

Approved: 5-7-10
Date

MINUTES OF THE HOUSE APPROPRIATIONS COMMITTEE

The meeting was called to order by Chairman Kevin Yoder at 9:08 a.m. on March 3, 2010, in Room 346-S of the Capitol.

All members were present except:

Representative Barbara Ballard- excused
Representative Dave Crum- excused

Committee staff present:

Jim Wilson, Office of the Revisor of Statutes
Nobuko Folmsbee, Office of the Revisor of Statutes
Alan Conroy, Kansas Legislative Research Department
J.G. Scott, Kansas Legislative Research Department
Heather O'Hara, Kansas Legislative Research Department
Jonathan Tang, Kansas Legislative Research Department
Stephen Huggins, Chief of Staff, Appropriations Committee
Kathy Holscher, Committee Assistant, Appropriations Committee

Others attending:

See attached list.

- Attachment 1 Budget Committee Report on Attorney General, Kansas Insurance Department, Judicial Branch, Judicial Council, Kansas Public Employee Retirement System, Office of the Lieutenant Governor, Office of the Governor, Secretary of State, State Treasurer
- Attachment 2 Testimony on AJLA - Kansas Department of Commerce
- Attachment 3 Testimony - Geographic Solutions

Representative Hineman, Member, House General Government Budget Committee, presented the FY 2011 Kansas Insurance Department Budget Committee Report, (Attachment 1). The Budget Committee concurs with the Governor's recommendation.

Representative Hineman responded to questions from committee members. He reviewed ending fee fund balances and expenditures.

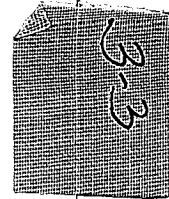
Representative Hineman made a motion to approve the FY 2011 Kansas Insurance Department Budget Committee Report. The motion was seconded by Representative Burroughs. Motion carried.

Representative Whitham, Chair, House General Government Budget Committee, presented the FY 2011 Judicial Branch Committee Report, (Attachment 1). The Budget Committee concurs with the Governor's recommendation with the following adjustments and notations: delete \$199,499 from State General Fund for construction of offices; docket fee surcharges; and appreciation of employees.

Representative Whitham made a motion to approve the FY 2011 Judicial Branch Committee Report. The motion was seconded by Representative Kelley.

Representative Whitham made a motion for an amendment that would reduce State General Fund for the Judicial Branch by \$2,269,000. The motion was seconded by Representative Hineman.

Representative Whitham responded to questions by committee members. He stated that the Budget Committee's decision to approve the Governor's recommendation was changed after reviewing the February budget numbers. Representative Whitham stated that a bill will be introduced that would increase the surcharge for fees from \$10 to \$15, which would increase the agency's budget by \$2.2 million.



CONTINUATION SHEET

Minutes of the House Appropriations Committee at 9:08 a.m. on March 3, 2010, in Room 346-S of the Capitol.

Representative Whitham renewed the motion for the amendment. Motion carried.

Further discussion was held by committee members regarding the FY 2010 salary reduction for judges of 5%. Representative Hineman stated that a request has been made with the Office of Revisor of Statutes to prepare an amendment that would extend this reduction through FY 2011. Representative Whitham stated that the Budget Committee will be working with the Office of Revisor of Statutes on a trailer bill for the 14th Court of Appeals Judge and staff offices. Further discussion followed regarding docket fees.

Representative Whitman made a motion to approve the FY 2011 Judicial Branch Committee Report as amended. Motion carried.

Representative Kelley, Member, House General Government Budget Committee, presented the FY 2010 Attorney General Budget Committee Report, (Attachment 1). The Budget Committee concurs with the Governor's recommendation with the following adjustment: delete \$20,000 for the Sexually Violent Predator Expense Fund.

Representative Kelley made a motion to approve the FY 2010 Attorney General Budget Committee Report. The motion was seconded by Representative Whitham. Motion carried.

Representative Kelley, Member, House General Government Budget Committee, presented the FY 2011 Attorney General Budget Committee Report, (Attachment 1). The Budget Committee concurs with the Governor's recommendation with the following adjustment; add \$150,000 in expenditures from the Crime Victims Assistance Fund for grants to domestic violence prevention programs and Children's Advocacy Centers; and delete \$20,000 from the Sexually Violent Predator Expense Fund.

Representative Kelley made a motion to approve the FY 2011 Attorney General Budget Committee Report. The motion was seconded by Representative Hineman.

Representative Kelly responded to questions from committee members. Discussion was held regarding the claims against the state and the need for a funding mechanism for the Sexually Violent Predator Expense Fund.

Representative Kelly renewed the motion. Motion carried.

Representative Whitham, Chair, House General Government Budget Committee, presented the FY 2011 Kansas Public Employee Retirement System Budget Committee Report, (Attachment 1). The Budget Committee concurs with the Governor's recommendation.

Representative Whitham made a motion to approve the FY 2011 Kansas Public Employee Retirement System Budget Committee Report. The motion was seconded by Representative Hineman. Motion carried.

Representative Burroughs, Member, House General Government Budget Committee, presented the FY 2011 Office of the Lieutenant Governor Budget Committee Report, (Attachment 1). The Budget Committee concurs with the Governor's recommendation.

Representative Burroughs made a motion to approve the FY 2011 Office of the Lieutenant Governor Budget Committee Report. The motion was seconded by Representative Dillmore. Motion carried.

Representative Whitham, Chair, House General Government Budget Committee, presented the FY 2011 Office of the Governor Budget Committee Report, (Attachment 1). The Budget Committee concurs with the Governor's recommendation.

Representative Whitham made a motion to approve the FY 2011 Office of the Governor Budget Committee Report. The motion was seconded by Representative Kelley. Motion carried.

Representative Kelley, Member, House General Government Budget Committee, presented the FY 2011

CONTINUATION SHEET

Minutes of the House Appropriations Committee at 9:08 a.m. on March 3, 2010, in Room 346-S of the Capitol.

Secretary of State Budget Committee Report, (Attachment 1). The Budget Committee concurs with the Governor's recommendation with the following observation: the agency is exploring alternative methods regarding notice requirements for proposed Constitutional amendments.

Representative Kelley made a motion to approve the FY 2011 Secretary of State Budget Committee Report. The motion was seconded by Representative Hineman.

Representative Kelley responded to questions from committee members. She stated that the increased budget reflects the Help America Vote Act, and the difference between the federal fiscal year and the state fiscal year. Budget Committee members have discussed other communication avenues to reduce costs, she noted.

Representative Kelley renewed the motion. Motion carried.

Representative Burroughs, Member, House General Government Budget Committee, presented the FY 2011 State Treasurer Budget Committee Report, (Attachment 1). The Budget Committee concurs with the Governor's recommendation with the following notation: the agency consider and prepare option for faster disposition of unclaimed property and provide a report to the Budget Committee at the FY 2011 Legislative Session.

Representative Burroughs made a motion to approve the FY 2011 State Treasurer Budget Committee Report. The motion was seconded by Representative Whitham.

Discussion followed by committee members regarding unclaimed property. Scott Gates, General Counsel, Director of Learning Quest Program, Office of the State Treasurer, explained the process for handling unclaimed property. He stated that currently there is a \$200 million balance in the account. Approximately \$20 million a year is received in unclaimed property and \$10 million a year is paid out in claims. The statutes require that money received is invested in Kansas Public Employees Retirement System and this is the 30th year for the Unclaimed Property Act, he stated. Mr. Gates discussed the liquidation process for unclaimed property and the cash value at the time property is claimed. In regards to advertising costs, he stated that \$1 million a year is budgeted for unclaimed property, and Learning Quest advertising of \$1.6 million remains the same budgeted amount since FY 2006.

Representative Burroughs renewed the motion. Motion carried.

Nancy Bryant, Assistant Secretary of State, Office of the Secretary of State, responded to questions from committee members. She stated that Janet Chubb is the Acting Secretary of State. An announcement will be forthcoming on the Governor's Secretary of State appointment.

Representative Dillmore, Member, House General Government Budget Committee, presented the FY 2011 Judicial Council Budget Committee Report, (Attachment 1). The Budget Committee concurs with the Governor's recommendation: notes the important work of the council.

Representative Dillmore made a motion to approve the FY 2011 Judicial Council Budget Committee Report. The motion was seconded by Representative Burroughs.

Discussion followed by committee members regarding the judicial performance evaluation and funding mechanisms. Randy Hearrell, Executive Director, Judicial Council, stated that this was included in HB 2530, which did not pass in committee. Representative Tafanelli stated that the budget increase of \$700,000 includes the Judicial Review program from docket fees.

Representative Dillmore renewed the motion. Motion carried.

William Thornton, Secretary, Kansas Department of Commerce, presented an overview and testimony on American Job Link Alliance (AJLA), (Attachment 2). He stated that this service is not funded by state dollars, but by fee funds and federal funds from the United States Department of Labor. Mr. Thornton noted that he has met with representatives of Geographics Solutions to discuss a proviso and potential modifications. He

CONTINUATION SHEET

Minutes of the House Appropriations Committee at 9:08 a.m. on March 3, 2010, in Room 346-S of the Capitol.

expressed concern in regards to the loss of federal funding if contractual obligations with other client states were not met.

Mr. Thornton responded to questions from committee members. He stated that employees are not state employees, they receive wages from the federal government.

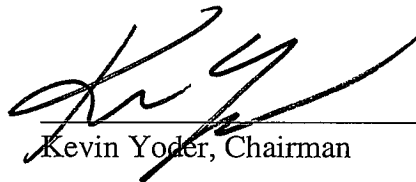
Dodie Wellshear, presented an overview and testimony on Geographic Solutions, (Attachment 3). She reviewed the proviso request for the Kansas Department of Commerce. Ms. Wellshear expressed concern for unfair competition with private enterprise when a government sponsored entity bids against private business. For new states that are not a part of the AJLA alliance this proviso would not allow bidding against private entities.

Ms. Wellshear and Bob Vancrum, lobbyists, responded to questions from committee members. Emphasis was placed on approving the proviso to alleviate government competing with private industry. This proviso would provide an opportunity for new job growth and ideas for Kansans, Ms. Wellshear and Mr. Vancrum stated.

Representative Faber stated that this testimony was presented in the Budget Committee. Due to the complexity of this material, and upon approval by the Budget Committee, the proviso would be referred to the Appropriations Committee.

The next meeting is scheduled for March 4, 2010.

The meeting was adjourned at 10:57 a.m.



Kevin Yoder, Chairman

APPROPRIATIONS COMMITTEE GUEST LIST

DATE: 3-3-10

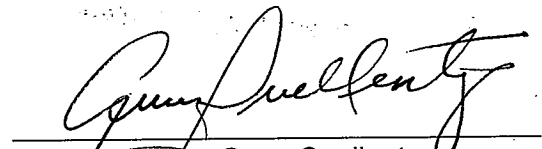
NAME	REPRESENTING
Vickilyn Hessel	Budget
Amy Pennel	DOB
Kendra Hansen	Hein Law Firm
Nancy Bryant	SOS
Alan Burt	SOS
Jerry Sloan	Judicial
Kim Fowler	Judicial Branch
Cheri Froetscher	DOB
Dodie Wellshear	KCS DVE Geographic Solutions
Amy Boydston	KS Children's Advocacy Ctrs
Stu Ahlerich	Kansas Inc
Dennis Phillips	KSCFF
Ed Redman	KSCFF
KOB MEALY	KEMMEY Assoc.
RS Wilson	KOEF

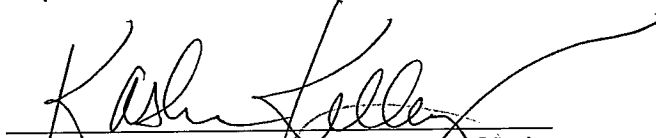
FY 2011

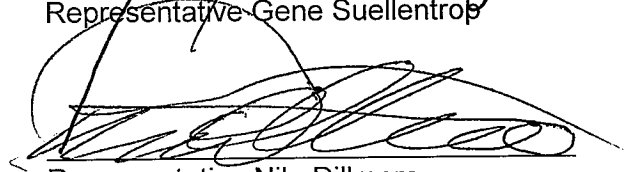
HOUSE GENERAL GOVERNMENT BUDGET COMMITTEE


Attorney General
Kansas Insurance Department
Judicial Branch
Judicial Council
Kansas Public Employee Retirement System
Office of the Lieutenant Governor
Office of the Governor
Secretary of State
State Treasurer


Representative Jeff Whitham, Chair


Representative Gene Suellentrop

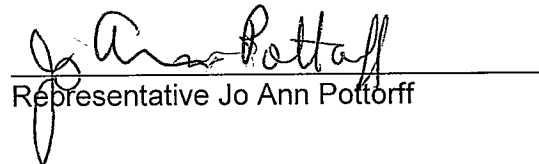

Representative Kasha Kelley, Vice-Chair


Representative Nile Dillmore


Representative Tom Burroughs,
Ranking Minority Member


Representative Milack Talia


Representative Don Hineman


Representative Jo Ann Pottorff

Appropriations Committee
Date 3-3-10
Attachment 1-1

House Budget Committee Report

Agency: Attorney General

Bill No. HB 2706

Bill Sec. 17

Analyst: Robinson

Analysis Pg. No. --

Budget Page No. 99

Expenditure Summary	Agency Estimate FY 2010	Governor Recommendation FY 2010	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 4,824,409	\$ 2,683,452	\$ 0
Other Funds	15,915,671	17,944,311	(20,000)
Subtotal	<u>\$ 20,740,080</u>	<u>\$ 20,627,763</u>	<u>\$ (20,000)</u>
Capital Improvements			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 20,740,080</u></u>	<u><u>\$ 20,627,763</u></u>	<u><u>\$ (20,000)</u></u>
FTE positions	110.0	110.0	0.0
Non FTE Uncl. Perm. Pos.	8.3	8.3	0.0
TOTAL	<u><u>118.3</u></u>	<u><u>118.3</u></u>	<u><u>0.0</u></u>

Agency Estimate

The **agency** estimates a revised FY 2010 budget totaling \$20.7 million, an increase of \$3.5 million, or 20.0 percent, above the amount approved by the 2009 Legislature, as adjusted by State General Fund reappropriations, and the Governor's July and November allotments. Requested State General Fund expenditures total \$4.8 million, an increase of \$2.1 million, or 79.8 percent, above the approved amount. The agency's revised budget request was submitted prior to the Governor's November 2009 allotments, which reduced State General Fund expenditures by \$2.2 million. Excluding the allotments, the agency's revised State General Fund request would have been a decrease of \$40,840 from the approved amount, as adjusted by State General Fund reappropriations totaling \$223,180. The revised estimate includes additional supplemental expenditures of \$987,430, all from special revenue funds. The request would fund the currently approved 110.0 FTE positions.

Governor's Recommendation

The **Governor** recommends a revised FY 2010 budget of \$20.6 million, an increase of \$3.3 million, or 19.4 percent, above the approved FY 2010 amount. The State General Fund recommendation of \$2.7 million is the same as as the approved amount, as adjusted by State General Fund reappropriations and the Governor's July and November 2009 State General Fund allotments. The Governor concurs with \$939,430 of the agency's requested supplemental expenditures, for expenditures for interstate water litigation, tobacco master settlement compliance activities, and for expenditures from the Sexually Violent Predator Expense Fund.

House Budget Committee Recommendation

The Budget Committee concurs with the recommendations of the Governor, with the following adjustment:

1. Delete \$20,000, all from the Sexually Violent Predator Expense Fund in FY 2010. The agency requested \$20,000, all from the Sexually Violent Predator Expense Fund, in FY 2010, to provide funds for reimbursement to counties for costs related to determining whether a person may be a sexually violent predator. By statute, if no moneys are available in the fund, counties may file a claim against the state. According to the agency, although the fund has been created, the statute provides no mechanism for moneys to be deposited in the fund. The Governor recommends transferring \$20,000 from the agency's Crime Victims Assistance Fund to the Sexually Violent Predator Expense Fund. The agency raised concerns with using this funding mechanism, believing it to be inappropriate to use funds designated for crime victims to pay expenses on behalf of convicted sex offenders. The Budget Committee shares these concerns and does not recommend the transfer from the Crime Victims Assistance Fund or the expenditure authority from the Sexually Violent Predator Expense Fund.

House Budget Committee Report

Agency: Attorney General

Bill No. HB 2706

Bill Sec. 39

Analyst: Robinson

Analysis Pg. No. --

Budget Page No. 99

Expenditure Summary	Agency Request FY 2011	Governor Recommendation FY 2011	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 4,709,616	\$ 2,574,135	\$ 0
Other Funds	15,252,869	17,291,571	130,000
Subtotal	\$ 19,962,485	\$ 19,865,706	\$ 130,000
Capital Improvements			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal	\$ 0	\$ 0	\$ 0
TOTAL	\$ 19,962,485	\$ 19,865,706	\$ 130,000
FTE positions	110.0	110.0	0.0
Non FTE Uncl. Perm. Pos.	8.3	8.3	0.0
TOTAL	118.3	118.3	0.0

Agency Request

The **agency** requests requests an FY 2011 budget of \$20.0 million, a decrease of \$777,595, or 3.7 percent, below the revised current fiscal year estimate. The request includes State General Fund expenditures of \$4.7 million, a decrease of \$114,793, or 2.4 percent, below the revised current fiscal year estimate. The request would fund 110.0 FTE positions, unchanged from the revised current year estimate.

The request includes enhancement funding of \$1.7 million, all from special revenue funds. Although the enhancement expenditures are requested from special revenue funds, approximately \$1.2 million of the expenditures would likely require a transfer from the State General Fund (or some other funding source) to agency special revenue funds. Absent the enhancement requests, the requested FY 2011 budget totals \$18.3 million, representing a total decrease of \$2.4 million, or 11.8 percent below the revised current year estimate.

Governor's Recommendation

The **Governor** recommends an FY 2011 budget totaling \$19.9 million, a decrease of \$762,057, or 3.7 percent, below the revised current year recommendation. The recommendation includes State General Fund expenditures of \$2.6 million, a decrease of \$109,317, or 4.1 percent, below the revised current year recommendation. The request would fund 110.0 FTE positions, unchanged from the current fiscal year. The Governor's recommendation includes offsetting \$1.9 million in State General Fund expenditures with

expenditures from the Medicaid Fraud Prosecution Revolving Fund (\$1.4 million), and the Court Cost Fund (\$500,000).

House Budget Committee Recommendation

The **Budget Committee** concurs with the recommendations of the Governor, with the following adjustments:

1. Add \$150,000 in expenditures in FY 2011, all from the Crime Victims Assistance Fund, for grants to domestic violence prevention programs and Children's Advocacy Centers. In addition, add language authorizing the current statutory cap on transfers from the Crime Victims Compensation Fund to the Crime Victims Assistance Fund be increased from \$100,000 to \$300,000 for FY 2010 through FY 2015. Grants to domestic violence prevention and Children's Advocacy Center programs in the budget of the Office of the Governor have been reduced by a combined \$688,325, or 13.1 percent, since FY 2009. The Attorney General has indicated that with an increase in the statutory transfer cap, \$150,000 could be made available for grants to those programs. The Budget Committee also notes that SB 326, passed by the Senate during the FY 2009 Session, would make the increase in the statutory cap permanent. The bill passed the Senate and is currently referred to the House Appropriations Committee.
2. Delete \$20,000, all from the Sexually Violent Predator Expense Fund in FY 2011. The agency requested \$20,000, all from the Sexually Violent Predator Expense Fund, in FY 2011, to provide funds for reimbursement to counties for costs related to determining whether a person may be a sexually violent predator. By statute, if no moneys are available in the fund, counties may file a claim against the state. According to the agency, although the fund has been created, the statute provides no mechanism for moneys to be deposited in the fund. The Governor recommends transferring \$20,000 from the agency's Crime Victims Assistance Fund to the Sexually Violent Predator Expense Fund. The agency raised concerns with using this funding mechanism, believing it to be inappropriate to use funds designated for crime victims to pay expenses on behalf of convicted sex offenders. The Budget Committee shares these concerns and does not recommend the transfer from the Crime Victims Assistance Fund or the expenditure authority from the Sexually Violent Predator Expense Fund.

Senate Subcommittee Report

Agency: Kansas Insurance Department

Bill No. SB 556

Bill Sec. 42

Analyst: Dear

Analysis Pg. No. --

Budget Page No. 117

Expenditure Summary	Agency Request FY 2011	Governor Recommendation FY 2011	Senate Subco Adjustments
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	24,761,620	24,461,620	0
Subtotal	<u>\$ 24,761,620</u>	<u>\$ 24,461,620</u>	<u>\$ 0</u>
Capital Improvements			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	132,678	132,678	0
Subtotal	<u>\$ 132,678</u>	<u>\$ 132,678</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 24,894,298</u></u>	<u><u>\$ 24,594,298</u></u>	<u><u>\$ 0</u></u>
FTE positions	138.4	138.4	0.0
Non FTE Uncl. Perm. Pos.	3.6	3.6	0.0
TOTAL	<u><u>142.0</u></u>	<u><u>142.0</u></u>	<u><u>0.0</u></u>

Agency Request

The **agency** requests budget year operating expenditures of \$24,761,620, an increase of \$511,945, or 2.1 percent, above the FY 2010 agency estimate. The request is completely funded by special revenue funds. The majority of the increase is in two programs. The Workers Compensation Program projects increased attorney costs and increased medical expenses for workers compensation claims. The Insurance Company Regulation Program projects increased costs both for salaries and wages and the communications costs to support those employees. The agency requests 138.4 FTE positions.

Governor's Recommendation

The **Governor** recommends FY 2011 operating expenditures of \$24,461,620, an increase of \$211,945, or 0.9 percent, above the FY 2010 Governor's recommendation. The recommendation is \$300,000, or 1.2 percent, below the FY 2011 agency request. The agency increased their contractual services expenditures in FY 2011 by \$306,955. The Governor recommends the agency be provided \$6,955 of the increase. The Governor further recommends that the anticipated transfer from the State General Fund to the Workers' Compensation Fund of \$1.0 million in FY 2011 be suspended and \$5.0 million be transferred from the Insurance Department Service Regulation fund to the State General Fund. The Governor recommends 138.4 FTE positions.

Senate Subcommittee Recommendation

The **Subcommittee** concurs with the Governor's recommendation.

Senate Ways and Means Committee Recommendation

The **Committee** concurs with the Subcommittee recommendation.

House Budget Committee Report

Agency: Kansas Insurance Department

Bill No. HB 2706

Bill Sec. 42

Analyst: Dear

Analysis Pg. No. --

Budget Page No. 117

Expenditure Summary	Agency Request FY 2011	Governor Recommendation FY 2011	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	24,761,620	24,461,620	0
Subtotal	<u>\$ 24,761,620</u>	<u>\$ 24,461,620</u>	<u>\$ 0</u>
Capital Improvements			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	132,678	132,678	0
Subtotal	<u>\$ 132,678</u>	<u>\$ 132,678</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 24,894,298</u></u>	<u><u>\$ 24,594,298</u></u>	<u><u>\$ 0</u></u>
FTE positions	138.4	138.4	0.0
Non FTE Uncl. Perm. Pos.	3.6	3.6	0.0
TOTAL	<u><u>142.0</u></u>	<u><u>142.0</u></u>	<u><u>0.0</u></u>

Agency Request

The **agency** requests budget year operating expenditures of \$24,761,620, an increase of \$511,945, or 2.1 percent, above the FY 2010 agency estimate. The request is completely funded by special revenue funds. The majority of the increase is in two programs. The Workers Compensation Program projects increased attorney costs and increased medical expenses for workers compensation claims. The Insurance Company Regulation Program projects increased costs both for salaries and wages and the communications costs to support those employees. The agency requests 138.4 FTE positions.

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Governor's Recommendation

The **Governor** recommends FY 2011 operating expenditures of \$24,461,620, an increase of \$211,945, or 0.9 percent, above the FY 2010 Governor's recommendation. The recommendation is \$300,000, or 1.2 percent, below the FY 2011 agency request. The agency increased their contractual services expenditures in FY 2011 by \$306,955. The Governor recommends the agency be provided \$6,955 of the increase. The Governor further recommends that the anticipated transfer from the State General Fund to the Workers' Compensation Fund of \$1.0 million in FY 2011 be suspended and \$5.0 million be transferred from the Insurance Department Service Regulation fund to the State General Fund. The Governor recommends 138.4 FTE positions.

House Budget Committee Recommendation

The **Budget Committee** concurs with the Governor's recommendation.

Senate Subcommittee Report

Agency: Judicial Branch

Bill No. SB 556

Bill Sec. 46

Analyst: Cussimano

Analysis Pg. No. - -

Budget Page No. 165

Expenditure Summary	Agency Request FY 2011	Governor Recommendation FY 2011	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 117,857,994	\$ 104,049,036	\$ (225,515)
Other Funds	14,764,521	19,613,918	0
Subtotal	<u>\$ 132,622,515</u>	<u>\$ 123,662,954</u>	<u>\$ (225,515)</u>
Capital Improvements			
State General Fund	\$ 199,499	\$ 199,499	\$ 0
Other Funds	0	0	0
Subtotal	<u>\$ 199,499</u>	<u>\$ 199,499</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 132,822,014</u></u>	<u><u>\$ 123,862,453</u></u>	<u><u>\$ (225,515)</u></u>
FTE positions	1,859.3	1,858.3	(3.0)
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u><u>1,859.3</u></u>	<u><u>1,858.3</u></u>	<u><u>(3.0)</u></u>

Agency Request

The **agency** requests a FY 2011 operating budget of \$132.6 million, an all funds increase of \$8.2 million, or 6.6 percent, above the revised FY 2010 estimate. The request includes State General Fund expenditures of \$117.9 million, an increase of \$13.1 million, or 12.5 percent, above the revised FY 2010 estimate. The request would finance 1,859.3 FTE positions, an increase of 4.0 FTE above the revised FY 2010 estimate. The FTE increase is due to an enhancement request for 1.0 FTE Research Attorney and the inclusion of the 14th Court of Appeals judge and staff in the agency request. In addition, the request includes an enhancement package totaling \$3.9 million, including \$3.7 million from the State General Fund, for the second phase of the nonjudicial employee salary adjustment, 1.0 FTE Research Attorney and funding associated with the position. **Absent the enhancements**, the request is \$128.7 million, including \$114.1 million from the State General Fund. This is an all funds decrease of \$4.4 million, or 3.5 percent, and a State General Fund decrease of \$9.3 million, or 8.9 percent, below the revised FY 2010 estimate.

The agency request includes \$199,499, all from the State General Fund, for the construction of the 14th Court of Appeals judge's suite.

Governor's Recommendation

The **Governor** recommends FY 2011 operating expenditures of \$123.7 million, including \$104.0 million from the State General Fund. The recommendation is an all funds increase of

\$2.3 million, or 1.9 percent, and a State General Fund increase of \$2.3 million, or 2.2 percent, above the Governor's FY 2010 recommendation. The recommendation is an all funds decrease of \$9.0 million, or 6.8 percent, and a State General Fund decrease of \$13.8 million, or 11.7 percent, below the agency FY 2011 request. The following were included in the recommendation:

- A decrease of \$5.1 million, all from the State General Fund, for salaries and wages. In addition, the recommendation did not include carrying forward the agency's supplemental appropriation of \$5.0 million, all from the State General Fund, from FY 2010 for a total salaries and wages reduction of \$10.1 million in FY 2011.
- Continuing the Judicial Branch surcharge, currently known as the Emergency Surcharge, to generate approximately \$5.0 million in other funds.
- The Governor did not recommend the agency's enhancement request totaling \$3.9 million, including \$3.7 million from the State General Fund for the second phase of the nonjudicial adjustment plan and Research Attorney position.

Senate Subcommittee Recommendation

The **Senate Subcommittee** concurs with the Governor's recommendation with the following adjustments and notations:

1. Delete \$225,515, all from the State General Fund, and 3.0 FTE positions for the 14th Court of Appeals judge and staff. The funding includes \$189,841, all from the State General Fund, for salaries and wages associated with the 3.0 FTE and \$35,674, all from the State General Fund, for capital outlay expenditures to furnish offices for the positions. The Subcommittee further recommends introduction of a bill to delay implementation of the 14th Court of Appeals judge and staff another year to January 2012.
2. The Subcommittee notes that the Governor did not recommend any of the enhancements requested by the agency, which include the nonjudicial employee pay adjustment and a research attorney. The Subcommittee further notes that while the Governor did support the inclusion of the 14th Court of Appeals judge, staff, capital outlay, and capital improvement expenditures, the Subcommittee does not support the inclusion of these items in the agency's budget.
3. The Senate Subcommittee strongly urges the Senate Ways and Means Subcommittee on Capital Improvements to delete \$199,499, all from the State General Fund, for costs associated with the construction of the 14th Court of Appeals judge and staff offices.
4. The Senate Subcommittee recommends the full Senate Ways and Means Committee consider the following options for the Judicial Branch budget:
 - Delete \$2,595,588, all from the State General Fund, for a 2.5 percent reduction from the Governor's FY 2011 recommendation. This amount would be covered by a \$5 increase in the current Judicial Branch Surcharge fund as introduced in 2010 HB 2746. This would result in a surcharge of \$15; or

- o Delete \$4,744,434, all from the State General Fund, for a 2.5 percent reduction based the Governor's FY 2010 recommendation. This results in a FY 2011 target of \$99,504,101. The Subcommittee recommends seeking an additional increase in the surcharge included in HB 2476 of \$5 from the amount included in the bill, for an increase of \$10 resulting in a total surcharge of \$20.
5. The Subcommittee notes that 2010 HB 2476 has been introduced to amend and extend the Judicial Branch surcharge to fund nonjudicial personnel through FY2011. The bill includes a surcharge increase of \$5 which would raise the docket fee from the current \$10 to \$15. The increase would raise an estimated additional \$2.5 million.
 6. The Subcommittee notes that each furlough day saves approximately \$250,000. Therefore, a 2.5 percent cut to the agency's FY 2011 budget would result in approximately 10 furlough days.
 7. The Subcommittee heard testimony from The Honorable Lawton Nuss, Justice, Kansas Supreme Court; The Honorable James Fleetwood, Chief Judge, 18th Judicial District (Sedgwick County); The Honorable Meryl Wilson, Division II Judge, 21st Judicial District (Clay and Riley Counties); and Alice Adams, Clerk of the Court, Geary County. Testimony from all four conferees included discussion of the hiring freeze implemented by the Judicial Branch, the possibility of furloughs and the difficult situation the courts are in. Specifically, conferees discussed the increase in workload due to the hiring freeze. Coupled with the possible need for furloughs, the courts are experiencing increased attrition, low morale, and lack of job satisfaction among employees. Jerry Sloan, Chief Fiscal and Budget Officer, Office of Judicial Administration, noted that there are currently 96.5 vacant positions statewide out of 1,400 positions.
 8. The Subcommittee heard testimony from The Honorable Meryl Wilson, Division II Judge, 21st Judicial District (Clay and Riley Counties) who indicated that he believed savings could be achieved by better coordinating efforts between the Department of Revenue Alcoholic Beverage Control (ABC) division and local police departments in communities such as Manhattan. He indicated it was possible the two entities were duplicating services.

Senate Committee Recommendation

The **Senate Committee** concurs with the Subcommittee recommendations with the following adjustment:

1. Delete \$4,744,434, all from the State General Fund, for a 2.5 percent reduction based the Governor's FY 2010 recommendation. This results in a FY 2011 target of \$99,504,101. The Subcommittee recommends seeking an additional increase in the surcharge included in HB 2476 of \$5 from the amount included in the bill, for an increase of \$10 resulting in a total surcharge of \$20.

House Budget Committee Report

Agency: Judicial Branch

Bill No. HB 2706

Bill Sec. 18

Analyst: Cussimano

Analysis Pg. No. - -

Budget Page No. 165

Expenditure Summary	Agency Request FY 2011	Governor Recommendation FY 2011	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 117,857,994	\$ 104,049,036	\$ 0
Other Funds	14,764,521	19,613,918	0
Subtotal	<u>\$ 132,622,515</u>	<u>\$ 123,662,954</u>	<u>\$ 0</u>
Capital Improvements			
State General Fund	\$ 199,499	\$ 199,499	\$ (199,499)
Subtotal	<u>\$ 199,499</u>	<u>\$ 199,499</u>	<u>\$ (199,499)</u>
 TOTAL	 <u><u>\$ 132,822,014</u></u>	 <u><u>\$ 123,862,453</u></u>	 <u><u>\$ (199,499)</u></u>
 FTE positions	 1,859.3	 1,858.3	 0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u><u>1,859.3</u></u>	<u><u>1,858.3</u></u>	<u><u>0.0</u></u>

Agency Request

The **agency** requests a FY 2011 operating budget of \$132.6 million, an all funds increase of \$8.2 million, or 6.6 percent, above the revised FY 2010 estimate. The request includes State General Fund expenditures of \$117.9 million, an increase of \$13.1 million, or 12.5 percent, above the revised FY 2010 estimate. The request would finance 1,859.3 FTE positions, an increase of 4.0 FTE above the revised FY 2010 estimate. The FTE increase is due to an enhancement request for 1.0 FTE Research Attorney and the inclusion of the 14th Court of Appeals judge and staff in the agency request. In addition, the request includes an enhancement package totaling \$3.9 million, including \$3.7 million from the State General Fund, for the second phase of the nonjudicial employee salary adjustment, 1.0 FTE Research Attorney and funding associated with the position. **Absent the enhancements**, the request is \$128.7 million, including \$114.1 million from the State General Fund. This is an all funds decrease of \$4.4 million, or 3.5 percent, and a State General Fund decrease of \$9.3 million, or 8.9 percent, below the revised FY 2010 estimate.

The agency request also includes \$199,499, all from the State General Fund, for the construction of the 14th Court of Appeals judge's suite.

Governor's Recommendation

The **Governor** recommends FY 2011 operating expenditures of \$123.7 million, including \$104.0 million from the State General Fund. The recommendation is an all funds increase of \$2.3 million, or 1.9 percent, and a State General Fund increase of \$2.3 million, or 2.2 percent, above the Governor's FY 2010 recommendation. The recommendation is an all funds decrease of \$9.0 million, or 6.8 percent, and a State General Fund decrease of \$13.8 million, or 11.7 percent, below the agency FY 2011 request. The following were included in the recommendation:

- A decrease of \$5.1 million, all from the State General Fund, for salaries and wages. In addition, the recommendation did not include carrying forward the agency's supplemental appropriation of \$5.0 million, all from the State General Fund, from FY 2010 for a total salaries and wages reduction of \$10.1 million in FY 2011.
- Continuing the Judicial Branch surcharge, currently known as the Emergency Surcharge, to generate approximately \$5.0 million in other funds.
- The Governor did not recommend the agency's enhancement request totaling \$3.9 million, including \$3.7 million from the State General Fund for the second phase of the nonjudicial adjustment plan and Research Attorney position.

House Budget Committee Recommendation

The **Budget Committee** concurs with the Governor's recommendation with the following adjustments and notations:

1. Delete \$199,499, all from the State General Fund, for capital improvements associated with the construction of the 14th Court of Appeals judge and staff offices.
2. Although the Budget Committee takes no position on current proposals to allow the Judicial Branch to enact increases in the docket fee surcharge, notes its belief that the trend towards funding this branch of government through fees is troubling. A free and independent judiciary is fundamental to a representative democracy. It is the responsibility of the Legislature to fund this branch in a manner such that those who need to access justice are not denied that access due to excessive costs.
3. The Budget Committee notes the challenges faced by the Judicial Branch and appreciates the efforts put forth by the employees, both judicial and nonjudicial, who continue to work diligently through these tough times. The Budget Committee notes its appreciation for these employees.

Senate Subcommittee Report

Agency: Judicial Council

Bill No. SB 556

Bill Sec. 44

Analyst: Cussimano

Analysis Pg. No. - -

Budget Page No. 174

<u>Expenditure Summary</u>	<u>Agency Request FY 2011</u>	<u>Governor Recommendation FY 2011</u>	<u>Senate Subcommittee Adjustments</u>
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	1,296,116	1,296,116	0
Subtotal	\$ 1,296,116	\$ 1,296,116	\$ 0
TOTAL	\$ 1,296,116	\$ 1,296,116	\$ 0
FTE positions	7.0	7.0	0.0
Non FTE Uncl. Perm. Pos.	1.0	1.0	0.0
TOTAL	8.0	8.0	0.0

Agency Request

The **agency** requests FY 2011 operating expenditures of \$1,296,116, all from special revenue funds. This is a decrease of \$61,523, or 4.5 percent, below the revised FY 2010 estimate. The decrease is mainly due to a decrease in salaries and wages for temporary employee salaries as a result of the discontinuation of the use of a part-time, temporary law clerk for the Recodification Commission and one time capital outlay expenditures in FY 2010 for office furniture. The request includes funding for 7.0 FTE positions, the same level as FY 2010.

Governor's Recommendation

The **Governor** concurs with the agency request.

Senate Subcommittee Recommendation

The **Senate Subcommittee** concurs with the Governor's recommendation.

Senate Committee Recommendation

The **Senate Committee** concurs with the Subcommittee recommendation.

House Budget Committee Report

Agency: Judicial Council

Bill No. HB 2706

Bill Sec. 44

Analyst: Cussimano

Analysis Pg. No. - -

Budget Page No. 174

Expenditure Summary	Agency Request FY 2011	Governor Recommendation FY 2011	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	1,296,116	1,296,116	0
Subtotal	\$ 1,296,116	\$ 1,296,116	\$ 0
TOTAL	<u>\$ 1,296,116</u>	<u>\$ 1,296,116</u>	<u>\$ 0</u>
FTE positions	7.0	7.0	0.0
Non FTE Uncl. Perm. Pos.	1.0	1.0	0.0
TOTAL	<u>8.0</u>	<u>8.0</u>	<u>0.0</u>

Agency Request

The **agency** requests FY 2011 operating expenditures of \$1,296,116, all from special revenue funds. This is a decrease of \$61,523, or 4.5 percent, below the revised FY 2010 estimate. The decrease is mainly due to a decrease in salaries and wages for temporary employee salaries as a result of the discontinuation of the use of a part-time, temporary law clerk for the Recodification Commission and one time capital outlay expenditures in FY 2010 for office furniture. The request includes funding for 7.0 FTE positions, the same level as FY 2010.

Governor's Recommendation

The **Governor** concurs with the agency request.

House Budget Committee Recommendation

The **Budget Committee** concurs with the Governor's recommendation with the following notation:

1. The Budget Committee notes the important work of the Judicial Council and appreciates the agency's efforts. The Committee further notes the agency's continued efforts to improve the judicial performance evaluation program.

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Senate Subcommittee Report

Agency: Kansas Public Employees
Retirement System

Bill No. SB 556

Bill Sec. 47

Analyst: Steiner

Analysis Pg. No. --

Budget Page No. 74

Expenditure Summary	Agency Request FY 2011	Governor Recommendation FY 2011	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 3,213,748	\$ 3,213,748	\$ 0
Other Funds	40,326,982	40,326,982	0
Subtotal	<u>\$ 43,540,730</u>	<u>\$ 43,540,730</u>	<u>\$ 0</u>
Capital Improvements			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 43,540,730</u></u>	<u><u>\$ 43,540,730</u></u>	<u><u>\$ 0</u></u>
FTE positions	87.3	87.3	0.0
Non FTE Uncl. Perm. Pos.	1.0	1.0	0.0
TOTAL	<u><u>88.3</u></u>	<u><u>88.3</u></u>	<u><u>0.0</u></u>

Agency Request

The **agency** requests operating expenditures of \$43,540,730, including \$3,213,748 from the State General Fund. The request is an all funds increase of \$4,116,492, or 10.4 percent, and a State General Fund increase of \$2,574,614, or 403.0 percent, above the FY 2010 estimate. The State General Fund increase is a result of the agency paying both the principal and interest portion of the KPERS 13th Check bond. The all other funds increase is largely due to an increase in the professional fees associated with KPERS investments. The agency does assume an 8.0 percent investment return for FY 2011.

Governor's Recommendation

The **Governor** concurs with the agency estimate.

Senate Subcommittee Recommendation

The **Senate Subcommittee** concurs with the Governor's recommendation with the following notations:

1. The Subcommittee notes the agency has 87.3 FTE positions and three vacant positions and none of the agency's FTE positions are funded through the State General Fund. All

agency operating expenses, which include salaries and wages, are funded entirely through the KPERS Trust Fund.

Senate Committee Recommendation

The **Senate Committee** concurs with the Senate Subcommittee recommendation.

House Budget Committee Report

Agency: KPERS

Bill No. HB 2706

Bill Sec. 47

Analyst: Steiner

Analysis Pg. No. --

Budget Page No. 74

<u>Expenditure Summary</u>	<u>Agency Request FY 2011</u>	<u>Governor Recommendation FY 2011</u>	<u>House Budget Committee Adjustments</u>
Operating Expenditures:			
State General Fund	\$ 3,213,748	\$ 3,213,748	\$ 0
Other Funds	40,326,982	40,326,982	0
Subtotal	\$ 43,540,730	\$ 43,540,730	\$ 0
Capital Improvements			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal	\$ 0	\$ 0	\$ 0
TOTAL	\$ 43,540,730	\$ 43,540,730	\$ 0
FTE positions	87.3	87.3	0.0
Non FTE Uncl. Perm. Pos.	1.0	1.0	0.0
TOTAL	88.3	88.3	0.0

Agency Request

The agency requests operating expenditures of \$43,540,730, including \$3,213,748 from the State General Fund. The request is an all funds increase of \$4,116,492, or 10.4 percent, and a State General Fund increase of \$2,574,614, or 403.0 percent, above the FY 2010 estimate. The State General Fund increase is a result of the agency paying both the principal and interest portion of the KPERS 13th Check bond. The all other funds increase is largely due to an increase in the professional fees associated with KPERS investments. The agency does assume an 8.0 percent investment return for FY 2011.

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Governor's Recommendation

The **Governor** concurs with the agency request.

House Budget Committee Recommendation

The **Budget Committee** concurs with the Governor's recommendation.

Senate Subcommittee Report

Agency: Office of the Lieutenant Governor

Bill No. SB 556

Bill Sec. 38

Analyst: Robinson

Analysis Pg. No. --

Budget Page No. 97

Expenditure Summary	Agency Request FY 2011	Governor Recommendation FY 2011	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 206,539	\$ 196,212	\$ (4,822)
Other Funds	0	0	0
Subtotal	<u>\$ 206,539</u>	<u>\$ 196,212</u>	<u>\$ (4,822)</u>
Capital Improvements			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 206,539</u></u>	<u><u>\$ 196,212</u></u>	<u><u>\$ (4,822)</u></u>
FTE positions			
FTE positions	3.5	3.5	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u><u>3.5</u></u>	<u><u>3.5</u></u>	<u><u>0.0</u></u>

Agency Request

The **agency** requests \$206,539, all from the State General Fund, in FY 2011, a decrease of \$8,206, or 3.8 percent, below the revised current year estimate. Most of the decrease is attributable to reduced travel costs in FY 2011. The request would fund 3.5 FTE positions, the same as requested for the current fiscal year. No enhancement funding is requested.

Governor's Recommendation

The **Governor** recommends a total FY 2011 budget of \$196,212, all from the State General Fund. The recommendation is a reduction of \$7,015, or 3.5 percent, below the revised FY 2010 recommendation, and a reduction of \$10,327, or 5.0 percent, below the agency's request.

Senate Subcommittee Recommendation

The **Senate Subcommittee** concurs with the recommendations of the Governor, with the following adjustment:

1. Delete a total of \$4,822, all from the State General Fund, to achieve a reduction of approximately 2.5 percent below the Governor's FY 2011 recommendation.

Senate Committee Recommendation

The **Senate Committee** concurs with the recommendations of the Subcommittee.

House Budget Committee Report

Agency: Office of the Lieutenant Governor

Bill No. HB 2706

Bill Sec. 38

Analyst: Robinson

Analysis Pg. No. --

Budget Page No. 97

Expenditure Summary	Agency Request FY 2011	Governor Recommendation FY 2011	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 206,539	\$ 196,212	\$ 0
Other Funds	0	0	0
Subtotal	\$ 206,539	\$ 196,212	\$ 0
Capital Improvements			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal	\$ 0	\$ 0	\$ 0
TOTAL	\$ 206,539	\$ 196,212	\$ 0
FTE positions			
FTE positions	3.5	3.5	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	3.5	3.5	0.0

Agency Request

The **agency** requests \$206,539, all from the State General Fund, in FY 2011, a decrease of \$8,206, or 3.8 percent, below the revised current year estimate. Most of the decrease is attributable to reduced travel costs in FY 2011. The request would fund 3.5 FTE positions, the same as requested for the current fiscal year. No enhancement funding is requested.

Governor's Recommendation

The **Governor** recommends a total FY 2011 budget of \$196,212, all from the State General Fund. The recommendation is a reduction of \$7,015, or 3.5 percent, below the revised FY 2010 recommendation, and a reduction of \$10,327, or 5.0 percent, below the agency's request.

House Budget Committee Recommendation

The **Budget Committee** concurs with the recommendations of the Governor, with the following observation:

1. The Budget Committee was informed that during his tenure as Lieutenant Governor, the current Governor elected to take no salary from his position as Lieutenant Governor. The salaries and wages budget has increased because the current Lieutenant Governor is planning to take a portion of his salary from his role as Lieutenant Governor.

Senate Subcommittee Report

Agency: Office of the Governor

Bill No. SB 556

Bill Sec. 37

Analyst: Robinson

Analysis Pg. No. --

Budget Page No. 95

Expenditure Summary	Agency Request FY 2011	Governor Recommendation FY 2011	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 7,334,005	\$ 6,967,304	\$ (171,226)
Other Funds	11,071,517	11,071,517	0
Subtotal	<u>\$ 18,405,522</u>	<u>\$ 18,038,821</u>	<u>\$ (171,226)</u>
Capital Improvements			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 18,405,522</u></u>	<u><u>\$ 18,038,821</u></u>	<u><u>\$ (171,226)</u></u>
FTE positions	40.0	40.0	0.0
Non FTE Uncl. Perm. Pos.	3.0	3.0	0.0
TOTAL	<u><u>43.0</u></u>	<u><u>43.0</u></u>	<u><u>0.0</u></u>

Agency Request

The **agency** requests an FY 2011 reportable budget of \$18.4 million, a decrease of \$188,053, or 1.0 percent, below the revised current year estimate. The request includes State General Fund expenditures of \$7.3 million, a decrease of \$639,174, or 8.0 percent, below the revised current fiscal year estimate. The request would fund 40.0 FTE positions, an increase of 1.0 FTE position above the current fiscal year's revised estimate, based on changing a non-FTE permanent unclassified position to an FTE position.

Governor's Recommendation

The **Governor** recommends a total of \$18.0 million in reportable operating expenditures in FY 2011, an increase of \$112,492, or 0.6 percent, from all funding sources, and a State General Fund decrease of \$338,629, or 4.6 percent, from the revised FY 2010 estimate. The all funds increase is largely the result of additional anticipated federal fund receipts in FY 2011.

Senate Subcommittee Recommendation

The **Senate Subcommittee** concurs with the recommendations of the Governor, with the following adjustment and observation:

1. Delete a total of \$171,226, all from the State General Fund, to achieve a reduction of approximately 2.5 percent below the Governor's FY 2011 recommendation. In addition, include language authorizing the agency to shift funding among its State General Fund line items to allow the agency as much flexibility as possible to manage the recommended reduction.
2. The Subcommittee notes that funding for two State General Fund financed grant programs, related to domestic violence and sexual assault prevention and child advocacy centers, has declined substantially in the last two fiscal years. Because of carry over funds, the agency was able to hold these programs relatively harmless in FY 2010. For FY 2011, however, the combined reduction for these two grant programs totals \$255,973. While not recommending the addition of any funding at this time, the Subcommittee believes that these grant programs should be given a high priority should additional funding sources be identified for the programs.

Senate Committee Recommendation

The **Senate Committee** concurs with the recommendations of the Subcommittee.

House Budget Committee Report

Agency: Office of the Governor

Bill No. HB 2706

Bill Sec. 37

Analyst: Robinson

Analysis Pg. No. --

Budget Page No. 95

Expenditure Summary	Agency Request FY 2011	Governor Recommendation FY 2011	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 7,334,005	\$ 6,967,304	\$ 0
Other Funds	11,071,517	11,071,517	0
Subtotal	<u>\$ 18,405,522</u>	<u>\$ 18,038,821</u>	<u>\$ 0</u>
Capital Improvements			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal	<u>\$ 0</u>	<u>\$ 0</u>	<u>\$ 0</u>
TOTAL	<u><u>\$ 18,405,522</u></u>	<u><u>\$ 18,038,821</u></u>	<u><u>\$ 0</u></u>
FTE positions	40.0	40.0	0.0
Non FTE Uncl. Perm. Pos.	3.0	3.0	0.0
TOTAL	<u><u>43.0</u></u>	<u><u>43.0</u></u>	<u><u>0.0</u></u>

Agency Request

The **agency** requests an FY 2011 reportable budget of \$18.4 million, a decrease of \$188,053, or 1.0 percent, below the revised current year estimate. The request includes State General Fund expenditures of \$7.3 million, a decrease of \$639,174 (8.0 percent) below the revised current fiscal year's estimate. The request would fund 40.0 FTE positions, an increase of 1.0 FTE position above the current fiscal year's revised estimate, based on changing a non-FTE permanent unclassified position to an FTE position.

Governor's Recommendation

The **Governor** recommends a total of \$18.0 million in reportable operating expenditures in FY 2011, an increase of \$112,492, or 0.6 percent, from all funding sources, and a State General Fund decrease of \$338,629, or 4.6 percent, below the revised FY 2010 estimate. The all funds increase is largely the result of additional anticipated federal fund receipts in FY 2011.

House Budget Committee Recommendation

The **Budget Committee** concurs with the recommendations of the Governor.

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Senate Subcommittee Report

Agency: Secretary of State

Bill No. SB 556

Bill Sec. 40

Analyst: Robinson

Analysis Pg. No. --

Budget Page No. 129

Expenditure Summary	Agency Request FY 2011	Governor Recommendation FY 2011	Senate Subcommittee Adjustments
Operating Expenditures:			
State General Fund	\$ 150,993	\$ 0	\$ 0
Other Funds	6,582,227	6,733,220	0
Subtotal	\$ 6,733,220	\$ 6,733,220	\$ 0
Capital Improvements			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal	\$ 0	\$ 0	\$ 0
TOTAL	\$ 6,733,220	\$ 6,733,220	\$ 0
FTE positions			
FTE positions	54.0	54.0	0.0
Non FTE Uncl. Perm. Pos.	0.5	0.5	0.0
TOTAL	54.5	54.5	0.0

Agency Request

The **agency** requests an FY 2011 budget of \$6.7 million, a decrease of \$651,254, or 8.8 percent, below the revised current year estimate. The request includes \$150,993 in State General Fund expenditures. The request would fund 55.0 FTE positions, the same number as currently authorized. Enhancement funding of \$150,993, all from the State General Fund, is requested for two items: publication of a proposed constitutional amendment (\$102,752); and funding requested to match additional federal funding available through the Help America Vote Act (\$48,241).

Governor's Recommendation

The **Governor** concurs with the agency's FY 2011 request from all funding sources. The Governor's recommendation includes funding for the two requested enhancements, but funds those enhancements from special revenue funds, and not the State General Fund, as requested by the agency.

Senate Subcommittee Recommendation

The **Senate Subcommittee** concurs with the recommendations of the Governor.

Senate Committee Recommendation

The **Senate Committee** concurs with the recommendations of the Subcommittee.

House Budget Committee Report

Agency: Secretary of State

Bill No. HB 2706

Bill Sec. 40

Analyst: Robinson

Analysis Pg. No. --

Budget Page No. 129

Expenditure Summary	Agency Request FY 2011	Governor Recommendation FY 2011	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 150,993	\$ 0	\$ 0
Other Funds	6,582,227	6,733,220	0
Subtotal	\$ 6,733,220	\$ 6,733,220	\$ 0
Capital Improvements			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal	\$ 0	\$ 0	\$ 0
TOTAL	\$ 6,733,220	\$ 6,733,220	\$ 0
FTE positions	54.0	54.0	0.0
Non FTE Uncl. Perm. Pos.	0.5	0.5	0.0
TOTAL	54.5	54.5	0.0

Agency Request

The **agency** requests an FY 2011 budget of \$6.7 million, a decrease of \$651,254, or 8.8 percent, below the revised current year estimate. The request includes \$150,993 in State General Fund expenditures. The request would fund 54.0 FTE positions, the same number as currently authorized. Enhancement funding of \$150,993, all from the State General Fund, is requested for two items: publication of a proposed constitutional amendment (\$102,752); and funding requested to match additional federal funding available through the Help America Vote Act (\$48,241).

Governor's Recommendation

The **Governor** concurs with the agency's FY 2011 request of \$6.7 million from all funding sources, but recommends the \$150,993 requested as enhancements by the agency for

publication of a proposed constitutional amendment and for matching funds under the Help America Vote Act be funded from special revenue funds and not the State General Fund.

House Budget Committee Recommendation

The **Budget Committee** concurs with the recommendations of the Governor, with the following observation:

1. The Budget Committee was informed that the agency is exploring possible alternative methods to satisfy the notice requirements related to publication of proposed Constitutional amendments. Currently, when a proposed amendment is going to be appear on an election ballot, statutes require that the notice and text of the amendment must be published for three consecutive weeks in a newspaper of general circulation in each county in Kansas. Generally, the costs for this process are at least \$100,000 for each Constitutional amendment passed by the Legislature. The exact amount of this expense depends upon the length of the amendment and the rate charged by each newspaper. The Budget Committee supports the agency's efforts to consider alternative ways to meet the notice requirements and recommends that the agency report back on its efforts during the 2011 Legislative Session. The Budget Committee notes that one possible approach would be to ask newspapers to consider publishing the amendments at reduced or no cost as a public service. The Budget Committee also chooses to highlight the issue to remind legislators that proposed amendments have costs that should be factored in at the time the amendments are under consideration.

House Budget Committee Report

Agency: State Treasurer

Bill No. HB 2706

Bill Sec. 41

Analyst: Tang

Analysis Pg. No. - -

Budget Page No. 141

Expenditure Summary	Agency Request FY 2011	Governor Recommendation FY 2011	House Budget Committee Adjustments
Operating Expenditures:			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	60,990,508	16,496,223	0
Subtotal	\$ 60,990,508	\$ 16,496,223	\$ 0
Capital Improvements			
State General Fund	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0
Subtotal	\$ 0	\$ 0	\$ 0
TOTAL	\$ 60,990,508	\$ 16,496,223	\$ 0
FTE positions	53.5	53.5	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	53.5	53.5	0.0

Agency Request

The **agency** requests FY 2011 expenditures of \$60,990,508, which is an increase of \$43,978,250, or 258.5 percent, above the revised FY 2010 estimate. The majority of the increase is attributed to the requested transfer to the machinery and equipment tax sliders. For FY 2011, \$35,183,000 will be transferred to the Business Machinery and Equipment Tax Reduction Assistance Fund and \$8,800,000 to the Telecommunications and Railroad Machinery and Equipment Tax Reduction Assistance Fund. Both of the transfers are estimates which may be revised when the November 2009 and April 2010 consensus revenue estimates are released. The agency did not include funding for 2.0 FTE positions in its FY 2011 request, which lowered its FTE position request from 55.5 to 53.5. The agency's request includes \$771,269 for the Pooled Money Investment Board.

Governor's Recommendation

The **Governor** recommends FY 2011 expenditures of \$16,496,223, which is a decrease of \$44,494,285, or 73.0 percent, below the agency's FY 2011 request. The recommendation is a decrease of \$61,035, or 0.4 percent, below the Governor's FY 2010 recommendation. The Governor did not recommend the transfer to the machinery and equipment tax sliders, totaling \$43,983,000, which accounts for the majority of the decrease. The Governor also recommended reducing the Kansas Investments Developing Scholars (KIDS) Matching Grant Program by \$445,000 to \$265,000

to more accurately reflect the state's match. The Governor's recommendation includes \$771,269 for the Pooled Money Investment Board.

House Budget Committee Recommendation

The **Budget Committee** concurs with the Governor's recommendation with the following notation:

1. The Budget Committee recommends that the State Treasurer consider and prepare options for the faster disposition of unclaimed property after a specified time period and provide this information in a report to the Budget Committee at the beginning of the 2011 Legislative Session.

**Testimony on AJLA to
The House Appropriations Committee
By William R. Thornton, Acting Secretary
Kansas Department of Commerce
March 3, 2010**

Chairman Yoder, and Members of the Committee:

OVERVIEW OF AJLA

- AJLA was created in 1969 through a USDOL grant to provide data processing service and support to the nation's public workforce system through the National Association of State Workforce Agencies (NASWA).
- AJLA operates under Kansas statutory authority established in 1987 through K.S.A. 75-5735.
- AJLA's products and services serve as the engine behind many states' workforce web sites.
- USDOL Training and Employment Guidance Letter 31-04 emphasizes that intellectual property, including AJLA's products and services, created through the use of federal funds should be made available to other recipients of those funds.
- USDOL permits AJLA to charge appropriate fees for maintenance, system upgrades and hosting to pay for enhancements requested by member states.
- Attorney General Opinion 2009-13 found that the AJLA contract with NASWA does not violate the state constitution nor was the public purpose doctrine violated.

FY10 FUNDING FOR AJLA

- Fee Funds - \$3,055,015 (comprised of client states' federal dollars)
- Federal Funds from USDOL - \$342,631
- State Funds - \$0

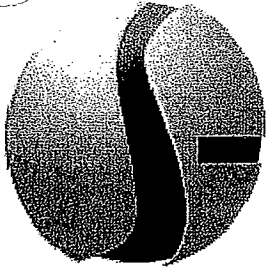
FULL TIME EQUIVALENT (FTE) EMPLOYEES

- 26 FTE
- 13.96 Non-FTE
- All positions are funded solely by fee funds (client states' federal dollars) and Federal funds; **NO** state dollars.

POTENTIAL NEGATIVE IMPACT ON KANSANS WITH RESTRICTONS ON AJLA

- Over 226,000 Kansans or individuals seeking jobs in Kansas may have to pay for some services that they receive for free at this time.
- Kansas companies posting 10,000-15,000 jobs monthly may have to pay for services that they receive for free at this time.
- Up to 39 Kansas residents and taxpayers (current AJLA employees) may be unemployed.
- If federal funds are swept, it will result in negative audit findings and repayment of funds to USDOL.
 - According to US Department of Labor One-Stop Comprehensive Financial Management Technical Assistance Guide, the "preferred corrective action for disallowed costs from funds is non-federal cash repayment."
 - A negative audit may jeopardize receiving federal funding in the future.
 - Loss of federal funding would result in the inability to meet contractual obligations to other client states.

Appropriations Committee
Date 3-3-10
Attachment 2



Geographic Solutions
YOUR VIRTUAL WORKFORCE CONNECTION

Testimony

House Appropriations Committee
Re: American Job Link Alliance, Dept. of Commerce
March 3, 2010

Presented by: Dodie Wellshear and Bob Vancrum

Issue:

The Kansas Department of Commerce (KDOC), through the American Job Link Alliance (AJLA), is spending workforce development dollars in delivering services to other states—including job search, labor exchange, and case management software—in competition with private enterprise, including Geographic Solutions, Inc.

Request to Agriculture & Natural Resources Budget Committee:

To prevent KDOC/AJLA from any future bidding against private vendors in other states, Geographic Solutions, Inc. is requesting the following proviso be added to the KDOC budget:

Provided that no state funds, federal funds, or other contract funds may be expended by the Department of Commerce to respond to Requests for Proposal or bids for contract work for the purpose of providing job search and/or labor exchange and/or case management software or any related work for state workforce agencies, or to otherwise attempt to obtain further contracts or subcontracts for services with state agencies of any state agency other than (1) the Kansas Department of Commerce and (2) any other state agency in other states with which the Department has executed contracts as of February 2010.

Rationale:

1. Unfair competition with private enterprise (e.g., don't have to pay taxes);
2. Using state-supported facilities and overhead to perform those services contracted with NASWA and/or directly, for other states;
3. They are providing services to other states for less than they are charging Kansas and are using some of the state's workforce development funds to do so; and,
4. Exposes the state to liability not shielded by the Tort Claims Act.

Appropriations Committee
Date 3-3-10
Attachment 3-1

History & Description of the Issue

- America's Job Link Alliance (AJLA) is an outgrowth of a multi-state consortium called America's Workforce System, which originated with a U.S. Department of Labor grant nearly 40 years ago as part of President Johnson's "Great Society" initiative. The grant went to the National Association of State Welfare Agencies (NASWA), who hired Kansas to be the host state for the job links system. It evolved to be hosted within and managed by the Kansas Department of Labor.
- As federal funding for the initiative started dwindling, in November 2001, AJLA was formed as an organization, with bylaws and a new strategic plan. An amendment to the bylaws in May 2003 indicates that federal funding was dwindling. In July 2004, workforce training was transferred from the Dept. of Labor to the Kansas Dept. of Commerce (KDOC); AJLA was transferred in July 2005.
- In early 2007, the purchasing division of the Dept. of Administration (DOA), at the request of KDOC, put out a formal RFP asking for proposals to rewrite, modernize and make more user-friendly the state's Job Link system, used for those undergoing workforce re-training.* Geographic Solutions, Inc. (GSI), our client, responded and was asked to meet with the Procurement Negotiating Committee, comprised of both DOA and KDOC people. Although our client was never formally notified, they later learned the bid had been awarded to a unit within workforce training that runs the job link service within KDOC—that is, AJLA.

*Apparently, the workforce re-training unit was not happy with AJLA's job link service and had asked for the RFP. (This is supported by documents GSI obtained through an Open Records Act request.)

- Documentation supplied to GSI shows that the purchasing officer within DOA sent a written communication to AJLA, dated June 26, 2007, asking if they could agree to work with an unnamed outside "web design team" to build a user-friendly system that incorporated some of the concepts of the other vendors' systems they had just seen through the RFP process; the request was made by the workforce development unit of KDOC to AJLA, also within KDOC.
- America's Job Link Alliance-Technical Support (AJLA-TA), representing itself as a division of KDOC, bids against GSI and other private vendors to provide job search, labor exchange, and case management software services to other states.
- The Division has 31 FTE and 10 non-FTE permanent positions, funded with Workforce Investment Act dollars.

Attachments include:

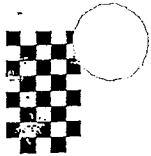
1. Ks Dept of Administration memo, dated June 26, 2007
2. AJLA letter to Dept. of Administration, dated June 27, 2007
3. AJLA-TS product subscriptions (Geographic Solutions, 2008)
4. AJLA Fee Fund FY 09 Carryover (Memo from Sec. Thornton to Agriculture & Natural Resources Budget Committee, dated Feb 16, 2010)
5. AJLA Staffing Charts (Dept. of Commerce Memo, dated Feb 23, 2010)

Questions/Issues to Consider Regarding AJLA/KDOC:

1. Financial transparency of AJLA/KDOC, an entity of state government
 - a. Are state and federal funds being spent appropriately, and in compliance with the Kansas Constitution and Kansas Statutes?
 - b. Is AJLA self-sustaining or are certain functions being "subsidized" by the state?

2. Governance and Operating Authority
 - a. Are they governed by KDOC, NASWA, a Board of Directors, or another entity?
 - b. They have their own bylaws, which would indicate they are governed by a Board, but they contract with other states under the auspices of KDOC.
 - c. If the KDOC had the authority to dedicate a team to work on this within its auspices, why could they not just demand product/service improvements without going through an RFP process?

3. Integrity of the RFP/bidding process
 - a. Correspondence records obtained from the Dept. of Administration (memos dated June 26, 2007 and June 27, 2007) indicate that ideas and concepts were obtained from other vendors and presented to AJLA; AJLA was allowed to respond and expressed a willingness to work with a third-party vendor (not one of the RFP bidders) to build on those concepts.
 - b. Was the intellectual property of other bidders compromised through the bidding process conducted by the Dept. of Administration?



Attach

KANSAS

DEPARTMENT OF ADMINISTRATION

Kathleen Sebelius, Governor
Chris Howe, Director
<http://da.ks.gov/purch>

June 26, 2007

Thank you for taking the time to make your presentation to us Thursday morning.

The other vendors we have met with have presented concepts we are looking for relative to ease of use, screen simplicity and logical process flow. These are concepts that we would expect AJLA to incorporate into its proposed solution.

So a number of questions came up relative to how Commerce might avoid these bolt-on components and make substantive changes to the user interface (UI).

1. Would you entertain an option whereby Commerce would work with an external web design team to jointly create a new marketing look, and potentially alter the menu flow?
2. Would you be willing to work with this team to create a next generation UI, based fully on your built-in functionality and backend services? In short, can Commerce run our own very different "Kansas" front-end?
3. Would you be willing to work with Commerce on improving the spidering functionality?
4. What procedures would you recommend to dramatically improve communication with Commerce's Workforce team?
5. Would you be willing to work with a project team that would have to sign-off on changes as the project went along?

Additionally, Commerce has heard a number of internal complaints relatively to responsiveness of the AJLA team, mostly related to issues that would need to be approved by other partners. Do you have any suggestions for accelerating the approval and creation cycle for improvements whereby, Commerce might choose to accelerate some system additions and modifications, without the sign-off of other states?

If Commerce had to dedicate a team at AJLA to build this, what would this effort take in terms of resources?

Please show any costs associated with the above requirements.

Please return your responses by Wednesday, 5:00 P.M. to Galen D. Greenwood E-mail: galen.greenwood@da.ks.gov for Facsimile (785) 296-7240.

Galen D. Greenwood
Procurement Officer

GDG:sm

Post-It® Fax Note	7671	Date	10/25/07	# of pages	1
To	BOB VANERUMB	From	GALEN GREENWOOD		
Co./Dept.		Co.			
Phone #		Phone #			
Fax #	913-451-6352	Fax #			

3-4



www.ajla.net

June 27, 2007

Mr. Galen Greenwood, Procurement Officer
Kansas Department of Administration
Division of Purchases
900 SW Jackson Street, Room 102-N
Topeka, Kansas 66612-1286

Dear Mr. Greenwood:

We appreciate the opportunity to present information about America's JobLink in response to the RFP issued by the Kansas Department of Commerce, and especially the opportunity to respond to the questions below.

We are proud of our proven record of accomplishment related to working with customers to transform creative concepts into reality: attractive workforce systems that meld with the customer's overall web presence or brand and support the objectives of the customer's overall strategic marketing plan.

Behind the glamour of an attractive, branded, user-friendly system is the hard work of gathering requirements, generating design prototypes, and developing the application. AJLA-TS is highly confident that we have the talent to meet the challenges of development and successful implementation of a system that expresses these concepts, on time and within budget, meeting or exceeding expectations. We wholeheartedly invite a comparative analysis of our reliability regarding implementation commitments, and of our product and customer support following the implementation.

We also appreciate the effort to avoid band-aids and/or bolt-ons, which often result in unanticipated, unforeseen complications, and, again, the opportunity to respond to the following questions.

1. *Would you entertain an option whereby Commerce would work with an external web design team to jointly create a new marketing look, and potentially alter the menu flow?*

AJLA-TS is completely open to working with an external web design team in a collaborative effort to create a new marketing look and flow. We are also willing to develop initial high-level design prototypes, based on Commerce's concepts, for user acceptance. However, we do fully understand that the decision to commit additional resources for an external web design team rests solely with Commerce, and are ready to work pro-actively and collaboratively in any committed team environment; of any team composition.

2. *Would you be willing to work with this team to create a next generation UI, based fully on your built-in functionality and backend services? In short, can Commerce run our own very different "Kansas" front-end?*

AJLA-TS is more than willing to work as a team member in the team environment established by Commerce, with the vision of creating a system that uniquely and positively represents the Kansas Department of Commerce web presence.

3. *Would you be willing to work with Commerce on improving the spidering functionality?*

AJLA-TS welcomes opportunities to continuously improve any functionality, including spidering. We are willing to work with Commerce to improve job spidering.

4. *What procedures would you recommend to dramatically improve communication with Commerce's Workforce team?*

Customer service models require regularly-scheduled assessment to insure that they continue to meet or exceed customer expectations. The current customer service model, the combined standard JobLink subscription and Kansas MOU, has not been assessed or modified for five years. During those five years, AJLA-TS and Commerce have both experienced tremendous change, up to and including changes in leadership; changes in local, state, and national workforce development priorities; changing agencies.

AJLA-TS is challenged to respond to Commerce in the same manner as other customers, possibly because we are too close: some of the contract deliverables relative to customer support are not well-defined; others are not implemented as defined. Commerce is challenged to work with AJLA-TS as they do other vendors for the same reasons. Development and maintenance of a robust, productive partnership is the responsibility of both parties.

We recommend an assessment of the current service model, facilitated by an objective, mutually-agreed-upon lead from outside the agency, to explore down to the nitty-gritty how we got where we are. We envision that this assessment would include three distinct objectives: where we are; where we want to be; and an action plan with timeframes to determine how to go there.

AJLA-TS enjoys healthy and productive relationships with all customers and is willing to participate in any effort to improve communication. We welcome constructive criticism that includes suggestions for continuous improvement.

5. *Would you be willing to work with a project team that would have to sign-off on changes as the project went along?*

AJLA-TS has certified project managers on staff, and is currently involved in implementing AJL in two states according to jointly-developed project management plans that establish expectations and document milestones throughout the project period. In reality, AJLA-TS would be wary of making resource commitments without a project management plan that includes user acceptance milestones, including sign-off.

AJLA-TS expects to work according to a professional, jointly-agreed project management plan, developed according to Kansas Project Management Methodology guidelines and requirements. One of the key features of a project management plan is Change Management and Control: how changes to the plan are made and the sign-offs required to incorporate the changes into the plan.

Regarding the internal complaints described in your memo, AJLA-TS has only recently become aware of internal complaints relative to responsiveness and partner approval for system enhancements. Again, we welcome opportunities to not only respond to complaints about processes or products, but to work with the parties involved to reach consensus on solutions.

To this end, identification of liaisons in Workforce Development and AJLA-TS may be beneficial. Each of our customers; except Kansas, has identified a liaison. This provides an effective vehicle for ongoing communication between the customer and AJLA-TS, each with a single coherent voice. Such liaisons are most effective when they are in the loop at the state level but also have an understanding of the challenges of providing direct customer services.

AJLA-TS works in partnership with customers to meet their needs and expectations at a reasonable cost. Indeed, the purpose of the consortium is to maximize return on investment of public funds for information technology. However, the key is meeting customer needs and expectations as expressed and defined by each customer. That we cannot make changes to Kansas JobLink without 'committee approval' is a fallacy.

We anticipate that improved communication with Commerce will support a clear understanding of Commerce's priorities and allow us to provide timely, nearly immediate feedback on whether system enhancements fall under the umbrella of the existing subscription or are custom work. Nearly immediate feedback is defined as within a few days. Following the determination of how to develop system enhancements (subscription or custom), AJLA-TS would collaborate with Commerce to establish an implementation plan acceptable to both parties, including timeframe.

Finally, in response to your request for information on resource dedication and associated costs, we recommend approaching the project in two phases. The two-phase approach best supports an estimate of dedicated resources and associated costs.

The first phase includes participating in Joint Application Development (JAD) sessions to establish the project scope, gather and define Commerce's business requirements for the system changes, and then develop prototypes for review and approval. The approved business requirements and prototypes will support a detailed, accurate estimate of costs and timeframes for development, and also allow us to assess how many of the changes fall within the existing subscription.

The second phase includes development of technical specifications, applications and database development, unit and regression testing, and, finally, user acceptance testing.

AJLA-TS estimates that the first phase will require dedication of two Business Analysts and one Web Developer for approximately ninety days. Phase Two will require two Applications Developers for six months and one Business Analysts for two months. The total cost for

both phases is \$143,000. However, the final costs could be lower, based on assessment of how much of the work falls under the existing subscription and how much is customized.

Again, we deeply appreciate the opportunity to respond to these questions. Please feel free to contact us for clarification or additional information.

Sincerely,

Marc Lowe, Director
America's JobLink Alliance - Technical Support

ML:VJR:vjr

cc: Dave McEachern
Vicki Romig

AJLA-TS

Current Product Subscriptions

STATE	PRODUCTS	FUNDING
Alabama	AJL, DART	\$160,000*
Arkansas	AJL, DART	\$160,000*
Delaware	AJL, DART, Hosting	\$380,000**
Georgia	DART	\$ 48,500*
Illinois	DART	\$ 48,500*
Indiana	DART	\$ 48,500*
Kansas	AJL, DART, Hosting, Additional	\$548,000
Kentucky	DART	\$ 48,500*
Massachusetts	DART	\$ 48,500*
Mississippi	AWS, DART	\$160,000*
Missouri	DART	\$ 48,500*
Montana	DART	\$ 48,500*
Nevada	DART	\$ 48,500*
New Jersey	DART	\$ 48,500*
Oklahoma	AJL, DART, Hosting	\$435,000
Pennsylvania	DART	\$ 48,500*
South Carolina	AJL, DART, Additional	\$260,000*
Utah	DART	\$ 48,500*
Virginia	DART	\$ 48,500*
Vermont	AJL, DART	\$160,000*
USDOL	Additional	\$285,000
US Job Corps	Additional	<u>\$ 65,000</u>
		\$3,195,000

* Fees paid through the National Association of State Workforce Agencies (NASWA)

** Delaware pays \$160,000 through NASWA and \$220,000 directly

Nebraska has implemented AJL, but does not pay an annual subscription. They maintain AJL without assistance or support from AJLA-TS

AJL **America's JobLink**, a web based integrated one-stop operating system providing self service, case management services, fiscal management services, reporting services and training provider management services.

AWS **America's Workforce Solution**, a mainframe based integrated one-stop operating system providing self service, case management services, and reporting services



3-10



State	America's Job Link	America's Workforce System	DART Reporting Solution	Application Hosting	Other	FY2008 Total
Georgia			\$ 48,500			\$ 48,500
✓ Kansas	\$ 160,000			\$ 275,000	\$ 113,000	\$ 548,000
Kentucky			\$ 48,500			\$ 48,500
Mississippi		\$ 160,000	\$ 48,500			\$ 208,500
Missouri			\$ 48,500			\$ 48,500
Montana			\$ 48,500			\$ 48,500
Nevada			\$ 48,500			\$ 48,500
New Jersey			\$ 48,500			\$ 48,500
Oklahoma	\$ 160,000			\$ 275,000		\$ 435,000
South Carolina	\$ 160,000					\$ 160,000
Vermont	\$ 160,000	\$ 160,000	\$ 48,500			\$ 368,500
						\$ 2,011,000
Assumptions BC AJLA web pages						
Alabama	\$ 160,000					\$ 160,000
Arkansas	\$ 160,000					\$ 160,000
Delaware	\$ 160,000					\$ 160,000
						\$ 480,000
Additional Assumptions						
State			\$ 48,500			\$ 48,500
State			\$ 48,500			\$ 48,500
State			\$ 48,500			\$ 48,500
						\$ 145,500
						\$ 2,636,500
Take KS back out						\$ (548,000)
						\$ 2,088,500

Source: Geographic Solutions
 Infn obtained thru Open Records Request



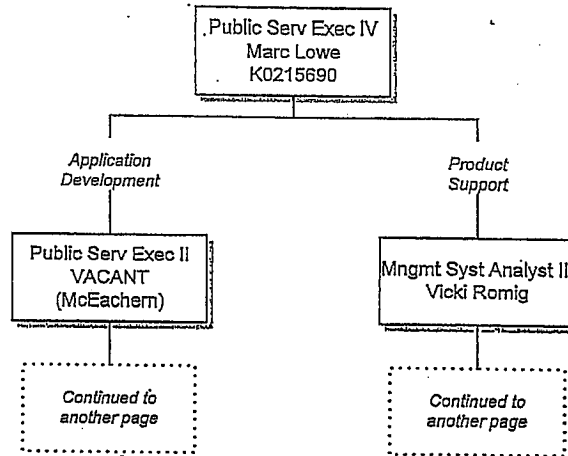
AJLA Funding Sources

Fund	Budget Unit	Description	FY 09 Carryover
2275	2400	AJLA-Subscription Fees	\$ 115,757
2275	2401	AJLA-Infrastructure Support	\$ 31,422
2275	2402	AJLA-Registration Fee Fund	\$ 9,271
2275	2403	AJLA-Support and Maintenance-Kansas	\$ 149,581
2275	2404	AJLA-Support and Maintenance- Oklahoma	\$ 135,566
2275	2405	AJLA-New Installation	\$ 98,611
3100	3512	US Job Corps	\$ 38,308
3100	3516	US Department of Labor	\$ (4,832)

Fee Fund
 #2275 = \$540,208
 FY09 Carryover

Source: Feb 16, 2010 Memo from Sec. Thornton
 to Ag & Nat. Resources Committee

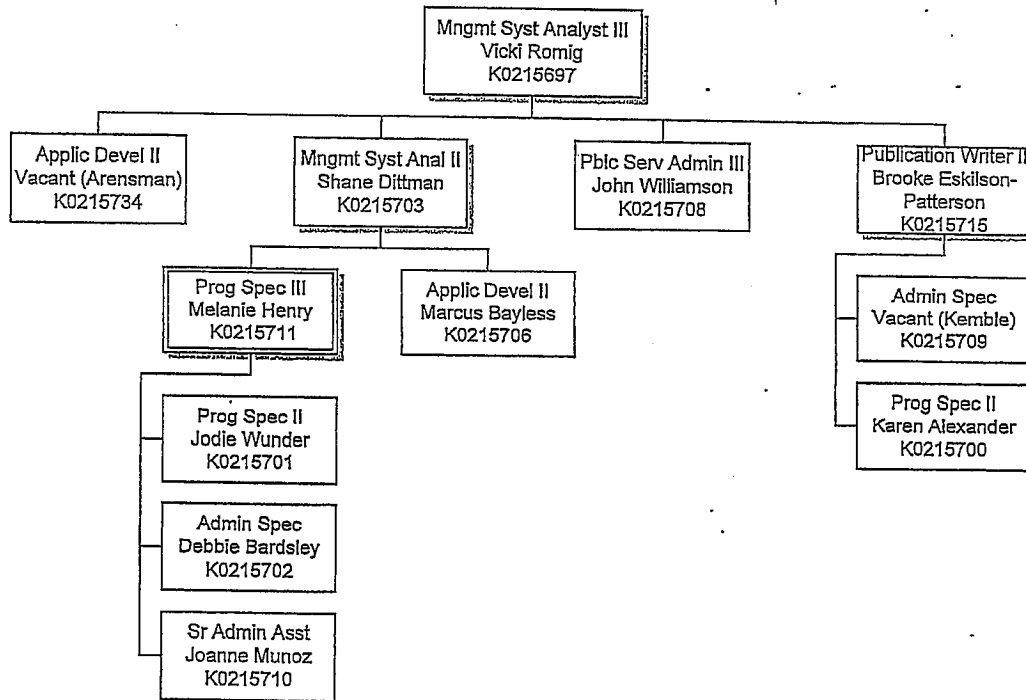
AJLA-TS ~ Administration



1/22/2010
1.0 FTE

3-13

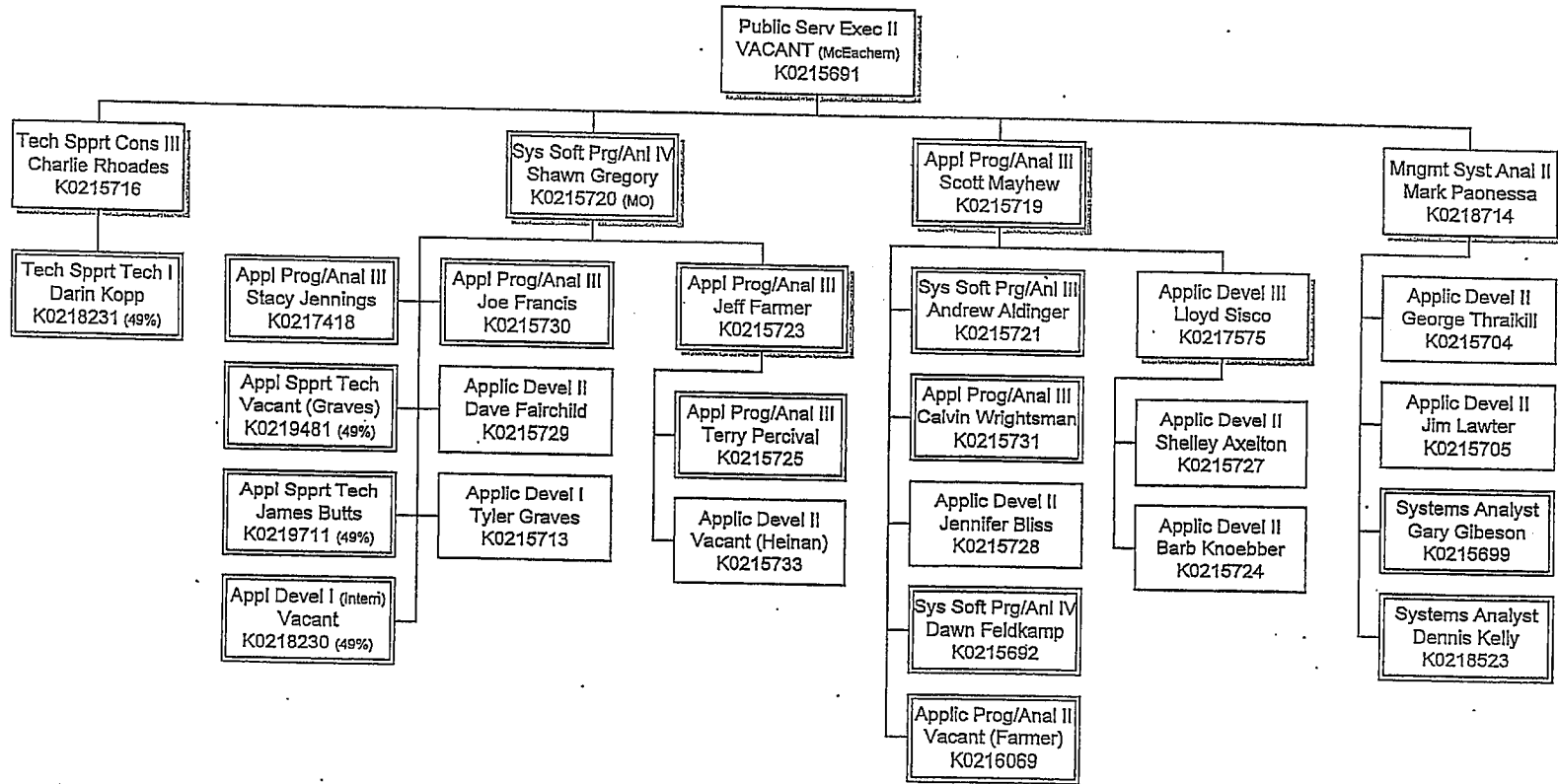
AJLA-TS ~ Product Support



11/2/2009
11.0 FTE
1.0 UC Temp

AJLA-TS ~ Application Development

3-14



2/15/2010
 12.0 FTE
 12.0 UC Temp
 1.47 Classif Temp