



Kirk D. Thompson
Director

Derek Schmidt
Attorney General

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Dear Chairman Waymaster,

During House Appropriations review of the Governor's Budget Amendments (GBA's) some questions were raised about GBA #5 'Increased Telecommunication Costs' which was requested by the Kansas Bureau of Investigation (KBI). Below is additional information to assist in providing clarifying details surrounding this request.

- Recently OITS re-evaluated their rate structure to simplify rates and accurately match their assumed costs. Through this process OITS reduced the number of rates they offered from 51 to 30 and adjusted their prices to include a portion for professional services and security.
- Depending on services consumed, the impact of the price adjustment varied from agency to agency. Agencies utilizing a wide range of services from OITS may have experienced a negligible impact. Due to reducing the number of rates from 51 to 30, some costs previously incurred by agencies may have been reduced or completely eliminated altogether while other costs have risen.
- The KBI essentially only consumes two services from OITS. These services include telecommunication services (i.e. VOIP phones) and data lines for the Kansas Criminal Justice Information System (KCJIS) network. Our GBA focused on the telecommunication services cost increase associated with our 452 VOIP phones. Since the KBI does not utilize any other OITS services the agency experienced a larger fiscal impact than typical agencies following the realignment of the fee structure.
- The KBI used FY 2021 to collaborate with OITS to review and understand the additional costs being assessed. We also looked at other alternatives to OITS providing our services in an effort to reduce the fiscal impact to the agency. While this took some time to evaluate we ultimately came to the conclusion that the proposed rate adjustments are valid and other service options were not cost effective. However, this analysis was not complete until after our initial budget submission.
- Attached to this letter is a breakout of costs OITS provided to the KBI. While we recognize this as a significant request, these fees are being passed through the KBI to OITS as a direct result of OITS increase in expenditures.