renegotiated supply contracts have generated savings for all state agencies.

In addition, the Department of Transportation has restructured its debt, revised interest and earnings assumptions made when the $13.6 billion Comprehensive Transportation Program (CTP) was passed in 1999, and rescoped set-aside and maintenance programs. For the last five years of the ten-year construction program, those actions will save $813.0 million and make it possible for the CTP to be completed as originally promised.

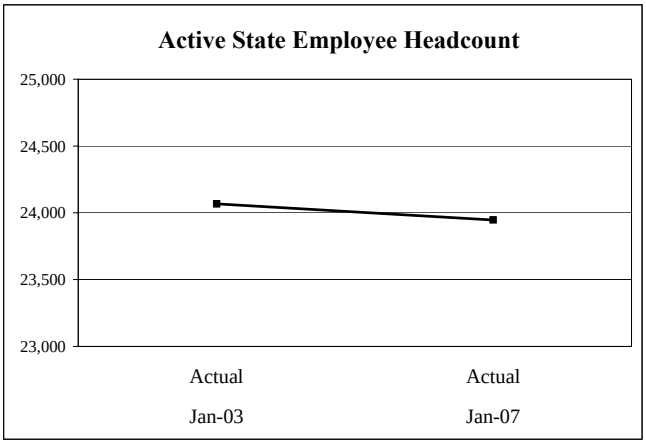
Vehicles. The size of the state's basic fleet of cars and light trucks has been reduced by more than 20.0 percent. In November 2003, the state had a basic fleet of 4,279 vehicles. At that time, the Governor asked for a careful examination of the fleet and an agency-by-agency review of vehicle usage. As a result of that effort, 677 vehicles were sold at auction in February 2004. Since that time, agencies have continued to review the number of vehicles they use, and the size of the current basic fleet has been reduced to 3,419.

State Vehicle Fleet: Cars, Pickups/Vans

Total vehicles in Fleet November 2003 (excludes trailers, large trucks, university fleets, KHP fleet)	4,279
Vehicles sold February 2004	(677)
Further Reductions	(183)
January 2007	5,139

In addition, beginning in November 2003 the Governor ordered a two-year moratorium on the purchase of new vehicles. In the four years prior to the moratorium the state had been spending an average of more than $9.0 million each year on new vehicles, but for two years the moratorium eliminated that spending. After the moratorium ended, the state began a 1-for-1 replacement policy and has not returned to pre-moratorium spending levels.

State Employee Count. In January 2003, the total count of employees working for the state (excluding the Regents universities) was 24,067. In January 2007, the comparable count is 23,946. State government employment levels have stayed flat at a time when all other sectors of the Kansas economy are adding job numbers.



Financial Management System. Continuing to find efficiencies requires detailed information that can easily be used to analyze operations. The state's current accounting system, while serviceable, is outdated and does not easily and quickly generate reports to agencies. The budget contains funding to begin the process of implementing a new financial management system so that future administrations have the necessary tools to operate state government.

State General Fund

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. For six years, from FY 2002 through FY 2007, the Legislature has suspended this requirement and allowed for lower ending balances.

The table on this page depicts State General Fund receipts, expenditures, and year-end balances for the 15-year period from FY 1994 through FY 2008. In FY 2002, receipts to the State General Fund dropped by 6.9 percent from the previous year, leaving an extremely low actual ending balance of $12.1 million. During FY 2003, Governor Graves implemented two emergency allotment reductions within three months; however, the state's fiscal condition remained difficult. Governor Sebelius proposed her first budget in January 2003 and was able to develop a budget that projected a positive ending balance just above zero. In the last four years, the recovery of the state's economy, budget reductions, and operating efficiencies have permitted Governor Sebelius to propose budgets with ever larger ending balances. In all four of those years, the final actual ending balance has been higher than the balance projected in the approved budget.

The proposed budget for FY 2008 uses the income forecast in the November Consensus Revenue Estimate, with a variety of adjustments noted later in this section. The projected balance in the State General Fund at the end of FY 2008 is $451.2 million, or 7.5 percent of expenditures.

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, with a larger percentage of receipts coming in the latter part of the fiscal year. The uneven nature of revenue and expenditure patterns occasionally requires that actions be taken, such as adjusting the amount and timing of various large payments and transfers to ensure the State General Fund always has cash available. However, administrative actions alone are not always adequate to maintain a positive cashflow for the State General Fund.

State General Fund Balances

(Dollars in Millions)

Fiscal Year	Receipts	Expend.	Balances	Percent
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	4,429.6	365.7	8.3
2002	4,108.3	4,466.1	12.1	0.3
2003	4,245.6	4,137.5	122.7	3.0
2004	4,518.9	4,316.5	327.5	7.6
2005	4,841.3	4,690.1	478.7	10.2
2006	5,394.4	5,139.4	733.6	14.3
2007	5,631.6	5,586.1	779.1	13.9
2008	5,687.2	6,015.1	451.2	7.5

Even when State General Fund balances are maintained at 7.5 percent, the state must temporarily use the balances of other funds by issuing certificates of indebtedness. A $200.0 million certificate was issued on December 14, 2006, which must be repaid before the fiscal year closes. Without this deposit, the State General Fund would have had no cash with which to make expenditures, such as for payroll and grants to local governments, including school districts.

State General Fund Consensus Revenues

Estimates for the State General Fund are developed using a consensus process that involves the Division of the Budget, the Kansas Legislative Research Department, the Department of Revenue, and three consulting economists, one each from the University of Kansas, Kansas State University, and Wichita State University. The Governor's budget uses the State General Fund Consensus Revenue Estimating Group's estimates for FY 2007 and FY 2008 as a base and adjusts them to reflect the recommendations of the Governor that affect State General Fund receipts. This section covers the revenue projected by the consensus estimating process. The next section will cover the adjustments proposed by the Governor for annual and one-time transfers and concludes with a table that adds the consensus numbers and the revenue adjustments to produce a new total for State General Fund revenues.

Estimating Process

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

Described below are the basic economic assumptions developed during the November consensus meeting. These assumptions were used, along with actual receipts from prior years and the first four months of FY 2007, to form the basis for the current set of revenue estimates. Detailed data concerning the assumptions that the consensus group used are contained in *The Governor's Economic and Demographic Report.*

Basic Economic Assumptions

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

Key Economic Indicators

(Dollars in Thousands)

	2005	2006	2007	2008
Consumer Price Index for All Urban Consumers	3.4 %	3.4 %	2.6 %	2.5 %
Real U.S. Gross Domestic Product	3.2	3.4	2.9	3.0
Nominal U.S. Gross Domestic Product	6.3	6.5	5.5	5.5
Nominal U.S. Personal Income	5.2	6.8	5.4	5.3
Corporate Profits before Taxes	32.7	13.0	--	4.7
Nominal Kansas Gross State Product	6.6	5.6	4.8	4.7
Nominal Kansas Personal Income:				
Dollars in Millions	$90,433	$96,200	$101,300	$106,550
Percentage Change	*5.7 %*	*6.4 %*	*5.3 %*	*5.2 %*
Nominal Kansas Disposable Income:				
Dollars in Millions	$81,133	$86,100	$90,575	$95,200
Percentage Change	*4.8 %*	*6.1 %*	*5.2 %*	*5.1 %*
Interest Rate for State General Fund (based on fiscal year)	2.3	4.3	5.2	4.8
Kansas Unemployment Rate (based on fiscal year)	5.3	4.8	4.6	4.8

estimates include high energy prices; increased business activities; a lower unemployment rate; an improved agricultural sector; and stabilizing retail sales.

The national economy is expected to grow at a slower pace over the next two years. Nominal Gross Domestic Product (GDP) is expected to finish 2006 at an annual nominal growth rate of 6.5 percent, then drop to 5.5 percent in 2007 and 2008. Real GDP is expected to grow by 3.4 percent, 2.9 percent, and 3.0 percent, respectively. U.S. personal income is expected to finish 2006 with a growth rate of 6.8 percent, but fall to 5.4 percent in 2007. In 2008, the growth rate is expected to be 5.3 percent.

Kansas Personal Income. Nominal Kansas Personal Income (KPI) is expected to realize an annual growth rate of 6.4 percent in 2006. The growth rate is expected to decrease to 5.3 percent in 2007 and to decrease slightly again in 2008 to 5.2 percent.

Employment. Labor market statistics indicate that unemployment in Kansas is down, and experts believe that the employment outlook generally is expected to stabilize. The statewide unemployment rate for FY 2006 was 4.8 percent. The forecast for FY 2007 is 4.6 percent. In FY 2008, the unemployment rate is expected to increase back to 4.8 percent.

Agriculture. The national All Farm Products Index of Prices Received in October was 117.0 percent of the 1990-92 base, down two points from September, but six points above October 2005. The All Farm Products Index of Prices Received by Kansas Farmers was 123.0 percent, which was up by 1 point from September and up 14 points from October 2005. The All Crops Index in October, at 133.0 percent, was down 1 point from September, but up 34 points from 2005. The Meat Animals Index, at 119.0 percent of the base, was down 2 points from both September and last year. Prices for wheat, corn, sorghum, and soybeans are higher than earlier in the fall. Only soybeans are lower than last year's prices. Hay prices are down from earlier in the fall, but above last year's levels. Prices for both cattle and hogs are below earlier fall prices and below year-ago levels.

Oil & Gas. The average price per taxable barrel of Kansas crude oil is estimated to be $55 in FY 2007 and to remain at that level in FY 2008. Gross oil production in Kansas is expected to remain steady at 35 million barrels throughout the forecast period.

The price of natural gas is expected to decrease from the FY 2006 level of $6.81 per mcf to $5.50 per mcf in FY 2007 and then increase to $6.00 per mcf in FY 2008. Natural gas production in FY 2006 was 373.9 million cubic feet. Production is expected to continue to decline for the foreseeable future as natural gas reserves, especially those in the Hugoton field, are depleted. The forecast for production is 355.0 million cubic feet in FY 2007 and 335.0 million cubic feet in FY 2008.

Inflation. The rate of inflation, as measured by the Consumer Price Index for All Urban Consumers (CPI-U), for 2006 is expected to finish the year at 3.4 percent. The inflation rate in 2007 is forecast to be lower at 2.6 percent and then drop to 2.5 percent in 2008.

Interest Rates. The Pooled Money Investment Board is authorized to make investments in U.S. Treasury and agency securities; highly rated commercial paper; as well as repurchase agreements and certificates of deposit of Kansas banks. In FY 2006, the state finished the year with an earned interest rate of 4.3 percent on its State General Fund portfolio. The average rate of return forecasted for FY 2007 is 5.2 percent and 4.8 percent for FY 2008.

Consensus Receipt Estimates

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

In FY 2003, receipts to the State General Fund rebounded by 3.3 percent, bringing receipts to only slightly above the FY 2002 level. However, the receipts for FY 2004 recovered and posted a 9.1 percent increase. In FY 2005, the increase was 7.1 percent and in FY 2006, it was even higher at 11.4

percent. The table below presents a complete list of State General Fund receipts from FY 1975 through FY 2006.

FY 2007

For FY 2007, the estimate was increased by $299.4 million, or 5.7 percent, above the previous estimate made in April and subsequently adjusted for legislation in June. The overall revised State General Fund estimate of $5,592.3 million is 3.7 percent above FY 2006 receipts. The $299.4 million increase includes two large expected increases. Individual income tax receipts account for $146.3 million of the total increase, while corporation income tax receipts account for $68.7 million. Retail sales and compensating use tax receipts account for $62.5 million of the increase. The remaining $17.9 million of the increase is attributable to tax receipts from financial institutions income tax ($4.0 million), estate tax ($3.0 million), motor carrier property tax ($500,000), several excise taxes ($2.0 million), including tobacco products, liquor gallonage, liquor enforcement, and liquor drink, as well as miscellaneous taxes ($2.0 million). Other revenue sources also were increased.

Historical State General Fund Receipts
(Dollars in Millions)

Fiscal Year	Actual Receipts	Year to Year % Change
1975	$627.6	N/A %
1976	701.2	11.7
1977	776.5	10.7
1978	854.6	10.1
1979	1,006.8	17.8
1980	1,097.8	9.0
1981	1,226.5	11.7
1982	1,273.0	3.8
1983	1,363.6	7.1
1984	1,546.9	13.4
1985	1,658.5	7.2
1986	1,641.4	(1.0)
1987	1,778.5	8.4
1988	2,113.1	18.8
1989	2,228.3	5.5
1990	2,300.5	3.2
1991	2,382.3	3.6
1992	2,465.8	3.5
1993	2,932.0	18.9
1994	3,175.7	8.3
1995	3,218.8	1.4
1996	3,448.3	7.1
1997	3,683.8	6.8
1998	4,023.7	9.2
1999	3,978.4	(1.1)
2000	4,203.1	5.6
2001	4,415.0	5.0
2002	4,108.3	(6.9)
2003	4,245.7	3.3
2004	4,518.9	6.4
2005	4,841.3	7.1
2006	5,394.4	11.4

The only tax source that decreased was the severance tax. Experts provided information that points to lower prices for both oil and gas during the forecast period. These lower prices translated to a $5.9 million reduction in natural gas severance tax receipts. However, this decrease was partially offset by an expected $3.8 million increase in oil severance tax receipts.

FY 2008

The initial estimate for FY 2008 is $5,700.4 million, which is $108.1 million, or 1.9 percent, above the revised FY 2007 figure. It should be noted that sales and compensating use taxes are affected by 2004 legislation that deposits additional amounts in the State Highway Fund, rather than the State General Fund. Without this legislation, the State General Fund would have been expected to receive an additional $175.0 million in FY 2008.

Other legislation also played a role in the growth between FY 2007 and FY 2008. A new transfer, referred to as the "slider," will begin in FY 2008. The slider is a transfer from the State General Fund that is intended to offset partially any reduction in property tax receipts to local governments that result from removing investment machinery and equipment from the tax roles. The slider will increase transfers made out of the State General Fund, thereby decreasing total revenues, by $28.3 million in FY 2008. In addition, other legislation affecting the deposit of certain taxes associated with water will reduce miscellaneous tax receipts by $3.0 million. Legislation intended to begin the phase-out the estate tax begins in FY 2008 as well.

The effect of this new law is a reduction of $9.0 million to the State General Fund.

FY 2009 & Beyond

Although no official estimate has yet been made for years beyond FY 2008, there are a number of provisions in statute that will reduce State General Fund receipts in FY 2009. Legislation enacted in 2002 that conforms the Kansas estate tax exemption threshold with the federal exemption threshold is expected to reduce receipts by $11.2 million in FY 2009 and by $14.7 million in FY 2010. Legislation enacted in 2002 that also increased the tax credit for property taxes paid on commercial and industrial machinery and equipment is expected to reduce receipts by $5.8 million in FY 2009 and by $6.7 million in FY 2010. Legislation enacted in 2005 that reduces the amount of water tax receipts deposited in the State General Fund by $2.6 million in FY 2008 will decrease those receipts by another $2.6 million in FY 2009 and by $2.7 million in FY 2010. Legislation also enacted in 2005 will reduce severance tax receipts to the State General Fund by $5.2 million in FY 2009 and $7.5 million in FY 2010.

Consensus Revenue Estimate

(Dollars in Thousands)

	FY 2006 Actual		FY 2007 Estimate		FY 2008 Estimate	
	Amount	Percent Change	Amount	Percent Change	Amount	Percent Change
Property Tax:						
Motor Carrier	22,056	7.8	23,500	6.5	24,000	2.1
Ad Valorem	55					
Motor Vehicle	1,875					
Total	$23,986	7.8 %	$23,500	(2.0) %	$24,000	2.1 %
Income Taxes:						
Individual	2,371,253	15.6	2,585,000	9.0	2,750,000	6.4
Corporation	350,200	54.9	375,000	7.1	355,000	(5.3)
Financial Inst.	31,058	40.8	31,000	(0.2)	31,000	--
Total	$2,752,511	19.7 %	$2,991,000	8.7 %	$3,136,000	4.8 %
Estate/Inheritance	$51,806	(0.1)	$55,000	6.2	$46,000	(16.4)
Excise Taxes:						
Retail Sales	1,736,048	5.4	1,775,000	2.2	1,745,000	(1.7)
Compensating Use	269,250	10.0	290,000	7.7	290,000	--
Cigarette	117,899	(0.9)	115,000	(2.5)	115,000	--
Tobacco Prod.	5,093	1.1	5,200	2.1	5,400	3.8
Cereal Malt Beverage	2,090	0.6	2,000	(4.3)	2,100	5.0
Liquor Gallonage	16,676	6.0	17,000	1.9	17,500	2.9
Liquor Enforcement	44,234	5.6	46,500	5.1	47,500	2.2
Liquor Drink	8,009	7.6	8,500	6.1	8,700	2.4
Corporate Franchise	46,898	(0.4)	47,000	0.2	48,000	2.1
Severance	133,432	29.1	111,100	(16.7)	113,500	2.2
Gas	96,539	28.0	72,300	(25.1)	74,700	3.3
Oil	36,893	31.9	38,800	5.2	38,800	--
Total	$2,379,629	6.5 %	$2,417,300	1.6 %	$2,392,700	(1.0) %
Other Taxes:						
Insurance Prem.	112,207	5.0	113,000	0.7	115,000	1.8
Miscellaneous	5,118	19.3	5,000	(2.3)	2,000	(60.0)
Total	$117,325	5.6 %	$118,000	0.6 %	$117,000	(0.8) %
Total Taxes	$5,325,257	12.9 %	$5,604,800	5.2 %	$5,715,700	2.0 %
Other Revenues:						
Interest	54,335	133.6	89,000	63.8	104,000	16.9
Net Transfers	(42,243)	N/A	(161,096)	N/A	(181,308)	N/A
Demand to Revenue	(75,810)	N/A	(72,014)	N/A	(86,964)	N/A
Other Transfers	33,567	N/A	(89,082)	N/A	(94,344)	N/A
Agency Earnings	57,018	(24.9)	59,554	4.4	62,000	4.1
Total Other Revenue	$69,110	(47.9) %	($12,542)	(118.1) %	($15,308)	22.1 %
Total Receipts	$5,394,367	11.3 %	$5,592,258	3.7 %	$5,700,392	1.9 %

State General Fund Revenue Adjustments

While using the revenue estimates developed through the consensus process outlined in the previous section, the Governor also makes adjustments to State General Fund consensus revenues. Generally, these adjustments are made to revenue transfer funds moved into or out of the State General Fund. Because there are a substantial number of transfers that affect the State General Fund, they are enumerated in this section. Policy changes that affect State General Fund tax receipts also are shown here.

Tax Reduction

In order to continue economic and job growth in Kansas, the Governor includes a tax reduction in the FY 2008 budget. This policy change will help foster expansion by the state's business community and job growth. The proposal allows for the tax exempt threshold of the corporate franchise tax to rise to $1.0 million in tax year 2007 and allows for the surtax on corporate income to be reduced to 2.95 percent in tax year 2008 and 2.75 percent in tax year 2009. The changes will lower receipts by $12.8 million in FY 2008.

Transfer Adjustments

In addition to the proposed tax reduction, the Governor's recommendation also contains adjustments to the transfers incorporated in the consensus revenue estimates for both FY 2007 and FY 2008. The table on the following page shows a "short-hand" list of all of the anticipated revenue adjustments that have been incorporated in the Governor's budget for FY 2007 and FY 2008. The table on page 22 shows the details for FY 2007. The FY 2008 details are shown on page 23. The final table in this section, which is shown on page 24, combines the Governor's adjustments with the original November consensus estimates in order to present a total view of State General Fund revenues as they are estimated in the Governor's proposed budget. The following section explains the adjustments to transfers.

FY 2007

In FY 2007, the Governor's recommendation includes 12 adjustments to the consensus revenue estimate for the State General Fund.

Transfers In. Included in the current fiscal year is an additional $324,994 that was realized from the sale of used vehicles. This amount was transferred from various agency special revenue funds in the agencies whose vehicles were sold.

Increasing lottery ticket sales are another source of additional revenue to the State General Fund. It is now estimated that, after all statutory requirements are met, another $1.0 million can be transferred in FY 2007.

Another adjustment that will be made is a $1,440 reduction to the amount that the Securities Commissioner originally estimated to be transferred from its fee fund. That will result in a total transfer of $6,284,345.

An adjustment that will increase the State General Fund stems from a statutory transfer that inadvertently has not been made since FY 2004. The Department on Aging identified $1,715,151 in monies that have been collected from the licensing of adult care homes that should have been transferred during FY 2004, FY 2005, and FY 2006. This adjustment will bring the agency back into statutory compliance with the transfer of these funds.

Two other transfers also will increase the State General Fund balance. The first is the transfer of $318,554 from the Adjutant General's Office for monies originally transferred for life insurance premiums for National Guard members who have been deployed to active duty. These funds are no longer needed because of changes in federal financing for these life insurance premiums.

The second transfer is from the Department of Transportation for $29,955,733 for operating the Kansas Highway Patrol. This transfer had been

eliminated by the 2006 Legislature so that the Department of Transportation could pay for the Fair Fares Program. The Governor's recommendation reinstates the transfer, but at a lower level that still allows for a $5.0 million Fair Fares payment in FY 2007.

Transfers Out. Several of the FY 2007 transfers out are adjusted as well. The Department of Education has revised upward its estimate for state aid for capital improvements by $1.6 million for a total of $62.6 million.

A few years ago, when State General Fund balances were down, a moratorium on payments to the KPERS Death and Disability Fund allowed more money to remain in the State General Fund. That moratorium created an obligation to replenish the balance in the KPERS Fund. In the current year, the Governor recommends not repaying the transfer to the KPERS Death and Disability Fund. This action will allow the State General Fund to retain $214,500.

Also included are two adjustments to the State Treasurer's original estimates. The transfer from the Tax Increment Finance Replacement Fund is increased by $56,636, and an additional $120,000 is needed for Learning Quest matching funds.

The 2006 Legislature approved a $10.0 million transfer to the Department of Health and Environment for costs related to an Avian Flu pandemic. The $10.0 million is being transferred back to the State General Fund and instead a $4.3 million expenditure for flu medicine in FY 2007 is proposed as part of the KDHE budget.

The final FY 2007 adjustment included in the Governor's recommendation is for emergency aid for natural disaster repair. The Adjutant General's Office has identified an additional $2,456,038 that is needed.

Adjustments to the Consensus Revenue Estimates

(Dollars in Thousands)

FY 2007		
Agency Funds:		
Various Funds	Vehicle Sale Proceeds	325
Lottery	Greater Ticket Sales	1,000
Securities Commissioner	Balance Sweep	(1)
Department on Aging	Adult Care Licensing Revolving Fund	1,715
Adjutant General	Emergency Funds to Repair Storm Damage	(2,456)
	Life Insurance Premiums for Military Personnel	319
Department of Transportation	Highway Fund Transfer for Highway Patrol Operations	29,956
Department of Education	Capital Improvement State Aid	(1,600)
Various Funds	Do Not Repay KPERS Death & Disability Fund	215
State Treasurer	Tax Increment Finance Replacement Fund	(57)
	Learning Quest Match to Low Income Account Holders	(120)
Health & Environment	Avian Flu Supplies	10,000
Total FY 2007 Adjustments		$ 39,295
FY 2008		
Tax Receipts	Governor's Tax Package	(12,800)
Agency Funds:		
Lottery	Greater Ticket Sales	2,000
Securities Commissioner	Balance Sweep	(213)
	Investor Education Fund	1,250
Department of Education	State Safety Fund Balance Sweep	2,000
	Capital Improvement State Aid	(500)
Department of Transportation	Highway Fund Transfer for Highway Patrol Operations	(4,915)
Various Funds	Do Not Repay KPERS Death & Disability Fund	215
State Treasurer	Tax Increment Finance Replacement Fund	(36)
	Learning Quest Match to Low Income Account Holders	(180)
Total FY 2008 Adjustments		($13,179)

FY 2008

In addition to the proposed tax reduction, the Governor's recommendation makes nine transfer adjustments to the consensus revenue estimate in FY 2008.

Transfers In. The first adjustment is a $2.0 million increase. Lottery ticket sales are expected to generate a total of $24.0 million, which is $2.0 million greater than the consensus revenue estimate.

The second adjustment is a $212,521 reduction in the amount that will be transferred from the Securities Commissioner's fee fund. The original estimate was $6.7 million. It has been reduced to $6.5 million. This reduction is more than offset by the one-time transfer in from the Security Commissioner's Investor Education Fund of $1,250,000, which resulted from a legal proceeding against a Kansas company that is regulated by the Commission.

The fourth adjustment is that, again in FY 2008, $2.0 million will be swept from the Department of Education's State Safety Fund. This fund builds up cash balances from higher than anticipated driver's license receipts. However, this transfer will not affect state aid for driver's education programs. This money is recommended for expenditure on professional development programs for teachers and other licensed staff in school districts. Refer to the Education section of this volume for further information on this recommendation.

The fifth adjustment concerns the transfer from the State Highway Fund for the Highway Patrol. The Governor reduced this transfer by $4.9 million from $35.2 million to $30.3 million. The reduction will be used to finance the Fair Fares Program in the Kansas Department of Transportation.

Transfers Out. The sixth adjustment is a $500,000 increase in the transfer for school district capital improvements, while the seventh is a continuation of the Governor's FY 2007 recommendation not to repay the KPERS death and disability sweep. This adjustment will allow the State General Fund to retain $214,500. The last two adjustments are increases in the transfers that will be made to the State Treasurer for the statutory transfer to the Tax Increment Finance Replacement Fund ($35,662) and for Learning Quest matching funds ($180,000).

FY 2007 Transfers In and Out of the State General Fund

		FY 2007 Approved	Nov. CRE Adjustments	November Cons. Rev. Est.	Governor's Adjustments	FY 2007 Gov. Rec.
Transfers In:						
Selected Agencies	Financing for 27th Paycheck	73,019	--	73,019	--	73,019
Department of Administration	Cancelled Warrants	1,762,000	254,085	2,016,085	--	2,016,085
	Proceeds from Sale of Vehicles	--	--	--	324,994	324,994
Attorney General	Concealed Weapon License Fund Loan	260,000	--	260,000	--	260,000
KPERS	Bond Payment for 13th Check	3,186,209	25,539	3,211,748	--	3,211,748
Kansas Lottery	Gaming Revenues Fund	16,290,000	20,755,117	37,045,117	1,000,000	38,045,117
	Special Veterans Benefit Game	710,000	250,000	960,000	--	960,000
PMIB	PMIB Investment Portfolio Fee Fund	--	2,694,144	2,694,144	--	2,694,144
Hearing Instruments Exam.	Fee Fund Repayment	658	(658)	--	--	--
Securities Commissioner	Transfer Balance	6,348,403	(62,618)	6,285,785	(1,440)	6,284,345
Veterinary Examiners	Fee Fund Repayment	5,481	(5,481)	--	--	--
Department on Aging	Adult Care Licensing Revolving Fund	--	--	--	1,715,151	1,715,151
Department of Education	State Safety Fund	2,000,000	--	2,000,000	--	2,000,000
	Parent Education Program Aid	--	41,466	41,466	--	41,466
	Special Education Services Aid	--	607,323	607,323	--	607,323
Emporia State University	Student Union Fund	28,791	--	28,791	--	28,791
	Housing System Operations Fund	2,405	1	2,406	--	2,406
Wichita State University	Housing System Operations Fund	40,348	--	40,348	--	40,348
Adjutant General	National Guard Life Insurance Premiums	--	--	--	318,554	318,554
Highway Patrol	Training Center Fund	500,000	--	500,000	--	500,000
Department of Transportation	Hwy. Fund Transfer for Hwy. Patrol	--	--	--	29,955,733	29,955,733
	Overhead Payment/Purchasing	--	210,000	210,000	--	210,000
Transfers Out:						
Department of Transportation	Special County/City Highway Fund	(10,063,664)	--	(10,063,664)	--	(10,063,664)
	Loan Repayment from 2003 Session	(32,516,786)	--	(32,516,786)	--	(32,516,786)
Department of Education	School District Cap. Improvements Fund	(61,000,000)	--	(61,000,000)	(1,600,000)	(62,600,000)
Water Plan Agencies	State Water Plan Fund	(6,000,000)	--	(6,000,000)	--	(6,000,000)
State Fair	Capital Improvements	(300,000)	275,000	(25,000)	--	(25,000)
Board of Regents	Regents Faculty of Distinction Program	(1,000,000)	(1,513,908)	(2,513,908)	--	(2,513,908)
	Regents Research & Development Bonds	(9,583,000)	--	(9,583,000)	--	(9,583,000)
Various Agencies	Repayment of KPERS Death & Disability	(214,500)	--	(214,500)	214,500	--
Attorney General	Tort Claims	(2,083,889)	(415,726)	(2,499,615)	--	(2,499,615)
	Interstate Water Litigation Fund	(560,000)	--	(560,000)	--	(560,000)
	Concealed Weapon License Fund Loan	(260,000)	--	(260,000)	--	(260,000)
Department of Administration	Federal Cash Management Fund	(1,300,000)	(168,000)	(1,468,000)	--	(1,468,000)
Biosciences Authority	Biosciences Initiative	(15,000,000)	(5,000,000)	(20,000,000)	--	(20,000,000)
Department of Commerce	Goodyear Bond Repayment Fund	(4,000,000)	841,208	(3,158,792)	--	(3,158,792)
	Innovia Tax Incentive	(271,835)	--	(271,835)	--	(271,835)
Health Care Stab. Fund	Reimbursement for Claims & Expenses	(3,000,000)	--	(3,000,000)	--	(3,000,000)
Revenue	E-85 Incentive	(1,000,000)	--	(1,000,000)	--	(1,000,000)
	Biodiesel Incentive	(437,500)	--	(437,500)	--	(437,500)
Racing & Gaming	State Racing Fund	(200,000)	--	(200,000)	--	(200,000)
Secretary of State	Franchise Fee Recovery Fund	(95,000)	95,000	--	--	--
State Treasurer	Spirit Aerosystems Incentive	(6,800,000)	1,200,000	(5,600,000)	--	(5,600,000)
	Tax Increment Finance Replacement Fund	(860,680)	--	(860,680)	(56,636)	(917,316)
	Learning Quest Matching Funds	--	--	--	(120,000)	(120,000)
	Correct EBF/SIBF Share of Property Tax	--	(2,752,286)	(2,752,286)	--	(2,752,286)
Insurance Commissioner	Repayment to Workers Comp. Fund	--	(1,000,000)	(1,000,000)	--	(1,000,000)
Health & Environment--Env.	Repayment to Waste Tire Mgmt. Fund	(250,000)	--	(250,000)	--	(250,000)
	Repymt. to Ungd. Petrol. Trust Fund	(2,500,000)	--	(2,500,000)	--	(2,500,000)
	Avian Flu Vaccine	(10,000,000)	--	(10,000,000)	10,000,000	--
Adjutant General	Disaster Relief	--	--	--	(2,456,038)	(2,456,038)
Highway Patrol	FY 2007 Pay Plan	(176,892)	--	(176,892)	--	(176,892)
Total Transfers		$ (138,266,432)	$ 16,330,206	$ (121,936,226)	$ 39,294,818	$ (82,641,408)
Interest		(33,846,568)	(5,313,206)	(39,159,774)	--	(39,159,774)
Net Transfers		$ (172,113,000)	$ 11,017,000	$ (161,096,000)	$ 39,294,818	$ (121,801,182)

FY 2008 Transfers In and Out of the State General Fund

		November Cons. Rev. Est.	Governor's Adjustments	FY 2008 Gov. Rec.
Transfers In:				
Department of Administration	Cancelled Warrants	2,085,126	--	2,085,126
KPERS	Bond Payment for 13th Check	3,214,217	--	3,214,217
Kansas Lottery	Gaming Revenues Fund	22,040,000	2,000,000	24,040,000
	Special Veterans Benefit Game	960,000	--	960,000
Racing & Gaming	Racing & Gaming Reserve Fund	450,000	--	450,000
PMIB	PMIB Investment Portfolio Fee Fund	2,700,000	--	2,700,000
Securities Commissioner	Transfer Balance	6,663,913	(212,521)	6,451,392
	Investor Education Fund	--	1,250,000	1,250,000
Department of Education	State Safety Fund	--	2,000,000	2,000,000
Emporia State University	Student Union Fund	24,364	--	24,364
	Housing System Operations Fund	2,036	--	2,036
Wichita State University	Housing System Operations Fund	43,510	--	43,510
Highway Patrol	Training Center Fund	500,000	--	500,000
	Motor Vehicle Fund	500,000	--	500,000
Department of Transportation	Highway Fund Transfer for Highway Patrol	35,176,276	(4,915,446)	30,260,830
	Overhead Payment/Purchasing	210,000	--	210,000
Water Office	Water Marketing Fund	35,779	--	35,779
	Water Supply Storage Assurance	65,549	--	65,549
Transfers Out:				
Department of Transportation	Special County/City Highway Fund	(10,063,664)	--	(10,063,664)
	Loan Repayment from 2003 Session	(30,896,210)	--	(30,896,210)
Department of Education	School District Cap. Improvements Fund	(66,500,000)	(500,000)	(67,000,000)
Water Plan Agencies	State Water Plan Fund	(6,000,000)	--	(6,000,000)
State Fair	Capital Improvements	(300,000)	--	(300,000)
Board of Regents	Regents Faculty of Distinction Program	(2,000,000)	--	(2,000,000)
	Regents Research Corporation Bonds	(9,583,000)	--	(9,583,000)
Various Agencies	Repayment of KPERS Death & Disability	(214,500)	214,500	--
Attorney General	Tort Claims	(2,399,990)	--	(2,399,990)
Department of Administration	Federal Cash Management Fund	(1,468,000)	--	(1,468,000)
Biosciences Authority	Biosciences Initiative	(25,000,000)	--	(25,000,000)
Department of Commerce	Goodyear Bond Repayment Fund	(1,773,250)	--	(1,773,250)
	Innovia Tax Incentive	(275,000)	--	(275,000)
Health Care Stab. Fund	Reimbursement for Claims & Expenses	(3,000,000)	--	(3,000,000)
Insurance Department	Repayment to Workers Comp. Fund	(1,000,000)	--	(1,000,000)
State Treasurer	Spirit Aerosystems Incentive	(6,000,000)	--	(6,000,000)
	Tax Increment Finance Replacement Fund	(900,000)	(35,662)	(935,662)
	Learning Quest Matching Funds	--	(180,000)	(180,000)
	Property Tax Reimb. to Local Tax Subdiv.	(28,300,000)	--	(28,300,000)
Dept. of Health & Environment	Repayment to Waste Tire Mgmt. Fund	(250,000)	--	(250,000)
	Repymt. to Ungd. Petrol. Trust Fund	(2,500,000)	--	(2,500,000)
Total Transfers		$ (123,752,844)	$ (379,129)	$ (124,131,973)
Interest		$ (57,555,156)	--	(57,555,156)
Net Transfers		$ (181,308,000)	$ (379,129)	$ (181,687,129)

Consensus Revenue Estimate
As Adjusted for the Governor's Recommendations

(Dollars in Thousands)

	FY 2006 Actual		FY 2007 Gov. Estimate		FY 2008 Gov. Rec.	
	Amount	Percent Change	Amount	Percent Change	Amount	Percent Change
Property Tax:						
Motor Carrier	22,056	7.8	23,500	6.5	24,000	2.1
Ad Valorem	55		--		--	
Motor Vehicle	1,875		--		--	
Total	$23,986	7.8 %	$23,500	(2.0) %	$24,000	2.1 %
Income Taxes:						
Individual	2,371,253	15.6	2,585,000	9.0	2,750,000	6.4
Corporation	350,200	54.9	375,000	7.1	349,200	(6.9)
Financial Inst.	31,058	40.8	31,000	(0.2)	31,000	--
Total	$2,752,511	19.7 %	$2,991,000	8.7 %	$3,130,200	4.7 %
Estate/Inheritance	$51,806	(0.1)	$55,000	6.2	$46,000	(16.4)
Excise Taxes:						
Retail Sales	1,736,048	5.4	1,775,000	2.2	1,745,000	(1.7)
Compensating Use	269,250	10.0	290,000	7.7	290,000	--
Cigarette	117,899	(0.9)	115,000	(2.5)	115,000	--
Tobacco Prod.	5,093	1.1	5,200	2.1	5,400	3.8
Cereal Malt Beverage	2,090	0.6	2,000	(4.3)	2,100	5.0
Liquor Gallonage	16,676	6.0	17,000	1.9	17,500	2.9
Liquor Enforcement	44,234	5.6	46,500	5.1	47,500	2.2
Liquor Drink	8,009	7.6	8,500	6.1	8,700	2.4
Corporate Franchise	46,898	(0.4)	47,000	0.2	41,000	(12.8)
Severance	133,432	29.1	111,100	(16.7)	113,500	2.2
Gas	96,539	28.0	72,300	(25.1)	74,700	3.3
Oil	36,893	31.9	38,800	5.2	38,800	--
Total	$2,379,629	6.5 %	$2,417,300	1.6 %	$2,385,700	(1.3) %
Other Taxes:						
Insurance Prem.	112,207	5.0	113,000	0.7	115,000	1.8
Miscellaneous	5,118	19.3	5,000	(2.3)	2,000	(60.0)
Total	$117,325	5.6 %	$118,000	0.6 %	$117,000	(0.8) %
Total Taxes	$5,325,257	12.9 %	$5,604,800	5.2 %	$5,702,900	1.8 %
Other Revenues:						
Interest	54,335	133.6	89,000	63.8	104,000	16.9
Net Transfers	(42,243)	N/A	(121,801)	N/A	(181,687)	N/A
Demand to Revenue	(75,810)	N/A	(72,014)	N/A	(86,964)	N/A
Other Transfers	33,567	N/A	(49,787)	N/A	(94,723)	N/A
Agency Earnings	57,018	(24.9)	59,554	4.4	62,000	4.1
Total Other Revenue	$69,110	(47.9) %	$26,753	(61.3) %	($15,687)	(158.6) %
Total Receipts	$5,394,367	11.3 %	$5,631,553	4.4 %	$5,687,213	1.0 %

State General Fund Expenditures

The budget from the State General Fund accounts for 48.5 percent of all state spending proposed by the Governor. The Governor recommends a revised FY 2007 State General Fund budget of $5,586.1 million and an FY 2008 budget of $6,015.1 million. The tables on the following page detail the Governor's major adjustments for both the current and budget years.

FY 2007

At the beginning of FY 2007 the State General Fund had an unencumbered balance of $733.6 million. The size of the beginning balance arises from a more robust Kansas economy that has generated higher tax receipts.

The November 2006 Consensus Revenue Estimate projects receipts of $5,592.3 million, plus the budget contains recommendations for several receipt adjustments that net another $39.3 million. The largest adjustment comes from the recommendation that the Department of Transportation make a transfer in the current year to the State General Fund for $30.0 million to finance Highway Patrol operations. When those receipt amounts are added to the beginning balance, $6,365.2 million is available for FY 2007.

The 2006 Legislature originally approved an FY 2007 budget of $5,516.4 million. At the end of FY 2006 $22.9 million of expenditure authority carried forward. Funding not appropriated for the FY 2007 pay plan totals $2.1 million, making an approved FY 2007 budget of $5,541.4 million.

The Governor now recommends a revised FY 2007 budget $45.0 million higher than the approved. Recommended expenditures are increased by $30.7 million to account for higher estimates of caseload costs for health and social service programs. The budget also includes additional expenditures for school finance costs that are now estimated to be $13.3 million higher than approved. These adjustments surface from consensus meetings that were held in the fall of 2006 to review these aid programs.

The expected State General Fund balance at the end of FY 2007 is $779.1 million.

FY 2008

The November Consensus Estimate for FY 2008 totals $5,700.4 million. To that total, the Governor proposes reductions to the revenue estimate of $13.2 million. As outlined in the State General Fund Revenue section of this volume, corporate tax reductions are proposed that total $12.8 million. Other adjustments are made to transfers that net to a loss of $400,000 to the State General Fund. Changes to transfers account for increased lottery ticket sales and excess driver's license monies not needed for driver's education programs.

The beginning balance, plus the revenue estimate combined with the Governor's adjustments, equal $6,466.3 million available for the FY 2008 budget. It should be noted that the revenue amount for FY 2008 is only 1.0 percent, or $55.6 million, greater than the FY 2007 amount, because revenues were adjusted downward by $175.0 million by the Consensus Revenue Estimating Group to account for legislation that reduces the share of sales and use taxes retained by the State General Fund.

Recommended expenditures in FY 2008 grow by $429.0 million, or 7.7 percent, over FY 2007, but much of that increase is due to the school finance formula, which is fully funded in the proposed budget. In addition, the budget includes several enhancements for higher education, increases for SRS and KHPA programs, and a total salary increase of 4.0 percent for state employees. The ending balance at the close of FY 2008 is projected to be $451.2 million, or 7.5 percent of expenditures, as required by state law. The pie charts on page 2 show FY 2008 proposed expenditures by function and the sources from which State General Fund revenues are received.

Outlook

The table on page 27 outlines a multi-year scenario for the State General Fund. The table shows how far the

State General Fund ending balance has grown in recent years.

In the scenario for FY 2009, revenue from taxes is presumed to grow 4.0 percent, with the Highway Fund share of sales and use taxes fully phased-in by FY 2008. The various revenue transfers for school capital improvements and the Special City County Highway Fund are continued, and the restructuring agreement for the Comprehensive Transportation Program is included. FY 2009 expenditures are held flat, except for the addition of anticipated budget increases to pay for the current school finance law, ever increasing KPERS contributions by the state, as well as social and health service caseloads. The table shows that, after taking these assumptions into account, current programs can be continued while still leaving a positive ending balance at the end of FY 2009.

State General Fund
FY 2007
(Dollars in Millions)

Beginning Balance	$	733.6
Revenue:		
November Consensus Revenue Est.		5,592.3
Highway Fund Pmt. for Hwy. Patrol		30.0
Avian Flu Transfer		10.0
Adjutant General Emergency Funds		(2.5)
Capital Improvement State Aid		(1.6)
Increased Lottery Revenues		1.0
Net of Other Adjustments		2.4
Total Available	$	6,365.2
Expenditures:		
Approved Budget (May 2006)		5,516.4
Expenditure Authority Shifting from FY 2006		22.9
Pay Plan Completion		2.1
Current Approved Budget	$	5,541.4
SRS/KHPA/Aging Caseload Est.		30.7
School Finance Consensus Estimates		13.3
Flu Pandemic Treatment Products		4.2
Net of Other Adjustments		(3.5)
Total Expenditures	$	5,586.1
Ending Balance	$	779.1

State General Fund
FY 2008
(Dollars in Millions)

Beginning Balance	$	779.1
Revenue:		
Consensus Revenue Est.		5,700.4
Tax Reduction Package		(12.8)
KHP Operations from KDOT		(4.9)
Increased Lottery Revenues		2.0
Net of Other Adjustments		2.5
Total Available	$	6,466.3
Expenditures:		
FY 2007 Base Budget		5,586.1
Required Changes:		
SRS/KHPA/Aging Caseload Est.		52.9
Current School Finance Estimates		201.7
New CTP Bonds Debt Service		11.2
KPERS Bonds Debt Service		11.1
Judiciary Budget		5.1
Legislative Budgets		1.2
Other:		
Higher Education System Increases		41.8
Technical School Financing Shift from EDIF		9.7
Regular Medical & HealthWave Switch from Children's Init. Fund		5.0
KDHE Financing Shift from State Water Plan Fund		2.5
Waiver Waiting Lists		8.0
Healthy Kansas First Five		4.0
Job Retention in TANF		4.4
Increased Reimbursement Rates		4.2
FMAP Rate Not in Caseloads		4.5
Replace Child Support Enf. Funds		2.2
Annualize Grandparents as Caregivers		2.0
HCBS--FE Dental Care		1.3
Corrections Facilities Operations		7.1
Free Admission to Parks		1.6
FY 2008 Salary Plan		21.6
Adjutant General Disaster Match		2.0
Commerce Energy Program Grants		(4.0)
Net of Other Adjustments		27.9
Total Expenditures	$	6,015.1
Ending Balance	$	451.2

Outlook for the State General Fund

(Dollars in Millions)

	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Gov. Est.	FY 2008 Gov. Rec.	FY 2009 Projected
Beginning Balance	$ 122.7	$ 327.5	$ 478.7	$ 733.6	$ 779.1	$ 451.2
Released Encumbrances	2.4	--	--	--	--	--
Revenue from Taxes	4,387.1	4,718.5	5,325.3	5,604.8	5,715.7	5,944.3
Governor's Tax Package	--	--	--	--	(12.8)	(16.7)
Interest	13.9	23.3	54.3	89.0	104.0	106.1
Agency Earnings	55.3	75.9	57.0	60.6	64.0	65.3
Federal Flexible Grant	45.7	--	--	--	--	--
Transfers:						
Special County/City Highway Fund	--	(10.1)	(10.1)	(10.1)	(10.1)	(10.1)
School Capital Improvement Aid	(49.9)	(53.0)	(57.5)	(62.6)	(67.0)	(71.0)
Water Plan Fund	(3.8)	(3.7)	(6.0)	(6.0)	(6.0)	(6.0)
State Fair	--	--	(0.3)	(0.0)	(0.3)	(0.3)
Regents Faculty of Distinction	(0.3)	(0.3)	(0.9)	(2.5)	(2.0)	(2.0)
Regents Research Corp Debt Service	--	(3.1)	(0.2)	(9.6)	(9.6)	(9.6)
Biosciences Initiative	--	--	(20.0)	(20.0)	(25.0)	(25.0)
Spirit/Innovia/Goodyear Incentives	--	--	(5.7)	(9.0)	(8.0)	(8.0)
Property Tax Slider--2006 HB 2583	--	--	--	--	(28.3)	(44.8)
Highway Patrol-Wichita Fair Airfare	28.9	30.7	32.3	30.0	30.3	32.3
KEY Fund	9.9	1.7	0.4	--	--	--
KDOT Loan Repayment	--	--	--	(32.5)	(30.9)	(30.9)
Colorado Water Litigation Settlement	--	19.4	--		--	--
27th Paycheck	--	--	32.7	--	--	--
All Other Transfers	32.1	42.1	(7.1)	(0.4)	(26.8)	(26.8)
Total Available	$ 4,644.0	$ 5,168.8	$ 5,873.1	$ 6,365.2	$ 6,466.3	$ 6,348.0
Expenditures						
Aid to K-12 Schools	2,165.7	2,314.9	2,583.9	2,822.7	3,023.9	3,146.6
Higher Education	673.6	706.1	747.1	785.2	830.7	830.7
SRS, KHPA, Aging Caseloads	527.8	659.2	698.2	738.7	798.9	848.9
All Other Expenditures	949.3	1,009.9	1,110.2	1,239.5	1,361.6	1,361.6
Increased KPERS Contribution	--	--	--	--	--	35.0
Total Expenditures	$ 4,316.5	$ 4,690.1	$ 5,139.4	$ 5,586.1	$ 6,015.1	$ 6,222.8
Ending Balance	$ 327.5	$ 478.7	$ 733.6	$ 779.1	$ 451.2	$ 125.2
As Percentage of Expenditures	*7.6%*	*10.2%*	*14.3%*	*13.9%*	*7.5%*	*2.0%*

Totals may not add because of rounding.

Revenues for FY 2007 and FY 2008 reflect CRE of November 3, 2006, with Governor's revenue adjustments.

Revenues for FY 2009 assume a 4.0% rate of growth for taxes.

Budget Issues

KEY Fund

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

During FY 2000 the state received $68.2 million in tobacco settlement payments. Payments totaled $52.9 million in FY 2001, $61.5 million in FY 2002, $61.5 million in FY 2003, $52.5 million in FY 2004, $53.5 million in FY 2005, and $49.5 million in FY 2006. The current estimate for payments is $46.5 million in FY 2007 and $45.2 million in FY 2008. 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 from the endowment fund repaid the State General Fund for children's programs begun in FY 2000. The next $70.7 million was transferred directly from the KEY Fund to the State General Fund. The next $30.0 million was transferred to the Children's Initiatives Fund. In FY 2002, $16.0 million was transferred to the State General Fund and $40.0 million was transferred to the Children's Initiatives Fund.

In FY 2003, $24.3 million, the balance of the fund, was transferred to the State General Fund, and $45.0 million was transferred to the Children's Initiatives Fund. In FY 2004, $42.5 million was transferred from the KEY Fund to the Children's Initiatives Fund and $9.9 million was transferred to the State General Fund. In FY 2005, $51.1 million was transferred from the KEY Fund to the Children's Initiatives Fund. In FY 2006, $49.5 million was transferred from the KEY Fund to the Children's Initiatives Fund. Because FY 2007 tobacco settlement payment estimates are lower than was previously expected, the Governor recommends reducing the approved transfer from the KEY Fund to the Children's Initiatives Fund from $55.4 million to $43.7 million.

For FY 2008, the scheduled transfer to the Children's Initiatives Fund would ordinarily be $50.9 million. However, because revenues are expected to be only $45.2 million, a transfer of $47.7 million is recommended. The FY 2008 recommendation also includes $259,533 for administrative expenditures of the Children's Cabinet. This will leave a balance of $17,242 at the end of FY 2008. The table below summarizes the Kansas Endowment for Youth Fund for FY 2005 through FY 2008.

Kansas Endowment for Youth Fund Summary

	FY 2005 Actual	FY 2006 Actual	FY 2007 Gov. Est.	FY 2008 Gov. Rec.
Beginning Balance	$ 42,981	$ 512,837	$ 208,555	$ 2,797,856
Released Encumbrances	--	9,574	--	--
Adjusted Balance	$ 42,981	$ 522,411	$ 208,555	$ 2,797,856
Revenues	53,453,764	49,463,392	46,500,000	45,200,000
Transfer Out to CIF	(51,135,585)	(49,514,213)	(43,651,166)	(47,721,081)
Transfer Out to State General Fund	(1,654,514)	(375,957)	--	--
Transfer In from CIF	--	300,000	--	--
Total Available	$ 706,646	$ 395,633	$ 3,057,389	$ 276,775
Children's Cabinet Admin. Expend.	193,809	187,078	259,533	259,533
Ending Balance	$ 512,837	$ 208,555	$ 2,797,856	$ 17,242

Children's Initiatives Fund Summary

	FY 2005 Actual	FY 2006 Actual	FY 2007 Gov. Est.	FY 2008 Gov. Rec.
Beginning Balance	$ 3,240,850	$ 3,147,150	$ 3,708,488	$ --
Released Encumbrances	70,863	341,176	114,000	--
Recoveries & Reimbursements	23,899	7,370	--	--
Adjusted Balance	$ 3,335,612	$ 3,495,696	$ 3,822,488	$ --
Revenues:				
Transfer In from KEY Fund	51,135,585	49,514,213	43,651,166	47,721,081
Transfer Out to KEY Fund	--	(300,000)	--	--
Transfer Out to State General Fund	(512,707)	(2,212)	--	--
Transfer In from State General Fund	--	375,000	--	--
Total Available	$ 53,958,490	$ 53,082,697	$ 47,473,654	$ 47,721,081
Expenditures	50,811,340	49,374,209	47,473,654	47,721,081
Ending Balance	$ 3,147,150	$ 3,708,488	$ --	$ --

Fund Summary

The table above summarizes the Children's Initiatives Fund for FY 2005 through FY 2008. For FY 2007, the Governor recommends $47,473,654 in expenditures for children's programs from this funding source. A complete listing of the state's programs that benefit children is included in the Children's Budget section of this publication. The recommendation is identical to what was approved by the 2006 Legislature.

FY 2008 Recommendations

For FY 2008, the Governor recommends expenditures of $47,721,081 from the Children's Initiatives Fund. The Governor's recommendation shifts a total of $5.0 million in funding for the Healthwave Program and the Medical Assistance Program from the Children's Initiatives Fund to the State General Fund. The shift in funding allows the Governor to enhance the Early Head Start Program and the Pre-K Pilot Program and to establish a new Child Care Quality Initiatives Program. Each of the programs recommended for FY 2008 is listed in the table on the next page and described in detail in this section. In addition, Schedule 2.3 at the back of this volume provides expenditure data by program and by agency for FY 2007 and FY 2008.

Social & Rehabilitation Services

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

Family-Centered System of Care. The Governor recommends $5.0 million for the statewide Family Centered System of Care Program in FY 2008. The program provides mental health and prevention services for children with severe emotional disturbances.

Child Care Services. The Governor recommends $1.4 million for child care services. Child care services are available to parents participating in SRS job preparation programs or family preservation services, children with disabilities, and parents in the first year of employment after leaving welfare. Recommended expenditures for child care assistance total $79.0 million from all funding sources.

Therapeutic Preschool. The Governor continues funding of therapeutic preschool programs with $1.0 million in FY 2008. The program serves infants and young children who are considered at risk for abuse, neglect, and future emotional, social, or behavioral disorders. Services 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 children in kindergarten who receive special education services for half of the day through their public school district and services through the therapeutic preschool for the remainder of the day.

Children's Initiatives Fund

Program or Project	FY 2008
Social & Rehabilitation Services	
Children's Mental Health Initiative	3,800,000
Family-Centered System of Care	5,000,000
Child Care Services	1,400,000
Therapeutic Preschool	1,000,000
Community Services for Child Welfare	3,492,101
Smart Start Kansas	8,443,279
Pre-K Pilot	5,500,000
Early Head Start	1,600,000
Child Care Quality Initiative	1,000,000
Children's Cabinet Accountability Fund	541,802
Family Preservation	2,957,899
Attendant Care for Independent Living	50,000
School Violence Prevention	228,000
Total--SRS	$35,013,081
Kansas Health Policy Authority	
Immunization Outreach	$ 500,000
Health & Environment--Health	
Healthy Start/Home Visitor	250,000
Special Health Services	208,000
Infants & Toddlers Program	1,200,000
Smoking Prevention Grants	1,000,000
Total--KDHE	$ 2,658,000
Department of Education	
Vision Research & Services	$ 300,000
University of Kansas Medical Center	
Tele-Kid Health Care Link	$ 250,000
Juvenile Justice Authority	
Prevention Program Grants	5,579,530
Graduated Sanctions Grants	3,420,470
Total--JJA	$ 9,000,000
Total	$47,721,081

Community Services for Child Welfare. An amount of $3.5 million is recommended for community services for child welfare. This program will make funding available on a competitive bid basis to local collaborative groups committed to keeping children in non-abuse or non-neglect cases in their homes and schools using community intervention programs and supports, rather than out-of-home placements.

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

Pre-K Pilot. One of the Governor's initiatives for FY 2007 is $2.0 million for a pre-kindergarten program to prepare four-year-olds for success in school. All classrooms in the pilot will be required to meet teacher qualification requirements, implement a research-based curriculum, maintain low teacher-child ratios, complete at least 15 hours of teacher training annually, and provide referrals to additional community services for families that need them. The pilot will be implemented in a mix of school and community-based early childhood programs. An estimated 618 children will be served. The Governor recommends $5.5 million from the Children's Initiatives Fund in FY 2008 to expand the pilot program.

Early Head Start. The purpose of this program is to enhance children's development, enable parents to be better care givers and teachers, and help parents meet their own goals of self-sufficiency. Early Head Start provides comprehensive early intervention services, including health care, nutrition, social services, parental involvement, and child care. The Governor recommends $11.9 million to serve 1,304 children in FY 2008. The Governor's recommendation for FY 2008 includes enhanced funding of $2.2 million, $1.6 million from the Children's Initiatives Fund and $593,960 from the State General Fund.

Child Care Quality Initiative. The Governor recommends $1.0 million from the Children's Initiatives Fund for a new Child Care Quality Initiative administered by the Children's Cabinet. The program will enhance infant and toddler services through targeted initiatives to improve quality and increase the availability of care for children ages zero to three. The initiatives will use evidence-based strategies to improve family and center-based care.

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

Family Preservation. The Governor recommends a total of $11.9 million for family preservation services, with $3.0 million from the Children's Initiatives Fund, to provide services to approximately 2,893 families each month. Assistance is provided to families where there is a high likelihood that a child may be removed from the home.

Attendant Care for Independent Living. The Governor recommends $50,000 from the Children's Initiatives Fund in FY 2008 to purchase durable medical equipment. This equipment is necessary for some children to remain at home.

School Violence Prevention Grants. The Governor recommends $228,000 to provide children with mental health and support services in the school setting. The program provides competitive grants to reduce school violence, substance abuse, and the number of dropouts and delinquents.

Kansas Health Policy Authority

Immunization Outreach. The Governor proposes $500,000 for FY 2008 for the Kansas Health Policy Authority to increase the number of children immunized in Kansas. The funds will be targeted toward expanding outreach efforts and emphasizing to parents the importance of timely immunizations.

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 for FY 2008 at the level of the approved FY 2007 amount.

Special Health Services. This program provides medical supplies and services to assist in the development of functional skills for children who are at risk for a disability or chronic disease. Program expenditures from the Children's Initiatives Fund for both FY 2007 and FY 2008 are recommended at $208,000.

Infants & Toddlers Program. The Governor recommends $1.2 million from the Children's Initiatives Fund for the Infants and Toddlers Program. The program 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. Recommended expenditures for the program total $8.5 million from state and federal funds for FY 2008.

Smoking Prevention Grants. The negative effects of smoking pose serious health risks to members of the community. The Governor recommends $1.0 million in FY 2008 to be targeted for tobacco use prevention programs, the same as the approved amount for FY 2007. Administered by the Department of Health and Environment, these funds can be distributed as grants to non-profit organizations or be used to implement new prevention programs within the Department.

Department of Education

Vision Research & Services. Monies from the Children's Initiatives Fund have been spent to provide vision therapy to students with reading problems. The $300,000 included in the Governor's FY 2008 budget is for continued vision treatment and examinations. Students who have received treatment under this program increased their ability to converge their eyes on near objects, greatly improving their reading skills. Research indicates that 20.0 percent of children entering kindergarten have some form of vision problem and this percentage doubles to 40.0 percent by high school. A recent study revealed that for over 90.0 percent of poor readers, prevention and intervention programs and strategies increase reading skills to at least average.

University of Kansas Medical Center

Tele-Kid Health Care Link. The Governor recommends $250,000 from the Children's Initiatives Fund for the Tele-Kid Health Care Link. That funding is matched by another $250,000 from restricted fees. 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 tele-medicine 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 rural areas.

Juvenile Justice Authority

Prevention Program Grants. The Governor recommends $5.6 million for FY 2008 for prevention programs that reduce juvenile crime. The Governor's recommendation allows for the establishment and maintenance of community-based delinquency prevention programs. These programs include truancy prevention, at-risk mentoring, after school recreation, and family support services.

Graduated Sanctions Grants. The Governor recommends $3.4 million in FY 2008 for community services for juvenile offenders who are committed to community correction programs. These funds, in addition to other funding, enable communities to provide supervision for juvenile offenders through intake and assessment, intensive supervision, case management, and community support services.

Gaming Revenues

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

Status of the Gaming Fund

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

Inadvertently, SGRF receipts in excess of $50.0 million were not transferred to the State General Fund in FY 2006 but were credited to the State General Fund in FY 2007. Therefore, the State General Fund is expected to receive $39,005,117 in FY 2007, including $17,005,117 from revenue that should have been credited to FY 2006 and $22.0 million in projected revenue attributable to FY 2007. In the Gaming Revenues Fund table, the $25.0 million State General Fund transfers for FY 2008 reflects the revenues deposited in the Gaming Revenues Fund minus $50.0 million in combined transfers to the PGGF, EDIF, CIBF, and JDFF.

Lottery

The Lottery is required to make a minimum monthly transfer of proceeds from the sale of lottery tickets to the SGRF of no less than $4.5 million. Once a total of $54.0 million is transferred to the SGRF during the fiscal year, the agency is not required to make the minimum monthly transfer; however, the agency is expected to meet or exceed the minimum transfer set for the entire fiscal year. For FY 2007, the agency will be transferring a minimum of $72.0 million to the SGRF, which is an increase of $5.0 million from the FY 2007 approved budget. For FY 2008, the budget plan includes total transfers of $75.0 million. The Lottery estimates total ticket sales of $255.5 million for FY 2008. Of total ticket sales, $3.0 million is from the veterans benefit games and the rest is from other lottery games.

Distribution of Gaming Proceeds
(Dollars in Thousands)

	FY 2006	FY 2007	FY 2008
Transfers Out:			
EDIF	42,432	42,432	42,432
JDFF	2,496	2,496	2,496
CIBF	4,992	4,992	4,992
PGGF	80	80	80
Total by Formula	50,000	50,000	50,000
SGF	1,790	39,005	25,000
Total Transfers	$51,790	$89,005	$75,000

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

Racing

Each month, receipts from racing activities throughout the state are transferred to the State Racing Fund for agency operations. Any excess receipts, as determined by the Executive Director and the Director of Accounts and Reports, are transferred to the SGRF. Because of decreasing receipts from racing activities throughout the state, the agency indicates it will not be able to make a transfer to the SGRF in either FY 2007 or FY 2008. Therefore, the Governor recommends an appropriation from the EDIF to substitute for this declining source of revenue. The agency last made a transfer to the SGRF in FY 2004.

Economic Development Initiatives Fund

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

Fund Summary

The primary recipients of monies from the Economic Development Initiatives Fund (EDIF) in FY 2008 are the Department of Commerce ($21.4 million), the Kansas Technology Enterprise Corporation ($11.8 million), and Wichita State University ($2.5 million). The Department of Commerce also receives a transfer of $3.0 million in FY 2008 to its Kansas Economic Opportunity Initiatives Fund (KEIOF) Program.

The State Water Plan Fund (SWPF) receives an annual transfer of $2.0 million from the EDIF to help finance Water Plan projects. Beginning in FY 2008, the Kansas Qualified Biodiesel Fuel Producer Incentive Fund (KQBFPIF) of the Department of Revenue receives an annual transfer of $3.5 million from the EDIF to provide an incentive to producers in the amount of $0.30 for each gallon of biodiesel fuel sold.

Because of the limited resources in the EDIF, the $9.7 million in Board of Regents expenditures for postsecondary education at area vocational-technical schools that have recently been funded with EDIF dollars were instead funded from the State General Fund in FY 2008. The $300,000 in funding for Kansas State University—ESARP was also moved to the State General Fund in FY 2008. A summary of the status of the EDIF is presented in the table below.

The EDIF is capitalized through transfers from the State Gaming Revenues Fund. Currently, 85.0 percent of the receipts deposited in the State Gaming Revenues Fund, after the statutory transfer of $80,000 is made to the Problem Gambling 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 $42.4 million in a fiscal year. "Other revenue" includes interest, transfers from other funds, reimbursement of loans, and recoveries from prior years.

For the most part, revenues to the Economic Development Initiatives Fund are very stable. Its share of gaming revenues is predictable and facilitates planning for expenditures in the affected agencies. Carryover balances from one year to the next are

Economic Development Initiatives Fund Summary

	FY 2005 Actual	FY 2006 Actual	FY 2007 Gov. Est.	FY 2008 Gov. Rec.
Beginning Balance	$ 2,974,689	$ 2,519,677	$ 3,136,491	$ 2,394,168
Released Encumbrances	536,006	1,159,331	--	--
Adjusted Balance	$ 3,510,695	$ 3,679,008	$ 3,136,491	$ 2,394,168
Revenues:				
Gaming Revenues	42,432,000	42,432,000	42,432,000	42,432,000
Interest & Other Revenues	798,475	1,140,203	1,250,000	750,000
Transfer Out to KEOIF	(3,225,000)	(3,000,000)	(3,160,000)	(3,000,000)
Transfer Out to KEIEP	(300,000)	--	--	--
Transfer Out to KQBFPIF	--	--	--	(3,500,000)
Transfer Out to SWPF	(2,000,000)	(2,000,000)	(2,000,000)	(2,000,000)
BEST Reductions	(106,760)	--	--	--
COLA/Death & Dis. Savings	--	(92,279)	--	--
Total Available	$ 41,109,410	$ 42,158,932	$ 41,658,491	$ 37,076,168
Expenditures	38,589,733	39,022,441	39,264,323	37,060,745
Ending Balance	$ 2,519,677	$ 3,136,491	$ 2,394,168	$ 15,423

largely the result of the agencies' not spending all monies that are appropriated. Under the Governor's recommendation, $15,423 is anticipated to be left at the end of FY 2008.

FY 2008 Recommendations

The Governor's recommendations for FY 2008 are summarized in the table on this page and then described in detail by agency and by program. They are also listed in Schedule 2.4 at the back of this report for FY 2006 through FY 2008.

Department of Commerce

For FY 2008, the Governor recommends $21.4 million for the Department of Commerce. In FY 2008, the agency is expected to continue to operate its traditional programs and integrate the employment and workforce training programs transferred from the Department of Labor in FY 2005 and FY 2006.

Operating Grant. The $15,989,330 operating grant from the EDIF supports the Department of Commerce's traditional programs, including Attraction Development Grants in its Travel and Tourism Division and the Kansas Industrial Training and Retraining programs in its Business and Workforce Development Division. An update of the outcomes that measure the Department of Commerce's performance under the operating grant concept is at the end of this section.

Older Kansans Employment Program. The Governor recommends $330,481 from the EDIF for the Older Kansans Employment Program in FY 2008. This program is designed to provide older Kansans, 55 and over, with an employment placement service. The emphasis will be on providing permanent full-time or part-time jobs in the private sector taking into account non-traditional patterns of employment.

Rural Opportunity Program. The Governor recommends $2.1 million from the EDIF to create the Rural Opportunity Program in FY 2008. This program will help attract investment, business development, and job growth in rural areas of the state. This program will provide additional funding for the Center for Entrepreneurship, Kansas Main Street Program, and Capacity Building Grants. This program will also allow the Department of Commerce to create a state-funded pilot program based on the federally funded Kansas Small Towns Environment Program (KAN-STEP), which helps communities address water, sewer, and public building needs. This state-funded program will allow greater flexibility than the federally funded KAN-STEP Program.

Economic Development Initiatives Fund

Program or Project	FY 2008
Department of Commerce	
Operating Grant	15,989,330
Older Kansans Employment Program	330,481
Rural Opportunity Program	2,100,000
On TRACK Program	3,000,000
Total--Commerce	$21,419,811
Kansas Technology Enterprise Corp.	
Operations	1,627,626
University & Strategic Research	5,111,287
Product Development	1,519,030
Commercialization	2,172,723
Mid-America Manufacturing Center	1,380,621
Total--KTEC	$11,811,287
Kansas, Inc.	
Operations	$ 408,122
Racing & Gaming Commission	
Racing Operations	$ 700,000
Wichita State University	
Aviation Research	$ 2,500,000
State Fair	
Ticket Marketing & Premiums	70,000
Economic Impact Study	40,000
Alternative Energy Systems	111,525
Total--State Fair	$ 221,525
Total	$37,060,745

On TRACK Program. The Governor recommends $3.0 million from the EDIF to create the On TRACK Program in FY 2008. This program will focus on keeping the Kansas economy On TRACK with Training, Recruitment, and Careers in Kansas. This program will develop new recruitment and career training strategies, including sign-on bonuses for new employees in specific industries across the state, child care initiatives, and a state image campaign focused on workforce development.

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 $11,876,686 in FY 2007. The Governor's recommendation for FY 2007 includes lapsing its EDIF reappropriation of $161,113. The agency received revenue to provide operational support for the Bioscience Authority in FY 2005 and FY 2006. The Governor recommends that the agency use this revenue to replace the EDIF funding that was lapsed.

For FY 2008, the Governor recommends $11,811,287 from the EDIF, of which $1,627,626 is for operations. The agency's budget includes a shrinkage reduction of $104,000 to bring salary and wage funding more in line with other state economic agencies.

University & Strategic Technology Research. KTEC finances five centers of excellence. These are university-based research centers, each with a different technology specialization, that conduct innovative research and provide technical assistance to Kansas businesses. The Governor recommends $5,111,287 for this program in FY 2008.

Product Development Financing. This program finances technology product development at both new and existing small Kansas companies. Funding is provided for the applied research stage of technology, initial commercialization, as well as matching monies to help businesses receive federal grants. The Governor recommends $1,519,030 for this program in FY 2008.

Commercialization. Commercialization entails the process of developing technology research into a commercial product, assisting with the many steps required to develop the business, such as marketing and sales. KTEC helps finance eight innovation and commercialization corporations that provide business development and financing to start-up technology-based businesses in Kansas. KTEC also provides financial support to recruit successful entrepreneurs to match with emerging companies and to attract existing high technology companies to Kansas. The Governor recommends $2,172,723 for this development program in FY 2008.

Mid-America Manufacturing Technology Center. The Center provides business assistance in improving manufacturers' technical capabilities. Companies will be made more competitive through the adoption of advances in technological processes. Under the Governor's recommendations, the program will be allocated $1,380,621 in FY 2008.

Kansas, Inc.

Operations. The Governor recommends $408,122 for Kansas, Inc. in FY 2008 to continue strategic analysis of, and planning for, economic development for the state. The agency conducts economic development planning, policy research, and program evaluation to accomplish its mission.

Racing & Gaming Commission

Operations. The Racing Operations Program regulates horse and dog racing activities across the state, including the conduct of races, parimutuel wagering, and the collection of parimutuel taxes, admission taxes, and licensing fees. Racing activity in Kansas has continued to decline, while the state's expense of regulating racing activity has remained fairly constant. Therefore, the Governor recommends the appropriation of $700,000 from the EDIF in order to supplement agency operations in FY 2008 so that necessary oversight can continue.

Wichita State University

National Institute for Aviation Research Grant. The Governor recommends $2.5 million from the EDIF to finance aviation research at Wichita State University's National Institute for Aviation Research. This funding will build on the previous state initiatives and help ensure a continuation of a strong aviation research infrastructure. The additional funding provided by the state should also create leverage to secure federal resources.

Kansas State Fair

Ticket Marketing & Premiums. For FY 2008, the Governor recommends $70,000 from the EDIF. Of this total amount, $50,000 is for enhanced ticket

marketing which will provide greater awareness of the agency's website as a one-stop source of Fair information, events, and tickets, and will help increase promotion of the Kansas State Fair through radio, television, and print advertising. The $20,000 balance is for increases in competitive exhibit premiums. The Fair gives prizes and awards, called "premiums," to exhibitors and participants. The ability of the agency to compensate participants adequately for their winning exhibits can affect the number of entries in these competitive events.

Economic Impact Study. To determine the financial benefits to the State of Kansas and to obtain information about Fair attendees, the Kansas State Fair will conduct an economic impact and demographic study. The most recent, comprehensive economic research of the Fair was conducted in 1996. The Governor recommends $40,000 from the EDIF for the Kansas State Fair to update this study. The information gathered from the study is used by the agency when dealing with current and potential corporate sponsors and donors.

Alternative Energy Systems. To help offset recent increases in energy costs, the Kansas State Fair seeks to utilize alternative energy sources for the fairgrounds. This will include installing two 50-kilowatt wind turbines that will produce approximately 10.0 percent of the fairgrounds' energy use; a solar thermal heat system for the Administration Building; and electrical sub-metering equipment that will enable the agency to monitor electricity usage at each building. The total amount for these systems is $579,190, which will be financed through the Department of Administration's Master Lease Program. For FY 2008, the Governor recommends $111,525 from the EDIF for the first debt service payment. Of this amount, $24,836 will be for interest and $86,689 will be for principal.

Department of Commerce EDIF Operating Grant
Outcome Measures

	FY 2006 Actual	FY 2007 Gov. Estimate	FY 2008 Gov. Estimate
Jobs created by projects utilizing KDOC assistance	6,500	6,500	6,500
Jobs retained by projects utilizing KDOC assistance	8,500	7,100	7,000
Payroll generated by projects utilizing KDOC assistance	$205,000,000	$150,000,000	$150,000,000
Capital investment in Kansas resulting from projects utilizing KDOC assistance	$313,000,000	$515,100,000	$315,000,000
Funds leveraged through match in projects utilizing KDOC assistance	$16,500,000	$16,500,000	$16,500,000
Individuals trained through workforce development programs	9,000	10,400	10,400
Sales generated by projects utilizing KDOC assistance	$69,500,000	$110,000,000	$110,000,000
Increase in visitation resulting from KDOC tourism promotion efforts	318,000	334,000	334,000
Tourism revenue generated as a result of KDOC tourism promotion	$32,000,000	$33,600,000	$33,600,000
Kansans served with counseling, technical assistance, or business services	4,400	4,450	4,450
Number of communities receiving community assistance services	300	315	315

State Water Plan Fund

Water Plan Objectives

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

Public Water Supply. It is the intent of the Kansas Water Authority to ensure that 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, the Authority intends that 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 usage will be reduced by targeting those with unaccounted water usage of 30.0 percent or more. Also to be reduced are the number of irrigation points of diversion for which the acre feet per acre (AF/A) of water use exceeds the respective regional 1.0 AF/A standard in eastern Kansas, 1.5 AF/A in central Kansas, 2.0 AF/A in western Kansas, and the number of water users who overpump the amount authorized by their water rights.

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

Water Management. Water level decline rates in the Ogallala Aquifer will be reduced, and enhanced water management techniques will be implemented in targeted areas, including cost share programs that reduce consumption. This aquifer is the dominant, often sole, source of water in western Kansas.

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

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. The Kansas Water Authority will strive to increase the number of 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 to guide state water resource program operations.

Public Information & Education. It is the intent of the Kansas Water Authority to 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 effective water conservation and management decisions.

Fund Summary

Water Plan projects are largely financed through the State Water Plan Fund. The large table at the top of the next page summarizes actual State Water Plan Fund revenues and expenditures for FY 2005 and FY 2006 and estimates for FY 2007 and FY 2008 to illustrate the financial status of the fund. The approved level of State Water Plan expenditures for

State Water Plan Fund	FY 2005 Actual	FY 2006 Actual	FY 2007 Gov. Est.	FY 2008 Gov. Rec.
Beginning Balance	$ 2,203,883	$ 7,682,094	$ 9,591,892	$ 2,866,702
Released Encumbrances	1,000,969	1,333,653	2,173,022	--
Adjusted Balance	$ 3,204,852	$ 9,015,747	$ 11,764,914	$ 2,866,702
Revenues:				
Fee Revenue	8,895,963	9,308,333	9,106,600	12,348,604
Kansas v. Colorado Damage Award	4,842,212	--	--	--
Transfer In from State General Fund	3,748,839	6,000,000	6,000,000	6,000,000
Transfer In from the EDIF	2,000,000	2,000,000	2,000,000	2,000,000
Transfer Out to State General Fund	(52,072)	--	--	--
Transfer Out to KCC for Well Plugging	(667,000)	(400,000)	(400,000)	(400,000)
Total Available	$ 21,972,794	$ 25,924,080	$ 28,471,514	$ 22,815,306
Expenditures:				
State Water Plan Expenditures	14,290,700	16,332,188	21,016,383	22,582,327
Kansas v. Colorado Damage Award	--	--	4,588,429	--
Ending Balance	$ 7,682,094	$ 9,591,892	$ 2,866,702	$ 232,979

FY 2006 was $18,786,170; however, actual expenditures for the year were $16,332,188, leaving an unexpended balance of $2,453,982. Of the unexpended balance, $798,844 is needed to complete work on projects that had been started but not completed in FY 2006. The remaining amount, $1,655,138, will be returned to the State Water Plan Fund balances and used for priority water quality and water quantity projects approved by the Kansas Water Authority and recommended by the Governor.

FY 2008 fee fund revenue estimates are shown in the table below. User fee receipts, which make up a large portion of the fund's revenue, have been relatively stable during FY 2005 through FY 2007. Legislation passed in 2005 shifts revenue from the Clean Drinking Water Fee Fund and from the State General Fund to the State Water Plan Fund, beginning in FY 2008. This is the reason fee fund revenue increases by approximately $3.2 million in FY 2008.

State Water Plan Fee Revenue	FY 2008
Municipal Water Fees	3,485,184
Fertilizer Registration Fees	2,940,000
Industrial Water Fees	1,129,437
Pesticide Registration Fees	965,000
Sand Royalty Receipts	192,867
Stock Water Fees	366,454
Clean Drinking Water Fees	3,199,662
Fines	70,000
Total	$12,348,604

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

FY 2008 Recommendations

The Governor's recommendations for expenditures from the State Water Plan Fund total $22,582,327 for FY 2008 and are summarized in the table on the next page, followed by more detailed descriptions of the recommendations. In addition, State Water Plan Fund projects are listed in Schedule 2.5 in the back of this report.

A key recommendation for FY 2008 shifts $2.5 million of Department of Health and Environment programs from water plan financing to State General Fund financing. The shift allows water plan funds to be used to enhance existing programs and to fund Neosho River Basin issues and the Sebelius Reservoir.

State Water Plan Fund

Project or Program	FY 2008
University of Kansas	
Geological Survey	40,000
Department of Agriculture	
Subbasin Water Resources Mgt.	678,595
Interstate Water Issues	584,217
Water Use Study	60,000
Total--Dept. of Agriculture	$ 1,322,812
State Conservation Commission	
Water Resources Cost-Share	3,418,063
Nonpoint Source Pollution Asst.	3,683,854
Water Transition Assistance	1,414,416
Conservation District Aid	1,050,000
Watershed Dam Construction	1,055,000
Buffer Initiatives	350,000
Riparian & Wetland Program	251,782
Multipurpose Small Lakes	1,250,000
Lake Restoration/Management	2,719,713
Salt Cedar Demonstration Projects	195,000
Total--Conservation Commission	$ 15,387,828
Health & Environment--Environment	
Nonpoint Source Technical Asst.	299,928
WRAPS Program	800,000
TMDL Initiatives	301,821
Total--Health & Environment	$ 1,401,749
Kansas Water Office	
Assessment & Evaluation	857,605
GIS Database Development	250,000
MOU--Operations & Maintenance	733,384
Technical Assist. to Water Users	624,949
Water Resource Education	84,000
Weather Stations	100,000
Weather Modification	240,000
Neosho River Basin Issues	500,000
Total--Kansas Water Office	$ 3,389,938
Wildlife & Parks	
Stream Monitoring	40,000
Sebelius Reservoir	1,000,000
Total--Wildlife & Parks	$ 1,040,000
Total	$ 22,582,327

Arkansas River Compact Damage Award

The Kansas-Colorado Arkansas River Compact was negotiated in 1948 to settle existing disputes and remove causes of future controversy concerning the waters of the Arkansas River and to divide and apportion the waters of the Arkansas River between Kansas and Colorado equitably. In 1985, the Kansas Attorney General filed suit in *Kansas v. Colorado* to enforce the terms of the compact. Over the years, legislation has been passed to specify how the State of Kansas will apportion any damage awards upon a final settlement of the case. In April 2005, the State of Colorado approved a measure to pay Kansas, and $34,615,146 was received by the State of Kansas that month. The following table lists how the damage award was distributed according to statute.

Distribution of Damage Award

SWP Conservation Project Fund	4,842,212
Water Conservation Projects Fund	9,684,425
Interstate Litigation Reserve Fund	20,088,509
Total	$34,615,146

The amount deposited in the State Water Plan Conservation Project Fund is proposed to be spent through the State Conservation Commission budget in FY 2007, and a portion of the amount deposited in the Water Conservation Projects Fund is proposed to be expended through the Kansas Water Office budget. An amount of $20,088,509 was originally deposited in the Interstate Litigation Reserve Fund, a special revenue account in the Attorney General's Office.

This total represented the amount spent from the State General Fund over many years to prosecute the *Kansas v. Colorado* lawsuit. Of the $20.1 million deposited in the special revenue account, $722,108 was spent by the Attorney General's Office in FY 2005 to cover unpaid water litigation expenses, and the remaining $19,366,401 was transferred to a new Interstate Water Litigation Reserve account in the State General Fund, where it remains as part of the State General Fund unencumbered balances. In June of 2006, the state received $1.1 million in damage award money from Colorado. Currently, that money is in a suspense fund, pending a determination of future litigation costs.

University of Kansas

Geological Survey. Included in the Governor's recommendation for the State Water Plan budget is $40,000 for the Geological Survey. The funding will be used for the continuing analysis of water depletion in the Ogallala Aquifer. This study began in FY 2002 as a water resource priority. Specifically, the Geological Survey will evaluate estimated water level declines in the aquifer by decade, precipitation in the area, and aquifer recharge rates.

Department of Agriculture

The Governor recommends a total of $1,322,812 from the State Water Plan Fund for the Department of Agriculture. This recommendation will fund three programs charged with management of the state's water resources.

Subbasin 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 that include the environmental scientists familiar with the geology and hydrology of the basin. These scientists analyze the basins and develop strategies to address water management issues. The Governor recommends $678,595 to support these activities.

Interstate Water Issues. The Governor's recommendation includes $584,217 from the State Water Plan Fund to continue to protect Kansas' interests on the Arkansas River and the Republican River and to ensure interstate compact compliance related to the water lawsuit settlements for both rivers. Of this amount, $209,217 will be used for ongoing expenses related to monitoring compliance. This includes salaries for 3.00 FTE positions and associated operating expenditures. The remaining $375,000 will be used for continuing contractual services with consultants to verify independently and assist with the technical aspects of monitoring the compact settlements, such as hydrological modeling and analysis.

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

State Conservation Commission

Of the $22.6 million in State Water Plan Fund expenditures recommended for FY 2008, the majority of expenditures are included in the budget of the State Conservation Commission. The Governor includes in her budget a total of $15,387,828 in State Water Plan expenditures.

Water Resources Cost-Share Program. For this program the Governor recommends $3,418,063 for FY 2008. 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, especially emphasizing the establishment of practices that improve water quality. Established practices include the use of terracing, grass waterways, and grass planting to reduce sediment and nutrients in waterways. Another goal of the program is to restore base-flows in streams in over-appropriated areas.

Nonpoint Source Pollution Assistance. The Governor recommends $3,683,854 for this program that provides technical assistance to conservation districts in the development of nonpoint source pollution plans. The FY 2008 recommendation includes enhanced funding of $941,489. Of the enhanced amount, $821,489 will allow the agency the funding to implement Watershed Restoration and Protection plans that were designed by the Department of Health and Environment. The remaining $120,000 will be used to plug wells for landowners participating in the Conservation Reserve Enhancement Program.

Water Transition Assistance. The Governor recommends $1,414,416 in funding for this five-year pilot project to purchase and retire irrigation water rights in targeted areas. Enrollees in the program can use the land for dryland crop farming after the retirement of water rights. Targeted areas include the Prairie Dog Creek area in northwest Kansas and the

Rattlesnake Creek area in southcentral Kansas. Irrigators who enroll in the program will be paid based on the consumption of water that their permanent water right retirement takes out of the system.

Conservation District Aid. The Governor recommends $1,050,000 for FY 2008, which includes enhanced funding of $2,000 for the Aid to Conservation Districts Program. Since one county has increased its level of funding for conservation district projects, the state is required to match those amounts with a limit of $10,000 per district. Elk County will be eligible for an additional $2,000 per year, beginning in FY 2008.

Watershed Dam Construction. The Governor recommends $1,055,000 for watershed dam construction projects. The goal of this program is to reduce flood damage and sedimentation through the construction of detention or grade stabilization dams and non-structural measures. The recommendation includes enhanced funding of $453,501 to address additional inspections of high hazard dams.

Buffer Initiatives. This program encourages the use of buffer strips by landowners to protect the state's water resources from pollutants. For FY 2008, the Governor recommends expenditures of $350,000.

Riparian & Wetland Program. For FY 2008, the Governor recommends $251,782 for the Riparian and Wetland Program. A goal of the program is to protect, enhance, and restore riparian areas and wetlands.

Multipurpose Small Lakes. State Water Plan funding of $1.1 million is recommended by the Governor in FY 2007 and $1,250,000 in FY 2008 for Horsethief Reservoir as part of the agency's Multipurpose Small Lakes Program. The reservoir project, which will be located in Hodgeman County, will provide 452 acres of permanent water for recreation and have a floodwater storage capacity of 12,868 acre feet. In addition to the state funding, financing for the project is proposed from the Pawnee Watershed Joint District No. 81, local bonding sources, and other state and federal funding sources. The voters of five counties in southwest Kansas passed a revenue bond proposal that provides approximately $9.0 million of the funding needed to construct the reservoir. The estimated total cost of the project is $15.9 million, including state funding of $4.5 million. Total state funding to date, including the Governor's recommendation for FY 2008, is $3.4 million.

Lake Restoration Management. The agency will develop and implement lake restoration projects with $2,719,713 of State Water Plan funding that the Governor recommends for FY 2008. The restoration activities of this program will include the development and implementation of plans to dredge sediment from municipal water supply lakes and restore stream banks.

Salt Cedar Demonstration Projects. Salt Cedar and Russian Olive, or tamarisks, are non-native invasive species of vegetation that damage riparian ecosystems in the Cimarron and Upper Arkansas River corridors. The vegetation consumes large quantities of water, which reduces streamflows, and increases the salinity of the water, which in turn adversely affects water quality. Kansas recently adopted a ten-year tamarisk control plan to use a variety of methods to reduce the harmful effects of tamarisks. The Governor recommends expenditures of $195,000 for tamarisk control projects.

Health & Environment—Environment

Nonpoint Source Technical Assistance. This program provides technical assistance as well as demonstration projects for nonpoint source pollution management at the local level. The Governor recommends $299,928 for FY 2008.

Watershed Restoration & Protection Plans (WRAPS.) State Water Plan expenditures of $800,000 for the WRAPS Program is recommended by the Governor for FY 2008. This program addresses a variety of water quality and water resource concerns, including achievement of Total Maximum Daily Loads (TMDLs), protection of public water supply reservoirs, and protection or restoration of wetland habitats.

TMDL Initiatives. A TMDL is the maximum amount of pollution a river or lake can receive without violating the surface water quality standard. The Governor recommends $301,821 for FY 2008 to continue efforts to obtain flow and other supplemental data in other basins where TMDLs are established as

well as to provide follow-up monitoring where TMDLs have been set.

Kansas Water Office

Assessment & Evaluation. The goal of this program is to assess the condition of the state's water resources continually. These assessments are used to identify State Water Plan priorities. For FY 2008, the Governor recommends $857,605.

GIS Database Development. 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 2008, the Governor recommends expenditures of $250,000.

MOU—Operations & Maintenance. A portion of the water supply storage space purchased through a 1985 Memorandum of Understanding with the U.S. Corps of Engineers is held in reserve. Operation and maintenance costs are not paid through the Water Marketing and Water Assurance Programs, as there are currently no users of these reservoirs. To maintain and operate this reserve storage space, the Governor recommends $733,384 for FY 2008.

Technical Assistance to Water Users. The Governor recommends funding of $624,949 for FY 2008 to provide educational and technical assistance to irrigators and municipalities in the preparation of water conservation plans. The Kansas Water Office must provide technical assistance to all water users who are required to develop a water conservation plan.

Water Resource Education. Expenditures of $84,000 are recommended by the Governor for FY 2008. The program funds a scholarship program through the Kansas Environmental Leadership Program, which is sponsored by Kansas State University and the Kansas Center for Agricultural Resources.

Weather Stations. The Governor recommends expenditures of $100,000 for this program that will support crop water management through irrigation-scheduling weather stations, a mobile irrigation lab, and field demonstration projects.

Weather Modification. For FY 2008, the Governor recommends funding of $240,000. A goal of this program is to reduce crop-hail damage. The Water Office issues contracts for pilots to release silver iodide into clouds to reduce crystal formation. Weather modification activities are carried out during specific weather conditions and operate in the southwestern part of the state, an area dependent on agriculture and susceptible to damage from hail storms. The recommendation includes enhanced funding of $120,000 will allow the agency to continue to support weather modification activities in the 11 counties that participated in the program in FY 2006.

Neosho River Basin Issues. The Kansas Water Office has determined that a number of related water quality issues have emerged in the Neosho River Basin. For example, algae blooms at Marion Reservoir have led to water quality problems that have closed water supply and recreational facilities. Furthermore, sedimentation in John Redmond Reservoir has reduced available water storage capacity. The Governor recommends $500,000 in FY 2008 to address these issues at the two reservoirs.

Department of Wildlife & Parks

Stream Monitoring. For FY 2008, the Governor recommends $40,000 from the State Water Plan Fund for stream monitoring to determine the potential adverse effects of pollution on fish and wildlife as well as Kansas streams. Data are also used to measure the progress toward surface water pollution reduction. This project is conducted with cooperation from the Department of Health and Environment.

Sebelius Reservoir. On May 10, 2004, the Department of Wildlife and Parks entered into an agreement with the Almena Irrigation District to preserve a minimum water level in Sebelius Reservoir for outdoor recreation use. Without this agreement, the water level could be reduced to such a degree that the reservoir could no longer be used for outdoor recreation. In each of the three fiscal years, FY 2005, FY 2006, and FY 2007, the Department provided $120,000 for this agreement. The agency then entered into negotiations with the District to purchase these water rights. For FY 2008, $1.0 million will be provided from the State Water Plan Fund to purchase these water rights.

State Employees

Salaries

FY 2008 Pay Plan

The Governor recommends that the base pay of state employees increase by 4.0 percent for FY 2008. For classified employees, the proposal is based on step movement for employees on the pay matrix, which equates to an increase of 2.5 percent. In addition, the Governor proposes a cost-of-living increase of 1.5 percent to each cell of the pay matrix, for a total increase of 4.0 percent.

For unclassified employees, the proposal is based on an overall increase of 4.0 percent to their current pay. Included in the proposal are elected officials of the Executive Branch whose salaries are specified by law, other employees of the Executive Branch whose salaries are approved by the Governor and agencies with their own appointing authority, judges and non-judicial personnel, and legislators and legislative staff. Legislator allowances and the allowance for the Lieutenant Governor are also subject to the increase.

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

Funds totaling $83.9 million from all funding sources have been included in the budget of each state agency to implement the pay proposal. Of this amount, $42.8 million is from the State General Fund. The portion of the pay plan relating to classified employees equals $38.7 million from all funding sources, and the portion attributable to unclassified employees is $45.2 million. For state universities under the Board of Regents, $41.3 million from all funding sources is budgeted, of which $19.6 million is from the State General Fund. This recommendation is included as a portion of the Regents university operating grant.

FY 2007 Pay Plan Completion

The pay plan approved by the 2006 Legislature for FY 2007 removed funding from the budget of each state agency and authorized the State Finance Council, upon recommendation of the Division of the Budget, to distribute the funding in accordance with the Legislature's pay plan. In making this distribution, the recalculation of salaries after adjournment of the 2006 Legislature revealed that the funds provided were insufficient to implement the pay plan by $2,103,123 from the State General Fund. At the time of the Finance Council meeting that approved distribution of the funds, the Governor announced that she would recommend additional funds to ensure full financing of the FY 2007 pay plan. Accordingly, the Governor recommends supplemental appropriations in agency budgets to complete financing of the FY 2007 pay plan.

Annualization of the FY 2007 Pay Plan

The pay plan approved by the Legislature for classified employees for FY 2007 included a component for the restoration of step movement; however, the effective date was September 10, 2006, or the last 20 of 26 biweekly payrolls in FY 2007. For FY 2008, that increase will apply to all 26 biweekly payrolls. As a consequence, additional funds have been added to the FY 2008 budget of each state agency affected to cover the full cost of the FY 2007 pay plan. The cost to "annualize" the FY 2007 pay plan is $3.9 million from all funding sources, $2.0 million of which is from the State General Fund.

Longevity Bonus Program

Payments under the current Longevity Bonus Program are calculated on the basis of $40 per year of service times the number of years of service for employees with at least ten years of service with the state. The current maximum payment is $1,000: $40 per year of service times 25 years. For FY 2008, the Governor recommends an increase in the amount per year of service to $50 to a maximum of $1,250, based on the same total of 25 years of service. The program applies to classified employees in the Executive Branch, non-judicial personnel at the Judiciary, and most unclassified employees in agencies of the Legislative Branch. The total budgeted for longevity payments for

FY 2008 is $12.9 million from all funding sources, with $6.6 million of that amount from the State General Fund. The cost of the increase to $50 is $2.6 million from all funding sources, $1.5 million of which is from the State General Fund.

Regents

Increased funding for the Regents universities is provided through an operating grant. The Board of Regents distributes this grant to the universities and has the authority to make the distribution based on its priorities. For FY 2008, the Governor recommends $30.0 million from the State General Fund for the operating grant to be distributed to the universities. If the Regents choose to provide the 4.0 percent salary increase and $10 per year longevity bonus increase that the Governor recommends for the rest of the state workforce, the cost will be approximately $41.7 million. Included in that amount is $19.9 million, or nearly half, from the State General Fund.

Military Benefits

Included in the Governor's budget for FY 2007 is $749,634 from the State General Fund for death benefits. The beneficiaries of the first three Kansas National Guard service members who were killed as a result of active duty in a combat area each received a total of $750,000 from federal and state benefits combined. On the other hand, the families of the last three service members who were killed received slightly more than $500,000 each in total benefits. To increase the total benefit of the last three deaths to make them equal to the first three, the Governor recommends a supplemental appropriation from the State General Fund of $750,000 (three beneficiaries times $250,000).

The budget recommendation also includes $461,725 from the State General Fund in FY 2007 and an identical amount in FY 2008 for life insurance reimbursements. To ensure that future service members' beneficiaries will receive at least $750,000 in benefits, the Adjutant General is researching the possibility of providing an additional life insurance policy of $250,000. The state will provide this life insurance policy to service members and will reimburse the service members for the premiums while on active duty in a combat zone. The federal government will be responsible for the remaining $500,000 of benefits.

Fringe Benefits

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

Retirement Rates

The 2004 Legislature authorized a multi-year statutory increase to the maximum KPERS employer contribution rate to make the KPERS Fund actuarially sound. The rate increased by 0.4 percent for FY 2006. It has increased by 0.5 percent for FY 2007, and the rate will increase by 0.6 to 6.37 percent in FY 2008 and by that same increased rate thereafter until the KPERS Fund reaches equilibrium, the point at which the fund is financially able to cover all retirement benefit obligations. The cost for the 0.6 percent increase in FY 2008 totals $7.2 million from all funding sources, of which $3.4 million is from the State General Fund.

Group Health Rates

The FY 2007 and FY 2008 employer contribution to the group health rates for state employees will remain at the same level as in FY 2006. The FY 2009 rate for biennial agencies is budgeted for a 3.0 percent increase. It has been possible to hold the rates flat because of favorable claims experience for the past several years. For 2007, the cost to most plan participants has remained the same or been slightly lowered. The state covers 95.0 percent of the cost of state employee health insurance and an average of 45.0 percent of the coverage of dependents. Federal rules do not allow state employee dependents to receive HealthWave benefits, but beginning in January 2006, the state's HealthyKids Program pays 90.0 percent of the cost of health coverage for employee children who otherwise would have been eligible for the Health-

Wave Program. Over 1,300 employees have been approved to enroll their children in HealthyKids for the 2007 plan year.

State Workforce

Changes to the Workforce

A year ago, when the budget for FY 2007 was approved, the number of authorized positions totaled 41,495.56. Of this amount, 40,514.62 were FTE positions and 980.94 were non-FTE unclassified permanent positions. The Governor's revised budget for the current fiscal year now totals 42,353.15, of which 41,220.80 are FTE positions and 1,132.35 are non-FTE positions. The changes result in a net increase of 857.59 positions.

The most significant increases in the revised FY 2007 budget occur in the Regents universities, notably the University of Kansas with an increase of 694.15. The universities have no restriction on the number of positions, and their position totals can fluctuate considerably from one year to the next. The increase at KU is attributable to a change in reporting positions to include grant-funded personnel. The Kansas Health Policy Authority will increase staff both in FY 2007 and FY 2008 for administrative support, because the Authority is now a free-standing agency independent of the Department of Administration.

The Governor's recommendation also includes security and direct care positions at three of the state hospitals as a result of increased admissions. Increases in FY 2007 also have occurred in the Department of Health and Environment for the administration of federal grants, stream analysis, identification of animal burial sites, and upgrades to above-ground storage tanks; the Department of Corrections for Byrne grants, re-entry programs, the JEHT Foundation, and victim services; and the Adjutant General's Department for the Readiness Sustainment Maintenance Site and facilities engineering.

The Kansas Department of Transportation plans to reduce positions in FY 2007 and will make further reductions in FY 2008. These positions were added several years ago to implement the Comprehensive Transportation Program. As the plan enters its final years, the positions will gradually be eliminated. As a result of re-structuring the MAMTC Division at KTEC, 12.80 positions have been converted to contract employees.

For FY 2008, the total number of positions in the Governor's recommendation equals 42,399.99, 41,294.74 of which are FTE positions and 1,105.25 are non-FTE positions. The FY 2008 total increases by 46.84 positions compared to the Governor's revised estimate for FY 2007.

Increases are recommended for new ombudsman representatives in the Office of the Long-Term Care Ombudsman in the Department of Administration; financial examiners and administrative support in the Banking Department; new positions in the Board of Healing Arts for investigation and licensing functions; direct care positions at Osawatomie and Rainbow mental institutions as a result of increased admissions; health positions at the Department of Health and Environment for immunization, community-based primary care, mentoring, and disease control and prevention; corrections counselors at correctional facilities to reduce caseloads and improve case management services; and positions at the Highway Patrol to monitor state property through new digital cameras and continue development of the CJIS project.

Counting the State Workforce

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

retirement system, the same as permanent FTE positions do.

Although the state workforce has traditionally been counted according to the FTE limitations established by appropriation bills, there are other views that count positions differently. Accordingly, two tables, Schedules 9.2 and 9.3 at the back of this report, illustrate these methods. The first is "headcount," representing a statewide average of all 26 biweekly payrolls based on the number of paychecks issued for FY 2004 and FY 2005 and 27 payrolls for FY 2006.

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

This table represents a view that mathematically equates to full time the number of positions actually filled for the fiscal years indicated, including overtime and any leave time in which employees are in pay status. For example, if an agency is legally authorized 10.00 FTE positions but one of them was vacant for half of the fiscal year, this table would report that agency's mathematical FTE total as 9.50. This table presents a more accurate and meaningful picture of FTE positions, including for budgeting purposes a view that indicates the number of positions that the budgets of state agencies can actually support.

FTE Limitations

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

A significant portion of the state workforce, fully 47.8 percent, is not subject to FTE limitations anyway because exemptions are granted to the Regents institutions, the Judiciary, the Legislative Branch, the Governor's Office, the Lieutenant Governor's Office, and several other Executive Branch agencies. In addition, as indicated previously, KSA 75-2935(i) allows Executive Branch agencies, with the approval of the Governor's Office, to appoint permanent positions as unclassified "temporaries" that are no different from FTE positions, except the authority by which they are appointed allows them to avoid the FTE limitation. Therefore, whatever measure of control is exercised by these limitations under current practices is inconsistent and largely ineffectual. Because the amount of funds available in the budget for salaries is the most effective control over an agency's staffing level, the question is raised whether FTE limitations have outlived their usefulness and should be abolished.

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

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

Statewide Summary of Salaries

The table on page 53 details expenditures for salaries and wages for all agencies, including the salaries of several agencies that would ordinarily be excluded

from reportable expenditures to avoid double counting. In this way, a complete view of salaries and wages can be presented. The base salary components are presented in the upper part of the table, and the benefits are itemized below those. In making comparisons across fiscal years, it should be remembered that the 27th payroll in FY 2006 will cause salary expenditures to be higher than usual in that year. The salaries for Regents universities, including the proposed salary plan, are shown in the table in the same way as other state agencies for illustration purposes. However, this is with the understanding that State General Fund monies to finance these expenditures are appropriated as an operating grant, allowing the Regents system to spend available resources according to its own priorities.

Statewide Salaries & Wages

	FY 2006 Actual	FY 2007 Gov. Estimate	FY 2008 Base Budget	FY 2008 Enhance. Pkg.	FY 2008 Gov. Rec.
Authorized Positions					
Classified Regular	747,672,888	829,180,927	831,945,168	31,926,974	868,517,117
Classified Temporary	11,014,996	11,500,571	11,502,204	497,136	11,502,204
Unclassified Regular	820,678,103	959,769,904	961,665,668	4,355,253	1,000,699,489
Other Unclassified	190,233,641	110,008,899	108,692,617	2,246,462	110,752,892
Authorized Total	$ 1,769,599,628	$ 1,910,460,301	$ 1,913,805,657	$ 39,025,825	$ 1,991,471,702
Shift Differential	2,897,061	2,959,345	2,981,549	--	2,981,549
Overtime	14,050,622	10,796,004	10,756,701	293,867	10,836,050
Holiday Pay	4,232,160	--	--	--	--
Longevity	10,488,740	9,788,598	10,510,239	1,586	12,856,354
Total Base Salaries	$ 1,801,268,211	$ 1,934,004,248	$ 1,938,054,146	$ 39,321,278	$ 2,018,145,655
Employee Retirement					
KPERS	51,320,064	66,955,925	73,069,790	1,937,873	75,975,908
Deferred Compensation	407,822	439,568	425,640	--	455,472
TIAA	49,949,130	61,697,982	61,701,790	24,833	64,369,897
Kansas Police & Fire	5,887,464	5,589,329	5,883,147	129,734	6,095,677
Judges Retirement	5,315,413	5,019,438	5,888,389	88,143	6,123,925
Security Officers	4,711,827	6,173,133	6,721,167	--	6,990,013
Retirement Total	$ 117,591,720	$ 145,875,375	$ 153,689,923	$ 2,180,583	$ 160,010,892
Other Fringe Benefits					
FICA	120,755,679	135,087,724	135,711,579	2,077,560	141,756,627
Workers Compensation	19,575,090	21,512,988	22,810,021	319,071	23,838,568
Unemployment	288,556	2,726,228	3,095,635	47,021	3,232,456
Retirement Sick & Annual Leave	9,040,068	10,464,536	9,524,634	150,184	9,937,807
Employee Health Insurance	171,491,640	183,762,714	184,114,130	2,758,496	184,465,465
Family Health Insurance	33,115,219	36,262,559	36,262,391	598,784	36,315,373
Total Fringe Benefits	$ 471,857,972	$ 535,692,124	$ 545,208,313	$ 8,131,699	$ 559,557,188
Subtotal: Salaries & Wages	$ 2,273,126,183	$ 2,469,696,372	$ 2,483,262,459	$ 47,452,977	$ 2,577,702,843
(Shrinkage)	--	(92,764,243)	(96,512,558)	3,480,991	(92,627,119)
Total Salaries & Wages	$ 2,273,126,183	$ 2,376,932,129	$ 2,386,749,901	$ 50,933,968	$ 2,485,075,724
State General Fund Total	$ 1,046,452,814	$ 1,116,521,838	$ 1,124,904,182	$ 42,978,787	$ 1,181,712,179
FTE Positions	40,442.02	41,220.80	41,183.28	735.40	41,294.74
Non-FTE Unclassified Perm. Pos.	1,046.34	1,132.35	1,116.25	(8.00)	1,105.25
Total State Positions	41,488.36	42,353.15	42,299.53	727.40	42,399.99

Amounts include all Off Budget expenditures for the Department of Administration, Governor's Office, Fire Marshal, State Treasurer, Adjutant General, Kansas Health Policy Authority, Health & Environment, Department of Labor, and Kansas Bureau of Investigation.

Homeland Security

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

A recent report issued in December 2006 by the non-profit group, Trust for America's Health, found Kansas as the second best prepared state for emergency health preparedness. Kansas achieved nine out of ten possible indicators for preparedness. A few of the areas where Kansas received high marks were having an adequate nursing workforce, maintaining enough scientists to test for anthrax or plague in case of an outbreak, and having an increased or steady flu vaccination rate for adults over the age of 65.

Financing

Kansas receives funding from several federal sources to support these activities. These funding sources are mainly from the Department of Homeland Security, the Department of Justice, the Center for Disease Control, the Department of Agriculture, the Health and Human Services Administration, the Federal Highway Administration, the Transit Administration, and the Environmental Protection Agency. In FY 2005, the Department of Justice, the Federal Emergency Management Agency, the Citizen Corps Program, and the Metro Medical Response System shifted part or all of their funding to DHS.

The state also receives funds from the Office of Domestic Preparedness (ODP). For the majority of these funds, a minimum of 80.0 percent must be "passed through" to local jurisdictions. The remaining 20.0 percent of the funds that can be used by the state must be expended in accordance with the homeland security strategy that has been developed as a requirement of the program. The Highway Patrol has been designated by the Governor as the state agency that receives and distributes these funds on behalf of the State of Kansas.

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

Recommendations

Since the attacks in 2001, the state has received millions of dollars each year from the federal government. Kansas expended approximately $2.3 million in FY 2002, $13.0 million in FY 2003, $23.9 million in FY 2004, $56.7 million in FY 2005, and $57.4 million in FY 2006. The Governor's recommendation totals $64.0 million in FY 2007 and $40.5 million in FY 2008.

The FY 2007 total is notably higher than the total for FY 2008 for several reasons. One is that some homeland security costs, such as interoperability at the Department of Transportation, are one-time projects that do not continue into future years. Second, unspent dollars from prior years are added to new funds in the current fiscal year, similar to expenditure patterns for capital improvements. Third, the federal government has reduced the level of funding in some cases in FY 2008 based on federal priorities and federal budget considerations.

The table on the next page summarizes the programs receiving federal homeland security funds. These programs are described in detail after the table.

Judiciary

Security Protection Plan. The Judiciary will receive $69,000 for FY 2007 from the Department of Homeland Security. The grants will be used to purchase security and surveillance equipment for the Judicial Center.

Homeland Security Funds

Program or Project	FY 2007 Gov. Est.	FY 2008 Gov. Rec.
Judiciary		
Security Protection Plan	$ 69,000	$ --
Health & Environment--Health		
Core Operations	2,812,164	2,739,926
Laboratories	773,012	727,045
Information Services	1,948,322	1,257,414
Hospital Preparedness	5,176,662	4,347,207
Aid to Local Governments	4,129,735	4,129,735
Pandemic Influenza	2,146,830	382,497
Total--H & E--Health	$ 16,986,725	$ 13,583,824
Kansas State University		
Research Projects	$ 12,225,000	$ 12,225,000
University of Kansas		
Research & Security Projects	$ 2,800,000	$ 2,000,000
University of KS Medical Center		
Bioterrorism Training	$ 900,000	$ --
Adjutant General		
Domestic Preparedness	1,680,237	1,545,000
Emergency Management	1,144,175	1,100,634
Total--Adjutant General	$ 2,824,412	$ 2,645,634
Emergency Medical Services		
Access to Emergency Devices	$ 41,612	$ --
State Fire Marshal		
Bomb & Explosives Unit	$ 634,416	$ 237,788
Highway Patrol		
Aid to Local Governments	18,037,580	6,646,722
Operating Expenditures	602,268	233,700
Total--Highway Patrol	$ 18,639,848	$ 6,880,422
Kansas Bureau of Investigation		
DNA Programming	144,396	--
Intelligence Software	458,501	421,727
Automated Fingerprint I.D.	231,331	--
Total--KBI	$ 834,228	$ 421,727
Department of Agriculture		
Food Processing Study	200,000	--
Miscellaneous Equipment	15,033	--
Total--Dept. of Agriculture	$ 215,033	$ --
Health & Environment--Environ.		
Clinical Lab Improvement	222,776	233,681
Animal Feedlot Procedures	79,614	79,060
Total--H & E--Environment	$ 302,390	$ 312,741
Transportation		
Interoperability	$ 7,537,750	$ 2,150,000
Total	$ 64,010,414	$ 40,457,136

Health & Environment—Health

Hospital Readiness & Bioterrorism. For FY 2007 and FY 2008, the Governor recommends Department of Homeland Security expenditures of $17.0 million and $13.6 million, respectively. Of this amount, $5.2 million in FY 2007 and $4.3 million in FY 2008 is dedicated to hospital preparedness. The remaining $11.8 million in FY 2007 and $9.3 million in FY 2008 will be used by the Office of Bioterrorism in the Division of Health to make substantial public health infrastructure improvements. Approximately $4.1 million of this funding will be distributed in aid to local governments in both years for coordination of local bioterrorism preparedness and response.

Kansas State University

Research Projects. Kansas State University will spend $12,225,000 in federal funding each year in FY 2007 and FY 2008 on homeland security research. There are currently 39 projects under way. These projects include desalination of seawater, plant diagnostic laboratories for plant disease, bio-security risk assessments for feedlots, water quality restoration, and near-core and in-core neutron radiation monitors for real-time neutron flux monitoring and reactor power level measurements.

University of Kansas

Research & Security Projects. The University of Kansas estimates that it will spend $2.8 million in FY 2007 and $2.0 million in FY 2008 for homeland security research from federal sources. Ongoing projects include vaccine development, buffer zone protection, transportation safety, waveform-diverse sensors, traumatic stress, and semiconductor laser development.

University of Kansas Medical Center

Bioterrorism Training. This project is to prepare a multidisciplinary Kansas first responder workforce to address the medical consequences of terrorism that result from exposure to biological, agri-terrorist, chemical, nuclear, incendiary, and natural disasters, as well as public health emergencies. There are 14 target professions in the private sector: medicine, nursing, advanced practice nursing, hospital administration, emergency medical service, public health, allied health, physician assistants, mental health, pharmacy, laboratory, fire services, law enforcement, and public

works. The Governor recommends $900,000 from federal funds in FY 2007 for this initiative.

Adjutant General

Domestic Preparedness. The Domestic Preparedness funds are used to support the state's homeland security strategy. Specifically, the funds are used to identify planning, equipment, training, and exercise needs along with implementation of the National Incident Management System and the National Response Plan. The Domestic Preparedness funds also support the state's homeland security regional coordinators. These positions are located in seven regions across the state. The Governor recommends $1,680,237 in FY 2007 and $1,545,000 in FY 2008 to support this initiative.

Emergency Management. The Emergency Management Performance Grants Program is designed to help state and local emergency managers develop, maintain, and improve emergency management capabilities, which are key components of a comprehensive national emergency management system for all hazards. The Governor recommends $1,144,175 in FY 2007 and $1,100,634 in FY 2008 to support this program.

Emergency Medical Services

Access to Emergency Devices. The Emergency Management Services Board received $264,050 in FY 2003, $164,344 in FY 2004, $139,799 in FY 2005, and $109,587 in FY 2006 from the Health Resources and Services Administration to place automated external defibrillators in 99 rural areas of the state and provide training in their use. The Board has a carryover balance of $41,612 that will be spent in FY 2007.

Fire Marshal

Bomb & Explosive Investigations Unit. The State Fire Marshal has been awarded a grant for FY 2007 and FY 2008 from the Office of Domestic Preparedness to fund a statewide bomb and explosive investigations unit. The funds will be used to finance 2.00 explosives investigators, 1.00 administrative assistant, two trucks, and a specially-equipped vehicle. The investigators will complete explosive site inspections and assist other agencies with explosive investigations. They will also be part of a bomb unit that will respond to explosions throughout the state. The Governor recommends $634,416 in FY 2007 and $237,788 in FY 2008.

Highway Patrol

Aid to Local Governments. The Highway Patrol was selected by the Governor to be the State Administrative Agency for the Homeland Security Grant Program, which includes funding provided by the Office for Domestic Preparedness. In its role as the State Administrative Agency, the Highway Patrol is responsible for implementation of the program's guidelines with Kansas' first responders at the state and local level. This program provides funds for specialized equipment, training, and planning for first responders for the following disciplines: law enforcement, fire service, government administration, hazardous materials response, emergency medical services, public safety communications, public works, emergency management, health care, public health, citizen corps councils, and non-profit organizations. These funds are intended to enhance the capabilities of state and local governments to respond to acts of terrorism involving chemical or biological agents, as well as radiological, nuclear, and explosive devices.

The Governor recommends $18.0 million in FY 2007 and $6.6 million in FY 2008 from Homeland Security funding for grants to local governments. To avoid counting the dollars twice, these funds are treated as reportable in each recipient state agency and as non-reportable in the Highway Patrol.

Operating Expenditures. The Governor recommends $602,268 in FY 2007 and $233,700 in FY 2008 for its own operations, which include salaries and wages, contractual services, and commodities for 4.00 non-FTE unclassified permanent positions.

Kansas Bureau of Investigation

DNA Programming & Intelligence Software. The Governor recommends $834,228 in FY 2007 for Department of Homeland Security expenditures. Of

this amount, $144,396 is for DNA database software and $458,501 is for intelligence software. In FY 2008, the Governor recommends $421,727 of Homeland Security funds for intelligence software expenditures. The DNA database software expenditures will be used to design and develop applications for offender and missing persons information. The expenditures for intelligence software will be used to enhance the Kansas Law Enforcement Intelligence Network (LEIN). This will be accomplished by connecting the LEIN system with the Regional Information Sharing System. The connection between the systems will allow Kansas law enforcement personnel to obtain and share crime data with other states.

Automated Fingerprint Identification System. The agency purchased a new fingerprint identification system in March 2006 at a cost of $3,419,623. Of that amount, $746,496 is from federal Homeland Security funds, of which $231,331 is for FY 2007, and $26,251 is from agency fee funds. The remaining $2,646,876 will be financed through the Master Lease Program. The agency's first debt payment under the Master Lease Program will be due approximately March 1, 2007. The funding source for the payment will be state funds, because no federal funds are available.

Department of Agriculture

Food Processing Study & Miscellaneous Equipment. The Kansas Department of Agriculture has received a federal grant to enhance the agency's preparedness in the event of a bioterrorist act. The Governor recommends $215,033 for FY 2007 for this purpose. The funding will provide $200,000 for a study of the vulnerability of agricultural food processing procedures. The remaining $15,033 is for miscellaneous laboratory equipment used to test and analyze samples more efficiently.

Health & Environment—Environment

Clinical Lab Improvement. The Division of Environment receives Homeland Security funding to improve the security and testing capabilities at the KDHE laboratory. The Governor recommends expenditures of $222,776 in FY 2007 and $233,681 in FY 2008.

Confined Animal Feedlot Procedures. Homeland security funding is used to establish procedures to identify animal burial sites in the event of a terrorist threat to any of the confined animal feedlot operations in the state. The Governor recommends $79,614 in FY 2007 and $79,060 in FY 2008 to establish these procedures.

Department of Transportation

Interoperability. The Governor recommends federal fund expenditures of $7.5 million in FY 2007 and $2.2 million in FY 2008 to improve the statewide radio communication system, which is a step toward interoperability. Interoperability, one of the state's communication priorities, will allow law enforcement, fire departments, and other first responders to communicate simultaneously. KDOT will purchase controllers and auxiliary equipment for the statewide trucking system. Additionally, funds will be utilized to upgrade all Highway Patrol and KDOT dispatch consoles to operate in the new digital environment. The funding in the Governor's recommendation is from the Federal Transit Administration.

Motor Vehicles

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

Fleet Size

The state's basic fleet of cars and pickup trucks has been reduced by over 20.0 percent. The chart below illustrates that in November 2003 Kansas had a basic fleet of 4,279 vehicles.

State Vehicle Fleet: Cars, Pickups/Vans

Total vehicles in Fleet November 2003	4,279
(excludes trailers, large trucks, university fleets, KHP fleet)	
Vehicles sold February 2004	(677)
Further Reductions	(183)
January 2007	5,139

In November 2003, the Governor asked for a careful examination of the fleet and an agency-by-agency review of vehicle usage. As a result, 677 vehicles were sold at auction in February 2004. Since that time, agencies have continued to review their vehicle numbers, and by January 2007 the size of the basic fleet has been reduced to 3,419.

In November 2003, the grand total of all "tagged vehicles" in the state fleet was 8,777. To calculate the basic fleet number, 1,118 trailers, 25 motorcycles, and 1,545 large trucks and other large vehicles were deleted from the count. In addition, 1,170 vehicles owned by the Regents universities and 640 vehicles owned by the Kansas Highway Patrol were deducted from the fleet count to arrive at a basic fleet number of 4,279.

The Highway Patrol has not been expected to participate in the vehicle reduction effort. The Patrol has a long-standing policy in place to manage its fleet effectively. The Regents universities participated in the two-year purchase moratorium and are following the high-mileage vehicle replacement policy but were not part of the effort to reduce the state's basic fleet.

FY 2008 Replacement Recommendations

Agency	No.	SGF	All Funds
Administration	1	12,900	12,900
KCC	6	--	105,000
Commerce	7	--	87,500
Lottery	8	--	136,000
Racing & Gaming	2	--	40,000
Revenue	20	86,634	250,160
Banking	3	--	50,100
Credit Unions	1	--	11,000
Pharmacy	1	--	12,900
Sec. Commissioner	1	--	12,965
SRS	45	351,000	540,000
KNI	2	31,300	31,300
Larned SH	4	62,600	62,600
Osawatomie SH	1	18,800	18,800
Parsons SH	2	37,600	37,600
Aging	18	135,872	209,034
KDHE--Health	15	193,455	193,455
Labor	6	--	77,400
Veterans Affairs	2	53,420	53,420
Education	3	--	38,988
School for the Deaf	1	16,700	16,700
Historical Society	3	16,700	62,800
Dept. of Corrections	12	210,000	210,000
El Dorado CF	4	66,400	66,400
Ellsworth CF	2	25,800	25,800
Hutchinson CF	4	66,400	66,400
Lansing CF	3	46,100	46,100
Norton CF	4	59,000	59,000
Topeka CF	2	25,800	25,800
Winfield CF	1	20,300	20,300
Adjutant General	1	16,000	16,000
Fire Marshal	8	--	152,500
KBI	17	--	243,325
Parole Board	1	15,100	15,100
Agriculture	26	236,053	368,400
Conserv. Commission	1	--	22,816
KDHE--Enviornment	25	9,125	298,000
Water Office	1	--	16,700
Wildlife & Parks	45	--	819,675
KDOT	130	--	2,700,000
Total	439	$ 1,813,059	$ 7,232,938

Vehicle Moratorium

Also in November 2003, the Governor imposed a two-year moratorium on new car and pickup truck purchases, except for essential law enforcement vehicles. The moratorium ended in November 2005, and agencies could begin appropriate replacement of high-mileage vehicles. However, the amount spent on replacements after the moratorium ended did not exceed the average annual vehicle purchases made by the state in the four-year period prior to the moratorium.

In essence, the moratorium has been a two-year "time out" from new vehicle purchases and has allowed the state to save the money that otherwise would have been spent on vehicles. In each of the four fiscal years leading up to the moratorium, the state spent an average of approximately $9.5 million on new vehicles for the basic fleet. In FY 2006, the first year following the moratorium, the state spent $6.3 million. The amount approved for FY 2007 totaled $6.5 million, and the amount recommended for FY 2008 is $7.2 million.

Replacement Policy

Vehicles purchased after the end of the moratorium and those recommended for purchase in FY 2008 must fulfill three criteria. First, a vehicle can be purchased only to replace another vehicle in the fleet. Second, the vehicle replaced must have reached 100,000 miles for cars and 140,000 miles for pickup trucks. Third, the vehicle purchased must be similar in type and size to the vehicle it is replacing.

The 2006 Legislature added provisions requiring that the proceeds from the sale of replaced vehicles in FY 2006 and FY 2007 be transferred to the State General Fund. FY 2006 sales proceeds totaled $324,994 and were transferred in the first part of FY 2007. Sales proceeds from FY 2007 will be tallied after the fiscal year ends and transferred to the State General Fund at the beginning of FY 2008.

FY 2008 Recommendations

Agencies wishing to replace high-mileage vehicles in FY 2008 made requests for vehicle purchases as part of their FY 2008 budget submission. In total, $7.2 million has been included in the FY 2008 budget to replace vehicles in the basic fleet. $1.8 million of the total is from the State General Fund. The table on the previous page lists the number of vehicles recommended for replacement along with the estimated cost. The estimated costs represent the purchase price of the replacement vehicles and do not include any revenue from potential sales of the old vehicles. The recommendations will not result in an increase in the total state fleet, and the costs do not exceed the average annual vehicle purchases made by the state in the four-year period before the moratorium began.

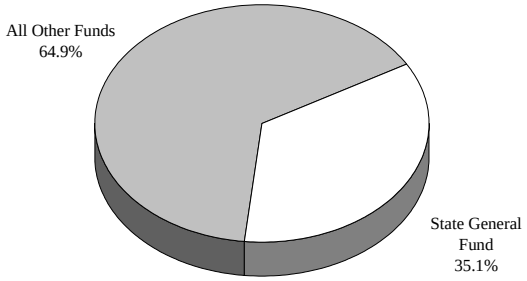
General Government

General Government Summary

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

The Governor recommends a total of $691.4 million in FY 2007 and $723.6 million in FY 2008. These totals include $230.4 million in FY 2007 and $253.6 million in FY 2008 from the State General Fund. The State General Fund increase results primarily from a $25.3 million increase in the Department of Administration and a $5.1 million increase in the Judiciary.

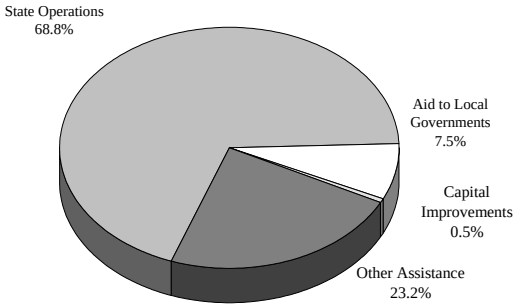
How It Is Financed



Fiscal Year 2008

For the Department of Commerce, the Governor recommends $5.1 million from the Economic Development Initiatives Fund in FY 2008 for two new economic development programs. The first program, called the Rural Opportunity Program, will provide $2.1 million to help attract investment, business development, and job growth in rural areas of the state. The second program, called the On TRACK Program (Training, Recruitment, and Careers in Kansas), will provide $3.0 million to develop new recruitment and career training strategies, including sign-on bonuses for new employees in specific industries, child care initiatives, and a state image campaign focused on workforce development. To help support racing operations at the Kansas Racing and Gaming Commission in FY 2008, the Governor recommends an appropriation of $700,000 from the Economic Development Initiatives Fund.

How It Is Spent



Fiscal Year 2008

The Governor's recommendation for the Department of Administration includes $2.0 million in FY 2007 and $2.5 million in FY 2008 from the State General Fund for the start of a new statewide Financial Management System. The recommendation for the agency also includes $15.0 million for FY 2007 and $26.1 million for FY 2008 from the State General Fund to pay the debt service on the $500.0 million in bonds that were issued in FY 2004 to bring actuarial soundness to the Kansas Public Employees Retirement System.

For FY 2008, the Governor recommends that the State Treasurer collect 2.0 percent from unclaimed property funds as they are deposited in the state treasury. The amounts received by claimants will be unaffected. To maintain current funding for the Treasurer's operating expenses, $1.0 million from the State General Fund is also recommended.

FY 2008 marks the beginning of the two-year budget cycle for the biennial agencies. The Governor forwards the FY 2008 budget requests of the Judiciary and Legislative Branch to the Legislature without recommendation, adjusted only for the proposed pay plan for state employees.

Executive Branch Agencies

Department of Administration

For FY 2007, from all funding sources, the Governor recommends $52,512,630 for the portion of the budget that is reported in statewide expenditure totals. An amount of $41,780,509 of this total will be financed from the State General Fund. For the portion of the Department's budget that is not reportable, commonly referred to as the "Off Budget," the Governor recommends $86,251,703 for FY 2007. The total recommendation will fund 759.55 FTE positions and 15.9 non-FTE unclassified permanent positions. Because of the incumbent governor's re-election, the $150,000 appropriated from the State General Fund for gubernatorial transition will be lapsed.

For FY 2007, the Governor recommends revised Statehouse renovation debt service expenditures of $6,015,268 from the State General Fund. This revised recommendation is $2,448,422 less than what the 2006 Legislature approved and is a result of the bonds being refinanced through KDFA. For FY 2008, the Governor recommends $7,240,283, all from the State General Fund, for the debt payment.

For FY 2008, the Governor recommends $75,929,666, from all funding sources, including $67,109,095 from the State General Fund. For the "Off Budget" the Governor recommends $86,780,031 for FY 2008. The total recommendation will fund 759.55 FTE positions and 20.75 non-FTE unclassified permanent positions.

KDOT Comprehensive Transportation Program Debt Service. FY 2008 will mark the second fiscal year for a debt service payment but the first fiscal year that a principal payment will be made for the bonds that were issued in March 2006 for the KDOT Comprehensive Transportation Program. The Governor has included expenditures of $16,151,075 from the State General Fund in FY 2008, including $6,735,000 for principal and $9,416,075 for interest. The FY 2008 debt service payment is an increase of $11.2 million over the interest-only payment of $4,992,724 in FY 2007.

KPERS Debt Service. Included in the Governor's recommendation is a State General Fund appropriation of $15.0 million in FY 2007 and $26.1 million in FY 2008 for debt service on KPERS bonds. The debt service will retire $500.0 million in bonds that were issued in FY 2004 to help finance the unfunded liability of the KPERS System. The debt service payments will increase to and then level off at approximately $36.1 million in FY 2009, with the final payment scheduled in June 2034.

Financial Management System. The Governor recommends that the state begin a process to implement a new statewide Financial Management System so that future administrations and Legislatures have the necessary tools to operate state government. The state's current accounting system, while serviceable, is outdated and does not easily or quickly provide detailed management information.

Implementing a new system will be a multi-year process. A three-part financing approach is recommended: an ongoing appropriation in the Department of Administration's budget, one-time agency payments that reflect savings or avoided costs, and a cost-recovery fee beginning with implementation to pay for future upgrades and maintenance. For the ongoing appropriation in FY 2007, $2.4 million of already appropriated funds are re-directed for this purpose. In FY 2008, the budget includes $2.0 million for the project. One-time agency payments will be budgeted in FY 2009 and FY 2010.

Public Broadcasting Council Operating Grants. The Governor recommends State General Fund expenditures of $2,249,447 for operating grants to the Public Broadcasting Council in FY 2008. This is an increase of $238,927 from the amount the Council plans to spend in FY 2007. These monies are used by public broadcasting stations for operating costs and the purchase of equipment.

Additional Long-Term Care Ombudsman. The Governor recommends expenditures of $150,969 from the State General Fund in FY 2008 for an additional 3.00 regional long-term care ombudsmen. This additional staff will allow each of the 11 state regions under the Area Agency on Aging to have an ombudsman. The additional offices will be located in Wichita, Overland Park, and Topeka.

Statehouse Renovation. The 2000 Legislature approved an issuance of bonds totaling $40.0 million for renovation of the Statehouse, starting with the east wing. The 2001 Legislature, with the approval of the State Finance Council, authorized the issuance of another $15.0 million in bonds for an underground parking garage. The 2004 Legislature authorized an additional $19.8 million for Phase II of the Statehouse renovation. Another $26.9 million was authorized by the 2005 Legislature to complete Phase III of the renovation. The 2006 Legislature authorized an additional $16.2 million to cover cost increases experienced since the original bonding amounts were authorized. At the request of the Legislative Coordinating Council, the Governor recommends another $55.0 million in bonds for FY 2008. The total bonds issued through FY 2008 will be $172.9 million.

Kansas Corporation Commission

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

For FY 2008, the Governor recommends a budget of $20,276,720, the majority of which is financed from fees assessed against regulated industries. However, the recommended budget for FY 2008 includes $175,000 from the State General Fund to cover operating expenditures of the Kansas Energy Council. The Council, which has been funded through fee funds, is responsible for developing an energy plan for the state and advising the Governor on energy-related issues.

The Governor also recommends $100,000 in fee fund expenditures to continue financing operation of the Kansas Electric Transmission Authority (KETA). In addition, the Governor recommends that KETA receive $1.0 million from the State General Fund to initiate the construction of an electric transmission line. A new transmission line could bring wind-generated electricity to hook up with other electric transmission lines.

Abandoned Oil & Gas Well Plugging. During the 1996 Legislative Session, the Abandoned Oil and Gas Well Fund was created for the purpose of investigating, remediating, and plugging oil and gas wells which were abandoned prior to July 1, 1996. These wells present a threat to public health and the environment. By statute, the fund is authorized to receive $400,000 each year from the State General Fund, the State Water Plan Fund, and the Conservation Fee Fund. However, no transfer is recommended from the State General Fund during FY 2008. The Governor recommends expenditures of $2,409,644 from this fund to maintain the current pace of plugging wells. The Governor's recommendation includes the other statutory transfers from the Water Plan Fund and the Conservation Fee Fund.

Citizens Utility Ratepayer Board

The primary responsibility of the Citizens Utility Ratepayer Board (CURB) is to represent the interests of residential and small business utility consumers in proceedings before the Corporation Commission. In support of CURB's current responsibilities, the Governor recommends $796,792 from the agency's fee fund and 6.00 FTE positions. The Governor's recommendation includes $35,274 for salary increases for CURB's attorneys and administrative staff. The increases will make the attorney's salaries at CURB approximately equivalent to their counterparts at the Kansas Corporation Commission. This will allow the agency a better chance of retaining its staff and recruiting qualified applicants in the future.

Kansas Human Rights Commission

The Kansas Human Rights Commission strives to eliminate and prevent discrimination in the workplace, housing, and public accommodations throughout the state. In addition, the Commission also receives, reviews, and investigates, if necessary, complaints alleging racial discrimination and profiling in conjunction with traffic stops. The agency investigates complaints in a thorough and professional manner. The number of open cases at the end of FY 2006 was 795, and the agency anticipates a total of 695 open cases at the end of FY 2008. One method of reducing the backlog is through mediation contracts with Kansas Legal Services. This program brings together public and private financing. The Governor's recommendation recognizes the need for continued funding for the contracts with Kansas Legal Services

and education services. The recommendation for FY 2008 is 34.00 FTE positions and $2,237,315 from all funding sources, with $1,748,510 from the State General Fund.

Board of Indigents Defense Services

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

For FY 2007, a supplemental appropriation of $169,375 is included from the State General Fund for transcript and expert witness costs. The recommendation for FY 2007 also reduces expenditures for capital defense operations by $500,000 from the State General Fund. This reduction represents a portion of unexpended funds that carried forward from FY 2006 and is based on an analysis of actual capital defense expenditures in previous fiscal years.

In FY 2008, the Governor recommends $22,778,435 from all funding sources, including $22,053,435 from the State General Fund. This includes $10.0 million for assigned counsel funding, which was determined through a consensus caseload process involving the Division of the Budget, the Kansas Legislative Research Department, and the agency. The estimate for assigned counsel expenditures is based on the current $80 per hour assigned counsel rate passed by the 2006 Legislature. The previous rate was $50 per hour. The caseload process was used only for the assigned counsel portion of the agency's budget.

The Governor's recommendation also includes an enhancement of $885,000 to account for rising transcript and expert witness costs. The recommendations for FY 2008 provide for 188.00 FTE positions and allow the agency to provide adequate defense services for the state's indigent defendants.

Health Care Stabilization Fund Board of Governors

The Health Care Stabilization Fund Board of Governors mandates basic professional liability insurance for all active Kansas health care providers. The agency establishes and authorizes the Health Care Stabilization Fund and Health Care Provider Insurance Availability Plan. The Governor's recommendation of $34,299,904 for FY 2008 continues the operations of the Health Care Stabilization Fund Board of Governors and its 17.00 FTE positions. All expenditures are from the Health Care Stabilization Fund. Of the total recommended by the Governor for FY 2008, the majority, approximately $28.9 million, represent claims to be paid from the Health Care Stabilization Fund. Another $4.1 million is for professional service costs for defense of the Health Care Stabilization Fund and to represent health care providers.

Kansas Public Employees Retirement System

The mission of KPERS is to pay benefits to eligible retirants by safeguarding the system's assets. This is accomplished by adhering to the highest standards of fiduciary and professional care, to comply strictly with the law, and to conduct business in a courteous, timely, and effective manner. For FY 2008, the Governor's budget recommendation maintains the current level of performance in administration of the retirement system and oversight of the investment portfolio.

Technology Project Enhancements. The Governor's recommendation includes funding three additional technology projects at KPERS in FY 2008, which total $1,938,175, all from the KPERS Fund. Funding for these projects includes $247,425 for disaster recovery operations, $1,117,750 for platform consolidation, and $573,000 for security enhancements. These projects are vital to ensuring that the agency maintains services in the event of a disaster, maintains adequate computer security, and improves management and support for the agency's technology hardware. The Joint Committee on Information Techonology has been briefed on these proposals, and the Chief Information Technology Officer for the Executive Branch has approved them.

KPERS Employer Contribution Rate. The 2004 Legislature authorized a statutory cap increase to the KPERS employer retirement contribution rate beginning in FY 2006. For FY 2008, this rate will

increase by 0.6 percent to 6.37 percent and will subsequently increase by 0.6 percent each year thereafter. These rate increases are meant to reduce the unfunded liability of the retirement system. The Governor has included the statutory rates for all retirement systems in her budget recommendations for state agencies.

Department of Commerce

The Department of Commerce works to build the capability of communities and businesses to develop, innovate, diversify, and expand in a manner that creates wealth, quality jobs, and a superior quality of life for Kansans. The Governor recommends $108,673,261, including $616,671 from the State General Fund and $21,419,811 from the Economic Development Initiatives Fund, in FY 2008. Further discussion of this budget can be found in the section on the Economic Development Initiatives Fund.

Strong Military Bases. The Governor recommends $375,000 from the State General Fund in FY 2008 to support ongoing efforts of the Governor's Military Council to prevent the closure or downsizing of the state's military bases. This appropriation will be combined with funds from local governments to monitor recommendations of the U.S. Department of Defense Base Realignment and Closure Commission and explore new opportunities to take advantage of increased military operations for the benefit of the local economy.

Eaton Corporation. The Governor recommends that the Eaton Corporation receive a portion of the Kansas income tax withholding it pays to its employees at its Hutchinson hydraulics manufacturing plant. The Eaton Corporation will be required to maintain average salaries and wages of at least $50,000 per employee, plus benefits, and to maintain the current number of full-time employees and the current investment levels in Kansas.

Tax Incentives for Film Production. The Governor recommends that new film production tax incentives be created to recruit various types of film productions to the state. The film production tax incentives will have built-in flexibility so Kansas can competitively recruit small budget independent films to large budget studio films. The three types of incentives funded through this program could provide up to a 40.0 percent direct rebate on qualified expenditures for studio and large independent films, a 25.0 percent investment tax credit for low-budget independent films, or an exemption of state and local sales tax and transient guest taxes for other film productions. The film production tax incentives will be offered to qualified film production companies that are certified by the Kansas Film Commission. The Governor recommends that the tax incentives for film production be capped at $2.0 million in FY 2008, which will allow Kansas to compete regionally for film productions.

Kansas Technology Enterprise Corp.

KTEC provides research support, direct company investments, and business assistance. KTEC's philosophy targets sustainable economic leadership through technological innovation. The Governor recommends $14,111,637, including $11,876,686 from the EDIF, in FY 2007. The Governor's recommendation for FY 2007 lapses its EDIF funding of $161,113, because the agency received revenue to provide operational support for the Bioscience Authority in FY 2005 and FY 2006. The Governor recommends that the agency use this revenue to fund a portion of its operations in FY 2007.

From FY 2004 to FY 2006, the agency has paid bonuses to its employees with funds from KTEC Holdings, Inc., a wholly-owned subsidiary of KTEC. Funds at KTEC Holdings, Inc. include revenue from direct company investments originally made from EDIF appropriations and other sources, including contract revenue from the Bioscience Authority. The Governor recommends that KTEC follow the same policy on employee compensation and bonuses adhered to by other state agencies.

The Mid-America Manufacturing Technology Center Division was restructured at the end of FY 2006, which made 12.80 unclassified FTE positions contract employees outside of the state employment system. Because of this restructuring, the Governor recommends reducing the agency's FTE positions from 28.80 to 16.00 in FY 2007.

For FY 2008, the Governor recommends $13,676,238, including $11,811,287 from the EDIF. The agency's

budget includes a shrinkage reduction of $104,000 to bring salary and wage funding levels more in line with other state economic development agencies. Further discussion of this budget can be found in the section on the Economic Development Initiatives Fund.

Kansas, Inc.

Kansas, Inc. is the state's economic development "think tank." It undertakes planning for the economic development of the state. The agency's primary activities include strategic planning, economic and policy research, evaluation of the state's economic development programs, and partnerships and communications with the private sector. The Governor recommends $622,789 in FY 2008 for operations and 5.50 positions. This recommendation includes $408,122 from the EDIF. The Governor's recommendation includes an enhancement of $20,000 from the EDIF to increase the President's base salary, currently at $85,000, in FY 2008. The agency anticipates hiring a new president in FY 2008, and increasing the base salary will allow the agency, in a national search, to recruit highly qualified applicants.

Kansas Lottery

The Kansas Lottery strives to produce the maximum amount of revenue for the state and to maintain the integrity of all Lottery games. The Governor recommends total expenditures of $57,198,530 with 81.00 FTE positions and 6.00 non-FTE unclassified permanent positions for FY 2008. All Lottery expenditures are funded through revenues generated from the sale of lottery tickets. The Lottery is mandated by statute to remit all excess revenues to the State Gaming Revenues Fund (SGRF). The agency does not receive monies from the State General Fund, and no tax-generated revenue sources are used to support the Lottery.

For FY 2007, the Governor recommends a minimum transfer of $72.0 million to the SGRF. For FY 2008, the budget plan includes total transfers of $75.0 million. The Lottery projects total ticket sales of $247.5 million for FY 2007 and $255.5 million for FY 2008. Of total ticket sales for each year, $3.0 million is from the veterans benefit games and the rest is from other lottery games. A complete explanation of the State Gaming Revenues Fund can be found in the Budget Issues section of this volume.

Kansas Racing & Gaming Commission

The Racing and Gaming Commission consists of two separate programs: Racing Operations and Gaming Operations.

Racing. The Racing Operations Program regulates statewide horse and dog racing activities across the state, including the conduct of races, parimutuel wagering, and the collection of parimutuel taxes, admission taxes, and licensing fees. These fees are deposited in the State Racing Fund, with any excess receipts going to the State Gaming Revenues Fund, which supports economic development, capital projects at adult correctional institutions, and local juvenile detention facilities.

However, revenue from racing activities has continued to decline while the expense of regulating racing activity has remained constant, making it difficult for the agency to rely only on the State Racing Fund to maintain regulatory operations. The 2006 Legislature set up a financing mechanism for FY 2007 that authorized the State Racing Fund to receive transfers from any available monies from the Racing and Gaming Reserve Fund, Horse Fair Racing Benefit Fund, Kansas Horse Breeding Development Fund, or Kansas Greyhound Breeding Development Fund. The Director of the Budget, in consultation with the Director of Legislative Research, is authorized to approve these transfers, as needed, to the State Racing Fund. As part of this arrangement, the Legislature transferred $450,000 from the State General Fund to the Racing and Gaming Reserve Fund. For FY 2007, the approved budget totals $4,148,278 for the Racing Operations Program. No transfers from the State Racing Fund to the State Gaming Revenues Fund are anticipated in FY 2007.

A budget of $4,283,597 is recommended for the Racing Operations Program in FY 2008, partly financed by an appropriation of $700,000 from the Economic Development Initiatives Fund. The budget also assumes that the agency will not make an annual transfer to the Greyhound Tourism Fund of the Department of Commerce but instead transfer these savings, estimated to be $39,000, from the Kansas

Greyhound Breeding Development Fund to the State Racing Fund at the beginning of FY 2008. No transfers to the State Gaming Revenues Fund are recommended in FY 2008 because of the decrease in revenues.

Gaming. 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 tribal gaming employees, monitoring compliance with internal controls and gaming rules, and monitoring compliance with licensing criteria. The Governor recommends $1,732,499 for the Gaming Operations Program in FY 2007. This is a net increase of $9,503 over the Gaming Operations approved budget. The increased expenditures are for additional salary expenses and gasoline costs.

The Governor recommends $1,826,721 for the Gaming Operations Program in FY 2008. All gaming operations are financed through the Tribal Gaming Fund, which is capitalized through assessments to the four tribal casinos.

Department of Revenue

The Department of Revenue collects taxes for the state. The Department's responsibilities also include registration of motor vehicles, licensure of drivers, and regulation of the alcoholic beverage industry. The Governor recommends $93,512,621 from all funding sources, with $20,479,458 from the State General Fund, in FY 2007. This includes a supplemental appropriation of $47,892 to fund the operations of the Kansas Advisory Council on Intergovernmental Relations. The revised budget represents an increase of approximately $2.6 million from the agency's approved budget. Approximately $2.3 million of this increase is associated with increased expenditures from federal funds and other grant money. The remaining amount of the increase can be attributed to miscellaneous operating expenditures.

For FY 2008, the Governor recommends 1,146.00 FTE positions and expenditures of $96,653,824 from all funding sources, with $21,117,317 from the State General Fund. This recommendation includes $3.5 million in expenditures from the Kansas Qualified Biodiesel Fuel Producer Incentive Fund, which is financed from the EDIF. This fund was created by the 2006 Legislature to provide an incentive to producers in the amount of $0.30 for each gallon of biodiesel fuel sold. The Governor's recommendation will continue to provide for the operations of the Kansas Advisory Council on Intergovernmental Relations and will allow the agency to carry out its mission effectively.

Board of Tax Appeals

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

For FY 2008, the Governor recommends $2,164,831 from all financing sources. Of that total, $1,664,296 is from the State General Fund, with the remainder of the Board's financing from fee funds, in support of 26.00 FTE positions. The recommendation includes $40,000 from the BOTA Filing Fees Fund to implement an information technology replacement and software licensing program that will support the new docketing system.

Biennial Budget Agencies

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

Biennial agencies are relatively small in both size of budget and number of staff. Recommended amounts in FY 2008 range from $21,797 for the Abstracters Board to $8,135,989 for the Banking Department. One agency employs no full-time staff, the Abstracters Board, and the Banking Department's recommended 99.00 FTE positions represent the largest staff among this group of agencies.

Biennial Agencies

	FY 2008 Gov. Rec.	FY 2009 Gov. Rec.
Abstracters Board	21,797	21,814
Board of Accountancy	307,990	310,816
Banking Department	8,135,989	8,368,170
Board of Barbering	138,897	143,271
Behavioral Sciences Board	608,368	620,698
Board of Cosmetology	754,994	761,895
Department of Credit Unions	930,288	930,045
Kansas Dental Board	375,548	378,542
Governmental Ethics	659,110	688,090
Board of Healing Arts	3,040,437	3,163,766
Hearing Instruments Board	28,394	28,602
Board of Mortuary Arts	267,525	274,300
Board of Nursing	1,723,824	1,740,490
Board of Optometry	130,537	130,267
Board of Pharmacy	742,043	746,867
Real Estate Appraisal Board	317,410	326,160
Real Estate Commission	946,817	970,257
Securities Commissioner	2,789,400	2,817,232
Technical Professions	563,263	571,366
Veterinary Examiners	278,553	278,008
Total	$22,761,184	$23,270,656

The 2005 Legislature enacted the current FY 2007 budgets for the biennial agencies. With the exception of the Banking Department, the Governor recommends only minor changes to these approved budgets. The Governor's budget recommends $22.8 million for all 20 biennial agencies for FY 2008, the first year of a new biennium, and $23.3 million for FY 2009. This includes a State General Fund appropriation of $539,975 in FY 2008 and $529,357 in FY 2009 for the Governmental Ethics Commission. The table on this page displays the Governor's recommendations from all funding sources for the biennial agencies. Following are descriptions that summarize the recommendations for each agency.

Abstracters Board of Examiners

The mission of the Abstracters Board of Examiners is to protect the citizens of the State of Kansas against fraudulent and improper land title transfers. The Board regulates individuals and firms that compile and sell abstracts of Kansas real estate. To continue the agency's mission the Governor recommends $21,797 for FY 2008 and $21,814 for FY 2009 from the Abstracters Board of Examiners Fee Fund.

Board of Accountancy

The public's need for high quality accounting services gave rise to the designation "Certified Public Accountant" (CPA) as a means of identifying those accountants who have met certain minimum state qualifications in higher education, ability, and public accounting experience. The Kansas Board of Accountancy is a regulatory body authorized to carry out the laws and administrative regulations governing 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 expected that approximately 520 firms will register, generating $21,640 in receipts to the agency's fee fund. It is estimated that more than 3,488 CPAs will hold Kansas permits in FY 2008 and 3,518 in FY 2009. For FY 2008, the Governor recommends

$307,990 to enable the agency to continue at the current service level. An amount of $310,816 is recommended for FY 2009. All expenditures are from the Board of Accountancy Fee Fund.

Banking Department

The mission of the Office of the State Bank Commissioner is to ensure the fair and reliable supervision of trust companies and departments, state-chartered banks, savings and loans, and suppliers of consumer credit. The Governor recommends $8,087,164 from the agency's fee funds in FY 2007. This is a net increase of $1,158,285 over the agency's approved budget. The increase includes $833,973 of additional expenditures from its Kansas Savings Incentive Program accounts, $143,000 for Consumer Settlement Fund expenditures, $135,000 for increased expenses for fingerprinting in its Consumer and Mortgage Lending Division, $70,000 to change a grant in its Consumer and Mortgage Lending Division from non-reportable to reportable, and a $23,688 decrease in operating expenditures.

The Governor recommends $8,135,989 from the agency's fee funds in FY 2008. The recommendation includes an increase of $326,880 for the agency's enhancement requests to hire 7.00 additional FTE positions in its Consumer and Mortgage Lending Program. The additional positions will allow the agency to deploy a sufficient amount of examination personnel to ensure compliance with both state and federal consumer mortgage lending laws. This enhancement will increase the agency's FTE positions from 90.00 to 97.00.

The Governor recommends $8,368,170 from the agency's fee funds in FY 2009. The recommendation includes the continuation of funding for the additional 7.00 FTE positions recommended in FY 2008 and funding for an additional 2.00 FTE positions in FY 2009. This enhancement will increase the agency's FTE positions to 99.00 in FY 2009.

Board of Barbering

The Governor recommends expenditures of $138,897 from the agency fee fund in FY 2008 and $143,271 in FY 2009, which will finance 1.50 FTE positions and a 0.50 non-FTE unclassified permanent position in both FY 2008 and FY 2009. Because of increasing expenditures, the Board voted to increase its fees on January 1, 2007, which will help maintain a healthy balance in the agency's fee fund. The Board's programs of regulation, licensing, and inspection of barbers ensures that only well-trained individuals are licensed to enhance the protection of the public.

Behavioral Sciences Regulatory Board

The Governor recommends expenditures of $608,368 in FY 2008 and $620,698 in FY 2009. The agency's responsibilities and staffing levels, at 8.00 FTE positions, have remained consistent over the last several years. The agency regulates the following professional groups: marriage and family therapists, social workers, psychologists, and alcohol and drug abuse counselors.

Board of Cosmetology

The agency continues to license, regulate, and inspect salons and other cosmetic facilities to ensure that only qualified individuals are licensed to protect the health and safety of the public. Expenditures of $754,994 for FY 2008 and $761,895 for FY 2009 are recommended by the Governor, which will finance 12.00 FTE positions and other operating expenses of the board. Because of increasing expenditures, the Board voted to increase fees in FY 2008 to maintain a healthy balance in the agency's fee fund.

Department of Credit Unions

The mission of the Department of Credit Unions is to provide a regulatory environment in which Kansas credit unions can prosper without subjecting their members or the citizens of Kansas to undue risks. The Governor in FY 2007 recommends $946,480 from the agency's fee fund. This is a net decrease of $8,869 below the agency's approved budget. The decrease includes a reduction to salaries and wages of $81,734, an increase of $53,612 for additional expenditures from its Kansas Saving Incentive Program account, and an increase to other operating expenditures of $19,253. The recommendation reflects a decrease to salaries and wages as a result of 2.00 Financial Examiner retirements, one of which is being

eliminated entirely. The recommendation decreases the agency's FTE positions from 13.00 to 12.00 in FY 2007. The Governor recommends $930,288 in FY 2008 and $930,045 in FY 2009 from the agency's fee fund. The recommendation will support 12.00 FTE positions in both years.

Kansas Dental Board

The Kansas Dental Board protects the public health and welfare of the citizens of Kansas through the enforcement of state regulations and licensure of the dental and dental hygiene professions. To help the agency pay for its contracted dental investigator, additional attorney fees, and the Board's newsletter, the Governor recommends $373,847 from the agency's fee funds in FY 2007. This is an increase of $70,880 over the approved budget and will allow the agency to meet its statutory obligations of investigating complaints of neglect or improper dental practice. The Governor recommends $375,548 for FY 2008 and $378,542 for FY 2009 from the agency's fee fund. This recommendation includes funding for 3.00 FTE positions for both fiscal years.

Governmental Ethics Commission

The Governmental Ethics Commission provides the public with timely and accurate information for knowledgeable participation in government and the electoral process. The agency states that the strongest safeguard against unethical conduct by public officials and employees is an informed and active public. In support of the agency's efforts, the Governor recommends a total of $659,110 from all financing sources for FY 2008. Of the total, $539,975 is from the State General Fund. The recommendations for FY 2009 are $688,090 and $529,357, respectively. The proposed funding will support a staff of 9.50 positions.

Board of Healing Arts

The mission of the Board of Healing Arts is to ensure the public is protected from malpractice or unprofessional conduct by providing licensure requirements and prompt, efficient service. The Governor recommends expenditures of $3,040,437 from the agency's fee funds in FY 2008 and $3,163,766 from the agency's fee funds in FY 2009. The recommendations include the addition of 5.00 new FTE positions. Three of the positions will work in the Investigation and Disciplinary Section of the agency, one position will be added to the Licensure and Renewal Section of the agency, and one position will be added to the Administration Section. In addition, 2.00 existing non-FTE unclassified positions will be converted to regular FTE positions. These additions will bring the total number of FTE positions in the agency to 39.00 for both fiscal years.

Hearing Instruments Board of Examiners

The Hearing Instruments Board of Examiners establishes and enforces standards that ensure the people of Kansas receive competent and ethical hearing instrument care. To allow the agency to fulfill this mission, the Governor recommends $28,394 in FY 2008 and $28,602 in FY 2009 in support of a 0.40 FTE position and related expenses. This agency is financed entirely from its fee fund.

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. For FY 2008, the Governor recommends $267,525 from the agency's fee fund to maintain the current level of service. For FY 2009, expenditures of $274,300 are recommended. The Governor's recommendation will fund 3.00 FTE positions in both FY 2008 and FY 2009.

Board of Nursing

This agency assures Kansans of safe and competent practice by nurses and mental health technicians. To achieve this regulatory role, the Governor recommends $1,723,824 in FY 2008 and $1,740,490 in FY 2009. This agency is financed entirely from fee funds. In the Governor's recommendations is the addition of 1.00 FTE investigator position and $62,898 for salaries and wages for FY 2008 and $64,423 for FY 2009. This new position will allow the agency to address the

dramatic increase in complaints and subsequent investigations. In addition, the Governor adds funding for increased rental costs for off-site storage and for information technology equipment.

Board of Examiners in Optometry

The mission of the Kansas Board of Examiners in Optometry is to administer and enforce the provisions of the Kansas optometry law so that the highest quality of eye care is provided to the citizens of Kansas. The Governor recommends expenditures of $130,537 from the agency fee fund in FY 2008. The Governor's recommendation includes $6,147 to pay for increased travel costs and for training expenses for new board members. For FY 2009, the Governor recommends $130,267 from the agency fee fund. These recommendations will fund an unclassified .80 FTE position and 1.00 non-FTE unclassified permanent position.

Board of Pharmacy

The mission of the Kansas Board of Pharmacy is to ensure that all persons and organizations conducting business relating to the practice of pharmacy in Kansas are properly licensed and registered. For FY 2008 and FY 2009, the Governor recommends expenditures of $742,043 and $746,867, respectively. The recommendation includes the addition of 1.00 new FTE Pharmacy Inspector position, starting in FY 2008. The new Pharmacy Inspector will perform inspections of distributors and will conduct background checks. This addition will bring the total number of FTE positions in the agency to 8.00.

Real Estate Appraisal Board

The mission of the Kansas Real Estate Appraisal Board is to license and certify real estate appraisers so that appraisers comply with state and federal laws. The Governor recommends expenditures of $317,410 in FY 2008 and $326,160 in FY 2009. The recommendations include enhanced funding of $32,800 from the Real Estate Appraisal Fee Fund in both years to allow Board members to travel for training sessions and conferences that will keep them up to date on changing federal regulations. The agency has 2.00 FTE positions.

Real Estate Commission

The Real Estate Commission regulates real estate agents and brokers to protect the public interest in the selling, purchasing, and leasing of real estate. The Governor recommends expenditures of $946,817 and $970,257 in FY 2008 and FY 2009, respectfully. The recommendation will support 14.00 FTE positions in each year.

Office of the Securities Commissioner

The Office of the Securities Commissioner protects Kansas investors by promoting integrity and full disclosure in financial services. The Governor recommends increased expenditures of $120,539 in FY 2008 and $120,372 in FY 2009 to finance 2.00 FTE additional State Auditor II positions. These positions will perform on-site examinations of the approximately 1,100 broker dealers to ensure compliance with the Kansas Securities Act. With a total of 32.13 FTE positions, the recommended budget for FY 2008 is $2,789,400 and $2,817,232 in FY 2009.

Board of Technical Professions

The Board of Technical Professions ensures the health, safety, and welfare of the people of Kansas by regulating the engineering, architecture, land surveying, geology, and landscape architecture professions. The Governor recommends 6.00 FTE positions and expenditures of $563,263 in FY 2008 and $571,366 for FY 2009. These expenditure levels will allow the agency to continue to provide the current service level and effectively execute its mission.

Board of Veterinary Examiners

In order to practice in the State of Kansas, all veterinarians, veterinary technicians, and veterinary premises must pass examination and inspection based on the standards of the Kansas Veterinary Practices Act. The Governor's recommendation of $278,553 for FY 2008 and $278,008 for FY 2009 from the agency's fee fund will allow the Board of Veterinary Examiners to protect public health by ensuring the licensure and registration of industry members and establishments.

Executive Branch Elected Officials

Office of the Governor

For her own office, the Governor recommends an FY 2008 budget totaling $15,643,846 from all funding sources, of which $5,788,810 is from the State General Fund, $9,685,908 is from federal funds, and $169,128 is from special revenue funds. The budget supports the main office on the second floor of the Statehouse, the Governor's Residence at Cedar Crest, the Hispanic and Latino American Affairs Commission, the Advisory Commission on African American Affairs, and the Federal and Other Grants Office. The estimated number of FTE positions for FY 2008 is expected to be 40.70.

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

For FY 2008, the Governor recommends that $225,000 from the State General Fund for the training component of the domestic violence program be moved from KDHE to the Governor's budget. In addition, the Governor recommends $1.0 million from the State General Fund to start a new program for child advocacy center grants. This new funding will provide resources in areas not currently served, incentives to meet state and federal standards, and support for the ongoing operation of existing centers. Finally, the Governor proposes to relocate $300,000 from the State General Fund from KDHE to the Governor's Office for grants to rape crisis centers.

Office of the Lieutenant Governor

For the budget of the Lieutenant Governor for FY 2008, the Governor recommends $216,415, all from the State General Fund. This level of funding will allow the office to maintain its current level of operation for 3.50 FTE positions. The new Lieutenant Governor, who assumes office for the second term of Governor Sebelius' administration, will receive the statutory salary for this office.

Attorney General

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

The FY 2007 revised budget lapses $1.0 million from the State General Fund for Water Management District No. 3. This money was not spent in FY 2006 but reappropriated into FY 2007 and was available for expenditure there. These funds should be reviewed by the Legislature to determine whether they are still needed by Water Management District No. 3. If the funds are needed, then they should be added to a budget more appropriate than the Attorney General's.

The FY 2008 budget recommendation of $17,272,568, of which $5,339,276 is from the State General Fund, finances a total of 114.00 positions. This budget includes approximately $4.7 million in fees and federal funds for grants and assistance to victims of crime. The Governor's recommendation maintains the current level of operation.

Insurance Department

The Insurance Department works to assure an affordable, accessible, and competitive insurance market by supervising, controlling, and regulating the insurance industry in the state. The Governor's recommendation for FY 2008 includes $23,470,744 from the Insurance Department's fee funds and will

finance a total of 143.00 FTE positions. Insurance Department expenditures include administration of the Workers Compensation Fund and payment of claims. Claims are projected to be $2,750,000 for FY 2008. The agency estimates that the number of active workers compensation cases will be 3,963 in FY 2008.

Secretary of State

The primary duties of the Office of the Secretary of State are to register corporations doing business in the state, supervise and provide assistance to local election officers in all elections, implement the Help America Vote Act, and administer the State Uniform Commercial Code. The Secretary of State also appoints notaries public, maintains a registry of trademarks, and supervises the engrossing of all legislative acts and compilation of the *Session Laws of Kansas*. The Governor's recommendation for FY 2008 finances 55.00 FTE positions in the Office of the Secretary of State. Funding from all sources totals $7,825,181 and includes $2.0 million from the State General Fund for FY 2008 to finance a presidential preference primary election.

State Treasurer

A statewide elected officer, the State Treasurer is responsible for the timely receipt and deposit of all monies, excluding those of the Kansas Public Employees Retirement System, to state bank accounts. Investment of state monies and the money of cities, counties, schools, and other local governments is made by the State Treasurer through the Pooled Money Investment Board and the Municipal Investment Pool to maximize interest earnings.

For the past four years, administrative expenses of this agency have been financed by fees on non-payroll warrant redemption and direct deposits, banking fees, and voucher processing fees, all charged to other state agencies. For FY 2008, the Governor recommends that the State Treasurer no longer impose such fees on other state agencies, but instead collect 2.0 percent from unclaimed property funds as they are deposited in the state treasury. This will slightly reduce the amount of monies collected by the State General Fund but will not affect the amount received by claimants.

Because a 2.0 percent collection will not cover all administrative overhead costs, it is recommended that $1.0 million from the State General Fund be appropriated for this agency in FY 2008. In total, $15.2 million is recommended for operations of the agency, which includes an estimated $10.0 million in property claim payouts.

Pooled Money Investment Board. The Pooled Money Investment Board is responsible for its own administrative functions, although it is a part of the State Treasurer's budget. The 7.00 FTE positions in this program manage the investment pool of state monies and designate various state bank depositories for state and special monies in demand deposit and interest-bearing accounts. The FY 2008 budget for this program is $776,971, all from the program's fee fund. The Pooled Money Investment Portfolio contained approximately $2.0 billion in investments, with an earned FY 2006 yield averaging 4.25 percent. 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 $638.4 million at the end of October 2006.

Legislative Branch Agencies

Funds totaling $27,039,739 from all funding sources for the five legislative agencies are included in the Governor's budget for FY 2008, of which $26,954,739 is from the State General Fund and $85,000 is from special revenue funds in the Legislature's budget. These totals are the same as what the legislative agencies submitted, except they have been adjusted for the Governor's proposed pay plan that applies to all state employees, including not only legislator pay but also the legislator allowance. Legislative agencies have also been included in the Governor's proposed changes to the Longevity Bonus Program, increasing the amount per year from $40 to $50. FTE positions for the legislative agencies are estimated to total 141.00 for FY 2008.

Legislative Coordinating Council

This budget has two components. One is the reimbursement payments to members of the Legislative Coordinating Council for the expenses they incur by attending meetings. The second consists of the operating costs for Legislative Administrative Services, including salaries and support for 12.00 FTE positions. For FY 2008, the Governor includes $877,484 for this agency, all of which is from the State General Fund. A vacant position has been upgraded to Project Manager for the Legislative Branch Computer Strategic Plan Initiative.

Legislature

The Governor's budget totals $16,471,712 from all funding sources for the Kansas Legislature. Of that amount, $16,386,712 is from the State General Fund and the balance is from the Legislative Special Revenue Fund. In addition to the expenditures that maintain ongoing operation of the Legislature, $1,263,750 is included for the Legislative Branch Computer Strategic Plan Initiative: bill drafting, extending the virtual committee, bill status, print on demand, document management integration, chamber automation, and audio visual. The budget also includes $150,000 for an independent actuarial audit of KPERS, as required by current statute.

Legislative Research Department

Estimated expenditures for the Legislative Research Department total $3,356,647 from the State General Fund. The Department's FTE positions will remain at 38.00. The budget includes an increase for temporary staff to collect and digitize precinct maps in preparation of the 2010 census. A Research Analyst position assigned to health-related issues is financed entirely from the State General Fund, instead of private grant funds. FY 2008 will be the second year of the Legislative Fellows Program for students fulfilling internship or practicum requirements in a masters program related to public administration, business, political science, or law.

Legislative Division of Post Audit

Included in the Governor's budget for the Legislative Division of Post Audit is $2,746,963, all of which is from the State General Fund. This level of funding will allow the Division to maintain the same level of staff at 26.00 FTE positions, including the 5.00 new positions that were added during FY 2006 for the School Audit Team. Funds are included for re-bidding the three-year contracts for the financial-compliance audit work that will need to be completed in FY 2008. However, the amount may need to be adjusted during the 2007 Legislative Session, when the exact amounts for the contract are known.

Revisor of Statutes

The Revisor's Office needs a State General Fund supplemental appropriation of $108,888 for the current fiscal year, which will bring the total budget for FY 2007 to $3,017,540. This increase, along with unanticipated, unspent carryover funds of $71,119 from the prior fiscal year, arises from salary increases in several areas. The first is to attain comparability with the staff salaries of the Legislative Research Department. The second is the creation of a new Revisor Emeritus position to be filled by the previous Revisor of Statutes. The third is an increase in funding for an additional attorney position.

For FY 2008, a total of $3,586,933 from the State General Fund is included in the Governor's budget. The Revisor's Office provides bill drafting services for the Legislature and publishes annual supplements and replacement volumes for the *Kansas Statutes Annotated*. FY 2008 will be the second year of the Legislative Fellows Program for law school students or recent law school graduates with an interest in the legislative process and public policy development. The FY 2008 budget increases printing costs compared to FY 2007, because no hardbound volumes of the *Kansas Statutes Annotated* will be printed in FY 2007. In addition, funds are included to increase the amount for printing contingency costs and for computer costs: software maintenance, data processing services, and computer equipment.

Judicial Branch Agencies

Judiciary

The Judiciary's budget includes financing for the Kansas Supreme Court, Court of Appeals, judicial and professional review boards and commissions, and most of the personnel costs of 105 district courts. Approximately 95.0 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 courts, 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, representing the Wichita area, has 26 district court judges. District court operations account for 1,679.80 FTE positions in the Judiciary, which has a total of 1,837.30 FTE positions for FY 2008.

With the enactment of KSA 75-3718, the Governor is required to submit the Judiciary budget to the Legislature without recommendations. Therefore, the Governor makes no revisions to the request submitted, except for a 4.0 percent base salary increase and a $10 annual increase in longevity bonus payments from $40 per year of service to $50. Both of these additions use State General Fund dollars.

The table at the top of the next column shows that, in the FY 2007 request, the Emergency Surcharge has been eliminated as a source of funding. The surcharge was intended by the Supreme Court for use when the state had a revenue shortfall, and the additional funding was required for the Judiciary to perform its constitutional and statutory duties.

The Judiciary's budget request for FY 2008 is $115.5 million, including $104.7 million from the State General Fund. The Judiciary's request includes $122,701 for the 13th Court of Appeals Judge, administrative assistant, and research attorney for the last half of FY 2008 and $167,919 to remodel space in the Judicial Center for the judge's chamber. The Judiciary also requests $719,782, including $646,309 from the State General Fund, in FY 2008 for step movement for non-judicial employees, which employees receive every third year of service.

Comparison of Judiciary's Budget

	FY 2006 Actual	FY 2007 Requested	FY 2008 Requested
SGF	97,549,206	103,356,309	108,501,128
Emerg. Surcharge	3,428,774	--	--
Other Funds	8,768,305	11,216,694	11,075,849
Total	$ 109,746,285	$ 114,573,003	$ 119,576,977

The Governor adds $4,078,801, including $3,819,261 from the State General Fund, for a 4.0 percent base salary increase and the proposed longevity increase. This brings the total FY 2008 budget to $119,576,977, including $108,501,128 from the State General Fund.

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.

Comparison of Judicial Council's Budget

	FY 2006 Actual	FY 2007 Gov. Est.	FY 2008 Gov. Rec.
Publications Fee Fund	213,923	182,051	203,988
Judicial Council Fund	217,835	254,843	310,490
Judicial Performance Fund	--	582,812	791,108
Total	$ 431,758	$ 1,019,706	$ 1,305,586

In FY 2007 and FY 2008, the Judicial Council is undertaking an initiative at the direction of the 2006 Legislature to provide staffing for the independent Kansas Commission on Judicial Performance. The Council was authorized to hire 3.00 new FTE beginning in FY 2007 for this purpose. The Commission is charged with developing and conducting performance evaluations of Kansas judges and distributing their findings. Funding for the Commission is included in the Judicial Council's budget, with increased docket fees as the source of funding. The first findings are expected in the spring of 2007.

The Governor recommends $1,305,586 for FY 2008, including financing for the Commission on Judicial Performance. With the 3.00 new positions for the initiative, the agency is authorized 7.00 FTE positions. The budget also includes funding for the preparation, publication, and mailing of the 4th edition of the Pattern Instructions for Kansas—Civil; the 2007 PIK-Criminal 3d supplement; the 2007 Kansas Municipal Court Manual supplement; the 2008 Kansas Judicial Council Probate Forms 2d supplement; and the 2008 Kansas Appellate Practice Handbook 2d supplement. The budget also includes payments for Council members to attend 55 meetings during FY 2008.

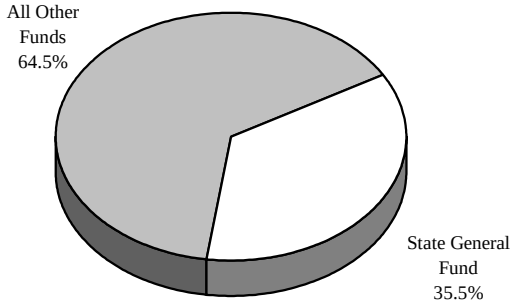
Human Services

Human Services Summary

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

The Governor recommends expenditures totaling $3,793.6 million in FY 2007, of which $1,279.4 million is from the State General Fund. For FY 2008, a total of $3,946.8 million is recommended, of which $1,401.1 million is from the State General Fund. The Governor recommends funding for 8,244.54 FTE positions and 272.83 non-FTE unclassified permanent positions in FY 2008.

How It Is Financed



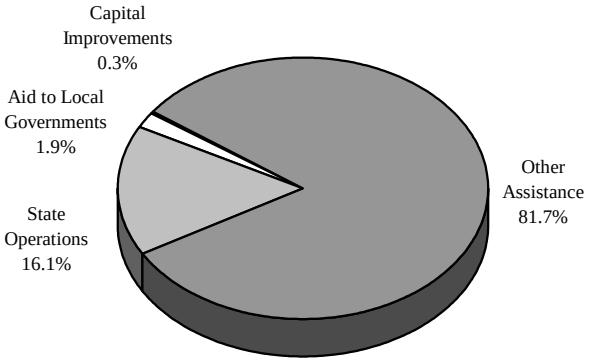
Fiscal Year 2008

The Medicaid Regular Medical Program is estimated to increase by $63.0 million in FY 2008 because of rising health care costs and increases in the number of people served. Also included is full funding of caseloads for welfare and medical assistance to the poor, disabled, and aged. The recommendations include staffing increases both for SRS regional offices and the Health Policy Authority.

The Governor recommends $10.0 million for a new program in the Kansas Health Policy Authority, Healthy Kansas First Five, which will provide health coverage for all children ages birth through five who currently do not have health insurance.

The Governor also adds $4.0 million in FY 2008 to increase child care assistance for low-income families. The budget also funds the anticipated number of children in reintegration/foster care for children awaiting permanent homes. In FY 2008, the Governor recommends enhanced funding of $9.9 million to reduce waiting lists in HCBS programs for the developmentally disabled and funding of $1.5 million for a new HCBS waiver program for children with autism. The Governor also recommends $8.4 million for Smart Start in FY 2008 to promote innovative early childhood programs.

How It Is Spent



Fiscal Year 2008

The FY 2008 budget includes funds for long-term care, the Senior Care Act, nutrition services, and a dental services waiver for the frail elderly. Funding will provide 3.6 million meals to the elderly under the Older Americans Act Meals Program, financed partly by the income tax Meals on Wheels Check-off. Health and Environment's budget contains new funds of $1.6 million for immunization and health initiatives.

Unemployment benefits paid to individuals are expected to be $250.4 million for FY 2007 and $278.4 million in FY 2008. The unemployment rate for Kansas is estimated to be 4.6 percent in FY 2007 and 4.8 percent in FY 2008.

Social & Rehabilitation Services

The Governor's recommendations for the Department of Social and Rehabilitation Services total $1,408.4 million for FY 2007 and $1,450.0 million for FY 2008. They include State General Fund expenditures of $542.4 million in the current year and $607.8 million in FY 2008. The recommended budget includes salaries and wages for 3,736.23 positions in FY 2008.

Of the FY 2008 expenditures recommended by the Governor, $1,123.8 million, or 77.5 percent, finances assistance payments to individuals or to vendors who provide medical or other services to individuals in need. A total of $24.3 million, or 1.7 percent, finances aid to local governments, which in turn provides services to agency clients. The recommendation for state operations in FY 2008 totals $296.9 million, including the staffing costs for coordinating social services, administering SRS area offices and associated branch offices, and providing vocational rehabilitation services to agency clients. Finally, the Governor recommends $8.1 million in FY 2008 for capital improvements at state institutions and agency offices. The capital improvement recommendation includes debt service for construction of a new state security hospital at Larned and debt service on a $35.0 million bond issue for rehabilitation and repair projects at Larned and Osawatomie State Hospitals.

Enhancements

The Governor's recommendation enhances several SRS programs. Examples include increased funding to reduce the waiting lists for the Home and Community-Based Services waivers, funding to increase the reimbursement rates in the HCBS waivers, substance abuse treatment programs, ICF/MRs, and direct services provided through the DD Grants Program. The additional funding addresses funding gaps in these programs that otherwise could affect the provision of services.

SRS is very reliant on federal Medicaid to fund many of its critical services. The amount of federal Medicaid funding is determined by a federal match rate called the Federal Medical Assistance Percentage (FMAP). For FY 2008, the FMAP will drop by 0.3 percent. This reduction in federal Medicaid matching funds has a significant effect on the total amount of funds available for all Medicaid-funded services. Many Medicaid services are entitlements, and a drop in the FMAP is accommodated in the consensus caseload estimating process by adding state monies. This does not occur in programs excluded from the consensus caseload estimating process, such as HCBS waivers and ICF/MR care facilities. Not providing the additional state funds would require a reduction in funding to persons already served through these Medicaid programs or a reduction in the number of people served.

The Governor adds $4.5 million from the State General Fund for these Medicaid programs that are not included in the consensus caseload process to make up for the FMAP reduction. There is also increased funding for the Adoption Support Program and additional funding for child care assistance. The Governor's recommendation increases funding for independent living centers, enhances Early Headstart funding, and provides new state funding to enhance job retention for persons leaving the Temporary Assistance to Families Program. The Governor's recommendation also funds the consensus caseload estimates for Reintegration/Foster Care, Temporary Assistance to Families, Medicaid Regular Medical Program, General Assistance, and Nursing Facilities for Mental Health.

The Governor's recommendation includes several initiatives for SRS. Funding of $1.5 million, including $600,000 from the State General Fund, will finance a new Home and Community-Based Services waiver for autistic children. This new program will fund needed services for young children with autism spectrum disorders who cannot receive the services they need from any other existing program. SRS has met with families of these children and has identified the need to provide them with respite care, parent support and training, attendant care, social skills development, therapeutic day care, and case management. These services will be specifically designed to meet the unique needs of children with autism spectrum disorders and their families. The prevalence of autism spectrum disorders has grown significantly in recent years, greatly increasing these families' need for

effective and available support. Failure to provide this support will result in the children not achieving their full potential in the developmental years and a serious and profound drain on the families' ability to sustain the supports needed to care for their children.

The Governor's FY 2008 budget recommendations also include additional funding for the Grandparents-as-Caregivers Program. In the 2006 Legislative Session, the program was enacted into law. The FY 2007 budget includes $2.1 million from the State General Fund to start the program on January 1, 2007. The program will provide monthly payments of $200 per child to grandparent caregivers who are 50 years or older and who have income up to 100.0 percent of the federal poverty level. The Governor's recommendation for FY 2008 adds $2.0 million from the State General Fund. The total program funding of $4.0 million will allow SRS to operate the program for the full year.

For FY 2008, the Governor recommends $2.2 million from the State General Fund to replace the loss of Child Support Enforcement incentive funds. The Deficit Reduction Act of 2005 repealed the authority allowing performance incentive payments as state match for federal Child Support Enforcement funds, effective October 2007. This limitation would lead to a loss of approximately $6,410,000 per year if additional state dollars were not provided. The effect of such a reduction would be far-reaching as the whole CSE program attempts to meet critical compliance requirements and prevent federal fiscal sanctions and liability for tort claims. It is estimated collections would decrease by 40.0 percent with corresponding losses to the SRS Fee Fund and the loss of $3.3 million in performance-based incentive funding.

To address SRS field operations, the Governor recommends the addition of $1.5 million in FY 2007 and $7.7 million in FY 2008 for salary expenditures. The additional funding will decrease shrinkage in FY 2007 from 10.2 percent to 9.3 percent. In FY 2008, shrinkage will decrease from 10.2 percent to 5.7 percent. The funding will allow SRS to hire additional field workers to relieve the pressures caused by additional federal reporting requirements.

In regard to the Children's Cabinet, the Governor recommends enhanced funding of $5.5 million from the Children's Initiatives Fund (CIF) in FY 2008 to continue the pilot for a high quality pre-kindergarten program to prepare four-year-olds for success in school. The Children's Cabinet will continue to oversee this pilot, and CIF accountability funding will be used to evaluate the effectiveness of the new program. All classrooms in the pilot will be required to meet teacher qualification requirements, implement a research-based curriculum, maintain low teacher-child ratios, complete at least 15 hours of teacher training annually, and provide referrals to additional community services for families that need them. The pilot will be implemented in a mix of school and community-based early childhood programs. The additional $3.5 million will allow a limited expansion in the five counties already participating in the pilot program and will allow participation by 12 additional counties. It is estimated that 860 additional children will be served.

The Governor also recommends $2.2 million, including $1.6 million from the CIF and $593,960 from the State General Fund, to expand Early Headstart. The additional funding will allow more children and more counties to participate in the program. Finally, the Governor recommends $1.0 million from the Children's Initiatives Fund for a new Child Care Quality Initiative administered by the Children's Cabinet. The program will enhance infant and toddler services through targeted initiatives to improve quality and increase the availability of care for children ages zero to three. The initiatives will use evidence-based strategies to improve family and center-based care.

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 on the following page, provides financial assistance to poor families with dependent children based on income and family size.

Families with income less than 32.0 percent of the federal poverty level may qualify for assistance. All families receiving Temporary Assistance to Families, the state's version of TANF, are eligible for Medicaid. Welfare reform also gave Kansas more flexibility to

design public assistance programs, added reporting requirements on the state, mandated child support enforcement procedures, and established work requirements for families receiving cash assistance.

Temporary Assistance to Needy Families
(Dollars in Millions)

	FY 2006	FY 2007	FY 2008
Beginning Balance	$7.2	$6.1	$3.8
Revenue:			
Federal TANF Grant	101.9	102.9	101.9
Total Revenue Available	$109.1	$109.1	$105.8
Expenditures:			
Administration	4.5	4.0	4.1
Program Staff	10.6	9.2	9.6
Temporary Assistance for Families	34.1	31.2	30.2
Employment Services	18.1	12.4	12.4
Children's Services	12.2	16.4	17.9
Alcohol & Drug Abuse Services	1.4	1.4	1.4
Total Expenditures	$80.9	$74.6	$75.5
Transfers:			
Child Care Development Fund	(17.8)	(22.9)	(22.5)
Social Services Block Grant	(4.3)	(7.2)	(7.2)
Workforce Development Loan Prg.	0.0	(0.5)	(0.5)
Ending Balance	$6.1	$3.8	$ --

** Totals may not add because of rounding.*

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 complying with federal back-to-work requirements for welfare recipients. Beginning in FY 2001, SRS was allowed to count refunds paid through the Earned Income Tax Credit as part of the state maintenance of effort.

As part of the program expenses, the agency will transfer up to $7.2 million to the Social Services Block Grant to finance existing social service programs. The table above also shows an increase in funds transferred to the Child Care Development Fund beginning in FY 2007, which is used to finance the state's day care programs for low income working families.

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

Child Care

Fiscal Year	Persons Served	Percent Change	Total ($000)	Avg. Cost	Percent Change
2000	14,524	9.8	44,226	253.75	7.1
2001	15,312	5.4	46,636	253.81	--
2002	16,151	5.5	50,815	262.19	3.3
2003	16,723	3.5	54,487	271.52	3.6
2004	17,358	3.8	57,285	275.02	1.3
2005	18,721	7.9	63,090	280.84	2.1
2006	19,527	4.3	74,748	319.00	13.6
2007	21,131	8.2	77,592	306.00	(4.1)
2008	21,131	--	79,026	311.65	1.8

The Governor's recommendation provides the resources necessary to subsidize child care for an average of 21,131 children each month in FY 2007 and FY 2008. The Governor's recommendation increases funding for child care by $2.6 million in FY 2007 and $4.0 million in FY 2008. The additional funding from TANF is available because of declining caseloads in the Temporary Assistance to Families Program. The table above details the history of the program.

Temporary Assistance for Families. In FY 2007, the Governor recommends $61.0 million to finance benefits for an average of 41,942 persons each month. For FY 2008, caseloads are expected to decrease to an average of 41,254 persons each month, for total assistance of $60.0 million. However, the Governor recommends increased funding of $64.4 million to enhance job retention for persons leaving the program. Many of the families who leave TANF for employment have significant barriers to employment. To improve their chance of success in the workforce, Kansas can increase job stability by assisting families in their first months of employment. The recommendation proposes to continue to provide cash assistance to families becoming employed for an additional three months. Because these families would otherwise have lost cash assistance because of earnings, the effect of this proposal will be to increase

the state's TAF caseload. This enhancement has a secondary benefit. The Deficit Reduction Act of 2005 requires states to increase substantially the number of TANF recipients fully participating in work-related activities. This enhancement will increase the state's work participation rate and reduce possible federal penalties. These amounts are shown in the consensus caseload table on page 90 along with amounts from prior years.

General Assistance. The consensus caseload table displays actual and budgeted expenditures for General Assistance. The Governor recommends expenditures of $8.5 million in FY 2007 and $8.0 million in FY 2008. The FY 2007 amount will fund benefits to an average of 4,441 persons each month. The recommendation will finance benefits for 4,180 individuals each month during FY 2008.

Employment Training & Vocational Rehabilitation. The Governor's recommendation will provide employment training to more than 30,741 low-income or disabled Kansans each month during FY 2008. The recommended budget in FY 2007 includes $12.5 million for employment assistance to TAF recipients and Food Stamp recipients and $21.4 million for vocational rehabilitation.

Health Care Programs

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 waivered programs are matched at the state Medicaid rate. SRS currently administers four waiver programs and the Department on Aging has two. As previously mentioned, the Governor recommends a new waiver for children with autism. The table below illustrates the expenditures by program for home and community-based services. It illustrates the rapid growth and popularity of these programs over the past five years.

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 are eligible for nursing facility care. The Governor recommends a total of $93.4 million in the current year and $103.8 million in FY 2008. The State General Fund portions of these programs total $36.6 million in FY 2007 and $41.9 million in FY 2008. The recommendation for FY 2008 includes additional

Home & Community-Based Services Waivers

(Dollars in Thousands)

	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Gov Est.	FY 2008 Gov Rec.
Social & Rehabilitation Services					
Physically Disabled	59,736	70,858	80,981	93,395	103,814
Head Injured	5,456	5,704	5,615	6,201	6,277
Technology Assisted	181	182	185	236	243
Autism	--	--	--	--	1,487
Developmentally Disabled	204,954	217,398	221,150	254,034	260,564
Total SRS Waiver Programs	$ 270,327	$ 294,142	$ 307,930	$ 353,866	$ 372,384
State General Fund Portion	$ 94,875	$ 113,901	$ 121,296	$ 137,579	$ 150,313
Percent Change	*4.0%*	*8.8%*	*4.7%*	*14.9%*	*5.2%*
Department on Aging					
Frail Elderly	45,070	54,125	55,707	63,541	68,766
Targeted Case Management	3,562	3,633	4,030	5,374	5,567
Total Aging Waiver Programs	$ 48,632	$ 57,758	$ 59,737	$ 68,915	$ 74,333
State General Fund Portion	$ 17,692	$ 22,549	$ 23,562	$ 27,283	$ 28,871
Percent Change	*(15.3%)*	*18.8%*	*3.4%*	*15.4%*	*7.9%*

funding for waiting lists and a rate increase and to address the FMAP reduction.

Home & Community-Based Services for Traumatic Head Injuries and Technology Assistance. These waivers target people with traumatic head injuries resulting in long-term disability and children dependent on medical technology. These waivers address one-time expenses for equipment and services, as well as respite and personal services. The Governor's budget recommendations provide $6.2 million for traumatic brain injuries in FY 2007 and $6.3 million in FY 2008. The Governor recommends $235,581 in FY 2007 and $242,648 in FY 2008 for the Technology Assistance waiver. The recommendation for FY 2008 includes additional funding for a rate increase and to address the FMAP reduction.

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 2007 totals $254.0 million, of which $98.5 million is from the State General Fund.

For FY 2008, the Governor recommends $260.6 million for the developmental disabilities waiver. The amount of State General Fund monies is $105.2 million. The Governor includes $9.9 million in her recommendation to reduce the waiting lists for developmental disability services. The recommendation also includes $3.1 million to address the FMAP reduction.

Home & Community-Based Services for the Frail Elderly. The Governor's recommendation provides $68.8 million for the Frail Elderly waiver and $5.6 million for Targeted Case Management for FY 2008. The programs target elderly persons age 65 and over who meet the requirements for nursing home placement. The functional eligibility score to qualify for the programs is 26, which coincides with minimum eligibility for nursing facility placement.

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

For community mental illness programs, the Governor recommends a total of $55.6 million from all funding sources for FY 2008. This includes $10.2 million in state aid to community mental health centers, the same amount as FY 2006, and $45.4 million for grants to community mental health providers and the statewide Family Centered Systems of Care Program.

The remainder of the mental health budget totals $164.6 million and appears as part of consensus caseload. The Mental Health Initiative 2000 passed during the 2001 Legislative Session was designed to use State General Fund dollars 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. These expenditures are included in both the Consensus Caseloads table on page 90 and the Medicaid table on page 95.

The Governor recommends that $3.8 million from the Children's Initiatives Fund be used for the Children's Mental Health Waiver Program in FY 2008. 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 1,940 children will receive services in FY 2008. The funding for this waiver is included in the community mental health centers' certified match budget for FY 2008.

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 $28.1 million in FY 2008 for aid to 28 community developmental disability organizations to coordinate services, such as assisted living and sheltered workshops. The recommendation includes $2.6 million for aid to independent living centers serving the physically disabled. This is an increase of $800,000 from the State General Fund. The Governor also recommends $18.6 million in FY 2008 for intermediate care facilities for the mentally retarded. These facilities provide 24-hour care for an average of 269 mentally retarded individuals each month, but the caseload is declining as more community services are provided. The recommendation for FY 2008 includes additional funding for a rate increase and to address the FMAP reduction.

Consensus Caseloads

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

In the past, the two agencies that administered these programs were the Department of Social and Rehabilitation Services and the Department on Aging. Beginning in FY 2007, the Medicaid Regular Medical Program is administered by the Kansas Health Policy Authority, so representatives from that agency joined the process. Certain mental health services, addiction treatment services, and case management services for the developmentally disabled that are a part of the Regular Medical Assistance Program remain with the Department of Social and Rehabilitation Services.

The Division of the Budget, Legislative Research Department, Department of Social and Rehabilitation Services, Kansas Health Policy Authority, and Department on Aging met on November 8, 2006, to revise the estimates on caseload expenditures for FY 2007 and to make initial estimates for FY 2008. The table on the next page outlines actual expenditures in caseload programs in FY 2004, FY 2005, and FY 2006 and the current estimates for FY 2007 and FY 2008 agreed to at the meeting.

Caseload Adjustments. For FY 2007, the estimate is a decrease of $43.4 million from all funding sources. However, there is a State General Fund increase to the budget of $26.6 million, as compared to the expenditures approved by the 2006 Legislature. The overall reduction is largely because of decreased estimates for Nursing Facilities, Temporary Assistance to Families, and KHPA Regular Medical expenditures. The increased state costs are outlined below.

Nursing Facility expenditures in the current year were reduced by $1.1 million from the State General Fund. A decrease in the number of residents was offset by an increase in costs as a result of policy changes made in the previous legislative session. The 2006 Legislature added funding to eliminate the "85.0 percent" rule for facilities of 60 beds or less and an increase in the personal needs allowance for residents from $30 to $50 per month. In addition, maximum rates for nursing facility reimbursements have been re-based to reflect a three-year average of costs for 2003, 2004, and 2005, instead of being based on FY 2001 costs adjusted for inflation.

The KHPA Regular Medical Program reduction of $46.1 million from all funding sources is generally tied to an estimated reduction in the number of beneficiaries. As a result of new federal citizenship verification requirements implemented July 1, 2006, an estimated 18,000 beneficiaries have lost benefits, and the increased requirements are expected to reduce the number of people applying for services in the future. The State General Fund portion of the estimate is an increase of $25.3 million to replace drug rebate revenues, which declined dramatically after the April 2006 caseload estimates as a result of the implementation of Medicare Part D. The General Assistance increase of $500,000 from the State General Fund reflects the delayed implementation of Presumptive Disability.

Consensus Caseloads
(Dollars in Thousands)

	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual	FY 2007 Gov Est.	FY 2008 Gov Rec.
Department of Social & Rehab. Services					
Temporary Assist. to Families	59,588	64,932	63,865	61,000	64,449
General Assistance	8,167	8,955	8,748	8,500	8,000
Reintegration/Foster Care	90,888	94,799	121,675	133,000	136,000
Adoption	32,565	34,342	--	--	--
Nursing Facil. for Mental Health	13,425	13,117	11,750	12,300	12,600
Regular Medical	1,033,456	1,252,045	193,902	231,406	223,882
Total--SRS Caseload Programs	$ 1,238,090	$ 1,468,191	$ 399,941	$ 446,206	$ 444,931
State General Fund Portion	$ 413,934	$ 530,942	$ 186,528	$ 194,756	$ 209,328
Percent Change	*11.5%*	*18.6%*	*(71.0%)*	*11.6%*	*(0.3%)*
Division of Health Policy & Finance					
Regular Medical	$ --	$ --	$ 1,185,203	$ --	$ --
State General Fund Portion	$ --	$ --	$ 386,815	$ --	$ --
Kansas Health Policy Authority					
Regular Medical	$ --	$ --	$ --	$ 1,182,000	$ 1,255,737
State General Fund Portion	$ --	$ --	$ --	$ 405,000	$ 447,295
Percent Change					*6.2%*
Department on Aging					
Nursing Facilities	$ 311,901	$ 351,041	$ 318,615	$ 349,700	$ 352,500
State General Fund Portion	$ 113,850	$ 128,239	$ 124,829	$ 138,900	$ 142,300
Percent Change	*2.1%*	*12.5%*	*(9.2%)*	*9.8%*	*0.8%*
Total--Consensus Caseloads	$ 1,549,990	$ 1,819,232	$ 1,903,759	$ 1,977,906	$ 2,053,169
State General Fund Portion	$ 527,784	$ 659,181	$ 698,173	$ 738,656	$ 798,923

The FY 2008 initial estimate is $2.0 billion, including $798.9 million from the State General Fund. The estimate is an increase of $57.3 million from all funding sources, with a State General Fund increase of $53.0 million, as compared to the revised FY 2007 estimate. The estimates for State General Fund expenditures were increased for all categories, except General Assistance. General Assistance was decreased by $500,000 to reflect a full year of the Presumptive Disability policy. Regular Medical Program expenditures for KHPA were increased by $35.0 million because of increased numbers of beneficiaries and higher per-person expenditures.

Estimates for the Reintegration/Foster Care contracts increased by $3.0 million from all funding sources, $14.0 million of which is from the State General Fund, because of increasing numbers of children in foster care. The increased demand for State General Fund support reflects the need to replace federal Temporary Assistance for Needy Families funding and a decreasing ability to claim federal Title IV-E foster care monies.

Children & Family Policy

Family Preservation. The Governor's recommended budget provides $14.2 million in each of FY 2007 and FY 2008 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 $11.9 million in FY 2007 and another $11.9 million in FY 2008 for the family preservation contract to serve approximately 2,980 families in FY 2007 and 2,893 families in FY 2008. The recommendation for family support services totals $2.3 million in each of FY 2007 and FY 2008.

Reintegration/Foster Care. An amount of $133.0 million is recommended by the Governor in the current year and $136.0 million in FY 2008 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 was amended in FY 2003 to include a base monthly rate for the contractor's fixed expenses and to shift mental health services out of these contracts. The contracts were renegotiated, effective July 1, 2005.

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

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

The preferred placement for children is with relatives. When no relatives are available, family foster homes are the next placement option. When possible, children are to be placed in settings which allow them to continue to attend the same school they attended prior to out-of-home placement. Siblings are to be placed together whenever possible. Some children require more structured treatment-oriented settings in group homes, residential centers, or Medicaid funded inpatient psychiatric facilities. These Medicaid expenditures are included in the Mental Health Division budget.

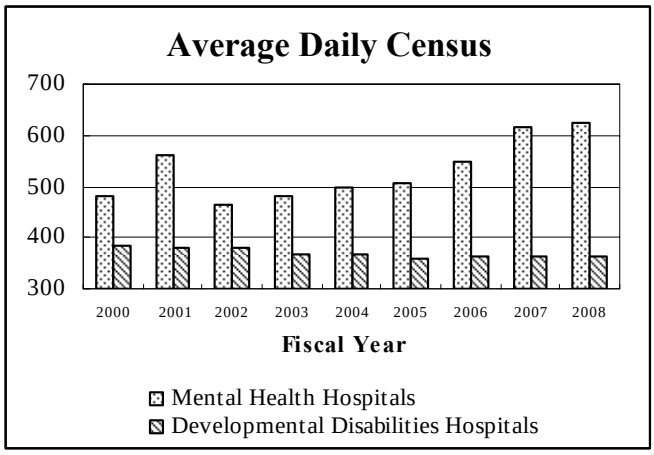
Under the new contracts, the statewide Adoption Resource Recruitment contractor provides recruitment and training for families interested in foster parenting/adoption. This contract totals $3.7 million in FY 2007 and $3.9 million in FY 2008 and is no longer a part of consensus caseload. The consensus caseload estimate for FY 2008 is $136.0 million to serve an average of 5,512 children each month. The Consensus Caseload table on the previous page displays actual and budgeted expenditures for reintegration/foster care.

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 $21.0 million in FY 2007 and $23.3 million in FY 2008 for these purposes. The recommendation includes enhanced funding of $955,952 from the State General Fund to serve more children in FY 2008.

State Hospitals

Kansas has operated state hospitals since Osawatomie Insane Asylum was established in 1863. For many years, the system of state hospitals included four mental health institutions and four institutions for the developmentally disabled. Institutions for the developmentally disabled began to be closed as those involved in the care of the developmentally disabled became more certain that, for most developmentally disabled people, homes in the community provided a more fully participatory life. In 1988, Norton State Hospital closed and its clients were relocated to homes in the community and the remaining developmental disability hospitals. By 1998, both Topeka State Hospital and Winfield State Hospital had also been closed, with the majority of residents moving to homes in their communities.

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



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

Mental Health Hospitals

For FY 2008, the three state mental health hospitals, Larned State, Osawatomie State, and Rainbow Mental Health Facility, project a combined average daily census of 624 patients. The Governor's recommended budget includes $86.8 million in expenditures for the operation of these hospitals. This funding will come from three main sources: the State General Fund, the individual hospital fee funds, and federal Medicaid Title XIX funds. The hospital fee funds come from patient health insurance, Medicare, Social Security, and payments from patients and their families. In the mental health institutions, only children, adolescents, and the elderly qualify for Medicaid reimbursements. Capital improvements for the hospitals are funded

Mental Health Hospitals

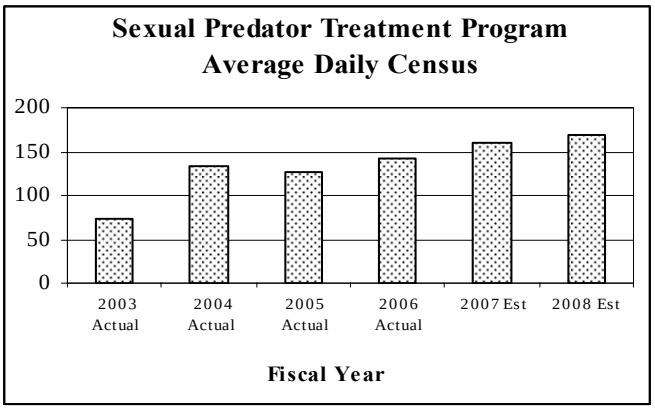
	Daily Census	Operating Budget	Daily per Client ($)
Larned	419	53,305,441	349
Osawatomie	165	25,201,626	418
Rainbow	40	8,335,931	571
Total	624	$86,842,998	381

through the State Institutions Building Fund and are not included in the table on page 92. The recommendations for each institution are summarized below.

Larned State Hospital

For FY 2008, the Governor recommends $53.3 million, of which $41.9 million is from the State General Fund. Through this funding, the Hospital will provide residential and medical services to an average resident population of 419 patients. The Governor's recommendation will fund 978.20 FTE and 15.98 non-FTE positions.

This Hospital evaluates and treats persons committed by the courts of criminal jurisdiction, as well as correctional inmates. In response to the increasing demand for services for those referred by the Unified Judicial System or the Department of Corrections, a new state security hospital was opened in June 2005. This facility houses the current 121 residents of the State Security Program, plus 90 Department of Corrections inmates moved to the State Security Hospital in late FY 2006. The State Security Hospital has the capacity to house 250 residents. The FY 2008 estimated average resident population will be 200. For FY 2008, the Governor recommends $15,961,030, with $11,570,674 from the State General Fund, to operate the State Security Hospital Program. The amount recommended will fund 283.00 FTE and 4.00 non-FTE positions.



Larned State Hospital also maintains the state's Sexual Predator Treatment Program. As the table above indicates, demand for services in this program grew dramatically between FY 2003 and FY 2004. During FY 2005, census growth remained stable, but began to grow again in FY 2006 and is expected to maintain similar growth through FY 2007 and FY 2008. In FY 2007, the budget for the Sexual Predator Transition Program at Osawatomie, which had been a part of the SRS budget, was transferred to Larned's Sexual Predator Treatment Program to allow for better planning and oversight. For FY 2007, the Governor recommends $11,052,453 from the State General Fund for the combined programs of the Sexual Predator Treatment Program. This amount includes supplemental funding of $187,742 from the State General Fund to add 12.00 security positions in a newly opened unit of the Sexual Predator Treatment Program. For FY 2008, the Governor recommends $11,641,904, also from the State General Fund. The recommendation of the Governor will fund 250.00 FTE and 8.98 non-FTE positions serving an estimated 169 residents.

Osawatomie State Hospital

For FY 2007, the Governor recommends supplemental funding of $222,214 from the State General Fund for overtime and holiday pay and to fund 5.00 additional direct care FTE positions. For FY 2008, $25.2 million is recommended, with $11.6 million from the State General Fund. Of the State General Fund amount, $170,105 is for overtime and holiday pay for direct care staff, and $1,097,297 will fund 15.00 additional FTE positions, for a total of 419.60 in FY 2008. The additional FTE positions funded for FY 2007 and FY 2008 will allow the Hospital to maintain a level of active treatment for patients, sufficient to continue certification from the Center for Medicare and Medicaid Services. The average daily census is expected to be 165 patients.

Rainbow Mental Health Facility

For FY 2007, the Governor recommends supplemental funding of $110,870 from the State General Fund for overtime and holiday pay and to fund 2.00 new FTE direct care positions. The Governor recommends $8.3 million for FY 2008, of which $4.6 million is from the State General Fund. Of the State General Fund recommendation, $135,086 is for overtime and holiday pay for direct care staff, and $303,290 will fund 5.00 additional FTE positions, for a total of 122.20 in FY 2008. The facility expects to have an average daily census of 40 patients in FY 2008.

Developmental Disability Hospitals

For FY 2008, the estimated average daily census in the two state developmental disability hospitals will be 364. To serve these residents, the Governor recommends $52.2 million for the developmental disability hospitals. Shown in the table below are the recommended operating expenditures, average daily census, and daily cost per client for each hospital in FY 2008. 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.

Developmental Disability Hospitals

	Daily Census	Operating Budget	Daily per Client ($)
KNI	166	28,348,581	468
Parsons	198	23,894,598	331
Total	364	$52,243,179	799

Kansas Neurological Institute

For FY 2008, the Governor recommends $28.3 million for the agency, of which $13.3 million is from the State General Fund. The amount recommended will support a staff of 575.20 FTE positions who will care for an average daily population of 166 residents at the Institute.

Parsons State Hospital & Training Center

The recommendation for FY 2008 totals $23.9 million and includes $9.5 million from the State General Fund. The Governor's budget funds 467.20 FTE positions, the same number as in FY 2007. This funding level will allow the Hospital to provide residential and medical services to an average population of 198.

Kansas Health Policy Authority

During FY 2006, the Division of Health Policy and Finance of the Department of Administration was designated the single state agency for Medicaid and administered the State Medicaid Program and selected other programs that had been transferred from SRS. Effective July 1, 2006, the Kansas Health Policy Authority (HPA) was designated the single state agency for Medicaid. HPA is responsible for administration of the State Medicaid Plan, drawing down all Medicaid funding for all state agencies, and performing all federal reporting activities. The chart contains actual expenditures for FY 2005 and FY 2006

Major Medicaid Programs
(Dollars in Thousands)

	FY 2005 Actual	FY 2006 Actual	FY 2007 Gov Rec.	FY 2008 Gov Rec.
Social & Rehabilitation Services				
HCBS--Physically Disabled	70,858	80,981	93,395	103,814
HCBS--Head Injured	5,704	5,615	6,201	6,277
HCBS--Technology Assisted	182	185	236	243
HCBS--Developmentally Disabled	217,398	221,150	254,034	260,564
HCBS--Autism	--	--	--	1,487
Reintegration/Foster Care	94,799	--	--	--
Adoption	34,342	--	--	--
Nursing Facilities for Mental Health	13,117	11,750	12,300	12,600
ICF/MR	18,091	17,372	18,276	18,577
Regular Medical	1,252,045	193,902	231,406	223,882
State Hospitals	45,552	45,623	44,699	45,552
Total--SRS Medicaid Programs	$ 1,752,089	$ 576,577	$ 660,546	$ 672,996
State General Fund Portion	$ 630,912	$ 217,536	$ 237,642	$ 252,702
Division of Health Policy & Finance				
Regular Medical	$ --	$ 1,185,203	$ --	$ --
State General Fund Portion	$ --	$ 387,009	$ --	$ --
Kansas Health Policy Authority				
Regular Medical	$ --	$ --	$ 1,182,000	$ 1,255,737
State General Fund Portion	$ --	$ --	$ 405,000	$ 447,295
Department on Aging				
Nursing Facilities	351,041	318,615	349,700	352,500
Program of All-Inclusive Care for the Elderly	2,596	2,916	5,772	7,133
HCBS--Frail Elderly	54,125	55,707	63,541	68,766
HCBS--Targeted Case Management	3,633	4,030	5,374	5,567
Total--Aging Medicaid Programs	$ 411,395	$ 381,268	$ 424,387	$ 433,966
State General Fund Portion	$ 151,801	$ 149,541	$ 168,468	$ 174,034
Department of Health & Environment				
Foster Care Home & Hospital Certification	$ 1,904	$ 1,732	$ 2,360	$ 2,287
State General Fund Portion	$ 944	$ 971	$ 1,284	$ 1,211
Juvenile Justice Authority				
Level V & VI Group Homes	$ 17,609	$ 20,745	$ 25,353	$ 37,624
State General Fund Portion	$ 6,874	$ 8,182	$ 9,926	$ 15,191
Total--Major Medicaid Programs	$ 2,182,997	$ 2,165,525	$ 2,294,646	$ 2,402,610
State General Fund Portion	$ 790,530	$ 763,239	$ 822,320	$ 890,433

and recommended amounts for FY 2007 and FY 2008 in the major Medicaid programs. The chart excludes funding that is not reported in the state budget or Medicaid funding that is used for administrative purposes, such as salaries and contracts for administration. HPA also took over the administration of Medicaid Regular Medical, HealthWave, Ticket to Work, and the Medicaid Management Information System.

The Governor recommends total expenditures by HPA for FY 2007 of $1.3 billion, including $443.4 million from the State General Fund. The Governor adopts the consensus caseload estimate for Medicaid Regular Medical of $1.2 billion and fully funds the expected caseload of the State Children's Health Insurance Program (SCHIP), which is not a consensus program. For FY 2008, the Governor recommends total expenditures of $1.4 billion, including $489.3 million from the State General Fund. Again in FY 2008, the Governor adopts the consensus caseload estimate for Medicaid Regular Medical of $1.3 billion and fully funds the expected caseload of SCHIP.

Community Health Record. The Governor adds $125,000 from the State General Fund in FY 2007 for the Community Health Record, a pilot project to provide Medicaid and HealthWave information through electronic medical records to selected providers in Sedgwick County. The state funding will be equally matched with Medicaid dollars to make the total enhancement $250,000.

Kansas Health Policy Authority Operations. Last year the Governor recommended that the Kansas Health Policy Authority remain in the Department of Administration in order to take advantage of shared support services within that agency. The 2006 Legislature did not concur and directed that HPA become its own agency on July 1, 2006. However, no additional funding or staff were approved to support an independent state agency. Therefore, in the current year the Governor recommends additional funding of $898,093, including $346,402 from the State General Fund, and 12.00 additional FTE positions. Further, an additional $2.2 million, including $1.0 million from the State General Fund, is recommended for the agency to cover its contractual obligations.

Again in FY 2008, the Governor recommends enhanced funding for additional positions and operational costs that are necessary to support the Health Policy Authority as an independent agency. The recommendation includes $1.8 million, including $720,520 from the State General Fund, and 23.00 additional FTE positions. Further, an additional $2.2 million, including $1.0 million from the State General Fund, is recommended for the agency's contractual obligations.

Medicaid Enhancements. The Governor also recommends enhanced funding of $737,483, including $294,993 from the State General Fund, to fund a childhood obesity initiative within the Regular Medical Program. The Governor recommends $10.0 million, including $4.0 million from the State General Fund, to implement Healthy Kansas First Five. This initiative will ensure that all children in Kansas have access to affordable health insurance during the first five years of life and is designed to reduce significantly the number of uninsured children in that age group. HPA will expand the upper income limit for the HealthWave Program and create a state-only option for children of families with slightly higher incomes. Families will be required to pay an affordable premium relative to their income level. To maintain the linkage with their newborns, the upper income limit for Medicaid eligibility for pregnant women will also be expanded, which will increase expectant mothers' access to prenatal care.

Health Care Information Projects. The Governor recommends $1.0 million, including $750,000 from the State General Fund, to finance Health Information Exchange Initiatives with the goal of improving efficiency, quality of care and patient safety, as well as improving health care information for consumers. These initiatives involve other state agencies and health care providers. The recommendation also includes $1.0 million, with $500,000 from the State General Fund, for the Enhanced Care Management Project. This project works with community resources to improve the quality of care and appropriate health care utilization by adult Medicaid beneficiaries with chronic illnesses.

Children's Initiatives Fund. Finally, the Governor adds $5.0 million from the State General Fund to replace funding from the Children's Initiatives Fund in the Medicaid Regular Medical Program and the HealthWave Program. The Governor recommends the redirection of those Children's Initiatives Fund dollars

to other programs that more closely adhere to the focus on programs for children ages zero to five by the Children's Cabinet.

Department on Aging

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

The Governor's recommendation for FY 2007 includes the lapse of all unspent State General Fund monies from a variety of the agency's administration and program accounts totaling $3.8 million. Savings were found primarily in the Nursing Facilities Services Program as the result of revised estimates of the number of individuals receiving services. The revised estimates allow for the lapse of unneeded State General Fund monies from the agency while still providing the current level of services.

The Governor's recommendation of $473.3 million for FY 2008 includes $186.4 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 to Kansans over the age of 65. Included in the budget is an enhancement of $255,673 from the State General Fund to increase the number of agency staff who perform surveys of facilities licensed and regulated only by the State of Kansas. The Department on Aging operates most of the programs provided by the state to serve the elderly. The direct services are provided by area agencies on aging and other local organizations.

Long-Term Care. Included in the FY 2008 recommendation is $435.4 million for long-term care for elderly Kansans who are eligible for the Medicaid Program. The State General Fund portion of this cost is $174.7 million. The recommendation includes $68.8 million for the Home and Community-Based Services for the Frail Elderly (HCBS-FE) Waiver Program, of which $26.6 million is from the State General Fund. Included in this amount is an enhancement of $3.3 million from all funding sources for the HCBS-FE Waiver Program to fund oral health services for seniors. With this enhancement, seniors on the HCBS-FE waiver will receive preventive dental care, as well as dentures.

The budget includes the cost of nursing home care for the elderly who are eligible for Medicaid. Nursing facility services are estimated to be $352.5 million, of which $142.3 million is from the State General Fund. In addition, the budget includes funding for the Program of All-Inclusive Care for the Elderly (PACE). Funding for PACE totals $7.1 million, of which $2.9 million is from the State General Fund. Finally, the budget includes $5.6 million for Targeted Case Management, of which $2.2 million is from the State General Fund. The following table shows the budget based on caseload estimates for nursing facilities.

Nursing Facility Services
(Dollars in Millions)

	FY 2006 Actual	FY 2007 Gov. Est.	FY 2008 Gov. Rec.
Nursing Facilities:			
Budget	$ 318.6	$ 349.7	$ 352.5
Persons	10,890	10,875	10,605
Percent Change	*(9.2)*	*9.8*	*0.8*

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

Nutrition & Meals. The Governor recommends $9.7 million, $2.3 million of which is from the State General Fund, for the Department's Nutrition Program. This level of funding will provide nutrition grants for 3,551,079 meals to the elderly under the Older Americans Act Meals Program. The table at the top of the next page compares the number and cost per meal in FY 2007 and FY 2008 to actual FY 2006 amounts.

Nutrition Program	FY 2006 Actual	FY 2007 Gov. Est.	FY 2008 Gov. Rec.
Agency Budget	$9,183,865	$9,738,283	$9,731,768
Local Resources	7,375,593	7,093,101	7,099,616
Total	$16,559,458	$16,831,384	$16,831,384
Number of Meals	3,503,859	3,551,079	3,551,079
Cost per Meal	*$4.73*	*$4.74*	*$4.74*

General Community Grants. The Senior Care Act Program, funded through the State General Fund, provides general community grants that allow the customer to remain in a community-based setting, rather than 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, nutrition, transportation, and case management.

The Governor recommends $22.3 million for general community grants in FY 2008, including $7.4 million for Senior Care Act Services. The recommended budget includes an enhancement of $500,000 in State General Fund monies to reduce or eliminate the anticipated waiting list for Senior Care Act services. Beginning in FY 2006, funding for the Senior Care Act was split, with $4.5 million coming from the Social Services Block Grant and the remainder from the State General Fund. Participants in the Senior Care Act have higher income levels than those who participate in the HCBS-FE Waiver Program.

Kansas Guardianship Program

The Kansas Guardianship Program, with 12.00 FTE positions, recruits volunteers to serve as court-appointed guardians or conservators for disabled adults found to be in need of these services by the courts. The Governor's recommendation provides $1,295,791 from the State General Fund for FY 2008. The budget will allow the agency to provide guardians or conservators to an anticipated 1,536 individuals.

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

For FY 2008, the Governor recommends $149.3 million, including $25.8 million from the State General Fund. Of the expenditures for the Division of Health, $106.1 million is from federal funding sources. The Governor maintains the level of aid and grants in the agency's base budget from the Children's Initiatives Fund (CIF) for tobacco use prevention programs, the Healthy Start Program, and Children with Special Needs Program. Recommended expenditures for aid and grants to local governments, agencies, and individuals total $87.6 million.

Community-Based Services. The Governor increases funding by $83,269 for aid to Primary Health Care Community-Based Services in FY 2008 to hire 1.00 FTE Public Health Nurse position to oversee the Community-Based Grant Program. Communities, through this program, establish comprehensive and continuous primary health care for clients and facilitate access to hospital and specialty care. Collectively, these local clinics are referred to as the "Safety Net." Local health departments and nonprofit organizations are eligible to apply for funding. The program supports integrated primary health care and reduces duplication by encouraging local organizations to link services and facilitate access to health care. Providing effective and regular primary and preventive care produces cost savings by reducing hospitalizations, visits to emergency departments, and visits to specialists.

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

income mothers and children. The $300,000 from the State General Fund is used as a match to receive Medicaid funding.

Healthy Kansans 2010 & Health Disparities. The Governor recommends funding of $1.0 million from the State General Fund for this initiative to address regionalization of services that may be necessary in light of limited local resources, the constraints caused by the distances between available health service locations, and service disparities among local health departments. The Healthy Kansans 2010 funding will be used to attain the goals established by the Center for Disease Control and Prevention's (CDC) national Healthy People 2010 effort. Grant funding will be competitively distributed to regional collaboratives, including tribal nations. The Division of Health will hire 1.00 FTE Public Health Nurse position in the Office of Minority Health and 1.00 FTE Community Health Worker position for the Hunter Health Clinic in Wichita, the only federally designated service center for homeless and Native American populations in Kansas. Program staff will help clients obtain documentation so that they can qualify for Medicaid services. Documentation requirements are part of the federal Deficit Reduction Act.

Aid to Local Health Departments. The Governor maintains the current funding level of $5.1 million from the State General Fund for this program in FY 2008, 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.

Expanded Immunization Program Funding. A State General Fund expenditure increase of $584,000 recommended by the Governor will be used to implement recommendations of the 2004 Governor's Blue Ribbon Task Force that focused on childhood immunization rates. Components of the program expansion include an expansion of partnerships between the Women, Infants, and Children (WIC) federal program and Division of Health programs, especially in areas of the state identified as special needs areas; continued development of an electronic immunization registry; expansion of immunization reminder systems; and education programs that will expand access to childhood immunizations. An initial test site for the WIC/KDHE partnership has seen immunization rates increase from approximately 35.0 percent to 70.0 percent over several years.

As part of a best practices model that demonstrates efficacy on immunization rates, the Division of Health will add 1.00 FTE Immunization Registry Trainer position to the existing registry staff at a cost of $55,516. In areas of the state with KDHE/WIC partnerships and low immunization rates, the Division will enter into contracts with Public Health Nurses to help inform individuals of the benefits of immunizations for their children. A nurse at each of the WIC/KDHE partnership sites will cost $56,000.

Women, Infants, & Children. Expenditures of $53.4 million in FY 2008 will provide Women, Infants, and Children 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.

WIC Farmers' Market. The FY 2008 recommendation maintains current funding of $22,425 from the State General Fund to improve access to fresh produce for low-income mothers and children. WIC Farmers' Markets are being established in Topeka, Lawrence, and Kansas City during FY 2007.

Pregnancy Maintenance Initiative. The Governor recommends funding of $300,000 for FY 2008 from the State General Fund for the initiative which provides services for pregnant women, including medical care, housing assistance, adoption guidance, substance abuse treatment, and parenting education. Grants are awarded to providers in eight counties.

Infants & Toddlers Services. The Governor recommends FY 2008 funding of $8.5 million for the program, including $3.5 million for the State General Fund, $1.2 million from the Children's Initiatives Fund, and $3.8 million in federal funds. The funds are used to support community networks that serve developmentally delayed infants and toddlers from birth to three years of age. The program will serve 6,000 children in FY 2008.

Youth Mentoring. The Governor recommends expenditures of $500,000 from the State General Fund for FY 2008 to support mentoring programs for

school-aged children. These programs select and train adults to serve as positive role models. Expenditures include the cost of KBI background checks for mentors, salary and wage expenditures for a Director and Administrative Assistant, grants to mentoring organizations, and technical assistance and training.

Flu Pandemic Treatment Products. The Governor recommends $4.2 million for the purchase of flu pandemic treatment products. The state already has access to 406,000 doses; however, the additional funding in FY 2007 will give the state 286,000 additional doses of the tablets and inhalers that could be used in the event of a flu pandemic. The $4.2 million will be used as the 75.0 percent state match required for the additional doses.

Department of Labor

The FY 2008 Governor's recommendations for the Department of Labor include a total of $317,513,291 from all financing sources, with $671,498 from the State General Fund. The majority of the Department's expenditures are in the form of benefits paid to unemployed workers, which are estimated to be $278.4 million in FY 2008. The remaining $39.1 million is used to operate the agency's programs.

Staff Additions. Apart from motor vehicles, the Department's budget includes two enhancements. The first addition is $107,438 from the State General Fund in the Unemployment Insurance Claims Unit. Staff will be assigned to work on misclassification of workers in connection with such issues as fraudulent claims for unemployment insurance payments. No new FTE positions are needed; the agency will reclassify two vacant positions to perform these duties. The second addition is $175,000 from the State General Fund and 2.00 new FTE positions in the Public Employee Relations Board. These positions and additional funds will allow the Department to meet public needs in a timely manner, including posting Board rulings on the Internet.

Unemployment Benefits. Unemployment payments provided to individuals to replace part of their wages lost as a result of involuntary unemployment are expected to be $278.4 million in FY 2008. The unemployment rate for Kansas is estimated to be 4.6 percent in FY 2007 and increase to 4.8 percent in FY 2008.

Workers Compensation. The Kansas Workers Compensation Act constitutes self-contained, no-fault legislation that requires most employers operating in Kansas to provide benefits in the form of salary indemnification and medical treatment to employees who suffer accidental, physical injury, or occupational diseases arising out of and in the course of employment. The Governor's recommendation to support this program totals $8.4 million in FY 2008. The recommendation is financed totally from special revenue funds, the majority of which comes from the Workmen's Compensation Fee Fund.

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. The agency also operates care facilities and cemeteries for veterans. The Governor recommends $26,893,720 from all funding sources for the agency in FY 2008. The State General Fund portion of the Governor's recommendation is $8,842,857.

Administration. To streamline the delivery of services to veterans, the 2006 Legislature established the Veterans Claim Assistance Program, which made $500,000 of grant funds available to veterans service organizations. By eliminating redundancies in service provision between the Veteran Services Program and veteran services organizations, expenditures in the Veteran Services Program for FY 2007 decreased, and the agency's FY 2007 budget was reduced accordingly. However, rather than return the $313,864 reduction to the State General Fund, the Governor recommends adding the savings to the budget for the Administration Program, which totals $786,567 for FY 2007. The Veterans Commission will have the discretion to use the savings where it is most needed, including veterans' services, veterans homes, and the cemetery program.

For FY 2008, the Governor recommends $872,544 from the State General Fund for the Administration Program. Savings of $413,989 from implementation of the Veterans Claim Assistance Program will be realized in FY 2008 from the same elimination of redundancies as occurred in FY 2007. As was the case in FY 2007, the Governor's recommendation includes these funds in the Administration Program budget, instead of capturing the savings. The Veterans

Commission will also have the flexibility to use these monies as needed.

Veterans Homes. The Commission operates both the Kansas Soldiers Home in Fort Dodge and the Kansas Veterans Home in Winfield. The Kansas Veterans Home, the newest of the two, opened in FY 2000. For the Kansas Soldiers Home, the Governor recommends $7.1 million, which includes $2,767,794 from the State General Fund, for FY 2008. This funding will support a staff of 145.75 FTE positions who provide care for 193 veterans and their families in residential and long-term care. For the Kansas Veterans Home, the Governor recommends $8,838,722 for FY 2008, with $3,003,503 from the State General Fund This recommendation continues residential and nursing home care for 149 veterans and their families and provides funding for 195.00 FTE positions.

Cemeteries. The Governor recommends $618,281 in FY 2008 for operation of the Kansas veterans cemeteries. This amount includes $571,683 from the State General Fund and $46,598 in federal veterans burial reimbursements. The cemetery at Fort Dodge was dedicated in March 2003, the cemetery at Wakeeney in September 2004, and the cemetery at Winfield in October 2004. The cemetery at Fort Riley is expected to be dedicated in FY 2009.

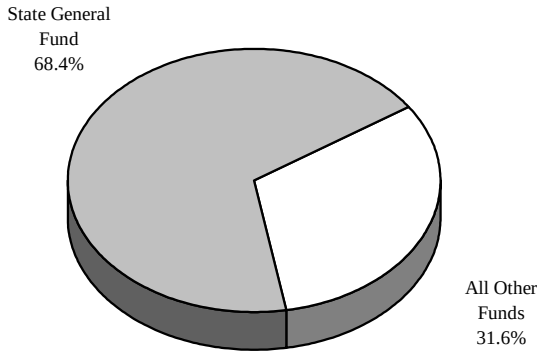
Veteran Services. For the Veteran Services program in FY 2007, the Governor recommends $1,833,542, including $1,702,384 from the State General Fund. Savings of $313,864, realized through implementation of the Veterans Claim Assistance Program, were transferred to Administration, as explained in detail above concerning the Administration Program.

For FY 2008, the Governor recommends $1,781,839, with $1,623,333 from the State General Fund. This recommendation allows the agency to operate veteran services centers in 14 field offices throughout the state and offices in each of the three federal VA hospitals.

Education

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

How It Is Financed



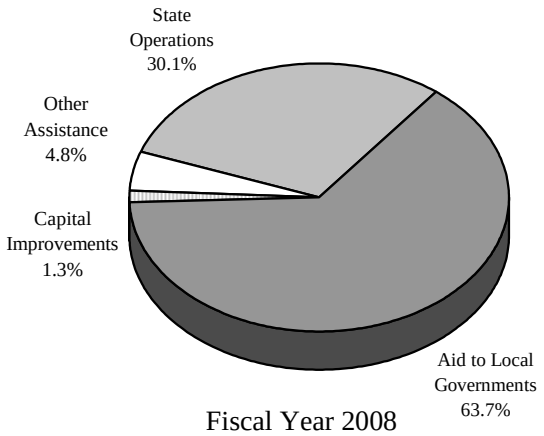
Fiscal Year 2008

For Education, the Governor recommends $5,445.0 million in FY 2007 and $5,688.9 million in FY 2008. Of these amounts, $3,646.3 million in FY 2007 and $3,893.7 million in FY 2008 are from the State General Fund. The Governor's recommended budget for K-12 education fully finances current estimates for the school finance formula. In the current year, $14.5 million had to be added from the State General Fund to meet these obligations. In FY 2008, another $21.7 million was added to finance general state aid, supplemental general state aid, special education, KPERS—School, as well as the capital improvement state aid and capital outlay state aid transfers.

To enhance the state's teaching workforce, another $150,000 is recommended for the mentor teacher program, and $22,525 is added for the National Board Certification Program. A leadership initiative of $100,000 is recommended to promote increased student and staff performance, create a cohesive and comprehensive educational leadership plan for the state. Under the Governor's recommendation, the School for the Deaf and the School for the Blind continue to improve campus facilities to meet the needs of the students and current ADA standards.

For postsecondary education, the Governor's budget includes new funding of $41.9 million from the State General Fund for discretionary and targeted expenditures. Increases include a $30.0 million operating grant, which is discretionary funding for the universities, to be distributed by the Board of Regents; $3.0 million for student financial aid; and $5.7 million for community colleges, vocational and technical institutions, and Washburn University. Funding is enhanced to continue the initiative to address the state's shortage of teachers and nurses, with an additional $600,000 for Nursing Faculty and Supplies grant and $1.0 million for a new Competitive Teachers Grant, which is available to all postsecondary institutions.

How It Is Spent



Fiscal Year 2008

Funding for the State Library in FY 2008 includes $265,000 from the State General Fund to provide Kansas students with access to Homework Kansas. Homework Kansas offers real-time access to qualified teachers who serve as tutors on various subjects via the Internet.

The Governor's recommendation of the Historical Society for FY 2008 includes $111,000 from the State General Fund to restore the exterior of Goodnow House.

Elementary & Secondary Education

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

The issue most widely discussed regarding elementary and secondary education has been the *Montoy v. State of Kansas* court case. In response to this case, legislation was enacted during the 2005 and 2006 Legislative Sessions that greatly increased state funding for aid to schools. The 2006 legislation added $466.2 million, phased in over three years (FY 2007 to FY 2009). The Supreme Court subsequently dismissed the appeal, finding that the Legislature had responded to concerns that the funding formula failed to provide adequate and equitable distribution of funding for students. The Governor's budget recommendations for FY 2007 and FY 2008 fully fund this enhanced school finance formula.

State Aid to School Districts

The state's largest category of expenditure, state aid to school districts, is circulated through various aid programs, including general state aid, through which monies are distributed to school districts on a per pupil basis; supplemental general state aid which is the state's share of the cost for local option budgets; special education; and the employer's cost for teacher retirement benefits through KPERS. The Governor's recommendations in these areas are enumerated below. The cost of educating students enrolled in public schools is divided between local, state, and federal resources. On page 109, a full-page table shows the budgeted amounts by major aid program that includes state, federal, and local sources.

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

General State Aid. The Governor's budget recommendations for FY 2007 and FY 2008 are based on the estimates agreed upon by the Department of Education, the Division of the Budget, and the Legislative Research Department through the school finance consensus process. A meeting was held in November 2006, and estimates were developed on property tax revenue, student enrollment weightings, and adopted local option budgets. The table below outlines the state's obligation for general state aid in the current and budget years.

General State Aid to School Districts
(Dollars in Thousands)

	FY 2007 Gov. Est.	FY 2008 Gov. Rec.
Estimated Obligation	$ 2,871,005	$3,026,371
Local Effort Estimates		
Property Tax	524,905	536,338
Cash Balance	1,800	1,800
Federal Impact Aid	11,500	11,500
Special Ed Serv. Aid	318,000	340,000
HB 2583 "Slider"	--	4,445
Total Local Effort	$ 856,205	$ 894,083
Net State Cost	$ 2,014,800	$2,132,288
Less: Local Remit.	28,900	28,900
State Appropriation	$ 1,985,900	$2,103,388

Under the law amended by the 2006 Legislature, base state aid per pupil (BSAPP) is $4,316 for FY 2007. The FY 2007 budget recommendation is based on an estimated enrollment of 591,521 weighted pupils, a 4.0 percent increase over the previous year, primarily because of increases in weightings provided for in the formula, as well as more students attending school. In developing new estimates, it was discovered that property taxes generated from the statewide mill levy for support of schools will generate more local effort than previously estimated.

The total Governor's recommendation for FY 2008 for general state aid is $2,132.3 million, including $2,103.4 million from the State General Fund and $28.9 million from the State School District Finance Fund. This level of funding provides for a base state aid per pupil of $4,374, paid on 614,168 weighted students.

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

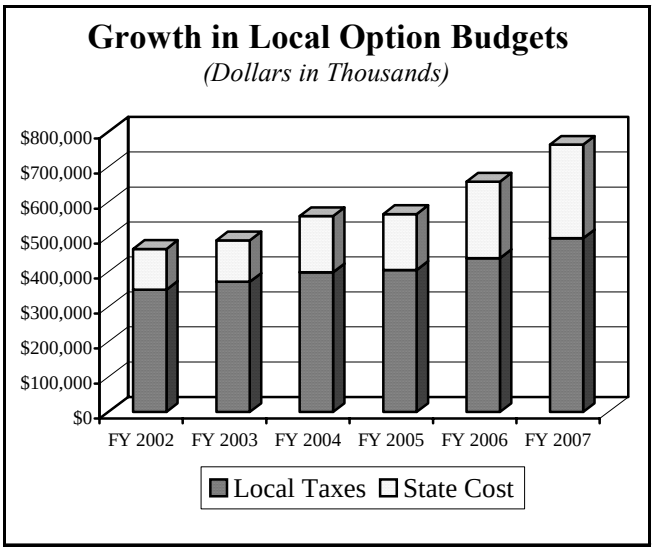
The 20.0 mill property tax levy and other local resources will finance 29.8 percent of the school finance obligation in FY 2007, and the State General Fund and other state monies will provide for the remaining 70.2 percent. For FY 2008, local resources are budgeted to finance 29.5 percent of the costs, with state resources paying 70.5 percent.

All-Day Kindergarten. In recognition of the importance of early education, the Governor recommends a phase-in of state financing of all-day kindergarten. The state currently finances half-day kindergarten for students, counting these students as 0.5 under the current school finance formula. Under the Governor's recommendations, $15.0 million will be added each year over five years, increasing the student weighting by 0.1 each year, until all kindergarten students are financed for all day. Approximately 64.0 percent of kindergarten students are already enrolled in all-day kindergarten, although state law does not require them to attend a full day of classes.

Local Option Budgets. The state's share of local option budgets is paid through supplemental general state aid. As local school boards or district voters allow for the increase in the size of their local option budgets, the state's expenses grow. Districts are allowed to adopt local option budgets up to 30.0 percent of the general fund budget in FY 2007 and up to 31.0 percent in FY 2008; for many years, the maximum was 25.0 percent. State aid is now equalized to the 81.2 percentile; in previous years it had been equalized to 75.0 percent.

The Governor's current year recommendation includes $267.4 million to fund the state's share of local option budgets, an increase of $48.6 million, or 22.0 percent, from the FY 2006 level, reflecting the change in the maximum allowed, which is applied to the districts' ever larger general fund budgets. This is an increase of $11.6 million over the approved amount.

Beginning in FY 2002, school districts were given new authority to channel state aid for special education through the school districts' general fund. This channeling also increases the general fund base upon which the local option budget authority is calculated. As more districts adopted local option budgets, especially those with smaller tax bases, the state's costs have risen. The graph below depicts the remarkable growth in this area of the budget.



The recommended FY 2008 budget for supplemental general state aid includes $287.5 million, a $20.0 million or 7.5 percent, increase over the current year budgeted expenditures.

Special Education Services Aid. For special education services, $334.1 million from the State General Fund is recommended in FY 2007 and $356.0 million in FY 2008. It is estimated that state support will cover 92.0 percent of excess costs for 11,920 special education teachers. In the current year, an additional $11.0 million is recommended to cover anticipated expenses, as estimated by the Department of Education, Legislative Research Department, and Division of the Budget.

Federal support is expected to be $96.4 million, an increase of only $500,000 over FY 2007. This level of federal funds provides approximately 14.0 percent of

the total expenditures for special education services, as mandated by federal law. Under the Governor's recommendation for FY 2008, it is anticipated that school districts will receive the same level of Medicaid funding for eligible special education students as has been received in the past. Recent audit reports have raised questions whether the federal government will continue to allow for bundled rate reimbursements, and whether Medicaid support will be maintained at similar levels, but that issue has not been resolved. The Governor's recommendation will support services to 80,700 students.

Special Education Excess Costs
(Dollars in Thousands)

	FY 2007 Gov. Est.	FY 2008 Gov. Rec.
Estimated Expenditures	$ 667,062	$ 700,497
Excess Cost Computation:		
Regular Ed Costs	(171,551)	(180,657)
Federal Aid	(95,900)	(96,400)
Medicaid Reimburse.	(35,000)	(35,000)
SRS Admin. Costs	(1,500)	(1,500)
Total Excess Costs	$ 363,111	$ 386,940
Excess Costs Required by Law	92.0%	92.0%
State Appropriation	$ 334,062	$ 355,984

KPERS—School Employer Contributions. Although employees of unified school districts are not state employees, the employer's cost of providing them retirement benefits rests with the state. An annual State General Fund appropriation is made to the Department of Education to cover quarterly payments, requested by KPERS for this cost. In the current year, an additional $8.7 million is recommended to cover anticipated expenses to the fund. The Governor's recommendation in FY 2008 for this appropriation is $218.4 million, a $26.0 million increase over the current year. As salaries rise at the district level, the state's costs rise proportionately. Also affecting the state's cost for this expenditure are planned increases in the state's contribution rate to the KPERS Fund to ensure future viability of the fund.

Bond & Interest State Aid. A revenue transfer from the State General Fund of $62.6 million is included in FY 2007 to aid school districts with bond and interest payments. The capital improvement transfer from the State General Fund in FY 2008 is estimated at $67.0 million. State law establishes a formula upon which state aid is determined. This amount is transferred from the State General Fund to a special revenue account in the Department for expenditures for affected districts. It is not recorded as a State General Fund expenditure.

Capital Outlay State Aid Demand Transfer. Created by the 2005 Legislature for FY 2006, state aid for capital outlay purchases by schools is budgeted at $21.3 million in FY 2007 and $22.4 million in FY 2008. One criticism of the previous school finance law was that districts were allowed to impose a mill levy with no state aid to equalize the funds across school districts. Those districts with lesser tax bases were unable to raise equivalent funds than wealthier districts. This new state aid program equalizes the local mill levy. This is currently the only demand transfer from the State General Fund. As such, it is shown as an expense of the State General Fund.

Department of Education

The Governor's recommended budget in FY 2007 is $3,307.0 million, of which $2,833.6 million is from the State General Fund. The FY 2008 recommendation is $3,513.7 million, with $3,035.3 million 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 operating costs of the Department of Education itself, which are $33.4 million in FY 2008.

Developing a Qualified Teaching Workforce. For several years, no state funding of professional development aid was provided as a result of financial difficulties. Professional development activities help educators improve their teaching skills and enhance student achievement. Research studies show that between 20.0 and 40.0 percent of the variation of student achievement is attributable to teacher expertise. For FY 2008, the Governor again recommends funding this state aid program at $1.75 million. Requests for state aid are dependent on a written plan submitted by the district and approved by the State Board of Education.

To assist teachers in their first year of serving in the classroom, $1,000 bonuses are continued for those

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

(Dollars in Thousands)

	FY 2006 Actual		FY 2007 Gov. Est.		FY 2008 Gov. Rec.	
	SGF	All Funds	SGF	All Funds	SGF	All Funds
State Aid:						
General State Aid	1,861,825	1,903,713	1,970,830	1,999,730	2,088,318	2,117,218
Four-Year-Old At-Risk Program	13,566	15,070	15,070	15,070	15,070	15,070
Subtotal--General State Aid	1,875,391	1,918,783	1,985,900	2,014,800	2,103,388	2,132,288
All-Day Kindergarten	--	--	--	--	15,000	15,000
Supplemental General State Aid	218,849	218,849	267,447	267,447	287,455	287,455
Bond & Interest Aid	--	57,488	--	62,600	--	67,000
Capital Outlay Aid	19,294	19,294	21,280	21,280	22,400	22,400
Declining Enrollment Aid	40	40	100	100	100	100
Special Education Aid	291,581	388,633	334,062	430,312	355,984	452,734
Deaf-Blind Program Aid	110	110	110	110	110	110
KPERS Employer Contribution	161,531	161,531	192,432	192,432	218,428	218,428
Teachers' Professional Development	992	992	1,750	1,750	1,750	1,750
Teacher Mentoring	1,050	1,050	1,100	1,100	1,150	1,150
Teacher Excellence Grants	162	162	274	274	277	303
Juvenile Detention Grants	7,118	7,118	7,535	7,535	7,535	7,535
Optometric Vision Study and Services	--	300	--	300	--	300
Parent Education Grants	4,790	7,289	7,331	7,331	7,290	7,290
Driver Education Program Aid	--	1,615	--	1,619	--	1,619
Alcohol & Drug Abuse	--	2,616	--	2,200	--	2,000
Other State-Funded Grants	530	601	830	880	530	580
No Child Left Behind & Other Federal Aid:						
Elem. & Secondary Education Prog.	--	100,468	--	95,684	--	94,271
Improving Teacher Quality	--	20,631	--	21,042	--	21,042
21st Century Community Learning	--	6,036	--	5,700	--	5,850
Rural & Low Income Schools	--	23	--	23	--	23
Language Acquisition State Grants	--	2,262	--	2,600	--	2,600
Reading First	--	5,124	--	5,100	--	5,100
Ed. Research and Innovative Prog.	--	4,796	--	5,367	--	5,367
Vocational Education	--	5,145	--	5,120	--	5,120
School Food Assistance	2,510	119,617	2,510	121,440	2,510	122,940
Subtotal State & Federal Funding	$ 2,583,948	$ 3,050,572	$ 2,822,662	$ 3,274,146	$ 3,023,908	$ 3,480,355
Amount Change from Prior Year	*269,005*	*295,413*	*238,715*	*223,574*	*201,246*	*206,209*
Percent Change from Prior Year	*11.6%*	*10.7%*	*9.2%*	*7.3%*	*7.1%*	*6.3%*
Local General Fund Budgets	--	792,421	--	856,205	--	894,083
Districts' Share of Local Option Budget	--	439,855	--	496,687	--	533,845
Subtotal Local Funding	$ --	$ 1,232,276	$ --	$ 1,352,892	$ --	$ 1,427,928
Amount Change from Prior Year	*--*	*105,167*	*--*	*120,616*	*--*	*75,036*
Percent Change from Prior Year	*--*	*9.3%*	*--*	*9.8%*	*--*	*5.5%*
Total State, Federal, & Local Funding	**$ 2,583,948**	**$ 4,282,848**	**$ 2,822,662**	**$ 4,627,038**	**$ 3,023,908**	**$ 4,908,283**
Amount Change from Prior Year	*269,005*	*400,579*	*238,715*	*344,190*	*201,246*	*281,245*
Percent Change from Prior Year	*11.6%*	*10.3%*	*9.2%*	*8.0%*	*7.1%*	*6.1%*

senior teachers who serve as mentors to new teachers under the state's mentoring program. The Governor recommends increasing this program to $1.1 million in FY 2007 and to $1,150,000 in FY 2008, all from the State General Fund.

In addition to addressing the needs of new teachers, the Governor continues support for the National Board Certification Program for the state's finest experienced teachers. Several years ago, the Department of Education and Emporia State University collaborated to establish a program promoting teacher excellence through meeting standards established by the National Board for Professional Teaching Standards. National Board Certification is voluntary and open to all teachers who have a baccalaureate degree and three years of classroom experience in either a public or private school.

Teachers who attain National Board Certification receive a master teacher's certificate from the State Board, valid for ten years, and a bonus of $1,000 in each of those ten years. In the program's first year, the Department of Education received $40,000 to provide 40 scholarship grants of $1,000 each to teachers to pay one-half the cost of participation. Teachers and their school districts provided the other half. Federal resources were tapped through the National Board to help defray a portion of the teacher's responsibility.

With the success of this program, funding for this program is recommended at $274,000 in FY 2007 and $277,000 in FY 2008. It is anticipated that 277 bonus awards for teachers who are certified and for those seeking certification will be paid. Professional certification takes the next step to provide assurance of high-quality practice.

The Governor also recommends creation of a Leadership Commission with a budget of $100,000 from the State General Fund to promote increased student and staff performance and create a cohesive and comprehensive educational leadership plan for the state. The plan will encompass issues of teacher preparation and licensure, continuing education, and practice in the classroom.

Also included is $325,000 in both years from the State General Fund for the Teachers' Performance Assessment, which is part of the Department's ongoing updates to the teacher licensure program. Funding this program from the State General Fund keeps teachers' licensure fees from increasing. The Governor also adds State General Fund monies to the Board of Regents budget to add scholarships for teaching students and to create a new program for competitive grants on innovations for attracting and retaining teachers. These programs are outlined in further detail in the Higher Education section of this volume.

The Kauffman Foundation will again finance a review of school district spending patterns. An initial review was completed in FY 2006 and outlined characteristics of 17 districts that use their resources most effectively. This information was presented so that other districts can learn from those districts' strategies. The report covered organizational attributes, monetary resources, staff resources, time resources, as well as programmatic resources.

Enterprise Data Warehouse. In an effort to meet the reporting requirements of the federal No Child Left Behind legislation and reduce the administrative burden on school districts, the Department of Education is developing an Enterprise Data Warehouse. The system will integrate approximately 80 major databases in the agency to improve the utility, accuracy, reliability, and timeliness of the Department's data, guide decision making, foster data sharing, and position the Department to implement growth modeling. Growth modeling will allow the state to measure the academic progress of individual students longitudinally to ensure that all Kansas children learn what is expected of them. In support of this project, $786,137 in FY 2007 and $837,099 in FY 2008 are included in the agency's operating budget.

Parent Education. For FY 2008, the Governor recommends continued funding for the state's program to assist parents. State funding of $7.3 million is financed by the State General Fund. The program's local match has been stepped down from 100.0 percent to 65.0 percent 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.

Juvenile Detention Facilities. The state provides special support to meet the educational needs of students housed in juvenile detention facilities and a variety of other alternative juvenile placements, such

as the Flint Hills Job Corps Center. School districts receive aid based on twice the base state aid per pupil or the actual expenses of providing the educational services, whichever is less. In FY 2007, the Governor provides $7.5 million from the State General Fund. Additional students in the state and the higher base state aid amount both increase the amount of monies distributed through this aid program. Funding is held at this same level in FY 2008, pending future enrollment data for this group of students.

Miscellaneous Grants. Included in the budget of the Department of Education are several pass-through grants to local organizations. The Governor recommends state funding of $50,000 for the Communities-in-Schools Program, a drop-out prevention program. Continued support from the Children's Initiatives Fund of $300,000 is provided in FY 2008 for the optometric services to students needing vision correction to improve learning. The Governor also recommends $10,000 from the State General Fund for the school safety hotline, $35,000 for Agriculture in the Classroom, and $505,000 for grants to be distributed at the discretion of the State Board.

Student Assessments. The 1992 School District Finance and Quality Performance Act mandated state accreditation of schools based on outcomes for school improvement and student performance established by the State Board of Education. Consistent with this act, the State Department of Education has made it a goal for all schools to demonstrate continuous improvement in student learning. State student assessments are to be administered at three grade levels as determined by the State Board and that curriculum standards must be reviewed at least every three years.

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 counseling, science, social studies, music, and physical education are being reviewed and rewritten in the current year. The Governor's budget provides $6.3 million for administration of student assessments in FY 2008.

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

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

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

The act affects virtually every program authorized under the Elementary and Secondary Education Act—ranging from Title I and efforts to improve teacher quality to initiatives for limited English proficient students and safe and drug-free schools. The Department of Education continues to work with school districts to ensure Kansas complies with all aspects of the new federal law. The act is up for reauthorization in 2007.

School for the Blind

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

independent adults. The School expects to have 50.0 percent of its graduates living independently and 75.0 percent of graduates enroll in a post-secondary or vocational-technical education program.

For FY 2008, the Governor recommends $5,929,285 from all funding sources, including $5,363,731 from the State General Fund, for the School's operating expenses and capital improvement projects. 93.50 FTE positions will serve approximately 150 students at the Kansas City campus during the regular and summer term.

School for the Deaf

The School for the Deaf provides a variety of services that include educational, residential, outreach, and health care for children with hearing and other impairments until the age of 21. The School's curriculum includes all academic subjects necessary for accreditation by the Department of Education, and students acquire a high school diploma upon completion of coursework. Students receive intensive instructions in learning skills that are specific to their disability with a special emphasis on speech and communication skills at the elementary level.

An Individual Education Plan is developed for each student to measure progress. Younger children in the Kansas City area are served by the Parents as Teachers Program, which provides early language stimulation and promotes communication skills that are appropriate to the child's age. Students residing in the dormitory receive additional hours of instruction related to academics and special needs to help foster independent living. The School expects to have 70.0 percent of its students scoring at a proficient or higher level in math and reading. A staff of 173.50 FTE positions will provide services to approximately 150 students for FY 2008.

For FY 2008, the Governor recommends $9,285,931 from all funding sources, including $8,739,276 from the State General Fund, for the School of the Deaf's operating and capital improvement expenses. The budget will include funding support for the educational, residential, and outreach services.

The Board of Regents has the responsibility to coordinate all public postsecondary education in the state. The Board presents a unified budget for postsecondary education, approves core indicators of quality performance, develops a policy agenda for postsecondary education, and reviews 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 state provides approximately $28.1 million in financial aid to students attending both public and private institutions in Kansas through numerous scholarship and grant programs. These monies are channeled through the Board of Regents with the exception of the Medical Student Loan Program, which is administered by the University of Kansas Medical Center. The table on this page shows the Governor's recommendations for an increase in funding for postsecondary educational institutions and student financial aid in FY 2008.

Board of Regents

Funding and programs that are administered by the Board of Regents are described below.

University Operating Grant

In the fall of 2000, the Board of Regents proposed a university operating grant model to the Governor to increase funding at universities. The Governor recommended the concept to the Legislature, and during the 2001 Legislative Session, an operating grant for the universities' FY 2002 budgets was implemented.

The operating grant is adjusted entirely through the appropriations process. No formula governs the amount of the grant. The state may take into account a number of variables, including the economy, the needs of the universities, and spending mandates. In addition, an appropriation can be made directly to a university for a specific purpose, if the need arises. The funding for the grant is appropriated to the Board of Regents for distribution to individual universities without restriction. The Board is also at liberty to use its own criteria when distributing the funding. In addition, the Board has the authority to redistribute funds at any time.

For FY 2008, the Governor recommends an operating grant increase of $30.0 million from the State General Fund. The increase will be appropriated to the Board of Regents for distribution to the universities. The Board will distribute a $30.0 million State General Fund operating grant that the Governor has recommended for FY 2008. This will be

Increased Funding for Postsecondary Education in FY 2008

Program	SGF
Board of Regents	
University Operating Grant	30,000,000
Community Colleges	3,848,656
Vocational/Technical Institutions	1,397,232
Washburn University	458,700
Adult Basic Education	200,000
KS Academy of Math & Science	100,000
Competitive Teachers Grant	1,000,000
Nursing Faculty & Supplies	600,000
Technical Equipment for Community Colleges & Washburn University	16,963
Board Office Operations	77,875
Subtotal	$ 37,699,426
Student Financial Assistance	
Comprehensive Grant	3,000,000
Teacher Scholarships	1,000,000
Subtotal	$ 4,000,000
Total--Board of Regents Increase	$ 41,699,426
KSU--Veterinary Medical Center Veterinary Training Program	$ 100,000
Total--State General Fund	$ 41,799,426
	EDIF
Wichita State University National Institute for Aviation Research Funding	$ 2,500,000

approximately $12.6 million more than the FY 2007 operating grant.

Community Colleges

The 19 community colleges in the state provided educational opportunities to 120,206 students in the 2005-2006 school year. In addition to the traditional students who enter community colleges 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 $100,065,068 for community college operating grants for FY 2008 from the State General Fund. This is an increase of $3,848,656, or 4.0 percent, over FY 2007.

Area Vocational-Technical Schools

Sixteen area vocational-technical schools operate in Kansas. The schools educate both high school students and postsecondary students, as well as provide training opportunities in cooperation with local businesses. The Governor recommends $43,190,629, including $36,357,997 from the State General Fund and $6,832,632 in federal funding. The majority of this funding will be used for operating expenditures at the schools. The Governor's recommendation for FY 2008 includes an additional $1,397,232, a 4.0 percent increase.

Washburn University

The state has provided financial support to Washburn University since 1961. Currently, the Board of Regents administers the state operating grant for the University. For FY 2008, the Governor recommends $11,926,216 from the State General Fund, an increase of $458,700, or 4.0 percent, over FY 2007. Washburn serves 7,153 students in the fall of 2006 (FY 2007). In addition, it provides free educational opportunities to individuals over 65 years old. The University reported that 100 individuals took advantage of this opportunity in FY 2007.

Adult Basic Education

The Adult Basic Education Program assists individuals in the completion of their high school education, and a high school diploma improves their earning potential and allows them to further their education if they choose to do so. For FY 2008, the Governor recommends an additional $200,000 from the State General Fund to match $600,000 in federal funds. That brings the State General Fund to a total of $1,548,998 for the program.

KAN-ED

The 2001 Legislature authorized the Board of Regents to develop an implementation plan for KAN-ED. The Board has completed that work. The purpose of the KAN-ED network is to operate and maintain a broadband technology-based network to which hospitals, schools, and libraries can connect for broadband Internet access for distance learning and for other communication needs.

Implementation of the system began January 1, 2003, with $5.0 million from the Kansas Universal Service Fund, whose revenues are derived from an assessment on users of intrastate telecommunication services. Funding continued from this source through FY 2006 but could not exceed $10.0 million a year. The 2005 Legislature limited the amount of Kansas Universal Service Fund (KUSF) dollars that could be used to $8.0 million in FY 2007, $6.0 million in FY 2008, and $5.5 million for FY 2009, for KAN-ED. For each of these years, the difference between the maximum amount from the KUSF and the $10.0 million total will be financed from the State General Fund.

Starting with 2010, State General Fund dollars are scheduled to be used to fund the entire $10.0 million total for the KAN-ED network. However, the Governor recommends that current law be amended to provide $8.0 million from Kansas Universal Service Fund and $2.0 million from the State General Fund in FY 2008, the same mix of funding as FY 2007.

Other Board of Regents Programs

Kansas Academy for Math & Science. The Governor recommends $100,000 from the State

General Fund in FY 2008 for the first year of the Kansas Academy for Math and Science. This is a two-year residential program of college coursework tailored to the abilities of high school juniors and seniors talented in math and science and taught by university faculty. The program will admit 20 students statewide.

Competitive Teachers Grant. The Governor recommends the addition of $1.0 million from the State General Fund to implement the Competitive Teachers Grant Program. This program will allow public postsecondary institutions to bring forward proposals specifically targeted at increasing the supply of teachers, especially in geographical areas and subject areas with shortages. Funding will be matched one to one with institutional funds.

Nursing Faculty & Supplies Grant. For FY 2008, the Governor recommends an additional $600,000 from the State General Fund for the Nursing Faculty and Supplies Grant. Total funding is $1.8 million for the second year of the ten-year program designed to increase the number of nursing faculty at postsecondary institutions. The grant will be matched two to one by the institutions receiving a grant.

Postsecondary Database System. In FY 2002, the Board of Regents began the development of a data collection system to enhance the management of postsecondary institutions. The project is entering the second of five phases and will be completed in FY 2009. The Administration Program at the Board's office receives a $600,000 annual appropriation and employs 4.00 staff for the project.

Research Initiative. During the 2002 Legislative Session, a $120.0 million bond issue was approved to fund four research projects: construction of a life sciences research center at the KU Medical Center, construction of a food safety research facility at Kansas State University, expansion of an aeronautical engineering complex at Wichita State University, and equipping of a research building at the University of Kansas. The 2005 Legislature authorized an additional $50.0 million in bonding authority to expand the program. Debt service for the projects is shown in the table.

The Board of Regents estimates that the debt service will remain relatively stable at approximately $9.6 million for the next few years. The state is responsible for the first $50.0 million of debt service, with debt service not to exceed $10.0 million in any one year. More than $25.4 million will have been paid by the end of FY 2008. After the $50.0 million has been paid, the universities will assume responsibility for the debt service from revenue generated by the facilities.

Research Initiative Debt Service

	Principal	Interest	Total
FY 2004	$ --	$ 4,231,846	$ 4,231,846
FY 2005	1,890,000	116,586	2,006,586
FY 2006	--	76,414	76,414
FY 2007	6,000,000	3,583,000	9,583,000
FY 2008	6,000,000	3,583,000	9,583,000

Student Financial Assistance

Included in the funding administered by the Board of Regents is financial aid for student scholarships and grants. For FY 2008, the Governor recommends $24,262,661 from all funding sources, including $23,210,277 from the State General Fund. The recommendation includes an additional $4.0 million in FY 2008. From the State General Fund $3.0 million is added to the Comprehensive Grant to assist financially needy students, and $1.0 million is added to the Teachers Scholarship. In addition, at the University of Kansas Medical Center, $3.8 million will be expended in FY 2008 for the Kansas Medical Loan Program. Financial assistance programs administered by the Board of Regents are described 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 that higher education remains open to all students who qualify. The Governor recommends $18,023,262, including $17,189,878 from the State General Fund, for FY 2008. This is a State General Fund increase of $3.0 million over FY 2007. The average grant is $1,500.

Teacher Scholarship Program. For FY 2008, the Governor recommends $1,326,744 from the State General Fund for the Teachers Scholarship Program to help reduce the shortages of teachers in hard to fill

disciplines and underserved geographical areas. This is a competitive scholarship, and recipients must teach in the specified discipline or geographical area one year for each year of support. Priority is given to students in the final two years of teacher education.

Special Education Teacher Scholarship Program. Acceptance of this scholarship will require the recipient to teach special education for children with disabilities in Kansas for the equivalent of at least three years. The Governor recommends $300,000 from the State General Fund for FY 2008.

Teacher Education Scholarship Program. The Governor recommends $86,115 for this scholarship in FY 2008. It is for individuals who have been working in education and would like to obtain an undergraduate or graduate degree in teaching. Recipients may receive up to $3,000 per semester. The scholarship is renewable on the basis of the recipient remaining in good academic standing.

State Scholarship Program. This grant is designed to assist Designated State Scholars. Students are designated scholars on the basis of completing the Kansas Scholars Curriculum, the ACT Composite Score, and the cumulative high school GPA. For FY 2008, the Governor recommends $1,133,199 from the State General Fund for this program.

Vocational Scholarship Program. The Governor recommends $121,275 from the State General Fund for FY 2008. This level of funding will finance approximately 242 awards for vocational training programs.

Minority Fellowship Program. The purpose of this program is to recruit and retain minority students in graduate education programs at Regents institutions. For FY 2008, the Governor recommends $24,000 for this fellowship program. The funding will assist three students. Because this program is under review by the U.S. Department of Education, no new fellowships have been awarded since FY 2000. However, the Board plans to continue to fund renewals for the current participants.

Optometry Scholarship Programs. The Governor and the Legislature authorized contracts between the Board of Regents and selected out-of-state schools of optometry for approximately 34 students. This is necessary because optometry is not offered at any Kansas university. The Governor recommends $113,850 from the State General Fund in FY 2008. Students are ranked academically by the optometry schools and are funded in that order.

Nurse Educator Grant Program. The FY 2008, $200,000 from the State General Fund program is budgeted for Kansas residents who are registered nurses and enrolled in a masters or doctorate program in nursing. The grant will pay for 70.0 percent of the cost of attending the program. In addition, the grant will require a 50.0 percent match by the university or other postsecondary institution being attended.

Nursing Service Scholarship Program. This is a need-based scholarship. The funding will help meet the requirements of students and the communities in which the nurses will serve. Total funding for the program is $443,592 in FY 2008 from the State General Fund. Students seeking a nursing scholarship must locate a sponsor who will pay up to one-half of the scholarship stipend and agree to employ the recipient within six months of 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 200 scholarships.

ROTC Scholarship Program. For FY 2008, the Governor recommends $186,401 from the State General Fund for Reserve Officer Training Corps scholarships. This funding will provide approximately 103 awards.

National Guard Educational Assistance Program. This program provides tuition assistance to National Guard members. The Legislature transferred this program from the Adjutant General to the Board of Regents in FY 2003. Since that time, funding has been increased to encourage participation in the National Guard. For FY 2008, the Governor recommends $925,838 from the State General Fund, which will finance approximately 514 awards for students participating in the National Guard Program.

Math & Science Teacher Service Scholarship. For FY 2008, the Governor recommends $250,000 for the third year of this program from the State General Fund. Qualified applicants will receive a scholarship

of $2,500 per semester for up to two years. In order to be eligible, a student must be a Kansas resident, enrolled in a program leading to licensure as math or science teacher for grades six through 12, and have demonstrated scholastic ability. Preference is given to students who have completed at least 60 hours in their course of study. In addition, students must agree to teach in Kansas for at least four years: two years for each year of financial aid.

Tuition Waivers. The Governor recommends $90,000 from the State General Fund for tuition waivers in FY 2008. The Board of Regents administers two tuition waiver programs. The first is the Foster Care Tuition Waiver Program, which provides waivers to cover the cost of tuition and fees for young people who have grown-up in foster care. The federal Chaffee Foster Care Independence Grant funds 80.0 percent of the cost. The second is the Dependents of Deceased Public Safety Officer Tuition Waiver Program. Eligible students include dependents and spouses of deceased public safety officers and military personnel who died on or after September 11, 2001, and prisoners of war.

Regents Universities

How Regents universities have been funded by the state has undergone a number of changes in recent years. The operating grant method of funding has provided the universities with control of all their funding sources without restriction from the state. In response to this and other factors, the universities have chosen to increase tuition significantly on an annual basis. Total funding for Regents universities is shown in the table below.

Funding for Regents Universities

FY 2007	State General Fund	Other State Funds	Tuition*	Other General Use Funds	Restricted Use Funds	Total
ESU	33,368,654	1,602,912	17,792,064	--	21,517,337	74,280,967
FHSU	34,223,134	1,409,749	16,950,194	--	25,395,485	77,978,562
Kansas State U.	110,956,096	5,206,655	114,856,602	100,000	246,219,573	477,338,926
KSU--ESARP	51,957,479	--	--	8,312,824	71,571,554	131,841,857
KSU--Vet. Med. Ctr.	10,722,664	--	11,607,880	10,650,118	2,901,779	35,882,441
PSU	35,944,024	1,658,299	22,204,004	--	23,241,162	83,047,489
KU	145,003,803	11,774,763	184,034,300	2,161,296	205,951,410	548,925,572
KU Med. Ctr.	116,091,804	1,910,699	22,800,000	13,449,656	93,557,599	247,809,758
WSU	73,628,411	2,824,456	45,213,906	--	72,909,527	194,576,300
Total	$ 611,896,069	$ 26,387,533	$ 435,458,950	$ 34,673,894	$ 763,265,426	$ 1,871,681,872

FY 2008	State General Fund	Other State Funds	Tuition*	Other General Use Funds	Restricted Use Funds	Total
ESU	33,123,789	--	17,088,226	--	22,679,562	72,891,577
FHSU	34,206,668	--	17,232,249	--	28,031,028	79,469,945
Kansas State U.	110,956,096	--	113,371,257	100,000	255,708,831	480,136,184
KSU--ESARP	52,257,479	--	--	8,491,694	73,304,499	134,053,672
KSU--Vet. Med. Ctr.	10,822,664	--	11,471,933	7,145,830	3,465,376	32,905,803
PSU	36,271,993	--	22,611,539	--	26,426,278	85,309,810
KU	145,003,803	40,000	184,034,300	2,130,379	208,359,684	539,568,166
KU Med. Ctr.	116,090,900	250,000	23,243,315	9,445,042	90,344,050	239,373,307
WSU	71,277,946	2,500,000	46,068,171	--	73,435,211	193,281,328
Board Transfers**	30,000,000	15,000,000	--	--	--	45,000,000
Total	$ 640,011,338	$ 17,790,000	$ 435,120,990	$ 27,312,945	$ 781,754,519	$ 1,901,989,792

** Tuition expenditure estimates for FY 2007 are based on FY 2006 student enrollment. For universities at which enrollment has increased, additional revenues will be available. Tuition expenditure estimates for FY 2008 are based on FY 2006 student enrollment and FY 2007 tuition rates. Tuition will increase in FY 2008, but the amount will not be determined until the summer of 2007. Based on the increases in tuition and enrollment, revenues could increase in FY 2008.*

*** These funds are transferred by the Board of Regents to state universities.*

Beginning in FY 2008, the universities will receive interest earnings from their respective General Fees Funds and Restricted Use Funds. Each university's earnings will be transferred into its own Deferred Maintenance Support Fund. Earnings will fluctuate yearly depending current interest rates. The Regents estimate the earnings for FY 2008 to be $8.5 million. Some of the universities included expenditures from the new fund in FY 2008 and some did not, choosing to wait until FY 2009 or later years.

Enrollments. The demand for postsecondary education, though traditionally high, has slowed. System-wide state public university enrollments increased 0.8 percent in FY 2007 and Washburn University had a decline of 0.1 percent for the same year.

University Headcount Enrollment

	FY 2005	FY 2006	FY 2007
Emporia State	6,164	6,288	6,473
Fort Hays State	8,500	9,019	9,122
Kansas State	23,151	23,182	23,141
Pittsburg State	6,537	6,628	6,859
KU	26,980	26,934	26,773
KU Med. Ctr.	2,610	2,690	2,840
Wichita State	14,298	14,076	14,298
Total Regents	88,240	88,817	89,506
Washburn	7,251	7,261	7,153

Tuition. Regents universities estimate that they will expend over $435.4 million from tuition revenues in FY 2007. In making the estimates, the universities assume the number of students will be at the FY 2006 level. The expenditure of tuition receipts could change as new students are added or subtracted. For FY 2008, tuition rates will not be set until the summer of 2007. Revenue from tuition is a significant source of income for the universities. This is especially true for the regional institutions that do not have the alternative sources of income that the large research universities have. The tuition increases for the 2006-2007 school year for each state university are shown in the following table.

Over the past six years Kansas public universities have had large increases in tuition and fees. For FY 2007, the Board of Regents provides comparative data for the state universities and their peer institutions in other states. The cost at the University of Kansas is $136 above its peers and Kansas State University is $158 above its peers. Wichita State University's tuition and fees are $405 below its peers. Emporia State University, Pittsburg State University, and Fort Hays State University were approximately $900 below their peers.

Resident Tuition & Fees

	FY 2006	FY 2007	FY 2007 Increase
Emporia State	$ 1,653	$ 1,793	8.5 %
Fort Hays State	1,526	1,596	4.6
Kansas State	2,562	2,890	12.8
KSU--Vet. Med.	5,082	5,605	10.3
Pittsburg State	1,781	1,895	6.4
KU	2,707	3,076	13.6
KU Med. Ctr.	9,668	10,823	11.9
Wichita State	2,116	2,258	6.7

Emporia State University

Emporia State University's instructional programs include baccalaureate and graduate degrees for students of all ages and specialized continuing education for practitioners, including education professionals. The University's teacher education has the ability to prepare teachers and specialized staff for careers in education. Educational programs are addressed by the University on a number of 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 programs are offered, including liberal arts and sciences, business, and library management.

The Governor's recommendation for FY 2008 is $33,123,789 for operations from the State General Fund. In addition, the Governor recommends $242,889 for the Reading Recovery Program and $145,766 for the National Board Certification/Future Teacher Academy, all from the State General Fund. Emporia State's enrollment has increased by 185 students over the past year, for a total enrollment of 6,473 in FY 2007.

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 atmosphere. To achieve this goal, it continuously upgrades the telecommunications and computing infrastructure, as well as integration of technology with the learning environment.

For FY 2008, the Governor recommends $34,206,668 for operations from the State General Fund. Fort Hays is teaching an increasing number of credit hours because of its "virtual" university. The virtual university consists of classes taught over the Internet. The headcount enrollment at the University has increased by 103 students over the past year with a total headcount of 9,122 in FY 2007.

Kansas State University

For the Manhattan and Salina campuses of Kansas State University, the Governor's recommendation for FY 2008 is $110,766,650 for operations and $189,446 for a lease payment from the State General Fund. Funding will permit the University to maintain service to its 23,141 students.

The University believes that its ranked faculty should teach undergraduate courses. It plans to continue to increase the percentage of undergraduate credit hours taught by full-time ranked faculty and to ensure the overall quality of instruction. 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.

Kansas State University—ESARP

For FY 2008, the Governor recommends $52,257,479 for operations from the State General Fund. For FY 2006, the Legislature provided $300,000 from the Economic Development Initiatives Fund (EDIF) for operations because the Extension Systems and Agriculture Research Program (ESARP) does not have tuition revenue at its disposal. The Governor recommends that the funding source be changed from the EDIF to the State General Fund in FY 2008.

ESARP conducts research and provides community services. It focuses on food, nutrition, agricultural industry competitiveness; health and safety; and youth, family, community development, and natural resources and environmental management. ESARP receives federal land grant funding. In FY 2008, it is expected that it will receive almost $8.5 million from this source. ESARP has 1,390.29 FTE positions, including agents in the communities.

KSU—Veterinary Medical Center

The Governor recommends $10,822,664 for the Center's operations from the State General Fund for FY 2008. Included in that amount is $200,000 for the second year for the Veterinary Training Program for Rural Kansas, a service scholarship. The Center provides veterinary medical education to over 400 students. The teaching hospital is one of the largest in the nation. Each year, 17,000 animals are treated in this state-of-the art facility. The hospital is equipped to manage routine and complex health problems in animals of all species. The hospital has recently completed, with fees from services, an oncology unit for the study of tumors and an equine section. An Equine Performance Testing and Locomotion Center provides clinicians and horse owners with access to sophisticated diagnostic instruments for evaluation of many performance-related issues. These and other services encourage animal owners to use the Center, generating teaching cases for the veterinary students.

Pittsburg State University

Pittsburg State University's primary objective is to offer strong undergraduate and graduate education programs. It will fulfill its statewide mission in technology and economic development by facilitating partnerships with secondary and postsecondary educational institutions, businesses, and industries. The University's College of Technology is the center of technological excellence in the state. The college gives particular attention to supporting economic development. The Governor's budget recommends $36,271,993 from the State General Fund for the

University's operations for FY 2008. The University's current enrollment is 6,859 students, an increase of 231 students over the previous year.

University of Kansas

The Governor recommends $145,003,803 for the University's operations grant for FY 2008 from the State General Fund. The state's largest research and education institution will provide education to 26,773 students in the current year, a decline of 161 students. The University's tuition is still considered reasonable by many despite the recent increases. The University has targeted a portion of its tuition increase to retaining and increasing faculty, student financial aid and services, and technology equipment.

University of Kansas Medical Center

Governance of the University of Kansas Hospital changed from the Kansas Board of Regents to a new public authority in FY 1999. The majority of Hospital expenditures are no longer included in the state budget. However, the Hospital still contracts and shares certain operating costs with the portion of the University of Kansas Medical Center that remains a state agency.

For FY 2008, the Governor recommends $108,304,136 for operations and $2,786,764 for the Medical Student Loan Program from the State General Fund. In addition, the Governor continues $5.0 million from the State General Fund for support of the new Cancer Center. The Center will deliver state-of-the-art cancer care to the citizens of the region. The goal is to attain the National Cancer Institute designation by 2010. This designation denotes the highest recognition for cancer research and care.

In general, 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 the interdisciplinary center 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 facility. In addition to telemedicine consultations performed through technological means, medical service to rural areas and training for medical residents in family practice are 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 Medical Student Loan Program is designed to provide an increased supply of general practice physicians to rural areas. For FY 2008, the Governor has included $3,863,195, including $2,786,764 from the State General Fund, for the program. This will fund 99 students, including 30 first-year students. The program provides tuition and a monthly stipend for students at the School of Medicine. Students must enter a primary care specialty and then practice in a non-urban county in Kansas. Failure to satisfy the service commitment requires repaying the loan together with a severe interest penalty.

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 project, KUMC pediatricians and other specialists are linked with children at various elementary schools in the Kansas City, Kansas vicinity. Wichita and rural children will also benefit from tele-medicine technology that can bring health services directly into the schools; therefore, the Governor recommends $250,000 in FY 2008 from the Children's Initiatives Fund for this program.

In Wichita and rural areas, 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 2008, the Governor recommends $71,277,946 from the State General Fund for operations. The urban University has an enrollment of 14,298 students in the

current year. Unique to this institution are the demographics of its students. The average age of Wichita State's students is late 20s, and they usually have a number of hours of transfer credit from other institutions upon receipt of a bachelor's degree. In keeping with this institution's demographics, many students take courses at the three sites that are in the City of Wichita but which are located off the main campus.

Wichita State is working to increase external funding for its research, training, and public service functions. The University brings experts to campus to offer workshops in an effort to improve the quality of research proposals. Collaboration is encouraged with local industries, such as Boeing, and with the faculty of other universities to provide joint projects and proposals. One of the University's primary strengths is aviation engineering education and research. For FY 2008, the Governor recommends $2.5 million from the Economic Development Initiatives Fund to finance research at the University's National Institute for Aviation Research.

The University will be participating in the Board of Regents research initiative to upgrade its aviation research facilities. The University has also issued $13.0 million in bonds for equipment. Debt service for that aviation research equipment began in FY 2005. The cost from the State General Fund for principal and interest on aviation research equipment is $1,645,711 in FY 2007 and $1,642,949 in FY 2008.

Other Education Agencies

Kansas Arts Commission

The Kansas Arts Commission offers grants and technical assistance to various artists and arts organizations throughout the state. The Governor recommends $2,166,579 from all funding sources for FY 2008, with $1,659,985 from the State General Fund. The Governor's recommendation includes an enhancement of $100,000 from the State General Fund to increase grant funding for local arts education programs. Local arts education programs emphasize the importance of arts in the development of Kansas children and provide opportunities for children and youth to experience the arts through hands-on involvement. The budget will support the existing 8.00 FTE positions. Of the total of $2,166,579, $1,504,917 is for arts programming and $661,662 is for administration. Funding is primarily from State General Fund appropriations and grants from the National Endowment for the Arts. The Commission expects to sponsor arts programs in 74 counties in FY 2008.

Historical Society

The State Historical Society collects, interprets, and disseminates materials and information related to Kansas history to assist the public in 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. The Governor's recommendation for FY 2008 is $9,670,925, of which $6,400,374 is from the State General Fund. The recommendation includes $26,400 from the State General Fund to replace the agency's existing telephone system and $111,000 from the State General Fund to restore the exterior of Goodnow House, a state historic site located in Manhattan, Kansas.

The FY 2008 budget includes a pass-through grant of $27,930 for the Heritage Center in Dodge City and an $81,830 grant to the Kansas Humanities Council. In addition to the base grant funds, the Governor includes $70,000 from the State General Fund for an enhancement project titled "Kansans Tell Their Stories" and $50,000 from the State General Fund for a Family Reading Program enhancement project, for total funding of $201,830 for the Kansas Humanities Council. In FY 2008, the Humanities Council will use the state funds to match federal monies received through the National Endowment for the Humanities, as well as local funds across the state, for community-based programming.

State Library

The State Library provides information services for state and local governments, for local libraries and their users, and for people who communicate with the library in the Statehouse or at its other service locations. The State Library distributes grants to libraries and serves in a coordinating and technical resource role to encourage cost-effective, community-based library services. The Governor recommends $7,414,812 from all funding sources, including $5,602,356 from the State General Fund, for FY 2008 for the State Library. The Governor's recommendation supports the Library's existing 27.00 FTE positions.

The Governor's recommendation includes $125,000 in new monies from the State General Fund to establish a statewide delivery system for library materials. The delivery system will provide a timely and cost-effective means of sharing library books and materials across the state. In addition, the Governor's recommendation includes $50,000 in new monies from the State General Fund to perform outreach for the Talking Books Program. This program provides audio books and services to over 7,000 individuals with visual impairments. It is estimated that there are over 30,000 additional individuals who could benefit from the services of the Talking Books Program. The additional funding will allow the State Library to perform outreach to advertise its services to involve more Kansans in the Talking Books Program.

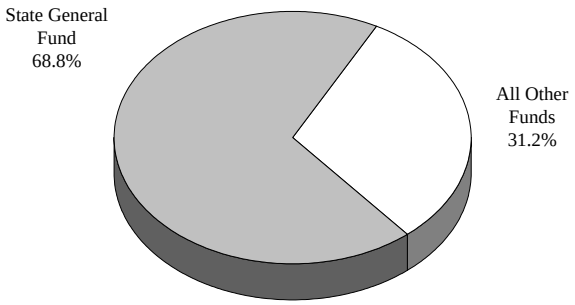
Public Safety

Public Safety Summary

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

The Governor recommends a budget of $606.4 million from all funding sources, including $386.5 million from the State General Fund, for this function in FY 2007. For FY 2008, $593.2 million from all funding sources, including $408.1 million from the State General Fund, is recommended. For FY 2008, 5,127.20 FTE positions and 491.08 non-FTE positions are recommended, for a total of 5,618.28.

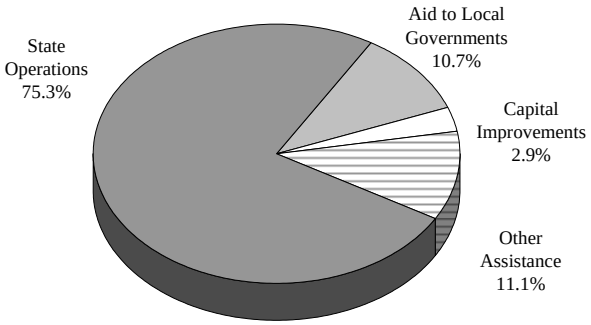
How It Is Financed



Fiscal Year 2008

The Governor's recommendation for operation of the adult correctional facilities is based on an average daily population (ADP) of 9,078 inmates in FY 2007 and 9,303 inmates in FY 2008. These ADP estimates are based on the official adult prison population projections from the Kansas Sentencing Commission that were released in September 2006. To help address the projected population increases over the next ten years, the Governor recommends providing up to $39.5 million in bonding authority to the Department of Corrections to expand prison capacity. Also, the Governor recommends funding of $21.8 million for correctional facility infrastructure improvements in FY 2008.

How It Is Spent



Fiscal Year 2008

Because of lower than expected growth of the juvenile offender population, the Governor recommends reducing systemwide juvenile justice expenditures in the amount of $431,785 in FY 2007, all from the State General Fund. With the population of offenders in the state's juvenile justice system stable, the Governor recommends FY 2008 expenditures at a level consistent with this lower population. Funding for conversion of Level V and VI facilities to Psychiatric Residential Treatment Facilities is included.

The Governor recommends expenditures of $825,000 from the Kansas Highway Patrol Operations Fund to begin a three-year replacement of analog video cameras with digital cameras in patrol cars. In addition, positions are recommended to monitor the cameras to protect state property. New positions are also recommended for continued development of the CJIS project.

Included in the Governor's recommendation is the continuation of funding for life insurance reimbursements for Kansas National Guard service members. Budgeted expenditures in FY 2007 total $461,725 from the State General Fund and the same amount in FY 2008.

Adult Corrections

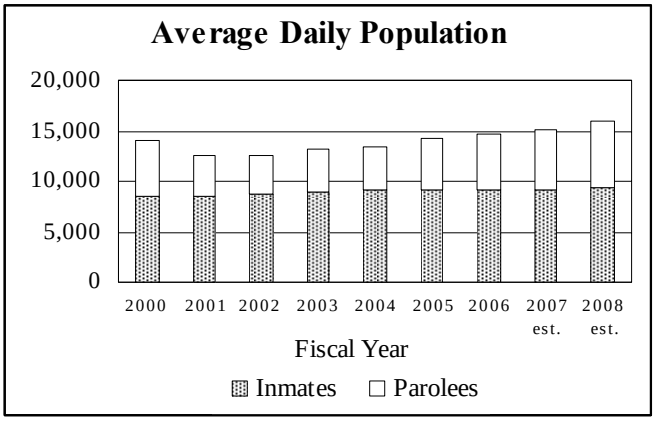
Department of Corrections

The Kansas Correctional System comprises eight prison facilities throughout the state as well as the oversight of community corrections agencies. The eight adult prison facilities are in the communities of Norton, Winfield, Ellsworth, Larned, El Dorado, Hutchinson, Topeka, and Lansing. There are also 31 community corrections agencies that receive grants. Some agencies serve a single county, such as Sedgwick, Reno, Leavenworth, and Johnson Counties, while others serve multiple counties.

Adult Prison Population

Each year, the Kansas Sentencing Commission releases its adult inmate prison population projections in September. The projected average daily population (ADP) for each facility is derived from this official projection. Many expenditures in the Department's budget are based on ADPs, including medical and food service contracts. At the end of FY 2007, the Commission estimates that 9,185 inmates will be in the custody of the Secretary. This is a reduction of 31 inmates from the prior year estimate by the Commission. At the end of FY 2008, the Commission estimates a population of 9,383 inmates, an increase of 50 inmates from the projections made in FY 2006.

The graph below shows the history of the correctional system's average daily population from FY 2000 through FY 2006 and the projected levels for FY 2007 and FY 2008. Inmate populations are projected to increase each year, and by the end of FY 2016, the Commission projects a population of 11,231 inmates, which is an increase of 2,298 inmates from FY 2006.



Prison Expansion Bonds

To address the projected population increases, the Governor recommends up to $39,525,000 in bonding authority to the Department of Corrections to expand prison capacity. The Secretary of Corrections will identify the most cost effective capacity expansion proposals by custody and gender classification that will enhance the safety of the staff, the inmate population, and the citizens of Kansas. In addition, the Secretary will inform the Joint Committee on State Building Construction of the selected options. Repayment of the bonds will begin in FY 2009 from the State General Fund. The debt payment at that time is expected to be approximately $3.1 million.

Central Office Programs

For FY 2008, for expenditures by the Department of Corrections, the Governor recommends $130.7 million from all funding sources, including $115.9 million 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 adult correctional facilities and community-based programs. The Governor's recommended budget, summarized in the table on the next page, provides funding for administrative costs, community-based programs, offender programs, Kansas Correctional Industries, debt service, and capital improvements.

Central Administration. Included in the Central Administration program are expenditures for two priorities. First, the Governor recommends additional expenditures of $900,000 from the State General Fund in FY 2008 to replace the Department's Offender Management Information System. This system is used by the Department to manage all aspects of an offender's incarceration. Portions of the system were created nearly 20 years ago, utilizing technology and program code that are outdated. Additionally, data analysis is difficult for end users to perform without the intervention of information technology specialists.

Central Office Programs

	FY 2008
Expenditures:	
Central Administration	11,395,239
Inmate Medical/Mental Health Care	44,864,718
Food Service	13,848,364
Offender Programs	10,528,409
Community Supervision:	
Community Corrections	15,548,912
Parole & Post Release Supervision	11,795,101
Day Reporting Centers & Reentry	7,518,718
Correctional Conservation Camps	3,210,751
Special Programs	705,197
Debt Servce & Capital Improvements	11,240,385
Total	$130,655,794
Funding:	
State General Fund	115,902,394
Corr. Institutions Building Fund	4,921,000
Inmate Benefit Fund	1,179,332
Federal Funds	980,798
Other Funds	7,672,270
Total	$130,655,794

A new system will enhance the Department's ability to manage its offender information efficiently.

Also included in the Central Administration Program are expenditures for contract bedspace. The Governor recommends expenditure reductions in the amount of $427,270 in FY 2007 to decrease the amount of contract beds available to the Department. The 2006 Legislature approved funding for 50 contract beds during FY 2007 at a cost of $836,580. The cost per bed per day in FY 2007 is estimated at $45.84, while the cost per bed per day is projected to be $47.22 in FY 2008. However, the revised inmate population projections from the Sentencing Commission have been lowered, and the Department will not need to use all 50 beds. As a result, the Governor recommends reducing funding by half during FY 2007. This recommendation will still allow the Department to utilize 25 beds during FY 2007, if needed. For FY 2008, the Governor recommends the Department have access to 75 beds at a cost of $1.3 million, all from the State General Fund.

Medical & Mental Health Care. The Governor recommends expenditures of $44.9 million to fund adult offender health care services in FY 2008. Of the total amount, $44.4 million is recommended from the State General Fund, $378,600 is from a federal alien incarceration grant, and $42,000 from inmate sick call fees. The contract covers all medical and mental health expenses for inmates housed in the state's correctional facilities. The Department contracts with Correct Care Solutions for inmate medical care.

Food Service. The Governor recommends FY 2008 expenditures of $13.8 million to fund the food service contract with Aramark Corporation. This contract is funded from the State General Fund. All food service contract expenditures for the eight facilities are funded through the Central Office to minimize administrative costs.

Offender Programs. For FY 2008, the Governor recommends $10.5 million for offender programs. This recommendation is an increase of $2.4 million over FY 2007 levels. The Governor recommends the Secretary of Corrections utilize the additional funding where best suited to assist in reducing recidivism rates of offenders. The Department provides rehabilitative programs and services to felony offenders in the state's correctional facilities, including vocational and technical education, and therapeutic communities for substance abuse rehabilitation.

Community Corrections. Community Corrections is a state and local partnership that promotes public safety by providing highly structured community supervision to felony offenders by holding offenders accountable to their victims and communities and improving offenders' ability to live productively and lawfully. The Department is responsible for the oversight of 31 community corrections agencies. For FY 2008, the Governor recommends expenditures of $15.5 million from the State General Fund for community corrections agencies.

Parole & Post-Release Supervision. For parole and post-release supervision in FY 2008, the Governor recommends expenditures of $11.8 million from all funding sources, including $11.1 from the State General Fund. Included in this recommendation is an enhancement to fund 5.00 previously unfunded vacant parole officer positions. The additional funding will be utilized at the parole offices in Olathe, Topeka, Emporia, and Kansas City.

Day Reporting Centers/Reentry Programs. For FY 2008, the Governor recommends $7.5 million from the State General Fund for operation of the day reporting centers (DRCs) and the state's reentry programs. The

state operates DRCs in Wichita and Topeka, as well as reentry programs in Shawnee and Sedgwick Counties. These expenditures include an appropriation of $1.4 million from the State General Fund to continue funding for programs that were started in FY 2007 through grants from the Justice/Equality/Human Dignity/Tolerance (JEHT) Foundation. The JEHT Foundation has agreed to provide funds over a three-year period, beginning in FY 2007. The program will establish state and local services to support implementation of the Department's Reentry and Risk Reduction Plan and Strategy, however, the state must sustain financing once the original JEHT funds are utilized.

The reentry programs work with community service providers, volunteers, neighborhood representatives, victim services, and family members to prepare high-risk offenders for a successful return to communities. The program also provides housing and credit counseling and pre-release substance abuse assessment for offenders soon to be released. By offering this support to offenders, the program has shown a reduction in recidivism for these offenders.

Correctional Conservation Camps. For FY 2008, the Governor recommends expenditures of $3.2 million to fund the operations of the Labette Conservation Camp and the Female Conservation Camp in Oswego.

Special Programs. This program includes expenditures from federally financed activities, Victims Services, as well as initiatives with systemwide effect. Included in the total expenditures of $705,197 are enhancements of approximately $350,000 to finance an additional 7.00 Corrections Counselor FTE positions. This recommendation will fund an additional position at seven correctional facilities, which will help reduce caseloads for more effective case management services.

Correctional Facilities

The table on this page summarizes the recommended level of expenditures for the eight correctional facilities, along with the estimated average daily populations for FY 2008.

Additional Facility Operating Expenditures Funding. For FY 2007 and FY 2008, the Governor recommends enhancing the operating budgets of the eight correctional facilities. Each of the facilities has experienced increases in operating costs, such as utilities and inmate clothing. These additional expenditures, combined with a lower shrinkage rate, have created operating shortfalls at all of the facilities. For FY 2007, the Governor recommends supplemental appropriations of $1.3 million from the State General Fund at the correctional facilities. For FY 2008, the Governor recommends an additional $1.6 million from the State General Fund. Of the additional expenditures in FY 2007, the Governor has recommended an appropriation of $500,000 in the Central Office to be distributed by the Secretary based on priority need. For FY 2008, this amount totals $938,961.

Adult Correctional Facilities

	FY 2007 Gov. Est.	FY 2008 Gov. Rec.	ADP
Correctional Facility:			
Ellsworth	11,746,110	12,192,415	825
El Dorado	22,819,813	23,697,187	1,370
Hutchinson	27,340,304	28,229,552	1,802
Lansing	35,549,314	36,592,077	2,470
Larned Mntl. Hlth.	9,098,275	9,340,727	360
Norton	13,663,725	14,135,853	810
Topeka	12,869,823	12,995,384	691
Winfield	12,409,940	12,111,594	790
From Central Office	500,000	938,961	
Total	$145,997,304	$150,233,750	9,118
Funding:			
State General Fund	141,893,016	148,054,187	
Federal Funds	551,390	734,229	
CIBF *	2,056,817	--	
Other Funds	1,496,081	1,445,334	
Total	$145,997,304	$150,233,750	

* *Funds for FY 2008 are budgeted in the central office.*

Kansas Correctional Industries

The Governor recommends expenditures of $9.7 million from the Correctional Industries Fund for Kansas Correctional Industries. KCI is entirely self-supporting from the manufacture and sale of a variety of products and services sold to state agencies and local governments. The Governor recommends transferring $928,000 in FY 2008 from the Correctional Industries Fund to the Department of Corrections General Fees Fund to aid the Department in financing offender programs.

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

Juvenile Justice Authority

The Governor recommends $70.3 million for the Juvenile Justice Authority, including $34.9 million from the State General Fund, for FY 2007. The revised estimate includes $1.1 million in supplemental funding from the State General Fund for the conversion of Level V and Level VI facilities into Psychiatric Residential Treatment Facilities (PRTF), effective April 1, 2007. The additional funding is for all services to be included in the daily rate at the PRTFs. Before the conversion, only room and board were factored into the daily rate. The cost of the conversion will be greater in FY 2008, because the new daily rate will be in effect for all of FY 2008, while it will be effective only toward the end of the year for FY 2007.

The Governor recommends $81.4 million, including $38.1 million from the State General Fund, for FY 2008, which will finance 42.00 FTE positions and 15.50 non-FTE unclassified permanent positions, for a total of 57.50 positions. These recommendations will allow the agency to provide immediate intervention and community-based graduated sanctions programs. Community case management agencies refer offenders to community providers if it is determined that such services are critical to an offender's rehabilitation. The table summarizes the FY 2008 programs managed by the central office of the Juvenile Justice Authority for FY 2008. Also included are the sources of funding for these programs.

A goal of the Juvenile Justice Reform Act is to reserve juvenile correctional facility placement for the most violent and chronic offenders. Those not committed to a facility are rehabilitated through a network of community-based programs, consisting of four components: graduated sanctions, delinquency prevention, aid to local governments, and purchase-of-service. During FY 2008, $72.5 million will be distributed to providers under these community programs.

Central Office Programs

	FY 2008
Expenditures:	
Administration	1,728,431
Management Information Systems	1,157,413
Contracts & Audits	1,002,062
Community Programs:	
Graduated Sanctions:	
Intake & Assessment	4,543,632
Community Corrections	4,314,678
Community Case Management	5,933,838
Delinquency Prevention	6,447,530
Aid to Local Governments	5,517,399
Purchase-of-Services	45,717,464
Subtotal--Community Programs	$ 72,474,541
Debt Service & Capital Improvements	5,034,305
Total	$ 81,396,752
Funding:	
State General Fund	38,064,525
Children's Initiatives Fund	9,000,000
State Institutions Building Fund	5,034,305
Federal Funds	24,297,922
Other Funds	5,000,000
Total	$ 81,396,752

Graduated Sanctions. The Governor recommends funding totaling $14.8 million from all funding sources for this component of community programs. Graduated sanctions programs, which are targeted to adjudicated offenders, includes $4.6 million for intake and assessment, $4.3 million for community corrections, and $5.9 million for case management.

Delinquency Prevention. These programs are aimed at juveniles not yet adjudicated but who exhibit at-risk behavior. For FY 2008, the Governor recommends

$6.4 million from all funding sources for delinquency prevention programs.

Aid to Local Governments. The Governor recommends $5.5 million for FY 2008 from all funding sources for programs related to alcohol and addiction prevention, intervention, and financial assistance to local juvenile districts.

Purchase-of-Services. A key component of the state-local partnership in the delivery of juvenile justice programs is the purchase-of-services budget. The Juvenile Justice Authority has entered into numerous agreements with foster care, treatment center, group home, and vocational and educational service providers. For these programs in FY 2008, the Governor recommends $45.7 million from all funding sources. Included in this recommendation is $5.0 million from the State General Fund for the continuation of PRTF conversion costs that started in FY 2007.

Juvenile Correctional Facilities

The Authority oversees the juvenile correctional facilities at Atchison, Beloit, Larned, and Topeka. The facilities house juvenile offenders ages ten to 23 who have been adjudicated under Kansas law and who have been ordered by the court to be held in state custody. Population concerns at the facilities led the 2000 Legislature to approve funding for facility expansion and renovation. This expansion included the construction of a 152-bed replacement facility at Larned, the conversion of a living unit at Beloit in order to house maximum-security offenders, and the construction of a 210-bed maximum-security and reception and diagnostic complex in Topeka. The Beloit project was completed in May 2002 and the new Larned facility opened in July 2003. The Topeka Juvenile Correctional Facility merged with the Kansas Juvenile Correctional Complex and opened in the spring of 2005. Estimates for the juvenile correctional facilities are listed in the table, along with the funding sources included in the budgets.

The Governor recommends $34.5 million, with $33.8 million from the State General Fund, for operation of the four juvenile correctional facilities in FY 2008, which will finance 585.50 FTE positions and 5.00 non-FTE unclassified permanent positions. The four juvenile correctional facilities have experienced a decrease in population in recent years. The total daily population at the four facilities combined is expected to drop from 419, the actual level at the end of FY 2006, to 396 during FY 2007. The population for FY 2008 is estimated to remain at approximately the FY 2007 level. The Governor's FY 2007 revised estimate of expenditures for these budgets is less than the amounts approved by the 2006 Legislature to reflect the decrease in population. Likewise, operation at the four facilities will continue in FY 2008 at the same reduced population level as for FY 2007, with expenditures adjusted for inflation.

Juvenile Correctional Facilities

	FY 2007 Gov. Est.	FY 2008 Gov. Rec.
Juvenile Corr. Facility:		
Atchison Juv. Corr. Fac.	5,927,083	6,073,557
Beloit Juv. Corr. Fac.	4,245,483	4,164,957
Larned Juv. Corr. Fac.	8,249,866	8,457,569
Kansas Juv. Corr. Comp.	15,358,980	15,848,905
Total	$ 33,781,412	$ 34,544,988
Funding:		
State General Fund	32,906,900	33,757,922
Federal Funds	822,643	762,339
Other Funds	51,869	24,727
Total	$ 33,781,412	$ 34,544,988

Adjutant General

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

The Governor recommends $89,507,705, including $11,316,986 from the State General Fund, in FY 2007. This is an increase of approximately $22.8 million from the agency's approved budget. The increase mainly results from revised estimates for disaster relief and federally-funded maintenance projects at facility maintenance shops and training sites. Included in the recommendation is $20,876,323, of which $2,456,038 is from the State Emergency Fund, for disaster relief that the State Finance Council approved in December 2006. This amount is actually from the State General Fund, because the State Emergency Fund derives all its funds from State General Fund transfers. The Governor also recommends $5,000 from the State General Fund for a family support initiative. These funds will be used for travel expenditures to send trained personnel to visit the troops and their families before deployment and after returning from combat.

For FY 2008, the Governor recommends $60,470,376, including $9,875,032 from the State General Fund. Included in the recommendation are salaries and wages for 219.00 FTE positions and 279.45 non-FTE unclassified permanent positions. The recommendation includes $5,000 from the State General Fund for a family support initiative for the same purpose as in FY 2007. The FY 2008 recommendation also includes $264,506 from the State General Fund to pay the majority of the Homeland Security Coordinators' salaries and wages and other related expenditures. Previously, these positions had been financed with federal funds. Because the federal funds are decreasing, the Governor recommends switching some of the financing to state funds.

Death Benefits. Included in the Governor's budget for FY 2007 is $749,634 from the State General Fund for death benefits. The families of the first three Kansas National Guard services members who were killed as a result of active duty in a combat area each received a total of $750,000, including $500,000 from the federal government and $250,000 from the State of Kansas. Of the $500,000 from the federal government, $400,000 was from a "Servicemember's Group Life Insurance" (SGLI) policy and the remaining $100,000 was a death benefit. The last three service members who were killed received slightly more than $500,000 each in total benefits. To make the total benefits of the last three deaths equal to the first three, i.e., $750,000, the Governor recommends making an additional death benefit payment of $250,000 to each of the last three beneficiaries of the Kansas National Guard service members.

Life Insurance Reimbursement. Starting in FY 2007, the federal government will pay the entire $400,000 of the SGLI policy premiums for service members on active duty in a combat zone. The exact effective date is yet to be determined by the federal government. The federal government will also continue to pay $100,000 for death benefits per service member, for a total of $500,000. To ensure that future beneficiaries of service members receive at least a total of $750,000 in benefits, the Adjutant General's Department is researching the possibility of providing a $250,000 life insurance policy to supplement the federal policy, also while members are on active duty in a combat zone. The Governor's budget provides $461,725 in both FY 2007 and FY 2008 to finance this $250,000 increase in insurance policy premium payments.

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 enforces a set of minimum standards to accomplish this purpose. In addition, it is the Board's responsibility to provide training and technical assistance to ensure that these

minimum standards are met or exceeded and to investigate and take action when they are not. KSA 65-6152 exempts the EMS Board from paying a portion of its revenues to the State General Fund, as other agencies do, for the benefit it receives from central statewide administrative services.

The 2002 Legislature directed that a 0.25 percent levy on fire insurance premiums, which is authorized by current law, be remitted to the Emergency Medical Services Board to finance agency operations. For FY 2008, the Governor recommends $1,688,966, all from the Emergency Medical Services Operating Fund, to finance 14.00 FTE positions. The Governor recommends the addition of $200,000 from this fund to continue financing an Education Incentive Grant to help train and certify future Emergency Medical Service Technicians (EMTs). The additional $200,000 will allow more candidates the opportunity to become certified EMTs. However, if candidates do not complete the requirements in their contract, they are required to reimburse the Board for all expenditures incurred.

State Fire Marshal

The Kansas Fire Marshal's mission is to protect the lives and property of citizens from hazards of fire and explosion. The Governor recommends $4,573,597, with $3,602,264 from the agency's fee fund, in FY 2008. The agency has 51.00 FTE positions and 3.00 non-FTE unclassified permanent positions. The Fire Marshal expects 400 requests for fire investigation from communities for FY 2008. The Governor's recommendation includes $396,689 to continue the HAZMAT Program, which provides local fire departments with training in how to handle various hazardous materials. The agency is also responsible for coordinating efforts when responding to hazardous materials clean-up situations.

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 many public services, including removal of debris from the road, transporting stranded motorists, and other activities not specifically related to law enforcement. In FY 2008, the Governor recommends $83,746,651 from all funding sources, including $36,659,259 from the State General Fund. The recommendation will fund 861.00 FTE positions and 32.00 non-FTE unclassified permanent positions.

Included in the FY 2008 budget is $825,000 from the Kansas Highway Patrol Operations Fund for the replacement of video cameras with digital cameras in patrol vehicles. Also included in the Governor's recommendation is $66,000 from the State General Fund for 2.00 FTE positions to monitor these surveillance cameras around the Capitol Complex. The Governor also recommends $103,910 from the State General Fund for an additional 2.00 FTE positions, which will be used for development of the agency's component of the Criminal Justice Information System.

Kansas Bureau of Investigation

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

The 2006 Legislature appropriated $263,212 from the State General Fund to fill vacant agent positions. However, as of December 2006, the agency had not filled any of these positions. Therefore, the Governor recommends lapsing half of the appropriation in FY 2007 to capture the savings that have occurred so far. The funds remaining in the budget will still allow the agency to fill these positions for the last half of the fiscal year.

The Governor for FY 2008 recommends $26,525,201, including $16,446,708 from the State General Fund,

for the KBI. The State General Fund amount is approximately $2.6 million less than the FY 2007 recommendation. The FY 2007 amount is higher because it contains one-time expenditures to purchase the Insurance Management Association Building, renovate the Great Bend and headquarter laboratories, and upgrade the Criminal Justice Information System. The budget recommendation will support a total of 316.13 positions. The recommendation includes $745,030 from the State General Fund to finance the debt service payment of the Automated Fingerprint Identification System. The budget recommendation also includes a change to financing for youth mentoring background checks. The 2006 Legislature appropriated money to both the Department of Health and Environment (KDHE) and the KBI for this purpose in FY 2007. For FY 2008, the Governor recommends moving the KBI's mentoring funds of $100,000 to KDHE, so that all of the mentoring funds will be in one agency.

Kansas Parole Board

The Kansas Parole 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. There are three members who serve on the Board. The Department of Corrections provides the Board with administrative support. The Governor recommends expenditures of $502,641 from the State General Fund in FY 2008 to maintain the Board's operations.

Kansas Sentencing Commission

The mission of the Kansas Sentencing Commission is to develop monitoring and reporting procedures to determine the effect of sentencing guidelines on the Kansas adult correctional system. The agency also performs the annual Juvenile Justice Authority population projections. In addition, the agency is responsible for the implementation and management of alternative sentencing for offenders convicted of drug possession under 2003 SB 123. All offenders who are sentenced under this law are placed under the supervision of community corrections. The agency manages all payments to treatment providers.

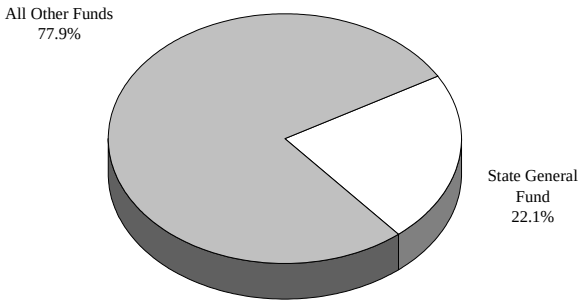
For FY 2008, the Governor recommends a total of $10,146,396 from all financing sources. Of that total, $9,747,082 is from the State General Fund. This recommendation includes full financing for the alternative sentencing program at $9,247,016. The recommendation also includes 2.00 new FTE positions and $117,107 from the State General Fund for tracking sexually violent offenders as a result of the passage of "Jessica's Law" by the 2006 Legislature. These positions will provide research, methodology design, data capture techniques, database system design, and data entry for all information related to sexually violent offenders.

Agriculture & Natural Resources

Agriculture & Natural Resources Summary

Seven state agencies manage the agriculture and natural resources functions. They promote, protect, improve, and restore natural resources in Kansas. These functions include agricultural product regulation and development, protection from exotic pests, and implementation of interstate water agreements through the Department of Agriculture; maintenance of state parks, state fishing lakes, and wildlife areas through the Department of Wildlife and Parks; conservation and management of soil and water resources management by the Conservation Commission; the development of policy, providing of technical assistance, and study of water resources by the Water Office; environmental protection through the Department of Health and Environment; preventive public health maintenance and eradication of infectious diseases affecting livestock and domestic animals by the Animal Health Department; and promotion of Kansas products through the State Fair.

How It Is Financed

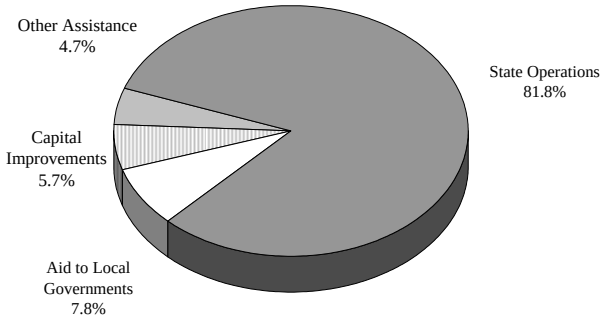


Fiscal Year 2008

The Governor recommends $192.0 million from all funding sources, including $42.5 million from the State General Fund and $22.5 million from the State Water Plan Fund, for FY 2008. There are 1,391.28 positions in this function: 1,275.79 FTE positions and 115.49 non-FTE unclassified permanent positions.

To maintain the vitality of the State Fair and to help the agency finance alternative energy projects, the Governor recommends $221,525 from the Economic Development Initiatives Fund. Such funds will be used to increase marketing and promotion of the State Fair; increase prize money for competitive exhibits; and conduct an economic impact and demographic study to determine the financial benefits to the state and obtain marketing information about Fair attendees.

How It Is Spent



Fiscal Year 2008

Included in the FY 2008 budget is $22.6 million in State Water Plan Fund expenditures to finance the annual Kansas Water Plan, which promotes the management, conservation, and development of the state's water resources. The Governor's budget includes a $2.4 million shift of operating expenditures from water funds to the State General Fund. That frees water plan funding to expand existing programs and implements initiatives to improve water quantity and quality. The Governor recommends State Water Plan expenditures of $584,217 related to the *Kansas v. Colorado* damage award from the 1984 lawsuit.

The Department of Agriculture has identified the Ozark Plateau aquifer system and the surface water sources in southeast Kansas for enhanced water management. To help resolve water issues and monitor water resources in this area of Kansas, the Governor recommends $111,840 from the State General Fund to establish a field office in southeast Kansas for FY 2008.

For FY 2008, the Governor recommends $1.7 million from the State General Fund to the Department of Wildlife and Parks. This funding will eliminate vehicle visitation fees and provide free admission for all Kansas residents to the state parks.

Agriculture & Natural Resources Agencies

Department of Agriculture

The mission of the Department of Agriculture is to protect food safety for human consumption along with the state's natural resources for the citizens of Kansas. The Department is a national leader in the research and prevention of agricultural economic threats, such as Karnal Bunt disease. The agency monitors agriculture product inspection and analysis, weights and measures regulations, and development of water resources through various agency programs. In addition, the Department coordinates with other natural resource agencies to ensure efficient use of resources. The budget recommended by the Governor for the Department of Agriculture for FY 2008 totals $26,900,970 from all funding sources, including $12,262,586 from the State General Fund, $1,322,812 from the State Water Plan Fund, and $13,315,572 from other funds.

The Governor's recommendation includes $584,217 from the State Water Plan Fund to continue to protect Kansas' interests on the Arkansas River and the Republican River and to ensure interstate compact compliance related to the water lawsuit settlements for both rivers. Of this amount, $209,217 will be used for ongoing expenses related to monitoring compliance. This recommendation includes salaries for the 3.00 FTE positions dedicated to this activity and associated operating expenditures. The remaining $375,000 will be used for continuing contractual services with consultants to verify compliance independently and assist with the technical aspects of monitoring the compact settlements, such as hydrological modeling and analysis.

Ozark Plateau Aquifer System and Spring River Water Issue Strategic Plan. The Governor recommends enhanced funding of $111,840 from the State General Fund to increase water resource management in southeast Kansas. Because of the need to sustain the availability of long-term water resources to meet current and future population growth demands, the Department of Agriculture has identified the Ozark Plateau aquifer system and the surface waters of the Spring River for enhanced water management. The funding will support 1.00 FTE position and associated equipment and operating expenses, which are to be located in southeast Kansas. These resources will help establish an interstate compact in this area, provide modeling support, and monitor water usage.

Replace Large-Scale Test Truck. The Weights and Measures Division operates two large-scale test trucks when inspecting large-capacity scales that are used to buy and sell grains. The suspension systems on the trucks have become a safety hazard for the operators, because their unstable weight of approximately 25,000 lbs. each causes alignment and steering problems as well as excessive tire wear. Cables for the loading system, which are used for loading and unloading up to 5,000 lbs., are known to break. If a cable breaks, it can seriously injure anyone within reach of the cable or the weights. For these safety reasons, the Governor recommends enhanced funding of $145,000 from the State General Fund to replace one of the large-scale test trucks. The new truck will have an air ride suspension system that will significantly reduce the movement of the weights, and it will have a modern lift system to load and unload them safely from the vehicle.

Animal Health Department

The Animal Health Department's goal is to ensure the public health of Kansas citizens through prevention, control, and eradication of infectious diseases that affect the health and well-being of livestock and domestic animals. The Department regulates facilities that breed, sell, or harbor companion animals. The agency is also responsible for registering and inspecting livestock brands designed to identify lost or stolen livestock. The effectiveness and responsiveness of the agency's activities have prevented the spread of tuberculosis in the state. As a result, the state was designated a "tuberculosis free" state in 2002. The state is also "free" of brucellosis, pseudorabies, and equine infectious anemia. The Governor recommends $2,680,880 from all funding sources, including $830,157 from the State General Fund, for FY 2008. The Governor's recommendation will allow the agency to maintain its disease-free status.

The Governor recommends enhanced funding of $30,000 from the State General Fund in FY 2008. Of

this amount, $20,000 is to replace office equipment that is obsolete or in disrepair; $5,000 is to help with pound and animal shelter relinquishment fees; and $5,000 is to help with boarding and veterinary expenses associated with companion animals that are seized from a premise because of evidence of abuse or neglect that violates state law.

State Conservation Commission

The State Conservation Commission (SCC) protects and conserves Kansas' natural resources through the efficient implementation of state programs. A nine-member commission governs the agency, which establishes policy and delegates responsibility for the implementation of programs. For FY 2008, the Governor recommends $17,908,933, including $1,504,923 from the State General Fund, $15,387,828 from the State Water Plan Fund, and $1,016,182 from other funds.

The Governor recommends enhanced funding of $86,615 from the State General Fund to finance a new FTE position to manage the newly established Water Transition Assistance Program. Currently, the program is managed by an unclassified special project position and funded by the State Water Plan Fund. The Governor also recommends $1,740,000 in enhanced funding from the State Water Plan Fund for the following existing programs: Watershed Dam Construction, Nonpoint Source Pollution Assistance, Salt Cedar Demonstration Projects, and Horsethief Reservoir.

Conservation Easements. In addition, the Governor recommends enhanced funding of $200,000 from the State General Fund for conservation easements for FY 2008. The enhanced funding is in addition to current and budget year base amounts of $311,500. A priority for the funding is to establish easements in the vicinity of military bases as part of the Army Compatible Use Buffer Program. A conservation easement is a parcel of land, whereby a landowner voluntarily limits future development of that parcel for conservation purposes.

Lake Restoration. The agency will implement lake restoration demonstration projects with $2,719,713 from the State Water Plan Fund that is recommended by the Governor for FY 2008. Restoration activities will include the development and execution plans to dredge sediment from municipal water supply lakes. Beginning in FY 2008, revenue from the Clean Water Drinking Fee Fund will be deposited in the State Water Plan Fund, instead of the State General Fund. According to legislation that passed during the 2005 Legislative Session, 85.0 percent of the revenue must be used for lake restoration projects in order to focus specifically on lakes that are used for public water supply purposes. The $2,719,713 in the SCC's budget for lake restoration projects represents 85.0 percent of the estimated revenue that will be transferred to the State Water Plan Fund in FY 2008.

Water Transition Assistance Program. The State Conservation Commission has established an irrigation water right retirement program for over-appropriated areas with sustainable irrigation potential. The Governor recommends State Water Plan funding of $1.4 million for FY 2008, which will target areas in three western Groundwater Management Districts and the Ogallala fringe outside those three districts.

Horsethief Reservoir. The Governor recommends State Water Plan funding of $1,250,000 in FY 2008 as part of the agency's Multipurpose Small Lakes Program. The reservoir project, which will be located in Hodgeman County, will provide 452 acres of permanent water for recreation and have a floodwater storage capacity of 12,868 acre feet. In addition to the state funding, financing for the project is proposed from the Pawnee Watershed Joint District No. 81, local bonding sources, and other state and federal sources. The voters of five affected counties in southwest Kansas passed a revenue bond proposal that provides approximately $9.0 million of the funding needed to construct the reservoir. The estimated total cost of the project is $15.9 million, including state funding of $4.5 million. Total state funding to date, including the Governor's recommendation for FY 2008, is $3,380,000.

Aid to Conservation Districts. The Governor recommends enhanced funding of $2,000 for the Aid to Conservation Districts Program for FY 2008. Because Elk County has increased its level of funding for conservation district projects, the state is required to match that amount, with a limit of $10,000 per district. Elk County will be eligible for an additional $2,000 per year, beginning in FY 2008.

Salt Cedar Demonstration Projects. The Governor recommends enhanced State Water Plan funding of

$195,000 for salt cedar control projects. Salt Cedars are shrubs that grow on stream banks and cause water quantity and quality problems by reducing stream flow and increasing the salinity of the water. During FY 2007, $65,000 was appropriated, and a working group of staff members from the natural resource agencies selected the Pawnee Watershed in Finney County for the demonstration project. The additional funding in FY 2008 will address three more southwest Kansas counties with large areas of Salt Cedar infestation.

Watershed Dam Construction Projects. The Governor recommends enhanced funding of $453,501 from the State Water Plan Fund for new construction projects located above federal reservoirs with public water supply function and for some rehabilitation projects. The enhanced funding will bring the total amount for FY 2008 to $1,050,000.

Nonpoint Source Pollution Assistance Program. Enhanced funding of $941,489 from the State Water Plan Fund will enable the agency to offer assistance to landowners who enroll in the Conservation Reserve Enhancement Program. Assistance that will be offered is the permanent plugging of any irrigation wells that will no longer be used when the water right for the property is retired. Landowners will also receive assistance in planting native vegetation or establishing other conservation practices that will protect surface and ground water quality.

Health & Environment—Environment

The Division of Environment of the Department of Health and Environment is organized into five programs, with the goal of improving and protecting the environment of Kansans. The FY 2008 recommendation from all funding sources is $60.9 million, of which $9.7 million is from the State General Fund, $3.8 million is from the State Water Plan Fund, and $47.4 million is from other funds.

The Governor's recommendation also includes enhanced State General Fund financing of $2,481,568 to replace operating expenditures that were previously financed by the State Water Plan Fund. This substitution allows more water monies to be available for programs among the agencies that make use of these funds. Expenditures for two programs, Local Environmental Protection Plans (LEPP) and Contamination Remediation, will now be financed by the State General Fund. The recommended amounts for FY 2008 are $1,502,737 for LEPP and $978,831 for Contamination Remediation.

Clean Air Act Activities. The Governor recommends expenditures of $4.0 million from the Air Quality Fee Fund, $1.5 million in federal funds, and $808,000 from State General Fund matching monies to maintain compliance with mandates of the federal Clean Air Act. These monies finance regulatory, air quality monitoring, and educational activities of the Department of Health and Environment. In addition to monitoring air quality, the Department makes information available to the public regarding air quality pollutants in Kansas.

Clean Water Activities. The Governor recommends total expenditures of $13.1 million for activities to implement the federal Clean Water Act and Safe Drinking Water Act. The Division of Environment utilizes $8.1 million in federal funds, $3.9 million in State Water Plan funds, and $1.1 million from the State General Fund to implement non-point source pollution control projects, education programs to reduce bacterial contamination, and projects to improve water systems. The Division also issues permits and performs sampling and enforcement activities related to contamination of water supplies from animal feedlots.

Stream Segment III. The Governor recommends State General Fund expenditures of $277,496 in FY 2008 for the fourth and final year of the stream classification study based on the statutory requirements of 2001 SB 204. The budget recommendation includes $369,932 from the Use Attainability Analyses Fund, which is used to cover expenditures related to the statewide stream classification. Funding for the project was originally estimated to cost $1,650,000 over a period of four years, and the first appropriation was $557,843 from the State General Fund for FY 2005.

The agency has made changes to the original implementation plan, and those changes have resulted in savings of approximately $100,000. With this recommendation, the agency will be able to complete the classification of all stream segments for which use attainability analyses have not been conducted. For FY 2008, the agency estimates that there will be 365

stream segments that need to be classified by the December 31, 2007 deadline.

Contamination Remediation. The Governor provides $978,833 from the State General Fund in FY 2008 in order to address environmental contamination at sites where there is no responsible party identified or where the responsible party is unable to pay for the needed corrective action. The funding is used for site assessments, investigations, corrective actions, and emergency responses.

Local Environmental Protection. For FY 2008, the Governor recommends $1,502,737 from the State General Fund for this program. Originally, the program provided funding to counties to implement local environmental protection plans. Since all of the state's counties have adopted local plans, program funding will now focus on activities to implement the plans.

Watershed Restoration & Protection Plans (WRAPS.) State Water Plan Fund expenditures of $800,000 for the WRAPS Program is recommended by the Governor for FY 2008. This program addresses a variety of water quality and water resource concerns, including achievement of Total Maximum Daily Loads, protection of public water supply reservoirs, and protection or restoration of wetland habitats.

Treece Superfund Site. The Superfund Program of the federal Environmental Protection Agency has been involved in cleaning up uncontrolled or abandoned hazardous waste sites throughout the United States since 1980. The advantage of the program for states is the funding mix, which is set at 90.0 percent federal funds and 10.0 percent state funds. Kansas has a number of sites that may qualify for Superfund designation and therefore federal clean-up funds. The Division of Environment has been involved in Superfund activities because of health and safety issues in abandoned sites containing hazardous materials. The City of Treece in southeast Kansas qualifies as a Superfund site, because it contains millions of tons of residue, or chat, that was left after a long history of mining. The chat contains lead, zinc, and cadmium contamination.

The Governor recommends State General Fund expenditures of $680,000 in FY 2008, which will cover the state's 10.0 percent cost of the clean-up project. In addition, this site will be known as the "Treece Buyout," since the action taken by the state constitutes a buyout of the town. A similar plan by the State of Oklahoma may involve a buyout of the town of Picher, Oklahoma. Because of the economic and infrastructure changes involved in the nearby Oklahoma site and the potential danger for residents remaining in the area during the cleanup, a buyout is the most reasonable solution to the problem.

Kansas State Fair

The State Fair is held in the City of Hutchinson over a ten-day period at the beginning of September each year. Attendance at the 2006 State Fair was 343,225 people. In addition, the fairgrounds attract approximately 175,000 people to the more than 230 non-fair events held during the year. Non-fair events include recreational vehicle shows and rallies, flea markets, livestock shows and sales, auctions, horse shows, art and craft shows, and farm machinery exhibitions. These non-fair events generate additional revenue from rental fees and increase utilization of the grounds and facilities during the days the State Fair is not held.

Utility Expenses. A new rate structure from the electric company and unexpected increases in natural gas have led to marked increases in utility costs in FY 2007. Despite efforts to mitigate these increases and reduce energy consumption without compromising events at the fairgrounds, the agency has been unable to absorb these unforeseen expenses. To pay for these utility increases, the Governor recommends $95,384 from the Economic Development Initiatives Fund for FY 2007.

For FY 2008, the Governor recommends $6,859,640 from all funding sources, including $1,548,884 from the State General Fund, $221,525 from the Economic Development Initiatives Fund, and $5,089,231 from other funds. At the end of each fiscal year, the State Fair is required by law to transfer 5.0 percent of its gross receipts from the State Fair Fee Fund to its State Fair Capital Improvements Fund. At the beginning of the following fiscal year, a matching amount up to $300,000 is transferred from the State General Fund to the same State Fair Capital Improvements Fund. According to this funding mechanism, a transfer of $200,000 from the State General Fund to the State Fair

Capital Improvements Fund is included in the Governor's budget for FY 2008. A transfer of $25,000 from the State General Fund to the State Fair Capital Improvements Fund was made in FY 2007 using the same funding mechanism.

Ticket Marketing. For FY 2008, the Governor recommends $50,000 from the EDIF for enhanced outreach ticket marketing. The increase in marketing will provide greater awareness of the agency's website as a one-stop source of Fair information, events, and tickets. In addition, this funding will help increase promotion of the Kansas State Fair through various media channels including radio, television, and print advertising.

Competitive Exhibitor Premiums. The Kansas State Fair gives prizes and awards, called "premiums," to exhibitors and participants. The ability of the agency to compensate participants adequately for their winning exhibits can affect the number of entries in these competitive events. For FY 2008, therefore, the Governor recommends $20,000 from the EDIF to help the Kansas State Fair provide additional funding for awards and prize money.

Economic Impact Study. To determine the financial benefits to the state and to obtain information about Fair attendees, the Kansas State Fair will conduct an economic impact and demographic study. The last comprehensive economic research of the Fair was conducted in 1996. The Governor recommends $40,000 from the EDIF for the Kansas State Fair to update this study. The information gathered from the study will be used by the agency when dealing with current and potential corporate sponsors and donors.

Alternative Energy Systems. To help offset recent increases in energy costs, the Kansas State Fair seeks to utilize alternative energy sources for the fairgrounds. Therefore, the Governor proposes the installation of two 50-kilowatt wind turbines that will produce approximately 10.0 percent of the fairgrounds' energy use; a solar thermal heat system for the Administration Building; and electrical submetering equipment that will enable the agency to monitor electricity usage at each building. The total amount for these systems is $579,190, which will be financed through the Department of Administration's Master Lease Program. For FY 2008, the Governor recommends $111,525 from the EDIF for the first payment of the debt service. Of this amount, $24,836 will be for interest and $86,689 will be for principal.

Kansas Water Office

The Kansas Water Office evaluates and develops water policy by coordinating the water resource operations of state agencies, local governments, and the federal government. The agency also provides staffing and assistance to the Kansas Water Authority. The Authority develops water resource policy and monitors the progress of the numerous water resource programs. The Water Authority also makes recommendations to the Governor and the Legislature annually regarding State Water Plan Fund expenditures.

The Governor's recommendation for FY 2008 is $12,339,594 from all funding sources, including $2,334,507 from the State General Fund, $3,389,938 from the State Water Plan Fund, and $6,615,149 from other funds. The recommendations from the State Water Plan Fund include enhanced funding of $660,000 for the following programs: Weather Stations, Weather Modification, and Neosho River Basin Issues.

The Governor recommends enhanced funding of $17,972 from the State General Fund to cover increased contract costs in FY 2008 for the Streamgaging Program. The Kansas Water Office contracts with the U.S. Geological Survey to operate a network of 71 stream and lake gages that provide data on streamflow and lake conditions. These data are used to make decisions regarding water rights, flood monitoring, and reservoir management. Total funding recommended by the Governor for the program in FY 2008 is $467,281.

Weather Stations. Funding is increased by $40,000, for a total of $100,000, in FY 2008 to encourage innovative approaches to improving the management of crop watering, such as irrigation-scheduling weather stations, mobile irrigation labs, and field demonstration projects.

Weather Modification. The Governor's recommendation will double expenditures from $120,000 to $240,000 for Weather Modification activities in FY 2008. The goal of the program is to reduce crop-hail

damage. The Water Office issues contracts for pilots to release silver iodide into clouds to reduce crystal formation, thereby reducing hail size.

Neosho River Basin Issues. The Kansas Water Office has determined that a number of water quality issues related to sedimentation have emerged in the Neosho River Basin. These include algae blooms at Marion Reservoir, which have led to water quality problems that have closed water supply and recreational facilities. In addition, sedimentation in John Redmond Reservoir has reduced available water storage capacity. Therefore, the Governor recommends $500,000 from the State Water Plan Fund to address these problems at both Marion Reservoir and John Redmond Reservoir.

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. 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. The Department's focus on conserving natural resources and providing recreational opportunities is reflected in its major programs, including the Parks Program and Grants-in-Aid.

For FY 2008, the Governor recommends $57,512,005 in expenditures, of which $10,724,154 is from the State General Fund. This amount includes enhanced funding of $1.9 million from the State General Fund and will support 410.50 FTE and 18.00 non-FTE positions.

Parks Program. Of the $1.9 million in enhanced funding recommended for the state parks from the State General Fund, $1.6 million is intended to allow free admission for Kansas residents to the 24 state parks in Kansas. The 2006 Legislature has already appropriated $800,000 for FY 2007 and $800,000 for FY 2008 to reduce the cost of admission to the parks by one-half from January 1, 2007, to January 1, 2008. To provide free admission to the state parks for all of FY 2008, the Governor recommends using the $800,000 already appropriated, another $800,000 shifted from within the agency's base budget, and new funding of $1.6 million. The total cost of open admission to the state parks for FY 2008 will be $3.2 million from the State General Fund.

State Park No. 24. Enhanced funding of $220,000 will be used to pay operating expenses associated with opening State Park No. 24. This park, as yet unnamed, will be created on land formerly owned by the Menninger Foundation and donated to the state. The park, which is adjacent to Cedar Crest and property owned by the Kansas State Historical Society, will be a day-use park with river access and a wetlands demonstration area. It is expected to open during FY 2008.

Radio System. To allow the agency to comply with the National Incident Management System, the Governor recommends $490,000, including $119,000 from the State General Fund, in enhanced funding for an 800 MHz radio system. Law enforcement officers employed by Wildlife and Parks not only provide law enforcement on agency properties, but also provide law enforcement and emergency response services for the entire state. This system will be an important step toward the agency's full participation in a statewide emergency communications network developed through the coordinated efforts of the Kansas Department of Transportation, the Kansas Highway Patrol, and other state and local emergency response agencies.

Sebelius Reservoir. Of the amount recommended from the State Water Plan Fund, $1.0 million is enhanced funding to allow the purchase of additional water rights from the Almena Irrigation District. The purchased water rights make it possible to maintain a minimum water level at Keith Sebelius Reservoir, so that the Reservoir can continue to be used for recreation. For several years, the state has leased these water rights and now seeks a more permanent solution to decreasing water levels at the Reservoir.

Grants-in-Aid Program. To support programs provided through Grants-in-Aid, such as Community Lake Assistance, Local Shooting Range Development, Outdoor Wildlife Learning Sites, Local Recreation Grants, WILDSCAPE, and Archery in the Schools, the Governor recommends $2.0 million from a combination of federal funds and state fee funds in FY 2008. Grants-in-Aid reflects the Department's emphasis on enhancing recreational activities through aid to local jurisdictions and assistance to individuals.

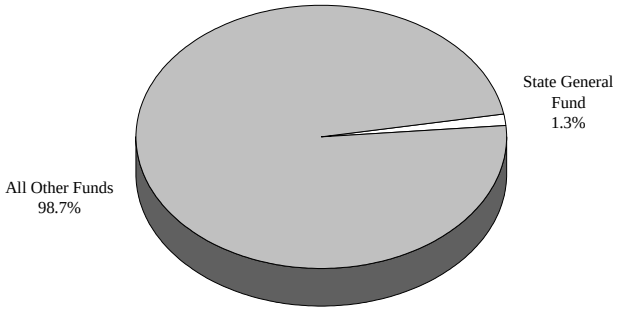
Transportation

Transportation Summary

The Kansas Department of Transportation (KDOT), and the Department of Administration are the only agencies in the Transportation function. KDOT is responsible for maintaining and improving the state highway system, which contains more than 10,000 miles of roadway. It also provides planning, design, project development, and financial assistance to local governments to improve the overall quality and safety of local streets. The Kansas Department of Transportation uses the Comprehensive Transportation Program (CTP) as its model for determining the best course to accomplish these initiatives. The Department of Administration will be responsible for administering a portion of the debt service authorized by the 2004 Legislature to support the CTP.

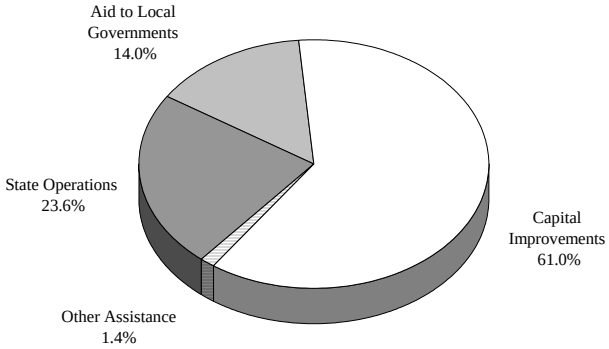
Financing for activities of KDOT comes primarily from the State Highway Fund. The Highway Fund receives income from motor fuel taxes, motor vehicle registration fees, a dedicated portion of the state sales tax, and the federal government. The 2004 Legislature increased the amount of sales and use tax deposited in the State Highway Fund, rather than the State General Fund, beginning in FY 2007 and again in FY 2008. In FY 2004, the $94.6 million transfer was not made from the State General Fund to the State Highway Fund to bolster the balances at a time when the State General Fund was experiencing financial problems. In FY 2007, the Highway Fund will begin to receive these dollars back from the State General Fund.

How It Is Financed



Fiscal Year 2008

How It Is Spent



Fiscal Year 2008

The Governor recommends a total of $1,636,009,266 in FY 2007 and $1,245,637,336 in FY 2008. The State Highway Fund will fund the majority of these expenditures for both fiscal years, with $1,317,937,041 and $924,516,014 being spent in FY 2007 and FY 2008, respectively. The State General Fund will finance $4,992,724 of the FY 2007 recommendation to pay the debt service on $210.0 million in State General Fund-backed CTP bonds that were issued in 2006 through the Department of Administration's budget. In FY 2008 the debt service paid by the Department of Administration will be $16,151,075.

A revenue transfer moves State General Fund money to the Special City and County Highway Fund (SCCHF) to aid local governments in road construction. The SCCHF also receives income from motor fuel taxes. The fund received only half of its scheduled transfer in FY 2003 and did not receive any transfer from the State General Fund in FY 2004. The FY 2004 aid was still distributed, however, using uncommitted fund balances. The FY 2006 State General Fund transfer to the SCCHP was reinstated as a $10.1 million revenue transfer. The FY 2007 and FY 2008 revenue transfers are continued at the same level as FY 2006.

Transportation Agencies

Department of Transportation

FY 2007. The Governor recommends $1,631,016,542 in expenditures for FY 2007. This amount is approximately $400.1 million greater than the agency's FY 2007 approved budget from a year ago. The increase in expenditures can mainly be attributed to planned projects not being let in FY 2006, causing expenditures to carry forward into FY 2007. Also in FY 2007, $5.0 million will be transferred from the State Highway Fund to a new State Affordable Airfare Fund in the Department of Commerce. The transferred monies will be used to fund the State Affordable Airfare Program, which aims to provide more air flight options, competition for air travel, and affordable airfares for Kansans. The Legislature has authorized an annual transfer for this purpose through FY 2011.

The 2006 Legislature suspended the transfer from the State Highway Fund to the State General Fund to finance the operations of the Highway Patrol in conjunction with a State General Fund appropriation. This change effectively shifted the ultimate source of funding for the Highway Patrol from the State Highway Fund to the State General Fund. The Governor recommends for FY 2007 reinstating the transfer to the State General Fund for the Patrol. The recommended transfer totals $29,955,733, which represents the amount that would have been recommended if the transfer had not been suspended, less $5.0 million to account for the transfer the agency is required to make to the State Affordable Airfare Fund. This retains the primary funding source for the Kansas Highway Patrol as the State Highway Fund, the same financial arrangement that has been in place in recent years.

The Governor recommends 3,220.50 FTE positions in FY 2007. This represents a reduction of 17.00 FTE positions. The agency had received an additional 136.00 FTE positions when the Comprehensive Transportation Program was approved, and it has formulated a plan to reduce these positions gradually as the CTP enters its final years.

FY 2008. The Governor recommends expenditures of $1,229,486,261 for FY 2008. This total represents a decrease of $401.5 million when compared to the revised FY 2007 estimates. The size of the decrease is the result of a large number of scheduled projects being let in FY 2007 compared to those being undertaken in FY 2008. The Governor's recommendation includes transferring $30,260,830 from the State Highway Fund to the State General Fund for the Kansas Highway Patrol consistent with the proposed change for FY 2007. As with the FY 2007 recommended transfer, this amount is reduced by $5.0 million to account for the transfer to the Department of Commerce. The recommended budget also includes expenditures for improvements to the agency's own buildings of approximately $7.3 million. Projects in the program include rehabilitation and repair, replacement of deteriorating roofs on existing buildings, construction of equipment storage sheds to protect equipment, and miscellaneous renovation and construction projects.

Under the Governor's recommendation in FY 2008, the Department of Transportation will repair more than 4,414 miles of the highway system. The status of the highway system continues to show that the Department of Transportation maintains a safe and convenient system. The Department estimates that 81.0 percent of all highway miles will be rated as having a "good" or "acceptable" surface condition in FY 2008. In addition, the Department will maintain bridges so that 85.0 percent of all bridges meet traffic demands and will be rated as structurally sound.

For FY 2008, the Governor recommends 3,201.50 FTE positions. This represents a further reduction of 19.00 FTE positions compared to FY 2007. This reduction is in accordance with the plan developed by the agency to decrease its workforce gradually as the CTP enters its final years.

Comprehensive Transportation Program

The 1999 Legislature enacted the Comprehensive Transportation Program to cover a ten-year period to plan, develop, and operate the various modes of

transportation in Kansas. The plan provides funding to preserve, modernize, and enhance the existing Kansas highway system and provides increased support for local roads, airports, railroads, and public transportation. As originally passed, the CTP would have provided $12.8 billion in improvements throughout the life of the program.

Project Categories

The CTP continues to make use of the same four categories of improvement that were used during the original Comprehensive Transportation Program that ended in FY 1998:

Regular Maintenance activities are designed to preserve, repair, and restore the roadway system to accepted standards. These activities are typically performed by the Department's workforce.

Substantial Maintenance projects protect the public's investment in the state highway system by undertaking improvements that preserve the original condition for as long as possible. These projects are typically let out to contract.

Major Modifications-Priority Bridge projects improve the safety and service of the existing system. Projects include reconstruction or rehabilitation of pavement, widening traffic lanes, adding or widening shoulders, and eliminating steep hills or sharp curves. Priority bridge projects replace or rehabilitate substandard bridges on the system.

System Enhancement projects include additions to the state highway system or projects which substantially improve safety, relieve congestion, improve access, or enhance economic development.

Comprehensive Transportation Program Construction Costs
(Dollars in Thousands)

	FY 2007	FY 2008
Routine Maintenance	134,693	134,560
Substantial Maintenance	176,099	179,301
Major Mods.-Priority Bridge	412,924	389,044
System Enhancements	202,941	119,320
Total	$926,657	$822,225

CTP Financing

Transfers. When the CTP started, one of its main sources of funding was an annual transfer from the State General Fund to the State Highway Fund based on a percentage of the state sales tax as established by statute. However, difficult financial times for the State General Fund a few years ago forced the transfers to be reduced and eventually eliminated altogether. In FY 2002, the transfer was initially made according to conform to the law in the amount of $94.2 million. However, because the State General Fund could not actually afford to make the transfer at that time, the 2002 Legislature transferred $94.6 million, $400,000 more than the original transfer, back to the State General Fund. The intent was to repay the State Highway Fund by the end of FY 2003. At the end of FY 2003, however, the amount was not repaid, because the conditions of the State General Fund had not improved sufficiently to do so.

Because of continuing financial difficulties with the State General Fund, the scheduled FY 2003 and FY 2004 transfers were not made at all. The 2004 Legislature eliminated future transfers entirely as part of a larger restructuring of the CTP. As a result, a new repayment schedule was put into place with the first installment due in FY 2007.

In keeping with that schedule, the Governor now includes a transfer of $32.5 million from the State General Fund to the State Highway Fund in FY 2007. This serves as the first of four years of "payback" of the amounts not paid in past years as well as for several other adjustments made during the 2003 Legislative Session. For FY 2008, the Governor recommends $30.9 million for the second "payback" transfer from the State General Fund to the State Highway Fund.

Bonding. With the loss of the transfers in prior years, measures needed to be taken during that time to complete the CTP without State General Fund support. Therefore, the 2001 Legislature granted additional bonding authority of $277.0 million and increased motor fuel taxes to pay off the bonds.

The 2004 Legislature authorized the issuance of an additional $150.0 million in bonds to finance the CTP. The 2004 Legislature also approved up to $60.0 million in bonds but only if needed to offset potential

shortfalls in anticipated federal receipts. That made the total potential bonding authority $210.0 million during that year. Ultimately, the Department needed the full amount; therefore, the State Finance Council authorized the issuance of this entire $210.0 million in bonds in January 2006.

Starting in FY 2007, for the interest portion only, these bonds are being repaid through an appropriation of $4,992,724 from the State General Fund in the Department of Administration. For FY 2008, the Governor recommends $16,151,075 to cover the scheduled debt service payments, of which $9,416,075 is interest and $6,735,000 is principal.

Sales Tax. The 2004 Legislature also granted KDOT a greater portion of the dedicated state sales tax to help with CTP financing. Beginning in FY 2007, this portion of the tax will go from .25 percent to .38 percent and will increase further in FY 2008 to .65 percent. KDOT's increased portion of the sales tax rate is estimated to raise approximately $60.6 million in FY 2007 and $175.0 million in FY 2008. The effects of this tax change are also discussed in the State General Fund Consensus Revenue Estimate section of this volume.

CTP Cashflow

The CTP cashflow reflects the financing changes that have been made in previous years and demonstrates the ability of the state to pay for the CTP projects. The Governor's recommendations for FY 2007 and FY 2008 are projected to leave the CTP with a positive ending balance in FY 2009. The table on the next page highlights this fact. The table does not show actual expenditures for FY 2000, FY 2001, and FY 2002. It represents only the final seven years of the CTP. However, the total column covers the entire ten-year period for the Comprehensive Transportation Program, including those first three years.

Comprehensive Transportation Program Cashflow

(Dollars in Thousands)

	2003	2004	2005	2006	2007	2008	2009	Total FY 00-2009
Beginning Balance	826,877	718,181	645,366	714,064	647,202	334,649	277,812	559,875
Revenues:								
SGF Sales Tax Transfer	--	--	--	--	--	--	--	208,237
All Other Receipts	1,118,580	1,027,667	1,117,171	1,151,324	1,279,180	1,417,128	1,434,115	11,448,480
Subtotal	$ 1,118,580	$ 1,027,667	$ 1,117,171	$ 1,151,324	$ 1,279,180	$ 1,417,128	$ 1,434,115	$ 11,656,717
Net from Bond Sales	2,043	258,770	347,000	--	--	--	--	1,288,111
SGF-Backed Bond Revenues	--	--	--	210,000	--	--	--	210,000
Net TRF Loan Transactions	--	--	(15,000)	15,000	(10,000)	--	--	(10,000)
Total Receipts	$ 1,120,623	$ 1,286,437	$ 1,449,171	$ 1,376,324	$ 1,269,180	$ 1,417,128	$ 1,434,115	$ 13,144,828
Available Resources	$ 1,947,500	$ 2,004,617	$ 2,094,537	$ 2,090,388	$ 1,916,382	$ 1,751,777	$ 1,711,927	$ 13,704,703
Expenditures:								
Maintenance	245,075	283,796	299,811	314,444	332,206	329,020	337,634	2,932,142
Construction	475,477	568,402	520,427	542,242	615,865	508,363	535,864	5,097,116
Modes	21,719	19,515	21,645	23,238	32,669	26,838	26,129	214,222
Local Support	247,989	258,461	276,179	294,812	304,268	309,585	294,725	2,729,082
Management	53,001	58,600	57,970	56,103	68,261	67,764	77,256	598,054
Transfers Out*	67,548	87,657	97,159	95,836	96,703	100,634	102,725	790,030
Subtotal	$ 1,110,808	$ 1,276,431	$ 1,273,190	$ 1,326,676	$ 1,449,972	$ 1,342,204	$ 1,374,333	$ 12,360,646
Debt Service	118,511	82,820	107,283	116,510	131,761	131,761	130,291	1,136,753
Total Expenditures	$ 1,229,319	$ 1,359,251	$ 1,380,473	$ 1,443,186	$ 1,581,733	$ 1,473,965	$ 1,504,623	$ 13,497,399
Ending Balance	718,181	645,366	714,064	647,202	334,649	277,812	207,304	207,304
Minimum Ending Balance Requirement**	132,250	159,577	159,948	180,502	163,792	164,927	184,186	184,186
Available Ending Balance	585,931	485,790	554,116	466,700	170,857	112,886	23,117	23,118

* *The Transfers Out row is shown as expenditures for this cashflow table but is really a revenue transfer.*

** *Required ending balances reflect:*

Amounts required to satisfy debt service on bonds.

Funds allocated by statute for distribution to specific programs.

Amount necessary to provide for orderly payment of bills.

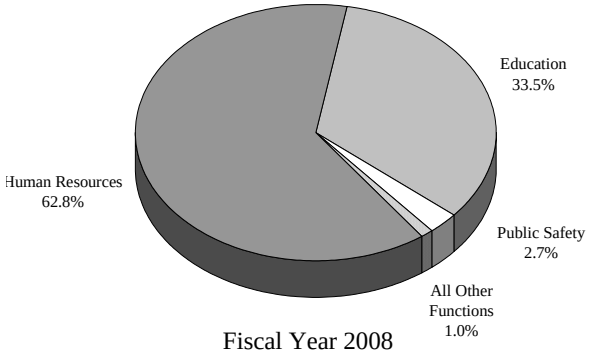
Children’s Budget

Children's Budget Summary

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

Expenditures by Function

Totals Exclude Operating Aid to USDs



Fiscal Year 2008

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

Medical & Health Services. Medical services are provided through several state and federally-funded programs. For example, the Medicaid Program makes reimbursements for medical services provided to eligible patients. The HealthWave Program serves eligible children in the state. Expenditures for medical and health services make up 41.4 percent of the Children's Budget.

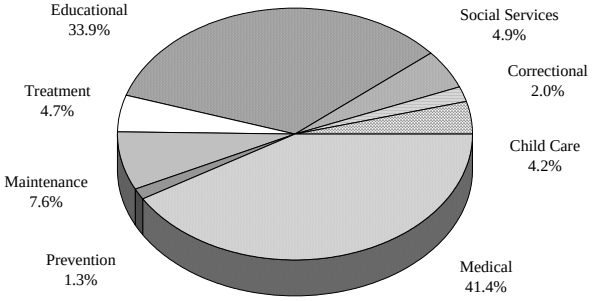
Education & Training Programs. The State of Kansas provides a variety of education programs for children and their parents. Children receive the education and social skills necessary to live successfully in society through the public school system. Welfare-to-Work programs funded through the Department of Commerce 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 33.9 percent of the Children's Budget, excluding operating aid to USDs.

Maintenance Services. Some families require direct cash assistance from the state to meet their day-to-day living needs. Prior to receiving assistance, these families must meet a number of eligibility criteria. Maintenance services include Temporary Assistance to Families (TAF), reintegration/foster care, as well as permanent guardianship. Maintenance services make up 7.6 percent of the Children's Budget.

Social Services. Social services provide a number of support functions designed to prevent or relieve conditions of neglect, abuse, and exploitation of children. For example, children and family services provided by SRS include a number of therapeutic and family preservation activities. Social services make up 4.9 percent of the Children's Budget.

Expenditures by Category

Totals Exclude Operating Aid to USDs



Fiscal Year 2008

Child Care Services. State-supported child care services benefit children. These services provide early childhood education opportunities. Child care services provided through SRS support parents in becoming self-sufficient. The Child Care Licensing Program at the Department of Health and Environment ensures safety in care facilities. Child care services make up 4.2 percent of the Children's Budget.

Correctional Activities. Rehabilitation services for adjudicated youth are provided by four juvenile correctional facilities. In addition, the state provides grants to support community prevention and corrections programs. Correctional activities make up 2.0 percent of the Children's Budget.

Prevention Services. These programs reduce the need for future costly services that remove a child from the home and avoid institutionalization, if possible. An example of this category of service is preventive health services provided by the Department of Health and Environment, which includes services delivered through local health departments. Prevention services make up 1.3 percent of the Children's Budget.

Institutional & Treatment Services. Included in this category are the services of the state mental health and developmental disability hospitals. Many clients who were formerly served in these institutional settings are now being provided services through community programs and the Home and Community-Based Services Waiver Programs. Institutional and treatment services now make up 4.7 percent of the Children's Budget.

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

General Government

In the General Government function, the major program expenditures for the benefit of children are related to the support of juveniles involved in judicial actions and administration of the child support enforcement efforts of the district courts. General Government expenditures included in the Children's Budget for FY 2008 total $19.8 million, of which $11.0 million is from the State General Fund.

Department of Revenue

Child Support Enforcement. Arrearage in child support payments can be treated as debts owed to SRS under certain circumstances. In such circumstances, any Kansas income tax refund which would otherwise be due to the party owing the support can be subjected to the debt set-off policy to help satisfy the support arrearage. Support arrearages may also be addressed by establishing a lien on certain personal property, such as a motor vehicle. The Department of Revenue assigns 2.00 FTE positions to fulfill the above requirements of law. These positions are financed by an annual transfer from the Social Welfare Fund of SRS. A total of $62,290 will be spent in the Department of Revenue on this program in FY 2008.

Banking Department

Credit Counseling. The Banking Department will spend $258,000 to finance credit counseling for families in FY 2008. Of the total, $120,000 is to provide consumer credit education training for primary and secondary teachers, $88,000 is for consumer credit counseling, and $50,000 is for housing and credit counseling.

Office of the Governor

The grant programs benefiting children have been financed entirely from federal funds. Starting in FY 2007, grants are also financed from the State General Fund.

Violence Prevention. Part of the State General Fund monies are used as matching funds for two federal grants that serve children under the Family Violence Prevention and Services Act and the Victims of Crime Act. The total estimate for this program is $738,980 from all funding sources, of which $439,980 is from the State General Fund.

Drug Free Schools. These programs focus on the eradication of drug use and violence in schools and communities. The Governor's Office will administer approximately $538,897 for the benefit of approximately 16,000 children.

Sexual Violence (Rape) Prevention & Education. Sexual violence prevention services and crisis intervention are provided by numerous local agencies across the state. These programs provide educational programs to prevent sexual violence. The program will benefit an estimated 150 children for approximately $465,834 from all funding sources, $150,000 of which is from the State General Fund.

Victims of Crime Act. This grant program provides state and local governments, Native American tribes,

and not-for-profit, community, and faith-based organizations funding for enhancing the criminal justice system. The Governor's recommendation includes expenditures of $601,623 for FY 2008 for this grant program. The program is anticipated to benefit 6,750 children.

Child Visitation Centers. The recommendation of the Governor includes $99,500 for FY 2008 for 850 children in the Child Exchange and Visitation Centers Program. The goal of these centers is to facilitate non-custodial parents' access to their children by means of activities, including remediation, counseling, and education.

Byrne Justice Assistance Grant. This grant program provides state and local governments, Native American tribes, and not-for-profit, community, and faith-based organizations funding for enhancing the criminal justice system. A portion of the funds is used for prevention efforts regarding drug abuse among children and youth and intervention for abused children. The Governor recommends $36,641 for FY 2008. This program will benefit an estimated 700 children.

Rape Crisis Centers. State General Fund monies are used for providing direct services to sexual assault victims in underserved areas of the state. The program will benefit an estimated 150 children for $150,000, all of which is from the State General Fund.

Child Advocacy Centers. State General Fund monies are used for the multidisciplinary team approach to investigating and intervening in cases of suspected child abuse, primarily sexual abuse, in a safe place for children to be heard without further victimization. The program will assist an estimated 663 children with approximately $1.0 million.

Attorney General

Child Visitation Centers. The goal of these centers is to facilitate non-custodial parents' access to their children by means of activities, including remediation counseling and education. For FY 2008, the Governor recommends expenditures of $185,000 from the Crime Victim Assist—Child Visitation Center Fund for this program.

Child Death Review Board. The Child Death Review Board was created by the 1992 Legislature to focus on unexplained child deaths, primarily those deaths that are the result of abuse or neglect. National data indicate that 20.0 percent of child deaths are preventable. For FY 2008, the Governor recommends $93,000 from the State General Fund for this program.

Abuse & Neglect Programs. The Governor's budget includes $1,150,000 for FY 2008 from the Crime Victims Assistance Fund to provide grants to private 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 $135,000 from the State General Fund in FY 2008 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. Children will receive assistance, such as emergency food, clothing, and shelter; counseling; and education about domestic abuse through programs funded in the Governor's budget. For FY 2008, the Governor recommends $1.4 million from all funding sources to implement programs for domestic abuse victims and their dependents.

DARE Program Coordination. The Governor recommends $90,000 in FY 2008 from the State General Fund for coordination of the DARE (Drug Abuse Resistance Education) Program. The program was funded by federal grants through FY 1999. The program was funded by the Children's Initiatives Fund in FY 2000, by agency fee funds in FY 2001, and by the State General Fund beginning in FY 2002.

Judiciary

Permanency Planning. The Kansas Supreme Court has adopted specific missions and standards for Court-Appointed Special Advocates (CASA). CASA

programs provide volunteers to assist the district courts. The programs allow the court to appoint a volunteer who becomes acquainted with the particular 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 2008, expenses of $778,306 from special revenue funds are anticipated to serve 2,800 children. 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.

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 2008, expenditures are identifed at $2,194,414 and will benefit 164,788 children. In addition, expenditures will be made from the Judicial Branch Education Fund for training child support enforcement personnel.

Court Services Officers. 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 2008, expenditures of $9,496,367, including $8,958,778 from the State General Fund, are identifed to support activities of the court services officers. Officers are expected to assist 9,500 children and 8,100 families in FY 2008. Expenditures from the Judicial Branch Education Fund will provide additional training for them.

Child Welfare Federal Funding. The Court Improvement Program is a federally-funded program designed to assess and improve current foster care and adoption procedures, laws, and regulations. The assessment and implementation is funded by a federal grant from the U.S. Department of Health and Human Services. For FY 2008, the Governor has identified expenditures of $333,769 for this program.

Human Services

The Human Resources function comprises a variety of programs in support of children and their families. This function includes the Department of Social and Rehabilitation Services and its institutions, the Kansas Health Policy Authority, the Department of Health and Environment, and the Department of Labor. The recommendation for FY 2008 totals $1,352.0 million, including $527.9 million from the State General Fund.

Social & Rehabilitation Services

Child Support Enforcement. This program collects financial support owed to custodial parents. Expenditures of $26.3 million will continue the state's efforts at collecting support for an estimated 163,156 children in FY 2008.

Temporary Assistance for Families. The Governor's budget includes expenditures of $72.0 million in FY 2008 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. Of the $72.0 million, $60.0 million is for cash assistance and $12.0 million is for employment support services. An estimated 41,254 families will be served in FY 2008.

Low Income Energy Assistance. Through the federal Low Income Energy Assistance Program, funds are available to help families meet their energy needs. Benefits vary according to criteria, including household size, income level, dwelling type, and utility rates. A total of $3.6 million is estimated to be available for FY 2008. An estimated 20,937 families will be served.

Child Care Services. Along 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 39,890 children will be served under the Governor's budget in FY 2008, with funding totaling $79.0 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 $11.4 million is recommended to serve an estimated 2,893 families in FY 2008.

Community Funding. This funding is available to SRS area offices and local organizations to establish 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 2008, the Governor recommends $1.7 million.

Family Services. 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 $2.3 million for FY 2008 to provide services to 1,634 families.

Reintegrating/Foster Care. Out-of-home 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 2008, the Governor recommends $136.0 million to provide foster care to 5,512 children each month. The recommendation includes $95.0 million from the State General Fund.

Adoption. The purpose of the adoption resource recruitment contract is 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 2008 recommendation totals $3.9 million, including $2.6 million from the State General Fund.

Adoption Support. SRS provides payments to adoptive families to help in meeting the special needs of children and encouraging permanent placement. Subsidies can include one-time payments for legal fees or ongoing payments for a child's medical or developmental needs. The budget recommendation includes $23.3 million, including $11.3 million from the State General Fund, to provide support for 6,487 families each month in FY 2008.

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 their employees. Grants are also offered to improve training and reward innovation in early education programming. The Governor recommends $3.0 million in FY 2008 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 $11.9 million to serve 1,304 children in FY 2008. The Governor's recommendation for FY 2008 includes enhanced funding of $2.2 million, $1.6 million from the Children's Initiatives Fund and $593,960 from the State General Fund.

Funeral Assistance. SRS provides limited aid for the burial of indigent persons. It is available to families who are currently receiving Temporary Assistance for Families, General Assistance, Food Stamps, or Medicaid. The average payment for a funeral is less than $600. This program is financed entirely through the State General Fund.

Rehabilitation Services. In the Rehabilitation Services Program, students with severe disabilities receive post-high school transition planning. The assistance provided includes job placement, supported employment, vocational assessment, and rehabilitation

technology. The Governor recommends $3.2 million to serve 2,011 children in FY 2008.

Children's Cabinet. This item includes community-based family resource and support funds for programs designed to prevent child abuse and neglect. It also includes Smart Start Kansas, funded from the Children's Initiatives Fund, to help children enter school ready to succeed. Grants are given to community programs that address the particular needs of that area. The Children's Cabinet also administers the Pre-K Pilot Program, also from the Children's Initiatives Fund, and the new Child Care Quality Initiative. Total funding for FY 2008 is $16.0 million.

Independent Living. This program provides services to youth over age 14 who are in Foster Care with the goal of preparing the recipients to be self-sufficient. The Governor recommends $1.8 million, including $359,748 from the State General Fund, for these services in FY 2008.

Substance Abuse Treatment. Children and families are served through a continuum of treatment services across the state. Services include assessment, social detoxification, outpatient, and residential treatment. For FY 2008, $12.8 million is recommended to provide treatment to 3,000 children and 2,300 families.

Prevention Services. Prevention services for youth, children, and families are delivered statewide through community-based programs in five service delivery regions. For FY 2008, the Governor recommends $928,768 for these programs. The recommendation will benefit approximately 3,187 children.

Mental Health State Aid. The Governor recommends funding of $504,508 from the State General Fund in FY 2008. The funding supports children's services at the community mental health centers. The Governor's recommendation will serve approximately 1,000 children in FY 2008.

Mental Health Reform. The Governor recommends funding of $3.6 million from the State General Fund in FY 2008 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 Governor's recommendation will serve approximately 5,610 children in FY 2008.

Mental Health Special Purpose Grants. A total of approximately $1.9 million, including $1.2 million from the State General Fund, is recommended in FY 2008 for community mental health centers to implement programs that assist children and youth suffering from severe emotional disturbances. The recommendation, serving a population of 2,150, 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 2008. The program provides mental health and prevention services for children with severe emotional disturbances and their families.

Family Support. The Governor's recommendation of $3.4 million in FY 2008 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 1,418 families.

Home & Community-Based Services Waivers. 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 1,200 families in FY 2008 at a cost of approximately $16.9 million. The recommendation includes a State General Fund Medicaid match of approximately $6.7 million.

SRS Regular Medical Services. Although most of the Regular Medical Assistance Program was transferred out of SRS beginning in FY 2006, certain services remain the responsibility of SRS. Those include private psychiatrists and psychologists, behavior management, CDDO targeted case management, CMHC certified match, attendant care, positive behavior support, and traumatic brain injury rehabilitation hospital services. For FY 2008, the estimate for all these services totals $105.9 million, including $44.5 million from the State General Fund.

Permanent Guardianship. When reintegration or adoption are not the preferred permanency options because of a child's age, strong family bonds, or cultural traditions, permanent guardianship can be

established. This program provides a subsidy for families who are willing to assume this responsibility. For FY 2008, the Governor recommends $250,000, including $70,200 from the State General Fund, to serve 119 children.

Systems of Care Grant. This is a federal demonstration grant to improve child welfare outcomes in Kansas. The approach focuses on child and family involvement in developing a plan to care. The child and family are served in their home community and school. The Governor recommends $469,541 in FY 2008.

Kansas Coalition on Sexual & Domestic Violence Grant. This federal grant funds training for social workers, who will then be able to offer appropriate interventions to families when domestic violence is indicated in investigations. For FY 2008, the grant totals $65,106.

Grandparents as Caregivers. This state-only funded program provides financial assistance to grandparents who have legal custody of a grandchild. Other eligibility requirements are that the caregiver is at least 50 years old and has an annual income below 130.0 percent of the federal poverty level.

Larned State Hospital

Children's Services. Larned State Hospital provides mental health services to 17 adolescents who require full-time inpatient treatment and/or extended inpatient evaluation and who range from 13 to 18 years of age. The Hospital also provides services to six children ranging from five to 13 years of age. Each child has an individualized treatment program, and regular and special education services are provided to all children and adolescents in the psychiatric programs. For FY 2008, the Governor recommends $3,015,178 with $1,808,015 from the State General Fund to pay for these services.

Parsons State Hospital & Training Center

School-Age Children's Services. Parsons State Hospital estimates it will provide services to 20 children with developmental disabilities in FY 2008. For these services, the Governor recommends funding of $1,852,976, including $759,027 from the State General Fund and the balance from federal Medicaid monies and charges collected from the children's families.

Special Purpose School. Special education services are provided to school-aged residents of Parsons State Hospital through a contract with the Southeast Kansas Regional Educational Service Center (USD 609). For FY 2008, $353,926 is recommended with $160,892 from the State General Fund for educational services for 28 residents.

Day Care Operation. Reduced-cost child day care is available at Parsons State Hospital to state employees in the Parsons area. A nonprofit corporation operates the child care services in a state-owned building, with utilities and maintenance provided by the state. The Hospital will contribute $12,519 to defray operating costs in FY 2008. Of that amount, $5,128 is from the State General Fund. The facility expects to serve 325 children in FY 2008.

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 the 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 $63,200, all from the State General Fund, are recommended for FY 2008, and it is estimated that 270 people will be served.

Rainbow Mental Health Facility

Psychiatric Services. The Governor's budget recommendation of $1.5 million in FY 2008 will provide evaluation and treatment services to an estimated 225 adolescents and children. The program places emphasis on the specific needs identified in individualized treatment plans and is funded through federal Medicaid monies.

Education Services. Regular and special education services are provided to all children and adolescents in the psychiatric programs. For FY 2008, $414,038 from the State General Fund is recommended to fund educational services for 225 school-aged patients.

Kansas Health Policy Authority

Children's Health Insurance. The Kansas Health Policy Authority administers the Medicaid Regular Medical Program, which provides for the needs of approximately 305,000 children in Kansas. KHPA also administers the State Children's Health Insurance Program (SCHIP), which will serve a monthly average of 37,000 children in FY 2008. Funding for SCHIP totals $69.3 million.

Health & Environment—Health

Mothers & Infants Program. Prevention of infant mortality, child abuse, and child neglect are the goals of this program, which will serve approximately 62,300 families during FY 2008. The program provides comprehensive medical, nursing, nutrition, and social work services to mothers and children who may be at high risk for these behaviors. A total of approximately $3.2 million, including $1.4 million from the State General Fund, is provided in the FY 2008 budget for this program.

Adolescent Health. Funding of $176,744, including $58,964 from the State General Fund, will provide a variety of health services to approximately 2,400 youths through school-linked clinics, residential maternity homes, and teen pregnancy prevention projects in FY 2008.

Healthy Start/Home Visitor. This program finances 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 2008 provides $751,444, including $501,444 from the State General Fund, for the program. The Department estimates that this level of funding will provide early intervention and support for 13,900 families.

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 8,100 individuals with funding of $49,369 from the State General Fund in FY 2008.

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 $2.2 million will service 49,500 families in FY 2008.

Teenage Pregnancy Prevention. The goals of these programs are to reduce long-term welfare dependency and the negative consequences of teen pregnancy. Funding of $767,995 in FY 2008 is recommended to provide primary and secondary pregnancy prevention services to approximately 19,400 Kansas teenagers.

Abstinence Education. Funding of $205,248 is recommended to promote abstinence in order to reduce out-of-wedlock births and to reduce the teen pregnancy rate. Five local agencies utilize abstinence education to reach approximately 10,400 adolescent children.

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, and other medical supplies to an estimated total of 11,000 children with the expenditure of $2.2 million for FY 2008.

Child Care Licensing. The Department licenses or registers all types of child care facilities, including day care, residential care, preschools, and child placement agencies. The program's objectives are to increase and ensure safe, healthy, and appropriate care opportunities for children placed in out-of-home care. The program will benefit approximately 145,000 children in FY 2008 with expenditures of $5.2 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. In FY 2008, funding of $1.5 million will provide education and awareness, benefiting approximately 65,000 children.

Community-Based Primary Care Grants. Through this aid program, primary care clinics are subsidized to provide family-oriented services to the medically underserved. Funding of $817,710 will support preventive, acute, and chronic care services delivered to 40,650 families in FY 2008.

Migrant & Refugee Health. Primary care services are provided to seasonal farm workers, refugees, and their families. Federal funding of $176,000 will provide preventive, acute, and chronic care services to 1,320 families in FY 2008.

Women, Infants, & Children Nutrition Services. 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 referrals 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 126,000 family members will benefit from the programs. For FY 2008, expenditures will be approximately $43.3 million.

Infants & Toddlers. An amount of $8.5 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 6,000 children for FY 2008.

Pregnancy Maintenance Initiative. The Governor recommends State General Fund expenditures of $300,000 for FY 2008. The program provides support services to approximately 190 low-income pregnant teenagers.

Immunizations. Halting the spread of preventable diseases is the goal of this program. The Department provides Tetanus-Pertussis vaccine, Inactivated Polio vaccine, Diphtheria-Measles-Mumps-Rubella vaccine, and other vaccines to local health departments for the immunization of infants, children, and adolescents. An estimated 350,000 children will receive state-supported immunizations through expenditures of $1,559,598 in FY 2008.

Newborn Hearing Loaner Program. The Governor recommends $50,000 from the State General Fund for a new program beginning in FY 2007 that provides children with temporary hearing devices until they receive a permanent device. The same amount is recommended for FY 2008.

Department of Labor

Child Labor Enforcement & Presentations. The Department of Labor has two basic functions that benefit children. First, child labor laws are enforced by the Department. Second, the Department disseminates information related to employing minors. Presentations are made to employers regarding the type of work that minors are allowed to perform. Employers also are provided with other information relating to employing minors. The Department expects to serve 1,262 individuals through these programs in FY 2008 at a cost of $3,325 from the State General Fund.

Education

By far the largest expenditures for children's programs occur in the Education function. They total $3.5 billion, or 71.0 percent, of the recommended expenditures for children's programs for FY 2008. The recommendations include major expenditures of $2.8 billion for operating aid to school districts. The Education function also includes funding for the state's Schools for the Blind and Deaf. In addition, funding is recommended for programs conducted by the Regents institutions, the Arts Commission, the Historical Society, and the State Library.

Department of Education

Operating Aid to USDs. The state provides aid to more than 465,000 children in the state's 296 unified school districts for basic operating aid, the employers' contribution to the retirement program for teachers and other staff, additional funding for districts that provide education services at county juvenile detention facilities, and equalization aid for districts with a local option budget. These state aid programs total $2.8 billion in FY 2008. Federal aid totaling $134.0 million also is distributed to districts by the Department of Education to support various programs, including educational services to low-income, migrant, homeless and other at-risk students, improved mathematics, science and reading instruction, enhanced library services and instructional media materials, and integrated technology training.

Capital Improvement Aid. Voter-approved general obligation bonds are used by school districts for construction, remodeling, and major equipment purchases. The payback of these bonds is partially paid by this state aid program, totaling $67.0 million in FY 2008. The portion of each bond's debt service paid by the state varies among districts, but is based on the property wealth (assessed valuation per pupil) of each district. This variation among districts enables school districts with lower valuation levels to provide educational facilities of comparable quality to those in wealthier districts. This particular state aid program has been changed from a demand transfer to a revenue transfer and is no longer shown as an expenditure from the State General Fund.

Capital Outlay Aid. This program was created by the 2005 Legislature to provide more equity in capital outlay levies to comply with the Supreme Court order to increase state aid to school districts. These funds, totaling $22.4 million in FY 2008, are used for such things as the purchase of equipment, school buses, and remodeling, construction, and major repairs to buildings.

Nutrition Services. The U.S. Department of Agriculture administers several nutrition programs in which federal funds totaling $122.9 million in FY 2008 will be passed through the State Department of Education to school districts as well as child and adult care centers. The funds provide nutritious breakfasts, lunches, and afternoon milk in schools. Meals and snacks are also provided for children in child care facilities and after-school programs. Adults in adult day care facilities receive nutrition services as well. The state serves approximately 520,000 people and provides a $2.5 million match for the available federal funds.

Special Education Services. The state distributes $452.8 million in aid for special education services to school districts to help pay the transportation and other costs associated with educating 81,287 students with special needs and students identified as gifted. Federal funding to assist with the costs of these special education services is estimated at $96.7 million in FY 2008, $4.0 million less than FY 2007.

Vocational Education. In FY 2008, approximately $5.4 million will be distributed by the Department of Education to Kansas schools in order to integrate academic, technical, and workplace skills. Another $288,500 in state and federal funds will be expended to support career and technical student organizations.

Parent Education. Kansas follows the "Parents as Teachers" model to provide expectant parents and parents of infants and toddlers with advice, resource materials, parenting skills, a positive approach to discipline, and other skills to ensure children are ready for school. Funds totaling $7.3 million are recommended for FY 2008 to serve 18,000 children and their families.

Other Aid to Schools. Schools are provided a combined $4.5 million from various sources to support safety education, drug abuse education, and other special programs for FY 2008.

School for the Blind

For FY 2008, the Governor recommends $5,764,726, including $5,198,332 from the State General Fund, for the Kansas State School for the Blind. The enrollment at the Kansas City campus during the regular school year and summer term is estimated to be 178 students in FY 2008. The School expects to serve an additional 233 students through its statewide outreach program and provide approximately 880 students with books, instructional material, and specialized technology. The School's 93.50 FTE positions provide various services, including educational, residential, outreach and health care for children with visual and other impairments until the age of 21. Students residing in the dormitory receive additional hours of instruction related to academics and special needs in order to develop into independent adults. The School expects to have 50.0 percent of its graduates living independently and 75.0 percent of its graduates enrolled in a post-secondary or vocational-technical education program. Also in the School's budget is funding for the Accessible Arts, which provides technical assistance to enhance the arts for vision-impaired students.

School for the Deaf

The Kansas School for the Deaf serves 630 hearing impaired students in the state who receive assistance in educational, residential, and outreach services. The

School provides early intervention assistance to promote communication skills and auditory training units that are leased to school districts statewide. The Governor recommends $8,985,670 from all funding sources, including $8,444,105 from the State General Fund, for operating expenditures and capital improvements in FY 2008. The School for the Deaf is staffed by 173.50 FTE positions. The School expects 70.0 percent of its students to improve their math and reading scores from the previous year.

Emporia State University

America Reads/Counts Program. This program provides reading and mathematical tutorial help for children in nine of the 11 local schools in Emporia. College students in the Teacher Education Program participate as tutors. In FY 2008, it is estimated that 259 students will be serviced at a cost of $29,492 from special revenue funds.

Center for Early Childhood Education. The Governor recommends $334,561 from special revenue funds in FY 2008 to serve 145 children. This center provides the community with a part-time program for children one to 12 years of age.

Expanding Your Horizons Conference. This one-day conference is held annually in the spring and brings 270 young women in grades six through eight and their parents and teachers to the Emporia State University campus. The goals for the conference include increasing young women's interest in science and math, fostering awareness of career opportunities in math and science related fields, and providing the opportunity to meet successful professional women. The Governor recommends $12,900, including $1,650 from the State General Fund, in FY 2008.

MASTER-IT. Mathematics and Science to Explore Careers—Investigating Together is a program for 20 young women that consists of a one-week summer residential conference held at the University. The Governor recommends $15,000 in FY 2008.

Reading-Related Services. Reading services and science instruction-related services are provided to 438 school-age children, ages six through eight, year round. Teachers provide individual and small group lessons, tests, diagnoses, and remediation for children with reading problems. The cost of the recommended program is $21,464, from the State General Fund for FY 2008.

Sonia Kovalevsky Mathematics Conference. This day-long conference, named for the famous 19th century mathematician, is designed to honor and encourage approximately 83 high school women in their junior year. In FY 2008, the cost of the conference is expected to be $1,650 from special revenue funds.

Fort Hays State University

Herndon Speech, Language, & Hearing Clinic. This clinic provides comprehensive diagnostics and treatment to approximately 485 residents of Western Kansas. The clinic is administered by the University's staff. For FY 2008, the Governor recommends $249,484, including $242,725 from the State General Fund.

Tigers Tots Nurtury Center. This center provides child care and pre-school for children of students and university staff. For FY 2008, the Governor recommends $94,863 from special revenue funds to serve 24 children.

Kansas State University

Hoeflin Stone House Day Care. The Governor recommends $292,163, including $102,471 from the State General Fund, in FY 2008 for the Hoeflin Stone House Day Care Center. The center will provide full-day care services for 30 children ages six weeks through five years.

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 44 children, approximately one third of whom have disabling conditions. The Governor's recommendation for FY 2008 is $99,250, including $47,631 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 2008, the Governor recommends $309,000, including $193,078 from the State General Fund, to provide these services to 375 families.

Training for Dispute Resolution. The University provides a Mediation and Dispute Resolution in Families curriculum and skills training to the Department of Social and Rehabilitation Services staff. Training in family dispute resolution that will develop skills of SRS staff at a cost of $661,500. It is estimated that this service will reach 1,000 families.

Kansas Child Care Training Opportunities, Inc. The Governor recommends $159,863, including $28,243 from the State General Fund, in FY 2008 for the Kansas Child Care Training Opportunities Program. The program provides in-service training opportunities to approximately 16,390 child care personnel in licensed or registered child care facilities.

Speech & Hearing Center. The Center assists 265 children who exhibit speech and language or hearing disorders from birth to adulthood. The recommendation for FY 2008 is $319,725, including $201,472 from the State General Fund.

After School Child Care for the Developmentally Delayed. This program provides the teachers and staff to work with developmentally delayed children enrolled in the Early Childhood Laboratory programs at Kansas State. In FY 2008, the programs will provide services for 20 children at a cost of $19,850 from special revenue funds. The University provides this program in cooperation with USD 383.

Infant Program. This Early Head Start Program makes childcare available for infants, ages six weeks to three years. It also provides experience for students and Head Start teachers throughout Kansas. In FY 2008, the program is expected to serve 40 children at a cost of $110,250, including $6,073 from the State General Fund.

After School Care. This program is located at Roosevelt Elementary School, USD 383, in Manhattan, Kansas and operates from 8:30 a.m. to 5:30 p.m. everyday during the school year. The purpose of the program is to provide appropriate, comprehensive, high-quality care and education services for 62 children enrolled in part-day kindergarten. The care is available for children before and after their kindergarten session. For FY 2008, the Governor recommends this program at a cost of $9,686, including $9,224 from the State General Fund.

Kansas State University—ESARP

4-H Program. The 4-H Program provides educational strategies and opportunities for approximately 145,000 children and adults to work in partnership as they develop life skills to become healthy, self-directed, contributing members of society. For FY 2008, the Governor recommends $864,000 for this program, including $714,000 from the State General Fund.

Army Youth & Teen Center Technical Assistance. This is part of a U.S. Army-wide initiative to establish 4-H on posts throughout the world and provide a high quality, predictable environment for 3,000 young people. Technical assistance includes basic youth development, management strategies to support social skills, and workforce skill development. The cost of the program for FY 2008 is $40,000, including $20,000 from the State General Fund.

Build Strong, Healthy Communities. Education is provided to 10,000 adults and youth through the Communities Program to improve leadership skills so they can effectively address public issues and take action to improve themselves, their organizations, and their communities. The cost of this program is $741,000, including $440,000 from the State General Fund.

Community Youth Development. For FY 2008, the Youth Development Program is expected to cost $105,700, including $27,000 from the State General Fund. The program provides opportunities for teen leaders, organizational leaders, and others from non-affiliated community youth development groups to increase both their individual and organizational capacities.

Health. The Health initiative is grounded in research-based approaches of positive development affecting 10,000 families at a cost of $200,000 from special revenues. The program is based on capacity-building principles that create positive capacity in family, school, and community environments to help reduce the potential risk of problem behaviors in children and youth.

Improving Parenting Skills & Family Relationships. For FY 2008, the Governor recommends $1,520,000, including $975,000 from the State General Fund, to serve 100,000 families. The program develops and delivers educational programs that contribute to effective parenting and successful family relationships.

Learning & Social Readiness. The University conducts community-based implementation of social competency and learning readiness curriculum. The curriculum has been developed and proven as effective self-management pro-social behavior skill tool. For FY 2008, the cost of the program is $40,000, including $12,500 from the State General Fund, to serve 800 children.

Promote Healthier & Safer Lives—Nutrition. This program provides nutrition and wellness information directly to young, low-income parents and their children. Information is provided through classes offered at cooperating agency locations and at in-home visits. The Governor recommends $3.5 million, including $455,000 from the State General Fund, to serve 250,000 families in FY 2008.

Youth Leadership & Community Involvement Initiative. In partnership with the Kansas 4-H Foundation, Kansas communities are establishing intensive, long-term older youth leadership experiences that are preparing them with the knowledge and skills to act effectively in community planning processes and to assume future adult community leadership responsibilities. For FY 2008, the program is expected to cost $235,000, including $95,000 for the State General Fund, and serve 40,000 young adults.

Pittsburg State University

America Reads Challenge. This federal work-study program is designed to provide support to communities and schools in their efforts to improve local reading groups. The Governor recommends this project at a cost of $30,000, including $400 from the State General Fund, to serve 473 children in FY 2008.

Career Exploration. Secondary students participate in activities such as Technology Days, Nursing Career Day, and Accounting Day. For FY 2008, the program will serve 600 students at a cost of $2,066 from special revenue funds.

Curriculum & Instruction Program. This is a program conducted for youth in the Pittsburg area through a Young Authors Conference. The cost of the program is $9,500 from special revenue funds and is expected to serve 550 children in FY 2008.

Kansas Council on Fitness. This is a statewide fitness program for youth administered by Pittsburg State University on behalf of the Governor. In FY 2008, the program will serve 17,500 children. The Governor recommends $22,500 for this program from special revenue funds.

Pre-school Lab. This learning laboratory for pre-school children is conducted by the Department of Family and Consumer Sciences. In FY 2008, the program will serve 35 children at a cost of $30,000 from special revenue funds.

Science Day. The University's Physics and Chemistry Departments sponsor a secondary school student competition in science to promote awareness of physical concepts. Approximately 713 students participate in the competition. For FY 2008, the cost is estimated to be $1,271 from special revenue funds.

YES Program. The YES Program is conducted in cooperation with area school systems to provide tutorial assistance to 577 school children. For FY 2008, the Governor recommends this program at a cost of $35,951, including $18,018 from the State General Fund.

University of Kansas

Hilltop Child Development Center. The Governor recommends $1,454,081, including $1,768 from the State General Fund, in FY 2008 to provide support for the Hilltop Child Development Center. The Center provides day care services to 260 children.

Edna A. Hill Child Development Center. The Edna A. Hill Child Development Center is in the University's Department of Applied Behavioral Sciences and provides day care services to 70 children. The recommendation includes $365,000 from special revenue funds for the Center in FY 2008.

KU Center on Developmental Disabilities. The Infant and Toddler Program coordinates services for

children and toddlers with developmental disabilities. For FY 2008, the Governor recommends $18,000 in special revenue funds to continue this program.

Child Care FOCUS. 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 address the needs of five sparsely populated rural areas for child care resources and referrals. The program serves approximately 800 children at a cost of $75,000 from special revenue funds in FY 2008.

Tele-health Program. The Tele-health Program is designed to link tele-medicine services of the University of Kansas Medical Center to rural areas. Specifically, this program is designed to provide diagnosis and consultation regarding autism and challenging or aberrant behavior of young children. The Tele-health Program replaces the Parsons Outreach Clinic.

University of Kansas Medical Center

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 improve the functional skills of 1,292 young Kansans who have a disability or chronic disease. The Medical Center will spend $149,540 from special revenue funds in FY 2008 on this program.

Facial Rehabilitation. The Sutherland Clinic will provide evaluations, treatment, and follow-up services to 125 children with craniofacial anomalies. The Clinic draws patients from a broad regional base throughout the midwestern states. The cost of this service in FY 2008 will be $35,000 from special revenue funds.

Cystic Fibrosis Grant. The Medical Center's Cystic Fibrosis Center will provide services to 225 children. The total cost of the services will be $26,630 from special revenues in FY 2008.

Pediatric Consultation Services. The University's Children Center provides approximately 180 pediatric consultations for Special Health Services at a cost of $10,760 from special revenue in FY 2008. In addition, the staff pediatricians provide training courses for physicians, nurses, and other health care professionals who treat children with special health care needs.

Project EAGLE. The Project EAGLE Early Head Start Program works with 185 families to improve the lives of the children and families at a cost of $2,132,272 from special revenue funds in FY 2008. The program strives to enhance the development of children and families through an empowerment and family strengths model. Weekly home visits incorporate a developmentally appropriate early childhood plan for education. Emphasis is also placed on assisting family members to acquire the skills and education they need to move toward economic self-sufficiency.

PKU & Sickle Cell Screening Program. The screening program provides neonatal screening for congenital hypothyroidism and phenylketonuria to allow early detection and treatment. These diseases can result in mental retardation. Sickle cell screening provides for the early detection of congenital diseases of the blood. 1,900 screenings will cost an estimated $73,982 in FY 2008.

Project HOPE. 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 basic education and training have been completed. The Governor recommends that $190,922 be spent from special revenues in FY 2008 on the program.

Spina Bifida Clinic. The Spina Bifida Clinic is part of the Medical Center's Paraplegic Clinic. Personnel of the clinic meet twice a month and provide interdisciplinary evaluation, treatment, and follow-up for children with spina bifida. For FY 2008, the Center expects to serve 112 families at a cost of $25,755 from special revenues.

Pediatric Seizure Clinic. This Clinic provides ongoing outpatient clinical, educational, and counseling services for children with seizures and their families. Approximately 1,000 children are served each year at a cost of $19,200 from special revenue funds.

Developmental Disabilities Center. This Center provides services through various single multidisciplines clinics. It was created to cope with the problems of children with mental retardation and chronic special needs. It is affiliated with 48 similar programs at universities across the country. The Governor recommends $14,955 to serve 1,300 children and their families during FY 2008.

Other Services Provided. The Medical Center also provides a variety of services to children and families without special funding. The Center has clinics for audiology, cerebral palsy, feeding, hearing and speech, lactation, neonatal intensive care, seating, and Prader-Willi syndrome. It also customizes equipment and provides collaborative planning in the areas of services, training, and technical assistance development.

Wichita State University

Child Development Center. The Governor's recommendation includes $624,736 for the Child Development Center in FY 2008 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 Programs. The Governor recommends $376,000 in FY 2008 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 program is expected to assist 150 students in FY 2008.

Talent Search—Project Discovery. This project identifies eligible students in the Wichita and Southeast Kansas area. It supports them in the pursuit and completion of post secondary education. The Governor's recommendation of $498,906 from federal sources will provide services to 2,000 youth in FY 2008.

Speech-Language-Hearing Clinic. The Governor's recommendation includes $499,500, including $93,330 from the State General Fund, for this program in FY 2008. The Clinic provides diagnosis of and treatment to children who have speech, language, and hearing disorders. Faculty and professional staff of the University's Department of Communicative Disorders and Sciences manages the clinic, which will treat 4,100 children.

Heskett Athletic Center Children's Activities. The recommendation includes $49,434, including $20,000 from the State General Fund, in FY 2008 to continue the activities involving 10,400 children at 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 children who are economically disadvantaged. This program provides a variety of sports programs, teaches children about the dangers of drugs and alcohol, and assists in career planning.

GEAR UP. The Gaining Early Awareness and Readiness for Undergraduate Program is funded by the U.S. Department of Education and serves K-12 students who are in foster or adoptive care or have limited income. Services include tutoring, family workshops, cultural events, academic counseling, mentoring, field trips, career explorations, test preparation, and scholarships. The program will serve 2,500 children at a cost of $2.3 million for FY 2008.

Dental Hygiene Clinic & Sealant Grant. The University's Department of Dental Hygiene operates a treatment clinic that will serve approximately 2,870 children in FY 2008. Services include dental examinations, radiographs, floride treatments, and oral hygiene instructions. The Governor recommends $42,529, including $38,126 from the State General Fund, for continuation of this program. In addition, a $6,000 private grant provides dental sealants for 100 children.

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 children in primary grades K-12 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 tutors in primary grade classrooms in designated Title I schools within the Wichita public

school system. Funding for this program is $85,000 for FY 2008, which will serve 600 children.

Physician Assistant—High School Sports Physicals. The Governor recommends $15,600 from special revenues for the Physician Assistant Program. Each year faculty and students travel to Stafford County and conduct 260 high school sports physicals that are required before participation in any sporting activity.

Teacher Education Majors. The Wichita State University Cooperative Education Project for Teacher Education Majors is designated to provide $16,719 in financial assistance from special revenues in FY 2008 to WSU students to help fund their academic course work at the University. Through this program, WSU students work as 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 600 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 $16,080 in special revenues is recommended for FY 2008. The program supports community efforts already in place to intervene effectively with 1,500 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.

Physician Assistant—West High School Health Career Pathways Program. Faculty from the college's professional health programs, including emergency medical services, provides on-site presentations at West High School in Wichita. Faculty introduces the students to their professions and informs them about the education and skills that are required to be successful. The program will serve 65 students in FY 2008 at a cost of $8,750.

College of Health Professions Tour. Every fall, the College of Health Professions offers area high school students the opportunity to tour the College's classrooms and laboratories and learn about academic programs and the health professions. The tour includes presentations and demonstrations in each of the professional programs. The program will serve approximately 850 students in FY 2008 at a cost of $19,800.

School of Nursing—Health Screening. Nursing faculty and students provide health screenings for 2,000 elementary age children at selected schools each academic year. In addition, health education presentations are provided for children at 14 elementary schools. The Governor recommends this program at a cost of $9,300 from the State General Fund in FY 2008.

School of Nursing—Services Provided by Nursing Students. Nursing students will serve 6,000 children through school health rooms, health fairs, and presentation on health-related topics. The cost of this program in FY 2008 is $17,250 from the State General Fund.

Physicians Assistant—Healthy Options for Planeview. This is a health education and outreach center serving 3,200 children in low-income, ethnically diverse neighborhoods in Sedgwick County. A variety of programs are offered in partnership with 30 departments across the Wichita State University campus. For FY 2008, the cost of the program is expected to be $2,900 from special revenue funds.

Physician Assistant—Minority Recruitment & Retention Grant. In FY 2008, the University received a three-year grant to increase diversity in the Physician Assistant Program. The funding will be used to recruit students and support activities that help retain the interest of high school students. The grant is for $30,000 per year and will serve 200 students.

Upward Bound Regional Math/Science Program. This program is designed to advance an interest in mathematics, science, and computer technology in 100 high school students in grades 8-12. The program is funded with a federal grant of $296,922 for FY 2008. The grant is given with the express purpose of assisting students in high school graduation, college matriculation, and college graduation.

Kids Training Team. This team is actively involved in helping with the support of children experiencing serious emotional disturbances and their families. Case managers are trained who provide coordination and services to children. These efforts do not involve

the direct delivery of services to children but rather to groups of direct service providers statewide. The Governor recommends this program at a cost of $80,000 for FY 2008, including $19,000 from the State General Fund.

Kansas Arts Commission

Arts Grants & Technical Assistance. The Kansas Arts Commission provides grants and technical assistance to artists and arts organizations throughout the state to enrich children's appreciation of art. The Governor recommends $2,166,579 from all funding sources for FY 2008, with $1,659,985 from the State General Fund, to support and extend children's arts programming. Funding is primarily from state appropriations and grants from the National Endowment for the Arts. The Commission expects to serve 74 counties in FY 2008 and have approximately 1.2 million children participate in Commission-sponsored programs and projects.

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 to 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. The agency also participates in Kansas Day and the History and Environmental Fair. Educational programming will serve approximately 70,000 children in FY 2008. The Governor recommends a total of $24,000 from all funding sources, of which $3,000 is from the State General Fund, for the Historical Society's educational services to children.

State Library

For FY 2008, the Governor recommends a total of $1,665,744 from all funding sources, including $1,509,381 from the State General Fund, for distribution through grants to public libraries across the state. These grants support general operations, the Talking Books 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. Included in the Governor's recommendation is $265,000 from the State General Fund for Homework Kansas, an online tutoring program for school children. Students receive real-time help from qualified teachers via the Internet. FY 2008 will be the second year of funding for Homework Kansas.

Public Safety

Children's services expenditures for the Public Safety function come primarily from the Juvenile Justice Authority and the four juvenile correctional facilities. The total recommended Public Safety budget of $58.7 million for FY 2008 constitutes 1.2 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 the four juvenile correctional facilities. The Governor recommends $23.3 million, including $13.1 million from the State General Fund, for children's programs in FY 2007 and $23.4 million, including $13.2 million from the State General Fund, in FY 2008.

Funding is recommended to help communities continue to develop and implement juvenile justice programs to meet their needs. Funding also supports services and programs that serve juvenile offenders in their own community. These services are provided to communities through a Graduated Sanctions formula. The primary core programs funded through this formula are intake and assessment, intensive supervi-

sion, and case management. The intensive supervision programs provide 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 determines the needs of juveniles and facilitates 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 or intensive supervision but do need some supervision and additional community support services. This funding also supports purchase of service funding, which reimburses community case management for out-of-home placements, detention, counseling, and other support services.

Atchison Juvenile Correctional Facility

The Atchison Juvenile Correctional Facility is a 114-bed facility that houses male offenders. The Facility continues to offer structured activities, including education, recreation, and counseling for rehabilitation of the juveniles. For FY 2007, the Governor recommends $5,927,083, including $5,789,583 from the State General Fund. For FY 2008, the Governor recommends $6,073,557, including $5,953,557 from the State General Fund.

Beloit Juvenile Correctional Facility

The only facility in the JJA system that houses female juvenile offenders is the Beloit Juvenile Correctional Facility. Rehabilitation of juveniles is provided through education, recreation, and counseling services. For FY 2007, the Governor recommends $4,245,483, including $4,105,390 from the State General Fund. For FY 2008, the Governor recommends $4,164,957, including $4,085,901 from the State General Fund.

Kansas Juvenile Correctional Complex

The Kansas Juvenile Correctional Complex houses the state's most violent offenders. Juveniles committed to the facility receive academic and vocational education as well as counseling and recreation. For FY 2007, the Governor's recommendation includes $15,358,980, including $14,826,018 from the State General Fund. For FY 2008, the Governor recommends $15,848,905, including $15,260,895 from the State General Fund.

Larned Juvenile Correctional Facility

The Larned Juvenile Correctional Facility houses male juveniles between the ages of 13 and 21 who require mental health or substance abuse treatment. For FY 2007, the Governor recommends $8,249,866, including $8,185,909 from the State General Fund. For FY 2008, the Governor recommends $8,457,569, all from the State General Fund.

Adjutant General

The Governor recommends $750,000 in FY 2008 to support the Adjutant General's "Starbase" Program to improve students' math, science, and technology skills during the summer months. This program will reach an estimated 6,300 children in FY 2008.

Agriculture & Natural Resources

The Governor recommends $583,066 for FY 2008 for children's programming for the Agriculture and Natural Resources function. These funds support educational programs related to agricultural practices and the outdoors. The Kansas State Fair and the Department of Wildlife and Parks participate in bringing these important programs to the youth of the state.

Kansas State Fair

The Kansas State Fair offers two types of youth services, which are educational and competitive. Educational programs offered include Kansas' Largest Classroom, which is designed to assist teachers plan and organize educational field trips to the Fair. Participants in competitive events include school marching bands, 4-H, Boy Scouts, and Future Farmers of America. Individual children also compete in various exhibit departments, which include foods, fine arts, livestock showing and judging, and other exhibits. Approximately 18,710 children will participate in these events at a cost of $163,441 in FY 2008.

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 young people to protect the environment. In FY 2008, the Department will serve 18,500 young people through this program at a cost of $40,000.

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 13,000 young people will participate in the Hunter Education Program in FY 2008 at a cost to the Department of $174,000.

Fishing Clinics. The Department sponsors fishing clinics for children from kindergarten through high school. The Department designs the clinics so that children will have fun while learning civic values and stewardship of aquatic resources. The clinics also provide a forum in which children can build relationships with communities and families. The Department estimates expenditures for FY 2008 of $158,000 to serve 29,750 children.

Youth Hunter Education Challenge. This is an advanced hunter education program specifically designed for young people. Its purpose is to promote the ongoing 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 Officer 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 young people in FY 2008.

Boating Safety. Current law requires anyone between 12 and 15 years of age to complete a boating safety course successfully before operating a personal watercraft. Additionally, any individual who is 17 years old or older and wishes to operate a power boat must take a boating safety course. The Department will provide these courses to 10,800 young people during FY 2008 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 only 15 states to operate such a program. For FY 2008, the Department estimates that 750 young people will be served by this program at a cost of $5,300.

Archery in the Schools. The Archery in the Schools program provides archery training in K-12 classes administered during a two-week physical education program. The program is coordinated by the Department, but physical education teachers provide the intruction. Funds provided by the agency are matched by the Archery Trade Association. For FY 2008, the program is expected to serve 400 children at a cost of $20,000 from the Wildlife Fee Fund.

Transportation

Department of Transportation

The Governor recommends $1,099,300 in FY 2008 for children's educational programs promoting highway and traffic safety. These programs are financed primarily with federal funds and are expected to serve approximately 342,300 children in FY 2008.

Pedestrian/Bicycle Safety Program. The Governor recommends $25,000 from federal funding sources to provide 19,000 bicycle safety brochures and to produce a pedestrian school crossing guard manual for all Kansas school districts.

Kansas Safety Belt Education. The Governor recommends expenditures of $175,000 in FY 2008 to

educate and inform 43,000 children under the age of 14 about the proper use of safety belts and seats.

Drunk Driving Prevention Office. In FY 2008, the Governor recommends $218,000 to educate 68,000 teens about the dangers of alcohol and the consequences of driving under the influence.

Child Passenger Safety. The Governor recommends $400,000 to provide assistance to 20,000 children in all Kansas counties. This program provides for child passenger safety instructors and technicians affiliated with loaner programs and fitting stations across the state. This program also includes specific target populations of minority groups and low-income families. The additional funding recommended for FY 2008 will assist with a paid media campaign directed at occupant protection issues for children.

Youth Leadership Summit. This program provides leadership workshops and retreats for youth of all ages. The Governor's FY 2008 recommendation includes $95,000 to allow 1,300 teens to obtain insight, awareness, and action planning skills related to drinking and drug-free countermeasures in their communities.

Teen Safe Driving. This program promotes youth traffic safety to prevent traffic injuries and deaths in the student population in Kansas. The Governor recommends $30,000 to serve 1,000 students in FY 2008.

Care/Call Underage Drinking Prevention Media Campaign. The Governor recommends $156,300 to serve 190,000 teens. This program is aimed at enforcing underage drinking laws by targeting communities, law enforcement, schools, and parents to prevent and report underage drinking parties. The program will achieve this goal through the use of brochures, news releases, and related promotional items.

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 2006, the Governor's revised estimates for FY 2007, the agencies' requests for FY 2008, and the Governor's recommendation for FY 2008.

Expenditures for Children's Programs by Agency and Activity

		FY 2006 Actual Expenditures			FY 2007 Governor's Estimate		
	Type Served	Number Served	State General Fund	All Funding Sources	Number Served	State General Fund	All Funding Sources
General Government							
Department of Revenue							
Child Support Enforcement	N	--	--	60,633	--	--	60,103
Banking Department							
Credit Counseling	F	6,234	--	206,000	6,234	--	258,000
Office of the Governor							
Child Visitation Centers	C	878	--	119,717	875	--	112,303
Drug Free Schools	C	16,594	--	681,039	17,250	--	718,442
Family Violence Prev. & Serv.	C	5,299	--	272,894	5,500	464,728	758,346
JAG/Law Enforcement	C	1,026	--	89,813	750	--	44,273
Rape Crisis Centers	N	--	--	--	--	--	--
Sexual Violence Prevention	C	--	--	297,008	150	150,000	474,351
Victims of Crime Act	C	6,982	--	702,596	7,000	--	719,651
Child Advocacy Grants	C	--	--	--	--	--	--
Total--Office of the Governor			$ --	$ 2,163,067		$ 614,728	$ 2,827,366
Attorney General							
Child Death Review Board	C	501	79,941	79,941	530	90,000	90,000
Child Visitation Centers	F	7,539	--	121,069	8,000	--	177,774
DARE Program	C	1,300	82,475	82,475	1,500	90,000	90,000
Child Abuse & Neglect Prog.	C	34,239	--	859,254	38,000	--	1,020,943
Domestic Abuse Programs	F	22,637	--	1,267,878	24,000	--	1,301,104
Sexually Violent Predators	C	25,000	123,939	123,939	27,000	130,000	130,000
Total--Attorney General			286,355	$ 2,534,556		$ 310,000	$ 2,809,821
Judiciary							
Child Support Enforcement	C	161,617	226,629	1,979,228	163,156	237,432	1,939,998
Child Welfare	N	--	--	174,585	--	--	433,117
Court Serv. Officers--Children	C	9,505	8,861,949	9,444,485	9,500	8,874,537	9,420,352
Court Serv. Officers--Families	F	8,042	--	--	8,100	--	--
Permanency Planning	C	2,782	--	751,600	2,800	--	786,466
Total--Judiciary			$ 9,088,578	$ 12,349,898		$ 9,111,969	$ 12,579,933
Total--General Government			**$ 9,374,933**	**$ 17,314,154**		**$ 10,036,697**	**$ 18,535,223**
Human Services							
Social & Rehabilitation Services							
AAPS Children & Family	F	3,187	99,270	928,768	3,187	99,270	928,768
AAPS Families	F	2,300	1,000,000	1,600,000	2,300	1,000,000	1,600,000
AAPS Substance Abuse	C	2,572	2,909,479	7,349,026	2,572	2,909,479	7,349,026
AAPS Women with Children	F	2,348	308,745	2,503,503	2,348	262,953	2,667,731
AAPS Youth	C	2,998	544,200	1,137,528	3,000	544,200	1,138,000
Adopt. Resource Recruitment	F	314	1,519,150	3,549,996	325	2,488,000	3,727,500
Adoption Support	C	5,725	6,861,963	19,549,299	6,079	7,357,972	21,033,592
Behavior Management Svcs.	C	109	79,141	658,152	72	157,972	495,649
CDDO Certifed Match--TCM	C	1,719	231,441	5,194,131	1,750	231,441	5,277,600
Children's Cabinet	F	23,453	--	9,854,140	25,618	10,000	12,305,966
CMHC Certified Match	F	15,686	24,228,753	64,952,924	15,686	22,756,473	61,290,427

Expenditures for Children's Programs by Agency and Activity

		FY 2008 Base Budget			FY 2008 Governor's Recommendations		
	Type Served	Number Served	State General Fund	All Funding Sources	Number Served	State General Fund	All Funding Sources
General Government							
Department of Revenue							
Child Support Enforcement	N	--	--	59,977	--	--	62,290
Banking Department							
Credit Counseling	F	6,234	--	258,000	6,234	--	258,000
Office of the Governor							
Child Visitation Centers	C	850	--	99,500	850	--	99,500
Drug Free Schools	C	16,000	--	538,897	16,000	--	538,897
Family Violence Prev. & Serv.	C	5,500	439,980	738,980	5,500	439,980	738,980
JAG/Law Enforcement	C	700	--	36,641	700	--	36,641
Rape Crisis Centers	N	--	--	--	150	150,000	150,000
Sexual Violence Prevention	C	150	150,000	465,834	150	150,000	465,834
Victims of Crime Act	C	6,750	--	601,623	6,750	--	601,623
Child Advocacy Grants	C	--	--	--	663	1,000,000	1,000,000
Total--Office of the Governor			$ 589,980	$ 2,481,475		$ 1,739,980	$ 3,631,475
Attorney General							
Child Death Review Board	C	530	93,000	93,000	530	93,000	93,000
Child Visitation Centers	F	8,000	--	185,000	8,000	--	185,000
DARE Program	C	1,500	90,000	90,000	1,500	90,000	90,000
Child Abuse & Neglect Prog.	C	38,000	--	1,150,000	38,000	--	1,150,000
Domestic Abuse Programs	F	25,000	--	1,400,000	25,000	--	1,400,000
Sexually Violent Predators	C	28,500	135,000	135,000	28,500	135,000	135,000
Total--Attorney General			$ 318,000	$ 3,053,000		$ 318,000	$ 3,053,000
Judiciary							
Child Support Enforcement	C	164,788	--	2,194,414	164,788	--	2,194,414
Child Welfare	N	--	--	333,769	--	--	333,769
Court Serv. Officers--Children	C	9,500	8,958,778	9,496,367	9,500	8,958,778	9,496,367
Court Serv. Officers--Families	F	8,100	--	--	8,100	--	--
Permanency Planning	C	2,800	--	778,306	2,800	--	778,306
Total--Judiciary			$ 8,958,778	$ 12,802,856		$ 8,958,778	$ 12,802,856
Total--General Government			**$ 9,866,758**	**$ 18,655,308**		**$ 11,016,758**	**$ 19,807,621**
Human Services							
Social & Rehabilitation Services							
AAPS Children & Family	F	3,187	99,270	928,768	3,187	99,270	928,768
AAPS Families	F	2,300	1,000,000	1,600,000	2,300	1,000,000	1,600,000
AAPS Substance Abuse	C	2,572	2,909,479	7,349,026	2,572	2,909,479	7,349,026
AAPS Women with Children	F	2,348	262,953	2,667,731	2,348	262,953	2,667,731
AAPS Youth	C	3,000	544,200	1,138,000	3,000	544,200	1,138,000
Adopt. Resource Recruitment	F	325	2,637,098	3,913,872	325	2,637,098	3,913,872
Adoption Support	C	6,082	10,361,389	21,440,251	6,487	11,317,341	23,279,623
Behavior Management Svcs.	C	72	157,972	495,649	72	157,972	495,649
CDDO Certifed Match--TCM	C	1,750	231,441	5,277,600	1,750	231,441	5,277,600
Children's Cabinet	F	25,618	10,000	11,475,844	26,478	10,000	15,975,844
CMHC Certified Match	F	15,686	22,756,473	61,290,427	15,686	22,756,473	61,290,427

Expenditures for Children's Programs by Agency and Activity

		FY 2006 Actual Expenditures			FY 2007 Governor's Estimate		
	Type Served	Number Served	State General Fund	All Funding Sources	Number Served	State General Fund	All Funding Sources
Social & Rehabilitation Services, Cont.							
CSS ACIL	N	243	7,212,366	18,286,932	235	7,836,547	19,865,388
CSS Family Support	C	1,248	3,257,802	3,257,802	1,418	3,415,000	3,415,000
CSS HCBS Waiver Svcs.	C	957	5,764,551	14,469,254	1,200	6,748,800	16,939,200
CSS Positive Behavior Supp.	C	--	--	--	50	98,600	250,000
CSS TBI Rehab. Hospital	C	4	45,045	115,500	4	45,240	116,000
Child Care Assistance	F	36,694	20,906,948	74,748,494	39,370	16,615,132	77,592,000
Child Care Resource & Ref.	F	--	--	2,950,156	--	--	2,997,139
Child Support Enforcement	F	161,617	--	22,788,621	163,156	--	26,995,162
Community Services	F	4,086	--	1,623,279	4,348	--	1,726,332
Family Preservation In-Home	C	2,836	--	10,681,476	2,980	130,004	11,364,083
Family Services	F	1,311	5,091	1,827,134	1,634	14,726	2,276,657
Funeral Assistance	C	134	73,064	73,064	115	62,718	62,718
Grandparents as Caregivers	C	--	--	--	1,234	2,003,640	2,003,640
HCBS Autism Waiver	F	--	--	--	--	--	--
Independent Living	C	547	386,627	1,929,238	547	359,358	1,796,788
Coalition on Dom. Violence	C	--	--	20,639	--	--	64,745
KS Early Head Start	C	825	--	7,889,618	1,017	1,852,779	9,742,397
Low Income Energy Assist.	C	19,443	--	6,156,285	20,937	--	3,631,038
MH Behavioral Mgt.	C	1,256	5,943,866	15,593,937	1,380	14,158,447	20,723,071
MH Family Centered Care	N	8,323	--	5,000,000	8,350	--	5,000,000
MH Private Psychiatrists	C	2,075	559,430	1,413,060	2,075	555,944	1,398,600
Mental Health Reform	C	5,610	3,641,330	3,641,330	5,610	3,641,330	3,641,330
Mental Health Special	C	2,000	1,204,721	1,894,631	2,150	1,204,721	1,894,631
Mental Health State Aid	C	1,000	504,508	504,508	1,000	504,508	504,508
Permanent Guardianship	C	67	--	211,129	119	70,200	250,000
Rehabilitation Services	N	2,350	621,079	2,915,862	2,186	650,934	3,056,028
Reintegration/Foster Care	C	5,265	76,689,629	121,675,201	5,367	81,000,000	133,000,000
Systems of Care	F	--	--	450,581	--	--	467,002
Temp. Assist. for Families	F	44,592	29,821,726	73,957,664	41,942	29,821,028	73,042,333
Total--SRS			$ 194,419,925	$ 511,352,862		$ 208,607,416	$ 541,630,049
Larned State Hospital							
Children's Services	N	23	1,709,137	3,022,409	23	1,810,863	3,024,812
Parsons St. Hospital & Training Ctr.							
Day-Care Operation	C	326	4,545	11,466	325	5,078	12,519
Birth to Three	C	284	--	--	319	--	--
Child Care Focus	C	5,933	--	--	6,250	--	--
Coordinated Resource Supp.	C	61	--	--	65	--	--
SEK Respite Care	F	258	61,200	61,200	270	63,200	63,200
Project Alternative	C	74	--	--	75	--	--
School Age Children	C	18	670,785	1,692,195	20	746,006	1,839,178
Special Purpose School	C	34	146,935	305,822	26	160,892	353,926
Total--Parsons State Hospital			$ 883,465	$ 2,070,683		$ 975,176	$ 2,268,823
Rainbow Mental Health Facility							
Psychiatric Services	C	217	1,453,266	1,453,266	225	1,512,222	1,512,222
Education Services	C	217	418,258	418,258	225	414,038	414,038
Total--Rainbow MH Facility			$ 1,871,524	$ 1,871,524		$ 1,926,260	$ 1,926,260

Expenditures for Children's Programs by Agency and Activity

		FY 2008 Base Budget			FY 2008 Governor's Recommendations		
	Type Served	Number Served	State General Fund	All Funding Sources	Number Served	State General Fund	All Funding Sources
Social & Rehabilitation Services, Cont.							
CSS ACIL	N	325	7,177,220	18,200,000	325	7,177,220	18,200,000
CSS Family Support	C	1,418	3,415,000	3,415,000	1,418	3,415,000	3,415,000
CSS HCBS Waiver Svcs.	C	1,200	6,748,800	16,939,200	1,200	6,748,800	16,939,200
CSS Positive Behavior Supp.	C	50	98,600	250,000	50	98,600	250,000
CSS TBI Rehab. Hospital	C	4	45,240	116,000	4	45,240	116,000
Child Care Assistance	F	38,770	22,545,898	75,026,071	39,890	22,545,898	79,026,071
Child Care Resource & Ref.	F	--	--	2,997,139	--	--	2,997,139
Child Support Enforcement	F	163,156	--	19,736,080	163,156	2,685,059	26,263,127
Community Services	F	4,348	--	1,726,332	4,348	--	1,726,332
Family Preservation In-Home	C	2,893	130,004	11,364,083	2,893	130,004	11,364,083
Family Services	F	1,634	14,725	2,276,657	1,634	14,725	2,276,657
Funeral Assistance	C	115	62,718	62,718	115	62,718	62,718
Grandparents as Caregivers	C	1,234	2,003,640	2,003,640	1,234	4,007,280	4,007,280
HCBS Autism Waiver	F	--	--	--	50	600,000	1,486,621
Independent Living	C	547	359,748	1,798,738	547	359,748	1,798,738
Coalition on Dom. Violence	C	--	--	65,106	--	--	65,106
KS Early Head Start	C	1,017	1,852,779	9,742,397	1,304	2,446,739	11,936,357
Low Income Energy Assist.	C	20,937	--	3,619,270	20,937	--	3,619,270
MH Behavioral Mgt.	C	1,190	11,002,864	15,238,482	1,360	13,614,785	19,345,356
MH Family Centered Care	N	8,350	--	5,000,000	8,350	--	5,000,000
MH Private Psychiatrists	C	2,075	555,944	1,398,600	2,075	555,944	1,398,600
Mental Health Reform	C	5,610	3,641,330	3,641,330	5,610	3,641,330	3,641,330
Mental Health Special	C	2,150	1,204,721	1,894,631	2,150	1,204,721	1,894,631
Mental Health State Aid	C	1,000	504,508	504,508	1,000	504,508	504,508
Permanent Guardianship	C	119	70,200	250,000	119	70,200	250,000
Rehabilitation Services	N	2,011	687,491	3,227,655	2,011	687,491	3,227,655
Reintegration/Foster Care	C	5,300	93,918,716	132,000,000	5,512	95,000,000	136,000,000
Systems of Care	F	--	--	469,541	--	--	469,541
Temp. Assist. for Families	F	31,384	29,821,028	46,221,305	41,254	29,821,028	72,042,333
Total--SRS			$ 226,831,449	$ 496,761,651		$ 237,363,265	$ 553,240,193
Larned State Hospital							
Children's Services	N	23	1,808,015	3,015,178	23	1,808,015	3,015,178
Parsons St. Hospital & Training Ctr.							
Day-Care Operation	C	325	5,128	12,519	325	5,128	12,519
Birth to Three	C	354	--	--	354	--	--
Child Care Focus	C	6,500	--	--	--	--	--
Coordinated Resource Supp.	C	65	--	--	--	--	--
SEK Respite Care	F	270	63,200	63,200	270	63,200	63,200
Project Alternative	C	75	--	--	--	--	--
School Age Children	C	20	759,027	1,852,976	20	759,027	1,852,976
Special Purpose School	C	28	160,892	353,926	28	160,892	353,926
Total--Parsons State Hospital			$ 988,247	$ 2,282,621		$ 988,247	$ 2,282,621
Rainbow Mental Health Facility							
Psychiatric Services	C	225	1,521,061	1,521,061	225	1,521,061	1,521,061
Education Services	C	225	414,038	414,038	225	414,038	414,038
Total--Rainbow MH Facility			$ 1,935,099	$ 1,935,099		$ 1,935,099	$ 1,935,099

Expenditures for Children's Programs by Agency and Activity

		FY 2006 Actual Expenditures			FY 2007 Governor's Estimate		
	Type Served	Number Served	State General Fund	All Funding Sources	Number Served	State General Fund	All Funding Sources
Kansas Health Policy Authority							
Medicaid Regular Medical	C	308,370	217,559,360	551,621,096	298,544	228,808,441	590,083,880
SCHIP	C	37,332	17,143,348	62,102,330	38,884	17,130,917	69,302,363
Total--KHPA			$ 234,702,708	$ 613,723,426		$ 245,939,358	$ 659,386,243
Health & Environment--Health							
Abstinence Education	C	10,400	--	216,414	10,400	--	205,248
Adolescent Health	C	2,400	58,691	73,084	2,400	58,961	176,744
Black Infant Mortality	F	8,100	49,369	51,115	8,100	49,369	49,369
Child Care Licensing	F	144,476	1,226,074	4,220,968	145,000	1,748,693	5,203,526
Child Lead Poison Prevention	C	65,000	--	1,513,717	65,000	--	1,513,717
Commun. Based Primary Care	F	36,873	567,710	567,710	38,760	817,710	817,710
Family Planning	C	49,400	98,880	2,343,338	49,500	98,880	2,176,732
Healthy Start	F	13,900	501,444	928,152	13,900	501,444	751,444
Immunizations	C	345,694	941,833	1,015,464	350,000	887,704	975,598
Infant & Toddler Services	C	6,000	1,871,305	5,986,204	6,000	3,521,305	7,834,513
Migrant Health	F	1,240	--	172,000	1,270	--	176,000
Mothers & Infants	F	62,300	1,394,364	3,208,917	62,300	1,396,364	3,207,816
Newborn Hearing Loaner Prog.	C	--	--	--	50	50,000	50,000
Pregnancy Maintenance	F	175	300,000	300,000	190	500,000	500,000
Special Health Service	F	11,500	342,089	1,865,997	11,000	562,577	2,342,014
Teen Pregnancy Prevention	C	19,400	537,660	767,995	19,400	539,533	767,995
WIC	F	124,000	22,425	42,402,881	126,000	22,425	42,000,000
Total--Health & Environ.--Health			$ 7,911,844	$ 65,633,956		$ 10,754,965	$ 68,748,426
Department of Labor							
Child Labor Enforcement	C	1,100	1,900	1,900	1,200	2,075	2,075
Child Labor Education	C	15	1,475	1,475	12	1,175	1,175
Total--Department of Labor			$ 3,375	$ 3,375		$ 3,250	$ 3,250
Total--Human Services			**$ 441,501,978**	**$ 1,197,678,235**		**$ 470,017,288**	**$ 1,276,987,863**

Education

Department of Education							
After School Enhancement	C	6,290	375,000	375,000	6,400	375,000	375,000
Agriculture Education	C	25,000	35,000	35,000	25,000	35,000	35,000
Capital Improvement Aid	C	279,224	--	57,487,607	279,000	--	62,600,000
Capital Outlay Aid	C	372,299	19,293,911	19,293,911	372,000	--	21,280,000
Challenger Learning Centers	C	--	--	--	10,800	300,000	300,000
Communities in Schools	C	18,682	35,000	85,000	19,200	35,000	85,000
Environmental Education	C	25,000	35,000	35,000	25,000	35,000	35,000
History Education	C	315,000	50,000	50,000	315,000	50,000	50,000
Nutrition Services	C	520,200	2,510,487	119,617,235	520,000	2,510,486	121,440,486
Operating Aid to Schools	C	465,374	2,265,132,393	2,447,884,768	465,000	2,456,538,195	2,620,953,895
Parent Education	C	18,000	4,789,500	7,289,490	18,050	7,330,966	7,330,966
Safe & Drug Free Schools	C	465,374	--	2,616,161	465,000	--	2,200,000
Safety Education	C	19,399	--	1,615,099	19,286	--	1,618,725
Special Education Services	C	80,287	291,690,959	388,742,753	80,787	334,172,313	430,422,313
Vision Study	C	135	--	300,000	135	--	300,000
Vocational Education	C	21,000	145,547	5,436,183	21,000	142,011	5,404,022
Total--Department of Education			$ 2,584,092,797	$ 3,050,863,207		$ 2,801,523,971	$ 3,274,430,407

Expenditures for Children's Programs by Agency and Activity

		FY 2008 Base Budget			FY 2008 Governor's Recommendations		
	Type Served	Number Served	State General Fund	All Funding Sources	Number Served	State General Fund	All Funding Sources
Kansas Health Policy Authority							
Medicaid Regular Medical	C	305,078	248,272,052	640,731,124	305,078	255,645,052	651,354,124
SCHIP	C	37,044	17,130,917	69,302,363	37,044	19,130,917	69,302,363
Total--KHPA			$ 265,402,969	$ 710,033,487		$ 274,775,969	$ 720,656,487
Health & Environment--Health							
Abstinence Education	C	10,400	--	205,248	10,400	--	205,248
Adolescent Health	C	2,400	58,964	176,744	2,400	58,964	176,744
Black Infant Mortality	F	8,100	49,369	49,369	8,100	49,369	49,369
Child Care Licensing	F	145,000	1,644,693	5,159,717	145,000	1,644,693	5,159,717
Child Lead Poison Prevention	C	65,000	--	1,513,717	65,000	--	1,513,717
Commun. Based Primary Care	F	40,650	817,710	817,710	40,650	817,710	817,710
Family Planning	C	49,500	98,880	2,176,732	49,500	98,880	2,176,732
Healthy Start	F	13,900	501,444	751,444	13,900	501,444	751,444
Immunizations	C	350,000	869,598	975,598	366,875	1,453,598	1,559,598
Infant & Toddler Services	C	6,000	3,521,305	7,834,513	6,000	3,521,305	8,534,600
Migrant Health	F	1,320	--	176,000	1,320	--	176,000
Mothers & Infants	F	62,300	1,396,364	3,207,816	62,300	1,396,364	3,207,816
Newborn Hearing Loaner Prog.	C	50	50,000	50,000	50	50,000	50,000
Pregnancy Maintenance	F	190	500,000	500,000	190	300,000	300,000
Special Health Service	F	11,000	562,577	2,170,100	11,000	562,577	2,170,100
Teen Pregnancy Prevention	C	19,400	537,660	767,995	19,400	537,660	767,995
WIC	F	126,000	22,425	43,250,000	126,000	22,425	43,250,000
Total--Health & Environ.--Health			$ 10,630,989	$ 69,782,703		$ 11,014,989	$ 70,866,790
Department of Labor							
Child Labor Enforcement	C	1,250	2,150	2,150	1,250	2,150	2,150
Child Labor Education	C	12	1,175	1,175	12	1,175	1,175
Total--Department of Labor			$ 3,325	$ 3,325		$ 3,325	$ 3,325
Total--Human Services			**$ 507,600,093**	**$ 1,283,814,064**		**$ 527,888,909**	**$ 1,351,999,693**

Education

Department of Education							
After School Enhancement	C	6,500	375,000	375,000	6,500	375,000	375,000
Agriculture Education	C	25,000	35,000	35,000	25,000	35,000	35,000
Capital Improvement Aid	C	279,000	--	66,500,000	279,000	--	67,000,000
Capital Outlay Aid	C	372,000	--	22,400,000	372,000	--	22,400,000
Challenger Learning Centers	C	--	--	--	--	--	--
Communities in Schools	C	19,600	35,000	85,000	19,600	35,000	85,000
Environmental Education	C	25,000	35,000	35,000	25,000	35,000	35,000
History Education	C	315,000	50,000	50,000	315,000	50,000	50,000
Nutrition Services	C	520,000	2,510,486	122,940,486	520,000	2,510,486	122,940,486
Operating Aid to Schools	C	465,000	2,601,938,211	2,771,216,786	465,000	2,619,910,685	2,783,089,260
Parent Education	C	18,000	7,289,500	7,289,500	18,000	7,289,500	7,289,500
Safe & Drug Free Schools	C	465,000	--	2,000,000	465,000	--	2,000,000
Safety Education	C	19,291	--	1,618,725	19,291	--	1,618,725
Special Education Services	C	81,287	348,181,000	444,931,000	81,287	356,094,435	452,844,435
Vision Study	C	135	--	300,000	135	--	300,000
Vocational Education		21,000	144,285	5,408,570	21,000	144,285	5,408,570
Total--Department of Education			$ 2,960,593,482	$ 3,445,185,067		$ 2,986,479,391	$ 3,465,470,976

Expenditures for Children's Programs by Agency and Activity

		FY 2006 Actual Expenditures			FY 2007 Governor's Estimate		
	Type Served	Number Served	State General Fund	All Funding Sources	Number Served	State General Fund	All Funding Sources
School for the Blind							
Education of Blind Children	C	1,255	4,984,305	5,802,975	1,269	5,162,558	5,709,881
School for the Deaf							
Operations	C	372	8,052,468	8,593,702	372	8,431,647	8,814,322
Capital Improvements	C	372	--	1,680,807	372	--	838,847
Total--School for the Deaf			$ 8,052,468	$ 10,274,509		$ 8,431,647	$ 9,653,169
Emporia State University							
America Reads Program	C	259	--	27,844	259	--	29,492
Center for Early Childhood Ed.	C	162	14,879	349,440	145	--	334,561
Expanding Your Horizons	C	266	1,650	12,802	270	1,650	12,900
MASTER-IT	C	21	--	15,000	12	--	8,000
Reading Related Services	C	413	20,453	20,453	438	21,288	21,288
Sonia Kovalevsky Math Day	C	68	--	1,650	85	--	1,650
Total--Emporia State University			$ 36,982	$ 427,189		$ 22,938	$ 407,891
Fort Hays State University							
Herndon Clinic	F	485	234,517	241,047	485	242,725	249,484
Tigers Tots Nursery Center	C	24	--	91,655	24	--	94,863
Total--Ft. Hays State University			$ 234,517	$ 332,702		$ 242,725	$ 344,347
Kansas State University							
Dispute Resolution Training	F	1,000	--	600,000	1,000	--	630,000
After School Child Care	C	62	9,224	65,000	62	9,224	68,250
After School Care--Spec.	C	20	--	18,000	20	--	18,900
Early Childhood Laboratory	C	44	47,631	90,000	44	47,631	94,500
Family Center	F	350	193,078	280,000	350	193,078	294,000
Hoeflin Stone House	C	28	102,471	265,000	28	102,471	278,250
Infant Program	C	40	6,073	100,000	40	6,073	105,000
Kansas Child Care Training	N	32,442	28,243	145,000	32,442	28,243	152,250
Speech & Hearing Center	C	265	201,472	290,000	265	201,472	304,500
Total--Kansas State University			$ 588,192	$ 1,853,000		$ 588,192	$ 1,945,650
Kansas State University--ESARP							
4-H Program	C	145,000	700,000	850,000	145,000	714,000	864,000
Army Youth & Teen Center	C	1,000	10,000	20,000	3,000	20,000	40,000
Strong, Healthy Communities	C	10,000	440,000	741,000	10,000	440,000	741,000
Community Youth Dev.	N	30,000	27,000	105,700	30,000	27,000	105,700
Health Education	F	10,000	--	250,000	10,000	--	200,000
Parenting Skills	F	100,000	975,000	1,520,000	100,000	975,000	1,520,000
Learning & Social Readiness	C	800	12,500	40,000	800	12,500	40,000
Promote Healthier Lives	C	250,000	455,000	2,650,000	250,000	455,000	3,500,000
Youth Leadership Program	F	39,000	85,000	230,000	40,000	95,000	235,000
Total--KSU--ESARP			$ 2,704,500	$ 6,406,700		$ 2,738,500	$ 7,245,700
Pittsburg State University							
America Reads Challenge	C	465	378	28,053	473	400	30,000
Career Exploration	C	665	--	1,896	600	--	1,966
Curriculum & Instruction	C	444	--	9,200	550	--	9,500
Kansas Council on Fitness	C	17,014	--	22,500	17,500	--	22,500
National Youth Sports	C	307	--	39,710	--	--	--

Expenditures for Children's Programs by Agency and Activity

		FY 2008 Base Budget			FY 2008 Governor's Recommendations		
	Type Served	Number Served	State General Fund	All Funding Sources	Number Served	State General Fund	All Funding Sources
School for the Blind							
Education of Blind Children	C	1,291	5,198,332	5,764,726	1,291	5,198,332	5,764,726
School for the Deaf							
Operations	C	372	8,444,105	8,800,760	372	8,444,105	8,800,760
Capital Improvements	C	372	--	185,000	372	--	185,000
Total--School for the Deaf			$ 8,444,105	$ 8,985,760		$ 8,444,105	$ 8,985,760
Emporia State University							
America Reads Program	C	259	--	29,492	259	--	29,492
Center for Early Childhood Ed.	C	145	--	334,561	145	--	334,561
Expanding Your Horizons	C	270	1,650	12,900	270	1,650	12,900
MASTER-IT	C	20	--	15,000	20	--	15,000
Reading Related Services	C	438	21,464	21,464	438	21,464	21,464
Sonia Kovalevsky Math Day	C	83	--	1,650	83	--	1,650
Total--Emporia State University			$ 23,114	$ 415,067		$ 23,114	$ 415,067
Fort Hays State University							
Herndon Clinic	F	485	242,725	249,484	485	242,725	249,484
Tigers Tots Nursery Center	C	24	--	94,863	24	--	94,863
Total--Ft. Hays State University			$ 242,725	$ 344,347		$ 242,725	$ 344,347
Kansas State University							
Dispute Resolution Training	F	1,000	--	661,500	1,000	--	661,500
After School Child Care	C	62	9,224	9,686	62	9,224	9,686
After School Care--Spec.	C	20	--	19,850	20	--	19,850
Early Childhood Laboratory	C	44	47,631	99,250	44	47,631	99,250
Family Center	F	375	193,078	309,000	375	193,078	309,000
Hoeflin Stone House	C	30	102,471	292,163	30	102,471	292,163
Infant Program	C	8	6,073	110,250	8	6,073	110,250
Kansas Child Care Training	N	16,390	28,243	159,863	16,390	28,243	159,863
Speech & Hearing Center	C	265	201,472	319,725	265	201,472	319,725
Total--Kansas State University			$ 588,192	$ 1,981,287		$ 588,192	$ 1,981,287
Kansas State University--ESARP							
4-H Program	C	145,000	714,000	864,000	145,000	714,000	864,000
Army Youth & Teen Center	C	3,000	20,000	40,000	3,000	20,000	40,000
Strong, Healthy Communities	C	10,000	440,000	741,000	10,000	440,000	741,000
Community Youth Dev.	N	30,000	27,000	105,700	30,000	27,000	105,700
Health Education	F	10,000	--	200,000	10,000	--	200,000
Parenting Skills	F	100,000	975,000	1,520,000	100,000	975,000	1,520,000
Learning & Social Readiness	C	800	12,500	40,000	800	12,500	40,000
Promote Healthier Lives	C	250,000	455,000	3,500,000	250,000	455,000	3,500,000
Youth Leadership Program	F	40,000	95,000	235,000	40,000	95,000	235,000
Total--KSU--ESARP			$ 2,738,500	$ 7,245,700		$ 2,738,500	$ 7,245,700
Pittsburg State University							
America Reads Challenge	C	473	400	30,000	473	400	30,000
Career Exploration	C	600	--	2,066	600	--	2,066
Curriculum & Instruction	C	550	--	9,500	550	--	9,500
Kansas Council on Fitness	C	17,500	--	22,500	17,500	--	22,500
National Youth Sports	C	--	--	--	--	--	--

Expenditures for Children's Programs by Agency and Activity

		FY 2006 Actual Expenditures			FY 2007 Governor's Estimate		
	Type Served	Number Served	State General Fund	All Funding Sources	Number Served	State General Fund	All Funding Sources
Pittsburg State University, Cont.							
Preschool Lab	C	19	--	12,017	18	--	15,000
Science Day	C	713	--	1,271	713	--	1,271
YES Program	C	565	18,018	36,152	577	18,018	35,951
Total--Pittsburg State University			$ 18,396	$ 150,799		$ 18,418	$ 116,188
University of Kansas							
Child Care Focus	C	900	3,480	61,000	800	--	75,000
E.A. Hill Child Dev. Center	C	70	1,712	355,515	70	--	365,000
Hilltop Child Dev. Center	C	260	1,768	1,321,834	260	1,768	1,380,493
KU Ctr. on Dev. Disabilities	N	--	--	18,000	--	--	18,000
Tele-Health Clinic	C	--	--	--	10	500	500
Total--University of Kansas			$ 6,960	$ 1,756,349		$ 2,268	$ 1,838,993
University of Kansas Medical Center							
Audiology Clinic	F	1,700	--	--	1,700	--	--
Cerebral Palsy Clinic	F	71	--	--	81	--	--
Cystic Fibrosis Grant	F	205	--	26,630	220	--	26,630
Dev. Disability Center	F	1,300	--	14,955	1,300	--	14,955
Feeding Clinic	F	94	--	--	100	--	--
Hartley Family Center	F	70	--	--	70	--	--
Kansas City Healthy Start	F	185	--	262,500	--	--	--
Lactation Clinic	F	16	--	--	16	--	--
NICU Dev. Follow-up Clinic	C	46	--	--	55	--	--
PKU Screening Program	C	1,700	--	73,982	1,900	--	73,982
Pediatric Consultation Services	F	180	--	10,760	180	--	10,760
Pediatric Seizure Clinic	F	1,000	--	19,200	1,000	--	19,200
Project EAGLE	F	185	--	2,132,272	185	--	2,132,272
Project HOPE--Teen Pregnancy	F	85	--	190,922	85	--	190,922
Seating Clinic	C	93	--	--	103	--	--
Spina Bifida Clinic	F	92	--	25,755	102	--	25,755
Special Health Care Srvcs.	F	1,292	--	149,540	1,292	--	149,540
Sutherland Institute	C	125	--	35,000	125	--	35,000
Total--KU Medical Center			$ --	$ 2,941,516		$ --	$ 2,679,016
Wichita State University							
America Reads Challenge	C	640	--	89,584	600	--	85,000
Health Professions Tour	C	800	--	17,230	800	--	18,000
Communities in Schools	C	1,806	--	14,128	1,500	--	16,080
Dental Hygiene Clinic	F	2,800	36,379	40,686	2,800	37,258	41,690
Dental Hygiene Sealant Grant	C	100	--	6,000	100	--	6,000
GEAR UP	C	2,500	--	1,759,068	2,500	--	2,000,000
Heskett Center	F	10,400	20,000	49,434	10,400	20,000	49,434
Kids Training	F	662	19,000	80,000	662	19,000	80,000
Healthy Options for Planeview	F	2,600	--	2,700	3,000	--	2,800
High School Sports Physicals	C	260	--	15,600	260	--	15,600
Minority Recruitment Grant	C	200	--	30,000	200	--	30,000
Health Career Pathways	C	55	--	7,175	60	--	8,000
Nursing Health Screenings	C	1,500	7,753	7,753	1,800	8,528	8,528
Nursing Students Services	C	5,500	15,750	15,750	5,750	16,500	16,500
Speech Lang. Hearing Clinic	F	4,040	89,507	482,705	4,050	91,500	494,772

Expenditures for Children's Programs by Agency and Activity

		FY 2008 Base Budget			FY 2008 Governor's Recommendations		
	Type Served	Number Served	State General Fund	All Funding Sources	Number Served	State General Fund	All Funding Sources
Pittsburg State University, Cont.							
Preschool Lab	C	35	--	30,000	35	--	30,000
Science Day	C	713	--	1,271	713	--	1,271
YES Program	C	577	18,018	35,951	577	18,018	35,951
Total--Pittsburg State University			$ 18,418	$ 131,288		$ 18,418	$ 131,288
University of Kansas							
Child Care Focus	C	800	--	75,000	800	--	75,000
E.A. Hill Child Dev. Center	C	70	--	365,000	70	--	365,000
Hilltop Child Dev. Center	C	260	1,768	1,454,081	260	1,768	1,454,081
KU Ctr. on Dev. Disabilities	N	--	--	18,000	--	--	18,000
Tele-Health Clinic	C	10	500	500	10	500	500
Total--University of Kansas			$ 2,268	$ 1,912,581		$ 2,268	$ 1,912,581
University of Kansas Medical Center							
Audiology Clinic	F	1,700	--	--	1,700	--	--
Cerebral Palsy Clinic	F	91	--	--	91	--	--
Cystic Fibrosis Grant	F	225	--	26,630	225	--	26,630
Dev. Disability Center	F	1,300	--	14,955	1,300	--	14,955
Feeding Clinic	F	110	--	--	110	--	--
Hartley Family Center	F	70	--	--	70	--	--
Kansas City Healthy Start	F	--	--	--	--	--	--
Lactation Clinic	F	--	--	--	--	--	--
NICU Dev. Follow-up Clinic	C	65	--	--	65	--	--
PKU Screening Program	C	1,900	--	73,982	1,900	--	73,982
Pediatric Consultation Services	F	180	--	10,760	180	--	10,760
Pediatric Seizure Clinic	F	1,000	--	19,200	1,000	--	19,200
Project EAGLE	F	185	--	2,132,272	185	--	2,132,272
Project HOPE--Teen Pregnancy	F	85	--	190,922	85	--	190,922
Seating Clinic	C	113	--	--	113	--	--
Spina Bifida Clinic	F	112	--	25,755	112	--	25,755
Special Health Care Srvcs.	F	1,292	--	149,540	1,292	--	149,540
Sutherland Institute	C	125	--	35,000	125	--	35,000
Total--KU Medical Center			$ --	$ 2,679,016		$ --	$ 2,679,016
Wichita State University							
America Reads Challenge	C	600	--	85,000	600	--	85,000
Health Professions Tour	C	850	--	19,800	850	--	19,800
Communities in Schools	C	1,500	--	16,080	1,500	--	16,080
Dental Hygiene Clinic	F	2,870	38,126	42,529	2,870	38,126	42,529
Dental Hygiene Sealant Grant	C	100	--	6,000	100	--	6,000
GEAR UP	C	2,500	--	2,300,000	2,500	--	2,300,000
Heskett Center	F	10,400	20,000	49,434	10,400	20,000	49,434
Kids Training	F	662	19,000	80,000	662	19,000	80,000
Healthy Options for Planeview	F	3,200	--	2,900	3,200	--	2,900
High School Sports Physicals	C	260	--	15,600	260	--	15,600
Minority Recruitment Grant	C	200	--	30,000	200	--	30,000
Health Career Pathways	C	65	--	8,750	65	--	8,750
Nursing Health Screenings	C	2,000	9,300	9,300	2,000	9,300	9,300
Nursing Students Services	C	6,000	17,250	17,250	6,000	17,250	17,250
Speech Lang. Hearing Clinic	F	4,100	93,330	499,500	4,100	93,330	499,500

Expenditures for Children's Programs by Agency and Activity

		FY 2006 Actual Expenditures			FY 2007 Governor's Estimate		
	Type Served	Number Served	State General Fund	All Funding Sources	Number Served	State General Fund	All Funding Sources
Wichita State University, Cont.							
Talent Search--Proj. Disc.	F	2,000	--	498,906	2,000	--	498,906
Teacher Education Majors	C	625	--	15,480	600	--	16,719
Upward Bound	F	150	--	376,000	150	--	376,000
Regional Math/Science Prog.	F	100	--	289,814	100	--	298,508
WSU Child Dev. Center	F	188	--	584,176	188	--	622,037
Total--Wichita State University			$ 188,389	$ 4,382,189		$ 192,786	$ 4,684,574
Kansas Arts Commission							
Programming for the Arts	N	--	1,496,802	2,059,135	--	1,548,312	2,204,060
Historical Society							
KS History Education	C	69,206	3,200	24,500	70,000	3,000	24,000
State Library							
Interlibrary Loan Develop.	C	169,695	156,167	156,167	170,000	156,167	156,167
Library Information Tech.	C	123,260	--	111,353	364,500	265,000	376,353
Local Library Development	C	398,450	1,045,226	1,045,226	400,481	1,045,226	1,045,226
Statewide Children's Services	C	157,000	--	45,000	160,000	--	45,000
Talking Books Services	C	10,818	37,749	37,749	--	37,749	37,749
Total--State Library			$ 1,239,142	$ 1,395,495		$ 1,504,142	$ 1,660,495
Total--Education			**$ 2,603,646,650**	**$ 3,088,670,265**		**$ 2,821,979,457**	**$ 3,312,944,371**
Public Safety							
Juvenile Justice Authority							
Community Case Mgt.	C	3,145	4,176,954	5,956,636	3,200	4,198,436	5,933,838
Intake & Assessment	C	21,547	4,371,885	4,437,464	21,500	4,543,632	4,543,632
Accountability Grant	C	3,867	--	588,016	2,671	--	404,704
Intensive Supervision	C	2,612	4,245,033	4,257,338	2,620	4,314,678	4,314,678
Justice & Delinquency	C	1,654	--	408,142	1,191	--	445,072
Prevention Trust Fund	C	4,950	--	419,998	2,105	--	385,583
Prevention/Intervention	C	50,254	--	7,141,724	43,000	--	7,264,598
Total--Juvenile Justice Authority			$ 12,793,872	$ 23,209,318		$ 13,056,746	$ 23,292,105
Atchison Juvenile Correctional Facility							
Operations	C	102	6,010,148	6,720,871	100	5,789,583	5,927,083
Beloit Juvenile Correctional Facility							
Operations	C	68	4,395,227	650,720	54	4,105,390	4,245,483
Kansas Juvenile Correctional Complex							
Operations	C	702	14,918,934	15,484,136	685	14,826,018	15,358,980
Larned Juvenile Correctional Facility							
Operations	C	220	8,203,913	8,493,627	220	8,185,909	8,249,866
Adjutant General							
Starbase	C	2,559	--	469,630	6,300	--	480,000
Total--Public Safety			**$ 46,322,094**	**$ 55,028,302**		**$ 45,963,646**	**$ 57,553,517**

Expenditures for Children's Programs by Agency and Activity

		FY 2008 Base Budget			FY 2008 Governor's Recommendations		
	Type Served	Number Served	State General Fund	All Funding Sources	Number Served	State General Fund	All Funding Sources
Wichita State University, Cont.							
Talent Search--Proj. Disc.	F	2,000	--	498,906	2,000	--	498,906
Teacher Education Majors	C	600	--	16,719	600	--	16,719
Upward Bound	F	150	--	376,000	150	--	376,000
Regional Math/Science Prog.	F	100	--	296,922	100	--	296,922
WSU Child Dev. Center	F	188	--	624,736	188	--	624,736
Total--Wichita State University			$ 197,006	$ 4,995,426		$ 197,006	$ 4,995,426
Kansas Arts Commission							
Programming for the Arts	N	--	1,549,713	2,049,459	--	1,659,985	2,166,579
Historical Society							
KS History Education	C	70,000	3,000	24,000	70,000	3,000	24,000
State Library							
Interlibrary Loan Develop.	C	170,000	156,167	156,167	170,000	156,167	156,167
Library Information Tech.	C	365,000	265,000	376,353	365,000	265,000	376,353
Local Library Development	C	400,481	1,045,226	1,045,226	400,481	1,045,226	1,045,226
Statewide Children's Services	C	160,000	--	45,000	160,000	--	45,000
Talking Books Services	C	--	42,988	42,998	--	42,998	42,998
Total--State Library			$ 1,509,381	$ 1,665,744		$ 1,509,391	$ 1,665,744
Total--Education			**$ 2,981,108,236**	**$ 3,483,379,468**		**$ 3,007,104,427**	**$ 3,503,782,497**
Public Safety							
Juvenile Justice Authority							
Community Case Mgt.	C	3,200	4,363,479	5,933,838	3,200	4,363,479	5,933,838
Intake & Assessment	C	21,500	4,543,632	4,543,632	21,500	4,543,632	4,543,632
Accountability Grant	C	1,888	--	285,988	1,888	--	285,988
Intensive Supervision	C	2,620	4,314,678	4,314,678	2,620	4,314,678	4,314,678
Justice & Delinquency	C	1,200	--	518,000	1,200	--	518,000
Prevention Trust Fund	C	2,100	--	350,000	2,100	--	350,000
Prevention/Intervention	C	44,000	--	7,429,641	44,000	--	7,429,641
Total--Juvenile Justice Authority			$ 13,221,789	$ 23,375,777		$ 13,221,789	$ 23,375,777
Atchison Juvenile Correctional Facility							
Operations	C	106	5,900,336	6,020,336	106	5,953,557	6,073,557
Beloit Juvenile Correctional Facility							
Operations	C	54	4,030,277	4,109,333	54	4,085,901	4,164,957
Kansas Juvenile Correctional Complex							
Operations	C	685	15,093,191	15,681,201	685	15,260,895	15,848,905
Larned Juvenile Correctional Facility							
Operations	C	220	8,351,663	8,351,663	220	8,457,569	8,457,569
Adjutant General							
Starbase	C	6,300	--	750,000	6,300	--	750,000
Total--Public Safety			**$ 46,597,256**	**$ 58,288,310**		**$ 46,979,711**	**$ 58,670,765**

Expenditures for Children's Programs by Agency and Activity

		FY 2006 Actual Expenditures			FY 2007 Governor's Estimate		
	Type Served	Number Served	State General Fund	All Funding Sources	Number Served	State General Fund	All Funding Sources
Agriculture & Natural Resources							
Kansas State Fair							
4H & FFA	C	4,014	--	133,903	4,486	--	134,000
Do Arts	C	--	--	1,800	--	--	1,800
FFA Ag. Mechanics	C	91	--	1,500	70	--	1,500
Boy & Girl Scouts	C	109	--	8,452	106	--	8,450
Marching Bands	C	5,547	--	2,175	6,445	--	2,400
Kansas Largest Classroom	C	5,822	--	2,331	6,971	--	7,000
Total--Kansas State Fair			**$ --**	$ 150,161		**$ --**	$ 155,150
Department of Wildlife & Parks							
Archery in the Schools	C	--	--	--	300	--	20,000
Boating Safety	C	10,445	--	20,285	10,600	--	21,100
Fishing Clinics	C	29,100	--	152,300	29,250	--	155,000
Furharvester Education	F	589	--	4,945	625	--	5,100
Hunter Education	F	12,640	--	165,800	12,700	--	169,950
Wildlife Education Service	C	17,460	--	38,650	17,990	--	39,200
Youth Challenge	C	42	--	500	45	--	510
Total--Wildlife & Parks			**$ --**	$ 382,480		**$ --**	$ 410,860
Total--Agriculture & Natural Resources			**$ --**	**$ 532,641**		**$ --**	**$ 566,010**
Transportation							
Kansas Department of Transportation							
Care/Call	C	140,000	--	174,004	190,000	--	156,300
Child Passenger Safety	C	8,000	--	112,358	10,000	--	100,000
KS Safety Belt Education	C	36,000	--	168,350	43,000	--	175,000
KS Drunk Driving Prevention	C	64,000	--	212,580	68,000	--	210,000
Pedestrian/Bicycle Safety	C	18,000	--	16,678	19,000	--	25,000
Teen Safe Driving	C	750	--	22,260	1,000	--	25,000
Youth Leadership Summit	C	1,000	--	75,384	1,300	--	93,000
Total--KS Dept. of Transportation			**$ --**	$ 781,614		**$ --**	$ 784,300
Total--Transportation			**$ --**	**$ 781,614**		**$ --**	**$ 784,300**
Total--Children's Programs			**$ 3,100,845,655**	**$ 4,360,005,211**		**$ 3,347,997,088**	**$ 4,667,371,284**

Expenditures for Children's Programs by Agency and Activity

		FY 2008 Base Budget			FY 2008 Governor's Recommendations		
	Type Served	Number Served	State General Fund	All Funding Sources	Number Served	State General Fund	All Funding Sources
Agriculture & Natural Resources							
Kansas State Fair							
4H & FFA	C	4,500	--	134,000	4,500	--	134,000
Do Arts	C	--	--	1,800	--	--	1,800
FFA Ag. Mechanics	C	90	--	1,500	90	--	1,500
Boy & Girl Scouts	C	120	--	8,450	120	--	8,450
Marching Bands	C	6,500	--	2,400	6,500	--	2,400
Kansas Largest Classroom	C	7,500	--	15,291	7,500	--	15,291
Total--Kansas State Fair			$ --	$ 163,441		$ --	$ 163,441
Department of Wildlife & Parks							
Archery in the Schools	C	400	--	20,000	400	--	20,000
Boating Safety	C	10,800	--	21,800	10,800	--	21,800
Fishing Clinics	C	29,750	--	158,000	29,750	--	158,000
Furharvester Education	F	750	--	5,300	750	--	5,300
Hunter Education	F	13,000	--	174,000	13,000	--	174,000
Wildlife Education Service	C	18,500	--	40,000	18,500	--	40,000
Youth Challenge	C	50	--	525	50	--	525
Total--Wildlife & Parks			$ --	$ 419,625		$ --	$ 419,625
Total--Agriculture & Natural Resources			**$ --**	**$ 583,066**		**$ --**	**$ 583,066**
Transportation							
Kansas Department of Transportation							
Care/Call	C	190,000	--	156,300	190,000	--	156,300
Child Passenger Safety	C	20,000	--	400,000	20,000	--	400,000
KS Safety Belt Education	C	43,000	--	175,000	43,000	--	175,000
KS Drunk Driving Prevention	C	68,000	--	218,000	68,000	--	218,000
Pedestrian/Bicycle Safety	C	19,000	--	25,000	19,000	--	25,000
Teen Safe Driving	C	1,000	--	30,000	1,000	--	30,000
Youth Leadership Summit	C	1,300	--	95,000	1,300	--	95,000
Total--KS Dept. of Transportation			$ --	$ 1,099,300		$ --	$ 1,099,300
Total--Transportation			**$ --**	**$ 1,099,300**		**$ --**	**$ 1,099,300**
Total--Children's Programs			**$ 3,545,172,343**	**$ 4,845,819,516**		**$ 3,592,989,805**	**$ 4,935,942,942**

Debt Service

Types of Debt

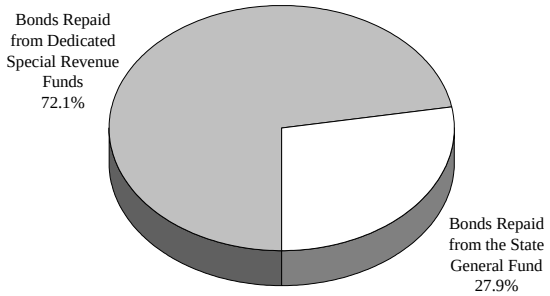
The State of Kansas uses debt financing to pay for certain state expenditures. Debt can be divided into five distinct categories.

Traditional Bonds. The first category is traditional debt financing through the issuance of bonds, which can be further divided by debt service payments financed from the State General Fund and debt financed from special revenue sources. Except for the Kansas Department of Transportation, which issues bonds to finance highways and other transportation projects, the Kansas Development Finance Authority (KDFA) is the issuer of revenue bonds for the state and some local governments. KDFA was created by the Legislature in 1987 as an independent instrumentality of the state to operate as a public corporation rather than as a state agency. The Authority is charged by the Legislature with providing access to the capital markets to state agencies and other public and private organizations.

KDFA accomplishes this purpose in part by issuing debt to fund capital improvements and certain public purpose programs. KDFA issues debt, among other purposes, for local government projects, acquisition, and renovation of state office space, construction and renovation of state university facilities, prison construction and expansion, and energy conservation improvements. KDFA also issues bonds or other debt instruments to finance health care facilities, affordable multifamily housing, and beginning farmer loans. Most of the debt issued by KDFA can be characterized as pledge-of-revenue debt, meaning that bonds are debt serviced by a dedicated stream of revenue, such as a pledge of dormitory or parking garage revenues.

The remaining obligations KDFA issues on behalf of the state can be characterized as State General Fund appropriation bonds, such as those bonds issued to renovate the Capitol Building. Of the state's total bonded indebtedness, only 27.9 percent is an obligation of the State General Fund, as illustrated by the pie chart. Debt service payments, principal and interest, will constitute 1.1 percent of State General Fund expenditures in FY 2008.

Total Bonded Indebtedness



Fiscal Year 2008

Provisions in the *Kansas Constitution* allow for the limited issuance of general obligation bonds subject to certain restrictions. However, no bonds have been issued under these provisions for decades. No other provisions in the constitution or state law limit the amount of debt that can be issued for Kansas agencies.

As of June 30, 2006, various state agencies had legislatively authorized but unissued debt of $271,456,607. Although the amount of debt for financing capital improvement projects has increased in the past several years, debt service still constitutes a small part of the overall state budget. The state has consistently demonstrated strong fiscal management practices, carefully maintaining expenditures in line with revenues, thereby avoiding the need for restrictive statutory debt limits.

PMIB Loans. The second category consists of a few loans issued by the Pooled Money Investment Board. These loans usually charge interest sufficient to recoup the loss of earnings that would otherwise be made on the investment of idle funds. The legal authorization to finance the 27th payroll that occurred in FY 2006 makes provision for a PMIB loan up to $6.0 million in case the other financing mechanisms fail to provide sufficient resources to cover the obligation. To date no such loan has been necessary.

Facilities Conservation Improvement Program. The third category includes the financing of energy improvements for state facilities under a program administered by the Department of Administration, the

Facilities Conservation Improvement Program. The financing is provided through lease purchase agreements with a financial institution, and the debt service is repaid from the energy savings generated by the improvements.

Master Lease Purchase Program. The fourth category is the Master Lease Purchase Program administered by the Department of Administration. This program finances mostly equipment acquisitions by state agencies and represents a line-of-credit concept.

Third Party & Other Debt. "Third Party" debt is where an agency purchases personal computers, for example, and the vendor maintains an affiliation with a finance company in order to provide financing to the purchasing agency. The finance company constitutes the "third party." There are other similar financing arrangements. In some cases the vendor itself provides financing. Or the vendor recoups the cost of sales promotions by adjusting the price structure accordingly.

Budgeting for Debt Payments

When traditional bonds are issued, KDFA is responsible for the total debt service obligation to the bondholders. The source of funds to meet these obligations comes in part from investment earnings on idle bond proceeds (bond reserve funds or capitalized interest funds) or earnings on project funds which may eventually be used to pay contractors for their work. Permitted earnings on debt service monies may likewise be used to defray debt service costs. After considering the interest earned on bond funds, the "shortfall" represents the remaining amount that must be appropriated in agency budgets from pledged revenue sources or appropriations.

The table at the end of this section depicts only the portion of the debt service included in agency budgets. Therefore, the numbers reported on the table will be the same as amounts that the Governor recommends and the Legislature approves. The table does not include the Department of Health and Environment's revolving loan program that has appeared in the past. The repayment of this revolving loan is the responsibility of local governments.

Ratings

Although the state has no general obligation debt, and thus no general obligation debt rating, KDFA works with the rating agencies to facilitate the state's issuer "shadow" credit rating. Standard & Poor's "AA+" credit rating reflects the state's general creditworthiness. Credit factors include a very low debt burden, continued economic diversification, and historically conservative and responsible fiscal management.

The issuer rating assigned by Moody's Corporation remains "Aa1." Moody's rating is an issuer rating, which like the Standard & Poor's rating, can be characterized as an implicit general obligation rating that reflects the state's history of favorable financial management, the strength and stability of the Kansas economy, and relatively low debt levels. The rating is based on Kansas' traditionally strong fiscal discipline.

Debt Projects

Following are brief descriptions of new, changing, or expanded projects that are debt financed, primarily capital improvements but also including the actuarial soundness of the KPERS Fund.

Department of Administration

Statehouse Renovation. The 2000 Legislature approved an issuance of bonds totaling $40.0 million for renovation of the Statehouse, starting with the east wing. The 2001 Legislature, with the approval of the State Finance Council, authorized the issuance of another $15.0 million in bonds for an underground parking garage. The 2004 Legislature authorized $19.8 million more for Phase II of the Statehouse renovation. Another $26.9 million was authorized by the 2005 Legislature to complete Phase III of the renovation. The 2006 Legislature authorized an additional $16.2 million to cover cost increases experienced since the original bonding amounts were authorized. Total debt that has been issued through KDFA totals $117.9 million as of January 2007.

Upon recommendation of the Legislative Coordinating Council, the Governor recommends an additional

$55.0 million in bonding authority to address increased construction costs for the project. This increase will bring the total outstanding debt to $172.9 million. The costs associated with the Visitors Center and exterior limestone renovation is expected to be part of a future issuance of bonds.

For FY 2007, the Governor recommends revised Statehouse renovation debt service expenditures of $6,015,268 from the State General Fund. This revised recommendation is $2,448,422 less than what the 2006 Legislature approved and is a result of the bonds being refinanced through KDFA. As a consequence, the savings are recommended to be lapsed in FY 2007. For FY 2008, the Governor recommends $7,240,283, all from the State General Fund for the debt service payment.

KDOT Comprehensive Transportation Program. FY 2008 will mark the first fiscal year that a principal payment will be made for the bonds that were issued in March 2006 for the KDOT Comprehensive Transportation Program. The Governor has included expenditures of $16,151,075 from the State General Fund in FY 2008, including $6,735,000 for principal and $9,416,075 for interest. The FY 2008 debt service payment is an increase of $11.2 million over the interest-only payment of $4,992,724 in FY 2007.

KPERS. Included in the Governor's recommendation is a State General Fund appropriation of $15.0 million in FY 2007 and $26.1 million in FY 2008 for debt service on KPERS bonds. The debt service eventually will retire $500.0 million in bonds that were issued in FY 2004 to eliminate the unfunded liability of the KPERS System. Payments will level off at approximately $36.1 million in FY 2009, with the final payment scheduled in June 2034. Funds to pay the debt service are generated through annual increases in the employer contribution rates that are used to calculate salaries in all agency budgets.

Kansas State University

Child Care Facility. The Governor recommends $6.0 million in bonding authority for the Kansas State University to construct a Child Care Facility on the Manhattan campus. The facility will include space to accommodate 263 full-time equivalent children, staff offices, food preparation needs, meeting rooms, out-door play areas, and parking. The debt service on the bonds will begin in FY 2009 and will be repaid by student fees, private gifts, and other restricted fees.

Department of Corrections

Prison Capacity Expansion. To address the projected population increases in the adult correction system, the Governor recommends up to $39.5 million in bonding authority to the Department of Corrections to expand prison capacity. The Governor recommends that the Secretary of Corrections identify the most cost-effective capacity expansion proposals by custody and gender classification that will enhance the safety of the staff, the inmate population, and the citizens of Kansas. In addition, the Secretary will inform the Joint Committee on State Building Construction of the options that will be selected. Repayment of the bonds will begin in FY 2009 from the State General Fund. Estimated debt service payments will be $3.1 million each year for 20 years, all from the State General Fund.

Facility Infrastructure Improvements. In order to provide additional funding to address significant correctional facility infrastructure needs, the Governor recommends authority to the Department of Corrections to issue $19.2 million in bonding authority. This bonding authority, along with proceeds of $2.6 million from a settlement of the El Dorado site utilities lawsuit, will provide the Department $21.8 million for a number of high priority projects, including replacing locking systems, utilities tunnel upgrades, water treatment plants, ADA compliance, security upgrades, and fire alarm systems at various correctional facilities.

Because the Department will experience a declining debt service payment schedule from other outstanding bond issues, the Department will be able to finance the debt service payments on this new improvement program with no additional cost to the State General Fund.

Adjutant General

Armory Rehabilitation Plan. The agency was authorized to issue $22.0 million in bonds to fund the Armory Rehabilitation Plan over a five-year period

starting in FY 2001. The plan will rehabilitate selected state-owned armories and replace other armories. Bonds were issued totaling $2.0 million in November 2000, $2.0 million in November 2001, $6.0 million in June 2003, $6.0 million in June 2004, and $6.0 million in November 2005.

For FY 2007, the Governor recommends $1,982,682 from the State General Fund to finance the debt service payment on bonds issued for the Armory Rehabilitation Plan. Of the total, $1,060,000 will be principal and $922,682 will be interest. The Governor recommends $1,974,519 in FY 2008 from the State General Fund to finance the debt service payment. Of the recommended amount, $1,090,000 will be principal and $884,519 interest.

Readiness Center. The agency was authorized by the 2005 Legislature to issue $1,450,711 in bonds to fund the Pittsburg State University/Kansas National Guard Readiness Center (Armory) project. The Adjutant General will construct an armory, classroom, and recreation center in cooperation with Pittsburg State University. The bonds were issued in October 2006, and the first debt service payment will be in FY 2008. Therefore, the Governor recommends $119,292 from the State General Fund in FY 2008 to finance the debt service payment on the bonds. Of the total, $51,641 will be used for the principal and $67,651 for interest.

Kansas Bureau of Investigation

Automated Fingerprint Identification System. The Kansas Bureau of Investigation will be participating in the Master Lease Purchase Program to obtain an Automated Fingerprint Identification System. The system is used to assist law enforcement agencies with criminal investigations. The Governor recommends $745,030 in FY 2007, including $715,443 from the State General Fund, to finance the debt service on the new identification system. Of that total, $614,855 is for principal and $130,175 is for interest. The State Finance Council approved the State General Fund portion of the project costs at a meeting on December 14, 2006. For FY 2008, the recommendation includes $745,030 from the State General Fund. Of that total, $645,094 is for principal and $99,936 is for interest.

Kansas State Fair

Alternative Energy Systems. To help offset recent increases in energy costs, the Kansas State Fair seeks to utilize alternative energy sources for the fairgrounds. This will include installing two 50-kilowatt wind turbines that will produce approximately 10.0 percent of the fairgrounds' energy use; a solar thermal heat system for the Administration Building; and electrical sub-metering equipment that will enable the agency to monitor electricity usage at each building.

The total amount for these systems is $579,190, which will be financed through the Department of Administration's Master Lease Program. For FY 2008, the Governor recommends $111,525 from the EDIF for the first payment of the debt service. Of this amount, $24,836 will be for interest and $86,689 will be for principal.

Indebtedness of the State

	FY 2005 Actual	FY 2006 Actual	FY 2007 Estimate	FY 2008 Estimate	Prin. Balance June 30, 2008 Estimate
State General Fund Bonded Indebtedness					
Department of Administration					
Principal	4,485,000	3,960,000	2,959,128	9,640,000	806,080,000
Interest	2,863,024	3,993,935	24,590,646	39,975,183	
Kansas Public Employees Retirement System					
Principal	2,711,539	2,736,086	2,786,547	2,816,161	16,655,000
Interest	501,085	475,606	425,201	398,055	
Total--General Government	**$ 10,560,648**	**$ 11,165,627**	**$ 30,761,522**	**$ 52,829,399**	**$ 822,735,000**
Kansas Board of Regents					
Principal	1,188,757	1,220,000	1,250,000	1,295,000	9,375,000
Interest	562,993	532,584	506,004	461,004	
University of Kansas					
Principal	--	605,187	797,741	763,768	--
Interest	--	665,149	714,771	748,744	
University of Kansas Medical Center					
Principal	--	880,000	--	--	--
Interest	482,277	557,503	--	--	
Wichita State University					
Principal	1,000,000	1,050,000	1,160,000	1,215,000	7,100,000
Interest	180,962	226,543	485,711	427,949	
Total--Education	**$ 3,414,989**	**$ 5,736,966**	**$ 4,914,227**	**$ 4,911,465**	**$ 16,475,000**
Adjutant General					
Principal	225,000	850,000	1,060,000	1,141,641	19,695,000
Interest	332,185	415,666	922,682	952,170	
Department of Corrections					
Principal	7,745,000	5,122,818	3,456,000	4,210,000	22,665,000
Interest	1,784,212	1,352,461	1,433,000	1,243,000	
Kansas Bureau of Investigation					
Principal	230,000	265,000	250,000	265,000	580,000
Interest	69,029	38,176	57,200	42,668	
Total--Public Safety	**$ 10,385,426**	**$ 8,044,121**	**$ 7,178,882**	**$ 7,854,479**	**$ 42,940,000**
State Fair Board					
Principal	1,000,000	1,050,000	1,080,000	1,120,000	23,680,000
Interest	1,247,906	1,107,285	1,167,251	1,128,884	
Total--Ag. & Natural Resources	**$ 2,247,906**	**$ 2,157,285**	**$ 2,247,251**	**$ 2,248,884**	**$ 23,680,000**
Total					
Principal	**$ 18,585,296**	**$ 17,739,091**	**$ 14,799,416**	**$ 22,466,570**	**$ 905,830,000**
Interest	**$ 8,023,673**	**$ 9,364,908**	**$ 30,302,466**	**$ 45,377,657**	
Total--SGF Bonded Indebtedness	**$ 26,608,969**	**$ 27,103,999**	**$ 45,101,882**	**$ 67,844,227**	
Non-SGF Bonded Indebtedness					
Department of Commerce					
Principal	8,990,000	12,305,000	11,100,000	11,550,000	37,610,000
Interest	2,385,533	2,456,720	2,572,440	2,118,543	

Indebtedness of the State

	FY 2005 Actual	FY 2006 Actual	FY 2007 Estimate	FY 2008 Estimate	Prin. Balance June 30, 2008 Estimate
Insurance Department					
Principal	585,000	--	--	--	--
Interest	35,404	--	--	--	
Total--General Government	**$ 11,995,937**	**$ 14,761,720**	**$ 13,672,440**	**$ 13,668,543**	**$ 37,610,000**
Department of Social & Rehabilitation Services					
Principal	2,670,000	2,810,000	2,895,000	2,995,000	69,430,000
Interest	2,877,215	3,113,043	3,599,163	3,497,756	
Department of Labor					
Principal	145,000	145,000	1,645,000	1,705,000	20,275,000
Interest	123,356	271,262	509,983	835,021	
Department of Health & Environment					
Principal	405,000	415,000	430,000	450,000	960,000
Interest	37,838	37,838	31,173	51,095	
Total--Human Services	**$ 6,258,409**	**$ 6,792,143**	**$ 9,110,319**	**$ 9,533,872**	**$ 90,665,000**
Kansas Board of Regents					
Principal	12,930,000	10,880,000	17,450,000	18,045,000	166,452,813
Interest	4,076,586	4,196,414	7,133,000	6,538,000	
Emporia State University					
Principal	494,407	386,426	535,300	651,000	11,312,031
Interest	151,733	33,143	413,770	485,606	
Fort Hays State University					
Principal	220,869	205,000	210,000	500,000	12,955,000
Interest	196,145	239,214	235,114	542,234	
Kansas State University					
Principal	2,389,125	2,620,000	2,715,000	2,840,000	74,165,000
Interest	855,071	1,159,738	3,541,116	3,440,906	
Pittsburg State University					
Principal	325,000	335,000	365,000	430,000	13,770,000
Interest	383,794	440,955	402,712	404,800	
University of Kansas					
Principal	4,851,495	1,860,000	3,298,410	3,547,628	69,685,000
Interest	2,201,189	2,023,492	2,450,668	2,458,767	
University of Kansas Medical Center					
Principal	315,000	330,000	465,000	480,000	16,615,000
Interest	848,260	--	485,718	463,303	
Wichita State University					
Principal	750,000	780,000	805,000	845,000	13,200,000
Interest	601,819	483,761	699,236	667,368	
Total--Education	**$ 31,590,493**	**$ 25,973,143**	**$ 41,205,044**	**$ 42,339,612**	**$ 378,154,844**
Juvenile Justice Authority					
Principal	2,155,000	2,255,102	2,360,000	2,460,000	39,315,000
Interest	2,428,897	2,344,410	2,241,203	2,130,328	
Highway Patrol					
Principal	665,000	695,000	725,000	735,000	3,205,000
Interest	275,867	251,682	220,981	187,481	
Total--Public Safety	**$ 5,524,764**	**$ 5,546,194**	**$ 5,547,184**	**$ 5,512,809**	**$ 42,520,000**

Indebtedness of the State

	FY 2005 Actual	FY 2006 Actual	FY 2007 Estimate	FY 2008 Estimate	Prin. Balance June 30, 2008 Estimate
Department of Transportation					
Principal	38,460,000	46,755,000	53,020,000	50,330,000	1,792,680,000
Interest	64,777,550	67,441,667	76,550,468	79,239,690	
Total--Transportation	**$ 103,237,550**	**$ 114,196,667**	**$ 129,570,468**	**$ 129,569,690**	**$ 1,792,680,000**
Total					
Principal	**$ 76,350,896**	**$ 82,776,528**	**$ 98,018,710**	**$ 97,563,628**	**$ 2,341,629,844**
Interest	**$ 82,256,257**	**$ 84,493,339**	**$ 101,086,745**	**$ 103,060,898**	
Total--Non-SGF Indebtedness	**$ 158,607,153**	**$ 167,269,867**	**$ 199,105,455**	**$ 200,624,526**	
Off Budget					
Department of Administration					
Principal	550,000	1,622,771	1,705,000	1,780,000	41,390,000
Interest	623,396	1,819,801	1,745,434	1,671,548	
Total--Off Budget Indebtedness	**$ 1,173,396**	**$ 3,442,572**	**$ 3,450,434**	**$ 3,451,548**	

Pooled Money Investment Board Loans

Kansas State University--ESARP					
Principal	1,000,000	525,000	1,350,000	1,000,000	--
Interest	26,619	49,024	38,031	18,963	
Water Office					
Principal	226,892	229,946	232,039	--	--
Interest	8,267	7,999	5,906	--	
Wildlife &Parks					
Principal	--	500,000	700,000	--	--
Interest	15,153	15,153	15,153	--	
Total					
Principal	**$ 1,226,892**	**$ 1,254,946**	**$ 2,282,039**	**$ 1,000,000**	**$ --**
Interest	**$ 50,039**	**$ 72,176**	**$ 59,090**	**$ 18,963**	
Total--PMIB Loans	**$ 1,276,931**	**$ 1,327,122**	**$ 2,341,129**	**$ 1,018,963**	
Off Budget					
Department of Administration					
Principal	734,066	1,775,166	1,828,988	1,318,347	1,229,837
Interest	148,216	1,342,837	1,202,636	1,112,699	
Total--Off Budget PMIB Loans	**$ 882,282**	**$ 3,118,003**	**$ 3,031,624**	**$ 2,431,046**	

Master Lease Program

Department of Administration					
Principal	--	4,486	10,797	11,405	19,208
Interest	--	883	2,009	1,401	
Total--General Government	**$ --**	**$ 5,369**	**$ 12,806**	**$ 12,806**	**$ 19,208**
Social & Rehabilitation Services					
Principal	320,368	240,009	156,458	157,224	41,871
Interest	16,285	6,421	3,254	2,488	

Indebtedness of the State

	FY 2005 Actual	FY 2006 Actual	FY 2007 Estimate	FY 2008 Estimate	Prin. Balance June 30, 2008 Estimate
Osawatomie State Hospital					
Principal	18,476	81,819	105,384	99,434	121,099
Interest	3,159	14,084	15,074	8,328	
Health & Environment					
Principal	128,251	378,831	184,021	200,324	1,719,562
Interest	130,438	136,773	121,653	112,226	
Department of Labor					
Principal	--	--	62,000	85,330	511,980
Interest	--	--	3,000	6,827	
Total--Human Services	**$ 616,977**	**$ 857,937**	**$ 650,844**	**$ 672,181**	**$ 2,394,512**
Board of Regents					
Principal	9,025	9,529	10,062	10,625	61,015
Interest	5,745	5,241	4,708	4,145	
Kansas State University					
Principal	1,967,765	1,312,496	1,359,511	513,493	314,567
Interest	162,943	91,756	71,280	28,652	
Pittsburg State University					
Principal	94,863	95,568	96,161	4,516	--
Interest	6,643	5,938	3,193	128	
University of Kansas					
Principal	145,022	13,919	--	--	--
Interest	5,617	258	--	--	
University of Kansas Medical Center					
Principal	355,124	639,562	917,769	1,077,845	1,154,109
Interest	19,605	43,011	87,045	70,127	
Emporia State University					
Principal	--	23,242	23,242	23,242	46,360
Interest	--	2,822	2,822	2,822	
Total--Education	**$ 2,772,352**	**$ 2,243,342**	**$ 2,575,793**	**$ 1,735,595**	**$ 1,576,051**
Highway Patrol					
Principal	373,863	393,320	413,789	435,323	1,446,677
Interest	159,403	139,946	119,477	97,943	
Kansas Bureau of Investigation					
Principal	11,793	--	614,855	645,094	1,386,927
Interest	1,175	--	130,175	99,936	
Total--Public Safety	**$ 546,234**	**$ 533,266**	**$ 1,278,296**	**$ 1,278,296**	**$ 2,833,604**
Wildlife & Parks					
Principal	9,068	9,301	4,771	--	--
Interest	531	298	29	--	
Total--Ag. & Natural Resources	**$ 9,599**	**$ 9,599**	**$ 4,800**	**$ --**	**$ --**
Total					
Principal	**$ 3,433,618**	**$ 3,202,082**	**$ 3,958,820**	**$ 3,263,855**	**$ 6,823,375**
Interest	**$ 511,544**	**$ 447,431**	**$ 563,719**	**$ 435,023**	
Total--Master Lease Program	**$ 3,945,162**	**$ 3,649,513**	**$ 4,522,539**	**$ 3,698,878**	
Off Budget					
Department of Administration					
Principal	1,159,254	1,356,628	1,283,331	925,643	537,093
Interest	76,583	105,461	105,054	52,366	
Total--Off Budget Master Lease	**$ 1,235,837**	**$ 1,462,089**	**$ 1,388,385**	**$ 978,009**	**$ 537,093**

Indebtedness of the State

	FY 2005 Actual	FY 2006 Actual	FY 2007 Estimate	FY 2008 Estimate	Prin. Balance June 30, 2008 Estimate
Facilities Conservation Improvement Program					
Insurance Department					
Principal	--	--	58,745	60,861	572,812
Interest	--	--	24,200	22,084	
Total--General Government	**$ --**	**$ --**	**$ 82,945**	**$ 82,945**	**$ 572,812**
Kansas Neurological Institute					
Principal	105,338	110,013	120,000	120,000	1,596,186
Interest	85,713	81,138	75,000	75,000	
Parsons State Hospital & Training Center					
Principal	101,562	104,737	109,021	113,614	1,704,508
Interest	70,828	82,549	78,673	74,109	
Total--Human Services	**$ 363,441**	**$ 378,437**	**$ 382,694**	**$ 382,723**	**$ 3,300,694**
School for the Blind					
Principal	43,928	24,115	25,277	26,494	346,907
Interest	--	15,315	18,055	17,434	
School for the Deaf					
Principal	--	72,154	54,197	56,464	846,591
Interest	--	20,892	39,075	36,808	
Emporia State University					
Principal	11,059	11,700	12,378	13,096	44,812
Interest	5,155	4,514	3,836	3,118	
Fort Hays State University					
Principal	186,586	169,690	183,939	198,931	4,255,535
Interest	5,116	195,695	188,456	180,618	
Kansas State University					
Principal	308,315	319,139	337,222	344,257	1,874,697
Interest	139,695	106,834	110,574	95,113	
Pittsburg State University					
Principal	350,410	438,195	459,142	481,395	6,145,218
Interest	271,634	444,075	462,120	481,567	
Total--Education	**$ 1,321,898**	**$ 1,822,318**	**$ 1,894,271**	**$ 1,935,295**	**$ 13,513,760**
El Dorado Correctional Facility					
Principal	62,310	124,257	171,431	171,431	1,590,173
Interest	45,082	127,720	88,389	88,389	
Ellsworth Correctional Facility					
Principal	6,084	74,344	77,097	77,097	639,804
Interest	2,663	20,560	27,660	27,660	
Hutchinson Correctional Facility					
Principal	218,834	237,778	248,112	248,112	1,473,365
Interest	102,755	92,308	82,517	82,517	
Lansing Correctional Facility					
Principal	306,253	317,347	330,202	340,754	2,319,947
Interest	126,989	97,229	103,040	92,488	
Larned Correctional MH Facility					
Principal	1,163	14,730	14,762	14,762	123,060
Interest	508	5,274	5,294	5,294	
Norton Correctional Facility					
Principal	138,039	143,672	149,535	155,637	1,076,647
Interest	65,826	55,635	53,784	48,228	

Indebtedness of the State

	FY 2005 Actual	FY 2006 Actual	FY 2007 Estimate	FY 2008 Estimate	Prin. Balance June 30, 2008 Estimate
Topeka Correctional Facility					
Principal	5,044	62,753	64,015	64,015	533,669
Interest	2,204	17,013	22,961	22,961	
Winfield Correctional Facility					
Principal	115,576	120,293	125,202	130,311	901,449
Interest	55,115	46,248	45,489	40,380	
Total--Public Safety	**$ 1,254,445**	**$ 1,557,161**	**$ 1,609,490**	**$ 1,610,036**	**$ 8,658,114**
Total					
Principal	**$ 1,960,501**	**$ 2,344,917**	**$ 2,540,277**	**$ 2,617,231**	**$ 26,045,380**
Interest	**$ 979,283**	**$ 1,412,999**	**$ 1,429,123**	**$ 1,393,768**	
Total--FCIP Progam	**$ 2,939,784**	**$ 3,757,916**	**$ 3,969,400**	**$ 4,010,999**	

Indebtedness of the State

	FY 2005 Actual	FY 2006 Estimate	FY 2007 Estimate	FY 2008 Estimate
Third Party & Other Debt				
Department of Administration				
Principal	51,013	52,732	58,240	64,329
Interest	33,029	29,729	24,221	18,132
Attorney General				
Principal	--	26,181	25,280	25,995
Interest	--	--	4,121	3,407
Citizens Utility Ratepayer Board				
Principal	968	1,680	1,527	1,627
Interest	--	--	--	--
Kansas Corporation Commission				
Principal	34,361	45,425	45,579	45,579
Interest	--	--	--	--
Judiciary				
Principal	--	41,363	41,363	41,363
Interest	--	--	--	--
Total--General Government	**$ 119,371**	**$ 197,110**	**$ 200,331**	**$ 200,432**
Osawatomie State Hospital				
Principal	75,887	51,819	108,384	99,434
Interest	3,158	14,084	15,074	8,328
Total--Human Services	**$ 79,045**	**$ 65,903**	**$ 123,458**	**$ 107,762**
Kansas State University				
Principal	45,771	847,156	791,494	121,823
Interest	--	58,217	40,745	35,310
Emporia State University				
Principal	45,771	--	--	--
Interest	--	--	--	--
Pittsburg State University				
Principal	5,941	91,297	91,769	--
Interest	--	5,565	2,942	--
University of Kansas				
Principal	55,000	55,000	2,055,000	355,000
Interest	--	--	--	--
University of Kansas Medical Center				
Principal	1,212,929	797,927	157,581	369,772
Interest	130,916	147,918	278,464	274,000
Wichita State University				
Principal	--	--	468,286	624,637
Interest	--	--	241,649	465,233
Total--Education	**$ 1,496,328**	**$ 2,003,080**	**$ 4,127,930**	**$ 2,245,775**
Water Office				
Principal	460,650	476,464	492,855	492,855
Interest	693,579	677,766	661,374	661,374
Total--Ag. & Natural Resources	**$ 1,154,229**	**$ 1,154,230**	**$ 1,154,229**	**$ 1,154,229**
Principal	**$ 1,988,291**	**$ 2,487,044**	**$ 4,337,358**	**$ 2,242,414**
Interest	**$ 860,682**	**$ 933,279**	**$ 1,268,590**	**$ 1,465,784**
Total--Third Party & Other Debt	**$ 2,848,973**	**$ 3,420,323**	**$ 5,605,948**	**$ 3,708,198**

Capital Budget

FY 2007 Expenditures

The capital budget approved by the Legislature a year ago for FY 2007 totaled $853,645,845 from all funding sources. Of that total, $20,155,552 was approved from the State General Fund. The Governor's revised estimate of capital expenditures for the same fiscal year now total $1,272,190,260, with $19,415,764 from the State General Fund. The difference is an increase of $418,544,415 from all funding sources. The State General Fund part of that total represents a decrease of $739,788.

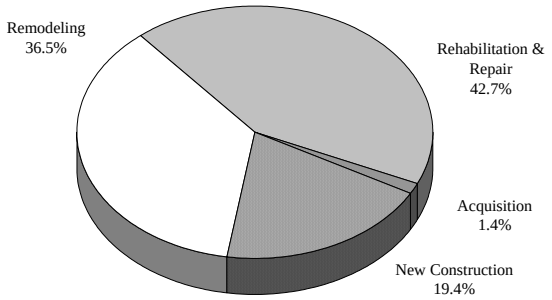
Because of the long-term nature of capital projects, every year a significant portion of the funds appropriated for them remain unspent at the end of the fiscal year and carry over into the following fiscal year to become available for expenditure there. As a consequence, the current fiscal year typically shows a higher level of expenditure, because it includes this carryover money in addition to the regular appropriation of new funds. This "shift" of expenditure authority occurs in all project and funding categories. However, it is most noticeable in the case of highway funds because they constitute such a large portion of total capital funds.

FY 2008 Expenditures

The capital budget that the Governor recommends for FY 2008 is $871,967,560 from all funding sources, of which $21,675,311 is from the State General Fund. Other major funding sources include $744,280,819 financed from the State Highway Fund, $49,851,022 from the aggregate of the three building funds, and the remaining $56,160,408 from an assortment of special revenue funds.

The carryover funds described in FY 2007, by comparison, make FY 2008 appear to be a decrease. However, adjusting for the carryover funds, the amount of new money appropriated each year is relatively stable. Nonetheless, there are several notable changes from FY 2007 to FY 2008, including the start of principal payments on the bonds issued a year ago by the Department of Administration on behalf of the Comprehensive Transportation Program; an increase in the debt payment from the issuance of more Statehouse renovation bonds; the initiative of facility infrastructure projects by the Department of Corrections; and the construction of a veterans cemetery at Fort Riley. These increases are partially offset by decreases between FY 2007 and FY 2008 because of one-time projects in the current fiscal year that do not continue in FY 2008. Among these are purchase of the IMA Building and renovation of the Great Bend laboratory by the KBI; construction of a sheep/swine barn by the State Fair; and several construction and renovation projects at Regents universities that are financed from restricted funds.

How It Is Spent



Fiscal Year 2008

The pie chart above illustrates capital expenditures by project type in accordance with the categories and definitions provided by the *Budget Instructions*, as published by the Division of the Budget. Rehabilitation and repair, the largest category at 42.7 percent, includes projects intended to keep facilities in working order. Renovation and remodeling, the second largest project category at 36.5 percent, is more extensive than just repairs, often converting facilities to a different use. New construction constitutes 19.4 percent of the total. New construction involves the erection of a facility where none existed before or one in which the old facility was totally demolished and then rebuilt. The smallest category is 1.4 percent for acquisition, which represents the purchase of property or an existing facility.

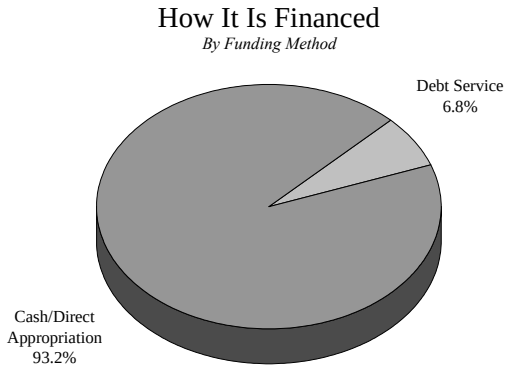
Capital Budget Process

Agencies requesting expenditure authority for capital projects submit a five-year facilities plan each July 1, consisting of the forthcoming fiscal year and the following four years. Capital projects are reviewed by the Division of the Budget for development of the Governor's recommendations. They are also reviewed by the Fiscal Section of the Kansas Legislative Research Department as staff to the Joint Committee on State Building Construction as well as the "appropriation" committees of the Kansas House and Senate. In addition, the Division of Facilities Management in the Department of Administration provides technical support to the State Building Advisory Commission, an Executive Branch body responsible for reviewing the cost estimates and technical aspects of projects.

The state gives priority to maintaining its existing facilities before considering new construction. Other criteria for assessing the priority of capital projects include safety for state employees and visitors, compliance with prevailing building codes, modifications to enhance accessibility for the disabled, physical modifications caused by program changes, and cost effectiveness. Most projects are funded through direct appropriations in the State General Fund and special revenue funds. However, the use of revenue bonds for financing capital projects continues to increase.

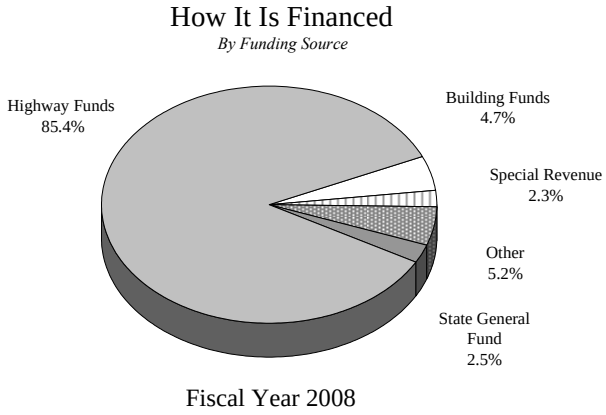
Financing

The following pie chart illustrates the portion of the capital budget that is debt financed compared to the portion financed from direct appropriations of cash.



Only the principal portion of the debt service is considered a capital improvement.

Transportation projects are by far the largest part of the state's capital budget. They constitute 89.5 percent of the FY 2007 expenditures for capital improvements and, as indicated by the pie chart below showing expenditures by funding source, and 85.4 percent of FY 2008 capital expenditures. The State Highway Fund in the Transportation function is the single largest source of funding for capital improvements in the state budget. The fund receives its revenues primarily through highway user fees on motor fuel, vehicle registrations, a dedicated portion of sales and use tax, and federal funds.



The three dedicated funding sources that make up most of the remainder of the capital budget are the Educational Building Fund (EBF), the State Institutions Building Fund (SIBF), and the Correctional Institutions Building Fund (CIBF). The EBF receives revenues from a one-mill tax levy and the SIBF from a half-mill 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 gaming activities. The table on the next page shows the status of the building funds, including the past two complete fiscal years, the current year, the forthcoming year, and estimates for two future years.

Building Funds

The one-mill tax on real property is expected to generate approximately $31.1 million in FY 2007 for the Educational Building Fund. New appropriations

from the fund, all of which are dedicated to the improvement of facilities at state universities, totaled $30.0 million for FY 2007, excluding the $375,000 for the insurance premium on state facilities, which is budgeted in the Department of Administration. Of that amount, $15.0 million is earmarked for the debt service on Crumbling Classroom bonds, and the other $15.0 million is available as a pool of funds for undertaking rehabilitation and repair projects. This same $30.0 million, again divided equally between the Crumbling Classroom debt and repair projects, is recommended by the Governor to continue in FY 2008.

A number of agencies depend on monies available in the State Institutions Building Fund for capital improvements, including state hospitals, juvenile correctional facilities, the School for the Blind, the School for the Deaf, and the Commission on Veterans Affairs. Revenues to the fund, which are derived from a half mill levy on real property, are estimated to be $15.6 million for FY 2007. At the present time, the funds are not fully committed and a sizeable balance, $12.8 million or 47.0 percent of the funds available for expenditure, is projected at the end of FY 2008. This ending balance is based on the Governor's recommended expenditure level of $14,444,022 for FY 2008.

The 2006 Legislature enacted legislation to exempt certain business equipment and machinery from property tax as an economic incentive. Starting in FY 2008, the law will reduce property tax receipts both to the EBF and the SIBF. Another provision of the same law, the so-called "slider," to some extent will mitigate the effect of this revenue loss. These adjustments are shown in the building funds table below.

In the fall of 2006 it was discovered that funds from the motor vehicle property tax were still being diverted to the State General Fund from the EBF and the SIBF well after the property tax accelerator law had expired.

Status of State Building Funds

	FY 2005 Actual	FY 2006 Actual	FY 2007 Gov. Est.	FY 2008 Gov. Rec.	FY 2009 Estimate	FY 2010 Estimate
Educational Building Fund						
Beginning Balance	$ 6,089,057	$ 8,148,466	$ 9,788,177	$ 2,613,218	$ 4,669,043	$ 8,157,370
Released Encumbrances/Adjs.	309,575	23,108	14,939	--	--	--
Property Tax	24,979,536	26,867,118	27,900,450	28,998,000	30,172,000	31,379,040
"Slider" Return of Funds	--	--	--	222,664	420,662	355,330
Motor Vehicle Taxes	1,801,027	1,874,879	3,170,889	3,250,161	3,331,415	3,414,700
Other Receipts/Recoveries	--	10,955	1,837,151	--	--	--
Resources Available	$ 33,179,195	$ 36,924,526	$ 42,711,606	$ 35,084,043	$ 38,593,120	$ 43,306,440
Expenditures	$ 25,030,729	$ 27,136,349	$ 40,098,388	$ 30,415,000	$ 30,435,750	$ 30,457,538
State Institutions Building Fund						
Beginning Balance	$ 15,372,013	$ 11,735,074	$ 10,951,248	$ 10,943,192	$ 12,783,831	$ 15,374,069
Released Encumbrances/Adjs.	291,113	28,775	1,135	--	--	--
Property Tax	12,486,463	13,483,712	13,950,225	14,499,000	15,086,000	15,689,520
"Slider" Return of Funds	--	--	--	111,336	210,338	177,670
Motor Vehicle Taxes	900,513	937,439	1,633,488	1,674,325	1,716,184	1,759,088
Other Receipts/Refunds	424	--	915,135	--	--	--
Vet Cemetery Repayment	--	--	--	--	455,000	--
Resources Available	$ 29,050,526	$ 26,185,000	$ 27,451,231	$ 27,227,853	$ 30,251,353	$ 33,000,347
Expenditures	$ 17,315,452	$ 15,233,752	$ 16,508,039	$ 14,444,022	$ 14,877,284	$ 13,219,331
Correctional Institutions Building Fund						
Beginning Balance	$ 2,046,674	$ 1,477,937	$ 1,510,453	$ 29,868	$ 29,868	$ 29,868
Released Encumbrances/Adjs.	15,605	22,304	285	--	--	--
Gaming Revenues	4,992,147	4,992,000	4,992,000	4,992,000	4,992,000	4,992,000
Other Receipts/Recoveries	--	4,828	--	--	--	--
Resources Available	$ 7,054,426	$ 6,497,069	$ 6,502,738	$ 5,021,868	$ 5,021,868	$ 5,021,868
Expenditures	$ 5,576,489	$ 4,986,616	$ 6,472,870	$ 4,992,000	$ 4,992,000	$ 4,992,000

The diversion involved the latter half of FY 2005, all of FY 2006, and approximately the first quarter of FY 2007. Upon being discovered, the diversion of funds that had occurred to date in FY 2007 was corrected at once. However, the diverted funds attributable to FY 2005 and FY 2006, totaling $1,837,151 for the EBF and $915,135 for the SIBF, had to be added to the available revenues of these two funds in FY 2007, because the accounting records for FY 2005 and FY 2006 are closed.

The Correctional Institutions Building Fund receives proceeds under a statutory formula from gaming receipts. The maximum of $4,992,000 is credited to this fund each year. After accounting for the $71,000 that the fund pays for the premium on the state's insurance policy for state facilities, which is an increasing amount each year as a result of inflation, the remaining $4,921,000 for FY 2008 is used for rehabilitation and repair in adult correctional facilities.

Following is a description of capital improvement projects by agency that are included in the Governor's recommendations. Capital expenditures are listed by agency in Schedules 6.1 and 6.2 and by project in the table at the end of this section.

General Government

Department of Administration

State Buildings Rehabilitation & Repair. The Governor recommends expenditures of $321,008 in FY 2007 and $400,000 in FY 2008 from the State Buildings Depreciation Fund for various rehabilitation and repair projects at several state owned buildings, including the Curtis State Office Building, Memorial Hall, the Docking State Office Building, and the Landon State Office Building. Projects include general maintenance, asbestos abatement, and minor building refurbishments.

Statehouse-Cedar Crest Rehabilitation & Repair. The Governor recommends expenditures of $469,077 in FY 2007 and $200,000 in FY 2008 from the State General Fund for Statehouse and Cedar Crest rehabilitation and repair projects. These expenditures will allow contingency for unplanned emergency maintenance projects.

Judicial Center Rehabilitation & Repair. The Governor recommends expenditures of $106,766 in FY 2007 and $100,000 in FY 2008 from the State General Fund for various Judicial Center rehabilitation and repair projects. This recommendation allows the Department to address emergency repair projects.

Printing Plant Rehabilitation & Repair. The Governor recommends expenditures of $75,000 from the Printing Services Depreciation Fund for rehabilitation and repair projects at the Printing Plant. These projects include replacing condensate pumps and piping, air compressors, chilled, and hot water pumps.

State Complex West Rehabilitation & Repair. The Governor recommends expenditures of $60,353 in FY 2007 and in FY 2008 for rehabilitation and repair projects at the State Complex West. The complex was formerly part of Topeka State Hospital.

Statehouse Improvements. The Legislature authorized the issuance of $74.8 million in bonds to finance renovation of the Statehouse, including the east wing, a new parking garage, underground maintenance vaults in each quadrant, the shell for the future visitors center, and relocation of utilities. This bond issue was refinanced during the spring of 2006 to take advantage of more favorable interest rates. This project is an effort to renovate the entire Statehouse by 2011 at an estimated cost of $172.9 million. This estimate was increased by the Legislative Coordinating Council from the original estimate of $135.0 million. For FY 2007, the debt service totals $6,015,268, of which $4,170,268 is interest and $1,845,000 is principal. All funding for debt service is from the State General Fund. For FY 2008, the Governor recommends $7,240,283 for debt service, of which $2,375,000 is principal and $4,865,283 is interest.

Judicial Center Improvements. The Governor recommends $101,653 from the State General Fund for Judicial Center improvements in FY 2007. This amount is for debt service on bonds that were financed over a 16-year period, beginning in FY 2002. Of the debt service, $65,000 is for principal and $36,653 is for interest. In FY 2008, the Governor recommends $99,020 from the State General Fund to pay debt service, of which $65,000 is for principal and $34,020 is for interest.

Improvements to State Facilities. The Governor recommends $776,412 for FY 2007, including $396,412 for interest and $380,000 for principal, for improvements to state facilities for which the Department of Administration is responsible, all from the State Buildings Depreciation Fund. For FY 2008, the Governor recommends $767,413 for debt service payments, including $377,413 for interest payments and $390,000 for principal payments.

Projects involved under this umbrella include the Capitol Complex consolidation, which has involved remodeling the Landon State Office Building after the relocation of several departments; the Capitol

Complex steam system, which was upgraded by developing a steam heat boiler system for the Curtis Building and upgrading the steam lines for heating the existing buildings in the Capitol Complex; the Brigham Building at the State Complex West, which has been remodeled for use as the SRS Staff Development and Training Center; the KDHE lab at Forbes Building No. 740, which has been remodeled to meet the needs of the remaining laboratory operations; and the Woodward Building at the State Complex West, which has been remodeled for Kansas Services for the Blind to house clients attending training at the Rehabilitation Center for the Blind.

Energy Conservation Improvements Program. The Governor recommends $780,990 for FY 2007 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, $695,000 is principal and $85,990 is interest. For FY 2008, debt service is estimated to total $625,754, $575,000 of which is principal and $50,754 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.

Landon Building Debt Service. The debt service amounts are recommended to finance the 1986 acquisition of the Landon State Office Building. For FY 2007, $562,250 from the State Buildings Operating Fund is recommended for the principal amount. An additional $44,418 for the interest payment is included in the operating budget, for a total of $606,668. The debt for the Landon Building will be paid off at the end of FY 2007.

Printing Plant Debt Service. The Governor recommends $176,738 for FY 2007 from the Intragovernmental Printing Service Fund to finance the principal payment of the debt incurred to construct the State Printing Plant. The interest portion, totaling $8,189, is recommended as part of the operating budget. For FY 2008, $178,347 is recommended from the same fund for the principal portion of the debt service. To finance the interest portion, $6,581 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 Operating Fund, totals $423,017 for FY 2007, including $188,017 for interest payments and $235,000 for principal payments. For FY 2008, total debt service payments total $438,017, of which $188,017 is for interest and $250,000 is principal.

Paint & Grounds Shop Debt Service. The Governor's recommendation contains funding to make debt service payments to the City of Topeka for the property that includes the old police garage. The Division of Facilities Management demolished the garage and constructed a parking lot in its place. Expenditures for debt service total $38,238 from the Building and Ground Fund in FY 2007. Of this amount, $16,316 is interest and $21,922 is principal. For FY 2008, the total payment is $38,238, including $14,259 for interest payments and $23,979 for principal payments.

Motor Pool Building. The debt service on this facility, also acquired from the City of Topeka, totals $44,223, all from the Building and Ground Fund, for each of FY 2007 and FY 2008. Of the total amount for FY 2007, $36,318 is for principal and $7,905 is for interest. For FY 2008, $40,350 is for principal and $3,873 is for interest. The state uses these facilities for storing maintenance equipment.

Eisenhower Building Debt Service. In FY 2000, the state purchased the old Security Benefit Group building located at 700 SW Harrison for $18.5 million. In 2002, the Legislature approved the bonding of $10.6 million for renovation and rehabilitation of the building. The resulting debt service will be paid from the State Buildings Operating Fund. In FY 2007, the Governor recommends $1,150,029 for interest, with a principal payment of $1,090,000. For FY 2008, the Governor recommends $1,106,118 for interest, with a principal payment of $1,140,000.

Passive Entrance for Memorial Hall. The Governor recommends $1,172 from the State General Fund in FY 2007 to finish construction on a ramp for an accessible entrance at Memorial Hall. The new ramp will ensure easy access for persons in wheelchairs.

Dillon House Roof Repairs. The Governor recommends $52,000 from the State General Fund in FY 2007 for repairs to the roof of the Dillon House. This project will entail removing the existing roof, repairing damaged framing, and installing a new roof that will allow for better draining of water than the existing roof.

Department of Commerce

Rehabilitation & Repair. The Governor recommends a total of $80,000 for general rehabilitation and repair in FY 2007 and another $80,000 for FY 2008. The costs will be financed from agency fee funds. This money will be used for upkeep on various buildings across the state owned by the Department. The projects include roofing, overlaying of parking lots, mudjacking or replacing sidewalks, painting, carpeting, and caulking.

HVAC Unit Replacement at Topeka Workforce Building. The Governor recommends $238,500 for FY 2007 to replace the heating, ventilation, and air conditioning (HVAC) unit at the Topeka Workforce Building, which is located at 1430 SW Topeka Blvd. in Topeka. This project will be financed with Workforce Investment Act monies and Wagner Peyser funds. Replacing the HVAC unit is necessary because the current unit is not capable of providing the climate control necessary for the information technology equipment, which is extremely sensitive to temperature and humidity changes. Of the total project cost, $209,000 will be used for construction, $10,000 for consulting services, and $3,000 for other construction-related items. Commerce also has included $16,500 for contingency needs.

Replace Roof at Topeka Workforce Building. The Governor recommends $80,000 in FY 2007 to replace the roof at the Topeka Workforce Building, which is located at 1430 SW Topeka Blvd. in Topeka. This project will be financed from both the Workforce Investment Act Fund and the Wagner Peyser Fund. The roof needs to be replaced because of escalating problems with water run-off and leaking. Of the total project cost, $63,200 will be used for construction, $5,600 for consulting services, and $1,600 for other construction-related items. Commerce also has included $9,600 for contingencies.

Topeka Workforce Building Debt Service. Bonds were issued originally by the Department of Labor, when this building was its responsibility, to purchase the property located at 1430 SW Topeka Blvd. to accommodate the Department's workforce growing from reorganizations. The property was transferred under Executive Reorganization Order No. 31, approved by the 2004 Legislature, to the Department of Commerce. Debt payments associated with the property are financed by the Reimbursement and Recovery Fund. The debt payment in FY 2007 includes $65,000 for principal and $68,803 for interest. In FY 2008, the payment for principal is $70,000 and the interest is $66,045.

Replace Roof at Kansas City Workforce Building. The Governor recommends $100,000 in FY 2008 to replace the roof at the Kansas City Workforce Building, which is located at 552 State Avenue in Kansas City. This project will be financed from the Wagner Peyser Fund. The roof is ten years old and has previously been patched. Leaks have formed, and the roof replacement will alleviate further chances of structural and content damage. Of the total project cost, $81,000 will be used for construction and $4,000 for consulting services. Commerce also has included $15,000 for contingencies.

Insurance Department

Rehabilitation & Repair. The Governor recommends $30,000 in FY 2008 for unforeseen repairs to the Insurance Department Building from agency fee funds. In previous years, funds have been used to upgrade mechanical systems and repair elevators.

Carpet & Flooring Replacement. The Governor recommends $30,000 from agency fee funds in FY 2008 for its ongoing flooring and carpeting replacement plans. The plans allow for the replacement of worn and heavily stained carpeting on one floor each year. The hardwood flooring on the building's ground floor was recently evaluated, and it was determined that it needs to be replaced.

Energy Conservation Projects. The Governor recommends $82,945 in debt service payments from agency fee funds in FY 2007 and the same amount in FY 2008 to address the antiquated heating/cooling systems in the 75-year-old building. In FY 2007, the amount dedicated to the principal payment is $58,745, while $24,200 is dedicated to the interest payment. For FY 2008, $60,861 is dedicated to the principal payment, and $22,084 is dedicated to the interest payment. The upgrades to the heating and cooling systems make it possible to maintain even temperatures and a comfortable work environment throughout the year while enhancing energy efficiency.

Judiciary

Renovation for Judge's Chamber. Included in the Governor's recommendation is $167,919 from the State General Fund in FY 2008 to remodel a portion of the office space in the Judicial Center. The space is to house the new 13th Court of Appeals Judge, a research attorney, and an administrative assistant, all of whom will be added on January 1, 2008.

Human Services

Social & Rehabilitation Services

Rehabilitation & Repair—Chanute Office Building. The Governor recommends $300,000 in FY 2007 and $200,000 in FY 2008 for routine maintenance and rehabilitation and repair projects at the Chanute Office Building. Funding 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 fund the continual rehabilitation and repair needs of the state institutions, including plumbing repairs, equipment replacement, code compliance, renovations, and other maintenance needs.

The 2003 Legislature approved the issuance of $49.2 million in bonds to finance major rehabilitation and repair projects at the state hospitals. The debt service on the bonds will be paid by the State Institutions Building Fund. After reviewing the status and outlook for the State Institutions Building Fund, the Governor recommended a bond issuance of $35.0 million and an appropriation of $7.0 million in FY 2005. This recommendation, involving a sizeable cash component, reduced the annual debt service obligation on the fund. The 2004 Legislature approved that plan. For ongoing rehabilitation and repair projects that are not financed through the bond issue, the Governor recommends the approved amount of $2.1 million for FY 2007 and $1.4 million for FY 2008.

Debt service payments on the rehabilitation and repair bonds began in FY 2005 and the Governor recommends $2.6 million, $1.4 million for debt service interest and $1.2 million for debt service principal, for this year. For FY 2008, the recommended payment also totals $2.6 million, $1.4 million for debt service interest and $1.2 million for debt service principal.

State Security Hospital. The 2002 Legislature authorized SRS to issue bonds totaling $50,120,884 to construct a new State Security Hospital. Construction of the facility began in FY 2003 and was completed in FY 2005. The facility will replace the three separate buildings on the Larned State Hospital campus currently used to treat security patients. For FY 2007, the Governor recommends $3,907,263 from the State Institutions Building Fund (SIBF) to finance the debt service payments for the new State Security Hospital. Of the recommended amount, $2,212,263 will be used for the debt service interest and $1,695,000 will be used for debt service principal. For FY 2008, $3,905,856 from the SIBF is recommended. Of that amount, $2,140,856 will be used for the debt service interest and $1,765,000 will be used for debt service principal.

Parsons State Hospital & Training Center

Energy Conservation Debt Service. The Governor recommends $187,694 for FY 2007 and $187,723 for FY 2008 for debt service payments on energy improvements at the Hospital. Of these amounts, $92,309 and $94,338, respectively, are from the State General Fund. The debt service includes principal of $109,021 in FY 2007 and $113,614 in FY 2008.

Department of Labor

Rehabilitation & Repair. A total of $40,000 is recommended by the Governor in special revenue funds for general rehabilitation and repair in FY 2008. This money will be used for upkeep on various buildings across the state. The recommendation for FY 2007 is $130,000 from special revenue funds and includes approved projects that were not completed during the prior fiscal year.

Headquarters Debt Service. Bonds were issued on behalf of the Department of Labor to finance a renovation of the Department's headquarters, which is located at 401 SW Topeka Blvd. in Topeka. The debt

payment in FY 2007 includes $150,000 for principal and $127,508 for interest. In FY 2008, the principal is $155,000 and the interest is $123,008. These payments are financed by the Employment Security Administration Fund.

Purchase & Renovate Eastman Building. During the 2005 Legislative Session, the Kansas Department of Labor (DOL) was authorized to use for other capital improvement projects the savings from the bond proceeds originally requested to renovate the Department's headquarters building. The Department will use these remaining proceeds, along with other agency funds, to remodel the Eastman Building, which is located at the State Complex West (Topeka State Hospital grounds). The amount of bond proceeds that will be used totals $550,000. An additional $350,000 in expenditures from the Human Resources Special Projects Fund also will be used to remodel the building. DOL also is using the Department of Administration's Master Lease Program to finance the remaining portion of this renovation. The total amount financed is $511,980.

The actual purchase of the Eastman Building was financed by federal funds. The Kansas Department of Labor was granted authority by the United States Department of Labor to use $350,000 from the Employment Security Administration Sale of Property Fund to purchase the building. This sale was approved by the Finance Council in September 2005.

Approved Projects. The Department of Labor has two specific projects that were approved in a prior fiscal year and are expected to be completed in FY 2007. First, $215,000 from special revenue funds is included in the agency's budget to remodel and upgrade the Department's building located at 1309 Topeka Blvd. in Topeka. This building houses the information technology section. Of the total recommendation, $125,000 will be used to replace the heating, ventilation, and air conditioning system. The remaining $90,000 will be used for interior remodeling.

Commission on Veterans Affairs

Rehabilitation & Repair. In addition to the $279,615 approved by the 2006 Legislature for rehabilitation and repair at the Kansas Soldiers Home, the Governor recommends a supplemental appropriation from the State Institutions Building Fund of $222,000. This amount will pay for an architectural review of the structures at the Soldiers Home to develop a plan for improving the institution's facilities and fund emergency repairs at the Home.

For FY 2008, the Governor recommends $329,780 from the State Institutions Building Fund. The funding will be used for routine maintenance of the cottages; draining, cleaning, and resealing the waste-water ponds; street maintenance and repair; continuation of the project to replace steam heat radiators in the cottages; completion of projects to meet ADA requirements; and attending to general repair and upkeep of the facility. For rehabilitation and repair at the Kansas Veterans Home, the Governor recommends $271,875 for FY 2008. The recommended amount will pay for replacement of pneumatic HVAC controls in Donlon and Timmerman Halls as well as replacement of the fire panel; repairs to the hot water systems in Bleckley, Donlon, and Holly Halls; and sprinkler system installation and repair.

Veterans Cemeteries. A statewide system of veterans cemeteries was authorized by the Legislature in 1999. In addition to the Kansas Soldiers Home cemetery at Fort Dodge, established in 1980, cemeteries were opened in 2004 at Winfield and WaKeeney. To implement this system, a total of $455,000 from the State Institutions Building Fund was appropriated for FY 2001 for planning expenditures. After construction begins on each cemetery, the federal government reimburses the state for the planning expenditures associated with each cemetery. This reimbursement is, in turn, used for planning the next cemetery. When the federal government has reimbursed the planning expenses for the final cemetery at Fort Riley, $455,000 will be returned to the State Institutions Building Fund. This reimbursement is now planned for FY 2009. For FY 2007, the Governor recommends $526,320 and for FY 2008, the Governor recommends $5,773,974 from the Veterans Cemeteries Federal Construction Grant Fund to continue construction of the cemetery at Fort Riley.

Kansas Soldiers Home HIPAA—Compliant Nurses' Station. The Governor recommends $32,500 from the State Institutions Buildings Fund for FY 2008 so that the Kansas Soldiers Home can update the nurses' stations in Halsey Hall. These stations currently are

constructed in such a way that anyone passing by can see and hear confidential patient information, which is a violation of the confidentiality requirements of the Health Insurance Portability and Accountability Act.

Kansas Veterans Home Tornado Shelter & Window Replacement. The Kansas Veterans Home plans to build an additional tornado shelter for Bleckley Hall and replace the windows in Donlon Hall. These projects are expected to cost $1,247,485 and will be funded through a federal grant for 65.0 percent of the cost, or $810,865. The remaining 35.0 percent of the cost, or $436,620, is recommended by the Governor for FY 2008 from the State Institutions Building Fund.

Kansas Veterans Home Emergency Exit Sidewalks. For FY 2008, the Governor recommends $12,000 from the State Institutions Building Fund to build sidewalks required by the state's fire code. These sidewalks will allow the residents of Donlon Hall to move away from the building through the patio doors in case of an emergency.

Education

School for the Blind

Rehabilitation & Repair. The Governor recommends expenditures of $67,451 for FY 2007 and $70,823 for FY 2008 from the State Institutions Building Fund for general maintenance. The projects will include repairs to emergency equipment; electrical, plumbing, heating and cooling systems; buildings; and sidewalks.

Energy Conservation Debt Service. The Governor recommends $43,332 for FY 2007 from the State General Fund to finance the debt incurred to implement energy conservation upgrades for the School. Of that amount, $25,277 is for the principal payment and $18,055 is for interest. For FY 2008, the Governor recommends $43,928 from the State General Fund to finance this debt service. Of that amount, $26,494 is for the principal and $17,434 is for interest.

Drainage System Installation. For FY 2007, the Governor recommends $57,150 from the State Institutions Building Fund to install a new underground drain. This new drain will allow storm water to drain properly from the campus grounds and will correct land erosion problems.

Brighton Building Roof Replacement. The Brighton Building is a recreation center that was constructed in 1963 and is undergoing interior renovation. The building has an irregularly shaped roof, which is made up of six half-barrel shaped formations. The valleys in between these formations do not drain rainwater effectively, and the drains become clogged with tree debris and leaves. These conditions create water leakage into the building from the standing water on the roof. The Governor recommends $83,263 from the State Institutions Building Fund to re-roof the Brighton Building in FY 2008.

School for the Deaf

Rehabilitation & Repair. The Governor recommends expenditures of $193,905 for FY 2007 and $190,000 for FY 2008 from the State Institutions Building Fund for general campus maintenance and repair projects. Such projects include masonry and metal work repairs to electrical motors, plaster walls, boiler systems, and sidewalks, some of which are repairs as a result of safety inspections.

Roth Dorm Renovation. Built in 1935, the Roth Building dormitories do not meet present day building code requirements or program needs for the students. Construction on the project began in 2002 with completion of the east wing, which houses female middle and high school students, expected in 2006. Moreover, plans for renovating the west wing, which houses the male middle and high school students, were initiated in FY 2007. The Governor recommends $483,444 from the State Institutions Building Fund for FY 2007 to continue with the renovation of the Roth student dormitories.

Energy Conservation Debt Service. The Governor recommends $93,272 for FY 2007 and the same amount in FY 2008 from the State General Fund to finance the debt service related to the replacement of heating and air conditioning systems. Of that amount, $54,197 is for the principal payment and $39,075 is for interest. For FY 2008, $56,464 is for the principal and $17,434 is for interest. Replacing the old heating and air conditioning systems with new, modern systems will provide greater energy efficiency at the School.

Key Card Entry System. In FY 2005, the Governor recommended and the Legislature approved campus security and safety upgrades, which included the installation of a new security system. The Governor recommends $19,577 from the State Institutions Building Fund for FY 2007 to complete the security enhancements. This security system will provide controlled access to the buildings and ensure the welfare of the students.

Parks-Bilger/Taylor Gym Roof Replacement. Because of leaks and significant deterioration, the 2003 Legislature approved funding to repair the roofs of the Lloyd R. Parks and Charles M. Bilger Building and the Luther H. Taylor Gymnasium. The Governor recommends $1,921 from the State Institutions Building Fund to complete the roof repair.

Roth Building Roof Repair. The Governor recommends expenditures of $140,000 for FY 2007 from the State Institutions Building Fund to allow the agency to repair the roof of the Roth Administration Building and adjoining student dormitories. Moisture routinely penetrates the building and causes damage to its interior. This repair will include sealing and tuck pointing the roof to prevent additional water damage to the building.

Board of Regents

Rehabilitation & Repair. The use of the Educational Building Fund for the ongoing rehabilitation and repair of campus facilities is recommended by the Governor in the amount of $15.0 million for FY 2008. The funding is distributed through a formula based on the square footage of each university's buildings. The total amount is determined on the basis of the funding that is projected for FY 2008 from the EBF, using a consensus process between the Division of the Budget, Legislative Research, and the Department of Revenue in estimating property tax revenues.

Crumbling Classroom Debt Service. For FY 2007 and FY 2008 each, the Governor recommends that $15.0 million be expended from the Educational Building Fund for the debt service payment on the "Crumbling Classroom" bond issue. The principal and interest for FY 2007 is $11,450,000 and $3,550,000, respectively, and for FY 2008 is $12,045,000 and $2,955,000. These bond issues were approved during the 1996 Legislative Session upon the Governor's recommendation. Initial bonds of $50.0 million were issued in November 1996, and another $110.0 million was issued in October 1997. In FY 2005, the bond issue was restructured. The savings generated from a lower interest rate provided an additional $1,100,994 for projects, while keeping the debt service payments at approximately the same level.

Research Initiative Debt Service. For FY 2008, the Governor recommends $9,583,000 to pay $6.0 million in principal and $3,583,000 in interest on the research initiative bonds. To finance the debt service, State General Fund monies are transferred into restricted funds, and expenditures are made from the restricted funds. When all bonds have been issued, they will total $125.0 million. The projects include construction of a Life Science Research Center at the KU Medical Center, construction of the Biosecurity Research Institute at Kansas State University, expansion of the Engineering Research Laboratory Building at Wichita State University, and equipping a newly purchased research building at the University of Kansas. The state is responsible for the first $50.0 million in debt service. After that, the universities will assume responsibility for paying debt obligations from revenue generated by the facilities.

Emporia State University

Rehabilitation & Repair. A total of $1,602,912 is included in the Governor's recommendation in FY 2007 from the Educational Building Fund, of which $852,000 is from the allocation of new funds from the Board of Regents, and $750,912 is reappropriated from FY 2006. In FY 2008, an estimated $649,627 will be spent from the new Deferred Maintenance Support Fund. The University will use the funds to make repairs to existing campus facilities.

Parking Lot Improvements. To finance parking lot improvements, the Governor recommends $90,000 in each of FY 2007 and FY 2008 from campus parking fees.

Residence Halls Debt Service. Financing of the debt service on the residence halls comes from student fees. The Governor recommends $249,300 for principal and $27,413 for interest in FY 2007 and $355,000 for principal and $15,913 for interest in FY 2008 to pay

the debt service on the bonds for improvements to the halls.

Student Recreation Center Debt Service. Bonds have been issued for construction of the student recreational building that began in FY 2002. The total cost of the facility is expected to be $3.0 million. The Governor recommends $110,000 for principal and $113,975 for interest in FY 2007 and $115,000 for principal and $109,300 for interest in FY 2008 to pay debt service on the bonds. Planning and construction of the building are financed through student fees.

Student Union Renovation. Funds are budgeted annually for continuing improvements to the Memorial 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 principal and $550 in interest for each of FY 2007 and FY 2008 to pay for the debt service for renovations at the Student Union from restricted fees.

Twin Towers Men's Dormitories Debt Service. The Governor recommends expenditures of $45,000 in FY 2007 and $50,000 in FY 2008 from restricted fees for principal payments for the construction of new dormitories for men. The debt service will also include interest of $271,832 in FY 2007 and $359,843 in FY 2008.

Energy Conservation Debt Service. The Governor recommends $16,214 from the State General Fund in FY 2007 and $16,214 in FY 2008 for the payment of debt service on the Morris Hall lighting project. The debt service includes principal of $11,700 in each of FY 2007 and FY 2008.

Fort Hays State University

Rehabilitation & Repair. The Governor's budget includes $1,409,749 in FY 2007 from the Educational Building Fund, of which $1,017,500 is from the allocation of new funds from the Board of Regents and $392,249 is reappropriated from the previous year.

McMindes Hall HVAC Improvements. Improvement to McMindes Residence Hall will replace 300 room fan coil convectors, as well as hot and chilled water lines serving those convectors. The improvements will be $1,675,000 in FY 2008 from student housing funds. McMindes Hall was built in the mid-1960s.

Student Housing Debt Service. The Governor recommends $150,000 in FY 2007 and $155,000 FY 2008 to pay the principal on the bonds from restricted fees. The debt service also requires interest of $256,136 in FY 2007 and $194,894 in FY 2008. The bonds finance the renovation and remodeling of student dormitories.

Parking Improvements. To finance improvements to parking on the campus, the Governor recommends $200,000 in FY 2007 and $400,000 in FY 2008. These improvements are funded by parking fees.

Lewis Field Stadium Renovation Debt Service. The Governor recommends $60,000 in FY 2007 and $60,000 in FY 2008 to make the principal payment on bonds from restricted fees. The debt service will also include $36,314 for interest in FY 2007 and $35,600 in FY 2008. The bonds are financing the remodeling of the stadium.

Energy Conservation Debt Service. The Governor recommends $372,395 for FY 2007 and $379,549 for FY 2008 from restricted funds for debt service on energy improvements to Stroup Hall and other miscellaneous projects. The debt service includes principal of $183,939 in FY 2007 and $198,931 in FY 2008.

Kansas State University

Rehabilitation & Repair. The recommendation of the Governor includes a total of $5,206,655 from the Educational Building Fund for rehabilitation and repair of campus facilities in FY 2007. Of this amount, $4,392,000 is a transfer of new funds from the Board of Regents and $814,655 is reappropriated from FY 2006. Also, in FY 2008 the University will have an estimated $3,536,971 from the new Deferred Maintenance Support Fund for rehabilitation and repair projects.

Konza Barn Renovation. For FY 2008, the Governor recommends $710,000 from restricted funds for renovation of the Konza Barn. The barn is a research laboratory for biological processes located on a preserve for native plants that do not grow in agricultural fields. The barn was built when the

research station was a working ranch. Because of its historical nature, the barn is an ideal building for outreach, education, and research support.

K-State Union Sprinkler System. To come into compliance with current fire and life safety codes, the University will add a sprinkler system to the Union. The building was first constructed in 1956 and has had several additions and renovations since that time. The Governor recommends $1.0 million in FY 2008 from restricted funds for the project.

McCain Auditorium Entry Drive. A new circular drive is needed to serve as an entry to the McCain Auditorium and to highlight a World War II Memorial. The Governor recommends $1.7 million from parking fees in FY 2008 for the construction.

Lease-Purchase of Salina Aeronautical Center. For the Aeronautical Center, the Governor recommends $189,446 in each of FY 2007 and FY 2008 from the State General Fund for the 13th and 14th payments in a lease-purchase agreement. The payments have allowed the College to acquire the International Training Center and a laboratory for the Airframe and Powerplant Program. The lease-purchase agreement is for 20 years.

Student Union Renovation Debt Service. The Governor recommends $712,275 in FY 2007 and $710,400 in FY 2008 from restricted funds for the renovation of the KSU Student Union. The amounts include principal of $375,000 in FY 2007 and $390,000 in FY 2008.

Energy Conservation Debt Service. To fund miscellaneous energy conservation projects, the Governor recommends debt service payments of $1,981,431 in FY 2007 and $2,021,790 in FY 2008. These amounts include principal payments of $1,062,222 in FY 2007 and $1,109,257 in FY 2008. Debt service is paid from savings generated by energy efficiencies.

Farrell Library Expansion Debt Service. The Governor recommends debt service payments of $301,173 in FY 2007 and $302,550 in FY 2008. Restricted use dollars fund the project. Payments include principal of $170,000 in FY 2007 and $180,000 in FY 2008.

Recreation Complex Remodeling Debt Service. Student fees are used to finance remodeling of the KSU Recreation Complex. The cost of the debt service is $460,000 in principal and $209,653 interest in FY 2007 and $480,000 in principal and $186,653 in interest in FY 2008.

Ackert Hall Renovation Debt Service. The Governor recommends $161,510 in FY 2007 and $161,713 in FY 2008 to pay the debt service. The debt service includes principal of $95,000 in FY 2007 and $100,000 in FY 2008. The remodeling will update the classrooms in the facility.

Parking Lot Improvements. To finance parking improvements, the Governor recommends $800,000 for each of FY 2007 and FY 2008 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.

Jardine Student Housing Complex Debt Service. The Governor recommends $2,769,635 in FY 2007 and $2,769,435 in FY 2008 from restricted use funds for payment of debt service for the redevelopment of this large student housing complex. The principal amount included in the debt service is $1,929,635 in FY 2007 and $1,904,435 in FY 2008.

Salina Student Housing Debt Service. The renovation of student housing will modernize the facilities, making them more attractive to students. The debt service is paid from student housing funds and will cost $78,230 in FY 2007 and $85,735 in FY 2008. This includes principal of $50,000 and $60,000, respectively.

Aircraft Runway Improvements. The Governor recommends $2.0 million in FY 2007 and the same amount in FY 2008 from restricted use funds to make improvements to the University's runway in Salina.

Kansas State University—ESARP

Rehabilitation & Repair. For FY 2008, KSU—ESARP estimates expenditures of $951,345 from the new Deferred Maintenance Support Fund for rehabilitation and repair projects.

Grain Science Center. The Bio-Processing and Industrial Value-Added Program Building was the initial phase of the Grain Science Center complex constructed in FY 2003 and FY 2004. The Governor

recommends $1,350,000 for principal and $38,031 for interest in FY 2007 and $1.0 million for principal and $18,963 for interest in FY 2008 from restricted funds to complete the payment of debt service on the building.

Kansas State University—Veterinary Medical Center

Rehabilitation & Repair. For FY 2008, Kansas State University—Veterinary Medical Center estimates expenditures of $538,719 from the new Deferred Maintenance Support Fund for rehabilitation and repair projects.

Pittsburg State University

Rehabilitation & Repair. Funds for rehabilitation and repair are initially appropriated to the Board of Regents and then transferred to each university. The Governor recommends $1,407,847 in FY 2007 from the Educational Building Fund, $990,000 of which is from the allocation of new funds from the Board of Regents, and $417,847 is reappropriated from FY 2006. In addition, $845,000 is recommended from restricted use funds in FY 2007 and $1,401,819 in FY 2008. The funding for FY 2008 includes $576,819 from the new Deferred Maintenance Support Fund.

Parking Improvements. To finance parking lot improvements, the Governor recommends $400,000 in FY 2007 and $300,000 in FY 2008 from campus parking fees.

Jack H. Overman Student Center Debt Service & Remodeling. Financing of the debt service on the Jack H. Overman Student Center renovation comes from student fees. The Governor recommends $195,737 in FY 2007 and $192,353 in FY 2008 to make the debt service payment on bonds issued to renovate the student center. That includes principal payments of $100,000 in FY 2007 and $100,000 in FY 2008. In addition, the Governor recommends $250,000 in each of FY 2007 and FY 2008 from student fees to complete remodeling projects at the Center.

Horace Mann Debt Service. An amount of $248,538 is included in the Governor's recommendation in FY 2007 and $147,865 in FY 2008 for debt service payments on renovation of the Horace Mann Administration Building. Those payments include principal of $140,000 in FY 2007 and $145,000 in FY 2008. These debt service payments are made from restricted fees.

Armory/Classroom/Recreation Center. In FY 2002, the University was appropriated $410,000 from the Educational Building Fund for planning a new facility. The total cost of the project will be approximately $14.0 million from a variety of sources. This will be a multipurpose facility to house the Kansas National Guard Unit, as well as the University's Departments of Health, Physical Education and Recreation, and Military Science. For FY 2007, the Governor recommends $250,453 from the Educational Building Fund and $550,000 from restricted use funds for the project. For FY 2008, the Governor recommends $1,482,786 from restricted use funds and $2.5 million from a private gift. The University was also given over $4.0 million in bonding authority by the 2005 Legislature. Debt service on the bond in FY 2008 is $331,160 from the State General Fund. The principal portion is $143,359.

Energy Conservation Debt Service. The Governor recommends $921,262 in FY 2007 and $962,962 in FY 2008 to pay the debt service on energy conservation bonds. Those payments include principal of $459,142 in FY 2007 and $481,395 in FY 2008. The energy conservation projects are designed to generate sufficient savings to pay for the debt service. Buildings receiving conservation improvements include Willard, Tanner, Trout, Brown, Gibson, and Nation Halls.

Willard Hall Debt Service. To pay for the debt service on the Willard Hall renovation, the Governor recommends $291,421 in FY 2007 and $291,403 in FY 2008 from restricted fees. Included in the debt service is principal of $125,000 for FY 2007 and $130,000 for FY 2008. This residence hall was remodeled from the traditional dormitory style into suites.

University of Kansas

Rehabilitation & Repair. An amount of $10,379,127 is recommended by the Governor from the Educational Building Fund for rehabilitation and repair of campus

facilities in FY 2007. Of this amount, $5,914,627 is a reappropriation from FY 2006 and $4,459,500 is a distribution of new funds from the Board of Regents. The Governor also recommends expenditures of $1,211,537 in FY 2007 and $1,617,960 in FY 2008 from restricted use fee funds. The total for FY 2008 includes $1,350,000 from the new Deferred Maintenance Support Fund to make additional repairs and improvements to University facilities.

Computer Services Facility Addition. The Computer Services Facility will be constructed next to the Ellsworth Annex, which is the telecommunication hub of the Lawrence campus. The goal is to create a secure and disaster resistant data center. The cost of the facility will be $1,333,339. The University has applied for a federal grant for $1.0 million of the needed funds. The remainder of the funding will come from restricted fees.

Multicultural Resource Center. In April 2003, the KU Student Senate approved a student fee to finance $1.8 million of the cost of a Multicultural Resource Center. The other $3.5 million will come from private gifts. The Center will act as a hub for diversity programs focusing on multicultural education and issues for the campus community. Expenditures are expected to be $4,262,276 in FY 2007 and $749,808 in FY 2008.

Continuing Education Building Debt Service. For construction of a new continuing education facility, the Governor recommends $196,388 in FY 2007 and $203,135 in FY 2008 for debt service from restricted funds. The amounts include principal payments of $140,000 and $150,000 respectively.

Child Care Facility Debt Service. Debt service on the construction of KU's new child care facility is $233,281 in FY 2007 and $232,694 in FY 2008. The Governor recommends principal payments of $125,000 and $130,000, respectively. The debt service is funded with restricted use dollars. In addition, the Governor recommends $2.0 million from restricted use funds in FY 2008 for an addition to the child care facility.

Parking Garage Debt Service. The Governor recommends $1,335,178 in FY 2007 and $1,435,894 in FY 2008 for debt service on two covered parking garages. The principal portion of the debt service is $795,000 in FY 2007 and $850,000 in FY 2008. Funding for the facility is generated through parking fees. In addition, the Governor recommends $795,000 in FY 2007 and $850,000 in FY 2008 from parking fees for parking improvements on the campus.

Student Housing Debt Service. For additions to student housing, the Governor recommends debt service of $1,594,461, including $495,000 for principal, in FY 2007 and $1,735,988, including $610,000 for principal, in FY 2008. Debt service is funded with the Housing System Fee Fund.

Student Recreation & Fitness Center. The Center was approved by students and funded with student fees. The debt service on the facility, as recommended by the Governor, is $1,332,121, including $900,000 in principal, in FY 2007 and $1,351,002, including $930,000 in principal, in FY 2008.

Bio-Science Center Debt Service. The Governor recommends funding for the development of this research center at KU in the amount of $587,975 in FY 2007 and $583,725 in FY 2008. These debt service amounts include principal of $480,000 in FY 2007 and $500,000 in FY 2008. Funding for the project is through restricted fees.

Student Union Addition Debt Service. The expansion of the Union is funded through student fees to pay the debt service of $449,589 in FY 2007 and $451,329 in FY 2008. This includes principal payments of $350,000 and $365,000, respectively. The facility will provide meeting and study areas for students.

Energy Conservation Debt Service. The Governor recommends $1,525,922 for FY 2007 and $1,525,140 for FY 2008 in debt service for miscellaneous projects. The principal portion of the debt service is $811,151 in FY 2007 and $776,396 in FY 2008. In FY 2007 and FY 2008, $13,410 and $12,628, respectively, are funded with restricted funds and the remainder is from State General Fund. Payments are funded through energy savings generated by the projects.

Stouffer Place Renovation. The Governor recommends $630,049 in FY 2007 and $667,951 in FY 2008 for the renovation of Stouffer Place apartments from the General Fees Fund. Stouffer Place's 25 buildings with eight apartments each has traditionally housed married students at the University.

Storm Damage Repair. On March 12, 2006, the University of Kansas suffered damage to 130 facilities from strong winds. The damages that are eligible for consideration by the Federal Emergency Management Association (FEMA) total $5,422,544, including $200,000 for clean-up costs and emergency protective measures. FEMA will fund 75.0 percent, or $4,066,908, of the repairs. On December 14, 2006, the State Finance Council approved $1,355,636 from the State Emergency Fund to cover the remaining costs. This funding is made available by a transfer of this amount from the State General Fund to the State Emergency Fund. As part of the financing, FEMA requires in the future that buildings be insured for the peril that caused the loss based on 25 years of the life of the building. The University has included all of the buildings involved on the state's insurance policy. FEMA has verbally accepted this policy as reasonable and appropriate coverage. Therefore, there will not be any additional cost to the state insurance policy related to accepting the FEMA funds.

University of Kansas Medical Center

Rehabilitation & Repair. To fund rehabilitation and repair projects, the Governor recommends $1,642,190 from the Educational Building Fund for Medical Center facilities in FY 2007. This recommendation includes a reappropriation of $107,691 from FY 2006. For FY 2008, the Governor recommends expenditures of $409,721 from the new Deferred Maintenance Support Fund.

Parking Facility No. 3 Debt Service. Using parking fees, the Governor recommends $265,200 in FY 2008 to pay debt service on a parking garage at the Medical Center. The debt service includes principal of $125,000 in FY 2008. This 900-stall facility will be multi-level with entrance/exit access at both the upper and lower levels.

Parking Improvements. For routine maintenance on the Medical Center's parking lots, the Governor recommends expenditures of $604 in FY 2007 and $550,000 in FY 2008. Expenditures will be from parking fee funds.

Research Support Facility Debt Service. The Governor recommends $457,963 in FY 2007 and $449,188 in FY 2008 for restricted use funds to build a research support facility. The recommended debt service payment includes principal payments of $225,000 in FY 2007 and $230,000 in FY 2008.

Lied Biomedical Building Renovation. The renovation of the Lied Biomedical Building is part of the Board of Regents' Research Initiative Project. The debt service for the project is reflected in the Board's budget. The Governor recommends an additional $500,000 in FY 2008 from federal funds in the KUMC budget for the renovation.

Center on Health & Aging Debt Service. The Governor recommends $228,955 for FY 2007 and $228,915 for FY 2008 in debt service for construction of the Center on Health and Aging. The principal portion of the debt service is $120,000 in FY 2007 and $125,000 in FY 2008. Funding comes from the General Fees Fund.

Energy Conservation Debt Service. The Governor recommends $884,358 in FY 2007 and $894,595 in FY 2008 to pay the debt service on energy conservation bonds. Those payments include principal of $350,000 in FY 2007 and $370,000 in FY 2008. The funding will address a number of projects and will come from the State General Fund.

Wichita State University

Rehabilitation & Repair. A total of $2,824,456 is recommended for FY 2007 from the Educational Building Fund for rehabilitation and repair of campus facilities. Of the recommended amount, $1,289,956 is a reappropriation from FY 2006 and $1,534,500 is a distribution of new money from the Board of Regents.

On-Campus Parking Improvements Debt Service. For the expansion of on-campus parking, the Governor recommends $550,538 in FY 2007 and $553,370 in FY 2008 from restricted fees for debt service. Included in the debt service are principal payments of $315,000 in FY 2007 and $335,000 in FY 2008.

Student Housing Debt Service. The debt service for remodeling of student housing recommended by the Governor is $953,698 for FY 2007 and $958,998 for FY 2008. That includes principal payments of $490,000 in FY 2007 and $510,000 in FY 2008.

Aviation Research Debt Service. Authorization for a $13.0 million bond issue was given to Wichita State University by the 2002 Legislature to advance aviation research on its campus. The Governor recommends $1,645,711 in FY 2007 and $1,642,949 in FY 2008 from the State General Fund to pay the debt service on $13.0 million in bonds. The amount includes principal of $1,160,000 in FY 2007 and $1,215,000 in FY 2008. The revenues are funding equipment for aviation research.

Energy Conservation Debt Service. The Governor recommends $468,286 for FY 2007 and $1,089,869 for FY 2008 in debt service for miscellaneous projects. The principal portion of the debt service is $468,286 in FY 2007 and $624,637 in FY 2008. Funding comes from the General Fees Fund.

Historical Society

Rehabilitation & Repair. For FY 2008, the Governor recommends $125,000 from the State General Fund to handle routine and emergency repairs at the state historic sites and the Kansas Museum of History. The amount approved from the State General Fund for rehabilitation and repair for FY 2007 is $171,134. The Historical Society is responsible for a variety of buildings with different maintenance needs. This level of funding helps the agency address unforeseen repair and maintenance issues associated with the buildings and equipment.

Historic Sites Preservation Projects. The Governor recommends $900,079 in FY 2007 and $175,000 in FY 2008 for rehabilitation and repair projects at the historic sites. Projects at the Shawnee Indian Mission, Goodnow House, Ft. Hays, and Grinter Place are scheduled for FY 2007. Projects at Cottonwood Ranch, Shawnee Indian Mission, and Grinter Place are scheduled for FY 2008. These projects are financed from agency fee funds, federal grants, and private donations or gifts.

Replacement of Museum Skylights. For FY 2007, the Governor recommends $183,343 from the State General Fund for the replacement of skylights at the Kansas Museum of History. This project was approved and funding was appropriated in FY 2006, although the project was not completed until FY 2007. The skylights posed a safety risk to patrons of the Museum and were replaced to eliminate the risk of falling glass.

Museum Maintenance. For FY 2007, the Governor recommends $632,248 from the State General Fund for rehabilitation and repair projects at the Kansas Museum of History. This is the same amount that was approved for FY 2007. This funding will allow the Historical Society to replace the roof, install a new cooling tower, and repair the HVAC system of the Museum.

Goodnow House. For FY 2008, the Governor recommends expenditures of $111,000 from the State General Fund to finance the renovation of the exterior of Goodnow House. Goodnow House, located in Manhattan, Kansas, is one of the state's 17 historic sites. This funding will allow the agency to replace the roof, repair the woodwork and stonework, and paint the exterior wood components.

Public Safety

Department of Corrections

Rehabilitation & Repair. The Governor recommends rehabilitation and repair projects totaling $2.7 million in FY 2007 and $3.2 million in FY 2008. Financed from the Correctional Institutions Building Fund (CIBF), the Department will disburse the funds among the correctional facilities as needed for rehabilitation and repair projects.

RDU Relocation Debt Service. The Governor recommends expenditures of $841,000 from the State General Fund in FY 2007 for the debt service payment in association with relocation of the Reception and Diagnostic Unit to El Dorado. Of this amount, $126,000 is for principal and $715,000 is for interest. For FY 2008, $1,411,000 is recommended from the State General Fund, including $730,000 for principal and $681,000 for interest.

Labette Correctional Conservation Camp Debt Service. This debt service is utilized to pay for a 100-bed expansion project that was authorized in 1997. For FY 2007, the Governor recommends a debt service payment of $159,000, including $135,000 for principal and $24,000 for interest. This amount will be paid

from the State General Fund. For FY 2008, the Governor recommends $157,000 from the State General Fund for this payment, including $140,000 for principal and $17,000 for interest.

Ellsworth Correctional Facility Debt Service. This debt service is utilized to pay off original construction costs for Ellsworth Correctional Facility. This correctional facility was constructed at a time when additional prison bed space was needed. For debt service payments for this facility, the Governor recommends $1,622,000 from the State General Fund in FY 2007, including $1,505,000 for principal and $117,000 for interest. For FY 2008, the Governor recommends $1,620,000 from the State General Fund, including $1,580,000 for the principal payment and $40,000 for interest.

Revenue Refunding Bonds Debt Service. This issue paid for the original construction of El Dorado and Larned Correctional Facilities. The Governor recommends $2,267,000 from all funding sources in FY 2007 for the debt service payment for the revenue refunding bonds. Of this amount, $1,690,000 is for principal and $577,000 is for interest. The amount budgeted for the principal payment from the CIBF is $1,689,697 with the remaining $303 from the State General Fund. For FY 2008, the Governor recommends $2,265,000. Of this amount, $1,760,000 is for principal and $505,000 is for interest. Of the total principal payment, $70,303 will be paid from the State General Fund and $1,689,697 will be paid from the CIBF.

Kansas Correctional Industries—Rehabilitation & Repair. For FY 2007, the Governor recommends expenditures of $14,000 from the Correctional Industries Fund for the rehabilitation and repair of various correctional industries buildings. For FY 2008, the Governor recommends $80,000 from the Correctional Industries Fund for this purpose.

KCI—Showroom & Warehouse. For FY 2007, the Department of Corrections plans to construct a new showroom and warehouse on the grounds of the Topeka Correctional Facility at a cost of $400,000 from the Correctional Industries Fund. This project will allow KCI to showcase products to its customers more effectively and store merchandise and materials.

KCI—Industries Building Expansion. For FY 2007, the Department of Corrections is expanding the Correctional Industries Building at Lansing Correctional Facility. KCI has committed $475,000 for this project.

KCI—Koch Building Expansion. For FY 2007, the Department of Corrections plans to expand the Koch Building at the Topeka Correctional Facility at a cost of $90,000 from the Correctional Industries Fund. This renovation will provide additional private sector manufacturing space.

Facility Infrastructure Improvements. In order to provide additional funding to address significant correctional facility infrastructure needs, the Governor recommends authorizing the Department of Corrections to issue $19.2 million in bonds. This bonding authority, along with proceeds of $2.6 million from a settlement of the El Dorado site utilities lawsuit, will provide the Department $21.8 million for various high priority projects, including replacing locking systems, utility tunnel upgrades, water treatment plants, ADA compliance, security upgrades, and fire alarm systems at various correctional facilities.

Because the Department will experience a declining debt service payment schedule from other outstanding bond issues, the Department will be able to finance the debt service payments on this new improvement program with no additional cost to the State General Fund.

El Dorado Correctional Facility

Rehabilitation & Repair. The Governor recommends a total of $33,150 from the CIBF for general repairs in FY 2007. These funds were reappropriated from FY 2006 for ongoing projects.

Facilities Conservation Improvement Program Debt Service. Each of the correctional facilities participates in the Facilities Conservation Improvement Program, which is administered by the Department of Administration. The program allows the facilities to replace toilets, showerheads, boilers, and other energy-consuming devices with more efficient equipment. Financing is provided through a line of credit, and each facility will repay its ten-year obligation from the budget savings it realizes as a result of installing more energy-efficient equipment. For the El Dorado Correctional Facility, the Governor

recommends $259,820 from the State General Fund for this debt payment in FY 2007, including $88,389 for interest and $171,431 for principal each year, and identical amounts for FY 2008.

Ellsworth Correctional Facility

Rehabilitation & Repair. For FY 2007, the Governor recommends $11,879 from the CIBF for general repairs. These funds were reappropriated from FY 2006 for ongoing projects.

Facilities Conservation Improvement Program Debt Service. For the Ellsworth Correctional Facility, the Governor recommends $104,757 from the State General Fund for this debt payment in FY 2007. Of the total amount in each year, $77,097 is for payment of principal and $27,660 is for interest.

Hutchinson Correctional Facility

Rehabilitation & Repair. For ongoing rehabilitation and repair projects, the Governor recommends $237,642 from the CIBF in FY 2007. These funds were reappropriated from FY 2006.

Facilities Conservation Improvement Program Debt Service. For the Hutchinson Correctional Facility, the Governor recommends $330,629 from the State General Fund for this debt payment in FY 2007. Of the total amount in each year, $248,112 is for payment of principal and $82,517 is for interest. Identical amounts are recommended for FY 2008.

Lansing Correctional Facility

Rehabilitation & Repair. For rehabilitation and repair, the Governor recommends $389,264 from the CIBF in FY 2007. These funds were reappropriated from FY 2006.

Facilities Conservation Improvement Program Debt Service. For the Lansing Correctional Facility, the Governor recommends $433,242 from the State General Fund for this debt payment in FY 2007 and FY 2008. Of the total amount in FY 2007, $330,202 is for payment of principal and $103,040 is for interest. For FY 2008, $340,754 is for payment of principal and $92,488 is for interest.

Larned Correctional Mental Health Facility

Rehabilitation & Repair. For FY 2007, the Governor recommends $118,765 from the CIBF for ongoing rehabilitation and repair projects. This funding was reappropriated from FY 2006.

Facilities Conservation Improvement Program Debt Service. For the Larned Correctional Mental Health Facility, the Governor recommends $20,056 from the State General Fund for this debt payment in FY 2007. Of the total amount in each year, $14,762 is for payment of principal and $5,294 is for interest. Identical amounts are recommended for FY 2008.

Norton Correctional Facility

Rehabilitation & Repair. For FY 2007, the Governor recommends $106,096 from the CIBF for ongoing rehabilitation and repair projects. This funding was reappropriated from FY 2006.

Facilities Conservation Improvement Program Debt Service. For the Norton Correctional Facility, the Governor recommends $203,319 from the State General Fund for this debt payment in FY 2007 and $203,865 in FY 2008. Of the total amount in FY 2007, $149,535 is for payment of principal and $53,784 is for interest. For FY 2008, $155,637 is for payment of principal and $48,228 is for interest.

Topeka Correctional Facility

Rehabilitation & Repair. The Governor recommends $441,357 from the CIBF for ongoing rehabilitation and repair projects in FY 2007. These funds were reappropriated from the previous fiscal year and will be used to ensure the facility is properly maintained.

Facilities Conservation Improvement Program Debt Service. For the Topeka Correctional Facility, the Governor recommends $86,976 from the State General Fund for this debt payment in FY 2007. Of the total amount in each year, $64,015 is for payment

of principal and $22,961 is for interest. Identical amounts are recommended in FY 2008.

Winfield Correctional Facility

Rehabilitation & Repair. For FY 2007, the Governor recommends $718,664 from the CIBF for ongoing rehabilitation and repair projects. This funding was reappropriated from FY 2006.

Facilities Conservation Improvement Program Debt Service. For the Winfield Correctional Facility, the Governor recommends $170,691 from the State General Fund for this debt payment in FY 2007. Of the total amount in each year, $125,202 is for payment of principal and $45,489 is for interest. Identical amounts are recommended in FY 2008.

Juvenile Justice Authority

Rehabilitation & Repair. The Governor recommends $862,271 in FY 2007 and $500,000 in FY 2008 from the State Institutions Building Fund for rehabilitation projects at juvenile correctional facilities. Projects that will be completed in FY 2007 include upgrading the HVAC system, replacing boiler controls, and upgrading underground steam piping. The projects to be completed in FY 2008 include replacing calcified water lines at Beloit, the installation of security cameras at the Kansas Juvenile Correctional Complex, and repaving roads at Atchison.

Facility Construction Debt Service. For FY 2007, the Governor recommends $1,890,020 from the State Institutions Building Fund for the principal payment and $2,115,763 for the interest payment on the debt for facility construction and expansion of juvenile correctional facilities. For FY 2008, the Governor recommends $1,975,000 for the principal payment and $2,021,513 for the interest payment. Bonds were issued in FY 2002 to build a 210-maxiumn security and reception and diagnostic unit in Topeka, to construct a 152-bed replacement facility at Larned, and to renovate a living unit at the Beloit Facility to house maximum-security offenders. The new Larned Facility opened in June 2003; the Beloit renovation was completed in May 2002; and the new maximum-security facility at Topeka, the Kansas Juvenile Correctional Complex, opened in September 2004.

Maintenance Building Construction—Atchison. The Governor recommends $537,792 from the State Institutions Building Fund in FY 2008 to construct a new maintenance building at the Atchison Juvenile Correctional Facility, replacing a building that poses a safety hazard. The proposed maintenance building will be approximately 6,500 square feet and will provide space for plumbing, carpentry, electrical, and vehicle maintenance.

Adjutant General

Armory Repair Debt Service. The agency was authorized to issue $22.0 million in bonds to fund the Armory Rehabilitation Plan over a five-year period starting in FY 2001. The plan will rehabilitate selected existing state-owned armories statewide and construct certain replacement armories. Bonds were issued totaling $2.0 million in November 2000, $2.0 million in November 2001, $6.0 million in June 2003, $6.0 million in June 2004, and $6.0 million in November 2005.

For FY 2007, the Governor recommends $1,982,682 from the State General Fund to finance the debt service payment on bonds issued for the Armory Rehabilitation Plan. Of the recommended amount, $1,060,000 will be used for principal and $922,682 for interest. The Governor recommends $1,974,519 in FY 2008 from the State General Fund to finance the payment. Of the recommended amount, $1,090,000 will be used for principal and $884,519 for interest.

Armory Repair. In addition to the bond proceeds, the Adjutant General receives federal money to assist in the renovation of armories. The state matches these federal funds dollar for dollar. In each of FY 2007 and FY 2008, the Governor recommends $500,000 from federal funds for armory renovation projects. The federal money is used to replace roofs, doors, windows, plumbing systems, electrical systems, and HVAC systems.

Armory Construction. For FY 2008, the Governor recommends $119,292 from the State General Fund to finance the debt service payment on bonds issued for the construction of the Armory/Classroom/Recreation Center at Pittsburg State University. Of this amount, $51,641 will be used for principal and $67,651 for

interest. Pittsburg State University and the Adjutant General's Office share the responsibility of the debt service for this $5.5 million project. Of the total amount, Pittsburg State University is responsible for $4,025,763 and the Adjutant General's Office is responsible for $1,450,711.

Highway Patrol

Rehabilitation, Repair, & Scale Replacement. The Governor recommends $251,233 in FY 2007 and $256,083 in FY 2008 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 is from the Highway Patrol Training Center Fund in each year and $201,233 is from the KHP Operations Fund for FY 2007 and $206,083 for FY 2008 is also from the KHP Operations Fund.

Wabaunsee Weigh Station Rehabilitation & Repair. An amount of $168,248 is recommended from the KHP Operations Fund by the Governor in FY 2007 for port modernization rehabilitation and repair. These funds will pay for the architectural fees and other construction costs.

Training Center Debt Service. The Governor recommends $470,000 for FY 2007 and another $470,000 for FY 2008 to finance debt service on the agency's Training Center in Salina. These amounts represent the principal portion of the debt, which was incurred in FY 1993 for purchase of the Training Center. The final debt service payment will be made in FY 2008. The Center is used by the Patrol for its new recruits but also by other agencies.

Fleet Facility Debt Service. In FY 2007, for the purpose of paying the debt service principal on construction of the Highway Patrol fleet facility, the Governor recommends $210,000 from the KHP Operations Fund. In FY 2008, $220,000 is recommended for the same purpose. The facility was purchased for $3,955,000 using bonds that were issued in November 2001.

Vehicle Inspection Facility Debt Service. The Governor recommends $45,000 from the Vehicle Identification Number Fee Fund in FY 2007 to finance the debt service on bonds issued for purchase of the Vehicle Inspection Facility in Olathe. In FY 2008, the Governor recommends $45,000 for the same purpose. These amounts represent the principal portion of the debt.

Aircraft Hangar Construction at Billard Airport. The Governor recommends $1.5 million from the Federal Forfeiture Fund in FY 2007 to construct an aircraft hangar at Billard Airport in Topeka. The Patrol has six aircraft, which are currently in three leased hangars. The new hangar will be located on land that is owned by the agency. The hangar will allow the Patrol to consolidate its aircraft and related staff into one facility.

Kansas Bureau of Investigation

Rehabilitation & Repair. For FY 2008, the Governor recommends $100,000 from the State General Fund to finance various rehabilitation and repair projects. The agency will prioritize the projects for its headquarters building and regional offices.

Headquarters Building Debt Service. The Governor recommends $250,000 in FY 2007 and $265,000 in FY 2008 from the State General Fund to finance the debt service principal payments on the headquarters building in Topeka. Included in the agency's operating budget is $57,220 in FY 2007 and $42,668 in FY 2008 from the State General Fund to finance the interest portion on the debt service payments.

Purchase Insurance Management Association (IMA) Building. The Governor recommends $1.1 million from the State General Fund for FY 2007 to purchase the IMA Building in Topeka. The agency's records staff will be located in this building.

Renovate Headquarters & Great Bend Laboratory. For FY 2007, the Governor recommends $1,421,075 from all funding sources, including $1,254,475 from the State General Fund, to renovate the headquarters and Great Bend labs. Of that amount, $346,800 from all funding sources, including $180,200 from the State General Fund, will be used to renovate the headquarters lab and $1,074,275 from the State General Fund will be used to renovate the Great Bend lab.

Agriculture & Natural Resources

Kansas State Fair

Rehabilitation & Repair. The Governor recommends $107,713 for FY 2007 and $109,867 for FY 2008 from the State Fair Capital Improvements Fund for miscellaneous and contingency repair projects on the State Fairgrounds in Hutchinson.

Master Plan Debt Service. In FY 2002, the Kansas Development Finance Authority was authorized to issue revenue bonds totaling $29.0 million to finance a capital improvement master plan to upgrade the facilities at the Kansas State Fair. For FY 2007, the Governor recommends $2,247,251 for the debt service payment. Of this amount, $1,080,000 is for the principal and $1,167,251 is for interest. The financing of this payment is $1,547,251 from the State General Fund, $400,000 from the State Fair Debt Service Revenue Fund, and $300,000 from the City of Hutchinson and Reno County.

For FY 2008, the Governor recommends $2,248,884 for the debt service payment. Of this amount, $1,120,000 is for the principal and $1,128,884 is for interest. The financing of this payment is $1,548,884 from the State General Fund, $400,000 from the State Fair Debt Service Revenue Fund, and $300,000 from the City of Hutchinson and Reno County.

Construct Sheep/Swine Facility. For FY 2007, the Governor recommends $2,375,727 from the State General Fund to replace the existing sheep and swine barns, which will be razed. The new building will allow the agency to exhibit projects in a modern, combined facility during the Kansas State Fair and during non-fair events.

Install Alternative Energy Systems. To help offset recent increases in energy costs, the Kansas State Fair seeks to utilize alternative energy sources for the fairgrounds. This will include installing two 50-kilowatt wind turbines that produce approximately 10.0 percent of the fairgrounds' energy use; a solar thermal heat system for the administration building; and electrical sub-metering equipment that will enable the agency to monitor electricity usage at each building. The total amount for these systems is $579,190, which will be financed through the Department of Administration's Master Lease Program. For FY 2008, the Governor recommends $111,525 from the EDIF for the first payment of the debt service. Of this amount, $24,836 will be for interest and $86,689 will be for principal.

Department of Wildlife & Parks

Rehabilitation & Repair. In an ongoing response to the need to keep the state's parks, public lands, and wildlife areas in good repair and accessible to all visitors, the Governor recommends $8,353,014 from all funding sources for rehabilitation and repair in FY 2007. Of this amount, $5,330,000 was approved by the 2006 Legislature and $61,000 was transferred to the agency from the Adjutant General's Office for disaster relief funding to cover flood damage at Shawnee State Fishing Lake. For FY 2008, the recommendation is $3,689,500 from all funding sources. The categories of rehabilitation and repair that are emphasized by these recommendations are general rehabilitation and repair, as well as road and bridge maintenance.

General rehabilitation and repair includes maintenance of the facilities managed by the Department. For FY 2007, the Governor recommends $5,436,286 from all funding sources. Of this amount, $69,729 is from the Parks Fee Fund, $824,867 is from the Wildlife Fee Fund, $2,036,690 is from the Land and Water Conservation Fund, $50,000 is from the Wildlife Conservation Fund—Federal, $250,000 is from the Migratory Waterfowl Fund, and $2,205,000 is from the State General Fund. For FY 2008, the total for rehabilitation and repair is $1,944,500, including $1,500,000 from the State General Fund, $92,000 from the Wildlife Fee Fund, $152,500 from the Wildlife Fund—Federal, and $200,000 from the Wildlife Conservation Fund—Federal.

To ensure that access roads and bridges in state parks, public lands, wildlife areas, and other facilities managed by the Department are well maintained and safe, the Governor recommends $2,855,728 from the State Highway Fund for FY 2007. Of this amount, $2,183,876 is for access roads and $671,852 is for bridges. For FY 2008, the Governor's budget recommendation totals $1,745,000 from the State Highway Fund, of which $1,545,000 is for roads and $200,000 is for bridges.

Coast Guard Boating Projects. To continue a program to provide secure, off-season storage facilities for the Department's powerboats, the Governor recommends $102,186 for FY 2007 as well as $109,000 from the Boating Fund—Federal and $15,000 from the Wildlife Fee Fund in FY 2008.

Land/Wetland Acquisition & Development. The Department of Wildlife and Parks acquires and develops both land and wetlands in Kansas to provide public access to all citizens for wildlife viewing, habitat preservation, hunting, and other recreational opportunities. To enhance recreational activities, the Governor recommends $1,354,200 in addition to the $1,050,000 approved by the 2006 Legislature, for a total of $2,404,200, to be funded from special revenue funds for land and wetlands acquisition, development, and rehabilitation in FY 2007. Of this amount, $1,991,167 is for land and $413,033 is for wetlands. Financing for land acquisition and development is from the Wildlife Conservation Fund and Wildlife Conservation Fund—Federal, and financing for wetlands is from the Wildlife Conservation Fund.

For FY 2008, the Governor recommends $1,250,000 for both land and wetlands development. The recommendation includes $600,000 from the Wildlife Fee Fund and $200,000 from the Wildlife Conservation Fund—Federal for land, and $450,000 from the Wildlife Conservation Fund—Federal for wetlands.

River Access. In keeping with the agency's mission of enhancing recreational opportunities, the Governor recommends total expenditures of $100,143 for FY 2007 and $100,000 for FY 2008 for river access. Both amounts are from the Boating Fee Fund—Federal. In the past, the Department has worked with communities to construct boat ramps at St. George, White Cloud, Atchison, Kaw Point, and Lecompton.

Motorboat Access. In response to the U.S. Fish and Wildlife Service requirement that at least 10.5 percent of the federal funds received by the Department be used for motorboat access projects, the Governor recommends $935,700 for FY 2008. Of this amount, $435,700 comes from the Wildlife Fee Fund—Federal, $400,000 comes from the Wildlife Fee Fund, and $100,000 comes from the Wildlife Conservation Fund—Federal.

State Park No. 24. The Department has acquired land from the Menninger Foundation adjacent to Cedar Crest and the State History Center and plans to create a day-use park with river access and a wetlands demonstration area. For FY 2008, $745,000 is recommended to build a road, a railway crossing, and a boat ramp at this park. Of this amount, $320,000 will come from the State General Fund, $100,000 from the Boating Fee Fund, and $325,000 from the Department Access Road Fund.

Tuttle Creek State Park Mitigation Project. Repair to the Tuttle Creek dam by the U.S. Army Corps of Engineers caused significant damage to the area of the state park where the current access road and campground are located. In order to facilitate building a new access road and campground at the state park, the U.S. Corps of Engineers provided funding which has been reimbursed to the state as the project has proceeded. For FY 2005, the Legislature approved a $1.2 million loan from the Pooled Money Investment Board to supply operating funds for this project. In FY 2007, $15,153 in interest will be paid from the Park Fee Fund and $700,000 will be paid from the Tuttle Creek State Park Mitigation Project Fund, completing repayment of this debt.

Pratt Office Renovation. State law requires the Department of Wildlife and Parks to retain an operations office in Pratt, Kansas. In order to maintain the Pratt facility, the Governor recommends $140,000 in FY 2008 for office renovations, of which $101,000 is from the Wildlife Fee Fund, $35,000 from the State General Fund, and $4,000 from the Boating Fee Fund.

Milford Nature Center Classroom. The Milford Nature Center serves the Junction City/Manhattan area, providing nature-related programs for school children, hunter and boater education, and a meeting space for local groups. The existing space seats 50 people, is not ADA accessible, and does not have adequate room for presentation materials. For FY 2008, the Governor recommends $75,000 from the Wildlife Fee Fund to purchase a 100-seat classroom/ multi-purpose room annex for the Nature Center.

Fish Hatcheries Renovation. For FY 2008, the Governor recommends $1,598,000 to renovate the fish hatcheries at Meade, Milford, Pratt, and Farlington. Of the amount recommended, $473,000 will come

from the Wildlife Fund—Federal and $1,125,000 will come from the Wildlife Conservation Fund.

Sebelius Reservoir Minimum Pool. For FY 2008, the Governor recommends $1.0 million from the State Water Plan Fund to purchase additional water rights from the Almena Irrigation District in order to maintain the minimum pool (minimum water level) at Keith Sebelius Reservoir. In recent years, the amount of water entering the lake has not been sufficient to maintain the water level in the reservoir and, at the same time, provide service to the Irrigation District. For the past three years, the state has leased the water rights necessary to maintain a minimum pool from the Irrigation District. This lease cannot be continued because of Division of Water Resources regulations, and the state now seeks a permanent solution to prevent more serious environmental and economic damage from decreasing water levels.

Transportation

Department of Administration

Comprehensive Transportation Program (CTP) Bonds. The 2004 Legislature authorized the issuance of $210.0 million in bonds to support the Department of Transportation's CTP. The bonds are repaid through appropriations from the State General Fund to the Department of Transportation. For FY 2007, the Governor recommends an interest-only payment of $4,992,724. For FY 2008, the Governor recommends debt service payments totaling $16,151,075, including $6,735,000 for principal and $9,416,075 for interest.

Kansas Department of Transportation

The Governor recommends $1,139,081,854 in FY 2007 and $744,280,819 in FY 2008 for the Department of Transportation's capital improvement projects. Included in the FY 2008 budget are funds for rehabilitation and repair projects, replacement of deteriorated roofs on the agency's facilities, and replacement of deteriorated equipment storage sheds at the area and sub-area shops. The table below summarizes the recommendations for expenditures that are related to the Comprehensive Transportation Program by major classification of expenditure. The totals in the table will not match the total for capital improvement expenditures cited above, because the table includes only the Routine and Substantial Maintenance Programs and the agency's Priority Bridge and System Enhancement projects.

Comprehensive Transportation Program Construction Costs
(*Dollars in Thousands*)

	FY 2007	FY 2008
Routine Maintenance	134,693	134,560
Substantial Maintenance	176,099	179,301
Major Mods.-Priority Bridge	412,924	389,044
System Enhancements	202,941	119,320
Total	$926,657	$822,225

Expenditures for Capital Improvements by Project

	FY 2006 Actual	FY 2007 Gov. Estimate	FY 2008 Base Budget	FY 2008 Enhance. Pkg.	FY 2008 Gov. Rec.
Educational Building Fund					
Board of Regents					
Rehabilitation & Repair	--	--	15,000,000	--	15,000,000
Crumbling Classroom Debt Service	10,880,000	11,450,000	12,045,000	--	12,045,000
Emporia State University					
Rehabilitation & Repair	610,088	1,602,912	--	--	--
Fort Hays State University					
Rehabilitation & Repair	902,031	1,409,749	--	--	--
Kansas State University--Main Campus					
Rehabilitation & Repair	4,515,838	5,206,655	--	--	--
Pittsburg State University					
Rehabilitation & Repair	704,189	1,407,846	--	--	--
Armory/Classroom/Recreation Center	7,803	250,453	--	--	--
University of Kansas					
Rehabilitation & Repair	1,666,570	10,379,127	--	--	--
University of Kansas Medical Center					
Rehabilitation & Repair	1,669,500	1,642,190	--	--	--
Wichita State University					
Rehabilitation & Repair	1,768,936	2,824,456	--	--	--
Subtotal--EBF	**$ 22,724,955**	**$ 36,173,388**	**$ 27,045,000**	--	**$ 27,045,000**
Crumbling Classrooms Interest	4,120,000	3,550,000	2,955,000	--	2,955,000
State Building Insurance Premium	291,394	375,000	415,000	--	415,000
Total--EBF	**$ 27,136,349**	**$ 40,098,388**	**$ 30,415,000**	--	**$ 30,415,000**
State Institutions Building Fund					
Social & Rehabilitation Services					
State Hospital Rehabilitation & Repair	2,316,144	2,145,156	1,413,100	--	1,413,100
State Hospital Rehab. & Repair Debt Serv.	1,170,000	1,200,000	1,230,000	--	1,230,000
State Security Hospital Debt Service	1,640,000	1,695,000	1,765,000	--	1,765,000
Larned State Hospital					
Rehabilitation & Repair	883	--	--	--	--
Osawatomie State Hospital					
Rehabilitation & Repair	10,427	--	--	--	--
Commission on Veterans Affairs					
Veterans Cemeteries Rehabilitation & Repair	--	50,000	--	--	--
KSH Rehabilitation & Repair	257,130	401,615	329,780	--	329,780
KVH Rehabilitation & Repair	77,128	161,602	271,875	--	271,875
KVH State Match for Backup Generator Grant	--	563,444	--	--	--
KSH State Match for Backup Generator Grant	--	216,125	--	--	--
KVH Bleckley Hall Entry Construction	--	31,500	--	--	--
Soldiers Home Fac. Conserv. Improvement	--	442,932	--	--	--
KSH On-call Architect Services	--	100,000	--	--	--
KVH Emergency Exit Sidewalk Construction	--	--	12,000	--	12,000
KVH Tornado Shelter/Window Replacement	--	--	436,620	--	436,620
KSH HIPAA Compliant Nurses' Stat. Upgrade	--	--	32,500	--	32,500
School for the Blind					
Rehabilitation & Repair	304,259	67,451	70,823	--	70,823
Drainage System Installation	--	57,150	--	--	--
Re-roof Brighton Building	--	--	--	83,263	83,263
School for the Deaf					
Rehabilitation & Repair	174,525	193,905	185,000	5,000	190,000
Roth Dorm Renovation	1,386,524	483,444	--	422,290	--
Install Key Card Entry System	88,423	19,577	--	--	--
Parks Bilger/Taylor Gym Roof Repair	31,334	1,921	--	--	--
Roth Building Roof Repair	--	140,000	--	--	--
Replacement of Windows	--	--	--	125,000	--

Expenditures for Capital Improvements by Project

	FY 2006 Actual	FY 2007 Gov. Estimate	FY 2008 Base Budget	FY 2008 Enhance. Pkg.	FY 2008 Gov. Rec.
Juvenile Justice Authority					
Rehabilitation & Repair	48,056	862,271	781,800	--	500,000
Facility Construction Debt Service	1,795,000	1,890,020	1,975,000	--	1,975,000
Raze Living Units at KJCC	--	--	--	406,797	--
Maintenance Building Construction--Atchinson	--	--	--	537,792	537,792
Atchison Juvenile Correctional Facility					
Rehabilitation & Repair	523,468	--	--	--	--
Beloit Juvenile Correctional Facility					
Rehabilitation & Repair	50,923	--	--	--	--
Subtotal--SIBF	**$ 9,874,224**	**$ 10,723,113**	**$ 8,503,498**	**$ 1,580,142**	**$ 8,847,753**
SRS Projects--Interest	3,113,043	3,599,163	3,497,756	--	3,497,756
Juvenile Justice Projects--Interest	2,200,492	2,115,763	2,021,513	--	2,021,513
State Building Insurance Premium	45,993	70,000	77,000	--	77,000
Total--SIBF	**$ 15,233,752**	**$ 16,508,039**	**$ 14,099,767**	**$ 1,580,142**	**$ 14,444,022**
Correctional Institutions Building Funds					
Department of Corrections					
Rehabilitation & Repair	127,476	2,666,356	3,246,170	--	3,231,303
Revenue Refunding Debt Service	1,620,000	1,689,697	1,689,697	--	1,689,697
El Dorado Correctional Facility					
Rehabilitation & Repair	49,729	33,150	--	--	--
Ellsworth Correctional Facility					
Rehabilitation & Repair	345,790	11,879	--	--	--
Hutchinson Correctional Facility					
Rehabilitation & Repair	563,466	237,642	--	--	--
Lansing Correctional Facility					
Rehabilitation & Repair	898,905	389,264	--	--	--
Larned Correctional Mental Health Facility					
Rehabilitation & Repair	21,304	118,765	--	--	--
Norton Correctional Facility					
Rehabilitation & Repair	420,045	106,096	--	--	--
Topeka Correctional Facility					
Rehabilitation & Repair	362,589	441,357	--	--	--
Winfield Correctional Facility					
Rehabilitation & Repair	457,776	718,664	--	--	--
Subtotal--CIBF	**$ 4,867,080**	**$ 6,412,870**	**$ 4,935,867**	**$ --**	**$ 4,921,000**
Department of Corrections Projects--Interest	69,697	--	--	**$ --**	--
State Building Insurance Premium	49,839	60,000	71,000	--	71,000
Total--CIBF	**$ 4,986,616**	**$ 6,472,870**	**$ 5,006,867**	**$ --**	**$ 4,992,000**
State General Fund					
Department of Administration					
Rehabilitation & Repair	84,654	469,077	200,000	--	200,000
Dillon House Roof Repairs	--	52,000	--	--	--
Erect Topeka State Hospital Cemetery Fence	49,931	--	--	--	--
Construct Memorial Hall Passive Access Ent.	198,828	1,172	--	--	--
Energy Conservation Improvement Debt Serv.	915,000	695,000	575,000	--	575,000
Judicial Center Improvements Debt Service	60,000	65,000	65,000	--	65,000
Statehouse Renovation Debt Service	2,760,000	1,845,000	2,375,000	--	2,375,000
Comp. Transportation Program Debt Service	--	--	6,735,000	--	6,735,000
Judicial Center Rehabilitation & Repair	153,530	106,766	100,000	100,000	100,000
Docking Fire Alarm Upgrade & Repair	--	--	--	235,950	--
Landon Chiller Switch Gear Replacement	--	--	--	150,000	--
Eisenhower Building Cooling Tower Repair	--	--	--	740,000	--
Kansas Judicial Center Exterior Column Repair	--	--	--	125,000	--
Landon Building Emergency Stairwell Repair	--	--	--	70,000	--

Expenditures for Capital Improvements by Project

	FY 2006 Actual	FY 2007 Gov. Estimate	FY 2008 Base Budget	FY 2008 Enhance. Pkg.	FY 2008 Gov. Rec.
Department of Administration, Cont'd.					
Refurbish Landon Building Elevators	--	--	--	1,284,800	--
Landon Building Fire Detection Sys. Upgrade	--	--	--	829,955	--
Landon Building Fire Suppression Upgrade	--	--	--	496,149	--
Landon Building Interior Signage Upgrade	--	--	--	78,000	--
Repair Exterior Judicial Center Steps	--	--	--	66,000	--
Memorial Hall Chiller Replacement	--	--	--	698,500	--
State Complex West Fire Alarm Sys. Upgrade	--	--	--	73,260	--
Landon Building Chiller Replacement	--	--	--	450,000	--
Re-roof Forbes Building No. 725	--	--	--	56,270	--
Repair Roof of Forbes Building No. 740	--	--	--	66,000	--
Replace Water System of Forbes No. 740	--	--	--	80,000	--
Replace Forbes Complex Chiller System	--	--	--	900,000	--
Replace Forbes Parking Lot & Road	--	--	--	120,000	--
State Parking Lot Install Emergency Phones	--	--	--	120,000	--
Replace Capitol Complex Tunnel	--	--	--	2,886,000	--
Replace Memorial Hall VAV Controls	--	--	--	294,410	--
Replace West Hall Boiler	--	--	--	198,000	--
KDOT Data Center Cooling System Upgrade	--	--	--	290,400	--
Landon Fire Pump & Ancillary Controls	--	--	--	82,500	--
Judicial Center Fire Alarm Replacement	--	--	--	198,000	--
Clean, Caulk, & Seal Exterior of Judicial Center	--	--	--	375,000	--
Replace Memorial Hall Windows	--	--	--	311,696	--
Dillon House Renovation	--	--	--	1,875,500	--
New Generator Exhaust Sys. for Landon Bldg.	--	--	--	366,300	--
Judiciary					
Rehabilitation & Repair	75,400	--	--	--	--
Renovation for New Judge's Chamber	--	--	167,919	--	167,919
Social & Rehabilitation Services					
Rehabilitation & Repair of State Hospitals	1,666	--	--	--	--
Kansas Neurological Institute					
Energy Conservation Improvement Debt Serv.	113,776	55,169	55,534	--	55,534
Larned State Hospital					
Rehabilitation & Repair	1,316	--	--	--	--
Osawatomie State Hospital					
Rehabilitation & Repair	1,340	--	--	--	--
Parsons State Hospital					
Energy Conservation Improvement Debt Serv.	51,832	56,121	60,714	--	60,714
Rainbow Mental Health Facility					
Rehabilitation & Repair	1,961	--	--	--	--
School for the Blind					
Rehabilitation & Repair	5,243	--	--	--	--
Energy Conservation Improvement Debt Serv.	24,115	25,277	26,494	--	26,494
School for the Deaf					
Energy Conservation Improvement Debt Serv.	72,154	54,197	56,464	--	56,464
Emporia State University					
William Allen White Library Addition	--	--	--	425,036	--
Fort Hays State University					
Picken Hall Renovation	--	--	--	400,000	--
Kansas State University					
Renovate Memorial Stadium	--	--	--	515,000	--
Lease-Purchase of Aeronautical Center	189,446	189,446	189,446	--	189,446
Kansas State University--ESARP					
Rehabilitation & Repair	112,710	--	--	--	--
Pittsburg State University					
Rehabilitation & Repair	70,531	--	--	--	--

Expenditures for Capital Improvements by Project

	FY 2006 Actual	FY 2007 Gov. Estimate	FY 2008 Base Budget	FY 2008 Enhance. Pkg.	FY 2008 Gov. Rec.
Pittsburg State University, Cont'd.					
Energy Conservation Improvement Debt Serv.	121,395	135,212	141,659	--	141,659
McCray Hall Renovations	--	--	--	3,730,000	--
Student Recreation Center Debt Service	--	--	143,359	--	143,359
University of Kansas					
Rehabilitation & Repair	1,411,804	--	--	--	--
Utility Tunnel Improvement	--	--	--	5,100,000	--
Energy Conservation Improvement Debt Serv.	605,187	797,741	763,768	--	763,768
University of Kansas Medical Center					
Rehabilitation & Repair	200,588	--	--	--	--
Upgrade Applegate Energy Center	--	--	--	7,233,000	--
Energy Conservation Improvement Debt Serv.	880,000	350,000	370,000	--	370,000
Wichita State University					
Aviation Research Initiative Debt Service	1,050,000	1,160,000	1,215,000	--	1,215,000
Historical Society					
Rehabilitation & Repair	80,065	171,134	125,000	--	125,000
Historic Sites Preservation & Development	--	--	--	687,000	111,000
Replace Skylights at Kansas History Museum	1,077	183,343	--	--	--
Museum Rehabilitation	--	632,248	--	464,750	--
Department of Corrections					
Ellsworth Correctional Facility Debt Service	1,542,819	1,505,000	1,580,000	--	1,580,000
Revenue Refunding Debt Service	--	303	70,303	--	70,303
Labette Correct. Conserv. Camp Debt Serv.	130,000	135,000	140,000	--	140,000
RDU Relocation Debt Service	670,000	126,000	730,000	--	730,000
Topeka & Lansing Correct. Facil. Debt Serv.	995,000	--	--	--	--
Wichita Work Release Facility Debt Service	165,000	--	--	--	--
Hutchinson Correctional Facility					
Energy Conservation Debt Service	246,729	248,112	248,112	--	248,112
El Dorado Correctional Facility					
Energy Conservation Improvement Debt Serv.	131,257	171,431	171,431	--	171,431
Ellsworth Correctional Facility					
Energy Conservation Improvement Debt Serv.	74,344	77,097	77,097	--	77,097
Lansing Correctional Facility					
Energy Conservation Improvement Debt Serv.	317,347	330,202	340,754	--	340,754
Larned Correctional Mental Health Facility					
Energy Conservation Improvement Debt Serv.	30,055	14,762	14,762	--	14,762
Norton Correctional Facility					
Energy Conservation Improvement Debt Serv.	143,672	149,535	155,637	--	155,637
Topeka Correctional Facility					
Energy Conservation Improvement Debt Serv.	75,004	64,015	64,015	--	64,015
Winfield Correctional Facility					
Energy Conservation Improvement Debt Serv.	123,575	125,202	125,202	--	125,202
Adjutant General					
Armory Repair & Debt Service	890,000	1,060,000	1,090,000	--	1,090,000
National Guard Readiness Center Debt Service	--	--	--	51,641	51,641
Vehicle Storage Compound Repair--Liberal	--	--	--	336,753	--
Kansas Bureau of Investigation					
Rehabilitation & Repair	--	100,000	100,000	--	100,000
Purchase IMA Building	--	1,100,000	--	--	--
Headquarters Bldg. Acquisition Debt Service	265,000	250,000	265,000	--	265,000
Renovate Headquarters Laboratory	--	180,200	--	--	--
Building Acquisition & Demolition	--	--	--	184,590	--
Underground Parking Garage Study	--	--	--	60,000	--
Renovate Great Bend Laboratory	--	1,074,275	--	29,517	--
Remodel Office Building	8,675	--	--	--	--
Land Acquisition for Parking Lot	7,162	--	--	--	--

Expenditures for Capital Improvements by Project

	FY 2006 Actual	FY 2007 Gov. Estimate	FY 2008 Base Budget	FY 2008 Enhance. Pkg.	FY 2008 Gov. Rec.
Kansas Bureau of Investigation, Cont'd.					
Headquarters Building Repair	--	--	--	123,350	--
Kansas State Fair					
Grandstand Roof Repair	69,030	--	--	--	--
Master Plan Debt Service	665,000	1,080,000	1,120,000	--	1,120,000
Construct Sheep/Swine Facility	--	2,375,727	--	--	--
Department of Wildlife & Parks					
Rehabilitation & Repair--State Parks	14,420	2,205,000	2,300,000	--	1,500,000
Remodel Office Building	--	--	35,000	--	35,000
Develop Park No. 24	--	--	320,000	--	320,000
Total--State General Fund	**$ 15,857,638**	**$ 19,415,764**	**$ 22,312,670**	**$ 32,958,327**	**$ 21,675,311**
Regents Restricted Funds					
Board of Regents					
Research Initiative Debt Service	--	6,000,000	6,000,000	--	6,000,000
Emporia State University					--
Rehabilitation & Repair	414,571	--	649,627	--	649,627
Energy Conservation Improvement Debt Serv.	11,700	11,700	11,700	--	11,700
Student Recreation Center Debt Service	--	110,000	115,000	--	115,000
Residence Halls Debt Service	220,000	249,300	355,000	--	355,000
Student Union Renovation	121,426	131,000	131,000	--	131,000
Twin Towers Renovation	45,000	45,000	50,000	--	50,000
On-Campus Parking Improvements	80,488	90,000	90,000	--	90,000
Fort Hays State University					
Rehabilitation & Repair	768,010	--	285,000	--	285,000
Energy Conservation Improvement Debt Serv.	169,690	183,939	198,931	--	198,931
Lewis Field Stadium Renovation	60,000	60,000	60,000	--	60,000
Student Housing Debt Service	145,000	150,000	155,000	--	155,000
McMindes Hall HVAC Improvements	--	--	1,675,000	--	1,675,000
On-Campus Parking Improvements	204,913	200,000	400,000	--	400,000
Kansas State University--Main Campus					
Rehabilitation & Repair	2,993,899	--	3,536,971	--	3,536,971
Student Union Renovation	355,000	375,000	390,000	--	390,000
Energy Conservation Improvement Debt Serv.	1,631,192	1,062,222	1,109,257	--	1,109,257
Farrell Library Expansion	160,000	170,000	180,000	--	180,000
Student Recreation Complex Debt Service	435,000	460,000	480,000	--	480,000
Ackert Hall Renovation	90,000	95,000	100,000	--	100,000
Jardine Student Housing Debt Service	212,947	1,929,635	1,904,435	--	1,904,435
Salina Student Housing Debt Service	55,000	50,000	60,000	--	60,000
Construct McCain Entry Drive	--	--	1,700,000	--	1,700,000
K-State Union Sprinkler System Installation	--	--	1,000,000	--	1,000,000
Konza Barn Renovation	--	--	710,000	--	710,000
Aircraft Runway Improvements at Salina	--	2,000,000	2,000,000	--	2,000,000
Biosecurity Research Institute Parking Lot Rep.	1,494,539	--	--	--	--
On-Campus Parking Improvements	351,364	800,000	800,000	--	800,000
Kansas State University--ESARP					
Rehabilitation & Repair	242,037	--	951,345	--	951,345
Grain Science Center Debt Service	525,000	1,350,000	1,000,000	--	1,000,000
KSU--Veterinary Medical Center					
Rehabilitation & Repair Debt Service	655,148	--	538,719	--	538,719
Pittsburg State University					
Rehabilitation & Repair	795,463	845,000	1,401,819		1,401,819
Energy Conservation Improvement Debt Serv.	316,800	323,930	339,736	--	339,736
Willard Hall Debt Service	120,000	125,000	130,000	--	130,000
Horace Mann Hall Debt Service	130,000	140,000	145,000	--	145,000

Expenditures for Capital Improvements by Project

	FY 2006 Actual	FY 2007 Gov. Estimate	FY 2008 Base Budget	FY 2008 Enhance. Pkg.	FY 2008 Gov. Rec.
Pittsburg State University, Cont'd.					
Jack H. Overman Student Center Debt Service	85,000	100,000	100,000	--	100,000
Construct KSANG/Student Recreation Center	--	550,000	3,982,786	--	3,982,786
On-Campus Parking Improvements	331,798	400,000	300,000	--	300,000
Jack H. Overman Student Center Remodeling	--	250,000	250,000	--	250,000
University of Kansas					
Rehabilitation & Repair	6,715,416	993,928	1,617,960	--	1,617,960
Construct Computer Services Facilities	--	1,333,339	--	--	--
Storm Damage Repair	--	5,422,544	--	--	--
Stouffer Place Apartments Renovation	--	630,049	667,951	--	667,951
Multicultural Resource Center Construction	277,916	4,262,276	749,808	--	749,808
Remodel Wesco Hall Offices & Classrooms	3,282,391	217,609	--	--	--
Student Housing Debt Service	355,000	495,000	610,000	--	610,000
Bio-Science Research Center Debt Service	--	480,000	500,000	--	500,000
Energy Conservation Improvement Debt Serv.	--	13,410	12,628	--	12,628
On-Campus Parking Improvements	1,035,000	795,000	850,000	--	850,000
Child Care Facility Debt Service	--	125,000	130,000	--	2,130,000
Construct Continuing Education Building	135,000	140,000	150,000	--	150,000
Student Recreation & Fitness Center Debt Serv.	--	900,000	930,000	--	930,000
Student Union Addition	335,000	350,000	365,000	--	365,000
University of Kansas Medical Center					
Rehabilitation & Repair	887,249	--	409,721	--	409,721
Center for Health in Aging Debt Service	115,000	120,000	125,000	--	125,000
Research Support Facility Debt Service	215,000	225,000	230,000	--	230,000
Parking Facility No. 3 Debt Service	--	--	125,000	--	125,000
On-Campus Parking Improvements	--	604	550,000	--	550,000
Lied Bio-Medical Building Renovation	--	--	500,000	--	500,000
Wichita State University					
Rehabilitation & Repair	46,006	--	--	--	--
Energy Conservation Improvement Debt Serv.	--	468,286	624,637	--	624,637
Student Housing Debt Service	480,000	490,000	510,000	--	510,000
On-Campus Parking Improvements	300,000	315,000	335,000	--	335,000
Total--Regents Restricted Funds	**$ 27,399,963**	**$ 36,033,771**	**$ 43,279,031**	**$ --**	**$ 45,279,031**
Special Revenue Funds					
Department of Administration					
Erect Topeka State Hospital Cemetery Fence	606	--	--	--	--
Construct Law Enforcement Memorial	74,648	--	--	--	--
Motor Pool Building Debt Service	32,690	36,318	40,350	--	40,350
Paint and Grounds Shop Debt Service	20,042	21,922	23,979	--	23,979
Department of Commerce					
Rehabilitation & Repair	137,570	80,000	80,000	--	80,000
HVAC Replacement	--	238,500	--	--	--
Replace Topeka Workforce Building Roof	--	80,000	--	--	--
Replace Kansas City Workforce Bldg. Roof	--	--	100,000	--	100,000
Topeka Workforce Building Debt Service	65,000	65,000	70,000	--	70,000
Kansas Technology Enterprise Corporation					
Carpet Replacement	5,922	--	--	--	--
Insurance Department					
Rehabilitation & Repair	46,921	30,000	30,000	--	30,000
Replace Carpet & Flooring	--	30,000	30,000	--	30,000
Energy Conservation Improvement Debt Serv.	--	58,745	60,861	--	60,861
Social & Rehabilitation Services					
Chanute Office Bldg. Rehabilitation & Repair	292,568	300,000	300,000	--	200,000
State Hospitals Rehabilitation & Repair	1,841	--	--	--	--

Expenditures for Capital Improvements by Project

	FY 2006 Actual	FY 2007 Gov. Estimate	FY 2008 Base Budget	FY 2008 Enhance. Pkg.	FY 2008 Gov. Rec.
Kansas Neurological Institute					
Energy Conservation Improvement Projects	--	64,831	64,466	--	64,466
Osawatomie State Hospital					
Rehabilitation & Repair	(182)	--	--	--	--
Parsons State Hospital					
Energy Conservation Improvement Debt Serv.	52,905	52,900	52,900	--	52,900
Department of Labor					
Rehabilitation & Repair	28,220	40,000	40,000	--	40,000
Remodel IT Building	--	90,000	--	--	--
Replace HVAC at IT Building	--	125,000	--	--	--
Eastman Bldg. Master Lease Prog. Debt Serv.	--	62,000	85,330	--	85,330
Eastman Building--Purchase & Renovate	350,000	437,814	--	--	--
Headquarters Renovation Debt Service	145,000	150,000	155,000	--	155,000
Parking Lot Construction	224,395	--	--	--	--
Re-roof Department of Labor Bldgs.	33,255	--	--	--	--
Commission on Veterans Affairs					
KVH Rehabilitation & Repair	1,775	--	--	--	--
KSH Rehabilitation & Repair	50,656	--	--	--	--
KVH Backup Generator Grant	--	939,634	--	--	--
KSH Backup Generator Grant	--	401,375	--	--	--
Veterans Cemeteries Rehabilitation & Repair	--	50,000	--	--	--
KSH Health & Safety Grant Match	--	810,153	--	--	--
Kansas Veterans Cemetery--Fort Riley	466,949	476,320	5,773,974	--	5,773,974
KVH Tornado Shelter/Window Replacement	--	--	810,865	--	810,865
School for the Blind					
Rehabilitation & Repair	77,788	--	--	--	--
Historical Society					
Rehabilitation & Repair	510,704	--	--	--	--
Historic Sites Preservation	--	900,079	175,000	--	175,000
Department of Corrections					
Rehabilitation & Repair	--	--	--	2,556,082	--
Facility Infrastructure Projects	--	--	--	--	2,556,082
Rehabilitation & Repair of Industries Bldgs.	470,809	14,000	80,000	--	80,000
Expand Industry Building at LCF	--	475,000	--	--	--
Renovate Koch Building for Industries Program	--	90,000	--	--	--
Industries Showroom Expansion at TCF	--	400,000	--	--	--
El Dorado Correctional Facility					
Rehabilitation & Repair	6,688	--	--	--	--
Atchison Juvenile Correctional Facility					
Rehabilitation & Repair	30,765	--	--	--	--
Adjutant General					
Rehab. & Repair--National Guard Bureau	306,667	500,000	500,000	--	500,000
Highway Patrol					
Rehabilitation & Repair--Scale Replacement	236,341	251,233	256,083	--	256,083
Wabaunsee Weigh Station Rehab. & Repair	--	168,248	--	--	--
Olathe Vehicle Inspection Facility Debt Serv.	45,000	45,000	45,000	--	45,000
Fleet Facility Debt Service	205,000	210,000	220,000	--	220,000
Training Center Debt Service	445,000	470,000	470,000	--	470,000
Construct Aircraft Hangar at Billard Airport	--	1,500,000	--	--	--
Aircraft Hangar Repair	177,763	--	--	--	--
Repair Roof--Liberal Facility	13,256	--	--	--	--
Kansas Bureau of Investigation					
Renovate Headquarters Laboratory	--	166,600	--	--	--
Kansas State Fair					
Rehabilitation & Repair	176,513	107,713	109,867	--	109,867
Install Alternative Energy Systems	--	--	--	579,190	--

Expenditures for Capital Improvements by Project

	FY 2006 Actual	FY 2007 Gov. Estimate	FY 2008 Base Budget	FY 2008 Enhance. Pkg.	FY 2008 Gov. Rec.
Kansas State Fair, Cont'd.					
Alternative Energy Systems Debt Service	--	--	--	--	86,689
Master Plan Debt Service	385,000	--	--	--	--
Department of Wildlife & Parks					
Rehabilitation & Repair--State Parks	1,465,029	2,106,419	--	150,000	--
Rehabilitation & Repair--Public Lands	1,340,119	1,124,867	444,500	--	444,500
Tuttle Creek State Park Mitigation Project	500,000	700,000	--	--	--
Land/Wetland Acquisition & Development	--	413,033	450,000	--	450,000
River Access	197	100,143	100,000	--	100,000
Planning & Development of State Park No. 24	--	25,000	425,000	--	425,000
Fish Hatcheries Renovation	--	--	1,598,000	--	1,598,000
Boating Access & Development	920,126	2,404,716	935,700	--	935,700
Coast Guard Boating Projects	--	102,186	124,000	--	124,000
Develop National Recreational Trails	--	812,652	--	--	--
Remodel Building Offices	--	--	105,000	--	105,000
Sebelius Reservoir Minimum Pool Increase	--	--	--	1,000,000	1,000,000
Milford Nature Center Classroom Expansion	--	--	75,000	--	75,000
Cheyenne Bottoms Repair	285,060	1,714,204	--	--	--
Bridge Maintenance	10,000	671,852	200,000	--	200,000
Roads Maintenance	987,902	2,183,876	1,545,000	--	1,545,000
Circle K Development	--	--	400,000	--	--
Land Acquisition	115,183	1,991,167	800,000	200,000	800,000
Repair Shawnee State Lake Dam	--	61,000	--	--	--
Total--Special Revenue Funds	**$ 10,741,691**	**$ 24,349,500**	**$ 16,775,875**	**$ 4,485,272**	**$ 19,918,646**
State Highway Fund					
Kansas Department of Transportation					
KDOT Buildings--Rehab. & Repair	3,758,210	5,907,288	9,659,938	--	7,300,184
Substantial Maintenance	174,442,167	176,099,100	179,300,700	--	179,300,700
Debt Service on Highway Projects	46,755,000	53,020,000	50,330,000	--	50,330,000
City/County Construction	191,383,660	266,251,200	155,309,500	--	155,309,500
Construction Contracts	370,782,334	479,170,500	213,694,600	--	213,694,600
Construction Operations	114,214,575	132,090,416	113,203,507	2,406,606	116,680,210
Design Contracts	6,949,265	26,543,350	21,665,625	--	21,665,625
Total--State Highway Fund	**$908,285,211**	**$ 1,139,081,854**	**$ 743,163,870**	**$ 2,406,606**	**$ 744,280,819**
Total--State Capital Improvements	**$999,750,762**	**$ 1,272,190,260**	**$ 866,015,811**	**$ 41,430,347**	**$ 871,967,560**
Off-Budget Expenditures					
Department of Administration					
State Complex West Rehab. & Repair	60,353	60,353	60,353	--	60,353
State Buildings Rehab. & Repair	261,761	321,008	400,000	--	400,000
Landon State Office Building Debt Service	562,250	562,250	--	--	--
Memorial Hall Debt Service	225,000	235,000	250,000	--	250,000
State Facilities Improvements Debt Service	360,000	380,000	390,000	--	390,000
Eisenhower Building Debt Service	1,037,771	1,090,000	1,140,000	--	1,140,000
Printing Plant Debt Service	175,145	176,738	178,347	--	178,347
Printing Plant Rehab & Repair	--	75,000	75,000	--	75,000
Total--Off-Budget Expenditures	**$ 2,682,280**	**$ 2,900,349**	**$ 2,493,700**	**$ --**	**$ 2,493,700**

The Budget Process

A Primer

The purpose of this primer is to describe briefly the annual budget and appropriations process for the state.

The Governor, by KSA 75-3721, must present spending recommendations to the Legislature. *The Governor's Budget Report* reflects expenditures for both the current and upcoming fiscal years and identifies the sources of financing for them.

The Legislature uses *The Governor's Budget Report* as a guide as it appropriates the money necessary for state agencies to operate. Only the Legislature can authorize expenditures by the State of Kansas. The Governor recommends spending levels, while the Legislature chooses whether to accept or modify those recommendations. The Governor may veto legislative appropriations, although the Legislature may override any veto by a two-thirds majority vote.

Fiscal Years. It is important when reading the budget to consider which fiscal year is being discussed. The state *fiscal year* runs from July 1 to the following June 30 and is numbered for the calendar year in which it ends. The *current fiscal year* is the one which ends the coming June. The *actual fiscal year* is the year which concluded the previous June. The *budget year* refers to the next fiscal year, which begins the July following the Legislature's adjournment. Finally, *out-years* refer to the years beyond the budget year. In *The FY 2008 Governor's Budget Report*, the actual fiscal year is FY 2006, the current fiscal year is FY 2007, and the budget year is FY 2008.

By law, *The Governor's Budget Report* must reflect actual year spending, the Governor's revised spending recommendations for the current fiscal year, state agency spending requests for the budget year, and the Governor's spending recommendations for the budget year. The budget recommendations cannot include the expenditure of anticipated income attributable to proposed legislation. Expenditure data are shown by agency and category of expenditure in the schedules at the back of this volume. Those same data are included, by agency and program, in *Volume 2* of *The Governor's Budget Report*.

Annual-Biennial Budgets. Appropriations for agency operating expenditures have been made on an annual basis since 1956. With enactment of legislation in 1994, the budgets of 20 state agencies were approved on a biennial basis starting with FY 1996. They were all financed through fee funds. Since then, two of these merged and a non-fee agency was added, leaving the total at 20.

Financing of State Spending. Frequent reference is made to *State General Fund* expenditures and expenditures from *all funding sources*. Expenditures from all funding sources include both State General Fund expenditures and expenditures from special revenue funds. All money spent by the state must first be appropriated by the Legislature, either from the State General Fund or from special revenue funds.

The State General Fund receives the most attention in the budget because it is the largest source of the "uncommitted" revenue available to the state. It is also the fund to which most general tax receipts are credited. The Legislature may spend State General Fund dollars for any governmental purpose.

Special revenue funds, by contrast, are dedicated to a specific purpose. For instance, the Legislature may not spend monies from the State Highway Fund to build new prisons. The State Highway Fund, which is the largest state special revenue fund, can be used only for highway purposes. It consists primarily of motor fuel taxes, federal grants, vehicle registration fees, and a dedicated portion of sales and use tax. Other examples of special revenue funds are the three state building funds, which are used predominantly for capital improvements; federal funds made available for specific purposes; and the Board of Accountancy Fee Fund, which can be used only to support operations of the Board. The Economic Development Initiatives Fund, the Children's Initiatives Fund, the Kansas Endowment for Youth Fund, and the State Water Plan Fund are special revenue funds. However, these funds function the same as the State General Fund.

Revenue Estimates. The tool used by both the Governor and the Legislature to determine State General Fund revenue is the "consensus revenue estimate" prepared by the Consensus Revenue Estimating Group.

The consensus revenue estimate is important because both the Governor and the Legislature base their budget decisions on it. The estimate is categorized by major source and covers a two-year period: the current year and the budget year. In addition, KSA 75-6701 requires that the Director of the Budget and the Director of the Legislative Research Department certify a joint estimate of State General Fund resources to the Legislature. The revenue estimating process is the source of that estimate.

The Consensus Revenue Estimating Group is composed of representatives of the Division of the Budget, the Department of Revenue, the Legislative Research Department, and one consulting economist each from the University of Kansas, Kansas State University, and Wichita State University. The Director of the Budget serves as unofficial chairperson.

The Consensus Revenue Estimating Group meets each spring and fall. Before December 4 (typically in November) of each year, the group makes its initial estimate for the budget year and revises its estimate for the current year. The results are reported to the Governor, Legislature, and public in a joint memorandum from the Director of Legislative Research and the Director of the Budget. The group meets again before April 20 to review the fall estimate and additional data. The group then publishes a revised estimate which the Legislature may use in adjusting expenditures, if necessary.

The consensus revenue estimate is the official revenue projection for the State General Fund. Estimates of revenues to other funds are prepared by individual state agencies, reviewed by the Division of the Budget, and included in *The Governor's Budget Report*.

The State General Fund consensus revenue estimate for FY 2008 is $5.7 billion, which is subject to revision in April 2007. This estimate and the assumptions upon which it is based are discussed in the State General Fund Revenues section of this volume. A complete discussion of the economy is included in *The Governor's Economic and Demographic Report*. This report is prepared by the Division of the Budget and a Wichita State University economist.

Budget Balancing Mechanisms. This term refers to KSA 75-6701 to 75-6704. The purpose of the law is to ensure an adequate operating balance in the State General Fund. The practical effect of this provision is to target the ending balance in the State General Fund to be at least 7.5 percent of authorized expenditures and demand transfers in the budget year. The statutory provisions were suspended for the first time for FY 2003, and the suspension was continued in FY 2004, FY 2005, and 2006. For FY 2007, the Governor proposed a budget that conformed to the statutory requirement for a 7.5 percent ending balance. However, the 2006 Legislature suspended the requirement once again, approving a budget that left a 7.2 percent ending balance.

The "spending lid" statute requires *The Governor's Budget Report* and actions of the Legislature to comply with its provisions. An "Omnibus Reconciliation Spending Limit Bill" must be the last appropriation bill passed by the Legislature. The purpose of the bill is to reconcile State General Fund expenditures and revenues by reducing expenditures, if necessary, to meet the provisions of the "spending lid."

The final provision of the "spending lid" act allows the Governor to reduce State General Fund expenditures in the current fiscal year, when the Legislature is not in session, by an amount not to exceed that necessary to retain an ending balance in the State General Fund of $100.0 million. The Governor must make the reductions "across the board" by reducing each line item of expenditure by a fixed percentage. The only exceptions are debt service obligations, state retirement contributions for school employees, and transfers to the School District Capital Improvements Fund. The reductions must be approved by the State Finance Council.

In addition to the "spending lid" act, the Governor has the authority under a statutory allotment system to limit expenditures of the State General Fund and special revenue funds when it appears that available monies are not sufficient to satisfy expenditure obligations. This authority applies to agencies of the Executive Branch but not the Legislature or the Judiciary. Allotments can be made on a case-by-case basis and do not have to be across the board. Agencies have the right to appeal any allotment amount and the Governor makes the final determination. The allotment system had not been used for 30 years; however, budget problems in FY 2003 required reductions to be made twice under this law.

Classification of State Spending. The State of Kansas classifies state spending by function of government and by category of expenditure. Function of government is a grouping of agencies which make expenditures for similar programs and purposes. There are six functions of government: general government, human services, education, public safety, agriculture and natural resources, and transportation. Category of expenditure classifies expenditures according to budgeting and accounting objects of expenditure (state operations; aid to local governments; other assistance, grants, and benefits; and capital improvements).

Each of the six functions of government is discussed in a section of this volume. The following is a brief description of each function.

FY 2008 Expenditures by Function

(Dollars in Millions)

	SGF	All Funds
General Government	$ 253.6	$ 723.6
	4.2%	*5.8%*
Human Services	$ 1,401.1	$ 3,946.8
	23.3%	*31.9%*
Education	$ 3,893.7	$ 5,688.9
	64.7%	*45.9%*
Public Safety	$ 408.1	$ 593.2
	6.8%	*4.8%*
Agriculture & Natural Resources	$ 42.5	$ 192.0
	0.7%	*1.5%*
Transportation	$ 16.2	$ 1,245.6
	0.3%	*10.1%*
Total	$ 6,015.1	$ 12,390.1
	100.0%	*100.0%*

Totals may not add because of rounding.

General Government includes state agencies with both administrative and regulatory functions. These agencies include elected officials (the Governor, Secretary of State, etc.) and the Department of Administration. The Board of Nursing, the Kansas Corporation Commission, the Racing and Gaming Commission, and the Department of Revenue are examples of agencies that perform a regulatory function. Other general government agencies include the Legislature and the Judiciary. Approximately 5.8 percent of total expenditures and 4.2 percent of State General Fund expenditures recommended by the Governor for FY 2008 are for General Government.

Agencies in the *Human Services* function provide services to individuals. Such services include the nutrition programs of the Department on Aging; care of the developmentally disabled as well as financial assistance and social services by the Department of Social and Rehabilitation Services; health care programs administered by Kansas Health Policy Authority, services to veterans provided by the Kansas Commission on Veterans Affairs; job training placement assistance provided by the Department of Labor; and Division of Health programs in the Department of Health and Environment. Expenditures recommended for Human Services for FY 2008 constitute 31.9 percent of all recommended expenditures and 23.3 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 45.9 percent of total expenditures for FY 2008 and 64.7 percent of the State General Fund expenditures.

Public Safety agencies ensure the safety and security of Kansas citizens. Agencies in this function include the Department of Corrections and law enforcement agencies. Also included are the Juvenile Justice Authority and the juvenile correctional facilities, the Highway Patrol, and the Kansas Bureau of Investigation. Public Safety expenditures constitute 4.8 percent of the total recommended expenditures for the FY 2008 budget and 6.8 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 2008 expenditures recommended by the Governor constitute 1.5 percent of total expenditures and 0.7 percent of State General Fund expenditures. Agencies included in this function are the Department of Agriculture, the Division of Environment of the Department of Health and Environment, and the Department of Wildlife and Parks.

Transportation includes only the Department of Transportation and bond payments in the Department of Administration. Responsibilities of this agency include maintenance and construction of highways in Kansas. Recommended expenditures constitute 10.1 percent of the total recommended budget for FY 2008 and 0.3 percent of State General Fund expenditures.

Categories of expenditure are based on accounting objects of expenditure. The four general categories are state operations; aid to local governments; other assistance, grants, and benefits; as well as capital improvements. The first three categories constitute what are called operating expenditures.

Following is a brief guide to the general categories of expenditure:

State Operations includes expenditures incurred conducting the day-to-day business of state government. The largest category of these costs is the salaries and wages paid to state employees. Expenditures in this category constitute 30.3 percent of the FY 2008 total budget and 25.6 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 $2,103.4 million for FY 2008. This category constitutes 32.4 percent of the FY 2008 total budget and 53.9 percent of the State General Fund budget.

Other Assistance, Grants, and Benefits constitutes payments to individuals and agencies that are not governments. Medicaid payments, financial aid for postsecondary education, nutrition assistance for mothers and their babies, and temporary assistance for needy families are examples. This category includes 30.3 percent of total expenditures in FY 2008 and 20.1 percent of the State General Fund.

Capital Improvements include highway construction costs as well as the cost of rehabilitation and repair, razing, remodeling, and construction of state-owned buildings and other facilities. Some of these projects are financed by bond issues. The cost of that portion of the debt service payment on bonds that represents the principal is also included in this category. By far the largest portion of the expenditures in this category is highway construction costs. Capital improvement expenditures represent 7.0 percent of total expenditures in FY 2008 and 0.4 percent of State General Fund expenditures. Included in this volume are separate sections on capital improvements and debt service.

FY 2008 Expenditures by Category

(Dollars in Millions)

	SGF	All Funds
State Operations	$ 1,540.2 *25.6%*	$ 3,750.9 *30.3%*
Aid to Local Governments	$ 3,245.1 *53.9%*	$ 4,010.4 *32.4%*
Other Assistance, Grants, & Benefits	$ 1,208.1 *20.1%*	$ 3,756.8 *30.3%*
Capital Improvements	$ 21.7 *0.4%*	$ 872.0 *7.0%*
Total	$ 6,015.1 *100.0%*	$ 12,390.1 *100.0%*

Totals may not add because of rounding.

State Employees. A major part of the state operations category of expenditures is salary and wage payments to employees in the State Civil Service. For FY 2008, 19.2 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 as determined by 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 personnel service includes *regular* full-time and part-time positions. The classified service also includes the following special types of appointments:

Limited Term appointments are made in cases where the position will be eliminated at the end of a predetermined length of time as stipulated in a federal grant or contractual agreement. Except for this time

factor, which means an employee in one of these positions has no layoff rights, limited term appointments are the same as classified positions.

Temporary positions may be either classified or unclassified. Those positions in the classified service require the employee filling the position to work no more than 999 hours in a 12-month period. The unclassified temporary category in the SHARP personnel and payroll system consists of two groups: those that truly are temporary and non-FTE unclassified permanent positions. Positions in the second group are counted as part of the state workforce because they participate in the state retirement system.

The regular unclassified service includes full-time and part-time positions specifically designated as being in the unclassified service. Typically these positions are defined by certain agencies, or types of agencies, for particular purposes. Examples are all employees of the Legislature; teaching, research, student, and health care employees of the Regents institutions; and all employees of the courts. Unclassified positions are governed by rules and regulations of the appointing agencies and are not subject to Civil Service Act rules and regulations.

Children's Budget. KSA 75-3717(a)(2) requires that the Governor include in *The Governor's Budget Report* a listing of all state agency programs that "provide services for children and their families." The information is summarized in the Children's Budget, which includes expenditures from all funding sources and from the State General Fund, by agency and by project; the number of children or families served in each program; and a brief description of each of the agency programs.

Budget Process. Producing a budget is a continuous process. However, it does have certain discrete phases. In the Executive Branch, the budget process begins as soon as the legislative session ends. At that time, the budget staff prepares *The Comparison Report*. This report compares the budget recommended by the Governor for the current and budget fiscal years to the budget approved by the Legislature.

In June, budget instructions are distributed by the Division of the Budget to state agencies. These instructions include allocations that each Executive Branch agency uses in budget preparation and instructions for preparing a capital budget for the budget year based on the approved budget for the current fiscal year, as adjusted for one-time expenditures, caseloads, and the annualization of partial-year funding. Enhancement packages and reduced resource packages are also a part of budget preparation.

On July 1, agencies use the budget instructions to submit a capital budget. The capital budget contains a five-year plan, which includes the capital improvement requests for the current year, the budget year, and four out-years following the budget year.

Concurrent with preparation of financial segments of the agency budget is completion of agency strategic plans that are submitted with the budget in September. Agency strategic plans establish a clear definition of mission and a direction for the future; develop agency-wide work plans and agency-specific objectives as well as strategies for fulfilling the agency mission; and allocate resources according to priority and ensure accountability for the use of those resources. As part of the strategic planning process, agencies identify an agency mission, agency philosophy, goals and objectives, and performance measures to track progress toward the plan.

Agencies are requested to prepare one complete operating budget for submission on September 15. For Executive Branch agencies, the submission is based on an allocation prepared by the Division of the Budget in June. Each Executive Branch budget submission also includes reduced resource packages that detail how the services provided by the agency would be affected under a reduced resource scenario. The Division of the Budget also prepares a reduction amount for these agencies to use in preparing their reduction packages. Agencies may also submit requests for incremental additions to their base budgets in the form of enhancement packages that represent new programs or the expansion of existing ones. All of the budget components are intended to reflect program priorities.

According to law, the Governor cannot make a recommendation with respect to the budget request submitted by the Judiciary. As a matter of policy, the Governor treats the legislative budgets in the same way. Therefore, the Governor includes these budgets as requested to present a complete state budget that

accounts for all budget resources. Modification to the Judiciary and Legislative Branch budgets, if any, is the responsibility of the Legislature.

The individual budgets submitted by state agencies show program expenditures with appropriate funding sources for each program within the agency. These data are shown for the actual fiscal year, the current year, and the budget year. Budget submissions also document performance that relates to the outputs and outcomes identified in the agency's strategic plan. Evaluation of performance provides a means for weighing budget alternatives.

Beginning September 15, analysts in the Division of the Budget review agency budget requests. The Division of the Budget recommendations, based on those analyses, are provided to each state agency by November 10. The agencies then have ten days to determine whether to appeal those recommendations to the Secretary of Administration. Many appeal the recommendations in writing; some also request an appointment to present an oral appeal.

Once the appeal process has been completed, the Division of the Budget staff prepares its presentations for the Governor. An analysis of the difference between the Division of the Budget recommendations and the agency's request, including the effect on performance, is presented to the Governor. The analysis includes the agency's request and the basis for it, the Division of the Budget recommendation and the basis for it, and the agency's appeal, if any. The Governor uses this information to make budget determinations for all Executive Branch agencies. The Division of the Budget then aggregates final recommendations and prepares *The Governor's Budget Report*.

During this same period, between September 15 and commencement of the legislative session in January, the Legislative Research Department's fiscal staff also is analyzing agency 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 analysis and copies are distributed to each legislator.

Consideration by Legislature. The Governor's budget recommendations are drafted into appropriation language by the Office of the Revisor of Statutes. Appropriations are usually divided into three parts: supplemental appropriations, capital improvement appropriations, and budget year expenditure authority for all agencies except biennial agencies, whose expenditure authorizations cover a two-year period. The appropriations are simultaneously considered by the Ways and Means Committee of the Senate and the Appropriations Committee of the House.

The Chairperson of the Ways and Means Committee appoints Senate Subcommittees and the Speaker House Budget Committees to consider appropriations for various agencies. They vary in size; usually between two and nine persons are named to a subcommittee or budget committee. After reviewing the budget requests, the subcommittee or budget committee drafts a report which details all budgetary adjustments to the Governor's budget recommendations. The budget committee or subcommittee report may contain administrative or programmatic recommendations.

The subcommittee or budget committee report is presented to the full committee for consideration. A committee may adjust the recommendations of its subcommittee or budget committee in any area or it may adopt the entire report as submitted. The appropriations are reprinted in order to reflect the recommendations of the full committee. The appropriations are then presented to either the House or Senate, which may amend or reject them.

Conference Committee Action. Upon completion of consideration of the appropriations by both chambers, the bills typically go to a conference committee so that differences between the House and Senate versions can be reconciled. Each chamber then votes to accept or reject this appropriation bill. If either chamber rejects the conference committee report on the appropriation bill, it is returned to the conference committee for further review and for possible modification.

Omnibus Appropriation Bill. Traditionally, this has been the last appropriation bill of the session. It contains any appropriation necessary to carry out the intent of the Legislature that has not yet been included in another appropriation bill. Since the advent of the statutory requirement for an Omnibus Reconciliation Spending Limit Bill to be passed at the end of the

session, the Omnibus Appropriation Bill has served as the reconciliation bill.

State Finance Council. The State Finance Council is a statutory body that provides a mechanism for making certain budgetary and personnel adjustments when the Legislature is not in session. The Council consists of nine members: the Governor, the Speaker of the House, the President of the Senate, 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. Items are eligible to receive Finance Council consideration only if they are characterized as a legislative delegation to the Finance Council. Approval of Finance Council items typically requires the vote of the Governor and a majority of the legislative members.

Present statutes characterize the following items of general application to state agencies as legislative delegations, allowing them to receive Finance Council approval under certain circumstances:

1. Increases in expenditure limitations on special revenue funds and release of State General Fund appropriations.

2. Authorization for state agencies to contract with other state or federal agencies, if the agencies do not already have such authorization.

3. Authorization of expenditures from the State Emergency Fund for purposes enumerated in the statutes.

4. Increases in limitations on positions imposed by appropriation acts on state agencies.

5. Approval of the issuance of certificates of indebtedness to maintain a positive cashflow for the State General Fund.

6. Approval to issue bonds for capital projects when an agency has been granted bonding authority.

Certain other items of limited application are characterized as legislative delegations by individual legislative acts, allowing them to be subject to Finance Council action. The Finance Council cannot appropriate money from the State General Fund, authorize expenditures for a purpose that specifically was rejected by the previous legislative session, or commit future legislative sessions to provide funds for a particular program.

The chart on the next page is intended to capture the essential elements of the budget process on a single page over the course of a complete yearly cycle and to depict the roles and interactions of the primary agencies involved in developing and approving the state budget.

Prepared by the Division of the Budget in cooperation with the Legislative Research Department.

Kansas Budget Cycle

	June	July	August	September	October	November	December	January	February	March	April	May
State Agencies	Prepare 5-year capital improvement plans for submission July 1		Prepare budgets in budget system & submit to Budget Division & Legislative Research							Review budgets & request amendments to update the Governor's recommend-ations		
Governor & Budget Division	Budget Division issues instructions & allocations to agencies in developing budget requests	Budget Division conducts agency budget training, analyzes capital projects, & makes on-site agency visits			Budget staff analyzes agency budget requests & makes preliminary recommendations	Budget Division recommend-ations provided to agencies & agency appeals are heard	Governor develops recommend-ations to the Legislature & Budget Division prepares budget documents	Governor submits *Budget Report* to Legislature by 8th calendar day of the Session (21st day for new Governor)	Budget Division prepares fiscal notes on legislative bills, drafts introduced version of appropriation bills, tracks legislative adjustments to Governor's recommendations, & prepares amendments to Governor's original recommendations for the Omnibus Bill			Budget Division reconciles final budget numbers with legislative fiscal staff & prepares post-session report
Consensus Revenue Estimating Group						Project State General Fund revenues					Project State General Fund revenues	
Legislative Fiscal Staff	Legislative fiscal staff prepares *Fiscal Facts, Appropriations Report,* & works with interim legislative committees				Legislative fiscal staff analyzes agency budget requests, begins to prepare Budget Analysis, & continues to work with interim committees			Fiscal staff analyzes Governor's budget recommend-ations & completes the Budget Analysis	Legislative fiscal staff works with subcommittees & budget committees of Senate Ways & Means & House Appropriations on finalizing the budget		Fiscal staff prepares items for Omnibus Bill consideration & works with Legislature to develop Omnibus Bill	Legislative fiscal staff reconciles final budget numbers with Budget Division & prepares post-session report
Legislature		Legislative interim committees review assigned topics; House Appropriations, Senate Ways & Means, Legislative Post Audit, & State Building Committee tour state (October of odd numbered years)						Subcommittees of House Appropriations & Senate Ways & Means begin review of agency budgets	Appropriations bills are reviewed & acted upon in the House & Senate	Conference Committees resolve differences in appropriations bills	Omnibus Bill considered & acted upon	Legislature adjourns

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

Operating Policies

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

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

Revenue Policies

The state maximizes the use of 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 administrative procedures and liens against property. Persistent delinquencies are pursued through legal proceedings and, after exhausting all remedies, may be referred to a private collection agency.

Cash Management Policies

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

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

Debt Service Policies

The state incurs debt through the issuance of revenue bonds mainly to finance capital improvements, equipment, certain grant programs, and reducing the unfunded liability of the KPERS Fund. The use of debt financing for operating expenses in state government is limited.

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

The most recent issuer credit ratings for the State of Kansas are AA+ by Standard and Poor's and Aa1 by Moody's Corporation. These ratings indicate that the state has a strong capacity to meet its financial commitments. These ratings also reflect the following credit factors: a relatively diverse economic base, conservative fiscal management, and a low debt burden.

Reserve Policy

State law requires an ending balance of at least 7.5 percent of total expenditures in the State General Fund for the Governor's budget recommendations and the legislative-approved budget.

Accounting, Auditing, & Reporting Policies

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

Basis of Budgeting

Revenue

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

Encumbrances

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

Expenditures

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

With debt-financed projects, the debt service is reported, not the cost of the project. The interest portion of capital projects is an operating expense, whereas the principal portion is a capital expense.

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

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

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

Balances

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

Funds that become unencumbered when a cash outlay is made are shown as an addition to the beginning balance of the fiscal year following the year from which the funds were unencumbered, except released encumbrances from the State General Fund are credited to the 27th Payroll Adjustment Account. The effect is to increase available funds; however, reported expenditures in prior fiscal years are not adjusted for the unencumbered amounts.

Budget Preparation

The FY 2008 budget for the State of Kansas was prepared with the intent of maximizing the effectiveness of every tax dollar available for state government operations and the delivery of services.

As the first step in budget preparation, instructions were sent to state agencies in July 2006 on how to produce their requests. Agencies that receive annual appropriations were to prepare a revised FY 2007 budget and a new FY 2008 request. The agencies on a biennial budget cycle were advised to prepare revisions, if necessary, to the FY 2007 budgets and develop budgets for FY 2008 and FY 2009. Executive Branch agencies were given allocation amounts for the State General Fund, the Economic Development Initiatives Fund, and the Children's Initiatives Fund. Agencies were expected to build their base budgets within the amount of funds allocated.

Allocations were based on the approved FY 2007 budget with amounts added to cover increased KPERS rates and to annualize the step movement that was financed for 20 of 26 biweekly payrolls in FY 2007. A small number of other agency-specific amounts were added to cover necessary additional spending, such as debt service on KPERS bonds, debt service on Comprehensive Transportation Program bonds, SRS drug rebates, Department of Corrections health care and medical contracts, and school finance (SB 549). If the FY 2007 approved budget contained one-time spending items, those amounts were deleted from the agency's FY 2008 allocation. No funds were added to allocation amounts to cover inflation, new programs not yet approved by the Legislature, or an FY 2008 salary plan.

Agencies that wished to request funds beyond the amounts allocated were instructed to ask for the funding as an enhancement. Also, selected agencies were directed to submit reduced resource packages that outlined how their regular agency budget request could be cut by 5.0 percent, if it were necessary to do that.

The Legislative and Judicial Branches of government were not given allocations as part of their budget instructions, nor were they expected to submit reduced resource packages. The budget requests of these branches of government are fully included in the Governor's recommendations as they requested, with increases that account for her salary plan.

Regents universities were also not given allocations or expected to submit reduced resource packages. Their FY 2007 State General Fund appropriation came through an operating grant. In their FY 2008 budget request, the universities were instructed to hold State General Fund request to the FY 2007 level.

A few agencies do not receive any allocated funds. Those agencies were expected to submit budget requests that simply continued current services from FY 2007 to FY 2008. Any funds to pay for new services were to be requested as enhancements.

Agency budget requests were due to the Division of the Budget on September 15. The Division used the requests submitted to develop an initial set of recommendations for each agency and distributed those recommendations to agencies on November 10. Written appeals to the initial recommendations were collected by November 20. Oral appeals were heard November 16 and 17.

The Governor developed final recommendations in December after considering the Division of the Budget's initial recommendations, agency appeals, and other factors. The resources used to finance the Governor's recommendations are based on the November 2006 Consensus Revenue Estimate.

Glossary

Appropriation

An amount of money for a particular purpose that an agency is authorized to spend during a fiscal year. In Kansas, the entire amount is available at the start of the fiscal year. Allotments to agencies during the fiscal year are authorized only in emergencies.

Base Budget

A level of expenditure for the forthcoming fiscal year based on the approved budget of the preceding year, as adjusted for the deletion of one-time expenses and the addition of funds to annualize partial year funding in the preceding fiscal year or for caseloads in entitlement programs. The base budget serves as the reference point for enhancements and reduced resource deletions.

Biennial Budget

A budget which plans revenues and expenditures for the two forthcoming fiscal years, rather than one year. The 1994 Legislature enacted legislation requiring fee-funded agencies to submit biennial budgets beginning on September 15, 1994, for FY 1996 and FY 1997. The 2001 Legislature made the budget of the Ethics Commission biennial. All other agencies submit annual requests.

Budget

A plan of operation, including an estimate of proposed expenditures and the means to finance them, to meet the needs of the public.

Capital Improvements

Projects involving new construction, acquisition, remodeling, rehabilitation and repair, razing, and the principal portion of debt service for a capital expense. The interest portion is an operating expense.

Classified Temporary Positions

An appointment not exceeding 999 hours of employment in a 12-month period. Temporary positions do not count toward the agency's FTE position limitation. Employees in these positions do not receive fringe benefits.

Decrements

The decremental decrease in expenditures or positions, or both, to reduce or delete a service or program, primarily when revenues are insufficient to continue support at the base budget level.

Enhancements

The incremental increase in expenditures or positions to expand a service or program or provide a new one.

Expenditure

The actual payment of money out of any state fund or the commitment to make such a payment in the form of an encumbrance, either firm or contingent.

Expenditure Limitation

A limitation placed on expenditures that can be made from a special revenue fund.

Expenditures, Non-Reportable

Disbursements that do not result in a net reduction of statewide assets. An example is a refund, where an agency is reimbursed for an item. Also non-reportable are certain "off budget" expenditures, most occurring in the Department of Administration. For example, dollars are spent in many state agencies' budgets for printing services provided by the Division of Printing. Those dollars are spent again for the salaries, utilities, equipment, paper supplies, and other operating costs of the Printing Plant. To avoid reporting expenditures twice, the agencies' printing costs are treated as reportable and the Printing Plant's are non-reportable.

Fiscal Year

A 12-month period beginning July 1 and ending June 30 of the following year that is used as the state budget, accounting, and appropriation period.

Fringe Benefits

State expenditures for retirement, social security, workers compensation, unemployment insurance, state leave payment assessment upon retirement (including sick and annual leave), and group health insurance.

Full-Time Equivalent (FTE) Positions

State employee positions that are permanent and either full-time or part-time but mathematically equated to full-time, e.g., two half-time positions equal one full-time position. Limited term positions are included in the limitation. Teaching positions contracted for nine or more months are considered 1.00 FTE position.

Functions of Government

The six classifications into which similar agencies are grouped to reflect the basic purposes of state government: General Government, Human Services, Education, Public Safety, Agriculture and Natural Resources, and Transportation (see the Primer).

Fund

A fund is a basic unit of classification in both the budget process and the accounting system for agency monies. Fund names and numbers are included in the Division of Accounts and Reports' *Central Chart of Accounts*, which lists every active fund by agency.

Holiday Pay

Payments to employees working on a legal holiday, such as certain personnel in correctional facilities or state hospitals, who receive additional compensation at the rate of one and one-half times the regular rate of pay. The additional pay may be given in the form of wages or compensatory time credits.

Lapse

That portion of an appropriation not spent or reappropriated. A lapsed appropriation reverts to the fund from which it was made and becomes part of the unappropriated balance. At the end of the fiscal year, State General Fund appropriations automatically lapse unless specific authorization reappropriates the funds.

Line-Item Appropriation

An appropriation of funds made by the Legislature for a specific purpose. The purpose could be limited to a specific item, such as equipment, or more generally to a category of expenditure or a program.

Longevity

Bonus payments made to eligible state employees based on $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, which may vary depending on the type of position. A normal work period is 40 hours per week. However, law enforcement and firefighters have a different work week.

Performance Budgeting

A budgeting process that uses strategic plans and performance measures to distribute available financial resources to accomplish goals and objectives. Outcome measures gauge the ultimate effect of programs on the problems or conditions they are intended to affect. Output measures indicate the level of resource input or intermediate agency work effort. Efficiency measures compare input to output.

Position Classification Actions

An "individual position" action, approved by Personnel Services, to change the classification from an existing class to a different one at the same or a different pay grade or a "classification study" action to redefine the work in a class or a class series, reassign pay grades, or establish new classes at the same or a different pay grade.

Program

A set of related operations that follows a planned course of action to achieve a specified purpose and set of objectives. Programs classify agency services and provide a framework for resource allocation decisions.

Reappropriation

Funds remaining unexpended or unencumbered at the end of the current fiscal year that are carried over to the next fiscal year. Expenditures that can be made by an agency from such reappropriated funds may or may not be limited.

Shift Differential

An additional amount per hour, either a flat dollar amount or a percentage increase, paid to certain classified employees who work shifts other than the normal day shift.

Shrinkage

The difference, expressed as a percentage, between the cost of fully funding salaries and wages in a budget, assuming all positions are filled all the time, and actual salary costs, taking vacancies into account.

Supplemental Appropriation

An appropriation made to finance the operations of state government during the current fiscal year in addition to regular appropriations already approved. Supplemental appropriations are considered where a shortage of funds is anticipated as a result of an emergency or unforeseen occurrence.

Total Positions

The sum of FTE positions and non-FTE unclassified permanent positions, representing a complete reporting of positions constituting the state workforce.

Transfer (Demand)

Funds transferred annually from the State General Fund to a special revenue fund in accordance with a formula in statute but treated as expenditures from the State General Fund. By FY 2004, all of them had been converted to revenue transfers with the amount of the transfers determined through the appropriations process. However, the 2006 Legislature passed legislation to make the School District Capital Outlay State Aid Fund a demand transfer.

Transfer (Revenue)

Authority in appropriation bills "relocating" all or part of the unencumbered balance in a fund to another fund prior to expenditure. The Governor proposed and the Legislature approved conversion of all State General Fund demand transfers to revenue transfers through the appropriation process.

Schedules

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 non-reportable expenditure, such as payroll.

Correctional Institutions Building Fund

A fund for financing capital improvements at state correctional facilities. Income is derived from a transfer of 10.0 percent of the State Gaming Revenues Fund, with an annual maximum of $4,992,000.

Economic Development Initiatives Fund

A fund for financing economic activities that receives revenues from lottery activities. Most monies are appropriated directly from this fund to various agencies. However, with the KEOIF fund in the Department of Commerce, EDIF monies are transferred to and spent out of it.

Educational Building Fund

A fund for constructing, equipping, and repairing buildings at state universities. Income is derived from a one-mill, statewide levy on property subject to ad valorem taxation.

Employment Security Fund

The fund from which unemployment benefits are paid. Deposits consist of employer taxes, contributions, fines, and penalties levied on employers for unemployment benefits; federal grants for federal employees, former military personnel, and extended benefits; and interest earned on unemployment trust funds deposited in the U.S. Treasury.

Enterprise Funds

Funds that account for charges for services, usually of a commercial nature, rendered to the public for compensation. An example is accounting for dormitory operations at state universities.

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 non-reportable funds, goods and services are charged to, and paid by, the recipient agency.

Juvenile Detention Facilities Fund

A fund financing facilities or programs that provide an alternative to the detention of juveniles in local jails. The fund is capitalized by a transfer of 5.0 percent of the revenues to the State Gaming Revenues Fund and 20.0 percent of the collections from the reinstatement of driver's licenses.

KEY Fund

The Kansas Endowment for Youth (KEY) Fund, which was created by the 1999 Legislature, is a trust fund in which all the tobacco settlement proceeds are deposited. The fund is invested and managed by the Kansas Public Employees Retirement System. Administrative expenditures for the Children's Cabinet can also be made from the fund.

Retirement Funds

Employee retirement funds managed by the Kansas Public Employees Retirement System. Employees of participating governments at the state and local levels are eligible to receive retirement benefits from these funds, which are financed by investment earnings and employer and employee contributions.

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 is a clearing fund that disburses receipts from lottery sales in accordance with a statutorily-prescribed formula. Of all receipts to the fund, a specific amount is designated for the Problem Gambling Grant Fund. Of the amount remaining, 85.0 percent is transferred to the Economic Development Initiatives Fund, 10.0 percent to the Correctional Institutions Building Fund, and 5.0 percent to the Juvenile Detention Facilities Fund. Revenues in excess of the statutory formula go to the State General Fund.

State General Fund

A fund for revenues not dedicated for special purposes. It is used to finance government operations not provided for by special revenue funds. The principal revenue sources for the State General Fund include individual and corporate income taxes, sales and compensating use taxes, severance and other excise taxes, the estate tax, and interest earnings.

State Institutions Building Fund

A fund established in the *Kansas Constitution* for constructing, equipping, and repairing buildings at the state mental institutions under SRS, the juvenile correctional facilities under the Juvenile Justice Authority, the Schools for the Deaf and Blind under the Department of Education, and the veterans homes and cemeteries. Income is derived from a one-half mill, statewide levy on property subject to ad valorem taxation.

State Water Plan Fund

A fund establishing a dedicated source of funding to provide for the water resource needs of the state. The fund is authorized by law to receive a $6.0 million transfer from the State General Fund and a $2.0 million transfer from the Economic Development Initiatives Fund. Other receipts come from fees charged to water users, pesticide label fees, fertilizer use fees, and environmental fines.

Trust & Agency Funds

Funds containing monies received, held, and disbursed by the state acting as a trustee, agent, or custodian. These are monies collected by the state as agent and disbursed to other governments and individuals. Examples include inmate or patient benefit funds and the KPERS Fund.

Schedules 1.1—6.2—Summary of Expenditures present expenditures first by Category of Expenditure, then by Fund, as follows:

	All Funding Sources	State General Fund
Expenditure Summaries	1.1	1.2
Total Expenditures by Agency	2.1	2.2
State Operations	3.1	3.2
Aid to Local Governments	4.1	4.2
Other Assistance, Grants, and Benefits	5.1	5.2
Capital Improvements	6.1	6.2

In each case, a "1" after the decimal point (as in 1.1) indicates funding from all funding sources (State General Fund plus special revenue funds) and a "2" (as in 1.2) indicates State General Fund only. In only one category, "Total Expenditures by Agency," are there schedules beyond "2." In this category, there are 2.3 for the Children's Initiatives Fund, 2.4 for the EDIF, and 2.5 for the State Water Plan Fund. All of the schedules contain actual expenditure information for FY 2006, the estimates of the Governor for the current fiscal year, and the recommendations of the Governor for the budget year. The Base Budget column shows amounts requested by Executive Branch agencies in their budget submission in keeping with allocations developed by the Division of the Budget. The Enhancement column represents agency requests for new or expanded expenditure authority.

Legislative agencies and the Judiciary are not subject to the allocation process. Therefore, the Base Budget column for them represents the request they submitted unconstrained by the financial resources of the state. Consistent with the practice of not making a recommendation concerning these budgets, by law for the Judiciary and by policy for the legislative agencies, the "FY 2008 Gov. Rec." column represents the budgets requested by these agencies, adjusted only for implementation of a pay plan and for increases to longevity bonuses for all state agencies.

Non-expense items are not counted as reportable expenditures in the state budget. These are expenditures without an effect on an agency's budget, such as expenses for supplies that are subsequently reimbursed. Adding them into an agency's expenditure totals would overstate the true cost of government operations.

Schedule 1.1--Expenditures Statewide from All Funding Sources

	FY 2006 Actual	FY 2007 Gov. Estimate	FY 2008 Base Budget	FY 2008 Enhance. Pkg.	FY 2008 Gov. Rec.
Summary of State Expenditures					
State Operations	3,420,903,225	3,662,015,020	3,605,564,063	194,078,649	3,750,892,245
Aid to Local Governments	3,576,920,173	3,815,588,683	3,947,159,177	39,075,237	4,010,438,663
Other Assistance	3,435,148,293	3,621,806,148	3,633,237,397	133,250,037	3,756,847,086
Subtotal--Operating Expenditures	**$10,432,971,691**	**$11,099,409,851**	**$11,185,960,637**	**$366,403,923**	**$11,518,177,994**
Capital Improvements	999,750,762	1,272,190,260	866,015,811	41,430,347	871,967,560
Total Expenditures	**$11,432,722,453**	**$12,371,600,111**	**$12,051,976,448**	**$407,834,270**	**$12,390,145,554**
Expenditures by Object					
Salaries & Wages	2,191,880,301	2,287,932,866	2,299,411,259	50,369,002	2,375,719,264
Contractual Services	837,316,240	911,024,956	866,026,415	78,703,295	894,114,916
Commodities	165,423,233	188,576,191	179,981,326	2,536,362	181,141,926
Capital Outlay	125,087,763	144,116,353	112,651,114	25,232,687	122,329,703
Debt Services	101,195,688	129,468,582	147,493,949	67,651	147,586,436
Operating Adjustments	--	896,072	--	37,169,652	30,000,000
Subtotal--State Operations	**$3,420,903,225**	**$3,662,015,020**	**$3,605,564,063**	**$194,078,649**	**$3,750,892,245**
Aid to Local Governments	3,576,920,173	3,815,588,683	3,947,159,177	39,075,237	4,010,438,663
Other Assistance	3,435,148,293	3,621,806,148	3,633,237,397	133,250,037	3,756,847,086
Subtotal--Operating Expenditures	**$10,432,971,691**	**$11,099,409,851**	**$11,185,960,637**	**$366,403,923**	**$11,518,177,994**
Capital Improvements	999,750,762	1,272,190,260	866,015,811	41,430,347	871,967,560
Total Expenditures	**$11,432,722,453**	**$12,371,600,111**	**$12,051,976,448**	**$407,834,270**	**$12,390,145,554**
Expenditures by Fund Class					
State General Fund	5,139,422,161	5,586,090,229	5,735,717,768	287,850,244	6,015,090,436
Water Plan	16,332,188	25,604,812	21,064,515	(112,423)	22,582,327
EDIF	39,022,441	39,264,323	38,332,636	3,361,923	37,060,745
Children's Initiatives Fund	49,374,209	47,473,654	46,621,081	--	47,721,081
State Highway Fund	1,346,469,400	1,608,987,566	1,213,382,252	9,068,720	1,217,758,761
Educational Building Fund	27,136,349	40,098,388	30,415,000	--	30,415,000
State Institutions Building Fund	15,233,752	16,508,039	14,099,767	1,580,142	14,444,022
Correctional Building Fund	4,986,616	6,472,870	5,006,867	--	4,992,000
Other Funds	4,794,745,337	5,001,100,230	4,947,336,562	106,085,664	5,000,081,182
Total Expenditures	**$11,432,722,453**	**$12,371,600,111**	**$12,051,976,448**	**$407,834,270**	**$12,390,145,554**

Schedule 1.2--State Expenditures from the State General Fund

	FY 2006 Actual	FY 2007 Gov. Estimate	FY 2008 Base Budget	FY 2008 Enhance. Pkg.	FY 2008 Gov. Rec.
Salaries & Wages	1,046,452,814	1,116,521,838	1,124,904,182	42,978,787	1,162,082,974
Other Operating Expenditures	296,313,063	325,103,977	326,342,659	105,854,877	378,134,038
Subtotal--State Operations	**$ 1,342,765,877**	**$ 1,441,625,815**	**$ 1,451,246,841**	**$ 148,833,664**	**$ 1,540,217,012**
Aid to Local Governments	2,765,740,960	3,024,852,172	3,180,986,751	27,616,141	3,245,078,133
Other Assistance	1,015,057,686	1,100,196,478	1,081,171,506	78,442,112	1,208,119,980
Subtotal--Operating Expenditures	**$ 5,123,564,523**	**$ 5,566,674,465**	**$ 5,713,405,098**	**$ 254,891,917**	**$ 5,993,415,125**
Capital Improvements	15,857,638	19,415,764	22,312,670	32,958,327	21,675,311
Total Expenditures	**$ 5,139,422,161**	**$ 5,586,090,229**	**$ 5,735,717,768**	**$ 287,850,244**	**$ 6,015,090,436**
State Operations					
General Government	191,284,227	223,503,126	236,733,982	7,119,025	247,473,296
Human Services	197,957,641	222,060,625	217,172,756	60,454,481	242,530,319
Education	621,483,924	645,004,511	641,412,447	39,106,249	673,123,437
Public Safety	305,209,806	318,478,199	324,278,476	36,589,207	339,608,183
Agriculture & Natural Resources	26,830,279	32,579,354	31,649,180	5,564,702	37,481,777
Subtotal--State Operations	**$ 1,342,765,877**	**$ 1,441,625,815**	**$ 1,451,246,841**	**$ 148,833,664**	**$ 1,540,217,012**
Aid to Local Governments					
General Government	655,264	481,474	296,124	2,400,000	2,196,124
Human Services	18,067,373	21,444,460	21,422,223	585,216	22,658,223
Education	2,714,234,950	2,969,848,191	3,128,295,403	14,369,273	3,186,748,050
Public Safety	32,783,373	33,078,047	30,973,001	6,622,763	31,973,001
Agriculture & Natural Resources	--	--	--	3,638,889	1,502,735
Subtotal--Aid to Local Governments	**$ 2,765,740,960**	**$ 3,024,852,172**	**$ 3,180,986,751**	**$ 27,616,141**	**$ 3,245,078,133**
Other Assistance					
General Government	5,578,129	8,173,942	7,335,241	1,465,691	9,885,241
Human Services	956,765,372	1,035,808,152	1,021,897,666	67,615,470	1,135,746,140
Education	26,143,975	27,714,334	26,396,348	1,831,267	30,696,348
Public Safety	26,565,034	28,188,550	25,230,751	7,529,684	31,280,751
Agriculture & Natural Resources	5,176	311,500	311,500	--	511,500
Subtotal--Other Assistance	**$ 1,015,057,686**	**$ 1,100,196,478**	**$ 1,081,171,506**	**$ 78,442,112**	**$ 1,208,119,980**
Capital Improvements					
General Government	4,297,343	3,234,015	10,217,919	13,617,690	10,217,919
Human Services	171,891	111,290	116,248	--	116,248
Education	4,824,315	3,698,598	3,031,190	18,554,786	3,142,190
Public Safety	5,815,639	6,711,134	5,172,313	785,851	5,223,954
Agriculture & Natural Resources	748,450	5,660,727	3,775,000	--	2,975,000
Subtotal--Capital Improvements	**$ 15,857,638**	**$ 19,415,764**	**$ 22,312,670**	**$ 32,958,327**	**$ 21,675,311**
Total Expenditures	**$ 5,139,422,161**	**$ 5,586,090,229**	**$ 5,735,717,768**	**$ 287,850,244**	**$ 6,015,090,436**

Schedule 2.1--Expenditures from All Funding Sources by Agency

	FY 2006 Actual	FY 2007 Gov. Estimate	FY 2008 Base Budget	FY 2008 Enhance. Pkg.	FY 2008 Gov. Rec.
General Government					
Department of Administration	38,457,205	47,519,906	57,073,615	16,525,999	59,778,591
Kansas Corporation Commission	19,245,599	19,711,521	19,604,669	588,940	21,276,720
Citizens Utility Ratepayer Board	708,545	762,967	745,006	35,274	796,792
Kansas Human Rights Commission	1,983,012	2,075,915	2,173,981	--	2,237,315
Board of Indigents Defense Services	18,684,109	22,778,435	21,902,007	1,034,907	23,335,126
Health Care Stabilization	29,186,032	34,384,378	34,264,628	--	34,299,904
Kansas Public Employees Retirement Sys.	40,968,353	43,368,947	44,315,339	1,938,175	46,443,946
Department of Commerce	101,802,583	109,361,663	102,551,973	1,162,500	108,673,261
Kansas Technology Enterprise Corporation	15,075,748	14,111,637	13,741,637	750,000	13,676,238
Kansas, Inc.	519,338	725,475	588,101	120,000	622,789
Kansas Lottery	52,938,982	55,462,452	56,893,632	172,000	57,198,530
Kansas Racing & Gaming Commission	5,602,065	5,880,777	5,250,027	765,700	6,110,318
Department of Revenue	91,098,325	93,512,621	93,936,603	548,508	96,653,824
Board of Tax Appeals	1,674,189	1,908,698	1,997,431	125,000	2,164,831
Abstracters Board of Examiners	19,807	21,719	21,797	--	21,797
Board of Accountancy	247,626	321,537	291,984	10,250	307,990
Banking Department	6,887,418	8,087,164	7,534,264	376,980	8,135,989
Board of Barbering	135,702	135,722	135,594	--	138,897
Behavioral Sciences Regulatory Board	506,740	583,477	594,001	--	608,368
Board of Cosmetology	725,516	768,363	767,671	--	754,994
Department of Credit Unions	929,980	946,480	891,767	11,000	930,288
Kansas Dental Board	311,337	373,847	370,184	--	375,548
Governmental Ethics Commission	600,193	671,065	641,550	--	659,110
Board of Healing Arts	2,589,308	2,775,746	2,765,429	236,470	3,040,437
Hearing Instruments Board of Examiners	26,454	27,737	28,111	--	28,394
Board of Mortuary Arts	220,214	287,914	260,975	--	267,525
Board of Nursing	1,533,432	1,601,405	1,612,358	75,333	1,723,824
Board of Examiners in Optometry	78,485	122,627	128,774	--	130,537
Board of Pharmacy	603,510	665,211	645,420	134,148	742,043
Real Estate Appraisal Board	268,709	281,747	279,411	32,800	317,410
Kansas Real Estate Commission	839,406	1,085,389	913,087	10,310	946,817
Office of the Securities Commissioner	2,776,917	3,333,869	2,571,879	133,504	2,789,400
Board of Technical Professions	507,836	631,268	553,620	--	563,263
Board of Veterinary Examiners	267,980	280,897	272,592	--	278,553
Office of the Governor	12,631,804	15,017,043	13,855,429	--	15,643,846
Office of the Lieutenant Governor	158,606	215,078	195,243	--	216,415
Attorney General	16,557,662	16,923,157	17,034,699	1,402,372	17,272,568
Insurance Department	21,953,312	23,171,871	23,815,557	--	23,470,744
Secretary of State	22,041,398	5,696,252	5,725,097	2,500,000	7,825,181
State Treasurer	13,459,694	14,244,046	13,560,255	50,000	15,217,045
Legislative Coordinating Council	672,292	1,150,127	849,266	--	877,484
Legislature	13,919,933	15,969,514	16,166,503	--	16,471,712
Legislative Research Department	3,023,132	3,266,679	3,243,037	--	3,356,647
Legislative Division of Post Audit	2,405,851	2,587,336	2,668,082	--	2,746,963
Revisor of Statutes	2,643,798	3,017,540	3,488,260	--	3,586,933
Judiciary	109,746,285	114,573,003	115,498,176	3,647,276	119,576,977
Judicial Council	431,758	1,019,706	1,286,851	--	1,305,586
Total--General Government	**$ 657,666,180**	**$ 691,419,928**	**$ 693,705,572**	**$ 32,387,446**	**$ 723,597,470**
Human Services					
Social & Rehabilitation Services	1,286,506,848	1,408,392,078	1,364,497,482	116,212,550	1,449,635,178
Kansas Neurological Institute	27,103,927	27,307,171	27,459,488	238,100	28,348,581
Larned State Hospital	45,516,896	51,175,154	51,300,758	1,653,683	53,305,441
Osawatomie State Hospital	23,469,333	23,311,943	23,186,115	2,534,720	25,201,626

Schedule 2.1--Expenditures from All Funding Sources by Agency

	FY 2006 Actual	FY 2007 Gov. Estimate	FY 2008 Base Budget	FY 2008 Enhance. Pkg.	FY 2008 Gov. Rec.
Parsons State Hospital & Training Center	23,038,103	23,220,126	23,341,934	1,212,700	23,894,598
Rainbow Mental Health Facility	7,864,087	7,744,171	7,665,961	759,672	8,335,931
Subtotal--SRS	**$ 1,413,499,194**	**$ 1,541,150,643**	**$ 1,497,451,738**	**$122,611,425**	**$ 1,588,721,355**
Administration--Health Policy & Finance	1,310,694,185	--	--	--	--
Kansas Health Policy Authority	423,744	1,318,833,477	1,356,718,622	33,323,642	1,389,753,915
Department on Aging	420,571,913	464,059,204	465,246,033	24,243,300	473,333,252
Health & Environment--Health	144,207,061	155,370,273	147,017,562	5,687,981	149,281,733
Department of Labor	288,043,647	290,198,490	316,128,265	355,876	317,513,291
Commission on Veterans Affairs	17,735,422	22,789,671	26,379,516	377,333	26,893,720
Kansas Guardianship Program	1,055,180	1,226,276	1,225,896	47,945	1,295,791
Total--Human Services	**$ 3,596,230,346**	**$ 3,793,628,034**	**$ 3,810,167,632**	**$186,647,502**	**$ 3,946,793,057**
Education					
Department of Education	3,081,762,670	3,306,984,616	3,477,561,798	3,666,765	3,513,737,199
School for the Blind	5,802,982	5,716,854	5,680,613	151,612	5,929,285
School for the Deaf	10,524,508	9,653,169	8,985,760	1,180,193	9,285,931
Subtotal--Department of Education	**$ 3,098,090,160**	**$ 3,322,354,639**	**$ 3,492,228,171**	**$ 4,998,570**	**$ 3,528,952,415**
Board of Regents	200,442,845	230,094,071	239,274,675	50,534,934	283,733,449
Emporia State University	68,093,797	74,280,967	72,282,665	425,036	72,891,577
Fort Hays State University	75,940,990	77,978,562	79,092,197	708,000	79,469,945
Kansas State University	447,017,729	477,338,926	475,586,796	515,000	480,136,184
Kansas State University--ESARP	114,419,655	131,841,857	132,398,188	--	134,053,672
KSU--Veterinary Medical Center	32,441,449	35,882,441	32,357,988	100,000	32,905,803
Pittsburg State University	76,751,585	83,047,489	84,700,212	3,730,000	85,309,810
University of Kansas	521,170,882	548,925,572	529,108,843	5,100,000	539,568,166
University of Kansas Medical Center	233,452,075	247,809,758	235,969,885	7,233,000	239,373,307
Wichita State University	188,756,967	194,576,300	189,091,260	--	193,281,328
Subtotal--Regents	**$ 1,958,487,974**	**$ 2,101,775,943**	**$ 2,069,862,709**	**$ 68,345,970**	**$ 2,140,723,241**
Kansas Arts Commission	2,059,135	2,204,060	2,049,459	100,000	2,166,579
Historical Society	9,143,858	10,791,768	9,157,969	1,686,302	9,670,925
State Library	6,611,576	7,862,204	7,187,513	828,704	7,414,812
Total--Education	**$ 5,074,392,703**	**$ 5,444,988,614**	**$ 5,580,485,821**	**$ 75,959,546**	**$ 5,688,927,972**
Public Safety					
Department of Corrections	117,072,871	127,820,757	130,566,325	28,470,759	140,323,389
El Dorado Correctional Facility	22,618,948	22,819,813	22,904,732	580,465	23,697,187
Ellsworth Correctional Facility	11,968,659	11,746,110	11,660,010	603,091	12,192,415
Hutchinson Correctional Facility	27,181,408	27,340,304	27,150,836	763,472	28,229,552
Lansing Correctional Facility	35,526,683	35,549,314	35,253,459	1,852,620	36,592,077
Larned Correctional Mental Health Facility	8,785,000	9,098,275	9,027,021	132,792	9,340,727
Norton Correctional Facility	13,785,974	13,663,725	13,617,985	568,563	14,135,853
Topeka Correctional Facility	12,589,226	12,869,823	12,569,179	585,289	12,995,384
Winfield Correctional Facility	11,929,818	12,409,940	11,722,619	221,523	12,111,594
Subtotal--Corrections	**$ 261,458,587**	**$ 273,318,061**	**$ 274,472,166**	**$ 33,778,574**	**$ 289,618,178**
Juvenile Justice Authority	65,230,013	70,192,964	69,931,385	18,318,334	81,396,752
Atchison Juvenile Correctional Facility	6,720,871	5,927,083	6,020,336	--	6,073,557
Beloit Juvenile Correctional Facility	4,650,720	4,245,483	4,109,333	--	4,164,957
Kansas Juvenile Correctional Complex	15,484,136	15,358,980	15,681,201	--	15,848,905
Larned Juvenile Correctional Facility	8,493,627	8,249,866	8,351,663	--	8,457,569
Subtotal--Juvenile Justice	**$ 100,579,367**	**$ 103,974,376**	**$ 104,093,918**	**$ 18,318,334**	**$ 115,941,740**
Adjutant General	84,376,101	89,507,705	43,120,919	27,401,113	60,470,376
Emergency Medical Services Board	1,412,455	1,900,695	1,460,850	256,303	1,688,966
State Fire Marshal	3,666,511	4,924,099	4,217,121	313,759	4,573,597

Schedule 2.1--Expenditures from All Funding Sources by Agency

	FY 2006 Actual	FY 2007 Gov. Estimate	FY 2008 Base Budget	FY 2008 Enhance. Pkg.	FY 2008 Gov. Rec.
Highway Patrol	97,849,580	92,475,705	80,795,126	2,282,464	83,746,651
Kansas Bureau of Investigation	24,498,433	30,278,212	25,806,305	5,936,747	26,525,201
Kansas Parole Board	451,845	490,701	486,737	15,100	517,741
Sentencing Commission	9,231,223	9,544,216	9,950,088	167,107	10,146,396
Total--Public Safety	**$ 583,524,102**	**$ 606,413,770**	**$ 544,403,230**	**$ 88,469,501**	**$ 593,228,846**
Agriculture & Natural Resources					
Department of Agriculture	23,123,519	27,279,786	25,049,571	1,915,801	26,900,970
Animal Health Department	2,661,042	2,749,137	2,585,079	214,403	2,680,880
State Conservation Commission	10,080,372	19,462,046	15,816,048	2,931,914	17,908,933
Health & Environment--Environment	63,039,385	68,518,595	65,828,820	3,896,539	67,758,851
Kansas State Fair	6,467,180	9,157,101	6,596,831	839,343	6,859,640
Kansas Water Office	6,619,853	10,675,612	11,529,376	807,455	12,339,594
Department of Wildlife & Parks	49,075,355	61,298,222	54,547,641	4,696,100	57,512,005
Total--Agriculture & Natural Resources	**$ 161,066,706**	**$ 199,140,499**	**$ 181,953,366**	**$ 15,301,555**	**$ 191,960,873**
Transportation					
Department of Administration	--	4,992,724	16,151,075	--	16,151,075
Kansas Department of Transportation	1,359,842,416	1,631,016,542	1,225,109,752	9,068,720	1,229,486,261
Total--Transportation	**$ 1,359,842,416**	**$ 1,636,009,266**	**$ 1,241,260,827**	**$ 9,068,720**	**$ 1,245,637,336**
Total Expenditures	**$11,432,722,453**	**$12,371,600,111**	**$12,051,976,448**	**$407,834,270**	**$12,390,145,554**

Schedule 2.2--Expenditures from the State General Fund by Agency

	FY 2006 Actual	FY 2007 Gov. Estimate	FY 2008 Base Budget	FY 2008 Enhance. Pkg.	FY 2008 Gov. Rec.
General Government					
Department of Administration	27,736,024	36,787,785	48,276,253	16,525,999	50,958,020
Kansas Corporation Commission	--	--	175,000	--	1,177,742
Kansas Human Rights Commission	1,614,305	1,757,453	1,690,256	--	1,748,510
Board of Indigents Defense Services	17,867,016	22,053,435	21,702,007	1,034,907	22,735,126
Kansas Public Employees Retirement System	3,213,180	3,511,748	3,214,217	--	3,214,217
Department of Commerce	230,686	4,462,987	460,515	--	616,671
Kansas Technology Enterprise Corporation	--	275,000	--	--	--
Kansas, Inc.	--	25,000	--	--	--
Kansas Racing & Gaming Commission	--	39,829	--	--	--
Department of Revenue	20,425,436	20,479,458	20,398,851	173,267	21,117,317
Board of Tax Appeals	1,364,436	1,482,559	1,574,431	158,000	1,664,296
Governmental Ethics Commission	473,562	526,740	522,415	--	539,975
Office of the Governor	2,271,834	4,012,856	4,015,763	--	5,788,810
Office of the Lieutenant Governor	158,606	215,078	195,243	--	216,415
Attorney General	5,889,558	5,410,711	5,195,831	595,631	5,339,276
Secretary of State	528,432	195,087	--	2,500,000	2,000,000
State Treasurer	--	50,000	--	50,000	1,049,263
Legislative Coordinating Council	672,292	1,150,127	849,266	--	877,484
Legislature	13,826,803	15,800,744	16,081,503	--	16,386,712
Legislative Research Department	2,943,938	3,202,051	3,243,037	--	3,356,647
Legislative Division of Post Audit	2,405,851	2,587,336	2,668,082	--	2,746,963
Revisor of Statutes	2,643,798	3,017,540	3,488,260	--	3,586,933
Judiciary	97,549,206	103,356,309	104,681,261	3,564,602	108,501,128
Total--General Government	**$ 201,814,963**	**$ 230,399,833**	**$ 238,432,191**	**$ 24,602,406**	**$ 253,621,505**
Human Services					
Social & Rehabilitation Services	493,406,246	542,355,961	553,848,780	91,642,018	607,827,673
Kansas Neurological Institute	12,021,011	12,340,278	12,492,595	238,100	13,313,325
Larned State Hospital	33,772,290	39,741,197	39,866,801	1,653,683	41,871,484
Osawatomie State Hospital	10,402,348	9,743,729	9,617,901	2,534,720	11,619,198
Parsons State Hospital & Training Center	8,591,810	8,865,128	8,986,936	601,540	9,539,600
Rainbow Mental Health Facility	4,141,982	4,057,197	3,978,987	759,672	4,593,937
Subtotal--SRS	**$ 562,335,687**	**$ 617,103,490**	**$ 628,792,000**	**$ 97,429,733**	**$ 688,765,217**
Administration--Health Policy & Finance	420,635,323	--	--	--	--
Kansas Health Policy Authority	423,744	443,403,541	417,193,416	14,264,273	489,339,735
Department on Aging	160,424,041	180,022,435	180,293,481	10,975,418	186,350,601
Health & Environment--Health	19,772,179	28,867,685	24,363,187	5,333,589	25,785,231
Department of Labor	382,252	518,202	369,814	226,876	671,498
Commission on Veterans Affairs	7,933,871	8,282,898	8,371,099	377,333	8,842,857
Kansas Guardianship Program	1,055,180	1,226,276	1,225,896	47,945	1,295,791
Total--Human Services	**$ 1,172,962,277**	**$ 1,279,424,527**	**$ 1,260,608,893**	**$ 128,655,167**	**$ 1,401,050,930**
Education					
Department of Education	2,594,125,673	2,833,563,674	2,993,826,227	2,827,777	3,035,263,020
School for the Blind	4,989,545	5,169,531	5,198,322	68,349	5,363,731
School for the Deaf	8,052,468	8,431,647	8,444,105	627,903	8,739,276
Subtotal--Department of Education	**$ 2,607,167,686**	**$ 2,847,164,852**	**$ 3,007,468,654**	**$ 3,524,029**	**$ 3,049,366,027**
Board of Regents	149,645,607	173,332,536	169,165,998	49,963,604	220,669,945
Emporia State University	32,608,168	33,368,654	33,123,789	425,036	33,123,789
Fort Hays State University	33,473,276	34,223,134	34,206,668	708,000	34,206,668
Kansas State University	109,596,494	110,956,096	110,956,096	515,000	110,956,096
Kansas State University--ESARP	51,253,277	51,957,479	51,957,479	--	52,257,479
KSU--Veterinary Medical Center	10,529,658	10,722,664	10,722,664	100,000	10,822,664

Schedule 2.2--Expenditures from the State General Fund by Agency

	FY 2006 Actual	FY 2007 Gov. Estimate	FY 2008 Base Budget	FY 2008 Enhance. Pkg.	FY 2008 Gov. Rec.
Pittsburg State University	35,488,269	35,944,024	36,271,993	3,730,000	36,271,993
University of Kansas	143,506,291	145,003,803	145,003,803	5,100,000	145,003,803
University of Kansas Medical Center	109,674,509	116,091,804	116,090,900	7,233,000	116,090,900
Wichita State University	71,288,589	73,628,411	71,277,946	--	71,277,946
Subtotal--Regents	**$ 747,064,138**	**$ 785,228,605**	**$ 778,777,336**	**$ 67,774,640**	**$ 830,681,283**
Kansas Arts Commission	1,496,802	1,548,312	1,549,713	100,000	1,659,985
Historical Society	5,943,542	6,959,021	5,964,628	1,634,202	6,400,374
State Library	5,014,996	5,364,844	5,375,057	828,704	5,602,356
Total--Education	**$ 3,366,687,164**	**$ 3,646,265,634**	**$ 3,799,135,388**	**$ 73,861,575**	**$ 3,893,710,025**
Public Safety					
Department of Corrections	97,004,153	102,346,549	108,831,351	25,872,649	115,902,394
El Dorado Correctional Facility	22,372,973	22,664,184	22,800,557	580,465	23,593,012
Ellsworth Correctional Facility	11,570,663	11,691,148	11,626,545	603,091	12,157,819
Hutchinson Correctional Facility	26,247,045	26,683,083	26,729,577	763,472	27,801,653
Lansing Correctional Facility	34,442,539	34,875,050	34,968,459	1,852,620	36,307,077
Larned Correctional Mental Health Facility	8,748,883	8,978,010	9,027,021	132,792	9,340,727
Norton Correctional Facility	13,184,038	13,373,730	13,434,086	568,563	13,947,498
Topeka Correctional Facility	11,352,293	11,685,275	11,693,789	585,289	12,097,672
Winfield Correctional Facility	11,236,081	11,442,536	11,489,426	221,523	11,869,768
Subtotal--Corrections	**$ 236,158,668**	**$ 243,739,565**	**$ 250,600,811**	**$ 31,180,464**	**$ 263,017,620**
Juvenile Justice Authority	31,129,365	34,852,637	32,958,518	8,246,239	38,064,525
Atchison Juvenile Correctional Facility	6,010,148	5,789,583	5,900,336	--	5,953,557
Beloit Juvenile Correctional Facility	4,395,227	4,105,390	4,030,277	--	4,085,901
Kansas Juvenile Correctional Complex	14,918,934	14,826,018	15,093,191	--	15,260,895
Larned Juvenile Correctional Facility	8,203,913	8,185,909	8,351,663	--	8,457,569
Subtotal--Juvenile Justice	**$ 64,657,587**	**$ 67,759,537**	**$ 66,333,985**	**$ 8,246,239**	**$ 71,822,447**
Adjutant General	11,193,714	11,316,986	7,298,805	4,292,660	9,875,032
Highway Patrol	34,786,089	34,955,733	35,260,830	1,441,399	36,659,259
Kansas Bureau of Investigation	14,000,802	19,095,070	16,116,665	6,184,536	16,446,708
Kansas Parole Board	451,845	490,701	486,737	15,100	517,741
Sentencing Commission	9,125,147	9,098,338	9,556,708	167,107	9,747,082
Total--Public Safety	**$ 370,373,852**	**$ 386,455,930**	**$ 385,654,541**	**$ 51,527,505**	**$ 408,085,889**
Agriculture & Natural Resources					
Department of Agriculture	10,248,828	11,382,335	11,258,815	1,709,126	12,262,586
Animal Health Department	774,741	814,072	800,157	214,403	830,157
State Conservation Commission	625,793	1,241,836	1,188,803	2,222,769	1,504,923
Health & Environment--Environment	9,613,560	9,852,332	9,886,671	4,495,168	13,265,801
Kansas State Fair	1,526,315	3,922,978	1,548,884	--	1,548,884
Kansas Water Office	1,404,791	2,284,584	2,267,196	72,225	2,334,507
Department of Wildlife & Parks	3,389,877	9,053,444	8,785,154	489,900	10,724,154
Total--Agriculture & Natural Resources	**$ 27,583,905**	**$ 38,551,581**	**$ 35,735,680**	**$ 9,203,591**	**$ 42,471,012**
Transportation					
Department of Administration	--	4,992,724	16,151,075	--	16,151,075
Total Expenditures	**$ 5,139,422,161**	**$ 5,586,090,229**	**$ 5,735,717,768**	**$ 287,850,244**	**$ 6,015,090,436**

Schedule 2.3--Expenditures from the Children's Initiatives Fund by Agency

	FY 2006 Actual	FY 2007 Gov. Estimate	FY 2008 Base Budget	FY 2008 Enhance. Pkg.	FY 2008 Gov. Rec.
Human Services					
Social & Rehabilitation Services					
Children's Cabinet Accountability Fund	654,298	546,126	541,802	--	541,802
Children's Mental Health Initiative	4,000,000	3,800,000	3,800,000	--	3,800,000
Family Centered System of Care	5,000,000	5,000,000	5,000,000	--	5,000,000
Therapeutic Preschool	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	3,492,101	3,492,101	3,492,101	--	3,492,101
Smart Start Kansas	8,726,198	9,273,019	8,443,279	--	8,443,279
Family Preservation	2,957,899	2,957,899	2,957,899	--	2,957,899
School Violence Prevention	114,000	228,000	228,000	--	228,000
Attendant Care for Independent Living	50,000	50,000	50,000	--	50,000
Pre-K Pilot	--	2,000,000	2,000,000	--	5,500,000
Early Head Start	--	--	--	--	1,600,000
Child Care Quality Initiative	--	--	--	--	1,000,000
Total--SRS	**$ 27,394,496**	**$ 29,747,145**	**$ 28,913,081**	**$ --**	**$ 35,013,081**
Administration--Health Policy & Finance					
HealthWave	2,000,000	--	--	--	--
Medical Assistance	3,000,000	--	--	--	--
Immunization Outreach	499,700	--	--	--	--
Total--HPF	**$ 5,499,700**	**$ --**	**$ --**	**$ --**	**$ --**
Kansas Health Policy Authority					
HealthWave	--	2,000,000	2,000,000	--	--
Medical Assistance	--	3,000,000	3,000,000	--	--
Immunization Outreach	--	500,000	500,000	--	500,000
Total--KHPA	**$ --**	**$ 5,500,000**	**$ 5,500,000**	**$ --**	**$ 500,000**
Health & Environment--Health					
Healthy Start/Home Visitor	250,000	250,000	250,000	--	250,000
Infants & Toddlers Program	800,000	1,200,000	1,200,000	--	1,200,000
Smoking Prevention Grants	1,000,000	1,000,000	1,000,000	--	1,000,000
PKU/Hemophilia	--	208,000	208,000	--	208,000
Total--Health & Environment	**$ 2,050,000**	**$ 2,658,000**	**$ 2,658,000**	**$ --**	**$ 2,658,000**
Total--Human Services	**$ 34,944,196**	**$ 37,905,145**	**$ 37,071,081**	**$ --**	**$ 38,171,081**
Education					
Department of Education					
Reading & Vision Research	300,000	300,000	300,000	--	300,000
Parent Education Program	2,499,990	--	--	--	--
Four-Year-Old At-Risk Program	1,504,045	--	--	--	--
Special Education	890,190	--	--	--	--
Total--Department of Education	**$ 5,194,225**	**$ 300,000**	**$ 300,000**	**$ --**	**$ 300,000**
University of Kansas Medical Center					
Tele-Kid Health Care Link	236,498	268,509	250,000	--	250,000
Total--Education	**$ 5,430,723**	**$ 568,509**	**$ 550,000**	**$ --**	**$ 550,000**
Public Safety					
Juvenile Justice Authority					
Juvenile Prevention Program Grants	5,413,777	5,414,487	5,579,530	--	5,579,530
Juvenile Graduated Sanctions Grants	3,585,513	3,585,513	3,420,470	--	3,420,470
Total--Public Safety	**$ 8,999,290**	**$ 9,000,000**	**$ 9,000,000**	**$ --**	**$ 9,000,000**
Total Expenditures	**$ 49,374,209**	**$ 47,473,654**	**$ 46,621,081**	**$ --**	**$ 47,721,081**

Schedule 2.4--Expenditures from the Economic Development Initiatives Fund by Agency

	FY 2006 Actual	FY 2007 Gov. Estimate	FY 2008 Base Budget	FY 2008 Enhance. Pkg.	FY 2008 Gov. Rec.
General Government					
Department of Commerce					
Operating Grant	15,893,435	15,982,311	15,744,808	1,081,250	15,989,330
Older Kansans Employment Program	239,430	330,481	330,481	--	330,481
Rural Opportunity Program	--	--	--	--	2,100,000
On TRACK Program	--	--	--	--	3,000,000
Total--Department of Commerce	**$ 16,132,865**	**$ 16,312,792**	**$ 16,075,289**	**$ 1,081,250**	**$ 21,419,811**
Kansas Technology Enterprise Corporation					
Operations	1,663,866	1,694,050	1,695,495	--	1,627,626
University & Strategic Research	5,413,659	5,345,205	5,111,287	125,000	5,111,287
Product Development	1,519,030	1,519,030	1,519,030	--	1,519,030
Commercialization	2,060,130	1,790,249	2,172,723	525,000	2,172,723
Mid-America Mfg. Technical Center	1,528,152	1,528,152	1,378,151	100,000	1,380,621
Total--KTEC	**$ 12,184,837**	**$ 11,876,686**	**$ 11,876,686**	**$ 750,000**	**$ 11,811,287**
Kansas, Inc.					
Operations	379,671	527,999	377,999	120,000	408,122
Kansas Racing & Gaming Commission					
Racing Operations	--	--	--	--	700,000
Total--General Government	**$ 28,697,373**	**$ 28,717,477**	**$ 28,329,974**	**$ 1,951,250**	**$ 34,339,220**
Human Services					
Social & Rehabiliation Services					
Call Center	--	340,000	--	--	--
Total--Human Services	**$ --**	**$ 340,000**	**$ --**	**$ --**	**$ --**
Education					
Board of Regents					
Vocational Education Capital Outlay	2,565,000	2,565,000	2,565,000	153,900	--
Postsecondary Aid for Vocational Education	6,957,162	6,957,162	6,957,162	417,430	--
Technology Innovation & Internship	175,909	185,340	180,500	--	--
Total--Board of Regents	**$ 9,698,071**	**$ 9,707,502**	**$ 9,702,662**	**$ 571,330**	**$ --**
Kansas State University--ESARP					
Agriculture Experiment Stations	299,999	300,000	300,000	--	--
Wichita State University					
Aviation Research	245,748	--	--	--	2,500,000
Kansas Arts Commission					
Economic Impact Study of Arts	--	14,000	--	--	--
Total--Education	**$ 10,243,818**	**$ 10,021,502**	**$ 10,002,662**	**$ 571,330**	**$ 2,500,000**
Agriculture & Natural Resources					
State Conservation Commission					
Conservation Easements	31,250	--	--	--	--
Horsethief Reservoir	50,000	--	--	--	--
Total--Conservation Commission	**$ 81,250**	**$ --**	**$ --**	**$ --**	**$ --**
Kansas State Fair					
Ticket Marketing & Premiums	--	70,000	--	120,000	70,000
Economic Impact Study	--	--	--	40,000	40,000
Alternative Energy Systems & Utilities	--	95,384	--	679,343	111,525
Largest Classroom	--	19,960	--	--	--
Total--Kansas State Fair	**$ --**	**$ 185,344**	**$ --**	**$ 839,343**	**$ 221,525**
Total--Agriculture & Natural Resources	**$ 81,250**	**$ 185,344**	**$ --**	**$ 839,343**	**$ 221,525**
Total Expenditures	**$ 39,022,441**	**$ 39,264,323**	**$ 38,332,636**	**$ 3,361,923**	**$ 37,060,745**

Schedule 2.5--Expenditures from the State Water Plan Fund by Agency

	FY 2006 Actual	FY 2007 Gov. Estimate	FY 2008 Base Budget	FY 2008 Enhance. Pkg.	FY 2008 Gov. Rec.
Education					
University of Kansas					
Geological Survey	40,856	40,000	40,000	--	40,000
Total--Education	**$ 40,856**	**$ 40,000**	**$ 40,000**	**$ --**	**$ 40,000**
Agriculture & Natural Resources					
Department of Agriculture					
Floodplain Management	68,245	--	--	--	--
Water Appropriations	187,925	--	--	--	--
Interstate Water Issues	251,059	--	--	--	584,217
Water Use Study	60,000	60,018	60,000	--	60,000
Subbasin Water Resources Management	548,048	687,586	678,595	--	678,595
Kansas v. Colorado Compact Compliance	--	1,271,017	--	--	--
Total--Department of Agriculture	**$ 1,115,277**	**$ 2,018,621**	**$ 738,595**	**$ --**	**$ 1,322,812**
State Conservation Commission					
Water Resources Cost-Share	3,371,761	3,414,359	3,412,218	--	3,418,063
Nonpoint Source Pollution Assistance	2,601,213	2,757,520	2,757,520	941,489	3,683,854
Water Transition Assistance Program	--	1,184,388	1,403,730	17,155	1,414,416
Aid to Conservation Districts	1,043,966	1,048,000	1,048,000	(1,048,000)	1,050,000
Conservation Reserve Enhancement Program	--	5,000,000	--	--	--
Watershed Dam Construction	352,499	1,351,499	601,499	453,501	1,055,000
Water Quality Buffer Initiatives	247,600	307,157	350,000	--	350,000
Riparian & Wetland Program	244,310	251,782	251,782	--	251,782
Multipurpose Small Lakes	536,333	1,100,000	1,100,000	150,000	1,250,000
Lake Restoration/Management	--	335,000	2,719,713	--	2,719,713
Salt Cedar Demonstration Projects	--	65,000	--	195,000	195,000
Total--Conservation Commission	**$ 8,397,682**	**$ 16,814,705**	**$ 13,644,462**	**$ 709,145**	**$ 15,387,828**
Health & Environment					
Contamination Remediation	1,183,815	954,525	978,833	(978,833)	--
Local Environmental Protection Program	1,502,735	1,502,852	1,502,735	(1,502,735)	--
Nonpoint Source Program	324,885	290,665	290,675	--	299,928
TMDL Initiatives	316,744	299,274	299,277	--	301,821
Use Attainability Analysis (SB 204)	130,880	169,120	--	--	--
Watershed Rest. & Protect. Plans (WRAPS)	774,240	800,000	800,000	--	800,000
Total--Health & Environment	**$ 4,233,299**	**$ 4,016,436**	**$ 3,871,520**	**($ 2,481,568)**	**$ 1,401,749**
Kansas Water Office					
Assessment & Evaluation	545,055	1,083,660	857,605	--	857,605
GIS Data Base Development	247,405	247,405	250,000	--	250,000
MOU--Storage Operations and Maintenance	364,954	455,890	733,384	--	733,384
PMIB Loan Payment for Storage	234,150	237,945	--	--	--
Stream Gaging	412,668	--	--	--	--
Technical Assistance to Water Users	210,004	266,150	624,949	--	624,949
Water Planning Process	279,471	--	--	--	--
Water Resource Education	54,000	84,000	84,000	--	84,000
Water Authority	37,367	--	--	--	--
Weather Stations	--	60,000	60,000	40,000	100,000
Weather Modification	120,000	120,000	120,000	120,000	240,000
Neosho River Basin Issues	--	--	--	500,000	500,000
Total--Water Office	**$ 2,505,074**	**$ 2,555,050**	**$ 2,729,938**	**$ 660,000**	**$ 3,389,938**
Department of Wildlife & Parks					
Stream Monitoring	40,000	40,000	40,000	--	40,000
Sebelius Reservoir	--	120,000	--	1,000,000	1,000,000
Total--Wildlife & Parks	**$ 40,000**	**$ 160,000**	**$ 40,000**	**$ 1,000,000**	**$ 1,040,000**
Total--Agriculture & Natural Resources	**$ 16,291,332**	**$ 25,564,812**	**$ 21,024,515**	**($ 112,423)**	**$ 22,542,327**
Total Expenditures	**$ 16,332,188**	**$ 25,604,812**	**$ 21,064,515**	**($ 112,423)**	**$ 22,582,327**

Schedule 3.1--Expenditures from All Funding Sources for State Operations by Agency

	FY 2006 Actual	FY 2007 Gov. Estimate	FY 2008 Base Budget	FY 2008 Enhance. Pkg.	FY 2008 Gov. Rec.
General Government					
Department of Administration	25,210,169	32,281,099	44,313,732	1,517,618	46,768,708
Kansas Corporation Commission	19,083,510	19,415,570	19,528,718	588,940	20,100,769
Citizens Utility Ratepayer Board	708,545	762,967	745,006	35,274	796,792
Kansas Human Rights Commission	1,983,012	2,075,915	2,173,981	--	2,237,315
Board of Indigents Defense Services	18,684,109	22,778,435	21,902,007	1,034,907	23,335,126
Health Care Stabilization	5,238,807	5,441,667	5,321,917	--	5,357,193
Kansas Public Employees Retirement System	37,755,173	39,857,199	41,101,122	1,938,175	43,229,729
Department of Commerce	33,708,647	38,524,082	33,380,379	162,500	34,401,667
Kansas Technology Enterprise Corporation	3,295,316	2,650,139	2,526,999	--	2,461,600
Kansas, Inc.	519,338	725,475	588,101	120,000	622,789
Kansas Lottery	23,182,870	26,145,647	26,638,307	172,000	26,943,205
Kansas Racing & Gaming Commission	4,561,341	4,690,134	4,109,027	765,700	4,969,318
Department of Revenue	76,650,549	79,246,496	77,969,978	548,508	80,144,199
Board of Tax Appeals	1,674,189	1,908,698	1,997,431	125,000	2,164,831
Abstracters Board of Examiners	19,807	21,719	21,797	--	21,797
Board of Accountancy	247,626	321,537	291,984	10,250	307,990
Banking Department	6,681,418	7,829,164	7,276,264	376,980	7,877,989
Board of Barbering	135,702	135,722	135,594	--	138,897
Behavioral Sciences Regulatory Board	506,740	583,477	594,001	--	608,368
Board of Cosmetology	725,516	768,363	767,671	--	754,994
Department of Credit Unions	929,980	946,480	891,767	11,000	930,288
Kansas Dental Board	311,337	373,847	370,184	--	375,548
Governmental Ethics Commission	600,193	671,065	641,550	--	659,110
Board of Healing Arts	2,589,308	2,775,746	2,765,429	236,470	3,040,437
Hearing Instruments Board of Examiners	26,454	27,737	28,111	--	28,394
Board of Mortuary Arts	220,214	287,914	260,975	--	267,525
Board of Nursing	1,533,432	1,601,405	1,612,358	75,333	1,723,824
Board of Examiners in Optometry	78,485	122,627	128,774	--	130,537
Board of Pharmacy	603,510	665,211	645,420	134,148	742,043
Real Estate Appraisal Board	268,709	281,747	279,411	32,800	317,410
Kansas Real Estate Commission	839,106	1,085,389	913,087	10,310	946,817
Office of the Securities Commissioner	2,741,417	3,323,869	2,571,879	133,504	2,789,400
Board of Technical Professions	507,836	631,268	553,620	--	563,263
Board of Veterinary Examiners	267,980	280,897	272,592	--	278,553
Office of the Governor	3,008,686	3,433,179	3,489,176	--	3,977,593
Office of the Lieutenant Governor	158,606	215,078	195,243	--	216,415
Attorney General	9,844,803	10,162,849	10,054,032	1,327,372	10,291,901
Insurance Department	10,482,252	11,403,126	12,044,696	--	11,699,883
Secretary of State	9,719,149	5,696,252	5,725,097	100,000	5,925,181
State Treasurer	2,468,182	3,326,730	2,624,593	50,000	4,281,383
Legislative Coordinating Council	672,292	1,150,127	849,266	--	877,484
Legislature	13,919,933	15,969,514	16,166,503	--	16,471,712
Legislative Research Department	3,023,132	3,266,679	3,243,037	--	3,356,647
Legislative Division of Post Audit	2,405,651	2,587,336	2,668,082	--	2,746,963
Revisor of Statutes	2,643,798	3,017,540	3,488,260	--	3,586,933
Judiciary	108,328,975	112,156,352	113,120,695	3,647,276	117,199,496
Judicial Council	431,758	1,019,706	1,286,851	--	1,305,586
Total--General Government	**$ 439,197,562**	**$ 472,643,175**	**$ 478,274,704**	**$ 13,154,065**	**$ 497,973,602**
Human Services					
Social & Rehabilitation Services	266,844,906	283,972,476	272,703,234	59,834,289	296,866,887
Kansas Neurological Institute	26,988,745	27,187,171	27,339,488	238,100	28,228,581
Larned State Hospital	45,499,687	51,175,154	51,300,758	1,653,683	53,305,441
Osawatomie State Hospital	23,456,270	23,310,443	23,184,615	2,534,720	25,200,126

Schedule 3.1--Expenditures from All Funding Sources for State Operations by Agency

	FY 2006 Actual	FY 2007 Gov. Estimate	FY 2008 Base Budget	FY 2008 Enhance. Pkg.	FY 2008 Gov. Rec.
Parsons State Hospital & Training Center	22,932,848	23,111,105	23,228,320	1,212,700	23,780,984
Rainbow Mental Health Facility	7,861,554	7,743,671	7,665,461	759,672	8,335,431
Subtotal--SRS	**$ 393,584,010**	**$ 416,500,020**	**$ 405,421,876**	**$ 66,233,164**	**$ 435,717,450**
Administration--Health Policy & Finance	62,521,604	--	--	--	--
Kansas Health Policy Authority	423,744	67,131,114	58,727,465	13,061,677	64,314,069
Department on Aging	17,283,051	15,961,184	14,770,680	1,818,680	15,558,401
Health & Environment--Health	59,653,656	68,033,704	60,125,739	5,351,981	61,683,910
Department of Labor	34,164,970	38,887,836	37,471,910	355,876	38,856,936
Commission on Veterans Affairs	16,878,786	18,141,971	18,708,902	377,333	19,223,106
Kansas Guardianship Program	1,055,180	1,226,276	1,225,896	47,945	1,295,791
Total--Human Services	**$ 585,565,001**	**$ 625,882,105**	**$ 596,452,468**	**$ 87,246,656**	**$ 636,649,663**
Education					
Department of Education	31,190,558	32,838,231	32,665,301	38,988	33,382,268
School for the Blind	5,391,577	5,566,976	5,583,296	68,349	5,748,705
School for the Deaf	8,771,298	8,760,125	8,744,296	627,903	9,039,467
Subtotal--Department of Education	**$ 45,353,433**	**$ 47,165,332**	**$ 46,992,893**	**$ 735,240**	**$ 48,170,440**
Board of Regents	18,649,230	24,128,659	20,823,431	37,568,608	51,060,654
Emporia State University	61,041,650	65,940,161	64,779,444	--	65,388,356
Fort Hays State University	65,588,468	67,872,083	68,215,475	308,000	68,593,223
Kansas State University	313,202,479	333,965,661	330,637,885	--	335,187,273
Kansas State University--ESARP	109,399,697	125,812,172	125,777,150	--	127,432,634
KSU--Veterinary Medical Center	31,786,301	35,782,441	31,719,269	--	32,167,084
Pittsburg State University	66,179,169	70,972,236	70,218,041	--	70,827,639
University of Kansas	466,834,694	487,758,283	487,929,462	--	496,388,785
University of Kansas Medical Center	219,725,491	237,722,849	225,907,549	--	229,310,971
Wichita State University	169,985,408	174,317,332	171,405,397	--	175,595,465
Subtotal--Regents	**$ 1,522,392,587**	**$ 1,624,271,877**	**$ 1,597,413,103**	**$ 37,876,608**	**$ 1,651,952,084**
Kansas Arts Commission	527,478	667,820	644,542	--	661,662
Historical Society	6,887,249	7,248,856	7,362,209	264,552	7,644,165
State Library	2,485,124	2,924,620	2,926,833	320,937	3,104,132
Total--Education	**$ 1,577,645,871**	**$ 1,682,278,505**	**$ 1,655,339,580**	**$ 39,197,337**	**$ 1,711,532,483**
Public Safety					
Department of Corrections	93,603,910	102,878,189	105,278,943	23,023,914	112,494,792
El Dorado Correctional Facility	22,429,046	22,615,232	22,733,301	580,465	23,525,756
Ellsworth Correctional Facility	11,547,823	11,657,134	11,582,913	603,091	12,115,318
Hutchinson Correctional Facility	26,369,156	26,854,550	26,902,724	763,472	27,981,440
Lansing Correctional Facility	34,309,343	34,829,848	34,912,705	1,852,620	36,251,323
Larned Correctional Mental Health Facility	8,733,214	8,964,748	9,012,259	132,792	9,325,965
Norton Correctional Facility	13,222,021	13,408,094	13,462,348	568,563	13,980,216
Topeka Correctional Facility	12,126,095	12,364,451	12,505,164	585,289	12,931,369
Winfield Correctional Facility	11,348,307	11,566,074	11,597,417	221,523	11,986,392
Subtotal--Corrections	**$ 233,688,915**	**$ 245,138,320**	**$ 247,987,774**	**$ 28,331,729**	**$ 260,592,571**
Juvenile Justice Authority	6,377,544	5,992,860	5,801,899	98,555	5,909,419
Atchison Juvenile Correctional Facility	6,166,588	5,927,083	6,020,336	--	6,073,557
Beloit Juvenile Correctional Facility	4,569,087	4,232,266	4,096,116	--	4,151,740
Kansas Juvenile Correctional Complex	15,484,136	15,358,980	15,681,201	--	15,848,905
Larned Juvenile Correctional Facility	8,493,627	8,249,866	8,351,663	--	8,457,569
Subtotal--Juvenile Justice	**$ 41,090,982**	**$ 39,761,055**	**$ 39,951,215**	**$ 98,555**	**$ 40,441,190**
Adjutant General	35,711,297	37,032,476	36,763,694	968,719	37,661,510
Emergency Medical Services Board	940,708	1,523,333	1,144,600	56,303	1,172,716
State Fire Marshal	3,651,011	4,674,099	3,967,121	313,759	4,323,597

Schedule 3.1--Expenditures from All Funding Sources for State Operations by Agency

	FY 2006 Actual	FY 2007 Gov. Estimate	FY 2008 Base Budget	FY 2008 Enhance. Pkg.	FY 2008 Gov. Rec.
Highway Patrol	72,732,291	71,793,644	73,157,321	2,282,464	76,108,846
Kansas Bureau of Investigation	22,619,904	25,967,642	24,011,305	5,539,290	24,730,201
Kansas Parole Board	451,845	490,701	486,737	15,100	517,741
Sentencing Commission	677,432	929,216	925,088	117,107	1,071,396
Total--Public Safety	**$ 411,564,385**	**$ 427,310,486**	**$ 428,394,855**	**$ 37,723,026**	**$ 446,619,768**
Agriculture & Natural Resources					
Department of Agriculture	23,100,317	26,331,275	25,049,571	1,915,801	26,900,970
Animal Health Department	2,642,842	2,516,324	2,585,079	214,403	2,680,880
State Conservation Commission	2,202,640	2,679,600	2,443,497	--	2,515,277
Health & Environment--Environment	56,123,353	61,409,278	59,213,187	3,896,539	61,143,218
Kansas State Fair	5,171,123	5,593,661	5,366,964	260,153	5,543,084
Kansas Water Office	6,353,818	10,611,164	11,529,376	807,455	12,339,594
Department of Wildlife & Parks	40,563,765	43,082,107	43,010,441	3,001,100	45,829,805
Total--Ag. & Natural Resources	**$ 136,157,858**	**$ 152,223,409**	**$ 149,198,115**	**$ 10,095,451**	**$ 156,952,828**
Transportation					
Department of Administration	--	4,992,724	9,416,075	--	9,416,075
Kansas Department of Transportation	270,772,548	296,684,616	288,488,266	6,662,114	291,747,826
Total--Transportation	**$ 270,772,548**	**$ 301,677,340**	**$ 297,904,341**	**$ 6,662,114**	**$ 301,163,901**
Total Expenditures	**$ 3,420,903,225**	**$ 3,662,015,020**	**$ 3,605,564,063**	**$ 194,078,649**	**$ 3,750,892,245**

Schedule 3.2--Expenditures from the State General Fund for State Operations by Agency

	FY 2006 Actual	FY 2007 Gov. Estimate	FY 2008 Base Budget	FY 2008 Enhance. Pkg.	FY 2008 Gov. Rec.
General Government					
Department of Administration	21,039,233	30,258,753	42,358,254	1,517,618	44,790,021
Kansas Corporation Commission	--	--	175,000	--	177,742
Kansas Human Rights Commission	1,614,305	1,757,453	1,690,256	--	1,748,510
Board of Indigents Defense Services	17,867,016	22,053,435	21,702,007	1,034,907	22,735,126
Department of Commerce	224,186	4,457,987	455,515	--	611,671
Kansas Technology Enterprise Corporation	--	275,000	--	--	--
Kansas, Inc.	--	25,000	--	--	--
Kansas Racing & Gaming Commission	--	39,829	--	--	--
Department of Revenue	20,425,406	20,479,458	20,398,851	173,267	21,117,317
Board of Tax Appeals	1,364,436	1,482,559	1,574,431	158,000	1,664,296
Governmental Ethics Commission	473,562	526,740	522,415	--	539,975
Office of the Governor	2,271,834	2,467,387	2,432,430	--	2,905,477
Office of the Lieutenant Governor	158,606	215,078	195,243	--	216,415
Attorney General	5,720,590	5,154,679	5,020,831	520,631	5,164,276
Secretary of State	158,765	195,087	--	100,000	100,000
State Treasurer	--	50,000	--	50,000	1,049,263
Legislative Coordinating Council	672,292	1,150,127	849,266	--	877,484
Legislature	13,826,803	15,800,744	16,081,503	--	16,386,712
Legislative Research Department	2,943,938	3,202,051	3,243,037	--	3,356,647
Legislative Division of Post Audit	2,405,651	2,587,336	2,668,082	--	2,746,963
Revisor of Statutes	2,643,798	3,017,540	3,488,260	--	3,586,933
Judiciary	97,473,806	103,314,159	104,462,526	3,564,602	108,282,393
Total--General Government	**$ 191,284,227**	**$ 218,510,402**	**$ 227,317,907**	**$ 7,119,025**	**$ 238,057,221**
Human Services					
Social & Rehabilitation Services	84,857,687	95,950,770	96,793,101	41,569,235	111,329,511
Kansas Neurological Institute	11,905,829	12,285,109	12,437,061	238,100	13,257,791
Larned State Hospital	33,755,964	39,741,197	39,866,801	1,653,683	41,871,484
Osawatomie State Hospital	10,399,530	9,742,229	9,616,401	2,534,720	11,617,698
Parsons State Hospital & Training Center	8,539,978	8,809,007	8,926,222	601,540	9,478,886
Rainbow Mental Health Facility	4,139,449	4,056,697	3,978,487	759,672	4,593,437
Subtotal--SRS	**$ 153,598,437**	**$ 170,585,009**	**$ 171,618,073**	**$ 47,356,950**	**$ 192,148,807**
Administration--Health Policy & Finance	18,827,152	--	--	--	--
Kansas Health Policy Authority	423,744	20,872,624	19,799,634	6,159,287	22,513,825
Department on Aging	6,461,989	6,103,402	5,798,287	1,288,501	6,351,544
Health & Environment--Health	9,276,899	14,474,956	9,992,695	4,997,589	10,708,739
Department of Labor	382,252	518,202	369,814	226,876	671,498
Commission on Veterans Affairs	7,931,988	8,280,156	8,368,357	377,333	8,840,115
Kansas Guardianship Program	1,055,180	1,226,276	1,225,896	47,945	1,295,791
Total--Human Services	**$ 197,957,641**	**$ 222,060,625**	**$ 217,172,756**	**$ 60,454,481**	**$ 242,530,319**
Education					
Department of Education	10,178,425	10,901,714	10,977,030	--	11,355,389
School for the Blind	4,960,187	5,144,254	5,171,828	68,349	5,337,237
School for the Deaf	7,980,064	8,377,450	8,387,641	627,903	8,682,812
Subtotal--Department of Education	**$ 23,118,676**	**$ 24,423,418**	**$ 24,536,499**	**$ 696,252**	**$ 25,375,438**
Board of Regents	5,059,624	8,571,276	7,290,115	37,568,608	37,469,849
Emporia State University	32,431,516	33,208,654	32,963,789	--	32,963,789
Fort Hays State University	33,473,276	34,223,134	34,206,668	308,000	34,206,668
Kansas State University	109,407,048	110,766,650	110,766,650	--	110,766,650
Kansas State University--ESARP	51,138,267	51,630,335	51,636,621	--	51,936,621
KSU--Veterinary Medical Center	10,529,658	10,622,664	10,622,664	--	10,622,664

Schedule 3.2--Expenditures from the State General Fund for State Operations by Agency

	FY 2006 Actual	FY 2007 Gov. Estimate	FY 2008 Base Budget	FY 2008 Enhance. Pkg.	FY 2008 Gov. Rec.
Pittsburg State University	35,293,043	35,697,986	35,876,149	--	35,876,149
University of Kansas	141,428,413	144,206,062	144,240,035	--	144,240,035
University of Kansas Medical Center	101,793,649	111,178,668	111,157,764	--	111,157,764
Wichita State University	70,238,589	72,468,411	70,062,946	--	70,062,946
Subtotal--Regents	**$ 590,793,083**	**$ 612,573,840**	**$ 608,823,401**	**$ 37,876,608**	**$ 639,303,135**
Kansas Arts Commission	323,169	349,116	350,517	--	360,789
Historical Society	5,648,988	5,696,188	5,729,868	212,452	5,934,614
State Library	1,600,008	1,961,949	1,972,162	320,937	2,149,461
Total--Education	**$ 621,483,924**	**$ 645,004,511**	**$ 641,412,447**	**$ 39,106,249**	**$ 673,123,437**
Public Safety					
Department of Corrections	75,753,477	82,739,034	88,559,836	22,981,886	95,630,879
El Dorado Correctional Facility	22,239,488	22,492,753	22,629,126	580,465	23,421,581
Ellsworth Correctional Facility	11,495,617	11,614,051	11,549,448	603,091	12,080,722
Hutchinson Correctional Facility	25,998,259	26,434,971	26,481,465	763,472	27,553,541
Lansing Correctional Facility	34,124,104	34,544,848	34,627,705	1,852,620	35,966,323
Larned Correctional Mental Health Facility	8,718,401	8,963,248	9,012,259	132,792	9,325,965
Norton Correctional Facility	13,040,130	13,224,195	13,278,449	568,563	13,791,861
Topeka Correctional Facility	11,251,751	11,621,260	11,629,774	585,289	12,033,657
Winfield Correctional Facility	11,112,346	11,317,334	11,364,224	221,523	11,744,566
Subtotal--Corrections	**$ 213,733,573**	**$ 222,951,694**	**$ 229,132,286**	**$ 28,289,701**	**$ 241,549,095**
Juvenile Justice Authority	3,334,275	3,477,063	3,405,978	98,555	3,511,985
Atchison Juvenile Correctional Facility	6,010,098	5,789,583	5,900,336	--	5,953,557
Beloit Juvenile Correctional Facility	4,395,227	4,105,390	4,030,277	--	4,085,901
Kansas Juvenile Correctional Complex	14,918,934	14,826,018	15,093,191	--	15,260,895
Larned Juvenile Correctional Facility	8,203,913	8,185,909	8,351,663	--	8,457,569
Subtotal--Juvenile Justice	**$ 36,862,447**	**$ 36,383,963**	**$ 36,781,445**	**$ 98,555**	**$ 37,269,907**
Adjutant General	5,085,725	6,597,175	6,158,805	840,266	6,683,391
Highway Patrol	34,785,395	34,955,733	35,260,830	1,441,399	36,659,259
Kansas Bureau of Investigation	13,719,465	16,390,595	15,751,665	5,787,079	16,081,708
Kansas Parole Board	451,845	490,701	486,737	15,100	517,741
Sentencing Commission	571,356	708,338	706,708	117,107	847,082
Total--Public Safety	**$ 305,209,806**	**$ 318,478,199**	**$ 324,278,476**	**$ 36,589,207**	**$ 339,608,183**
Agriculture & Natural Resources					
Department of Agriculture	10,244,449	11,382,335	11,258,815	1,709,126	12,262,586
Animal Health Department	774,741	814,072	800,157	214,403	830,157
State Conservation Commission	625,793	930,336	877,303	86,615	993,423
Health & Environment--Environment	9,613,560	9,852,332	9,886,671	2,992,433	11,763,066
Kansas State Fair	792,285	467,251	428,884	--	428,884
Kansas Water Office	1,404,791	2,284,584	2,267,196	72,225	2,334,507
Department of Wildlife & Parks	3,374,660	6,848,444	6,130,154	489,900	8,869,154
Total--Ag. & Natural Resources	**$ 26,830,279**	**$ 32,579,354**	**$ 31,649,180**	**$ 5,564,702**	**$ 37,481,777**
Transportation					
Department of Administration	--	4,992,724	9,416,075	--	9,416,075
Total Expenditures	**$1,342,765,877**	**$1,441,625,815**	**$1,451,246,841**	**$ 148,833,664**	**$1,540,217,012**

Schedule 4.1--Expenditures from All Funding Sources for Aid to Local Governments

	FY 2006 Actual	FY 2007 Gov. Estimate	FY 2008 Base Budget	FY 2008 Enhance. Pkg.	FY 2008 Gov. Rec.
General Government					
Department of Administration					
Emergency Flood Control	305,280	285,330	285,330	--	285,330
Public Broadcasting Grants	285,597	439,324	245,308	--	245,308
Wireless 911 Grants	5,058,857	5,012,850	4,948,725	--	4,948,725
Total--Department of Administration	**$ 5,649,734**	**$ 5,737,504**	**$ 5,479,363**	**$ --**	**$ 5,479,363**
Kansas Corporation Commission					
Energy Conservation Grants	42,807	--	--	--	--
Department of Commerce					
Main Street Development	16,690	--	--	--	--
Community Services Revolving Loan	2,657,113	2,650,000	2,650,000	--	2,650,000
IMPACT Program	51,931	--	--	--	--
Community Development Block Grant	21,049,288	20,050,000	20,050,000	--	20,050,000
Enterprise Facilitation and IWW	75,000	--	--	--	--
Brand Image	13,243	--	--	--	--
Kansas Partnership Program	213,694	200,000	200,000	--	200,000
Total--Department of Commerce	**$ 24,076,959**	**$ 22,900,000**	**$ 22,900,000**	**$ --**	**$ 22,900,000**
Department of Revenue					
Sand Royalty Fund	75,153	75,750	75,750	--	75,750
County Treasurer Vehicle Licensing	149,800	140,875	140,875	--	140,875
Mineral Production Tax Fund	9,647,047	8,362,000	8,000,000	--	8,543,000
County Drug Tax Fund	658,303	750,000	750,000	--	750,000
Miscellaneous Grants	24,121	--	--	--	--
Total--Department of Revenue	**$ 10,554,424**	**$ 9,328,625**	**$ 8,966,625**	**$ --**	**$ 9,509,625**
Office of the Governor					
Federal & Other Grant Programs	3,105,055	3,474,004	3,097,349	--	3,097,349
Attorney General					
Project Safe Neighborhoods	183,673	275,000	320,000	--	320,000
Insurance Department					
Firefighter Association Grants	8,854,790	8,900,000	8,900,000	--	8,900,000
Secretary of State					
HAVA	12,322,249	--	--	--	--
2008 Presidential Primary Election	--	--	--	2,400,000	1,900,000
Total--Secretary of State	**$ 12,322,249**	**$ --**	**$ --**	**$ 2,400,000**	**$ 1,900,000**
State Treasurer					
Tax Increment Financing	899,329	917,316	935,662	--	935,662
Judiciary					
Child Welfare Federal Fund	--	126,450	152,447	--	152,447
Technology Fund	20,983	350,000	350,000	--	350,000
Permanent Families Account	285,699	291,068	303,508	--	303,508
Miscellaneous Aid	--	61,150	60,816	--	60,816
Total--Judiciary	**$ 306,682**	**$ 828,668**	**$ 866,771**	**$ --**	**$ 866,771**
Total--General Government	**$ 65,995,702**	**$ 52,361,117**	**$ 51,465,770**	**$ 2,400,000**	**$ 53,908,770**
Human Services					
Social & Rehabilitation Services					
Children's Cabinet Grants	9,854,140	10,534,644	9,704,522	--	9,704,522
Pre-K Pilot	--	1,771,322	1,771,322	--	5,271,322
Infants & Toddlers Professional Net.	--	--	--	--	1,000,000
Community Dev. Disab. Support	1,742,651	--	--	--	--
Mental Health Grants	6,730,479	7,843,598	7,843,598	--	7,843,598

Schedule 4.1--Expenditures from All Funding Sources for Aid to Local Governments

	FY 2006 Actual	FY 2007 Gov. Estimate	FY 2008 Base Budget	FY 2008 Enhance. Pkg.	FY 2008 Gov. Rec.
Social & Rehabilitation Services, Cont'd.					
Substance Abuse Treatment Grants	781,777	15,000	15,000	--	15,000
School Violence Prevention	114,000	228,000	228,000	--	228,000
Refugee Assistance Grants	--	100,000	100,000	--	100,000
Discretionary Grants/Commun. Funding	390,843	169,200	169,200	--	169,200
Total--SRS	**$ 19,613,890**	**$ 20,661,764**	**$ 19,831,642**	**$ --**	**$ 24,331,642**
Department on Aging					
Nutrition Grants	3,365,471	3,558,530	3,561,718	--	3,561,718
Senior Care Act	471,221	788,752	788,752	249,216	788,752
Federal Community Grants	2,993,813	3,229,776	3,229,776	--	3,229,776
Total--Aging	**$ 6,830,505**	**$ 7,577,058**	**$ 7,580,246**	**$ 249,216**	**$ 7,580,246**
Health & Environment--Health					
General Health Programs	5,043,468	5,072,171	5,051,807	--	5,051,807
Primary Health Project	1,520,840	2,520,840	2,520,840	--	2,520,840
Other Federal Aid	135,567	208,000	208,000	--	208,000
Teen Pregnancy Prevention	616,348	769,868	767,995	--	767,995
Food Service Inspection	1,056,866	950,000	950,000	--	950,000
Sexually Trans. Disease Control Proj.	323,184	313,585	313,585	--	313,585
Medical Student Loan Repayment	--	25,000	25,000	--	25,000
Mothers & Infants Health Program	10,350,430	9,662,483	9,749,483	--	9,749,483
Child Care Facility Licensure Aid	3,114,899	3,113,208	3,113,208	--	3,113,208
Healthy Start	250,000	250,000	250,000	--	250,000
Family Planning	2,343,338	2,176,732	2,176,732	--	2,176,732
Preventive Health Block Grant	1,160,686	1,065,732	925,564	--	925,564
Community Prescription Support	750,000	750,000	750,000	--	750,000
Lead Poisoning and Prevention Program	155,411	106,608	108,740	--	108,740
Homeland Security Aid	5,805,630	7,117,565	5,518,232	--	5,518,232
AIDS Services/Education	2,122,502	1,466,819	1,386,189	--	1,386,189
Healthy Kansans 2010	--	--	--	--	900,000
District Coroners Fund	294,885	300,000	315,000	--	315,000
Immunization Programs	675,406	775,000	775,000	336,000	1,111,000
Infant & Toddler Program	2,671,305	4,721,305	4,721,305	--	4,721,305
Child Care & Development Block Grant	1,285,611	1,276,255	1,338,000	--	1,338,000
Total--KDHE--Health	**$ 39,676,376**	**$ 42,641,171**	**$ 40,964,680**	**$ 336,000**	**$ 42,200,680**
Total--Human Services	**$ 66,120,771**	**$ 70,879,993**	**$ 68,376,568**	**$ 585,216**	**$ 74,112,568**
Education					
Department of Education					
General State Aid	1,918,782,777	2,014,800,000	2,139,677,000	--	2,132,288,000
All-Day Kindergarten	--	--	--	--	15,000,000
Supplemental General State Aid	218,849,439	267,447,000	277,891,000	--	287,455,000
KPERS Employer Contribution	161,531,245	192,432,370	208,730,886	2,655,252	218,428,360
Special Education Services Aid	388,292,188	429,962,313	444,471,000	--	452,384,435
Bond & Interest Aid	57,487,607	62,600,000	66,500,000	--	67,000,000
Capital Outlay State Aid	19,293,911	21,280,000	22,400,000	--	22,400,000
Declining Enrollment State Aid	39,547	100,000	100,000	--	100,000
Juvenile Detention Grants	7,118,363	7,534,825	7,534,825	--	7,534,825
Deaf-Blind Program Aid	109,758	110,000	110,000	--	110,000
Mentor Teachers	1,050,000	1,100,000	1,000,000	150,000	1,150,000
Professional Development for Teachers	991,618	1,750,000	1,750,000	--	1,750,000
School Food Assistance	87,778,839	89,197,986	90,332,986	--	90,332,986
Driver Education Program Aid	1,594,442	1,597,725	1,597,725	800,000	1,597,725
Alcohol & Drug Abuse Programs	2,616,161	2,200,000	2,000,000	--	2,000,000
Ed. Research & Innovative Prog.	3,451,597	3,996,000	3,996,000	--	3,996,000

Schedule 4.1--Expenditures from All Funding Sources for Aid to Local Governments

	FY 2006 Actual	FY 2007 Gov. Estimate	FY 2008 Base Budget	FY 2008 Enhance. Pkg.	FY 2008 Gov. Rec.
Department of Education, Cont'd.					
Elementary & Secondary Ed. Prog.	99,721,271	94,934,000	93,521,400	--	93,521,400
21st Century Community Learning Ctrs.	6,036,050	5,700,000	5,850,000	--	5,850,000
Rural & Low Income Schools	22,924	22,700	22,700	--	22,700
Language Assistance Grants to States	2,261,799	2,600,000	2,600,000	--	2,600,000
Federal Reading First Grants	5,124,005	5,100,000	5,100,000	--	5,100,000
Improving Teacher Quality	20,621,082	21,042,000	21,042,000	--	21,042,000
Vocational Education Grants	5,145,090	5,120,000	5,120,000	--	5,120,000
Teaching Excellence Scholarships	152,000	212,000	222,475	22,525	245,000
Discretionary Grants	148,235	148,235	148,235	--	148,235
Parent Education	7,289,490	7,330,966	7,289,500	--	7,289,500
Total--Department of Education	**$ 3,015,509,438**	**$ 3,238,318,120**	**$ 3,409,007,732**	**$ 3,627,777**	**$ 3,444,466,166**
Board of Regents					
Washburn Operating Grant	11,012,456	11,467,516	11,467,516	688,050	11,926,216
Postsecondary Aid for Vocational Ed.	34,107,178	39,586,097	38,753,288	1,941,946	40,047,920
Adult Basic Education	4,307,066	4,748,998	4,748,998	200,000	5,548,998
Technical Equipment	424,077	424,077	424,077	25,445	441,040
Technical Innovation & Internships	175,909	185,340	180,500	--	180,500
Nursing Grants	--	3,200,000	1,200,000	600,000	1,800,000
Out-District Tuition Off-Set	3,200,000	6,400,000	6,400,000	384,000	6,400,000
Vocational Education Capital Outlay	2,565,000	2,565,000	2,565,000	153,900	2,667,600
Truck Driver Training	70,000	70,000	70,000	--	70,000
Community College Operating Grant	91,023,377	96,216,412	96,216,412	5,772,985	100,065,068
KAN-ED	3,980,170	1,377,000	2,000,000	2,000,000	4,000,000
No Child Left Behind	792,521	742,792	742,792	--	742,792
Competitive Teachers Grant	--	--	--	--	1,000,000
Other Aid	127,238	174,142	175,000	--	175,000
Total--Board of Regents	**$ 151,784,992**	**$ 167,157,374**	**$ 164,943,583**	**$ 11,766,326**	**$ 175,065,134**
Kansas State University					
Educational Aid	1,118,187	1,837,875	1,837,875	--	1,837,875
Kansas State University--ESARP					
Educational Aid	574,057	567,962	567,962	--	567,962
Emporia State University					
Educational Aid	2,500	2,500	2,500	--	2,500
Subtotal--Regents	**$ 153,479,736**	**$ 169,565,711**	**$ 167,351,920**	**$ 11,766,326**	**$ 177,473,471**
Kansas Arts Commission					
Arts Grants	89,557	85,694	80,714	--	80,714
Historical Society					
Historic Preservation Aid	636,535	530,000	536,000	150,000	536,000
Kansas Humanities Council	131,830	151,830	81,830	120,000	201,830
Total--Historical Society	**$ 768,365**	**$ 681,830**	**$ 617,830**	**$ 270,000**	**$ 737,830**
State Library					
Talking Books--READ Equipment	329,136	377,643	377,643	76,500	427,643
Grants to Libraries	2,393,562	2,618,562	2,393,562	--	2,393,562
Interlibrary Loan Development	595,089	624,670	624,670	--	624,670
Federal Library Services & Technology	339,887	289,408	289,408	--	289,408
Total--State Library	**$ 3,657,674**	**$ 3,910,283**	**$ 3,685,283**	**$ 76,500**	**$ 3,735,283**
Total--Education	**$ 3,173,504,770**	**$ 3,412,561,638**	**$ 3,580,743,479**	**$ 15,740,603**	**$ 3,626,493,464**
Public Safety					
Department of Corrections					
Correctional Conservation Camps	2,203,335	--	--	110,115	--

Schedule 4.1--Expenditures from All Funding Sources for Aid to Local Governments

	FY 2006 Actual	FY 2007 Gov. Estimate	FY 2008 Base Budget	FY 2008 Enhance. Pkg.	FY 2008 Gov. Rec.
Department of Corrections, Cont'd.					
Offender Programs	5,000	--	--	--	--
Community Corrections	15,487,265	17,841,212	17,751,212	2,780,648	17,751,212
Total--Department of Corrections	**$ 17,695,600**	**$ 17,841,212**	**$ 17,751,212**	**$ 2,890,763**	**$ 17,751,212**
Juvenile Justice Authority					
Detention Payments to Communities	2,412,120	2,412,000	2,412,000	--	2,412,000
Delinquency Prevention Formula Grants	274,455	445,072	518,000	--	518,000
Juv. Justice Delinquency Prevent. Grant	5,363,442	5,414,487	5,579,530	882,200	5,579,530
Juv. Justice Delinquency Trust Fund	126,560	385,583	350,000	--	350,000
Juvenile Accountability Block Grant	588,016	404,704	285,988	--	285,988
Community Corrections	4,257,338	4,314,678	4,314,678	641,740	4,314,678
Case Management	5,956,636	5,933,838	5,933,838	--	5,933,838
Intake & Assessment	4,437,464	4,543,632	4,543,632	676,060	4,543,632
Juvenile Placement in Communities	981,329	--	--	--	--
Going Home Federal Grant	323,546	--	--	--	--
Intervention	1,841,167	1,850,111	1,850,111	--	1,850,111
Parent Modeling	--	750,000	--	--	--
Alcohol and Addiction Prevention	--	137,135	137,135	--	137,135
Juvenile Detention Facilities	231,715	238,350	238,350	--	238,350
Juvenile Detention Facility Debt	604,020	604,440	593,815	--	593,815
Total--Juvenile Justice Authority	**$ 27,397,808**	**$ 27,434,030**	**$ 26,757,077**	**$ 2,200,000**	**$ 26,757,077**
Beloit Juvenile Correctional Facility					
Aid to School Districts	30,710	13,217	13,217	--	13,217
Adjutant General					
FEMA Grants--Public Assistance	9,481,621	20,684,811	718,500	1,532,000	1,718,500
FEMA Grants--Hazard Mitigation	1,942,532	1,090,000	1,090,000	11,490,000	8,290,000
U.S. DOT Grants	233,196	218,225	218,225	--	218,225
State Disaster Match	1,641,599	2,658,108	--	--	--
ODP Homeland Sec. Grants--EMPG	825,743	40,000	40,000	--	40,000
OPD Homeland Sec. Grants--Other	2,948	149,534	--	--	--
EMAC Assistance	3,645,769	--	--	--	--
Total--Adjutant General	**$ 17,773,408**	**$ 24,840,678**	**$ 2,066,725**	**$ 13,022,000**	**$ 10,266,725**
Emergency Medical Services Board					
Underserved Areas Training	198,675	210,000	200,000	200,000	400,000
Rural Access to Emergency Devices	109,322	41,612	--	--	--
Total--Emergency Medical Services	**$ 307,997**	**$ 251,612**	**$ 200,000**	**$ 200,000**	**$ 400,000**
Highway Patrol					
Homeland Security	23,942,343	18,037,580	6,646,722	--	6,646,722
Kansas Bureau of Investigation					
HIDTA Federal Grant	1,436,211	1,328,018	1,400,000	--	1,400,000
Project Safe Neighborhood Grant	160,913	62,045	--	--	--
DNA Expansion Program	68	19,432	--	--	--
Cold Case DNA Grant	--	30,000	30,000	--	30,000
Total--KBI	**$ 1,597,192**	**$ 1,439,495**	**$ 1,430,000**	**$ --**	**$ 1,430,000**
Total--Public Safety	**$ 88,745,058**	**$ 89,857,824**	**$ 54,864,953**	**$ 18,312,763**	**$ 63,264,953**
Agriculture & Natural Resources					
Animal Health					
Federal Aid to Counties	18,200	232,813	--	--	--
State Conservation Commission					
Aid to Conservation Districts	1,043,966	1,048,000	1,048,000	1,088,154	1,050,000
Watershed Dam Planning Construction	352,499	1,351,499	601,499	453,501	1,055,000

Schedule 4.1--Expenditures from All Funding Sources for Aid to Local Governments

	FY 2006 Actual	FY 2007 Gov. Estimate	FY 2008 Base Budget	FY 2008 Enhance. Pkg.	FY 2008 Gov. Rec.
State Conservation Commission, Cont'd.					
NRCS 2002 Farm Bill	172,162	239,113	240,500	--	240,500
Lake Restoration	--	335,000	2,719,713	--	2,719,713
Multipurpose Small Lakes	586,333	1,100,000	1,100,000	150,000	1,250,000
Riparian & Wetland Restoration	300	900	900	--	900
Total--State Conservation Commiss.	**$ 2,155,260**	**$ 4,074,512**	**$ 5,710,612**	**$ 1,691,655**	**$ 6,316,113**
Health & Environment--Environment					
Waste Management Aid	1,562,576	1,740,000	1,280,000	--	1,280,000
Air Pollution Control Program Aid	1,012,013	1,020,514	986,932	--	986,932
WRAPS Aid	774,240	800,000	800,000	--	800,000
Nonpoint Source Federal Aid	1,944,248	1,944,247	1,944,247	--	1,944,247
Contamination Remediation	40,000	--	--	--	--
TMDL Initiatives	55,175	55,175	55,175	--	55,175
LEPP Aid	1,502,735	1,502,837	1,502,735	--	1,502,735
Other Federal Aid	25,045	46,544	46,544	--	46,544
Total--KDHE--Environment	**$ 6,916,032**	**$ 7,109,317**	**$ 6,615,633**	**$ --**	**$ 6,615,633**
Department of Wildlife & Parks					
Land & Water Conservation Fund	362,441	500,000	500,000	--	500,000
Wildlife Fee Fund	185,308	265,000	265,000	270,000	535,000
Federal Grants Fund	451,776	820,000	900,000	--	900,000
Wildlife Conservation Fund--Federal	24,935	--	--	--	--
Boating Fee Fund	125,000	--	--	75,000	75,000
Wildlife Conservation Fund	55,646	--	--	--	--
Gifts & Donations	10,000	--	--	--	--
Total--Dept. of Wildlife & Parks	**$ 1,215,106**	**$ 1,585,000**	**$ 1,665,000**	**$ 345,000**	**$ 2,010,000**
Total--Ag. & Natural Resources	**$ 10,304,598**	**$ 13,001,642**	**$ 13,991,245**	**$ 2,036,655**	**$ 14,941,746**
Transportation					
Kansas Department of Transportation					
Connecting Links Payments	2,873,098	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	150,821,700	153,789,000	155,982,000	--	155,982,000
Federal Transit Administration	2,381,371	--	--	--	--
Federal Highway Safety	1,207,166	4,920,435	5,080,223	--	5,080,223
Metropolitan Transportation Planning	2,143,576	1,766,851	1,794,939	--	1,794,939
State Coordinated Public Transportation	6,991,936	7,590,183	6,000,000	--	6,000,000
Aviation Grants	3,330,427	3,000,000	3,000,000	--	3,000,000
Total--Dept. of Transportation	**$ 172,249,274**	**$ 176,926,469**	**$ 177,717,162**	**$ --**	**$ 177,717,162**
Total--Transportation	**$ 172,249,274**	**$ 176,926,469**	**$ 177,717,162**	**$ --**	**$ 177,717,162**
Total--Aid to Local Governments	**$ 3,576,920,173**	**$ 3,815,588,683**	**$ 3,947,159,177**	**$ 39,075,237**	**$ 4,010,438,663**

Schedule 4.2--Expenditures from the State General Fund for Aid to Local Governments

	FY 2006 Actual	FY 2007 Gov. Estimate	FY 2008 Base Budget	FY 2008 Enhance. Pkg.	FY 2008 Gov. Rec.
General Government					
Department of Administration					
Public Broadcasting Grants	285,597	439,324	245,308	--	245,308
Secretary of State					
HAVA	369,667	--	--	--	--
2008 Presidential Primary Election	--	--	--	2,400,000	1,900,000
Total--Secretary of State	**$ 369,667**	**$ --**	**$ --**	**$ 2,400,000**	**$ 1,900,000**
Judiciary					
Miscellaneous Aid	--	42,150	50,816	--	50,816
Total--General Government	**$ 655,264**	**$ 481,474**	**$ 296,124**	**$ 2,400,000**	**$ 2,196,124**
Human Services					
Social & Rehabilitation Services					
Children's Cabinet Grants	--	10,000	10,000	--	10,000
Community Dev. Disab. Support	941,086	--	--	--	--
Mental Health Grants	5,516,111	6,866,942	6,866,942	--	6,866,942
Substance Abuse Treatment	57,664	--	--	--	--
Total--SRS	**$ 6,514,861**	**$ 6,876,942**	**$ 6,876,942**	**$ --**	**$ 6,876,942**
Department on Aging					
Nutrition Grants	911,011	926,037	926,037	--	926,037
Senior Care Act	471,221	788,752	788,752	249,216	788,752
Total--Department on Aging	**$ 1,382,232**	**$ 1,714,789**	**$ 1,714,789**	**$ 249,216**	**$ 1,714,789**
Health & Environment--Health					
General Health Programs	5,043,468	5,072,171	5,051,807	--	5,051,807
Primary Health Project	1,520,840	2,520,840	2,520,840	--	2,520,840
Community Prescription Support	750,000	750,000	750,000	--	750,000
Family Planning	98,880	98,880	98,880	--	98,880
Teen Pregnancy Prevention	535,787	539,533	537,660	--	537,660
Healthy Kansans 2010	--	--	--	--	900,000
Immunization Program	350,000	350,000	350,000	336,000	686,000
Infant & Toddler Program	1,871,305	3,521,305	3,521,305	--	3,521,305
Total--KDHE--Health	**$ 10,170,280**	**$ 12,852,729**	**$ 12,830,492**	**$ 336,000**	**$ 14,066,492**
Total--Human Services	**$ 18,067,373**	**$ 21,444,460**	**$ 21,422,223**	**$ 585,216**	**$ 22,658,223**
Education					
Department of Education					
General State Aid	1,875,390,680	1,985,900,000	2,104,677,000	--	2,103,388,000
All-Day Kindergarten	--	--	--	--	15,000,000
Supplemental General State Aid	218,849,439	267,447,000	277,891,000	--	287,455,000
Capital Outlay State Aid	19,293,911	21,280,000	22,400,000	--	22,400,000
Declining Enrollment State Aid	39,547	100,000	100,000	--	100,000
KPERS Employer Contribution	161,531,245	192,432,370	208,730,886	2,655,252	218,428,360
Special Education Services Aid	291,581,201	334,062,313	348,071,000	--	355,984,435
Juvenile Detention Grants	7,118,363	7,534,825	7,534,825	--	7,534,825
Teaching Excellence Scholarships	152,000	212,000	222,475	22,525	245,000
Mentor Teachers	1,050,000	1,100,000	1,000,000	150,000	1,150,000
Professional Development for Teachers	991,618	1,750,000	1,750,000	--	1,750,000
Deaf-Blind Program Aid	109,758	110,000	110,000	--	110,000
School Food Assistance	2,368,095	2,367,986	2,367,986	--	2,367,986
Parent Education	4,789,500	7,330,966	7,289,500	--	7,289,500
Discretionary Grants	148,235	148,235	148,235	--	148,235
Total--Department of Education	**$ 2,583,413,592**	**$ 2,821,775,695**	**$ 2,982,292,907**	**$ 2,827,777**	**$ 3,023,351,341**

Schedule 4.2--Expenditures from the State General Fund for Aid to Local Governments

	FY 2006 Actual	FY 2007 Gov. Estimate	FY 2008 Base Budget	FY 2008 Enhance. Pkg.	FY 2008 Gov. Rec.
Board of Regents					
Washburn Operating Grant	11,012,456	11,467,516	11,467,516	688,050	11,926,216
Postsecondary Aid for Vocational Ed.	20,613,322	25,408,603	25,408,603	1,524,516	33,660,397
Technical Innovation & Internships	--	--	--	--	180,500
Vocational Education Capital Outlay	--	--	--	--	2,667,600
Adult Basic Education	1,038,527	1,348,998	1,348,998	200,000	1,548,998
Technical Equipment	424,077	424,077	424,077	25,445	441,040
Community College Operating Grant	91,023,377	96,216,412	96,216,412	5,772,985	100,065,068
Out District Tuition Off-Set	3,200,000	6,400,000	6,400,000	384,000	6,400,000
KAN-ED	--	--	--	2,000,000	--
Nursing Grants	--	3,200,000	1,200,000	600,000	1,800,000
Competitive Teachers Grant	--	--	--	--	1,000,000
Total--Board of Regents	**$ 127,311,759**	**$ 144,465,606**	**$ 142,465,606**	**$ 11,194,996**	**$ 159,689,819**
Kansas Arts Commission					
Arts Grants	59,982	59,185	59,185	--	59,185
Historical Society					
Kansas Humanities Council	131,830	151,830	81,830	120,000	201,830
Share Our Kansas History Program	--	--	--	150,000	--
Total--Historical Society	**$ 131,830**	**$ 151,830**	**$ 81,830**	**$ 270,000**	**$ 201,830**
State Library					
Talking Books--READ Equipment	329,136	377,643	377,643	76,500	427,643
Grants to Libraries	2,393,562	2,393,562	2,393,562	--	2,393,562
Interlibrary Loan Development	595,089	624,670	624,670	--	624,670
Total--State Library	**$ 3,317,787**	**$ 3,395,875**	**$ 3,395,875**	**$ 76,500**	**$ 3,445,875**
Total--Education	**$ 2,714,234,950**	**$ 2,969,848,191**	**$ 3,128,295,403**	**$ 14,369,273**	**$ 3,186,748,050**
Public Safety					
Department of Corrections					
Correctional Conservation Camps	2,203,335	--	--	110,115	--
Offender Programs	5,000	--	--	--	--
Community Corrections	15,487,265	17,841,212	17,751,212	2,780,648	17,751,212
Total--Department of Corrections	**$ 17,695,600**	**$ 17,841,212**	**$ 17,751,212**	**$ 2,890,763**	**$ 17,751,212**
Juvenile Justice Authority					
Community Corrections	4,245,035	4,314,678	4,314,678	641,740	4,314,678
Case Management	4,176,954	4,198,436	4,363,479	882,200	4,363,479
Intake & Assessment	4,371,885	4,543,632	4,543,632	676,060	4,543,632
Prevention Block Grants	62,985	--	--	--	--
Juvenile Placement in Communities	622,605	--	--	--	--
Parent Modeling	--	750,000	--	--	--
Total--Juvenile Justice Authority	**$ 13,479,464**	**$ 13,806,746**	**$ 13,221,789**	**$ 2,200,000**	**$ 13,221,789**
Adjutant General					
State Disaster Match	1,608,309	1,430,089	--	1,532,000	1,000,000
Total--Public Safety	**$ 32,783,373**	**$ 33,078,047**	**$ 30,973,001**	**$ 6,622,763**	**$ 31,973,001**
Agriculture & Natural Resources					
KDHE--Division of Environment					
Local Environmental Protection Aid	--	--	--	1,502,735	1,502,735
State Conservation Commission					
Aid to Conservation Districts	--	--	--	2,136,154	--
Total--Ag. & Natural Resources	**$ --**	**$ --**	**$ --**	**$ 3,638,889**	**$ 1,502,735**
Total--Aid to Local Governments	**$ 2,765,740,960**	**$ 3,024,852,172**	**$ 3,180,986,751**	**$ 27,616,141**	**$ 3,245,078,133**

Schedule 5.1--Expenditures from All Funding Sources for Other Assistance, Grants, & Benefits by Agency

	FY 2006 Actual	FY 2007 Gov. Estimate	FY 2008 Base Budget	FY 2008 Enhance. Pkg.	FY 2008 Gov. Rec.
General Government					
Department of Administration					
Canceled Warrant Payments	111,510	2,238,366	115,500	--	115,500
Earned Interest on Federal Funds	946,400	1,428,000	1,428,000	--	1,428,000
Public Television Digital Conversion	432,057	617,327	603,552	--	603,552
Public Broadcasting Grants	1,757,194	1,925,355	1,754,139	1,390,691	2,004,139
Claims	212	--	--	--	--
Total--Department of Administration	**$ 3,247,373**	**$ 6,209,048**	**$ 3,901,191**	**$ 1,390,691**	**$ 4,151,191**
Kansas Corporation Commission					
Kansas Electric Transmission Authority	--	70,000	--	--	1,100,000
Kansas Energy Council	--	150,000	--	--	--
Energy Conservation Grants	--	75,951	75,951	--	75,951
Kansas Energy Council Grant	8,686	--	--	--	--
Pipeline Safety Scholarship Program	4,096	--	--	--	--
Energy Conservation Grants	106,500	--	--	--	--
Total--KCC	**$ 119,282**	**$ 295,951**	**$ 75,951**	**$ --**	**$ 1,175,951**
Health Care Stabilization					
Health Care Stabilization Fund	23,947,225	28,942,711	28,942,711	--	28,942,711
Kansas Public Employees Retirement Sys.					
Actuarial Cost of 2006 SB 270	--	300,000	--	--	--
Retirement Benefits Debt Payment	3,213,180	3,211,748	3,214,217	--	3,214,217
Total--KPERS	**$ 3,213,180**	**$ 3,511,748**	**$ 3,214,217**	**$ --**	**$ 3,214,217**
Department of Commerce					
Trade Show Assistance	--	50,000	45,000	--	45,000
KIT and KIR Programs	2,797,214	2,893,320	2,893,320	1,000,000	2,893,320
IMPACT Program	14,656,177	13,539,786	13,532,498	--	13,532,498
Older Kansans Employment Program	224,376	330,481	330,481	--	330,481
Small Business Development Centers	368,500	343,500	318,500	--	318,500
Certified Development Corporations	304,500	304,500	279,500	--	279,500
Travel Information Centers	16,949	--	--	--	--
Commission on Disability Concerns	6,500	5,000	5,000	--	5,000
Community Development	689,651	780,000	780,000	--	780,000
Community Service Employment	790,395	850,341	850,341	--	850,341
Attraction Development Grants	206,300	368,000	365,000	--	365,000
Workforce Development	15,560,283	15,764,824	15,764,824	--	15,764,824
Greyhound Tourism Grants	42,441	1,857	--	--	--
Economic Opportunity Initiatives Fund	3,535,950	3,600,000	3,600,000	--	3,600,000
Agriculture Products Development	319,879	416,680	416,880	--	416,880
Goodyear Bond Repayment	3,764,868	3,158,792	1,773,250	--	1,773,250
State Affordable Airfare Fund	--	5,000,000	5,000,000	--	5,000,000
Main Street Development	--	17,000	17,000	--	17,000
Community Entrepreneurship	450,000	--	--	--	--
Brand Image	51,424	--	--	--	--
Existing Industry Expansion Program	29,000	50,000	50,000	--	50,000
Rural Opportunity Program	--	--	--	--	2,100,000
On TRACK Program	--	--	--	--	3,000,000
Total--Department of Commerce	**$ 43,814,407**	**$ 47,474,081**	**$ 46,021,594**	**$ 1,000,000**	**$ 51,121,594**
Kansas Technology Enterprise Corporation					
University and Strategic Research	5,405,010	5,229,123	4,995,205	125,000	4,995,205
Product Development Financing	1,468,030	1,519,030	1,519,030	--	1,519,030
Commercialization	1,406,399	1,381,629	1,519,000	525,000	1,519,000

Schedule 5.1--Expenditures from All Funding Sources for Other Assistance, Grants, & Benefits by Agency

	FY 2006 Actual	FY 2007 Gov. Estimate	FY 2008 Base Budget	FY 2008 Enhance. Pkg.	FY 2008 Gov. Rec.
Kansas Technology Enterprise Corporation, Cont'd.					
MAMTC	3,495,071	3,331,716	3,181,403	100,000	3,181,403
Total--KTEC	**$ 11,774,510**	**$ 11,461,498**	**$ 11,214,638**	**$ 750,000**	**$ 11,214,638**
Kansas Lottery					
Prize Money & Commission Payments	29,756,112	29,316,805	30,255,325	--	30,255,325
Kansas Racing & Gaming Commission					
Horse Breeding Development	442,424	420,000	420,000	--	420,000
Greyhound Breeding Development	111,800	220,643	221,000	--	221,000
County Fair Benefit Funds	486,500	550,000	500,000	--	500,000
Total--Racing & Gaming Comm.	**$ 1,040,724**	**$ 1,190,643**	**$ 1,141,000**	**$ --**	**$ 1,141,000**
Department of Revenue					
KS Qualified Ethyl Producer Fund	3,891,822	4,500,000	3,500,000	--	3,500,000
KS Qualified Biodiesel Producer Fund	--	437,500	3,500,000	--	3,500,000
Claims	1,530	--	--	--	--
Total--Department of Revenue	**$ 3,893,352**	**$ 4,937,500**	**$ 7,000,000**	**--**	**$ 7,000,000**
Banking Department					
Credit Counseling	206,000	258,000	258,000	--	258,000
Kansas Real Estate Commission					
Claims	300	--	--	--	--
Office of the Securities Commissioner					
Investor Education	35,500	10,000	--	--	--
Office of the Governor					
Federal & Other Grants Programs	6,518,063	8,109,860	7,268,904	--	7,268,904
Child Advocacy Center Grants	--	--	--	--	1,000,000
Rape Crisis Support Center Grants	--	--	--	--	300,000
Total--Office of the Governor	**$ 6,518,063**	**$ 8,109,860**	**$ 7,268,904**	**$ --**	**$ 8,568,904**
Attorney General					
Crime Victims Assistance	705,228	826,459	984,563	--	984,563
Crime Victims Compensation	2,777,996	2,500,000	2,500,000	--	2,500,000
Tort Claims	1,072,364	1,200,000	1,200,000	--	1,200,000
Other Claims	1,104	--	--	--	--
Protection from Abuse Fund	1,267,878	1,202,817	1,301,104	--	1,301,104
Victims of Crime Fund	535,648	500,000	500,000	--	500,000
Safe Kids	168,968	256,032	175,000	75,000	175,000
Total--Attorney General	**$ 6,529,186**	**$ 6,485,308**	**$ 6,660,667**	**$ 75,000**	**$ 6,660,667**
Insurance Department					
Workers Compensation	2,569,349	2,750,000	2,750,000	--	2,750,000
Treasurer					
Unclaimed Property	10,092,183	10,000,000	10,000,000	--	10,000,000
Legislature					
Claim	200	--	--	--	--
Judiciary					
Permanent Families Account	234,760	236,068	243,508	--	243,508
Access to Justice Fund	800,468	1,351,915	1,099,283	--	1,099,283
Total--Judiciary	**$ 1,035,228**	**$ 1,587,983**	**$ 1,342,791**	**$ --**	**$ 1,342,791**
Total--General Government	**$ 147,792,174**	**$ 162,541,136**	**$ 160,046,989**	**$ 3,215,691**	**$ 167,796,989**
Human Services					
Social & Rehabilitation Services					
Adoption Contract	3,549,996	3,727,500	3,913,872	--	3,913,872
Permanent Guardianship	211,129	320,200	320,200	--	320,200

Schedule 5.1--Expenditures from All Funding Sources for Other Assistance, Grants, & Benefits by Agency

	FY 2006 Actual	FY 2007 Gov. Estimate	FY 2008 Base Budget	FY 2008 Enhance. Pkg.	FY 2008 Gov. Rec.
Social & Rehabilitation Services, Cont'd.					
Adoption Support	19,549,297	21,033,592	21,440,251	1,428,352	23,279,623
Independent Living Grants--Adoption	1,184,076	1,823,988	1,823,988	800,000	2,623,988
Early Head Start	7,906,082	9,742,397	9,742,397	593,960	11,936,357
Family Preservation	10,681,476	11,364,083	11,364,083	--	11,364,083
Foster Care Contract	121,675,201	133,000,000	132,000,000	--	136,000,000
Grants for Children & Families	1,806,537	2,276,657	2,276,657	--	2,276,657
Alcohol & Drug Abuse Programs	18,990,858	22,700,676	21,337,915	4,309,000	24,137,915
HCBS/DD Waiver	221,149,613	254,033,818	250,682,698	24,391,927	260,563,948
Head Injured Waiver	5,614,856	6,200,952	6,055,741	221,607	6,277,348
Independent Living Support	1,929,239	1,796,788	1,798,738	--	1,798,738
Intermediate Care Facilities--MR	17,290,206	18,211,205	17,972,807	539,000	18,511,807
Discretionary Grants/Commun. Funding	2,212,328	1,926,628	1,939,003	--	1,939,003
Nursing Facilities/Mental Health	11,750,315	12,300,000	12,498,000	--	12,600,000
HCBS/Physically Disabled Waiver	80,980,683	93,395,445	91,132,830	6,514,083	103,813,718
Technology Assistance Waiver	185,143	235,581	235,581	--	242,648
Community Dev. Disab. Support	18,817,404	20,769,491	20,769,491	415,000	20,769,491
HCBS Autism Waiver	--	--	--	3,021,909	1,486,621
Attendant Care for Independent Living	16,401,237	19,865,388	18,200,000	--	18,200,000
Head Injury Rehabilitation Hospital	5,128,381	7,070,966	5,700,000	--	5,700,000
Positive Behavior Support	157,952	281,473	250,000	--	250,000
CDDO Targeted Case Management	23,826,166	30,567,990	28,317,432	(6,955,905)	28,732,432
Substance Abuse Treatmt. Fee for Serv.	12,364,884	16,620,000	13,426,560	--	16,600,000
Private Psychiatrists & Psychologists	3,268,164	4,396,658	3,780,000	--	4,306,125
CMHC Certified Match	116,798,870	133,257,986	123,000,000	--	126,970,804
Behavior Management Services	15,955,989	19,345,356	15,238,482	--	20,723,071
Mental Health Grants	45,320,042	47,564,727	47,564,727	1,170,000	47,564,727
Non-Custody Behavior Management	658,152	495,649	495,649	--	495,649
Services for the Blind	10,243	29,785	29,785	--	29,785
Child Care Assistance	74,748,498	77,592,000	75,026,071	8,652,329	79,026,071
Child Support Pass-Through	(884,562)	296,433	296,433	--	296,433
Disability Determination Services	4,274,069	4,420,069	4,420,069	--	4,420,069
TAF Employment Preparation	10,092,513	12,042,333	12,042,333	--	12,042,333
Food Stamps Employment	62,916	107,436	107,436	--	107,436
Funeral Assistance	605,780	520,000	520,000	134,000	520,000
General Assistance	8,750,744	8,500,000	8,000,000	--	8,000,000
Low Income Energy Assistance	25,714,171	15,166,473	15,117,318	--	15,117,318
Refugee Assistance	20,637	23,090	23,090	--	23,090
Temporary Assistance to Families	63,865,150	61,000,000	64,000,000	8,897,359	64,448,680
Adult Protective Services	341,207	435,307	435,307	--	435,307
Develop. Disabilities Council Grants	104,941	584,486	584,486	--	584,486
Rehabilitation Services	21,269,155	21,371,436	21,371,436	242,000	21,371,436
Miscellaneous Grants & Claims	286,095	--	--	--	--
Grandparents as Caregivers	--	2,003,640	2,003,640	2,003,640	4,007,280
Total--SRS	**$ 994,625,833**	**$ 1,098,417,682**	**$ 1,067,254,506**	**$ 56,378,261**	**$ 1,123,828,549**
State Hospitals					
Claims	18,984	2,000	2,000	--	2,000
Subtotal--SRS	**$ 994,644,817**	**$ 1,098,419,682**	**$ 1,067,256,506**	**$ 56,378,261**	**$ 1,123,830,549**
Dept. of Admin.--Health Policy & Finance					
Regular Medical Assistance	1,185,893,960	--	--	--	--
HealthWave	62,278,621	--	--	--	--
Total--HPF	**$ 1,248,172,581**	**$ --**	**$ --**	**$ --**	**$ --**

Schedule 5.1--Expenditures from All Funding Sources for Other Assistance, Grants, & Benefits by Agency

	FY 2006 Actual	FY 2007 Gov. Estimate	FY 2008 Base Budget	FY 2008 Enhance. Pkg.	FY 2008 Gov. Rec.
Kansas Health Policy Authority					
Business Health Partnership	--	--	500,000	--	--
Regular Medical Assistance	--	1,182,000,000	1,227,788,794	20,261,965	1,255,737,483
CommunityRx Kansas	--	400,000	400,000	--	400,000
HealthWave	--	69,302,363	69,302,363	--	69,302,363
Total--HPA	**$ --**	**$ 1,251,702,363**	**$ 1,297,991,157**	**$ 20,261,965**	**$ 1,325,439,846**
Department on Aging					
Targeted Case Management	4,029,969	5,373,670	5,567,085	720,800	5,567,085
Medicaid Assistance	--	1,332,402	1,412,346	--	1,412,346
Nutrition	5,818,394	6,179,753	6,170,050	--	6,170,050
Senior Care Act	1,677,873	1,643,354	1,642,448	1,089,984	2,142,448
Nursing Facilities--Caseload	318,615,275	349,700,000	352,500,000	--	352,500,000
PACE	2,916,054	5,771,521	7,132,900	1,945,000	7,132,900
Senior Pharmacy Assistance	656,863	134,666	214,068	--	--
Older Americans Act	6,423,958	6,231,433	6,231,433	--	6,231,433
HCBS/FE	55,706,959	63,541,152	61,752,321	18,419,620	68,765,887
Miscellaneous Grants	613,012	613,011	272,456	--	272,456
Total--Department on Aging	**$ 396,458,357**	**$ 440,520,962**	**$ 442,895,107**	**$ 22,175,404**	**$ 450,194,605**
Health & Environment--Health					
Women, Infants, & Children Program	42,706,959	42,000,000	43,250,000	--	43,250,000
Smoking Prevention Grants	845,000	1,000,000	1,000,000	--	1,000,000
Advanced Education General Dentistry	--	415,000	415,000	--	415,000
Youth Mentoring Program	--	250,000	250,000	--	220,000
Rape Crisis Centers	--	300,000	300,000	--	--
SIDS Network Grant	25,000	75,000	75,000	--	75,000
Pregnancy Maintenance Initiative	300,000	500,000	500,000	--	300,000
Other Federal Grants	1,000,070	155,398	137,143	--	137,143
Total--KDHE--Health	**$ 44,877,029**	**$ 44,695,398**	**$ 45,927,143**	**$ --**	**$ 45,397,143**
Department of Labor					
Unemployment Benefits	253,097,807	250,405,840	278,376,025	--	278,376,025
Commission on Veterans Affairs					
Claims	2,998	3,000	3,000	--	3,000
Total--Human Services	**$ 2,937,253,589**	**$ 3,085,747,245**	**$ 3,132,448,938**	**$ 98,815,630**	**$ 3,223,241,168**
Education					
Department of Education					
School Food Assistance	31,838,395	32,242,500	32,607,500	--	32,607,500
Agriculture in the Classroom	35,000	35,000	35,000	--	35,000
Special Education	340,807	350,000	350,000	--	350,000
Teaching Excellence Scholarships	9,500	62,000	57,500	--	57,500
Optometric Assn. Vision Study	300,000	300,000	300,000	--	300,000
Communities in Schools	50,000	50,000	50,000	--	50,000
Driver Education	20,657	21,000	21,000	--	21,000
Elementary & Secondary Ed. Prog.	746,414	750,000	750,000	--	750,000
Ed. Research & Innovative Prog.	1,344,060	1,371,000	1,371,000	--	1,371,000
Improving Teacher Quality	10,000	--	--	--	--
Community Service Grants	21,076	--	--	--	--
Discretionary Grants	346,765	346,765	346,765	--	346,765
Challenger Project	--	300,000	--	--	--
Total--Department of Education	**$ 35,062,674**	**$ 35,828,265**	**$ 35,888,765**	**$ --**	**$ 35,888,765**
School for the Deaf					
Claims	250	--	--	--	--

Schedule 5.1--Expenditures from All Funding Sources for Other Assistance, Grants, & Benefits by Agency

	FY 2006 Actual	FY 2007 Gov. Estimate	FY 2008 Base Budget	FY 2008 Enhance. Pkg.	FY 2008 Gov. Rec.
Board of Regents					
State Scholarships	1,003,738	1,215,837	1,133,199	--	1,133,199
Comprehensive Grants Program	13,189,878	14,193,043	14,189,878	1,000,000	17,189,878
Vocational Scholarships	120,000	123,600	121,275	--	121,275
Scholarships for Osteopathic Ed.	--	--	--	100,000	--
Minority Scholarships	327,652	329,111	315,213	--	315,213
Minority Fellowship Program	--	24,000	24,000	--	24,000
Nursing Scholarships	246,884	448,467	443,592	--	443,592
Nurse Educator Grant Program	--	200,000	200,000	--	200,000
Workforce Development Loan	55,740	65,000	65,000	--	65,000
Kansas Work Study	528,172	528,172	528,172	--	528,172
KS Academy for Math and Science	--	--	--	100,000	100,000
Teachers Scholarship Program	316,666	359,244	326,744	--	1,326,744
Special Ed. Teacher Scholarship	--	300,000	300,000	--	300,000
Teacher Education Scholarship	--	86,115	86,115	--	86,115
ROTC Reimbursement Program	127,778	312,582	186,401	--	186,401
Optometry Education Program	113,850	113,850	113,850	--	113,850
National Guard Ed. Assistance	914,668	938,133	925,838	--	925,838
Tuition Waivers	139,914	230,000	220,000	--	220,000
Math & Science Teacher Scholarship	127,500	372,500	250,000	--	250,000
SW KS Access Project	44,224	685,000	200,000	--	200,000
Student Aid, Grants, & Scholarships	1,871,959	833,384	833,384	--	833,384
Total--Board of Regents	**$ 19,128,623**	**$ 21,358,038**	**$ 20,462,661**	**$ 1,200,000**	**$ 24,562,661**
Emporia State University					
Reading Recovery Program	160,000	160,000	160,000	--	160,000
Basic Opportunity Federal Grants	3,901,514	3,944,140	3,944,140	--	3,944,140
Student Aid, Grants, & Scholarships	1,484,860	1,994,254	1,994,254	--	1,994,254
Total--Emporia State University	**$ 5,546,374**	**$ 6,098,394**	**$ 6,098,394**	**$ --**	**$ 6,098,394**
Fort Hays State University					
Education Opportunity Grants	4,999,270	4,999,270	4,999,270	--	4,999,270
Student Aid, Grants, & Scholarships	3,103,608	3,103,521	3,103,521	--	3,103,521
Total--Fort Hays State University	**$ 8,102,878**	**$ 8,102,791**	**$ 8,102,791**	**$ --**	**$ 8,102,791**
Kansas State University					
Student Aid, Grants, & Scholarships	120,212,838	129,197,432	128,950,927	--	128,950,927
KSU--Veterinary Medical Center					
Student Aid, Grants, & Scholarships	--	100,000	100,000	100,000	200,000
Kansas State University--ESARP					
Student Aid, Grants, & Scholarships	3,566,154	4,111,723	4,101,731	--	4,101,731
Pittsburg State University					
Federal Student Financial Assistance	5,660,707	5,207,562	5,207,562	--	5,207,562
Student Aid, Grants, & Scholarships	2,228,730	2,340,250	2,340,250	--	2,340,250
Total--Pittsburg State University	**$ 7,889,437**	**$ 7,547,812**	**$ 7,547,812**	**$ --**	**$ 7,547,812**
University of Kansas					
Federal Student Financial Assistance	12,412,391	9,000,000	9,000,000	--	9,000,000
Student Aid, Grants, & Scholarships	26,104,513	24,832,266	24,832,266	--	24,832,266
Total University of Kansas	**$ 38,516,904**	**$ 33,832,266**	**$ 33,832,266**	**$ --**	**$ 33,832,266**
University of Kansas Medical Center					
Medical Scholarships	2,786,201	2,786,764	2,786,764	--	2,786,764
Wichita/Salina Resident Stipends	1,776,372	1,776,372	1,776,372	--	1,776,372
Student Aid, Grants, & Scholarships	5,196,674	3,185,979	3,189,479	--	3,189,479
Total--KU Medical Center	**$ 9,759,247**	**$ 7,749,115**	**$ 7,752,615**	**$ --**	**$ 7,752,615**

Schedule 5.1--Expenditures from All Funding Sources for Other Assistance, Grants, & Benefits by Agency

	FY 2006 Actual	FY 2007 Gov. Estimate	FY 2008 Base Budget	FY 2008 Enhance. Pkg.	FY 2008 Gov. Rec.
Wichita State University					
Education Opportunity Grants	424,103	387,709	387,709	--	387,709
Federal Student Financial Assistance	8,961,503	9,015,500	9,015,500	--	9,015,500
Scholarship Funds	4,532,230	4,650,000	4,650,000	--	4,650,000
Student Aid, Grants, & Scholarships	1,208,781	948,017	948,017	--	948,017
Total--Wichita State University	**$ 15,126,617**	**$ 15,001,226**	**$ 15,001,226**	**$ --**	**$ 15,001,226**
Subtotal--Regents	**$ 227,849,072**	**$ 233,098,797**	**$ 231,950,423**	**$ 1,300,000**	**$ 236,150,423**
Kansas Arts Commission					
Arts Grants	1,442,100	1,450,546	1,324,203	100,000	1,424,203
Historical Society					
Historic Preservation Grants	814,816	850,000	850,000	--	850,000
Cultural Heritage Center	27,930	27,930	27,930	--	27,930
Veterans Oral History Project Grants	53,652	96,348	--	--	--
Subtotal--Historical Society	**$ 896,398**	**$ 974,278**	**$ 877,930**	**$ --**	**$ 877,930**
State Library					
Grants to Libraries	468,778	1,027,301	575,397	431,267	575,397
Total--Education	**$ 265,719,272**	**$ 272,379,187**	**$ 270,616,718**	**$ 1,831,267**	**$ 274,916,718**
Public Safety					
Correctional Institutions					
Claims	84,693	--	--	--	--
Juvenile Justice Authority					
Purchase of Service Assistance	29,099,867	34,013,783	34,615,609	15,075,190	45,717,464
Florence Crittenton--JJA Grant	75,000	--	--	--	--
Juvenile Detention Facility Grants	6,635	--	--	--	--
Juvenile Delinquency Trust Fund	293,438	--	--	--	--
Delinquency Prevention Grant	133,665	--	--	--	--
Claims	3,000	--	--	--	--
Total--Juvenile Justice Authority	**$ 29,611,605**	**$ 34,013,783**	**$ 34,615,609**	**$ 15,075,190**	**$ 45,717,464**
Atchison Juvenile Correctional Facility					
Claims	50	--	--	--	--
Adjutant General					
FEMA Grants--Public Assistance	24,059,759	20,684,810	718,500	11,490,000	9,850,500
FEMA Grants--Hazard Mitigation	1,931,389	1,932,000	1,932,000	--	--
State Disaster Match	2,953,203	2,658,107	--	1,532,000	1,050,000
ODP Homeland Sec. Grants--EMPG	378	--	--	--	--
Military Emergency Relief	--	50,000	50,000	--	--
National Guard Death Benefits	750,000	749,634	--	--	--
Total--Adjutant General	**$ 29,694,729**	**$ 26,074,551**	**$ 2,700,500**	**$ 13,022,000**	**$ 10,900,500**
Emergency Medical Services Board					
Oper. of EMS Regional Councils	116,250	116,250	116,250	--	116,250
Rural Health Options Grant	47,500	9,500	--	--	--
Total--Emergency Medical Services	**$ 163,750**	**$ 125,750**	**$ 116,250**	**$ --**	**$ 116,250**
Fire Marshal					
Hazardous Materials	15,500	250,000	250,000	--	250,000
Highway Patrol					
Claims	52,586	--	--	--	--
Kansas Bureau of Investigation					
Claims	500	--	--	--	--

Schedule 5.1--Expenditures from All Funding Sources for Other Assistance, Grants, & Benefits by Agency

	FY 2006 Actual	FY 2007 Gov. Estimate	FY 2008 Base Budget	FY 2008 Enhance. Pkg.	FY 2008 Gov. Rec.
Kansas Sentencing Commission					
Substance Abuse Treatment	8,553,791	8,615,000	9,025,000	50,000	9,075,000
Total--Public Safety	**$ 68,177,204**	**$ 69,079,084**	**$ 46,707,359**	**$ 28,147,190**	**$ 66,059,214**
Agriculture & Natural Resources					
Department of Agriculture					
Organic Producers Cost Share	18,823	--	--	--	--
Drought Assistance Program	--	948,511	--	--	--
Claims	4,379	--	--	--	--
Total--Agriculture	**$ 23,202**	**$ 948,511**	**$ --**	**$ --**	**$ --**
State Conservation Commission					
Irrigation Water Use Reduction	--	1,110,839	1,317,115	103,770	1,411,385
Water Resources Cost Share	3,098,011	3,259,324	3,245,922	--	3,245,922
Salt Cedar Demonstration Projects	--	65,000	--	195,000	195,000
Conservation Reserve Program	--	5,000,000	--	--	--
Riparian & Wetland Program	264,597	264,809	250,882	--	250,882
Buffer Initiative	220,892	481,669	310,000	--	310,000
Conservation Easements	31,250	311,500	311,500	--	511,500
Non-Point Source Pollution	2,107,722	2,214,793	2,226,520	941,489	3,152,854
Total--State Conservation Commiss.	**$ 5,722,472**	**$ 12,707,934**	**$ 7,661,939**	**$ 1,240,259**	**$ 9,077,543**
State Fair					
Claims	514	--	--	--	--
Kansas Water Office					
Water Conservation Project Grants	266,035	64,448	--	--	--
Department of Wildlife & Parks					
Mined Land Wildlife Area	2,000	--	--	--	--
Mig. Bird Habitat Canadian Jt. Venture	25,000	--	--	--	--
Western KS Pheasant Initiative	94,000	--	--	--	--
KS Coop F & W Research Unit	40,000	--	--	--	--
Royalty Payment	350	--	--	--	--
Research & Survey	13,500	--	--	--	--
Greater Prairie Chicken Study	30,000	--	--	--	--
McPherson Wetlands	542,101	--	--	--	--
Jamestown Wetlands	866,160	--	--	--	--
Farmers & Hunters Feed the Hungry	20,905	15,000	15,000	--	15,000
T & E Species Southwest Kansas	21,497	--	--	--	--
Claims	2,935	--	--	--	--
Total--Dept. of Wildlife & Parks	**$ 1,658,448**	**$ 15,000**	**$ 15,000**	**$ --**	**$ 15,000**
Total--Ag. & Natural Resources	**$ 7,670,671**	**$ 13,735,893**	**$ 7,676,939**	**$ 1,240,259**	**$ 9,092,543**
Transportation					
Department of Transportation					
Transportation Grants	6,303,750	16,423,603	13,840,454	--	13,840,454
Rail Grant	1,500,000	1,500,000	1,500,000	--	1,500,000
Claims	731,633	400,000	400,000	--	400,000
Total--Department of Transportation	**$ 8,535,383**	**$ 18,323,603**	**$ 15,740,454**	**$ --**	**$ 15,740,454**
Total--Transportation	**$ 8,535,383**	**$ 18,323,603**	**$ 15,740,454**	**$ --**	**$ 15,740,454**
Total--Other Asst., Grants & Benefits	**$ 3,435,148,293**	**$ 3,621,806,148**	**$ 3,633,237,397**	**$ 133,250,037**	**$ 3,756,847,086**

Schedule 5.2--Expenditures from the State General Fund for Other Assistance, Grants, & Benefits by Agency

	FY 2006 Actual	FY 2007 Gov. Estimate	FY 2008 Base Budget	FY 2008 Enhance. Pkg.	FY 2008 Gov. Rec.
General Government					
Department of Administration					
Public Television Digital Conversion	432,057	617,327	603,552	--	603,552
Public Broadcasting Grants	1,757,194	2,238,366	1,754,139	1,390,691	2,004,139
Total--Department of Administration	**$ 2,189,251**	**$ 2,855,693**	**$ 2,357,691**	**$ 1,390,691**	**$ 2,607,691**
Kansas Corporation Commission	--	--	--	--	1,000,000
Department of Commerce					
Commission on Disability Concerns	6,500	5,000	5,000	--	5,000
Kansas Public Employees Retirement Sys.					
Actuarial Cost of 2006 SB 270	--	300,000	--	--	--
Retirement Benefits Debt Payment	3,213,180	3,211,748	3,214,217	--	3,214,217
Total--KPERS	**$ 3,213,180**	**$ 3,511,748**	**$ 3,214,217**	**$ --**	**$ 3,214,217**
Department of Revenue					
Claims	30	--	--	--	--
Office of the Governor					
Federal & Other Grant Programs	--	1,545,469	1,583,333	--	1,583,333
Child Advocacy Center Grants	--	--	--	--	1,000,000
Rape Crisis Support Center Grants	--	--	--	--	300,000
Total--Office of the Governor	**$ --**	**$ 1,545,469**	**$ 1,583,333**	**$ --**	**$ 2,883,333**
Attorney General					
Safe Kids	168,968	256,032	175,000	75,000	175,000
Legislature					
Claims	200	--	--	--	--
Total--General Government	**$ 5,578,129**	**$ 8,173,942**	**$ 7,335,241**	**$ 1,465,691**	**$ 9,885,241**
Human Services					
Social & Rehabilitation Services					
Adoption Contract	1,519,150	2,488,000	2,637,098	--	2,637,098
Permanent Guardianship	--	70,200	70,200	--	70,200
Adoption Support	6,861,962	7,357,972	10,361,389	745,984	11,317,341
Independent Living Grants	38,870	622,460	652,219	800,000	1,452,219
Early Head Start	--	1,852,779	1,852,779	593,960	2,446,739
Family Preservation	--	130,004	130,004	--	130,004
Foster Care Contract	76,689,631	81,000,000	93,918,716	--	95,000,000
Grants for Children & Families	5,092	14,726	14,726	--	14,726
Alcohol and Drug Abuse Programs	2,155,342	2,407,466	3,066,297	4,309,000	5,866,297
HCBS/DD Waiver	87,230,487	98,508,823	98,111,675	11,120,457	105,163,610
Head Injured Waiver	2,214,749	2,442,721	2,385,232	137,113	2,534,656
Independent Living Support	385,950	359,358	359,748	--	359,748
Intermediate Care Facilities--MR	6,818,651	7,110,966	7,016,584	334,418	7,473,200
Discretionary Grants/Commun. Funding	1,111,129	1,776,519	1,788,884	--	1,788,884
Nursing Facilities/Mental Health	9,865,785	10,600,000	10,530,000	--	10,800,000
HCBS/Physically Disabled Waiver	31,808,743	36,566,787	35,671,018	3,104,571	41,916,638
Technology Assistance Waiver	41,652	60,595	91,971	--	97,932
Community Dev. Disab. Support	11,838,513	19,043,159	19,043,159	415,000	19,043,159
HCBS Autism Waiver	--	--	--	1,200,000	600,000
Behavior Management Services	15,725,760	13,844,559	11,002,864	--	14,388,221
Attendant Care for Independent Living	6,455,064	7,836,547	7,177,220	--	7,177,220
Head Injury Rehabilitation Hospital	2,022,454	2,806,235	2,263,470	--	2,263,470
Positive Behavior Support	62,240	111,060	98,600	--	98,600
CDDO Targeted Case Management	1,214,234	1,480,962	1,464,695	6,212,952	1,879,695

Schedule 5.2--Expenditures from the State General Fund for Other Assistance, Grants, & Benefits by Agency

	FY 2006 Actual	FY 2007 Gov. Estimate	FY 2008 Base Budget	FY 2008 Enhance. Pkg.	FY 2008 Gov. Rec.
Social & Rehabilitation Services, Cont'd.					
Substance Abuse Treatmt. Fee for Serv.	4,879,888	6,600,000	5,331,687	--	6,700,000
Private Psychiatrists & Psychologists	1,329,866	1,745,490	1,501,038	--	1,737,952
CMHC Certified Match	29,712,469	30,409,951	25,300,000	--	31,873,827
Mental Health Grants	36,978,776	38,788,907	39,201,866	1,170,000	39,201,866
Non-Custody Behavior Management	79,141	157,972	157,972	--	157,972
Services for the Blind	--	4,998	4,998	--	4,998
Child Care Assistance	20,906,949	16,615,132	22,545,898	8,652,329	22,545,898
Disability Determination	4,047	12,426	12,426	--	12,426
Food Stamps Employment Preparation	31,458	53,718	53,718	--	53,718
Funeral Assistance	605,780	520,000	520,000	134,000	520,000
General Assistance	8,749,322	8,500,000	8,000,000	--	8,000,000
Low Income Energy Assistance	--	1,000,000	1,000,000	--	1,000,000
Temporary Assistance to Families	29,821,726	29,821,028	29,821,028	8,897,359	34,269,708
Adult Protective Services	197,894	252,478	435,307	--	435,307
Rehabilitation Services	4,552,904	4,550,611	4,580,611	242,000	4,580,611
Miscellaneous Grants & Claims	116,354	--	--	--	--
Grandparents as Caregivers	--	2,003,640	2,003,640	2,003,640	4,007,280
Total--SRS	**$ 402,032,032**	**$ 439,528,249**	**$ 450,178,737**	**$ 50,072,783**	**$ 489,621,220**
State Hospitals					
Claims	18,466	2,000	2,000	--	2,000
Subtotal--SRS	**$ 402,050,498**	**$ 439,530,249**	**$ 450,180,737**	**$ 50,072,783**	**$ 489,623,220**
Dept. of Admin.--Health Policy & Finance					
Regular Medical Assistance	387,008,599	--	--	--	--
HealthWave	14,799,572	--	--	--	--
Total--HPF	**$ 401,808,171**	**$ --**	**$ --**	**$ --**	**$ --**
Kansas Health Policy Authority					
Business Health Partnership	--	--	500,000	--	--
Regular Medical Assistance	--	405,000,000	379,362,865	8,104,986	447,294,993
CommunityRx Kansas	--	400,000	400,000	--	400,000
HealthWave	--	17,130,917	17,130,917	--	19,130,917
Total--HPA	**$ --**	**$ 422,530,917**	**$ 397,393,782**	**$ 8,104,986**	**$ 466,825,910**
Department on Aging					
Targeted Case Management	1,589,517	2,127,436	2,204,009	285,364	2,234,628
Medicaid Assistance	--	666,201	706,173	--	706,173
Senior Care Act	1,677,873	1,643,354	1,642,448	1,089,984	2,142,448
Nursing Facilities	124,829,053	138,900,000	139,554,750	--	142,300,000
PACE	1,149,973	2,284,945	2,823,915	770,026	2,863,146
Nutrition	1,359,499	1,426,366	1,401,366	--	1,401,366
HCBS/FE	21,972,790	25,155,942	24,447,744	7,292,327	26,636,507
Miscellaneous Grants	1,115	--	--	--	--
Total--Department on Aging	**$ 152,579,820**	**$ 172,204,244**	**$ 172,780,405**	**$ 9,437,701**	**$ 178,284,268**
Health & Environment--Health					
SIDS Network Grant	25,000	75,000	75,000	--	75,000
Youth Mentoring Program	--	250,000	250,000	--	220,000
Rape Crisis Centers	--	300,000	300,000	--	--
Advanced Education General Dentistry	--	415,000	415,000	--	415,000
Pregnancy Maintenance Initiative	300,000	500,000	500,000	--	300,000
Total--KDHE--Health	**$ 325,000**	**$ 1,540,000**	**$ 1,540,000**	**$ --**	**$ 1,010,000**
Kansas Commission on Veterans Affairs					
Claims	1,883	2,742	2,742	--	2,742
Total--Human Services	**$ 956,765,372**	**$ 1,035,808,152**	**$ 1,021,897,666**	**$ 67,615,470**	**$ 1,135,746,140**

Schedule 5.2--Expenditures from the State General Fund for Other Assistance, Grants, & Benefits by Agency

	FY 2006 Actual	FY 2007 Gov. Estimate	FY 2008 Base Budget	FY 2008 Enhance. Pkg.	FY 2008 Gov. Rec.
Education					
Department of Education					
Challenger Project	--	300,000	--	--	--
School Food Assistance	142,391	142,500	142,500	--	142,500
Agriculture in the Classroom	35,000	35,000	35,000	--	35,000
Teaching Excellence Scholarships	9,500	62,000	32,025	--	32,025
Discretionary Grants	346,765	346,765	346,765	--	346,765
Total--Department of Education	**$ 533,656**	**$ 886,265**	**$ 556,290**	**$ --**	**$ 556,290**
School for the Deaf					
Claims	250	--	--	--	--
Board of Regents					
State Scholarships	1,003,738	1,215,837	1,133,199	--	1,133,199
Comprehensive Grants Program	13,189,878	14,193,043	14,189,878	1,000,000	17,189,878
Vocational Scholarships	120,000	123,600	121,275	--	121,275
Minority Scholarships	327,652	329,111	315,213	--	315,213
Nursing Scholarships	246,884	448,467	443,592	--	443,592
Nurse Educator Grant Program	--	200,000	200,000	--	200,000
Kansas Work Study	528,172	528,172	528,172	--	528,172
Teachers Scholarship Program	316,666	359,244	326,744	--	1,326,744
Special Ed. Teacher Scholarship	--	300,000	300,000	--	300,000
Teacher Education Scholarship	--	86,115	86,115	--	86,115
ROTC Reimbursement Program	127,778	312,582	186,401	--	186,401
Optometry Education Program	113,850	113,850	113,850	--	113,850
National Guard Ed. Assistance	914,668	938,133	925,838	--	925,838
Math & Science Teacher Scholarship	127,500	372,500	250,000	--	250,000
SW Kansas Access	44,224	685,000	200,000	--	200,000
Tuition Waivers	--	90,000	90,000	--	90,000
KS Academy for Math and Science	--	--	--	100,000	100,000
Osteopathic Medical Scholarship	--	--	--	100,000	--
Other Student Financial Assistance	213,214	--	--	--	--
Total--Board of Regents	**$ 17,274,224**	**$ 20,295,654**	**$ 19,410,277**	**$ 1,200,000**	**$ 23,510,277**
Emporia State University					
Reading Recovery Program	160,000	160,000	160,000	--	160,000
Student Aid, Grants, & Scholarships	16,652	--	--	--	--
Total--Emporia State University	**$ 176,652**	**$ 160,000**	**$ 160,000**	**$ --**	**$ 160,000**
KSU--Veterinary Medical Center					
Student Aid, Grants, & Scholarships	--	100,000	100,000	100,000	200,000
Kansas State University--ESARP					
Student Aid, Grants, & Scholarships	2,300	327,144	320,858	--	320,858
Pittsburg State University					
Student Aid, Grants, & Scholarships	3,300	110,826	110,826	--	110,826
University of Kansas					
Student Aid, Grants, & Scholarships	60,887	--	--	--	--
KU Medical Center					
Medical Scholarships	2,786,201	2,786,764	2,786,764	--	2,786,764
Wichita Resident Stipends	1,776,372	1,776,372	1,776,372	--	1,776,372
Student Aid, Grants, & Scholarships	2,237,699	--	--	--	--
Total--KU Medical Center	**$ 6,800,272**	**$ 4,563,136**	**$ 4,563,136**	**$ --**	**$ 4,563,136**
Subtotal--Regents	**$ 24,317,635**	**$ 25,556,760**	**$ 24,665,097**	**$ 1,300,000**	**$ 28,865,097**
Kansas Arts Commission					
Arts Grants	1,113,651	1,140,011	1,140,011	100,000	1,240,011

Schedule 5.2--Expenditures from the State General Fund for Other Assistance, Grants, & Benefits by Agency

	FY 2006 Actual	FY 2007 Gov. Estimate	FY 2008 Base Budget	FY 2008 Enhance. Pkg.	FY 2008 Gov. Rec.
Historical Society					
Cultural History Center	27,930	27,930	27,930	--	27,930
Veterans Oral History Project	53,652	96,348	--	--	--
Total--Historical Society	**$ 81,582**	**$ 124,278**	**$ 27,930**	**$ --**	**$ 27,930**
State Library					
Grants to Libraries	97,201	7,020	7,020	431,267	7,020
Total--Education	**$ 26,143,975**	**$ 27,714,334**	**$ 26,396,348**	**$ 1,831,267**	**$ 30,696,348**
Public Safety					
Correctional Institutions					
Claims	84,693	--	--	--	--
Juvenile Justice Authority					
Purchase of Service Assistance	14,237,626	17,568,828	16,330,751	5,947,684	21,330,751
Florence Crittenton--JJA Grant	75,000	--	--	--	--
Claims	3,000	--	--	--	--
Total--Juvenile Justice	**$ 14,315,626**	**$ 17,568,828**	**$ 16,330,751**	**$ 5,947,684**	**$ 21,330,751**
Atchison Juvenile Correctional Facility					
Claims	50	--	--	--	--
Adjutant General					
State Disaster Match	2,839,806	1,430,088	--	1,532,000	1,000,000
National Guard Death Benefits	750,000	749,634	--	--	--
Military Emergency Relief	19,874	50,000	50,000	--	50,000
Total--Adjutant General	**$ 3,609,680**	**$ 2,229,722**	**$ 50,000**	**$ 1,532,000**	**$ 1,050,000**
Highway Patrol					
Claims	694	--	--	--	--
Kansas Bureau of Investigation					
Claims	500	--	--	--	--
Kansas Sentencing Commission					
Substance Abuse Treatment	8,553,791	8,390,000	8,850,000	50,000	8,900,000
Total--Public Safety	**$ 26,565,034**	**$ 28,188,550**	**$ 25,230,751**	**$ 7,529,684**	**$ 31,280,751**
Agriculture & Natural Resources					
Department of Agriculture					
Claims	4,379	--	--	--	--
State Conservation Commission					
Conservation Easements	--	311,500	311,500	--	511,500
Wildlife & Parks					
Claims	797	--	--	--	--
Total--Ag. & Natural Resources	**$ 5,176**	**$ 311,500**	**$ 311,500**	**$ --**	**$ 511,500**
Total--Other Asst., Grants, & Benefits	**$ 1,015,057,686**	**$ 1,100,196,478**	**$ 1,081,171,506**	**$ 78,442,112**	**$ 1,208,119,980**

Schedule 6.1--Expenditures from All Funding Sources for Capital Improvements by Agency

	FY 2006 Actual	FY 2007 Gov. Estimate	FY 2008 Base Budget	FY 2008 Enhance. Pkg.	FY 2008 Gov. Rec.
General Government					
Department of Administration	4,349,929	3,292,255	3,379,329	13,617,690	3,379,329
Department of Commerce	202,570	463,500	250,000	--	250,000
Kansas Technology Enterprise Corporation	5,922	--	--	--	--
Insurance Department	46,921	118,745	120,861	--	120,861
Judiciary	75,400	--	167,919	--	167,919
Total--General Government	**$ 4,680,742**	**$ 3,874,500**	**$ 3,918,109**	**$ 13,617,690**	**$ 3,918,109**
Human Services					
Social & Rehabilitation Services	5,422,219	5,340,156	4,708,100	--	4,608,100
Kansas Neurological Institute	113,776	120,000	120,000	--	120,000
Larned State Hospital	2,199	--	--	--	--
Osawatomie State Hospital	11,585	--	--	--	--
Parsons State Hospital & Training Center	104,737	109,021	113,614	--	113,614
Rainbow Mental Health Facility	1,961	--	--	--	--
Subtotal--SRS	**$ 5,656,477**	**$ 5,569,177**	**$ 4,941,714**	**$ --**	**$ 4,841,714**
Department of Labor	780,870	904,814	280,330	--	280,330
Commission on Veterans Affairs	853,638	4,644,700	7,667,614	--	7,667,614
Total--Human Services	**$ 7,290,985**	**$ 11,118,691**	**$ 12,889,658**	**$ --**	**$ 12,789,658**
Education					
School for the Blind	411,405	149,878	97,317	83,263	180,580
School for the Deaf	1,752,960	893,044	241,464	552,290	246,464
Subtotal--Department of Education	**$ 2,164,365**	**$ 1,042,922**	**$ 338,781**	**$ 635,553**	**$ 427,044**
Board of Regents	10,880,000	17,450,000	33,045,000	--	33,045,000
Emporia State University	1,503,273	2,239,912	1,402,327	425,036	1,402,327
Fort Hays State University	2,249,644	2,003,688	2,773,931	400,000	2,773,931
Kansas State University	12,484,225	12,337,958	14,160,109	515,000	14,160,109
Kansas State University--ESARP	879,747	1,350,000	1,951,345	--	1,951,345
KSU--Veterinary Medical Center	655,148	--	538,719	--	538,719
Pittsburg State University	2,682,979	4,527,441	6,934,359	3,730,000	6,934,359
University of Kansas	15,819,284	27,335,023	7,347,115	5,100,000	9,347,115
University of Kansas Medical Center	3,967,337	2,337,794	2,309,721	7,233,000	2,309,721
Wichita State University	3,644,942	5,257,742	2,684,637	--	2,684,637
Subtotal--Regents	**$ 54,766,579**	**$ 74,839,558**	**$ 73,147,263**	**$ 17,403,036**	**$ 75,147,263**
Historical Society	591,846	1,886,804	300,000	1,151,750	411,000
Total--Education	**$ 57,522,790**	**$ 77,769,284**	**$ 73,786,044**	**$ 19,190,339**	**$ 75,985,307**
Public Safety					
Department of Corrections	5,721,104	7,101,356	7,536,170	2,556,082	10,077,385
El Dorado Correctional Facility	187,674	204,581	171,431	--	171,431
Ellsworth Correctional Facility	420,134	88,976	77,097	--	77,097
Hutchinson Correctional Facility	810,195	485,754	248,112	--	248,112
Lansing Correctional Facility	1,216,252	719,466	340,754	--	340,754
Larned Correctional Mental Health Facility	51,359	133,527	14,762	--	14,762
Norton Correctional Facility	563,717	255,631	155,637	--	155,637
Topeka Correctional Facility	437,593	505,372	64,015	--	64,015
Winfield Correctional Facility	581,351	843,866	125,202	--	125,202
Subtotal--Corrections	**$ 9,989,379**	**$ 10,338,529**	**$ 8,733,180**	**$ 2,556,082**	**$ 11,274,395**
Juvenile Justice Authority	1,843,056	2,752,291	2,756,800	944,589	3,012,792
Atchison Juvenile Correctional Facility	554,233	--	--	--	--
Beloit Juvenile Correctional Facility	50,923	--	--	--	--
Subtotal--Juvenile Justice	**$ 2,448,212**	**$ 2,752,291**	**$ 2,756,800**	**$ 944,589**	**$ 3,012,792**

Schedule 6.1--Expenditures from All Funding Sources for Capital Improvements by Agency

	FY 2006 Actual	FY 2007 Gov. Estimate	FY 2008 Base Budget	FY 2008 Enhance. Pkg.	FY 2008 Gov. Rec.
Adjutant General	1,196,667	1,560,000	1,590,000	388,394	1,641,641
Highway Patrol	1,122,360	2,644,481	991,083	--	991,083
Kansas Bureau of Investigation	280,837	2,871,075	365,000	397,457	365,000
Total--Public Safety	**$ 15,037,455**	**$ 20,166,376**	**$ 14,436,063**	**$ 4,286,522**	**$ 17,284,911**
Agriculture & Natural Resources					
Kansas State Fair	1,295,543	3,563,440	1,229,867	579,190	1,316,556
Department of Wildlife & Parks	5,638,036	16,616,115	9,857,200	1,350,000	9,657,200
Total--Agriculture & Natural Resources	**$ 6,933,579**	**$ 20,179,555**	**$ 11,087,067**	**$ 1,929,190**	**$ 10,973,756**
Transportation					
Department of Administration	--	--	6,735,000	--	6,735,000
Kansas Department of Transportation	908,285,211	1,139,081,854	743,163,870	2,406,606	744,280,819
Total--Transportation	**$ 908,285,211**	**$ 1,139,081,854**	**$ 749,898,870**	**$ 2,406,606**	**$ 751,015,819**
Total Expenditures	**$ 999,750,762**	**$ 1,272,190,260**	**$ 866,015,811**	**$ 41,430,347**	**$ 871,967,560**

Schedule 6.2--Expenditures from the State General Fund for Capital Improvements by Agency

	FY 2006 Actual	FY 2007 Gov. Estimate	FY 2008 Base Budget	FY 2008 Enhance. Pkg.	FY 2008 Gov. Rec.
General Government					
Department of Administration	4,221,943	3,234,015	3,315,000	13,617,690	3,315,000
Judiciary	75,400	--	167,919	--	167,919
Total--General Government	**$ 4,297,343**	**$ 3,234,015**	**$ 3,482,919**	**$ 13,617,690**	**$ 3,482,919**
Human Services					
Social & Rehabilitation Services	1,666	--	--	--	--
Kansas Neurological Institute	113,776	55,169	55,534	--	55,534
Larned State Hospital	1,316	--	--	--	--
Osawatomie State Hospital	1,340	--	--	--	--
Parsons State Hospital & Training Center	51,832	56,121	60,714	--	60,714
Rainbow Mental Heatlh Facility	1,961	--	--	--	--
Total--Human Services	**$ 171,891**	**$ 111,290**	**$ 116,248**	**$ --**	**$ 116,248**
Education					
School for the Blind	29,358	25,277	26,494	--	26,494
School for the Deaf	72,154	54,197	56,464	--	56,464
Subtotal--Department of Education	**$ 101,512**	**$ 79,474**	**$ 82,958**	**$ --**	**$ 82,958**
Emporia State University	--	--	--	425,036	--
Fort Hays State University	--	--	--	400,000	--
Kansas State University	189,446	189,446	189,446	515,000	--
Kansas State University--ESARP	112,710	--	--	--	189,446
Pittsburg State University	191,926	135,212	285,018	3,730,000	285,018
University of Kansas	2,016,991	797,741	763,768	5,100,000	763,768
University of Kansas Medical Center	1,080,588	350,000	370,000	7,233,000	370,000
Wichita State University	1,050,000	1,160,000	1,215,000	--	1,215,000
Subtotal--Regents	**$ 4,641,661**	**$ 2,632,399**	**$ 2,823,232**	**$ 17,403,036**	**$ 2,823,232**
Historical Society	81,142	986,725	125,000	1,151,750	236,000
Total--Education	**$ 4,824,315**	**$ 3,698,598**	**$ 3,031,190**	**$ 18,554,786**	**$ 3,142,190**
Public Safety					
Department of Corrections	3,502,819	1,766,303	2,520,303	--	2,520,303
El Dorado Correctional Facility	131,257	171,431	171,431	--	171,431
Ellsworth Correctional Facility	74,344	77,097	77,097	--	77,097
Hutchinson Correctional Facility	246,729	248,112	248,112	--	248,112
Lansing Correctional Facility	317,347	330,202	340,754	--	340,754
Larned Correctional Mental Health Facility	30,055	14,762	14,762	--	14,762
Norton Correctional Facility	143,672	149,535	155,637	--	155,637
Topeka Correctional Facility	75,004	64,015	64,015	--	64,015
Winfield Correctional Facility	123,575	125,202	125,202	--	125,202
Subtotal--Corrections	**$ 4,644,802**	**$ 2,946,659**	**$ 3,717,313**	**$ --**	**$ 3,717,313**
Adjutant General	890,000	1,060,000	1,090,000	388,394	1,141,641
Kansas Bureau of Investigation	280,837	2,704,475	365,000	397,457	365,000
Total--Public Safety	**$ 5,815,639**	**$ 6,711,134**	**$ 5,172,313**	**$ 785,851**	**$ 5,223,954**
Agriculture & Natural Resources					
Kansas State Fair	734,030	3,455,727	1,120,000	--	1,120,000
Department of Wildlife & Parks	14,420	2,205,000	2,655,000	--	1,855,000
Total--Agriculture & Natural Resources	**$ 748,450**	**$ 5,660,727**	**$ 3,775,000**	**$ --**	**$ 2,975,000**
Transportation					
Department of Administration	--	--	6,735,000	--	6,735,000
Total Expenditures	**$ 15,857,638**	**$ 19,415,764**	**$ 22,312,670**	**$ 32,958,327**	**$ 21,675,311**

Schedule 7—Federal Receipts by Agency contains federal formula grants and reimbursements to state agencies participating in federally-sponsored programs. The schedule reflects only the amount of federal funding received, not the amount expended. The reason for not presenting a schedule of federal funds expenditures is that, in some cases, they are mingled with state funds so their identity as federal funds is not maintained. An example would be the Department of Transportation's State Highway Fund, which combines federal matching funds with state dollars in a single fund. When expenditures are made from the State Highway Fund, therefore, it is no longer possible to determine whether the funds being spent are federal or state funds.

Schedule 7--Federal Receipts by Agency

	FY 2006 Actual	FY 2007 Gov. Estimate	FY 2008 Gov. Rec.
General Government			
Department of Administration	305,280	285,330	285,330
Kansas Corporation Commission	2,690,474	2,613,725	2,431,238
Kansas Human Rights Commission	358,050	364,035	372,835
Department of Commerce	54,436,351	55,125,848	54,274,950
Kansas Technology Enterprise Corporation	2,796,246	1,862,702	1,864,951
Department of Revenue	--	1,760,420	1,050,000
Office of the Governor	13,206,816	11,560,680	10,769,705
Attorney General	1,283,950	1,771,172	1,667,906
Insurance Department	153,119	160,500	48,000
Secretary of State	2,049	6,000	6,000
Judiciary	165,345	433,117	338,722
Total--General Government	**$ 75,397,680**	**$ 75,943,529**	**$ 73,109,637**
Human Services			
Social & Rehabilitation Services	290,498,601	331,592,237	332,929,717
Kansas Neurological Institute	424,356	394,371	394,371
Administration--Health Policy & Finance	1,502,730,998	--	--
Kansas Health Policy Authority	446,816	1,488,406,000	1,517,256,000
Department on Aging	15,534,091	16,373,708	15,891,902
Health and Environment--Health	87,036,405	92,113,470	88,948,141
Department of Labor	19,533,473	20,499,877	20,319,703
Commission on Veterans Affairs	219,871	2,840,140	6,747,497
Total--Human Services	**$ 1,916,424,611**	**$ 1,952,219,803**	**$ 1,982,487,331**
Education			
Department of Education	380,946,296	381,662,961	379,702,945
School for the Blind	6,461	6,461	6,461
School for the Deaf	--	500	500
Board of Regents	12,309,445	12,244,896	12,844,896
Emporia State University	7,186,929	8,468,936	8,470,979
Fort Hays State University	7,043,042	7,042,006	7,042,006
Kansas State University	156,536,440	158,250,801	158,707,004
Kansas State University--ESARP	32,229,203	41,210,159	41,185,061
KSU--Veterinary Medical Center	97,875	125,643	125,643
Pittsburg State University	7,877,212	7,877,212	8,440,727
University of Kansas	104,580,665	105,000,000	105,000,000
University of Kansas Medical Center	10,770,034	15,978,340	9,005,105
Wichita State University	21,353,369	34,777,449	23,212,400
Kansas Arts Commission	595,300	582,004	532,448
Historical Society	752,711	759,531	706,531
State Library	1,440,917	1,812,456	1,812,456
Total--Education	**$ 743,725,899**	**$ 775,799,355**	**$ 756,795,162**
Public Safety			
Department of Corrections	2,108,612	1,256,525	523,033
Topeka Correctional Facility	118,288	124,444	125,012
Juvenile Justice Authority	953,128	8,414	--
Beloit Juvenile Correctional Facility	11,256	3,500	--
Adjutant General	73,016,638	71,999,216	53,270,963
Emergency Medical Services Board	109,587	40,658	--
Highway Patrol	39,579,856	27,363,597	13,928,734
Kansas Bureau of Investigation	4,529,211	5,328,836	4,427,741
Total--Public Safety	**$ 120,426,576**	**$ 106,125,190**	**$ 72,275,483**

Schedule 7--Federal Receipts by Agency

	FY 2006 Actual	FY 2007 Gov. Estimate	FY 2008 Gov. Rec.
Agriculture & Natural Resources			
Department of Agriculture	4,307,762	6,667,848	5,203,017
Animal Health Department	328,618	238,031	60,003
State Conservation Commission	496,443	969,780	427,726
Health and Environment--Environment	17,693,597	16,627,907	16,583,218
Kansas Water Office	105,953	283,109	160,000
Department of Wildlife & Parks	12,306,493	11,777,368	11,306,809
Total--Agriculture & Natural Resources	**$ 35,238,866**	**$ 36,564,043**	**$ 33,740,773**
Transportation			
Kansas Department of Transportation	373,522,324	387,166,236	382,483,500
Total Receipts	**$ 3,264,735,956**	**$ 3,333,818,156**	**$ 3,300,891,886**

Schedule 8—Current Year Adjustments reconciles the differences between the approved FY 2007 budget, as published in the *Comparison Report* (August 2006) by the Division of the Budget, and the Governor's estimate of revised expenditures for FY 2007, as published in this report. The purpose of the schedule is to track the changes that have occurred since the 2006 Legislature approved the FY 2007 budget.

Since the *Comparison Report* was published, a number of changes have occurred. Revised expenditures reflected in the Governor's recommendations include reappropriations of expenditures from FY 2006 to FY 2007. These reappropriations represent funds approved to be spent prior to FY 2007 under authority granted in legislation. Other changes that have occurred include actions taken by the State Finance Council, actions accomplished through Executive Directive authority of the Governor, internal transfers between a central office and its institutions or between institutions, and recommendations by the Governor to reflect updated information on caseloads or institutional populations, changes in expenditure patterns, new or revised policy directives, or changes in federal grants.

There were also two adjustments to appropriations of new funds since the 2006 Legislature adjourned. One was unspent money from the Children's Initiatives Fund in the Department of Education that was added to the State General Fund. The second was a small reduction in a State General Fund account as part of the certification of funds the Board of Regents must make each year under the mechanism to finance the 27th payroll that occurred in FY 2006.

Schedule 8--Current Year Adjustments

	State General Fund	All Funding Sources
Department of Administration		
Operations Shift of Expenditure Authority from Prior Year	182,218	182,218
FY 2007 Pay Plan Completion	11,025	11,025
Increase in Wireless Enhanced 911 Grants	--	1,129,259
Increase in Cancelled Warrant Payments	--	1,487,355
Decrease in Surplus Property Operating Expenditures	--	(221,613)
Financial Management System Expenditures	2,448,422	2,448,422
Increase in Federal Cash Management Expenditures	--	367,104
Unspent BRAC Donations from FY 2006	--	1,925
Decrease in Municipal Accounting Expenditures	--	(10,716)
Increase in Federal Flood Control Expenditures	--	19,380
School Audits	--	100,000
Lapse Gubernatorial Transition Funding	(150,000)	(150,000)
Miscellaneous Operating Expenditure Reductions	--	(6,988)
Savings Incentive Expenditures	45,517	45,517
Ongoing Capital Improvements	329,015	(314,294)
Lapse Judicial & Statehouse Debt Service	(2,490,234)	(2,490,234)
Total--Department of Administration	$ 375,963	$ 2,598,360
Kansas Corporation Commission		
Miscellaneous Operating Expenditures Increase	$ --	$ 93,902
Citizens Utility Ratepayer Board		
Increase in Consulting Fees for Expert Testimony	$ --	$ 26,761
Kansas Human Rights Commission		
Operations Shift of Expenditure Authority from Prior Year	34,807	34,807
FY 2007 Pay Plan Completion	3,583	3,583
Federal Funds Reduction	--	(33,743)
Miscellaneous Operating Expenditures Increase	--	4,473
Total--Kansas Human Rights Commission	$ 38,390	$ 9,120
Board of Indigents Defense Services		
Operating Shift of Expenditure Authority from Prior Year	106,476	106,476
FY 2007 Pay Plan Completion	16,871	16,871
Increase in Contractual Services for Expert Witnesses	169,375	169,375
Capital Defense Shift of Expenditure Authority from Prior Year	601,681	601,681
Capital Defense Expenditure Reductions	(500,000)	(500,000)
Total--Board of Indigents Defense Services	$ 394,403	$ 394,403
Health Care Stabilization Fund Board of Governors		
Salaries & Wages Adjustments	--	34,477
Decrease in Contractual Services	--	(25,818)
Increase in Other Assistance	--	196,939
Savings Incentive Expenditures	--	129,824
Total--Health Care Stabilization Fund Board of Governors	$ --	$ 335,422
Kansas Public Employees Retirement System		
Revised Investment Fee Expenditures	--	3,318,460
Decrease in Information Technology Project Expenditures	--	(688,285)
Miscellaneous Operating Expenditures Increase	--	14,765
Savings Incentive Expenditures	--	20,421
Total--Kansas Public Employees Retirement System	$ --	$ 2,665,361

Schedule 8--Current Year Adjustments

	State General Fund	All Funding Sources
Department of Commerce		
Operations Shift of Expenditure Authority from Prior Year	3,916	275,457
FY 2007 Pay Plan Completion	278	278
Increase in Aid to Local Governments	--	400,064
Increase in Other Assistance	--	163,244
Decrease in IMPACT Expenditures	--	(2,500,000)
Miscellaneous Operating Expenditure Reductions	--	(438,095)
Increase Capital Improvements	--	398,500
Total--Department of Commerce	$ 4,194	$ (1,700,552)
Kansas Technology Enterprise Corporation		
Miscellaneous Operating Expenditure Reductions	$ --	$ (20,838)
Kansas, Inc.		
Miscellaneous Operating Expenditure Reductions	$ --	$ (5,675)
Kansas Lottery		
Increase in Prize Payments	--	1,515,433
Miscellaneous Operating Expenditures Increase	--	3,617,930
Savings Incentive Expenditures	--	194,886
Total--Kansas Lottery	$ --	$ 5,328,249
Kansas Racing & Gaming Commission		
Horse Breeding Development	--	35,003
Greyhound Breeding Development	--	13,332
County Fair Benefit Fund	--	128,234
Operating Expenditure Adjustment for Racing Operations	--	(9,255)
Operating Expenditure Adjustment for Gaming Operations	--	9,503
Total--Kansas Racing & Gaming Commission	$ --	$ 176,817
Department of Revenue		
Operations Shift of Expenditure Authority from Prior Year	13,723	13,723
FY 2007 Pay Plan Completion	40,251	40,251
Kansas Advisory Council on Intergovernmental Relations	47,892	47,892
Federal Funds Increase	--	1,760,420
INK Grant Increases	--	574,000
Decrease in County Mineral Production Tax Estimate	--	(158,000)
Miscellaneous Operating Expenditures Increase	--	368,103
Savings Incentive Expenditures	14,742	14,742
Total--Department of Revenue	$ 116,608	$ 2,661,131
Board of Tax Appeals		
Operations Shift of Expenditure Authority from Prior Year	738	738
FY 2007 Pay Plan Completion	1,800	1,800
Miscellaneous Operating Expenditure Reductions	--	(1,800)
Total--Board of Tax Appeals	$ 2,538	$ 738
Board of Accountancy		
Savings Incentive Expenditures	$ --	$ 39,830
Banking Department		
Fingerprinting Supplemental Expenditures	--	135,000
Credit Counseling Expenditures	--	143,000
Grant Expenditures Changed to Reportable	--	70,000
Miscellaneous Operating Expenditure Reductions	--	(23,688)
Savings Incentive Expenditures	--	833,973
Total--Banking Department	$ --	$ 1,158,285

Schedule 8--Current Year Adjustments

	State General Fund	All Funding Sources
Board of Barbering		
Miscellaneous Operating Expenditure Reductions	$ --	$ (753)
Board of Cosmetology		
Savings Incentive Expenditures	$ --	$ 56,795
Department of Credit Unions		
Shrinkage Savings	--	(81,734)
Miscellaneous Operating Expenditures Increase	--	19,253
Savings Incentive Expenditures	--	53,612
Total--Department of Credit Unions	$ --	$ (8,869)
Kansas Dental Board		
Increase Expenditure Limitation	--	70,880
Savings Incentive Expenditures	--	5,823
Total--Kansas Dental Board	$ --	$ 76,703
Governmental Ethics Commission		
Operations Shift of Expenditure Authority from Prior Year	48,122	48,122
FY 2007 Pay Plan Completion	471	471
Miscellaneous Operating Expenditure Reductions	(21,034)	(21,034)
Total--Government Ethics Commission	$ 27,559	$ 27,559
Behavioral Sciences Regulatory Board		
Savings Incentive Expenditures	$ --	$ 13,861
Hearing Instruments Board of Examiners		
Miscellaneous Operating Expenditures Increase	$ --	$ 1,316
Board of Mortuary Arts		
Savings Incentive Expenditures	$ --	$ 22,281
Board of Nursing		
Savings Incentive Expenditures	$ --	$ 53,753
Board of Pharmacy		
Savings Incentive Expenditures	$ --	$ 7,360
Real Estate Appraisal Board		
Savings Incentive Expenditures	$ --	$ 16,392
Kansas Real Estate Commission		
Savings Incentive Expenditures	$ --	$ 106,311
Office of the Securities Commissioner		
Increase in Investor Education Expenditures	--	570,071
Miscellaneous Operating Expenditure Reductions	--	(21,164)
Savings Incentives Expenditures	--	232,949
Total--Office of the Securities Commissioner	$ --	$ 781,856
Board of Technical Professions		
Savings Incentive Expenditures	$ --	$ 84,345
Office of the Governor		
FY 2007 Pay Plan Completion	2,106	2,106
Correct Duplication in Federal Grants	--	(4,262,996)
Miscellaneous Operating Expenditure Increases	144,516	170,370
Total--Officer of the Governor	$ 146,622	$ (4,090,520)
Office of the Lieutenant Governor		
FY 2007 Pay Plan Completion	316	316

Schedule 8--Current Year Adjustments

	State General Fund	All Funding Sources
Office of the Lieutenant Governor, Cont'd.		
Miscellaneous Operating Expenditures Increase	19,835	19,835
Total--Officer of the Lieutenant Governor	$ 20,151	$ 20,151
Board of Veterinary Examiners		
Savings Incentive Expenditures	$ --	$ 10,329
Attorney General		
Operations Shift of Expenditure Authority from Prior Year	205,515	205,515
FY 2007 Pay Plan Completion	5,439	5,439
Litigation Costs Shift of Expenditure Authority from Prior Year	17,293	17,293
Water Litigation Costs Shift of Expenditure Authority from Prior Year	14,673	14,673
Increase Concealed Weapons Fund	--	143,788
Increase in Aid to Local Governments	--	175,700
Decrease in Other Assistance to Victim Services	--	(756,391)
Federal Funds Increase	--	255,632
Total--Attorney General	$ 242,920	$ 61,649
Insurance Department		
Increase in Salaries & Wages	--	245,168
Decrease in Contractual Services	--	(24,608)
Decrease in Commodities	--	(21,260)
Decrease in Capital Outlay	--	(186,000)
Increase in Aid to Local Governments	--	100,000
Increase for Workers Compensation Claims	--	1,145,000
Savings Incentive Expenditures	--	665,044
Energy Conservation Debt Service Savings	--	(13,300)
Increase in Capital Improvements	--	67,745
Total--Insurance Department	$ --	$ 1,977,789
Secretary of State		
Unspent HAVA Funds from Previous Years	115,023	115,023
Miscellaneous Operating Expenditure Reductions	--	(115,023)
Total--Secretary of State	$ 115,023	$ --
State Treasurer		
Additional Unclaimed Property Claims	--	2,000,000
Increased Estimate for TIF Aid to Locals	--	56,636
Miscellaneous Operating Expenditures Increase	--	52,378
Savings Incentive Expenditures	--	623,543
Total--State Treasurer	$ --	$ 2,732,557
Legislative Coordinating Council		
Miscellaneous Operating Expenditures Increase	$ 67,563	$ 67,563
Legislature		
Miscellaneous Operating Expenditures Increase	$ 266,830	$ 315,097
Legislative Research Department		
Miscellaneous Operating Expenditures Increase	$ 86,757	$ 88,554
Legislative Division of Post Audit		
Miscellaneous Operating Expenditures Increase	$ 45,490	$ 45,490
Revisor of Statutes		
Supplemental Appropriation for Increased Salaries	108,888	108,888
Miscellaneous Operating Expenditures Increase	71,119	71,119
Total--Revisor of Statutes	$ 180,007	$ 180,007

Schedule 8--Current Year Adjustments

	State General Fund	All Funding Sources
Judiciary		
Operations Shift of Expenditure Authority from Prior Year	368,347	368,347
Special Revenue Adjustments	--	599,442
Total--Judiciary	$ 368,347	$ 967,789
Judicial Council		
Miscellaneous Operating Expenditure Reductions	$ --	$ (202,031)
Total--General Government	**$ 2,499,365**	**$ 17,174,648**
Social & Rehabilitation Services		
FY 2007 Pay Plan Completion	206,688	206,688
Transfer 2.00 FTE Positions to KHPA	(53,440)	(53,439)
Transfer Presumptive Disability Determinations from KHPA	400,000	--
Transfer Sex Predator Funds from SRS to LSH	(524,153)	(524,153)
Smart Start Kansas Shift of Expenditure Authority from Prior Year	--	834,064
Children's Cabinet Federal Funds Increase	--	831,291
DD Waiver Shift of Expenditure Authority from Prior Year	1,326,708	3,351,120
PD Waiver Shift of Expenditure Authority from Prior Year	895,769	2,262,615
HI Waiver Funding Shift	57,489	(1,188,485)
ICF/MR	110,632	303,398
Other Assistance Programs & Funding Shifts	2,381,011	32,202,844
Consensus Caseload Increase--NFMH	(168,670)	(472,912)
Consensus Caseload Increase--TAF	--	(3,000,000)
Consensus Caseload Increase--GA	500,000	500,000
Consensus Caseload Increase--Reg. Med.	8,547,547	7,131,483
Consensus Caseload Decrease--Foster Care	101,432	1,000,000
Childcare Assistance	--	2,565,929
Decrease Shrinkage	1,500,000	1,550,687
Ongoing Capital Improvements	--	1,706,662
Total--Social & Rehabilitation Services	$ 15,281,013	$ 49,207,792
Kansas Neurological Institute		
Operations Shift of Expenditure Authority from Prior Year	150	150
FY 2007 Pay Plan Completion	55,331	55,331
Miscellaneous Operating Expenditure Reductions	--	(21,821)
Shift of SIBF Capital Projects from Prior Year	--	21,282
Total--Kansas Neurological Institute	$ 55,481	$ 54,942
Larned State Hospital		
FY 2007 Pay Plan Completion	88,132	88,132
Additional FTE Positions for Sexual Predator Treatment Program	187,742	187,742
Miscellaneous Operating Expenditure Increases	524,153	524,153
Total--Larned State Hospital	$ 800,027	$ 800,027
Osawatomie State Hospital		
FY 2007 Pay Plan Completion	42,447	42,447
Overtime, Holiday Pay, & Additional FTE Positions	222,214	222,214
Total--Osawatomie State Hospital	$ 264,661	$ 264,661
Parsons State Hospital & Training Center		
FY 2007 Pay Plan Completion	$ 47,853	$ 47,853
Rainbow Mental Health Facility		
FY 2007 Pay Plan Completion	12,496	12,496

Schedule 8--Current Year Adjustments

	State General Fund	All Funding Sources
Rainbow Mental Health Facility, Cont'd.		
Overtime, Holiday Pay, & Additional FTE Positions	110,870	110,870
Miscellaneous Operating Expenditure Reductions	--	(10,000)
Total--Rainbow Mental Health Facility	$ 123,366	$ 113,366
Kansas Health Policy Authority		
FY 2007 Pay Plan Completion	13,474	13,474
Transfer 2.00 FTE Positions from SRS	53,440	53,439
Consensus Caseload--Regular Medical	25,344,329	(46,081,600)
Agency Funds & Fee Funds Reductions	--	(206,847)
Medicaid Administration	346,508	(10,908,629)
SCHIP Federal Fund	--	3,248,585
Federal Funds Increase	--	301,162
On Budget Benefits Administration Reductions	--	(1,811,747)
Transfer Presumptive Disability Determinations to SRS	(400,000)	(800,000)
Eliminate Business Health Partnership Funding	(500,000)	(500,000)
Additional Clearinghouse Staff	81,105	172,342
Additional Authority Staff	265,297	725,751
Medicaid & HealthWave Contracts	1,000,000	2,162,162
Community Health Record	125,000	250,000
Total--Kansas Health Policy Authority	$ 26,329,153	$ (53,381,908)
Department on Aging		
Operations Shift of Expenditure Authority from Prior Year	3,095,821	3,095,821
Salaries & Wages Reductions	--	(280,525)
FY 2007 Pay Plan Completion	9,907	9,907
Operating Expenditure Special Revenue Substitution for SGF	(128,930)	264,938
Nursing Facility Caseload Estimate Reduction	(3,617,891)	(8,332,034)
Increase in Aid to Local Governments	--	798,234
Increase in Other Assistance for Long-Term Care	--	2,737,606
Savings Incentive Expenditures	361,903	361,903
Total--Department on Aging	$ (279,190)	$ (1,344,150)
Health & Environment--Health		
Shift in Prior Year Expenditure Authority	43,240	43,240
FY 2007 Pay Plan Completion	17,960	17,960
Increase in Overhead Expenditures	--	500,276
Fee Fund Increase	--	1,414,296
Federal Grant Funds Increase	--	7,321,524
Intra-Agency Transfer of Expenditure Authority to Environment	(40,134)	(40,134)
Lapse of Unexpended Funding for Umbilical Cord Bank Program	(315,550)	(315,550)
Increase in Operating Expenditures	600,000	600,000
Flu Pandemic Treatment Products	4,234,615	4,234,615
Savings Incentive Expenditures	--	124,561
Total--Health & Environment--Health	$ 4,540,131	$ 13,900,788
Department of Labor		
Operations Shift of Expenditure Authority from Prior Year	36,902	36,902
FY 2007 Pay Plan Completion	440	440
Add 2.00 Investigators/Auditors in Unemployment Ins. Serv. Div.	113,438	113,438
Decrease in Unemployment Insurance Benefits	--	(79,889,510)
Total--Department of Labor	$ 150,780	$ (79,738,730)

Schedule 8--Current Year Adjustments

	State General Fund	All Funding Sources
Commission on Veterans Affairs		
Operations Shift of Expenditure Authority from Prior Year	3,485	3,485
FY 2007 Pay Plan Completion	25,671	25,671
Miscellaneous Operating Expenditure Reductions	(72,792)	(94,266)
Ft. Riley Cemetery Project Delay	--	(4,031,083)
SIBF Shift of Expenditure Authority from Prior Year	--	125,785
Total--Commission on Veterans Affairs	$ (43,636)	$ (3,970,408)
Kansas Guardianship Program		
Operations Shift of Expenditure Authority from Prior Year	3,460	3,460
FY 2007 Pay Plan Completion	858	858
Total--Kansas Guardianship Program	$ 4,318	$ 4,318
Total--Human Services	**$ 47,273,957**	**$ (74,041,449)**
Department of Education		
Operations Shift of Expenditure Authority from Prior Year	985,708	985,708
FY 2007 Pay Plan Completion	13,347	13,347
CIF Conversion to SGF	648,789	648,789
Estimate of Federal Grants	--	(6,591,470)
School Finance Consensus Adjustments to State Aid	13,256,768	19,472,773
Miscellaneous Operating Expenditure Reductions	--	(3,715,407)
Total--Department of Education	$ 14,904,612	$ 10,813,740
School for the Blind		
FY 2007 Pay Plan Completion	6,973	6,973
Fee & Special Funds Increases	--	(19,699)
Federal Funds Increase	--	7,794
Total--School for the Blind	$ 6,973	$ (4,932)
School for the Deaf		
FY 2007 Pay Plan Completion	12,752	12,752
Fee Funds Increase	--	33,131
Federal Funds Increase	--	7,157
Shift of SIBF Capital Projects from Prior Year	--	488,847
Total--School for the Deaf	$ 12,752	$ 541,887
Board of Regents		
Operations Shift of Expenditure Authority from Prior Year	1,414,061	1,414,061
FY 2007 Pay Plan Completion	900,498	900,498
27th Payroll Certification	(8,223)	(8,223)
University Operating Grant Distribution to Universities	(17,426,595)	(17,426,595)
Faculty Salary Enhancement Distribution to Universities	(3,333,426)	(3,333,426)
Decrease in Special Revenue Expenditures	--	(885,470)
Distribution of EBF to Universities for Rehabilitation & Repair	--	(15,000,000)
Total--Board of Regents	$ (18,453,685)	$ (34,339,155)
Emporia State University		
Operations Shift of Expenditure Authority from Prior Year	244,865	244,865
Operating Grant from the Board of Regents	1,056,573	1,056,573
Faculty Salary Enhancement from Board of Regents	160,970	160,970
Increase in Tuition Expenditures	--	2,070,030
Increase in Restricted Fee Expenditures	--	547,473
Fee Fund Increase	--	2,196,101
EBF Rehabilitation & Repair Funding	--	1,012,970
Total--Emporia State University	$ 1,462,408	$ 7,288,982

Schedule 8--Current Year Adjustments

	State General Fund	All Funding Sources
Fort Hays State University		
Operations Shift of Expenditure Authority from Prior Year	16,466	409,061
Operating Grant from the Board of Regents	1,086,292	1,086,292
Faculty Salary Enhancement from Board of Regents	166,675	166,675
Decrease in Tuition Expenditures	--	(914,483)
Increase in Restricted Fee Expenditures	--	708,512
Fee Fund Reduction	--	(798,401)
Federal Funds Increase	--	544,396
EBF Rehabilitation & Repair Funding from the Board of Regents	--	1,017,500
Total--Fort Hays State University	$ 1,269,433	$ 2,219,552
Kansas State University		
Operating Grant from the Board of Regents	2,905,897	2,905,897
Faculty Salary Enhancement from Board of Regents	685,566	685,566
Increase in Tuition Expenditures	--	11,595,191
Increase in Restricted Fee Expenditures	--	3,330,840
Federal Funds Reduction	--	(6,236,135)
EBF Rehabilitation & Repair Funding from FY 2006	--	814,655
EBF Rehabilitation & Repair Funding from the Board of Regents	--	4,392,000
Total--Kansas State University	$ 3,591,463	$ 17,488,014
Kansas State University--ESARP		
Operating Grant from the Board of Regents	1,667,567	1,667,567
Faculty Salary Enhancement from Board of Regents	232,950	232,950
Increase in Restricted Fee Expenditures	--	3,015,632
Increase in Federal Land Grant Expenditures	--	63,950
Increase in Other Federal Expenditures	--	6,150,237
Total--Kansas State University--ESARP	$ 1,900,517	$ 11,130,336
KSU--Veterinary Medical Center		
Operating Grant from the Board of Regents	278,168	278,168
Faculty Salary Enhancement from Board of Regents	86,620	86,620
Increase in Tuition Expenditures	--	793,225
Increase in Restricted Fee Expenditures	--	312,774
Increase in Special Revenue Expenditures	--	3,799,002
Federal Funds Reduction	--	(12,347)
Total--KSU--Veterinary Medical Center	$ 364,788	$ 5,257,442
Pittsburg State University		
Operations Shift of Expenditure Authority from Prior Year	3,191	3,191
Operating Grant from the Board of Regents	1,145,218	1,145,218
Faculty Salary Enhancement from Board of Regents	212,479	212,479
Increase in Tuition Expenditures	--	2,512,213
Increase in Restricted Fee Expenditures	--	783,047
Increase in Special Revenues	--	932,072
Federal Funds Increase	--	546,131
EBF Rehabilitation & Repair Funding Shift from Prior Year	--	668,299
EBF Rehabilitation & Repair Funding from the Board of Regents	--	990,000
Total--Pittsburg State University	$ 1,360,888	$ 7,792,650
University of Kansas		
Operating Grant from the Board of Regents	3,802,474	3,802,474
Faculty Salary Enhancement from Board of Regents	1,004,855	1,004,855
Increase in Tuition Expenditures	--	19,750,006

Schedule 8--Current Year Adjustments

	State General Fund	All Funding Sources
University of Kansas, Cont'd.		
Increase in Restricted Fee Expenditures	--	22,628,688
Storm Damage	--	5,422,544
EBF Rehabilitation & Repair Funding Shift from Prior Year	--	4,464,300
EBF Rehabilitation & Repair Funding from the Board of Regents	--	10,373,267
Total--University of Kansas	$ 4,807,329	$ 67,446,134
University of Kansas Medical Center		
Operations Shift of Expenditure Authority from Prior Year	904	904
Operating Grant from the Board of Regents	3,458,338	3,458,338
Faculty Salary Enhancement from Board of Regents	411,396	411,396
Increase in Tuition Expenditures	--	2,777,894
Decrease in Restricted Fee Expenditures	--	(4,231,450)
Increase in Special Revenues	--	3,495,985
Federal Funds Reduction	--	(16,860,416)
EBF Shift of Expenditure Authority from Prior Year	--	107,690
EBF Rehabilitation & Repair Funding from the Board of Regents	--	1,534,500
Total--University of Kansas Medical Center	$ 3,870,638	$ (9,305,159)
Wichita State University		
Operations Shift of Expenditure Authority from Prior Year	347,703	347,703
Operating Grant from the Board of Regents	2,026,068	2,026,068
Faculty Salary Enhancement from Board of Regents	371,915	371,915
Increase in Tuition Expenditures	--	2,116,772
Increase in Restricted Fee Expenditures	--	1,305,281
Increase in Special Revenue	--	4,398,528
EBF Rehabilitation & Repair Funding	--	2,824,456
Total--Wichita State University	$ 2,745,686	$ 13,390,723
Kansas Arts Commission		
Operations Shift of Expenditure Authority from Prior Year	752	94,468
FY 2007 Pay Plan Completion	442	442
Operating Expenditure Adjustment	--	38,720
Federal Funds Increase	--	30,214
Total--Kansas Arts Commission	$ 1,194	$ 163,844
Historical Society		
Operations Shift of Expenditure Authority from Prior Year	334,245	334,245
FY 2007 Pay Plan Completion	10,878	10,878
Increase in Agency Fee Expenditures	--	264,603
Increase in Private Gifts & Grants Expenditures	--	61,632
Federal Funds Increase	--	405,811
Total--Historical Society	$ 345,123	$ 1,077,169
State Library		
FY 2007 Pay Plan Completion	2,958	2,958
Decrease in Special Revenue Funds	--	(17,500)
Increase in Grants & Gifts Funds	--	676,904
Federal Funds Increase	--	53,117
Total--State Library	$ 2,958	$ 715,479
Total--Education	**$ 18,193,077**	**$ 101,676,706**
Department of Corrections		
Operations Shift of Expenditure Authority from Prior Year	516,617	582,641
FY 2007 Pay Plan Completion	31,659	31,659

Schedule 8--Current Year Adjustments

	State General Fund	All Funding Sources
Department of Corrections, Cont'd.		
Reduced Expenditures for Bed space Contract	(427,270)	(427,270)
Additional Sex Offender Policy Board Expenditures	15,500	15,500
Decrease in Local Jail Costs	(500,000)	(500,000)
Replace Day Reporting Centers State General Fund with VOI/TIS	(337,969)	--
Additional Parole Services Operations Expenditures	115,000	115,000
Revised Food Service Contract ADP Savings	(252,171)	(252,171)
Lapse Savings for Corrections Officer Pay Plan Appropriation	(334,627)	(334,627)
Remove Kansas City Day Reporting Center Expenditures	(100,000)	(100,000)
Remove Funding for Wyandotte County Reentry Program	(312,842)	(312,842)
Decrease in Reentry Program Expenditures	(335,966)	(335,966)
Increase in RDU Debt Service Expenditures	68,000	68,000
Increase in Labette Conservation Camp Expenditures	90,000	90,000
Additional Correctional Facilities Operations Funding	500,000	500,000
JEHT Foundation Grant Expenditures	--	3,158,000
Sedgwick County Local Match for Reentry Program	--	275,000
Revised No-Limit Fund Expenditures	--	17,796
Federal Funds Increase	--	560,340
Increased Sales by Kansas Correctional Industries	--	960,122
Transfer of Correctional Officer Pay Plan Funding to Facilities	(1,773,213)	(1,773,213)
Savings Incentive Expenditures	16,002	16,002
Transfer of CIBF to Correctional Facilities	--	(645,838)
Total--Department of Corrections	$ (3,021,280)	$ 1,708,133
El Dorado Correctional Facility		
FY 2007 Pay Plan Completion	47,921	47,921
Transfer from Central Office for Correctional Officer Pay Plan	289,800	289,800
Reduced General Fees Fund Expenditures	--	(5,524)
Shrinkage Rate Reduction	48,000	48,000
Savings Incentive Expenditures	145	145
Ongoing Capital Improvements	--	33,150
Total--El Dorado Correctional Facility	$ 385,866	$ 413,492
Ellsworth Correctional Facility		
FY 2007 Pay Plan Completion	24,336	24,336
Transfer from Central Office for Correctional Officer Pay Plan	141,205	141,205
Increased General Fees Fund Expenditures	--	3,106
Increased Utilities	171,000	171,000
Savings Incentive Expenditures	23,943	23,943
Ongoing Capital Improvements	--	11,879
Total--Ellsworth Correctional Facility	$ 360,484	$ 375,469
Hutchinson Correctional Facility		
FY 2007 Pay Plan Completion	57,168	57,168
Transfer from Central Office for Correctional Officer Pay Plan	333,368	333,368
Reduced General Fees Fund Expenditures	--	(3,087)
Increased Utilities	176,000	176,000
Savings Incentive Expenditures	799	799
Ongoing Capital Improvements	--	237,642
Total--Hutchinson Correctional Facility	$ 567,335	$ 801,890
Lansing Correctional Facility		
FY 2007 Pay Plan Completion	73,115	73,115
Transfer from Central Office for Correctional Officer Pay Plan	466,085	466,085

Schedule 8--Current Year Adjustments

	State General Fund	All Funding Sources
Lansing Correctional Facility, Cont'd.		
Increased General Fees Fund Expenditures	--	20,000
Increased Utilities	200,000	200,000
Savings Incentive Expenditures	209	209
Ongoing Capital Improvements	--	389,264
Total--Lansing Correctional Facility	$ 739,409	$ 1,148,673
Larned Correctional Mental Health Facility		
FY 2007 Pay Plan Completion	19,669	19,669
Transfer from Central Office for Correctional Officer Pay Plan	113,073	113,073
Federal Funds Reduction	--	(150)
Increased Utilities	28,000	28,000
Savings Incentive Expenditures	1,130	1,130
Ongoing Capital Improvements	--	118,765
Total--Larned Correctional Mental Health Facility	$ 161,872	$ 280,487
Norton Correctional Facility		
FY 2007 Pay Plan Completion	27,691	27,691
Transfer from Central Office for Correctional Officer Pay Plan	172,000	172,000
Increased Utilities	48,000	48,000
Savings Incentive Expenditures	2,751	2,751
Ongoing Capital Improvements	--	106,096
Total--Norton Correctional Facility	$ 250,442	$ 356,538
Topeka Correctional Facility		
FY 2007 Pay Plan Completion	25,120	25,120
Transfer from Central Office for Correctional Officer Pay Plan	142,478	142,478
Reduced General Fees Fund Expenditures	--	(17,704)
Expenditure Reductions for Housing Federal Female Inmates	--	(188,749)
Increased Utilities	92,000	92,000
Savings Incentive Expenditures	317	317
Ongoing Capital Improvements	--	441,357
Total--Topeka Correctional Facility	$ 259,915	$ 494,819
Winfield Correctional Facility		
FY 2007 Pay Plan Completion	22,881	22,881
Transfer from Central Office for Correctional Officer Pay Plan	115,204	115,204
Increased General Fee Fund Expenditures	--	4,629
Increased Utilities	37,000	37,000
Savings Incentive Expenditures	2,726	2,726
Ongoing Capital Improvements	--	718,664
Total--Winfield Correctional Facility	$ 177,811	$ 901,104
Juvenile Justice Authority		
Operations Shift of Expenditure Authority from Prior Year	45,946	431,962
FY 2007 Pay Plan Completion	5,387	5,387
Transfer of SGF to Juvenile Correctional Facilities	(257,826)	(257,826)
Facility Fee Fund Increase	--	311,996
Federal Funds Increase	--	309,873
Supplemental Request--Psychiatric Residential Treatment Facilities	2,000,000	5,036,514
Decrease in PRFT Funding	(879,900)	(5,961,690)
Children's Initiatives Fund Lapse	--	(710)
Kansas Juvenile Delinquency Prevention Increase	--	35,583
Increase in SIBF Funding	--	10,140

Schedule 8--Current Year Adjustments

	State General Fund	All Funding Sources
Juvenile Justice Authority, Cont'd.		
Rehabilitation & Repair Lapse of SIBF Funds	--	(262,955)
Total--Juvenile Justice Authority	$ 913,607	$ (341,726)
Atchison Juvenile Correctional Facility		
Operations Shift of Expenditure Authority from Prior Year	146	146
FY 2007 Pay Plan Completion	8,856	8,856
Transfer of SGF from Juvenile Justice Authority Central Office	47,553	47,553
Reduction in Contractual Services	(75,053)	(75,053)
Total--Atchison Juvenile Correctional Facility	$ (18,498)	$ (18,498)
Beloit Juvenile Correctional Facility		
Operations Shift of Expenditure Authority from Prior Year	158,305	158,305
FY 2007 Pay Plan Completion	6,867	6,867
Transfer of SGF from Juvenile Justice Authority Central Office	36,612	36,612
Reduction in Contractual Services	(53,986)	(53,986)
Fee Fund Reduction	--	(901)
Federal Funds Reduction	--	(68,012)
Total--Beloit Juvenile Correctional Facility	$ 147,798	$ 78,885
Larned Juvenile Correctional Facility		
Operations Shift of Expenditure Authority from Prior Year	6,269	6,269
FY 2007 Pay Plan Completion	13,815	13,815
Transfer of SGF from Juvenile Justice Authority Central Office	59,428	59,428
Reduction in Contractual Services	(75,000)	(75,000)
Reduction in Commodities	(29,868)	(29,868)
Federal Funds Reduction	--	(92,957)
Total--Larned Juvenile Correctional Facility	$ (25,356)	$ (118,313)
Kansas Juvenile Correctional Complex		
FY 2007 Pay Plan Completion	24,072	24,072
Transfer of SGF from Juvenile Justice Authority Central Office	114,233	114,233
Reduction in Contractual Services	(197,878)	(197,878)
Total--Kansas Juvenile Correctional Complex	$ (59,573)	$ (59,573)
Adjutant General		
Operations Shift of Expenditure Authority from Prior Year	977	977
FY 2007 Pay Plan Completion	5,237	5,237
Disaster Relief Shift of Expenditure Authority from Prior Year	35,320	35,320
Unspent Military Activation Payments from Prior Years	61,000	61,000
Other Operating Expenditures Reductions	--	(144,932)
Reduction in Aid to Local Governments	--	7,496,578
Increase in Public Assistance for Disaster Relief	--	10,506,717
Military Death Benefits	749,634	749,634
National Guard Life Insurance Increase	71,725	71,725
Civil Air Patrol Operating Expenditures	1,500	1,500
Federal Funds Increase	--	4,000,000
Family Support Initiative	5,000	5,000
Lapse Debt Service Funding for Armory Bonds	(44,129)	(44,129)
Rehab. & Repair Shift from Prior Year	100,000	100,000
Total--Adjutant General	$ 986,264	$ 22,844,627
Emergency Medical Services Board		
Federal Funds Increase	--	321,836
Savings Incentive Expenditures	--	69,044
Total--Emergency Medical Services Board	$ --	$ 390,880

Schedule 8--Current Year Adjustments

	State General Fund	All Funding Sources
State Fire Marshal		
Federal Funds Increase	--	482,926
Miscellaneous Operating Expenditure Reductions	--	(31,947)
Savings Incentive Expenditures	--	87,734
Total--State Fire Marshal	$ --	$ 538,713
Highway Patrol		
FY 2007 Pay Plan Completion	84,544	84,544
Increase in Contractual Services	--	200,000
Increase in Capital Outlay	--	350,000
Aid to Local Governments	--	(12,294,481)
Motor Vehicle Fund Decrease	--	(428,240)
Fee Funds Reduction	--	(740,091)
Federal Funds Reduction	--	(630,172)
Miscellaneous Operating Expenditure Increases	--	18,965
Rehabilitation & Repair of Scales	--	1,456,043
Weigh Station Rehabilitation & Repair	--	168,248
Total--Highway Patrol	$ 84,544	$ (11,815,184)
Kansas Bureau of Investigation		
FY 2007 Pay Plan Completion	28,161	28,161
Increase Shrinkage Rate	(131,606)	(131,606)
Fee Fund Reduction	--	87,673
Federal Funds Increase	--	1,574,864
Total--Kansas Bureau of Investigation	$ (103,445)	$ 1,559,092
Kansas Parole Board		
Operations Shift of Expenditure Authority from Prior Year	$ 5,869	$ 5,869
Kansas Sentencing Commission		
Operations Shift of Expenditure Authority from Prior Year	4,446	4,446
FY 2007 Pay Plan Completion	672	672
Substance Abuse Treatment Lapse--Excessive FY 2006 Encumbrance	(460,000)	(460,000)
Miscellaneous Operating Expenditure Increases	--	80,981
Total--Kansas Sentencing Commission	$ (454,882)	$ (373,901)
Total--Public Safety	**$ 1,358,182**	**$ 19,171,476**
Department of Agriculture		
FY 2007 Pay Plan Completion	20,426	20,426
Fee Funds Increase	--	407,278
Federal Funds Increase	--	1,013,000
Water Fund Reduction	--	(4,457)
Total--Department of Agriculture	$ 20,426	$ 1,436,247
Department of Animal Health		
FY 2007 Pay Plan Completion	1,252	1,252
Fee Funds Decrease	--	(169,930)
Federal Funds Increase	--	538,534
Miscellaneous Operating Expenditure Reductions	--	(441,130)
Total--Department of Animal Health	$ 1,252	$ (71,274)
State Conservation Commission		
Operations Shift of Expenditure Authority from Prior Year	18,216	2,488,353
FY 2007 Pay Plan Completion	1,396	1,396
Federal Funds Increase	--	873,657

Schedule 8--Current Year Adjustments

		State General Fund		All Funding Sources
State Conservation Commission, Cont'd.				
Partial Lapse of Unspent State Water Plan Funds		--		(1,655,137)
Operating Expenditures Increase		39,908		39,908
Total--State Conservation Commission	$	59,520	$	1,748,177
Health & Environment--Environment				
Operations Shift of Expenditure Authority from Prior Year		9,772		179,008
FY 2007 Pay Plan Completion		11,973		11,973
DUI Equipment Fee Fund Expenditure Increase		--		312,556
Water Plan Expenditures over Approved Limit		--		(1)
Intra-Agency Transfer of Expenditure Authority from Health		40,134		40,134
Increased Expenditures from Other Fee Funds		--		1,682,210
Total--Health & Environment--Environment	$	61,879	$	2,225,880
Kansas State Fair				
Fee Funds Increase		--		271,956
Supplemental Appropriation for Utility Expenses		--		95,384
Total--Kansas State Fair	$	--	$	367,340
Kansas Water Office				
Operations Shift of Expenditure Authority from Prior Year		34,229		314,370
FY 2007 Pay Plan Completion		3,466		3,466
Federal Funds Reduction		--		(150,928)
Lapse of Carry--forward State Water Plan Funds		--		(33,734)
Miscellaneous Operating Expenditures Reductions		--		(40,216)
Savings Incentive Expenditure Reductions		989		989
Total--Kansas Water Office	$	38,684	$	93,947
Department of Wildlife & Parks				
Operations Shift of Expenditure Authority from Prior Year		378,394		8,896,989
FY 2007 Pay Plan Completion		6,194		6,194
Miscellaneous Operating Expenditure Reductions		(177,447)		(177,447)
Total--Department of Wildlife & Parks	$	207,141	$	8,725,736
Total--Agriculture & Natural Resources	**$**	**388,902**	**$**	**14,526,053**
Kansas Department of Transportation				
Increase in State Operating Expenditures		--		12,046,147
Increase in Aid to Local Governments		--		3,679,898
Other Assistance & Grants Increase		--		147,447
Savings Incentive Expenditures		--		1,285,184
Ongoing Capital Improvements		--		384,675,984
Total--Kansas Department of Transportation	$	--	$	401,834,660
Total--Transportation	**$**	**--**	**$**	**401,834,660**
State Water Plan Fund Lapsed Pay Plan Savings		--		(5,064)
EDIF Lapsed Pay Plan Savings		--		(18,761)
Statewide Total	**$**	**69,713,483**	**$**	**480,318,269**

Schedules 9.1—9.3—Positions by Agency present three views of the state workforce.

Schedule 9.1—Authorized Positions by Agency reflects the total number of positions approved for each state agency. The purpose of this schedule is to provide information regarding the size of the state workforce by agency. Total positions are divided into full-time equivalent (FTE) positions and non-FTE unclassified permanent positions. If only one row of numbers appears in the table, the agency has only FTE positions and no non-FTE unclassified permanent ones. FTE positions are permanent full-time or regular part-time positions equated to full-time. The number of FTE positions for each agency is typically constrained by a limitation included in appropriation bills; however, positions in legislative and judicial agencies along with several agencies of the Executive Branch, such as Regents institutions, are not constrained by a limitation. Similarly, non-FTE unclassified permanent positions are not subject to a position limitation. The "non-FTE unclassified permanent" label is intended to reflect the fact that these are permanent positions that should properly be counted as part of the state workforce, although they are treated as unclassified temporary positions in the SHARP personnel and payroll system.

Schedule 9.2—Headcount by Agency shows the average number of employees on the state payroll for all biweekly payrolls for actual FY 2004, FY 2005, and FY 2006. Headcount includes everyone on the state payroll, both permanent and temporary. It is calculated by dividing the number of checks issued in a fiscal year by 26 biweekly payrolls (27 in the case of FY 2006), yielding the average number of employees on the payroll during that fiscal year.

Schedule 9.3—Mathematical FTE Positions by Agency restores the historical concept of FTE by representing the state workforce as the number of positions mathematically equated to full time. What is currently called authorized FTE positions has become an artificially inflated total, because reductions for shrinkage and other budget reductions to salaries prevent many agencies from filling the positions they are legally authorized. To balance their budgets, they must leave positions vacant for all or part of a fiscal year. Therefore, the legal FTE count remains higher than what the budget can really support. This table represents a view that mathematically equates to full time the number of positions actually filled for the fiscal years indicated, including overtime and any leave time in which employees were in pay status. For example, if an agency is legally authorized 10.00 FTE positions but one of them was vacant for half of the fiscal year, this table would report that agency's mathematical FTE total as 9.50. This table presents a more accurate and precise picture of FTE positions, including for budgeting purposes a view that indicates the number of positions that the budget can actually support.

Schedule 9.1--Authorized Positions by Agency

	FY 2006 Actual	FY 2007 Gov.Estimate	FY 2008 Base Budget	FY 2008 Enhance.Pkg.	FY 2008 Gov. Rec.
General Government					
Department of Administration					
FTE Positions	803.05	759.55	757.30	3.00	762.55
Non-FTE Unclassified Permanent Positions	21.25	15.90	15.90	--	15.90
Total--Department of Administration	824.30	775.45	773.20	3.00	778.45
Kansas Corporation Commission					
FTE Positions	214.00	214.00	214.00	--	214.00
Non-FTE Unclassified Permanent Positions	6.50	6.50	6.50	--	6.50
Total--Kansas Corporation Commission	220.50	220.50	220.50	--	220.50
Citizens Utility Ratepayer Board					
FTE Positions	3.00	6.00	6.00	--	6.00
Non-FTE Unclassified Permanent Positions	3.00	--	--	--	--
Total--Citizens Utility Ratepayer Board	6.00	6.00	6.00	--	6.00
Kansas Human Rights Commission	39.00	34.00	34.00	--	34.00
Board of Indigents Defense Services					
FTE Positions	178.00	188.00	188.00	--	188.00
Non-FTE Unclassified Permanent Positions	1.00	--	--	--	--
Total--Board of Indigents Defense Services	179.00	188.00	188.00	--	188.00
Health Care Stabilization	16.00	17.00	17.00	--	17.00
Kansas Public Employees Retirement System	85.25	85.25	85.25	--	85.25
Department of Commerce					
FTE Positions	423.10	423.10	423.10	--	423.10
Non-FTE Unclassified Permanent Positions	23.10	45.00	45.00	--	45.00
Total--Department of Commerce	446.20	468.10	468.10	--	468.10
Kansas Technology Enterprise Corporation					
FTE Positions	28.80	16.00	28.80	--	16.00
Non-FTE Unclassified Permanent Positions	1.00	--	--	--	--
Total--KTEC	29.80	16.00	28.80	--	16.00
Kansas, Inc.					
FTE Positions	4.50	4.50	4.50	--	4.50
Non-FTE Unclassified Permanent Positions	1.00	1.00	1.00	--	1.00
Total--Kansas, Inc.	5.50	5.50	5.50	--	5.50
Kansas Lottery					
FTE Positions	87.00	81.00	81.00	--	81.00
Non-FTE Unclassified Permanent Positions	5.00	6.00	6.00	--	6.00
Total--Kansas Lottery	92.00	87.00	87.00	--	87.00
Kansas Racing & Gaming Commission					
FTE Positions	67.00	67.00	67.00	--	67.00
Non-FTE Unclassified Permanent Positions	9.00	9.00	9.00	--	9.00
Total--Racing & Gaming Commission	76.00	76.00	76.00	--	76.00
Department of Revenue					
FTE Positions	1,146.00	1,146.00	1,146.00	--	1,146.00
Non-FTE Unclassified Permanent Positions	14.50	15.50	15.50	--	15.50
Total--Department of Revenue	1,160.50	1,161.50	1,161.50	--	1,161.50
Board of Tax Appeals	26.00	26.00	26.00	1.00	26.00

Schedule 9.1--Authorized Positions by Agency

	FY 2006 Actual	FY 2007 Gov.Estimate	FY 2008 Base Budget	FY 2008 Enhance.Pkg.	FY 2008 Gov. Rec.
Abstracters Board of Examiners	--	--	--	--	--
Board of Accountancy	3.00	3.00	3.00	--	3.00
Banking Department					
FTE Positions	90.00	90.00	90.00	7.00	97.00
Non-FTE Unclassified Permanent Positions	2.00	2.00	2.00	--	2.00
Total--Banking Department	92.00	92.00	92.00	7.00	99.00
Board of Barbering					
FTE Positions	1.50	1.50	1.50	--	1.50
Non-FTE Unclassified Permanent Positions	0.50	0.50	0.50	--	0.50
Total--Board of Barbering	2.00	2.00	2.00	--	2.00
Behavioral Sciences Regulatory Board	8.00	8.00	8.00	--	8.00
Board of Cosmetology	12.00	12.00	12.00	--	12.00
Department of Credit Unions	13.00	12.00	12.00	--	12.00
Kansas Dental Board	3.00	3.00	3.00	--	3.00
Governmental Ethics Commission					
FTE Positions	9.00	9.00	9.00	--	9.00
Non-FTE Unclassified Permanent Positions	0.50	0.50	0.50	--	0.50
Total--Governmental Ethics Commission	9.50	9.50	9.50	--	9.50
Board of Healing Arts					
FTE Positions	32.00	32.00	32.00	7.00	39.00
Non-FTE Unclassified Permanent Positions	2.00	2.00	2.00	(2.00)	0.00
Total--Board of Healing Arts	34.00	34.00	34.00	5.00	39.00
Hearing Instruments Board of Examiners	0.40	0.40	0.40	--	0.40
Board of Mortuary Arts	3.00	3.00	3.00	--	3.00
Board of Nursing	22.00	22.00	22.00	1.00	23.00
Board of Examiners in Optometry					
FTE Positions	0.80	0.80	0.80	--	0.80
Non-FTE Unclassified Permanent Positions	1.00	1.00	1.00	--	1.00
Total--Board of Examiners in Optometry	1.80	1.80	1.80	--	1.80
Board of Pharmacy	7.00	7.00	7.00	2.00	8.00
Real Estate Appraisal Board	2.00	2.00	2.00	--	2.00
Kansas Real Estate Commission	14.00	14.00	14.00	--	14.00
Office of the Securities Commissioner	30.00	30.13	30.13	2.00	32.13
Board of Technical Professions	6.00	6.00	6.00	--	6.00
Board of Veterinary Examiners	3.00	3.00	3.00	--	3.00
Office of the Governor	39.00	41.70	40.70	--	40.70
Office of the Lieutenant Governor	3.00	3.50	3.50	--	3.50
Attorney General					
FTE Positions	96.00	102.00	102.00	4.50	102.00
Non-FTE Unclassified Permanent Positions	15.00	12.00	12.00	--	12.00
Total--Attorney General	111.00	114.00	114.00	4.50	114.00

Schedule 9.1--Authorized Positions by Agency

	FY 2006 Actual	FY 2007 Gov.Estimate	FY 2008 Base Budget	FY 2008 Enhance.Pkg.	FY 2008 Gov. Rec.
Insurance Department					
FTE Positions	143.00	143.00	143.00	--	143.00
Non-FTE Unclassified Permanent Positions	4.00	4.00	4.00	--	4.00
Total--Insurance Department	147.00	147.00	147.00	--	147.00
Secretary of State	54.00	55.00	55.00	--	55.00
State Treasurer	55.50	55.50	55.50	--	55.50
Legislative Coordinating Council	12.00	12.00	12.00	--	12.00
Legislature	34.00	35.00	35.00	--	35.00
Legislative Research Department	38.00	38.00	38.00	--	38.00
Legislative Division of Post Audit	26.00	26.00	26.00	--	26.00
Revisor of Statutes	29.13	30.58	31.50	--	31.50
Judiciary	1,830.30	1,834.30	1,837.30	35.50	1,837.30
Judicial Council	4.00	7.00	7.00	--	7.00
Total--FTE Positions	**5,744.33**	**5,709.81**	**5,723.28**	**63.00**	**5,733.73**
Total--Non-FTE Unclassified Perm. Pos.	**110.35**	**120.90**	**120.90**	**(2.00)**	**118.90**
Total--General Government	**5,854.68**	**5,830.71**	**5,844.18**	**61.00**	**5,852.63**
Human Services					
Social & Rehabilitation Services					
FTE Positions	3,642.11	3,670.61	3,670.63	463.90	3,670.63
Non-FTE Unclassified Permanent Positions	91.08	65.60	65.60	--	65.60
Total--Social & Rehabilitation Services	3,733.19	3,736.21	3,736.23	463.90	3,736.23
Kansas Neurological Institute	588.20	575.20	575.20	--	575.20
Larned State Hospital					
FTE Positions	940.20	978.20	966.20	22.00	978.20
Non-FTE Unclassified Permanent Positions	8.00	15.98	15.98	--	15.98
Total--Larned State Hospital	948.20	994.18	982.18	22.00	994.18
Osawatomie State Hospital	398.60	404.60	399.60	37.00	419.60
Parsons State Hospital & Training Center	467.20	467.20	467.20	30.00	467.20
Rainbow Mental Health Facility	115.20	117.20	115.20	11.00	122.20
Subtotal--FTE Positions	**6,151.51**	**6,213.01**	**6,194.03**	**563.90**	**6,233.03**
Subtotal--Non-FTE Unclassified Perm. Pos.	**99.08**	**81.58**	**81.58**	**--**	**81.58**
Subtotal--SRS	**6,250.59**	**6,294.59**	**6,275.61**	**563.90**	**6,314.61**
Division of Health Policy & Finance					
FTE Positions	123.88	--	--	--	--
Non-FTE Unclassified Permanent Positions	9.99	--	--	--	--
Total--Division of Health Policy & Finance	133.87	--	--	--	--
Kansas Health Policy Authority					
FTE Positions	3.16	193.78	181.78	52.00	204.78
Non-FTE Unclassified Permanent Positions	--	9.90	9.90	--	9.90
Total--Kansas Health Policy Authority	3.16	203.68	191.68	52.00	214.68

Schedule 9.1--Authorized Positions by Agency

	FY 2006 Actual	FY 2007 Gov.Estimate	FY 2008 Base Budget	FY 2008 Enhance.Pkg.	FY 2008 Gov. Rec.
Department on Aging					
FTE Positions	208.00	208.00	208.00	3.00	211.00
Non-FTE Unclassified Permanent Positions	6.50	9.50	9.50	--	9.50
Total--Department on Aging	214.50	217.50	217.50	3.00	220.50
Health & Environment--Health					
FTE Positions	416.70	416.70	416.70	10.00	422.70
Non-FTE Unclassified Permanent Positions	128.10	144.60	144.60	--	144.60
Total--Health & Environment--Health	544.80	561.30	561.30	10.00	567.30
Department of Labor					
FTE Positions	601.23	601.23	601.23	--	603.23
Non-FTE Unclassified Permanent Positions	27.25	27.25	27.25	--	27.25
Total--Department of Labor	628.48	628.48	628.48	--	630.48
Commission on Veterans Affairs	557.80	557.80	557.80	1.00	557.80
Kansas Guardianship Program	12.00	12.00	12.00	--	12.00
Total--FTE Positions	**8,074.28**	**8,202.52**	**8,171.54**	**629.90**	**8,244.54**
Total--Non-FTE Unclassified Perm. Pos.	**270.92**	**272.83**	**272.83**	**--**	**272.83**
Total--Human Services	**8,345.20**	**8,475.35**	**8,444.37**	**629.90**	**8,517.37**
Education					
Department of Education					
FTE Positions	198.00	215.70	215.70	--	215.70
Non-FTE Unclassified Permanent Positions	67.15	64.30	63.70	--	65.70
Total--Department of Education	265.15	280.00	279.40	--	281.40
School for the Blind	93.50	93.50	93.50	--	93.50
School for the Deaf	173.50	173.50	173.50	--	173.50
Subtotal--FTE Positions	**465.00**	**482.70**	**482.70**	**--**	**482.70**
Subtotal--Non-FTE Unclassified Perm. Pos.	**67.15**	**64.30**	**63.70**	**--**	**65.70**
Subtotal--Board of Education	**532.15**	**547.00**	**546.40**	**--**	**548.40**
Board of Regents	57.50	58.50	58.50	6.00	59.50
Emporia State University	793.60	802.40	802.40	--	802.40
Fort Hays State University	733.60	733.60	733.60	4.00	733.60
Kansas State University	3,269.30	3,269.30	3,269.30	--	3,269.30
Kansas State University--ESARP	1,390.59	1,390.29	1,390.29	--	1,390.29
KSU--Veterinary Medical Center	295.58	315.63	315.63	--	315.63
Pittsburg State University	840.62	855.33	855.33	--	855.33
University of Kansas	4,685.36	5,350.00	5,349.99	--	5,350.00
University of Kansas Medical Center	2,481.64	2,423.10	2,423.10	--	2,423.10
Wichita State University	1,861.13	1,861.13	1,861.13	--	1,861.13
Subtotal--FTE Positions	**16,408.92**	**17,059.28**	**17,059.27**	**10.00**	**17,060.28**
Subtotal--Regents	**16,408.92**	**17,059.28**	**17,059.27**	**10.00**	**17,060.28**
Kansas Arts Commission	8.00	8.00	8.00	--	8.00

Schedule 9.1--Authorized Positions by Agency

	FY 2006 Actual	FY 2007 Gov.Estimate	FY 2008 Base Budget	FY 2008 Enhance.Pkg.	FY 2008 Gov. Rec.
Historical Society					
FTE Positions	134.00	134.00	134.00	--	134.00
Non-FTE Unclassified Permanent Positions	4.00	4.00	4.00	--	4.00
Total--Historical Society	138.00	138.00	138.00	--	138.00
State Library	27.00	27.00	27.00	--	27.00
Total--FTE Positions	**17,042.92**	**17,710.98**	**17,710.97**	**10.00**	**17,711.98**
Total--Non-FTE Unclassified Perm. Pos.	**71.15**	**68.30**	**67.70**	**--**	**69.70**
Total--Education	**17,114.07**	**17,779.28**	**17,778.67**	**10.00**	**17,781.68**
Public Safety					
Department of Corrections					
FTE Positions	296.70	306.70	306.70	--	320.70
Non-FTE Unclassified Permanent Positions	32.00	49.00	43.00	--	36.00
Total--Department of Corrections	328.70	355.70	349.70	--	356.70
El Dorado Correctional Facility					
FTE Positions	465.00	465.00	465.00	--	465.00
Non-FTE Unclassified Permanent Positions	2.00	2.00	2.00	--	2.00
Total--El Dorado Correctional Facility	467.00	467.00	467.00	--	467.00
Ellsworth Correctional Facility					
FTE Positions	223.00	223.00	223.00	--	223.00
Non-FTE Unclassified Permanent Positions	1.00	1.00	1.00	--	1.00
Total--Ellsworth Correctional Facility	224.00	224.00	224.00	--	224.00
Hutchinson Correctional Facility					
FTE Positions	515.00	515.00	515.00	--	515.00
Non-FTE Unclassified Permanent Positions	2.00	3.00	3.00	--	3.00
Total--Hutchinson Correctional Facility	517.00	518.00	518.00	--	518.00
Lansing Correctional Facility					
FTE Positions	696.00	696.00	696.00	--	696.00
Non-FTE Unclassified Permanent Positions	2.00	2.00	2.00	--	2.00
Total--Lansing Correctional Facility	698.00	698.00	698.00	--	698.00
Larned Correctional Mental Health Facility					
FTE Positions	186.00	186.00	186.00	--	186.00
Non-FTE Unclassified Permanent Positions	--	1.00	1.00	--	1.00
Total--Larned Corr. Mental Health Facility	186.00	187.00	187.00	--	187.00
Norton Correctional Facility					
FTE Positions	265.00	265.00	265.00	--	265.00
Non-FTE Unclassified Permanent Positions	2.00	3.00	3.00	--	3.00
Total--Norton Correctional Facility	267.00	268.00	268.00	--	268.00
Topeka Correctional Facility					
FTE Positions	248.00	248.00	248.00	--	248.00
Non-FTE Unclassified Permanent Positions	4.00	6.00	6.00	--	6.00
Total--Topeka Correctional Facility	252.00	254.00	254.00	--	254.00
Winfield Correctional Facility					
FTE Positions	201.00	201.00	201.00	--	201.00
Non-FTE Unclassified Permanent Positions	2.00	2.00	2.00	--	2.00
Total--Winfield Correctional Facility	203.00	203.00	203.00	--	203.00
Subtotal--FTE Positions	**3,095.70**	**3,105.70**	**3,105.70**	**--**	**3,119.70**
Subtotal--Non-FTE Unclassified Perm. Pos.	**47.00**	**69.00**	**63.00**	**--**	**56.00**
Subtotal--Corrections	**3,142.70**	**3,174.70**	**3,168.70**	**--**	**3,175.70**

Schedule 9.1--Authorized Positions by Agency

	FY 2006 Actual	FY 2007 Gov.Estimate	FY 2008 Base Budget	FY 2008 Enhance.Pkg.	FY 2008 Gov. Rec.
Juvenile Justice Authority					
FTE Positions	42.00	42.00	42.00	2.00	42.00
Non-FTE Unclassified Permanent Positions	15.50	15.50	15.50	--	15.50
Total--Juvenile Justice Authority	57.50	57.50	57.50	2.00	57.50
Atchison Juvenile Correctional Facility	99.00	99.00	99.00	--	99.00
Beloit Juvenile Correctional Facility	87.00	87.00	87.00	--	87.00
Kansas Juvenile Correctional Complex	253.50	253.50	253.50	--	253.50
Larned Juvenile Correctional Facility					
FTE Positions	146.00	146.00	146.00	--	146.00
Non-FTE Unclassified Permanent Positions	15.00	5.00	5.00	--	5.00
Total--Larned Juvenile Correctional Facility	161.00	151.00	151.00	--	151.00
Subtotal--FTE Positions	**627.50**	**627.50**	**627.50**	**2.00**	**627.50**
Subtotal--Non-FTE Unclassified Perm. Pos.	**30.50**	**20.50**	**20.50**	**--**	**20.50**
Subtotal--Juvenile Justice	**658.00**	**648.00**	**648.00**	**2.00**	**648.00**
Adjutant General					
FTE Positions	219.00	219.00	219.00	2.00	219.00
Non-FTE Unclassified Permanent Positions	269.20	281.45	279.45	--	279.45
Total--Adjutant General	488.20	500.45	498.45	2.00	498.45
Emergency Medical Services Board	14.00	14.00	14.00	1.00	14.00
State Fire Marshal					
FTE Positions	51.00	51.00	51.00	--	51.00
Non-FTE Unclassified Permanent Positions	3.00	3.00	3.00	--	3.00
Total--State Fire Marshal	54.00	54.00	54.00	--	54.00
Highway Patrol					
FTE Positions	856.00	857.00	857.00	5.00	861.00
Non-FTE Unclassified Permanent Positions	30.00	32.00	32.00	--	32.00
Total--Highway Patrol	886.00	889.00	889.00	5.00	893.00
Kansas Bureau of Investigation					
FTE Positions	207.00	220.00	220.00	--	220.00
Non-FTE Unclassified Permanent Positions	104.73	104.63	96.13	--	96.13
Total--Kansas Bureau of Investigation	311.73	324.63	316.13	--	316.13
Kansas Parole Board	3.00	3.00	3.00	--	3.00
Sentencing Commission					
FTE Positions	7.00	10.00	9.00	2.00	12.00
Non-FTE Unclassified Permanent Positions	4.00	4.00	5.00	--	4.00
Total--Sentencing Commission	11.00	14.00	14.00	2.00	16.00
Total--FTE Positions	**5,080.20**	**5,107.20**	**5,106.20**	**12.00**	**5,127.20**
Total--Non-FTE Unclassified Perm. Pos.	**488.43**	**514.58**	**499.08**	**--**	**491.08**
Total--Public Safety	**5,568.63**	**5,621.78**	**5,605.28**	**12.00**	**5,618.28**
Agriculture & Natural Resources					
Department of Agriculture					
FTE Positions	302.49	308.49	308.49	7.00	309.49
Non-FTE Unclassified Permanent Positions	28.49	28.49	28.49	(5.00)	28.49
Total--Department of Agriculture	330.98	336.98	336.98	2.00	337.98

Schedule 9.1--Authorized Positions by Agency

	FY 2006 Actual	FY 2007 Gov.Estimate	FY 2008 Base Budget	FY 2008 Enhance.Pkg.	FY 2008 Gov. Rec.
Animal Health Department					
FTE Positions	33.00	33.00	33.00	2.00	33.00
Non-FTE Unclassified Permanent Positions	1.00	1.00	1.00	--	1.00
Total--Animal Health Department	34.00	34.00	34.00	2.00	34.00
State Conservation Commission					
FTE Positions	13.00	13.00	13.00	1.00	14.00
Non-FTE Unclassified Permanent Positions	8.00	9.00	9.00	(1.00)	8.00
Total--State Conservation Commission	21.00	22.00	22.00	--	22.00
Health & Environment--Environment					
FTE Positions	462.30	462.30	462.30	6.00	462.30
Non-FTE Unclassified Permanent Positions	40.00	58.00	58.00	--	58.00
Total--Health & Environment--Environment	502.30	520.30	520.30	6.00	520.30
Kansas State Fair	23.00	23.00	23.00	--	23.00
Kansas Water Office					
FTE Positions	22.50	22.50	22.50	1.50	23.50
Non-FTE Unclassified Permanent Positions	1.00	2.00	2.00	--	2.00
Total--Kansas Water Office	23.50	24.50	24.50	1.50	25.50
Department of Wildlife & Parks					
FTE Positions	406.50	407.50	407.50	3.00	410.50
Non-FTE Unclassified Permanent Positions	--	20.00	20.00	--	18.00
Total--Department of Wildlife & Parks	406.50	427.50	427.50	3.00	428.50
Total--FTE Positions	**1,262.79**	**1,269.79**	**1,269.79**	**20.50**	**1,275.79**
Total--Non-FTE Unclassified Perm. Pos.	**78.49**	**118.49**	**118.49**	**(6.00)**	**115.49**
Total--Agriculture & Natural Resources	**1,341.28**	**1,388.28**	**1,388.28**	**14.50**	**1,391.28**
Transportation					
Kansas Department of Transportation					
FTE Positions	3,237.50	3,220.50	3,201.50	--	3,201.50
Non-FTE Unclassified Permanent Positions	27.00	37.25	37.25	--	37.25
Total--Kansas Department of Transportation	3,264.50	3,257.75	3,238.75	--	3,238.75
Total--FTE Positions	**40,442.02**	**41,220.80**	**41,183.28**	**735.40**	**41,294.74**
Total--Non-FTE Unclassified Perm. Pos.	**1,046.34**	**1,132.35**	**1,116.25**	**(8.00)**	**1,105.25**
Total--Positions	**41,488.36**	**42,353.15**	**42,299.53**	**727.40**	**42,399.99**

Schedule 9.2--Headcount by Agency

	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual
General Government			
Department of Administration	701.46	715.08	655.00
Kansas Corporation Commission	205.42	208.65	212.41
Citizens Utility Ratepayer Board	5.35	5.19	5.48
Kansas Human Rights Commission	32.38	32.31	33.33
Board of Indigents Defense Services	160.73	167.35	170.67
Health Care Stabilization	14.88	14.81	14.67
Kansas Public Employees Retirement System	87.96	88.96	85.81
Department of Commerce	115.15	359.31	394.41
Kansas Technology Enterprise Corporation	25.50	24.77	24.19
Kansas, Inc.	4.42	3.96	3.15
Kansas Lottery	82.04	85.38	85.52
Kansas Racing & Gaming Commission	69.88	68.04	67.22
Department of Revenue	1,086.12	1,107.19	1,101.22
Board of Tax Appeals	22.23	22.23	23.96
Abstracters Board of Examiners	2.19	2.31	2.19
Board of Accountancy	4.38	4.85	5.07
Banking Department	86.12	87.04	93.19
Board of Barbering	3.62	3.35	3.81
Behavioral Sciences Regulatory Board	9.69	8.65	9.22
Board of Cosmetology	15.54	16.31	15.37
Department of Credit Unions	13.85	13.96	13.78
Kansas Dental Board	5.46	4.85	4.44
Governmental Ethics Commission	13.46	13.35	13.00
Board of Healing Arts	39.54	39.31	42.41
Hearing Instruments Board of Examiners	2.23	2.15	1.81
Board of Mortuary Arts	3.69	3.54	3.52
Board of Nursing	23.35	23.77	24.00
Board of Examiners in Optometry	2.58	2.15	2.37
Board of Pharmacy	10.77	10.08	10.15
Real Estate Appraisal Board	4.73	5.31	5.96
Kansas Real Estate Commission	13.65	15.35	15.67
Office of the Securities Commissioner	27.38	29.50	31.70
Board of Technical Professions	8.27	8.38	8.19
Board of Veterinary Examiners	4.77	6.69	6.19
Office of the Governor	39.54	52.81	56.74
Office of the Lieutenant Governor	1.08	2.69	2.81
Attorney General	100.38	102.23	103.67
Insurance Department	133.04	128.77	127.11
Secretary of State	55.81	58.50	61.30
State Treasurer	47.38	46.77	47.11
Legislative Coordinating Council	10.38	11.00	11.00
Legislature	277.54	278.92	285.41
Legislative Research Department	36.88	37.69	38.11
Legislative Division of Post Audit	20.12	21.08	25.33
Revisor of Statutes	29.85	30.38	31.04
Judiciary	1,948.42	1,965.42	1,972.93
Judicial Council	13.12	8.88	10.93
Total--General Government	**5,622.33**	**5,949.27**	**5,962.57**
Human Services			
Social & Rehabilitation Services	3,527.85	3,480.88	3,323.11
Kansas Neurological Institute	677.85	675.77	676.63
Larned State Hospital	776.23	878.96	912.22

Schedule 9.2--Headcount by Agency

	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual
Osawatomie State Hospital	411.88	412.58	409.70
Parsons State Hospital & Training Center	606.38	617.88	620.00
Rainbow Mental Health Facility	120.81	122.04	125.04
Subtotal--SRS	**6,121.00**	**6,188.11**	**6,066.70**
Administration--Health Policy & Finance	--	--	132.74
Kansas Health Policy Authority	--	--	0.89
Department on Aging	177.42	178.23	180.81
Health & Environment--Health	949.85	967.23	978.04
Department of Labor	923.12	592.73	496.04
Commission on Veterans Affairs	382.15	396.15	381.19
Kansas Guardianship Program*	--	--	--
Total--Human Services	**8,553.54**	**8,322.45**	**8,236.41**
Education			
Department of Education	249.08	254.00	255.37
School for the Blind	88.96	89.96	85.48
School for the Deaf	159.04	164.77	166.81
Subtotal--Department of Education	**497.08**	**508.73**	**507.66**
Board of Regents*	53.08	58.54	58.81
Kansas Arts Commission	9.08	9.58	8.70
Historical Society	166.19	168.12	167.63
State Library	27.85	27.12	29.74
Total--Education	**753.28**	**772.09**	**772.54**
Public Safety			
Department of Corrections	314.73	311.62	314.67
El Dorado Correctional Facility	446.88	447.73	441.70
Ellsworth Correctional Facility	218.77	217.31	221.78
Hutchinson Correctional Facility	505.46	504.15	511.30
Lansing Correctional Facility	650.77	657.12	644.15
Larned Correctional Mental Health Facility	178.50	178.92	176.96
Norton Correctional Facility	252.38	255.73	251.26
Topeka Correctional Facility	224.96	225.15	229.89
Winfield Correctional Facility	197.77	200.23	200.04
Subtotal--Corrections	**2,990.22**	**2,997.96**	**2,991.75**
Juvenile Justice Authority	51.08	51.65	48.52
Atchison Juvenile Correctional Facility	94.88	86.54	84.74
Beloit Juvenile Correctional Facility	80.69	78.69	69.44
Larned Juvenile Correctional Facility	140.92	150.12	143.15
Topeka Juvenile Correctional Facility	209.19	203.88	--
Kansas Juvenile Correctional Complex	--	18.77	237.11
Subtotal--Juvenile Justice	**576.76**	**589.65**	**582.96**
Adjutant General	357.46	404.81	437.07
Emergency Medical Services Board	14.88	15.62	15.96
State Fire Marshal	49.65	48.65	49.44
Highway Patrol	833.62	849.65	874.63
Kansas Bureau of Investigation	249.88	253.54	252.48
Kansas Parole Board	2.92	3.00	3.00
Sentencing Commission	9.42	10.92	10.74
Total--Public Safety	**5,084.81**	**5,173.80**	**5,218.03**

** Excludes the Guardianship Program and Regents universities because payroll data on these employees are not in the SHARP system.*

Schedule 9.2--Headcount by Agency

	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual
Agriculture & Natural Resources			
Department of Agriculture	296.35	295.85	295.44
Animal Health Department	29.62	29.65	31.44
State Conservation Commission	14.27	15.85	20.70
Health & Environment--Environment**	--	--	--
Kansas State Fair	27.81	26.81	26.93
Kansas Water Office	25.42	25.04	24.41
Department of Wildlife & Parks	682.27	701.46	691.63
Total--Ag. & Natural Resources	**1,075.74**	**1,094.66**	**1,090.55**
Transportation			
Kansas Department of Transportation	3,202.46	3,182.00	3,122.56
Total Headcount	**24,292.16**	**24,494.27**	**24,402.66**

*** KDHE payroll data are not separated by function into "health" and "environment." Totals for this agency are shown entirely under "health."*

Schedule 9.3--Mathmatical FTE Positions by Agency

	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual
General Government			
Department of Administration	689.80	702.28	641.11
Kansas Corporation Commission	201.18	203.12	206.85
Citizens Utility Ratepayer Board	4.81	4.47	4.94
Kansas Human Rights Commission	29.61	29.60	30.80
Board of Indigents Defense Services	157.81	165.47	167.36
Health Care Stabilization	14.81	14.76	14.64
Kansas Public Employees Retirement System	83.27	83.75	82.34
Department of Commerce	101.81	346.93	377.69
Kansas Technology Enterprise Corporation	24.09	23.04	21.87
Kansas, Inc.	4.36	3.94	2.96
Kansas Lottery	80.21	83.63	83.71
Kansas Racing & Gaming Commission	61.84	61.31	60.57
Department of Revenue	1,064.40	1,080.09	1,069.50
Board of Tax Appeals	20.98	20.22	21.58
Abstracters Board of Examiners	0.97	0.95	0.95
Board of Accountancy	3.00	2.92	2.93
Banking Department	81.62	82.12	88.11
Board of Barbering	2.35	2.35	2.33
Behavioral Sciences Regulatory Board	7.40	7.00	7.22
Board of Cosmetology	11.70	11.32	11.95
Department of Credit Unions	12.98	13.00	12.66
Kansas Dental Board	2.84	2.99	2.94
Governmental Ethics Commission	9.26	8.91	8.80
Board of Healing Arts	29.35	30.73	32.76
Hearing Instruments Board of Examiners	1.43	1.25	1.43
Board of Mortuary Arts	3.00	3.00	3.00
Board of Nursing	21.05	21.76	21.88
Board of Examiners in Optometry	1.80	1.71	1.73
Board of Pharmacy	7.45	7.82	7.28
Real Estate Appraisal Board	2.00	2.00	2.00
Kansas Real Estate Commission	10.86	12.32	12.09
Office of the Securities Commissioner	26.35	27.23	29.42
Board of Technical Professions	5.01	5.00	4.87
Board of Veterinary Examiners	3.00	2.88	2.95
Office of the Governor	34.98	41.82	45.25
Office of the Lieutenant Governor	1.02	2.62	2.82
Attorney General	92.99	95.49	96.96
Insurance Department	130.69	126.64	125.17
Secretary of State	51.07	54.23	55.96
State Treasurer	47.71	44.91	45.13
Legislative Coordinating Council	10.29	11.00	11.00
Legislature	104.83	105.02	112.62
Legislative Research Department	36.81	37.59	38.10
Legislative Division of Post Audit	19.86	20.94	25.21
Revisor of Statutes	28.30	28.92	29.06
Judiciary	1,847.07	1,855.08	1,858.47
Judicial Council	4.14	4.06	4.15
Total--General Government	**5,192.16**	**5,498.19**	**5,493.12**
Human Services			
Social & Rehabilitation Services	3,455.26	3,427.80	3,272.26
Kansas Neurological Institute	547.77	541.88	542.52
Larned State Hospital	720.41	789.91	813.98

Schedule 9.3--Mathmatical FTE Positions by Agency

	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual
Osawatomie State Hospital	382.54	383.13	385.95
Parsons State Hospital & Training Center	461.78	467.02	462.18
Rainbow Mental Health Facility	112.04	111.82	113.71
Subtotal--SRS	**5,679.80**	**5,721.56**	**5,590.60**
Administration--Health Policy & Finance	--	--	129.45
Kansas Health Policy Authority	--	--	0.89
Department on Aging	175.03	176.02	178.98
Health & Environment--Health	927.80	947.55	958.38
Department of Labor	885.31	553.76	475.85
Commission on Veterans Affairs	355.04	364.38	351.13
Kansas Guardianship Program*	--	--	--
Total--Human Services	**8,022.98**	**7,763.27**	**7,685.28**
Education			
Department of Education	231.71	238.59	237.73
School for the Blind	79.97	80.26	77.99
School for the Deaf	140.30	142.51	143.86
Subtotal--Department of Education	**451.98**	**461.36**	**459.58**
Board of Regents*	47.14	53.22	54.41
Kansas Arts Commission	7.52	7.99	6.89
Historical Society	129.54	129.08	127.25
State Library	26.71	26.05	27.74
Total--Education	**662.89**	**677.70**	**675.87**
Public Safety			
Department of Corrections	314.40	306.46	310.68
El Dorado Correctional Facility	450.61	450.79	446.44
Ellsworth Correctional Facility	219.08	218.16	222.09
Hutchinson Correctional Facility	514.64	512.08	515.92
Lansing Correctional Facility	655.77	661.40	658.26
Larned Correctional Mental Health Facility	178.00	178.84	176.49
Norton Correctional Facility	257.83	259.92	256.02
Topeka Correctional Facility	227.85	230.25	233.58
Winfield Correctional Facility	198.84	201.21	201.55
Subtotal--Corrections	**3,017.02**	**3,019.11**	**3,021.03**
Juvenile Justice Authority	49.38	50.11	47.12
Atchison Juvenile Correctional Facility	93.30	84.91	83.26
Beloit Juvenile Correctional Facility	78.15	76.19	67.72
Larned Juvenile Correctional Facility	139.22	148.26	141.71
Topeka Juvenile Correctional Facility	209.18	207.47	--
Kansas Juvenile Correctional Complex	--	19.84	241.50
Subtotal--Juvenile Justice	**569.23**	**586.78**	**581.31**
Adjutant General	334.96	378.48	409.36
Emergency Medical Services Board	11.89	13.01	12.78
State Fire Marshal	49.41	48.38	49.71
Highway Patrol	870.39	874.58	893.60
Kansas Bureau of Investigation	247.33	251.90	251.88
Kansas Parole Board	3.02	3.00	3.00
Sentencing Commission	8.28	9.96	10.03
Total--Public Safety	**5,111.53**	**5,185.20**	**5,232.70**

** Excludes the Guardianship Program and Regents universities because payroll data on these employees are not in the SHARP system.*

Schedule 9.3--Mathmatical FTE Positions by Agency

	FY 2004 Actual	FY 2005 Actual	FY 2006 Actual
Agriculture & Natural Resources			
Department of Agriculture	292.07	292.01	290.85
Animal Health Department	28.29	28.09	30.04
State Conservation Commission	11.94	14.28	19.36
Health & Environment--Environment**	--	--	--
Kansas State Fair	25.84	25.35	25.65
Kansas Water Office	21.82	22.26	22.51
Department of Wildlife & Parks	554.40	563.86	563.50
Total--Ag. & Natural Resources	**934.36**	**945.85**	**951.91**
Transportation			
Kansas Department of Transportation	3,272.92	3,231.54	3,159.65
Total Mathematical FTE Positions	**23,196.84**	**23,301.75**	**23,198.53**

*** KDHE payroll data are not separated by function into "health" and "environment." Totals for this agency are shown entirely under "health."*

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Brendan Yorkey, Budget Analyst
Department of Agriculture
Other Natural Resource Agencies
School for the Blind
School for the Deaf
General Government

John Kirk, Budget Analyst
Juvenile Justice Authority
Juvenile Correctional Facilities
Highway Patrol
Emergency Medical Services
Fire Marshal
General Government

Sandy Russell, Executive Assistant
Shelly Dechand, Accountant