

KANSAS DEPARTMENT OF LABOR

FY 2021 – FY 2023 BUDGET ANALYSIS

FIGURE 1
BUDGET OVERVIEW, FY 2021 – FY 2023

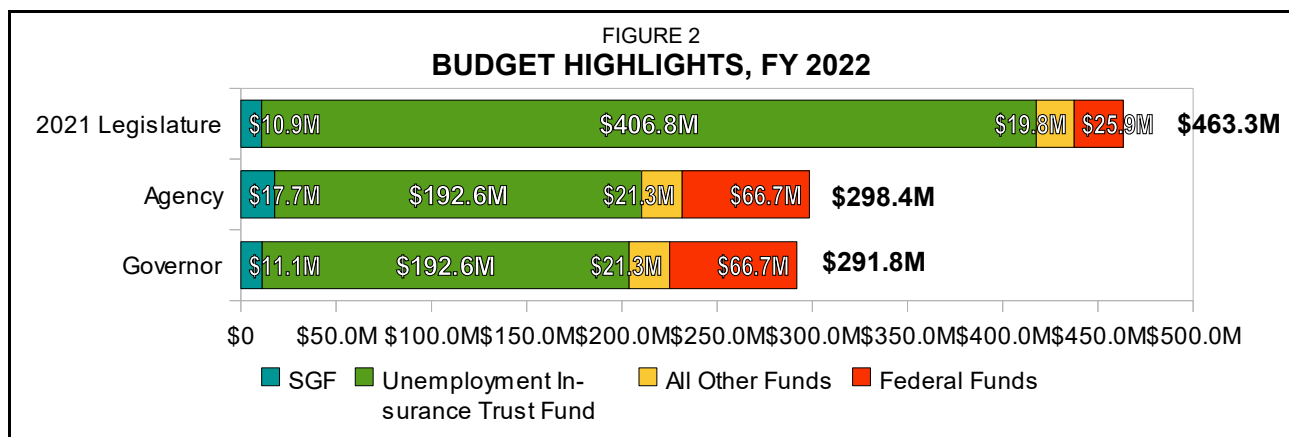
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Operating Expenditures:					
State General Fund	\$ 1,442,245	\$ 17,738,541	\$ 11,142,773	\$ 8,487,793	\$ 3,912,564
Federal Funds	207,818,132	55,709,978	55,709,978	37,459,477	37,459,477
All Other Funds	1,807,336,449	223,218,852	223,218,852	174,348,922	174,348,922
<i>Subtotal</i>	<i>\$ 2,016,596,826</i>	<i>\$ 296,667,371</i>	<i>\$ 290,071,603</i>	<i>\$ 220,296,192</i>	<i>\$ 215,720,963</i>
Capital Improvements:					
State General Fund	\$ 40	\$ -	\$ -	\$ -	\$ -
Federal Funds	83	-	-	-	-
All Other Funds	1,408,874	1,745,000	1,745,000	1,555,000	1,555,000
<i>Subtotal</i>	<i>\$ 1,408,997</i>	<i>\$ 1,745,000</i>	<i>\$ 1,745,000</i>	<i>\$ 1,555,000</i>	<i>\$ 1,555,000</i>
TOTAL	\$ 2,018,005,823	\$ 298,412,371	\$ 291,816,603	\$ 221,851,192	\$ 217,275,963
Percentage Change:					
State General Fund	49.8 %	1,129.9 %	672.6 %	(52.2) %	(64.9) %
All Funds	49.4 %	(85.2) %	(85.5) %	(25.7) %	(25.5) %
FTE Positions	485.9	595.9	485.9	595.9	511.9

For purposes of this analysis, full-time equivalent (FTE) positions include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

The Kansas Department of Labor's mission is to provide workers and employers with information and services that are accurate and timely, efficient and effective, and fair and impartial. The agency has six programs to assist with the agency's mission: Administration and Support Services, Labor Market Information Services, Unemployment Insurance Services, Industrial Safety and Health, Workers Compensation, and Labor Relations and Employment Standards.

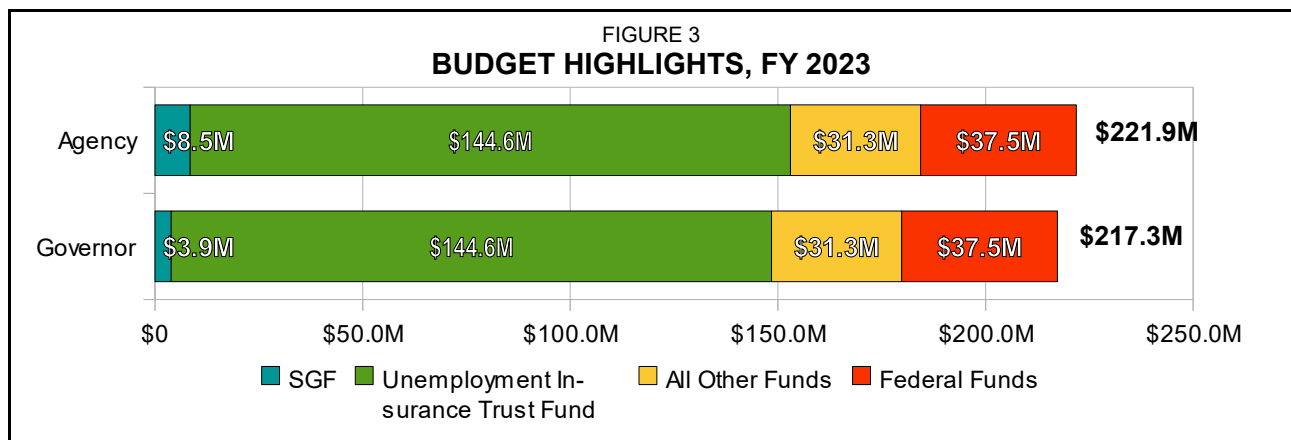
EXECUTIVE SUMMARY

Subsequent to the 2021 Session, one adjustment was made to the \$467.1 million, including \$10.9 million from the State General Fund (SGF), appropriated to the Kansas Department of Labor for FY 2022. The agency carried over \$3,180 SGF from FY 2021 to FY 2022. This brings the approved SGF amount to \$10.9 million in FY 2022.



The **agency** estimates revised FY 2022 expenditures of \$298.4 million, including \$17.7 million SGF. This is an all funds decrease of \$164.9 million, or 35.6 percent, and an SGF increase of \$6.8 million, or 62.6 percent, from the FY 2022 approved amount. The SGF increase is due to the agency's supplemental request for additional staffing in the Administration and Unemployment Insurance Services programs. The all funds decrease is primarily due to decreased expenditures on unemployment insurance benefits. The agency states it estimates decreased benefit expenditures as additional federal benefit program have ended and fewer individuals are claiming benefits. This decrease is partially offset by increased federal COVID-19 relief funds. In August 2021, the State Finance Council approved \$11.0 million in federal COVID-19 relief funds for surge staffing in the agency's call center.

The **Governor** recommends FY 2022 expenditures of \$291.8 million, including \$11.1 million SGF. This is a decrease of \$6.6 million, all SGF, below the agency's FY 2022 revised estimate. This decrease is due to the Governor not recommending the agency's enhancement request for staffing for the Administration and Unemployment Insurance Benefits programs. This decrease is partially offset by the Governor's recommendations for salary enhancements for customer service representatives and adjudicators and for costs to implement 2021 Special Session HB 2001, which requires the agency to investigate complaints filed under the provisions of the bill.



The **agency** requests FY 2023 expenditures of \$221.9 million, including \$8.5 million SGF. This is an all funds decrease of \$76.6 million, or 25.7 percent, and an SGF decrease of \$9.3 million, or 52.2 percent, below the agency's FY 2022 revised estimate. The SGF decrease is due to the unemployment insurance benefit system update, which occurred in FY 2022 and does not reoccur in FY 2023, partially offset by the agency's enhancement request for additional staffing. The all funds decrease is primarily due to decreased expenditures on unemployment insurance benefits and decreased federal COVID-19 relief funds for FY 2023.

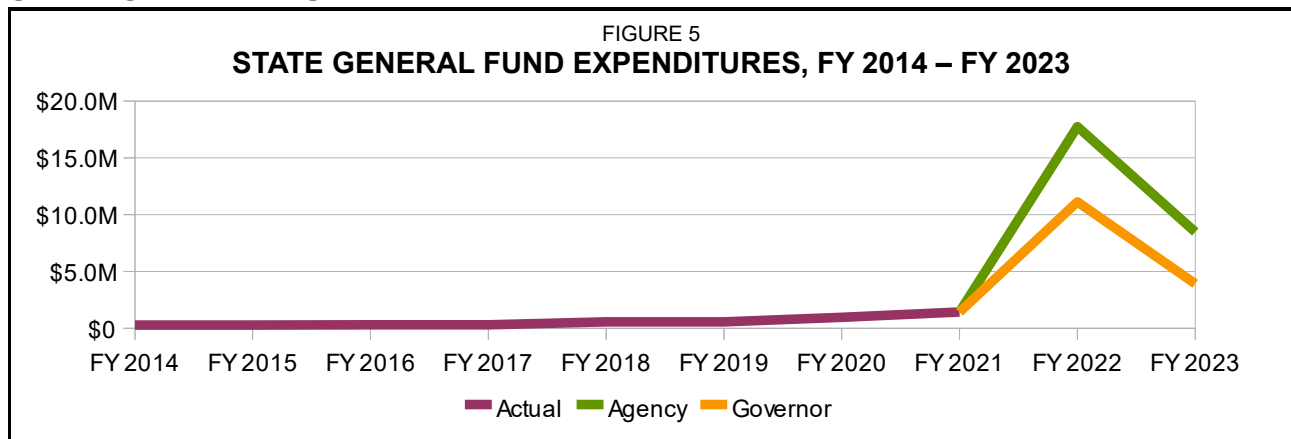
The **Governor** recommends FY 2023 expenditures of \$217.3 million, including \$3.9 million SGF. This is a decrease of \$4.6 million, all SGF, below the agency's FY 2023 request. This decrease is primarily due to the Governor recommending only partial funding for the agency's enhancement request for additional staffing. The Governor also recommends additional funding for customer service representatives and adjudicators salary enhancements.

EXPENDITURES AND FINANCING

FIGURE 4
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2021 – FY 2023

Category of Expenditure:	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Salaries and Wages	\$ 29,680,180	\$ 36,628,484	\$ 29,932,716	\$ 36,015,417	\$ 31,440,188
Contractual Services	87,998,788	49,805,581	49,905,581	26,827,224	26,827,224
Commodities	241,893	340,129	340,129	304,517	304,517
Capital Outlay	1,124,336	17,071,025	17,071,025	12,584,457	12,584,457
Debt Service Interest	24,155	12,691	12,691	-	-
<i>Subtotal</i>	<u>\$ 119,069,352</u>	<u>\$ 103,857,910</u>	<u>\$ 97,262,142</u>	<u>\$ 75,731,615</u>	<u>\$ 71,156,386</u>
Aid to Local Units	-	-	-	-	-
Other Assistance	1,897,527,474	192,809,461	192,809,461	144,564,577	144,564,577
<i>Subtotal—Operating</i>	<u>\$2,016,596,826</u>	<u>\$ 296,667,371</u>	<u>\$ 290,071,603</u>	<u>\$ 220,296,192</u>	<u>\$ 215,720,963</u>
Capital Improvements	1,158,997	1,475,000	1,475,000	1,555,000	1,555,000
Debt Service Principal	250,000	270,000	270,000	-	-
TOTAL	<u>\$2,018,005,823</u>	<u>\$ 298,412,371</u>	<u>\$ 291,816,603</u>	<u>\$ 221,851,192</u>	<u>\$ 217,275,963</u>
Financing:					
State General Fund	\$ 1,442,285	\$ 17,738,541	\$ 11,142,773	\$ 8,487,793	\$ 3,912,564
Unemployment Insurance Trust Fund	1,763,685,311	192,626,734	192,626,734	144,564,577	144,564,577
Federal COVID-19 Relief Funds	30,000,002	10,999,998	10,999,998	-	-
Other Federal Funds	207,818,215	55,709,978	55,709,978	37,459,477	37,459,477
All Other Funds	15,060,010	21,337,120	21,337,120	31,339,345	31,339,345
TOTAL	<u>\$2,018,005,823</u>	<u>\$ 298,412,371</u>	<u>\$ 291,816,603</u>	<u>\$ 221,851,192</u>	<u>\$ 217,275,963</u>
FTE Positions	485.9	595.9	485.9	595.9	511.9

STATE GENERAL FUND



Prior to FY 2022, the agency primarily used SGF moneys to fund salaries and wages in the Industrial Safety and Health program and for the Labor Relations program. In FY 2022, the Legislature added \$9.6 million SGF to update the unemployment insurance benefit system. The agency is also requesting \$6.8 million in SGF supplemental requests in FY 2022 for surge staffing due to the COVID-19 pandemic. The agency is requesting similar funding for surge staffing for FY 2023. These funds are partially offset by a decrease in expenditures for unemployment insurance benefit system modernization for FY 2023.

FY 2022 ANALYSIS

FIGURE 6
SUMMARY OF BUDGET REQUEST, FY 2022

	SGF	Special Revenue Funds	All Funds	FTE
Legislative Approved:				
Amount Approved by 2021 Legislature	\$ 10,906,186	\$ 452,418,786	\$ 463,324,972	506.1
1. SGF Reappropriation	3,180	-	3,180	--
<i>Subtotal—Legislative Approved</i>	<i>\$ 10,909,366</i>	<i>\$ 452,418,786</i>	<i>\$ 463,328,152</i>	<i>506.1</i>
Agency Revised Estimate:				
2. Unemployment Insurance Benefits	\$ -	\$ (214,124,619)	\$ (214,124,619)	--
3. Federal COVID-19 Relief Funds	-	10,999,998	10,999,998	--
4. Federal UI Administration	-	29,650,920	29,650,920	--
5. State UI Administration	-	2,582,204	2,582,204	--
6. Staffing Supplementals	6,830,768	-	6,830,768	110.0
7. Supplemental—Capital Improvements	-	450,000	450,000	--
8. All Other Adjustments	(1,593)	(1,303,459)	(1,305,052)	(20.2)
<i>Subtotal—Agency Revised Estimate</i>	<i>\$ 17,738,541</i>	<i>\$ 281,977,289</i>	<i>\$ 298,412,371</i>	<i>595.9</i>
Governor's Recommendation:				
9. Staffing Supplementals	\$ (6,830,768)	\$ -	\$ (6,830,768)	(110.0)
10. Salary Enhancements	135,000	-	135,000	--
11. 2021 Special Session HB 2001	100,000	-	100,000	--
TOTAL	\$ 11,142,773	\$ 281,977,289	\$ 291,816,603	485.9

LEGISLATIVE APPROVED

1. Subsequent to the 2021 Session, one adjustment was made to the \$467.1 million, including \$10.9 million SGF, appropriated to the Kansas Department of Labor for FY 2022. The agency carried over \$3,180 SGF from FY 2021 to FY 2022. This brings the approved SGF amount to \$10.9 million in FY 2022.

AGENCY ESTIMATE

The agency estimates revised FY 2022 expenditures of \$298.4 million, including \$17.7 million SGF. This is an all funds decrease of \$164.9 million, or 35.6 percent, and an SGF increase of \$6.8 million, or 62.6 percent, from the FY 2022 approved amount.

The agency estimate includes the following adjustments:

2. **UNEMPLOYMENT INSURANCE BENEFITS.** Unemployment insurance benefit expenditures increased in FY 2020 and FY 2021 due to the COVID-19 pandemic. The agency states it estimates decreased benefit expenditures by \$214.1 million as additional federal benefit programs have ended and fewer individuals are claiming benefits.
3. **FEDERAL COVID-19 RELIEF FUNDS.** On August 5, 2021, the State Finance Council approved \$11.0 million, all from federal COVID-19 relief funds, to continue to support surge staffing in the call center in FY 2022.
4. **FEDERAL UI ADMINISTRATION.** The administration of the Unemployment Insurance (UI) Services program is typically entirely federally funded. The federal Employment Security Administration Fund (ESAF) provides funding for Unemployment Insurance Services administration expenditures. The amount estimated in FY 2022 is a decrease

from FY 2021, but still an increase over the FY 2022 approved amount.

5. **STATE UI ADMINISTRATION.** The Special Employment Security Fund receives revenue from penalties paid by employers who are untimely in paying their contribution tax. KSA 44-716a states that these funds must be expended on costs that cannot be covered by federal funds for the administration of the employment security law. This fund shall be used to cover administration costs in excess of what federal funds are able to cover. Expenditures for this fund are budgeted entirely under the Administration program. As additional federal funds for administration of the Unemployment Insurance Services program decrease compared to FY 2020 and FY 2021, these funds are budgeted to increase to cover program costs.
6. **STAFFING SUPPLEMENTALS.** The agency is requesting \$6.8 million SGF and 110.0 FTE positions in FY 2022 for additional staffing in its Administration and Unemployment Insurance Services programs.
7. **SUPPLEMENTAL—CAPITAL IMPROVEMENTS.** The agency notes that some capital improvements projects were unable to be completed in FY 2021 and have carried over into FY 2022. The agency is requesting \$450,000, all from special revenue funds, for these projects.
8. **ALL OTHER ADJUSTMENTS.** The agency's revised estimate also includes decreases for other miscellaneous items, including decreased estimates on travel and on computer services in the Workers Compensation program after migrating systems to the cloud in FY 2021. Additionally, the agency's revised estimate does not include unfunded, vacant positions that were included in the approved FTE number.

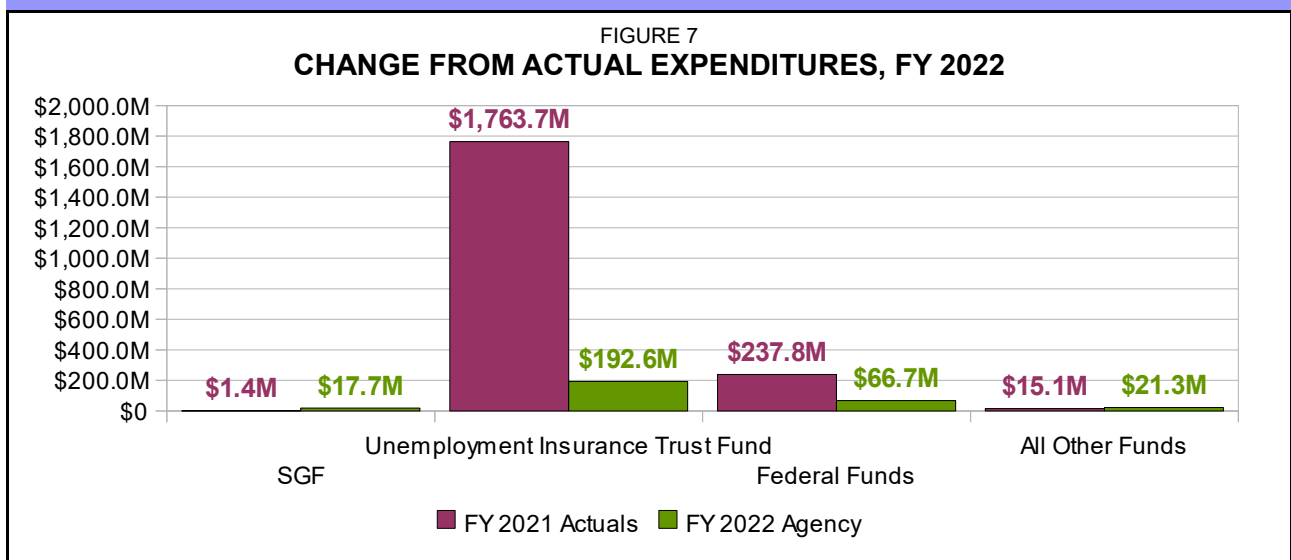
GOVERNOR'S RECOMMENDATION

The **Governor** recommends FY 2022 expenditures of \$291.8 million, including \$11.1 million SGF. This is a decrease of \$6.6 million, all SGF, below the agency's FY 2022 revised estimate.

The **Governor's** recommendation includes the following adjustments:

9. **STAFFING SUPPLEMENTALS.** The Governor does not recommend the agency's supplemental request for \$6.8 million SGF and 110.0 FTE positions for additional staffing in the agency's Administration and Unemployment Insurance Services programs.
10. **SALARY ENHANCEMENTS.** The Governor recommends \$135,000 SGF to provide salary enhancements for customer service representatives and adjudicators in the Unemployment Insurance Services program.
11. **2021 SPECIAL SESSION HB 2001.** The Governor recommends \$100,000 SGF for costs to implement 2021 Special Session HB 2001, which requires the agency to investigate complaints filed under the provisions of the bill.

FY 2022 CHANGE FROM ACTUAL EXPENDITURES



The agency estimates revised FY 2022 expenditures of \$298.4 million, including \$17.7 million SGF. This is an all funds decrease of \$1.7 billion, or 85.2 percent, and an SGF increase of \$16.3 million, or 1,129.9 percent, from the FY 2021 actual expenditures. The SGF increase is due to the agency's supplemental request for staffing as well as expenditures for the unemployment insurance benefit system modernization. The all funds decrease is primarily due to decreased expenditures on unemployment insurance benefits. The decrease is also due to decreased federal funds to administer new federal benefits programs.

FY 2023 ANALYSIS

FIGURE 8
SUMMARY OF BUDGET REQUEST, FY 2023

	SGF	Special Revenue Funds	All Funds	FTE
Agency Revised Estimate, FY 2022	\$ 17,738,541	\$ 281,977,289	\$ 298,412,371	595.9
Agency Request:				
1. Unemployment Insurance Benefits	\$ -	\$ (48,062,157)	\$ (48,062,157)	--
2. Federal COVID-19 Relief Funds	-	(10,999,998)	(10,999,998)	--
3. Federal UI Administration	-	(18,076,348)	(18,076,348)	--
4. State UI Administration	-	10,000,000	10,000,000	--
5. UI System Modernization	(9,600,000)	-	(9,600,000)	--
6. Staffing Enhancements	352,599	-	352,599	--
7. All Other Adjustments	(3,347)	(171,928)	(175,275)	--
<i>Subtotal—Agency Estimate</i>	\$ 8,487,793	\$ 214,666,858	\$ 221,851,192	595.9
Governor’s Recommendation:				
8. Staffing Enhancements	\$ (4,983,367)	\$ -	\$ (4,983,367)	(84.0)
9. Salary Enhancements	408,138	-	408,138	--
TOTAL	\$ 3,912,564	\$ 214,666,858	\$ 217,275,963	511.9

AGENCY REQUEST

The **agency** requests FY 2023 expenditures of \$221.9 million, including \$8.5 million SGF. This is an all funds decrease of \$76.6 million, or 25.7 percent, and an SGF decrease of \$9.3 million, or 52.2 percent, below the agency's FY 2022 revised estimate.

The **agency** request includes the following adjustments:

- 1. UNEMPLOYMENT INSURANCE BENEFITS.** The agency estimates decreased expenditures for unemployment insurance benefits for FY 2023 as the number of claims begins to return to normal levels.
- 2. FEDERAL COVID-19 RELIEF FUNDS.** The agency received \$11.0 million, all from federal COVID-19 relief funds, in FY 2022 for surge staffing support. These funds are not available for FY 2023, resulting in a decrease.
- 3. FEDERAL UI ADMINISTRATION.** The agency anticipates decreased federal funds to administer the Unemployment Insurance Services program for FY 2023. In FY 2020, FY 2021, and FY 2022, the agency received additional contingency funds as workload increased in order to administer new federal benefit programs. These programs ended in FY 2022, resulting in a decrease in expenditures.
- 4. STATE UI ADMINISTRATION.** The Special Employment Security Fund receives revenue from penalties paid by employers who are untimely in paying their contribution tax. KSA 44-716a states that these funds must be expended on costs that cannot be covered by federal funds for the administration of the employment security law. This fund shall be used to cover administration costs in excess of what federal funds are able to cover. Expenditures for this fund are budgeted entirely under the Administration program. As additional federal funds for administration of the Unemployment Insurance Services program decrease compared to FY 2020 and FY 2021, these funds are budgeted to increase to cover program costs.

5. **UI SYSTEM MODERNIZATION.** The 2021 Legislature added \$9.6 million SGF to update the unemployment insurance benefits system, to be expended in FY 2022, resulting in a decrease for FY 2023.
6. **STAFFING ENHANCEMENTS.** The agency is requesting an additional \$352,599 SGF above the FY 2022 request for FY 2023 for additional staffing in the Administration and Unemployment Insurance Services programs.
7. **ALL OTHER ADJUSTMENTS.** The agency's request includes decreases for other miscellaneous expenditures including debt service, as bonds for the 401 SW Topeka Boulevard renovation are estimated to be paid off in FY 2022.

GOVERNOR'S RECOMMENDATION

The **Governor** recommends FY 2023 expenditures of \$217.3 million, including \$3.9 million SGF. This is a decrease of \$4.6 million, all SGF, below the agency's FY 2023 request.

The **Governor's** recommendation includes the following adjustments:

8. **STAFFING ENHANCEMENTS.** The Governor partially recommends the agency's enhancement request for additional staffing in the Administration and Unemployment Insurance Services programs. The Governor recommends \$2.2 million SGF and 30.0 FTE positions for the additional staffing. These positions include positions in the fraud, appeals, information technology, and legal departments.
9. **SALARY ENHANCEMENTS.** The Governor recommends \$408,138 SGF to provide salary enhancements for customer service representatives and adjudicators in the Unemployment Insurance Services program.

SUPPLEMENTAL AND ENHANCEMENT REQUESTS

REQUEST 1 CAPITAL IMPROVEMENTS

	FY 2022
Capital Improvements	\$ 450,000

The agency's revised estimate includes a supplemental request of \$450,000, all from special revenue funds, for revised capital improvement project expenditures. The agency notes that some FY 2021 projects were not completed and carried over to FY 2022. Additionally, estimates for some FY 2022 projects were higher than expected. This request includes funding for an intercom system at 1309 SW Topeka Boulevard and 2650 East Circle Drive South, installation of a water softener for the boiler system at 401 SW Topeka Boulevard, brick and mortar work, and increased estimates for basement renovations at 2650 East Circle Drive South.

The Governor concurs with this request.

REQUEST 2 STAFFING

	FY 2022	FY 2023	Total	FTE
Administration	\$ 2,974,425	\$ 3,097,103	\$ 6,071,528	35.0
Unemployment Insurance	3,856,343	4,086,264	7,942,607	75.0
TOTAL	\$ 6,830,768	\$ 7,183,367	\$ 14,014,135	110.0

The agency requests \$6.1 million SGF in FY 2022 and \$7.9 million SGF for FY 2023 and 110.0 FTE positions for additional staffing in the Administration and Unemployment Insurance Services programs. In FY 2021 and FY 2022, the agency received \$30.0 million and \$11.0 million respectively from COVID-19 federal relief funds for surge staffing in the call centers and in the information technology division. These individuals worked both on answering phone calls from benefit claimants and on maintaining and updating the benefit computer system.

The FY 2022 funds were approved by the State Finance Council in August 2021. At that time, the agency noted that the additional funds would fund the additional staffing through the end of fall 2021. These funds have been expended and are not available for the rest of FY 2022 or FY 2023.

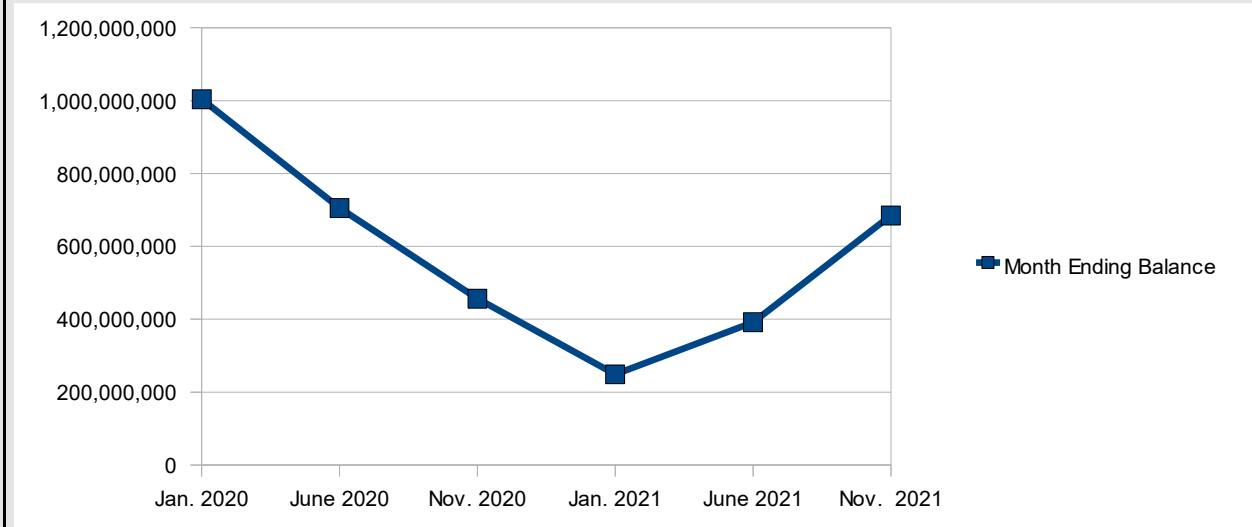
The Governor partially recommends adoption of this request.

The **Governor** recommends \$2.2 million SGF and 30.0 FTE positions for additional staffing in the Administration and Unemployment Insurance Services programs. These positions include positions in the fraud, appeals, information technology, and legal departments.

SPECIAL TOPICS

TOPIC 1 UNEMPLOYMENT INSURANCE TRUST FUND

UNEMPLOYMENT INSURANCE TRUST FUND ENDING BALANCES (DOLLARS)



CONTRIBUTION RATES

2020 Special Session HB 2016 limits the unemployment contribution rates for employers to the standard rate schedule and prohibits an additional solvency adjustment for calendar year 2021. Senate Sub. for Sub HB 2196 (2021) provided new tables for solvency and credit adjustments beginning in rate year 2022.

FEDERAL FUNDS TRANSFERS

Senate Sub. for Sub HB 2196 (2021) authorized \$250.0 million to be transferred to the Unemployment Insurance Trust Fund and \$250.0 million to the Legislature Employment Security Fund (LESF) of the Legislative Coordinating Council during FY 2021 and FY 2022. The transfers are to be made up of moneys identified by the Director of the Budget to be unencumbered COVID-19 relief funds that may be spent at the discretion of the State. The \$250.0 million transfer to the Unemployment Insurance Trust Fund occurred in July 2021.

The bill also authorizes the Unemployment Compensation Modernization and Improvement Council to conduct an audit of the unemployment insurance benefit system, examining the amounts and nature of fraudulent and improper payments made from March 15, 2020, through March 31, 2022. After the amount of fraudulent and improper payments has been determined by the audit, if that amount, plus the amount of any identified improper payments made between April 1, 2022, and December 31, 2022, exceeds the \$500.0 million transferred to the Unemployment Insurance Trust Fund and the LESF, the Director of the Budget is required to transfer an amount equal to that excess from unencumbered federal COVID-19 relief funds to the LESF. The Legislative Budget Committee will then make a recommendation to the Legislative Coordinating Council concerning the transfer of those funds from the LESF to the Unemployment Insurance Trust Fund. Upon receiving that recommendation, the Legislative Coordinating Council is authorized to transfer those funds to the Unemployment Insurance Trust Fund.

PROGRAM AND PERFORMANCE MEASURES OVERVIEW

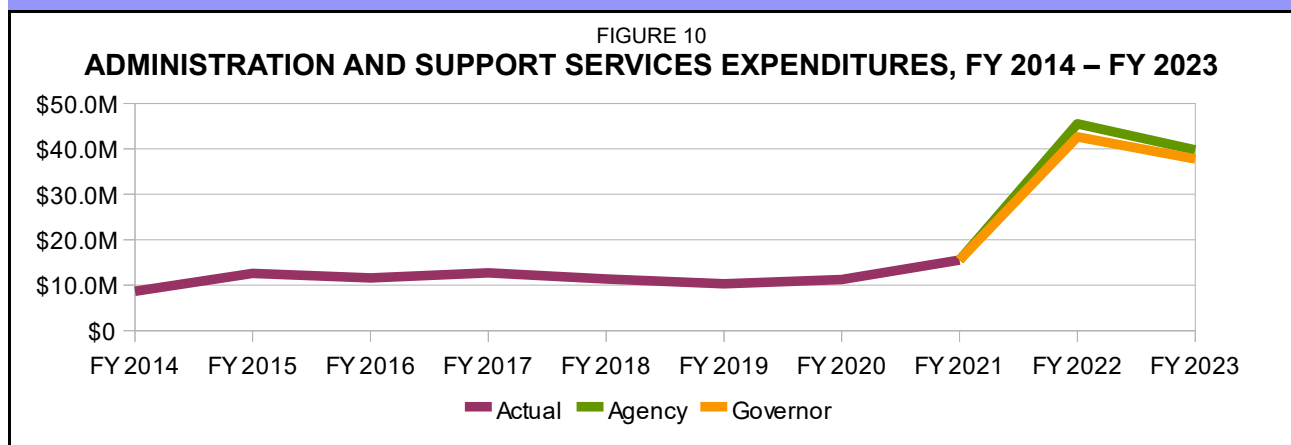
FIGURE 9
EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2021 – FY 2023

Programs	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Expenditures:					
Administration	\$ 15,538,284	\$ 45,508,449	\$ 42,634,024	\$ 39,727,494	\$ 37,730,391
Industrial Safety and Health	1,663,195	1,793,459	1,793,459	1,804,705	1,804,705
Labor Market Information	1,009,383	1,176,852	1,176,852	1,182,205	1,182,205
Labor Relations	244,092	344,443	344,443	346,994	346,994
Unemployment Insurance	1,990,847,328	239,698,060	235,976,717	168,934,467	166,356,341
Workers Compensation	7,272,513	8,133,417	8,133,417	8,300,327	8,300,327
Capital Improvements	1,156,873	1,475,000	1,475,000	1,555,000	1,555,000
Debt Service	274,155	282,691	282,691	-	-
TOTAL	\$ 2,018,005,823	\$ 298,412,371	\$ 291,816,603	\$ 221,851,192	\$ 217,275,963
FTE Positions:					
Administration	117.7	152.7	117.7	152.7	125.7
Industrial Safety and Health	18.3	18.3	18.3	18.3	18.3
Labor Market Information	16.5	16.5	16.5	16.5	16.5
Labor Relations	3.2	3.2	3.2	3.2	3.2
Unemployment Insurance	262.8	337.8	262.8	337.8	280.8
Workers Compensation	67.5	67.5	67.5	67.5	67.5
Capital Improvements	-	-	-	-	-
Debt Service	-	-	-	-	-
TOTAL	485.9	595.9	485.9	595.9	511.9

PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness.

ADMINISTRATION AND SUPPORT SERVICES



STATUTORY BASIS: • KSA 75-5701 through 75-5740
PROGRAM GOALS: • Provide support to program staff to ensure the agency fulfills its mission.

The Administration and Support Services program includes the central management and administrative support function of the Kansas Department of Labor. The program is composed of six subprograms: General Administration, Legal, Fiscal, Human Resources, Communications, and Information Systems and Technology.

FIGURE 11
ADMINISTRATION AND SUPPORT SERVICES, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Average Number of Days to Process Vouchers for Payment	2	4	2.7	2	2
Financing					
	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 388,012	\$ 937,116		\$ 10,392,599	\$ 1,799,447
Federal Funds	5,163,938	9,027,490		21,701,219	15,373,503
All Other Funds	5,686,464	5,573,678		10,540,206	20,557,441
TOTAL	\$ 11,238,414	\$ 15,538,284		\$ 42,634,024	\$ 37,730,391
Percentage Change:					
SGF	129.0 %	141.5 %		1,009.0 %	(82.7) %
All Funds	9.2 %	38.3 %		174.4 %	(11.5) %
FTE Positions	93.9	117.7		117.7	125.7

BUDGET ANALYSIS

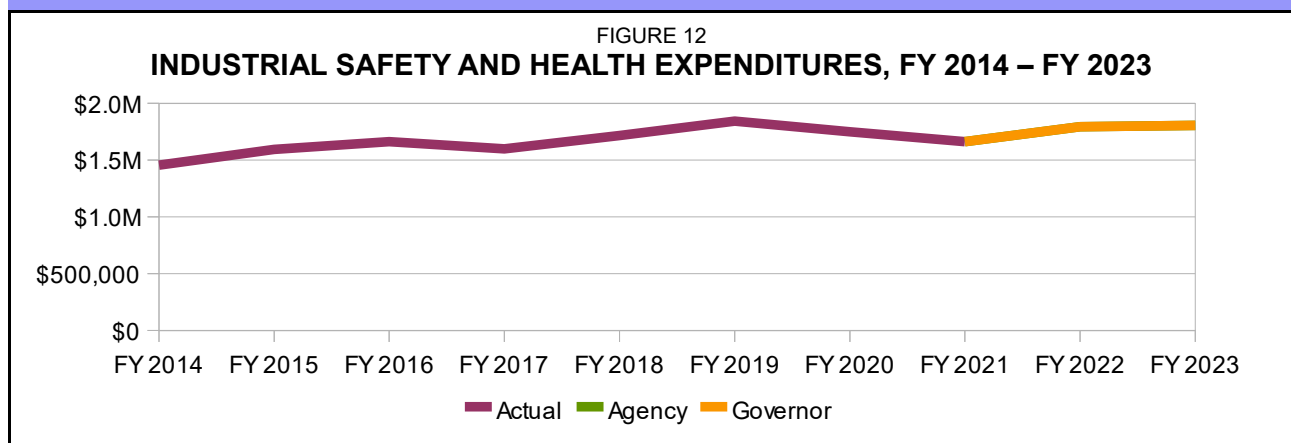
The **agency** requests FY 2023 Administration and Support Services expenditures of \$39.7 million, including \$3.8 million SGF. This is an all funds decrease of \$5.8 million, or 12.7 percent, and an SGF decrease of \$9.5 million, or 71.4 percent, below the program's FY 2022 revised estimate. Both decreases are caused by decreased expenditures for unemployment insurance benefit system modernization, which

occurred in FY 2022 and does not reoccur in FY 2023. This project is budgeted under the Administration program because all information technology employees are housed within the Administration program. The decrease is also due to decreased receipt of federal funds to administer the Unemployment Insurance Services program.

The **Governor** recommends FY 2023 Administration and Support Services expenditures of \$37.7 million, including \$1.8 million SGF. This is a decrease of \$2.0 million SGF, or 5.0 percent, below the agency's FY 2023 request. This decrease is due to the

Governor partially recommending the agency's enhancement request for additional staffing. The agency requested \$3.1 million SGF, and the Governor recommended \$1.1 million SGF.

INDUSTRIAL SAFETY AND HEALTH



STATUTORY BASIS: • KSA 44-1601, *et seq.*

PROGRAM GOALS:

- Assist and encourage employers in their efforts to assure safe and healthful workplaces in Kansas.
- Maintain the availability of on-site consultation services pursuant to federal contract.
- Encourage employers to develop, use, and maintain workplace safety and health plans related to the nature of the employment.
- Review maintenance, operations, and qualifications of inspections conducted by third parties in accordance with the Kansas Amusement Ride Act, KSA 44-1601, *et seq.*

The Industrial Safety and Health program coordinates six programs: Accident Prevention, OSHA 21(d) Consultation Program, Public Sector Compliance, Kansas Workplace Health and Safety, Annual Safety and Health Conference, and Amusement Ride Inspections. Additional information regarding the programs includes the following items:

Consultants from the Kansas Department of Labor work with employers to identify workplace hazards, provide advice on compliance with Occupational Safety and Health Act (OSHA) standards, and assist in establishing safety and health management systems.

- **WORKERS COMPENSATION ACCIDENT PREVENTION.** This program is responsible for reviewing the quantity and quality of safety and health services provided by insurance companies. The Workers Compensation Act required insurance carriers to provide these services for their clients. This program is administered by the Industrial Safety and Health program, but is funded through the Workmen's Compensation Fee Fund.
- **OSHA 21(D) CONSULTATION PROGRAM.** This program is partially funded by a federal grant and offers free and confidential advice to small- and medium-sized businesses with priority given to high-hazard work sites.
- **PUBLIC SECTOR COMPLIANCE.** This area covers state and local government workers who are excluded from federal coverage under OSHA.
- **KANSAS WORKPLACE HEALTH AND SAFETY.** This program is operated with the Kansas Department of Health and Environment and provides free safety and health consultations to state agencies.
- **ANNUAL SAFETY AND HEALTH CONFERENCE.** This program is fee funded and offers workplace health and safety education and training education for emergency personnel, employers, employees, and safety professionals

- **AMUSEMENT RIDE INSPECTIONS.**

This program ensures amusement ride owners and operators comply with the Kansas Amusement Ride Act.

FIGURE 13
INDUSTRIAL SAFETY AND HEALTH, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Percent of Consultation Requests that were Performed Under Federal Consultation Contract*	100 %	100 %	100 %	100 %	100 %
2. Percent of Serious Hazards Identified that have been Corrected*	100 %	100 %	100 %	100 %	100 %
3. Percent of Serious Hazards Abated*	90 %	100 %	97 %	100 %	100 %
Output Measure:					
4. Cost per Consultation Performed Under Federal Contract*	\$ 3,702.84	\$ 3,437.76	3700.65	\$ 3,581.76	\$ 3,676.82
5. Number of Serious or Imminent Hazards Identified	560	657	618.7	600	600
6. Number of Educational Seminars, Program Assistance, and Presentations Performed*	36	28	36	30	30
7. Number of Project Permits Issued*	112	129	123	125	125
8. Number of Project Amusement Ride Audits Conducted*	76	87	77	80	80
Financing	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 235,656	\$ 260,289		\$ 270,731	\$ 257,985
Federal Funds	687,698	698,239		695,479	698,958
All Other Funds	825,246	704,667		827,249	847,762
TOTAL	\$ 1,748,600	\$ 1,663,195		\$ 1,793,459	\$ 1,804,705
Percentage Change:					
SGF	21.6 %	10.5 %		4.0 %	(4.7) %
All Funds	(5.1) %	(4.9) %		7.8 %	0.6 %
FTE Positions	19.7	18.3		18.3	18.3

*The Governor's Office does not utilize this measure for evaluation purposes.

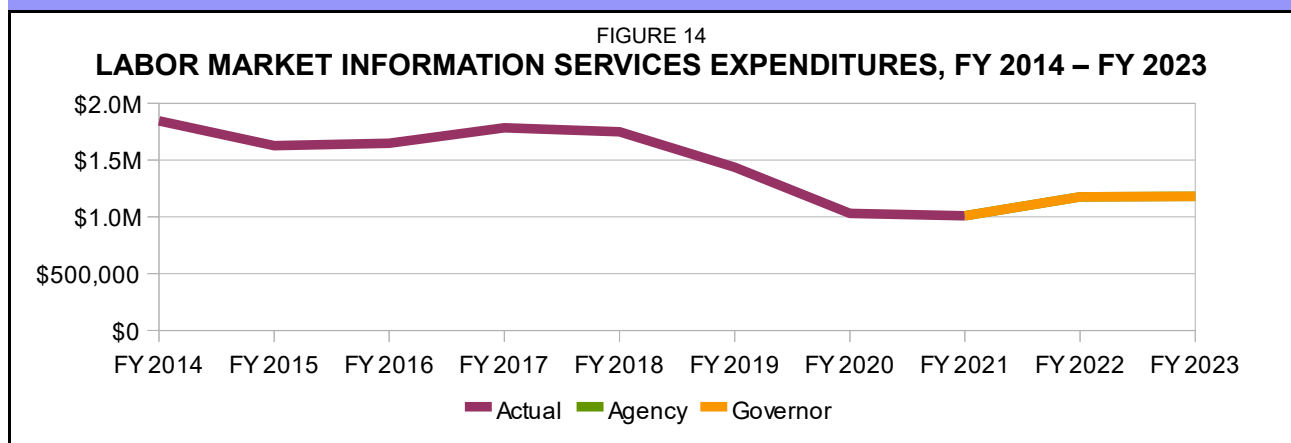
BUDGET ANALYSIS

The agency requests FY 2023 Industrial Safety and Health expenditures of \$1.8 million, including \$257,985 SGF. This is an all funds increase of \$11,246, or 0.6 percent, and an SGF decrease of \$12,746, or 4.7 percent, from the program's FY 2022 revised estimate. The SGF decrease is due to decreased expenditures on salaries and wages fringe

benefits. The all funds increase is due to increased expenditures on travel and software for the amusement ride program.

The Governor concurs with the agency's FY 2023 Industrial Safety and Health request.

LABOR MARKET INFORMATION SERVICES



STATUTORY BASIS: • KSA 75-5701 through 75-5740

PROGRAM GOALS: • Provide accurate and timely labor market information in response to user requests and disseminate data using appropriate media.

The Labor Market Information Services program is the major research and statistical arm of the agency. The program maintains the State's reporting requirements for the U.S. Department of Labor Bureau of Labor Statistics. The program is also responsible for the following items:

- Calculating and reporting the monthly and annual unemployment rates for the state, each county, and metropolitan statistical areas of the state;
- Calculating the number of people employed in each industrial sector;
- Preparing periodic reports and surveys concerning the labor market in Kansas; and
- Serving as the actuarial trustee for the Unemployment Insurance Trust Fund.

FIGURE 15
LABOR MARKET INFORMATION SERVICES, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Percent of Requests Processed within 3 Days	95.3 %	86.9 %	92.1 %	95.0 %	95.0 %
2. Percent of Requests Processed in More than 3 Days*	4.7 %	13.1 %	7.9 %	5.0 %	5.0 %
3. Percent of Requests Submitted Timely*	100 %	100 %	100 %	100 %	100 %
Output Measure:					
4. Number of Requests Received	236	609	336.7	450	300
Financing					
	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 491	\$ -		\$ -	\$ -
Federal Funds	985,256	928,822		1,098,295	1,103,390
All Other Funds	44,632	80,561		78,557	78,815
TOTAL	\$ 1,030,379	\$ 1,009,383		\$ 1,176,852	\$ 1,182,205
Percentage Change:					
SGF	100.0 %	(100.0) %		-- %	-- %
All Funds	(28.3) %	(2.0) %		16.6 %	0.5 %
FTE Positions	16.0	16.5		16.5	16.5

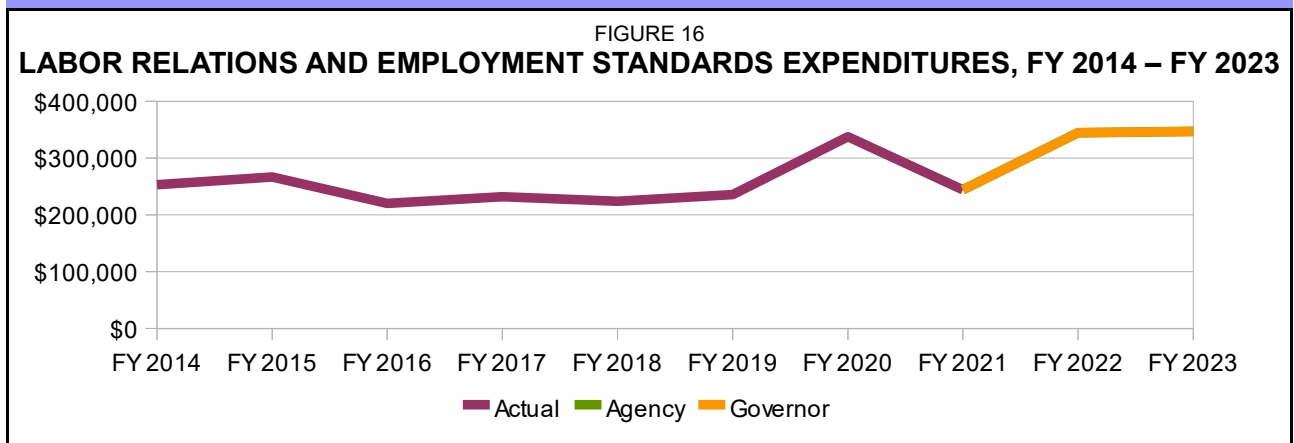
*The Governor's Office does not utilize this measure for evaluation purposes.

BUDGET ANALYSIS

The agency requests FY 2023 Labor Market Information Services expenditures of \$1.2 million, all from special revenue funds. This is an increase of \$5,353, or 0.5 percent, above the program's FY 2022 revised estimate. This increase is primarily caused by increased receipt of federal funds.

The **Governor** concurs with the agency's FY 2023 Labor Market Information Services request.

LABOR RELATIONS AND EMPLOYMENT STANDARDS



STATUTORY BASIS: • KSA 75-4321, *et seq.* , KSA 22-5413 *et seq.*

PROGRAM GOALS:

- Continue to administer both the Kansas Professional Negotiations Act and the Kansas Public Employer-Employee Relations Act in a timely, effective, and unbiased manner consistent with legislative intent for enacting these laws.
- Promote harmonious and cooperative employer/employee relationships and enforce laws providing protection to the Kansas workforce through due process of administration proceedings.

The Labor Relations and Employment Standards program enforces laws relating to the following areas:

- **EMPLOYMENT STANDARDS.** This subprogram is primarily responsible for the enforcement of minimum wages, wage payment, and child labor laws and regulates private employment agencies.
- **LABOR RELATIONS.** This subprogram provides assistance in the organizational or collective bargaining process to employers and employees in the private sector who are exempt from federal laws, agricultural employers and

employees, and all public employers and employees of the State and its agencies, as well as other public employers who elect to be brought under the provisions of KSA 75-4321, *et seq.* Assistance provided by staff includes holding bargaining unit determination hearings, conducting elections, and holding hearings to resolve prohibited practice charges.

- **PUBLIC EMPLOYEE RELATIONS.** This subprogram administers the Public Employer-Employee Relation Act, which covers employees of the State and its agencies, cities, counties, fire districts, and some colleges.

FIGURE 17
LABOR RELATIONS AND EMPLOYMENT STANDARDS, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Number of Days After Service of Petition to Hold Mediation Conference in All Disputed Determination Cases*	45	45	45	45	45
2. Number of Months After the Date of the Service of Petition to Conduct Unit Determination Hearings*	3	3	3	3	3

FIGURE 17

LABOR RELATIONS AND EMPLOYMENT STANDARDS, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
3. Percent of Unit Certification and Representation Elections Held within 45 Days of the Verification of the Showing of Interest*	100.0%	100.0%	100.0%	100.0%	100.0%
Output Measure:					
4. Hourly Cost of Claims Served*	\$ 476.51	\$ 626.74	\$ 477.80	\$ 784.60	\$ 685.31
5. Number of Unit Determination, Certification, and Representation of Cases Processed*	3	11	6.3	12	12
6. Number of Unit Certification and Representation Elections Conducted*	3	2	3.3	4	5
7. Number of Impasse Cases Processed	17	8	12.0	10	15
8. Number of Prohibited Practice Cases Processed	15	11	11.0	12	12
9. Number of Wage Claims Filed	602	478	629.0	525	600
10. Amount of Wages Collected/Recovered	\$ 795,200	\$ 502,525	\$ 677,622.0	\$ 550,000	\$ 600,000
Financing	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 337,217	\$ 244,018		\$ 344,443	\$ 346,994
Federal Funds	-	-		-	-
All Other Funds	307	74		-	-
TOTAL	<u>\$ 337,524</u>	<u>\$ 244,092</u>		<u>\$ 344,443</u>	<u>\$ 346,994</u>
Percentage Change:					
SGF	69.8 %	(27.6) %		41.2 %	0.7 %
All Funds	43.0 %	(27.7) %		41.1 %	0.7 %
FTE Positions	3.1	3.2		3.2	3.2

*The Governor's Office does not utilize this measure for evaluation purposes.

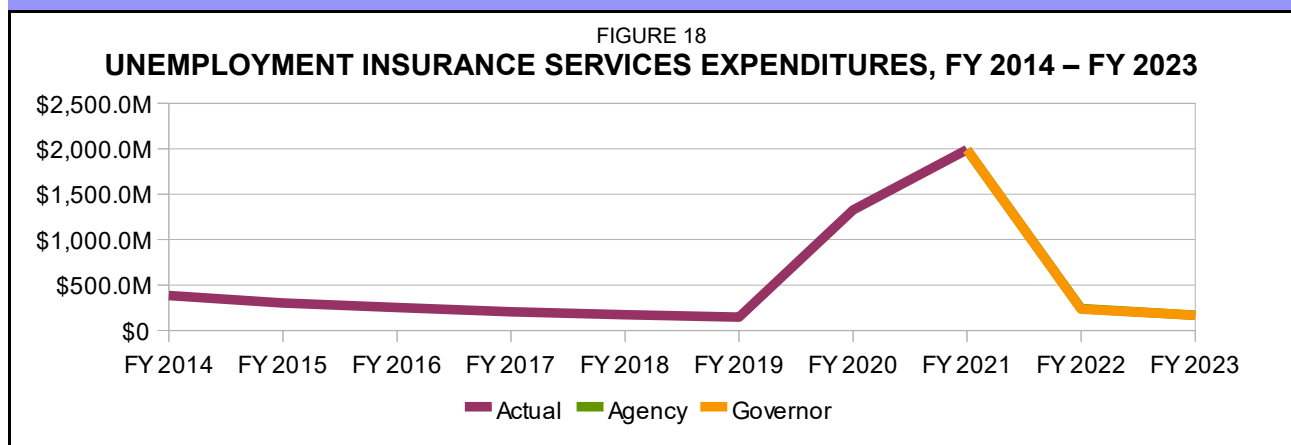
BUDGET ANALYSIS

The agency requests FY 2023 Labor Relations and Employment Standards expenditures of \$346,994 SGF. This is an increase of \$2,551, or 0.7 percent, above the program's FY 2022 revised estimate. This increase is primarily due to increased

expenditures for Office of Information Technology Services (OITS) work due to cloud migration.

The **Governor** concurs with the agency's FY 2023 Labor Relations request.

UNEMPLOYMENT INSURANCE SERVICES



STATUTORY BASIS: • KSA 44-701, *et seq.*

PROGRAM GOALS:

- Continue to improve and enhance the levels of customer service provided to Kansas employers and workers who interact with the agency.
- Continue to build upon recent successes in meeting and exceeding federally mandated program performance standards.
- Continue to work with the Office of Information Technology Services to make incremental improvements in existing technology platforms that support the unemployment system in Kansas.

The Unemployment Insurance Services program provides benefits to eligible applicants to replace part of wages lost from involuntary unemployment. The agency collects funds for benefits from employers and deposits the revenue in the Unemployment Trust Fund. The federal Employment Security Administration Fund (ESAF) provides funding for Unemployment Insurance Services

Administration expenditures. The federal Unemployment Tax Act allows the Internal Revenue Service to collect taxes from employers to administer the Unemployment Insurance program. Unemployment Insurance Services receives a base budget from the ESAF and can also receive contingency funds from ESAF in proportion to increases in workload.

FIGURE 19
UNEMPLOYMENT INSURANCE SERVICES, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Percent of Intrastate Claimants to be Issued First Payments within 14 Days	79.3 %	72.8 %	80.3 %	80.0 %	87.0 %
2. Percent of Intrastate Non-separation Non-monetary Determinations Issued within 21 Days from the Date that Benefit Eligibility Issues are First Detected*	61.7 %	68.0 %	72.0 %	75.0 %	80.0 %
3. Percent of All Employers Audited within the Year*	0.9 %	0.4 %	0.9 %	1.0 %	1.2 %
Output Measure:					
4. Hourly Cost per Initial Claim Filed for Benefits*	\$ 14.96	\$ 15.03	\$ 15.48	\$ 111.46	\$ 102.26
5. Number of Initial Claims Filed for Benefits	376,087	949,454	470,788	116,391	102,495
6. Number of Weekly Claims Filed Via Telephone Utilizing the Voice Response System and via the Internet*	1,653,678	2,271,793	1,463,753	724,013	564,025

FIGURE 19
UNEMPLOYMENT INSURANCE SERVICES, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
7. Average Duration of Unemployment Benefits (In Weeks)	7.9	8.1	9.2	14.6	13.0
8. Number of Claimants Exhausting Unemployment Benefits	14,230	52,541	26,484	17,293	13,245
Financing	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ 1,229	\$ 862		\$ 135,000	\$ 1,508,138
Federal Funds	15,010,999	227,163,666		43,214,983	20,283,626
All Other Funds	1,312,559,910	1,763,682,800		192,626,734	144,564,577
TOTAL	\$ 1,327,572,138	\$ 1,990,847,328		\$ 235,976,717	\$ 166,356,341
Percentage Change:					
SGF	(15.5) %	(29.9) %		15,561.3 %	1,017.1 %
All Funds	810.1 %	50.0 %		(88.1) %	(29.5) %
FTE Positions	182.8	262.8		262.8	280.8

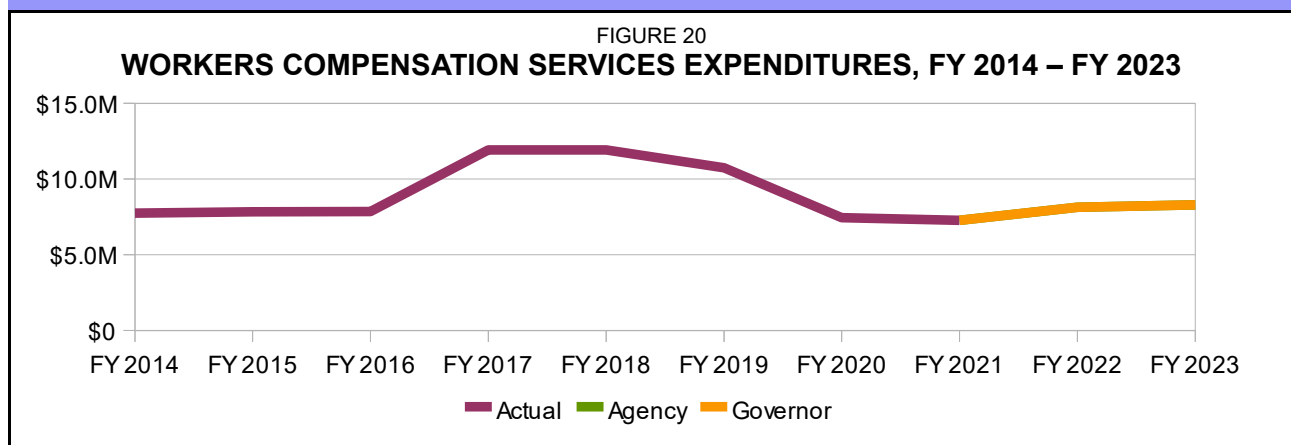
*The Governor's Office does not utilize this measure for evaluation purposes.

BUDGET ANALYSIS

The **agency** requests FY 2023 Unemployment Insurance Services expenditures of \$168.9 million, including \$4.1 million SGF. This is an all funds decrease of \$70.8 million, or 29.5 percent, and an SGF increase of \$229,921, or 6.0 percent, from the program's FY 2022 revised estimate. The SGF increase is due to the agency's enhancement request for additional staffing. The all funds decrease is due to estimated decreases in unemployment benefit expenditures as well as decreased federal funds for program administration and surge staffing.

The **Governor** recommends FY 2023 Unemployment Insurance Services expenditures of \$166.4 million, including \$1.5 million SGF. This is a decrease of \$2.6 million SGF, or 1.5 percent, below the agency's FY 2023 request. This decrease is due to the Governor partially recommending the agency's enhancement request for additional staffing. The agency requested \$4.1 million, and the Governor recommends \$1.1 million. This decrease is partially offset by the Governor's recommendation for salary enhancements for customer service representatives and adjudicators.

WORKERS COMPENSATION SERVICES



STATUTORY BASIS: • KSA 44-501, *et seq.*

PROGRAM GOALS:

- Provide a statewide judicial system for workers compensation claims that operates in a fair and efficient manner.
- Establish and publish a medical fee schedule for care involving injured workers.
- Regulatory oversight, including employer compliance with mandatory workers compensation insurance coverage, self-insurance permitting, and insurer accident prevention programs.

The Workers Compensation Services program administers the Kansas Workers Compensation Act, pursuant to KSA 44-501, *et seq.* The program files and maintains required reports of industrial accidents and discretionary notices of employment of disabled workers; directs and audits physical and vocation rehabilitation for injured workers; provides the trial court, appellate review, and records repository for contested workers' compensation

claims; certifies qualified employers as self-insured; and, through its Claims Advisory Section, provides information and claims assistance to injured workers, insurance carriers, employers, and attorneys. Workers Compensation Services is fee funded by assessments from insurance carriers and self-insured employers. Assessments are based on paid claims during the most recent calendar year in relation to the approved budget.

FIGURE 21
WORKERS COMPENSATION SERVICES, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Average Number of Days from Initial Report of Fraud or Abuse to Investigation Completion*	411	181	311.7	274	274
2. Hourly Cost per Case Investigated for Fraudulent or Abusive Acts that Closed within the Fiscal Year*	\$ 229.88	\$ 390.46	\$ 253.18	\$ 222.75	\$ 162.03
3. Number of Employers Contacted about Missing Workers Compensation Insurance Coverage during the Fiscal Year*	76	438	200	228	170
Output Measure:					
4. Average Number of Days Between the Time an Application for Benefits is Filed and the Time an	1,027	940	1,083	1,024	1,024

FIGURE 21
WORKERS COMPENSATION SERVICES, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Award is Issued					
5. Number of Preliminary Hearings Held During the Fiscal Year*	973	1,113	1,049	1,003	977
6. Number of Accident Reports	43,463	42,221	43,868	43,813	43,813
7. Number of Fraud Abuse Cases Investigated	200	134	218	252	302
Financing					
	Actual FY 2020	Actual FY 2021		Governor FY 2022	Governor FY 2023
SGF	\$ -	\$ -		\$ -	\$ -
Federal Funds	-	-		-	-
All Other Funds	7,458,776	7,272,513		8,133,417	8,300,327
TOTAL	<u>\$ 7,458,776</u>	<u>\$ 7,272,513</u>		<u>\$ 8,133,417</u>	<u>\$ 8,300,327</u>
Percentage Change:					
SGF	-- %	-- %		-- %	-- %
All Funds	(30.5) %	(2.5) %		11.8 %	2.1 %
FTE Positions	71.0	67.5		67.5	67.5

*The Governor's Office does not utilize this measure for evaluation purposes.

BUDGET ANALYSIS

The agency requests FY 2023 Workers Compensation Services expenditures of \$8.3 million, all from special revenue funds. This is an increase of \$166,910, or 2.1 percent, above the program's FY 2022 revised estimate. This

increase is due to increased expenditures on OITS services.

The **Governor** concurs with the agency's FY 2023 Workers Compensation Services request.

CAPITAL IMPROVEMENTS

FIGURE 22
CAPITAL IMPROVEMENTS, FY 2021 – FY 2023

	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Capital Projects:					
Rehabilitation and Repair	\$ 219,860	\$ 175,000	\$ 175,000	\$ 175,000	\$ 175,000
HVAC Vents	-	300,000	300,000	300,000	300,000
Basement Renovation	-	450,000	450,000	-	-
Third Floor Renovation	-	-	-	500,000	500,000
Intercom System	-	250,000	250,000	-	-
Brickwork Maintenance	-	250,000	250,000	-	-
Window Replacement	-	-	-	500,000	500,000
Parking Lot Maintenance	-	-	-	80,000	80,000
Boilers	-	50,000	50,000	-	-
Eastman First Floor Renovation	760,970	-	-	-	-
Roof Replacement	178,167	-	-	-	-
<i>Subtotal–Projects</i>	<u>\$ 1,158,997</u>	<u>\$ 1,475,000</u>	<u>\$ 1,475,000</u>	<u>\$ 1,555,000</u>	<u>\$ 1,555,000</u>
Debt Service Principal:					
401 Topeka Remodel	\$ 250,000	\$ 270,000	\$ 270,000	\$ -	\$ -
TOTAL	<u>\$ 1,408,997</u>	<u>\$ 1,745,000</u>	<u>\$ 1,745,000</u>	<u>\$ 1,555,000</u>	<u>\$ 1,555,000</u>
Financing:					
SGF	\$ 40	\$ -	\$ -	\$ -	\$ -
Federal Funds	83	-	-	-	-
All Other Funds	1,408,874	1,745,000	1,745,000	1,555,000	1,555,000
TOTAL	<u>\$ 1,408,997</u>	<u>\$ 1,745,000</u>	<u>\$ 1,745,000</u>	<u>\$ 1,555,000</u>	<u>\$ 1,555,000</u>

FY 2022 CAPITAL IMPROVEMENTS

The agency estimates revised capital improvement expenditures of \$1.7 million, all from special revenue funds. This is an increase of \$450,000, or 34.7 percent, above the FY 2022 approved capital improvements amount. This increase is due to the agency's enhancement request for carried over and increased capital improvement projects. The agency notes that some FY 2021 projects were not completed and carried over to FY 2022. Additionally, estimates for some FY 2022 projects were higher than previously expected. This supplemental request includes funding for an intercom system at 2650 East Circle Drive South, installation of a water softener for the boiler system at 401 SW Topeka Boulevard, brick and mortar work, and increased estimates

for basement renovations at 2650 East Circle Drive South.

Other FY 2022 projects include:

REHABILITATION AND REPAIR. Rehabilitation and Repair projects include sidewalk maintenance, painting, carpeting, and caulking.

HVAC VENTS AT 2650 EAST CIRCLE DRIVE SOUTH. The agency states the HVAC system was not a part of the original renovations after the agency purchased the building over a decade ago.

INTERCOM SYSTEM AT 1309 SW TOPEKA. The agency's revised estimate includes funding to install intercom systems at 1309 SW Topeka Boulevard and 2650 East Circle Drive South.

FY 2022 expenditures will be for replacement of lighting, removing walls, and renovation of two bathrooms.

2650 EAST CIRCLE DRIVE SOUTH BASEMENT RENOVATION. The agency notes that part of this renovation project is already complete.

The agency estimates the installation of the intercom systems, brickwork maintenance, installation of the water softener, and the basement renovation at 2650 East Circle Drive South to be completed in FY 2022.

The **Governor** concurs with the agency's FY 2022 capital improvements revised estimate.

FY 2023 CAPITAL IMPROVEMENTS

The **agency** requests FY 2023 capital improvement expenditures of \$1.6 million, all from special revenue funds. This is a decrease of \$190,000, or 10.9 percent, below the agency's FY 2022 revised capital improvement expenditures. The decrease is due to decreased expenditures on debt service, as bonds for the remodel of 401 SW Topeka Boulevard will be paid off in FY 2022. This decrease is partially offset by increased expenditures on repavement of parking lots at 401 SW Topeka Boulevard and 1309 SW Topeka Boulevard .

reconfiguration of the office floor plan, ceiling and lighting replacement, and enlarging bathrooms to meet federal Americans with Disabilities Act standards.

New FY 2023 projects include:

WINDOW REPLACEMENT. The agency plans to replace windows at all three of the agency's buildings in Topeka to increase efficiency of the HVAC system and decrease utility costs.

THIRD FLOOR RENOVATION AT 2650 EAST CIRCLE DRIVE SOUTH. This phase of the building renovation includes total

REPAVING PARKING LOTS. The agency plans to repave the parking lot at 401 SW Topeka Boulevard and apply a seal coating to the parking lot at 1309 SW Topeka Boulevard.

The **Governor** concurs with the agency's FY 2023 capital improvements request.