

# SECRETARY OF STATE

	Actual FY 2020	Agency Est. FY 2021	Gov. Rec. FY 2021	Agency Req. FY 2022	Gov. Rec. FY 2022
<b>Operating Expenditures:</b>					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 927,585	\$ 0
Other Funds	5,610,445	9,146,652	9,146,652	5,962,106	6,889,691
<i>Subtotal</i>	<i>\$ 5,610,445</i>	<i>\$ 9,146,652</i>	<i>\$ 9,146,652</i>	<i>\$ 6,889,691</i>	<i>\$ 6,889,691</i>
<b>Capital Improvements:</b>					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Other Funds	0	0	0	0	0
<i>Subtotal</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>	<i>\$ 0</i>
<b>TOTAL</b>	<b><u>\$ 5,610,445</u></b>	<b><u>\$ 9,146,652</u></b>	<b><u>\$ 9,146,652</u></b>	<b><u>\$ 6,889,691</u></b>	<b><u>\$ 6,889,691</u></b>
<b>Percentage Change:</b>					
Operating Expenditures					
State General Fund	0.0 %	0.0 %	0.0 %	-- %	0.0 %
All Funds	47.2	63.0	63.0	(24.7)	(24.7)
FTE Positions	36.0	46.0	46.0	46.0	46.0

For purposes of this analysis, full-time equivalent (FTE) positions include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

## AGENCY OVERVIEW

The Secretary of State is an elected official who serves as the custodian of official government documents for the State of Kansas. The Secretary administers the laws relating to business entities, elections and legislative matters, and the Uniform Commercial Code, and performs other executive duties. The *Kansas Constitution* requires the Secretary of State to countersign commissions of the Governor, file declarations of candidacies, file and index charter ordinances, and publish regulations for constitutional amendments. The Secretary of State also is responsible for the distribution of the *Kansas Statutes Annotated* (KSA) and its supplements, *Session Laws of Kansas*, *Kansas Administrative Regulations* (KAR), and the *Kansas Register*.

To carry out its duties, the Office of the Secretary of State is organized into the following divisions: Administration, Business Services (including the Uniform Commercial Code), and Elections and Legislative Matters. In addition, the Secretary of State is charged with the implementation of the federal Help America Vote Act (HAVA) of 2002.

## MAJOR ISSUES FROM PRIOR YEARS

The **2010 Legislature** added \$1.5 million, all from federal HAVA funds, for fiscal year (FY) 2011. This allowed counties to make improvements to election administration systems, including the purchase of voting equipment, software, and supplies. This was funding from existing balances of the federal funds, and no additional state match was required to utilize these funds.

The **2010 Legislature** also added \$435,000, all from special revenue funds (various fee funds), for FY 2011 to allow the agency to expend up to \$435,000 for publication of any proposed constitutional amendments adopted by the 2009 or 2010 Legislatures.

The **2012 Legislature** added \$77,000, all from the State General Fund (SGF), for FY 2013 for publication of a constitutional amendment, HCR 5017, which concerned taxation of watercraft.

The **2013 Legislature** deleted \$230,235, all from special revenue funds, to reflect reduced funding for salaries and wages for FY 2014 and FY 2015.

The **2014 Legislature** added \$44,000, all SGF, for FY 2015 for publication of a constitutional amendment, SCR 1618, which concerned taxation of raffles.

The **2016 Legislature** added \$29,833, all SGF, for printing costs associated with the passage of HCR 5008, which requires a public vote on a proposed constitutional amendment to establish a constitutional right to hunt, fish, and trap wildlife in the state.

The **2018 Legislature** passed HB 2539, which amends the qualifications for candidacy for several statewide elected offices, creates law requiring manual audits of elections, amends law related to the timing of the election canvasses and to electronic voting machines, and amends provisions in election law concerning signatures if the voter has a disability that prevents the individual from signing.

The **2019 Legislature** added \$219,180 over FY 2019 and FY 2020, all from special revenue funds, as a 5.0 percent match for federal HAVA funds to be distributed starting in FY 2020.

## BUDGET SUMMARY AND KEY POINTS

**FY 2021 – Current Year.** The **agency** requests a revised estimate of \$9.1 million in FY 2021, all from special revenue funds. This is an all funds increase of \$2.7 million, or 42.5 percent, above the FY 2021 approved budget. This increase is all from federal Help America Vote Act (HAVA) funds provided for in the federal Coronavirus Aid, Relief, and Economic Security (CARES) Act and is transferred to local units of government.

The **Governor** concurs with the agency's revised estimate in FY 2021.

**FY 2022 – Budget Year.** The **agency** requests \$6.9 million for FY 2022, including \$927,585 from the State General Fund (SGF). This is an all funds decrease of \$2.3 million, or 24.7 percent, below the FY 2021 revised estimate. This decrease is attributable to one-time expenditures made in FY 2021 for the HAVA CARES Act that do not repeat in FY 2022. The

\$927,585 SGF increase is attributable to a required state match to release the federal HAVA funds. State match funds are transferred from the SGF to the agency's Democracy Fund.

The **Governor** concurs with the agency's funding request for FY 2022. The Governor recommends \$927,585, as a direct SGF transfer to the Democracy Fund, instead of an SGF appropriation to meet the state match requirement for the HAVA Election Security Grant and HAVA Cares Act.

# PERFORMANCE MEASURES

The 2016 Legislature passed HB 2739, which outlined a three-year process for state agencies to develop and implement a system of performance budgeting using outcome measures to evaluate program effectiveness. Measures to evaluate agency-wide performance are presented below. Additional measures to evaluate specific programs appear in the relevant program sections.

PERFORMANCE MEASURES						
Measure	Actual FY 2018	Actual FY 2019	Gov. Rec. FY 2020	Actual FY 2020	Gov. Rec. FY 2021	Gov. Rec. FY 2022
Percent of Publications Available in Digital Form	N/A	N/A	40.0 %	40.0 %	50.0 %	75.0 %
Document Filing Improvement Project*	N/A	N/A	50.0 %	45.0 %	100.0 %	N/A
Percent of Annual Reports Filed Online*	N/A	76.0 %	78.0 %	74.0 %	77.0 %	80.0 %
Percent of Business Formation Documents Filed Online*	N/A	73.0 %	74.0 %	76.0 %	78.0 %	80.0 %
Percent of Statements of Substantial Interest Forms Filed Electronically	N/A	90.0 %	95.0 %	89.0 %	95.0 %	100.0 %
Percent of Campaign Finance Reports Filed Electronically	N/A	33.0 %	45.0 %	40.0 %	45.0 %	75.0 %
Percent of Cybersecurity Services and Training Provided to Kansas Counties	N/A	N/A	90.0 %	N/A	90.0 %	100.0 %
Voting Equipment Updates*	N/A	N/A	90.0 %	N/A	90.0 %	95.0 %
<b>Agency Expenditures</b>						
All Funds (Dollars in Millions)	\$ 3.9	\$ 3.8	\$ 6.1	\$ 5.6	\$ 9.1	\$ 6.9
FTE Positions	36.0	32.0	46.0	46.0	46.0	46.0

\* The Governor's Office does not utilize this measure for evaluation purposes.

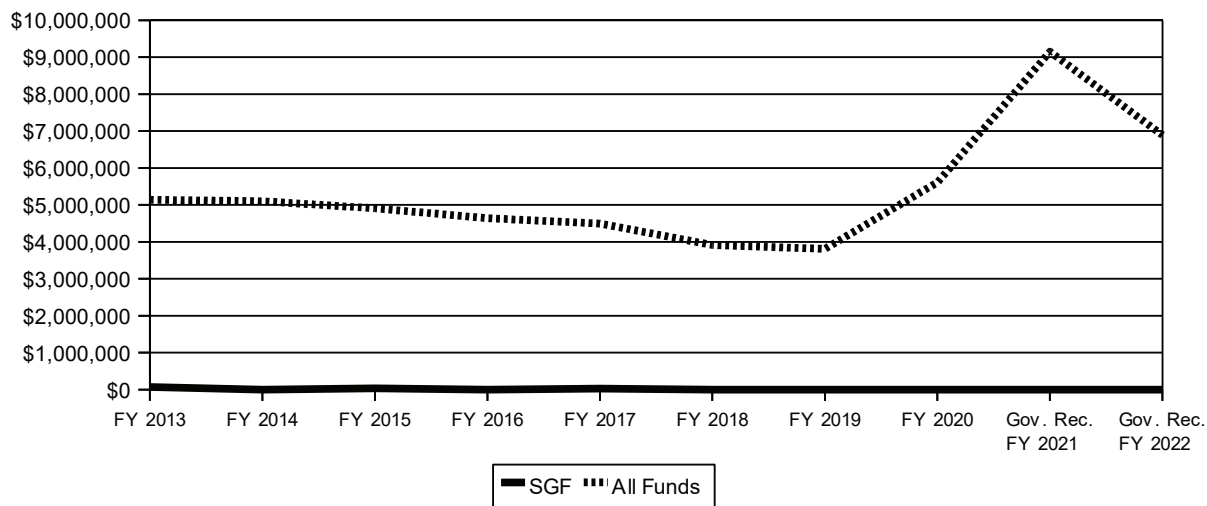
The agency has a goal to purchase cybersecurity services and training within the HAVA program for counties statewide by contracting with a private vendor to enhance existing security profiles and provide non-governmental review of current practices. The agency has a revised completion goal of 90.0 percent by the end of FY 2021 and 100.0 percent for FY 2022.

The agency has a goal to ensure the security of voting equipment across the state within the HAVA program. The agency intends to ensure paper trail ballots for voting equipment in the state and work with the National Guard to develop training on physical security of voting equipment. Due to the COVID-19 pandemic, the agency had to delay these outcomes within HAVA plans for FY 2020. The agency has a revised completion goal of 90.0 percent by the end of FY 2021 and 95.0 percent by the end of FY 2022 for voting equipment updates and physical security training.

The agency has a goal to offer modernized delivery of publications beyond traditional print offerings to accommodate shifts in consumer preferences from print to digital. The agency anticipates 50.0 percent completion in FY 2021, with action primarily focusing on research of digitizing publications, reviewing options for how to offer the products, and determining pricing for digital publications. By the end of FY 2022, the agency anticipates 75.0 percent completion, with some digital publications available for purchase, download, or both on the agency's website.

# BUDGET TRENDS

## OPERATING EXPENDITURES FY 2013 – FY 2022



## OPERATING EXPENDITURES FY 2013 – FY 2022

Fiscal Year	SGF	% Change	All Funds	% Change	FTE
2013	\$ 69,966	-- %	\$ 5,139,433	(15.0)%	45.0
2014	0	(100.0)	5,099,289	(0.8)	44.0
2015	33,784	--	4,908,858	(3.7)	40.0
2016	0	(100.0)	4,640,249	(5.5)	40.0
2017	26,715	--	4,494,524	(3.1)	41.0
2018	0	(100.0)	3,913,797	(12.9)	36.0
2019	0	--	3,810,644	(2.6)	32.0
2020	0	--	5,610,445	47.2	36.0
2021 Gov. Rec.	0	--	9,146,652	63.0	46.0
2022 Gov. Rec.	0	--	6,889,691	(24.7)	46.0
Ten-Year Change Dollars/Percent	\$ (69,966)	(100.0)%	\$ 1,750,258	34.1 %	1.0

**Summary of Operating Budget FY 2020 - FY 2022**

	Actual FY 2020			Agency Estimate				Governor's Recommendation			
	Actual FY 2020	Estimate FY 2021	Request FY 2022	Dollar Change from FY 21	Percent Change from FY 21	Rec. FY 2021	Rec. FY 2022	Dollar Change from FY 21	Percent Change from FY 21		
<b>By Program:</b>											
Administration	\$ 4,323,085	\$ 5,295,303	\$ 3,505,001	\$ (1,790,302)	(33.8)%	\$ 5,295,303	\$ 3,505,001	\$ (1,790,302)	(33.8)%		
Business Services	784,959	800,926	809,360	8,434	1.1	800,926	809,360	8,434	1.1		
Elections Legislative Matters	414,373	517,886	521,607	3,721	0.7	517,886	521,607	3,721	0.7		
Help America Vote Act	88,028	2,532,537	2,053,723	(478,814)	(18.9)	2,532,537	2,053,723	(478,814)	(18.9)		
<b>TOTAL</b>	<b>\$ 5,610,445</b>	<b>\$ 9,146,652</b>	<b>\$ 6,889,691</b>	<b>\$ (2,256,961)</b>	<b>(24.7)%</b>	<b>\$ 9,146,652</b>	<b>\$ 6,889,691</b>	<b>\$ (2,256,961)</b>	<b>(24.7)%</b>		
<b>By Major Object of Expenditure:</b>											
Salaries and Wages	\$ 2,534,654	\$ 2,787,626	\$ 2,812,594	\$ 24,968	0.9%	\$ 2,787,626	\$ 2,812,594	\$ 24,968	0.9%		
Contractual Services	1,144,375	1,236,734	1,085,234	(151,500)	(12.3)	1,236,734	1,085,234	(151,500)	(12.3)		
Commodities	960,909	357,471	28,451	(329,020)	(92.0)	357,471	28,451	(329,020)	(92.0)		
Capital Outlay	52,156	406,912	35,827	(371,085)	(91.2)	406,912	35,827	(371,085)	(91.2)		
Debt Service	0	0	0	0	--	0	0	0	--		
<i>Subtotal - Operations</i>	<i>\$ 4,692,094</i>	<i>\$ 4,788,743</i>	<i>\$ 3,962,106</i>	<i>\$ (826,637)</i>	<i>(17.3)%</i>	<i>\$ 4,788,743</i>	<i>\$ 3,962,106</i>	<i>\$ (826,637)</i>	<i>(17.3)%</i>		
Aid to Local Units	918,351	4,357,909	2,927,585	(1,430,324)	(32.8)	4,357,909	2,927,585	(1,430,324)	(32.8)		
Other Assistance	0	0	0	0	--	0	0	0	--		
<b>TOTAL</b>	<b>\$ 5,610,445</b>	<b>\$ 9,146,652</b>	<b>\$ 6,889,691</b>	<b>\$ (2,256,961)</b>	<b>(24.7)%</b>	<b>\$ 9,146,652</b>	<b>\$ 6,889,691</b>	<b>\$ (2,256,961)</b>	<b>(24.7)%</b>		
<b>Financing:</b>											
State General Fund	\$ 0	\$ 0	\$ 927,585	\$ 927,585	--%	\$ 0	\$ 0	\$ 0	--%		
HAVA Funds	1,970,812	4,278,243	2,050,628	(2,227,615)	(52.1)	4,278,243	2,050,628	(2,227,615)	(52.1)		
Technology Fund	703,534	800,112	808,582	8,470	1.1	800,112	808,582	8,470	1.1		
Information and Services Fund	2,759,245	2,907,950	2,922,966	15,016	0.5	2,907,950	2,922,966	15,016	0.5		
All Other Funds	176,854	1,160,347	179,930	(980,417)	(84.5)	1,160,347	1,107,515	(52,832)	(4.6)		
<b>TOTAL</b>	<b>\$ 5,610,445</b>	<b>\$ 9,146,652</b>	<b>\$ 6,889,691</b>	<b>\$ (2,256,961)</b>	<b>(24.7)%</b>	<b>\$ 9,146,652</b>	<b>\$ 6,889,691</b>	<b>\$ (2,256,961)</b>	<b>(24.7)%</b>		

# BUDGET OVERVIEW

## A. FY 2021 – Current Year

### Adjustments to Approved State General Fund Budget

The agency's revised estimate does not include any State General Fund (SGF) expenditures.

	<b>CHANGE FROM APPROVED BUDGET</b>				
	Legislative Approved FY 2021	Agency Estimate FY 2021	Agency Change from Approved	Governor Rec. FY 2021	Governor Change from Approved
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	6,419,037	9,146,652	2,727,615	9,146,652	2,727,615
<b>TOTAL</b>	<b>\$ 6,419,037</b>	<b>\$ 9,146,652</b>	<b>\$ 2,727,615</b>	<b>\$ 9,146,652</b>	<b>\$ 2,727,615</b>
FTE Positions	46.0	46.0	0.0	46.0	0.0

The **agency** requests a revised estimate of \$9.1 million, all from special revenue funds, in FY 2021. This is an all funds increase of \$2.7 million, or 42.5 percent, above the FY 2021 approved budget. The increase is all from federal HAVA CARES Act expenditures and is granted to local units of government.

- **Contractual Services.** The agency requests \$1.2 million, all from special revenue funds, for contractual services in FY 2021. This is an all funds increase of \$151,500, or 14.0 percent, above the FY 2021 approved budget. The increase reflects additional expenditures for the HAVA program from the HAVA CARES Act fund. Expenditures from this fund include contractual services for HAVA CARES Act programs including voter education and public service announcements regarding the November 2020 election;
- **Commodities.** The agency requests \$357,471 for commodities, all from special revenue funds, in FY 2021. This is an all funds increase of \$329,020, or 1,156.4 percent, above the FY 2021 approved budget. This increase is attributable to HAVA CARES Act-related expenditures including stylus pens, plexiglass shields, and secure drop boxes for mail-in ballots ;
- **Capital Outlay.** The agency requests \$406,912 for capital outlay, all from special revenue funds, in FY 2021. This is an all funds increase of \$371,085, or 1,035.8 percent, above the FY 2021 approved budget. This increase is attributable to secure drop box purchases. In FY 2020, the agency made two expenditures, including \$18,318 for office improvements and \$393,818 for information processing equipment in the agency's effort to migrate off the AS 400 system. The agency anticipates necessary maintenance purchases for FY 2021 and FY 2022, including information technology (IT) hardware and software upgrades, office scanners, and computers; and

- **Aid to Local Units of Government.** The agency requests \$4.4 million for aid to local units of government, all from special revenue funds, in FY 2021. This is an all funds increase of \$1.9 million, or 75.6 percent, above the FY 2021 approved budget. The increase is attributed to reimbursing counties from the HAVA CARES Act fund.

The **Governor** concurs with the agency's revised estimate in FY 2021.

## B. FY 2022 – Budget Year

<b>FY 2022 OPERATING BUDGET SUMMARY</b>			
	Agency Request	Governor's Recommendation	Difference
<b>Total Request/Recommendation</b>	\$ 6,889,691	\$ 6,889,691	\$ 0
<b>FTE Positions</b>	46.0	46.0	0.0
<b>Change from FY 2021:</b>			
<i>Dollar Change:</i>			
State General Fund	\$ 927,585	\$ 0	
All Other Funds	(3,184,546)	(2,256,961)	
<b>TOTAL</b>	<b><u><u>\$ (2,256,961)</u></u></b>	<b><u><u>\$ (2,256,961)</u></u></b>	
<i>Percent Change:</i>			
State General Fund	-- %	-- %	
All Other Funds	(34.8)	(24.7)	
<b>TOTAL</b>	<b><u><u>(24.7) %</u></u></b>	<b><u><u>(24.7) %</u></u></b>	
Change in FTE Positions	0.0	0.0	

The **agency** requests \$6.9 million for FY 2022. The request is an all funds decrease of \$2.3 million, or 24.7 percent, and an SGF increase of \$927,585 above the FY 2021 revised estimate. The SGF amount is requested to satisfy federal grant match requirements for the HAVA CARES Act and to satisfy the additional 2020 Election Security Grant state match requirement. The special revenue funds decrease is mainly attributable to \$2.7 million in HAVA CARES Act expenditures that occurred in FY 2021. HAVA CARES Act funds will be fully expended in FY 2021.

- **Salaries and Wages.** The agency requests \$2.8 million, all from special revenue funds, for salaries and wages. This is an increase of \$24,968 or 0.9 percent, above the FY 2021 revised estimate. The increase is attributable to employer contributions to group health insurance;
- **Contractual Services.** The agency requests \$1.1 million, all from special revenue funds, for contractual services. This is a decrease of \$151,500, or 12.3 percent, below the FY 2021 revised estimate. This decrease is mainly attributable to HAVA CARES Act funds which were expended in FY 2021, which do not reoccur in FY 2022. Contractual service expenditures are generally for:



- Office of Information Technology Services (OITS) telecommunications and data services, \$106,984; *Kansas Register* printing, \$19,552; *Kansas Administrative Regulations* (KAR) supplement printing, \$38,201; *Kansas Session Law* book printing, \$41,765; Memorial Hall rent, \$292,685; monumental building surcharge, \$47,382; accounting, payroll, and budget systems fees, \$7,700; OITS email hosting, \$9,497; Landon State Office Building and off-site data center space, \$13,897; and credit card fees \$56,186; and
- Additional expenditures for this program in FY 2021 and for FY 2022 will include one-time expenditures related to election security and election security training, printing and publication costs, constitutional amendment publication, KAR full set publication, and rent;
- **Commodities.** The agency requests expenditures of \$28,451, all from special revenue funds, for commodities. This request is a decrease of \$329,020, or 92.0 percent, below the FY 2021 revised estimate. This is attributable to one-time HAVA CARES Act expenditures in FY 2021, which do not reoccur in FY 2022. Major expenditures for this category include gasoline, mileage reimbursement, data processing supplies, and office supplies. Included in the Elections and Legislative Matters program is \$5,000 for the purchase of flags designated for resale to customers;
- **Capital Outlay.** The agency requests expenditures of \$35,827, all from special revenue funds, for capital outlay. This request is a decrease of \$371,085, or 91.2 percent, from the FY 2021 revised estimate. This is attributable to one-time HAVA CARES Act expenditures in FY 2021, which do not reoccur in FY 2022. Major expenditures for this category include \$8,678 for computers, printers, scanners, and infrastructure upgrades and \$2,605 for software; and
- **Aid to Local Units of Government.** The agency requests expenditures of \$2.9 million, including \$927,585 SGF, for aid to local units of government for FY 2022. This is an all funds decrease of \$1.4 million, or 32.8 percent, below the FY 2021 revised estimate, and no change to the SGF amount in FY 2021. This decrease is attributable to one-time HAVA CARES Act expenditures in FY 2021, which do not reoccur in FY 2022.

The **Governor** concurs with the agency's request for FY 2022. The Governor recommends \$927,585, as a direct SGF transfer to the Democracy Fund, instead of an SGF appropriation to meet the state match requirement for the HAVA Election Security Grant and HAVA Cares Act.

## Enhancement Detail

FY 2022 ENHANCEMENTS						
Enhancements	Agency Estimate			Governor's Recommendation		
	SGF	All Funds	FTE	SGF	All Funds	FTE
HAVA Election Security Grant	\$ 3,085	\$ 3,085	0.0	\$ 0	\$ 3,085	0.0
HAVA CARES Act	924,500	924,500	0.0	0	924,500	0.0
<b>TOTAL</b>	<b>\$ 927,585</b>	<b>\$ 927,585</b>	<b>0.0</b>	<b>\$ 0</b>	<b>\$ 927,585</b>	<b>0.0</b>

The **agency** requests \$927,585, all SGF, for FY 2022 enhancement requests. The agency requests include the following:

- **HAVA Election Security Grant.** The agency requests \$3,085 SGF to meet the state match requirement for the HAVA Election Security Grant. The agency received notice from the U.S. Election Assistance Commission that Kansas had been awarded an additional \$15,427 of HAVA Election Security funds. This additional award requires an additional \$3,085 state match.
- **HAVA CARES Act.** The agency requests \$924,500 SGF to meet state match requirements for the federal HAVA CARES Act. This grant will reimburse counties for eligible COVID-19-related election expenditures such as secure drop boxes for mail ballots, stylus pens, and plexiglass shields.

The **Governor** recommends \$927,585, as a direct SGF transfer to the Democracy Fund, instead of an SGF appropriation, to meet the state match requirement for the HAVA Election Security Grant and HAVA Cares Act.

## Governor's Recommended Salary and Wage Adjustments

**For FY 2022**, the Governor recommends adding \$31.5 million, including \$11.3 million SGF, for a 2.5 percent state employee base pay adjustment. The plan would increase salaries for classified and unclassified employees in the Executive Branch, Legislative Branch, and Judicial Branch. Legislative and elected officials would be excluded from this salary adjustment. The funds would be appropriated to and certified for distribution by the State Finance Council if approved. Employees of state universities are also not included in the proposed pay plan; however, the Governor recommends adding \$10.4 million, all SGF, to the university operating grants. This amount is equivalent to what the pay plan would have provided for university employees, but the funds are included in the Kansas Board of Regents budget for use at their discretion.

**Longevity Bonus Payments.** In FY 2021 and for FY 2022, the Governor recommends funding longevity bonus payments for eligible state employees at the statutory rate of \$40 per year of service, with a 10-year minimum (\$400) and a 25-year maximum (\$1,000). Classified employees hired after June 15, 2008, are not eligible for longevity bonus payments. The estimated cost for the recommended FY 2021 payment is \$3.0 million, including \$1.1 million SGF. For FY 2022, the estimated cost is \$3.1 million, including \$1.1 million SGF. **For this agency, FY 2021 longevity payments total \$2.8 million, and FY 2022 longevity payments total \$2.8 million, all from special revenue funds.**

**Kansas Public Employees Retirement System (KPERs).** The employer retirement contribution rate, including Death and Disability contributions, for the KPERs State and School Group is scheduled to be 14.23 percent in FY 2021 and 15.09 percent for FY 2022. The FY 2021 rate excludes the 1.0 percent KPERs Death and Disability contribution that is currently subject to a moratorium described below.

The Governor recommends the KPERs State and School Group be reamortized. The current amortization period was set by the Legislature in 1993 for 40 years. The Governor proposes the new amortization be set for 25 years beginning in FY 2022, an extension of 10 years to the current plan. Reamortization would reduce employer contributions for the KPERs State and School Group in the short term. It is estimated that resetting the amortization period to 25 years could produce budget savings of \$177.3 million, including \$158.7 million SGF, for FY 2022. The Governor's recommendation would also incorporate \$25.8 million in KPERs layering payments into the amortization schedules. **No savings from this policy are currently included in this agency's budget.**

**KPERs Death and Disability Group Insurance Fund.** During FY 2021, a moratorium on employer contributions to the KPERs Death and Disability Group Insurance Fund was in effect. The fund had a sufficient balance to suspend payments on a temporary basis without affecting employee benefits. The moratorium was implemented *via* the Governor's allotment authority; therefore, the Legislative and Judicial branches are currently excluded from the moratorium. The total savings for the moratorium are estimated at \$46.7 million in contributions from the SGF. Included in this amount were savings of approximately \$40.3 million from KPERs School Group contributions in the Kansas State Department of Education budget. No similar moratorium is proposed for FY 2022, requiring the addition of \$46.7 million to annualize the payments for the full fiscal year.

## Funding Sources

Funding Source	Agency Req. Percent of Total FY 2022	Gov. Rec. Percent of Total FY 2022
State General Fund	13.5 %	0.0 %
HAVA funds	29.8	29.8
Technology		
Communications	11.7	11.7
Information and Services	42.4	42.4
All Other Funds	2.6	16.1
<b>TOTAL</b>	<b>100.0 %</b>	<b>100.0 %</b>

(Note: Totals may not add due to rounding.)

## Information and Copy Services Fee Fund Analysis

The Information and Copy Services Fee Fund is used to finance agency functions that provide public information when requested. Revenues to the Fund include fees charged for computer access, diskettes, tapes, certified copies, regular copies, Uniform Commercial Code (UCC) copies, listings, and microfilm. Revenue projections are based on receipt trends, the economy, law changes, fee increases and decreases, and the volume of documents filed electronically (in many cases the electronic fee is lower).

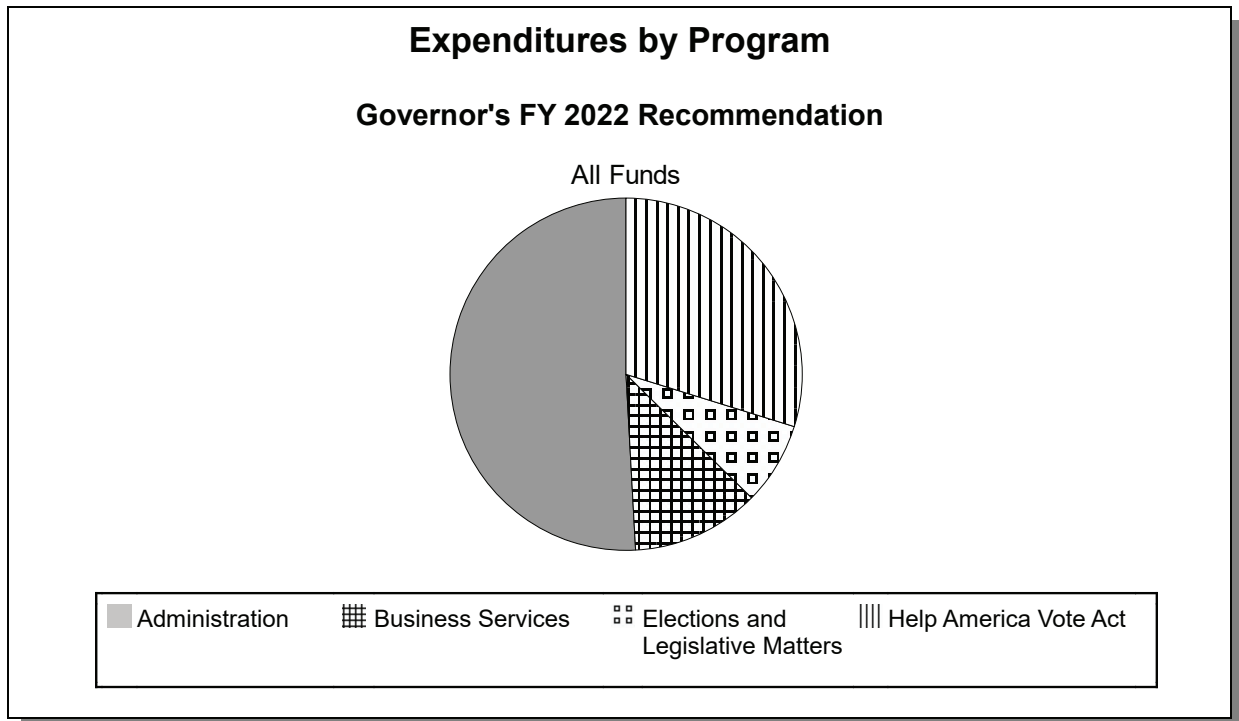
Resource Estimate	Actual FY 2020	Agency Estimate FY 2021	Gov. Rec. FY 2021	Agency Request FY 2022	Gov. Rec. FY 2022
Beginning Balance	\$ 747,057	\$ 1,576,755	\$ 1,576,755	\$ 2,260,965	\$ 2,260,965
Revenue	3,602,271	3,602,271	3,602,271	3,602,271	3,602,271
Transfers in	0	0	0	0	0
<b>Funds Available</b>	<b>\$ 4,349,328</b>	<b>\$ 5,179,026</b>	<b>\$ 5,179,026</b>	<b>\$ 5,863,236</b>	<b>\$ 5,863,236</b>
Less:					
Expenditures	\$ 2,759,245	\$ 2,907,950	\$ 2,907,950	\$ 2,922,966	\$ 2,922,966
Transfers Out	0	0	0	0	0
Off-Budget Expenditures	13,328	10,111	10,111	10,111	10,111
<b>Ending Balance</b>	<b>\$ 1,576,755</b>	<b>\$ 2,260,965</b>	<b>\$ 2,260,965</b>	<b>\$ 2,930,159</b>	<b>\$ 2,930,159</b>
Ending Balance as Percent of Expenditures	57.1 %	77.8 %	77.8 %	100.2 %	100.2 %
Month Highest Ending Balance	June \$ 1,591,771	June \$ 3,359,628	June \$ 3,359,628	June \$ 4,817,490	June \$ 4,817,490
Month Lowest Ending Balance	December \$ 0	December \$ 0	December \$ 0	December \$ 0	December \$ 0

## Technology Communication Fee Fund Analysis

The Technology Communication Fee Fund is used to support the continuing development of electronic government and business in the State of Kansas, including the electronic filing of forms for businesses. As specified in KSA 75-444, the Secretary of State shall charge a technology communication fee, not exceeding \$5, to cover the cost of technology systems.

Resource Estimate	Actual FY 2020	Agency Estimate FY 2021	Gov. Rec. FY 2021	Agency Request FY 2022	Gov. Rec. FY 2022
Beginning Balance	\$ 1,850,489	\$ 2,267,200	\$ 2,267,200	\$ 2,587,333	\$ 2,587,333
Revenue	1,120,245	1,120,245	1,120,245	1,120,245	1,120,245
Transfers in	0	0	0	0	0
<b>Funds Available</b>	<b>\$ 2,970,734</b>	<b>\$ 3,387,445</b>	<b>\$ 3,387,445</b>	<b>\$ 3,707,578</b>	<b>\$ 3,707,578</b>
Less:					
Expenditures	\$ 703,534	\$ 800,112	\$ 800,112	\$ 808,582	\$ 808,582
Transfers Out	0	0	0	0	0
Off-Budget Expenditures	0	0	0	0	0
<b>Ending Balance</b>	<b>\$ 2,267,200</b>	<b>\$ 2,587,333</b>	<b>\$ 2,587,333</b>	<b>\$ 2,898,996</b>	<b>\$ 2,898,996</b>
Ending Balance as Percent of Expenditures	322.3 %	323.4 %	323.4 %	358.5 %	358.5 %
Month Highest Ending Balance	June \$ 2,275,434	June \$ 2,787,838	June \$ 2,787,838	June \$ 3,181,486	June \$ 3,181,486
Month Lowest Ending Balance	December \$ 1,783,510	December \$ 2,185,138	December \$ 2,185,138	December \$ 2,493,683	December \$ 2,493,683

# PROGRAM DETAIL



Program	Gov. Rec. All Funds FY 2022	Percent of Total	Gov. Rec. SGF FY 2022	Percent of Total
Administration	\$ 3,505,001	50.9 %	\$ 0	-- %
Business Services	809,360	11.7	0	--
Elections and Legislative Matters	521,607	7.6	0	--
Help America Vote Act	2,053,723	29.8	0	--
<b>TOTAL</b>	<b>\$ 6,889,691</b>	<b>100.0 %</b>	<b>\$ 0</b>	<b>-- %</b>

**FTE POSITIONS BY PROGRAM FY 2020 – FY 2022**

Program	Actual FY 2020	Agency Est. FY 2021	Gov. Rec. FY 2021	Agency Req. FY 2022	Gov. Rec. FY 2022
Administration	19.0	25.0	25.0	25.0	25.0
Business Services	12.0	16.0	16.0	16.0	16.0
Elections and Legislative Matters	5.0	5.0	5.0	5.0	5.0
Help America Vote Act	0.0	0.0	0.0	0.0	0.0
<b>TOTAL</b>	<b>36.0</b>	<b>46.0</b>	<b>46.0</b>	<b>46.0</b>	<b>46.0</b>

*(Note: For purposes of this analysis, full-time equivalent (FTE) positions include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.)*

## A. Administration

The Administration Division provides services for other divisions within the agency, including management, legal, financial, communication, human resources, and IT services. In addition, it is responsible for the preparation of office publications and forms, including the *Kansas Register* (the official state newspaper), the *Session Laws of Kansas*, and the *Kansas Administrative Regulations* (KARs). In addition, the program is responsible for promoting efficiencies in the agency's imaging and electronic records systems.

PERFORMANCE MEASURES						
Measure	Actual FY 2018	Actual FY 2019	Gov. Rec. FY 2020	Actual FY 2020	Gov. Rec. FY 2021	Gov. Rec. FY 2022
There were no performance measures submitted for this program.						
<u>Agency Expenditures</u>						
All Funds (Dollars in Millions)	\$ 0.9	\$ 2.6	\$ 2.5	\$ 4.3	\$ 5.3	\$ 3.5
FTE Positions	12.0	16.0	26.0	19.0	25.0	25.0

ADMINISTRATION SUMMARY OF EXPENDITURES FY 2020 – FY 2022					
Item	Actual FY 2020	Agency Est. FY 2021	Gov. Rec. FY 2021	Agency Req. FY 2022	Gov. Rec. FY 2022
<b>Expenditures:</b>					
Salaries and Wages	\$ 1,457,585	\$ 1,687,685	\$ 1,687,685	\$ 1,700,498	\$ 1,700,498
Contractual Services	969,795	971,197	971,197	819,697	819,697
Commodities	935,257	356,051	356,051	27,031	27,031
Capital Outlay	42,097	404,360	404,360	33,275	33,275
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<u>\$ 3,404,734</u>	<u>\$ 3,419,293</u>	<u>\$ 3,419,293</u>	<u>\$ 2,580,501</u>	<u>\$ 2,580,501</u>
Aid to Local Units	918,351	1,876,010	1,876,010	924,500	924,500
Other Assistance	0	0	0	0	0
<b>TOTAL</b>	<u><b>\$ 4,323,085</b></u>	<u><b>\$ 5,295,303</b></u>	<u><b>\$ 5,295,303</b></u>	<u><b>\$ 3,505,001</b></u>	<u><b>\$ 3,505,001</b></u>
<b>Financing:</b>					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 924,500	\$ 0
All Other Funds	4,323,085	5,295,303	5,295,303	2,580,501	3,505,001
<b>TOTAL</b>	<u><b>\$ 4,323,085</b></u>	<u><b>\$ 5,295,303</b></u>	<u><b>\$ 5,295,303</b></u>	<u><b>\$ 3,505,001</b></u>	<u><b>\$ 3,505,001</b></u>
FTE Positions	19.0	25.0	25.0	25.0	25.0

The **agency** requests \$3.5 million, including \$924,500 SGF, for FY 2022. This is a decrease of \$1.8 million, or 33.8 percent, below the FY 2021 revised estimate. The decrease is attributable to one-time expenditures related to the federal HAVA CARES Act that do not repeat during FY 2022. The \$924,500 SGF request is to meet a state match requirement for the federal HAVA CARES Act funds. The major cost for the Administrative program is salaries and wages, which comprises 48.5 percent of total expenditures for the program. The second largest expenditure for the program is contractual services. The agency requests \$102,582 for OITS and telecommunications services and \$292,685 for rent and surcharges on the Memorial Hall building.

The **Governor** concurs with the request for FY 2022. The Governor recommends \$924,500 as a direct SGF transfer to the Democracy Fund instead of an SGF appropriation for the HAVA CARES Act match requirement.

## **B. Business Services**

The Business Services Division administers the Kansas General Corporations Code, the Kansas Limited Liability Company Act, the Kansas Uniform Limited Partnership Act, the Kansas Uniform Commercial Code (UCC), and related laws. This division ensures customers have forms and procedures to follow in forming and maintaining business entities and in gaining easy access to business records that date to the beginning of the state. The number of annual reports processed each year by the Division exceeds 180,000. In FY 1995, the Kansas UCC program became the first in the nation to accept electronic filings of UCC financing statements. The Office of the Secretary of State currently receives more than 90.0 percent of its nearly 100,000 annual UCC transactions electronically.

<b>PERFORMANCE MEASURES</b>						
<u>Measure</u>	<u>Actual FY 2018</u>	<u>Actual FY 2019</u>	<u>Gov. Rec. FY 2020</u>	<u>Actual FY 2020</u>	<u>Gov. Rec. FY 2021</u>	<u>Gov. Rec. FY 2022</u>
Percent of Publications Available in Digital Form	N/A	N/A	40.0 %	40.0 %	50.0 %	75.0 %
Percent of Document Filing Improvement Project Completed*	N/A	N/A	50.0 %	45.0 %	100.0 %	N/A
Percent of Annual Reports Filed Online*	N/A	76.0 %	78.0 %	74.0 %	77.0 %	80.0 %
Percent of Business Formation Documents Filed Online*	N/A	73.0 %	74.0 %	76.0 %	78.0 %	80.0 %
<u>Agency Expenditures</u>						
All Funds (Dollars in Thousands)	\$ 894.1	\$ 872.9	\$ 909.7	\$ 785.0	\$ 800.9	\$ 809.4
FTE Positions	15.0	12.0	15.0	12.0	16.0	16.0
* The Governor's Office does not utilize this measure for evaluation purposes.						

For FY 2021, the Business Services Division has a goal to streamline all filing documents. At the beginning of 2019, the Division maintained 96 filing documents for various business filings. Many of these filing documents are similar in nature and can be combined to make it easier for customers to identify the filing they need to complete. The agency has a goal to reduce the number of filing documents by 30.0 percent by the end of FY 2021.



<b>BUSINESS SERVICES SUMMARY OF EXPENDITURES FY 2020 – FY 2022</b>					
Item	Actual FY 2020	Agency Est. FY 2021	Gov. Rec. FY 2021	Agency Req. FY 2022	Gov. Rec. FY 2022
<b>Expenditures:</b>					
Salaries and Wages	\$ 729,136	\$ 719,846	\$ 719,846	\$ 728,280	\$ 728,280
Contractual Services	45,111	77,778	77,778	77,778	77,778
Commodities	653	750	750	750	750
Capital Outlay	10,059	2,552	2,552	2,552	2,552
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<u>\$ 784,959</u>	<u>\$ 800,926</u>	<u>\$ 800,926</u>	<u>\$ 809,360</u>	<u>\$ 809,360</u>
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
<b>TOTAL</b>	<b><u>\$ 784,959</u></b>	<b><u>\$ 800,926</u></b>	<b><u>\$ 800,926</u></b>	<b><u>\$ 809,360</u></b>	<b><u>\$ 809,360</u></b>
<b>Financing:</b>					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	784,959	800,926	800,926	809,360	809,360
<b>TOTAL</b>	<b><u>\$ 784,959</u></b>	<b><u>\$ 800,926</u></b>	<b><u>\$ 800,926</u></b>	<b><u>\$ 809,360</u></b>	<b><u>\$ 809,360</u></b>
FTE Positions	12.0	16.0	16.0	16.0	16.0

The **agency** requests \$809,360, all from special revenue funds, for the Business Services Division for FY 2022. This is an increase of \$8,434, or 1.1 percent, above the FY 2021 revised estimate. This increase is attributable to fringe benefit expenditures for salaries and wages and benefits.

The **Governor** concurs with the agency's request for FY 2022.

### **C. Elections and Legislative Matters**

The Elections and Legislative Matters Division performs statutory functions related to elections and the Legislature and provides the public with information on these issues. This division oversees and administers the electoral process in Kansas; promotes public participation in the electoral process; maintains files of public records; responds to inquiries and informational requests; and distributes publications, including the KSAs, *Session Laws of Kansas*, Senate and House journals, and the KARs. In addition, the Division registers lobbyists, issues lobbyist badges, and files lobbyist expenditure reports.

<b>PERFORMANCE MEASURES</b>						
Measure	Actual FY 2018	Actual FY 2019	Gov. Rec. FY 2020	Actual FY 2020	Gov. Rec. FY 2021	Gov. Rec. FY 2022
Percent of Statements of Substantial Interest Forms Filed Electronically	N/A	90.0 %	95.0 %	89.0 %	95.0 %	100.0 %
Percent of Campaign Finance Reports Filed Electronically	N/A	45.0 %	45.0 %	40.0 %	45.0 %	75.0 %
<b>Agency Expenditures</b>						
All Funds (Dollars in Thousands)	\$ 455.3	\$ 497.9	\$ 716.9	\$ 414.3	\$ 517.9	\$ 521.6
FTE Positions	4.0	4.0	5.0	5.0	5.0	5.0

**ELECTIONS AND LEGISLATIVE MATTERS  
SUMMARY OF EXPENDITURES FY 2020 – FY 2022**

Item	Actual FY 2020	Agency Est. FY 2021	Gov. Rec. FY 2021	Agency Req. FY 2022	Gov. Rec. FY 2022
<b>Expenditures:</b>					
Salaries and Wages	\$ 347,933	\$ 380,095	\$ 380,095	\$ 383,816	\$ 383,816
Contractual Services	66,440	137,121	137,121	137,121	137,121
Commodities	0	670	670	670	670
Capital Outlay	0	0	0	0	0
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<u>\$ 414,373</u>	<u>\$ 517,886</u>	<u>\$ 517,886</u>	<u>\$ 521,607</u>	<u>\$ 521,607</u>
Aid to Local Units	0	0	0	0	0
Other Assistance	0	0	0	0	0
<b>TOTAL</b>	<u><b>\$ 414,373</b></u>	<u><b>\$ 517,886</b></u>	<u><b>\$ 517,886</b></u>	<u><b>\$ 521,607</b></u>	<u><b>\$ 521,607</b></u>
<b>Financing:</b>					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
All Other Funds	414,373	517,886	517,886	521,607	521,607
<b>TOTAL</b>	<u><b>\$ 414,373</b></u>	<u><b>\$ 517,886</b></u>	<u><b>\$ 517,886</b></u>	<u><b>\$ 521,607</b></u>	<u><b>\$ 521,607</b></u>
FTE Positions	5.0	5.0	5.0	5.0	5.0

The **agency** requests \$521,607, all from special revenue funds, for FY 2022. This is an increase of \$3,721, or 0.7 percent, above the FY 2021 revised estimate. This increase is attributable to fringe benefit expenditures for salaries and wages. Outside of salaries and wages, the most substantial expenditures for the program are tied to the *Session Laws of Kansas*: \$41,765 for printing and \$35,420 for shipping of the publication.

The **Governor** concurs with the agency's request for FY 2022.

***D. Help America Vote Act (HAVA)***

The HAVA Division is charged with implementing the federal Help America Vote Act of 2002 and administers the Help America Vote Program. HAVA requires each state to develop a single, uniform, official, centralized, interactive, and computerized statewide voter registration list defined, maintained, and administered at the state level. The Division also is responsible for coordinating the state plan provided to the Federal Election Commission. The Kansas plan was developed by an advisory council. In addition, the Division is to apply for federal grants and oversee the distribution of any grants that are obtained.

PERFORMANCE MEASURES						
Measure	Actual FY 2018	Actual FY 2019	Gov. Rec. FY 2020	Actual FY 2020	Gov. Rec. FY 2021	Gov. Rec. FY 2022
Percent of Cybersecurity Services and Training Provided to Kansas Counties	N/A	N/A	90.0 %	N/A	90.0 %	100.0 %
Voting Equipment Updates*	N/A	N/A	90.0 %	N/A	90.0 %	95.0 %
<b>Agency Expenditures</b>						
All Funds (Dollars in Thousands)	\$ 0.0	\$ (126.1)	\$ 2,050.6	\$ 88.3	\$ 2,532.5	\$ 2,053.7
FTE Positions	0.0	0.0	0.0	0.0	0.0	0.0
* The Governor's Office does not utilize this measure for evaluation purposes.						

HELP AMERICA VOTE ACT (HAVA) SUMMARY OF EXPENDITURES FY 2020 – FY 2022					
Item	Actual FY 2020	Agency Est. FY 2021	Gov. Rec. FY 2021	Agency Req. FY 2022	Gov. Rec. FY 2022
<b>Expenditures:</b>					
Salaries and Wages	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Contractual Services	63,029	50,638	50,638	50,638	50,638
Commodities	24,999	0	0	0	0
Capital Outlay	0	0	0	0	0
Debt Service	0	0	0	0	0
<i>Subtotal - Operations</i>	<i>\$ 88,028</i>	<i>\$ 50,638</i>	<i>\$ 50,638</i>	<i>\$ 50,638</i>	<i>\$ 50,638</i>
Aid to Local Units	0	2,481,899	2,481,899	2,003,085	2,003,085
Other Assistance	0	0	0	0	0
<b>TOTAL</b>	<b>\$ 88,028</b>	<b>\$ 2,532,537</b>	<b>\$ 2,532,537</b>	<b>\$ 2,053,723</b>	<b>\$ 2,053,723</b>
<b>Financing:</b>					
State General Fund	\$ 0	\$ 0	\$ 0	\$ 3,085	\$ 0
All Other Funds	88,028	2,532,537	2,532,537	2,050,638	2,053,723
<b>TOTAL</b>	<b>\$ 88,028</b>	<b>\$ 2,532,537</b>	<b>\$ 2,532,537</b>	<b>\$ 2,053,723</b>	<b>\$ 2,053,723</b>
FTE Positions	0.0	0.0	0.0	0.0	0.0

The **agency** requests \$2.1 million, including \$3,085 SGF, for the Help America Vote Act (HAVA) Division for FY 2022. This is an all funds decrease of \$478,814, or 18.9 percent, below the FY 2021 revised estimate. The decrease is attributable to the timing of expenditures for cybersecurity training and paper ballot and physical security of voting machines. All expenditures in this program are associated with the statewide centralized voter registration system. In FY 2021, the HAVA programs will have additional expenditures from the HAVA CARES Act fund. Major expenditures in the contractual services category include voter education and public service announcements regarding the November 2020 election.

The agency requests \$3,085 SGF to meet the state match requirement for the HAVA Election Security Grant. The agency received notice from the U.S. Election Assistance Commission that Kansas had been awarded an additional \$15,427 of HAVA Election Security funds. This additional award requires an additional \$3,085 state match.

The **Governor** concurs with the agency's request for FY 2022. The Governor recommends \$3,085 as a direct SGF transfer to the Democracy Fund instead of an SGF appropriation for the HAVA Election Security Grant match requirement.