

EXPENDITURE JUSTIFICATION - Administration - Operations and Strategic Development and Faith-Based & Community Initiatives – 01030 and 01090

Program Overview:

This program includes the following offices:

- Office of the Secretary
- Operations
- Office of Audit and Consulting Services
- Legal Services
- Human Resources
- Strategic Development and Faith-Based & Community Initiatives

Each office is explained below.

Office of the Secretary

The Office of the Secretary encompasses the Secretary, Chief of Staff, Legislative Director, Communications Director, Public Policy Director, Public Information Officer, Special Assistant, and their related staff. This office coordinates the executive operations of the agency and serves as the focal point for the Agency.

Operations

Operations provides financial, technical, and administrative expertise that allows for the effective delivery of services. The following services are provided by Operations:

Office of Financial Management (OFM) is responsible for the preparation, oversight, and execution of the SRS budget and related documents. The office is also responsible for the agency-wide federal reports and monitoring federal legislation that may impact federal funding received by SRS; maximizing federal dollars for SRS and the State of Kansas; and allocating administrative costs across all federal funds through the cost allocation plan and determining the amount of time spent on each program in the regional offices by use of a Random Moment Time Study. The following units are located in the Office of Financial Management:

- The **Budget Unit** is responsible for the preparation, oversight, and execution of the SRS and State Hospitals budgets. The Budget Unit responds to Division of the Budget and Legislative Research requests; coordinates fiscal note preparation; tracks and reconciles the Appropriation bills; and attends legislative committee meetings, as needed. The Budget Unit analyzes agency expenditures and revenues to ensure programs are within their budgets by reviewing monthly reports, reconciling federal grant reports, and tracking FTE position counts. The Budget Unit is also responsible for tracking the federal budget and federal legislation effecting SRS and calculating the fiscal impact of the proposed changes; reviewing monthly caseload projections for the Agency’s assistance programs, and preparing the

semiannual Consensus Caseload Estimate; tracking the federal deferrals, disallowances, audits, and management reviews related to the Agency's federal funds and calculating the fiscal impact of potential findings; and assisting in reviewing and providing requested information to Federal agencies.

- The **Cost Allocation Unit** is responsible for the allocation of administrative costs across all federal funds. Due to different requirements by each federal agency, numerous allocation methodologies are used in this process. A Random Moment Time Study (RMTS) is used to determine the amount of time regional staff spends on each program. Another RMTS of the Child Welfare Contractor's staff is used to claim federal administrative funds. These RMTS are managed by the Cost Allocation Unit. As a way to meet some of the administrative budget reductions the Federal Reporting Unit was eliminated in FY 2010. One staff member that prepares reports for funds used throughout the agency was retained while the other positions were eliminated, and the program specific grant reports were moved to the program fiscal departments. The agency-wide reports retained in OFM are Food Stamp, TANF, CCDF, CSE, SSBG, Adoption, and Foster Care. The preparation maintenance of the funding table is also done in the Cost Allocation Unit.

Accounting and Administrative Operations (AAO) is responsible for oversight of the Accounting, Procurement, and Operations Support functions of the agency. The following units are in Accounting and Administrative Operations:

- The **Accounting Unit** is responsible for developing and maintaining policies and procedures that comply with all federal and state accounting requirements. The Unit prepares agency financial reports and manages the agency's financial systems, which supports the many client systems that are used throughout the agency. The Cash Management section manages all state appropriations, fee funds, federal grant funds, enterprise funds, trust funds, building funds, and clearing funds, as well as the State and Federal set-off programs, debt collection processing, and agency-wide financial reporting. The Payables section coordinates all fiscal activities required to process payments against agency state and federal funds. The Accounting Unit is the primary agency contact to the State Treasurer's Office and the Department of Administration, Division of Accounts and Reports.
- The **Procurement Unit** is responsible for developing and maintaining policies and procedures for the management of grants and contracts awarded by the agency. The Unit encumbers agency resources. The Procurement Unit is the primary agency contact to the Department of Administration, Division of Purchases.
- The **Operations Support Unit** is responsible for developing and maintaining policies and procedures related to lease management, fleet management, facilities management, and records management. Assets of the agency are recorded in an inventory system managed by this Unit. The Unit provides oversight and support for all leased and agency-owned properties. The Unit manages fleet operations for all agency-owned and leased vehicles throughout Kansas. The records management function ensures compliance with all state and federal retention policies affecting the numerous records of the agency. The Operations Support Unit is the primary agency contact to the Department of Administration, Division of Facilities Management.

Office of Audit and Consulting Services (OACS) provides SRS management and other stakeholders with objective, relevant, and timely information for decision-making through risk assessment, audit, and consulting services. OACS is an integral part of program development providing services to assist SRS in achieving strategic objectives. It is responsible for evaluating and mitigating risk; confirming information; analyzing business and program operations; reviewing compliance; recommending corrective actions; assuring safeguards; and facilitating strategic problem solving. These services are provided through traditional audit (financial and performance) and consulting activities.

Legal Services encompasses the Agency's legal and fraud investigations units and the coordination of activities related to the Health Insurance Portability and Accountability Act (HIPAA). Agency litigation covers many subjects including: civil rights, program reimbursement, administrative fair hearings, tort liability, malpractice, contract disputes, recoveries, guardianships, declaratory judgment actions, commitments to state institutions, and appeals to district and appellate courts. The SRS Director of Fraud Investigations and his assigned unit of support staff in the central office will be responsible for coordinating all SRS efforts to combat fraud in every program area of the agency. The anti-fraud unit will manage related audits and investigations, prepare cases for criminal and civil litigation, and will research, promote, and implement efficient fraud spotting techniques and reporting processes to be followed by appropriate personnel in each program. The unit will also expand inter-departmental collaboration to battle fraud in conjunction with partners throughout the law enforcement community. Also included in this program is the Secretary's initiative to add staff in the regions to expand the fraud investigations at the local levels.

Human Resources provide traditional personnel support to central and regional offices. The Personnel unit places priority on quality customer service and enhancing recruitment, retention, and engagement of staff. This unit will assist the agency in succession planning, as well as promoting a healthy work environment. The Diversity and Cultural Competency unit is also part of Human Resources. This unit promotes cultural competency and enhances cultural sensitivity among the workforce with the goal of creating cultural proficiency. The unit leads the agency's efforts to address racial, ethnic and geographical disparities within the agency's service delivery system. In addition, this unit monitors EEO, sexual harassment, and employee relations processes. In FY 2008, the duties of the Statewide ADA Coordinator transferred to SRS from the Department of Administration. Effective March 3, 2011, by Executive Order No. 11-04, the duties of Human Resources transferred to the Department of Administration to establish and increase efficiency, uniformity, and fairness in employment policies, procedures, and practices within the Executive Branch of state government. The funding of this program remains with SRS for FY 2012 and FY 2013.

Strategic Development and Faith-Based & Community Initiatives (SD) support agencies within the state government system to design, develop, and implement organizational change efforts. This Division provides consultation and infrastructure to support training the workforce in new business processes and for improved performance. Centralization of training is in the planning stages. The end goal of this process is to lessen replication of training throughout the state and realize cost savings. In addition to the training support, SD offers conference rooms, technological consultation and support for customers and staff, a professional library, online courses and developmental resources. Strategic Development is targeting the collection of information pertaining to community and faith-based non-profits who may enhance the services of SRS. A database of these partnering agencies is housed at the SRS Learning Center. Also, SD is marketing the SRS Learning Center to offer our building services to businesses and agencies in the surrounding community.

Object Code 5100: Salaries and Wages

Summary: This salary justification covers the Operations and Strategic Development and Faith-Based & Community Initiatives programs of Administration. These programs provide direct staff support to the Secretary of SRS and services to approximately 60 programs, 6 regional offices, and 5 state hospitals within SRS.

FY 2012: \$7,291,831 - This request represents funding for 116.84 FTE and 7.00 unclassified temporary positions. The salary request includes longevity bonuses, and an average shrinkage rate for the Division of 7.65 percent. All fringe benefit rates observe the cost indices provided by the Division of the Budget.

FY 2013: \$7,428,779. This amount continues funding for the current staffing level. The request includes longevity bonuses and continues the average shrinkage rate of 7.65 percent for the Division. All fringe benefits conform to the indices issued by the Division of the Budget.

Object Code 5200: Contractual Services:

Summary: The major components of this category are communication, rents, and fees.

Rent accounts for 28.3 percent for FY 2012 and 20.6 percent for FY 2013 of contractual services, and includes building rent, personal computer leases, and copier rental. All programs under Operations are housed in the Docking State Office Building and the Records Center, and the Strategic Development programs are housed in the Docking State Office Building and the SRS Learning Center on the State Complex West campus. The federal limit on the cost of office space fluctuates each year and excess amounts above the federal maximum must be paid solely by state funds.

Fees - Other Services and Professional Services represents 63.4 percent for FY 2012 and 34.6 percent for FY 2013 of contractual services. These expenditures cover legal contracts, including the agreement with the Department of Administration's Administrative Hearings of \$364,415 for both fiscal years. Also included is the Financial Management Systems (FMS) development fee which is billed through DISC and is budgeted at the Division of the Budget indices rate of \$0.67 per transaction, for a total of \$1,074,364 for FY 2012. The FMS rate increases to \$1.01 per transaction for FY 2013 for a total of \$1,603,529, an increase over FY 2012 of \$529,165. This fee cannot be funded with federal funds, therefore is funded with State General Funds.

FY 2012: \$5,319,302. Contractual Services increased from FY 2011 by \$361,724. This net change results from an increase in rents of \$316,400, an increase in legal contracts of \$137,351, an addition of \$38,350 for the Leadership Training and Prevention Fellowship grants, and a decrease in fees including a reduction to the Kansas State University contract of \$53,833.

FY 2013: \$5,523,658. The request is an increase of \$204,356 from FY 2012. This net change results from an increase in the FMS fees of \$529,165 and a reduction for the Leadership Training and Prevention Fellowship grants not continuing in FY 2013.

NARRATIVE INFORMATION – DA 400
Division of the Budget
State of Kansas

AGENCY NAME: KS Department of Social and Rehabilitation Services
PROGRAM TITLE: Administration
SUBPROGRAM TITLE: Operations/Strategic Development

Object Code 5300: Commodities:

Summary: The major components of this category are motor vehicle parts and supplies; stationery/office supplies; and repairing of computer and related equipment.

FY 2012: \$77,234. The current year request funds the expenses itemized above, and reflects an increase from FY 2011 of \$24,219, mainly in professional and office supplies.

FY 2013: \$77,234.

Object Code 5400: Capital Outlay

FY 2012: \$0.

FY 2013: \$0.