

MINUTES OF THE SENATE COMMITTEE ON WAYS AND MEANS.

The meeting was called to order by Chairperson Stephen Morris at 10:30 a.m. on February 22, 2002 in Room 123-S of the Capitol.

All members were present except: Senator Dave Kerr - excused

Committee staff present:

Alan Conroy, Chief Fiscal Analyst, Kansas Legislative Research Department
Martha Dorsey, Kansas Legislative Research Department
Leah Robinson, Kansas Legislative Research Department
Carolyn Rampey, Kansas Legislative Research Department
Michael Corrigan, Assistant Revisor of Statutes
Judy Bromich, Assistant to the Chairman
Mary Shaw, Committee Secretary

Conferees appearing before the committee:

Bobbi Mariani, Director, Division of Personnel Services, Department of Administration
Keith Meyers, Deputy Secretary, Department of Administration
Duncan Friend, Manager of Internet Services, Department of Administration

Others attending: See attached list

A letter was distributed from Tom Laing, Executive Director, InterHab, in regard to testimony given on **SB 557** by the Department of Social and Rehabilitation Services (Attachment 1).

Subcommittee reports on:

Board of Indigents' Defense Services (Attachment 2)

Subcommittee Chairman Morris reported that the Subcommittee concurs with the Governor's recommendations for FY 2002 with an exception as listed in the subcommittee budget report.

Subcommittee Chairman Morris reported that the Subcommittee concurs with the Governor's recommendations for FY 2003 with exceptions as listed in the subcommittee budget report.

Senator Schodorf moved, with a second by Senator Jackson, to adopt the subcommittee budget report on the Board of Indigents' Defense Services for the FY 2002 and FY 2003 budget. Motion carried on a voice vote.

Judicial Branch (Attachment 3)

Subcommittee Chairman Morris reported that the Subcommittee concurs with the Governor's recommendations for FY 2002 with an exception and comment as listed in the subcommittee budget report.

Subcommittee Chairman Morris reported that the Subcommittee concurs with the Governor's recommendations for FY 2003 with comments as listed in the subcommittee budget report.

Senator Downey moved, with a second by Senator Schodorf, to add to the subcommittee report the consideration at Omnibus the two district magistrate judge positions (Eighth and Ninth Judicial Districts) that have been recommended and supported for funding the past years. Motion carried on a voice vote.

Senator Schodorf moved, with a second by Senator Barone, to adopt the subcommittee budget report on the Judicial Branch for the FY 2002 and FY 2003 budget as amended. Motion carried on a voice vote.

CONTINUATION SHEET

Judicial Council (Attachment 4)

Subcommittee Chairman Morris reported that the Subcommittee concurs with the Governor's recommendations for FY 2002.

Subcommittee Chairman Morris reported that the Subcommittee concurs with the Governor's recommendations for FY 2003 with an exception as listed in the subcommittee budget report.

Senator Schodorf moved, with a second by Senator Barone, to adopt the subcommittee budget report on the Judicial Council for the FY 2002 and FY 2003 budget. Motion carried on a voice vote.

Presentation on the State Workforce

Chairman Morris welcomed Bobbi Mariani, Director, Division of Personnel Services, Department of Administration who spoke before the Committee regarding the Report on the State of Kansas Workforce dated February 7, 2002 (Attachment 5). Ms. Mariani also distributed copies of the State of Kansas Employee Survey Executive Summary (Attachment 6). Committee questions and discussion followed.

Senator Barone requested that Ms. Mariani look at the ten most populous state agencies in terms of employees and give a history for those agencies for the last ten years. Senator Salmans requested information regarding the number of positions that have been supplanted by contracts with either decreases or shifting. Senator Feleciano requested information regarding a survey made by the Workforce Council and who was on the council. Chairman Morris thanked Ms. Mariani for her presentation before the Committee and noted that he may have Ms. Mariani back for further discussion at a future meeting.

Overview of the Clearing House Project Plans

The Chairman welcomed Keith Meyers, Deputy Secretary, Department of Administration and Duncan Friend, Manager of Internet Services, Department of Administration who gave a presentations regarding an update on Maximizing Federal Grants and Revenues in Kansas and demonstrated their website (Attachment 7). Committee questions and discussion followed.

Senator Adkins mentioned to not overlook community foundations as a resource as many of them have their own grant-writing tools. He noted that these foundations have websites in Topeka, Kansas City and Wichita with good access. Senator Feleciano requested a handout or a brochure that could be distributed to constituents which contains information for citizens and communities in Kansas regarding the website. Chairman Morris thanked Mr. Meyers and Mr. Duncan for their presentations before the Committee.

The meeting was adjourned at 11:50 a.m. The next meeting is scheduled for February 25, 2002.

**SENATE WAYS AND MEANS COMMITTEE
GUEST LIST**

DATE February 22, 2002

NAME	REPRESENTING
Julia Thomas	DOB
Melinda Gaul	DOB
Kyle Kerlin	DOB
Scott Bruner	DOB
Doug Smith	Pruiga, Smith & Associates
B. Manani	Dept of Adm.
D. KEITH MEYERS	DEPT. of ADMIN.
Duncan Friend	Dept of Admin.
Bruce Roberts	Dept of Admin
Deann Tiede	Dept. of Admin
Reddy M. Harrell	Judicial Council
Jean Parke	KACE
Kevin Barone	Main Law Firm
Elizabeth Schfeicher	Federico Consulting
Don Rezac	SEA. H
Paul Davis	KBA
Gon Miller	JJA
ANDY SANCHEZ	KAPE
Jim Bathwell	ASCOA
Jerry Sloan	Judicial Branch
Kimberly Fowler	Judicial Branch
Kathy Parker	Judicial Branch



February 21, 2002

TO: Kansas Senate Committee on Ways and Means

FR: Tom Laing, Executive Director
InterHab: The Resource Network for Kansans with Disabilities

RE: Senate Bill 557, concerning federal financial participation in the Kansas Home and Community Based Service (HCBS) program for persons with developmental disabilities.

In reviewing Wednesday's testimony regarding the proposed adoption of SB 557, and in response to questions we have received since the hearing, we felt it important to express some thoughts on the bill, and on the policy issues addressed in Wednesday's testimony.

In general, we concur with SRS testimony offered yesterday.

After reviewing the SRS analysis presented to you, and the comments of conferees, we felt some additional information would be helpful.

Regarding the specific amendments of SB 557:

1. Regarding the amended language on page one of the bill – we have no objection to the proposal to change the focus of the bill from basic rates to all rates, including enhanced “Super tier” rates. The effect, however, is negligible, given that the eventual rate decisions will be subject to the negotiated discussions between SRS and all CDDOs, after considering all rate issues.

NOTE: Contrary to the impression left Wednesday. The statutory changes to the DD Reform Act as a result of last year's HB 2067 are providing benefits to organizations who provide services funded by enhanced “Super tier” rates. During this year's rate discussions, all rates were on the table for consideration, and representatives of organizations which receive enhanced “Super-tier” rates were a part of the process. (Super-tier rates are currently utilized in 11 of the State's 28 CDDO regions).

Creative Community Living (CCL), the service provider that testified Wednesday about the “unfairness” of HB 2067 did not provide information detailing the extent to which that organization benefited from HB 2067. But, nevertheless, the assertion of “unfairness” deserves examination:

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In the Cowley County CDDO area, CCL serves roughly one-third of the consumers and will receive roughly one-third of the new dollars. In the Butler County (Flint Hills) CDDO region where CCL serves roughly 20% of the persons served, they will receive more than 50% of the new dollars.

It is true that the amounts received are not substantial, but that is a condition that affected every service provider, not just CCL, and is due to two facts: (1) Kansas has already done much to maximize federal match opportunities, and (2) Federal policy has tightened regarding the use of certified (“soft”) match in the Medicaid program.

To have matched more dollars would have harmed persons with disabilities (see below) whose service funding would have been given up for Medicaid match.

2. Regarding the amended language on page two of SB 557, which eliminates the financing of other community and state initiatives with prospective new resources, we were greatly concerned with the potential negative impact identified by SRS in which non-Medicaid services could be reduced if not eliminated.

We do not believe it would be prudent, as proponents have asked, to cut the 5% of system funding that serves 20% of the system’s consumers to expand the federal program for which these 20% of consumers are not eligible.

The population placed at risk by this proposal includes infants and toddlers, families receiving direct assistance, and adults who need modest assistance but do not qualify for Medicaid waiver funding. These are Kansans with real needs, are the least expensive to serve, and who without this modest source of support would end up in need of far greater and far more expensive assistance.

NOTE: The proponents who testified for HB 557 do not serve infants and toddlers, and do not serve persons who are not eligible for Medicaid, therefore we are not sure if they were aware of the impact of their proposal prior to Wednesday’s hearing .

Regarding the policies embodied in enhanced “Super-tier” rate discussions:

The clear intent of SB 557 is to assure increases for enhanced “Super-tier” rates whenever additional available federal financial participation is available. Proponents of the bill are some of the heaviest recipients of enhanced “Super-tier” rates and their concerns have to be considered in that light.

We believe that all rates should be annually reviewed and adjusted as needed. The current law focused on regular tiers (while not excluding others for consideration) since regular tiers have fallen farthest behind in real purchasing terms. “Super-tier” service providers are not wrong to want more money, staffing challenges face them as well as everyone,

but this has been an era in which all tiers have not received the consideration their needs warrant.

“Super-tier” rates are generally intended to be available for services to persons with extraordinary needs above and beyond the average range of costs of the regular rate structure. These are most commonly paid for services for persons who formerly lived in institutions. “Super-tiers” were adopted by SRS and CDDOs to acknowledge the likely need for enhanced rates for some persons coming from institutions, as well as for the emerging population of persons with equally challenging disabilities who were never institutionalized. The plan was to make those enhanced individualized rates permanent and eliminate the annual auditing costs associated with such rates. Before the creation of “Super-tier” rates, individualized rates were annually required to be audited to document their necessity. “Super-tier” rates were enhanced, made permanent, and the annual auditing documentation was withdrawn as a requirement.

As to the commentary from Wednesday’s hearing regarding the under-funding of Winfield consumers, it should be noted that rates for persons coming out of Winfield State Hospital and Training Center are more generously funded than any rates in the State, including rates paid for many persons with disabilities equal to or greater than many who came out of WSHTC.

Does that mean Winfield consumers have sufficient resources? No, but it doesn’t mean they have been pushed down on the priority listing of HCBS services. On the contrary, in an era of meager investment in rate adjustments, all other rates have received less adjustment than “Super-tiers”.

There is growing concern among many stakeholders that super-tier rates should receive a thorough policy review. One of the principal and obvious flaws in the approach taken is that the rate is unequally available. Persons who formerly lived in institutions have an unimpeded right to the special enhancements (assuming their disabilities and service needs are extraordinary), but a person with identical developmental challenges who was raised at home, at no expense to the State, does not have such a right.

Surely the issue of fairness deserves examination.

To further insure the permanence of enhanced “Super-tier” rates, without a closer look at the merits of “Super-tier” policies, would not be in the best stewardship interests of the HCBS program.

In this tight-budget year, it is reasonable to ask whether extraordinary rates are needed in all instances in which they have been granted. And, if the rate is justified, persons who were raised at home by their families should not receive less consideration.

Thank you for your time and your consideration of these points.

Senate Subcommittee Report

Agency: Board of Indigents' Defense Services **Bill No. --** **Bill Sec. --**
Analyst: Rampey **Analysis Pg. No.** Vol. 1 – 282 **Budget Page No.** 253

Expenditure Summary	Agency Est. FY 02	Governor's Recommendation FY 02	Senate Subcom- mittee Adjustments
All Funds:			
State Operations	\$ 15,010,352	\$ 14,620,253	\$ 0
Aid to Local Units	0	0	0
Other Assistance	497,218	497,218	0
TOTAL	\$ 15,507,570	\$ 15,117,471	\$ 0
State General Fund:			
State Operations	\$ 14,681,696	\$ 14,291,597	\$ 0
Aid to Local Units	0	0	0
Other Assistance	497,218	497,218	0
TOTAL	\$ 15,178,914	\$ 14,788,815	\$ 0
FTE Positions	165.5	165.5	0.0
Non FTE Uncl. Perm. Pos.	1.0	1.0	0.0
TOTAL	166.5	166.5	0.0

Agency Est./Governor's Recommendation

The Board of Indigents' Defense Services estimates expenditures in the current year of \$15,507,570, of which \$15,178,914 is from the State General Fund. The total includes \$300,000 requested as a supplemental appropriation for the Death Penalty Defense Unit. Part of the reason for the requested increase is that \$100,000 in costs incurred in FY 2001 were carried over for payment in FY 2002. In addition, the Unit is involved with 14 capital cases, which is a record number of cases in one fiscal year.

The Governor recommends a total of \$15,117,471, which does not include the requested supplemental appropriation of \$300,000.

Senate Subcommittee Recommendation

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

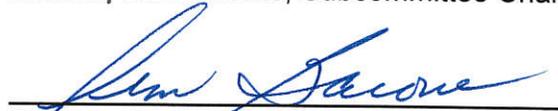
- Consider additional funding in the Omnibus Bill for the Death Penalty Defense Unit, for which a supplemental appropriation of \$300,000 is requested. The Unit started FY 2002 with \$100,000 in expenses carried forward from the prior year

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because of a lack of funding in FY 2001. The situation was compounded by costs associated with two quadruple homicides that occurred in Wichita and finally by a recent decision of the Kansas Supreme Court that the verdict form used in the Kleypas Case violated the *Kansas Constitution*. This decision means that the Kleypas Case and three other cases involving persons sentenced to death must be retried in the sentencing phase of the case by a new jury, at a total estimated cost of \$300,000. The expenditure for the trials must be made, which means that without additional funding the Board will be forced to transfer money from payments to assigned counsel to death penalty defense. Such a transfer would exacerbate an already-serious situation the Subcommittee discusses more fully in its FY 2003 report.



Senator Steve Morris, Subcommittee Chair



Senator Jim Barone



Senator Jean Schodorf

Senate Subcommittee Report

Agency: Board of Indigents' Defense Services

Bill No.

Bill Sec.

Analyst: Rampey

Analysis Pg. No. Vol. 1 – 282

Budget Page No. 253

Expenditure Summary	Agency Req. FY 03	Governor's Recommendation FY 03	Senate Subcommittee Adjustments
All Funds:			
State Operations	\$ 15,115,255	\$ 14,526,840	\$ 0
Aid to Local Units	0	0	0
Other Assistance	580,233	248,609	0
TOTAL	\$ 15,695,488	\$ 14,775,449	\$ 0
State General Fund:			
State Operations	\$ 14,793,255	\$ 14,204,840	\$ 0
Aid to Local Units	0	0	0
Other Assistance	580,233	248,609	0
TOTAL	\$ 15,373,488	\$ 14,453,449	\$ 0
FTE Positions	165.5	165.5	0.0
Non FTE Uncl. Perm. Pos.	1.0	1.0	0.0
TOTAL	166.5	166.5	0.0

Agency Req./Governor's Recommendation

The State Board of Indigents' Defense Services requests a total of \$15,695,488, of which \$15,373,488 is from the State General Fund. The amount includes \$425,329 for enhancements (\$194,933 for additional funding for assigned counsel and \$230,336 for additional funding for the Death Penalty Defense Unit). The Board also requests \$580,233 for Legal Services for Prisoners, Inc.

The Governor recommends \$14,775,449 for the Board in FY 2003, a reduction of \$920,039 from its request. The Governor does not recommend the additional funding requested as enhancements and he reduces funding for Legal Services for Prisoners, Inc., from the \$497,218 in the current year to \$248,609.

Senate Subcommittee Recommendations

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

- The Senate Subcommittee reaffirms the sentiment of the Senate Subcommittee that reviewed the Board's budget during the 2001 Session when it commended

the Executive Director of the Board and the Board's staff for their effort to operate within constraints imposed by scarce resources. The Subcommittee believes the operations of the Board are well managed and that the staff is sharply focused on the Board's mission. The Subcommittee expresses its appreciation for the leadership the Executive Director has shown and the staff's willingness to continue to do more with less.

Unfortunately, competent managers and dedicated staff cannot perform their duties indefinitely if state funding in support of their activities is inadequate. Over the years, the Board has regularly requested more money that neither the Governor nor the Legislature has approved and the Executive Director has repeatedly warned the Legislature that funding for the Board's activities, particularly for assigned counsel and death penalty defense, is less than needed. A repeated concern is that the current \$50 hourly rate for assigned counsel could be challenged as being an unreasonable amount of money to pay compensation to attorneys assigned to represent indigent defendants. That rate was set in 1987 when the Kansas Supreme Court held that the state's system of appointing and compensating assigned counsel was unconstitutional. In order to fairly compensate counsel, the then-rate of \$30 was raised to \$50. The federal rate for similar cases has been \$75 for several years.

However, the Subcommittee reluctantly reaches the conclusion that there is not money available in FY 2003 to address the concerns the Board has raised.

- Consider additional funding for Legal Services for Prisoners, Inc., in the Omnibus Bill. The Governor's recommendation cuts funding for Legal Services for Prisoners, Inc., in half, reducing it from \$497,218 in the current year to \$248,609 in FY 2003. When the Governor proposed a similar reduction a year ago for FY 2002, the Legislature restored the funding and asked the Judicial Council to report back on the state's constitutional obligation to provide legal services to Kansas inmates. Among the Council's findings is this conclusion: "If Legal Services for Prisoners, Inc., were to be eliminated or its budget reduced, the state would have to fund more extensive prison law libraries and paralegals, or increase BIDS' budget so that local attorneys could be appointed." The Subcommittee is concerned that if funding for Legal Services for Prisoners, Inc., is not restored, the state faces even more expensive alternatives to provide the constitutionally-mandated service.
- The Subcommittee calls attention to increasing numbers of drug Level I cases (methamphetamine manufacture) and the consequence to the Board's operations. The number of cases has increased from 79 in FY 1999 to 525 in FY 2001, an increase of 665 percent. Costs to the Board for assigned counsel in connection with these cases have risen from about \$97,000 in FY 2000 to almost \$269,000 in the first seven months of FY 2002. It is estimated that total costs in FY 2002 could exceed \$600,000. This aspect of the Board's operations contributes to the increasing demands placed on the Board's staff and financial resources.
- The Subcommittee notes that the cost-per-case is \$452 for public defenders and \$470 for assigned counsel. According to the Board's Executive Director, it would be cost-effective to open two more public defender offices in McPherson and

Emporia, but the high start-up cost of opening new offices prevents taking that step at this time.

- The Subcommittee calls attention to SB 412 which, at the time the Subcommittee completed its work, was on Senate General Orders. The bill, which is supported by the Board, would increase the administrative fee the Board may collect from indigents it represents from \$35 to \$50 and provide that the fee would be assessed at the time an indigent defendant applies for representation through the Board instead of at the end of the case. The Subcommittee encourages favorable action on this bill because it would not only increase revenues to the Board by raising the fee, but it would require payment at the time of representation, not at the end of the case as part of court costs which often are not collected. The bill contains a provision that would allow the judge to waive the fee if the court determines that the defendant would experience manifest hardship if the requirement were imposed.



Senator Steve Morris, Subcommittee Chair

Senator Jim Barone



Senator Jean Schodorf

Senate Subcommittee Report

Agency: Judicial Branch

Bill No. --

Bill Sec. --

Analyst: Rampey

Analysis Pg. No. Vol. 1-255 Budget Page No. 271

<u>Expenditure Summary</u>	<u>Agency Est. FY 02</u>	<u>Governor's Recommendation FY 02</u>	<u>Senate Subcommittee Adjustments</u>
All Funds:			
Operations	\$ 89,475,305	\$ 89,157,895	\$ 600,000
Aid to Local Units	526,921	526,921	0
Other Assistance	1,084,766	1,084,766	0
Subtotal—Operating	\$ 91,086,992	\$ 90,769,582	\$ 600,000
Capital Improvements	0	0	0
TOTAL	<u>\$ 91,086,992</u>	<u>\$ 90,769,582</u>	<u>\$ 600,000</u>
State General Fund:			
Operations	\$ 79,429,209	\$ 78,900,471	\$ 600,000
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal—Operating	\$ 79,429,209	\$ 78,900,471	\$ 600,000
Capital Improvements	0	0	0
TOTAL	<u>\$ 79,429,209</u>	<u>\$ 78,900,471</u>	<u>\$ 600,000</u>
FTE Positions	1,813.0	1,813.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u>1,813.0</u>	<u>1,813.0</u>	<u>0.0</u>

Agency Est./Governor's Recommendation

The Judicial Branch estimates expenditures of \$91,086,992, which include a supplemental appropriation of \$528,753. (The requested supplemental appropriation has since been revised upward to \$600,000). The supplemental appropriation is requested in order to avert a furlough of nonjudicial employees which is estimated to involve closing the district courts one day each month for three months. The possible furlough is in spite of efforts taken at the beginning of the current fiscal year to generate savings, including a 90-day hiring freeze, the elimination of travel for district magistrate judges and judges on the Court of Appeals, a 25 percent reduction in funding for temporary workers, and other reductions specific to each judicial district.

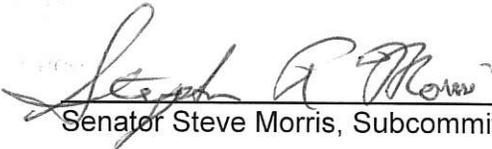
The Governor does not recommend the supplemental appropriation, but does recommend an additional \$500,000 in his enhanced recommendations.

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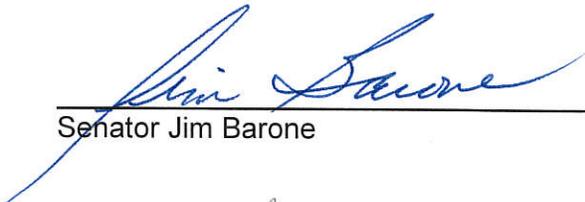
Senate Subcommittee Recommendations

The Senate Subcommittee concurs with the recommendations of the Governor, with the following exception and comment:

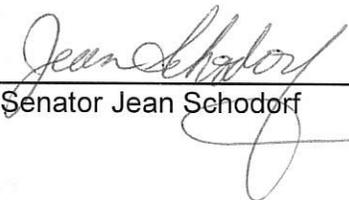
- Add \$600,000 from the State General Fund for the purpose of averting a furlough of nonjudicial personnel. Funding a statewide system of courts is an essential state service and the Subcommittee does not consider it an option to close courthouses across the state one day a month for three months. In this regard, the Subcommittee notes that concerns about recruiting and maintaining qualified and experienced court personnel led the Legislature to increase docket fees in order to implement a new nonjudicial employee salary plan in July of 2000. That plan is successful and has had the effect of lowering turnover in the district court system. Ironically, reduced turnover has contributed to the current salary shortfall because there are fewer turnover savings, resulting in forced vacancies and other measures that are detrimental to the personnel system the Legislature sought to enhance.



Senator Steve Morris, Subcommittee Chair



Senator Jim Barone



Senator Jean Schodorf

Senate Subcommittee Report

Agency: Judicial Branch

Bill No. --

Bill Sec. --

Analyst: Rampey

Analysis Pg. No. Vol. 1-255 Budget Page No. 273

Expenditure Summary	Agency Req. FY 03	Governor's Recommendation FY 03	Senate Subcommittee Adjustments
All Funds:			
Operations	\$ 96,933,360	\$ 91,584,361	\$ 0
Aid to Local Units	504,154	504,154	0
Other Assistance	990,606	990,606	0
Subtotal—Operations	\$ 98,428,120	\$ 93,079,121	\$ 0
Capital Improvements	114,400	114,000	0
TOTAL	\$ 98,542,520	\$ 93,193,521	\$ 0
State General Fund:			
Operations	\$ 86,384,921	\$ 81,079,774	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
Subtotal—Operations	\$ 86,384,921	\$ 81,079,774	\$ 0
Capital Improvements	114,400	114,400	0
TOTAL	\$ 86,499,321	\$ 81,194,174	\$ 0
FTE Positions	1,838.0	1,816.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	1,838.0	1,816.0	0.0

Agency Req./Governor's Recommendation

The Judicial Branch requests a total of \$98,542,520 for FY 2003, of which \$86,384,921 (87.7 percent) is from the State General Fund. Major items in the request include the following:

- \$141,089 from the State General Fund for a new judge, associated staff, and other operating costs, pursuant to 2001 HB 2297, which expands the Court of Appeals by one judge on January 1, 2003. (Three more judges will be added to the court of Appeals each year through January 1, 2006.)
- \$2,958,878 from the Judicial Technology Fund (docket fees and federal grants) to continue implementation of the statewide court accounting and case management system.

- \$2,026,484 for a salary plan adjustment of 3.7 percent for nonjudicial employees, tied to the FY 2001 inflation rate as measured by the Employment Cost Index reported by the U.S. Bureau of Labor Statistics.
- \$997,107 for 25.0 FTE new positions, consisting of 4.0 FTE district magistrate judges and 21.0 FTE nonjudicial employees.

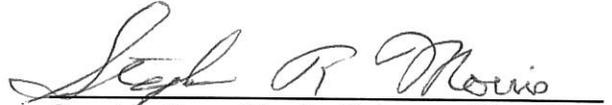
The Governor recommends a total of \$93,193,521, which is a reduction from the Judicial Branch's State General Fund request of almost \$5.3 million. The Governor approves the requested \$141,089 for the new judge for the Court of Appeals, associated staff, and other operating costs, but does not approve any of the requested new district magistrate judge positions or the 21.0 FTE nonjudicial positions. In his enhanced budget recommendations, the Governor recommends an additional \$3.6 million for judicial operations in FY 2003 for the purpose of "keeping the courts open and functioning."

Senate Subcommittee Recommendations

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

- The Subcommittee has taken action with regard to the Judicial Branch's FY 2002 budget to avert the closing of courthouse in the current year, but the outlook for FY 2003 is dire and will have to be addressed by the Legislature sooner or later. The Subcommittee recommends that strong consideration be given to adding additional money to the Judicial Branch's budget in the Omnibus Bill, an action which is consistent with the Governor's recommendation contained in his enhanced budget for an additional \$3.6 million for FY 2003. The Subcommittee also repeats its comment contained in its FY 2002 report to the effect that the Legislature took specific steps to enhance the nonjudicial personnel system in recent years and the current shortfall is undermining the morale and efficiency of a system the Legislature hoped to improve.
- Recognizing the serious condition of the state's resources, the Subcommittee requests that the Judicial Branch consider any possible ways the judicial system could be made more efficient, while at the same time protecting the public's right to due process and preserving its access to justice.
- An issue in recent years has been whether the establishment of the Kansas Payment Center has reduced the workload associated with child support payments in the Offices of the Clerks of the District Court. The Subcommittee calls attention to an audit completed in July 2001 by the Legislative Division of Post Audit which reached the following conclusions:
 - a. "The 3 clerks' offices with the largest caseloads in the state [Sedgwick, Shawnee, and Wyandotte Counties] estimate they freed up a total of about 10 positions after the Payment Center opened. Much of the time freed up by transferring work to the Payment Center has been offset by time required for new duties resulting from the Payment Center."

- b. "About half the freed-up positions were eliminated, while the others were assigned to other court duties. Only 4.5 of the 10 positions freed up actually were eliminated. Officials in the 3 Clerks' Offices said they needed to keep the remaining positions to stay on top of ongoing case duties for child support and other types of cases, address backlogs, and work on new court initiatives."



Senator Steve Morris, Subcommittee Chair



Senator Jim Barone



Senator Jean Schodorf

Senate Subcommittee Committee Report

Agency: Judicial Council

Bill No. --

Bill Sec. --

Analyst: Rampey

Analysis Pg. No. Vol. 1 – 271

Budget Page No. 271

<u>Expenditure Summary</u>	<u>Agency Est. FY 02</u>	<u>Governor's Recommendation FY 02</u>	<u>Senate Subcommittee Adjustments</u>
All Funds:			
State Operations	316,141	315,990	0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
TOTAL	<u>\$ 316,141</u>	<u>\$ 315,990</u>	<u>\$ 0</u>
State General Fund:			
State Operations	233,193	233,193	0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
TOTAL	<u>\$ 233,193</u>	<u>\$ 233,193</u>	<u>\$ 0</u>
FTE Positions	4.0	4.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	<u>4.0</u>	<u>4.0</u>	<u>0.0</u>

Agency Est./Governor's Recommendation

The Judicial Council estimates expenditures of \$316,141, of which \$233,193 is from the State General Fund. Funding in the current year would allow for 41 meetings of the Judicial Council and its advisory committees. In addition, estimated funding would continue 4.0 FTE positions and temporary staff used in times of peak workloads and when regular staff is on vacation.

The Governor recommends expenditures of \$315,990, including \$233,193 from the State General Fund.

Senate Subcommittee Recommendation

The Senate Subcommittee concurs with the recommendations of the Governor.

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Attachment 4*



Senator Steve Morris, Subcommittee Chair



Senator Jim Barone



Senator Jean Schodorf

Senate Subcommittee Report

Agency: Judicial Council

Bill No. --

Bill Sec. --

Analyst: Rampey

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Budget Page No. 271

Expenditure Summary	Agency Req. FY 03	Governor's Recommendation FY 03	Senate Subcommittee Adjustments
All Funds:			
State Operations	\$ 325,398	\$ 283,655	\$ 41,743
Aid to Local Units	0	0	0
Other Assistance	0	0	0
TOTAL	\$ 325,398	\$ 283,655	\$ 41,743
State General Fund:			
State Operations	\$ 241,973	\$ 199,721	\$ 0
Aid to Local Units	0	0	0
Other Assistance	0	0	0
TOTAL	\$ 241,973	\$ 199,721	\$ 0
FTE Positions	4.0	4.0	0.0
Non FTE Uncl. Perm. Pos.	0.0	0.0	0.0
TOTAL	4.0	4.0	0.0

Agency Req./Governor's Recommendation

The Judicial Council requests a total of \$325,398, which would maintain the salaries of 4.0 FTE positions, temporary employees for use in peak work times, and would allow for 45 meetings of the Council and its advisory committees.

The Governor recommends expenditures of \$283,655, a reduction of \$32,335 from the Governor's recommendation in the current year. The Governor's recommendation, in reducing expenditures compared to the current year, makes the reduction entirely in the State General Fund and continues expenditures from the Publications Fee Fund at approximately the same level as the current year. Under the Governor's recommendation, funding would be provided for the 4.0 FTE permanent employees, but not for temporary employees. Recommended funding would allow for 15 meetings of the Judicial Council and its advisory committees.

Senate Subcommittee Recommendations

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

- Increase expenditures from the Publications Fee Fund by \$41,743, for a total of \$125,677, in order to compensate for reduced expenditures from the State General Fund. Without the increase, the Council would be able to hold only 15 Council and advisory committee meetings in FY 2003, compared to 40 to 45 meetings in a normal year. The increase is possible because of ample balances in the Fund. However, a proviso to the appropriation would be necessary to authorize expenditure from the Fund for operating expenses that are not related to publications activities.



Senator Steve Morris, Subcommittee Chair



Senator Jim Barone



Senator Jean Schodoff

Report on the State of Kansas Workforce

February 7, 2002

Topics

- ✓ Current Workforce Demographics
- ✓ Key Workforce Report Data
- ✓ Employee Issues
- ✓ Initiatives

Intro

- ✓ Governing Magazine's "Grading the States 2001" rated Kansas one of the top 11 HR programs
 - Kansas received a B+ for HR programs, *only three* states received better grades
 - Important indicator serves as external measure of the quality of Kansas' personnel program

Intro

✓ Areas to note

- Recognized strengths:
 - balance between centralized HR office and decentralized decision making
 - automated hiring process
- Significant weakness:
 - market position of pay
 - compensation practices need reform
 - base compensation needs addressed before expanding to variable pay or other contemporary pay models

Intro

✓ Accomplishments

- Workforce Planning Program helped agencies analyze their future workforce needs
- Council of State Governments' *2001 Best Innovation Award* finalist for Workforce Planning Program
- IPMA *Best Practices Award* for Workforce Planning Program

Profile of current classified employees

- ✓ 24,638 classified employees; size of state workforce has decreased by more than 7% since 1996
- ✓ Average age – 45 (up from 43 in the last five years)
- ✓ Average length of service – 12 years
- ✓ Average annual salary - \$30,074
- ✓ Retires at age 62 with 24 years of service
- ✓ Retires 30 months after becoming retirement eligible
- ✓ 57% of employees are eligible for a longevity bonus
- ✓ 35% of workforce on entry level steps 4/5 and 12% are on Step 15

Recruitment

- ✓ During 2001 increased the hiring rate 7.5%
- ✓ Need full year of experience for thorough analysis of impact
- ✓ Preliminary improvements:
 - Decreased turnover for employees with 1-3 years of service
 - FY 2001 47% vs FY 2000 53%
 - Decreased average days to fill a vacancy
 - FY 2001 48.6 vs FY 2000 55.3

State employee compensation

- ✓ Ranks 18th among the 25 Central States in average classified annual salary (down from 9th in FY 2000)
- ✓ Kansas ranked 25th out of 25 in total compensation
- ✓ Average classified annual salary is \$5,134 below central state average salary (\$4,064 below in FY 2000)
- ✓ Kansas general increases consistently low

FY	KS	Central States
» 96	1.0 %	2.8 %
» 97	0.0%	3.0%
» 98	1.0%	2.8%
» 99	1.5%	2.9%
» 00	1.0%	2.9%
» 01	0.0%	2.2%

Turnover

- ✓ Average turnover rate increased to 13.47% from 13.01%
- ✓ Job classes with the highest turnover rate
 - Communications Specialist I (40.96%)
 - Corrections Officer I (45.50%)
 - Electrician (41.03%)
 - Food Service Worker (56.98%)
 - Licensed Practical Nurse (49.35%)
- ✓ 47% of all classified separations were employees with 1-3 years of service

Retirements

- ✓ 18% of workforce eligible by 2006
- ✓ 65% of the workforce is over 40 years of age
- ✓ Two agencies with over 50% of workforce eligible by 2006
 - Department of Human Resources (54%)
 - Department of Education (52%)
- ✓ Job classes with highest percent of employees eligible by 2006
 - Public Service Executive II (55%)
 - Program Support Worker (40%)

Retention Survey Results

- ✓ Employees are most dissatisfied with their pay, promotional opportunities, and contingent rewards
- ✓ Most employees see no connection between their effort or effectiveness and rewards they receive
- ✓ Classified employees are more dissatisfied with their pay than unclassified
- ✓ Employees age 25 to 35 are more likely to leave
- ✓ Employees are most satisfied with their supervisors and the nature of their work
- ✓ 64% report some satisfaction with training and development

Entrance and Exit Survey Data

✓ Entrance data

- Why people choose to apply:
 - 44% fit career goals
 - 23% benefits package
- What influenced you to work for the state:
 - 47% fulfilling work
 - 39% benefits package
 - 29% advancement opportunity
- Biggest advantage of working for the state:
 - 38% job security
 - 27% benefits package

Survey Data

- ✓ Exit data to determine why people leave the state as an employer
 - Why did you leave your current position:
 - 30% took position outside state service
 - 15% health reasons
 - 15% family reasons
 - State of Kansas pay is:
 - 52% average
 - 44% below average
 - State of Kansas pay increases:
 - 60% below average
 - 40% average

Survey Data

✓ Exit data cont..

- 92% Would work for the state in the future
- 52% Recommend state as an employer of choice
- 61% Agree the state provides adequate promotional opportunities
- 69% Reported new job has higher pay
- 80% Satisfied with state benefit package

Issues and Answers

✓ Recruitment Difficulties

- Layoffs occurring all over the country and in Kansas but not in needed skill areas
- Aging workforce
- Shortage of individuals with needed skills:

Social Workers	All direct care staff
Corrections Officers	Equipment Operator
Auditors / Accountants	Comm. Specialists
Environmental Scientist	Registered Nurse

Issues and Answers

- ✓ Faced with minimal pay increases
 - Look to alternate benefits and perks for employees
 - additional discretionary day
 - increasing accrual rates for annual leave
 - additional training opportunities
 - subsidized parking for employees
 - lowering KPERS vesting period
 - deferred compensation match

Issues and answers

- ✓ Faced with aging workforce
 - Assess possibility for phased retirements
 - KPERS Employer Council working with Personnel Advisory Committee to explore ideas and options for consideration

Issues and Answers

✓ Experimenting with variable pay

- Recognized as contemporary pay practice
- Effective way to address a cyclical labor supply
- Doesn't load base pay

✓ Success with variable pay

- IT and correctional officer bonus program
 - turnover for corrections officers who received a bonus dropped to 14%
 - IT turnover rate has declined 45% in two years

Issues and Answers

✓ Current initiatives

- Regulation change to allow for the conversion of annual leave over maximum to sick leave
- Bill introduced to consolidate awards programs; will allow for monetary and non-monetary awards for state employees
- Modified deferred compensation plan to take full advantage of EGTRRA
- Continued employee development opportunities
- Conducting Class Structure Update Project
 - 6 phases

Issues and Answers

✓ Improved employee service

- Success with AKSESS (Automated Kansas State Employee Service System)
 - benefits open enrollment and confirmation statement
 - registering job skills
 - online applications directly to agencies
 - online employment summary
 - total compensation statement

✓ Continuous employee input

- Online entrance and exit surveys
- Second employee retention survey 2003

Closing

- ✓ Strive to recruit and retain a motivated workforce
- ✓ Need to motivate employees
- ✓ Appreciate your consideration of state employees during difficult budget times

STATE OF KANSAS EMPLOYEE SURVEY EXECUTIVE SUMMARY

In the fall of 2000, the state of Kansas began designing a first-ever survey of its employees to determine levels of employee satisfaction. The survey instrument was developed by a team of professors from the University of Kansas as well as staff from the state Department of Administration. The state Department of Administration provided the Survey Research Center (SRC) at the Policy Research Institute, University of Kansas with the list of employees for whom current records were available. The Kansas State Employee Survey was a self-administered survey mailed to all classified and unclassified benefits eligible employees excluding only university faculty, elected officials and judicial employees. Nearly 27,000 state employees were sent surveys. During December 2000 and January 2001, SRC conducted a first and second mailing of the survey. A total of 11,734 usable surveys were returned for a response rate of almost 44 percent. Based on the number of completed surveys and the response distribution, we can be 95 percent confident that the margin of error for the survey is $\pm .009$ percent.

Key findings of the study include:

- **Pay.** Kansas state employees are dissatisfied with their pay. Survey results for pay show that a majority of state employees believe (1) they are not paid a fair amount, (2) pay raises are not satisfactory, and (3) they are paid less than they could earn in a private sector job. About 70% of state employees feel they are not paid a fair salary and that the low level of their pay makes them feel unappreciated by the state and their agency. Only about 15% of state employees are satisfied with the amount of their pay raises. An important finding is that over 85% of state employees believe that their current pay is below what they could earn in the private sector. The risk for the state is that substantial numbers of employees may test their value to employers in the private sector by seeking other jobs and confirming their perceptions of unsatisfactory pay.

Over 88% of public safety employees express dissatisfaction with pay. Also, female employees are slightly more dissatisfied with pay than are male employees. The region with the lowest level of pay satisfaction is the south central region that includes Wichita.

- **Contingent Rewards.** Most state employees do not see a connection between their effort or effectiveness and the rewards they receive. This is shown by the 71% of state employees who disagree with statement that "hard work is usually rewarded at my agency." Further, only 13% agreed that "people who are more effective get higher pay raises than those who are less effective." If employees do not see a connection between their efforts or effectiveness and rewards, there is obviously less of an incentive to work hard and make an extra effort in the performance of their jobs. The end result will be a lower level of service to customers.

- **Promotion Opportunities** After pay, the greatest source of employee dissatisfaction is promotion opportunities. Employees are concerned with too few opportunities for promotions and the way promotions are given. About 76% of state employees believe that there is usually too little chance for promotion in their agency. Only about 20% say that promotional opportunities encourage them to remain state employees. Also of great concern is that many state employees are not satisfied with the way promotions are handled by their agencies. Only 37% believe that promotions are given in a fair manner by their agencies. And about 75% perceive that “you have to know the right people to get ahead in the state system.” Overall, state employees are skeptical that merit-based promotions exist in Kansas state employment.
- **Benefits** State employees are more satisfied with their benefits than with pay. Overall, 68% of employees say they are satisfied with the benefits they receive.
- **Change Processes** State employees are neutral with respect to change processes in their agencies. The basic findings are (1) most employees accept change, (2) there are insufficient communications with employees concerning changes in their agencies, and (3) employees perceive that their roles in change processes are limited. About 58% of state employees say that change is viewed as positive in their agency and 60% say their agencies try new and better ways of doing things. While a majority of employees believe they “generally feel informed about changes that affect me,” 65% of employees report they “usually hear about important changes through rumors rather than through management communications.”
- **Training and Development** State employees have mixed feelings on training and development. About 65% believe they are getting the training that is needed to do their jobs and 74% of supervisors are perceived as encouraging and supporting training. However, a smaller percentage, 45%, say they are in agencies that do **not** offer training on advances in technology that affect the employee’s job.
- **Work Environment** State employees are neutral with respect to their work environment. About 69% of employees agree “the work environment positively influences how I do my work in my agency.” In addition, 74% disagree with the statement that “if I need help doing my job, co-workers are not willing to pitch in and help.” The major concerns are conflicts and inadequate ways to solve problems working with each other. Only 45% agree with the statement, “conflict resolution is achieved effectively in my agency,” and 35% say that “lingering conflicts that exist in my agency have caused me to look for employment elsewhere.”

- **Communications.** Employees are evenly divided on the adequacy of communications in their agency. Almost 49% say they are “very satisfied with communications in my agency,” and 51% disagree with that statement. About one-third of employees say they do not receive enough information from their agency to do their jobs well, and that the goals of their agency are not clear to them. Just over one-half of employees report that “communications are not open or candid in my agency.”
- **Performance Evaluation and Feedback.** A majority of state employees (75%) describe themselves as being satisfied with performance evaluation and feedback in their jobs. About 73% believe that evaluations provide valuable feedback “about aspects of my job I do well, and about areas in which I need improvement.” Also, a majority of employees (65%) are confident in their supervisor’s ability to provide “meaningful performance feedback throughout the year.” One area of concern is that a significant number of employees (44%) are not convinced that the performance evaluation system is fair.
- **Nature of Work.** Overall, 80% of state employees are satisfied with the nature of the work they perform. Almost 66% agree that they “enjoy coming to work each day” and 85% describe themselves as “getting a feeling of satisfaction from my work.” Also of importance is that over 75% of employees agree with the statement, “I am proud to be a state employee.”
- **Supervision.** A majority of state employees are satisfied with their supervisors. Over 74% of employees agree with the statement, “my supervisor is very competent in doing his/her job.” About 82% acknowledge that their supervisor is “fair” in regards to the treatment they receive. It is also noteworthy that 64% agree that they have a high quality relationship with their supervisor and that this contributes to their decision to remain a state employee. Supervision appears to be one of the most positive aspects of state employment.
- **Individual Competency.** One clear finding is that Kansas state employees believe they are highly competent. About 95% agree with the statement, “I feel I am well prepared to do my job.”
- **Retention of State Employees.** About 82% of employees indicate that they are “currently able and willing to take a better job should one become available,” and 66% indicate that they have “thought about looking for a job opportunity outside of state employment” in the last year. However, a smaller number (42%) indicate that they actually “plan to seek employment outside of state government within the next year.” Only 28% state that they have actually “applied for a job outside of state government” within the last year. Still, it is significant that almost one-third of state employees have applied for work elsewhere.

African-American and Native Americans are among the most likely to leave state employment. About 58% of both groups indicate intent to leave. Also,

employees aged 25 to 35 are the most likely age group to leave state employment. About 56% of these employees indicate their intent to leave.

Not surprisingly, the employees most likely to stay in their current jobs are those who are satisfied with their pay and the nature of the work they perform.

- **Implications of Dissatisfaction with Compensation.** There are several important implications of the strong dissatisfaction Kansas state employees feel with respect to their compensation. Over 85% believe that their current pay is below what they could earn in a private sector job. Over 72% indicate that they “feel unappreciated by the State and my agency when I think about what they pay me.” Over 70% indicate that the “level of my pay encourages me to seek employment outside of state government.” Hence, it is very likely that employee turnover rates in state agencies will increase if the economy remains reasonably strong. Increases in voluntary turnover rates will most likely result in increased costs for recruitment, selection, and training of replacement employees. Services provided to the citizens of Kansas will likely deteriorate in quality, at least in the short term, while the replacement employees learn how to do and gain experience in their new jobs.

There are also significant implications for services provided to the citizens of Kansas by state employees who remain in their jobs. Almost 70% of state employees indicate that they are **not** paid a fair amount for the work that they do. Many of these employees have jobs that require the discretionary application of their knowledge, skills, and effort. These employees have the option to reduce their activities and level of effort in order to restore their perception of equity in their respective wage-for-effort bargains. This, too, can result in lower quality state services for citizens of Kansas.

State of Kansas Employee Survey

Introduction

Employees of the state of Kansas are extremely important to the welfare and prosperity of the state. In order to understand how state employees perceive their employment, the State of Kansas Employee Survey (KES) was developed. The purpose of this survey was to determine employee retention patterns and problems along with overall job satisfaction for members of the state's workforce.

On December 8, 2000, 26,855 surveys were distributed across the state. Included in the first mailing was a letter from Governor Bill Graves outlining the purpose and expectations of the survey. By January 8, 2001, 11,237 surveys had been completed and returned. A second mailing was then sent to a random sample of individuals who had not responded to the first. Along with the letter from the Governor, a brief note accompanied this mailing noting the new deadline for these surveys to be returned. A total of 3,835 surveys were distributed on January 16 for the second mailing. As of February 2, 2001, 416 surveys from the second mailing had been returned. These figures represent a response rate of 43.40%, which is very respectable for a mail survey.

This survey is the first of its kind in the state of Kansas and one of only a few state-sponsored surveys in the entire country. The real value of this survey lies in the years ahead where comparisons in all areas of state employment can be drawn. This will allow the State to see where progress has been made and what areas still need to be focused on. The State of Kansas Employee Survey (2000)-was developed with this in mind and can therefore be used as a baseline instrument that can be replicated with equal validity in the future.

The survey was constructed to enable the various state agencies to determine employee satisfaction and dissatisfaction in state government employment. Also, questions directly linked to employee retention were asked in order to establish whether or not this is a current problem. The results and findings of this survey can provide substantial benefits to the state of Kansas. In the case of cost savings, by increasing employee satisfaction and employee retention rates, the state can expect to see reduced expenses for recruiting, selecting, and training new employees. Also, by the state government showing a strong commitment to enhancing employee satisfaction, higher employee morale will result. With higher employee morale, increased productivity and superior service can be expected from state employees. A more satisfied and motivated state workforce will translate directly into more satisfied customers of state services.

Description of Survey

The survey consists of ninety-nine work satisfaction items that are grouped into the following categories: Individual Competencies, Training & Development,

Supervision, Pay, Contingent Rewards, Benefits, Promotion Opportunities, Performance Evaluation and Feedback, Nature of Work, Change Processes, Communication, Decision Making. Respondents were asked to indicate their level of agreement with each item using a six- point scale. The scale ranges from 1 = Strongly Disagree to 6 = Strongly Agree. Some of the questions included in the survey were taken from the State of Virginia Employee Survey.

Eleven demographic items were used to identify individuals by: employee status, gender, age group, salary or wages, race/ethnic group, length of service, occupational category, level of supervisory duties, education, function of government, and region of Kansas they reside in. These data were collected so that analyses could be conducted and reported for several sub-groups making the information that much more valuable.

A total of 11,734 useable surveys were returned to the researchers. For any given item or subset of items, some 236 to 251 individuals failed to respond. Therefore the survey results for the total sample typically reflect the statements and opinions of approximately 11,500 State of Kansas employees.

The authors have maintained confidentiality of all individuals surveyed in this process and individual responses will not be reported to agencies.

General Results

Subsets of the opinion and attitude survey items that correlate moderately to highly with each other have been averaged together to form reliable indices of the following constructs:

- Retention Index
- Satisfaction with Contingent Rewards
- Satisfaction with Pay
- Satisfaction with Promotion Opportunities
- Satisfaction with Benefits
- Satisfaction with Change Processes
- Satisfaction with Training and Development Opportunities
- Satisfaction with Work Environment
- Satisfaction with Communication
- Satisfaction with Decision Making
- Satisfaction with Performance Evaluation and Feedback
- Satisfaction with Nature of Work
- Satisfaction with Supervision
- Satisfaction with Individual Competencies

Employee Retention and Satisfaction. These results are summarized in Table 1 – KES Retention and Satisfaction Index Summary Statistics, and in Table 2 – KES Retention and Satisfaction Index Frequency Data. The possible range of results is from 1 = Very Dissatisfied or Strong Intent to Leave to 6 = Very Satisfied or Strong Intent to Stay. For ease of interpretation the index values, which are the averages of the items in each respective index, have been rounded to the nearest whole number (1 to 6). The respective frequency distributions are shown in Table 2.

Internal Consistency Reliability. The column labeled Internal Consistency Reliability in Table 1 reflects the degree of agreement or consistency (intercorrelation) among responses to the subset of items averaged to form the respective index. Internal consistency reliability can range from 0 – indicating no correlation among the items – to 1.0 – indicating perfect correlation among the items. For attitude survey research, internal consistency reliability coefficients of .70 and above are acceptable. Such a coefficient indicates that the subset of items composing the index are sub-elements of the same construct. Note that all internal consistency reliability coefficients in Table X equal or exceed .70 except the one for the Individual Competencies index ($r_{ic} = .51$), indicating that this measure is less stable or reliable than the others. The other 13 indices are reliable indicators of aspects of employee satisfaction with their work.

Employee Retention Index. The mean of 3.5 for the Retention Index falls exactly in the middle of the six-point rating scale, indicating that state employees are essentially evenly divided in terms of intent to leave (47%) versus intent to stay (53%) in their current state jobs. The majority of state employees indicate that they are fairly neutral about leaving or staying in their state jobs (52% indicate a slight intent to leave or stay).

Dissatisfaction with Pay, Contingent Pay and Promotion Opportunities. Tables 1 and 2 summarize the satisfaction/dissatisfaction that Kansas state employees have with their jobs. The three aspects of state employment that rank lowest in terms of employee satisfaction are Contingent Rewards, Pay and Promotion Opportunities. Together these indicate that employees are dissatisfied with the level of pay, the lack of a strong link between effort and pay increases and the lack of promotion opportunities within state government.



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Governor

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DEPARTMENT OF ADMINISTRATION

**“Update on Maximizing Federal Grants and Revenues in Kansas”
Provided to the Senate Committee on Ways and Means
by Keith Meyers, Deputy Secretary of Administration
February 22, 2002**

Mr. Chairman and Members of the Committee,

Thank you for the opportunity to provide you this update on Department of Administration activities regarding the recommendations of the Legislative Budget Committee on maximizing federal grants and revenues in Kansas.

The Department of Administration has been asked to further study how Kansas’ state agencies, local governments, non-profit organizations and private businesses could increase their take of available federal grants and other federal revenues. Part of the charge given the Department is to convene a working group of these stakeholders to discuss various options available to us. After discussions with House Appropriations Chairman Wilk and Representative Nichols, Acting Secretary Glasscock, as a preliminary step to establishing a working group, sent a survey to state agencies to determine interest in participating in the working group, and to determine if agencies have hired consultants or consulting firms for the purpose of seeking out and applying for federal grants. For your review, the survey results are attached.

The Legislative Budget Committee reviewed activities of the State of Illinois and its federal clearinghouse as a means for communicating via the Internet the availability of federal money. You may recall the State of Illinois reported a 16 percent increase in federal funding after implementing its clearinghouse. As a result of our research on this topic, we identified several states – Illinois, Texas and Iowa – that have developed web sites which provide consolidated links to online information about grant availability, training and tutorials. Given that information former Division of Information Systems and Communications (DISC) Director Don Heiman, asked the DISC Manager of Internet Services, Duncan Friend, to develop a Grants Clearinghouse for Kansas that Mr. Friend will demonstrate for you today.

Before I turn the presentation over to Mr. Friend, I would like to point out that our approach incorporates a Texas practice that involves notifying users of an opportunity for grant writing training. The State of Kansas will make this training available through the Department of Administration, Division of Personnel Services. The key training objective would be to have participants finish the course with a completed grant application in hand.

*Senate Ways and Means
2-22-02
Attachment 7*

Former Director Heiman envisioned that we could partner with the Information Network of Kansas (INK) to communicate updates via e-mail on federal grant/fund opportunities to interested state agencies, local units of government, non-profits, and business. When interested parties access this information, they will also learn about the grant writing training that would facilitate the grant application process. The Department of Administration believes that the Kansas Grants Clearinghouse presents an outstanding opportunity to enhance access to federal funds throughout the State of Kansas.

The website, **Kansasgrants.org**, went live on February 11, 2002. As of noon yesterday, the website has received 1483 visits from a wide variety of customers including cities, counties, universities, non-profits, and private entities. Twenty-eight of these visitors have expressed an interest in signing up for the training that we plan to have in place by early May. Attached is a draft promotional proposal on methods to promote the Kansas Grants Clearinghouse and grant writing training.



<http://da.state.ks.us>

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DEPARTMENT OF ADMINISTRATION

Kansas Grants Clearinghouse: Promotion Proposal

This proposal sets forth recommendations for promotion of the newly designed Kansas Grants Clearinghouse and the announcement of grant writing training that will soon be available through the Division of Personnel Services. In the promotion of the Kansas Grants Clearinghouse website the proposal encompasses two key components. The first is to inform state agencies, local units of government and the general public of the new website as a resource tool that can be used to seek out grants from the federal government. The second component is to identify a streamlined manner in which DoA can partner with other state agencies in an effort to effectively communicate the availability of state grant opportunities.

Step 1 - Streamline access to information about grant opportunities available from state government

The Department of Administration will coordinate with other state agencies to enhance grant information linkages from the agency homepages to the Kansas Grants Clearinghouse website. Acting Secretary Joyce Glasscock will send out a memo to all agency heads announcing the development of the website and soliciting their cooperation with these promotional efforts.

Step 2 - Promotion of the Website to Local Units of Government, Special Interest Groups and other Associations

Once linkages to state agency homepages are created and/or enhanced, the Department of Administration will send a letter to local units of government as well as members of various special interest groups/associations announcing the development of the Kansas Grants Clearinghouse website.

To lay the groundwork for these efforts, the Department of Administration will contact groups/associations to garner their participation. Groups to be contacted include, but are not limited to: Kansas Association of Counties, Kansas League of Municipalities, Kansas Chamber of Commerce & Industry, Kansas Association of County Commissioners, Kansas County Treasurers Association, Public Accountants Association of Kansas and the Kansas Association of School Boards.

Step 3 - Promotion of the Website to the General Public

Once linkages to state agency homepages are created and/or enhanced, the Department of Administration will engage in the following activities to widely publicize the Kansas Grants Clearinghouse website:

1. Issue Governor's press release announcing the Kansas Grants Clearinghouse website
2. Provide draft announcement letter that state agency heads could send to their own constituencies
3. Work with local cable companies throughout Kansas to advertise the website on their community channel's televised message board

4. Make presentations at association conferences that showcase the Kansas Grants Clearinghouse website well as other virtual services available through Department of Administration homepage
5. Develop promotional brochure that would be made available to the public
6. Partner with the Kansas Library Association and the State Library to funnel down information about the website
7. Encourage state agencies to place a hyperlink to the Kansas Grants Clearinghouse website on their homepage

Step 4 – Promotion of the Grant Writing Training Course

The Division of Personnel Services (DPS) has developed and will release a Request-for-Proposal (RFP) early next week that, through competitive bid, will identify and contract with an organization to develop curriculum for a grant writing training course. Once developed, the course will be offered by DPS to state agencies, local units of government and the general public. We anticipate the training course being available no later than the first week of May 2002.

To advertise the training course, the Department of Administration will again employ some or all of the promotion activities identified under Step 3. The agency will also exercise standard training announcement methods generally used by DPS.

Utilization of Consultant(s) or Consulting Firm(s) to Seek Out Federal Funds Survey

Agency Name: _____

◆ If convened, do you wish to have your agency participate on a working group as described in the cover memo?

YES NO

◆ Does your agency hire consultant(s) or consulting firm(s) for the purposes of seeking out and applying for federal grants or subsidies?

YES NO (If no, please sign and date this form and return it to the address below.)

◆ Please list the consultant(s) or consulting firm(s) your agency contracts with for this purpose:

Name of Consultant/Consulting Firm

Location of Consultant/Firm (City/State)

Name of Consultant/Consulting Firm

Location of Consultant/Firm (City/State)

Name of Consultant/Consulting Firm

Location of Consultant/Firm (City/State)

◆ Briefly describe the terms of the contract(s):

◆ Briefly describe your agency's compensation arrangement with each consultant(s) or consulting firm(s):

Signature of Agency Head

Date

Return completed survey to Department of Administration: ATTN: Deann Tiede, Curtis State Office Building, Ste. 500; Topeka, KS 66612. Direct questions about the survey to Deann at 296-2554 or via e-mail at deann.tiede@state.ks.us.

**Survey Response Report: State Agency's Utilization of Consultant(s)
and/or Consulting Firm(s) for the Purposes of Identifying and Accessing Federal Funds**

<u>Agency Name</u>	<u>Contracts with Consultant(s)/Firm(s)</u>	<u>Wants to Participate on Working Group</u>
Board of Accountancy	No	----
Department of Agriculture	No	No
Board of Barbering	No	No
Behavioral Sciences Regulatory Board	No	No
Citizens' Utility Ratepayer Board	No	----
State Conservation Commission	No	No
Ombudsman for Correction	No	No
Board of Cosmetology	No	No
Development Finance Authority	No	No
Governmental Ethics Commission	No	No
Health Care Stabilization Fund	No	No
Board of Healing Arts	No	No
State Historical Society	No	No
Human Rights Commission	No	No
Board of Indigents' Defense Services	No	No
Judicial Council	No	No
KPERS	No	No
Kansas Lottery	No	No
Board of Mortuary Arts	No	No
Board of Pharmacy	No	No
Racing & Gaming Commission	No	No
Real Estate Appraisal Board	No	No
Real Estate Commission	No	No
Department of Revenue	No	No
Office of the Securities Commissioner	No	No
Kansas Sentencing Commission	No	No
Kansas Water Office	No	No
Department on Aging	No	Yes
Arts Commission	No	Yes
State Bank Commissioner	No	Yes
School for the Deaf	No	Yes
Department of Education	No	Yes
State Fair Board	No	Yes
State Fire Marshal	No	Yes
Department of Health & Environment	No	Yes
Kansas Highway Patrol	No	Yes
Kansas Bureau of Investigation (KBI)	No	Yes
Kansas, Inc.	No	Yes
Parole Board	No	Yes
Board of Tax Appeals	No	Yes
Department of Transportation	No	Yes
Department of Wildlife & Parks	No	Yes

<u>Agency Name</u>	<u>Contracts with Consultant(s)/Firm(s)</u>	<u>Wants to Participate on Working Group</u>
Kansas Corporation Commission	No	No
<u>Notes:</u> Periodically, the KCC Energy Division is notified of Special Project grant funds available through the U.S. Department of Energy. The KCC maintains a mailing list of entities involved in energy programs in Kansas and sends a notice soliciting partners for these proposals. The KCC Energy Division meets with interested partners that in turn write and develop the grant proposal. If awarded, they become subcontractors of the grant. If the grant is not successful, there is no compensation to these entities.		
Commission on Veterans' Affairs	No	No
<u>Notes:</u> The Kansas Veterans' Home and the Commission on Veterans' Affairs have applied for federal grants through the Veterans Administration. They completed the proposal process on their own.		
Adjutant General's Department	No	Yes
<u>Notes:</u> Kansas National Guard is already 99% federally funded. The Adjutant General's Department has maximized federal dollars. In fact, federal auditors forced the Adjutant General's Department to reverse one such effort. In Emergency Management, the Adjutant General has done similar work with the Department of Commerce & Housing and other agencies. This is where the Adjutant General's Department might find more money, so it would be happy to join the working group with a representative from DEM.		
Department of Human Resources	No	Yes
<u>Notes:</u> KDHR has been talking with a consulting group and <u>will likely</u> enter a contract within the next 6 months. Most likely the firm will be Seely & Associates of Fairfax Station, VA. Seely indicates they take a percentage of funds raised without out of pocket expenses for KDHR.		
Department of Corrections	Yes	Yes
<u>Notes:</u> The DOC recently entered into a salary sharing agreement with SRS for a grant writing position. The position is shared on a 50/50 basis and seeks out opportunities for submitting grant applications. The DOC has no other contracts for this purpose.		
Juvenile Justice Authority	Yes	Yes
<u>Name of Consulting Firm:</u>	MAXIMUS, Inc.	
<u>Terms of the Contract:</u>	JJA does not contract directly. The agency is written into the contract between SRS and MAXIMUS. JJA enlists their help to maximize Title IV-E & XIX dollars.	
<u>Compensation Agreement:</u>	Contingency Fee. 6.5% of increase in revenues. SRS pays MAXIMUS & JJA pays SRS.	
Department of SRS	Yes	Yes
<u>Name of Consulting Firm:</u>	MAXIMUS, Inc.	
<u>Terms of the Contract:</u>	<ul style="list-style-type: none"> ① Developed Kansas' implementation for reimbursement to school districts for Title XIX (Medicaid) administrative activities and submits claims as the basis for reimbursement. ② Simplified methodology for Title XIX reimbursement to local education agencies for direct medical services for children with disabilities. ③ Developed process to assure all Title IV-E allowable expenditures are documented and claimed for eligible children. 	
<u>Compensation Agreement:</u>	<ul style="list-style-type: none"> ① Fixed contract = \$375,000/year ② Contingency based (contract finished) no longer allowed by federal government ③ Fixed contract = approximately \$950,400/year 	

Kansas Grants Clearinghouse Web Site

Friday, February 22, 2002

The primary purpose of the Kansas Grants Clearinghouse Web Site is to assist and support state agencies and local units of government in obtaining grants from the federal government and other sources by providing a central location from which to access accurate and timely information about such programs. In addition, the site will provide links to information from state agencies about grant programs they offer to citizens, businesses, local units of government, and other parties. A section of the site will also be devoted to funding available from private foundations. The site is hosted and maintained by the Department of Administration and accessible from the State home page at www.accesskansas.org. The address of the site is <http://www.kansasgrants.org/>

The current site uses a set of links connecting users to Federal and State grant sites. Each page of the site provides a brief statement soliciting suggestions and an email address to which suggestions can be sent. Over time, it is expected that state agencies will contribute additional links to be added to the site that they have found helpful, as well as links to information on grant programs they offer. When grant writing training sessions become available, a link will be provided to the Department of Administration's Learning Services online enrollment form. As part of the training offering, attendees will also be introduced to the resources available on the site and encouraged to provide feedback that will improve its usefulness to them.

The screenshot shows a Microsoft Internet Explorer browser window displaying the Kansas Grants Clearinghouse website. The browser title bar reads "Home - Kansas Grants Clearinghouse - Microsoft Internet Explorer provided by The State of Kansas". The address bar is empty. The website header features the text "KANSAS Grants Clearinghouse" on the left and "STATE OF KANSAS" on the right. The main content area is divided into several sections:

- Foundation Resources**: A link to "Foundation Resources".
- Grant Training**: A link to "Grant Training".
- Tutorials/Resources**: A link to "Tutorials/Resources".
- State Grants**: A link to "State Grants".
- Federal Grants Information**: A section containing a list of links:
 - [Catalog of Federal Domestic Assistance](#): Database of all federal programs available to state and local governments
 - [Federal Commons](#): The Federal "grants management" portal
 - [Federal Register - via GPO Access](#)
 - [FirstGov](#): The Comprehensive Federal Government portal
 - [Inter-Agency Electronic Grants Committee \(IAEGC\)](#): Resources on electronic exchange of federal grants information
 - [US State and Local Gateway](#): Links to federal grant opportunities
 - [Notices of Funding Availability](#): Generate a customized listing of Federal grant announcements
- Grant Opportunities by Topic**: A section header.
- Arts**: A section header.

The browser's status bar at the bottom indicates "Internet".

Proposed Training Session: *Grant Proposal Writing*

As part of the development of the Kansas Grants Clearinghouse Web Site, we investigated the possibility of offering training to help grant seekers expand their skills in locating funding opportunities and preparing grant proposals. The objective would be for participants to leave the workshop with a clear understanding of how to begin the grant writing process, where to look for resources, and how to prepare a highly competitive grant proposal in order to obtain grant funds from public or private sources at the federal, state, and local levels.

The Department of Administration's Division of Personnel Services contacted several states, Kansas Regents universities, and private entities and found training available through both public and private sources. The State of Texas conducts a comprehensive two-day class and has shared their curriculum and training materials with us. The State of Illinois reports that they have patterned their class along the same lines as the Texas offering. After reviewing these materials, we are in the process of developing bid specifications to solicit experienced trainers to conduct similar classes.

It is expected that the Division of Personnel Services will be able to coordinate up to four training sessions per year beginning late spring 2002. These sessions could be conducted in multiple locations as demand is identified. The estimated cost of a two-day session is \$250 per participant. The training would also be open to municipal, local and county government, non-profit, and private organizations. Employees who are responsible for either writing or evaluating grant proposals would benefit from this training. A preliminary outline of subjects that would be covered in the training is provided below:

- A description of the general grant process with a special focus on how grants are reviewed
- Information about the location of funding sources and the use of electronic media to find them, including an introduction to the Kansas Grants Clearinghouse Web Site
- Instruction on how to review an application to determine if it is appropriate for your agency
- Training on the use of planning tools for the creation of effective grant proposals
- Information on suggested approaches for identifying partners and creating coalitions
- Information on the budgeting process and how to maximize grant funding for your project
- Instruction on how to create an appropriate evaluation plan for your project
- Training on the most effective methods for producing your grant proposal
- A draft proposal-outlining exercise followed by peer critique

Foundation Resources

This site provides a central starting point for state and local units of government and other interested parties for researching grant opportunities online. We are in the process of expanding the site and welcome your input. Please send suggestions to comments@kansasgrants.org

Grant TrainingTutorials/Resources

New! Training sessions in Grant Proposal Writing are being planned for **Spring 2002**. The courses will be offered through the Kansas Department of Administration.

State Grants**Federal Grants Information**

- Catalog of Federal Domestic Assistance
Database of all federal programs available to state and local governments
- Federal Commons
The Federal "grants management" portal
- Federal Register - via GPO Access
- FirstGov
The Comprehensive Federal Government portal
- Inter-Agency Electronic Grants Committee (IAEGC)
Resources on electronic exchange of federal grants information
- US State and Local Gateway
Links to federal grant opportunities
- Notices of Funding Availability
Generate a customized listing of Federal grant announcements

Grant Opportunities by Topic**Arts**

- National Endowment for the Arts Funding site

Criminal Justice

- Kansas Sentencing Commission
Helpful links for finding Criminal Justice-related grants

Education

- U.S. Department of Education Grants site
- Research Guide to Funding for Technology in Education
also from the U.S. Department of Education
- Kansas State Department of Education's Links to Grant Information

Housing

- U.S. Department of Housing and Urban Development (HUD) Funding

Human Services

- GrantsNet - U.S. Department of Health and Human Services
A Roadmap for Applying for and Managing Federal grants
- Welfare Information Network
Funding Opportunities from various Federal agencies

Technology

- [CFDA Grant Index - Science and Technology Sub-categories](#)
- [Department of Defense Innovation Research and Technology Transfer Grants](#)
- [Kansas Technology Enterprise Corporation](#)
- [Kansas Department of Commerce and Housing Business Development](#)

Transportation

- [Federal Department of Transportation Grants Information](#)

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State of Kansas home page: www.accesskansas.org

[Home](#)**Tutorials/Resources**[Foundation Resources](#)Please send suggestions to comments@kansasgrants.org[Grant Training](#)**New!** [Training sessions in Grant Proposal Writing](#) are being planned for Spring 2002. The training will be offered by the Kansas Department of Administration.[State Grants](#)**Tutorials and Guidebooks**

- [Basic Elements of Grant Writing](#) from the Corporation for Public Broadcasting
- [Grant Proposal Guide](#) from the National Science Foundation
- [Grant Writing Tutorial](#)
- [How to Write a Research Grant Application \(3rd ed.\)](#) from the National Institutes of Health (.pdf format)
- [Proposal Writing Short Course](#), and [Proposal Budgeting Short Course](#) both from the Foundation Center

Writing Aids

- [American Heritage Dictionary](#)
- [Merriam-Webster Dictionary](#)
- [Roget's Thesaurus](#)
- [Columbia Encyclopedia](#)
- [Kansas Library Catalog](#)
- Search Engines: [Google](#), [Yahoo!](#), [AlltheWeb](#)

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State of Kansas home page: www.accesskansas.org

[Home](#)**Grant Training**[Foundation Resources](#)**Grant Proposal Writing Course**[State Grants](#)

(This class is in the planning stage at present. If you would like to be **notified when training becomes available**, please send an email to comments@kansasgrants.org or check back soon for more details.)

[Tutorials/Resources](#)**Dates:** Multiple sessions beginning Spring 2002**Locations:** Various**Length:** 2 Days**Cost:** Not yet determined**Eligibility:** State and local government, non-profit, private organizations**Enrollment:** Online Enrollment will be available for this class.**Preliminary Outline (subject to change)**

This course is designed to give participants the practical skills they will need to begin the development of grant proposals. Participants will leave the workshop with a clear understanding of how to begin the grant writing process, where to look for resources, and how to prepare a highly competitive grant proposal in order to obtain grant funds from public or private sources at the federal, state, and local levels. All class participants will receive a Program Development and Grant Writing Manual that includes all of the information presented at the workshop. This manual can also serve as a reference guide for participants as they begin to develop their own grant proposals. The key training objective is to have participants finish the course with a completed grant application in hand.

Proposed material includes:

- a description of the general grant process with a special focus on how grants are reviewed
- information about the location of funding sources and the use of electronic media to find them, including an introduction to the Kansas Grants Clearinghouse site
- instruction on how to review an application to determine if it is appropriate for your agency
- training on the use of planning tools for the creation of effective grant proposals
- information on suggested approaches for identifying partners and creating coalitions
- information on the budgeting process and how to maximize grant funding for your project
- instruction on how to create an appropriate evaluation plan for your project
- training on the most effective methods for producing your grant proposal
- a draft proposal-outlining exercise followed by peer critique

Participants receiving the maximum benefit from the proposal writing seminar typically: 1) have little or no grant writing experience, or 2) have written some grant proposals but have no formal training. We encourage those working in all issue areas to attend. If participants are not actively working on a proposal to fund a project at this time, it may be helpful for them to think of a project they would like to develop in the future and bring a rough outline for the project design to the seminar with them.

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[Home](#)

State Grants

[Foundation Resources](#)

Please send suggestions to comments@kansasgrants.org

[Grant Training](#)

[Tutorials/Resources](#)

- [Kansas Arts Commission Grants](#)
- [Kansas Historic Preservation Office](#)
from the Kansas State Historical Society
- [Kansas Humanities Council Grants](#)
- [Kansas Institutional Conservation Program \(ICP\)](#)
Funds for schools and hospitals for energy conservation improvements - administered by the Kansas Corporation Commission
- [Kansas Juvenile Justice Authority Grant Announcements](#)
- [Kansas State Department of Education Grant Information](#)
- [Land and Water Conservation Fund Grants](#)
from the Kansas Department of Wildlife and Parks
- [Outdoor Wildlife Learning Sites \(OWLS\) Grants](#)
from the Kansas Department of Wildlife and Parks

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[Home](#)

Foundation Resources

[Grant Training](#)

Please send suggestions to comments@kansasgrants.org

[State Grants](#)

[Tutorials/Resources](#)

- [The Foundation Center](#)
Comprehensive site w/links to a "learning lab", and [frequently asked questions](#).
- [Foundation Links](#)
List linking directly to grant information for many private foundations
- [Database of Foundations](#) funding education in Kansas
(via Kansas State Department of Education)
- [Kansas Health Foundation](#)

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