

EXPENDITURE JUSTIFICATION – Administration - Operations and Strategic Development – 01030 and 01090 (STARS 01100 and 01200)

PROGRAM OVERVIEW:

Office of the Secretary

The Office of the Secretary encompasses the Secretary, Deputy Secretaries, and related support required to coordinate the executive operations of the agency. Other services provided under this office include:

- **Governmental Affairs** serves as the focal point for the agency’s legislative activities by overseeing the preparation, tracking, and dissemination of legislative information and testimony. Governmental Affairs operates the agency’s Resource Library.
- **Communications** produces media information and designs publications to inform the public of changes in programs and policies, or to inform citizens of available services. The office also publishes the Department’s employee newsletter and works with internal and external partners to meet the agency’s communication needs. Another function of the office is to manage the content of the agency’s public internet site, located at <http://www.srskansas.org>, and an intranet site for SRS employee use.
- **Public Policy** coordinates policy development across the agency, as well as other special projects.

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 staff were laid off, 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 special 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 special investigations' functions include investigations of recipient fraud; internal investigations of theft, misuse of state equipment, breach of confidentiality, improper interaction with consumers, etc.; and institutional abuse and neglect investigations.

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.

Strategic Development partners to support organizational divisions and units to assess, plan, implement, and evaluate organizational change efforts, and provides consultation and infrastructure to support capacity building to prepare the agency's workforce for new business processes and improved performance. The division maintains an infrastructure to support organizational learning through the administration of the agency's learning management system, online course development resources, the SRS Learning Center facility, and a professional library. Strategic Development also provides consultation and technical support for the use of technology-enriched learning strategies, guides change management processes associated with targeted initiatives, coordinates the implementation of the agency's Strategic Plan, and is responsible for Comprehensive Management and Leadership Development efforts.

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

AGENCY NAME: Department of Social and Rehabilitation Services
PROGRAM TITLE: Administration
SUBPROGRAM TITLE: Operations/Strategic Development 01030/01090

Object Code 5100: Salaries and Wages

Summary: This salary justification covers the Operations and Strategic Development 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.

Current Year FY 2011: \$7,998,876 - This request represents funding for 159.69 FTE and 5.99 unclassified temporary positions. Two FTE were transferred to the Protection Report Center during FY 2010, and 1.0 FTE was transferred to Rehabilitation Services at the beginning of FY 2011. The salary request includes the market rate adjustments authorized for FY 2011, longevity bonuses, and an increased shrinkage rate for each program. The average shrinkage rate for the Division is 18.96 percent. All fringe benefit rates observe the cost indices provided by the Division of the Budget.

Allocated Budget FY 2012: \$8,108,769. This amount continues funding for the current staffing level. The request includes longevity bonuses and continues the increased shrinkage rates averaging 18.95 percent for the Division. All fringe benefits conform to the indices issued by the Division of the Budget.

Object Codes 5200: Contractual Services:

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

Rent accounts for 24.0 percent 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 66.5 percent of contractual services. These expenditures cover legal contracts, including the agreement with the Department of Administration's Administrative Hearings of \$273,401 for FY 2011 and \$364,757 for FY 2012, and the Kansas Legal Services contract of \$1,100,000 for each fiscal year. The Kansas Legal Services contract was a new addition to the Operations budget in 2010. Also included is the Financial Management 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 both FY 2011 and FY 2012. The FMS rate represents an increase over FY 2010 of \$145,264 and cannot be funded with federal funds.

Current Year FY 2011: \$5,966,372. Contractual Services increased from FY 2010 by \$943,895. Increases include: an increase in the FMS rate of \$145,264, an increase in rents of \$246,635, an increase in legal contracts of \$183,510, and the addition of \$60,107 for the Leadership Training and Prevention Fellowship grants. These increases were calculated based on the Division of the Budget indices for FY 2011.

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Division of the Budget
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AGENCY NAME: Department of Social and Rehabilitation Services
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Allocated Budget FY 2012: \$6,350,224. The request is an increase of 383,852 from FY 2011. This net change results from an increase in legal contracts of \$91,356, a reduction in the KSU contract of \$37,092, a reduction of \$60,107 for the Leadership Training and Prevention Fellowship grants not continuing in FY 2012, and increases in other fees of \$14,930.

Object Codes 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.

Current Year FY 2011: \$74,500. The current year request funds the expenses itemized above, and reflects an increase from FY 2010 of \$13,211, mainly in professional and office supplies.

Allocated Budget FY 2012: \$74,500.

Object Code 5400: Capital Outlay:

Current Year FY 2011: \$0.

Allocated Budget FY 2012: \$0.