

## Office of Budget and Program Planning MBARS General Fund Reduction Instructions

Updated: January 8, 2011

### General Fund Reduction in Spending

Reductions may be made from any general fund expenditure not exempted by 17-7-140, MCA, including HB 2, any other appropriation bills (including HB 645), statutory appropriations and non budgeted transfers when the reduction will increase the general fund balance.

Agencies are encouraged to look for reductions that will have the least impact on service recipients. This is an opportunity to find and implement efficiencies in operations that will allow agencies to deliver services more cost effectively. Examples of efficiencies agencies might consider include but are not limited to server virtualization/optimization, software licensing, PC replacements (purchase vs. lease and new vs. used), and cell phone usage.

### MBARS Version A03

Agencies will use the A03 Version of MBARS to develop and submit decision packages that reduce general fund expenditures for FY 2011 by at least 5% agency wide but no more than 10% per program in accordance with the requirements of 17-7-140 (1) (b), MCA.

### Reporting Levels (RL's):

Agencies have the option of using any available HB 2 RL by program when building their budget reduction decision packages.

***Important Note:*** Agencies must use a HB 2 reporting level regardless of the funding source (e.g. SA, HB 645, other Cat and Dog bill) of the reduction. ***If the funding source is something other than HB 2 please signify the funding source within the DP title.***

### Decision Packages (DP's):

The first thing you need to do is create decision packages. DP's can be classified as New Proposals (NP) or Present Law Adjustments (PL). Agencies will need to build decision packages to reduce general fund expenditures by the amounts shown on the attached table. Reductions can be made in FY 2010, FY 2011 or a combination of both years. Reductions can be made in any program, but no program may be reduced by more than 10%.

There is no specific numbering scheme required for numbering your decision packages. A best practice from normal budgeting is to include the program number within the first digit or two of your decision package for clarification purposes in the final document.

Reporting level budgets have been loaded with seed expenditure and funding records in each agency. However, if additional accounts or funds are needed for a decision package they must be inserted on the budget screen for the reporting level.

If personnel or personal services are a part of reduction recommendations, it is not necessary at this point to identify specific position numbers or employees. Use account 61000 for this type of reductions.

### Decision Package (DP) Narrative:

Within the narrative, each decision package must include an analysis of the impact of the reduction and a determination as to whether the service is mandatory or permissive. A determination that a service is mandatory does not prohibit reductions. For purposes of this process, a service is mandatory if state or

federal law requires it. The impact analysis should contain a brief statement about the impact to the users or recipients of the reduced service and to the state.

Two tables are attached to this document. The first table shows the 5% amount that must be reduced by each agency. The amounts listed within this table are 5% of FY 2011 HB 2 general fund appropriations. However, reductions may be recommended in FY 2010, FY 2011, or both. The second table shows the 10% maximum general fund reduction allowed by program. When developing the 5% agency plan, agencies may not recommend reductions in any single program larger than the amount shown in the 10% table.

While agencies need not comment on the impact of the reductions in the 2013 biennium, agencies should keep in mind the longer-term nature of budget constraints.

**Deadline:**

Agencies are required to submit budget reductions to the Governor's Office of Budget and Program Planning (OBPP) by **January 29, 2010**. Please contact Shawn Graham, [shawngraham@mt.gov](mailto:shawngraham@mt.gov) (444-0054) when your plan is complete. OBPP will take a copy of the A03 agency final version and create an A04 version. This version will be opened to the LFD and serve as the copy required by statute to be supplied to the LFD. DO NOT make any changes in the A04 version.

If you have questions, please contact your assigned Executive Budget Analyst.

Agency Targets	
Business Unit	5% Agency Target
31010	307,101
32020	23,044
34010	64,912
35010	4,363,259
41070	119,719
41100	1,326,470
51010	11,379
51020	9,049,112
51140	23,010
51150	138,958
51170	136,852
53010	287,885
54010	130,000
56030	69,048
57060	1,133,834
58010	2,555,560
61010	314,986
61080	998,430
62010	67,704
64010	8,635,938
65010	240,700
66020	130,636
67010	291,258
69010	20,506,965

Program Caps		
Business Unit	OBPP Program	10% Biennial Program Cap
<b>31010</b>	01 EXECUTIVE OFFICE PROGRAM	526,402
	02 EXECUTIVE RESIDENCE OPERATIONS	25,213
	03 AIR TRANSPORTATION PROGRAM	60,345
	04 OFC BUDGET & PROGRAM PLANNING	341,544
	05 COORDINATOR OF INDIAN AFFAIRS	37,420
	06 CENTRALIZED SERVICES PROGRAM	81,236
	12 LIEUTENANT GOVERNOR'S OFFICE	71,481
	16 CITIZENS' ADVOCATE OFFICE	15,838
	20 MENTAL DISABILITIES BD VISITORS	81,791
<b>32020</b>	01 ADMINISTRATION	97,060
<b>34010</b>	01 CENTRAL MANAGEMENT	53,822
	04 SECURITIES	223,780
<b>35010</b>	06 STATE LEVEL ACTIVITIES	1,838,010
	09 LOCAL EDUCATION ACTIVITIES	15,566,873
<b>41070</b>	01 JUSTICE SYSTEM SUPPORT SERVICE	484,028
<b>41100</b>	01 LEGAL SERVICES DIVISION	1,137,939
	12 MOTOR VEHICLE DIVISION	1,499,292
	13 HIGHWAY PATROL DIVISION	39,229
	18 DIV. OF CRIMINAL INVESTIGATION	1,132,010
	28 CENTRAL SERVICES DIVISION	97,207
	29 INFORMATION TECHNOLOGY SERVICE	687,496
	32 FORENSIC SCIENCE DIVISION	692,314
<b>51010</b>	01 K-12 EDUCATION	45,106
<b>51020</b>	01 ADMINISTRATION PROGRAM	466,985
	02 STUDENT ASSISTANCE PROGRAM	2,635,428
	04 COMMUNITY COLLEGE ASSISTANCE	1,741,172
	06 EDUCATIONAL OUTREACH & DIVERSITY	14,163
	08 WORK FORCE DEVELOPMENT PGM	18,013
	09 APPROPRIATION DISTRIBUTION	31,017,058
	11 TRIBAL COLLEGE ASSISTANCE PGM	88,200
	13 BOARD OF REGENTS-ADMIN	9,826
<b>51140</b>	01 PROMOTION OF THE ARTS	92,875
<b>51150</b>	01 STATEWIDE LIBRARY RESOURCES	556,091
<b>51170</b>	01 ADMINISTRATION PROGRAM	236,260
	02 RESEARCH CENTER	166,376
	03 MUSEUM PROGRAM	63,258
	04 PUBLICATIONS PROGRAM	28,412
	05 EDUCATION	43,043
	06 HISTORIC PRESERVATION PROGRAM	10,716
<b>53010</b>	10 CENTRAL MANAGEMENT PROGRAM	73,946
	20 PLAN.PREVENT. & ASSIST.DIV.	580,665
	30 ENFORCEMENT DIVISION	120,073
	50 PERMITTING & COMPLIANCE DIV.	369,781

<b>54010</b>	01 GENERAL OPERATIONS PROGRAM	260,000
<b>56030</b>	01 CENTRALIZED SERVICES DIVISION	29,528
	03 DIAGNOSTIC LABORATORY DIVISION	103,866
	04 ANIMAL HEALTH DIVISION	59,810
	06 BRANDS ENFORCEMENT DIVISION	600
	10 MEAT/POULTRY INSPECTION	122,121
<b>57060</b>	21 CENTRALIZED SERVICES DIV.	553,630
	23 CONSERVATION/RESOURCE DEV DIV	293,578
	24 WATER RESOURCES DIVISION	1,588,623
	25 RESERVED WATER RIGHTS COMP COM	115,483
	35 FORESTRY/TRUST LANDS DIV.	1,966,993
<b>58010</b>	01 DIRECTOR'S OFFICE	1,097,890
	02 INFORMATION TECHNOLOGY & PROCESSING DIVISION	2,549,857
	05 CITIZEN SERVICES & RESOURCE MANAGEMENT DIVISION	402,908
	07 BUSINESS & INCOME TAXES DIVISION	1,969,538
	08 PROPERTY ASSESSMENT DIVISION	4,190,137
<b>61010</b>	01 DIRECTOR'S OFFICE	22,099
	03 STATE ACCOUNTING DIVISION	262,492
	06 GENERAL SERVICES DIVISION	424,947
	07 INFORMATION TECH SERV DIVISION	107,401
	23 STATE HUMAN RESOURCES DIVISION	334,987
	37 STATE TAX APPEAL BOARD	105,540
<b>61080</b>	01 OFFICE OF PUBLIC DEFENDER	3,822,084
	02 OFFICE OF APPELLATE DEFENDER	172,680
<b>62010</b>	15 CENTRAL MANAGEMENT DIVISION	29,958
	30 AGRICULTURAL SCIENCES DIV.	128,477
	50 AGRICULTURAL DEVELOPMENT DIV.	115,969
<b>64010</b>	01 ADMIN & FINANCIAL SERVICES	3,228,729
	02 ADULT COMMUNITY CORRECTIONS	11,910,745
	03 SECURE CUSTODY FACILITIES	14,670,855
	04 MONT CORRECTIONAL ENTERPRISES	294,880
	05 YOUTH SERVICES	3,909,016
<b>65010</b>	51 BUSINESS RESOURCES DIVISION	814,407
	55 ENERGY PROMOTION & DEVELOPMENT DIVISION	40,746
	60 COMMUNITY DEVELOPMENT DIVISION	107,601
	74 HOUSING DIVISION	48
<b>66020</b>	01 WORKFORCE SERVICES DIVISION	209,681
	03 COMMISSIONER'S OFFICE/CSD	52,251
	04 EMPLOYMENT RELATIONS DIVISION	234,274
	07 OFFICE OF COMMUNITY SERVICES	24,743
<b>67010</b>	01 CENTRALIZED SERVICES DIVISION	128,327
	02 CHALLENGE PROGRAM	255,389
	03 SCHOLARSHIP PROGRAM	49,000
	12 ARMY NATIONAL GUARD PGM	258,781
	13 AIR NATIONAL GUARD PGM	73,279
	21 DISASTER & EMERGENCY SERVICES	211,985
	31 VETERANS AFFAIRS PROGRAM	175,791

<b>69010</b>	02 HUMAN AND COMMUNITY SERVICES	6,472,135
	03 CHILD & FAMILY SERVICES	6,816,910
	04 DIRECTOR'S OFFICE	739,230
	05 CHILD SUPPORT ENFORCEMENT	824,311
	06 BUSINESS & FINANCIAL SERVICES DIV	762,847
	07 PUBLIC HEALTH & SAFETY DIVISION	617,125
	08 QUALITY ASSURANCE DIVISION	550,257
	09 TECHNOLOGY SERVICES DIVISION	1,627,515
	10 DISABILITY SERVICES DIVISION	11,425,323
	11 HEALTH RESOURCES DIVISION	25,829,283
	22 SENIOR & LONG-TERM CARE	11,611,769
	33 ADDICTIVE & MENTAL DISORDERS	13,360,457





