



DRAFT

BIENNIAL BUDGET AGENCIES

	Actual FY 2011	Approved FY 2012	Agency Est FY 2012	Gov. Rec. FY 2012	Approved FY 2013	Agency Req. FY 2013	Gov. Rec. FY 2013
Financial Regulatory							
Bank Commissioner, State	\$ 9,234,822	\$ 9,532,988	\$ 9,995,470	\$ 9,770,228	\$ 10,024,652	\$ 11,301,742	\$ 10,933,074
Credit Unions, State Dept. of	949,371	1,006,952	1,006,952	1,006,952	1,038,452	1,038,452	931,047
Securities Commissioner	2,919,962	2,952,402	3,195,815	3,126,337	3,005,170	3,220,130	3,131,354
TOTAL	\$ 13,104,155	\$ 13,492,342	\$ 14,198,237	\$ 13,903,517	\$ 14,068,274	\$ 15,560,324	\$ 14,995,475
Occupational and Professional Licensing Boards:							
Abstracters Board of Examiners	\$ 23,420	\$ 23,291	\$ 24,291	\$ 24,291	\$ 24,742	\$ 24,742	\$ 24,742
Accountancy, Board of	311,583	339,922	340,227	334,922	346,732	346,732	340,182
Barbering, Board of	139,410	156,383	156,383	166,383	144,892	144,892	154,892
Behavioral Sciences Regulatory	608,218	617,861	673,031	618,361	636,586	687,539	685,539
Cosmetology, Board of	760,284	827,504	827,504	827,504	816,055	830,955	816,055
Dental, Kansas Board	373,273	371,890	441,938	379,932	374,145	430,014	369,098
Healing Arts, Board of	3,769,616	4,200,568	4,200,568	4,200,568	4,321,859	4,321,859	4,223,509
Home Inspectors Registration Board	3,681	16,740	16,740	16,740	16,800	16,800	16,800
Kansas Board of Examiners in Fitting and Dispensing of Hearing Instruments	27,357	29,636	30,034	28,552	29,181	29,582	28,103
Mortuary Arts, Board of	261,223	273,660	273,660	273,660	282,648	282,648	282,648
Nursing, Board of	1,904,440	2,043,652	2,045,152	2,045,152	2,109,810	2,111,310	2,406,918
Optometry Examiners, Board of	101,181	121,180	133,062	120,141	111,631	117,627	114,437
Pharmacy, State Board of	1,026,676	1,253,374	1,213,430	1,214,180	839,771	1,155,920	1,134,926
Real Estate Appraisal Board	256,299	302,300	303,834	288,643	314,607	314,607	298,877
Real Estate Commission	1,023,114	1,205,197	1,153,091	1,153,091	1,212,444	1,193,094	1,165,155
Technical Professions, Board of	536,666	604,778	604,778	604,778	589,122	624,778	615,278
Veterinary Examiners, Board of	222,851	266,632	266,632	264,881	268,132	277,792	267,575
TOTAL	\$ 11,349,292	\$ 12,654,568	\$ 12,704,355	\$ 12,561,779	\$ 12,439,157	\$ 12,910,891	\$ 12,944,734
Grand Total Expenditures	\$ 24,453,447	\$ 26,146,910	\$ 26,902,592	\$ 26,465,296	\$ 26,507,431	\$ 28,471,215	\$ 27,940,209
Percent change from Previous Fiscal Year	9.9 %	6.9 %	21.6 %	8.2 %	(0.8)%	5.8 %	5.6 %
Other Biennial Agencies:							
Governmental Ethics							
State General Fund	\$ 420,619	\$ 407,015	\$ 407,015	\$ 407,015	\$ 421,567	\$ 421,567	\$ 412,392
All Funds	573,735	662,990	662,990	662,990	691,133	691,133	691,133
Percent change:							
State General Fund	1.3 %	(3.2)%	(3.2)%	(3.2)%	3.6 %	3.6 %	1.3 %
All Funds	2.7 %	15.6 %	15.6 %	15.6 %	4.2 %	4.2 %	4.2 %

FTE Positions

	Actual FY 2011	Approved FY 2012	Agency Est FY 2012	Gov. Rec. FY 2012	Approved FY 2013	Agency Req. FY 2013	Gov. Rec. FY 2013
Financial Regulatory:							
Bank Commissioner, State	99.0	99.0	105.0	105.0	99.0	109.0	107.0
Credit Unions, State Dept. of	12.0	12.0	12.0	12.0	12.0	12.0	11.0
Securities Commissioner	32.1	32.1	30.0	30.0	30.0	30.0	30.0
TOTAL	143.1	143.1	147.0	147.0	141.0	151.0	148.0
Occupational and Professional Licensing Boards:							
Abstracters Board of Examiners	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accountancy, Board of	3.0	3.0	2.0	2.0	3.0	2.0	2.0
Barbering, Board of	1.5	1.5	1.5	1.5	1.5	1.5	1.5
Behavioral Sciences Regulatory	8.0	8.0	9.0	8.0	8.0	9.0	9.0
Cosmetology, Board of	12.0	11.0	11.0	11.0	11.0	11.0	11.0
Dental, Kansas Board	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Healing Arts, Board of	45.0	45.0	45.0	45.0	45.0	45.0	45.0
Home Inspectors Registration Board	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Kansas Board of Examiners in Fitting and Dispensing of Hearing Instruments	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Mortuary Arts, Board of	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Nursing, Board of	23.0	23.0	23.0	23.0	23.0	23.0	27.0
Optometry Examiners, Board of	0.8	0.8	0.8	0.8	0.8	0.8	0.8
Pharmacy, State Board of	8.0	8.0	8.0	8.0	8.0	8.0	8.0
Real Estate Appraisal Board	2.0	2.0	2.0	2.0	2.0	2.0	2.0
Real Estate Commission	15.0	13.0	13.0	13.0	13.0	13.0	13.0
Technical Professions, Board of	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Veterinary Examiners, Board of	3.0	3.0	3.0	3.0	3.0	3.0	3.0
TOTAL	132.3	129.3	129.3	128.3	129.3	129.3	133.3
Other Biennial Agencies:							
Governmental Ethics	9.0	9.0	8.5	8.5	9.0	8.5	8.5
GRAND TOTAL	284.4	281.4	284.8	283.8	279.3	288.8	289.8

In 1994, the **Legislature** changed the budgeting cycle for select state agencies to a biennial budget cycle. Most of the agencies that are required to prepare biennial budgets are funded through fees and perform regulatory or licensing activities. They are comprised of occupational and professional licensing agencies and the financial regulatory agencies. Generally, the Legislature puts an expenditure limitation on these special revenue funds.

The **Governmental Ethics Commission** was changed to a biennial budget agency by the 2000 Legislature, and is funded, in part, by appropriations from the State General Fund. The 2010 Legislature created the Home Inspection Registration Board and the 2011 Legislature changed the agency to biennial budgeting.

The **2009 Legislature** approved a recommendation by the Governor to reduce biennial agency expenditure limitations. The Legislature did not approve the Governor's recommended transfer of the savings created by the expenditure limitation reductions to the State General Fund. Instead, the 2009 Legislature approved a total transfer of \$296,030 from biennial agency fee funds to the State General Fund for FY 2010.

The **2011 Legislature** approved biennial agency budgets for FY 2012 and FY 2013. The agencies are not required to submit new budget requests until September 2012. Although funding has already been authorized, the law allows agencies to request adjustments to the approved expenditure limitations.

The Legislature also reduced the amount taken from special revenue funded agencies receipts to reimburse the State for costs incurred providing services from 20 percent to 10 percent. This action increased most biennial funded agencies revenue but had no impact on their approved budgets. The legislature also reduced agency approved budgets for an across-the-board reduction, deleted funding for a 5.0 percent reduction to information technology project expenditures, suspended employer contributions to the Kansas Public Employees Retirement System (KPERs) Group Insurance Reserve Fund for death and disability and deleted funding for a 20.0 percent reduction to cell phone contracts. All of these actions had the effect of reducing the approved budgets for these special revenue funded agencies.

Agencies Requesting Adjustments:

Office of the State Bank Commissioner

FY 2012. The **agency** estimates \$9,970,470, all from special revenue funds, an increase of \$437,482, or 4.6 percent, above the FY 2012 approved amount. The increase is attributable to four supplemental requests, including three requests totaling \$237,597, and 6.0 FTE positions, for salaries and wages, and \$199,885 to restore shrinkage reductions.

The estimate includes 105.0 FTE positions, an increase of 6.0 FTE positions above the approved amount. The increase is due to the agency's supplemental request for conversion of four temporary Credit Analysts to 4.0 FTE Financial Examiner Principal positions; conversion of a temporary unclassified Staff Attorney position into a permanent FTE position; and conversion of a temporary technology support position into a permanent, FTE Technology Support Consultant II position.

Governor's Recommendation

FY 2012. The **Governor** recommends FY 2012 expenditures of \$9,770,228, all from special revenue funds, an increase of \$535,406, or 5.8 percent, above FY 2011 actual expenditures. The recommendation is a decrease of \$200,242, or 2.0 percent, below the agency's FY 2012 revised estimate, and includes 105.0 FTE positions, an increase of 6.0 FTE positions above FY 2011 actuals, and the same as the agency's revised estimate.

The Governor recommended the agency's supplemental requests totaling \$237,597 for salaries and wages, and 6.0 FTE positions. The Governor also recommends \$199,885 to restore shrinkage reductions that were made in FY 2012. The recommended increase was partially offset by the Governor's recommended FY 2012 shrinkage reduction of \$200,242, or 2.4 percent, all from special revenue funds.

FY 2013. The **agency** requests \$11,276,742, all from special revenue funds, an increase of \$1,252,090, or 12.5 percent, above the FY 2013 approved amount. The increase is attributable to several supplemental requests: \$998,267 for salaries and wages, including salary increases for examination and supervisory staff and funding for 10.0 FTE positions; \$157,794 for contractual services; \$650 for commodities; and \$95,379 for capital outlay for computer equipment and software for the agency's Kansas Supervised Institution Monitoring System (KSIMS) database application.

The request includes 109.0 FTE positions, an increase of 10.0 FTE positions above the approved amount. The increase is due to continuation of the agency's supplemental request for an additional 6.0 FTE positions in FY 2012, and the following FTE supplementals for FY 2013: 2.0 FTE Consumer and Mortgage Lending Examiners, a 1.0 FTE Financial Examiner Principal (Field IT Specialist), and a 1.0 FTE Financial Examiner Principal (Surveillance Specialist).

FY 2013. The **Governor** recommends FY 2013 expenditures of \$10,933,074, all from special revenue funds, an increase of \$1,162,846, or 11.9 percent, above the Governor's FY 2012 recommendation. This is an all funds decrease of \$343,668, or 3.0 percent, below the agency's FY 2013 request. The Governor's recommendation includes 107.0 FTE positions, an increase of 2.0 FTE positions above the 2012 recommendation, and a decrease of 2.0 FTE positions below the agency's FY 2013 request. The Governor recommends the agency's FY 2013 supplemental request totaling \$1,252,090, which was partially offset by a decrease for shrinkage of \$205,865, or 2.5 percent, and a decrease of \$137,803 for savings from the Voluntary Retirement Incentive Program.

Bank Commissioner Fee Fund Analysis

The Bank Commissioner Fee Fund is funded in part by assessments on state chartered banks and trust companies. Revenues of the Bank Commissioner Fee Fund are generated by fee income through the Banking Division and the Consumer and Mortgage Lending Division. The agency employs a four-tier rate schedule for determining assessment fees. The agency states that predicting application revenue each year is difficult, because the level of revenues received is dependent solely on the submission of applications.

Resource Estimate	Actual FY 2011	Agency Est. FY 2012	Gov. Rec. FY 2012	Agency Req. FY 2013	Gov. Rec. FY 2013
Beginning Balance	\$ 3,329,320	\$ 4,638,099	\$ 4,638,099	\$ 4,579,246	\$ 4,779,488
Net Receipts	10,190,540	9,630,353	9,630,353	10,408,203	10,408,203
Total Funds Available	\$ 13,519,860	\$ 14,268,452	\$ 14,268,452	\$ 14,987,449	\$ 15,187,691
Less:					
Expenditures	\$ 8,868,338	\$ 9,689,206	\$ 9,488,964	\$ 10,994,992	\$ 10,651,324
Transfers Out	13,423	0	0	0	0
Off Budget					
Expenditures	0	0	0	0	0
Ending Balance	\$ 4,638,099	\$ 4,579,246	\$ 4,779,488	\$ 3,992,457	\$ 4,536,367

Ending Balance as Percent of Expenditures	52.3 %	47.3 %	50.4 %	36.3 %	42.6 %
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Consumer Education Settlement Fee Fund Analysis

The Consumer Education Settlement Fund supports the operations of the Consumer and Mortgage Lending Divisions of the Office of the State Bank Commissioner. Revenue to the fund is generated through fines and settlements levied through enforcement actions brought against companies involved in illegal credit activities. Income to the Consumer Education Settlement Fund is highly variable and difficult to forecast.

Resource Estimate	Actual FY 2011	Agency Est. FY 2012	Gov. Rec. FY 2012	Agency Req. FY 2013	Gov. Rec. FY 2013
Beginning Balance	\$ 434,141	\$ 344,500	\$ 344,500	\$ 398,236	\$ 398,236
Net Receipts	276,843	335,000	335,000	335,000	335,000
Total Funds Available	\$ 710,984	\$ 679,500	\$ 679,500	\$ 733,236	\$ 733,236
Less:					
Expenditures	\$ 366,484	\$ 281,264	\$ 281,264	\$ 281,750	\$ 281,750
Transfers Out	0	0	0	0	0
Ending Balance	\$ 344,500	\$ 398,236	\$ 398,236	\$ 451,486	\$ 451,486

Ending Balance as Percent of Expenditures	52.3 %	47.3 %	50.4 %	36.3 %	42.6 %
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Department of Credit Unions

Governor's Recommendation

FY 2012. The **agency** estimates FY 2012 expenditures of \$1,006,952, all from the Credit Union Fee Fund, and 12.0 FTE positions. The agency's FY 2012 revised estimate is the same as the amount approved by the 2011 Legislature.

FY 2012. The **Governor** recommends FY 2012 expenditures of \$1,006,952, all from the Credit Union Fee Fund, and 12.0 FTE positions. The Governor's recommendation is the same as the agency's FY 2012 revised estimate and the amount approved by the 2011 Legislature.

FY 2013. The **agency** requests FY 2013 expenditures of \$1,038,452, all from the Credit Union Fee Fund, and 12.0 FTE positions. The agency's FY 2013 request is the same as the amount approved by the 2011 Legislature.

FY 2013. The **Governor** recommends FY 2013 expenditures of \$931,047, all from the Credit Union Fee Fund, and 11.0 FTE positions. The Governor's recommendation is a decrease of \$75,905, or 7.5 percent, below the Governor's FY 2012 recommendation, and \$107,405, or 10.3 percent, and 1.0 FTE position below the agency's FY 2013 request. The decrease is attributable to a reduction in Salaries and Wages of \$91,910, and 1.0 FTE position, due to savings from the Voluntary Retirement Incentive Program, and a reduction of \$15,495 in Contractual Services, for staffing and recruiting services.

Credit Union Fee Fund Analysis

The Department of Credit Unions receives revenue from fees that are based on the December 31st asset size of state-chartered credit unions. Prior to June 1st of each year, the Credit Union Administrator, after advising the Credit Union Council, establishes annual operation fees that are determined to be sufficient to meet the budget requirements of the agency.

Fees are assessed according to tiered fee schedules developed by the agency. The tiers are based on the total assets of the individual credit unions. The fee schedule for state chartered natural person credit unions consists of six tiers. The fee schedule for state chartered corporate credit unions consists of two tiers. Credit unions chartered in other states which have physical facilities in Kansas also pay an assessed fee to the department based on their asset size.

Resource Estimate	Actual FY 2011	Agency Est. FY 2012	Gov. Rec. FY 2012	Agency Req. FY 2013	Gov. Rec. FY 2013
Beginning Balance	\$ 170,989	\$ 138,259	\$ 138,259	\$ 159,720	\$ 159,720
Revenue	917,761	1,028,413	1,028,413	1,216,193	1,216,193
Net Receipts	0	0	0	0	0
Total Funds Available	\$ 1,088,750	\$ 1,166,672	\$ 1,166,672	\$ 1,375,913	\$ 1,375,913
Less:					
Expenditures	\$ 949,371	\$ 1,006,952	\$ 1,006,952	\$ 1,038,452	\$ 931,047
Transfers Out	1,120	0	0	0	0
Off Budget					
Expenditures	0	0	0	0	0
Ending Balance	<u>\$ 138,259</u>	<u>\$ 159,720</u>	<u>\$ 159,720</u>	<u>\$ 337,461</u>	<u>\$ 444,866</u>

Ending Balance as Percent of Expenditures	14.6 %	15.9 %	15.9 %	32.5 %	47.8 %
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Securities Commissioner

FY 2012. The **agency** estimates FY 2012 operating expenditures of \$3,195,815, including \$2,871,074 from the Securities Act Fee Fund, and \$324,741 from the Investor Education Fund. The agency's FY 2012 revised estimate is an all funds increase of \$243,413, or 8.2 percent, above the amount approved by the 2011 Legislature. The increase is attributable to expenditures for the Investor Education Program in FY 2012. In FY 2011, the agency received an additional \$600,000 from an auction rate securities settlement agreement that resulted from an agency investigation, which is used for the agency's Investor Education Program. The agency's estimate includes 30.0 FTE positions, a reduction of 2.1 FTE positions below the approved amount. The decrease is attributable to a voluntary reduction of FTE positions by the Securities Commissioner following an agency determination that 30.0 FTE positions can function efficiently and accomplish the agency's mission.

FY 2013. The **agency** estimates FY 2013 operating expenditures of \$3,220,130, including \$2,923,867 from the Securities Act Fee Fund, and \$296,263 from the Investor Education Fund. The estimate is an all funds increase of \$24,315, or 0.8 percent, above the agency's FY 2012 revised estimate. The increase is primarily attributable to an increase of \$54,429 in Salaries and Wages expenditures for continuation of the expanded Investor Education Program for FY 2013, which was partially offset by a decrease of \$19,435 in Capital Outlay for office and computer equipment, and a Contractual Services decrease of \$8,197, primarily for computer programming. The estimate includes 30.0 FTE positions, the same as the agency's FY 2012 revised estimate.

Governor's Recommendation

FY 2012. The **Governor** recommends FY 2012 operating expenditures of \$3,126,337, including \$2,801,596 from the Securities Act Fee Fund, and \$324,741 from the Investor Education Fund. The recommendation is an increase of \$173,995, or 5.9 percent, above the amount approved by the 2011 Legislature, and a decrease of \$69,478, or 2.2 percent, below the agency's FY 2012 revised estimate. The decrease from the agency's revised estimate is due to the Governor's recommended shrinkage rate of 4.0 percent, or \$69,478, in Salaries and Wages. The recommendation includes 30.0 FTE positions, a reduction of 2.1 FTE positions below the approved amount, and the same as the agency's FY 2012 revised estimate.

FY 2013. The **Governor** recommends FY 2013 operating expenditures of \$3,131,354, including \$2,835,091 from the Securities Act Fee Fund, and \$296,263 from the Investor Education Fund. The recommendation is an increase of \$5,017, or 0.2 percent, above the Governor's FY 2012 recommendation, and a decrease of \$88,776, or 2.8 percent, below the agency's FY 2013 request. Compared to the agency's request, the decrease is attributable to a reduction in Salaries and Wages of \$88,776, due the Governor's recommended increase in the agency's shrinkage rate to 4.0 percent. The recommendation includes 30.0 FTE positions, the same as the Governor's FY 2012 recommendation and the agency's FY 2013 request.

Securities Act Fee Fund Analysis

The Securities Act Fee Fund is financed by fees received from agents of broker-dealers, investment advisers investment companies (mutual fund issuers) and other issuers of securities that are offering investment capital in Kansas. The authority for the Commissioner to set rates are specified in KSA 12-12(a)205, 17-12(a)302, 17-12(a)-305 and 17-12(a)410. Most current rates specified in regulations are below the statutory maximum rates.

Resource Estimate	Actual FY 2011	Agency Est. FY 2012	Gov. Rec. FY 2012	Agency Req. FY 2013	Gov. Rec. FY 2013
Beginning Balance	\$ 47,957	\$ 22,489	\$ 22,489	\$ 51,000	\$ 50,000
Revenue	13,149,551	13,343,500	13,342,500	13,593,500	13,593,500
Net Receipts	0	0	0	0	0
Total Funds Available	\$ 13,197,508	\$ 13,365,989	\$ 13,364,989	\$ 13,644,500	\$ 13,643,500
Less:					
Expenditures	\$ 2,689,764	\$ 2,871,074	\$ 2,801,596	\$ 2,923,867	\$ 2,835,091
Transfers Out	10,485,255	10,443,915	10,513,393	10,669,633	10,758,409
Off Budget Expenditures	0	0	0	0	0
Ending Balance	\$ 22,489	\$ 51,000	\$ 50,000	\$ 51,000	\$ 50,000

Ending Balance as Percent of Expenditures	0.8 %	1.8 %	1.8 %	1.7 %	1.8 %
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Abstracter's Board

FY 2012. The agency estimates \$24,291, all from the Abstracter's Fee Fund. This is an increase of \$1,000, or 4.3 percent, above the amount approved by the 2011 Legislature. The increase is mainly attributable to an increase in salaries and wages due to increased hours worked and fringe benefits.

FY 2013. The agency requests \$24,742, all from the Abstracter's Fee Fund. This is an increase of \$451, or 1.9 percent, above the FY 2012 estimate. The increase is mainly attributable to an increase in travel expenditures.

Governor's Recommendation

FY 2012. The Governor concurs with the agencies revised estimate.

FY 2013. The Governor concurs with the agency's request

Abstracter's Board Fee Fund Analysis

The Abstracter's Board of Examiners is a fee-funded agency. The revenue received provides financing for all agency operations. The Abstracter's Board of Examiners generates fee revenues from three primary sources: Annual fees are \$50; Examination fees are \$70; and each additional exam is \$40. (K.S.A. 58-2801)

Resource Estimate	Actual FY 2011	Agency Est. FY 2012	Gov. Rec. FY 2012	Agency Req. FY 2013	Gov. Rec. FY 2013
Beginning Balance	\$ 14,901	\$ 7,473	\$ 7,473	\$ 1,182	\$ 1,182
Revenue	15,992	18,000	18,000	36,000	36,000
Net Receipts	0	0	0	0	0
Total Funds Available	\$ 30,893	\$ 25,473	\$ 25,473	\$ 37,182	\$ 37,182
Less:					
Expenditures	\$ 23,420	\$ 24,291	\$ 24,291	\$ 24,742	\$ 24,742
Transfers Out	0	0	0	0	0
Ending Balance	\$ 7,473	\$ 1,182	\$ 1,182	\$ 12,440	\$ 12,440

Ending Balance as Percent of Expenditures	31.9 %	4.9 %	4.9 %	50.3 %	50.3 %
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Month Highest Ending Balance	January \$ 20,290	January \$ 20,290	January \$ 20,290	January \$ 20,290	January \$ 20,290
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Month Lowest Ending Balance	November \$ 801	November \$ 801	November \$ 801	November \$ 801	November \$ 801
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Staff Note: Increase shown in revenue for FY 2013 is an estimate with a fee increase which is necessary to keep the agency budget in a positive balance. A bill would need to be introduced to increase fees.

Board of Accountancy

FY 2012. The **agency** estimates \$340,227, all from the Board of Accountancy Fee Fund, an increase of \$305, or less than 0.1 percent, above the FY 2012 approved budget. The increase is attributable to the employer death and disability reduction. The agency retained contract disciplinary counsel as approved by the 2011 Legislature. The agency converted one FTE position to a non-FTE unclassified permanent for a total of 2.0 FTE positions.

FY 2013. The **agency** requests \$346,732, all from the Board of Accountancy Fee Fund, an amount equal to the agency approved budget. The agency maintains 2.0 FTE positions and one non-FTE position.

Governor's Recommendation

FY 2012. The **Governor** recommends \$334,922, all from the Board of Accountancy Fee Fund, a decrease of \$5,305, or 1.6 percent, below the agency request. The Governor recommends reducing \$5,000 from contractual services as the agency request proposes spending \$30,000 more than FY 2011 for retention of contract counsel and reducing salaries and wages by \$305, the amount of the employer death and disability reduction.

FY 2013. The **Governor** recommends \$340,182, all from the Board of Accountancy Fee Fund, a decrease of \$6,550, or 1.9 percent, below the FY 2013 agency request. The recommendation reduces travel expenditures by \$1,550 and continues the \$5,000 reduction in payments to contract disciplinary counsel

Board of Accountancy Fee Fund Analysis

The Board of Accountancy receives revenue from the issuance of certificates, permits and fines. The 2005 Legislature established the Special Litigation Reserve Fund for costs incurred in litigation cases. Expenditures from this reserve fund require approval of the State Finance Council. Each year, \$15,000 from the Board of Accountancy Fee Fund is placed into the Special Litigation Reserve Fund until the \$300,000 cap is reached.

Resource Estimate	Actual FY 2011	Agency Est. FY 2012	Gov. Rec. FY 2012	Agency Req. FY 2013	Gov. Rec. FY 2013
Beginning Balance	\$ 374,900	\$ 345,333	\$ 345,333	\$ 293,609	\$ 298,609
Revenue	297,343	303,503	303,503	303,683	303,683
Transfers In	0	0	1,000	0	1,000
Total Funds Available	\$ 672,243	\$ 648,836	\$ 649,836	\$ 597,292	\$ 603,292
Less:					
Expenditures	\$ 311,583	\$ 340,227	\$ 334,922	\$ 346,732	\$ 340,182
Transfers Out	15,327	15,000	16,305	15,000	16,000
Off Budget Exp.	0	0	0	0	0
Ending Balance	<u>\$ 345,333</u>	<u>\$ 293,609</u>	<u>\$ 298,609</u>	<u>\$ 235,560</u>	<u>\$ 247,110</u>
Ending Balance as Percent of Expenditures	110.8 %	86.3 %	89.2 %	67.9 %	72.6 %
Month Highest Ending Balance	July \$ 442,135	July \$ 403,934	July \$ 408,934	July \$ 356,912	July \$ 368,462
Month Lowest Ending Balance	April \$ 302,545	April \$ 269,341	April \$ 274,341	April \$ 218,482	April \$ 229,982

Board of Barbering

FY 2012. The **agency** estimates \$156,383, all from the Board of Barbering Fee Fund, which is the amount approved by the 2011 Legislature. The request includes 1.5 FTE positions and 0.9 non-FTE unclassified permanent position.

FY 2013. The **agency** requests \$144,892, all from the Board of Barbering Fee Fund, which is the amount approved by the 2011 Legislature. The request includes 1.5 FTE positions and 0.9 non-FTE unclassified permanent position.

Governor's Recommendation

FY 2012. The **Governor** recommends \$166,383, all from the Board of Barbering Fee Fund, which is an increase of \$10,000 over the approved amount. The Governor's recommendation includes \$4,531 to increase the Administrative Officer's salary and \$5,469 for increases in other operating expenditures. The recommendation includes 1.5 FTE positions and 0.9 non-FTE unclassified permanent position, the same as the approved.

FY 2013. The **Governor** recommends \$154,892, all from the Board of Barbering Fee Fund, which is an increase of \$10,000 over the approved amount. The Governor's recommendation includes an increase of \$9,109 for the Administrative Officer's salary and \$891 for increases in other operating expenditures. The recommendation includes 1.5 FTE positions and 0.9 non-FTE unclassified permanent position.

Board of Barbering Fee Fund Analysis

The Board of Barbering is a fee-funded agency. The revenue received provides financing for all agency operations, with 90.0 percent being retained by the agency and 10.0 percent being deposited in the State General Fund. In addition, 100.0 percent of all fines collected are deposited in the State General Fund.

Resource Estimate	Actual FY 2011	Agency Est. FY 2012	Gov. Rec. FY 2012	Agency Req. FY 2013	Gov. Rec. FY 2013
Beginning Balance	\$ 6,913	\$ 21,642	\$ 21,642	\$ 38,824	\$ 28,824
Revenue	154,139	173,565	173,565	173,565	173,565
Net Receipts	0	0	0	0	0
Total Funds Available	\$ 161,052	\$ 195,207	\$ 195,207	\$ 212,389	\$ 202,389
Less:					
Expenditures	\$ 139,410	\$ 156,383	\$ 166,383	\$ 144,892	\$ 154,892
Transfers Out	0	0	0	0	0
Off Budget Expenditures	0	0	0	0	0
Ending Balance	<u>\$ 21,642</u>	<u>\$ 38,824</u>	<u>\$ 28,824</u>	<u>\$ 67,497</u>	<u>\$ 47,497</u>
Ending Balance as Percent of Expenditures	15.5 %	24.8 %	17.3 %	46.6 %	30.7 %
Month Highest Ending Balance	April \$ 23,896	April \$ 23,500	April \$ 23,500	April \$ 23,500	April \$ 23,500
Month Lowest Ending Balance	June \$ 7,420	June \$ 9,800	June \$ 9,800	June \$ 9,800	June \$ 9,800

Behavioral Sciences Regulatory Board

FY 2012. The **agency** estimates \$673,031, all from special revenue funds, which represents an increase of \$55,170, or 8.9 percent, above the FY 2012 approved budget. This also includes an increase of 1.0 FTE position, from 8.0 FTE positions to 9.0 FTE positions. The increase is due to a supplemental request of \$55,170 to hire a License Specialist for the new Addiction Counselor licenses required by the Licensed Addiction Counselor Act passed in the 2010 Legislative Session. This act covers approximately 1,325 new licensees. Absent the supplemental, the agency request is \$617,861, the same as the approved amount.

FY 2013. The **agency** requests \$687,539, all from special revenue funds, which represents an increase of \$50,953, or 8.0 percent, above the FY 2013 approved budget. This also includes an increase of 1.0 FTE position, from 8.0 FTE positions to 9.0 FTE positions. The increase is due to a supplemental request of \$50,953 to fund the License Specialist for the new Addition Counselor licenses. The agency states this has increased the workload by approximately 20.0 percent. Absent the supplemental, the agency request is \$636,586, the same as the approved amount.

Governor's Recommendation

FY 2012. The **Governor** recommends \$618,361, an increase of \$500 above the approved amount to correct an oversight made during the 2011 Legislative Session which inadvertently decreased the agency's approved budget by the same amount. The Governor does not recommend funding the supplemental request for the addition of \$55,170 or 1.0 FTE positions because the agency has already completed the initial processing phase for the addiction counselor license applications using overtime for existing staff and some temporary assistance.

FY 2013. The **Governor** recommends \$685,539, an increase of \$48,953, or 7.7 percent, and 1.0 FTE positions above the FY 2013 approved budget. The increase funds the enhancement request of \$50,953 to add 1.0 FTE positions to maintain the additional workload of over 1,300 new licensee as a result of the passage of the Addiction Counselor Licensure Act. This increase is partially offset by a reduction of overtime pay in the salary and wages expenditures which should no longer be needed with the addition of a new position.

Behavioral Sciences Regulatory Board Fee Fund Analysis

According to K.S.A. 74-7505, the Behavioral Sciences Regulatory Board Fee Fund replaced in 1980 the Psychologists Fee Fund and the Social Work Examiners Fee Fund. The new Board inherited the previous boards' authorities to set, charge, and collect fees. With the exception of copying and printing reimbursement, 10.0 percent of monies collected in fees is remitted to the State General Fund. The monies retained fully fund the agency.

Resource Estimate	Actual FY 2011	Agency Est. FY 2012	Gov. Rec. FY 2012	Agency Req. FY 2013	Gov. Rec. FY 2013
Beginning Balance	\$ 181,252	\$ 195,156	\$ 195,156	\$ 322,925	\$ 377,595
Revenue	622,958	800,800	800,800	635,800	635,800
Transfers In	0	0	0	0	0
Total Funds Available	\$ 804,210	\$ 995,956	\$ 995,956	\$ 958,725	\$ 1,013,395
Less:					
Expenditures	\$ 608,218	\$ 673,031	\$ 618,361	\$ 687,539	\$ 685,539
Transfers Out	836	0	0	0	0
Off Budget					
Expenditures	0	0	0	0	0
Ending Balance	<u>\$ 195,156</u>	<u>\$ 322,925</u>	<u>\$ 377,595</u>	<u>\$ 271,186</u>	<u>\$ 327,856</u>
Ending Balance as Percent of Expenditures	32.1 %	48.0 %	61.1 %	39.4 %	47.8 %
Month Highest Ending Balance	June \$ 206,775	June \$ 308,000	June \$ 308,000	July \$ 390,000	July \$ 390,000
Month Lowest Ending Balance	December \$ 76,049	January \$ 187,000	January \$ 187,000	January \$ 247,000	January \$ 247,000

Board of Cosmetology

FY 2012. The **agency** estimates \$827,504, all from the Board of Cosmetology Fee Fund, and 11.0 FTE which is the amount approved by the 2011 Legislature.

FY 2013. The **agency** requests \$830,995 all from the Board of Cosmetology Fee Fund, which is an increase of \$14,900 or 1.8 percent, above the FY 2013 approved amount. The increase is due to a supplemental request of \$14,900 to replace a high mileage vehicle. Absent the supplemental request, the agency request is \$816,055, which is the same as the approved amount. The request includes 11.0 FTE positions which is the same as the FY 2012 estimate.

Governor's Recommendation

FY 2012. The **Governor** concurs with the agency's request.

FY 2013. The **Governor** recommends \$816,055, all from the Board of Cosmetology Fee Fund, which is the same as the amount approved for FY 2013. The Governor's recommendation is a reduction of \$14,900, or 1.8 percent, below the agency's request. The recommendation includes 11.0 FTE.

Board of Cosmetology Fee Fund Analysis

The Board of Cosmetology is a fee-funded agency. The revenue from issuing licenses and administering examinations provides financing for all agency operations, with 90.0 percent being retained by the agency and 10.0 percent being deposited in the State General Fund. In addition, 100.0 percent of all fines collected are deposited in the State General Fund.

Resource Estimate	Actual FY 2011	Agency Est. FY 2012	Gov. Rec. FY 2012	Agency Req. FY 2013	Gov. Rec. FY 2013
Beginning Balance	\$ 346,985	\$ 420,384	\$ 420,384	\$ 395,810	\$ 395,810
Revenue	833,683	802,930	802,930	802,930	802,930
Net Receipts	0	0	0	0	0
Total Funds Available	\$ 1,180,668	\$ 1,223,314	\$ 1,223,314	\$ 1,198,740	\$ 1,198,740
Less:					
Expenditures	\$ 760,284	\$ 827,504	\$ 827,504	\$ 830,955	\$ 816,055
Transfers Out	0	0	0	0	0
Off Budget Expenditures	0	0	0	0	0
Ending Balance	\$ 420,384	\$ 395,810	\$ 395,810	\$ 367,785	\$ 382,685
Ending Balance as Percent of Expenditures	55.3 %	47.8 %	47.8 %	44.3 %	46.9 %
Month Lowest Ending Balance	\$ 288,125	\$ N/A	\$ N/A	\$ N/A	\$ N/A
Month Highest Ending Balance	\$ 442,064	\$ N/A	\$ N/A	\$ N/A	\$ N/A

Kansas Dental Board

FY 2012. The **agency** estimates \$441,938, all from special revenue funds, which represents an increase of \$70,048, or 18.8 percent, above the FY 2012 approved budget of \$371,890. This is largely due to a supplemental request of \$51,004 to cover an increase in contractual services for attorneys fees, training and conferences, increased operating costs, capitol outlay to purchase each board member an iPad for paperless meetings, and increased salaries and wages to cover a leave payout for an employee in the Voluntary Early Retirement Incentive Program. Absent the supplemental, the agency request is \$371,890, which is the same as the approved amount. As is they have 3.0 FTE positions in the agency request.

FY 2013. The **agency** requests \$430,014, all from special revenue funds, which represents an increase of \$55,869, or 14.9 percent, above the FY 2013 approved budget. This increase is due to a supplemental request to cover increases in contractual services for attorneys fees, training and conferences, increased operating costs. Absent the supplemental, the agency request is \$374,145, which is the same as the approved amount.

Governor's Recommendation

FY 2012. The **Governor** recommends \$379,932, all from special revenue funds, which is an increase of \$8,042, or 2.2 percent, above the FY 2012 approved amount. This increase is attributable to an increase in salaries and wages for the retirement program leave payout of \$14,094 offset by a reduction in out-of-state travel of \$6,052.

FY 2013. The **Governor** recommends \$369,098, all from special revenue funds, and is a decrease of \$5,047, or 1.3 percent, below the FY 2013 approved budget. The decrease is due to a reduction in out-of-state travel.

Kansas Dental Board Fee Fund Analysis

The Dental Board receives most of its revenue from biennial registration fees. Legislation was passed in the 1995 Session to change the Board's practice of annual licensing to biennial. Prior to 2006, dental and hygienist licenses were renewed in alternating year which resulted in large swings in revenue due to the higher dental renewal fees. The Board now staggers the renewal of licenses to level the revenue stream. The board also experienced a growing fee fund ending balance due to the new category of anesthesia/sedation permits and the increasing number of dental hygiene applications. In FY 2010 and FY 2011, initial application fees were reduced and some administrative fees, such as verifications, were eliminated. The revenue from the fee adjustments and new license category are reflected in this budget cycle.

Resource Estimate	Actual FY 2011	Agency Est. FY 2012	Gov. Rec. FY 2012	Agency Req. FY 2013	Gov. Rec. FY 2013
Beginning Balance	\$ 262,681	\$ 289,136	\$ 289,136	\$ 273,496	\$ 335,502
Revenue	400,033	476,298	476,298	482,342	482,342
Transfers In	0	0	0	0	0
Total Funds Available	\$ 662,714	\$ 765,434	\$ 765,434	\$ 755,838	\$ 817,844
Less:					
Expenditures	\$ 373,273	\$ 441,938	\$ 379,932	\$ 430,014	\$ 369,098
Transfers Out	305	50,000	50,000	50,000	50,000
Off Budget Expenditures	0	0	0	0	0
Ending Balance	<u>\$ 289,136</u>	<u>\$ 273,496</u>	<u>\$ 335,502</u>	<u>\$ 275,824</u>	<u>\$ 398,746</u>
Ending Balance as Percent of Expenditures	77.5 %	61.9 %	88.3 %	64.1 %	108.0 %
Month Highest Ending Balance	December \$ 434,165	December \$ 442,702	December \$ 442,702	December \$ 445,000	December \$ 445,000
Month Lowest Ending Balance	September \$ 192,299	September \$ 170,448	September \$ 170,448	September \$ 147,000	September \$ 147,000

Kansas State Board of Healing Arts

FY 2012. The **agency** estimates \$4,200,568, the same as the approved 2012 budget. The amount includes the \$100,000 to fund the contracted Medical Director as added by the 2011 Legislature. They also estimated 45.0 FTE positions, which is the same as the FY 2012 approved.

FY 2013. The **agency** requests \$4,321,859, the same amount as the approved 2013 budget. This amount includes \$150,000 to fund the contracted medical director as added by the 2011 Legislature. They also request 45.0 FTE positions, which is the same as the FY 2012 estimate.

Governor's Recommendation

FY 2012. The **Governor** concurs with the FY 2012 agency request of \$4,200,568.

FY 2013. The **Governor** recommends \$4,223,509, all from special revenue funds, which is a decrease of \$98,350, or 2.3 percent, below the approved 2013 budget. The decrease is attributable to a reduction in the Medical Director contract of \$50,000, delay in computer equipment replacement expenditures of \$43,350 and reduced office supply purchases of \$5,000.

Kansas Board of Healing Arts Fee Fund Analysis

The Board of Healing Arts is financed by special revenue funds, derived mainly from licensing and registration fees. Maximum fees are established in statute, and the actual rates are set by Board-issued regulation within the statutory limitation. The fees vary based on the type of license or registration sought.

The Board is able to process license and registration applications online; however, the licensee or registrant also has the option of submitting a paper renewal. Fees are slightly reduced for online renewals. The Board's regulations also establish fees for late renewals or reinstatement of a revoked license.

Resource Estimate	Actual FY 2011	Agency Est. FY 2012	Gov. Rec. FY 2012	Agency Req. FY 2013	Gov. Rec. FY 2013
Beginning Balance	\$ 2,074,883	\$ 2,541,884	\$ 2,541,884	\$ 2,714,311	\$ 2,714,311
Revenue	4,241,591	4,372,995	4,372,995	4,457,108	4,457,108
Transfers In	0	0	0	0	0
Total Funds Available	\$ 6,316,474	\$ 6,914,879	\$ 6,914,879	\$ 7,171,419	\$ 7,171,419
Less:					
Expenditures	\$ 3,769,616	\$ 4,200,568	\$ 4,200,568	\$ 4,321,859	\$ 4,223,509
Transfers Out	4,974	0	0	0	0
Off Budget					
Expenditures	0	0	0	0	0
Ending Balance	<u>\$ 2,541,884</u>	<u>\$ 2,714,311</u>	<u>\$ 2,714,311</u>	<u>\$ 2,849,560</u>	<u>\$ 2,947,910</u>
Ending Balance as Percent of Expenditures	67.4 %	64.6 %	64.6 %	65.9 %	69.8 %
Month Highest Ending Balance	June \$ 2,763,138	June \$ 2,935,565	June \$ 2,935,565	June \$ 2,898,387	June \$ 2,898,387
Month Lowest Ending Balance	April \$ 1,005,593	April \$ 1,176,810	April \$ 1,176,810	April \$ 1,113,597	April \$ 1,113,597

Kansas Board of Examiners in Fitting and Dispensing of Hearing Instruments

FY 2012. The agency estimates \$30,034, all from the Kansas Board of Examiners in the Fitting and Dispensing of Hearing Instruments Fee Fund. The request is an all funds increase of \$398, or 0.1 percent, above the amount approved by the 2011 Legislature. The increase is attributable to paying Board members per diem at the two regularly scheduled board meetings held each year. The request include 0.5 non FTE position.

FY 2013. The agency requests \$29,582, all from the Kansas Board of Examiners in the Fitting and Dispensing of Hearing Instruments Fee Fund. The request is an all funds increase of \$401, or 0.1 percent, above the amount approved by the 2011 Legislature. The increase is attributable to paying Board members per diem at the two regularly board meetings held each year. The request includes 0.5 non FTE position.

Governor's Recommendation

FY 2012. The Governor recommends \$28,552, all from the Kansas Board of Examiners in the Fitting and Dispensing of Hearing Instruments Fee Fund. The recommendation includes additional funding in the amount of \$398 to reinstate per diem payments to Board members and a reduction of 5.0 percent to the approved amount for FY 2012. The recommendation includes 0.5 non FTE position.

FY 2013. The Governor recommends \$28,103, all from the Kansas Board of Examiners in the Fitting and Dispensing of Hearing Instruments Fee Fund. The recommendation includes additional funding in the amount of \$401 to reinstate per diem payments to Board members and a reduction of 5.0 percent from the agency request. The recommendation includes 0.5 non FTE position.

Kansas State Board of Examiners in Fitting and Dispensing of Hearing Instruments Fee Fund Analysis

The Kansas Board of Examiners in Fitting and Dispensing of Hearing Instruments is funded by receipts that come from licensing fees for practicing dispensers. The revenue received provides financing for all agency operations, with 10.0 percent being deposited in the State General Fund.

Resource Estimate	Actual FY 2011	Agency Est. FY 2012	Gov. Rec. FY 2012	Agency Req. FY 2013	Gov. Rec. FY 2013
Beginning Balance	\$ 28,733	\$ 29,854	\$ 29,854	\$ 30,828	\$ 32,310
Revenue	28,478	31,008	31,008	31,008	31,008
Net Receipts		0	0	0	0
Total Funds Available	\$ 57,211	\$ 60,862	\$ 60,862	\$ 61,836	\$ 63,318
Less:					
Expenditures	\$ 27,357	\$ 30,034	\$ 28,552	\$ 29,582	\$ 28,103
Transfers Out	0	0	0	0	0
Off Budget					
Expenditures	0	0	0	0	0
Ending Balance	\$ 29,854	\$ 30,828	\$ 32,310	\$ 32,254	\$ 35,215

Ending Balance as Percent of Expenditures	109.1 %	102.6%	113.2 %	109.0 %	125.3 %
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Board of Nursing

FY 2012. The **agency** estimates \$2,045,152, all from special revenue funds, which represents an increase of \$1,500, or less than 0.1 percent, above the FY 2012 approved budget. This is due to an increase in expenditure for a Scholarship Award in FY 2012. Absent the supplemental, the agency estimate is \$2,043,652, the same as the approved amount.

FY 2013. The **agency** requests \$2,111,310, all from special revenue funds, which represents an increase of \$1,500, or less than 0.1 percent, above the FY 2013 approved budget. This is due to an increase in expenditures for a Scholarship Award in FY 2013. Absent the supplemental, the agency estimate is \$2,109,810, the same as the approved amount.

Governor's Recommendation

FY 2012. The **Governor** concurs with the agency's FY 2012 request of \$2,045,152, all from special revenue funds.

FY 2013. The **Governor** recommends \$2,406,918, an increase of \$297,108, or 14.1 percent, above the FY 2013 approved budget and 28.0 FTE positions. The increase is attributable to the addition of \$305,608 from the Board of Nursing Fee Fund and 4.0 FTE positions. This funding was added to implement the health occupations credentialing for Certified Nurse Aide(CNN), Certified Medication Aide (CMA), Home Health Aide (HHA), and the Nurse Registry Act which is recommended for transfer to the Board of Nursing from the Health Occupations Credentialing Program at the Kansas Department of Health and Environment authorized by K.S.A. 65-5001 et. seq. The governor also funded the supplemental request for an increase of \$1,500 in expenditures for a Scholarship Award. These additions are partially offset by a reduction in commodities expenditures of \$10,000.

Board of Nursing Fee Fund Analysis

The Board of Nursing Fee Fund is funded by the collection of fees related to the licensing of nurses. According to K.S.A. 75-1108, 10.0 percent of the agency's gross receipts is deposited into the State General Fund, up to a maximum of \$100,000 and the remainder is credited to the Board of Nursing Fee Fund.

The Board of Nursing has two additional fee funds for other specific purposes. One is the Gifts and Grants Fund, and the other is the Criminal Background and Fingerprinting Fund. K.S.A. 74-1106 authorized the Board of Nursing to apply for and receive grant funds, as well as receive donations, bequests, and gifts. This statute also created the Gifts and Grants Fund for purposes of receiving such grant funds, donations, bequests, and gifts.

According to K.S.A. 74-1112, which created the Criminal Background and Fingerprinting Fund, the agency has the authority to fix a fee for the fingerprinting of applicants, licensees, or both. These fees are used to pay the Kansas Bureau of Investigation for the processing of fingerprints and criminal history background checks. The Board of Nursing currently requires all applicants for an original license to be fingerprinted and have a criminal background check conducted.

Resource Estimate	Actual FY 2011	Agency Est. FY 2012	Gov. Rec. FY 2012	Agency Req. FY 2013	Gov. Rec. FY 2013
Beginning Balance	\$ 481,279	\$ 649,304	\$ 649,304	\$ 714,827	\$ 714,827
Revenue	2,081,517	2,109,175	2,109,175	2,145,050	2,145,050
Transfer In	0	0	0	0	0
Total Funds Available	\$ 2,562,796	\$ 2,758,479	\$ 2,758,479	\$ 2,859,877	\$ 2,859,877
Less:					
Expenditures	\$ 1,910,777	\$ 2,043,652	\$ 2,043,652	\$ 2,109,810	\$ 2,405,418
Transfers Out	2,715	0	0	0	0
Off Budget					
Expenditures	0	0	0	0	0
Ending Balance	\$ 649,304	\$ 714,827	\$ 714,827	\$ 750,067	\$ 454,459
Ending Balance as Percent of Expenditures	34.0 %	35.0 %	35.0 %	35.6 %	18.9 %
Month Highest Ending Balance	April \$ 925,588	April \$ 900,000	April \$ 900,000	April \$ 910,000	April \$ 910,000
Month Lowest Ending Balance	November \$ 623,996	November \$ 701,010	November \$ 701,010	November \$ 690,000	June \$ 454,459

Board of Examiners in Optometry

FY 2012. The **agency** estimates \$133,062, all from special revenue funds, which represents an increase of \$11,882, or 9.8 percent, above the FY 2012 approved budget. The increase is due to a supplemental funding request for salary and wage adjustments, restoration of board travel and restoration of official hospitality. Absent the supplemental, the agency estimate is \$121,180, which is the same as the approved amount.

FY 2013. The **agency** requests \$117,627, all from special revenue funds, which represents an increase of \$5,996, or 5.4 percent, above the FY 2013 approved budget. The increase is due to a supplemental request for adjustments in salaries and wages. Absent the supplemental the agency request is \$111,631, which is the same as the approved amount.

Governor's Recommendation

FY 2012. The **Governor** recommends \$120,141, all from special revenue funds, which is a decrease of \$1,039, or 0.9 percent, below the FY 2012 approved budget. The decrease is due to a reduction in building rental and moving expenses.

FY 2013. The **Governor** recommends \$114,437, all from special revenue funds, which is an increase of \$2,806, or 2.5 percent, above the FY 2013 approved budget. The increase funds the supplemental request for the adjustments in salaries and wages of \$5,996 while decreasing building rental and moving expenses in the amount of \$3,190.

Board of Examiners in Optometry Fee Fund Analysis

The Board of Examiners in Optometry Fee Fund is funded by the collection of fees related to the licensing of optometrists. After 10.0 percent of these collections are remitted to the State General Fund, the remainder is credited to the Optometry Fee Fund.

The fee structure was changed from annual to biennial license renewal by the 2003 Legislature with the passage of 2003 HB 2169. The bill also raised the maximum renewal fee to \$800. The Board has made this transition, and now one-half of the licensees renew in even years, and the other half in odd years. The statutory limit on license fees was increased to \$450 biennially. Late fees are \$250 with subsequent late renewals carrying a \$500 fee. Other revenue is derived from examination fees, mailing list fees, and fees for new licenses.

Resource Estimate	Actual FY 2011	Agency Est. FY 2012	Gov. Rec. FY 2012	Agency Req. FY 2013	Gov. Rec. FY 2013
Beginning Balance	\$ 158,467	\$ 297,584	\$ 297,276	\$ 283,622	\$ 318,930
Revenue	131,785	118,500	141,795	131,220	144,225
Transfers In	108,295	0	0	0	0
Total Funds Available	\$ 398,547	\$ 416,084	\$ 439,071	\$ 414,842	\$ 463,155
Less:					
Expenditures	\$ 101,181	\$ 132,462	\$ 120,141	\$ 117,627	\$ 114,437
Transfers Out	90	0	0	0	0
Off Budget					
Expenditures	0	0	0	0	0
Ending Balance	\$ 297,276	\$ 283,622	\$ 318,930	\$ 297,215	\$ 348,718
Ending Balance as Percent of Expenditures	293.8 %	214.1 %	265.5 %	252.7 %	304.7 %
Month Highest Ending Balance	June \$ 297,276	July \$ 297,276	June \$ 318,930	June \$ 297,307	June \$ 348,718
Month Lowest Ending Balance	April \$ 57,861	April \$ 59,596	April \$ 59,596	April \$ 59,596	April \$ 59,596

Board of Pharmacy

FY 2012. The **agency** estimates FY 2012 expenditures of \$1,213,430, including \$791,288 from the State Board of Pharmacy Fee Fund, \$64,783 from the NASPER grant fund, \$338,959 from the Harold Rogers Prescription Monitoring Program grant fund, and \$18,400 from non-federal grants. The agency's FY 2012 estimate is a decrease of \$39,944, or 3.2 percent, below the amount approved by the 2011 Legislature. The decrease is attributable to completion of the Kansas Tracking and Reporting of Controlled Substances data system in FY 2011, which was funded through the Harold Rogers Prescription Monitoring Program grant fund, leaving minimal software and microcomputer equipment expenditures estimated for FY 2012. The estimate includes 8.0 FTE positions, the same amount as approved by the 2011 Legislature.

FY 2013. The **agency** requests FY 2013 expenditures of \$1,155,920, including \$839,771 from the State Board of Pharmacy Fee Fund, and \$316,149 from the Harold Rogers Prescription Monitoring Program grant fund. The request is an increase of \$316,149, or 37.6 percent, above the amount approved by the 2011 Legislature. The increase is attributable to the agency's successful application for the continuation of funding through the Harold Rogers Prescription Monitoring Program, which is guaranteed through October, 2012. Included in the Harold Rogers grant for the Kansas Tracking and Reporting of Controlled Substances program is \$130,420 for salaries and wages for a program director and administrative officer; \$164,04 for contractual services, travel, rent, and communications; \$13,114 for commodities, including office and computer equipment; and \$8,566 for capital outlay, including software and microcomputer equipment. The request includes 8.0 FTE positions, the same amount as approved by the 2011 Legislature.

Governor's Recommendation

FY 2012. The **Governor** recommends FY 2012 operating expenditures of \$1,214,180, including \$792,038 from the State Board of Pharmacy Fee Fund, \$64,783 from the NASPER grant fund, \$338,959 from the Harold Rogers Prescription Monitoring Program grant fund, and \$18,400 from non-federal grants. The recommendation is an all funds decrease of \$39,194, or 3.1 percent, below the amount approved by the 2011 Legislature, and \$750, or less than 0.1 percent, above the agency's FY 2012 revised estimate. The increase is due to a technical correction to the agency's approved expenditure limitation for the State Board of Pharmacy Fee Fund. The recommendation includes 8.0 FTE positions, the same amount as approved by the 2011 Legislature.

FY 2013. The **Governor** recommends FY 2013 expenditures of \$1,134,926, including \$818,777 from the State Board of Pharmacy Fee Fund and \$316,149 from the Harold Rogers Prescription Monitoring Program grant fund. The recommendation is a decrease of \$79,254, or 6.5 percent, below the Governor's FY 2012 recommendation, and a decrease of \$20,994, or 1.8 percent, below the agency's FY 2012 estimate, and is attributable to a reduction of the same amount for attorney's fees in Contractual Services. The agency now has an attorney on staff, which reduces the need for contracting with an outside attorney for legal services. The recommendation includes 8.0 FTE positions, the same as the amount approved by the 2011 Legislature.

State Board of Pharmacy Fee Fund Analysis

The State Board of Pharmacy Fee Fund receives fees from the licensing of pharmacists, pharmacies, drug manufacturers and distributors, and retail dealers, as well as the administration of pharmacist license examinations. Licenses and permits are renewed on an annual basis.

Resource Estimate	Actual FY 2011	Agency Est. FY 2012	Gov. Rec. FY 2012	Agency Req. FY 2013	Gov. Rec. FY 2013
Beginning Balance	\$ 1,114,308	\$ 1,138,484	\$ 1,138,484	\$ 1,273,096	\$ 1,272,346
Revenue	920,868	925,900	925,900	925,900	925,900
Net Receipts	0	0	0	0	0
Total Funds Available	\$ 2,035,176	\$ 2,064,384	\$ 2,064,384	\$ 2,198,996	\$ 2,198,246
Less:					
Expenditures	\$ 745,964	\$ 791,288	\$ 792,038	\$ 839,771	\$ 818,777
Transfers Out	150,728	0	0	0	0
Off Budget					
Expenditures	0	0	0	0	0
Ending Balance	<u>\$ 1,138,484</u>	<u>\$ 1,273,096</u>	<u>\$ 1,272,346</u>	<u>\$ 1,359,225</u>	<u>\$ 1,379,469</u>

Ending Balance as Percent of Expenditures	152.6 %	160.9 %	160.6 %	161.9 %	168.5 %
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Real Estate Appraisal Board

FY 2012. The **agency** estimates \$303,834, all from the Appraiser Fee Fund. This is an increase of \$1,534, or 0.5 percent, above the amount approved by the 2011 Legislature. The increase is the amount requested to restore reductions made by the 2011 Legislature. The estimate includes 2.0 FTE positions, the same as approved by the 2011 Legislature.

FY 2013. The **agency** requests \$314,607, all from the Appraiser Fee Fund. This is the same amount as approved by the 2011 Legislature. The request includes 2.0 FTE positions, the same as approved by the 2011 Legislature.

Governor's Recommendation

FY 2012. The **Governor** recommends \$288,643, all from the Appraiser Fee Fund. This is a decrease of \$15,191, or 5.0 percent, below the agency's revised estimate for FY 2012. The reduction is attributable to the Governor's recommendation for a 5.0 percent reduction to the agency's reportable expenditures.

FY 2013. The **Governor** recommends \$298,877, all from the Appraisers Fee Fund. This is a decrease of \$15,730, or 5.0 percent, below the agency's request for FY 2012. The reduction is attributable to the Governor's recommendation for a 5.0 percent reduction to the agency's reportable expenditures.

Real Estate Appraisal Board Fee Fund Analysis

The Real Estate Appraisal Board is a fee-funded agency. The revenue received provides financing for all agency operations. The Real Estate Appraisal Board generates fee revenues from three primary sources: Initial licensing and certification fees (which can be prorated), annual cost \$250; Renewals \$250; and Temporary Practice permits \$50. (K.S.A. 58-4108)

Resource Estimate	Actual FY 2011	Agency Est. FY 2012	Gov. Rec. FY 2012	Agency Req. FY 2013	Gov. Rec. FY 2013
Beginning Balance	\$ 167,401	\$ 180,116	\$ 180,116	\$ 167,970	\$ 183,161
Revenue	254,911	287,231	287,231	287,231	287,231
Net Receipts	4,457	4,457	4,457	4,457	4,457
Total Funds Available	\$ 426,769	\$ 471,804	\$ 471,804	\$ 459,658	\$ 474,849
Less:					
Expenditures	\$ 246,374	\$ 303,834	\$ 288,643	\$ 314,607	\$ 298,877
Transfers Out	279	0	0	0	0
Ending Balance	\$ 180,116	\$ 167,970	\$ 183,161	\$ 145,051	\$ 175,972
Ending Balance as Percent of Expenditures	73.1 %	55.3 %	63.5 %	46.1 %	58.9 %
Month Highest Ending Balance	June \$ 167,756	June \$ 167,756	June \$ 176,143	June \$ 167,756	June \$ 176,143
Month Lowest Ending Balance	February \$ 33,068	February \$ 33,068	February \$ 34,721	February \$ 33,068	February \$ 34,721

Real Estate Commission

FY 2012. The agency estimates \$1,153,091, for FY 2012 expenditures; \$1,098,091 is from the Real Estate Fee Fund and \$55,000 is from the Background Investigation Fee Fund. This is a decrease of \$52,106, or 4.3 percent, below the amount approved by the 2011 Legislature. The decrease is mainly due to a bill posting oversight of \$49,325. This amount was an agency requested enhancement for reclassification of 2.0 FTE positions. The 2.0 FTE positions were deleted as part of the Governor's recommendation however the enhancement was inadvertently included in the appropriations bill. Absent the error, the decrease of \$2,781 is attributable to a decrease in salaries with a vacant position left unfilled and one reclassified at a higher pay.

Governor's Recommendation

FY 2012. The Governor concurs with the agency's revised estimate.

FY 2013. The **agency** requests \$1,193,094 for FY 2013 expenditures; \$1,133,094 is from the Real Estate Fee Fund and \$60,000 is from the Background Investigation Fee Fund. This is an increase of \$40,003, or 3.5 percent, above the FY 2012 estimate. The increase is due to additional contractual services necessary for outside legal counsel to address a backlog of agency orders and requests for hearings.

FY 2013. The **Governor** recommends \$1,165,155, a decrease of \$27,939, or 2.3 percent, below the agency's request. The Governor recommends reducing expenditures from the Real Estate Fee Fund to account for savings from the Voluntary Retirement Incentive Program (\$27,939).

Real Estate Commission Fee Fund Analysis

The Kansas Real Estate Commission is a fee-funded agency. The revenue received provides financing for all agency operations. The Kansas Real Estate Commission generates fee revenues from four primary sources: Application fees are \$15; Broker fees are \$150; Salesperson fees are \$100; and Original course approvals are \$50. Licenses are issued for a two-year period. Original and renewal fees for salespersons and brokers are at the statutory cap. (K.S.A. 58-3063 and K.A.R. 86-1-5)

Resource Estimate	Actual FY 2011	Agency Est. FY 2012	Gov. Rec. FY 2012	Agency Req. FY 2013	Gov. Rec. FY 2013
Beginning Balance	\$ 685,456	\$ 658,085	\$ 658,085	\$ 446,344	\$ 446,344
Revenue	738,633	886,350	886,350	786,750	786,750
Transfers In	200,000	0	0	0	0
Total Funds Available	\$ 1,624,089	\$ 1,544,435	\$ 1,544,435	\$ 1,233,094	\$ 1,233,094
Less:					
Expenditures	\$ 964,564	\$ 1,098,091	\$ 1,098,091	\$ 1,133,094	\$ 1,105,155
Transfers Out	1,440	0	0	0	0
Ending Balance	\$ 658,085	\$ 446,344	\$ 446,344	\$ 100,000	\$ 127,939
Ending Balance as Percent of Expenditures	68.2 %	40.6 %	40.6 %	8.8 %	11.6 %
Month Highest Ending Balance	August \$ 638,382	August \$ 671,118	August \$ 671,118	July \$ 447,379	July \$ 447,379
Month Lowest Ending Balance	February \$ 472,178	June \$ 446,344	June \$ 446,344	June \$ 100,000	June \$ 127,939

Board of Technical Professions

FY 2012. The **agency** estimates \$604,778, all from the Technical Professions Fee Fund. This is the same as the amount approved by the 2011 Legislature. The estimate includes 5.0 FTE positions, the same as approved by the 2011 Legislature.

FY 2013. The **agency** requests \$624,778, all from the Technical Professions Fee Fund. This includes an enhancement of \$40,000 for the database upgrade. The request is an increase of \$20,000, or 3.3 percent, above the amount estimated in 2012. The increase is due to a delay in development and installation of a new computer system to keep track of licensee data. In addition the agency states, the longer it takes to implement the system, the more the agency must spend maintaining the older more costly IBM AS/400 computer system. Due to delays, the agency has spent less than \$5,000 of the \$20,000 that was approved by the Legislature for the upgrade in FY 2011. The request includes 5.0 FTE positions, the same as approved by the 2011 Legislature.

Governor's Recommendation

FY 2012. The **Governor** concurs with the agency's revised estimate.

FY 2013. The **Governor** recommends FY 2013 operating expenditures of \$615,278. This amount includes the \$40,000 enhancement for the database upgrade. There is also a recommended reduction of operating expenditures from professional fees by \$9,500, or 1.5 percent, below the agency's budget request.

Technical Professions Fee Fund Analysis

The Board of Technical Professions is a fee-funded agency. Fee revenues received provide financing for all operations. The board collects \$150 for the geologists fundamental exams and \$200 for the practice exam. Re-examination fees are the same. The board has established the comity fee for all professionals at \$250 and the certificate of authorization at \$170. Biennial renewal fees are set at \$90 for individuals, not to exceed \$200 and \$120 for corporation, not to exceed \$300 (K.S.A. 74-7009). Reinstatement fees are \$100 for individuals and \$170 for corporations (K.S.A. 74-7025). Replacement fees are set by statute (K.S.A. 74-7026 (5)(c)).

Resource Estimate	Actual FY 2011	Agency Est. FY 2012	Gov. Rec. FY 2012	Agency Req. FY 2013	Gov. Rec. FY 2013
Beginning Balance	\$ 861,127	\$ 936,120	\$ 936,120	\$ 973,963	\$ 973,963
Revenue	612,140	642,621	642,621	630,025	630,025
Transfers In	0	1,000	1,000	1,000	1,000
Total Funds Available	\$ 1,473,267	\$ 1,579,741	\$ 1,579,741	\$ 1,604,988	\$ 1,604,988
Less:					
Expenditures	\$ 536,666	\$ 604,778	\$ 604,778	\$ 624,778	\$ 615,278
Transfers Out	481	1,000	1,000	1,000	1,000
Ending Balance	\$ 936,120	\$ 973,963	\$ 973,963	\$ 979,210	\$ 988,710

Ending Balance as Percent of Expenditures	174.4 %	161.0 %	161.0 %	156.7 %	160.7 %
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Month Highest Ending Balance	June \$ 933,279	July \$ 939,599	July \$ 939,599	June \$ 928,876	July \$ 939,599
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Month Lowest Ending Balance	November \$ 747,213	March \$ 748,312	March \$ 748,312	March \$ 745,526	March \$ 748,312
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Board of Veterinary Examiners

FY 2012. The agency estimates \$268,132, all from the Veterinary Examiners Fee Fund. This is an increase of \$1,500, or 0.5 percent, above the amount approved by the 2011 Legislature. The increase is attributable to an error in the agency's submitted budget. The estimate includes 3.5 FTE positions, which is an increase of 0.5 FTE positions above the amount approved by the 2011 Legislature. This is an error in the agency's submitted budget. The agency is only requesting 3.0 FTE positions, the same as the amount approved by the 2011 Legislature.

Governor's Recommendation

FY 2012. The Governor recommends an operating budget of \$264,881, a decrease of \$3,251, or 1.2 percent, below the agency's revised estimate. The Governor's recommendation includes expenditure reductions in out of state travel (\$3,500) and elimination of official hospitality (\$175). There was also an increase of salaries and wages (\$424) after a recalculation. The Governor's recommendation also reduces the FTE positions by 0.5, restoring it to the approved 3.0 FTE positions.

FY 2013. The **agency** requests \$277,792, all from the Veterinary Examiners Fee Fund. This is an increase of \$9,660, or 3.6 percent, above the amount approved by the 2011 Legislature. The increase is mainly attributable to an increase in salaries and wages for board member meetings and investigations. The estimate includes 3.5 FTE positions, which is an increase of 0.5 FTE positions above the amount approved by the 2011 Legislature. This is an error in the agency's submitted budget. The agency is only requesting 3.0 FTE positions, the same as the amount approved by the 2011 Legislature.

FY 2013. The **Governor** recommends an operating budget of \$267,575, a decrease of \$10,217, or 3.7 percent, below the agency's request. The Governor's recommendation includes expenditure reductions to reduce salaries and wages (\$6,542), out of state travel (\$3,500) and the elimination of official hospitality (\$175). The Governor's recommendation also reduces the FTE positions by 0.5, restoring it to the approved 3.0 FTE positions.

Veterinary Examiners Fee Fund Analysis

The Board of Veterinary Examiners is a fee-funded agency. The revenue received provides financing for all agency operations. The Board of Veterinary Examiners generates fee revenues for licensing (\$125 for application and \$95 for renewal), registering (\$75 for application and \$25 for renewal), and giving examinations to veterinarians and veterinary technicians who wish to practice veterinary medicine in Kansas. The Board also charges fees for the registration and inspection of veterinary premises. All licenses and registrations are renewed annually. (K.S.A. 47-820)

Resource Estimate	Actual FY 2011	Agency Est. FY 2012	Gov. Rec. FY 2012	Agency Req. FY 2013	Gov. Rec. FY 2013
Beginning Balance	\$ 230,777	\$ 277,900	\$ 277,900	\$ 283,711	\$ 290,021
Revenue	270,311	273,943	277,002	273,943	277,002
Net Receipts	0	0	0	0	0
Total Funds Available	\$ 501,088	\$ 551,843	\$ 554,902	\$ 557,654	\$ 567,023
Less:					
Expenditures	\$ 222,851	\$ 268,132	\$ 264,881	\$ 277,792	\$ 267,575
Transfers Out	337	0	0	0	0
Ending Balance	\$ 277,900	\$ 283,711	\$ 290,021	\$ 279,862	\$ 299,448
Ending Balance as Percent of Expenditures	124.7 %	105.8 %	109.5 %	100.7 %	111.9 %
Month Highest Ending Balance	September \$ 246,380	August \$ 292,110	August \$ 292,110	August \$ 304,764	August \$ 314,764
Month Lowest Ending Balance	May \$ 116,463	April \$ 147,717	April \$ 147,717	April \$ 154,905	April \$ 164,905

Governmental Ethics Commission

FY 2012. The **agency** estimates \$662,990, including \$407,015 from the State General Fund, which are the amounts approved by the 2011 Legislature. The request includes 8.5 FTE positions, which is a reduction of 0.5 FTE positions, and a 0.5 non-FTE unclassified position.

FY 2013. The **agency** requests \$691,133, including \$421,567 from the State General Fund, the same as the amounts approved by the 2011 Legislature. The request includes 8.5 FTE positions and a 0.5 non-FTE unclassified position.

Governor's Recommendation

FY 2012. The **Governor** concurs with the agency estimate.

FY 2013. The **Governor** recommends expenditures totaling \$691,133, including \$412,392 from the State General Fund and 8.5 FTE positions and a 0.5 non-FTE unclassified position. The Governor's recommendation shifts \$9,175 in salaries and wages expenditures from the State General Fund to the Governmental Ethics Commission Fee Fund. The Governor would suggest modest fee increases for large political action committees and certain categories of lobbyists in order to increase fee revenues by at least \$9,175 for FY 2013.

Governmental Ethics Commission Fee Fund Analysis

The Governmental Ethics Commission's main source of revenue is the State General Fund. However, a portion of its revenue comes from the Governmental Ethics Commission Fee Fund. The Fund was established by K.S.A. 25-4119e. Receipts to the Governmental Ethics Commission Fee Fund come mainly from three sources: candidate filing, political action committee registrations, and lobbyist registrations. Other sources for receipts are civil penalties and fines imposed by the Commission and charges for publication, but these amounts are relatively small.

Resource Estimate	Actual FY 2011	Agency Est. FY 2012	Gov. Rec. FY 2012	Agency Req. FY 2013	Gov. Rec. FY 2013
Beginning Balance	\$ 420,897	\$ 422,042	\$ 422,042	\$ 326,052	\$ 326,052
Revenue	154,261	159,985	159,985	141,660	150,835
Net Receipts	0	0	0	0	0
Total Funds Available	\$ 575,158	\$ 582,027	\$ 582,027	\$ 467,712	\$ 476,887
Less:					
Expenditures	\$ 153,116	\$ 255,975	\$ 255,975	\$ 269,566	\$ 278,741
Transfers Out	0	0	0	0	0
Off Budget					
Expenditures	0	0	0	0	0
Ending Balance	\$ 422,042	\$ 326,052	\$ 326,052	\$ 198,146	\$ 198,146
Ending Balance as Percent of Expenditures	275.6 %	127.4 %	127.4 %	73.5 %	71.1 %
Month Highest Ending Balance	\$ 39,320	\$ 50,000	\$ 50,000	\$ 39,320	\$ 50,000
Month Lowest Ending Balance	\$ 630	\$ 1,800	\$ 1,800	\$ 630	\$ 630