

Approved: March 9, 2010  
Date

MINUTES OF THE HOUSE GOVERNMENT EFFICIENCY AND FISCAL OVERSIGHT  
COMMITTEE

The meeting was called to order by Chairman Jim Morrison at 3:30 p.m. on March 4, 2010, in Room 546-S of the Capitol.

All members were present except:

Representative Sean Gatewood- excused  
Representative Judy Loganbill- excused  
Representative Charlie Roth- excused  
Representative Tom Sloan- excused

Committee staff present:

Renae Jefferies, Office of the Revisor of Statutes  
Julian Efirid, Kansas Legislative Research Department  
Artur Bagyants, Kansas Legislative Research Department  
Gary Deeter, Committee Assistant

Conferees appearing before the Committee:

None

Others attending:

See attached list.

Members discussed bills still viable for the Committee to consider:

**HB 2249 - Amendments to the Kansas whistleblower act, and**  
**HB 2385 - Commissioner of juvenile justice to convey certain land to the Kansas department of wildlife and parks**

In considering what further Committee work to undertake, the Vice-Chair offered three possible projects:

- Follow up on a Legislative Post Audit report in 2000 identifying state surplus properties that could be sold (Attachment 1).
- Request a list of possible efficiencies based on previous Post Audit reports.
- Review the July 2007 Post Audit report on coordinating children's programs to eliminate duplication (Attachment 2).

Members agreed to invite Barb Hinton, Legislative Post Auditor, to assist in reviewing the possible duplication of children's programs and to ascertain what coordination has been implemented subsequent to the 2007 Post Audit report. Members also agreed to invite the Social Services Budget Committee to attend the meeting.

The Vice-Chair referenced a "billion-dollar" list of suggested ways to reduce state expenditures. The secretary

## CONTINUATION SHEET

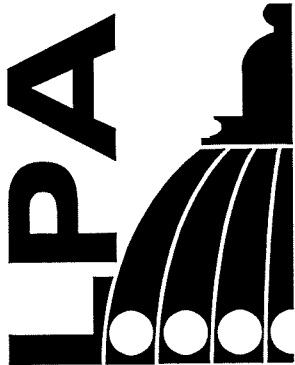
Minutes of the House Government Efficiency and Fiscal Oversight Committee at 3:30 p.m. on March 4, 2010, in Room 546-S of the Capitol.

will send the list to members (Attachment 3).

A member noted that, following the Post Audit report on surplus state lands, a policy was implemented to notify the Division of Facilities Management, Kansas Department of Administration, when surplus land was identified, whereupon the Division would be authorized to sell the land and return the proceeds to the State General Fund.

The meeting was adjourned at 4:00 p.m. The next meeting is scheduled for March 9, 2010.





# PERFORMANCE AUDIT REPORT

## State-Held Lands: Reviewing the Management and Use of Those Lands in Kansas

A Report to the Legislative Post Audit Committee  
By the Legislative Division of Post Audit  
State of Kansas  
December 2000



**Question 1: Does the State Have a Good System for  
Inventorying and Managing State Lands?**

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**The State doesn't have a good system for inventorying and managing State lands.** . . . . page 3  
Such a system is a critical tool for effectively managing the portfolio of lands that State agencies own or lease. We would expect a good land inventory and management system to be centrally maintained, perpetual, and complete. In addition, it should include the basic information needed to make decisions and should be reviewed periodically to determine whether land that is potentially surplus could be disposed of.

Although State law makes the Director of Accounts and Reports responsible for keeping an inventory of State-owned land, that inventory isn't complete or up-to-date. The last complete inventory of State-held lands was assembled in 1994 and statutorily required information about the use and purpose of each land parcel isn't in the inventory. Division officials told us they haven't had enough staff to keep State land inventory records up-to-date, and lack authority to compel State agencies to report land inventories and real estate transactions. However, officials told us they plan to do the inventory annually from now on.

**The Department of Transportation also lacks a good system for recording and managing its land holdings.** The Department owns right-of-way on which highways have already been built, right-of-way acquired for future road projects, and land used for the agency's district offices and maintenance buildings. State law exempts the Department from having to submit land inventory information to the Division of Accounts and Reports. However, because the Department is a large land owner, we'd expect it to maintain its own inventory. The Department doesn't have a good inventory system, and can't easily identify those pieces of right-of-way that are potentially surplus. Officials from 3 other states we talked with told us they routinely track and sell surplus right-of-way.

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**Question 2: How much Land Is Owned or Leased by State Agencies, Where Is it Located, and How Is it Currently Being Used?**

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**State agencies report that they currently own more than 335,600 acres and lease more than 256,000 acres from others. This brings total State-held land to more than 591,000 acres. Although land holdings are located throughout the Kansas, some of the largest concentrations of State-owned land are in central Kansas in Ellis, Barton, McPherson, Pratt, and Kingman Counties. Most leased land is located in eastern Kansas in Jefferson, Douglas, Osage, Greenwood, and Montgomery Counties. Of the 105 agencies or divisions of State government, 42 own or lease land. Three agencies—the Department of Transportation, Wildlife and Parks, and Kansas State University—own 94% of all State-owned land. Two agencies—the Department of Wildlife and Parks and Kansas State University—lease essentially all the land the State leases from other entities. Wildlife and recreation uses account for about 34% of all owned land and 92% of all leased land. About 55% of all State-owned land is used for highway right-of-way purposes.** . . . .page 8

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**Question 3: Is Any State-Owned Land Potentially Surplus, And If So Could It Be Disposed Of?**

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**State agencies own about 4,800 acres of potentially surplus land estimated to be worth about \$6.8 million.** . . . .page 13  
Agency officials reported 1,297 acres as surplus. Using federal property management guidelines, we identified another 3,521 potentially surplus acres. Those guidelines state that land should be needed for current agency programs, and shouldn't be retained because of existing boundaries, or because it's undesirable. Agencies gave us a variety of reasons why they thought the 3,521 acres we identified as potentially surplus shouldn't be considered surplus. For example, some agencies told us the land might be needed for future agency expansion, but in most cases we found no concrete long-range plans to expand. Other agencies told us the land generates income that's used to fund agency programs. However, the State isn't in the business of owning land simply to generate income.

**Nothing would prevent the State from trying to sell all 4,818 acres identified as potentially surplus, but location or conditions may make some land parcels difficult to sell.** . . . .page 17  
Some land parcels did have restrictions on how the sale proceeds could be used, or the land was in such a condition that it would be difficult to sell. For example, some surplus land at Lansing Correctional Facility has at least 2 toxic waste sites.

**Despite the proposed new guidelines for identifying and selling surplus land, State agencies will continue to have little incentive to identify surplus lands.** . . . .page 18  
The 2000 Legislature passed a law requiring the Secretary of Administration to develop criteria and guidelines for the identification and sale of surplus land. However, the law may not prove very effective because it doesn't set up an independent authority to decide whether surplus land should be sold, and it provides no financial incentives for State agencies to sell surplus lands.

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**Question 4: Is Idle State-Owned Land Being Leased To Others at Market Rates?**

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**Of the State-owned lands that are leased out, most are leased to private citizens or companies for agricultural purposes.** . . . .page 20  
About 1,624 acres are leased to other units of government for public purposes, usually at little or no cost. We exclude those acres from our review. Another 13,204 acres are leased out by the Department of Wildlife and Parks to farmers for agricultural purposes and to create wildlife habitat. The remaining 10,355 acres leased out are crop and pasture land leased to private people or entities for cash payments. These are the lands we focused our efforts on for this part of the audit.

**The majority of leased land is competitively bid, which should help ensure that the State receives a fair market rate.** . . . .page 21  
In all, 8,453 of the 10,355 acres of leased land we reviewed (82%) had been competitively bid; we concluded those lease rates were at market value. Four agencies that didn't use competitive bids to lease their land, or that didn't re-bid their leases frequently enough, tended to lease their lands at rates below the average rental rates for the areas where the land was located. We estimated these 4 agencies combined could be losing about \$15,300 a year in rental income.

**Nearly All the Land Identified in This Audit as Potentially Surplus Is Leased to Others.** . . . .page 23  
Of the 4,818 acres we identified as potentially surplus, all but 389 acres are leased out. Of that land, we determined that 61 acres could be leased out as farmland, generating at least \$1,300 per year in additional rental income.

**As Required by Statute, Most Agencies Paid Property Taxes On Land That Isn't Used Exclusively For State Purposes.** . . . .page 23  
To determine if property taxes were paid when they should have been, we sampled 7 agencies that own 97% of the

land leased to private citizens. Lansing Correctional Facility was the only agency that didn't pay property taxes when it should have. Department of Corrections officials couldn't provide proof of 1999 property tax payments for 1,308 acres leased to private citizens. Estimated annual property taxes for this land are \$2,200, and it's likely that property taxes haven't been paid on this land since 1989. The Department of Wildlife and Parks most likely overpays property taxes on the land it owns. Department officials told us most of the agency's land is on the tax rolls because taking the property off the rolls is time consuming, and officials have promised the Legislature that the Department would pay property tax in counties where it owns land to avoid eroding the county tax base.

**Conclusion.** . . . page 24

**Recommendations.** . . . page 25

**APPENDIX A: Scope Statement** . . . page 27

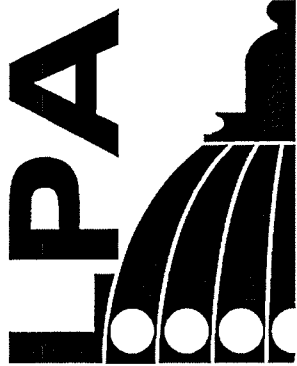
**APPENDIX B: Inventory of State-Held Land by County and Agency** . . . page 29

**APPENDIX C: Inventory of State-Held Land by Agency and Use** . . . page 43

**APPENDIX D: Agency Responses** . . . page 48

This audit was conducted by Laurel Murdie, Steve Ballantyne, Scott Frank, and Katrin Osterhaus. Leo Hafner was the audit manager. If you need any additional information about the audit's findings, please contact Ms. Murdie at the Division's offices. Our address is: Legislative Division of Post Audit, 800 SW Jackson Street, Suite 1200, Topeka, Kansas 66612. You also may call us at (785) 296-3792, or contact us via the Internet at [LPA@lpa.state.ks.us](mailto:LPA@lpa.state.ks.us).





# PERFORMANCE AUDIT REPORT

Children's Programs:  
Reviewing Whether They Are Coordinated to Avoid  
Duplication and Maximize the Use of Resources

## *Executive Summary* *with Conclusions and Recommendations*

A Report to the Legislative Post Audit Committee  
By the Legislative Division of Post Audit  
State of Kansas  
July 2007

# ***Legislative Post Audit Committee***

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## ***Legislative Division of Post Audit***

**THE LEGISLATIVE POST** Audit Committee and its audit agency, the Legislative Division of Post Audit, are the audit arm of Kansas government. The programs and activities of State government now cost about \$10 billion a year. As legislators and administrators try increasingly to allocate tax dollars effectively and make government work more efficiently, they need information to evaluate the work of governmental agencies. The audit work performed by Legislative Post Audit helps provide that information.

We conduct our audit work in accordance with applicable government auditing standards set forth by the U.S. Government Accountability Office. These standards pertain to the auditor's professional qualifications, the quality of the audit work, and the characteristics of professional and meaningful reports. The standards also have been endorsed by the American Institute of Certified Public Accountants and adopted by the Legislative Post Audit Committee.

The Legislative Post Audit Committee is a bipartisan committee comprising five senators and five representatives. Of the Senate members, three are appointed by the President of the Senate and two are appointed by the Senate Minority Leader. Of the Representatives, three are appointed by the Speaker of the House and two are appointed by the Minority Leader.

Audits are performed at the direction of the Legislative Post Audit Committee. Legislators

or committees should make their requests for performance audits through the Chairman or any other member of the Committee. Copies of all completed performance audits are available from the Division's office.

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### **LEGISLATIVE DIVISION OF POST AUDIT**

800 SW Jackson  
Suite 1200  
Topeka, Kansas 66612-2212  
Telephone (785) 296-3792  
FAX (785) 296-4482  
E-mail: [LPA@lpa.state.ks.us](mailto:LPA@lpa.state.ks.us)  
Website:  
<http://kslegislature.org/postaudit>

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LEGISLATURE OF KANSAS

**LEGISLATIVE DIVISION OF POST AUDIT**

800 SOUTHWEST JACKSON STREET, SUITE 1200  
TOPEKA, KANSAS 66612-2212  
TELEPHONE (785) 296-3792  
FAX (785) 296-4482  
E-MAIL: [lpa@lpa.state.ks.us](mailto:lpa@lpa.state.ks.us)

July 11, 2007

To: Members of the Kansas Legislature

This report contains the findings, conclusions, and recommendations from our completed performance audit, *Children's Programs: Reviewing Whether They Are Coordinated To Avoid Duplication and Maximize the Use of Resources*.

The report also contains several appendices which show the programs serving children from birth to age 18, as reported by State agencies to the Division of Budget for fiscal year 2006; a listing of the providers we interviewed in Wichita, Salina, and Holton; a listing of 30 groups that have been established at both the State and local levels to address coordination issues; and a listing of 30 interagency agreements that help ensure services are coordinated.

The report includes a recommendation for the 2010 Commission and the Legislative Educational Planning Committee pertaining to their study regarding the establishment of an Office of Early Childhood Education. To increase the amount of federal funding coming into Kansas, we also recommended that the Department of Education and the Department of Health and Environment takes steps to increase participation in Child and Adult Care Food Program and the Women, Infants, and Children (WIC) Program, respectively. We would be happy to discuss these recommendations or any other items in the report with any legislative committees, individual legislators, or other State officials.

If you would like a copy of the full audit report, please call our office and we will send you one right away.

Barbara J. Hinton  
Legislative Post Auditor

## EXECUTIVE SUMMARY

LEGISLATIVE DIVISION OF POST AUDIT

### **Question 1: What Government-Funded Programs Serve Children From Birth to Age Five?**

According to the 2008 Children's Budget, about 220 programs served children up to age 18 in recent years. For fiscal year 2006, 33 State agencies reported to the Division of the Budget that 219 programs provided services to children. Education expenditures represented \$3.1 billion—or nearly three-fourths—of the total reported.

We identified 20 State-administered programs and three federally administered programs that focus primarily on serving children from birth to age five. These 23 programs spent almost \$310 million in fiscal year 2006 and reported serving more than 500,000 children. About 65% of the total spent for these programs came from federal funds and about 24% were State General Fund moneys. Those programs are shown in **Figure 1-2** on the next page.

### **Question 2: To What Extent Do Programs Duplicate Each Other, and What Is Being Done To Coordinate Services To Make Efficient Use of Resources?**

#### FINDINGS RELATED TO STATE/FEDERAL AGENCIES' ROLES IN ADMINISTERING PROGRAMS FOR YOUNG CHILDREN

State and federal agencies administer multiple programs that provide services to young children. When multiple agencies administer programs that provide similar services to the same general population of clients, administrative duplication can occur. At the State level, duplicative administrative efforts can include evaluating grant proposals, providing technical assistance, and monitoring and evaluating program results, as well as budgeting, payroll, and the like.

To assess the extent to which programs administered by State or federal agencies duplicate each other, we grouped the programs included in this audit by the primary types of services funded. In all, we identified seven major service categories. We determined the potential for service duplication was highest in three categories.

- preschool services for children. Six programs provide funding for preschool services. Of these, four help fund activities to enhance teacher qualifications, and three are used to operate a preschool classroom. Four of these programs are fully or mostly funded with State dollars. Two of these programs—Four-Year-Old At-Risk, and Special Education for 3-5 year olds—are administered by the Department of Education. The other two programs—Pre-K Pilot and Smart Start—are administered by the Children's Cabinet.

**Figure 1-2  
Programs Serving Children Ages Birth to Five that Were Included in the Audit (a)**

Agency	Program name and description of services	FY 2006 Reported Expenditures (in millions)					Estimated # of children served in FY 2006 (b)	
		State General Fund	Federal Funds	Other funds	Total	% of Total	#	%
<b>Programs that pass funding to local providers</b>								
Department of Education	<b>Special Education:</b> Provides preschool and supportive services, such as physical therapy, to children ages 3 to 5 with special needs.	\$34.8	\$9.3	\$0.0	\$44.1	14.2%	17,515	3.5%
	<b>4-Year-Old At-Risk:</b> Help at-risk preschool children acquire skills, knowledge, and behaviors needed to successfully transition to kindergarten.	\$13.7	\$0.0	\$0.0	\$13.7	4.4%	5,375	1.1%
	<b>Parents as Teachers:</b> Provides parents of children birth to age 3 with pertinent information about raising a child, including child development and parenting techniques.	\$7.4	\$0.0	\$0.1	\$7.5	2.4%	18,824	3.7%
	<b>Child &amp; Adult Care Food Program:</b> Provides preschool programs and child care centers with reimbursement for meals and snacks served to children in their care.	\$0.0	\$26.3	\$0.0	\$26.3	8.5%	46,880	9.2%
KDHE	<b>Women, Infants, and Children:</b> Provides children birth to age 5, their mothers, and pregnant women with supplemental foods, nutrition education, breastfeeding support, and referrals to other services.	\$0.0	\$37.5	\$15.9	\$53.4	17.3%	91,900	18.1%
	<b>Immunizations:</b> Provides vaccines for low-income or under-insured children to participating local providers at no cost.	\$0.4	\$20.4	\$0.2	\$21.0	6.8%	205,200	40.4%
	<b>Infant - Toddler (Tiny-K) Services:</b> Provides supportive services such as physical therapy and speech pathology to children with special needs birth to age 3 and their families.	\$1.9	\$4.0	\$1.0	\$6.9	2.2%	6,183	1.2%
	<b>Healthy Start Home Visitors:</b> Provides pregnant women and mothers with newborns home-based services including child development education and parenting advice.	\$0.5	\$0.4	\$0.2	\$1.1	0.4%	11,842	2.3%
	<b>Child Health:</b> Provides health services to children such as administering immunizations, physical screenings, and prevention services.	\$0.0 (d)	\$0.4	\$0.0	\$0.4	0.1%	29,399	5.8%
Children's Cabinet	<b>Smart Start:</b> Improves local school readiness by funding community-identified needs in local services. Services vary locally and range broadly from mental health consultations to teacher wage supplements.	\$0.0	\$0.0	\$8.8	\$8.8	2.8%	23,453	4.6%
	<b>Community-Based Child Abuse Prevention:</b> Promotes child abuse prevention by providing funding for community efforts to develop, operate, and expand prevention activities.	\$0.0	\$0.5	\$0.0	\$0.5	0.2%	4,576	0.9%
	<b>Pre-K Pilot:</b> Provides preschool classrooms; improves the quality of preschool programs through increased teacher wages and education, extended classroom hours, a social service component, and program evaluation.	\$0.0	\$0.0	\$2.0	\$2.0	0.6%	563	0.1%
SRS	<b>Kansas Early Head Start:</b> Promotes development and education of children birth to age 4 through center- and home-based services; provides family services including case management and prenatal counseling.	\$0.0	\$8.0	\$0.0	\$8.0	2.6%	825	0.2%
	<b>Child Care Assistance:</b> Provides funding to eligible families for child care services.	\$15.7	\$40.3	\$4.1	\$60.1	19.4%	24,906	4.9%
	<b>Therapeutic Services to Preschool Children:</b> Identifies preschool children with severe behavioral and emotional problems and provides support through mental health consultations.	\$0.0	\$0.0	\$1.0	\$1.0	0.3%	372	0.1%

Agency	Program name and description of services	FY 2006 Reported Expenditures (in millions)					Estimated # of children served in FY 2006 (b)	
		State General Fund	Federal Funds	Other funds	Total	% of Total	#	%
KDOT	<b>Child Passenger Safety:</b> Promotes safety by providing child safety seats and increasing community awareness of safety issues.	\$0.1	\$0.3	\$0.0	\$0.4	0.1%	8,000	1.6%
U.S. Dept. of Health & Human Services	<b>Head Start:</b> Promotes school readiness for children ages 3 to 5 from low-income families through education, health, nutrition, and social services. Services are center- and home-based and include preschool classes, health screenings, and family case management.	\$0.0	\$43.1	\$0.0	\$43.1	13.9%	6,743	1.3%
	<b>Early Head Start:</b> Enhances development of children birth to age 3 from low-income families and promotes healthy prenatal outcomes for low-income mothers. Services are primarily home-based and include family case management and health screenings.	\$0.0	\$8.3	\$0.0	\$8.3	2.7%	515	0.1%
U.S. Dept. of Education	<b>Early Reading First:</b> Promotes reading development of children ages 3 to 5 through increased teacher education, instructional materials, and screenings for children at risk for reading failure.	\$0.0	\$2.3	\$0.0	\$2.3	0.7%	624	0.1%
Subtotal - programs that pass funding to local providers		\$74.5	\$201.1	\$33.3	\$308.9	99.8%	503,695	99.3%

Programs that provide direct services								
KDHE	<b>Newborn Hearing Screening:</b> Provides screening follow-ups for newborns, which include notifying parents and physicians of abnormal screening results.	\$0.0 (d)	\$0.2	\$0.0	\$0.2	0.1%	2,200	0.4%
	<b>Newborn Metabolic Screening:</b> Provides screening follow-ups for newborns, which include notifying parents and physicians of abnormal screening results.	\$0.0	\$0.1	\$0.0	\$0.1	0.0%	1,408	0.3%
School for the Deaf	<b>Preschool Classroom:</b> Provides full-day preschool services for children with a diagnosed hearing loss.	\$0.2	\$0.0	\$0.0	\$0.2	0.1%	8	0.0%
School for the Blind	<b>Preschool Classroom:</b> Provides full-day preschool services to blind children. A primary focus of the preschool class is to teach children to read.	\$0.1	\$0.0 (d)	\$0.0 (d)	\$0.1	0.0%	8	0.0%
Subtotal - programs that provide direct services		\$0.3	\$0.3	\$0.0	\$0.6	0.2%	3,624	0.7%

<b>Totals for ALL programs</b>	\$74.8	\$201.4	\$33.3	\$309.5 (c)	100.0%	507,319	100.0%
<b>Percent of Total Expenditures</b>	24%	65%	11%	100%			

(a) All cost figures and information about the number of children served were reported to LPA staff by agency officials. Because this audit was intended primarily to address issues related to duplication of services and collaboration, we did not attempt to determine the accuracy of the reported figures.

(b) Because children can be served by more than one program, the total count of children served is likely to be overstated. The only way for us to determine an exact count would have been to obtain and compare identifying information about the children served.

(c) Program officials estimated that about \$11 million of the total amount spent was for program administration, and the rest was used to deliver services to children and families.

(d) Had minimal expenditures but shown as zero because of rounding.

Source: LPA survey of program officials.

- home-based education services to parents of young children. Five programs provide these services. Staff conducting these home visits may cover some of the same topics during the home visits. For example, staff from each program will discuss health and nutrition information with the parents.
- child-care services to low-income clients. Four programs make these services available. Two provide funding to increase the number of child-care slots in a community, while the other two either provide or pay for child care services.

**Some children’s programs are being administered by agencies that don’t have primary responsibility for that type of service.** It’s reasonable to expect that education-related programs would be administered by the Department of Education, health-related programs would be administered by KDHE, and social services programs would be administered by SRS. **Figure 2-4** shows that several of the 20 State-administered programs included in this audit aren’t being administered by the agency that oversees that type of service. Several of these programs have multiple purposes, and are shown under two categories of services.

- Six education-related programs are administered by agencies other than the Department of Education:
  - ▶ Two of these programs—preschools for the deaf and blind—appeared to be logically placed within the Schools for the Deaf and Blind.
  - ▶ The Pre-K Pilot program administered by the Children’s Cabinet would appear to be better aligned with the Department of Education’s mission.
  - ▶ Three programs have overlapping purposes related to both education and social services: Smart Start (administered by the Children’s Cabinet), Kansas Early Head Start (administered by SRS), and Infant-Toddler Services (Tiny-K) (administered by KDHE). These overlapping purposes make their logical placement less clear-cut.
- Two social services programs are being administered by agencies other than SRS. Both the Community-Based Child Abuse Prevention program and the Smart Start program are administered by the Children’s Cabinet. Federal regulations governing the Child Abuse Prevention program say priority consideration should be given to housing this program with “a trust fund advisory board,” which is where it currently is.
- One health-related program is administered by an agency other than KDHE. The Child and Adult Food Care Program is administered by the Department of Education. This program’s location appeared reasonable to us because the Department already has the infrastructure in place to distribute millions of dollars to school districts to reimburse them for providing meals to K-12 students.

**Figure 2-4  
Programs Categorized by Administering State Agency and Primary Service Category**

	Kansas State Department of Education	Kansas Department of Health and Environment	Kansas Department of Social and Rehabilitation Services	Kansas Children's Cabinet	Kansas State School for the Deaf & Kansas State School for the Blind	Kansas Department of Transportation
<b>Education Services</b>	<p>4-Year-Old At-Risk <i>100% State funded</i></p> <p>Parents As Teachers <i>100% State funded</i></p> <p>Special Education (for ages 3-5) <i>79% State funded</i></p>	<p>Infant-Toddler Services (Tiny-K) <i>58% Federally funded</i></p>	<p>Kansas Early Head Start <i>100% Federally funded</i></p>	<p>Pre-K Pilot <i>100% State funded</i></p> <p>Smart Start <i>100% State funded</i></p>	<p>Preschool Classroom for the Deaf <i>100% State funded</i></p> <p>Preschool Classroom for the Blind <i>74% State funded</i></p>	
<b>Health Services</b>	<p>Child &amp; Adult Care Food <i>100% Federally funded</i></p>	<p>Child Health <i>98% Federally funded</i></p> <p>Healthy Start Home Visitors <i>62% State funded</i></p> <p>Immunizations <i>97% Federally funded</i></p> <p>Infant-Toddler Services (Tiny-K) <i>58% Federally funded</i></p> <p>WIC <i>70% Federally funded</i></p> <p>Newborn Hearing Screening <i>71% Federally funded</i></p> <p>Newborn Metabolic Screening <i>100% Federally funded</i></p>				
<b>Social and Safety Services</b>			<p>Child Care Assistance <i>67% Federally funded</i></p> <p>Kansas Early Head Start <i>100% Federally funded</i></p> <p>Therapeutic Services to Preschoolers <i>100% State funded</i></p>	<p>Community-Based Child Abuse Prevention <i>100% Federally funded</i></p> <p>Smart Start <i>100% State funded</i></p>		<p>Child Passenger Safety <i>84% Federally funded</i></p>

Note: The Kansas Early Head Start, Smart Start, and Tiny-K programs are shown twice because they provide primary services in two service categories. Also, the predominant source of funding for each program is shown in italics.  
Source: LPA analysis of State organizational structure.



**State-level efforts to coordinate children's programs primarily consist of group meetings and interagency agreements.** *We identified 14 major coordinating groups at the State level. One of these groups—the Kansas Early Childhood Comprehensive Systems Plan Stakeholders Group, which consists of about 100 people representing children's interests—has developed five main goals for serving young children and their families. We also identified 12 formal coordination agreements that have been put in place to address issues related to coordinating functions or sharing resources. For example, the Department of Education and KDHE have two agreements pertaining to transitioning services for children in the Infant-Toddler (Tiny-K) program to the Special Education program.*

**We identified a number of factors that can hamper coordination efforts, as well as steps that could improve coordination of the children's programs State agencies administer.** *Among the factors that can hamper coordination are the lack of a "single vision" of what children's programs are intended to accomplish, and technical computer issues which can hinder data sharing. Suggestions for improving coordination include a single application process for applying for services, and reducing the number of activity and expenditure reports program officials must submit for their various funding sources. Also, State agencies could provide more technical assistance to local groups to help ensure programs make the best use of the dollars available.*

**Legislation passed in 2007 would bring early childhood education services under a single entity in the future.** *Among other things, this legislation calls for the establishment of an Office of Early Childhood Education, and requires the 2010 Commission and Legislative Educational Planning Committee to report to the Governor and Legislature by December 31, 2007, about how to go about establishing that office.*

*Consolidating early childhood education services under a single State entity could have a number of benefits, including a single chain of command, a single point of reference for people to contact, and better accountability for program spending and results. It also could pose a number of challenges, including assessing how to handle programs that currently fund both education and social service or health-related programs, administering the Special Education program (because federal funds for this program are directed to go to the State's education agency), and developing a definition of education to address requirements of Kansas' Constitution.*

**FINDINGS RELATED TO LOCAL AGENCIES' WE REVIEWED THAT OPERATE PROGRAMS FOR YOUNG CHILDREN**

*To understand how services for young children are handled at the local level we visited three communities—Holton, Salina, and Wichita—and spoke with officials to determine how those programs are structured and what steps are being taken to coordinate the various programs and services.*

**Within these communities, children's programs are structured in various ways.** *For example, in Salina all education-related programs*

are consolidated under a single entity—the Salina school district. In Holton and Wichita, education programs are operated by multiple entities. In all three communities, most health-related programs were consolidated under the county health department. However, the Infant-Toddler (Tiny-K) program was administered by education-related entities in Holton and Wichita, and by a health-related entity in Salina.

**As at the State level, most local efforts to coordinate services revolve around community groups and interagency agreements.** We identified a total of 16 major coordinating groups in these three communities. For example, all three have an interagency coordinating council which meets at least quarterly. Wichita and Salina also have groups that discuss the use of Smart Start funding. We also identified 18 formal interagency agreements. Many of these relate to the provision of services for children with special needs.

**Certain factors can make coordination of children’s programs more difficult at the local level.** Those factors include community size (a medium-size community may have certain advantages over a small or large-sized community), competition for clients or funding (this is particularly true for programs serving four-year-old children), and a lack of a unified vision for what these programs should accomplish. Also, local officials identified several areas where efforts to coordinate services for young children could be improved or were lacking. Their suggestions covered topics such as training, resources, and better collaboration.

**Conclusion.** A number of federal- and State-funded programs have been created over the years to address the needs of children from birth through age 5 from low-income families. Some of those programs serve a specific need—such as immunizing children or screening newborns—while others may provide a broad array of services relating to children’s educational development and to their health or social-service needs.

Because of these overlapping purposes, the issues of coordination and duplication relating to such programs will be difficult to address from a policy standpoint. At both the State and local levels, officials often had fundamental differences of opinion about which types of services—educational, health, or social service—were most important to a child’s development. Without a common vision, these competing views can hinder attempts to provide a more consolidated approach to serving young children’s needs. It appeared to us that Salina officials came closest to achieving a more unified vision within their community, which seemed to result in better coordination of their programs.

Many of the health- and social services-related programs we reviewed also serve children ages 6 and above and are funded primarily with federal dollars, so trying to consolidate such programs under a single entity could create a whole new set of coordination and duplication issues. However, most of the education-related programs we reviewed were specific to pre-school-aged children, and are funded primarily with State dollars. With the passage of HB 2310, the Legislature has made the policy decision to bring all these early childhood educational programs under an Office of Early Childhood Education. The information provided in this report can help the Legislative

*Educational Planning Commission and the 2010 Commission identify the issues involved with this move and report back on ways to structure that Office, as required by law.*

**Recommendations.** *To assist the 2010 Commission and the Legislative Educational Planning Committee (LEPC) in studying various issues related to the establishment of an Office of Early Childhood Education, we suggested several areas for these groups to study including: achieving a unified vision for services, identifying barriers to consolidating these programs, the advisability of consolidating State-funded programs that provide preschool services, and learning what other states have done when consolidating childhood education programs.*

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### **Question 3: Could Federal Funding Be Increased by Consolidating Some of Kansas' Programs Serving Children under Age Five?**

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**Consolidating Kansas' programs won't increase federal funding coming into the State because most federal funding is either fixed or based on formulas.** *Of the 20 State programs reviewed in this audit, 14 are either partially or totally funded using federal dollars. For all 14 programs, federal funds are distributed to states using formulas that are based on factors such as state populations or income levels, and the only way to affect the distribution of the federal funds would be to change Kansas' population or increase the number of poor people in the State.*

**There may be ways to increase the amount of federal funding Kansas receives for two programs.** *First, KDHE could encourage greater participation in the Women, Infants, and Children (WIC) Program. Program officials told us Kansas could draw down more funding if other states don't use their full allotment. These officials also estimate that WIC serves only about 70% of the eligible population.*

*Second, the Department of Education could encourage greater participation in the Child and Adult Care Food Program. Department officials told us about half of all licensed child care centers and about one-third of day care homes don't participate in this program. Any increase in participation would allow these child-care providers to have more of their food costs covered by federal funding.*

*We looked for other possibilities to shift costs from the State to the federal government, but were unable to find ways to bring in more federal dollars. There's little opportunity to move children in the State-funded Four-Year-Old At-Risk program to the federal Head Start Program, and we couldn't find ways to shift any more legitimate costs to the Medicaid Program.*

**Conclusion.** *The opportunities to increase the amount of federal funding Kansas receives for children's programs appear to be fairly limited because most funds are allocated based on formulas that take into account populations or the number of children from low-income families in the State. Any increase that might be achieved would not be accomplished*

*by rearranging or combining programs. Instead they would need to be accomplished through outreach programs to increase participation in the WIC and Child and Adult Care Food programs, and possible changes to State regulations to allow certain child-care facilities to participate in the Child and Adult Care Food Program.*

**Recommendation.** *We recommended that the Departments of Education and Health and Environment work to expand enrollments in both programs.*

This audit was conducted by Joe Lawhon, Molly Coplen, Melissa Doeblin, Jill Shelley, and Justin Stowe, Leo Hafner was the audit manager. If you need any additional information about the audit's findings, please contact Joe at the Division's offices. Our address is: Legislative Division of Post Audit, 800 SW Jackson Street, Suite 1200, Topeka, Kansas 66612. You also may call us at (785) 296-3792, or contact us via the Internet at [LPA@lpa.state.ks.us](mailto:LPA@lpa.state.ks.us).

## The Billion Dollar List

- A) We have a once in a lifetime **OPPORTUNITY** to reinvent government.
- B) Reinventing government gains more than just slashing it.
- C) This suggestion list goes from mild to wild.
- D) I'm sure there will be someone who opposes every item on the list !!!

### 1) **Downsize the Legislature -- The PERMANENT method to reduce Legislative costs!**

- \* Place on the 2010 statewide ballot a proposition to downsize the Legislature by 30%. If approved by the people (you know they will!), the 2012 election will be like musical chairs with some seats eliminated and competition deciding who gets to sit and who's out.
- \* Reduce Legislature to 30 Senators and 90 Representatives. This will save **\$1.8 million**.

### 2) **Consolidate Kansas** into 25 counties and 25 judicial districts. Eliminate townships. A study by Wichita State University shows this could save **\$700 million** per year.

<http://www.ksrevenue.org/pdf/ConsReport.pdf>

### 3) **Sell and lease-back** of State office buildings: Docking, Landon, Eisenhower, and Mills buildings could all be sold to private developers who can perform renovations cheaper and faster than the State. Legislators received an email 1/14/10 at 9:52am from Mark Creason at Amerifund Commercial offering to buy State office buildings at market prices and lease them back to State agencies. Sale and lease back offers two advantages:

- \* immediate cash payment for buildings; and
- \* any remodeling can be done by private owner **FASTER** and **CHEAPER** than the State.

### 4) **Privatize KU hospital** for **≥\$500 million**; use the sale proceeds to recapitalize KPERS. Ask Steve Weatherford for a copy of 2008 memo where this idea was discussed and a valuation estimate rendered.

### 5) **Consolidate** all functions of probation and parole in Kansas. A computer tracking system currently in the design stage will greatly facilitate such an efficiency merger.

### 6) **Consolidate** all regulatory and licensing functions of racing, gaming, and bingo.

### 7) **Consolidate** and simplify all alcohol regulation, including cereal malt beverage.

### 8) **Consolidate** into the Department of Agriculture: Livestock Commission, Conservation Commission, Water Office, and Geological Survey. A 2007 Post Audit concludes this will save **\$700,000** year.

[http://www.kslegislature.org/postaudit/audits\\_perform/08pa23.pdf](http://www.kslegislature.org/postaudit/audits_perform/08pa23.pdf)

### 9) **Consolidate** into one agency: Bank Commission, Credit Union Office, and Securities Commissioner. A 2008 Post Audit concludes this will save **\$500,000** year.

[http://www.kslegislature.org/postaudit/audits\\_perform/08pa22.pdf](http://www.kslegislature.org/postaudit/audits_perform/08pa22.pdf)

Go another step further and consolidate all of the above with Insurance Dept. and create one, streamlined financial regulatory agency.

### 10) **Capital renovation:**

- \*Renegotiate contracts for architectural services and general contractor.
- \*Cap architectural fees at 5%.
- \*Limit build out of basement level visitors center to doors and lights only—a functional shell.
- \*Eliminate any additional new furniture.

### 11) Increase premiums and co-pays for state employee health insurance AND create large discounts for those who choose healthy living habits such as tobacco avoidance, healthy weight, and annual checkups.

Attachment 3  
GEFO 3-4-10

- 12) **Consolidate and refinance all State debt** into one mega bond at today's low rates. When you combine specified revenue streams and general obligation revenue, this is called the "double-barreled" approach.
- 13) Allow Kansas Department of Corrections to pay hospitals at Medicaid rates.
- 14) Eliminate state owned buffalo herds. Donate buffalo to Bob Grant for charity BBQ!
- 15) Eliminate **\$5 million** state-subsidy for air fares in Wichita. Let free market work!
- 16) Eliminate State purchases of water rights in government owned reservoirs.
- 17) Eliminate funding for National Guard Training Center in Salina.
- 18) Obtain dividend payment from land sales at Sunflower Army Ammo plant.
- 19) Eliminate state support for excessive salaries of top executives of foster care contractors.
- 20) Transfer turnpike surplus funds to highway program. Go one step further and consider selling the turnpike as a way to finance the transportation plan.
- 21) No new vehicle purchases for three years; no purchases of full size pickups or sedans.
- 22) Eliminate "weather modification" program for **\$198,000**.
- 23) Eliminate construction of more "weather monitoring" stations.
- 24) Renegotiate State building and property insurance.
- 25) **Eliminate** state aid to cities and counties but create incentives for city and county unification.  
 \* Eliminate the **\$18 million** transfer from state alcohol tax to city general funds and recreation fund.
- 26) Ask the four big hospital foundations (Kansas Health Foundation, Sunflower Foundation, Wyandotte Health Foundation, REACH) to **donate their annual revenue, \$20 million, for two years to Medicaid** instead of funding more duplicative studies, newsletters, conferences, and luncheons. These foundations were formed from sale of church founded hospitals, Catholic and Methodist, whose original founders intended direct care to the poor. Returning the foundations revenue back to the original founders intent would complete the circle.
- 27) Obtain dividend payment from Jayhawks and Wildcats sports franchises. These are lucrative businesses developed on public property with public dollars, but the profit is reaped by a few well-connected folks.
- 28) Obtain dividend payment from Kansas Bio-Science Authority.
- 29) Regents Universities  
 \* Require Regents universities to disclose their endowment funds & restrictions. This may not save money initially, but will help us understand what resources are available to fund university operations.  
 \* Cap fees for architectural and contractor services for Regents capital improvements.
- 30) School Finance  
 \* Create incentives for school districts to unify.  
 \* Eliminate State matching funds for any new school bonds or equipment. State matching funds incentivize oversized and excessive school buildings. When USDs are required and pay the full cost of construction, they will economize!
- 31) Consolidate all state housing programs into Kansas Housing Resources Corporation.
- 32) Consolidate all early childhood programs (Tiny-K, Head Start, Early Head Start, Parents as Teachers, Smart Start, Healthy Start, Kansas Preschool Program) at State Board of Education.
- 33) Privatize management or sell off state owned parking lots.