

**Testimony**  
**Senate Bill 229 Reporting**

Testimony on amounts credited to the State General Fund by fee agencies and State General Fund expenditures by the Department of Administration for agency services.

Kent Olson  
Kansas Department of Administration  
January 25, 2012

Section 1 of 2011 Senate Bill No. 229 (Chapter 53 of The 2011 Session Laws of Kansas) requires that a report be prepared and presented to the House Committee on Appropriations and the Senate Committee on Ways and Means. This report, as outlined in the legislation, is to include the costs of all services provided to fee agencies and the actual amount credited from each fee agency to the state general fund pursuant to the sections referred to in subsection (a) of K.S.A. 75-3170a, and amendments thereto.

In Fiscal Year 2011, agencies that were subject to the twenty percent requirement processed transactions in the state accounting system to record credits to the state general fund. These credits then became part of the total state general fund balance considered for appropriation by the legislature. FY 2011 credits, by agency, were:

**Fee Fund 80/20 split with \$200,000 cap**

Agency	Actual Deposit
016 ABSTRACTERS BOARD OF EXAMINERS	\$ 3,998.00
028 BOARD OF ACCOUNTANCY	73,128.58
094 BANK COMMISSIONER	200,000.00
100 KANSAS BOARD OF BARBERING	38,571.00
102 BEHAVIORAL SCIENCES REGULATORY BOARD	155,697.28
105 STATE BOARD OF HEALING ARTS	200,000.00
143 CORPORATION COMMISSION	407,408.60
149 KANSAS STATE BOARD OF COSMETOLOGY	200,000.00
159 STATE DEPARTMENT OF CREDIT UNIONS	200,000.01
167 DENTAL BOARD	99,926.27
204 STATE BOARD OF MORTUARY ARTS	63,133.67
264 DEPARTMENT OF HEALTH AND ENVIRONMENT	7,419.80
266 BD OF EXAMINERS OF HEARING INSTRUMENTS DISPENSERS	7,227.55
288 STATE HISTORICAL SOCIETY	10,044.40
296 DEPARTMENT OF LABOR	253,485.45
300 DEPARTMENT OF COMMERCE	26,798.43
331 INSURANCE DEPARTMENT	200,000.00
482 BOARD OF NURSING	200,000.00
488 BOARD OF OPTOMETRY EXAMINERS	32,466.14
531 BOARD OF PHARMACY	200,000.00
543 REAL ESTATE APPRAISAL BOARD	63,829.39
549 REAL ESTATE COMMISSION	183,485.30
565 DEPARTMENT OF REVENUE	100,000.00
622 SECRETARY OF STATE	196,874.85
625 OFFICE OF THE SECURITIES COMMISSIONER OF KANSAS	200,000.00
629 DEPT. OF SOCIAL AND REHABILITATION SERVICES	4,840.00
663 STATE BOARD OF TECHNICAL PROFESSIONS	147,928.68
677 JUDICIAL BRANCH	65,335.00
700 BOARD OF VETERINARY EXAMINERS	66,258.53
<b>80/20 Split Actual FY2011 Totals</b>	<b>\$ 3,607,856.93</b>

The Department of Administration provides non-billed services that are funded, in part, by State General Fund appropriations. Fiscal Year 2011 State General Fund expenditures in support of all agencies for non-billed services were \$7,084,834.32. Other state agencies may similarly provide other services to these fee agencies.

Senate Ways and Means

Date: 01-25-12

Attachment: 2

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Dennis R. Taylor, Secretary

Sam Brownback, Governor

January 11, 2012

The Honorable Marc Rhoades, Chairperson  
House Committee on Appropriations  
Room 351-S, Statehouse

and

The Honorable Carolyn McGinn, Chairperson  
Senate Committee on Ways and Means  
Room 545-S, Statehouse

Dear Representative Rhoades and Senator McGinn,

Section 1 of 2011 Senate Bill No. 229 (Chapter 53 of *The 2011 Session Laws of Kansas*) requires that a report be prepared and presented to the House Committee on Appropriations and the Senate Committee on Ways and Means. The report, as outlined in the legislation, is to include the costs of all services provided to fee agencies and the actual amount credited from each fee agency to the state general fund pursuant to the sections referred to in subsection (a) of K.S.A. 75-3170a, and amendments thereto.

The Department of Administration tracks the actual amounts credited to the State General Fund for those agencies with fees that are subject to the above-referenced legislation. The attached report summarizes, by agency, the actual amounts deposited for Fiscal Year 2011. Beginning in Fiscal Year 2012, and subject to the conditions and maximums as addressed and/or referenced in Senate Bill No. 229, the percentage deposited to the State General Fund changed from twenty percent in Fiscal Year 2011 to ten percent in Fiscal Year 2012.

The Department of Administration provides billed and non-billed services. Billed services are managed and funded in accordance with the Statewide Cost Allocation Plan. Non-billed services are funded, in part, by State General Fund appropriations made to the Department of Administration. Fiscal Year 2011 State General Fund expenditures in support of all agencies for non-billed services were \$7,084,834.32. This amount reflects costs for services that include accounting, auditing, legal, payroll, facilities, personnel and purchasing services.

Please know I am glad to provide any additional information you may need in support or explanation of the credits and expenditures that are being provided to you.

Sincerely,

Dennis Taylor, Secretary  
Kansas Department of Administration

CC: Steven J. Anderson, CPA, MBA  
Director of the Budget

FY2011  
 State of Kansas  
 Fee Fund 80/20 split with \$200,000 cap

Agency No.	Title	SMART SGF Actual Deposit
016	ABSTRACTERS BOARD OF EXAMINERS	\$ 3,998.00
028	BOARD OF ACCOUNTANCY	73,128.58
094	BANK COMMISSIONER	200,000.00
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700	BOARD OF VETERINARY EXAMINERS	66,258.53

80/20 Split Actual FY2011 Totals

\$ 3,607,856.93

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Steven J. Anderson, CPA, MBA, Director

Division of the Budget

Sam Brownback, Governor

December 29, 2011

The Honorable Marc Rhoades, Chairperson  
House Committee on Appropriations  
Room 351-S, Statehouse

and

The Honorable Carolyn McGinn, Chairperson  
Senate Committee on Ways and Means  
Room 545-S, Statehouse

Dear Representative Rhoades and Senator McGinn:

As required by Section 1 of 2011 Senate Bill No. 229 (Chapter 53 of *The 2011 Session Laws of Kansas*), I provide you an accounting of the costs of services provided to the state's fee agencies in FY 2012. These costs are recurring, annual costs. This report is written on behalf of the Division of the Budget only. I understand the Department of Administration is preparing a similar report that encompasses a wider array of services as outlined in the legislation. This information will also be provided to the Department so it may be included there as well. If you have any questions regarding the Division of the Budget's portion of the report, please contact my office.

I look forward to working with you this upcoming session.

Sincerely,

Steven J. Anderson, CPA, MBA  
Director of the Budget

cc: Dennis Taylor, Secretary of Administration

## Division of the Budget Costs for services provided to fee agencies, per 2011 Senate Bill No. 229

Agency	Analyst Hours	Admin Hours	Director's Hours	Total Time/Cost
Abstracters Board	5.0	1.0	1.0	\$ 268.73
Board of Accountancy	8.0	1.0	1.0	381.00
State Bank Commissioner	16.0	1.0	1.0	680.38
Board of Barbering	10.0	1.0	1.0	455.84
Behavioral Sciences Board	6.0	1.0	1.0	306.15
Board of Cosmetology	10.0	1.0	1.0	455.84
Department of Credit Unions	8.0	1.0	1.0	381.00
Kansas Dental Board	5.0	1.0	1.0	268.73
Board of Healing Arts	24.0	1.0	1.0	979.76
Hearing Instruments Board	8.0	1.0	1.0	381.00
Home Inspectors Board	4.0	1.0	1.0	231.31
Board of Mortuary Arts	4.0	1.0	1.0	231.31
Board of Nursing	6.5	1.0	1.0	324.87
Board of Optometry	15.0	1.0	1.0	642.96
Board of Pharmacy	8.0	1.0	1.0	381.00
Real Estate Appraisal Board	15.0	1.0	1.0	642.96
Real Estate Commission	12.0	1.0	1.0	530.69
Securities Commissioner	8.0	1.0	1.0	381.00
Technical Professions	4.0	1.0	1.0	231.31
Veterinary Examiners	8.0	1.0	1.0	381.00
Average analyst hourly rate	184.5	20.0	20.0	\$ 8,536.84
Plus Benefits, excl health insurance				\$ 47.12
Total hourly rate				\$ 9.13
				\$ 56.24

Analyst hours include time spent in consultation with the agency on processing of payments, preparation of budget, review of budget and preparation of budget recommendations to Director and Governor, review of expenditure and revenue data from accounting system to establish cashflow data, preparation of the annual Governor's Budget Report related to these agencies as well as meeting in person and by phone fielding queries related to cashflow or other agencies' issues and operational concerns.

Administrative hours include time spent entering files from analysts into standardized format for retrieval in secure area of file server, fielding phone calls scheduling meetings or logging salary requests.

Director's hours include time spent reviewing analysts' work, meeting with agency representatives, reviewing salary requests.

No attempt was made to estimate the time spent on fiscal notes related to legislation affecting these agencies. It is assumed they are few in number relative to all bills.

December 29, 2011