

GOVERNMENTAL ETHICS COMMISSION

FY 2021 – FY 2023 BUDGET ANALYSIS

FIGURE 1
BUDGET OVERVIEW, FY 2021 – FY 2023

	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Operating Expenditures:					
State General Fund	\$ 446,942	\$ 470,233	\$ 470,233	\$ 545,603	\$ 520,554
Federal Funds	-	-	-	-	-
All Other Funds	257,351	253,531	253,531	263,446	257,352
<i>Subtotal</i>	<u>\$ 704,293</u>	<u>\$ 723,764</u>	<u>\$ 723,764</u>	<u>\$ 809,049</u>	<u>\$ 777,906</u>
Capital Improvements:					
State General Fund	\$ -	\$ -	\$ -	\$ -	\$ -
Federal Funds	-	-	-	-	-
All Other Funds	-	-	-	-	-
<i>Subtotal</i>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
TOTAL	<u>\$ 704,293</u>	<u>\$ 723,764</u>	<u>\$ 723,764</u>	<u>\$ 809,049</u>	<u>\$ 777,906</u>
Percentage Change:					
State General Fund	13.0 %	5.2 %	5.2 %	16.0 %	10.7 %
All Funds	1.6 %	2.8 %	2.8 %	11.8 %	7.5 %
FTE Positions	8.0	8.5	8.5	8.5	8.5

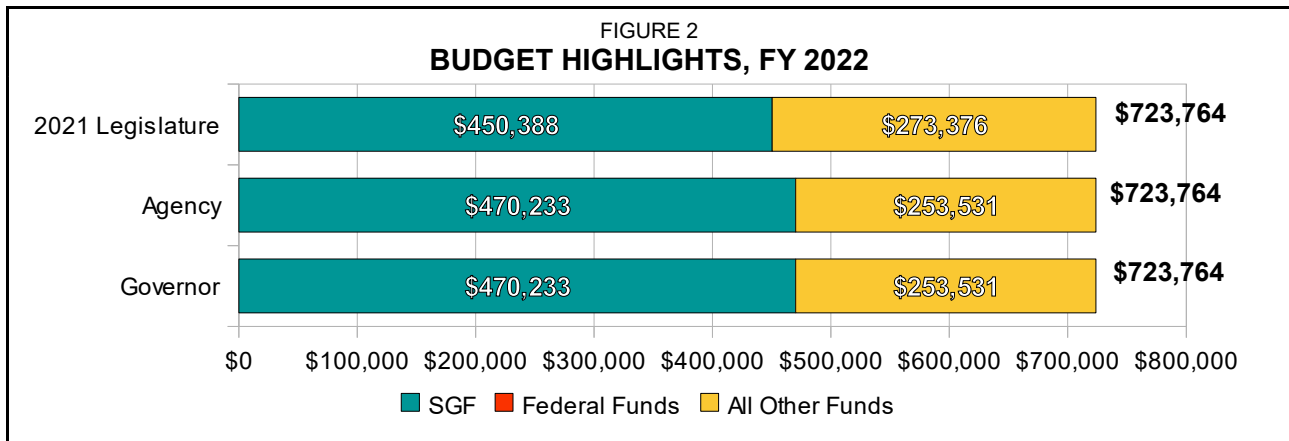
For purposes of this analysis, full-time equivalent (FTE) positions include non-FTE permanent unclassified positions but continue to exclude temporary employees. FTE positions reflect permanent state positions equating to a 40-hour work week.

The Governmental Ethics Commission is charged with administering, interpreting, and enforcing the Campaign Finance Act and laws relating to conflicts of interest, financial disclosure, and the regulation of lobbying. These laws establish the public's right to information about the financial affairs of Kansas' public officials, lobbyists, and candidates for state and local office. The Commission also renders advisory opinions and can adopt rules and regulations.

Each year, the Commission receives thousands of financial disclosure reports filed by candidates, political parties and party committees, public officials, and lobbyists. During non-election years, the Commission staff conduct comprehensive audits of previous filings; process new candidate Appointment of Treasurer forms and Political Action Committee Statement of Organization forms; ensure all persons subject to Commission regulation receive all pertinent campaign finance information for upcoming elections; process failure-to-file notices; and file complaints. During election years, the Commission devotes 80.0 percent to 90.0 percent of staff time to answering campaign-related questions, assisting candidates and candidate treasurers in completing their reports, and reviewing the receipts and expenditure reports filed. In addition to these responsibilities, the Commission enforces and assures lobbyists' compliance with state lobbying laws.

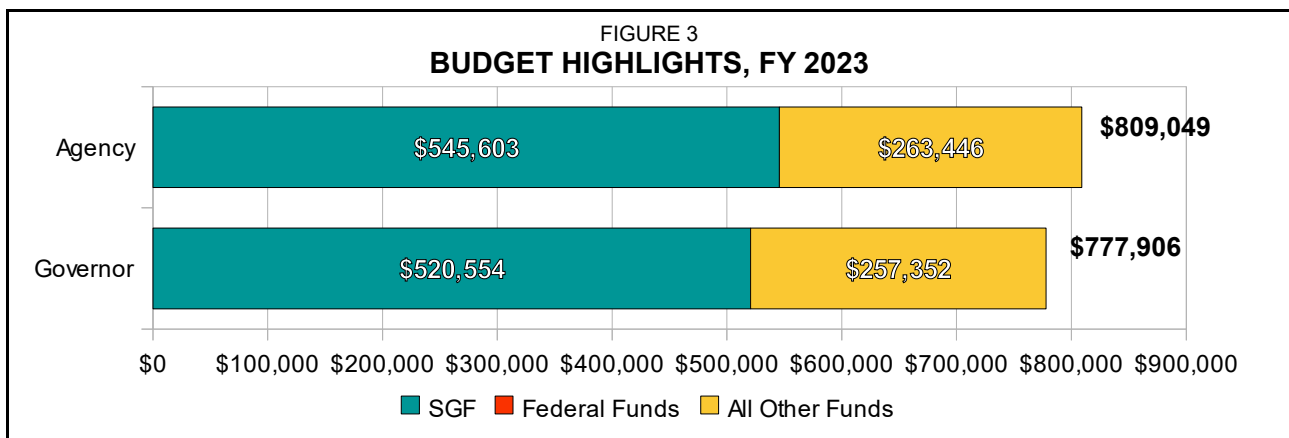
EXECUTIVE SUMMARY

The 2021 Legislature approved a budget of \$723,764, including \$450,388 from the State General Fund (SGF), for the Governmental Ethics Commission in FY 2022.



The **agency** requests a revised estimate of \$723,764, including \$470,233 SGF, in FY 2022. This is the same all funds amount approved by the 2021 Legislature and includes an SGF increase of \$19,485. The SGF increase is due to the agency's supplemental request to restore \$20,756 SGF that was allotted by the Governor in the June 2020 allotment. The allotted funds were to be used to fund the conversion of a part-time attorney to a full-time position as approved by the 2020 Legislature. The agency has been using the Governmental Ethics Commission Fee Fund to fund the position.

The **Governor** concurs with the agency's revised estimate in FY 2022.



The **agency** requests \$809,049, including \$545,603 SGF, for FY 2023. This is an all funds increase of \$85,285, or 11.8 percent, above the FY 2023 approved amount.

Significant items in the agency request include the following:

- **ENHANCEMENT—RESTORATION OF GOVERNOR’S JUNE 2020 ALLOTMENT.** The agency requests \$20,756 SGF, as approved by the 2020 Legislature;
- **ENHANCEMENT—SALARY PAY PLAN.** The agency requests \$79,566, including \$73,472 SGF, to provide pay increases after a salary study was conducted by a subcommittee of the Commission;
- Reduction in printing expenditures related to electronic document distribution and in-house printing (\$4,000);

- Reduction in data entry temporary assistance (\$3,000);
- Reduction in budgeted mileage (\$2,705);
- Reduction in postage cost projection fees (\$2,500); and
- Reduction in court reporter expenditures (\$1,000).

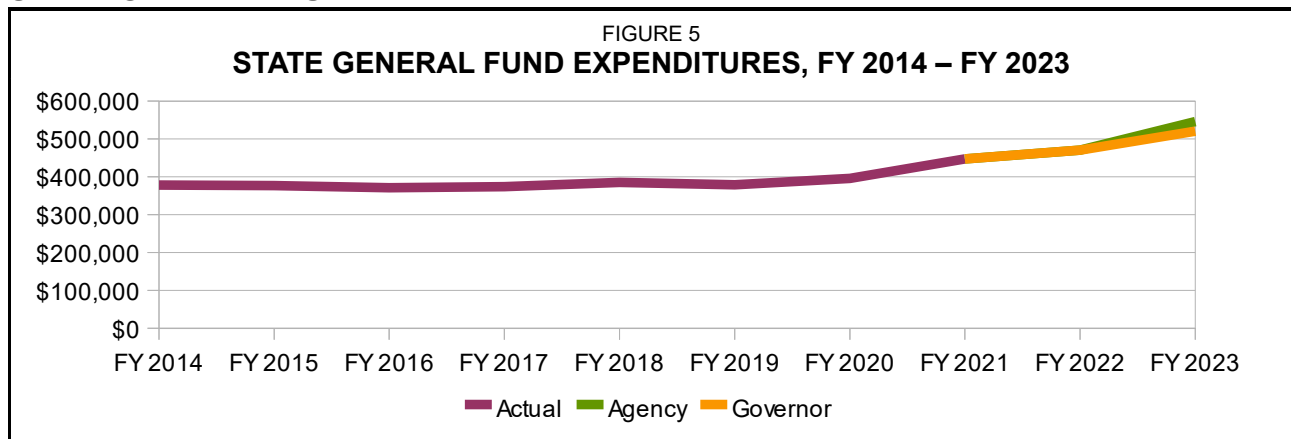
The **Governor** recommends \$777,906, including \$520,554 SGF, for FY 2023. This includes a partial adoption of the salary pay plan enhancement request, totaling \$48,423, all SGF.

EXPENDITURES AND FINANCING

FIGURE 4
BUDGET SUMMARY BY CATEGORY OF EXPENDITURE, FY 2021 – FY 2023

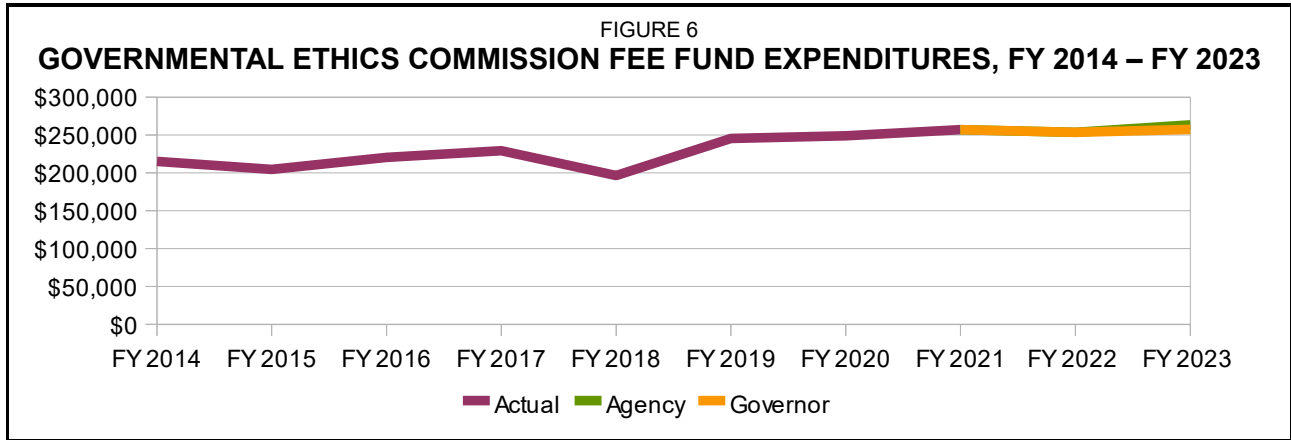
	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Category of Expenditure:					
Salaries and Wages	\$ 547,431	\$ 599,577	\$ 599,577	\$ 680,522	\$ 649,379
Contractual Services	113,117	119,087	119,087	123,427	123,427
Commodities	3,500	4,500	4,500	4,500	4,500
Capital Outlay	40,245	600	600	600	600
Debt Service Interest	-	-	-	-	-
<i>Subtotal</i>	<u>\$ 704,293</u>	<u>\$ 723,764</u>	<u>\$ 723,764</u>	<u>\$ 809,049</u>	<u>\$ 777,906</u>
Aid to Local Units	-	-	-	-	-
Other Assistance	-	-	-	-	-
<i>Subtotal— Operating</i>	<u>\$ 704,293</u>	<u>\$ 723,764</u>	<u>\$ 723,764</u>	<u>\$ 809,049</u>	<u>\$ 777,906</u>
Capital Improvements	-	-	-	-	-
Debt Service	-	-	-	-	-
Principal	-	-	-	-	-
TOTAL	<u>\$ 704,293</u>	<u>\$ 723,764</u>	<u>\$ 723,764</u>	<u>\$ 809,049</u>	<u>\$ 777,906</u>
Financing:					
State General Fund	\$ 446,942	\$ 470,233	\$ 470,233	\$ 545,603	\$ 520,554
Governmental Ethics Fee Fund	257,261	253,531	253,531	263,446	257,352
Coronavirus Relief Fund	90	-	-	-	-
Federal Funds	-	-	-	-	-
All Other Funds	-	-	-	-	-
TOTAL	<u>\$ 704,293</u>	<u>\$ 723,764</u>	<u>\$ 723,764</u>	<u>\$ 809,049</u>	<u>\$ 777,906</u>
FTE Positions	8.0	8.5	8.5	8.5	8.5

STATE GENERAL FUND



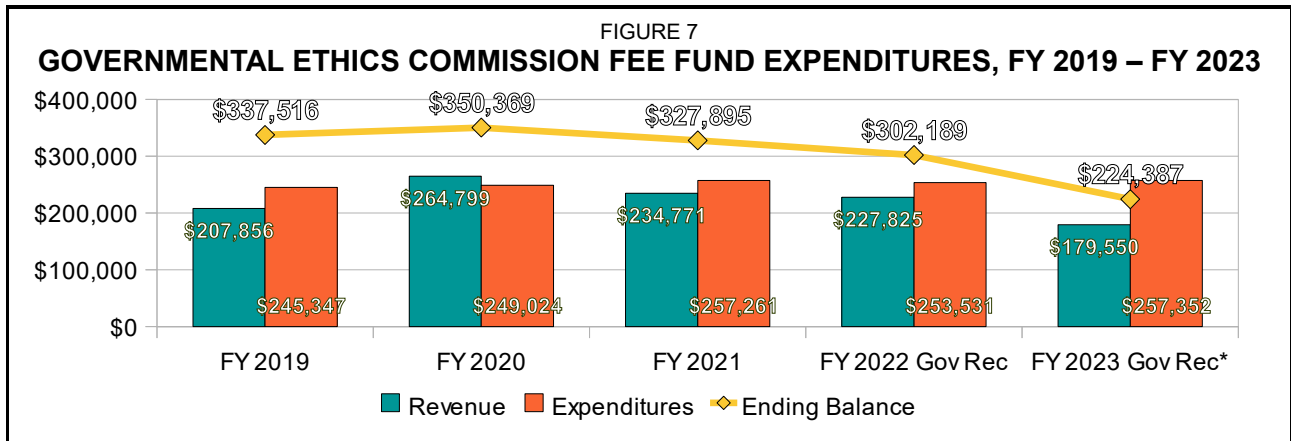
For the Governmental Ethics Commission, SGF expenditures have remained primarily consistent between FY 2014 and FY 2020. In FY 2021, SGF expenditures increased due to the 2019 Legislature adding \$60,000 to the agency's budget to bring funding in line with historical levels of SGF support.

GOVERNMENTAL ETHICS COMMISSION FEE FUND



The Governmental Ethics Commission Fee Fund is a statutory fee fund. It is funded by candidate filing fees, lobbyist registration fees, political action committees and registration fees, as required by KSA 25-4119a, KSA 25-4119f, KSA 46-265, and KSA 25-4145.

GOVERNMENTAL ETHICS COMMISSION FEE FUND



* For FY 2023, the lowest month ending balance for the Governmental Ethics Commission Fee Fund will occur in January, with a balance of \$248,292.

The ending balance of the Governmental Ethics Commission Fee Fund has steadily decreased over the past several years. This decrease is caused by increased expenditures and decreased revenues. This fee fund is impacted by the four-year election cycle, with revenue and expenditures being largely collected and expended in the years prior to a major election.

FIGURE 8
LICENSE FEES, FY 2022

License	Current Fee	Statutory Limit
Filing fee for candidates for Governor and Lieutenant Governor	\$ 650	\$ 650
Filing fee for candidates for other offices elected statewide	650	650
Filing fee for candidates for State Legislature, State Board of Education, and other local offices	50	50
Fee for Political Action Committees with anticipated receipts of \$500 or less	25	25
Fee for Political Action Committees with anticipated receipts of \$501, but less than \$2,500	50	50
Fee for Political Action Committee with anticipated receipts greater than \$2,501	300	300
Lobbyist fee for anticipated spending of \$1,000 or less on behalf of any one employer (per employer)	50	50
Lobbyist fee for anticipated spending of more than \$1,000 on behalf of any one employer (per employer)	350	350
Fee for non-owner, non-partner lobbying firm employees	450	450

FY 2022 ANALYSIS

FIGURE 9
SUMMARY OF BUDGET REQUEST, FY 2022

	SGF	Special Revenue Funds	All Funds	FTE
Legislative Approved:				
Amount Approved by 2021 Legislature	\$ 450,388	\$ 273,376	\$ 723,764	8.0
1. No Changes	-	-	-	--
<i>Subtotal—Legislative Approved</i>	\$ 450,388	\$ 273,376	\$ 723,764	8.0
Agency Revised Estimate:				
2. Restoring Governor's June 2020 Allotment	\$ 20,756	\$ (20,756)	\$ -	--
3. Investigator Position Shift	-	-	-	0.5
4. All Other Adjustments	(911)	911	-	--
<i>Subtotal—Agency Revised Estimate</i>	\$ 470,233	\$ 273,376	\$ 723,764	8.5
Governor's Recommendation:				
5. No Changes	-	-	-	--
TOTAL	\$ 470,233	\$ 273,376	\$ 723,764	8.5

LEGISLATIVE APPROVED

- NO CHANGES.** Subsequent to the 2021 Session, no adjustments were made to the \$723,764 appropriated to the Governmental Ethics Commission for FY 2022.

AGENCY ESTIMATE

The **agency** requests a revised estimate of \$723,764, including \$470,233 SGF in FY 2022. This is no change from the FY 2022 approved all funds amount, and an increase of \$19,845 SGF.

The **agency** estimate includes the following adjustments:

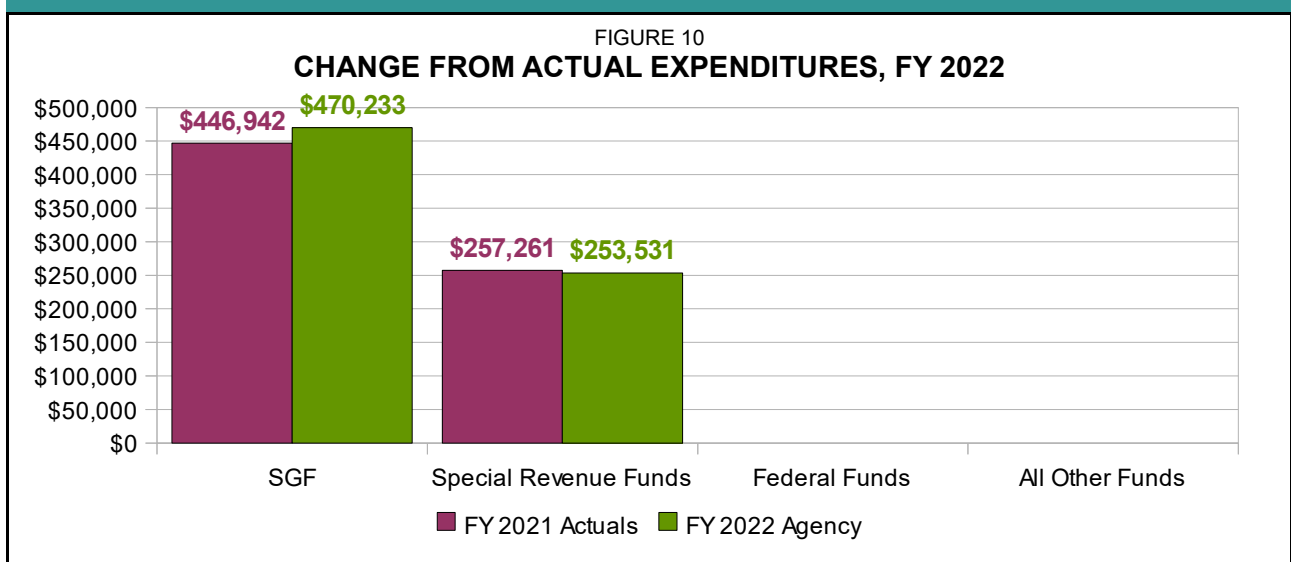
- SUPPLEMENTAL REQUEST - GOVERNOR'S JUNE 2020 ALLOTMENT.** The agency's supplemental request would restore \$20,756 SGF, thus decreasing expenditures from the Governmental Ethics Commission Fee Fund. The 2020 Legislature approved the conversion of a part-time attorney to a full-time position. The Governor subsequently allotted the funding in the June 2020 allotment. The agency has been using the Governmental Ethics Commission Fee Fund to fund this position.
- INVESTIGATOR POSITION SHIFT.** The agency shifted a contracted investigator position to the salaries and wages category.
- ALL OTHER ADJUSTMENTS.** The agency's revised estimate includes other adjustments, such as reducing printing expenditures related to electronic document distribution and in-house printing, budgeted mileage, Office of Information Technology Services expenses due to rate adjustments, court reporting costs, and office supplies, offset by costs related to the replacement of computer peripherals.

GOVERNOR'S RECOMMENDATION

The **Governor** recommends \$723,764, including \$470,233 SGF, in FY 2022.

- NO CHANGES.** The Governor concurs with the agency's revised estimate in FY 2022.

FY 2022 CHANGE FROM ACTUAL EXPENDITURES



The agency estimates revised expenditures of \$723,764, including \$470,233 SGF, in FY 2022. This is an increase of \$19,471, or 2.8 percent, above the FY 2021 actual expenditures. This increase is attributable to the Governor's June 2020 allotment of funding approved by the 2020 Legislature for the conversion of a part-time attorney to a full-time position.

FY 2023 ANALYSIS

FIGURE 11
SUMMARY OF BUDGET REQUEST, FY 2023

	SGF	Special Revenue Funds	All Funds	FTE
Legislative Approved, FY 2023	\$ 450,388	\$ 285,189	\$ 735,577	8.5
Agency Request:				
1. Enhancement - Restoring Governor's June 2020 Allotment	\$ 20,756	\$ (20,756)	\$ -	--
2. Enhancement - Salary Pay Plan	73,472	6,094	79,566	--
3. All Other Adjustments	987	(7,081)	(6,094)	--
<i>Subtotal—Agency Estimate</i>	<u>\$ 545,603</u>	<u>\$ 263,446</u>	<u>\$ 809,049</u>	<u>8.5</u>
Governor's Recommendation:				
4. Partial Adoption of Salary Pay Plan Enhancement Request	\$ (25,049)	\$ (6,094)	\$ (31,143)	--
TOTAL	<u><u>\$ 520,554</u></u>	<u><u>\$ 257,352</u></u>	<u><u>\$ 777,906</u></u>	<u><u>8.5</u></u>

AGENCY REQUEST

The **agency** requests \$809,049, including \$545,603 SGF, for FY 2023. This is an all funds increase of \$85,285, or 11.8 percent, above the FY 2023 approved amount.

The **agency** request includes the following adjustments:

- 1. ENHANCEMENT—RESTORING GOVERNOR'S JUNE 2020 ALLOTMENT.** The agency's enhancement request would restore \$20,756 SGF that the 2020 Legislature approved for the conversion of a part-time attorney to a full-time position. The Governor subsequently allotted the funding in the June 2020 allotment.
- 2. ENHANCEMENT—SALARY PAY PLAN.** The agency requests \$79,566 to provide pay increases after a salary study was conducted by a subcommittee of the Commission.
- 3. ALL OTHER ADJUSTMENTS.** The agency's revised estimate includes other adjustments, such as reducing printing expenditures related to electronic document distribution and in-house printing, budgeted mileage, Office of Information Technology Services expenses due to rate adjustments, court reporting costs, and office supplies, offset by costs related to the replacement of computer peripherals.

GOVERNOR'S RECOMMENDATION

The **Governor** recommends \$777,906, including \$520,554 SGF, for FY 2023. This amount includes fully funding the agency's enhancement request to restore the Governor's June 2020 allotment.

The **Governor's** recommendation includes the following adjustment:

- 4. PARTIAL ADOPTION OF SALARY PAY PLAN ENHANCEMENT REQUEST.** The Governor recommends partial adoption of the salary pay plan enhancement request, totaling \$48,423, all SGF.

SUPPLEMENTAL AND ENHANCEMENT REQUESTS

REQUEST 1

SUPPLEMENTAL—RESTORING GOVERNOR'S JUNE 2020 ALLOTMENT

The 2020 Legislature approved the conversion of a part-time attorney to a full-time position. The Governor subsequently allotted funding for this position. The agency has been using special revenue funds for this position. The agency requests the position be funded with SGF moneys for FY 2022 and FY 2023.

RESTORING GOVERNOR'S JUNE 2020 ALLOTMENT			
Item	SGF	Fee Fund	Total
Salary and Benefits	\$ 20,756	\$ (20,756)	\$ -
TOTAL	\$ 20,756	\$ (20,756)	\$ -

The Governor recommends adoption of this request.

REQUEST 2

ENHANCEMENT—RESTORING GOVERNOR'S JUNE 2020 ALLOTMENT

The 2020 Legislature approved the conversion of a part-time attorney to a full-time position. The Governor subsequently allotted funding for this position. The agency has been using special revenue funds for this position. The agency requests the position be funded with SGF moneys for FY 2022 and FY 2023.

RESTORING GOVERNOR'S JUNE 2020 ALLOTMENT			
Item	SGF	Fee Fund	Total
Salary and Benefits	\$ 20,756	\$ (20,756)	\$ -
TOTAL	\$ 20,756	\$ (20,756)	\$ -

The Governor recommends adoption of this request.

REQUEST 3

ENHANCEMENT—SALARY PAY PLAN

The salary pay plan results from a study by a subcommittee of the Commission. The subcommittee reviewed salary data for ethics commission directors of other states and other State of Kansas agency directors, as well as salary history and requirements for other positions within the agency and provided the full Commission with recommendations ranging from salary increases from 5.0 to 48.0 percent.

SALARY PAY PLAN			
Item	SGF	Fee Fund	Total
Salaries and Wages (Agency Request)	\$ 73,472	\$ 6,094	\$ 79,566
Salaries and Wages (Governor's Recommendation)	48,423	0	48,423

The Governor recommends partial adoption of this request, with salary increases ranging from 5.3 to 15.8 percent.

PROGRAM AND PERFORMANCE MEASURES OVERVIEW

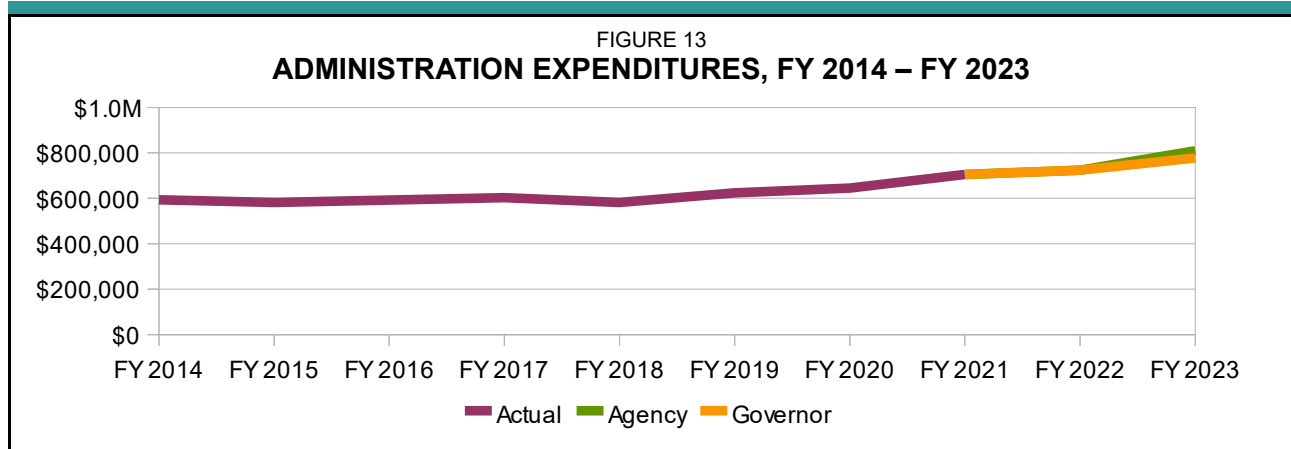
FIGURE 12
EXPENDITURES AND FTE POSITIONS BY PROGRAM, FY 2021 – FY 2023

Programs	Actual FY 2021	Agency FY 2022	Governor FY 2022	Agency FY 2023	Governor FY 2023
Expenditures:					
Administration	\$ 704,293	\$ 723,764	\$ 723,764	\$ 809,049	\$ 777,906
FTE Positions:					
Administration	8.0	8.5	8.5	8.5	8.5

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.

ADMINISTRATION



STATUTORY BASIS: • KSA 25-4142; KSA 46-215

PROGRAM GOALS:

- Ensure that all reports receive a review of compliance with the law.
- Provide the necessary mandatory tools required to support other programs.
- Reduce the severity and number of unintentional violations of the Campaign Finance Act and lobbying and ethics laws.
- Rapidly correct unintentional and non-severe violations of the Campaign Finance Act and lobbying and ethics laws.

The Administration program provides for the means for other programs to be successful, such as paying rent, information technology bills, and the monumental building surcharge, and providing office supplies. The program also includes the Education, Awareness, Compliance, and Enforcement (of the Campaign Finance Act) subprograms.

FIGURE 14
ADMINISTRATION, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
Outcome Measure:					
1. Percent of campaign finance entities receiving Error and Omission Notices*	17.2 %	17.9 %	17.8 %	18.4 %	16.8 %
2. Percent of lobbyist receiving Error and Omission Notices*	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %
3. Percent of Interest filers receiving Error and Omission Notices*	0.0 %	0.0 %	0.03 %	0.1 %	0.1 %
Output Measure:					
4. Number of Error and Omission Notices sent to campaign finance entities*	260	602	433	227	426
5. Number of Error and Omission Notices sent to lobbyists*	1	0	0.33	2	2
6. Number of statements of substantial interest filed	5,561	5,744	5,642	5,852	5,765
7. Number of trainings performed*	11	11	11.67	12	15
Financing					
SGF	Actual FY 2020 \$ 395,476	Actual FY 2021 \$ 446,942		Governor FY 2022 \$ 470,233	Governor FY 2023 \$ 520,554
Federal Funds	-	90		-	-
All Other Funds	249,024	257,261		253,531	257,352

FIGURE 14
ADMINISTRATION, PERFORMANCE MEASURES

	Actual FY 2020	Actual FY 2021	Actual 3-Year Avg.	Target FY 2022	Target FY 2023
TOTAL	\$ 644,500	\$ 704,293		\$ 723,764	\$ 777,906
Percentage Change:					
SGF	0.4%	13.0 %		5.2 %	10.7 %
All Funds	(12.2) %	9.3 %		2.8 %	7.5 %
FTE Positions	7.5	8.0		8.5	8.5

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