



COMMONWEALTH OF KENTUCKY

2018 - 2020

BUDGET OF THE COMMONWEALTH

VOLUME I

MATTHEW G. BEVIN
GOVERNOR



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STATE BUDGET DIRECTOR

Commonwealth of Kentucky
2018 – 2020
Budget of the Commonwealth
Volume I

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Commonwealth of Kentucky

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	10,263,803,100	11,070,652,255	11,302,631,900	11,543,880,800	11,820,106,900
Surplus Expenditure Plan	82,514,310	52,708,970			
Special Appropriation	76,500,000	10,000,000	10,939,000		
Current Year Appropriation	32,257,500		29,592,000		
Continuing Approp-General Fund	104,162,565	240,212,537	201,475,959	18,890,200	52,345,300
Budget Reduction-General Fund		-59,370,386	-128,985,200		
Reorganization Adjustment					
Mandated Allotments	69,836,304		-69,827,700		
Other	-47,093,504	-11,378,815	-54,711,500		
Total General Fund	10,581,980,275	11,302,824,561	11,291,114,459	11,562,771,000	11,872,452,200
Tobacco Fund					
Tobacco Settlement - Phase I	74,579,500	89,151,400	95,018,000	121,531,400	120,087,500
Special Appropriation	23,506,600				
Current Year Appropriation	23,146,100		4,198,300		
Continuing Approp-Tob Settlement	38,551,336	69,878,135	64,283,100	18,766,200	14,714,900
Total Tobacco Fund	159,783,536	159,029,535	163,499,400	140,297,600	134,802,400
Restricted Funds					
Balance Forward	930,409,243	842,102,956	746,020,732	482,867,728	330,249,028
Current Receipts	5,955,863,108	6,504,751,372	7,323,375,196	7,769,328,900	8,100,453,800
Non-Revenue Receipts	1,004,517,865	790,050,784	853,904,500	796,531,600	800,265,800
Fund Transfers	-65,501,080	-145,298,050	-67,146,700	-77,859,900	-50,917,800
Total Restricted Funds	7,825,289,135	7,991,607,063	8,856,153,728	8,970,868,328	9,180,050,828
Federal Fund					
Balance Forward	91,815,673	62,585,682	56,339,719	21,846,219	16,708,519
Current Receipts	11,960,595,155	12,054,196,242	13,207,458,600	13,527,508,700	13,903,246,700
Non-Revenue Receipts	-74,436,798	22,233,047	-1,157,500	-572,800	-971,600
Total Federal Fund	11,977,974,029	12,139,014,971	13,262,640,819	13,548,782,119	13,918,983,619
Road Fund					
Regular Appropriation	1,562,872,600	1,463,545,200	1,473,941,300	1,527,470,900	1,507,557,500
Surplus Expenditure Plan	6,338,079	37,964,749	57,237,100		
Continuing Approp-Road Fund	448,706,725	275,673,542			
Budget Reduction-Road Fund	-31,989,700				
Other	-57,034,983	7,240,187	4,927,000		
Total Road Fund	1,928,892,721	1,784,423,678	1,536,105,400	1,527,470,900	1,507,557,500
TOTAL SOURCE OF FUNDS	32,473,919,696	33,376,899,807	35,109,513,806	35,750,189,947	36,613,846,547
EXPENDITURES BY CLASS					
Personnel Costs	6,983,311,498	7,337,709,292	7,650,832,200	8,131,243,250	8,257,434,250
Operating Expenses	2,639,601,363	2,846,111,736	3,388,491,559	3,579,523,550	3,726,229,950
Grants Loans Benefits	18,221,981,836	19,176,823,871	20,664,897,100	21,045,764,700	21,518,929,000
Debt Service	1,056,426,283	1,089,226,329	1,232,294,400	1,188,867,800	1,197,235,400
Capital Outlay	293,311,244	239,374,538	238,452,900	242,187,800	247,438,100
Construction	1,488,458,033	1,148,700,617	1,330,126,700	1,115,352,400	1,108,912,000
TOTAL EXPENDITURES	30,683,090,257	31,837,946,383	34,505,094,859	35,302,939,500	36,056,178,700

EXPENDITURES BY FUND SOURCE

General Fund	10,222,281,936	11,076,641,180	11,223,462,359	11,482,592,100	11,597,672,400
Tobacco Fund	87,725,901	92,594,939	142,441,700	123,551,300	126,075,000
Restricted Funds	6,832,422,879	7,159,850,446	8,373,286,000	8,640,619,300	8,921,960,600
Federal Fund	11,915,342,347	12,077,638,276	13,240,794,600	13,532,073,600	13,906,280,900
Road Fund	1,625,317,193	1,431,221,441	1,525,110,200	1,524,103,200	1,504,189,800
TOTAL EXPENDITURES	30,683,090,257	31,837,946,283	34,505,094,859	35,302,939,500	36,056,178,700

EXPENDITURES BY UNIT

Executive Branch	30,231,787,186	31,391,931,294	34,040,880,800	34,822,202,400	35,570,658,600
Legislative Branch	59,108,971	57,782,800	59,433,600	66,413,700	68,068,500
Judicial Branch	392,194,100	388,232,189	404,780,459	414,323,400	417,451,600
TOTAL EXPENDITURES	30,683,090,257	31,837,946,283	34,505,094,859	35,302,939,500	36,056,178,700

Executive Branch

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	9,866,214,000	10,648,096,055	10,874,212,600	11,090,376,000	11,361,566,700
Surplus Expenditure Plan	82,514,310	52,708,970			
Special Appropriation	76,500,000	10,000,000	10,939,000		
Current Year Appropriation	32,257,500		29,592,000		
Continuing Approp-General Fund	88,468,679	227,014,194	188,358,700	8,054,200	41,509,300
Budget Reduction-General Fund		-55,469,786	-126,634,800		
Reorganization Adjustment					
Mandated Allotments	69,836,304		-69,827,700		
Other	-47,093,504	-11,378,815	-54,711,500		
Total General Fund	10,168,697,289	10,870,970,618	10,851,928,300	11,098,430,200	11,403,076,000
Tobacco Fund					
Tobacco Settlement - Phase I	74,579,500	89,151,400	95,018,000	121,531,400	120,087,500
Special Appropriation	23,506,600				
Current Year Appropriation	23,146,100		4,198,300		
Continuing Approp-Tob Settlement	38,551,336	69,878,135	64,283,100	18,766,200	14,714,900
Total Tobacco Fund	159,783,536	159,029,535	163,499,400	140,297,600	134,802,400
Restricted Funds					
Balance Forward	916,695,981	840,280,866	734,338,059	472,878,928	320,628,528
Current Receipts	5,931,631,326	6,481,257,122	7,300,229,858	7,746,228,600	8,077,251,000
Non-Revenue Receipts	991,161,220	776,742,320	842,154,411	784,781,600	788,515,800
Fund Transfers	-65,501,080	-145,298,050	-67,146,700	-77,859,900	-50,917,800
Total Restricted Funds	7,773,987,447	7,952,982,259	8,809,575,628	8,926,029,228	9,135,477,528
Federal Fund					
Balance Forward	91,815,673	62,585,682	56,339,719	21,846,219	16,708,519
Current Receipts	11,956,882,623	12,050,374,990	13,204,699,900	13,525,526,000	13,901,877,500
Non-Revenue Receipts	-74,436,798	22,233,047	-1,157,500	-572,800	-971,600
Total Federal Fund	11,974,261,497	12,135,193,719	13,259,882,119	13,546,799,419	13,917,614,419
Road Fund					
Regular Appropriation	1,562,872,600	1,463,545,200	1,473,941,300	1,527,470,900	1,507,557,500
Surplus Expenditure Plan	6,338,079	37,964,749	57,237,100		
Continuing Approp-Road Fund	448,706,725	275,673,542			
Budget Reduction-Road Fund	-31,989,700				
Other	-57,034,983	7,240,187	4,927,000		
Total Road Fund	1,928,892,721	1,784,423,678	1,536,105,400	1,527,470,900	1,507,557,500
TOTAL SOURCE OF FUNDS	32,005,622,490	32,902,599,808	34,620,990,847	35,239,027,347	36,098,527,847
EXPENDITURES BY CLASS					
Personnel Costs	6,713,331,922	7,062,728,108	7,369,172,600	7,819,732,950	7,940,976,150
Operating Expenses	2,458,966,579	2,675,313,943	3,206,074,100	3,410,436,750	3,557,307,950
Grants Loans Benefits	18,221,981,836	19,176,823,871	20,664,897,100	21,045,764,700	21,518,929,000
Debt Service	1,056,426,283	1,089,226,329	1,232,294,400	1,188,867,800	1,197,235,400
Capital Outlay	292,622,534	239,138,526	238,315,900	242,047,800	247,298,100
Construction	1,488,458,033	1,148,700,617	1,330,126,700	1,115,352,400	1,108,912,000
TOTAL EXPENDITURES	30,231,787,186	31,391,931,394	34,040,880,800	34,822,202,400	35,570,658,600
EXPENDITURES BY FUND SOURCE					
General Fund	9,824,170,996	10,661,389,439	10,798,596,300	11,039,056,300	11,148,901,200
Tobacco Fund	87,725,901	92,594,939	142,441,700	123,551,300	126,075,000
Restricted Funds	6,782,943,280	7,132,908,450	8,336,696,700	8,605,400,700	8,886,580,900
Federal Fund	11,911,629,815	12,073,817,024	13,238,035,900	13,530,090,900	13,904,911,700
Road Fund	1,625,317,193	1,431,221,441	1,525,110,200	1,524,103,200	1,504,189,800

EXPENDITURES BY FUND SOURCE

TOTAL EXPENDITURES	30,231,787,186	31,391,931,294	34,040,880,800	34,822,202,400	35,570,658,600
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EXPENDITURES BY UNIT

General Government	1,025,305,003	1,654,588,294	1,774,487,900	1,761,458,700	1,653,234,700
Economic Development	32,997,900	26,929,227	24,749,800	28,783,100	28,556,300
Department of Education	4,952,524,452	5,022,029,496	5,088,677,500	5,109,844,800	5,115,635,500
Education and Workforce Development	594,302,786	550,984,028	605,114,600	625,591,400	625,397,700
Energy and Environment	212,201,103	218,052,801	248,860,100	263,494,500	264,568,100
Finance and Administration	775,791,982	827,249,566	868,775,700	925,724,800	957,209,300
Health and Family Services	12,116,025,485	12,407,245,590	13,644,285,000	13,967,826,000	14,428,619,000
Justice and Public Safety	986,346,099	1,075,319,079	1,053,285,400	1,275,391,200	1,298,751,000
Labor	202,857,107	194,130,634	205,174,700	221,768,700	221,427,400
Personnel	57,409,730	56,754,842	63,931,100	66,174,600	66,486,800
Postsecondary Education	6,126,455,949	6,601,036,426	7,556,521,200	7,867,445,200	8,221,127,300
Public Protection	90,570,487	92,126,349	112,459,700	123,723,400	122,273,100
Tourism, Arts and Heritage	236,997,206	236,581,900	243,199,200	258,475,800	261,647,000
Transportation	2,809,001,896	2,400,712,576	2,551,358,900	2,326,500,200	2,305,725,400
Statewide	13,000,000	28,190,485			
TOTAL EXPENDITURES	30,231,787,186	31,391,931,294	34,040,880,800	34,822,202,400	35,570,658,600

General Government

General Government

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	665,706,500	1,256,693,100	1,207,320,700	1,271,495,300	1,159,157,500
Current Year Appropriation			2,820,200		
Continuing Approp-General Fund	299,196	250,982	203,700		
Budget Reduction-General Fund		-875,682	-1,939,600		
Mandated Allotments	23,496,200	26,776,600	15,370,000		
Other	-33,432,304	-5,211,700	22,754,000		
Total General Fund	656,069,592	1,277,633,300	1,246,529,000	1,271,495,300	1,159,157,500
Tobacco Fund					
Tobacco Settlement - Phase I	14,733,700	28,008,000	31,100,200	43,103,300	40,929,300
Special Appropriation	16,000,000				
Current Year Appropriation	21,099,500		4,198,300		
Continuing Approp-Tob Settlement	21,440,717	42,286,301	39,822,200	18,766,200	14,714,900
Total Tobacco Fund	73,273,917	70,294,301	75,120,700	61,869,500	55,644,200
Restricted Funds					
Balance Forward	93,586,539	122,060,443	139,781,744	120,639,928	78,216,228
Current Receipts	152,941,700	164,511,599	209,744,673	228,870,400	233,993,300
Non-Revenue Receipts	71,589,857	60,591,187	77,027,311	70,679,000	71,611,600
Fund Transfers	-1,900,000	-4,896,400	-2,507,800	-27,500,000	-1,500,000
Total Restricted Funds	316,218,096	342,266,829	424,045,928	392,689,328	382,321,128
Federal Fund					
Balance Forward	15,063,047	14,476,660	13,749,919	9,926,819	6,529,619
Current Receipts	144,847,084	137,480,720	162,807,700	123,080,600	123,116,500
Non-Revenue Receipts	2,495,246	2,877,043	1,177,400	1,300,000	1,300,000
Total Federal Fund	162,405,378	154,834,423	177,735,019	134,307,419	130,946,119
Road Fund					
Regular Appropriation	512,500	519,200	520,400	557,900	562,000
Total Road Fund	512,500	519,200	520,400	557,900	562,000
TOTAL SOURCE OF FUNDS	1,208,479,483	1,845,548,053	1,923,951,047	1,860,919,447	1,728,630,947
EXPENDITURES BY CLASS					
Personnel Costs	316,208,649	335,037,239	464,804,200	426,811,250	430,809,450
Operating Expenses	70,599,054	89,992,995	112,258,400	123,600,750	124,118,050
Grants Loans Benefits	404,213,837	987,349,949	901,452,000	938,345,100	840,591,700
Debt Service	228,797,777	232,623,862	288,043,500	261,154,400	247,730,800
Capital Outlay	5,419,788	9,574,280	7,929,800	11,547,200	9,984,700
Construction	65,898	9,969			
TOTAL EXPENDITURES	1,025,305,003	1,654,588,294	1,774,487,900	1,761,458,700	1,653,234,700
EXPENDITURES BY FUND SOURCE					
General Fund	651,718,573	1,277,236,499	1,246,398,800	1,271,495,300	1,159,157,500
Tobacco Fund	30,987,616	34,992,950	56,354,500	47,154,600	48,904,300
Restricted Funds	194,157,653	202,484,794	303,406,000	314,473,100	318,002,000
Federal Fund	147,928,718	139,380,913	167,808,200	127,777,800	126,608,900
Road Fund	512,443	493,139	520,400	557,900	562,000
TOTAL EXPENDITURES	1,025,305,003	1,654,588,294	1,774,487,900	1,761,458,700	1,653,234,700
EXPENDITURES BY UNIT					
Office of the Governor	8,284,830	10,066,397	14,711,400	9,142,400	9,142,500
Office of State Budget Director	3,268,466	3,116,713	3,245,600	3,834,300	3,917,300
State Planning Fund	150,800				
Homeland Security	5,012,957	5,994,410	5,791,200	5,996,900	6,025,200

EXPENDITURES BY UNIT

Department of Veterans' Affairs	68,589,837	70,147,107	95,437,200	104,058,500	104,774,700
Governor's Office of Agricultural Policy	28,980,358	32,881,262	49,595,500	44,704,600	46,454,300
Kentucky Infrastructure Authority	26,711,636	31,770,335	83,868,700	77,341,500	82,965,600
Military Affairs	128,308,861	118,476,191	130,304,700	99,457,700	100,228,800
Commission on Human Rights	2,070,953	1,980,966	1,945,500	2,129,800	2,260,600
Commission on Women	158,231	211,255	225,200		
Department for Local Government	32,318,670	45,637,600	45,316,300	39,806,900	39,942,900
Local Government Economic Assistance Fund	35,594,339	33,025,156	31,746,400	26,257,600	22,825,700
Local Government Economic Development Fund	8,089,557	11,400,000	11,400,000	17,923,300	13,570,500
Area Development Fund	452,300	431,000	408,900		
Executive Branch Ethics Commission	524,175	689,605	785,200	883,900	890,700
Secretary of State	3,064,453	3,405,692	4,654,400	5,113,500	5,155,100
Board of Elections	4,616,915	4,486,372	8,280,200	8,507,200	7,403,300
Registry of Election Finance	1,165,898	1,221,400	1,231,700	1,511,000	1,529,400
Attorney General	37,419,903	32,569,163	37,098,000	36,570,200	36,448,100
Unified Prosecutorial System	88,461,289	95,070,133	96,922,800	115,621,300	116,691,300
Treasury	2,961,137	3,073,391	4,063,100	4,403,900	4,359,800
Agriculture	29,707,187	30,807,187	35,085,200	36,118,200	36,327,400
Auditor of Public Accounts	12,549,269	13,446,646	14,651,800	16,491,700	16,708,900
Personnel Board	742,046	695,699	913,800	1,009,800	1,018,500
Kentucky Retirement Systems	32,656,530	131,954,307	130,534,700	48,393,500	48,788,700
Occupational & Professional Boards & Commissions	19,150,020	20,020,995	21,877,700	25,187,000	25,400,300
Kentucky River Authority	3,259,651	3,400,140	3,846,300	7,572,200	7,575,700
School Facilities Construction Commission	109,169,000	122,976,300	134,918,000	129,898,300	129,071,300
Teachers' Retirement System	310,491,511	790,833,824	758,352,200	842,109,700	733,463,400
Judgments	2,007,641	291,823			
Appropriations Not Otherwise Classified	18,291,345	20,592,138	17,026,400	14,526,400	14,526,400
KY Communications Network Authority	1,075,237	13,915,085	30,249,800	36,887,400	35,768,300
TOTAL EXPENDITURES	1,025,305,003	1,654,588,294	1,774,487,900	1,761,458,700	1,653,234,700

**General Government
Office of the Governor**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	5,629,800	5,455,700	5,516,800	6,170,900	6,258,000
Budget Reduction-General Fund		-54,600	-282,600		
Total General Fund	5,629,800	5,401,100	5,234,200	6,170,900	6,258,000
Tobacco Fund					
Tobacco Settlement - Phase I	1,912,500	2,050,000	2,050,000	2,050,000	2,050,000
Continuing Approp-Tob Settlement	3,155,026	3,483,087	4,010,700		
Total Tobacco Fund	5,067,526	5,533,087	6,060,700	2,050,000	2,050,000
Restricted Funds					
Balance Forward	255,133	287,658	505,200	325,000	173,200
Current Receipts	338,355	547,111	267,200	267,200	267,200
Non-Revenue Receipts			232,500	240,500	245,400
Total Restricted Funds	593,488	834,769	1,004,900	832,700	685,800
Federal Fund					
Balance Forward	18,828	14,405			
Current Receipts	848,291	2,847,728	2,857,600	262,000	175,000
Non-Revenue Receipts	165,347	-44,390	-121,000		
Total Federal Fund	1,032,465	2,817,743	2,736,600	262,000	175,000
TOTAL SOURCE OF FUNDS	12,323,280	14,586,699	15,036,400	9,315,600	9,168,800
EXPENDITURES BY CLASS					
Personnel Costs	5,962,359	6,250,334	5,555,600	6,514,500	6,610,200
Operating Expenses	1,103,552	1,251,206	1,488,300	1,461,800	1,461,800
Grants Loans Benefits	1,218,919	2,564,858	7,667,500	1,166,100	1,070,500
TOTAL EXPENDITURES	8,284,830	10,066,397	14,711,400	9,142,400	9,142,500
EXPENDITURES BY FUND SOURCE					
General Fund	5,376,500	5,396,814	5,234,200	6,170,900	6,258,000
Tobacco Fund	1,584,440	1,522,350	6,060,700	2,050,000	2,050,000
Restricted Funds	305,830	329,489	679,900	659,500	659,500
Federal Fund	1,018,060	2,817,743	2,736,600	262,000	175,000
TOTAL EXPENDITURES	8,284,830	10,066,397	14,711,400	9,142,400	9,142,500
EXPENDITURES BY UNIT					
Governor	4,392,981	4,344,158	4,271,200	4,985,200	5,047,600
Governor's Office Expense Allowance	26,011	27,624	28,300	33,900	34,400
Lieutenant Governor	568,378	719,169	744,800	880,600	897,300
Lieutenant Governor's Expense Allowance	14,601	15,471	15,800	18,900	19,200
Secretary of the Cabinet	371,724	331,885	250,600	293,300	297,200
Kentucky Commission on Military Affairs	480,397	866,330	396,400	253,700	257,000
Office of Minority Empowerment	72,371	1,960			
Faith Based Initiatives	42,129	2,504			
Early Childhood Advisory Council	2,316,240	3,757,296	9,004,300	2,676,800	2,589,800
TOTAL EXPENDITURES	8,284,830	10,066,397	14,711,400	9,142,400	9,142,500

The Governor serves as the chief administrator of the Commonwealth and, in addition to other powers and duties, acts as Commander-in-Chief of all state military forces, makes appointments for vacancies to executive offices and memberships on boards and commissions authorized by statute, and has the power to grant pardons and commutations. As chief administrator of Kentucky, the Governor ensures that state government provides needed services to the citizens of the Commonwealth at minimum cost to the taxpayer.

The Lieutenant Governor is a constitutional officer elected jointly with the Governor. The Lieutenant Governor is to assume the duties and responsibilities of the Office of the Governor should the Governor be impeached or removed from Office, die, fail to qualify, resign, or be unable to discharge the duties of that office. Additional duties of the Lieutenant Governor include serving on various boards and commissions, serving on Kentucky delegations to several interstate compact commissions, and appointing members to various boards.

The Secretary of the Executive Cabinet develops and implements the major program decisions for the Executive Branch of government. As part of these duties, the Secretary of the Cabinet oversees the administration of the various cabinets and agencies of state government and coordinates legislative policy for the Governor. This role promotes cooperation and coordination among all agencies and programs of state government.

The Military Affairs Commission (KRS 154.12-203) has been a part of the Office of the Governor since 1996. The Commission serves in an advisory capacity to the Governor, the General Assembly, the Kentucky Congressional Delegation, and other appropriate government officials. This commission is designed to support the U.S. military's widespread presence in Kentucky and to recognize its contribution to the economy and well-being of the Commonwealth. Among the installations and operations eligible for support are: Fort Knox, Fort Campbell, Bluegrass Station in Lexington, National Guard and Reserve operations throughout the state, and Bluegrass Army Depot in Richmond.

The Early Childhood Advisory Council (KRS 200.700) was established in the Governor's Office in 2011. The office coordinates development and continuing activities of Community Early Childhood Councils. The councils work toward implementation of Kentucky's long-range strategic plan for early childhood development on the local level. The councils build upon existing resources, foster public-private partnerships, and work within their communities toward such goals as the availability of high quality, accessible, and affordable early childhood care and education options. The Early Childhood Advisory Council provides technical assistance, monitoring, evaluation of outcomes of the local partnerships and provides financial assistance to the local councils through Tobacco Fund grants.

**General Government
Office of State Budget Director**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	3,195,400	3,135,100	3,165,500	3,486,400	3,533,700
Budget Reduction-General Fund		-31,398	-162,200		
Total General Fund	3,195,400	3,103,702	3,003,300	3,486,400	3,533,700
Restricted Funds					
Balance Forward	243,303	26,436	246,900	246,900	141,300
Non-Revenue Receipts		233,447	242,300	242,300	242,300
Total Restricted Funds	243,303	259,883	489,200	489,200	383,600
TOTAL SOURCE OF FUNDS	3,438,703	3,363,585	3,492,500	3,975,600	3,917,300
EXPENDITURES BY CLASS					
Personnel Costs	2,893,393	2,693,629	2,841,800	3,430,500	3,513,500
Operating Expenses	375,073	423,084	403,800	403,800	403,800
TOTAL EXPENDITURES	3,268,466	3,116,713	3,245,600	3,834,300	3,917,300
EXPENDITURES BY FUND SOURCE					
General Fund	3,051,600	3,103,701	3,003,300	3,486,400	3,533,700
Restricted Funds	216,866	13,011	242,300	347,900	383,600
TOTAL EXPENDITURES	3,268,466	3,116,713	3,245,600	3,834,300	3,917,300
EXPENDITURES BY UNIT					
Budget & Policy Analysis	2,513,897	2,447,937	2,435,200	2,881,700	2,951,800
Policy Research	211,567	136,589	324,500	384,800	390,300
Economic Analysis	543,002	532,187	485,900	567,800	575,200
TOTAL EXPENDITURES	3,268,466	3,116,713	3,245,600	3,834,300	3,917,300

The Office of the State Budget Director, created in KRS 11.068, includes the Governor's Office for Policy and Management (GOPM), the Governor's Office for Policy Research (GOPR), and the Governor's Office for Economic Analysis (GOEA). Under the direction of the State Budget Director, these Offices serve as staff to the Governor, the Governor's Chief of Staff, the Secretary of the Cabinet, and the Secretary of the Finance and Administration Cabinet.

The Governor's Office for Policy and Management (GOPM) prepares the Executive Budget, the Governor's overall financial plan for state government. The preparation of the budget includes the transmittal of information and necessary forms to state agencies, assisting those agencies in the preparation of their budget requests, analyzing the requests, and making recommendations to the Governor. Following enactment of the budget by the General Assembly, GOPM helps agencies implement the appropriations acts through their expenditures for program activities.

The Governor's Office for Policy Research (GOPR) performs research and analysis on public policy issues important to the Commonwealth.

The Governor's Office for Economic Analysis (GOEA) assists the State Budget Director and the Consensus Forecasting Group in providing timely and accurate estimates of General Fund and Road Fund receipts used to build and implement the Budget of the Commonwealth. On October 15th of each odd-numbered year, a preliminary detailed estimate of revenues for the next two fiscal years is presented to the head of the budgeting agency for each branch of state government. To inform the Governor and the General Assembly for the biennial budget process, an official estimate is made in December and presented along with the Governor's Executive Budget recommendation to the General Assembly.

**General Government
State Planning Fund**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	150,800	137,200	137,200		
Budget Reduction-General Fund		-1,400	-7,000		
Total General Fund	150,800	135,800	130,200		
TOTAL SOURCE OF FUNDS	150,800	135,800	130,200		
EXPENDITURES BY CLASS					
Grants Loans Benefits	150,800				
TOTAL EXPENDITURES	150,800				
EXPENDITURES BY FUND SOURCE					
General Fund	150,800				
TOTAL EXPENDITURES	150,800				
EXPENDITURES BY UNIT					
State Planning Fund	150,800				
TOTAL EXPENDITURES	150,800				

The State Planning Fund supports statewide planning projects designed to improve the delivery of government services. Under Chapter 147 of the Kentucky Revised Statutes, overall planning and development functions are responsibilities of the Governor's Cabinet. KRS 147.075 delegates these functions to a Cabinet committee, designated as the State Planning Committee, which fulfills these responsibilities through its management of the State Planning Fund. The State Planning Committee includes the Governor, representatives from the various program cabinets, and the State Budget Director. The Governor serves as the Chairman of the Committee and the State Budget Director serves as its Secretary. The Governor's Office for Policy and Management reviews proposed planning projects, makes recommendations for funding to the Governor and the other members of the State Planning Committee, and provides staff support to the Committee.

Policy

The Budget of the Commonwealth provides no General Fund for the State Planning Fund in the Office of State Budget Director.

**General Government
Homeland Security**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	236,600	229,200	231,800	251,900	255,200
Budget Reduction-General Fund		-2,300	-11,900		
Total General Fund	236,600	226,900	219,900	251,900	255,200
Restricted Funds					
Balance Forward	1,820,898	2,477,135	2,636,600	2,482,800	2,283,100
Current Receipts	1,646,209	1,308,232	1,183,400	1,150,900	1,145,400
Non-Revenue Receipts	117,505	1,382	1,700	1,400	1,400
Total Restricted Funds	3,584,612	3,786,749	3,821,700	3,635,100	3,429,900
Federal Fund					
Balance Forward	114,164	50,878			
Current Receipts	3,470,315	4,370,434	3,962,000	4,085,100	4,096,200
Non-Revenue Receipts	-116,620				
Total Federal Fund	3,467,858	4,421,312	3,962,000	4,085,100	4,096,200
Road Fund					
Regular Appropriation	262,500	269,200	270,400	307,900	312,000
Total Road Fund	262,500	269,200	270,400	307,900	312,000
TOTAL SOURCE OF FUNDS	7,551,570	8,704,161	8,274,000	8,280,000	8,093,300
EXPENDITURES BY CLASS					
Personnel Costs	1,668,551	1,725,941	1,999,400	2,277,400	2,302,100
Operating Expenses	218,611	178,662	234,500	239,800	239,800
Grants Loans Benefits	3,125,795	4,089,807	3,557,300	3,479,700	3,483,300
TOTAL EXPENDITURES	5,012,957	5,994,410	5,791,200	5,996,900	6,025,200
EXPENDITURES BY FUND SOURCE					
General Fund	226,000	226,900	219,900	251,900	255,200
Restricted Funds	1,107,478	1,150,174	1,338,900	1,352,000	1,361,800
Federal Fund	3,416,980	4,348,136	3,962,000	4,085,100	4,096,200
Road Fund	262,500	269,200	270,400	307,900	312,000
TOTAL EXPENDITURES	5,012,957	5,994,410	5,791,200	5,996,900	6,025,200
EXPENDITURES BY UNIT					
Office of Homeland Security	4,492,828	5,451,162	5,052,300	5,162,600	5,182,700
Commerical Mobile Radio Service	520,129	543,248	738,900	834,300	842,500
TOTAL EXPENDITURES	5,012,957	5,994,410	5,791,200	5,996,900	6,025,200

The Kentucky Office of Homeland Security (KOHS), administratively attached to the Office of the Governor in accordance with KRS 39G.010, was created to coordinate efforts with public and private partners on issues affecting homeland security. KOHS focuses on preparing Kentucky for man-made or natural disasters. Although its primary role is to serve as the state's administrative liaison with the U. S. Department of Homeland Security, KOHS has initiated a comprehensive prevention-focused homeland security strategy to ensure Kentucky's communities, first responders and families have the resources and information necessary to be prepared for disaster or attack.

The Commercial Mobile Radio Service Emergency Telecommunications Board (CMRS) is administratively attached to the Kentucky Office of Homeland Security pursuant to KRS 65.7623. The CMRS Board collects user fees monthly from subscribers of the approximately 35 wireless carriers providing wireless telephone service in Kentucky. These fees are used to fund technology upgrades at Kentucky's enhanced 911 centers and to enhance the networks operated by the carriers.

**General Government
Veterans' Affairs**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	17,984,100	18,881,300	19,083,000	25,098,600	25,810,200
Budget Reduction-General Fund		-188,800			
Total General Fund	17,984,100	18,692,500	19,083,000	25,098,600	25,810,200
Restricted Funds					
Balance Forward	7,141,168	15,907,810	23,733,400	6,388,000	1,897,000
Current Receipts	59,372,379	59,276,423	60,001,100	74,468,900	77,067,500
Non-Revenue Receipts		3,750			
Fund Transfers			-992,300		
Total Restricted Funds	66,513,547	75,187,983	82,742,200	80,856,900	78,964,500
TOTAL SOURCE OF FUNDS	84,497,647	93,880,483	101,825,200	105,955,500	104,774,700
EXPENDITURES BY CLASS					
Personnel Costs	49,941,635	52,204,310	72,793,400	80,863,500	81,230,700
Operating Expenses	10,153,313	11,302,681	16,406,800	16,955,600	17,307,000
Grants Loans Benefits	6,256,371	6,566,263	6,166,200	6,168,600	6,166,200
Debt Service	169,000				
Capital Outlay	2,051,537	70,825	70,800	70,800	70,800
Construction	17,981	3,028			
TOTAL EXPENDITURES	68,589,837	70,147,107	95,437,200	104,058,500	104,774,700
EXPENDITURES BY FUND SOURCE					
General Fund	17,984,100	18,692,487	19,083,000	25,098,600	25,810,200
Restricted Funds	50,605,737	51,454,620	76,354,200	78,959,900	78,964,500
TOTAL EXPENDITURES	68,589,837	70,147,107	95,437,200	104,058,500	104,774,700
EXPENDITURES BY UNIT					
Field Services and Cemeteries	5,736,723	6,342,966	6,747,600	7,840,500	7,926,000
Kentucky Veterans' Centers	62,853,114	63,804,142	88,689,600	96,218,000	96,848,700
TOTAL EXPENDITURES	68,589,837	70,147,107	95,437,200	104,058,500	104,774,700

The Kentucky Department of Veterans' Affairs (KDVA), established by KRS 40.300, assists over 370,000 Kentucky veterans and their families in applying for federal, state, and local veteran's benefits. Services include: benefits counseling and claims processing regarding the existence or availability of educational, training, and retraining facilities; health, medical rehabilitation, and housing services and facilities; employment and reemployment services; and provision of services under federal, state, and local laws affording rights, privileges, and benefits to eligible veterans and their dependents. These services are supported by a cooperative network of veterans' benefits field representatives, volunteers, and personal service contracts with major veterans' organizations.

Pursuant to KRS 40.325, the Office of Kentucky Veterans' Centers within the KDVA currently manages Kentucky's four state veterans' nursing homes, which serve the long-term nursing care needs of Kentucky's elderly veteran population, which includes about 110,000 of Kentucky's veterans.

The Thomson-Hood Veterans' Center, located in Wilmore in Jessamine County, is a 285-bed long-term nursing care facility specifically for Kentucky's elderly veteran population. The Eastern Kentucky Veterans' Center is a 120-bed facility located in Hazard (Perry County). The Western Kentucky Veterans' Center is a 120-bed facility in Hanson (Hopkins County). Both facilities opened in 2002 and include in-house physician care, nurse practitioners, 24-hour nursing staff, and staffing for a rehab therapy department, barbershop, library, gift shop, laundry facility, and a dietary department.

In April 2013, KDVA opened a 36-bed expansion at the Western Kentucky Veterans' Center that utilizes the new "Community Living Concept" recently required by the federal Veterans' Administration. Three 12-bed buildings will provide a more personalized care for its residents. In July 2017, a fourth 120-bed Veterans' Center, in Hardin County, opened utilizing the "Community Living Concept."

The KDVA is required by KRS 40.315 to establish and maintain Kentucky state veterans' cemeteries. The Kentucky Veterans' Cemetery-West is located on Highway 41A south of Hopkinsville. The Veterans' Cemetery-Central in Ft. Knox

opened in June 2007. The Veterans' Cemetery-North near Williamstown opened in early fiscal year 2009. The Veterans' Cemetery-Northeast in Greenup County opened in the fall of 2010. Each facility includes an administration building, a maintenance building with service area, committal facility, a columbarium, appropriate parking, road network, walking path and landscaping. The Veterans Cemetery-Southeast in Leslie County is under construction and scheduled to be fully staffed and operational in calendar year 2018.

KRS 40.600 established the Women Veterans Program to ensure Kentucky women veterans have equitable access to federal and state veterans' services and benefits. KRS 40.350 established the Wounded or Disabled Veterans Program to assist wounded or disabled veterans in the transition from active service and ensure they receive the federal, state and private benefits to which they are entitled as wounded or disabled veterans.

General Government
Governor's Office of Agricultural Policy

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
Tobacco Fund					
Tobacco Settlement - Phase I	12,221,200	25,358,000	28,450,200	40,553,300	38,379,300
Special Appropriation	16,000,000				
Current Year Appropriation	21,099,500		4,000,000		
Continuing Approp-Tob Settlement	18,285,691	38,803,214	35,811,500	18,766,200	14,714,900
Total Tobacco Fund	67,606,391	64,161,214	68,261,700	59,319,500	53,094,200
Restricted Funds					
Balance Forward	326,580	276,020	385,000	395,000	305,000
Current Receipts	126,621	119,621	110,000	10,000	10,000
Total Restricted Funds	453,201	395,642	495,000	405,000	315,000
TOTAL SOURCE OF FUNDS	68,059,592	64,556,856	68,756,700	59,724,500	53,409,200
EXPENDITURES BY CLASS					
Personnel Costs	1,248,086	1,188,582	1,317,600	1,540,100	1,559,700
Operating Expenses	230,151	260,003	259,800	259,800	259,800
Grants Loans Benefits	27,502,120	31,432,676	48,018,100	42,904,700	44,634,800
TOTAL EXPENDITURES	28,980,358	32,881,262	49,595,500	44,704,600	46,454,300
EXPENDITURES BY FUND SOURCE					
Tobacco Fund	28,803,177	32,870,599	49,495,500	44,604,600	46,354,300
Restricted Funds	177,181	10,663	100,000	100,000	100,000
TOTAL EXPENDITURES	28,980,358	32,881,262	49,595,500	44,704,600	46,454,300
EXPENDITURES BY UNIT					
Governor's Office of Agricultural Policy	28,980,358	32,881,262	49,595,500	44,704,600	46,454,300
TOTAL EXPENDITURES	28,980,358	32,881,262	49,595,500	44,704,600	46,454,300

The Governor's Office of Agricultural Policy (GOAP) is the Governor's direct link to the Commonwealth's agricultural industry. The Kentucky Agricultural Development Board and the Kentucky Agricultural Finance Corporation are staffed by the employees in this Office. The Kentucky Agricultural Development Board hires an Executive Director to carry out the duties of the board, while also serving as the Executive Director of the Kentucky Agricultural Finance Corporation.

The Kentucky Agricultural Development Board, authorized in KRS 248.707, distributes funds received by the Commonwealth from the Tobacco Master Settlement Agreement (Phase I money). The Board invests in innovative proposals that increase net farm income and assists tobacco farmers and tobacco-impacted communities by stimulating markets, finding new ways to add value to existing products, and promoting diversification of Kentucky's agricultural economy.

The Agricultural Development Board has sixteen members, described in KRS 248.707(2). They are the Governor, Commissioner of Agriculture, Secretary of the Cabinet for Economic Development, Director of the University of Kentucky Cooperative Extension Service and President of Kentucky State University, along with eleven members appointed by the Governor to staggered terms. Those appointees include representatives of the Kentucky Farm Bureau, the Kentucky Chamber of Commerce, an attorney, an agricultural lender, and seven active farmers. The Governor serves as Chair and the Commissioner of Agriculture serves as Vice- Chair of the board.

Pursuant to KRS 248.703 half of Kentucky's tobacco settlement receipts are allocated to the Agricultural Development Fund. That amount is further divided between a counties account for county level grants and a state account for investments that have a regional or statewide purpose. From the state account, the General Assembly has appropriated debt service for bonds to support farmland preservation and safe drinking water, water and sewer infrastructure projects, livestock diagnostic lab design and construction, improvements to 4-H camps and FFA Leadership Center, and funding for land conservation programs.

A portion of funds received into the Agriculture Development Fund are allocated for projects at the county level. The specific funding level of a county is dependent upon its tobacco-production dependency in relation to other counties within the state as described in KRS 248.703(3). One hundred and eighteen of Kentucky's 120 counties receive a portion

of county allocation. Each county has a council of local agriculture leaders who consider applications for grants from the county's share of funds and prioritizes them for the Agricultural Development Board, which has the final grant authority for each county's funds. The Board has developed several programs in which counties may participate. Funds are provided as matching grants.

In addition to their work with the Kentucky Agricultural Development Fund, personnel at GOAP provide staffing for the Kentucky Agricultural Finance Corporation. The Kentucky Agricultural Finance Corporation is a *de jure* municipal corporation created in KRS 247.944 to provide access to capital for farmers and other agricultural enterprises. The mission of the Corporation board is to strengthen Kentucky agriculture by providing access to low interest loan programs through joint partnerships with local lending institutions. KAFC assists beginning farmers, farm families, and agribusinesses obtain the necessary capital to establish, maintain, or expand their agricultural operation. The Commissioner of the Kentucky Department of Agriculture serves as the Chair and the Secretary of the Finance Cabinet serves as another statutory member. The Governor appoints the remaining ten board members who represent various agricultural sectors.

**General Government
Kentucky Infrastructure Authority**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	1,563,800	1,507,900	1,216,900	1,398,800	1,914,800
Budget Reduction-General Fund		-12,200	-62,300		
Total General Fund	1,563,800	1,495,700	1,154,600	1,398,800	1,914,800
Restricted Funds					
Balance Forward	178,754	194,768	112,627		54,800
Current Receipts	14,223	842	53,219,573	46,615,600	51,746,200
Non-Revenue Receipts	1,280,019	1,035,561			
Total Restricted Funds	1,472,996	1,231,171	53,332,200	46,615,600	51,801,000
Federal Fund					
Balance Forward	1	1			
Current Receipts	23,929,809	29,160,791	29,381,900	29,381,900	29,381,900
Total Federal Fund	23,929,810	29,160,792	29,381,900	29,381,900	29,381,900
TOTAL SOURCE OF FUNDS	26,966,606	31,887,663	83,868,700	77,396,300	83,097,700
EXPENDITURES BY CLASS					
Personnel Costs	2,720,742	2,398,790	2,612,200	2,816,700	2,834,800
Operating Expenses	145,809	130,403	161,000	161,200	161,200
Grants Loans Benefits	23,563,264	28,947,115	28,964,300	29,090,600	29,090,600
Debt Service	226,500	291,000	52,131,200	45,273,000	50,879,000
Capital Outlay	38,111				
Construction	17,209	3,027			
TOTAL EXPENDITURES	26,711,636	31,770,335	83,868,700	77,341,500	82,965,600
EXPENDITURES BY FUND SOURCE					
General Fund	1,503,600	1,491,000	1,154,600	1,398,800	1,914,800
Restricted Funds	1,278,228	1,118,544	53,332,200	46,560,800	51,668,900
Federal Fund	23,929,809	29,160,791	29,381,900	29,381,900	29,381,900
TOTAL EXPENDITURES	26,711,636	31,770,335	83,868,700	77,341,500	82,965,600
EXPENDITURES BY UNIT					
Kentucky Infrastructure Authority	26,711,636	31,770,335	83,868,700	77,341,500	82,965,600
TOTAL EXPENDITURES	26,711,636	31,770,335	83,868,700	77,341,500	82,965,600

The Kentucky Infrastructure Authority (KIA) pursuant to KRS Chapter 224A funds the acquisition and construction of infrastructure projects as defined in KRS 224A.011(16) and the remediation of property owned by governmental agencies. The Authority also coordinates regional infrastructure planning to promote higher levels of technical, managerial and financial capacity of water based utilities. The Authority with the assistance of the Area Development Districts coordinates water and wastewater planning by the Area Water Management Councils. The Councils establish water planning areas, develop and maintain the regional water management plan and identify and prioritize water and wastewater projects. The Authority is administratively attached to the Department for Local Government.

The agency is authorized to issue notes and bonds to provide infrastructure financing for governmental agencies and to a limited extent investor-owned private utilities. The provisions of KRS 224A.165 dictate certain limits on the amount of notes and bonds the Authority can have outstanding. The purpose of the loans is to assist in financing the construction of infrastructure projects. The Authority also provides grants and subsidized loan incentives.

The following provides a description of the Authority's programs:

Fund A Wastewater Revolving Loan Program – Local wastewater treatment facilities that qualify under the U.S. Environmental Protection Agency (EPA) standards are financed through this program. Jointly administered by the Authority and the Kentucky Division of Water in the Energy and Environment Cabinet, loans are provided to governmental agencies at below-market interest rates.

Fund B Revolving Loan/Grant Program – Loans are made to governmental entities that are unable to wholly finance a project through other public grant or loan programs, through commercial credit at reasonable rates, or from their own resources. The loans are offered at or below market interest rates for a term not to exceed 30 years. Grants are available, but are reserved for borrowers facing both a financial hardship and an extreme health hazard.

Fund B 2020 Program – This fund provides financing primarily for, but not limited to, water service projects. The fund promotes the merger and consolidation of systems, and encourages the increased financial, managerial, and technical capacity of systems to provide service.

Fund C Governmental Agencies Program – This program provides local governmental agencies access to funding at better terms than could be obtained on an independent basis. Loans are available at terms of up to thirty years for any eligible infrastructure project owned by governmental entities in the Commonwealth. The loans may be used to fund totally a construction project or they can be used to supplement grants or cash contributions.

Fund F Drinking Water Revolving Loan Fund – This fund was established to assist in financing local drinking water treatment and distribution facilities that qualify under EPA requirements. Projects must be recommended by the Kentucky Division of Water in the Energy and Environment Cabinet from the Project Priority List and must be financially feasible as determined by KIA staff.

Coal Development and Tobacco Development Funds – These funds were created by the 2003 Regular Session of the General Assembly to support various water and sewer projects in Coal Producing and Tobacco Producing Counties. The Authority coordinates the process of implementation and provides project administration for the projects funded in these programs.

Infrastructure for Economic Development Funds – These funds were authorized by the 2005, 2006 and 2008 General Assembly for an array of water and sewer projects included in the Commonwealth budget by specific designation. The Authority coordinates the implementation process and provides project administration for the projects funded in these programs.

Local Government Economic Development Fund – (Coal Severance Tax Projects) – These funds were authorized by the 2008, 2010 and 2012 General Assembly from the respective single county fund for projects in coal-producing counties. The Authority coordinates the process of implementation and provides project administration for the water and sewer related projects funded in this program. The program is administered jointly with the Department for Local Government.

Policy

Included in the General Fund appropriation is \$146,000 in fiscal year 2018-2019 and \$438,000 in fiscal year 2019-2020 for debt service to support \$6,802,000 in bonds to match an estimated \$34,010,000 in Federal Funds for the Federally Assisted Wastewater Revolving Loan Fund program (Fund A).

Included in the General Fund appropriation is \$112,000 in fiscal year 2018-2019 and \$336,000 in fiscal year 2019-2020 for debt service to support \$5,176,000 in bonds to match an estimated \$25,882,000 in Federal Funds for the Safe Drinking Water State Revolving Loan Fund program (Fund F).

Included in the capital budget is authorization for the Kentucky Infrastructure Authority to expend loan repayment receipts on deposit at the trustee bank to support Agency Leverage Bonds for the Wastewater Revolving Loan program (Fund A) and the Safe Drinking Water Revolving Loan program (Fund F).

General Government
Military Affairs

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	9,330,700	9,779,500	9,912,800	15,036,400	15,256,400
Budget Reduction-General Fund		-97,800			
Mandated Allotments	8,052,200	10,749,455	3,370,000		
Total General Fund	17,382,900	20,431,155	13,282,800	15,036,400	15,256,400
Restricted Funds					
Balance Forward	21,374,808	20,704,696	24,467,900	24,826,500	24,317,300
Current Receipts	28,005,621	37,425,141	33,654,200	40,211,200	40,432,100
Non-Revenue Receipts	-1,638,687	103,732	534,700	-2,314,800	-921,000
Fund Transfers			-515,500		
Total Restricted Funds	47,741,742	58,233,568	58,141,300	62,722,900	63,828,400
Federal Fund					
Balance Forward					611,500
Current Receipts	83,019,067	61,286,932	83,707,100	46,627,200	47,041,900
Non-Revenue Receipts	2,734,299	2,993,026			
Total Federal Fund	85,753,366	64,279,958	83,707,100	46,627,200	47,653,400
TOTAL SOURCE OF FUNDS	150,878,008	142,944,681	155,131,200	124,386,500	126,738,200
EXPENDITURES BY CLASS					
Personnel Costs	38,574,074	40,881,254	40,971,700	48,404,100	48,985,300
Operating Expenses	23,594,213	29,506,152	32,036,800	34,028,100	34,128,000
Grants Loans Benefits	61,491,342	38,075,033	50,837,800	7,895,500	7,895,500
Debt Service	1,838,206	1,739,971	1,740,000	1,751,000	1,841,000
Capital Outlay	2,799,171	8,273,780	4,718,400	7,379,000	7,379,000
Construction	11,854				
TOTAL EXPENDITURES	128,308,861	118,476,191	130,304,700	99,457,700	100,228,800
EXPENDITURES BY FUND SOURCE					
General Fund	15,518,448	20,430,601	13,282,800	15,036,400	15,256,400
Restricted Funds	27,037,046	33,765,632	33,314,800	38,405,600	38,642,500
Federal Fund	85,753,366	64,279,958	83,707,100	46,015,700	46,329,900
TOTAL EXPENDITURES	128,308,861	118,476,191	130,304,700	99,457,700	100,228,800
EXPENDITURES BY UNIT					
Statutory State Operations	30,549,486	30,545,769	31,853,900	33,538,300	33,849,800
Emergency Management	69,286,878	50,573,699	59,070,300	16,977,800	17,072,700
National Guard Operations	330,708	184,495	183,000	182,600	272,600
Emergency & Public Safety Operations	1,884,119	3,687,647	370,000	4,500,000	4,500,000
Bluegrass Station	8,670,839	11,146,145	13,487,100	16,378,500	16,415,800
Central Clothing Distribution	15,570,593	20,265,332	16,723,900	18,529,900	18,693,800
Federal & Grant Operations	2,016,239	2,073,105	8,616,500	9,350,600	9,424,100
TOTAL EXPENDITURES	128,308,861	118,476,191	130,304,700	99,457,700	100,228,800

The Department of Military Affairs is responsible for all military matters and disaster and emergency service coordination in the Commonwealth. The Governor is constitutional Commander-in-Chief of the Kentucky National Guard and appoints the Adjutant General. The Adjutant General commands the Kentucky National Guard and directs and coordinates all programs in the Department.

Units of the Kentucky National Guard may be called to duty by the Governor in the event of civil strife or disorder or the occurrence of natural or man-made disasters. The Department has the responsibility for organizing, equipping, training, and housing these units.

The Department consists of the following organizational units: The Division of Emergency Management; the Office of Kentucky Community Crisis Response; and the Office of Management and Administration, which contains the Division of

Administrative Services, Division of Facilities, Logistics Operations Division, Bluegrass Station Division, and the Youth Challenge Program.

The Division of Emergency Management is responsible for all aspects of emergency management including planning, assessment, mitigation, response, and recovery in the Commonwealth. The Division works with local emergency management programs to maintain a coordinated program and operates field offices across the state. The Emergency Operations Center in Frankfort is the hub for coordination during an emergency and is operated by the Division. The Center operates on a twenty-four hour basis and serves as a warning point, communications and command center.

The Kentucky Community Crisis Response Board oversees the delivery of crisis response services including consultation, risk assessment, referral, and on site crisis intervention services to persons impacted by an emergency or disaster.

The Division of Facilities is responsible for maintaining nearly 50 armories across the state as well as the facilities at Wendell H. Ford Regional Training Center in Muhlenberg County, the Emergency Operations Center in Frankfort, and various other facilities statewide.

The Department also operates Bluegrass Station in Fayette County, formerly the AVON Army Depot. The property was acquired by the Commonwealth in 1989 under the Base Re-alignment and Closure Act. This 780 acre facility includes more than 2.4 million square feet and houses 28 tenants that employ over 2,800 Kentuckians. Estimated economic impact of Bluegrass Station exceeds \$248,000,000 per fiscal year. Bluegrass Station is also home to the Logistic Operations Division's Central Clothing Distribution Facility which employees over 200 employees that are responsible for the complete supply chain management and logistics for clothing to all military units of the Army National Guard, Air National Guard, U.S. Marine Corps Reserve and the U.S. Navy Reserve.

The Youth Challenge Program is a 22-week residential development and training program for youth between 16 – 18 years of age who are high school dropouts, drug-free, unemployed and free of serious involvement in the criminal justice system. The program is operated by the Kentucky National Guard and is located in Hardin and Harlan Counties.

Policy

The Budget of the Commonwealth includes General Fund debt service in the amount of \$11,000 in fiscal year 2018-2019 and \$101,000 in fiscal year 2019-2020 for debt service on new bonds included in the capital budget.

The Budget of the Commonwealth includes Restricted Funds in the amount of \$2,612,300 in fiscal year 2018-2019 and \$2,624,300 in fiscal year 2019-2020 to fund new operating costs at Bluegrass Station.

The Budget of the Commonwealth includes additional General Fund in the amount of \$4,500,000 in each fiscal year for Emergency and Public Safety costs that were previously considered a necessary government expense. Expenses that exceed this amount will be considered a necessary government expense and shall be paid from the General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705).

**General Government
Commission on Human Rights**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	1,738,800	1,762,900	1,781,800	1,874,800	2,005,600
Budget Reduction-General Fund		-17,600	-91,300		
Total General Fund	1,738,800	1,745,300	1,690,500	1,874,800	2,005,600
Restricted Funds					
Balance Forward			3,400		
Current Receipts	4,500	14,356	6,600	10,000	10,000
Total Restricted Funds	4,500	14,356	10,000	10,000	10,000
Federal Fund					
Balance Forward			10,700	10,700	10,700
Current Receipts	333,253	388,100	245,000	245,000	245,000
Non-Revenue Receipts	72,600	-152,693			
Total Federal Fund	405,853	235,407	255,700	255,700	255,700
TOTAL SOURCE OF FUNDS	2,149,153	1,995,063	1,956,200	2,140,500	2,271,300
EXPENDITURES BY CLASS					
Personnel Costs	1,733,334	1,684,788	1,699,500	1,899,100	2,029,900
Operating Expenses	337,619	296,178	246,000	230,700	230,700
TOTAL EXPENDITURES	2,070,953	1,980,966	1,945,500	2,129,800	2,260,600
EXPENDITURES BY FUND SOURCE					
General Fund	1,660,600	1,745,300	1,690,500	1,874,800	2,005,600
Restricted Funds	4,500	10,956	10,000	10,000	10,000
Federal Fund	405,853	224,710	245,000	245,000	245,000
TOTAL EXPENDITURES	2,070,953	1,980,966	1,945,500	2,129,800	2,260,600
EXPENDITURES BY UNIT					
General Administration and Support	710,400	749,756	747,400	769,600	807,800
Enforcement Branch	745,353	577,410	388,400	483,300	516,000
Research and Information	343,200	362,100	365,100	384,300	410,600
Legal Affairs	272,000	291,700	444,600	492,600	526,200
TOTAL EXPENDITURES	2,070,953	1,980,966	1,945,500	2,129,800	2,260,600

The Kentucky Commission on Human Rights is the sole state civil rights enforcement agency in Kentucky, and is charged to "...safeguard all individuals within the state from discrimination." Pursuant to KRS Chapter 344, the Commission investigates, litigates, and administratively decides complaints of discrimination in the areas of employment, public accommodation, housing, and credit based on race, religion, national origin, age, disability, sex, smoking in employment, and familial status for housing decisions. The Commission has four service units: General Administration and Support, Enforcement, Research and Information, and Legal Affairs.

General Administration and Support performs personnel and fiscal activities and serves as a liaison with the Governor's Office, legislators, and other agencies in state government. This unit is responsible for development of internal policy directives and legislative initiatives.

The Enforcement Branch consists of two sections: Employment/Public Accommodations and Housing. Employees assigned to these sections receive, investigate, and conciliate complaints of discrimination in the areas of employment, public accommodation, credit transactions, and housing.

The Research and Information Branch provides technical assistance and education to local citizen groups, employers, public accommodations staff, educational institutions, local human rights commissions, and government officials. The staff conducts seminars and workshops on sexual harassment, the Kentucky Civil Rights Act, cultural diversity, and the Americans with Disabilities Act.

The Legal Affairs Branch litigates discrimination cases before administrative hearing officers, provides legal advice to inquiries, sworn complaints, and file closures. The legal staff takes depositions of witnesses, prepares legal briefs and appeals, and serves as in-house counsel.

**General Government
Commission on Women**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	232,000	235,000	237,400		
Budget Reduction-General Fund		-2,200	-12,200		
Total General Fund	232,000	232,800	225,200		
Restricted Funds					
Balance Forward	44	44			
Total Restricted Funds	44	44			
TOTAL SOURCE OF FUNDS	232,044	232,844	225,200		
EXPENDITURES BY CLASS					
Personnel Costs	140,321	191,024	198,800		
Operating Expenses	17,910	20,232	26,400		
TOTAL EXPENDITURES	158,231	211,255	225,200		
EXPENDITURES BY FUND SOURCE					
General Fund	158,231	211,255	225,200		
TOTAL EXPENDITURES	158,231	211,255	225,200		
EXPENDITURES BY UNIT					
Commission on Women	158,231	211,255	225,200		
TOTAL EXPENDITURES	158,231	211,255	225,200		

The Kentucky Commission on Women (KCW), authorized in KRS 344.510, consults with and advises the Governor and the agencies, department, boards and commissions of the state and local and municipal governments on matters pertaining to, and of interest to women. The KCW promotes, encourages, and provides advisory assistance in the establishment of local volunteer community improvement programs for, and of interest to women. The KCW conducts programs, studies, seminars, and conferences, and encourages state and local women's business, professional, and civic organizations to do likewise, to educate the public to the problems of women. The KCW cooperates with the federal government and with the governments of other states in programs relating to women.

The KCW maintains and provides a clearinghouse for information and referrals on a variety of issues affecting women, and may serve as a resource for the executive branch on various legislative matters pertaining to women.

The KCW maintains the watercolor Kentucky Women Remembered Exhibit in the West Wing of the Capitol. The KCW staff coordinates statewide collaborative efforts, such as the Women's Leadership Council and the Kentucky Women's Health Coalition, in order to communicate to the executive branch the challenges and resources that exist for Kentucky women.

Policy

Notwithstanding KRS, 12.020, 12.023, 14.260, 15A.190, 212.554 and 344.510-30, the Budget of the Commonwealth provides no General Fund for the Commission on Women.

General Government
Department for Local Government

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	8,487,600	16,397,400	15,705,300	9,207,400	9,326,700
Budget Reduction-General Fund		-113,589	-804,500		
Total General Fund	8,487,600	16,283,811	14,900,800	9,207,400	9,326,700
Restricted Funds					
Balance Forward	802,149	1,704,117	2,258,400	2,118,500	2,022,100
Current Receipts	833,083	747,109	742,500	791,800	791,800
Non-Revenue Receipts	815,137	199,182			
Total Restricted Funds	2,450,370	2,650,408	3,000,900	2,910,300	2,813,900
Federal Fund					
Balance Forward	662,711	500,184	267,000	387,700	397,000
Current Receipts	23,634,878	28,864,924	28,353,800	28,420,600	28,421,900
Non-Revenue Receipts	-320,703	235,863	1,300,000	1,300,000	1,300,000
Total Federal Fund	23,976,886	29,600,971	29,920,800	30,108,300	30,118,900
TOTAL SOURCE OF FUNDS	34,914,855	48,535,190	47,822,500	42,226,000	42,259,500
EXPENDITURES BY CLASS					
Personnel Costs	5,086,309	5,701,265	6,177,700	6,249,600	6,345,600
Operating Expenses	761,133	752,671	706,100	2,020,300	2,060,300
Grants Loans Benefits	26,471,228	39,183,663	38,432,500	31,537,000	31,537,000
TOTAL EXPENDITURES	32,318,670	45,637,600	45,316,300	39,806,900	39,942,900
EXPENDITURES BY FUND SOURCE					
General Fund	8,095,715	16,283,811	14,900,800	9,207,400	9,326,700
Restricted Funds	746,253	392,011	882,400	888,200	888,700
Federal Fund	23,476,702	28,961,778	29,533,100	29,711,300	29,727,500
TOTAL EXPENDITURES	32,318,670	45,637,600	45,316,300	39,806,900	39,942,900
EXPENDITURES BY UNIT					
Operations	5,334,241	13,937,208	12,722,900	7,035,300	7,155,100
Grants	26,984,429	31,700,392	32,593,400	32,771,600	32,787,800
TOTAL EXPENDITURES	32,318,670	45,637,600	45,316,300	39,806,900	39,942,900

The Department for Local Government (DLG), pursuant to KRS 147A.002, is an independent agency attached to the Office of the Governor. As the liaison between the Governor and local units of government, DLG coordinates and resolves local government issues and concerns. The Department administers grants-in-aid, and serves as the cognizant state agency for Kentucky's fifteen Area Development Districts.

The Commissioner's Office formulates policy that governs programs administered by the Department. The office also serves as a liaison with state and federal agencies that deal with each of the Kentucky's 120 counties, 420 cities, 1500 special districts and the 15 Area Development Districts. The Trover Grant which brings University of Louisville medical students to the Western Kentucky Coal Fields for a portion of their residency is administered by the Commissioner's Office.

The Federal Grants Office administers the Community Development Block Grant program for small cities, the Neighborhood Stabilization program, the Land and Water Conservation Fund and the Kentucky Recreational Trails program. Moreover, the Office develops and conducts training programs for local governments across the Commonwealth in conjunction with other governmental agencies, associations and the Area Development Districts. It maintains the Commonwealth's Clearinghouse for all federal grants and administers the Joint Funding Agreement and Appalachian Regional Commission grants.

The Flood Control program also is administered by the Federal Grants Office. In partnership with federal and local agencies, the matching program lessens flood damage losses by providing structural and nonstructural assistance to Kentucky communities. The Fund ensures that matching funds required by the U.S. Army Corp of Engineers, Federal Emergency Management Agency, and Natural Resources Conservation Service are available for vital projects. The

program provides matching dollars for federal grants for straight sewage pipe removal projects funded by the Personal Responsibility in a Desirable Environment program.

The Field Services Office makes state government more accessible to citizens of the Commonwealth. Field service representatives travel throughout the Commonwealth of Kentucky and answer citizens' questions, resolve problems, and aid local government officials with their government duties.

The Office of Financial Management and Administrative Services provides agency administrative support. It has responsibility for personnel administration, payroll, purchasing, library management, accounting, and budgeting for the entire agency. The Office provides information technology support for the Department and to local government units.

The Office of State Grants promotes economic development in Kentucky's localities. It is responsible for financial management, accounting, and fund allocation and reporting of the Local Government Economic Development Fund (LGEDF) which contains the Local Government Economic Development Program (LGEDP) and the Local Government Economic Assistance Fund (LGEAF). The agency also reviews and approves LGEDF statutory grant applications. In addition, the Office of State Grants oversees additional programs assigned by the General Assembly through the budget and as requested by other State agencies.

General Government
Local Government Economic Assistance Fund

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	48,690,000	50,031,100	31,746,400	26,257,600	22,825,700
Other	-13,095,661	-17,005,944			
Total General Fund	35,594,339	33,025,156	31,746,400	26,257,600	22,825,700
TOTAL SOURCE OF FUNDS	35,594,339	33,025,156	31,746,400	26,257,600	22,825,700
EXPENDITURES BY CLASS					
Grants Loans Benefits	35,594,339	33,025,156	31,746,400	26,257,600	22,825,700
TOTAL EXPENDITURES	35,594,339	33,025,156	31,746,400	26,257,600	22,825,700
EXPENDITURES BY FUND SOURCE					
General Fund	35,594,339	33,025,156	31,746,400	26,257,600	22,825,700
TOTAL EXPENDITURES	35,594,339	33,025,156	31,746,400	26,257,600	22,825,700
EXPENDITURES BY UNIT					
County Coal Severance	18,380,898	17,690,347	14,823,700	11,771,600	10,235,400
Cities Coal Severance	2,027,165	1,955,967	1,526,500	1,306,700	1,135,700
County Mineral Severance	13,699,278	12,072,502	13,856,600	11,861,400	10,309,100
Cities Mineral Severance	1,486,998	1,306,340	1,539,600	1,317,900	1,145,500
TOTAL EXPENDITURES	35,594,339	33,025,156	31,746,400	26,257,600	22,825,700

The Local Government Economic Assistance Fund (LGEAF) in KRS 42.450-42.495 is a revenue sharing program that was created by the 1980 Regular Session of the General Assembly to return a portion of the coal and minerals severance taxes to local governments in areas where the minerals were extracted. These funds are used by those communities to strengthen and “to improve the environment for new industry and to improve the quality of life of the residents.” Counties that contain industries involved in the production of coal or minerals such as natural gas, oil, and stone and incorporated cities within those counties are eligible to receive LGEAF payments. Likewise, counties and their cities affected by the transportation of coal are eligible to receive a portion of the returned severance taxes.

The LGEAF coal severance tax program currently returns funds to an estimated 60 counties and approximately 248 cities at the end of each fiscal quarter. The Kentucky statute that directs 15 percent of the coal severance tax receipts to the LGEAF for distribution to local governments has been replaced for the 2018-20 budget with a 50 percent share of net coal severance tax receipts. Quarterly allocations are made to localities according to such criteria as population, income, the amount and distance coal is transported over local areas, and taxes collected from the county.

Additionally, the LGEAF minerals severance tax program currently returns funds to an estimated 102 counties and approximately 359 cities at the end of each fiscal quarter. Kentucky law directs 50 percent of the other mineral tax receipts (oil, natural gas, and other minerals) to the LGEAF for distribution to local governments. Quarterly allocations are made to localities according to such criteria as population, income, the amount and distance coal is transported over local areas, and taxes collected from the county.

KRS 42.455(2)(3)(4) governs the allowable uses of LGEAF funds and specifically prohibits the expenditure of LGEAF for the expenses related to the administration of government. Coal “impact” counties must expend 100 percent of funds in the transportation category in accordance with KRS 42.470(1)(c). Thirty percent of all funds given to coal “producer” counties must be expended on the county coal haul road system. Expenditure of the remaining 70 percent given to coal “producers” and 100 percent of non-coal mineral severance producing funds must be directly related to the remaining priority categories:

- Public safety, including law enforcement, fire protection, ambulance service and other related services,
- Environmental protection, including sewage disposal, sanitation, solid waste and other related programs,
- Public transportation, including mass transit systems, streets and roads,
- Health,
- Recreation,
- Libraries and educational facilities,
- Services for the poor, aged, and handicapped,
- Industrial and economic development,
- Vocational education; and
- Workforce.

Policy

The Budget of the Commonwealth notwithstanding KRS 42.450 to 42.495 suspending the statutory severance allocations formula and directs 15 percent of the net severance and processing taxes on coal from the General Fund to the Local Government Economic Assistance Fund. In addition, notwithstanding KRS 42.450 to 42.495, an additional amount equal to \$3,686,100 in fiscal year 2018-2019 and 642,900 in fiscal year 2019-2020 shall be transferred from the Local Government Economic Development Fund (LGEDF) to LGEAF.

Before allocations to either LGEAF or LGEDF, a number of specified uses of General Fund coal severance tax revenues are outlined on the following pages.

Off-the-Top Funding Items: funds are provided for three specified uses from General Fund coal severance tax revenues before the remaining amount is shared 50/50 between local governments and the Commonwealth, many resulting from the suspension of KRS 42.450 to 42.495:

- (1) Kentucky Infrastructure Authority for LGEDF administrative support: \$370,000 each fiscal year;
- (2) Department for Local Government for LGEDF administrative support: \$669,700 each fiscal year;
- (3) Debt Service to the Finance and Administration Cabinet equating to 100 percent of the debt service needed in each fiscal year to support bonds authorized in the 2003, 2005, 2006, 2008, and 2010 sessions of the General Assembly;

Prior to LGEAF distributions to local governments, transfers in the amount of \$1,000,000 in fiscal year 2018-2019 to the University of Kentucky for the Robinsons Scholars program; \$350,000 in each fiscal year to the University of Kentucky for the Mining Engineering Scholarship program; and \$500,000 each fiscal year to the Secretary of the Justice and Public Safety Cabinet for the Operation Unite grant. Further, any amounts allowed as an incentive to an approved company under KRS 143.024 and 154.27-060 shall be deducted prior to any distributions to local governments from LGEAF.

General Government

Local Government Economic Development Fund

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	28,426,200	11,400,000	11,400,000	17,923,300	13,570,500
Other	-20,336,643				
Total General Fund	8,089,557	11,400,000	11,400,000	17,923,300	13,570,500
TOTAL SOURCE OF FUNDS	8,089,557	11,400,000	11,400,000	17,923,300	13,570,500
EXPENDITURES BY CLASS					
Grants Loans Benefits	8,089,557	11,400,000	11,400,000	17,923,300	13,570,500
TOTAL EXPENDITURES	8,089,557	11,400,000	11,400,000	17,923,300	13,570,500
EXPENDITURES BY FUND SOURCE					
General Fund	8,089,557	11,400,000	11,400,000	17,923,300	13,570,500
TOTAL EXPENDITURES	8,089,557	11,400,000	11,400,000	17,923,300	13,570,500
EXPENDITURES BY UNIT					
Economic Development Fund	8,089,557	11,400,000	11,400,000	17,923,300	13,570,500
TOTAL EXPENDITURES	8,089,557	11,400,000	11,400,000	17,923,300	13,570,500

The Local Government Economic Development Fund (LGEDF) is a revenue-sharing program that was created by the 1992 General Assembly to provide coal-producing counties with a means to diversify their economies. The governing statutes that have directed specific percentage shares of General Fund coal severance tax revenues to coal-producing counties has been suspended in the 2018-2020 budget. The Budget of the Commonwealth provides \$17,923,300 in net General Fund coal severance tax revenues to the LGEDF in fiscal 2018-2019 and \$13,570,500 in fiscal year 2019-2020. These funds will be transferred to the LGEDF Single-County accounts to be allocated to projects with the concurrence of the respective county judge/executive, state senator(s), and state representative(s) of each county. In the event concurrence is not achieved, the fiscal court of each county may apply for grants through the Department for Local Government pursuant to KRS 42.4588. Currently, 35 counties receive allocations to their Single-County account.

Policy

The Budget of the Commonwealth, notwithstanding KRS 42.450 to 42.495 and transfers an amount equal to \$15,896,000 in fiscal year 2018-2019 and \$7,500,000 in fiscal year 2019-2020 from the General Fund's portion of coal severance and processing taxes to LGEDF. In addition, pursuant to HB265 the Budget of the Commonwealth notwithstanding KRS 42.450 to 42.295 and transfers \$7,563,400 each fiscal year from the Kentucky Coal Fields Endowment 2016-2018 biennial budget ending balance to LGEDF.

Before LGDEF distribution, \$3,689,100 in fiscal year 2018-2019 and \$642,900 in fiscal year 2019-2020 are transferred from LGEDF to LGEAF; \$1,000,000 in fiscal year 2018-2019 to University of Kentucky's Robinson Scholar's program; \$350,000 each fiscal year to the University of Kentucky's Mining Engineering Scholarship program; and \$500,000 each fiscal year to Operation UNITE.

Severance Tax Dedicated Programs 2018-2020 Biennium
Using Consensus Forecast Estimate

	FY 2018 Revised	FY 2019 Enacted	FY 2020 Enacted
Coal Severance Tax Resources			
Coal Severance Tax	90,676,100	79,986,800	68,188,000
Less: Osteopathic Medicine Scholarship Program (KRS 164.7891)	(326,000)		
Less: Pharmacy Scholarships (KRS 164.7890)	(580,000)		
Less: Trover Clinic Grant	(910,000)		
Less: Robinson Scholars Program (UK)	(1,000,000)		
Less: Mining Engineering Scholarship Program (UK)	(300,000)		
Less: Operation Unite	(2,000,000)		
Less: SOAR Administrative Costs (DLG)	(200,000)		
Less: KIA LGEDF Admin cost	(370,000)	(370,000)	(370,000)
Less: DLG LGEDF Admin cost	(669,700)	(669,700)	(669,700)
Less: Save the Children (Education)	(500,000)		
Less: Debt Service (Past Bond Appropriations)	(7,352,300)	(28,955,100)	(27,456,700)
Less: Reservation of Additional Coal Severance Revenues	(4,000,000)		
Total coal severance tax resources to be distributed	72,468,100	49,992,000	39,691,600

Local Government Economic Assistance Fund (LGEAF) Total Funds			
Coal Severance Tax Revenue (15%) KRS 42.4585	36,234,100	7,498,800	5,953,700
Other Mineral Severance Tax Revenue	16,319,700	15,072,700	16,229,100
Less: Debt Service (Past Bond Appropriations)	(22,057,000)		
Plus: Additional Coal Severance Revenues	600,000		
Plus: Additional Coal Severance from LGEDF		3,686,100	642,900
Total LGEAF enacted	31,746,400	26,257,600	22,825,700

Local Government Economic Development Fund (LGEDF)			
Coal Severance Tax Revenue	22,500,000	15,896,000	7,500,000
Plus: Additional Coal Severance Revenues	1,400,000		
Less: Coal County College Completion Scholarship Program	(5,000,000)		
Less: Transfer to Kentucky Coal Fields Endowment Fund	(7,500,000)		
Plus: Fund transfer from Ky Coal Fields Endowment Fund		7,563,400	7,563,400
Less: Robinson Scholars		(1,000,000)	
Less: Operation Unite		(500,000)	(500,000)
Less: Mining Engineering Scholarships		(350,000)	(350,000)
Less: Transfer to LGEAF		(3,686,100)	(642,900)
Total LGEDF enacted	11,400,000	17,923,300	13,570,500

**General Government
Area Development Fund**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	473,600	431,000	431,000		
Budget Reduction-General Fund			-22,100		
Total General Fund	473,600	431,000	408,900		
TOTAL SOURCE OF FUNDS	473,600	431,000	408,900		
EXPENDITURES BY CLASS					
Grants Loans Benefits	452,300	431,000	408,900		
TOTAL EXPENDITURES	452,300	431,000	408,900		
EXPENDITURES BY FUND SOURCE					
General Fund	452,300	431,000	408,900		
TOTAL EXPENDITURES	452,300	431,000	408,900		
EXPENDITURES BY UNIT					
Area Development Fund	452,300	431,000	408,900		
TOTAL EXPENDITURES	452,300	431,000	408,900		

The Area Development Fund is a revenue sharing program that was created by the 1976 Regular Session of the General Assembly to fund capital projects in accordance with KRS 42.350 (2) in communities within each of the 15 Area Development Districts. The Area Development Districts rank and recommend projects that they consider eligible for funding to the Commissioner of the Department for Local Government.

Policy

The Budget of the Commonwealth provides no funding for the Area Development Fund program.

**General Government
Executive Branch Ethics Commission**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	463,200	445,700	450,200	548,900	555,700
Budget Reduction-General Fund		-4,500			
Total General Fund	463,200	441,200	450,200	548,900	555,700
Restricted Funds					
Balance Forward	183	20,412	76,400	62,300	48,200
Current Receipts	81,204	304,418	320,900	320,900	320,900
Total Restricted Funds	81,387	324,830	397,300	383,200	369,100
TOTAL SOURCE OF FUNDS	544,587	766,030	847,500	932,100	924,800
EXPENDITURES BY CLASS					
Personnel Costs	445,142	602,385	696,900	778,200	786,000
Operating Expenses	79,033	87,220	88,300	105,700	104,700
TOTAL EXPENDITURES	524,175	689,605	785,200	883,900	890,700
EXPENDITURES BY FUND SOURCE					
General Fund	463,200	441,200	450,200	548,900	555,700
Restricted Funds	60,975	248,405	335,000	335,000	335,000
TOTAL EXPENDITURES	524,175	689,605	785,200	883,900	890,700
EXPENDITURES BY UNIT					
Executive Branch Ethics Commission	524,175	689,605	785,200	883,900	890,700
TOTAL EXPENDITURES	524,175	689,605	785,200	883,900	890,700

In accordance with KRS 11A, the Executive Branch Ethics Commission is responsible for reviewing the personal financial interests of the constitutional officers and management personnel in state government in order to prevent conflicts of interest. Additionally, the Commission issues advisory opinions with regard to ethical conduct, investigates and enforces possible violations of the Code, and provides a registration mechanism for executive agency lobbyists.

Policy

The Budget of the Commonwealth allows all penalties collected or received by the Executive Branch Ethics Commission to be deposited in the State Treasury and credited to a trust and agency fund account to be used by the Commission for the cost of conducting administrative hearings.

The Budget of the Commonwealth includes additional funding of \$13,400 in fiscal year 2018-2019 and \$12,400 in fiscal year 2019-2020 for relocation expenses.

**General Government
Secretary of State**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	1,662,800	1,756,600	1,784,100	2,204,100	2,252,500
Budget Reduction-General Fund			-22,800		
Total General Fund	1,662,800	1,756,600	1,761,300	2,204,100	2,252,500
Restricted Funds					
Balance Forward	4,436,656	4,881,675	5,969,000	5,057,800	3,565,400
Current Receipts	3,073,029	3,665,367	2,760,500	2,695,600	2,731,300
Non-Revenue Receipts	79,993				
Fund Transfers	-1,300,000	-1,000,000	-1,000,000	-1,500,000	-1,500,000
Total Restricted Funds	6,289,678	7,547,042	7,729,500	6,253,400	4,796,700
Federal Fund					
Current Receipts	66,098	54,612	221,400	221,400	221,400
Non-Revenue Receipts	2,353	16,455			
Total Federal Fund	68,450	71,067	221,400	221,400	221,400
TOTAL SOURCE OF FUNDS	8,020,928	9,374,709	9,712,200	8,678,900	7,270,600
EXPENDITURES BY CLASS					
Personnel Costs	2,297,140	2,636,323	3,171,800	3,688,900	3,744,700
Operating Expenses	767,314	691,158	1,459,800	1,390,600	1,380,400
Capital Outlay	0	78,211	22,800	34,000	30,000
TOTAL EXPENDITURES	3,064,453	3,405,692	4,654,400	5,113,500	5,155,100
EXPENDITURES BY FUND SOURCE					
General Fund	1,588,000	1,756,600	1,761,300	2,204,100	2,252,500
Restricted Funds	1,408,003	1,578,025	2,671,700	2,688,000	2,681,200
Federal Fund	68,450	71,067	221,400	221,400	221,400
TOTAL EXPENDITURES	3,064,453	3,405,692	4,654,400	5,113,500	5,155,100
EXPENDITURES BY UNIT					
General Administration	1,836,209	1,956,456	2,526,000	2,968,800	3,017,200
General Operations	1,228,244	1,449,237	2,128,400	2,144,700	2,137,900
TOTAL EXPENDITURES	3,064,453	3,405,692	4,654,400	5,113,500	5,155,100

The Secretary of State, a constitutional officer as provided in Section 91 of the Kentucky Constitution, directs the Department of State of the Commonwealth. KRS 117.015 designates the Secretary of State as the chief Election Officer of the Commonwealth and the chair of the State Board of Elections. In addition, the Secretary of State appoints notaries public; issues Kentucky Colonel Commissions; is the keeper of the Seal of the Commonwealth of Kentucky; and maintains records of all official acts of the Governor as well as all legislation passed by the General Assembly.

The Office of the Secretary of State consists of the following organizational units: the Office of Business; Office of Elections; and the Office of Administration.

The Office of Business is responsible for the registration and incorporation of businesses, both domestic and foreign, profit and non-profit, including the administration of documents of merger, dissolution, and name changes. It also accepts and processes filings for limited liability companies and registered limited liability partnerships. These entities must also file articles of organization with the Secretary of State as well as amendments, mergers and dissolutions.

The Office of Administration is responsible for executive policy and management functions for the entire office. It prepares and records official documents for the Governor; administers Kentucky's notary public law; issues commissions, pardons, commutations, and extraditions; processes service of summonses; and implements the election laws of the Commonwealth.

The State Land Office is also under the supervision of the Secretary of State. It preserves Kentucky's land grant records and fulfills daily inquiries and requests for copies of those records. It files city annexations and incorporations, state deeds, and new land patents, and it provides the public with certified copies of land surveys, grants, and military warrants. The restoration process consists of indexing, de-acidifying, laminating, and bonding, thus safely preserving Kentucky's original land grants.

**General Government
Board of Elections**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	4,047,200	3,980,400	3,989,300	4,216,200	4,231,100
Mandated Allotments	28,100				
Total General Fund	4,075,300	3,980,400	3,989,300	4,216,200	4,231,100
Restricted Funds					
Balance Forward	756,633	773,108	806,333	607,533	408,433
Current Receipts	31,578	33,225	47,200	46,900	46,600
Total Restricted Funds	788,211	806,333	853,533	654,433	455,033
Federal Fund					
Balance Forward	14,267,344	13,911,191	13,472,219	9,447,319	5,422,319
Current Receipts	285,364	71,097	20,000	20,000	20,000
Total Federal Fund	14,552,708	13,982,288	13,492,219	9,467,319	5,442,319
TOTAL SOURCE OF FUNDS	19,416,219	18,769,021	18,335,052	14,337,952	10,128,452
EXPENDITURES BY CLASS					
Personnel Costs	1,189,499	1,254,129	1,280,500	1,443,500	1,458,400
Operating Expenses	587,687	595,049	495,300	559,300	559,300
Grants Loans Benefits	2,839,730	2,637,194	6,504,400	6,504,400	5,385,600
TOTAL EXPENDITURES	4,616,915	4,486,372	8,280,200	8,507,200	7,403,300
EXPENDITURES BY FUND SOURCE					
General Fund	3,960,295	3,976,302	3,989,300	4,216,200	4,231,100
Restricted Funds	15,103		246,000	246,000	246,000
Federal Fund	641,517	510,070	4,044,900	4,045,000	2,926,200
TOTAL EXPENDITURES	4,616,915	4,486,372	8,280,200	8,507,200	7,403,300
EXPENDITURES BY UNIT					
General Administration and Support	1,235,988	1,339,108	1,375,300	1,602,200	1,617,100
State Share of County Election Expenses	1,495,684	1,463,844	1,490,700	1,490,700	1,490,700
State Share of Voter Registration Expenses	1,238,446	1,173,350	1,173,300	1,173,300	1,173,300
Election Fund	646,797	510,070	4,240,900	4,241,000	3,122,200
TOTAL EXPENDITURES	4,616,915	4,486,372	8,280,200	8,507,200	7,403,300

The State Board of Elections administers the election laws of the state pursuant to KRS Chapters 116, 117, 118, 118A, 119, and 120; supervises the registration and purgation of voters; appoints the political party representatives to the 120 county boards of elections; and certifies official election results.

KRS 117.015 designates the Secretary of State as the chair of the Board. Six other members are appointed by the Governor.

General Administration and Support

The General Administration and Support program objectives are to maintain an up to date computerized record of registered voters in the state, certify election results, produce precinct rosters, issue certification of nomination and election, train county clerks in election duties, and conduct a nonpartisan voter education program.

The State Board of Elections' online Election Night Tally System provides up-to-the-minute, unofficial election results on all candidates who file with the state.

State Share of County Election Expenses

The State Share of County Election Expenses program reimburses county fiscal courts the state's share of county election expenses pursuant to KRS 117.345(2).

The state currently has 3,731 precincts with over 3 million registered voters. The number of precincts increases as voter registration totals increase and as reapportionment of county commissioner/magisterial districts and congressional and state redistricting occur.

State Share of Voter Registration Expenses

The State Board of Elections remits payment to county clerks for newly registered voters pursuant to KRS 116.145. There is a significant increase of newly registered voters in years that county and presidential candidates are on the ballot.

The State Board of Elections remits reimbursement to county clerks an amount not to exceed fifty cents (\$0.50) per registered voter in the county per year for the cost of employing office personnel necessary for the conduct of elections, including the registration and purgation of voters in the county pursuant to KRS 117.343 and KRS 116.112(7).

Election Fund

The Help America Vote Act (HAVA) became law in 2002. The Act imposed new election requirements on states and called for the upgrade of voting machines to be in compliance by January 1, 2006.

The Commonwealth initially received \$32.9 million in federal funds to carry out the requirements of HAVA, which were matched with state funds at a rate of five percent. The funds were used for the purchase of voting equipment, voter education, poll worker training, and enhancement of the statewide voter registration system. On December 8, 2006 the Board adopted the 2006 Amended State Plan, which indicated that the Commonwealth was in compliance with the requirements of HAVA.

Notwithstanding KRS 116.145, the State Board of Elections shall set a rate for the fee for new voter registration paid to the county clerks within the available appropriated resources. The State Board of Elections shall also set a fixed rate for the expenses outlined in KRS 117.343 within the available appropriated resources. Notwithstanding KRS 117.345(2), the State Board of Elections shall set a rate for the expenses outlined in KRS 117.345(2) for precincts with a voting machine within the available resources, not to exceed \$300 per precinct per election.

**General Government
Registry of Election Finance**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	1,220,800	1,221,400	1,231,700	1,511,000	1,529,400
Total General Fund	1,220,800	1,221,400	1,231,700	1,511,000	1,529,400
TOTAL SOURCE OF FUNDS	1,220,800	1,221,400	1,231,700	1,511,000	1,529,400
EXPENDITURES BY CLASS					
Personnel Costs	1,057,492	1,130,160	1,157,900	1,404,850	1,423,250
Operating Expenses	108,407	91,241	73,800	106,150	106,150
TOTAL EXPENDITURES	1,165,898	1,221,400	1,231,700	1,511,000	1,529,400
EXPENDITURES BY FUND SOURCE					
General Fund	1,165,898	1,221,400	1,231,700	1,511,000	1,529,400
TOTAL EXPENDITURES	1,165,898	1,221,400	1,231,700	1,511,000	1,529,400
EXPENDITURES BY UNIT					
Registry of Election Finance	1,165,898	1,221,400	1,231,700	1,511,000	1,529,400
TOTAL EXPENDITURES	1,165,898	1,221,400	1,231,700	1,511,000	1,529,400

The role of the Kentucky Registry of Election Finance is to ensure the integrity of the Commonwealth's electoral process by making certain there is full public access to campaign financial data and financial disclosure reports, and by administering Kentucky's campaign finance laws.

Under KRS Chapter 121, Kentucky's campaign finance laws apply to all candidates for public office, except federal office, as well as political issues committees, permanent committees, state and local party executive committees, inaugural committees, and caucus campaign committees. The Registry also receives, compiles, and maintains financial disclosure reports of elected officials and candidates for specified offices as provided in KRS Chapter 61.

Regulatory functions of the Registry include: educating candidates and committees on campaign finance laws; ensuring compliance with campaign finance reporting requirements, including the timely filing of campaign finance reports; providing the means for electronic reporting of campaign finance data; conducting desk reviews and random audits; investigating complaints; and adjudicating charges of administrative violations of campaign finance laws.

The Registry's public disclosure role is a key component of the campaign finance laws. Registry employees routinely work with members of the public and the media to fill open records requests and to assist in On-line Searchable Database searches.

Pursuant to KRS 121.170(5), the Registry receives copies of reports filed with the Federal Election Commission by federally registered out-of-state permanent committees that contribute to Kentucky candidates. These and the reports of other candidates and committees who are required to file with the Federal Election Commission may be viewed at the Registry's office in Frankfort pursuant to 2 U.S.C. Section 439(c).

General Government
Attorney General

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	10,622,700	10,931,400	11,034,400	12,081,100	12,239,600
Budget Reduction-General Fund		-109,300	-141,000		
Mandated Allotments	143,100	169,567			
Total General Fund	10,765,800	10,991,667	10,893,400	12,081,100	12,239,600
Restricted Funds					
Balance Forward	14,443,205	12,243,440	9,578,300	6,015,000	2,975,000
Current Receipts	13,132,447	9,454,080	9,026,700	7,351,700	7,351,700
Non-Revenue Receipts	7,857,161	6,141,185	7,435,700	8,389,500	8,488,400
Total Restricted Funds	35,432,813	27,838,705	26,040,700	21,756,200	18,815,100
Federal Fund					
Current Receipts	3,400,410	3,308,445	6,178,900	5,707,900	5,393,400
Non-Revenue Receipts	64,320	8,720			
Total Federal Fund	3,464,730	3,317,165	6,178,900	5,707,900	5,393,400
TOTAL SOURCE OF FUNDS	49,663,343	42,147,537	43,113,000	39,545,200	36,448,100
EXPENDITURES BY CLASS					
Personnel Costs	19,897,436	20,518,344	22,663,700	25,065,300	25,194,300
Operating Expenses	3,116,202	2,904,151	3,837,700	3,731,700	3,560,500
Grants Loans Benefits	14,390,265	9,122,933	10,596,600	7,773,200	7,693,300
Capital Outlay	16,000	23,735			
TOTAL EXPENDITURES	37,419,903	32,569,163	37,098,000	36,570,200	36,448,100
EXPENDITURES BY FUND SOURCE					
General Fund	10,765,800	10,991,653	10,893,400	12,081,100	12,239,600
Restricted Funds	23,189,373	18,260,345	20,025,700	18,781,200	18,815,100
Federal Fund	3,464,730	3,317,165	6,178,900	5,707,900	5,393,400
TOTAL EXPENDITURES	37,419,903	32,569,163	37,098,000	36,570,200	36,448,100
EXPENDITURES BY UNIT					
Administrative Services	2,560,008	2,422,594	2,630,700	2,960,200	3,032,000
Criminal Services	7,861,568	7,917,391	8,769,000	9,667,500	9,653,600
Uninsured Employers Fund	6,050,144	6,816,661	6,948,100	7,509,400	7,443,800
Advocacy Services	13,562,474	8,053,183	10,259,600	7,268,600	7,059,800
Civil Services	7,385,709	7,359,334	8,490,600	9,164,500	9,258,900
TOTAL EXPENDITURES	37,419,903	32,569,163	37,098,000	36,570,200	36,448,100

The Attorney General has the statutory responsibility (KRS 15.020) to act as the chief law officer for the Commonwealth. This involves a wide and diverse range of responsibilities and duties, the power to investigate matters and other legal activities, including representation, on behalf of the Commonwealth. The Office of the Attorney General's four-part mission of Preventing Child Abuse, Protecting Seniors, Justice for Rape Victims and Addressing Kentucky's Drug Problem is supported by 12 organizational units arranged under five allotment programs.

The Office of Administrative Services provides the administrative support network for agency operations including budget, personnel and payroll, fiscal services, procurement services, ADA, Title VI and EEO programs, employee training, federal grant administration, audit coordination and operation management.

Criminal Services encompass the Office of Criminal Appeals, Office of Special Prosecutions, Department of Criminal Litigation, and the Prosecutors Advisory Council.

- The Office of Criminal Appeals appears for the Commonwealth in all criminal appeals in which the Commonwealth has an interest in both state and federal courts, fulfilling the mandate of KRS 15.020. Staff also advises prosecutors concerning the merits of appeals from adverse interlocutory rulings and the likelihood of successfully requesting certifications of the law. The Office of Criminal Appeals also reviews and participates in amicus curiae efforts by other states.

- The Office of Special Prosecutions prosecutes criminal cases pursuant to KRS 15.190 to KRS 15.715; and includes taking over the prosecution of cases in which the local prosecutor disqualifies himself, prosecuting thefts affecting the treasury of the Commonwealth and crimes arising from audits of local government financial administrations. The Office investigates and prosecutes election law violations, environmental crimes, ethics law violations as referred by the Executive Branch Ethics Commission and theft from the state treasury as referred by the Auditor of Public Accounts.
- The Department of Criminal Investigations (DCI) provides expert criminal investigative services in Cyber Crimes and Drug and Public Integrity/Special Investigations. DCI Investigators are sworn law enforcement officers and are certified by Kentucky Peace Officer Professional Standards. The mission of DCI is to uphold the law through the highest standards of excellence, investigating violations of state criminal statutes; to deter and reduce crime; to enhance public safety; and to provide assistance to local, state and federal law enforcement agencies by utilizing innovative programs and technologies.
- The Prosecutors Advisory Council administers the budget of the Unified Prosecutorial System, which consists of 177 Commonwealth's and County Attorneys and their employees, and oversees the training of the Commonwealth's prosecutors. The Council provides basic training courses for newly elected officials and sponsors the Kentucky Prosecutors Institute, a weeklong trial skills course for new prosecutors.

The Advocacy Services program include the offices of Consumer Protection, Senior Protection, Victims Advocacy, Child Abuse and Human Trafficking Prevention and Prosecution.

- The Office of Consumer Protection enforces the Kentucky Consumer Protection Act (KCPA) to safeguard the state's consumers and combat unethical business practices pursuant to authority granted to the Attorney General under KRS 367.110, et seq. and common law. The KCPA protects Kentucky's citizens from unfair, false, misleading or deceptive acts or practices in trade or commerce. The Office of Consumer Protection enforces the Act by bringing lawsuits in the public interest to obtain civil penalties and consumer redress, including restitution and injunctive relief aimed at changing unscrupulous business practices.
- The Office of Senior Protection is responsible for providing services and training to protect seniors against fraud, scams and financial exploitation.
- The Office of Victims Advocacy works to ensure justice for Kentucky's victims of crime, assist victims in navigating the legal process and in implementing strategies to reduce the number of crime victims in the future. Victims Advocacy provides technical assistance to victim advocates, prosecutors, law enforcement and allied health providers across the Commonwealth.
- The Office of Child Abuse and Human Trafficking Prevention and Prosecution (CAHTPP) provides direct assistance to the public on cases of child abuse, internet safety, crimes against children and human trafficking and provides direct training, response, technical assistance, and legal assistance to prosecutors and law enforcement. The CAHTPP is also responsible for administering the Kentucky Multidisciplinary Commission on Child Sexual Abuse (KRS 431.650-670) and the Child Sexual Abuse and Exploitation Prevention Board (KRS 15.905).

The Civil Services Division contains the Office of Civil and Environmental Law, Office of Rate Intervention and Office of Medicaid Fraud and Abuse Control.

- Pursuant to KRS 15.020, the Office of Civil and Environmental Law represents state boards and agencies, issues formal opinions, represents state officials, elected prosecutors, and the judiciary in legal proceedings, adjudicates administrative hearings and intervenes in constitutional challenges to state statutes.
- The Office of Rate Intervention is responsible for representing the interests of Kentucky consumers/ratepayers before federal, state, and local governmental ratemaking agencies (KRS 367.150(8)).
- The Office of Medicaid Fraud and Abuse Control, authorized by Congress in 42 USC § 1396 and by federal regulation in 42 CFR 455.15, investigates and prosecutes cases of Medicaid provider fraud pursuant to KRS Chapters 194 and 205. The Office also investigates and prosecutes complaints of abuse, neglect and exploitation of residents in facilities that receive Medicaid funding and in board and care facilities.

The Uninsured Employers Fund is part of the Kentucky Workers Compensation Program and KRS 342.760 directs the Attorney General's office to serve as legal representation for the Fund in all claims made against it or on its behalf. The Uninsured Employer's Fund is responsible for payment of Workers' Compensation to employees when the employer does not have Workers' Compensation insurance.

**General Government
Commonwealth's Attorneys**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	45,444,800	48,439,600	49,024,300	59,068,600	59,913,100
Total General Fund	45,444,800	48,439,600	49,024,300	59,068,600	59,913,100
Restricted Funds					
Balance Forward	1,661,687	1,956,963	2,406,000	2,409,300	1,854,700
Current Receipts	2,629,273	3,604,364	3,906,200	1,915,000	1,825,000
Total Restricted Funds	4,290,960	5,561,327	6,312,200	4,324,300	3,679,700
Federal Fund					
Balance Forward	-88,233	-87,852	-81,100		7,000
Current Receipts	22,411	42,090	121,400	47,300	47,700
Total Federal Fund	-65,821	-45,762	40,300	47,300	54,700
TOTAL SOURCE OF FUNDS	49,669,938	53,955,165	55,376,800	63,440,200	63,647,500
EXPENDITURES BY CLASS					
Personnel Costs	42,589,313	45,818,558	48,690,600	57,275,400	57,690,400
Operating Expenses	5,201,532	5,499,151	4,235,900	4,235,900	4,235,900
Grants Loans Benefits	9,982		41,000	42,200	35,000
Capital Outlay		312,490		25,000	25,000
TOTAL EXPENDITURES	47,800,827	51,630,199	52,967,500	61,578,500	61,986,300
EXPENDITURES BY FUND SOURCE					
General Fund	45,444,800	48,439,598	49,024,300	59,068,600	59,913,100
Restricted Funds	2,333,997	3,155,283	3,902,900	2,469,600	2,032,900
Federal Fund	22,031	35,319	40,300	40,300	40,300
TOTAL EXPENDITURES	47,800,827	51,630,199	52,967,500	61,578,500	61,986,300
EXPENDITURES BY UNIT					
Commonwealth's Attorneys	47,800,827	51,630,199	52,967,500	61,578,500	61,986,300
TOTAL EXPENDITURES	47,800,827	51,630,199	52,967,500	61,578,500	61,986,300

Established by Section 99;100 of the Kentucky Constitution, the Commonwealth's Attorneys program is made up of 57 elected Commonwealth's Attorneys and their staffs, one for each judicial circuit. Currently 52 circuits have full-time Commonwealth's Attorneys, with the remaining circuits with part-time attorneys. Commonwealth's Attorneys are responsible for all felony prosecutions, including those prosecutions in which the penalty of death may be imposed upon the defendant. The prosecution of each felony requires a thorough investigation that involves extensive research and trial preparation by the prosecutor. Witness interviews, grand jury presentations, motions (including post-conviction motions), conferences, plea-bargaining, case studies, continuing legal education and participation on multi-disciplinary teams are a part of each prosecutor's responsibility in representing the Commonwealth and citizens of Kentucky as the state's attorney.

Pursuant to KRS 15.725, the Commonwealth's Attorneys attend each circuit court held in the judicial circuit. The Commonwealth's Attorneys, except as provided by KRS 15.715, have the duty to prosecute all violations of the criminal and penal laws which are tried in their circuit court. In addition, the Commonwealth's Attorneys have the primary responsibility within the judicial circuit to present evidence to the grand jury concerning such violations.

In accordance with KRS 15.735, the Commonwealth's Attorneys serve as special prosecutors in cases where the regularly elected prosecutors have been disqualified.

Policy

The Budget of the Commonwealth provides General Fund appropriation of \$1,141,600 in fiscal year 2019 and \$1,212,500 in fiscal year 2020 for additional personnel. The enacted budget directs \$387,700 of General Fund in each fiscal year to support the Rocket Docket Program.

**General Government
County Attorneys**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	39,640,500	42,080,300	42,647,000	52,266,800	53,058,600
Total General Fund	39,640,500	42,080,300	42,647,000	52,266,800	53,058,600
Restricted Funds					
Balance Forward	486,497	578,685	781,100	716,200	427,300
Current Receipts	707,078	949,525	739,700	493,300	526,700
Total Restricted Funds	1,193,575	1,528,210	1,520,800	1,209,500	954,000
Federal Fund					
Balance Forward	88,233	87,852	81,100	81,100	81,100
Current Receipts	444,943	536,394	503,700	993,800	1,003,700
Non-Revenue Receipts	-40,252	69,408			
Total Federal Fund	492,924	693,653	584,800	1,074,900	1,084,800
TOTAL SOURCE OF FUNDS	41,326,999	44,302,164	44,752,600	54,551,200	55,097,400
EXPENDITURES BY CLASS					
Personnel Costs	39,134,228	41,800,602	43,163,300	52,503,400	53,165,300
Operating Expenses	1,526,234	1,639,332	792,000	1,539,400	1,539,700
TOTAL EXPENDITURES	40,660,462	43,439,934	43,955,300	54,042,800	54,705,000
EXPENDITURES BY FUND SOURCE					
General Fund	39,640,500	42,080,300	42,647,000	52,266,800	53,058,600
Restricted Funds	614,890	747,061	804,600	782,200	642,700
Federal Fund	405,072	612,572	503,700	993,800	1,003,700
TOTAL EXPENDITURES	40,660,462	43,439,934	43,955,300	54,042,800	54,705,000
EXPENDITURES BY UNIT					
County Attorneys	40,660,462	43,439,934	43,955,300	54,042,800	54,705,000
TOTAL EXPENDITURES	40,660,462	43,439,934	43,955,300	54,042,800	54,705,000

Established in Sections 99 and 100 of the Kentucky Constitution, the offices of the County Attorney are present in each of the 120 counties of the Commonwealth. Pursuant to KRS 15.725(2), each County Attorney attends the district court in the respective county and prosecutes all violations of criminal and penal laws within the jurisdiction of that district court. In accordance with KRS 15.735, County Attorneys also serve as special prosecutors in cases where the elected prosecutors have been disqualified.

Criminal cases at the district level include felonies (until the case is transferred to circuit court), misdemeanors, juvenile cases, and traffic cases. County Attorneys prosecute the majority of DUI cases. Most counties have Family Court, Drug Court, and/or Truancy Court requiring representation from the Office of the County Attorney. The County Attorney receives numerous criminal complaints from local law enforcement and the general public and frequently mediates local complaints so many of the services provided may never appear on a court docket. County Attorneys are also required to participate on multi-disciplinary teams involving child sexual abuse cases.

Policy

The Budget of the Commonwealth provides General Fund appropriation of \$1,619,000 in fiscal year 2019 and \$1,720,900 in fiscal year 2020 for additional personnel. The enacted budget directs \$549,800 of General Fund in each fiscal year to support the Rocket Docket Program. Decrease in General Fund support of \$144,000 was included to accommodate language notwithstanding KRS 15.765 changing the monthly expense allowance for a County Attorney to \$400 a month instead of \$500 contained in statute.

General Government

Treasury

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	1,818,600	1,937,200	1,989,900	2,225,600	2,261,200
Budget Reduction-General Fund		-19,400	-25,400		
Total General Fund	1,818,600	1,917,800	1,964,500	2,225,600	2,261,200
Restricted Funds					
Balance Forward	254,723	326,757	411,700	121,100	20,700
Current Receipts	35,900	34,965	34,300	34,300	34,300
Non-Revenue Receipts	1,020,800	1,003,700	1,523,700	1,793,600	1,793,600
Total Restricted Funds	1,311,423	1,365,422	1,969,700	1,949,000	1,848,600
Road Fund					
Regular Appropriation	250,000	250,000	250,000	250,000	250,000
Total Road Fund	250,000	250,000	250,000	250,000	250,000
TOTAL SOURCE OF FUNDS	3,380,023	3,533,222	4,184,200	4,424,600	4,359,800
EXPENDITURES BY CLASS					
Personnel Costs	2,427,412	2,550,251	3,117,300	3,416,700	3,387,300
Operating Expenses	528,466	523,140	894,800	974,700	960,000
Capital Outlay	5,259		51,000	12,500	12,500
TOTAL EXPENDITURES	2,961,137	3,073,391	4,063,100	4,403,900	4,359,800
EXPENDITURES BY FUND SOURCE					
General Fund	1,726,528	1,895,729	1,964,500	2,225,600	2,261,200
Restricted Funds	984,666	953,723	1,848,600	1,928,300	1,848,600
Road Fund	249,943	223,939	250,000	250,000	250,000
TOTAL EXPENDITURES	2,961,137	3,073,391	4,063,100	4,403,900	4,359,800
EXPENDITURES BY UNIT					
General Administration and Support	1,097,600	1,243,461	1,354,500	1,485,400	1,504,000
Disbursements and Accounting	878,871	876,207	915,000	1,124,900	1,062,200
Abandoned Property Administration	984,666	953,723	1,793,600	1,793,600	1,793,600
TOTAL EXPENDITURES	2,961,137	3,073,391	4,063,100	4,403,900	4,359,800

The Treasury Department is the central administrative agency responsible for the receipt and custody of all revenues collected by state government and for writing all checks and disbursing state funds, as outlined in KRS Chapter 41.

The State Treasurer, a constitutional officer as provided in Section 91 of the Kentucky Constitution, heads the Treasury Department. The Treasurer also serves on the Kentucky Lottery Board, the Kentucky Higher Education Assistance Board, as trustee of the Kentucky Teachers' Retirement System, and is Vice-Chair of the State Investment Commission. The Treasury Department reviews and records all investment transactions of the Commonwealth.

The General Administration and Support Division provides management support for Treasury including: fiscal control, personnel administration, and policy development and implementation. The Division issues over 4,200,000 checks and stubs each year, sends over 7,700,000 ACH payments, reconciles the various Commonwealth bank accounts, reconciles daily with the State Depository, administers and records court-ordered withholdings, and produces wire transfers for state government.

The Disbursements and Accounting Division receives all funds of the Commonwealth including fees, grants, taxes, federal funds, fees from officials in counties over 75,000 in population, and fees from various boards and commissions. This program also receives, balances, and deposits all withholdings. A computer analysis is maintained on daily receipts and disbursements, which subsequently is submitted to the Finance and Administration Cabinet for accounting posting.

The Unclaimed Property Division is responsible for administering the provisions of KRS Chapter 393 related to escheats. This program receives unclaimed property reports from holders and potential holders of unclaimed property, collects unclaimed property, pursues the location and collection of the property, and attempts to locate the rightful property owner.

Policy

Restricted Funds are provided in accordance with KRS 393.250 for the administration of the Unclaimed Property program in the amount of \$1,793,600 in each fiscal year. This action reflects the movement of available off-budget Restricted Funds to on-budget status to support ongoing activities of the program.

Road Fund moneys in the amount of \$250,000 is included each fiscal year to support the central check writing system and other central administrative responsibilities of state government.

General Government

Agriculture

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	16,690,900	16,903,000	17,041,200	17,691,200	17,910,800
Continuing Approp-General Fund	299,196	250,982	203,700		
Budget Reduction-General Fund		-169,000	-217,800		
Other					
Total General Fund	16,990,096	16,984,982	17,027,100	17,691,200	17,910,800
Tobacco Fund					
Tobacco Settlement - Phase I	600,000	600,000	600,000	500,000	500,000
Current Year Appropriation			198,300		
Total Tobacco Fund	600,000	600,000	798,300	500,000	500,000
Restricted Funds					
Balance Forward	13,351,629	14,375,484	13,787,395	12,366,595	10,415,595
Current Receipts	6,665,682	7,287,218	6,700,600	6,837,600	6,824,800
Non-Revenue Receipts	2,144,898	2,067,407	2,070,000	2,070,000	2,070,000
Fund Transfers		-1,500,000			
Total Restricted Funds	22,162,209	22,230,109	22,557,995	21,274,195	19,310,395
Federal Fund					
Balance Forward					
Current Receipts	5,392,248	6,386,679	7,068,400	7,068,400	7,068,400
Non-Revenue Receipts	-171,798	-145,257			
Total Federal Fund	5,220,449	6,241,422	7,068,400	7,068,400	7,068,400
TOTAL SOURCE OF FUNDS	44,972,754	46,056,513	47,451,795	46,533,795	44,789,595
EXPENDITURES BY CLASS					
Personnel Costs	16,803,661	17,834,694	20,399,600	21,921,300	22,121,100
Operating Expenses	5,716,916	5,786,342	5,881,000	5,557,400	5,566,800
Grants Loans Benefits	7,180,224	6,510,425	8,033,700	7,549,700	7,549,700
Capital Outlay		675,685	770,900	1,089,800	1,089,800
Construction	6,387	41			
TOTAL EXPENDITURES	29,707,187	30,807,187	35,085,200	36,118,200	36,327,400
EXPENDITURES BY FUND SOURCE					
General Fund	16,100,013	16,781,312	17,027,100	17,691,200	17,910,800
Tobacco Fund	600,000	600,000	798,300	500,000	500,000
Restricted Funds	7,786,725	8,442,678	10,191,400	10,858,600	10,848,200
Federal Fund	5,220,449	4,983,197	7,068,400	7,068,400	7,068,400
TOTAL EXPENDITURES	29,707,187	30,807,187	35,085,200	36,118,200	36,327,400
EXPENDITURES BY UNIT					
Strategic Planning and Administration	5,124,278	5,525,902	6,213,500	6,215,900	6,291,000
Motor Fuel Inspection and Testing	188,379	202,633	203,700	204,700	204,700
Consumer and Environmental Programs	12,686,229	13,252,706	15,300,300	15,992,700	16,067,000
State Veterinarian	3,546,510	3,610,730	3,764,900	4,123,800	4,159,700
Animal Control	82,154	43,656	100,800	95,700	95,700
Farmland Preservation	9,625	1,027	582,300	582,300	582,300
Agriculture Marketing and Product Promotion	7,623,492	7,718,324	8,326,000	8,903,100	8,927,000
Small Winery Support Fund	446,521	452,208	593,700		
TOTAL EXPENDITURES	29,707,187	30,807,187	35,085,200	36,118,200	36,327,400

The Department of Agriculture, as defined in KRS Chapter 246, is headed by the Commissioner of Agriculture, a Constitutional Officer. The State Board of Agriculture, appointed by the Governor, acts as an advisory body to the elected Commissioner.

The Office of the Commissioner provides leadership and management for the Department, and includes the Division of Public Relations. The Office for Strategic Planning and Administration is responsible for personnel functions, budgeting, financial operation, and information technology systems.

The Office for Consumer and Environmental Protection directs programs which have a direct bearing on agricultural revenue. The Office conducts the grain regulation program, certifies all sales made by solid weight or liquid volume, licenses egg wholesalers, and inspects amusement rides operating within the Commonwealth. Duties include the distribution of commodity foods to qualifying institutions and individuals on behalf of the United States Department of Agriculture. This office is responsible for conducting various pest and noxious weed control programs, enforcing federal and state laws and regulations pertaining to the control of pesticide use and application, and liaison between the regulator and those being regulated.

The Office of State Veterinarian protects the livestock industry pursuant to KRS Chapter 257. Its primary function is the prevention and eradication of animal disease, and to ensure the health of the state's multi-billion dollar animal agriculture industries. It enforces Kentucky's statutes on animal importation and movement, and provides numerous other services to the livestock and poultry industries.

The Office for Agricultural Marketing and Product Promotion develops and manages programs which promote Kentucky-produced agricultural products, including grading and inspecting specific products and commodities and reporting market news. Responsibilities of this office include the research and development of new and expanded outlets for Kentucky's agricultural products, agricultural education, agritourism development, farm safety, administration of the Shows and Fairs Promotion Division, and farmland preservation. The Office is also responsible for providing testing services for hay and other forages essential for Kentucky's livestock industries.

**General Government
Auditor of Public Accounts**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	4,775,300	4,899,500	4,948,600	5,634,200	5,735,700
Budget Reduction-General Fund		-48,995	-63,300		
Total General Fund	4,775,300	4,850,505	4,885,300	5,634,200	5,735,700
Restricted Funds					
Balance Forward	121,903	1,087,530	450,100	450,100	225,000
Current Receipts	8,954,496	7,958,701	9,766,500	10,632,400	10,748,200
Total Restricted Funds	9,076,399	9,046,231	10,216,600	11,082,500	10,973,200
TOTAL SOURCE OF FUNDS	13,851,699	13,896,736	15,101,900	16,716,700	16,708,900
EXPENDITURES BY CLASS					
Personnel Costs	11,279,281	12,355,639	13,483,800	15,521,300	15,738,500
Operating Expenses	1,184,336	1,091,007	1,168,000	970,400	970,400
Capital Outlay	85,651				
TOTAL EXPENDITURES	12,549,269	13,446,646	14,651,800	16,491,700	16,708,900
EXPENDITURES BY FUND SOURCE					
General Fund	4,560,400	4,850,505	4,885,300	5,634,200	5,735,700
Restricted Funds	7,988,869	8,596,141	9,766,500	10,857,500	10,973,200
TOTAL EXPENDITURES	12,549,269	13,446,646	14,651,800	16,491,700	16,708,900
EXPENDITURES BY UNIT					
Auditor of Public Accounts	1,500,000	1,450,000	1,502,300	1,747,900	1,778,800
Financial Audit	8,949,269	10,195,641	11,348,200	12,670,300	12,819,700
Technology and Specialized Audits	2,100,000	1,801,005	1,801,300	2,073,500	2,110,400
TOTAL EXPENDITURES	12,549,269	13,446,646	14,651,800	16,491,700	16,708,900

The Auditor of Public Accounts is the constitutional officer responsible for auditing all state agencies and county governments, pursuant to KRS Chapter 43. Statutory responsibility requires the Auditor's Office to examine the state general accounts, the accounts of all state agencies, all private and semi-private agencies receiving or handling state funds, all state revenue collections, funds contained in each county's budget, and the accounts and papers of all county clerks and sheriffs. The Auditor must examine the management and control of all institutions and public works in which the state has financial interest or legal power.

The Auditor's Office is responsible for assisting state and local officials in establishing and maintaining proper accounting records, internal controls, and administrative controls over public funds. The Office responds to requests from public officials, the general public, the Legislative Research Commission, and the Governor's Office concerning financial and program matters, special audits, and investigations. Also, the Auditor of Public Accounts has primary responsibility for auditing nearly \$9 billion in federal funds expended in state and county governments.

The Auditor of Public Accounts has three program areas: Administration, Office of Financial Audits, and the Office of Technology and Special Audits.

The Administration area includes the Office of the State Auditor, the Office of Legal and Records Services, and the Office of Planning and Management. All policy, budget, fiscal, legal, and personnel duties are performed within the Administration area.

The Office of Financial Audits is responsible for financial audits of state agency transactions, pursuant to KRS 43.050, and of county officials such as fiscal courts, sheriffs, county clerks, property valuation administrators, county attorneys, and circuit clerks per KRS 43.070. Audits of major federal programs performed in accordance with the Single Audit Act of 1984 (amended in 1996) as enacted by the United States Congress are also performed by this office. Collectively, these audits identify significant waste, fraud, and abuse, and have led to numerous law enforcement referrals.

The Office of Technology and Special Audits is responsible for maintaining internal technology systems, and for performing audits of significant information technology systems, special examinations, and performance audits of public entities to increase the effectiveness and reduce the cost of the delivery of services.

**General Government
Personnel Board**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
Restricted Funds					
Balance Forward	180,486	289,833	480,100	451,900	242,100
Current Receipts	851,393	885,979	885,600	800,000	800,000
Total Restricted Funds	1,031,879	1,175,812	1,365,700	1,251,900	1,042,100
TOTAL SOURCE OF FUNDS	1,031,879	1,175,812	1,365,700	1,251,900	1,042,100
EXPENDITURES BY CLASS					
Personnel Costs	626,363	583,810	772,900	868,900	877,600
Operating Expenses	115,683	111,889	140,900	140,900	140,900
TOTAL EXPENDITURES	742,046	695,699	913,800	1,009,800	1,018,500
EXPENDITURES BY FUND SOURCE					
Restricted Funds	742,046	695,699	913,800	1,009,800	1,018,500
TOTAL EXPENDITURES	742,046	695,699	913,800	1,009,800	1,018,500
EXPENDITURES BY UNIT					
Personnel Board	742,046	695,699	913,800	1,009,800	1,018,500
TOTAL EXPENDITURES	742,046	695,699	913,800	1,009,800	1,018,500

Created by the 1982 General Assembly, the Personnel Board is composed of seven members. The Governor appoints five, and two are classified employees elected by their colleagues. Pursuant to KRS 18A.0551, elections for the two classified employee members of the Board are held every four years.

The Personnel Board serves in a quasi judicial capacity and assists the Personnel Cabinet in the development of administrative regulations pertaining to the classified service. The Board administers the appeals process of applicants for classified positions and conducts hearings for any non-probationary employee who is dismissed, demoted, suspended, or otherwise penalized for cause.

Policy

The Personnel Board will coordinate with the Finance and Administration Cabinet to assess each agency of the Executive Branch under KRS 18A based upon the authorized permanent full-time positions of each agency as of July 1.

**General Government
Kentucky Retirement Systems**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation		98,193,000	87,574,300	1,086,200	1,086,200
Total General Fund		98,193,000	87,574,300	1,086,200	1,086,200
Restricted Funds					
Balance Forward		3,395,352			
Current Receipts	1,882	12,116			
Non-Revenue Receipts	36,050,000	30,353,839	42,960,400	47,307,300	47,702,500
Total Restricted Funds	36,051,882	33,761,307	42,960,400	47,307,300	47,702,500
TOTAL SOURCE OF FUNDS	36,051,882	131,954,307	130,534,700	48,393,500	48,788,700
EXPENDITURES BY CLASS					
Personnel Costs	27,223,582	28,951,838	122,762,300	39,794,600	40,369,800
Operating Expenses	3,479,035	3,797,176	7,772,400	8,548,900	8,418,900
Grants Loans Benefits	1,534,438	99,114,367			
Capital Outlay	419,475	90,925		50,000	
TOTAL EXPENDITURES	32,656,530	131,954,307	130,534,700	48,393,500	48,788,700
EXPENDITURES BY FUND SOURCE					
General Fund		98,193,000	87,574,300	1,086,200	1,086,200
Restricted Funds	32,656,530	33,761,307	42,960,400	47,307,300	47,702,500
TOTAL EXPENDITURES	32,656,530	131,954,307	130,534,700	48,393,500	48,788,700
EXPENDITURES BY UNIT					
Kentucky Retirement Systems	32,656,530	131,954,307	130,534,700	48,393,500	48,788,700
TOTAL EXPENDITURES	32,656,530	131,954,307	130,534,700	48,393,500	48,788,700

Kentucky Retirement Systems administers three retirement systems which are qualified governmental defined benefit plans under Section 401(a) of the Internal Revenue Code: Kentucky Employees Retirement System (state employees, universities, health departments, certain boards) governed by KRS 61.510-61.705; County Employees Retirement System (employees of cities, counties, local government entities, and classified employees of school boards) governed by KRS 78.510-78.852; and State Police Retirement System (uniformed officers of Kentucky State Police) governed by KRS 16.505-16.652. Medical insurance benefits are governed by KRS 61.701-61.702. The systems were established in the 1950s to provide a pension that, when coupled with Social Security, would provide the career employee with sufficient income to maintain his or her pre-retirement standard of living.

Kentucky Retirement Systems is administered by a seventeen-member board of trustees consisting of the Secretary of the Personnel Cabinet, ten members appointed by the Governor, and six members elected by employees and retirees of the three retirement systems. The Board is responsible for the collection and investment of contributions. Members of the Board are considered fiduciaries and are required to administer the funds in the sole interest of the members and beneficiaries of the systems. The Board is required to invest the funds under the "prudent person" rule. Investments are diversified among common stocks, government and private bonds, real estate and cash equivalents. An actuarial valuation is conducted each year to determine the funding status of the three systems, and an annual independent audit is performed as well.

Employers contribute a percentage of gross payroll recommended by the actuarial valuation. However, the General Assembly may adopt a rate that varies from the actuarial valuation. Employees contribute at a fixed rate set in the statutes. The assets of the system are considered trust funds. All expenses are paid from the trust.

Restricted Funds providing for the operations of the Kentucky Retirement Systems in the Budget of the Commonwealth are transferred from trust funds held by the System for the benefit of members and beneficiaries. The trust funds include investment earnings, employee contributions, and employer contributions from agencies supported by the General Fund, the Road Fund, Federal Funds, and Restricted Funds.

Policy

The Budget of the Commonwealth provides additional General Fund in the amount of \$1,086,200 in each fiscal year in a direct appropriation for the unfunded liabilities of the State Police Retirement System.

General Government
Occupational & Professional Boards & Commissions

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
Restricted Funds					
Balance Forward	17,017,094	19,755,385	23,280,800	23,616,500	22,021,600
Current Receipts	22,469,958	23,546,441	22,213,400	23,592,100	22,682,600
Non-Revenue Receipts	18,353				
Fund Transfers	-600,000				
Total Restricted Funds	38,905,405	43,301,826	45,494,200	47,208,600	44,704,200
TOTAL SOURCE OF FUNDS	38,905,405	43,301,826	45,494,200	47,208,600	44,704,200
EXPENDITURES BY CLASS					
Personnel Costs	15,007,260	16,060,062	17,485,100	20,615,000	20,836,700
Operating Expenses	3,672,757	3,482,011	3,896,400	4,075,800	4,067,400
Grants Loans Benefits	452,951	448,019	495,700	495,700	495,700
Capital Outlay	4,584	27,030	500	500	500
Construction	12,468	3,873			
TOTAL EXPENDITURES	19,150,020	20,020,995	21,877,700	25,187,000	25,400,300
EXPENDITURES BY FUND SOURCE					
Restricted Funds	19,150,020	20,020,995	21,877,700	25,187,000	25,400,300
TOTAL EXPENDITURES	19,150,020	20,020,995	21,877,700	25,187,000	25,400,300
EXPENDITURES BY UNIT					
Accountancy	509,409	524,998	581,400	649,500	655,500
Certification of Alcohol and Drug Counselors	106,143	108,072	102,200	150,200	150,200
Applied Behavior Analysis	13,807	30,896	30,600	30,600	30,600
Licensing					
Architects	415,366	415,173	463,700	547,300	552,400
Certification for Professional Art Therapists	10,287	11,830	11,200	11,200	11,200
Barbering	310,746	328,486	340,800	423,100	426,000
Chiropractic Examiners	293,094	280,450	336,500	374,400	377,900
Dentistry	657,141	518,142	940,200	1,011,100	1,017,500
Diabetes Educators	9,908	18,838	26,800	26,800	26,800
Licensure & Cert. for Dietitians & Nutritionists	66,460	59,446	73,900	73,900	73,900
Embalmers and Funeral Directors	461,339	465,710	427,800	483,500	488,600
Licensure for Prof. Engineers and Land Surveyors	1,249,774	1,271,066	1,393,000	1,578,100	1,594,500
Certification of Fee-Based Pastoral Counselors	3,308	4,598	3,600	3,600	3,600
Registration for Professional Geologists	92,016	83,669	95,000	95,000	95,000
Hairdressers and Cosmetologists	1,302,824	1,249,638	1,451,800	1,719,300	1,733,700
Specialists in Hearing Instruments	57,360	46,652	58,000	58,000	58,000
Interpreters for the Deaf and Hard of Hearing	37,877	43,036	38,200	38,200	38,200
Examiners & Registration of Landscape Architects	66,979	68,673	69,300	76,800	77,500
Licensure of Marriage and Family Therapists	117,564	113,274	133,600	133,600	133,600
Licensure for Massage Therapy	188,443	170,457	169,900	169,900	169,900
Medical Imaging and Radiation Therapy	229,277	245,382	314,400	435,300	438,300
Medical Licensure	2,633,302	2,861,702	3,088,200	3,407,900	3,426,800
Nursing	6,048,692	6,675,031	7,266,000	8,266,800	8,355,200

EXPENDITURES BY UNIT

Licensure for Nursing Home Administrators	59,460	53,186	61,100	61,100	61,100
Licensure for Occupational Therapy	175,715	138,631	176,600	191,600	191,600
Ophthalmic Dispensers	50,921	44,560	49,700	68,200	68,200
Optometric Examiners	196,618	206,504	208,700	231,300	233,300
Pharmacy	1,654,970	1,881,184	1,740,000	2,437,400	2,465,300
Physical Therapy	519,396	570,331	583,700	647,000	652,700
Podiatry	35,923	28,193	39,900	40,000	40,000
Private Investigators	69,241	61,966	73,700	73,700	73,700
Licensed Professional Counselors	217,366	225,706	215,800	260,800	260,800
Prosthetics, Orthotics and Pedorthics	44,545	38,503	46,200	46,200	46,200
Examiners of Psychology	318,333	216,948	256,400	256,400	256,400
Respiratory Care	204,517	223,514	223,600	240,300	242,900
Social Work	347,596	359,045	338,300	421,000	425,300
Speech-Language Pathology and Audiology	164,080	146,746	172,900	172,900	172,900
Veterinary Examiners	210,223	230,757	275,000	275,000	275,000
TOTAL EXPENDITURES	19,150,020	20,020,995	21,877,700	25,187,000	25,400,300

The forty-two occupational, professional and regulatory Boards and Commissions were created to safeguard the life, health, safety and welfare of the people of the Commonwealth who avail themselves of the services that are licensed or regulated by these Boards. Board members are appointed by the Governor and represent both industry and consumer interests.

Common objectives of the Boards and Commissions are to examine and license all qualified applicants, enforce ethical, legal and professional standards and regulations, ensure compliance with licensure requirements and administer programs in an efficient manner. The boards and commissions operate solely from agency receipts.

Twenty-seven of the Boards and Commissions employ the services of the Department of Professional Licensing established in KRS 324B.020 within the Public Protection Cabinet to perform their administrative functions. Department of Professional Licensing executes administrative support services including but not limited to applications and renewals, preparation of board meeting materials, database entry, maintenance of Board records and files, preparation of correspondence, administration of examinations and communications with the public regarding board activity and functions.

**General Government
Kentucky River Authority**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	255,500	256,000	258,200	282,700	286,400
Budget Reduction-General Fund		-2,600	-13,200		
Total General Fund	255,500	253,400	245,000	282,700	286,400
Restricted Funds					
Balance Forward	3,996,761	4,180,676	5,013,000	5,570,200	4,405,700
Current Receipts	4,212,167	4,464,984	4,158,500	7,125,000	7,131,000
Non-Revenue Receipts	-1,012,600	-485,900		-1,000,000	-2,000,000
Total Restricted Funds	7,196,328	8,159,761	9,171,500	11,695,200	9,536,700
TOTAL SOURCE OF FUNDS	7,451,828	8,413,161	9,416,500	11,977,900	9,823,100
EXPENDITURES BY CLASS					
Personnel Costs	774,243	769,422	823,300	1,004,800	1,016,800
Operating Expenses	340,781	256,481	283,800	333,500	333,500
Grants Loans Benefits	233,818	220,718	259,200	259,200	259,200
Debt Service	1,910,809	2,143,622	2,480,000	5,760,000	5,760,000
Capital Outlay		9,898		214,700	206,200
TOTAL EXPENDITURES	3,259,651	3,400,140	3,846,300	7,572,200	7,575,700
EXPENDITURES BY FUND SOURCE					
General Fund	244,000	253,400	245,000	282,700	286,400
Restricted Funds	3,015,651	3,146,740	3,601,300	7,289,500	7,289,300
TOTAL EXPENDITURES	3,259,651	3,400,140	3,846,300	7,572,200	7,575,700
EXPENDITURES BY UNIT					
General Operations	1,088,400	1,001,111	1,055,100	1,147,600	1,155,900
Locks and Dams Construction/ Maintenance	1,910,809	2,143,622	2,500,000	5,905,000	5,905,000
Locks and Dams Operations	260,442	255,407	291,200	519,600	514,800
TOTAL EXPENDITURES	3,259,651	3,400,140	3,846,300	7,572,200	7,575,700

The mission of the Kentucky River Authority is to protect the quality and sufficiency of the water supply in the Kentucky River Basin. The people and businesses in 42 counties depend on the river and its tributaries for clean drinking water, for commercial and industrial uses, and for the generation of electricity. The water supply is maintained in a series of pools behind 14 dams that were originally constructed by the Army Corps of Engineers beginning about 1837. Some of those dams also contain working locks that allow commercial and recreational boat traffic to move up and down the river. The Authority collects a water withdrawal fee from each water utility and business user in the watershed that supports programs which benefit the entire watershed. In addition, a second fee is collected from users who withdraw water from the main stem of the river. Those funds support the lock and dam renovation and reconstruction projects the Authority undertakes from time to time. The Authority also receives a small General Fund appropriation to staff the four operating locks during the summer, when there is considerable recreational activity on the river.

The Authority is created in KRS 151.705 as a public corporation and independent state agency. The Authority is governed by a board that consists of the Secretary of Finance and Administration, the Secretary of Energy and Environment and ten members appointed by the Governor. Those ten include a mayor and a county judge-executive from jurisdictions within the Kentucky River Basin, an engineer and a water quality expert. The board appoints an executive director and other staff necessary to carry out the responsibilities of the Authority.

The Authority has acquired title to the locks and dams upriver from Frankfort from the Army Corps of Engineers. Dams 1 through 4 between the Ohio River and Frankfort are maintained by the Authority under a long-term lease agreement until such time as the Army declares them to be surplus property.

The Kentucky River Authority has built new dams at Dam 9 at Valley View in Fayette County, Dam 3 in Owen and Henry Counties, and Dam 8 in Jessamine County. Dams 9 and 3 retain the water supply for Kentucky American Water Company's Lexington and Owen County water treatment plants. Dam 8 retains the water supply for Nicholasville and Lancaster. Locks 1 through 4 are currently operational. Eighty-two uninterrupted miles of the Kentucky River are now navigable from Carrollton to Tyrone in Anderson County.

General Government
School Facilities Construction Commission

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	108,580,000	121,991,300	134,918,000	129,898,300	129,071,300
Total General Fund	108,580,000	121,991,300	134,918,000	129,898,300	129,071,300
Restricted Funds					
Balance Forward	2,324,551	7,922,359	13,119,400	26,412,700	412,700
Non-Revenue Receipts	6,186,808	8,578,439	13,293,300		
Fund Transfers		-2,396,400		-26,000,000	
Total Restricted Funds	8,511,359	14,104,398	26,412,700	412,700	412,700
TOTAL SOURCE OF FUNDS	117,091,359	136,095,698	161,330,700	130,311,000	129,484,000
EXPENDITURES BY CLASS					
Personnel Costs	323,300	334,300	333,700	355,100	360,100
Operating Expenses	40,000	46,100	40,000	38,800	38,800
Grants Loans Benefits	589,000	985,000			
Debt Service	108,216,700	121,610,900	134,544,300	129,504,400	128,672,400
TOTAL EXPENDITURES	109,169,000	122,976,300	134,918,000	129,898,300	129,071,300
EXPENDITURES BY FUND SOURCE					
General Fund	108,580,000	121,991,300	134,918,000	129,898,300	129,071,300
Restricted Funds	589,000	985,000			
TOTAL EXPENDITURES	109,169,000	122,976,300	134,918,000	129,898,300	129,071,300
EXPENDITURES BY UNIT					
School Facilities Construction Commission	109,169,000	122,976,300	134,918,000	129,898,300	129,071,300
TOTAL EXPENDITURES	109,169,000	122,976,300	134,918,000	129,898,300	129,071,300

The School Facilities Construction Commission (SFCC), created by the 1985 Extraordinary Session of the General Assembly (KRS 157.611 et seq.), exists to assist local school districts with their school building needs. The Commission is responsible for the distribution of state funds via offers of assistance for approved building or renovation projects. The Commission is empowered to act on behalf of local school districts to issue bonds in the name of the Commission and to enter into lease arrangements with local boards of education to finance construction of new facilities or major renovation of existing school facilities.

Offers of assistance are made to eligible local school districts, which have demonstrated a reasonable local effort to provide adequate school facilities but still have unmet building needs. Required local effort consists of a levy equivalent to at least five cents per hundred dollars of assessed valuation as well as available funds within a district's capital outlay and building funds and related bonding capacity. Unmet building needs are the costs of projects on a district's facilities plan as approved by the Kentucky Department of Education that remain after the application of local effort. A given district qualifies for offers of assistance based on its unmet need relative to unmet need statewide.

The School Facilities Construction Commission is also charged with distributing state funds allocated to the Kentucky Education Technology System's trust fund to assist local school districts in addressing their unmet education technology needs.

Policy

The Budget of the Commonwealth includes additional General Fund to support debt service necessary to fulfill commitments made by previous sessions of the General Assembly in authorizing additional bonded indebtedness and related offers of assistance to local school districts.

The Budget of the Commonwealth includes General Fund in the amount of \$1,117,000 in fiscal year 2018-2019 and \$4,654,100 in fiscal year 2019-2020 for debt service for \$58,000,000 in bonds to finance the offers of assistance authorized by the 2016 Regular Session of the General Assembly. Also included is General Fund in the amount of \$612,300 in fiscal year 2018-2019 and \$1,224,600 in fiscal year 2019-2020 for debt service for \$15,263,000 in bonds to finance Special Offers of Assistance for two urgent needs schools.

The Budget of the Commonwealth authorizes the School Facilities Construction Commission to make an additional \$58,000,000 in new offers of assistance during the 2018-2020 biennium in anticipation of debt service availability during the 2020-2022 biennium.

The Budget of the Commonwealth suspends the provisions of KRS 157.618 and transfers \$26,000,000 in fiscal year 2018-2019 from the Emergency and Targeted Investment Fund to the General Fund.

**General Government
Teachers' Retirement System**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	299,318,400	779,248,000	744,837,200	828,160,500	719,474,400
Total General Fund	299,318,400	779,248,000	744,837,200	828,160,500	719,474,400
Restricted Funds					
Balance Forward	2,411,695	5,419,137	5,025,589		
Current Receipts	-245,378	-163,155			
Non-Revenue Receipts	14,425,969	11,355,463	8,489,411	13,949,200	13,989,000
Total Restricted Funds	16,592,287	16,611,444	13,515,000	13,949,200	13,989,000
TOTAL SOURCE OF FUNDS	315,910,687	795,859,444	758,352,200	842,109,700	733,463,400
EXPENDITURES BY CLASS					
Personnel Costs	9,670,459	10,352,332	11,070,600	11,504,300	11,543,600
Operating Expenses	1,371,489	1,212,624	2,318,500	2,319,000	2,319,500
Grants Loans Benefits	183,013,002	672,430,500	647,689,200	749,294,500	658,896,000
Debt Service	116,436,562	106,838,369	97,148,000	78,866,000	60,578,400
Capital Outlay			125,900	125,900	125,900
TOTAL EXPENDITURES	310,491,511	790,833,824	758,352,200	842,109,700	733,463,400
EXPENDITURES BY FUND SOURCE					
General Fund	299,318,362	779,247,969	744,837,200	828,160,500	719,474,400
Restricted Funds	11,173,150	11,585,856	13,515,000	13,949,200	13,989,000
TOTAL EXPENDITURES	310,491,511	790,833,824	758,352,200	842,109,700	733,463,400
EXPENDITURES BY UNIT					
Teachers' Retirement System	310,491,511	790,833,824	758,352,200	842,109,700	733,463,400
TOTAL EXPENDITURES	310,491,511	790,833,824	758,352,200	842,109,700	733,463,400

The Teachers' Retirement System, as defined in KRS 161.220 161.716, was established in 1940 to provide a broad program of retirement benefits, death and survivor benefits, medical insurance benefits, and disability benefits to its membership.

Administration of the System is the responsibility of the nine member Board of Trustees. Two of the members, the Commissioner of Education and the State Treasurer, are ex officio, serving by reason of their constitutional offices. The members of the Retirement System elect the remaining seven trustees for four year terms. Four of these must be active members of the Retirement System, one must be a retired member, and two must be persons from outside the teaching profession. The Board of Trustees appoints an Executive Secretary who is responsible for the administration of the affairs of the Retirement System under policies established by the Board.

Membership is comprised of all persons occupying positions in the public elementary or secondary schools for which certification is required. In addition, staff members of Western Kentucky University, Eastern Kentucky University, Morehead State University, Murray State University, Kentucky State University, professional staff of the Department of Education, Cabinet for Workforce Development, faculty members of the School for the Deaf, the School for the Blind, as well as faculty of the state and area vocational schools are members. Membership is mandatory for all persons teaching in the public schools or other institutions covered by the statutes governing teachers' retirement.

Benefits are financed through member contributions, contributions by the state, and income accruing from the invested reserves of the system. The General Assembly has set the member contribution rate at 9.855 percent of gross salary for persons other than university faculty members joining the system prior to July 1, 2008. Persons joining on or after that date contribute 10.855 percent of gross salary. University faculty members who joined the system prior to July 1, 2008 contribute 8.375 percent of gross salary and their employer matches this amount. University faculty members joining on or after that date contribute 9.375 percent of gross salary with the employer matching that amount. In addition, each employer contributes an overmatch of 3.25 percent of gross salary to help reduce the system's unfunded liability. The reserves of the agency are invested in a manner that will provide a reasonable rate of return with major emphasis on the protection of the reserves.

HB 540 enacted by the 2010 Regular Session of the General Assembly required additional contributions to ensure the solvency and stability of the retirement system's medical insurance fund. Members hired prior to July 1, 2008 contribute an additional 3.0% and members hired July 1, 2008 or later contribute an additional 2.0% to the medical insurance fund. This brings the total member contributions for the medical insurance to 3.75% for all members.

The employer match for Department of Education, the Cabinet for Workforce Development, and university employees is budgeted within the Department, the Cabinet, and the affected universities and is then transferred to the Teachers' Retirement System.

Funding for the employer match on behalf of local school district members is provided as an adjunct to the Support Education Excellence in Kentucky program (SEEK) within the Department of Education.

Policy

The Budget of the Commonwealth includes General Fund support in the amount of \$78,866,000 in fiscal year 2019 and \$60,578,400 in fiscal year 2020 for debt service on bonds previously issued.

The Budget of the Commonwealth includes sufficient General Fund support to meet the amortized cost of previously enacted cost-of-living adjustments (COLAs) and other benefit improvements for system members.

The Budget of the Commonwealth includes \$4,726,200 in fiscal year 2019 and \$9,552,200 in fiscal year 2020 in General Fund support for initial payments on the amortized cost of increased retirement allowances for those recipients retiring during the 2018-2020 biennium who are eligible to add accrued sick leave to their final year of service.

The Budget of the Commonwealth fulfilled the General Assembly's 2014 pledge to use lesser debt service in the amount of \$18,282,000 in fiscal year 2019 and \$36,569,600 in fiscal year 2020 to reduce the unfunded pension liability.

The Budget of the Commonwealth includes General Fund Support sufficient to fund the actuarially required contribution amount requested by the Teachers' Retirement System.

The Budget of the Commonwealth includes \$59,500,000 in fiscal year 2019 to support single coverage health insurance for retirees under age 65.

General Government
Appropriations Not Otherwise Classified

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	5,026,400	5,026,400	5,026,400	14,526,400	14,526,400
Mandated Allotments	13,265,100	15,565,738	12,000,000		
Other					
Total General Fund	18,291,500	20,592,138	17,026,400	14,526,400	14,526,400
TOTAL SOURCE OF FUNDS	18,291,500	20,592,138	17,026,400	14,526,400	14,526,400
EXPENDITURES BY CLASS					
Personnel Costs	14,531,173	15,015,829	14,639,900	12,139,900	12,139,900
Operating Expenses	3,760,172	5,576,310	2,383,400	2,383,400	2,383,400
Grants Loans Benefits			3,100	3,100	3,100
TOTAL EXPENDITURES	18,291,345	20,592,138	17,026,400	14,526,400	14,526,400
EXPENDITURES BY FUND SOURCE					
General Fund	18,291,345	20,592,138	17,026,400	14,526,400	14,526,400
TOTAL EXPENDITURES	18,291,345	20,592,138	17,026,400	14,526,400	14,526,400
EXPENDITURES BY UNIT					
Attorney General Expense	404,098	463,678	450,000	450,000	450,000
Board of Claims Award	199,662	106,775	200,000	200,000	200,000
Guardian Ad Litem	14,066,538	14,491,863	14,124,900	11,624,900	11,624,900
Prior Year Claims	448,286	1,793,534	100,000	100,000	100,000
Unredeemed Checks Refunded	2,270,157	2,865,986	1,252,400	1,252,400	1,252,400
Involuntary Commitments-ICF/MR	60,538	60,287	65,000	65,000	65,000
Frankfort In Lieu of Taxes	195,000	195,000	195,000	195,000	195,000
Frankfort Cemetery			3,100	3,100	3,100
Survivor Benefits	488,877	488,877	488,900	488,900	488,900
Med Malpractice Liability Ins Reimb	108,469	76,416	97,100	97,100	97,100
Blanket Employee Bonds	49,721	49,721	50,000	50,000	50,000
TOTAL EXPENDITURES	18,291,345	20,592,138	17,026,400	14,526,400	14,526,400

Appropriations Not Otherwise Classified (ANOC) are appropriations not related to particular programs. Each item within this category has been given program status so that expenditures can be budgeted and accounted for separately. It includes such items as Attorney General expenses for defending employees of the Commonwealth and prior year claims for legal obligations of the Commonwealth. Any expenditure for costs of items included within this classification over the amounts appropriated is to be paid from the General Fund Surplus account or the Budget Reserve Trust Fund.

Policy

The Budget of the Commonwealth includes additional General Fund in the amount of \$9,500,000 in each fiscal year for the Guardian ad Litem program for costs that were previously considered a necessary government expense. Expenses that exceed this amount will be considered a necessary government expense and shall be paid from the General Fund Surplus Account (KRS 48.700) or the Budget Reserve Trust Fund Account (KRS 48.705).

General Government
KY Communications Network Authority

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation				33,387,400	34,268,300
Current Year Appropriation			2,820,200		
Other		11,794,245	22,754,000		
Total General Fund		11,794,245	25,574,200	33,387,400	34,268,300
Restricted Funds					
Balance Forward		3,274,963	4,247,100		
Current Receipts		3,034,534		3,500,000	1,500,000
Non-Revenue Receipts	4,244,500		243,600		
Total Restricted Funds	4,244,500	6,309,497	4,490,700	3,500,000	1,500,000
Federal Fund					
Current Receipts		162,494	186,500		
Non-Revenue Receipts	105,700	-104,088	-1,600		
Total Federal Fund	105,700	58,406	184,900		
TOTAL SOURCE OF FUNDS	4,350,200	18,162,148	30,249,800	36,887,400	35,768,300
EXPENDITURES BY CLASS					
Personnel Costs	962,860	1,548,643	2,923,300	3,514,300	3,543,900
Operating Expenses	57,985	12,189,520	24,526,900	30,828,100	31,179,400
Grants Loans Benefits	54,392	165,222	630,100		
Capital Outlay		11,700	2,169,500	2,545,000	1,045,000
TOTAL EXPENDITURES	1,075,237	13,915,085	30,249,800	36,887,400	35,768,300
EXPENDITURES BY FUND SOURCE					
General Fund		11,794,245	25,574,200	33,387,400	34,268,300
Restricted Funds	969,537	2,062,434	4,490,700	3,500,000	1,500,000
Federal Fund	105,700	58,406	184,900		
TOTAL EXPENDITURES	1,075,237	13,915,085	30,249,800	36,887,400	35,768,300
EXPENDITURES BY UNIT					
KY Communications Network Authority	1,022,694	13,423,828	28,793,600	36,887,400	35,768,300
Regional Strategic Development Funds	52,542	491,257	1,456,200		
TOTAL EXPENDITURES	1,075,237	13,915,085	30,249,800	36,887,400	35,768,300

Executive Order 2015-574 created the Kentucky Communications Network Authority (KCNA), now codified in KRS Chapter 154.15.

KCNA, in conjunction with the Board of the Kentucky Communications Network Authority, will manage and oversee the KentuckyWired network, the Commonwealth's open-access broadband network. KentuckyWired is a Commonwealth public infrastructure project that will be built to provide broadband service using a modern high-capacity fiber infrastructure. The primary purpose of the project will be to provide broadband services to all of the Commonwealth's agencies and its public postsecondary education institutions. The project is designed to have the capacity and ability to service other public sector organizations, like public libraries and public school districts. The network will be comprised of more than 3,000 miles of high-speed internet connectivity throughout Kentucky's 120 counties.

As authorized by the 2014-2016 Executive Branch appropriations act, a public-private partnership has been established to design, build, operate and maintain the network for 30 years. The partnership leverages private sector funding for most of the construction costs of the project. The Commonwealth will shift resources from payments for current services to pay for the new and substantially faster state-owned network. The Commonwealth retains ownership of the network.

KentuckyWired is unique in that it will be an "open access" network. This means cities, partnerships, private companies or other groups may acquire access to these "middle-mile" lines, but the network will not be providing "last mile" services, or the lines that run to individual homes or businesses.

Legislation passed by the 2018 Regular Session of the General Assembly codified new language in KRS 154.15-020 authorizing KCNA to leverage future revenues to incur up to \$110 million in debt in the name of the authority.

Policy

Senate Bill 200 from the 2018 Regular Session of the General Assembly amended the 2018-2020 biennial appropriations act to provide additional General Fund resources in the amount of \$2,820,200 in fiscal year 2017-2018 to support the ongoing operations of the Kentucky Communications Network Authority. General Fund resources to support availability payments in fiscal year 2017-2018 are provided from the Finance and Administration Cabinet's Debt Service appropriation unit pursuant to the 2016-2018 biennial appropriations act.

Senate Bill 200 also provided General Fund resources in fiscal years 2018-2019 and 2019-2020 to fund both the Authority's ongoing operations and required availability payments.

Economic Development

Economic Development

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	35,146,600	17,963,600	18,031,200	25,496,800	25,606,300
Continuing Approp-General Fund	24,930	10,756,428	3,251,400		
Budget Reduction-General Fund		-750,000			
Total General Fund	35,171,530	27,970,028	21,282,600	25,496,800	25,606,300
Restricted Funds					
Balance Forward	2,551,869	836,748	937,900	338,200	338,200
Current Receipts	2,526,930	2,501,421	2,413,600	2,888,800	2,950,000
Non-Revenue Receipts	22,775				
Total Restricted Funds	5,101,575	3,338,168	3,351,500	3,227,000	3,288,200
Federal Fund					
Balance Forward		332,576	13,000		
Current Receipts	5,608,300	350,238			
Non-Revenue Receipts	-89,611		440,900	397,500	
Total Federal Fund	5,518,689	682,814	453,900	397,500	
TOTAL SOURCE OF FUNDS	45,791,794	31,991,010	25,088,000	29,121,300	28,894,500
EXPENDITURES BY CLASS					
Personnel Costs	8,456,696	8,426,026	10,925,600	13,659,400	13,830,800
Operating Expenses	2,904,641	2,301,023	2,810,200	6,508,100	6,108,700
Grants Loans Benefits	20,744,563	16,202,178	11,014,000	8,615,600	8,616,800
Debt Service	892,000				
TOTAL EXPENDITURES	32,997,900	26,929,227	24,749,800	28,783,100	28,556,300
EXPENDITURES BY FUND SOURCE					
General Fund	23,546,960	23,859,267	21,282,600	25,496,800	25,606,300
Restricted Funds	4,264,827	2,400,203	3,013,300	2,888,800	2,950,000
Federal Fund	5,186,113	669,758	453,900	397,500	
TOTAL EXPENDITURES	32,997,900	26,929,227	24,749,800	28,783,100	28,556,300
EXPENDITURES BY UNIT					
Economic Development	32,997,900	26,929,227	24,749,800	28,783,100	28,556,300
TOTAL EXPENDITURES	32,997,900	26,929,227	24,749,800	28,783,100	28,556,300

The Cabinet for Economic Development is governed by the Kentucky Economic Development Partnership. The Partnership board has 11 voting members and two non-voting members. The 11 voting members are the Governor, who is chairman, the Secretary of the Finance and Administration Cabinet, the Secretary of the Energy and Environment Cabinet, and eight citizen members appointed by the Governor who represent all sectors of the economic development community. The Secretary of the Cabinet for Economic Development (nominated by the Economic Development Partnership and appointed by the Governor) and the Secretary of the Tourism, Arts and Heritage Cabinet serve as non-voting members.

The budgetary resources for the Cabinet are organized in four programs within a single appropriation unit. Business Development is the Commonwealth's marketing and sales force to both prospective investors and existing businesses. Its resources include Kentucky-based business development agents and representatives in Tokyo, Japan and Hamburg, Germany; a database of available sites; comprehensive market research; targeted programs for small businesses; and support of the statewide network of Innovation and Commercialization Centers. The Bluegrass State Skills Corporation makes matching grants for industry-specific training of employees. Financial Services administers loans, grants and tax incentives available to businesses that invest and create or maintain jobs in Kentucky, and staffs the Kentucky Economic Development Finance Authority. The Office of the Secretary provides strategic direction for Cabinet activities and administrative services such as legal, fiscal, budget, personnel and asset management.

Policy

The Budget of the Commonwealth includes General Fund of \$2,000,000 in fiscal year 2018-2019 and \$2,000,000 in fiscal year 2019-2020 for training grants for Bluegrass State Skills Corporation. Notwithstanding KRS 45.229, the General Fund

appropriation balance for Bluegrass State Skills Corporation training grants for fiscal year 2017-2018 and fiscal year 2018-2019 shall not lapse and shall carry forward.

Notwithstanding KRS 164.6011 to KRS 164.6041 the Budget of the Commonwealth authorizes the Cabinet for Economic Development to carry out provisions of KRS 164.6011 to KRS 164.6041. Included in the General Fund is \$4,792,800 in each fiscal year to carry out the Science and Technology program. This additional funding was authorized in House Bill 265. House Bill 265 from the 2018 Regular Session of the General Assembly amended the 2018-2020 Biennial Appropriations Act to include this provision.

Department of Education

Department of Education

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	4,093,244,600	4,131,535,300	4,121,630,500	4,118,808,700	4,124,254,500
Continuing Approp-General Fund	454,052	835,410	12,090,700		
Budget Reduction-General Fund		-6,687,000	-20,522,100		
Mandated Allotments		4,641,221			
Total General Fund	4,093,698,652	4,130,324,931	4,113,199,100	4,118,808,700	4,124,254,500
Tobacco Fund					
Restricted Funds					
Balance Forward	9,881,712	11,061,331	7,216,915		
Current Receipts	3,648,362	3,693,149	34,471,985	42,213,600	42,446,600
Non-Revenue Receipts	19,215,745	19,501,390			
Fund Transfers		-491,719			
Total Restricted Funds	32,745,818	33,764,151	41,688,900	42,213,600	42,446,600
Federal Fund					
Balance Forward	3,134,025	2,696,146			
Current Receipts	837,931,779	879,560,969	948,493,100	948,822,500	948,934,400
Non-Revenue Receipts		-190			
Total Federal Fund	841,065,805	882,256,924	948,493,100	948,822,500	948,934,400
TOTAL SOURCE OF FUNDS	4,967,510,275	5,046,346,006	5,103,381,100	5,109,844,800	5,115,635,500
EXPENDITURES BY CLASS					
Personnel Costs	115,903,984	118,821,474	116,235,800	116,154,700	116,543,500
Operating Expenses	32,103,560	36,570,354	40,103,300	37,569,200	37,704,800
Grants Loans Benefits	4,803,990,729	4,865,718,474	4,932,338,400	4,956,120,900	4,961,387,200
Debt Service	183,000	578,000			
Capital Outlay	325,191	339,589			
Construction	17,989	1,604			
TOTAL EXPENDITURES	4,952,524,452	5,022,029,496	5,088,677,500	5,109,844,800	5,115,635,500
EXPENDITURES BY FUND SOURCE					
General Fund	4,092,470,305	4,118,023,764	4,098,495,500	4,118,808,700	4,124,254,500
Tobacco Fund					
Restricted Funds	21,684,487	25,089,689	41,688,900	42,213,600	42,446,600
Federal Fund	838,369,659	878,916,043	948,493,100	948,822,500	948,934,400
TOTAL EXPENDITURES	4,952,524,452	5,022,029,496	5,088,677,500	5,109,844,800	5,115,635,500
EXPENDITURES BY UNIT					
Support Education Excellence in Kentucky (SEEK)	3,009,430,609	3,029,611,868	3,022,599,200	3,056,500,800	3,047,480,900
Operations and Support Services	409,659,419	447,499,208	451,913,000	452,777,500	452,905,900
Learning and Results Services	1,533,434,425	1,544,918,420	1,614,165,300	1,600,566,500	1,615,248,700
TOTAL EXPENDITURES	4,952,524,452	5,022,029,496	5,088,677,500	5,109,844,800	5,115,635,500

In enacting the Kentucky Education Reform Act (KERA), the 1990 General Assembly provided for a reconstituted Department of Education to implement KERA along with existing programs. In accordance with KRS 156.148, the Department of Education is headed by a Commissioner of Education appointed by the Kentucky Board of Education.

Department of Education
Support Education Excellence in Kentucky (SEEK)

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	3,009,490,600	3,035,747,400	3,024,776,100	3,056,500,800	3,047,480,900
Continuing Approp-General Fund			10,776,700		
Mandated Allotments		4,641,221			
Total General Fund	3,009,490,600	3,040,388,621	3,035,552,800	3,056,500,800	3,047,480,900
TOTAL SOURCE OF FUNDS	3,009,490,600	3,040,388,621	3,035,552,800	3,056,500,800	3,047,480,900
EXPENDITURES BY CLASS					
Grants Loans Benefits	3,009,430,609	3,029,611,868	3,022,599,200	3,056,500,800	3,047,480,900
TOTAL EXPENDITURES	3,009,430,609	3,029,611,868	3,022,599,200	3,056,500,800	3,047,480,900
EXPENDITURES BY FUND SOURCE					
General Fund	3,009,430,609	3,029,611,868	3,022,599,200	3,056,500,800	3,047,480,900
TOTAL EXPENDITURES	3,009,430,609	3,029,611,868	3,022,599,200	3,056,500,800	3,047,480,900
EXPENDITURES BY UNIT					
Base Funding	2,103,805,899	2,099,119,869	2,077,081,900	2,079,778,600	2,068,339,200
Pupil Transportation	214,752,800	214,751,377	225,529,500	214,752,800	214,752,800
Equalized Facilities	114,240,463	127,212,542	124,345,100	145,458,900	142,037,700
Tier I Equalization	168,093,347	171,662,280	170,111,400	179,961,700	176,702,400
National Board Certification Salary Supplement	2,750,000	2,750,000	2,750,000	2,750,000	2,750,000
State-Run Vocational Schools Reimbursement	22,881,900	22,881,900	22,881,900	22,881,900	22,881,900
Vocational Education Transportation	2,416,900	2,416,900	2,416,900	2,416,900	2,416,900
Local District Teachers' Retirement Match	380,489,300	388,817,000	397,482,500	408,500,000	417,600,000
TOTAL EXPENDITURES	3,009,430,609	3,029,611,868	3,022,599,200	3,056,500,800	3,047,480,900

Policy

The Budget of the Commonwealth provides funding to accommodate a projected average daily attendance of 600,992 in fiscal year 2018-2019 and 601,359 in fiscal year 2019-2020. The base SEEK per pupil guarantee amount is \$4,000 in each fiscal year. The projected total local school district assessed property valuation is \$334.2 billion in fiscal year 2018-2019 and \$342.5 billion in fiscal year 2019-2020. Projected numbers represent a consensus reached by the Department of Education and the Office of State Budget Director.

The Budget of the Commonwealth provides funding of \$214,752,800 in each fiscal year for the pupil transportation program. The budget includes \$179,961,700 in fiscal year 2018-2019 and \$176,702,400 in fiscal year 2019-2020 to provide Tier I funding to local school districts to equalize local revenues raised under this SEEK component at a level of \$834,000 of assessed property valuation per student (150 percent of the projected statewide average per pupil during the 2018-2020 biennium).

The Budget of the Commonwealth provides funding for the Facilities Support Program of Kentucky (FSPK) in the amounts of \$145,458,900 in fiscal year 2018-2019 and \$142,037,700 in fiscal year 2019-2020 to provide equalization funding for local district revenues from the equivalent nickel levy.

The Budget of the Commonwealth includes \$22,881,900 in each fiscal year to reimburse state-operated vocational facilities for the costs of providing course offerings to students from local school districts. Funding for vocational education transportation is maintained at the fiscal year 2017-2018 level of \$2,416,900 in fiscal year 2018-2019 and fiscal year 2019-2020.

The Budget of the Commonwealth includes funds \$408,500,000 in fiscal year 2018-2019 and \$417,600,000 in fiscal year 2019-2020 for the Teachers' Retirement employer match on behalf of local school districts.

The Budget of the Commonwealth provides \$2,750,000 in each fiscal year for annual salary supplements to teachers achieving and maintaining certification by the National Board for Professional Teaching Standards.

The Budget of the Commonwealth appropriates \$7,000,000 of fiscal year 2017-2018 SEEK funds to 31 local school districts that experienced a loss of revenue due to a change in the assessed value of unmined minerals.

Not less than \$12,953,600 of unexpended SEEK funds in fiscal year 2017-2018 shall lapse.

**Department of Education
Operations and Support Services**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	54,726,900	58,148,800	57,628,800	56,243,700	56,326,300
Continuing Approp-General Fund			609,600		
Budget Reduction-General Fund		-1,869,000	-943,300		
Total General Fund	54,726,900	56,279,800	57,295,100	56,243,700	56,326,300
Restricted Funds					
Balance Forward	5,610,339	5,821,315	1,718,857		
Current Receipts	2,535,039	278,230	5,682,643	7,401,500	7,401,500
Non-Revenue Receipts	290,330	595,375			
Fund Transfers		-126,165			
Total Restricted Funds	8,435,708	6,568,755	7,401,500	7,401,500	7,401,500
Federal Fund					
Balance Forward	616,757	185,533			
Current Receipts	351,886,901	387,866,794	388,966,400	389,132,300	389,178,100
Total Federal Fund	352,503,658	388,052,327	388,966,400	389,132,300	389,178,100
TOTAL SOURCE OF FUNDS	415,666,266	450,900,881	453,663,000	452,777,500	452,905,900
EXPENDITURES BY CLASS					
Personnel Costs	14,651,626	19,124,943	19,718,800	19,387,300	19,517,800
Operating Expenses	20,704,321	22,221,976	22,905,000	21,811,100	21,811,700
Grants Loans Benefits	374,047,971	405,490,238	409,289,200	411,579,100	411,576,400
Debt Service	183,000	578,000			
Capital Outlay	71,000	84,050			
Construction	1,500				
TOTAL EXPENDITURES	409,659,419	447,499,208	451,913,000	452,777,500	452,905,900
EXPENDITURES BY FUND SOURCE					
General Fund	54,726,900	55,670,247	55,545,100	56,243,700	56,326,300
Restricted Funds	2,614,393	3,897,183	7,401,500	7,401,500	7,401,500
Federal Fund	352,318,125	387,931,778	388,966,400	389,132,300	389,178,100
TOTAL EXPENDITURES	409,659,419	447,499,208	451,913,000	452,777,500	452,905,900
EXPENDITURES BY UNIT					
Commissioner's Office/Board of Education	1,494,200	1,025,900	775,800	925,100	930,100
Administration and Support	367,201,919	406,372,011	410,576,400	410,112,600	410,199,300
Guiding Support Services	1,316,200	1,822,441	1,909,300	1,911,600	1,922,700
Knowledge, Information and Data Services	39,647,100	38,278,855	38,651,500	39,828,200	39,853,800
TOTAL EXPENDITURES	409,659,419	447,499,208	451,913,000	452,777,500	452,905,900

The Operations and Support Services program area consists of the Office of Finance and Operations; the Office of Education Technology; the Office of Legal, Legislative and Communication Services; Commissioner of Education, and the Kentucky Board of Education.

**Department of Education
Operations and Support Services
Commissioner's Office/Board of Education**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	1,494,200	1,025,900	931,100	925,100	930,100
Budget Reduction-General Fund			-155,300		
Total General Fund	1,494,200	1,025,900	775,800	925,100	930,100
TOTAL SOURCE OF FUNDS	1,494,200	1,025,900	775,800	925,100	930,100
EXPENDITURES BY CLASS					
Personnel Costs	1,476,500	1,008,200	760,400	907,400	912,400
Operating Expenses	17,700	17,700	15,400	17,700	17,700
TOTAL EXPENDITURES	1,494,200	1,025,900	775,800	925,100	930,100
EXPENDITURES BY FUND SOURCE					
General Fund	1,494,200	1,025,900	775,800	925,100	930,100
TOTAL EXPENDITURES	1,494,200	1,025,900	775,800	925,100	930,100

The 1990 General Assembly, as part of the Kentucky Education Reform Act (KERA), provided in KRS 156.148 for the appointment of a Commissioner of Education by the Kentucky Board of Education to serve as the chief state school officer.

As part of the same legislation, the General Assembly, in KRS 156.029, created a Kentucky Board of Education. The board has 12 members. The governor appoints eleven voting members, seven representing the Supreme Court districts and four representing the state at large. These eleven voting members must be confirmed by the legislature. The additional member, the president of the Council on Postsecondary Education, serves as a non-voting member. Board members serve four-year terms and may be reappointed. Overall policy regarding public elementary and secondary education in Kentucky is set by the Kentucky Board of Education within the legal framework established by the General Assembly.

The Commissioner of Education's qualifications and compensation are set by the Kentucky Board of Education. The Commissioner serves at the pleasure of the Board. The Commissioner is responsible for carrying out all duties assigned by the legislature; for executing education policy as directed by the State Board; and directing the work of all persons employed by the Department of Education.

**Department of Education
Operations and Support Services
Administration and Support**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	12,269,400	16,555,000	14,280,300	13,683,700	13,724,600
Continuing Approp-General Fund			609,600		
Budget Reduction-General Fund		-1,314,756	-576,500		
Total General Fund	12,269,400	15,240,244	14,313,400	13,683,700	13,724,600
Restricted Funds					
Balance Forward	5,533,037	5,739,566	1,718,388		
Current Receipts	2,530,593	271,096	5,578,212	7,296,600	7,296,600
Non-Revenue Receipts	290,330	595,375			
Fund Transfers		-125,393			
Total Restricted Funds	8,353,960	6,480,645	7,296,600	7,296,600	7,296,600
Federal Fund					
Balance Forward	615,329	184,105			
Current Receipts	351,886,901	387,866,794	388,966,400	389,132,300	389,178,100
Total Federal Fund	352,502,230	388,050,899	388,966,400	389,132,300	389,178,100
TOTAL SOURCE OF FUNDS	373,125,590	409,771,788	410,576,400	410,112,600	410,199,300
EXPENDITURES BY CLASS					
Personnel Costs	9,584,226	13,169,669	14,196,800	13,426,800	13,516,200
Operating Expenses	2,138,721	3,570,309	4,164,900	4,247,700	4,247,700
Grants Loans Benefits	355,223,471	388,969,983	392,214,700	392,438,100	392,435,400
Debt Service	183,000	578,000			
Capital Outlay	71,000	84,050			
Construction	1,500				
TOTAL EXPENDITURES	367,201,919	406,372,011	410,576,400	410,112,600	410,199,300
EXPENDITURES BY FUND SOURCE					
General Fund	12,269,400	14,630,691	14,313,400	13,683,700	13,724,600
Restricted Funds	2,614,393	3,809,542	7,296,600	7,296,600	7,296,600
Federal Fund	352,318,125	387,931,778	388,966,400	389,132,300	389,178,100
TOTAL EXPENDITURES	367,201,919	406,372,011	410,576,400	410,112,600	410,199,300
EXPENDITURES BY UNIT					
Administration & Resource Management	6,608,893	9,320,855	11,261,000	11,751,300	11,773,700
District Support	4,337,500	5,194,978	6,431,700	5,630,700	5,648,100
School & Community Nutrition	356,255,525	391,856,178	392,883,700	392,730,600	392,777,500
TOTAL EXPENDITURES	367,201,919	406,372,011	410,576,400	410,112,600	410,199,300

The Office of Finance and Administration consists of the following divisions: the Division of Budget and Financial Management, the Division of District Support, the Division of Resource Management, and the Division of School and Community Nutrition.

The Division of Budget and Financial Management supervises the department's annual and biennial budget creation, budget analysis and forecasting, expenditure authorizations, personnel approvals, and allotment as well as appropriation adjustments. The Division also supervises expenditure and accounting transactions, purchasing and document preparation, and pre-audit functions. The Division serves as agency liaison with the Auditor of Public Accounts, the Finance and Administration Cabinet, the Office of State Budget Director, and the Legislative Research Commission budget staff.

The Division of District Support distributes state SEEK funds to local school districts and provides districts with assistance on salary schedules, data management, facility management, and budgeting. Staff of the Division work with various Department of Education, Council for Postsecondary Education, and Professional Standards Board program areas in analyzing data and determining requirements for data entered in the Department's enterprise data system. The Division also reviews local school district facility plans and compiles information on school district construction needs for the School Facilities Construction Commission.

The Division of Resource Management provides personnel and payroll services to Department staff. These services include the administration of the state merit system, Family Medical Leave Act, Workers' Compensation, sick leave sharing, tuition assistance, employee training, Fair Labor Standards Act, Americans with Disabilities Act, and all other related employment laws and regulations.

The Division of School and Community Nutrition oversees the administration of the following National School Lunch Act and Child Nutrition Act programs in local school districts and other eligible agencies: National School Lunch program, School Breakfast program, Special Milk program, Child Care Food program, Summer Food Service program, and the Nutrition Education and Training program.

Policy

The Budget of the Commonwealth includes \$1,000,000 in each fiscal year to pay the cost of Advanced Placement and International Baccalaureate examination fees for students who meet the eligibility requirements for free or reduced price meals.

The Budget of the Commonwealth includes \$600,000 in each fiscal year for the review of the classification of primary and secondary school buildings.

**Department of Education
Operations and Support Services
Guiding Support Services**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	1,316,200	1,734,800	1,804,400	1,806,700	1,817,800
Total General Fund	1,316,200	1,734,800	1,804,400	1,806,700	1,817,800
Restricted Funds					
Balance Forward	76,530	80,976	469		
Current Receipts	4,446	7,134	104,431	104,900	104,900
Total Restricted Funds	80,976	88,110	104,900	104,900	104,900
TOTAL SOURCE OF FUNDS	1,397,176	1,822,910	1,909,300	1,911,600	1,922,700
EXPENDITURES BY CLASS					
Personnel Costs	1,296,200	1,716,375	1,889,300	1,891,600	1,902,700
Operating Expenses	20,000	106,067	20,000	20,000	20,000
TOTAL EXPENDITURES	1,316,200	1,822,441	1,909,300	1,911,600	1,922,700
EXPENDITURES BY FUND SOURCE					
General Fund	1,316,200	1,734,800	1,804,400	1,806,700	1,817,800
Restricted Funds		87,641	104,900	104,900	104,900
TOTAL EXPENDITURES	1,316,200	1,822,441	1,909,300	1,911,600	1,922,700

The Office of Legal, Legislative and Communication Services provides a variety of legal, legislative, and communication services for the Department of Education. These services include: providing in-house counsel and advice for the Department and the Kentucky Board of Education; representing the Department and the Kentucky Board of Education before administrative agencies and courts of law; offering informal legal advice to local school districts and the general public; overseeing news media relations for the Commissioner and the Department of Education; creating print and electronic publications; providing photographic services for the Department, and maintaining the Department of Education's website.

Department of Education
Operations and Support Services
Knowledge, Information and Data Services

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	39,647,100	38,833,100	40,613,000	39,828,200	39,853,800
Budget Reduction-General Fund		-554,244	-211,500		
Total General Fund	39,647,100	38,278,856	40,401,500	39,828,200	39,853,800
Restricted Funds					
Balance Forward	772	772			
Fund Transfers		-772			
Total Restricted Funds	772				
Federal Fund					
Balance Forward	1,428	1,428			
Total Federal Fund	1,428	1,428			
TOTAL SOURCE OF FUNDS	39,649,300	38,280,284	40,401,500	39,828,200	39,853,800
EXPENDITURES BY CLASS					
Personnel Costs	2,294,700	3,230,700	2,872,300	3,161,500	3,186,500
Operating Expenses	18,527,900	18,527,900	18,704,700	17,525,700	17,526,300
Grants Loans Benefits	18,824,500	16,520,255	17,074,500	19,141,000	19,141,000
TOTAL EXPENDITURES	39,647,100	38,278,855	38,651,500	39,828,200	39,853,800
EXPENDITURES BY FUND SOURCE					
General Fund	39,647,100	38,278,855	38,651,500	39,828,200	39,853,800
TOTAL EXPENDITURES	39,647,100	38,278,855	38,651,500	39,828,200	39,853,800

The Office of Education Technology (OET) provides planning, administration, and quality assurance for the Kentucky Education Technology System (KETS). OET consists of four areas: the Division of School Technology Services; the Division of School Technology Planning and Project Management; the Division of School Data Services, and KETS Field Services.

The Division of School Technology Planning and Project Management develops and implements the KETS Master Plan, oversees the KETS Offers of Assistance program, and manages the Kentucky Education Network (KEN).

The KETS Offers of Assistance program provides school districts with state funds for education technology purchases. The Division of Engineering and Management determines which districts are eligible to receive KETS offers of assistance and submits this information to the School Facilities Construction Commission (SFCC). The SFCC distributes KETS offers of assistance to eligible districts based on each district's average daily attendance. School districts must spend the offers on appropriate education technology items or services and the districts are required to match funds dollar for dollar.

KEN is the wide-area-network that provides high speed network connectivity and Internet access to Kentucky school districts, the Kentucky School for the Blind, the Kentucky School for the Deaf, and the Department of Education.

The Division of School Technology Services manages the technical support Customer Service Center, oversees school networking, messaging and security services as well as supports the School District Financial Management System (MUNIS) and other systems,

The Division of School Data Services manages the Kentucky Student Information System (KSIS), Department of Education Enterprise Data Dictionary, and master reporting schedule. The Division is also responsible for handling systematic data quality issues that cross all agency and district data systems.

KETS Field Services interact directly with District Technology Coordinators and school district technical staff to support the Student Technology Leadership Program (STLP), Microsoft IT Academy and other education technology programs.

STLP is an education technology program focused on project-based learning to empower students in all grade levels to use technology.

The Microsoft IT Academy is an educational technology program that prepares educators and students for industry recognized certifications.

Policy

The Budget of the Commonwealth includes General Fund in the amount of \$1,750,000 in each fiscal year for the School Technology in Coal Counties program.

**Department of Education
Learning and Results Services**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	1,029,027,100	1,037,639,100	1,039,225,600	1,006,064,200	1,020,447,300
Continuing Approp-General Fund	454,052	835,410	704,400		
Budget Reduction-General Fund		-4,818,000	-19,578,800		
Total General Fund	1,029,481,152	1,033,656,510	1,020,351,200	1,006,064,200	1,020,447,300
Tobacco Fund					
Restricted Funds					
Balance Forward	4,271,373	5,240,016	5,498,058		
Current Receipts	1,113,323	3,414,920	28,789,342	34,812,100	35,045,100
Non-Revenue Receipts	18,925,415	18,906,014			
Fund Transfers		-365,554			
Total Restricted Funds	24,310,110	27,195,396	34,287,400	34,812,100	35,045,100
Federal Fund					
Balance Forward	2,517,268	2,510,613			
Current Receipts	486,044,879	491,694,175	559,526,700	559,690,200	559,756,300
Non-Revenue Receipts		-190			
Total Federal Fund	488,562,147	494,204,597	559,526,700	559,690,200	559,756,300
TOTAL SOURCE OF FUNDS	1,542,353,409	1,555,056,503	1,614,165,300	1,600,566,500	1,615,248,700
EXPENDITURES BY CLASS					
Personnel Costs	101,252,358	99,696,531	96,517,000	96,767,400	97,025,700
Operating Expenses	11,399,239	14,348,378	17,198,300	15,758,100	15,893,100
Grants Loans Benefits	1,420,512,148	1,430,616,368	1,500,450,000	1,488,041,000	1,502,329,900
Capital Outlay	254,191	255,539			
Construction	16,489	1,604			
TOTAL EXPENDITURES	1,533,434,425	1,544,918,420	1,614,165,300	1,600,566,500	1,615,248,700
EXPENDITURES BY FUND SOURCE					
General Fund	1,028,312,796	1,032,741,649	1,020,351,200	1,006,064,200	1,020,447,300
Tobacco Fund					
Restricted Funds	19,070,094	21,192,506	34,287,400	34,812,100	35,045,100
Federal Fund	486,051,534	490,984,265	559,526,700	559,690,200	559,756,300
TOTAL EXPENDITURES	1,533,434,425	1,544,918,420	1,614,165,300	1,600,566,500	1,615,248,700
EXPENDITURES BY UNIT					
Next Generation Schools	281,424,541	277,815,836	320,120,700	318,158,100	318,192,900
Next Generation Learners	451,445,063	459,531,124	473,107,100	448,996,200	449,050,900
Assessment and Accountability	22,624,000	21,955,576	23,539,500	22,820,900	22,826,600
State Schools	16,560,829	17,295,061	18,189,400	18,418,100	18,520,500
Career & Technical Education	75,263,792	76,507,186	82,961,100	82,000,700	82,281,800
Local District Health Insurance	686,116,200	691,813,637	696,247,500	710,172,500	724,376,000
TOTAL EXPENDITURES	1,533,434,425	1,544,918,420	1,614,165,300	1,600,566,500	1,615,248,700

The Learning and Results Services program area consists of the following offices: Office of Assessment and Accountability; Office of Teaching and Learning; Office of Continuous Improvement and Support, and Office of Career and Technical Education.

**Department of Education
Learning and Results Services
Next Generation Schools**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	6,683,800	6,736,700	6,717,800	4,209,400	4,218,700
Budget Reduction-General Fund			-471,600		
Total General Fund	6,683,800	6,736,700	6,246,200	4,209,400	4,218,700
Restricted Funds					
Balance Forward	869,177	914,742	684,962		
Current Receipts			-79,962	605,000	605,000
Non-Revenue Receipts	136,871	138,024			
Fund Transfers		-365,554			
Total Restricted Funds	1,006,047	687,212	605,000	605,000	605,000
Federal Fund					
Balance Forward	-2,921,546	-3,147,371			
Current Receipts	274,423,610	271,248,875	313,269,500	313,343,700	313,369,200
Total Federal Fund	271,502,064	268,101,504	313,269,500	313,343,700	313,369,200
TOTAL SOURCE OF FUNDS	279,191,912	275,525,416	320,120,700	318,158,100	318,192,900
EXPENDITURES BY CLASS					
Personnel Costs	11,185,619	11,022,061	4,970,500	5,251,100	5,269,500
Operating Expenses	1,277,006	1,284,905	1,563,700	1,481,900	1,481,900
Grants Loans Benefits	268,961,916	265,508,869	313,586,500	311,425,100	311,441,500
TOTAL EXPENDITURES	281,424,541	277,815,836	320,120,700	318,158,100	318,192,900
EXPENDITURES BY FUND SOURCE					
General Fund	6,683,800	6,736,700	6,246,200	4,209,400	4,218,700
Restricted Funds	91,306	2,250	605,000	605,000	605,000
Federal Fund	274,649,435	271,076,886	313,269,500	313,343,700	313,369,200
TOTAL EXPENDITURES	281,424,541	277,815,836	320,120,700	318,158,100	318,192,900
EXPENDITURES BY UNIT					
Consolidated Plans & Audits	236,044,213	237,909,876	270,000,000	270,072,800	270,095,100
Federal Programs & Educator Effectiveness	36,782,644	33,609,600	39,961,400	39,854,400	39,856,600
Next Generation Schools	8,597,683	6,296,360	10,159,300	8,230,900	8,241,200
TOTAL EXPENDITURES	281,424,541	277,815,836	320,120,700	318,158,100	318,192,900

The Office of Continuous Improvement and Support consists of three divisions: the Division of Consolidated Plans and Audits, the Division of Student Success, and the Division of Innovation and Partner Engagement.

The Division of Consolidated Plans and Audits implements and monitors the following federal and state programs: School-Based Decision-Making councils, ESEA No Child Left Behind Act (P.L. 107-110); Title I, Parts A (Improving the Academic Achievement of the Disadvantaged), C (Education of Migrant Children), D (Programs for Children and Youth who are Neglected and Delinquent), F (Comprehensive School Reform), and the Stewart B. McKinney Homeless Assistance Act for the Education of Homeless Children and Youth. The Division also provides assistance to school districts and parents on closing the achievement gap and assuring instructional equity for students.

The Division of Student Success provides guidance and assistance to Kentucky Alternative Education programs and ensures continuous improvement in instruction, practices and curriculum to help all Kentucky students to be college and career ready. The Division also provides assistance on developing and implementing digital learning, school safety, bullying prevention, and achievement gap reduction programs.

The Division of Innovation and Partner Engagement implements and oversees Kentucky's Districts of Innovation as well as assists and monitors nontraditional instruction.

Policy

The Budget of the Commonwealth provides no funding for the Virtual Learning program.

Notwithstanding KRS 158.805, the Budget of the Commonwealth provides no funding for the Commonwealth School Improvement Fund program.

The Budget of the Commonwealth provides \$1 million in each fiscal year for the Teacher Quality and Diversity program.

**Department of Education
Learning and Results Services
Next Generation Learners**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	266,239,000	264,765,500	264,888,700	223,030,300	223,043,900
Continuing Approp-General Fund	454,052	835,410	704,400		
Budget Reduction-General Fund		-1,834,200	-18,361,100		
Total General Fund	266,693,052	263,766,710	247,232,000	223,030,300	223,043,900
Restricted Funds					
Balance Forward	1,057,412	1,057,412	1,058,976		
Current Receipts		2,050,000	5,558,924	6,621,600	6,627,800
Total Restricted Funds	1,057,412	3,107,412	6,617,900	6,621,600	6,627,800
Federal Fund					
Balance Forward	215,829	347,997			
Current Receipts	186,052,535	196,108,266	219,257,200	219,344,300	219,379,200
Non-Revenue Receipts		-190			
Total Federal Fund	186,268,364	196,456,074	219,257,200	219,344,300	219,379,200
TOTAL SOURCE OF FUNDS	454,018,828	463,330,196	473,107,100	448,996,200	449,050,900
EXPENDITURES BY CLASS					
Personnel Costs	11,343,242	10,904,321	10,247,300	10,806,100	10,860,800
Operating Expenses	3,224,727	3,877,521	2,996,300	2,557,300	2,692,300
Grants Loans Benefits	436,877,093	444,747,678	459,863,500	435,632,800	435,497,800
Construction		1,604			
TOTAL EXPENDITURES	451,445,063	459,531,124	473,107,100	448,996,200	449,050,900
EXPENDITURES BY FUND SOURCE					
General Fund	265,524,696	263,062,313	247,232,000	223,030,300	223,043,900
Tobacco Fund					
Restricted Funds		991,024	6,617,900	6,621,600	6,627,800
Federal Fund	185,920,366	195,477,787	219,257,200	219,344,300	219,379,200
TOTAL EXPENDITURES	451,445,063	459,531,124	473,107,100	448,996,200	449,050,900
EXPENDITURES BY UNIT					
Gifted & Talented	6,622,300	6,622,300	6,622,300	6,208,400	6,208,400
Community Education & Service	17,760,518	17,254,088	25,456,400	25,368,700	25,368,700
Next Generation Learner Programs	30,001,800	29,550,400	24,006,400	18,545,000	18,545,000
Program Standards	3,420,183	4,407,696	4,983,200	5,048,900	5,055,400
Learning Services	164,565,042	175,398,777	188,622,900	188,767,800	188,805,500
Extended Learning Services	25,510,700	25,510,700	25,510,700	23,916,300	23,916,300
Family Resource and Youth Services Centers	52,148,300	52,148,300	48,065,100	48,889,000	48,889,000
Read to Achieve	16,999,000	16,999,000	16,999,000	15,936,600	15,936,600
Math Achievement	5,353,600	5,353,600	5,353,600	5,019,000	5,019,000
Professional Growth Fund	338,942	1,065,516	794,700		
Dropout Prevention	576,100				
Education of State Agency Children	10,096,500	10,096,500	10,049,800	9,465,500	9,465,500
Textbooks	16,700,000	16,700,000	9,265,400		
Local District Life Insurance	1,150,754	1,055,463	1,281,400	1,391,000	1,391,000
Next Generation Learners	9,889,524	8,103,209	15,821,600	15,797,500	15,808,000
Preschool	90,311,800	89,265,576	90,274,600	84,642,500	84,642,500
TOTAL EXPENDITURES	451,445,063	459,531,124	473,107,100	448,996,200	449,050,900

The Office of Teaching and Learning consists of the Division of Program Standards, the Division of Learning Services and the Division of Next Generation Professionals. This Office oversees several educational programs and funds.

Career and Technical Education Programs assist middle schools, high schools, and locally-operated career centers in developing and implementing career readiness services. Career and Technical Education service areas include Perkins Accountability, High Schools That Work, Tech Prep and high school reform as well as five statewide student organizations. The Kentucky FFA Leadership Training Center at Hardinsburg is also part of Career and Technical Education program.

Community Education & Service Programs work with public schools to promote individual and community development and lifelong learning. Community Education programs also serve as the delivery system for federal Learn and Serve grants.

The **Kentucky Educational Collaborative for State Agency Children (KECSAC) Program** provides school districts with high-quality educational support services to at risk youth through a collaborative delivery system involving the Kentucky Departments of Education, Juvenile Justice, Community Based Services, Mental Health, Developmental Disabilities and Addiction Services, as well as private and public child and youth care programs.

The **Extended Learning Services** or **Extended School Services (ESS) Fund** was established by KRS 158.070 to provide struggling learners with additional instructional time and assistance to achieve their learning goals. The program offers instructional time outside regular school hours and takes many forms including after-school and before-school instruction, evening sessions, Saturday learning activities, summer programs, and learning inter-sessions in year-round schools.

Family Resource and Youth Services Centers (FRYSCs) Programs were established by the Kentucky Education Reform Act (KERA) of 1990. The goal of FRYSCs is to address the needs of children and their families residing in the area served by the school in which a center is located. Family Resource Centers serve children in elementary schools while Youth Services Centers serve children in middle and high schools. Each center contains a unique blend of program components depending on location, available resource, local need, and community input.

The **Gifted and Talented Fund** provides support to school districts for educational services to students who are gifted and talented.

The **Division of Learning Services** provides schools with assistance in the development and implementation of services for children and youth with disabilities, including services associated with the federal Individuals with Disabilities Education Act. Program areas include Individuals with Disabilities Education, Preschool Special Education, and Special Education Program Improvement.

Local District Life Insurance Fund for full-time qualified school district employees are mandated by KRS 18A.226, KRS 161.158, and 702 KAR 1:035. Funds in this program are used to pay on behalf of school districts the employer's portion of the premiums to the Personnel Cabinet.

The **Mathematics Achievement Fund** provides two-year renewable grants to local school districts for training teachers in diagnostic assessment and intervention skills. To qualify, a district must employ standards-based and research-based math instructional practices, use intervention and support services to supplement regular classroom instruction, and provide intervention services to primary program and other students at risk of mathematics failure based on ongoing assessments of their needs.

Next Generation Learners Programs consist of a variety of grant programs. Included in this area are: the Collaborative Center for Literacy Development; Save the Children; Elementary Arts and Humanities/World Language; Middle School Center; Writing Program; Teacher Academies; Leadership and Mentor Fund; Professional Development; Safe Schools; Georgia Chaffee Teenage Parent Program (TAPP); Appalachian Tutoring Program, Lexington Hearing & Speech Center; Heuser Hearing and Language Academy; Visually Impaired Preschool Services; Teach for America and Advance Kentucky.

The **Office of Teaching and Learning** oversees the Division of Learning Services, the Division of Program Standards, and the Division of Next Generation Professionals.

The **Preschool Fund** provides grants to local school districts for the education of four-year-old children whose families meet qualifying poverty guidelines as well as three and four-year-old children with developmental delays or other disabilities.

The **Teachers' Professional Growth Fund** provides teachers with opportunities for high quality professional development in content knowledge and teaching methodologies in the core disciplines of mathematics, science, language arts and social studies.

The **Division of Program Standards** assist districts design and implement curriculum based on new academic standards. The Division is working with districts to implement the newly established standards for English Language Arts and Mathematics. The Division is also working with national development teams on standards for Science and Social Studies

The **Read to Achieve Fund** provides grants to schools to implement research-based reading diagnostic and intervention programs for struggling readers within the state primary program. The early reading intervention program selected by the funded school must be based on reliable, replicable research and offer short-term intensive one-on-one or small group instruction in essential skills necessary for reading proficiency.

The **Instructional Resources/Textbook Fund** provides support to local school districts to obtain instructional material for students in kindergarten through eighth grades.

Policy

The Budget of the Commonwealth provides no funding for the Appalachian Tutoring program, the Georgia Chaffee Teenage Parent program, the Instructional Materials/Textbook program, the Professional Development program, the Leadership and Mentoring program, the Middle School Academic Achievement Center program, the Teacher's Professional Growth program, the Teacher Academies program and the Writing program.

The Budget of the Commonwealth includes General Fund for the following programs:

- \$1,700,000 in each fiscal year for AdvanceKentucky
- \$1,200,000 each fiscal year for the Collaborative Center for Literacy Development
- \$1,850,000 each fiscal year for Community Education
- \$397,600 each fiscal year for the Elementary Arts and Humanities Program
- \$23,916,300 each fiscal year for the Extended School Services Program
- \$48,889,000 each fiscal year for the Family Resource and Youth Services Centers Program
- \$6,208,400 each fiscal year for the Gifted and Talented Program
- \$100,000 each fiscal year for the Heuser Hearing and Language Academy
- \$100,000 each fiscal year for the Lexington Hearing and Speech Center
- \$1,391,000 each fiscal year for Local District Life Insurance
- \$5,019,000 each fiscal year for the Mathematics Achievement Fund
- \$84,481,100 each fiscal year for the Preschool Program
- \$15,936,600 each fiscal year for the Read to Achieve Program
- \$13,000,000 each fiscal year for the Safe Schools Program
- \$1,300,000 each fiscal year for the Save the Children/Rural Literacy program
- \$9,465,500 each fiscal year for the State Agency Children Program
- \$250,000 each fiscal year for Teach for America
- \$93,800 each fiscal year for the Visually Impaired Preschool Services

**Department of Education
Learning and Results Services
Assessment and Accountability**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	14,624,000	14,679,000	14,679,000	13,820,900	13,826,600
Budget Reduction-General Fund			-139,500		
Total General Fund	14,624,000	14,679,000	14,539,500	13,820,900	13,826,600
Federal Fund					
Balance Forward	2,900,248	2,968,216			
Current Receipts	8,067,967	7,431,165	9,000,000	9,000,000	9,000,000
Total Federal Fund	10,968,216	10,399,380	9,000,000	9,000,000	9,000,000
TOTAL SOURCE OF FUNDS	25,592,216	25,078,380	23,539,500	22,820,900	22,826,600
EXPENDITURES BY CLASS					
Personnel Costs	21,899,260	21,008,780	23,084,000	22,360,900	22,366,600
Operating Expenses	724,740	686,669	455,500	460,000	460,000
Grants Loans Benefits		260,127			
TOTAL EXPENDITURES	22,624,000	21,955,576	23,539,500	22,820,900	22,826,600
EXPENDITURES BY FUND SOURCE					
General Fund	14,624,000	14,471,600	14,539,500	13,820,900	13,826,600
Federal Fund	8,000,000	7,483,976	9,000,000	9,000,000	9,000,000
TOTAL EXPENDITURES	22,624,000	21,955,576	23,539,500	22,820,900	22,826,600

The Office of Assessment and Accountability is responsible for developing and implementing Kentucky's system of assessing progress by students, schools, and districts. The Office supplies information on regulations, policies and procedures, a calendar of important assessment dates, manuals, and information for districts and schools on using testing data to improve instruction. The Office of Assessment and Accountability also oversees the implementation of testing and data requirements enacted by Senate Bill 1 of the 2017 Regular Session of the General Assembly.

The Office consists of two divisions: the Division of Accountability Data and Analysis and the Division of Assessment Support.

The Division of Assessment Support operates the state's testing program and coordinates the logistics of the assessment program at the district level. This involves managing and generating data necessary to report assessment results on which accountability performance judgments must be based.

The Division of Accountability Data and Analysis reviews the consistency of student results across multiple measures and the potential for all scores to yield fair, consistent, and accurate information on student, school, and district performance. The Division also reviews the accuracy of scores assigned to students and schools as well as accuracy of the testing materials.

**Department of Education
Learning and Results Services
State Schools**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	16,488,000	16,657,900	16,692,600	16,831,300	16,933,700
Budget Reduction-General Fund			-90,000		
Total General Fund	16,488,000	16,657,900	16,602,600	16,831,300	16,933,700
Restricted Funds					
Balance Forward	696,307	992,394	395,898		
Current Receipts	368,916	316,872	1,190,902	1,586,800	1,586,800
Non-Revenue Receipts		-25,000			
Total Restricted Funds	1,065,223	1,284,265	1,586,800	1,586,800	1,586,800
TOTAL SOURCE OF FUNDS	17,553,223	17,942,165	18,189,400	18,418,100	18,520,500
EXPENDITURES BY CLASS					
Personnel Costs	14,693,500	15,482,155	14,725,000	15,899,200	16,001,600
Operating Expenses	1,792,972	1,689,790	3,464,400	2,518,900	2,518,900
Grants Loans Benefits	-643	1,917			
Capital Outlay	75,000	121,200			
TOTAL EXPENDITURES	16,560,829	17,295,061	18,189,400	18,418,100	18,520,500
EXPENDITURES BY FUND SOURCE					
General Fund	16,488,000	16,657,400	16,602,600	16,831,300	16,933,700
Restricted Funds	72,829	637,661	1,586,800	1,586,800	1,586,800
TOTAL EXPENDITURES	16,560,829	17,295,061	18,189,400	18,418,100	18,520,500

The **Kentucky School for the Blind**, located in Louisville, Kentucky, provides instructional and residential programs for blind and visually impaired students throughout Kentucky. All instructional programs follow the Kentucky Academic Standards and Academic Expectations and are geared to meet students' individualized needs as set forth in their Individual Education Program (IEP).

The Kentucky School for the Blind residential program offers housing, after-school supervision, health center services, daily living skills experiences and leisure and recreational activities (which help in the development of social skills for independence).

The Kentucky School for the Blind Outreach Services provide assessments, consultations and professional development opportunities for school districts and teachers of the visually impaired. The Kentucky Instructional Materials Resource Center (KIMRC), a part of Outreach Services, purchases and distributes textbooks for school districts using federal quota funds. The KIMRC is responsible for the federal quota registration for the state. Braille production and the Parent Resource Center also are provided through Outreach Services.

The **Kentucky School for the Deaf**, located in Danville, Kentucky, provides educational services to deaf children who cannot be served by local school districts. The School's educational program consists of appropriate classroom instruction, life skills, physical education, and vocational training. Students receive instruction in accordance with their Individual Education Plan (IEP) that emphasizes language and communication skills development.

Students at the Kentucky School for the Deaf are housed in campus dormitories supervised by houseparents. The students receive practical living skill instruction in personal safety, hygiene, and independent living skills.

The Kentucky School for the Deaf also supports an Outreach Program which provides consultative, technical, and evaluative support to local school districts on how to provide effective educational services to deaf children attending school in a local district. The Kentucky School for the Deaf is the designated Statewide Educational Resource Center on Deafness.

**Department of Education
Learning and Results Services
Career & Technical Education**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	38,876,100	40,000,000	40,000,000	37,999,800	38,048,400
Budget Reduction-General Fund			-516,600		
Total General Fund	38,876,100	40,000,000	39,483,400	37,999,800	38,048,400
Restricted Funds					
Balance Forward	1,648,477	2,275,469	3,358,222		
Current Receipts	744,407	1,048,048	22,119,478	25,998,700	26,225,500
Non-Revenue Receipts	18,788,544	18,792,990			
Total Restricted Funds	21,181,428	22,116,507	25,477,700	25,998,700	26,225,500
Federal Fund					
Balance Forward	2,322,737	2,341,770			
Current Receipts	17,500,766	16,905,869	18,000,000	18,002,200	18,007,900
Total Federal Fund	19,823,503	19,247,639	18,000,000	18,002,200	18,007,900
TOTAL SOURCE OF FUNDS	79,881,031	81,364,147	82,961,100	82,000,700	82,281,800
EXPENDITURES BY CLASS					
Personnel Costs	42,130,736	41,279,214	43,490,200	42,450,100	42,527,200
Operating Expenses	4,379,795	6,809,494	8,718,400	8,740,000	8,740,000
Grants Loans Benefits	28,557,581	28,284,139	30,752,500	30,810,600	31,014,600
Capital Outlay	179,191	134,339			
Construction	16,489				
TOTAL EXPENDITURES	75,263,792	76,507,186	82,961,100	82,000,700	82,281,800
EXPENDITURES BY FUND SOURCE					
General Fund	38,876,100	40,000,000	39,483,400	37,999,800	38,048,400
Restricted Funds	18,905,959	19,561,570	25,477,700	25,998,700	26,225,500
Federal Fund	17,481,733	16,945,616	18,000,000	18,002,200	18,007,900
TOTAL EXPENDITURES	75,263,792	76,507,186	82,961,100	82,000,700	82,281,800

The Office of Career and Technical Education provides occupational-specific education and training for Kentucky's citizens in order to develop a skilled and versatile workforce. The main responsibility is providing education and technical training to youth and incumbent workers that match the needs of Kentucky business and industry. The Office of Career and Technical Education manages 53 area technology centers. These area technology centers prepare students for postsecondary technical training leading to a certificate or an associate's degree, academic pursuits at a four-year college or university, or entry into the labor market with an industry-recognized qualification. The Office of Career and Technical Education is also responsible for programs under the Carl D. Perkins Vocational and Applied Technology Education Act of 1998 (Public Law 105-332).

**Department of Education
Learning and Results Services
Local District Health Insurance**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	686,116,200	694,800,000	696,247,500	710,172,500	724,376,000
Budget Reduction-General Fund		-2,983,800			
Total General Fund	686,116,200	691,816,200	696,247,500	710,172,500	724,376,000
TOTAL SOURCE OF FUNDS	686,116,200	691,816,200	696,247,500	710,172,500	724,376,000
EXPENDITURES BY CLASS					
Grants Loans Benefits	686,116,200	691,813,637	696,247,500	710,172,500	724,376,000
TOTAL EXPENDITURES	686,116,200	691,813,637	696,247,500	710,172,500	724,376,000
EXPENDITURES BY FUND SOURCE					
General Fund	686,116,200	691,813,637	696,247,500	710,172,500	724,376,000
TOTAL EXPENDITURES	686,116,200	691,813,637	696,247,500	710,172,500	724,376,000

Employees of local school districts have the option of participating in the Kentucky Employees' Health Plan (KEHP). KEHP is a self-insured program providing health insurance benefits to the employees and retirees of the Commonwealth of Kentucky, as well as local school boards, local health departments, and other quasi governmental agencies.

Policy

The Budget of the Commonwealth includes \$710,172,500 in fiscal year 2018-2019 and \$724,376,000 in fiscal year 2019-2020 for employer contributions for health insurance and the contribution to health reimbursement account for employees waiving coverage.

Education and Workforce Development

Education and Workforce Development

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	51,905,800	52,620,800	52,877,200	53,164,400	53,731,500
Budget Reduction-General Fund		-368,747	-2,708,800		
Total General Fund	51,905,800	52,252,053	50,168,400	53,164,400	53,731,500
Restricted Funds					
Balance Forward	37,217,701	57,886,498	48,988,200	6,078,500	5,215,300
Current Receipts	11,691,496	12,265,974	14,653,700	14,409,200	13,468,600
Non-Revenue Receipts	45,868,214	16,088,818	-17,500	49,534,600	49,947,600
Fund Transfers		-126,574			
Total Restricted Funds	94,777,412	86,114,717	63,624,400	70,022,300	68,631,500
Federal Fund					
Balance Forward	1,226,645	1,018,761	3,756,300		
Current Receipts	561,665,478	464,545,464	493,395,100	507,620,000	507,241,500
Non-Revenue Receipts	-54,701,303	369,483	248,900		
Total Federal Fund	508,190,819	465,933,707	497,400,300	507,620,000	507,241,500
TOTAL SOURCE OF FUNDS	654,874,031	604,300,477	611,193,100	630,806,700	629,604,500
EXPENDITURES BY CLASS					
Personnel Costs	101,469,371	96,704,694	97,911,500	109,416,500	109,073,300
Operating Expenses	31,781,461	32,063,547	30,101,500	32,154,200	31,233,900
Grants Loans Benefits	445,076,250	403,804,752	439,066,900	482,534,000	483,614,700
Debt Service	15,156,912	17,647,659	36,619,200	182,500	365,000
Capital Outlay	626,673	540,566	1,415,500	1,304,200	1,110,800
Construction	192,119	222,810			
TOTAL EXPENDITURES	594,302,786	550,984,028	605,114,600	625,591,400	625,397,700
EXPENDITURES BY FUND SOURCE					
General Fund	50,239,814	52,160,451	50,168,400	53,164,400	53,731,500
Restricted Funds	36,890,913	36,646,286	57,545,900	64,807,000	64,424,700
Federal Fund	507,172,058	462,177,291	497,400,300	507,620,000	507,241,500
TOTAL EXPENDITURES	594,302,786	550,984,028	605,114,600	625,591,400	625,397,700
EXPENDITURES BY UNIT					
General Administration and Program Support	13,435,766	13,447,587	16,048,500	16,412,600	15,883,900
Commission on Proprietary Education	176,914	210,784	288,600	320,900	323,900
Deaf and Hard of Hearing	1,942,522	1,947,469	1,966,000	2,132,800	2,149,700
Kentucky Educational Television	14,046,853	14,722,718	14,655,400	16,566,200	16,925,900
Environmental Education Council	158,182	175,147	262,400	288,100	283,700
Libraries and Archives	16,330,347	17,405,876	16,660,900	17,896,300	17,802,800
Office for the Blind	10,119,223	10,865,411	10,262,200	13,002,800	13,090,700
Employment and Training	459,414,701	431,102,734	477,607,400	487,132,200	487,086,400
Vocational Rehabilitation	70,800,422	53,462,854	59,373,500	66,997,000	67,136,700
Education Professional Standards Board	7,877,856	7,643,448	7,989,700	4,842,500	4,714,000
TOTAL EXPENDITURES	594,302,786	550,984,028	605,114,600	625,591,400	625,397,700

During the 2006 Regular Session of the General Assembly, Senate Bill 105 combined several departments and offices from the former Education, Arts, and Humanities Cabinet and the former Workforce Development Cabinet to create the Education Cabinet. Senate Bill 78 from the 2009 Regular Session of the General Assembly renamed the cabinet to the Education and Workforce Development Cabinet to emphasize the important connection between education and workforce development. Since that time, other changes have been implemented via enacted legislation including moving the Council on Postsecondary Education from the Education and Workforce Development Cabinet to the Governor's Office, for administrative purposes; moving the Governor's Scholars Program from the Governor's Office to the Education

and Workforce Development Cabinet; and dissolving the Board for Proprietary Education and creating the Commission on Proprietary Education, and moving it to the Education and Workforce Development Cabinet for administrative purposes.

The following agencies comprise the Education and Workforce Development Cabinet:

- Department of Education
- Kentucky Center for School Safety
- Governor's Scholars Program
- Education Professional Standards Board
- Kentucky Commission on the Deaf and Hard of Hearing
- Environmental Education Council
- Department for Workforce Investment
- Kentucky Commission on Proprietary Education
- Kentucky Educational Television
- Department for Libraries and Archives

**Education and Workforce Development
General Administration and Program Support**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	4,750,100	4,893,100	4,927,600	5,164,000	5,210,100
Budget Reduction-General Fund		-2,096	-34,200		
Total General Fund	4,750,100	4,891,004	4,893,400	5,164,000	5,210,100
Restricted Funds					
Balance Forward	994,009	1,398,786	754,200	389,700	300,000
Current Receipts	81,820	254,869	300,000	1,021,000	1,104,500
Non-Revenue Receipts	6,049,078	4,844,235	6,306,400	6,270,900	6,070,900
Fund Transfers		-100,000			
Total Restricted Funds	7,124,907	6,397,890	7,360,600	7,681,600	7,475,400
Federal Fund					
Current Receipts	2,774,406	3,488,257	4,184,200	3,867,000	3,198,400
Non-Revenue Receipts	398,940	-483,842			
Total Federal Fund	3,173,345	3,004,415	4,184,200	3,867,000	3,198,400
TOTAL SOURCE OF FUNDS	15,048,352	14,293,309	16,438,200	16,712,600	15,883,900
EXPENDITURES BY CLASS					
Personnel Costs	9,017,877	9,141,397	11,476,800	12,340,700	11,805,200
Operating Expenses	2,273,111	1,918,492	1,780,600	1,998,100	2,004,900
Grants Loans Benefits	2,051,100	2,189,200	2,791,100	2,073,800	2,073,800
Debt Service					
Capital Outlay	24,838	17,647			
Construction	68,839	180,851			
TOTAL EXPENDITURES	13,435,766	13,447,587	16,048,500	16,412,600	15,883,900
EXPENDITURES BY FUND SOURCE					
General Fund	4,536,300	4,799,403	4,893,400	5,164,000	5,210,100
Restricted Funds	5,726,121	5,643,769	6,970,900	7,381,600	7,475,400
Federal Fund	3,173,345	3,004,415	4,184,200	3,867,000	3,198,400
TOTAL EXPENDITURES	13,435,766	13,447,587	16,048,500	16,412,600	15,883,900
EXPENDITURES BY UNIT					
Secretary	7,646,235	7,669,813	9,001,200	10,000,800	9,531,100
Governor's Scholars	1,936,100	1,875,000	1,875,900	1,758,600	1,758,600
Education and Workforce Statistics	3,853,431	3,902,774	5,171,400	4,653,200	4,594,200
TOTAL EXPENDITURES	13,435,766	13,447,587	16,048,500	16,412,600	15,883,900

General Administration and Program Support provides the central coordination and direction for the overall planning, management and oversight of the agencies within the Cabinet. It is responsible for policy and budget development and personnel transactions; legal services including legislative and regulatory development and oversight; a communications strategy with the public, business, and industry; economic analysis and research; accounting, purchasing, and facilities management; and information technology and other administrative support services.

The program includes the following units:

- The Office of the Secretary provides strategic direction and leadership to establish the focus for policy development, implementation, and program priorities. The Office coordinates Cabinet activities among its departments and agencies to ensure continuous improvement in administration and efficient service to the citizens of the Commonwealth. The Secretary serves as the Chief Executive Officer of the Cabinet and is an advisor to the Governor and the General Assembly.
- The Office of Educational Programs assists in maintaining the Cabinet's presence with educational agencies and managing state-wide educational programs, among other responsibilities.
- The Office of Legal and Legislative Services oversees the Cabinet's legislative agenda and issues, including constituent services and board and commissions responsibilities.

- The Office of Budget and Administration is the Cabinet's chief financial and administrative office. The Division of Administrative Services is responsible for all central office purchasing, auditing and processing financial documents, compliance with the Federal Cash Management Act, federal reporting, development of the Indirect Cost Plan, monitoring and reconciliation of all financial transactions, and compliance with state and federal guidelines. The Division of Human Resources is responsible for all Cabinet personnel activities including personnel and payroll processing, providing benefits services to Cabinet employees and developing workshops and training programs for employees.
- The Office of Technology Services oversees and assists with the Cabinet's application development needs and serves as the central location for all Cabinet data processing programs statewide. The Office works with the Commonwealth Office of Technology to effectuate the Cabinet's information technology infrastructure objectives.
- The Office of Communication provides internal and external communications, marketing support and media advisory services to the Cabinet, Executive Offices, Department for Workforce Investment and other Cabinet agencies. The Office interprets and disseminates information about the Cabinet and its components to employees, the media and the general public.
- The Office of Education and Workforce Statistics and the Board of the Kentucky Center for Education and Workforce Statistics manage and oversee the Kentucky Longitudinal Data System. The System is a data repository housing early childhood through postsecondary education, and training and employment information. The Office removes individual identifiers from the data and links information across agencies, schools, and institutions to provide a complete picture of the education-to-employment process to better inform decisions made by state and local policy makers, the general public, and other stakeholders. The office conducts studies and provides feedback about the performance of high school graduates after they go to college; the outcome of teacher preparation, college, adult education, and other programs; and develops the Kentucky County Profiles book. The Kentucky Center for Education and Workforce Statistics Board is comprised of the heads of the five participating agencies and includes the commissioner of the Department of Education, the president of the Kentucky Council on Postsecondary Education, the secretary of the Education and Workforce Development Cabinet, the Executive Director of the Education Professional Standards Board, and the CEO/Executive Director of the Kentucky Higher Education Assistance Authority. The board is charged with developing a detailed access and use policy for data and information request, overseeing the Office and establishing its research agenda, and overseeing compliance by the Office with the federal Family Educational Rights and Privacy Act and other relevant federal and state privacy laws.
- The Governor's Scholars Program (GSP) is designed to motivate and empower Kentucky's brightest young people to become effective thinkers and citizen leaders with a zeal for excellence and a mind for innovation. The program provides an intensive residential summer academic and personal growth program for academically talented rising high school seniors. The scholars, chosen competitively, spend five uninterrupted weeks in the program on three college campuses. The Program served 1,078 students in the summer of 2017.

**Education and Workforce Development
Proprietary Education**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
Restricted Funds					
Balance Forward	360,646	475,821	517,300	451,500	378,400
Current Receipts	292,090	252,259	247,800	247,800	247,800
Fund Transfers		-25,000			
Total Restricted Funds	652,735	703,080	765,100	699,300	626,200
TOTAL SOURCE OF FUNDS	652,735	728,080	740,100	699,300	626,200
EXPENDITURES BY CLASS					
Personnel Costs	164,191	197,281	269,900	302,200	305,200
Operating Expenses	12,723	13,503	18,700	18,700	18,700
TOTAL EXPENDITURES	176,914	210,784	288,600	320,900	323,900
EXPENDITURES BY FUND SOURCE					
Restricted Funds	176,914	210,784	288,600	320,900	323,900
TOTAL EXPENDITURES	176,914	210,784	288,600	320,900	323,900
EXPENDITURES BY UNIT					
Proprietary Education	176,914	210,784	288,600	320,900	323,900
TOTAL EXPENDITURES	176,914	210,784	288,600	320,900	323,900

The Kentucky Commission on Proprietary Education was established by action of the 2012 Kentucky General Assembly; it replaced the Board of Proprietary Education. The 11-member commission is charged with licensing and regulating all proprietary schools, doing business in Kentucky, other than those that offer a four year bachelor's degree. The duties of the Commission include issuing and renewing licenses to eligible proprietary schools, investigating complaints from students and schools, and administering and enforcing the provisions of KRS Chapter 165A pertaining to the conduct, operation, maintenance, and establishment of proprietary education institutions and the activities of agents of the schools.

The Commission also administers the Student Protection Fund. Each licensed school is obligated to contribute to the fund which reimburses eligible students in the event a school closes, loses its accreditation, or discontinues a program.

**Education and Workforce Development
Deaf and Hard of Hearing**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	883,200	862,900	873,900	959,000	970,000
Budget Reduction-General Fund		-17,258	-17,100		
Total General Fund	883,200	845,642	856,800	959,000	970,000
Restricted Funds					
Balance Forward	38	18,007	16,100	86,900	
Current Receipts	1,150,000	1,100,000	1,180,000	1,086,900	1,179,700
Non-Revenue Receipts	-33,009				
Fund Transfers		-38			
Total Restricted Funds	1,117,029	1,117,968	1,196,100	1,173,800	1,179,700
TOTAL SOURCE OF FUNDS	2,000,229	1,963,610	2,052,900	2,132,800	2,149,700
EXPENDITURES BY CLASS					
Personnel Costs	1,108,782	1,167,737	1,184,300	1,347,100	1,364,000
Operating Expenses	833,740	768,381	781,700	785,700	785,700
Capital Outlay		11,351			
TOTAL EXPENDITURES	1,942,522	1,947,469	1,966,000	2,132,800	2,149,700
EXPENDITURES BY FUND SOURCE					
General Fund	843,500	845,642	856,800	959,000	970,000
Restricted Funds	1,099,022	1,101,827	1,109,200	1,173,800	1,179,700
TOTAL EXPENDITURES	1,942,522	1,947,469	1,966,000	2,132,800	2,149,700
EXPENDITURES BY UNIT					
Commission on the Deaf and Hard of Hearing	1,942,522	1,947,469	1,966,000	2,132,800	2,149,700
TOTAL EXPENDITURES	1,942,522	1,947,469	1,966,000	2,132,800	2,149,700

In accordance with KRS 163.510, the Commission on the Deaf and Hard of Hearing advises the Governor and the General Assembly concerning policies and programs to enhance the quality and coordination of services for deaf and hard of hearing individuals in both the public and private sectors. The Commission oversees the provision of interpreter services to deaf and hard of hearing individuals; identifies and evaluates public and private entities that provide services to deaf and hard of hearing residents of Kentucky for information, referral, and advocacy services; administers a Telecommunications Access Program which provides specialized telecommunications equipment to qualified deaf, hard of hearing, and speech-impaired residents of Kentucky; assists local, state, and federal governments and public and private agencies in the development of programs for the deaf and hard of hearing; and reviews legislative programs relating to services for deaf and hard of hearing persons and conducts studies of conditions affecting the health and welfare of the deaf and hard of hearing.

**Education and Workforce Development
Kentucky Educational Television**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	13,245,000	13,814,300	13,923,200	15,047,600	15,401,100
Budget Reduction-General Fund		-50,000	-718,800		
Total General Fund	13,245,000	13,764,300	13,204,400	15,047,600	15,401,100
Restricted Funds					
Current Receipts	1,397,853	1,328,418	1,451,000	1,518,600	1,524,800
Non-Revenue Receipts		-370,000			
Total Restricted Funds	1,397,853	958,418	1,451,000	1,518,600	1,524,800
TOTAL SOURCE OF FUNDS	14,642,853	14,722,718	14,655,400	16,566,200	16,925,900
EXPENDITURES BY CLASS					
Personnel Costs	10,331,487	10,476,393	10,750,300	12,392,700	12,673,500
Operating Expenses	3,621,521	3,930,385	3,830,100	3,916,000	3,812,400
Debt Service				182,500	365,000
Capital Outlay	93,844	315,940	75,000	75,000	75,000
TOTAL EXPENDITURES	14,046,853	14,722,718	14,655,400	16,566,200	16,925,900
EXPENDITURES BY FUND SOURCE					
General Fund	12,649,000	13,764,300	13,204,400	15,047,600	15,401,100
Restricted Funds	1,397,853	958,418	1,451,000	1,518,600	1,524,800
TOTAL EXPENDITURES	14,046,853	14,722,718	14,655,400	16,566,200	16,925,900
EXPENDITURES BY UNIT					
General Administration and Support	2,603,000	2,878,200	2,786,500	3,263,500	3,479,400
Broadcasting and Education	9,382,052	9,678,414	9,831,800	10,996,600	11,120,000
Engineering	2,061,800	2,166,104	2,037,100	2,306,100	2,326,500
TOTAL EXPENDITURES	14,046,853	14,722,718	14,655,400	16,566,200	16,925,900

KET was established by the Kentucky General Assembly in the early 1960s for the purpose of supporting educational excellence in the Commonwealth. The agency's mission includes service to citizens of the Commonwealth in the home, in institutions of education, and in the workplace. As required by KRS 168, the Kentucky Authority for Educational Television (KET) produces and transmits educational programming for students in public schools, state supported institutions of higher education, and others desiring broadcast programs and services. KET is divided into three program areas: General Administration and Support, Broadcasting and Education, and Engineering.

The Broadcasting and Education unit acquires and produces programs and related support material which will most effectively carry out the mission and policies set by the Kentucky Authority for Educational Television. This process includes soliciting feedback from appropriate audiences and seeking input from agencies and groups such as the Kentucky Department of Education and the Higher Education Telecommunications Consortium. The unit assembles three channels of television programming: KET1 carries educational and informational programs for all Kentucky citizens; KET2 carries additional programs and repeats of important programs carried on KET1; and KETKY carries programs about Kentucky and Kentuckians and overnight feeds of instructional programs for schools. KETKY also carries the Kentucky General Assembly when in session or in committee, as well as, occasional special feeds for the State Department of Education, Kentucky Community and Technical College System or other partners as needed.

Instructional programming for elementary and secondary schools directly supports the learning goals and outcomes of Kentucky's Common Core Standards, adopted in February 2010. The Broadcasting and Education unit produces interactive and other distance learning courses designed to provide equal access to a variety of learning opportunities for all students. It produces professional development opportunities for educators throughout the state and broadcasts programs designed to help people in the workplace. Acquired and/or locally produced programming services are delivered to under-educated adults, professionals in need of training, and other citizens with various needs related to their jobs and professions. The unit also produces multiple schedules of nationally- and locally-produced programs for citizens at home and in the workplace. This includes educational and public affairs programming as well as quality arts experiences for all Kentuckians. A full line-up of children's educational programs offers a quality alternative to commercial television viewing.

KET's Engineering Service unit oversees the delivery of KET programs and other services. It operates and maintains a land-based broadcast network of 16 digital transmitters and three translators capable of delivering multiple channels of content and data into all parts of the state. The Engineering Service unit operates all technical equipment to specifications mandated by the Federal Communications Commission.

The General Administration and Support unit oversees the implementation of KET's mission as directed by the Kentucky Authority for Educational Television and recommends and carries out the policies of the Authority in all matters of the agency. The unit assures that the agency is in compliance with pertinent state regulations and federal broadcast laws and works to ascertain the desires of the citizens of the Commonwealth. The unit conducts research and planning activities to verify the needs of current and potential audiences then works to assure effective, efficient, and appropriate service to those audiences.

Policy

The Budget of the Commonwealth provides General Fund in the amount of \$182,500 in fiscal year 2018-2019 and \$365,000 in fiscal year 2019-2020 for debt service on new bonds for the Transmitter and Repack capital project.

**Education and Workforce Development
Environmental Education Council**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
Restricted Funds					
Balance Forward	65,973	76,024	103,200	148,100	130,000
Current Receipts	16,845	5,547	13,100	16,300	16,300
Non-Revenue Receipts	151,387	180,580	220,500	180,000	180,000
Fund Transfers		-1,203			
Total Restricted Funds	234,205	260,947	336,800	344,400	326,300
Federal Fund					
Current Receipts		8,089	73,700	73,700	66,000
Non-Revenue Receipts		9,295			
Total Federal Fund		17,384	73,700	73,700	66,000
TOTAL SOURCE OF FUNDS	234,205	278,332	410,500	418,100	392,300
EXPENDITURES BY CLASS					
Personnel Costs	137,773	145,846	189,700	231,100	227,000
Operating Expenses	14,299	23,424	49,900	46,000	51,700
Grants Loans Benefits	6,110	5,877	22,800	11,000	5,000
TOTAL EXPENDITURES	158,182	175,147	262,400	288,100	283,700
EXPENDITURES BY FUND SOURCE					
Restricted Funds	158,182	157,762	188,700	214,400	217,700
Federal Fund		17,384	73,700	73,700	66,000
TOTAL EXPENDITURES	158,182	175,147	262,400	288,100	283,700
EXPENDITURES BY UNIT					
Ky Environmental Education Council	158,182	175,147	262,400	288,100	283,700
TOTAL EXPENDITURES	158,182	175,147	262,400	288,100	283,700

The Kentucky Environmental Education Council was established in 1990 by KRS 157.910 and is charged with improving the environmental literacy of all Kentuckians. The Council provides opportunities for all Kentuckians to understand both that environmental problems exist and how each person's actions contribute to the health of the environment. In accordance with KRS 224.10-250, the Council receives the first \$150,000 in environmental fines and penalties collected by the Energy and Environment Cabinet for funding programs and activities that improve the quality of environmental education in the Commonwealth. These programs and activities include:

- Working with citizens, especially those engaged in environmental education, to implement the master plan for improving environmental education and environmental literacy.
- Working with the Kentucky Department of Education, the Education Professional Standards Board, and agencies that make up the Environmental Education Interagency Committee to establish guidelines for improving professional development in environmental education for educators.
- Establishing standards for environmental education that fit within the Kentucky Department of Education's instructional standards and help insure balanced, ecologically-based curriculum and instruction.
- Working to ensure that environmental education is equitably distributed to all Kentuckians.

Additionally, in accordance with KRS 224.43-505, the Council provides interest accrued on the Kentucky Pride Fund, a fund that receives environmental remediation fees charged on each ton of waste disposed of at Kentucky landfills, to the eight state public universities to operate environmental education centers.

**Education and Workforce Development
Libraries and Archives**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	12,543,400	12,957,000	13,001,800	13,095,200	13,156,700
Budget Reduction-General Fund		-168,900	-1,213,100		
Total General Fund	12,543,400	12,788,100	11,788,700	13,095,200	13,156,700
Restricted Funds					
Balance Forward	2,843,314	2,781,252	2,670,800	2,255,400	1,953,700
Current Receipts	2,528,294	2,239,247	1,862,900	1,932,000	1,935,500
Fund Transfers		-332			
Total Restricted Funds	5,371,607	5,020,167	4,533,700	4,187,400	3,889,200
Federal Fund					
Current Receipts	1,252,795	2,557,170	2,345,000	2,567,400	2,589,900
Non-Revenue Receipts	357,497	-288,646	248,900		
Total Federal Fund	1,610,292	2,268,524	2,593,900	2,567,400	2,589,900
TOTAL SOURCE OF FUNDS	19,525,299	20,076,791	18,916,300	19,850,000	19,635,800
EXPENDITURES BY CLASS					
Personnel Costs	6,172,068	6,224,412	5,180,100	6,521,200	6,556,700
Operating Expenses	2,902,591	3,400,278	3,144,700	3,659,500	3,527,500
Grants Loans Benefits	7,233,065	7,754,142	8,309,100	7,715,600	7,718,600
Capital Outlay	22,623	27,043	27,000		
TOTAL EXPENDITURES	16,330,347	17,405,876	16,660,900	17,896,300	17,802,800
EXPENDITURES BY FUND SOURCE					
General Fund	12,129,700	12,788,100	11,788,700	13,095,200	13,156,700
Restricted Funds	2,590,355	2,349,252	2,278,300	2,233,700	2,056,200
Federal Fund	1,610,292	2,268,524	2,593,900	2,567,400	2,589,900
TOTAL EXPENDITURES	16,330,347	17,405,876	16,660,900	17,896,300	17,802,800
EXPENDITURES BY UNIT					
Libraries and Archives	9,107,848	9,647,208	9,010,600	10,474,500	10,381,000
Direct Local Aid	7,222,499	7,758,668	7,650,300	7,421,800	7,421,800
TOTAL EXPENDITURES	16,330,347	17,405,876	16,660,900	17,896,300	17,802,800

The Department for Libraries and Archives supports and promotes equitable access to quality library services and information resources, and ensures that adequate documentation of government programs is created, maintained, and available for public use.

The Department is directed by three goals:

- To provide effective services that meet the needs of library and public records customers,
- To build effective and productive partnerships with other organizations and public agencies for enhanced management of and access to information and services, and
- To improve employee job satisfaction and agency operations.

The Department serves both governmental agencies and the people of Kentucky directly through local public libraries. The Department also serves several distinct customer populations including the general public, the blind and physically disabled, institutionalized persons, state government personnel, state and local public agencies, and researchers needing historic public records.

**Education and Workforce Development
Libraries and Archives**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	6,217,500	5,898,900	5,943,700	6,265,600	6,327,100
Budget Reduction-General Fund		-168,900	-1,213,100		
Total General Fund	6,217,500	5,730,000	4,730,600	6,265,600	6,327,100
Restricted Funds					
Balance Forward	2,370,791	2,383,504	2,015,800	1,630,800	1,329,100
Current Receipts	1,609,700	1,301,034	1,301,100	1,339,800	1,343,300
Fund Transfers		-20			
Total Restricted Funds	3,980,491	3,684,517	3,316,900	2,970,600	2,672,400
Federal Fund					
Balance Forward					
Current Receipts	1,182,003	2,547,548	2,345,000	2,567,400	2,589,900
Non-Revenue Receipts	391,158	-298,973	248,900		
Total Federal Fund	1,573,160	2,248,575	2,593,900	2,567,400	2,589,900
TOTAL SOURCE OF FUNDS	11,771,151	11,663,092	10,641,400	11,803,600	11,589,400
EXPENDITURES BY CLASS					
Personnel Costs	6,172,068	6,193,133	5,180,100	6,521,200	6,556,700
Operating Expenses	2,883,407	3,400,032	3,144,500	3,659,500	3,527,500
Grants Loans Benefits	29,750	27,000	659,000	293,800	296,800
Capital Outlay	22,623	27,043	27,000		
TOTAL EXPENDITURES	9,107,848	9,647,208	9,010,600	10,474,500	10,381,000
EXPENDITURES BY FUND SOURCE					
General Fund	5,937,700	5,730,000	4,730,600	6,265,600	6,327,100
Restricted Funds	1,596,987	1,668,633	1,686,100	1,641,500	1,464,000
Federal Fund	1,573,160	2,248,575	2,593,900	2,567,400	2,589,900
TOTAL EXPENDITURES	9,107,848	9,647,208	9,010,600	10,474,500	10,381,000
EXPENDITURES BY UNIT					
Administrative Services	2,117,249	2,366,078	1,294,600	2,374,600	2,249,000
Field Services	1,950,370	2,019,308	2,176,100	2,118,700	2,160,400
Library Services	1,290,920	1,441,533	1,566,200	1,927,200	1,937,200
Archives & Records Management	3,749,309	3,820,289	3,973,700	4,054,000	4,034,400
TOTAL EXPENDITURES	9,107,848	9,647,208	9,010,600	10,474,500	10,381,000

The Department for Libraries and Archives supports and promotes equitable access to quality library services and information resources, and ensures that adequate documentation of government programs is created, maintained, and available for public use.

Administrative Services

The Libraries and Archives Commissioner's Office sets overall policy and direction for the Department and provides communication advice and support to each division. The Office supports the activities of the State Advisory Council on Libraries, chairs the Archives and Records Commission, and serves on the State Information Systems Commission, the Communications Advisory Committee, and the Oral History Commission.

The Division of Administrative Services formulates and implements executive direction for planning, policy, and procedures for the Department in accordance with KRS Chapter 171. The Division provides administrative support to the program areas of the Department. This division funds and supports the activities of the Commissioner's Office, as well as those of the Financial, Personnel and Payroll, Federal Grants Management, Information Systems, Building Facilities, and Administrative Support units.

Field Services

The Division of Field Services supports Kentucky's public libraries for the improvement of library services by providing

consultation, technical assistance, and financial aid. The Division provides services pursuant to KRS Chapter 171.

This division's Public Library Development Branch includes professional and technical staff who provide consultative and technical assistance concerning public library services and programs provided by the Department. The staff is located in regional offices that are mainly housed in local public libraries.

The Program Development Branch provides statewide guidance in specialized library services. This office plans and implements statewide continuing education programs. Services are also provided for technological development, automated operations, and statistical analysis. Branch staff provide consulting services in the areas of library construction; assistance in developing early childhood, children's, and young adult programs and materials; and provides administrative support to the Kentucky State Board for the Certification of Librarians.

The Kentucky Talking Book Library and Institutions Branch provides special library materials and playback equipment to eligible service clientele. Volunteers record materials that are of special interest to Kentucky Talking Book patrons, and department staff coordinate distribution. The Branch also provides library materials and professional consultation to state residential institution libraries.

State Library Services

The Division of State Library Services operates the State Library that serves state government personnel, public libraries, other institutions, and individuals. In an effort to equalize library services and access to information across the state, this division promotes and maintains cooperative arrangements for information and resource sharing among all types of libraries, library consortia, and information centers including state agencies as mandated by Chapter 171.

State Library Support is the administrative unit of the Division and provides coordinated program planning and control to ensure the best service in a cost-effective manner. The unit directs the statewide library resource-sharing activities of the Department, including direct service delivery, coordination of activities on a statewide basis, and support via direct local aid. The Department works closely with the Kentucky Virtual Library (KYVL) in the delivery of services and coordination of activities, and also participates as an individual library institution.

The Public Services Branch is committed to providing resources, research, consultation, and assistance to state agencies and public libraries through use of a variety of information formats including the Internet. The State Library partners with the Governmental Services Center (GSC) and the Kentucky Employee Assistance Program (KEAP) to provide supplementary information resources for those agencies' clients through the Library's web site.

The Audiovisual unit of the Branch provides a centralized collection of videos and films that are loaned without a fee to public libraries, state agencies, and walk-in customers. The unit is unique in that it is the only major source of films and "public performance" videos in the Commonwealth. The primary needs are for children's films suitable for large audience viewing and videos designed for adult training and education.

The Technical Support Branch provides computerized access to information for the State Library's collections and public libraries. The Branch serves as a model for quality control throughout the state, and supplies training and consulting services to librarians and state agency personnel involved in the organization of reference materials.

Public Records

The Division of Public Records, under KRS 171.410-740, works with government agencies to create and preserve documentation of agencies' organizational functions, policies, decisions, procedures, and essential transactions, as well as information that protects the legal and financial rights of government and of individuals directly affected by an agency's activities. The Division establishes standards, procedures, and administrative regulations for recording, managing, preserving, and reproducing government records. It works with the heads of state and local government agencies to ensure that the agencies create and maintain active programs for efficient records management.

The Public Records Support Office provides overall policy development, coordination of program planning, and administrative direction of division programs in public records administration and archival management.

The State Records Branch assists state agencies, boards and commissions, public universities, and judicial offices in developing and maintaining programs to manage government information. Branch staff manage the State Records Center for high volume storage of non-permanent records still in business use.

The Archival Services Branch operates the state's central repository for valuable government records. It serves as the official point of access for state government information. The Branch is also involved in a variety of outreach and

educational activities that inform public officials and the general public about the wealth and range of materials housed at the State Archives.

The Technology Analysis and Support Branch provides support to agencies on archival and records management considerations in the application of information technology. It works with other units to provide guidance to public agencies on the management of electronic records and oversees the work of the Department's Document Preservation Laboratory. This includes professional consulting, education and training programs, records disaster recovery assistance, and laboratory conservation treatment.

The Image Management Branch provides centralized image management and micrographics services to state and local government agencies on a cost recovery basis. These central services help improve access to information, reduce the volume of paper-based files, and ensure archival preservation of information contained in fragile paper records.

The Local Records Branch assists local government agencies in implementing and maintaining archives and records management programs.

Education and Workforce Development

Direct Local Aid

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	6,325,900	7,058,100	7,058,100	6,829,600	6,829,600
Total General Fund	6,325,900	7,058,100	7,058,100	6,829,600	6,829,600
Restricted Funds					
Balance Forward	472,523	397,749	655,000	624,600	624,600
Current Receipts	918,594	938,213	561,800	592,200	592,200
Fund Transfers		-312			
Total Restricted Funds	1,391,117	1,335,650	1,216,800	1,216,800	1,216,800
Federal Fund					
Balance Forward					
Current Receipts	70,792	9,622			
Non-Revenue Receipts	-33,661	10,328			
Total Federal Fund	37,131	19,949			
TOTAL SOURCE OF FUNDS	7,754,148	8,413,700	8,274,900	8,046,400	8,046,400
EXPENDITURES BY CLASS					
Personnel Costs		31,280			
Operating Expenses	19,185	247	200		
Grants Loans Benefits	7,203,315	7,727,142	7,650,100	7,421,800	7,421,800
TOTAL EXPENDITURES	7,222,499	7,758,668	7,650,300	7,421,800	7,421,800
EXPENDITURES BY FUND SOURCE					
General Fund	6,192,000	7,058,100	7,058,100	6,829,600	6,829,600
Restricted Funds	993,368	680,619	592,200	592,200	592,200
Federal Fund	37,131	19,949			
TOTAL EXPENDITURES	7,222,499	7,758,668	7,650,300	7,421,800	7,421,800
EXPENDITURES BY UNIT					
Libraries Support	5,966,863	6,924,895	7,058,100	4,329,600	4,329,600
Library Technology	19,185		30,400		
Public Records	1,236,452	833,773	561,800	3,092,200	3,092,200
TOTAL EXPENDITURES	7,222,499	7,758,668	7,650,300	7,421,800	7,421,800

Direct Local Aid provides the following services to citizens of the Commonwealth:

- Federal grants are provided for continuing education, training, and demonstration projects.
- State aid provides cash grants to all counties with legally established public libraries. The grant funds may be used for the following purposes: purchase, upgrade, and maintenance of technology resources; purchase of library materials and equipment; maintenance and operation of bookmobiles and extension programs; staff and trustee training and compensation; building maintenance; debt service; resource-sharing; program development; and certain other local library needs and services.
- The Bookmobile program furnishes and replaces bookmobiles used by Kentucky's public libraries. The bookmobiles provide informational and educational resources to those who cannot physically reach a public library. Bookmobiles make regular stops at schools, daycare centers, and after-school centers. Services are also provided to the elderly and homebound individuals. Funds are also provided for maintenance and repair of existing bookmobiles. Services are provided as funds are available.
- Construction grants are available through a competitive application process to assist with retiring debt associated with the construction or repair of library facilities.
- Institution grants are given to two local libraries to administer library service in three state prisons. The Danville Library works with the Northpoint Training Center, and the Oldham County Public Library works with the Kentucky State Reformatory and the Kentucky Correctional Institution for Women.
- Kentucky Talking Book Library grants are given to assist in the delivery of services directly to blind and physically disabled library patrons.
- Local Records grants provide funds to assist local governments with the protection and preservation of public records, and the improvement of local government records management programs.

These services are administered by the Department's program divisions: Field Services, State Library Services, and Public Records. Direct services include cash grants, library materials, and bookmobiles.

**Education and Workforce Development
Office for the Blind**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	1,413,700	1,424,800	1,438,700	1,880,900	1,890,800
Total General Fund	1,413,700	1,424,800	1,438,700	1,880,900	1,890,800
Restricted Funds					
Balance Forward	992,730	939,482	517,600	218,000	77,300
Current Receipts	1,710,995	921,741	849,700	870,400	938,100
Non-Revenue Receipts	18,750	150,000			
Total Restricted Funds	2,722,475	2,011,222	1,367,300	1,088,400	1,015,400
Federal Fund					
Balance Forward	196,793	-2,073	-2,100		
Current Receipts	6,647,123	7,257,558	7,676,300	10,110,800	10,184,500
Non-Revenue Receipts	140,141	692,081			
Total Federal Fund	6,984,057	7,947,566	7,674,200	10,110,800	10,184,500
TOTAL SOURCE OF FUNDS	11,120,232	11,383,588	10,480,200	13,080,100	13,090,700
EXPENDITURES BY CLASS					
Personnel Costs	6,515,742	6,718,356	6,678,100	7,661,300	7,756,600
Operating Expenses	1,590,010	1,580,275	1,421,600	1,454,600	1,452,100
Grants Loans Benefits	1,890,683	2,429,083	1,598,900	3,323,300	3,318,400
Capital Outlay	122,788	136,795	563,600	563,600	563,600
Construction		903			
TOTAL EXPENDITURES	10,119,223	10,865,411	10,262,200	13,002,800	13,090,700
EXPENDITURES BY FUND SOURCE					
General Fund	1,350,100	1,424,800	1,438,700	1,880,900	1,890,800
Restricted Funds	1,782,993	1,490,987	1,149,300	1,011,100	1,015,400
Federal Fund	6,986,130	7,949,624	7,674,200	10,110,800	10,184,500
TOTAL EXPENDITURES	10,119,223	10,865,411	10,262,200	13,002,800	13,090,700
EXPENDITURES BY UNIT					
General Blind Services	8,816,296	9,591,421	8,803,000	11,365,000	11,447,700
Business Enterprise Program	645,073	663,051	800,800	880,000	876,000
Center for Independent Living	657,854	610,939	658,400	757,800	767,000
TOTAL EXPENDITURES	10,119,223	10,865,411	10,262,200	13,002,800	13,090,700

Pursuant to KRS 163.470 and the Rehabilitation Act of 1973 as amended, the Office for the Blind provides services to assist individuals who are blind and visually impaired in preparing for, obtaining, improving, and maintaining employment, as well as enabling them to live more independent and fulfilling lives. Office for the Blind has professional staff located at the central office as well as in Kentucky Career Centers throughout the state. Kentucky Career Centers house not only Office for the Blind staff, but also staff from partner agencies such as Office of Vocational Rehabilitation, Office of Employment and Training, Department for Community Based Services, Kentucky Adult Education, Community Action, and others. Such collaboration affords consumers the convenience of a one-stop approach for accessing various types of assistance necessary for reaching employment goals.

The Office provides vocational rehabilitation of blind and visually impaired Kentuckians. Vocational Rehabilitation Counselors provide vocational counseling, evaluation, physical and mental restoration, vocational and higher education training, assistive technology training, adaptive devices, orientation and mobility training, and job placement services. The Counselors receive ongoing training to maintain certification and to gain knowledge of the latest developments in rehabilitation techniques. The Office provides services through the following avenues:

- The Office has 10 field offices that provide direct vocational rehabilitation services to individuals with severe visual impairments.
- The Charles McDowell Comprehensive Rehabilitation Center for the Blind is a facility in Louisville that provides training in vocational preparation, personal adjustment services, independent living skills, orientation and mobility skills, Braille, assistive technology, career assessment, vocational planning, work adjustment, and work experience.

- In Lexington and Paducah, the Office operates two volunteer recording units that provide audio-recorded materials statewide for blind and visually impaired individuals.
- The Business Enterprise Program trains and provides equipment to blind individuals for self-employment at vending facilities located statewide.
- The Independent Living Program provides training to blind and visually impaired individuals in areas that will enable them to live and function independently.

Pursuant to KRS 163.470(11) and the federal Randolph-Sheppard Act, the Division of Business Enterprises Program (BEP) establishes vending facilities on state, federal, and other property to provide remunerative employment for licensed merchants who are visually impaired. Business Enterprises staff provides management services and training to individuals who are visually impaired, identifies and develops new sites suitable for vending facilities, and repairs and replaces equipment in existing vending facilities.

The Business Enterprise Program also collects a set-aside, or fee based upon the percentage of gross sales from vending operations. The visually impaired merchants currently contribute five percent of their net income to be used for their own health insurance and an IRA. The funds received from the interstate vending contract are utilized exclusively in the Business Enterprises Program.

Pursuant to KRS 163.470 and Title VII of the Rehabilitation Act, independent living specialists provide short-term, individualized instruction for individuals who are blind so they may be able to function independently. Services include information, counseling, and skills training in activities of daily living. Mobility training, assistive devices, referrals to community resources in housing and transportation, and information on services offered by other agencies are provided. The service population consists mainly of individuals who are elderly or unable to work due to the severity of disabilities.

The Office employs independent living specialists who are located throughout the state. These specialists make home visits and provide specially-adapted aids and appliances such as Braille and talking watches, controls on stoves, writing guides, phone dials, and canes. They provide limited instruction in household tasks such as cooking, keeping time, and learning in the home. The specialists also work with families to educate them about blindness and how to promote independent living.

**Education and Workforce Development
Employment and Training**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
Restricted Funds					
Balance Forward	30,687,065	50,362,626	42,614,400	684,400	553,700
Current Receipts	1,348,263	3,045,637	4,290,500	3,282,200	2,235,600
Non-Revenue Receipts	39,679,309	11,259,004	-6,519,400	43,083,700	43,696,700
Total Restricted Funds	71,714,637	64,667,266	40,385,500	47,050,300	46,486,000
Federal Fund					
Balance Forward	988,372	1,018,392	3,756,000		
Current Receipts	494,649,554	411,368,339	434,150,300	440,635,600	440,765,400
Non-Revenue Receipts	-56,556,844	419,204			
Total Federal Fund	439,081,082	412,805,935	437,906,300	440,635,600	440,765,400
TOTAL SOURCE OF FUNDS	510,795,719	477,473,201	478,291,800	487,685,900	487,251,400
EXPENDITURES BY CLASS					
Personnel Costs	39,759,553	36,891,282	34,770,900	39,660,600	39,390,200
Operating Expenses	14,343,123	14,670,980	13,211,700	14,154,900	13,484,300
Grants Loans Benefits	389,811,650	361,822,491	392,255,700	432,651,100	433,739,700
Debt Service	15,156,912	17,647,659	36,619,200		
Capital Outlay	234,993	29,265	749,900	665,600	472,200
Construction	108,471	41,056			
TOTAL EXPENDITURES	459,414,701	431,102,734	477,607,400	487,132,200	487,086,400
EXPENDITURES BY FUND SOURCE					
Restricted Funds	21,352,011	22,052,832	39,701,100	46,496,600	46,321,000
Federal Fund	438,062,690	409,049,902	437,906,300	440,635,600	440,765,400
TOTAL EXPENDITURES	459,414,701	431,102,734	477,607,400	487,132,200	487,086,400
EXPENDITURES BY UNIT					
Employer and Placement Services	19,709,219	21,509,521	25,815,800	26,839,600	26,778,300
Unemployment Insurance	400,497,271	370,711,319	410,244,200	375,544,900	375,294,200
Special Projects				43,894,700	43,936,000
Workforce Innovation and Opportunity Act	39,208,211	38,881,895	41,547,400	40,853,000	41,077,900
TOTAL EXPENDITURES	459,414,701	431,102,734	477,607,400	487,132,200	487,086,400

The Office of Employment and Training (OET) administers federally-funded programs that provide employment-related services to the citizens of Kentucky. OET provides a wide array of professional services to employers and job seekers. These services include employment counseling, testing, assessment, job search assistance, and placement services to all citizens, as well as training programs for dislocated workers and other individuals who are economically disadvantaged.

The programs are funded by federal grants, with the principal revenue source derived from the Unemployment Insurance (UI) program. The federal government, through the employer-paid Federal Unemployment Tax Act (FUTA), provides the Office's operating and capital funding for the two programs.

The Office also receives funds to administer several smaller programs that are related to UI and Employment Services, including: Veterans' Employment and Training Services, Labor Market Information, Alien Labor Certification, Agricultural Wage Surveys, and Alien Farmworker Housing Inspections. The Office administers training programs under the Trade Adjustment Assistance program and Title I of the Workforce Innovation and Opportunity Act. These programs are designed to provide temporary income maintenance through UI to individuals who are unemployed through no fault of their own, and to assist the unemployed, underemployed, and persons who wish to change occupations in finding suitable employment. Additional benefits include the reduction of public burden through the early placement of welfare recipients and UI claimants.

The Department is also responsible for assessing and collecting taxes from employers to distribute benefits to those who qualify for unemployment compensation.

Policy

Notwithstanding KRS 341.295 and 341.240, penalty and interest collections credited to the unemployment compensation administration fund may be used during each fiscal year by the Office of Employment and Training for Wagner-Peyser and Unemployment Insurance Administration purposes.

**Education and Workforce Development
Employment and Training
Employer and Placement Services**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
Restricted Funds					
Balance Forward	1,861,090	984,465	1,123,800	589,400	423,700
Current Receipts	1,265,744	2,766,637	4,240,200	2,360,300	1,337,200
Non-Revenue Receipts	28,168	-514,135	-2,816,900	-826,000	-254,300
Total Restricted Funds	3,155,002	3,236,967	2,547,100	2,123,700	1,506,600
Federal Fund					
Current Receipts	18,439,700	20,639,462	23,858,100	25,139,600	25,271,700
Non-Revenue Receipts	364,073	-23,149			
Total Federal Fund	18,803,773	20,616,313	23,858,100	25,139,600	25,271,700
TOTAL SOURCE OF FUNDS	21,958,774	23,853,280	26,405,200	27,263,300	26,778,300
EXPENDITURES BY CLASS					
Personnel Costs	12,988,118	12,286,603	10,403,200	10,951,900	11,084,000
Operating Expenses	3,901,866	4,176,081	3,531,800	4,150,300	4,150,300
Grants Loans Benefits	4,022,757	6,208,865	11,215,200	11,071,800	11,071,800
Capital Outlay	101,749	28,860	665,600	665,600	472,200
Construction	18,471	41,056			
TOTAL EXPENDITURES	21,032,962	22,741,466	25,815,800	26,839,600	26,778,300
EXPENDITURES BY FUND SOURCE					
Restricted Funds	2,170,536	2,113,123	1,957,700	1,700,000	1,506,600
Federal Fund	18,862,425	20,628,343	23,858,100	25,139,600	25,271,700
TOTAL EXPENDITURES	21,032,962	22,741,466	25,815,800	26,839,600	26,778,300

There are two objectives of the Employer and Placement Services program. The first is to assist individuals who are unemployed, underemployed, or simply seeking to change their employment situation. The second is to assist employers in obtaining qualified workers to fill job openings as quickly as possible. This program provides counseling, employment testing, job development, referral, and placement.

**Education and Workforce Development
Employment and Training
Unemployment Insurance**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
Restricted Funds					
Balance Forward	28,825,975	49,378,160	41,490,600	95,000	130,000
Current Receipts	82,520	279,001	50,300	921,900	898,400
Non-Revenue Receipts	39,651,141	11,773,138	-3,702,500	15,000	15,000
Total Restricted Funds	68,559,635	61,430,299	37,838,400	1,031,900	1,043,400
Federal Fund					
Balance Forward	918,693	980,652	3,718,300		
Current Receipts	438,254,737	353,330,912	368,782,500	374,643,000	374,415,800
Non-Revenue Receipts	-56,876,981	178,339			
Total Federal Fund	382,296,448	354,489,902	372,500,800	374,643,000	374,415,800
TOTAL SOURCE OF FUNDS	450,856,083	415,920,201	410,339,200	375,674,900	375,459,200
EXPENDITURES BY CLASS					
Personnel Costs	25,848,163	23,762,405	22,233,100	24,319,600	24,552,500
Operating Expenses	8,743,995	8,859,414	8,853,800	8,771,500	8,287,900
Grants Loans Benefits	350,565,528	320,441,841	342,453,800	342,453,800	342,453,800
Debt Service	15,156,912	17,647,659	36,619,200		
Capital Outlay	92,673		84,300		
Construction	90,000				
TOTAL EXPENDITURES	400,497,271	370,711,319	410,244,200	375,544,900	375,294,200
EXPENDITURES BY FUND SOURCE					
Restricted Funds	19,181,475	19,939,709	37,743,400	901,900	878,400
Federal Fund	381,315,796	350,771,610	372,500,800	374,643,000	374,415,800
TOTAL EXPENDITURES	400,497,271	370,711,319	410,244,200	375,544,900	375,294,200
EXPENDITURES BY UNIT					
Unemployment Insurance Administration	50,794,330	51,022,510	68,544,200	33,844,900	33,594,200
Unemployment Insurance Benefits	349,702,941	319,688,809	341,700,000	341,700,000	341,700,000
TOTAL EXPENDITURES	400,497,271	370,711,319	410,244,200	375,544,900	375,294,200

The purpose of the Unemployment Insurance (UI) program is to provide temporary financial assistance to workers who become unemployed through no fault of their own, in the form of regular UI benefit payments in an amount determined by the claimant's wage history. Regular UI benefits are funded entirely through payment of the state unemployment taxes by employers determined liable under KRS Chapter 341 based upon the size and duration of payroll.

Within the Office of Employment and Training, the Division of Unemployment Insurance supports the claims activities initiated in the local offices of the Division of Field Services. In the central office, the Benefits Branch ensures and accounts for the proper payment of regular UI and federal program benefits, including the determination of chargeability to a specific employer for the cost of each regular UI claim. In cases where benefits have been drawn in error, the branch pursues restitution and, if fraud is involved, pursues prosecution of the claimant. The Benefits Branch also operates an interstate claims "local office" to serve claimants covered under Kentucky law but filing from other states.

In addition to regular UI benefits, the program also administers payment of federal benefits to unemployed federal employees and discharged military personnel, those affected by changes in international trade, those affected financially in federal disaster areas, and those covered under extended unemployment compensation programs. With the exception of partial payment from state UI funds in the case of some extended benefits, these programs are financed by employer federal unemployment tax collected by the Internal Revenue Service.

The administrative component of the UI program provides benefit payments based on earnings in a specific transaction period. Revenues for this program are derived from a federal unemployment tax on employers' payrolls.

KRS Chapter 341 provides the statutory authority and structure for the operation of the UI program in Kentucky. With regard to most particulars involving worker coverage, benefit entitlement, and employer liability, KRS Chapter 341 conforms to federal unemployment law derived from the Social Security Act of 1935. This state and federal statutory

conformity is required in order for Kentucky employers to receive a credit against federal unemployment tax based on state tax payments, and in order for the agency to receive federal administrative funding.

During fiscal year 2015, the Office of Employment and Training paid 1.15 million weeks of compensation to out-of-work Kentuckians with benefits totaling approximately \$334.3 million.

Policy

Notwithstanding KRS 341.240 and 341.295, funds from the Unemployment Compensation Administration Fund may be used each fiscal year to support the Wagner-Peyser program.

**Education and Workforce Development
Employment and Training
Workforce Innovation and Opportunity Act**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
Federal Fund					
Balance Forward	69,679	37,740	37,700		
Current Receipts	39,220,207	38,617,881	41,509,700	40,853,000	41,077,900
Non-Revenue Receipts	-43,935	264,014			
Total Federal Fund	39,245,951	38,919,635	41,547,400	40,853,000	41,077,900
TOTAL SOURCE OF FUNDS	39,245,951	38,919,635	41,547,400	40,853,000	41,077,900
EXPENDITURES BY CLASS					
Personnel Costs	2,155,058	1,968,094	2,134,600	2,914,400	2,237,700
Operating Expenses	1,789,218	1,741,610	826,100	1,013,100	826,100
Grants Loans Benefits	35,223,364	35,171,785	38,586,700	36,925,500	38,014,100
Capital Outlay	40,570	405			
TOTAL EXPENDITURES	39,208,211	38,881,895	41,547,400	40,853,000	41,077,900
EXPENDITURES BY FUND SOURCE					
Federal Fund	39,208,211	38,881,895	41,547,400	40,853,000	41,077,900
TOTAL EXPENDITURES	39,208,211	38,881,895	41,547,400	40,853,000	41,077,900

In accordance with the provisions of the Workforce Innovation and Opportunity Act (WIOA), Kentucky continues to consolidate, coordinate, and improve employment, training, literacy, and vocational rehabilitation programs. WIOA reforms implemented by the Commonwealth include streamlining services through a one-stop service delivery system housed in Kentucky Career Centers located throughout the state, empowering individuals by means of information and access to training resources through individual training accounts, providing universal access to core services, increasing accountability for results, ensuring a strong role for Local Workforce Investment Boards and the private sector in the workforce investment system, facilitating state and local flexibility, and improving youth services.

The Workforce Innovation and Opportunity Act specifies three funding streams to the states and local areas: adults, dislocated workers, and youth.

Most services for adults and dislocated workers are provided through the Kentucky Career Centers, and most customers use individual training accounts to determine which training programs and training providers best fit their needs. The Act authorizes core services available to all adults, and intensive services for unemployed individuals who are not able to find jobs through core services alone. In some cases, intensive services are available to employed workers who need more help to find or keep a job that will lead to self-sufficiency.

Through WIOA, youth are prepared for postsecondary educational opportunities or employment. Programs link academic and occupational learning and include tutoring, study skills training, and instruction leading to completion of secondary school (including drop-out prevention); alternative school services; mentoring by appropriate adults; paid and unpaid work experience (i.e. internships and job shadowing); occupational skills training; leadership development; and appropriate supportive services.

The 42-member Kentucky Workforce Investment Board (KWIB) serves as an advisory board to the Governor on workforce training and development issues. The KWIB is charged with creating a statewide vision for workforce development and adopting a plan to move Kentucky forward through workforce training and development.

**Education and Workforce Development
Vocational Rehabilitation**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	11,709,100	11,849,300	11,872,700	13,393,000	13,459,000
Total General Fund	11,709,100	11,849,300	11,872,700	13,393,000	13,459,000
Restricted Funds					
Balance Forward	206,847	210,246	-49,900		
Current Receipts	2,464,634	2,389,195	3,358,700	3,334,000	3,336,300
Total Restricted Funds	2,671,481	2,599,441	3,308,800	3,334,000	3,336,300
Federal Fund					
Balance Forward	26,134	2,442	2,400		
Current Receipts	55,938,938	39,254,970	44,189,600	50,270,000	50,341,400
Non-Revenue Receipts	667,456	186,762			
Total Federal Fund	56,632,529	39,444,173	44,192,000	50,270,000	50,341,400
TOTAL SOURCE OF FUNDS	71,013,110	53,892,914	59,373,500	66,997,000	67,136,700
EXPENDITURES BY CLASS					
Personnel Costs	25,116,166	22,639,555	23,494,800	25,096,100	25,239,800
Operating Expenses	5,459,948	5,081,617	5,086,400	5,294,800	5,290,800
Grants Loans Benefits	40,081,912	25,739,157	30,792,300	36,606,100	36,606,100
Capital Outlay	127,587	2,525			
Construction	14,810				
TOTAL EXPENDITURES	70,800,422	53,462,854	59,373,500	66,997,000	67,136,700
EXPENDITURES BY FUND SOURCE					
General Fund	11,709,100	11,849,300	11,872,700	13,393,000	13,459,000
Restricted Funds	2,461,235	2,171,822	3,308,800	3,334,000	3,336,300
Federal Fund	56,630,087	39,441,731	44,192,000	50,270,000	50,341,400
TOTAL EXPENDITURES	70,800,422	53,462,854	59,373,500	66,997,000	67,136,700
EXPENDITURES BY UNIT					
Carl D. Perkins Vocational Training Center	8,553,594	7,375,925	7,443,900	8,067,800	8,138,800
Program Services	60,410,976	45,271,557	51,290,300	58,162,200	58,230,900
Executive Director	1,835,853	815,371	639,300	767,000	767,000
TOTAL EXPENDITURES	70,800,422	53,462,854	59,373,500	66,997,000	67,136,700

The Office of Vocational Rehabilitation provides for and improves the vocational rehabilitation of citizens with physical and mental disabilities and helps eligible persons with disabilities achieve suitable employment. The Office of Vocational Rehabilitation has professional staff located at the central office as well as in Kentucky Career Centers throughout the state. Kentucky Career Centers house not only Office of Vocational Rehabilitation staff, but also staff from partner agencies such as Office for the Blind, Office of Employment and Training, Department for Community Based Services, Kentucky Adult Education, Community Action, and others. Such collaboration affords consumers the convenience of a one-stop approach for accessing various types of assistance necessary for reaching employment goals.

The Office employs Vocational Rehabilitation Counselors and Program Specialists who utilize vocational assessments, and counseling and guidance services to match workers with disabilities to labor market needs. An array of services is provided to assist clients with reaching employment goals. Job preparation activities include on-the-job training and vocational and classroom instruction. Job development and placement services assist the individual in obtaining and maintaining suitable employment. Transition activities support a move from the classroom to the workplace. Rehabilitation technology adapts the physical environment at work or home to meet employment needs. Follow-up services ensure that employment is progressing satisfactorily. Counselors and Specialists receive ongoing training to maintain certification and to gain knowledge of the latest developments in rehabilitation strategies and techniques.

The Office also provides services for employers. Such services include preparing job-qualified applicants, conducting job analyses, recommending job modifications, and conducting disability awareness programs. Other services include disability awareness training programs and affirmative action planning and services to employees with disability-related problems. As a result, employers experience risk reduction, save resources spent on training new hires, and increase cash flow through access to tax incentives.

The Rehabilitation Act of 1973, as amended, authorizes and provides federal funding for state vocational rehabilitation programs. Kentucky Revised Statutes 151B.180-210 complies with all provisions of the Act. The Code of Federal Regulations (CFR Chapter 34) and Title 781 of the Kentucky Administrative Regulations establish functions of the program. The Office also complies with relevant sections of the Kentucky Department of Education's administrative regulations.

The Program Services Division provides direct vocational rehabilitation services to eligible individuals who have physical or mental disabilities and is responsible for the actual intake and client service delivery efforts of the Office and performs certain administrative functions. The Division implements the federal Rehabilitation Act of 1973 and must make available, services appropriate to the needs of individuals with disabilities. The services enumerated in the Rehabilitation Act include: evaluation of vocational rehabilitation potential; counseling and guidance; physical and mental restoration services; vocational and other training services; maintenance; transportation; services to family members; interpreter services and note-taking services for persons who are deaf; reader services and note-taking services for persons who are blind; assistive technology and devices; personal assistance services; recruitment and training services; placement; post-employment services; occupational licenses, equipment, initial stock and supplies; and other goods and services needed for employment.

Program Planning and Development provides administrative and staff functions to enhance equitable and efficient service delivery to eligible individuals with disabilities. The Division has statewide responsibility for program planning, program evaluation, policy development, human resource development, job development and placement, and development of new and innovative programs. The Division also provides staff support to the Statewide Advisory Council for Vocational Rehabilitation and the Statewide Independent Living Council. Federal regulations require an approved State Plan for Vocational Rehabilitation Services under Title I of the Rehabilitation Act as a condition for receiving Federal Funds.

The Carl D. Perkins Vocational Training Center (CDPVTC) at Thelma, Kentucky, is a multi-disciplinary residential rehabilitation facility located in Johnson County. The CDPVTC operates five major programs: Vocational Evaluation, Work Adjustment, Vocational Training, Physical Restoration/Outpatient Medical Rehabilitation, and Brain Injury Community Re-entry. All programs meet standards for program quality as documented by the Commission on Accreditation of Rehabilitation Facilities (CARF). Within these five programs, the following professional services are available: comprehensive vocational assessment, vocational training, physical therapy, occupational therapy, speech therapy, nursing services, physician services, adjustment services, psychological and psychiatric services, adult therapeutic recreation, vocational rehabilitation counseling, social services, assistive technology, transportation, and administrative services. A wide range of educational programs and services including developmental math, reading, GED test preparation, and the External Diploma Program are also available. The CDPVTC offers individualized placement services through Preparing Adults for Competitive Employment (PACE) and an Employment Relations Specialist.

The Kentucky Assistive Technology Service (KATS) Network is a federally funded project operating within the Office of Vocational Rehabilitation. KATS is a statewide collaborative system of consumer-oriented organizations that help to provide assistive technologies to individuals with a variety of disabilities.

The Administrative Management Division provides all administrative, technical, and budget related services for the Office and is responsive to the needs of the direct service delivery program staff. Responsibilities include budgeting, purchasing, financial reporting, and federal grant accounting. The Division oversees the implementation and administration of the automated case management system and coordinates the development of application programs. Beginning in fiscal year 2014, the Division absorbed the duties associated with budget and financial management of Office for the Blind.

**Education and Workforce Development
Education Professional Standards Board**

	Actual FY 2016	Actual FY 2017	Revised FY 2018	Enacted FY 2019	Enacted FY 2020
SOURCE OF FUNDS					
General Fund					
Regular Appropriation	7,361,300	6,819,400	6,839,300	3,624,700	3,643,800
Budget Reduction-General Fund		-130,493	-725,600		
Total General Fund	7,361,300	6,688,907	6,113,700	3,624,700	3,643,800
Restricted Funds					
Balance Forward	1,067,080	1,624,256	1,844,500	1,844,500	1,822,200
Current Receipts	700,703	729,060	1,100,000	1,100,000	950,000
Non-Revenue Receipts	2,700				
Total Restricted Funds	1,770,483	2,353,316	2,944,500	2,944,500	2,772,200
Federal Fund					
Balance Forward	15,346				
Current Receipts	402,661	611,082	776,000	95,500	95,900
Non-Revenue Receipts	291,507	-165,371			
Total Federal Fund	709,514	445,710	776,000	95,500	95,900
TOTAL SOURCE OF FUNDS	9,841,298	9,487,933	9,834,200	6,664,700	6,511,900
EXPENDITURES BY CLASS					
Personnel Costs	3,145,733	3,102,435	3,916,600	3,863,500	3,755,100
Operating Expenses	730,394	676,211	776,100	825,900	805,800
Grants Loans Benefits	4,001,730	3,864,802	3,297,000	153,100	153,100
TOTAL EXPENDITURES	7,877,856	7,643,448	7,989,700	4,842,500	4,714,000
EXPENDITURES BY FUND SOURCE					
General Fund	7,022,114	6,688,906	6,113,700	3,624,700	3,643,800
Restricted Funds	146,228	508,831	1,100,000	1,122,300	974,300
Federal Fund	709,514	445,710	776,000	95,500	95,900
TOTAL EXPENDITURES	7,877,856	7,643,448	7,989,700	4,842,500	4,714,000
EXPENDITURES BY UNIT					
Operations	4,537,000	4,327,338	5,187,000	4,842,500	4,714,000
Kentucky Teacher Internship Program	3,340,857	3,316,110	2,802,700		
TOTAL EXPENDITURES	7,877,856	7,643,448	7,989,700	4,842,500	4,714,000

Authorized in KRS 161.028, the Education Professional Standards Board (EPSB) is a 17-member body appointed by the Governor to oversee teacher and administrator preparation, internship, and certification.

The EPSB is responsible for issuing, suspending, and revoking certificates for Kentucky's more than 50,000 active Kentucky educators, and ensures, via an annual review, that all professional positions in the state's 173 public school districts are appropriately staffed. It is responsible for developing (in cooperation with the Kentucky Department of Education and the Council on Postsecondary Education) a statewide data system for the collection, interpretation, and dissemination of data relative to the quality of educator preparation, supply, demand, and effectiveness. The board establishes performance-based standards for teacher/administrator preparation and induction, and for the accreditation of the 29 preparation programs at Kentucky's public and independent colleges and universities. It oversees the teacher/administrator assessments and the related Title II reporting, and annually publishes the Kentucky Educator Preparation Program Report Card. It administers the Continuing Education Option, in which teachers can use professional development to renew certification and move up in rank. It also administers the supervising teacher stipend program, and alternative routes to certification, including the Troops to Teachers program.

The EPSB annually provides support to approximately 4,700 candidates (student teachers and interns) and 5,500 supervising teachers.

Policy

Notwithstanding KRS 161.030, the Budget of the Commonwealth provides no funding for the Kentucky Teacher Internship Program.