



KANSAS ADJUTANT GENERAL'S DEPARTMENT
2800 SOUTHWEST TOPEKA BOULEVARD
TOPEKA, KANSAS 66611

**Testimony on House Bill 2203 - Exempting Kansas STARBASE
Employees from KPERS Working After Retirement Requirements
Presented to the Senate Financial Institutions & Insurance Committee
March 12, 2019**

Mr. Chairman and Members of the Committee:

Thank you for the opportunity to discuss Kansas STARBASE.

I serve as the Federal Program Manager for Kansas STARBASE. STARBASE is a national, federally funded (\$1.55 million) science, technology, engineering and mathematics (STEM) program administered at five locations around the State of Kansas: Kansas City, Manhattan, Salina, Topeka and Wichita. Each site is staffed by four employees who instruct 25 classroom hours per academy while the unified school districts are in session. Each academy is a five day period and completes 28-32 sessions per academic year. The program's mission focuses on 5th grade classes of 20 to 35 pupils per academy. In accordance with Department of Defense Instruction 1025.7, we actively cater to schools with youth identified to be at-risk or underrepresented in the STEM fields. In 2018 traditional academies, we served over 5,000 Kansas children—many from inner city, rural or socio-economically challenged areas. All Kansas locations additionally operate a STARBASE 2.0 afterschool program for Title 1 middle schools and conduct summer outreach programs that reached another 2,300 Kansas children.

Since its inception in 1993, the Kansas Adjutant General's Department contracted with a 501(c)3 non-profit—STARBASE, Inc.—to operate the STARBASE academies. Due to new federal fiscal requirements, (2 CFR 200 for federal programs over \$750k) biennial audits are required for contractors to the federal government. As contractor to the state, STARBASE, Inc., would have been responsible to pay for these audits. These audits were beyond the ability of STARBASE, Inc. to fund. Major General Lee Tafanelli, Adjutant General, directed the program transition from a contracted activity to a state run program to ensure compliance.

At present, we have five STARBASE employees that previously retired from Kansas USDs and are KPERS annuitants. The transition to state employment requires them all to participate in KPERS. By Kansas statute KSA 74-4914, the employing agency--Kansas STARBASE--must pay higher, escalating contributions for those employees. We estimate the higher contributions to be \$54,835.22 for FY2019. To be clear, the program can afford these contributions; however, it comes at the expense of annual operating funds. In other words, every dollar that goes toward higher KPERS contribution rates is funding that doesn't go to the classroom in the form of curriculum supplies and modern technology. In KSA chapter 74, there are exempted employment activities that don't pay this higher contribution rate. We would ask the Committee to favorably consider HB 2203 which amends the statute to exempt STARBASE employee contributions if they have previously taken a KPERS retirement so these budget dollars can most effectively reach the Kansas children we serve.

On behalf of the Adjutant General's Department, thank you for your consideration.

Respectfully submitted by:

Lt Col Jesse S. Sojka
Federal Program Manager
Kansas STARBASE
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