

MINUTES OF THE SENATE WAYS AND MEANS COMMITTEE

The meeting was called to order by Chairman Jay Emler at 10:30 a.m. on January 23, 2009, in Room 545-N of the Capitol.

All members were present except:

Senator Kelly Kultala - excused
Senator Ty Masterson - excused
Senator Vicki Schmidt - excused
Senator Mark Taddiken - excused
Senator David Wysong - excused

Committee staff present:

Alan Conroy, Kansas Legislative Research Department
Michael Steiner, Kansas Legislative Research Department
Estelle Montgomery, Kansas Legislative Research Department
Amy Deckard, Kansas Legislative Research Department
Jill Wolters, Office of the Revisor of Statutes
Daniel Yoza, Office of the Revisor of Statutes
Melinda Gaul, Chief of Staff
Shirley Jepson, Committee Assistant

Conferees appearing before the committee:

Barb Hinton, Legislative Post Auditor, Legislative Division of Post Audit

Others attending:

See attached list.

Introduction of proposed legislation

Senator Teichman moved to introduce legislation concerning electronic filling of certain reports by the Insurance Department. The motion was seconded by Senator Schodorf. Motion carried on voice vote.

Additional Information on SB 23 - Supplemental, appropriations for FY2009 for various state agencies.

Senator Lee presented additional information pertaining to **SB 23** and school finance (Attachment 1). Senator Lee explained that the calculations show a 4 percent reduction in both "across-the-board" spending and the Base State Aid Per Pupil (BSAPP). The Senator also noted that the calculations show the affect the different type of reductions have on individual school districts.

Update on Legislative Post Audits

Barb Hinton, Legislative Post Auditor, Legislative Division of Post Audit, presented a briefing on audit-related issues, performance audits of interest to the Committee, and audits currently under way that might be of interest to the Committee (Attachment 2). Highlights of Ms. Hinton's testimony includes:

Audits that focus on effectiveness and efficiency of state programs:

- Effectiveness pertains to how effective an agency's programs and services are at accomplishing the established goals.
- Efficiency pertains to how efficiently an agency or the State uses its resources to accomplish those goals.
- Important to recognize the difference between effectiveness and efficiency and establish a balance between the two.
- By operating effectively, an agency will normally improve the efficiency of the program.

Recent Legislative Post Audits:

- Financial Regulatory Agencies in Kansas: A K-GOAL audit determining whether functions could be combined to gain cost efficiencies (September, 2008; 08PA22).

CONTINUATION SHEET

Minutes of the Senate Ways And Means Committee at 10:30 a.m. on January 23, 2009, in Room 545-N of the Capitol.

Legislation is recommended to help achieve the goals by combining the three separate agencies that regulate banks, credit unions and securities. Consolidating the three agencies, all who have similar missions and functions, would reduce operating costs, and increase administrative efficiencies. The legislation would consolidate the regulation of banks and credit unions into a single agency, and consider consolidating the regulation of securities under that same financial-regulatory agency. The Legislature would need to take a number of other steps related to the consolidation.

- Agricultural-related agencies: A K-GOAL audit determining whether cost savings could be achieved by making the Animal Health Department and the Conservation Commission part of the Department of Agriculture (December, 2008; 08PA23).

Legislation is recommended to merge the Conservation Commission and Animal Health Department with the Department of Agriculture, all with similar missions and functions, into one agency to reduce operating costs, and increase administrative efficiencies. The Legislature would need to take steps to insure that fees generated by one agency would not subsidize another and determine the powers that would be given to the livestock commissioner.

The audit also produced a number of recommendations that would help the agencies become more efficient and effective, whether or not they are consolidated.

- Department of Commerce: A K-GOAL Audit reviewing the Department's management staffing levels (December, 2008; 08PA21).
- Statewide Medical Expenditures: Reviewing Medicaid Expenditures for fraud and abuse (December, 2008; 08CC02).
- Community Colleges: Examining whether there are ways to share resources to reduce costs (February, 2008; 07PA24).
- K-12 Education: Reviewing school districts' at-risk and professional development programs (school audit) (December, 2008; 08PA25).

The audit notes that the Legislature should be aware that districts who do not have a good school improvement process likely will not be successful in helping to close at-risk students' achievement gaps with the additional at-risk funding.

The audit recommends introducing legislation to clarify the law to prohibit the use of at-risk funding for the purpose of paying salaries of current teachers if the Legislature determines that it is not appropriate.

Ms. Hinton suggested it would be helpful to the Legislature and the audit process, if standards were established for all agencies. In addition, Ms. Hinton indicated there should be a review of the number of management positions within each agency, a review of the number of vacancies in each agency and whether or not the vacant positions are really needed. Ms. Hinton noted the importance of having up-to-date data in the auditing process.

Adjournment

The next meeting is scheduled for January 26, 2009.

The meeting was adjourned at 12:00 p.m.



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January 21, 2009

TO: Senator Janis Lee

FROM: Dale M. Dennis, Deputy
Commissioner of Education

SUBJECT: School Finance Reductions

As requested, attached is a computer printout (SF9017) which provides a comparison between the Governor's recommended reductions and across the board reductions which should total approximately \$131.1 million or four percent.

This information has been broken down by individual funds and provides the appropriate comparisons. There are several smaller programs that total approximately \$15 million that could not be determined which include the following: juvenile detention facilities, declining enrollment, mentor teacher, professional development, school food service, educable deaf/blind, agriculture in the classroom, and National Board Certification. These programs would add an additional \$600,000 to those on the computer printout.

Columns 13 and 14 provides the effects of reducing the base state aid per pupil by \$206.50 which will achieve the same reduction in state aid but it effects school districts differently.

Please review the column explanation carefully.

Senate Ways & Means Cmte

Date 1-23-2009

Attachment 1

COLUMN EXPLANATION

Column 1 -- 2008-09 Estimated FTE enrollment

GOVERNOR'S RECOMMENDATIONS

- 2 -- 2008-09 Estimated effects of a \$22 reduction in base state aid per pupil
- 3 -- 2008-09 Estimated decrease in special education state aid entitlement
(Based upon the 2007-08 special education state aid reimbursement)
- 4 -- 2008-09 Total (Column 2 + 3)
(Governor's recommended reductions for 2008-09)

**ACROSS THE BOARD CUTS TO ACHIEVE REDUCTIONS OF \$131.1 MILLION
(FOUR PERCENT)**

- 5 -- 2008-09 Estimated effects of a \$137.30 reduction in BSAPP
- 6 -- 2008-09 Estimated reductions in local option budget state aid
- 7 -- 2008-09 Estimated reductions in special education state aid
- 8 -- 2008-09 Estimated reductions in KPERS
- 9 -- 2008-09 Estimated reductions in bond and interest state aid
- 10 -- 2008-09 Estimated reductions in capital outlay state aid
- 11 -- 2008-09 Total reductions excluding small programs described in memo
(Column 5 + 6 + 7 + 8 + 9 + 10)
- 12 -- Difference (Column 11 - 4)

REDUCTION OF \$206.50 IN BSAPP

- 13 -- 2008-09 Estimated effects of a \$206.50 reduction in BSAPP
- 14 -- Difference (Column 11 - 13)

		Col 1	Col 2	Col 3	Col 4	Col 5	Col 6	Col 7	Col 8	Col 9	Col 10	Col 11	Col 12	Col 13	Col 14			
GOVERNOR'S PROPOSED STATE AID REDUCTIONS						ACROSS THE BOARD - PROPOSED STATE AID REDUCTIONS												
		2008-09	2008-09 Est.	2008-09 Est.	2008-09 Est.	2008-09 Est.	2008-09 Est.	2008-09 Est.	2008-09 Est.	2008-09 Est.	2008-09 Est.	2008-09 Est.	Difference	2008-09 Est.	Difference			
No.	County Name	USD Name	FTE Enrollment (includes MILT)	GSA Reduction (SF9001 Col 7)	Sped Reduction	Total Reduction (Col 2 + Col 3)	GSA Reduction \$137.30	LOB Aid Reduction	Sped Reduction	KPERS Reduction	Bond & Int. Aid Reduction	Capital Outlay Aid Reduction	Total Reductions (Cols 5 thru Col 10)	(Col 11 - Col 4)	GSA Reduction \$206.50	(Col 11 - Col 13)		
256	Allen	Marmaton Valley	320.5	-13,315	-4,954	-18,269	-83,533	-7,733	-18,867	-6,452	-2,745	0	-119,331	-101,062	-125,635	6,304		
257	Allen	Iola	1,396.0	-44,778	-18,872	-63,650	-279,364	-86,503	-71,878	-27,389	0	-5,096	-470,231	-406,581	-420,166	-50,065		
258	Allen	Humboldt	495.0	-18,139	-6,486	-24,625	-113,080	-14,583	-24,702	-11,558	-8,674	-1,198	-173,794	-149,169	-170,073	-3,721		
365	Anderson	Garnett	1,107.2	-36,388	-11,221	-47,609	-227,794	-35,043	-42,738	-20,981	-1,564	-2,565	-330,685	-283,076	-342,604	11,919		
479	Anderson	Crest	221.0	-10,196	-3,727	-13,923	-63,748	-3,848	-14,193	-5,932	0	0	-87,721	-73,798	-95,878	8,157		
377	Atchison	Atchison County	683.6	-24,786	-9,100	-33,886	-155,657	-28,092	-34,660	-12,321	0	0	-230,730	-196,844	-234,109	3,379		
409	Atchison	Atchison	1,581.5	-47,041	-19,292	-66,333	-294,028	-63,395	-73,477	-39,218	-23,751	-4,539	-498,408	-432,075	-442,220	-56,188		
254	Barber	Barber Co.	502.0	-18,788	-6,373	-25,161	-116,801	0	-24,272	-10,728	0	0	-151,801	-126,640	-175,670	23,868		
255	Barber	South Barber Co.	221.0	-9,857	-2,636	-12,493	-60,288	0	-10,041	-5,770	0	0	-76,100	-63,607	-90,674	14,574		
354	Barton	Claffin	222.1	-9,651	-3,250	-12,901	-61,112	-2,581	-12,377	-5,625	0	0	-81,695	-68,795	-91,913	10,218		
355	Barton	Ellinwood	418.0	-15,574	-4,938	-20,511	-98,238	-10,499	-18,805	-9,268	-3,175	0	-139,986	-119,475	-147,751	7,765		
428	Barton	Great Bend	2,987.0	-91,598	-21,982	-113,579	-572,912	-134,280	-83,721	-74,314	-28,458	0	-893,684	-780,105	-861,663	-32,021		
431	Barton	Hoisington	607.5	-21,032	-6,246	-27,278	-132,343	-23,002	-23,790	-11,491	-8,959	0	-199,584	-172,306	-199,045	-539		
234	Bourbon	Ft. Scott	1,947.5	-58,772	-12,938	-71,710	-363,708	-56,420	-49,277	-39,759	-17,388	-3,173	-529,725	-458,015	-547,019	17,294		
235	Bourbon	Uniontown	434.0	-18,219	-3,879	-22,098	-113,698	-19,324	-14,774	-10,765	-3,117	0	-161,678	-139,580	-171,003	9,325		
415	Brown	Hiawatha	843.8	-29,918	-12,351	-42,269	-187,593	-30,014	-47,040	-18,363	-5,269	-2,394	-290,673	-248,404	-282,141	-8,532		
430	Brown	Brown County	635.5	-25,451	-10,020	-35,471	-158,279	-48,373	-38,162	-14,283	-8,177	0	-267,275	-231,804	-238,053	-29,222		
205	Butler	Bluestem	599.0	-23,003	-6,769	-29,772	-143,451	-30,093	-25,782	-13,234	-9,256	-1,712	-223,528	-193,756	-215,751	-7,777		
206	Butler	Remington-Whitewater	511.4	-19,327	-5,793	-25,119	-120,920	-15,850	-22,062	-11,986	-3,226	0	-174,044	-148,925	-181,865	7,820		
375	Butler	Circle	1,595.0	-43,083	-12,263	-55,346	-268,586	0	-46,706	-26,859	0	0	-342,151	-286,805	-403,955	61,804		
385	Butler	Andover	4,545.9	-120,409	-29,246	-149,655	-750,880	-141,049	-111,388	-76,150	-85,352	-19,961	-1,184,780	-1,035,126	-1,129,328	-55,452		
394	Butler	Rose Hill	1,663.4	-45,865	-13,532	-59,397	-287,465	-85,778	-51,538	-27,396	-39,396	-4,477	-496,050	-436,653	-432,349	-63,701		
396	Butler	Douglass	778.1	-26,069	-7,582	-33,652	-163,318	-47,013	-28,879	-15,960	-13,336	-1,018	-269,525	-235,873	-245,632	-23,893		
402	Butler	Augusta	2,146.1	-57,264	-16,557	-73,822	-357,255	-98,600	-63,061	-34,036	-55,388	-8,711	-617,051	-543,229	-537,313	-79,738		
490	Butler	El Dorado	1,996.2	-60,646	-17,529	-78,175	-377,300	-33,696	-66,761	-74,908	-3,207	-2,207	-558,079	-479,905	-567,462	9,383		
492	Butler	Flinthills	294.8	-11,961	-3,370	-15,331	-74,018	-13,123	-12,834	-6,143	-3,714	-739	-110,571	-95,241	-111,324	753		
284	Chase	Chase County	417.5	-16,903	-4,406	-21,309	-104,732	0	-16,782	-10,259	0	0	-131,774	-110,464	-157,518	25,744		
285	Chautauqua	Cedar Vale	139.5	-6,549	-1,470	-8,018	-41,794	-2,978	-5,598	-3,194	0	0	-53,563	-45,545	-62,859	9,295		
286	Chautauqua	Chautauqua	365.0	-14,591	-4,481	-19,071	-91,373	-8,225	-17,067	-8,318	0	-970	-125,952	-106,881	-137,426	11,473		
404	Cherokee	Riverton	828.5	-29,122	-7,378	-36,500	-181,016	-48,413	-28,100	-16,964	-3,475	0	-277,968	-241,468	-272,250	-5,719		
493	Cherokee	Columbus	1,152.6	-38,872	-10,412	-49,284	-242,238	-50,419	-39,657	-26,368	0	-2,917	-361,598	-312,314	-364,328	2,730		
499	Cherokee	Galena	730.5	-26,824	-5,903	-32,727	-168,096	-54,871	-22,484	-17,568	-6,761	0	-269,781	-237,054	-252,818	-16,963		
508	Cherokee	Baxter Springs	926.5	-31,695	-7,298	-38,993	-198,975	-55,838	-27,797	-18,983	0	0	-301,593	-262,599	-299,260	-2,333		
103	Cheyenne	Cheylin	130.0	-7,024	-1,445	-8,469	-44,883	0	-5,505	-3,632	0	0	-54,020	-45,551	-67,505	13,485		
297	Cheyenne	St. Francis	297.5	-11,364	-2,036	-13,400	-71,286	0	-7,756	-6,635	0	0	-85,676	-72,277	-107,215	21,538		
219	Clark	Minneola	271.0	-10,571	-2,903	-13,473	-64,655	-5,442	-11,055	-5,683	-1,155	-340	-88,330	-74,857	-97,241	8,911		
220	Clark	Ashland	216.0	-9,456	-2,474	-11,929	-58,256	0	-9,422	-5,391	0	0	-73,069	-61,140	-87,618	14,549		
379	Clay	Clay Center	1,344.7	-39,672	-12,590	-52,263	-248,801	-50,578	-47,953	-33,262	-7,787	0	-388,381	-336,118	-374,199	-14,182		
333	Cloud	Concordia	1,062.1	-35,581	-13,111	-48,692	-221,698	-38,155	-49,936	-30,925	-6,813	-3,875	-351,402	-302,710	-333,436	-17,966		
334	Cloud	Southern Cloud	231.5	-10,378	-3,262	-13,640	-64,613	-4,280	-12,425	-5,836	0	-227	-87,381	-73,740	-97,179	9,798		
243	Coffey	Lebo-Waverly	548.0	-19,532	-5,380	-24,912	-122,691	-23,511	-20,490	-9,352	-6,055	0	-182,098	-157,186	-184,528	2,430		
244	Coffey	Burlington	823.5	-27,634	-13,279	-40,912	-173,547	0	-50,574	-24,395	0	0	-248,516	-207,604	-261,016	12,500		
245	Coffey	LeRoy-Gridley	260.0	-10,761	-2,969	-13,730	-66,302	-4,228	-11,309	-6,438	0	-198	-88,476	-74,745	-99,719	11,243		
300	Comanche	Comanche County	309.5	-12,392	-3,819	-16,212	-77,506	0	-14,546	-5,266	0	0	-97,318	-81,106	-116,569	19,251		
462	Cowley	Central	336.5	-13,569	-3,243	-16,812	-84,275	-22,162	-12,352	-6,844	-5,684	-1,114	-132,432	-115,619	-126,750	-5,682		
463	Cowley	Udall	391.3	-14,539	-3,947	-18,485	-89,410	-20,130	-15,031	-8,233	-4,139	0	-136,943	-118,457	-134,473	-2,470		
	Cowley	Winfield	2,459.4	-69,583	-23,787	-93,370	-434,170	-107,334	-90,596	-63,824	-31,787	-9,771	-737,482	-644,112	-652,994	-84,488		
	owley	Arkansas City	2,719.6	-85,992	-25,841	-111,833	-536,829	-138,505	-98,422	-55,793	-44,140	0	-873,689	-761,856	-807,394	-66,295		

		Col 1	Col 2	Col 3	Col 4	Col 5	Col 6	Col 7	Col 8	Col 9	Col 10	Col 11	Col 12	Col 13	Col 14	
		GOVERNOR'S PROPOSED STATE AID REDUCTIONS				ACROSS THE BOARD - PROPOSED STATE AID REDUCTIONS										
		2008-09	2008-09 Est.	2008-09 Est.	2008-09 Est.	2008-09 Est.	2008-09 Est.	2008-09 Est.	2008-09 Est.	2008-09 Est.	2008-09 Est.	2008-09 Est.	Difference	2008-09 Est.	Difference	
No.	County Name	USD Name	FTE Enrollment (includes MILT)	GSA Reduction (SF9001 Col 7)	Sped Reduction	Total Reduction (Col 2 + Col 3)	GSA Reduction \$137.30	LOB Aid Reduction	Sped Reduction	KPERS Reduction	Bond & Int. Aid Reduction	Capital Outlay Aid Reduction	Total Reductions (Cols 5 thru Col 10)	(Col 11 - Col 4)	GSA Reduction \$206.50	(Col 11 - Col 13)
471	Cowley	Dexter	173.0	-8,032	-1,965	-9,997	-50,636	-3,957	-7,482	-4,132	0	-66,208	-56,211	-76,157	9,949	
246	Crawford	Northeast	530.0	-21,806	-5,407	-27,213	-137,176	-37,370	-20,593	-12,740	-5,677	-213,556	-186,343	-206,314	-7,242	
247	Crawford	Cherokee	706.5	-26,169	-7,281	-33,450	-164,691	-40,528	-27,730	-16,537	0	-249,487	-216,037	-247,697	-1,791	
248	Crawford	Girard	997.0	-33,195	-9,264	-42,459	-208,353	-45,454	-35,282	-18,634	-5,872	-2,596	-316,190	-273,731	-313,364	-2,826
249	Crawford	Frontenac	827.5	-26,575	-6,489	-33,064	-165,378	-33,538	-24,714	-14,954	-7,221	0	-245,804	-212,740	-248,729	2,925
250	Crawford	Pittsburg	2,638.1	-81,297	-23,239	-104,536	-507,461	-76,683	-88,512	-48,543	-15,900	-6,880	-743,978	-639,442	-763,224	19,246
294	Decatur	Oberlin	366.5	-14,538	-3,731	-18,270	-90,275	-5,129	-14,211	-8,882	0	0	-118,497	-100,227	-135,774	17,277
393	Dickinson	Solomon	388.6	-14,818	-3,655	-18,473	-92,417	-12,009	-13,920	-7,588	-3,073	0	-129,007	-110,534	-138,995	9,988
435	Dickinson	Abilene	1,504.2	-42,760	-13,336	-56,096	-265,634	-55,592	-50,791	-25,777	-4,515	-4,287	-406,595	-350,500	-399,516	-7,080
473	Dickinson	Chapman	970.5	-35,708	-8,123	-43,831	-222,248	-33,575	-30,939	-18,879	0	-1,922	-307,563	-263,732	-334,262	26,699
481	Dickinson	Rural Vista	412.0	-16,090	-4,131	-20,221	-101,588	-12,034	-15,733	-8,467	-3,403	-728	-141,953	-121,732	-152,789	10,837
487	Dickinson	Herington	511.8	-20,161	-2,978	-23,139	-125,314	-30,701	-11,341	-10,109	0	0	-177,464	-154,325	-188,473	11,008
406	Doniphan	Wathena	402.0	-14,774	-4,131	-18,905	-91,428	-13,732	-15,733	-6,952	0	0	-127,845	-108,941	-137,508	9,663
425	Doniphan	Highland	223.0	-9,783	-3,354	-13,137	-61,703	-10,274	-12,774	-4,759	0	0	-89,509	-76,373	-92,801	3,292
429	Doniphan	Troy	339.5	-13,022	-3,950	-16,972	-81,350	-21,351	-15,044	-6,659	0	0	-124,404	-107,433	-122,351	-2,053
433	Doniphan	Midway	160.9	-8,312	-3,034	-11,345	-52,668	-769	-11,555	-4,492	0	0	-69,483	-58,138	-79,213	9,730
486	Doniphan	Elwood	312.4	-12,535	-3,111	-15,646	-77,451	-10,720	-11,848	-6,934	-1,440	-434	-108,826	-93,181	-116,487	7,660
348	Douglas	Baldwin City	1,359.4	-37,594	-12,425	-50,019	-234,371	-43,557	-47,321	-29,110	-12,255	-6,441	-373,055	-323,036	-352,496	-20,559
491	Douglas	Eudora	1,396.3	-39,425	-12,851	-52,276	-245,053	-60,938	-48,946	-26,302	-31,637	-6,431	-419,306	-367,030	-368,561	-50,745
497	Douglas	Lawrence	10,487.2	-289,937	-121,283	-411,219	-1,808,941	0	-461,928	-218,850	0	0	-2,489,719	-2,078,499	-2,720,658	230,939
347	Edwards	Kinsely-Offerle	305.0	-13,119	-3,805	-16,924	-82,009	-4,835	-14,491	-7,915	0	0	-109,250	-92,327	-123,342	14,092
502	Edwards	Lewis	101.6	-5,581	-1,475	-7,056	-34,078	0	-5,617	-2,408	0	0	-42,103	-35,048	-51,253	9,150
282	Elk	West Elk	359.9	-14,871	-6,903	-21,773	-93,831	-13,745	-26,290	-12,491	0	-743	-147,100	-125,326	-141,122	-5,977
283	Elk	Elk Valley	186.0	-8,821	-3,214	-12,035	-56,266	-867	-12,240	-3,244	-754	0	-73,372	-61,337	-84,624	11,252
388	Ellis	Ellis	368.1	-13,147	-4,229	-17,376	-81,529	-1,928	-16,108	-8,055	0	0	-107,620	-90,243	-122,620	15,000
432	Ellis	Victoria	256.0	-10,055	-2,898	-12,953	-61,524	0	-11,038	-5,410	0	0	-77,973	-65,020	-92,533	14,560
489	Ellis	Hays	2,767.3	-78,996	-32,222	-111,217	-494,211	-31,269	-122,723	-77,215	-301	-776	-726,496	-615,278	-743,297	16,801
327	Ellsworth	Ellsworth	602.6	-21,759	-5,243	-27,002	-136,215	-22,014	-19,968	-12,479	0	-1,389	-192,066	-165,063	-204,869	12,803
328	Ellsworth	Lorraine	453.0	-16,755	-3,980	-20,735	-104,911	0	-15,159	-9,102	0	0	-129,172	-108,437	-157,787	28,614
363	Finney	Holcomb	865.5	-29,365	-5,848	-35,213	-184,119	0	-22,274	-19,927	0	0	-226,320	-191,107	-276,917	50,596
457	Finney	Garden City	6,807.7	-220,368	-59,603	-279,971	-1,375,924	-170,068	-227,010	-156,756	-13,018	-19,180	-1,961,956	-1,681,985	-2,069,398	107,443
381	Ford	Spearville	352.5	-12,273	-3,644	-15,917	-77,835	-12,018	-13,879	-6,260	-4,286	-997	-115,275	-99,358	-117,065	1,790
443	Ford	Dodge City	5,584.2	-199,344	-53,948	-253,292	-1,244,103	-316,483	-205,471	-127,680	-108,164	-14,139	-2,016,040	-1,762,748	-1,871,138	-144,902
459	Ford	Bucklin	233.1	-9,895	-2,713	-12,608	-62,430	0	-10,333	-5,380	0	0	-78,143	-65,535	-93,896	15,752
287	Franklin	West Franklin	699.0	-27,502	-10,834	-38,336	-171,776	-31,314	-41,263	-13,708	0	0	-258,060	-219,724	-258,352	292
288	Franklin	Central Heights	547.0	-21,500	-5,229	-26,730	-134,376	-26,895	-19,917	-10,133	-4,278	0	-195,600	-168,870	-202,102	6,502
289	Franklin	Wellsville	839.0	-26,911	-8,602	-35,513	-169,126	-33,397	-32,762	-17,089	-8,730	-2,615	-263,720	-228,207	-254,367	-9,353
290	Franklin	Ottawa	2,415.0	-72,991	-21,826	-94,817	-454,559	-87,982	-83,129	-49,878	-30,989	-5,946	-712,482	-617,665	-683,660	-28,823
475	Geary	Junction City	6,883.4	-201,994	-66,343	-268,337	-1,259,000	-375,375	-252,679	-138,131	-46,678	-18,133	-2,089,997	-1,821,660	-1,893,543	-196,454
291	Gove	Grinnell	81.5	-4,913	-1,189	-6,101	-29,808	0	-4,527	-2,052	0	0	-36,386	-30,285	-44,831	8,445
292	Gove	Wheatland	112.5	-6,369	-2,150	-8,519	-40,490	-37	-8,188	-3,515	0	0	-52,230	-43,711	-60,897	8,667
293	Gove	Quinter	265.0	-10,770	-4,046	-14,816	-67,648	-10,781	-15,411	-7,606	0	-1,285	-102,731	-87,914	-101,743	-988
281	Graham	Graham County	368.4	-13,870	-5,135	-19,004	-87,213	0	-19,557	-8,798	0	0	-115,568	-96,564	-131,169	15,601
214	Grant	Ulysses	1,591.0	-48,706	-10,603	-59,309	-301,071	0	-40,382	-32,536	0	0	-373,989	-314,680	-452,813	78,824
102	Gray	Cimarron-Ensign	658.2	-23,891	-5,818	-29,709	-149,396	-11,823	-22,160	-11,877	-5,044	-1,559	-201,860	-172,150	-224,693	22,833
371	Gray	Montezuma	224.2	-10,215	-1,785	-11,999	-64,696	-7,906	-6,797	-5,359	-2,079	-455	-87,290	-75,291	-97,303	10,012
	Gray	Copeland	112.5	-7,142	-1,033	-8,175	-44,623	-889	-3,936	-3,663	0	0	-53,110	-44,935	-67,113	14,002
	Gray	Ingalls	229.5	-10,924	-2,754	-13,678	-68,705	-4,353	-10,489	-4,880	0	-391	-88,818	-75,140	-103,333	14,515

No.	County Name	USD Name	GOVERNOR'S PROPOSED STATE AID REDUCTIONS				ACROSS THE BOARD - PROPOSED STATE AID REDUCTIONS							Difference (Col 11 - Col 4)	2008-09 Est. GSA Reduction \$206.50	Difference (Col 11 - Col 13)
			2008-09	2008-09 Est.	2008-09 Est.	2008-09 Est.	2008-09 Est.	2008-09 Est.	2008-09 Est.	2008-09 Est.	2008-09 Est.	2008-09 Est.	2008-09 Est.			
			FTE Enrollment (includes MILT)	GSA Reduction (SF9001 Col 7)	Sped Reduction	Total Reduction (Col 2 + Col 3)	GSA Reduction \$137.30	LOB Aid Reduction	Sped Reduction	KPERS Reduction	Bond & Int. Aid Reduction	Capital Outlay Aid Reduction	Total Reductions (Cols 5 thru Col 10)			
200	Greeley	Greeley County	212.0	-9,940	-1,699	-11,638	-62,348	0	-6,470	-5,049	-1,763	0	-75,629	-63,991	-93,772	18,142
386	Greenwood	Madison-Virgil	226.5	-9,774	-2,680	-12,453	-60,330	-6,159	-10,206	-5,171	0	0	-81,865	-69,412	-90,736	8,871
389	Greenwood	Eureka	600.5	-22,933	-5,658	-28,590	-143,794	-29,310	-21,548	-15,853	-11,671	-1,594	-223,771	-195,181	-216,267	-7,504
390	Greenwood	Hamilton	99.5	-5,644	-1,662	-7,305	-34,243	-523	-6,329	-2,429	0	0	-43,523	-36,218	-51,501	7,978
494	Hamilton	Syracuse	469.5	-19,184	-3,158	-22,342	-120,316	0	-12,028	-9,761	0	0	-142,105	-119,763	-180,956	38,851
361	Harper	Anthony-Harper	823.7	-29,621	-10,885	-40,506	-185,973	-22,137	-41,457	-16,219	0	-2,148	-267,934	-227,428	-279,704	11,771
511	Harper	Attica	141.5	-6,489	-1,739	-8,227	-41,520	0	-6,622	-2,988	0	0	-51,129	-42,902	-62,446	11,316
369	Harvey	Burrton	244.2	-10,338	-2,349	-12,687	-63,227	-8,776	-8,948	-5,331	-918	-540	-87,740	-75,053	-95,093	7,353
373	Harvey	Newton	3,383.4	-96,211	-32,739	-128,951	-600,331	-139,596	-124,693	-79,652	-70,660	-9,603	-1,024,536	-895,585	-902,901	-121,635
439	Harvey	Sedgwick	533.0	-18,230	-4,730	-22,959	-112,806	-13,790	-18,014	-8,654	-7,060	-1,263	-161,587	-138,628	-169,660	8,073
440	Harvey	Halstead	791.5	-27,026	-7,286	-34,313	-167,987	-23,043	-27,752	-14,281	-9,555	-2,014	-244,631	-210,318	-252,653	8,022
460	Harvey	Hesston	820.1	-25,639	-7,268	-32,907	-160,106	-31,680	-27,681	-15,122	-14,778	-2,145	-251,512	-218,605	-240,800	-10,712
374	Haskell	Sublette	460.9	-19,100	-3,207	-22,307	-119,533	0	-12,215	-11,997	0	0	-143,746	-121,439	-179,779	36,033
507	Haskell	Satanta	343.5	-15,043	-2,533	-17,576	-93,845	0	-9,646	-9,134	0	0	-112,625	-95,049	-141,143	28,518
227	Hodgeman	Jetmore	253.0	-10,573	-3,004	-13,577	-66,742	-3,949	-11,443	-5,549	-132	-40	-87,854	-74,277	-100,380	12,526
228	Hodgeman	Hanston	72.5	-3,591	-964	-4,556	-23,684	0	-3,673	-1,246	0	0	-28,604	-24,048	-35,621	7,017
335	Jackson	North Jackson	360.0	-14,923	-3,181	-18,104	-93,941	-18,354	-12,116	-7,035	-2,794	-1,061	-135,301	-117,196	-141,287	5,986
336	Jackson	Holton	1,053.3	-33,897	-10,431	-44,328	-210,865	-57,603	-39,730	-33,448	-7,555	-2,752	-351,953	-307,625	-317,143	-34,811
337	Jackson	Mayetta	913.6	-32,532	-10,015	-42,546	-202,229	-65,222	-38,143	-20,907	0	-1,209	-327,711	-285,164	-304,154	-23,557
338	Jefferson	Valley Halls	409.3	-15,298	-4,291	-19,589	-95,025	-21,789	-16,344	-8,479	-1,648	0	-143,285	-123,696	-142,919	-367
339	Jefferson	Jefferson County	487.5	-17,925	-5,884	-23,809	-112,449	-32,597	-22,412	-10,185	-9,930	-304	-187,877	-164,068	-169,124	-18,753
340	Jefferson	Jefferson West	916.0	-29,672	-9,001	-38,672	-185,767	-44,809	-34,280	-17,036	-10,623	-2,534	-295,049	-256,377	-279,395	-15,654
341	Jefferson	Oskaloosa	523.6	-20,524	-8,578	-29,102	-127,359	-26,658	-32,670	-11,076	0	-367	-198,131	-169,029	-191,549	-6,581
342	Jefferson	McLouth	516.7	-19,007	-6,733	-25,740	-119,245	-16,705	-25,643	-10,311	0	-1,343	-173,247	-147,507	-179,345	6,099
343	Jefferson	Perry	932.3	-30,722	-10,084	-40,806	-192,563	-28,957	-38,408	-18,353	-7,146	-2,049	-287,477	-246,671	-289,616	2,139
107	Jewell	Rock Hills	265.0	0	-3,195	-3,195	-71,286	-15,715	-12,167	-7,402	-582	0	-107,152	-103,957	-107,215	63
279	Jewell	Jewell	90.5	-5,753	-1,172	-6,925	-34,819	-785	-4,462	-3,405	0	0	-43,472	-36,547	-52,368	8,897
229	Johnson	Blue Valley	19,953.6	-516,645	-203,147	-719,793	-3,225,726	0	-773,724	-442,483	0	0	-4,441,933	-3,722,140	-4,851,511	409,578
230	Johnson	Spring Hill	2,419.6	-64,826	-16,146	-80,972	-405,268	-53,962	-61,495	-44,117	-21,287	0	-586,130	-505,157	-609,526	23,396
231	Johnson	Gardner-Edgerton	4,347.4	-117,958	-41,575	-159,532	-736,065	-133,890	-158,344	-98,146	-98,533	-20,415	-1,245,394	-1,085,862	-1,107,047	-138,348
232	Johnson	DeSoto	6,071.9	-168,102	-54,389	-222,491	-1,049,645	-125,610	-207,151	-113,942	-60,222	-9,316	-1,565,886	-1,343,395	-1,578,672	12,786
233	Johnson	Olathe	25,222.4	-678,855	-300,222	-979,077	-4,238,753	-400,646	-1,143,449	-632,297	-64,947	-2,261	-6,482,353	-5,503,277	-6,375,109	-107,244
512	Johnson	Shawnee Mission	26,580.0	-727,283	-249,671	-976,954	-4,537,834	0	-950,917	-643,317	0	0	-6,132,068	-5,155,114	-6,824,928	692,861
215	Kearny	Lakin	637.0	-24,301	-4,176	-28,477	-152,321	0	-15,906	-11,802	0	0	-180,028	-151,551	-229,091	49,063
216	Kearny	Deerfield	278.0	-12,917	-2,285	-15,202	-81,776	0	-8,702	-8,164	0	0	-98,642	-83,440	-122,991	24,349
331	Kingman	Kingman	1,033.3	-33,644	-13,115	-46,759	-209,588	-26,638	-49,953	-20,373	-5,784	0	-312,336	-265,577	-315,222	2,886
332	Kingman	Cunningham	176.5	-8,261	-2,868	-11,129	-51,666	0	-10,925	-5,119	0	0	-67,710	-56,580	-77,706	9,996
422	Kiowa	Greensburg	210.5	-13,159	-3,032	-16,191	-67,085	0	-11,549	-5,031	0	0	-83,664	-67,473	-100,896	17,232
424	Kiowa	Mullinville	232.9	-7,011	-2,350	-9,360	-43,922	0	-8,950	-2,074	0	0	-54,946	-45,586	-66,059	11,113
474	Kiowa	Haviland	138.5	-6,787	-1,655	-8,441	-42,467	0	-6,302	-4,374	0	0	-53,143	-44,702	-63,870	10,728
503	Labette	Parsons	1,343.4	-43,545	-13,698	-57,243	-273,351	-63,850	-52,171	-28,922	-32,809	-3,613	-454,716	-397,473	-411,121	-43,595
504	Labette	Oswego	473.6	-17,632	-4,179	-21,811	-111,103	-36,739	-15,918	-11,035	-6,398	-1,066	-182,260	-160,449	-167,100	-15,160
505	Labette	Chetopa - St. Paul	503.8	-19,900	-5,892	-25,792	-123,515	-41,286	-22,441	-9,995	-4,563	-1,196	-202,995	-177,202	-185,767	-17,227
506	Labette	Labette County	1,581.2	-46,560	-14,765	-61,325	-292,147	-85,864	-56,234	-29,265	-10,571	-8,102	-482,183	-420,859	-439,391	-42,793
468	Lane	Healy	73.5	-4,519	-1,353	-5,871	-28,545	-18	-5,152	-2,584	0	0	-36,298	-30,427	-42,931	6,633
482	Lane	Dighton	253.0	-10,271	-2,542	-12,813	-64,147	0	-9,683	-5,738	0	0	-79,567	-66,754	-96,477	16,909
	Leavenworth	Ft. Leavenworth	1,829.8	-44,420	-12,919	-57,339	-278,582	-122,583	-49,204	-30,763	0	-300	-481,431	-424,092	-418,989	-62,442
	Leavenworth	Easton	672.5	-23,335	-7,973	-31,308	-146,362	-29,701	-30,367	-13,211	-8,648	-1,284	-229,573	-198,265	-220,129	-9,444

		Col 1	Col 2	Col 3	Col 4	Col 5	Col 6	Col 7	Col 8	Col 9	Col 10	Col 11	Col 12	Col 13	Col 14		
		GOVERNOR'S PROPOSED STATE AID REDUCTIONS				ACROSS THE BOARD - PROPOSED STATE AID REDUCTIONS											
		2008-09	2008-09 Est.	2008-09 Est.	2008-09 Est.	2008-09 Est.	2008-09 Est.	2008-09 Est.	2008-09 Est.	2008-09 Est.	2008-09 Est.	2008-09 Est.	Difference	2008-09 Est.	Difference		
		FTE Enrollment	GSA Reduction	Sped	Total Reduction	GSA Reduction	LOB Aid	Sped	KPERS	Bond & Int. Aid	Capital Outlay Aid	Total Reductions		GSA Reduction			
No.	County Name	(includes MILT)	(SF9001 Col 7)	Reduction	(Col 2 + Col 3)	\$137.30	Reduction	Reduction	Reduction	Reduction	Reduction	(Cols 5 thru Col 10)	(Col 11 - Col 4)	\$206.50	(Col 11 - Col 13)		
453	Leavenworth	Leavenworth	3,875.2	-114,728	-41,879	-156,606	-715,965	-142,833	-159,503	-110,892	-23,025	-15,471	-1,167,688	-1,011,082	-1,076,815	-90,873	
458	Leavenworth	Basehor-Linwood	2,166.0	-55,879	-16,020	-71,898	-348,193	-59,307	-61,014	-30,673	-21,115	-7,246	-527,548	-455,650	-523,684	-3,864	
464	Leavenworth	Tonganoxie	1,777.1	-47,439	-13,898	-61,337	-315,680	-59,991	-52,933	-29,288	-20,803	-4,368	-483,063	-421,726	-474,785	-8,278	
469	Leavenworth	Lansing	2,408.0	-65,836	-17,831	-83,667	-411,200	-87,853	-67,914	-31,960	-31,962	-6,360	-637,250	-553,582	-618,447	-18,803	
298	Lincoln	Lincoln	337.0	-13,196	-3,793	-16,989	-81,556	-7,811	-14,446	-7,218	-1,442	-414	-112,887	-95,898	-122,661	9,774	
299	Lincoln	Sylvan Grove	145.5	-6,871	-1,537	-8,408	-42,810	-379	-5,856	-3,695	0	0	-52,740	-44,332	-64,387	11,646	
344	Linn	Pleasanton	359.0	-14,363	-2,778	-17,141	-90,316	-13,974	-10,579	-7,698	0	-965	-123,532	-106,391	-135,836	12,304	
346	Linn	Jayhawk	525.9	-20,921	-4,119	-25,040	-129,419	-21,012	-15,688	-11,129	-1,830	-1,250	-180,329	-155,288	-194,647	14,318	
362	Linn	Prairie View	933.5	-32,294	-13,735	-46,029	-203,080	0	-52,310	-19,842	0	0	-275,233	-229,204	-305,434	30,201	
274	Logan	Oakley	412.7	-15,402	-5,617	-21,018	-96,151	-3,073	-21,393	-8,773	0	0	-129,391	-108,373	-144,612	15,221	
275	Logan	Triplains	86.5	-4,637	-740	-5,377	-28,806	0	-2,817	-2,229	0	0	-33,852	-28,475	-43,324	9,472	
251	Lyon	North Lyon Co.	513.0	-20,207	-4,925	-25,133	-125,890	-18,844	-18,759	-11,756	-3,723	-1,336	-180,309	-155,176	-189,340	9,031	
252	Lyon	Southern Lyon Co.	509.4	-20,026	-5,865	-25,890	-125,176	-17,300	-22,338	-10,946	-7,839	-2,018	-185,619	-159,728	-188,266	2,647	
253	Lyon	Emporia	4,307.1	-146,405	-34,729	-181,134	-915,736	-190,064	-132,272	-112,982	-56,428	-12,147	-1,419,629	-1,238,495	-1,377,272	-42,356	
397	Marion	Centre	229.2	-10,602	-3,337	-13,939	-66,934	-3,402	-12,710	-5,462	-186	-177	-88,870	-74,932	-100,669	11,798	
398	Marion	Peabody-Burns	336.5	-13,627	-5,262	-18,889	-84,742	-9,232	-20,043	-7,462	-3,449	0	-124,927	-106,038	-127,452	2,525	
408	Marion	Marion	597.8	-21,623	-7,998	-29,621	-132,879	-17,730	-30,461	-10,603	-7,276	0	-198,949	-169,328	-199,851	902	
410	Marion	Durham-Hills	590.8	-21,472	-8,828	-30,300	-133,373	-28,585	-33,625	-12,992	-3,530	-3,142	-215,247	-184,947	-200,594	-14,653	
411	Marion	Goessel	245.3	-10,125	-3,683	-13,808	-62,732	-12,439	-14,027	-5,622	-3,131	-677	-98,627	-84,819	-94,350	-4,278	
364	Marshall	Marysville	733.2	-25,560	-9,418	-34,978	-158,444	-20,974	-35,871	-22,103	0	-1,413	-238,805	-203,826	-238,301	-504	
380	Marshall	Vermillion	525.5	-19,402	-3,916	-23,318	-120,893	-21,440	-14,916	-10,323	-4,015	0	-171,586	-148,268	-181,823	10,237	
488	Marshall	Axtell	296.9	-11,653	-2,793	-14,447	-72,453	-14,122	-10,639	-6,577	-2,942	-1,064	-107,797	-93,351	-108,970	1,173	
498	Marshall	Valley Heights	363.0	-14,644	-5,468	-20,111	-91,813	-23,054	-20,824	-8,961	-3,078	-987	-148,717	-128,606	-138,087	-10,630	
400	McPherson	Smoky Valley	1,017.8	-32,085	-10,191	-42,275	-201,543	-34,140	-38,813	-17,712	-10,406	-2,410	-305,024	-262,749	-303,121	-1,903	
418	McPherson	McPherson	2,259.8	-59,767	-22,422	-82,189	-374,376	-35,050	-85,397	-55,540	-3,359	-3,756	-557,477	-475,288	-563,064	5,587	
419	McPherson	Canton-Galva	369.5	-14,517	-4,520	-19,037	-89,945	-12,555	-17,214	-8,616	-2,429	-381	-131,140	-112,103	-135,278	4,138	
423	McPherson	Moundridge	437.0	-15,712	-4,223	-19,935	-99,282	-52	-16,082	-8,405	0	0	-123,820	-103,886	-149,320	25,500	
448	McPherson	Inman	442.9	-15,496	-4,214	-19,709	-96,742	-13,979	-16,048	-8,614	-4,212	-374	-139,968	-120,259	-145,500	5,532	
225	Meade	Fowler	162.0	-7,924	-2,002	-9,926	-50,801	-2,876	-7,625	-4,319	0	0	-65,621	-55,695	-76,405	10,784	
226	Meade	Meade	458.9	-17,622	-4,509	-22,131	-106,998	0	-17,172	-9,489	0	0	-133,659	-111,528	-160,925	27,267	
367	Miami	Osawatomie	1,123.5	-38,350	-16,430	-54,780	-240,687	-55,150	-62,577	-22,588	-18,753	0	-399,754	-344,974	-361,995	-37,759	
368	Miami	Paola	2,029.1	-55,449	-20,053	-75,502	-346,243	-54,754	-76,375	-70,800	-9,532	-5,329	-563,034	-487,531	-520,752	-42,282	
416	Miami	Louisburg	1,644.7	-44,578	-11,933	-56,512	-278,609	-26,162	-45,450	-24,317	-11,225	-1,159	-386,921	-330,410	-419,030	32,108	
272	Mitchell	Waconda	359.5	-14,518	-3,485	-18,003	-91,579	-11,419	-13,274	-6,994	0	-846	-124,112	-106,109	-137,736	13,623	
273	Mitchell	Beloit	717.7	-23,873	-8,320	-32,193	-148,257	-27,221	-31,688	-24,780	0	-2,471	-234,416	-202,223	-222,979	-11,438	
436	Montgomery	Caney	810.6	-27,770	-6,073	-33,842	-173,932	-25,812	-23,129	-14,365	0	0	-237,238	-203,395	-261,594	24,357	
445	Montgomery	Coffeyville	1,807.4	-56,553	-17,793	-74,346	-354,097	-55,782	-67,769	-30,517	-11,512	-1,149	-520,826	-446,479	-532,564	11,738	
446	Montgomery	Independence	1,840.1	-54,271	-15,212	-69,484	-339,241	-63,357	-57,939	-35,319	0	-3,728	-499,584	-430,100	-510,220	10,636	
447	Montgomery	Cherryvale	881.0	-30,395	-6,773	-37,168	-190,627	-46,729	-25,795	-15,496	-6,443	0	-285,089	-247,921	-286,705	1,615	
417	Morris	Morris County	765.4	-27,679	-8,364	-36,043	-171,845	-14,690	-31,856	-18,281	-1,105	-1,231	-239,007	-202,965	-258,455	19,448	
217	Morton	Rolla	200.0	-9,086	-1,558	-10,644	-56,691	0	-5,932	-5,720	0	0	-68,344	-57,700	-85,264	16,920	
218	Morton	Elkhart	676.5	-24,327	-4,040	-28,367	-146,046	0	-15,388	-15,291	0	0	-176,726	-148,358	-219,654	42,929	
441	Nemaha	Sabetha	935.5	-30,158	-8,941	-39,099	-189,474	-45,926	-34,052	-18,868	0	-5,523	-293,844	-254,745	-284,970	-8,874	
442	Nemaha	Nemaha Valley	439.0	-16,290	-4,391	-20,682	-102,810	-9,548	-16,726	-12,073	-3,137	0	-144,293	-123,611	-154,627	10,334	
451	Nemaha	B & B	192.5	-8,724	-1,531	-10,255	-54,851	-6,960	-5,832	-4,464	0	0	-72,107	-61,852	-82,497	10,390	
101	Neosho	Erie	550.0	-22,877	-9,753	-32,630	-141,488	-26,802	-37,148	-13,114	-141,488	-6,409	-224,961	-192,331	-212,798	-12,163	
	Neosho	Chanute	1,773.0	-60,454	-23,157	-83,611	-373,209	-108,019	-88,199	-31,172	-39,658	-5,011	-645,268	-561,657	-561,308	-83,960	
	Neosho	Western Plains	159.0	-8,169	-2,114	-10,283	-50,815	0	-8,052	-3,511	0	0	-62,378	-52,095	-76,426	14,048	

		GOVERNOR'S PROPOSED STATE AID REDUCTIONS				ACROSS THE BOARD - PROPOSED STATE AID REDUCTIONS											
		2008-09	2008-09 Est.	2008-09 Est.	2008-09 Est.	2008-09 Est.	2008-09 Est.	2008-09 Est.	2008-09 Est.	2008-09 Est.	2008-09 Est.	2008-09 Est.	2008-09 Est.	Difference	2008-09 Est.	Difference	
No.	County Name	USD Name	FTE Enrollment (includes MILT)	GSA Reduction (SF9001 Col 7)	Sped Reduction	Total Reduction (Col 2 + Col 3)	GSA Reduction \$137.30	LOB Aid Reduction	Sped Reduction	KPERS Reduction	Bond & Int. Aid Reduction	Capital Outlay Aid Reduction	Total Reductions (Cols 5 thru Col 10)	(Col 11 - Col 4)	GSA Reduction	(Col 11 - Col 13)	
303	Ness	Ness City	274.5	-10,207	-2,794	-13,001	-64,806	0	-10,642	-5,069	0	0	-80,517	-67,516	-97,468	16,951	
211	Norton	Norton	683.7	-23,051	-8,496	-31,547	-144,522	-31,942	-32,357	-13,318	0	-1,780	-223,919	-192,372	-217,362	-6,557	
212	Norton	Northern Valley	206.5	-9,482	-2,619	-12,101	-59,574	-9,140	-9,975	-4,770	0	-557	-84,016	-71,915	-89,600	5,584	
213	Norton	West Solomon	38.0	-2,603	-722	-3,324	-15,144	0	-2,749	-955	0	0	-18,848	-15,524	-22,777	3,929	
420	Osage	Osage City	644.5	-22,693	-8,729	-31,422	-142,408	-13,560	-33,248	-11,597	-8,067	-1,772	-210,650	-179,228	-214,182	3,531	
421	Osage	Lyndon	431.0	-16,069	-5,521	-21,590	-99,021	-9,546	-21,029	-7,089	0	-1,196	-137,881	-116,291	-148,928	11,047	
434	Osage	Santa Fe	1,118.7	-36,203	-14,928	-51,132	-225,309	-56,962	-56,858	-21,246	-10,513	-1,163	-372,052	-320,921	-338,867	-33,186	
454	Osage	Burlingame	330.0	-12,275	-4,027	-16,301	-76,407	-13,331	-15,336	-5,650	-4,927	0	-115,651	-99,350	-114,917	-734	
456	Osage	Marais Des Cygnes	267.0	-12,156	-3,346	-15,501	-75,460	-6,336	-12,742	-5,350	0	-711	-100,600	-85,099	-113,492	12,893	
392	Osborne	Osborne	334.8	-13,229	-5,407	-18,636	-83,053	-9,073	-20,592	-6,563	-2,508	-759	-122,548	-103,913	-124,912	2,364	
239	Ottawa	North Ottawa Co.	602.9	-20,995	-5,721	-26,715	-131,025	-22,917	-21,789	-11,600	-2,537	-700	-190,569	-163,853	-197,063	6,494	
240	Ottawa	Twin Valley	610.5	-21,991	-5,890	-27,882	-137,314	-31,013	-22,434	-10,601	-8,361	0	-209,723	-181,841	-206,521	-3,202	
495	Pawnee	Ft. Larned	863.5	-29,263	-12,177	-41,440	-182,650	-41,396	-46,378	-29,364	-5,933	-3,323	-309,044	-267,605	-274,707	-34,337	
496	Pawnee	Pawnee Heights	148.2	-6,737	-1,991	-8,729	-42,522	-3,434	-7,585	-3,851	0	-3	-57,395	-48,666	-63,953	6,558	
110	Phillips	Thunder Ridge	232.0	0	-3,755	-3,755	-68,842	-14,205	-14,300	-6,432	0	-712	-104,492	-100,738	-103,539	-953	
325	Phillips	Phillipsburg	655.5	-22,403	-8,095	-30,498	-140,444	-33,447	-30,830	-11,624	-3,408	-1,707	-221,460	-190,962	-211,229	-10,231	
326	Phillips	Logan	168.5	-8,226	-2,375	-10,601	-50,238	-2,051	-9,045	-4,231	0	0	-65,565	-54,964	-75,558	9,993	
320	Pottawatomie	Wamego	1,293.0	-37,394	-14,649	-52,043	-234,467	-47,317	-55,795	-35,171	-19,180	-224	-392,153	-340,110	-352,640	-39,513	
321	Pottawatomie	Kaw Valley	1,123.0	-34,984	-15,017	-50,001	-219,502	0	-57,194	-26,559	0	0	-303,254	-253,253	-330,132	26,878	
322	Pottawatomie	Onaga	317.5	-13,399	-2,960	-16,359	-82,641	-11,450	-11,273	-6,616	-2,958	-827	-115,765	-99,406	-124,292	8,527	
323	Pottawatomie	Westmoreland	818.5	-27,757	-9,251	-37,008	-172,641	-20,506	-35,236	-13,524	-9,665	0	-251,572	-214,564	-259,653	8,081	
382	Pratt	Pratt	1,093.2	-36,269	-12,473	-48,742	-226,943	-34,714	-47,506	-22,983	-7,514	-2,409	-342,069	-293,326	-341,324	-745	
438	Pratt	Skyline	358.0	-13,658	-4,344	-18,002	-86,430	-6,955	-16,544	-8,290	0	0	-118,220	-100,218	-129,992	11,772	
105	Rawlins	Rawlins County	317.5	-12,132	-3,408	-15,540	-76,366	-5,879	-12,979	-7,570	0	-470	-103,265	-87,725	-114,855	11,590	
308	Reno	Hutchinson	4,553.6	-135,373	-38,509	-173,882	-846,029	-161,736	-146,668	-102,584	-54,018	-11,595	-1,322,631	-1,148,749	-1,272,432	-50,199	
309	Reno	Nickerson	1,139.4	-39,116	-12,497	-51,613	-243,872	-41,299	-47,596	-22,528	-5,372	-1,358	-362,025	-310,412	-366,785	4,760	
310	Reno	Fairfield	297.2	-13,416	-4,860	-18,276	-85,085	0	-18,510	-8,088	0	0	-111,683	-93,407	-127,968	16,285	
311	Reno	Pretty Prairie	271.1	-10,806	-2,717	-13,523	-68,568	-9,505	-10,349	-6,626	-1,518	-506	-97,072	-83,549	-103,126	6,054	
312	Reno	Haven	993.0	-33,404	-11,055	-44,459	-204,920	-36,372	-42,105	-19,871	-6,534	-857	-310,660	-266,201	-308,201	-2,458	
313	Reno	Buhler	2,151.0	-60,458	-25,241	-85,699	-377,040	-71,826	-96,135	-36,604	-14,451	-7,630	-603,685	-517,986	-567,070	-36,616	
109	Republic	Republic County	479.0	0	-6,790	-6,790	-115,332	-12,732	-25,860	-9,939	-427	-446	-164,736	-157,947	-173,460	8,724	
426	Republic	Pike Valley	253.5	-10,546	-3,251	-13,797	-66,879	-9,026	-12,383	-5,211	0	-149	-93,649	-79,852	-100,586	6,937	
376	Rice	Sterling	524.1	-19,292	-6,840	-26,132	-120,824	-28,277	-26,052	-10,892	0	-123	-186,168	-160,035	-181,720	-4,448	
401	Rice	Chase	140.5	-7,032	-1,983	-9,015	-43,593	0	-7,551	-3,490	0	0	-54,634	-45,620	-65,564	10,929	
405	Rice	Lyons	737.1	-30,361	-10,228	-40,589	-188,170	-33,636	-38,954	-23,907	-6,136	-705	-291,507	-250,918	-283,008	-8,499	
444	Rice	Little River	300.0	-11,786	-3,963	-15,749	-73,661	-646	-15,094	-6,090	0	0	-95,491	-79,743	-110,787	15,296	
378	Riley	Riley County	649.5	-22,704	-6,630	-29,335	-142,861	-29,957	-25,253	-12,201	-5,204	-850	-216,325	-186,990	-214,863	-1,462	
383	Riley	Manhattan	5,898.0	-157,279	-62,612	-219,891	-980,967	-13,735	-238,468	-124,020	0	0	-1,357,190	-1,137,299	-1,475,381	118,191	
384	Riley	Blue Valley	199.5	-9,271	-2,872	-12,143	-57,639	-3,374	-10,939	-4,838	-194	0	-76,984	-64,841	-86,689	9,705	
269	Rooks	Palco	164.0	-7,633	-2,444	-10,076	-48,247	0	-9,308	-4,217	0	0	-61,773	-51,696	-72,564	10,791	
270	Rooks	Plainville	381.9	-14,010	-5,067	-19,077	-86,348	0	-19,297	-7,850	0	0	-113,495	-94,418	-129,868	16,373	
271	Rooks	Stockton	298.0	-11,853	-4,094	-15,947	-73,428	-3,256	-15,591	-6,415	0	0	-98,691	-82,744	-110,436	11,745	
395	Rush	LaCrosse	300.5	-11,729	-3,683	-15,412	-72,824	-5,078	-14,027	-6,714	0	-177	-98,820	-83,407	-109,528	10,708	
403	Rush	Otis-Bison	171.5	-8,643	-2,946	-11,589	-52,984	0	-11,220	-5,111	0	0	-69,314	-57,726	-79,688	10,374	
399	Russell	Paradise	125.6	-6,738	-1,959	-8,697	-43,044	0	-7,462	-4,148	0	0	-54,654	-45,957	-64,738	10,084	
407	Russell	Russell	926.5	-31,223	-9,274	-40,497	-194,582	-15,148	-35,323	-20,939	0	-1,135	-267,126	-226,629	-292,652	25,526	
	Saline	Salina	6,974.7	-200,544	-79,763	-280,307	-1,252,464	-202,955	-303,790	-189,115	-72,038	-22,673	-2,043,035	-1,762,729	-1,883,714	-159,322	
	Saline	Southeast of Saline	680.6	-23,873	-6,071	-29,944	-149,739	-1,625	-23,123	-13,223	0	0	-187,711	-157,767	-225,209	37,498	

1/21/2009		Col 1	Col 2	Col 3	Col 4	Col 5	Col 6	Col 7	Col 8	Col 9	Col 10	Col 11	Col 12	Col 13	Col 14	
GOVERNOR'S PROPOSED STATE AID REDUCTIONS						ACROSS THE BOARD - PROPOSED STATE AID REDUCTIONS										
		2008-09	2008-09 Est.	2008-09 Est.	2008-09 Est.	2008-09 Est.	2008-09 Est.	2008-09 Est.	2008-09 Est.	2008-09 Est.	2008-09 Est.	2008-09 Est.	2008-09 Est.	Difference	2008-09 Est.	Difference
No.	County Name	USD Name	FTE Enrollment (includes MILT)	GSA Reduction (SF9001 Col 7)	Sped Reduction	Total Reduction (Col 2 + Col 3)	GSA Reduction \$137.30	LOB Aid Reduction	Sped Reduction	KPERS Reduction	Bond & Int. Aid Reduction	Capital Outlay Aid Reduction	Total Reductions (Cols 5 thru Col 10)	(Col 11 - Col 4)	GSA Reduction \$206.50	(Col 11 - Col 13)
307	Saline	Ell-Saline	451.2	-16,740	-4,000	-20,740	-104,279	-23,158	-15,236	-8,244	-3,836	-1,233	-155,985	-135,245	-156,837	852
466	Scott	Scott County	859.2	-30,287	-5,795	-36,082	-188,128	-3,725	-22,072	-17,915	0	0	-231,841	-195,759	-282,946	51,106
259	Sedgwick	Wichita	45,579.7	-1,473,650	-430,327	-1,903,977	-9,147,736	-1,568,018	-1,638,976	-1,068,555	-222,802	-185,860	-13,831,947	-11,927,970	-13,758,248	-73,698
260	Sedgwick	Derby	6,303.3	-169,303	-54,382	-223,684	-1,057,086	-197,614	-207,122	-132,235	-40,133	-16,020	-1,650,211	-1,426,526	-1,589,864	-60,346
261	Sedgwick	Haysville	4,668.2	-136,607	-44,054	-180,661	-853,402	-265,764	-167,787	-103,316	-87,050	-22,600	-1,499,919	-1,319,258	-1,283,521	-216,398
262	Sedgwick	Valley Center	2,523.3	-66,974	-23,776	-90,751	-417,694	-108,662	-90,556	-37,212	-66,484	-7,303	-727,911	-637,160	-628,214	-99,696
263	Sedgwick	Mulvane	1,818.5	-47,572	-13,826	-61,398	-295,813	-84,519	-52,660	-35,260	-30,573	-4,783	-503,608	-442,210	-444,904	-58,704
264	Sedgwick	Clearwater	1,282.5	-37,048	-11,714	-48,762	-230,417	-50,501	-44,615	-21,426	-15,330	-6,694	-368,983	-320,221	-346,548	-22,435
265	Sedgwick	Goddard	4,833.5	-126,398	-39,386	-165,784	-791,054	-188,999	-150,010	-86,511	-128,721	-19,996	-1,365,291	-1,199,507	-1,189,750	-175,541
266	Sedgwick	Maize	6,337.8	-165,138	-54,551	-219,689	-1,032,784	-203,817	-207,766	-97,740	-103,932	-21,440	-1,667,478	-1,447,790	-1,553,314	-114,165
267	Sedgwick	Renwick	1,928.3	-49,980	-17,476	-67,456	-312,838	-67,952	-66,561	-31,196	-28,749	-7,129	-514,424	-446,968	-470,510	-43,914
268	Sedgwick	Cheney	782.3	-25,014	-6,446	-31,460	-157,360	-39,597	-24,549	-15,220	-10,839	-4,190	-251,755	-220,295	-236,670	-15,085
480	Seward	Liberal	4,288.0	-142,463	-22,576	-165,039	-888,949	-101,400	-85,987	-89,142	-28,920	-8,701	-1,203,098	-1,038,059	-1,336,984	133,886
483	Seward	Kismet-Plains	714.5	-32,327	-6,286	-38,612	-199,112	0	-23,940	-15,922	0	0	-238,974	-200,362	-299,466	60,492
345	Shawnee	Seaman	3,483.3	-94,439	-36,589	-131,028	-590,212	-78,589	-139,354	-73,455	-23,147	-13,346	-918,102	-787,074	-887,682	-30,421
372	Shawnee	Silver Lake	717.8	-23,434	-6,654	-30,088	-146,032	-37,229	-25,343	-17,422	-9,908	-1,178	-237,111	-207,023	-219,633	-17,478
437	Shawnee	Auburn Washburn	5,356.4	-141,969	-61,157	-203,126	-885,146	-52,047	-232,927	-109,435	0	0	-1,279,555	-1,076,429	-1,331,264	51,709
450	Shawnee	Shawnee Heights	3,367.9	-93,908	-33,003	-126,912	-585,763	-118,990	-125,699	-68,092	-21,146	-12,861	-932,551	-805,640	-880,991	-51,560
501	Shawnee	Topeka	12,903.7	-405,191	-160,267	-565,458	-2,498,407	-533,623	-610,405	-329,631	-77,647	-49,659	-4,099,372	-3,533,914	-3,757,619	-341,754
412	Sheridan	Hoxie	293.5	-11,145	-2,310	-13,455	-69,474	-164	-8,799	-6,436	0	0	-84,872	-71,417	-104,489	19,617
352	Sherman	Goodland	906.4	-31,482	-9,275	-40,757	-196,408	-22,178	-35,326	-19,334	0	0	-273,245	-232,487	-295,398	22,153
237	Smith	Smith Center	446.0	-17,184	-5,792	-22,976	-107,410	-21,809	-22,060	-9,358	0	-1,141	-161,778	-138,802	-161,545	-233
349	Stafford	Stafford	272.0	-11,267	-2,945	-14,212	-69,419	-9,806	-11,216	-6,069	-2,599	-569	-99,678	-85,466	-104,406	4,728
350	Stafford	St. John-Hudson	362.2	-14,273	-4,529	-18,803	-87,941	-5,669	-17,250	-7,692	-254	-184	-118,990	-100,188	-132,263	13,273
351	Stafford	Macksville	302.2	-12,045	-3,369	-15,415	-74,897	0	-12,833	-6,067	0	0	-93,797	-78,382	-112,646	18,849
452	Stanton	Stanton County	423.2	-18,130	-3,160	-21,290	-111,666	0	-12,034	-10,049	0	0	-133,749	-112,460	-167,946	34,197
209	Stevens	Moscow	208.2	-10,424	-1,539	-11,963	-61,716	0	-5,863	-6,785	0	0	-74,365	-62,402	-92,822	18,457
210	Stevens	Hugoton	947.7	-32,941	-6,564	-39,505	-204,838	0	-25,000	-20,250	0	0	-250,089	-210,583	-308,077	57,989
353	Sumner	Wellington	1,664.0	-45,514	-20,815	-66,329	-284,472	-80,988	-79,278	-33,202	-32,773	-5,926	-516,638	-450,308	-427,847	-88,790
356	Sumner	Conway Springs	527.9	-19,285	-5,498	-24,783	-121,236	-27,468	-20,939	-10,757	-16,617	0	-197,017	-172,234	-182,340	-14,677
357	Sumner	Belle Plaine	691.5	-25,178	-9,470	-34,648	-157,140	-48,296	-36,069	-15,982	-12,437	-1,745	-271,668	-237,020	-236,339	-35,329
358	Sumner	Oxford	342.6	-13,624	-4,918	-18,542	-84,206	-19,387	-18,730	-7,439	-6,014	0	-135,777	-117,235	-126,646	-9,130
359	Sumner	Argonia	187.0	-8,608	-2,543	-11,151	-52,339	-4,667	-9,686	-4,211	0	-406	-71,309	-60,158	-78,718	7,409
360	Sumner	Caldwell	221.5	-9,721	-3,271	-12,992	-61,469	-8,762	-12,458	-4,764	-3,142	-599	-91,195	-78,203	-92,450	1,255
509	Sumner	South Haven	226.5	-9,692	-3,171	-12,863	-60,865	-7,451	-12,077	-5,240	-2,895	0	-88,527	-75,665	-91,541	3,014
314	Thomas	Brewster	91.5	-5,014	-1,331	-6,345	-30,467	0	-5,070	-2,448	0	0	-37,984	-31,639	-45,822	7,838
315	Thomas	Colby	930.9	-30,386	-10,153	-40,539	-190,696	-31,339	-38,670	-17,956	-4,831	0	-283,492	-242,953	-286,808	3,316
316	Thomas	Golden Plains	189.4	-8,955	-3,062	-12,017	-55,909	-3,348	-11,662	-4,144	-780	-445	-76,287	-64,270	-84,087	7,800
208	Trego	WaKeeney	443.5	-16,355	-4,339	-20,694	-101,176	-2,943	-16,527	-10,192	0	0	-130,837	-110,143	-152,170	21,333
329	Wabaunsee	Alma	463.7	-17,856	-5,619	-23,475	-112,105	-9,458	-21,402	-9,982	-2,351	-615	-155,913	-132,438	-168,607	12,694
330	Wabaunsee	Wabaunsee East	473.5	-18,547	-7,592	-26,139	-116,691	-12,498	-28,917	-12,891	-3,707	-1,186	-175,892	-149,753	-175,504	-387
241	Wallace	Wallace	193.5	-9,234	-2,195	-11,429	-56,677	-372	-8,361	-4,929	0	0	-70,339	-58,910	-85,243	14,904
242	Wallace	Weskan	102.5	-5,554	-1,086	-6,640	-34,476	-2,909	-4,136	-2,751	0	-170	-44,442	-37,803	-51,852	7,410
108	Washington	Washington Co. Schools	400.0	0	-6,303	-6,303	-96,206	-25,944	-24,004	-8,013	-4,094	0	-158,262	-151,959	-144,695	-13,567
223	Washington	Barnes	336.3	-13,534	-4,419	-17,953	-84,302	-10,371	-16,829	-8,518	-959	-422	-121,402	-103,450	-126,791	5,389
224	Washington	Clifton-Clyde	294.0	-12,039	-3,928	-15,967	-73,991	-5,427	-14,959	-6,385	0	-440	-101,202	-85,235	-111,283	10,081
	Wichita	Leoti	426.1	-17,086	-3,134	-20,219	-107,932	-8,786	-11,935	-9,606	0	-466	-138,725	-118,506	-162,330	23,605
	Wilson	Altoona-Midway	179.0	-9,552	-3,519	-13,071	-59,520	0	-13,404	-4,904	0	0	-77,827	-64,756	-89,518	11,690

1/21/2009		Col 1	Col 2	Col 3	Col 4	Col 5	Col 6	Col 7	Col 8	Col 9	Col 10	Col 11	Col 12	Col 13	Col 14	
GOVERNOR'S PROPOSED STATE AID REDUCTIONS						ACROSS THE BOARD - PROPOSED STATE AID REDUCTIONS										
		2008-09	2008-09 Est.	2008-09 Est.	2008-09 Est.	2008-09 Est.	2008-09 Est.	2008-09 Est.	2008-09 Est.	2008-09 Est.	2008-09 Est.	2008-09 Est.	2008-09 Est.	Difference	2008-09 Est.	Difference
No.	County Name	USD Name	FTE Enrollment (includes MILT)	GSA Reduction (SF9001 Col 7)	Sped Reduction	Total Reduction (Col 2 + Col 3)	GSA Reduction \$137.30	LOB Aid Reduction	Sped Reduction	KPERS Reduction	Bond & Int. Aid Reduction	Capital Outlay Aid Reduction	Total Reductions (Cols 5 thru Col 10)	(Col 11 - Col 4)	GSA Reduction \$206.50	(Col 11 - Col 13)
461	Wilson	Neodesha	718.7	-25,819	-6,828	-32,647	-161,053	-41,599	-26,006	-16,897	-6,567	-1,155	-253,278	-220,631	-242,225	-11,053
484	Wilson	Fredonia	743.8	-26,437	-7,283	-33,720	-164,609	-28,609	-27,739	-13,189	0	-1,951	-236,098	-202,377	-247,573	11,475
366	Woodson	Woodson	401.5	-16,286	-5,824	-22,110	-101,204	-14,899	-22,181	-8,965	0	0	-147,249	-125,140	-152,211	4,962
202	Wyandotte	Turner	3,830.0	-118,560	-35,211	-153,771	-741,228	-172,900	-134,109	-86,608	-54,784	-20,026	-1,209,655	-1,055,884	-1,114,811	-94,844
203	Wyandotte	Piper	1,584.0	-40,925	-10,309	-51,234	-253,538	0	-39,262	-23,295	-236	0	-316,332	-265,098	-381,323	64,991
204	Wyandotte	Bonner Springs	2,285.0	-66,384	-17,181	-83,565	-414,522	-65,195	-65,437	-44,796	-22,695	-10,145	-622,790	-539,226	-623,444	654
500	Wyandotte	Kansas City	18,485.7	-648,549	-144,321	-792,870	-4,041,741	-895,229	-549,672	-502,047	-138,145	-45,750	-6,172,585	-5,379,715	-6,078,802	-93,783
TOTALS			448,325.6	-13,931,669	-4,464,507	-18,396,176	-87,227,335	-12,973,229	-17,003,878	-10,000,000	-3,018,355	-888,303	-131,111,099	-112,714,924	-131,190,421	79,321

**Briefing Memo on Audit-Related Issues for the
Senate Ways and Means Committee**
Barb Hinton, Legislative Post Auditor
January 23, 2009

1. Audits That Focus on Efficiency and Cost Savings Issues

- a. Legislative Post Audit Committee initiative
- b. Kansas Governmental Operations Accountability Law (K-GOAL)

2. Performance Audits of Interest to the Committee

- a. Key findings / audit-related issues

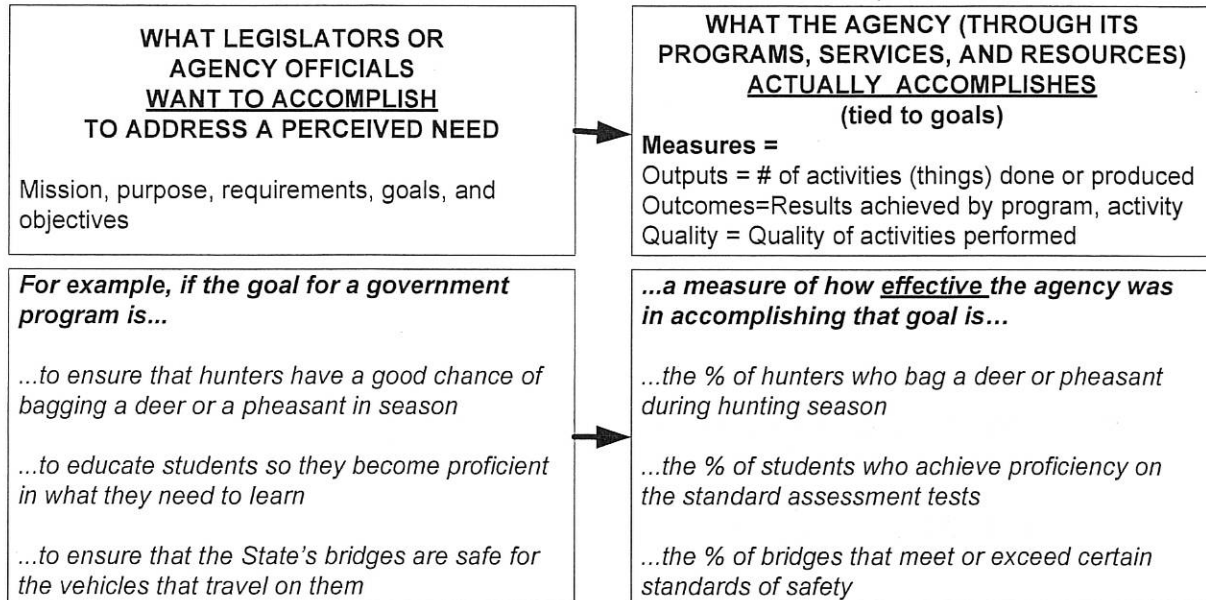
3. Audits Currently Under Way That Might Be of Interest to the Committee

- a. Performance audits

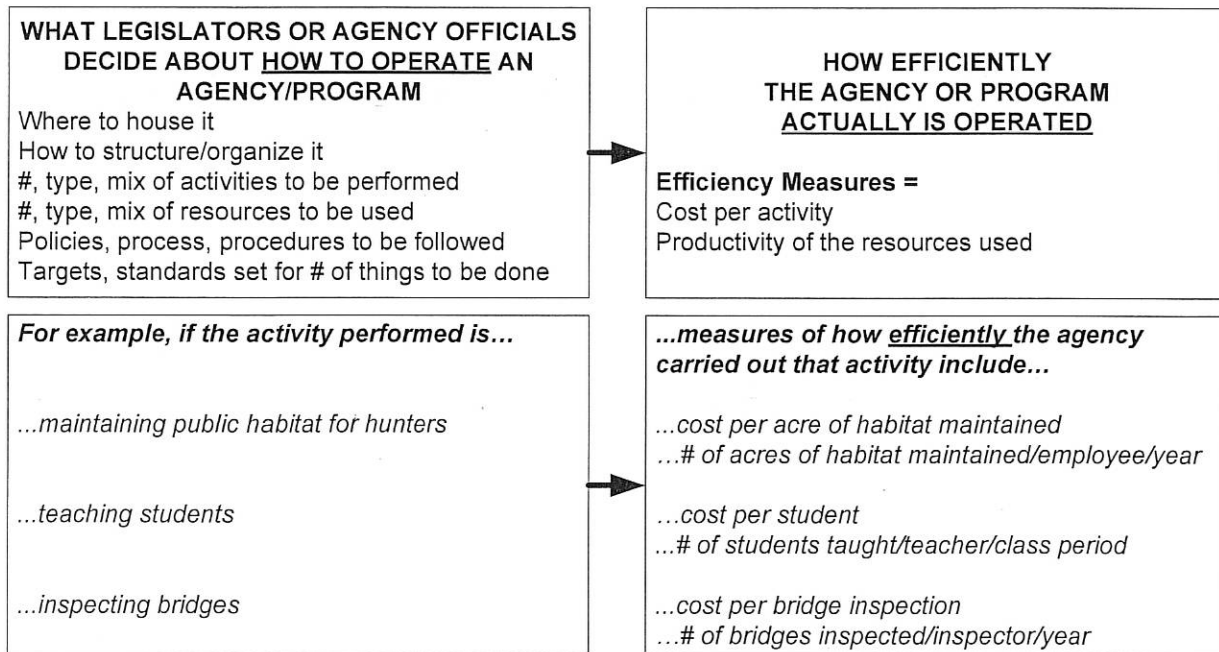
Senate Ways & Means Cmte
Date 1-23-2009
Attachment 2

Framework for Differentiating Between Government Effectiveness and Efficiency

EFFECTIVENESS: How effective are an agency's programs and services at accomplishing the goals established? (How well is it working?)



EFFICIENCY: How efficiently is the agency or State using its resources to accomplish those goals?



Foundation of Efficiency: Accomplishing the Legislature's or agency's goals using the fewest resources needed to do the job well. What kinds of things can be done to increase an agency's or program's efficiency?

- Change agency/program structures to eliminate redundancy, reduce overhead costs, achieve economies of scale
- Change the #, type, or mix of activities performed or resources used
- Change policies, procedures, and processes (automate processes, cross-train employees, schedule visits or meetings so less travel is involved, buy goods and services competitively or jointly with others, etc.)

Efficiency and effectiveness must balance: the most efficient class size for a 350-student elementary school is 350 students/teacher. The most effective class size is 1 student/teacher.

EXAMPLES OF WAYS AGENCIES OR THE STATE CAN BECOME MORE EFFICIENT

I. Reduce the Price You Have To Pay for Things To Accomplish Your Mission and Goals

a. Buy and spend competitively

1. Get competitive bids or price quotes for goods and services
2. Get quantity and good-customer discounts
3. Bargain hard
Don't pay more than market rates, negotiate better deals
4. Pay bills early (discounts), never late (penalties)
5. Use off-the-shelf (non-customized) products when possible
Software, equipment
6. Buy quality used items
7. Print letterhead, stationery, etc. in-house on the agency's equipment
8. Change the size or mix of supplies or materials used
Generic drugs instead of regular, hamburger instead of steak
9. Obtain bulk discounts
10. Reduce and manage inventories
Just-in-time purchasing or delivery; use date-sensitive materials in time
11. Ensure nothing is stolen or misused, etc.

b. Partner with your "neighbors"

1. Jointly buy, lease, or contract for goods
Office supplies, computers and software, equipment
2. Jointly buy, lease, contract for, or provide for services
Office space (co-locate)
Regional storage facilities for data, supplies, or equipment; regional service centers
Building-support services like cleaning, painting, mowing, etc.
Training, inspections, health or risk insurance
3. Rent or borrow what you need from your "neighbors" if they've already got it and aren't using it all the time
Computer equipment, heavy equipment, training
4. Contract with other units of government that are "closer" to it and that can do it more cost-effectively

c. Control the rate or price you pay for direct labor

1. Use lower-paid workers if they can do the job well
RN versus LPN, professor versus GTA,
2. Change the mix of managers and staff who do the work
3. Reduce overtime costs
4. Don't use workers who earn overtime and shift differential pay unless it's more cost-effective
5. Don't pay more than market rates for the type of activity being performed

d. Control the rate or price you pay for other direct-cost items

1. Set standards for what and how much people can have or use
Who can have a vehicle and what type, amount of square foot per employee, # of trips allowed, etc.
2. Set standards for what and how much you'll pay for
Reimbursement rates for travel, etc.

II. Reduce the Quantity of Things You Have To Use To Effectively Accomplish Your Mission and Goals

a. Don't use more resources than you need

1. Don't use more staff than you need to do the job efficiently and effectively
2. Don't use or own more space than you need
Work from home
Establish and stick to space standards (State = 250 square foot per person)
Sell or lease unneeded space (buildings, land, etc.)
Store records and materials in less-costly space (preferably cyber)
3. Don't use more equipment than you need to carry out the same activity
4. Don't use more goods or services than you need to carry out the same activity

b. Eliminate Duplication of Services and Effort

1. Create "one-stop" shops where customers can use or obtain services from multiple entities, administrative costs can be shared, and duplication of effort can be minimized
2. Consolidate central administrative (back-office) functions within or across agencies or programs
Human resources (job postings, applications, employee benefits)
Insurance and risk management
Accounting, purchasing, and payroll
IT and Legal
Maintenance
 - *can achieve economies of scale*
 - *can achieve greater flexibility*
 - *some work doesn't increase proportionately to the number of staff involved (payroll, accounting, HR, etc.)*
 - *can create greater synergies and expertise for staff who do the work (helps go faster)*
3. Consolidate programs within or across agencies (may take legislative action)
4. Consolidate agencies to achieve economies of scale (would take legislative action)
5. Consolidate units of government (would take legislative action)

III. Increase the Productivity of Your Resources To Effectively Accomplish Your Mission and Goals

a. Increase expected workloads to target levels for peer groups, norms, or highly efficient organizations (workload per time period)

Examples: # of items processed/hour; # of students taught/class period; # of inspections conducted per inspector per year, etc.

1. Provide the training and resources needed to meet those targets
Use averages when measuring diverse units (allows for flexibility)
2. Monitor adherence to these targets, manage performance, and make adjustments as needed

b. Restructure, streamline, and automate processes

1. Use process analysis to find and eliminate redundant, inefficient, or unnecessary steps in the process to significantly reduce the time spent
Goal is to:
 - *Spend fewer hours preparing for it (maintain or receive needed information or materials in advance, provide on-line training or instructions)*
 - *Spend fewer hours getting to or from it (put people closer to the work, put equipment closer to the people, use video-conferencing as an alternative to face-to-face meetings, cross-train staff, establish efficient travel schedules, reduce unnecessary travel and down time, etc.)*
 - *Spend fewer hours doing it (rethink and restructure the work flow and processes, automate what can be automated, train and cross-train staff, use manuals, guides, and checklists, use e-mail or instant messaging to communicate, have needed equipment, materials, or information available when needed, set higher target or standard levels, etc.)*
 - *Spend fewer hours documenting, storing, and retrieving what's been done or produced (don't enter or handle data more than once, give field workers cell phones with cameras instead of hard lines and laptops instead of desktops, set up spreadsheets and easy databases to directly record, report, track, and store information electronically, make electronic records available to others through LANs or the Internet, have appropriate security, back-up, and off-site storage measures so electronic data don't get lost or compromised, etc.),*
 - *Spend fewer hours following up on what was done (do it right the first time, address questions and issues as they arise, have all the information you need at hand, make sure people with a need to know have access to the information they need, etc.)*

EXAMPLES OF OTHER WAYS AGENCIES OR THE STATE CAN REDUCE STATE COSTS

IV. Reduce the Number of Things You Do To Effectively Accomplish Mission and Goals, and the Resources Used To Do Them

a. Don't do it anymore

1. Eliminate agencies, programs, services, or activities that have outlived their original purpose, or no longer serve a perceived need

Large issues and small, including reports agencies prepare that no one uses, etc.

Prioritize the need for programs and services that address core mission and purpose (1-2-3 approach)

b. Let others do it

1. Stop doing it if another level of government is responsible for it or is already doing it

c. Don't do more than required to effectively accomplish mission and goals (using a risk-based approach)

1. Stop doing more than legally required
2. Change requirements if they're out of line with what other similar entities do, or with what is needed to effectively accomplish goals
State versus federal inspection requirements; annual licensing requirements
3. Find ways to minimize the number of times things are done
Automate and streamline processes to avoid double entry of data, overlap of duties, etc.
4. Do less where the risk is less, and the same or more where the risk is greater

# of entities needing to be inspected	Frequency of inspections	# of inspections needing to be done per year	# of inspectors needed to conduct those inspections	Salary costs for this many inspectors @\$50,000 ea.
120	12 months	120	12	\$600,000
120	18 months	80	8	\$400,000
120	24 months	60	6	\$300,000

V. Cover Your Costs

a. Charge for services being provided

1. Set fees or charges for services you perform for others

Fees: permit, audit, license, inspection, record, storage, auto, student, recreational

Charges: copy, road tolls, etc.

Co-pays: insurance, Medicaid, tuition, etc.

b. Set rates so that charges and fees cover costs

1. Compute and charge for fully loaded costs

Labor, supplies and materials, administrative costs, travel costs, replacement costs

c. Adjust charges and rates periodically

1. Increase fees and charges on an ad-hoc or cyclical basis

Possible options: every # years, same rate as inflation, etc.

d. Seek changes to laws and regulations as needed

2-5

Summary of Recent Legislative Post Audit Reports
As of January 23, 2009

2-6

Audit Title	Key Findings for This Committee	Legislative Actions Needed
<p>Financial Regulatory Agencies in Kansas: A K-GOAL Audit Determining Whether Functions Could Be Combined To Gain Cost Efficiencies (September 2008; 08PA22)</p>	<p>Kansas has separate agencies that regulate banks, credit unions, and securities. In 43 other states, banks and credit unions are regulated by a single agency. In 21 states, securities regulation also is housed in the same agency that regulates banks and credit unions. Consolidating these three agencies in Kansas could save at least \$260,000 a year in costs, primarily from eliminating or restructuring managerial or administrative support positions (economies of scale). Total cost savings could be significantly higher after a detailed review and restructuring of inspectors' examination schedules.</p> <p>Almost all the savings would come from combining the bank and credit union departments. These are fee-funded agencies, so the savings would not impact the General Fund. Several issues related to governance and operation of a consolidated agency would need to be addressed in making the policy decision to combine any or all of these agencies.</p> <p>We also identified approximately \$295,000 in annual savings that could be achieved through other operational efficiencies, regardless of whether the agencies are consolidated. These types of operational efficiencies could be applicable to other State agencies that <u>are</u> funded with SGF dollars:</p> <ul style="list-style-type: none"> • Using a risk-based approach. State law requires banks and credit unions to be examined at least once every 18 months. However, the Department of Credit Unions examines all Kansas credit unions once every 12 months. If the Department were to examine non-problem credit unions once every 18 months, and continue to examine problem credit unions once every 12 months, only 65 of the 88 State-chartered credit unions would need to be examined each year. Doing so would allow the Department to eliminate 2 full-time-equivalent examination positions, saving an estimated \$84,000 in compensation and \$23,000 in related travel costs and other incidental expenditures per year. This analysis continues to allow examiners to conduct <u>all</u> other associated monitoring visits for problem entities, as well as other activities they perform as part of their job duties. • Working from home. Bank and credit union examiners spend most of their time on-site at the institutions they examine. Credit union examiners in Kansas currently work out of their homes, but the 63 examiners of the Bank Commissioner's Office work out of six regional offices and the central administrative office in Topeka. Having bank examiners work from home could save an estimated \$106,000 per year in lease costs. • Adhering to the space standards recommended by the Department of Administration. Those standards are 210-250 square feet of usable space per person, which includes hallways, break rooms, conference rooms, etc. Combined, the three regulatory agencies will spend about \$500,000 in rent in FY 2009. Renegotiating leases and reducing the amount of space they lease to 250 square feet per employee would reduce current rent expenditures by about \$80,000. 	<p>To help achieve the goals of combining the three agencies with similar missions and functions, reducing operating costs, and increasing administrative efficiencies, we recommended that the Legislature consolidate the regulation of banks and credit unions into a single agency, and consider consolidating the regulation of securities under that same financial-regulatory agency. We spelled out a number of other steps the Legislature would need to take related to that consolidation.</p> <p><u>As a starting point in the discussion</u>, the Legislative Post Audit Committee voted to introduce legislation to implement this recommendation.</p> <p>We also made a number of recommendations to the agencies that would help them achieve operational efficiencies, whether or not they are consolidated.</p>

7-2

<p>Agricultural-Related Agencies: A K-GOAL Audit Determining Whether Cost Savings Could Be Achieved By Making the Animal Health Department and the Conservation Commission Part of the Department of Agriculture (December 2008; 08PA23)</p>	<p>Kansas is one of only six states that doesn't place any of its animal health oversight or conservation grant functions within its Department of Agriculture. The remaining 44 states have varying degrees of those functions placed under their Departments of Agriculture. Kansas could save at least \$710,000 a year in operating efficiencies by merging the two agencies with the Department of Agriculture. [These two agencies combined spent about \$1.9 million in SGF dollars in FY 2008, \$1.8 million in fees and transfers, \$1.3 million in federal funding, and \$15.2 million in State Water Plan dollars. Their total expenditures that year were about \$20.1 million.]</p> <p>About \$630,000 of the savings would come from being able to eliminate or restructure management positions, eliminate a federally funded emergency management specialist position and transfer those duties to the Homeland Security Specialist position at the Department of Agriculture, and eliminate 9 support positions. The duties of those 9 support positions would not be needed because the Department of Agriculture has a highly automated inspection function that can operate with fewer clerical staff, and has existing accounting or administrative support staff that could absorb some additional duties.</p> <p>All <u>programs</u> would be transferred to the Department in our analysis, and only one of the currently funded professional or technical staff positions directly related to those programs (noted above) would be cut. Agency officials expressed concerns about restructuring, but we think those issues could be overcome. We also noted other opportunities for improving how efficiently these agencies operate, including changing from annual licensing to multi-year licensing, and fully automating various processes, such as inspection reporting, grant application, licensing, and permitting.</p>	<p>To help achieve the goals of combining the three agencies with similar missions and functions, reducing operating costs, and increasing administrative efficiencies, we recommended that the Legislature merge the Conservation Commission and Animal Health Department with the Department of Agriculture. We identified a number of other steps the Legislature would need to take related to that consolidation, including spelling out the roles of the applicable Boards, ensuring that fees generated by one agency don't subsidize another, and determining the powers that would be given to the Livestock Commissioner (for example, State law currently gives certain powers to the chief Engineer of the Department of Agriculture, not the Secretary).</p> <p><u>As a starting point in the discussion</u>, the Legislative Post Audit Committee voted to introduce legislation to implement this recommendation.</p> <p>We also made a number of recommendations to the agencies that would help them become more efficient and effective, whether or not they are consolidated.</p>
<p>Department of Commerce: A K-GOAL Audit Reviewing the Department's Management Staffing Levels (December 2008; 08PA21)</p>	<p>The Department of Commerce had more staff in management positions than any of our five comparison agencies. On average, the Department had fewer people reporting to each of its managers, and many of these managers were located at fairly low reporting levels in the Department. The heaviest concentration of management staff—one management position for every 1.2 non-management positions—was in the Employment Services Section of the Department's Workforce Development Division. In addition, the Department had organized its five workforce development regions with a double layer of management. Overall, we estimated that \$61,000 to \$99,000 could be saved annually by bringing the Department's proportion of management more in line with other agencies. Most of the funding for those positions comes from federal or fee funds. Finally, we found that discrepancies between authorized and filled positions, as well as limited access to complete organization charts for some State agencies, hampered good analyses of agency staffing levels.</p>	<p>None.</p>
<p>Statewide Medical Expenditures: Reviewing Medicaid Expenditures for Fraud and Abuse (data-mining audit) (December 2008; 08CC02)</p>	<p>The Medicaid information system has hundreds of edits and checks built into it to try to ensure that claims are paid only for people who meet eligibility requirements, and only for legitimate and necessary services. Using data-mining techniques, we analyzed all claims paid in federal FY 2006 (the most recent data available at the time) to identify any that were paid for clients who may not have been eligible or for services that may not have been "possible," or to identify patterns of services that may have been indicative of abuse or even fraud. Our comparisons showed the following:</p>	<p>None.</p>

- more than 10,000 clients' estimated household incomes exceeded Program limits after they had been accepted into the Program and while they were receiving benefits. In total, these clients received more than \$10 million in services. KHPA has access to the quarterly income data we used. Building an edit to match clients' incomes against those data every quarter wouldn't completely prevent clients with too much income from getting services, but it would allow KHPA to more quickly identify those clients and expedite the process of removing them from the Program if they are no longer eligible.
- 266 clients hadn't provided a valid Social Security number, either at all (235) or they provided an invalid one (i.e., the # hasn't yet been issued by the Social Security Admin.) (31). These clients received almost \$680,000 in services. KHPA officials typically give clients 3 months to provide a Social Security number if they don't have one. In all, 112 of the clients we identified still hadn't provided an SSN within three months and were still receiving services—41 of them for longer than a year.
- We found almost \$435,000 in non-hospital claims for clients who were hospitalized at the time the service was reported as being provided. We worked with KHPA officials to try to exclude from this figure any claims paid for legitimate reasons. KHPA said it had begun developing techniques to identify and track down these types of claims.
- Nearly all visits to a doctor's office are billed at one of two levels—a lower level of service for which Medicaid pays up to \$40 per visit, and a higher level of service at \$64 per visit. We determined the normal range of these billings for different types of doctors for both regular office visits and emergency room doctor visits, then identified the number and amount of claims paid above those ranges. In all, 510 doctors had billings above the normal range. They submitted a total of 95,000 claims for office visits; we estimated that about 16,000 of these visits represent the potential for upcoding (4% of all office visits billed under Medicaid). The difference between what these doctors actually billed and what they would have billed if their office visits had followed the normal ranges was about \$600,000. We noted it's impossible to tell if these claims represent "upcoding" just from looking at claims data—that would take a review of individual claim files—but this "pattern" analysis can help narrow the search for the potential for abuse within the system. KHPA officials said they thought the existing system and process of profiling providers—which uses a multi-dimensional analysis of providers and their billing profiles, and has nurses compare physicians to one another—meets the intent of our recommendation to look at doctors' billing patterns on a regular basis.
- 519 clients received prescriptions for controlled substances like morphine, oxycodone, and Ritalin from five or more doctors in a single year. These drugs often have a street value and can be easily abused. The total amount of these claims paid with 5 or more prescribing physicians was about \$623,000. These patterns could be indicative of potential abuse or fraud, but it would take a review of individual claim files to make that determination. KHPA said it currently has a system to run such checks, and had identified 53 of the 519 clients as suspected abusers.

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<p>Community Colleges: Examining Whether There Are Ways To Share Resources To Reduce Costs (February 2008; 07PA24)</p>	<p>Community colleges like Independence and Coffeyville could do a lot more than they currently do to share resources. In the area of academics they could eliminate duplicate programs with small enrollment and look at sharing faculty, particularly through the use of interactive video conferencing or online courses. Many items also could be jointly purchased. For example:</p> <ul style="list-style-type: none"> • joining a consortium to purchase natural gas could save the two colleges an estimated \$64,000 per year • if Coffeyville could get the same rate for single coverage health care for its employees as Independence or the State, it could save up to \$3,000 per employee, or more than \$400,000 per year • Coffeyville could save \$2.74 per box of paper (9%) if it used the same supplier or got the same price as Independence • Both colleges get higher-ed discounts for software, but Microsoft gives even greater discounts for institutions with more than 3,000 FTE staff. If the community colleges banded together with some or all of the universities, they could take advantage of those additional discounts. <p>Options for sharing or jointly purchasing goods or services exist for many agencies in State or local governments.</p>	<p>No recommendations in these areas.</p>
<p>K-12 Education: Reviewing School Districts' At-Risk and Professional Development Programs (school audit) (December 2008; 08PA25)</p>	<p>For the 2008-09 school year, the State will give school districts an estimated \$368 million to provide additional services to students who are at risk of failing academically. We selected and visited 10 sample districts. The at-risk services they provided were all supported by research. However, whether specific at-risk services will be effective depends largely on whether a district has a good school improvement process in place. In general, the districts that were most effective used school- and student-level data up-front to identify students who need additional services, developed supplemental services tailored to address those needs, trained teachers to provide those services, and reviewed student data to assess the effectiveness of those services.</p> <p>We also looked at the types of professional development school districts provide, which commonly included curriculum and assessment development, instructional best practices, intervention strategies, and technology training. The professional development programs they provided were supported by research, and for 7 of the 10 districts were clearly tied back to student needs.</p> <p>Finally, we noted that the two smallest districts we visited used a significant amount of their at-risk funding to help pay for the salaries of their <u>existing</u> teachers. Neither district had added any <u>new</u> teaching positions over the past three years to help provide additional services for at-risk students. One superintendent told us he had a difficult time finding other ways to legally spend the new at-risk funding. Department of Education guidelines allow districts to use State at-risk funds for teacher salaries as long as the amount is proportional to the percent of students who are identified as at-risk. State law doesn't specifically prohibit using at-risk funds to pay the salaries of existing teachers, but the statutory <u>reporting</u> requirements—which call for districts to include the number of at-risk pupils served, the types of assistance provided, and the impact of that assistance—<u>imply</u> that at-risk funds should be used for <u>additional services</u>; that is, services that are above and beyond what are offered to all students.</p>	<p>None. Just be aware that districts that don't have a good school improvement process in place likely won't be as successful in helping to close at-risk students' achievement gaps with the additional at-risk funding the Legislature is providing.</p> <p>None.</p> <p>Determine whether it appropriate for school districts to use State at-risk funding to help pay the salaries of current teachers and, if not, clarify the law to prohibit using the funds for that purpose. (<u>As a starting point in the discussion</u>, the Legislative Post Audit Committee voted to introduce legislation that would prohibit using at-risk funding in this manner.)</p>