

**Program Budget Comparison**

The following table summarizes the total proposed budget by year, type of expenditure, and source of funding.

Program Budget Comparison								
Budget Item	Base Fiscal 2014	Approp. Fiscal 2015	Budget Fiscal 2016	Budget Fiscal 2017	Biennium Fiscal 14-15	Biennium Fiscal 16-17	Biennium Change	Biennium % Change
FTE	182.85	182.85	177.85	177.85	182.85	177.85	(5.00)	(2.73)%
Personal Services	9,994,882	10,641,854	11,577,771	11,572,513	20,636,736	23,150,284	2,513,548	12.18 %
Operating Expenses	2,219,347	2,119,422	2,218,914	2,225,988	4,338,769	4,444,902	106,133	2.45 %
Equipment & Intangible Assets	47,012	0	47,012	47,012	47,012	94,024	47,012	100.00 %
Benefits & Claims	2,460,387	2,080,087	2,460,387	2,460,387	4,540,474	4,920,774	380,300	8.38 %
Transfers	3,065,954	3,459,909	3,065,954	3,065,954	6,525,863	6,131,908	(393,955)	(6.04)%
Debt Service	20,877	20,877	20,877	20,877	41,754	41,754	0	0.00 %
<b>Total Costs</b>	<b>\$17,808,459</b>	<b>\$18,322,149</b>	<b>\$19,390,915</b>	<b>\$19,392,731</b>	<b>\$36,130,608</b>	<b>\$38,783,646</b>	<b>\$2,653,038</b>	<b>7.34 %</b>
General Fund	17,037,439	17,224,360	18,619,895	18,621,711	34,261,799	37,241,606	2,979,807	8.70 %
State/Other Special Rev. Funds	770,780	1,081,784	770,780	770,780	1,852,564	1,541,560	(311,004)	(16.79)%
Federal Spec. Rev. Funds	240	16,005	240	240	16,245	480	(15,765)	(97.05)%
<b>Total Funds</b>	<b>\$17,808,459</b>	<b>\$18,322,149</b>	<b>\$19,390,915</b>	<b>\$19,392,731</b>	<b>\$36,130,608</b>	<b>\$38,783,646</b>	<b>\$2,653,038</b>	<b>7.34 %</b>

**Program Description**

The Youth Services Division is responsible for all state operated youth programs including Pine Hills Youth Correctional Facility for males located in Miles City, Riverside Youth Correctional Facility for females in Boulder, Youth Community Corrections including Juvenile Parole, interstate compact services for probation and parole, reentry services, transition centers, detention licensing, and transportation. Additional responsibilities include research, training and administrative support services.

**Program Highlights**

<b>Youth Services Division Major Budget Highlights</b>
<ul style="list-style-type: none"> <li>• Compared to the 2015 legislative funding, budget changes are for:                             <ul style="list-style-type: none"> <li>◦ Funding reductions as the result of an agency reorganization and FTE transfer during the 2015 biennium</li> <li>◦ Funding to annualize the 2013 legislative pay plan</li> <li>◦ Requests to fund increases for overtime and inmate pay</li> </ul> </li> </ul>

**Program Discussion -**

FY 2016 and FY 2017 contain any reductions in FTE made by the executive to implement the boilerplate language in HB 2. Though intended by the legislature, the FY 2014 and FY 2015 FTE levels do not reflect this language.

*Personal Services*

In the FY 2015 legislative budget, personal services comprised 59.5% of the program budget. The Governor proposes 59.7% in FY 2016 and FY 2017. The increases in costs are due to:

- Funding to annualize pay increases of the legislative pay plan
- Funding to annualize pay increases provided at the agency’s discretion

For this program, 133 pay adjustments were funded within the agency’s budget during FY 2014 in addition to the increases funded in HB 13. These additional increases averaged 7.3% and added an estimated \$280,000 to the funding requirements of subsequent years. Of these increases 62% were for market adjustments and 30% were for career ladder adjustments.

**Funding**

The following table shows proposed program funding by source from all sources of authority.

Department of Corrections, 05-Youth Services Funding by Source of Authority						
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
01100 General Fund	37,241,606	0	0	37,241,606	96.02 %	
02033 Pine Hills Vocational Program	15,752	0	0	15,752	1.02 %	
02034 Earmarked Alcohol Funds	51,046	0	0	51,046	3.31 %	
02916 PHS-Canteen	7,046	0	0	7,046	0.46 %	
02927 PHS Donations/I & I	754,660	0	0	754,660	48.95 %	
02970 Juvenile Plcmt Cost of Care	713,056	0	0	713,056	46.26 %	
<b>State Special Total</b>	<b>\$1,541,560</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,541,560</b>	<b>3.97 %</b>	
03084 MVS-School Foods	0	0	0	0	0.00 %	
03089 PHS-School Foods	0	0	0	0	0.00 %	
03099 PHS-ESEA Title I	0	0	0	0	0.00 %	
03315 Misc Federal Grants	0	0	0	0	0.00 %	
03316 MBCC Grants	0	0	0	0	0.00 %	
03530 6901-Foster Care 93.658	480	0	0	480	100.00 %	
<b>Federal Special Total</b>	<b>\$480</b>	<b>\$0</b>	<b>\$0</b>	<b>\$480</b>	<b>0.00 %</b>	
<b>Proprietary Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>0.00 %</b>	
<b>Total All Funds</b>	<b>\$38,783,646</b>	<b>\$0</b>	<b>\$0</b>	<b>\$38,783,646</b>		

This division receives the majority of its support from the general fund. State special revenue is primarily from parental contributions toward the costs of care and interest and income related to Pine Hills school lands. The division also receives a small amount of federal funds from the Title IV-E Foster Care and Adoption Program.

**Budget Summary by Category**

The following summarizes the total budget utilizing the FY 2015 Legislative base, present law adjustments, and new proposals.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Leg. Budget Fiscal 2016	Leg. Budget Fiscal 2017	Leg. Biennium Fiscal 16-17	Percent of Budget	Leg. Budget Fiscal 2016	Leg. Budget Fiscal 2017	Leg. Biennium Fiscal 16-17	Percent of Budget
2015 Budget	18,571,155	18,571,155	37,142,310	99.73 %	19,668,944	19,668,944	39,337,888	101.43 %
PL Adjustments	48,740	50,556	99,296	0.27 %	(278,029)	(276,213)	(554,242)	(1.43)%
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
<b>Total Budget</b>	<b>\$18,619,895</b>	<b>\$18,621,711</b>	<b>\$37,241,606</b>		<b>\$19,390,915</b>	<b>\$19,392,731</b>	<b>\$38,783,646</b>	

**Program Reorganization -**

In the 2015 biennium, the executive reorganized the agency. The reorganization was done to consolidate all medical costs and services into a new program called Clinical Services. The reorganization impacted this program by moving 13.50 FTE

to other programs along with personal services and operating cost budgets. For FY 2015, \$1.1 million of HB 2 budget authority was reduced.

Although not contained in the agency reorganization, 4.00 FTE were transferred from this program to the Secure Custody Facilities program to fulfill the security role under the memorandum of understanding with the Department of Public Health and Human Services and serve as correctional officers at the Lewistown Infirmary. This FTE transfer moved with it \$204,673 in personal services budget authority in FY 2015.

**Present Law Adjustments -**

The "Present Law Adjustments" table shows the changes from FY 2015 legislative appropriation to the budget proposed by the executive. PSPL adjusts all personal services. LGPL provides for adjustments to other expenditures such as operating expenses. Each is discussed in the narrative that follows. Total funds in the Present Law Adjustments table do not include proprietary funds budgeted in House Bill 2.

Present Law Adjustments									
-----Fiscal 2016-----					-----Fiscal 2017-----				
FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 98 - LEG. Personal Services Present Law									
0.00	239,475	(372,809)	0	(133,334)	0.00	226,272	(364,864)	0	(138,592)
DP 99 - LEG. Present Law									
0.00	(190,735)	61,805	(15,765)	(144,695)	0.00	(175,716)	53,860	(15,765)	(137,621)
<b>Grand Total All Present Law Adjustments</b>									
<b>0.00</b>	<b>\$48,740</b>	<b>(\$311,004)</b>	<b>(\$15,765)</b>	<b>(\$278,029)</b>	<b>0.00</b>	<b>\$50,556</b>	<b>(\$311,004)</b>	<b>(\$15,765)</b>	<b>(\$276,213)</b>

DP 98 - LEG. Personal Services Present Law -

The following table outlines various components of the changes included in the PS PL adjustments.

Personal Services Present Law Adjustments					
FY 2016					
CP 98 PSPL Item	FTE	General Fund	State Special	Federal Special	Total Funds
State Share Health Insurance	195.35	\$86,435	\$0	\$0	\$86,435
Executive Implementation of 2015 Pay Increase		186,817	-	-	186,817
Fully Fund 2015 Legislatively Authorized FTE		108,853	-	-	108,853
Other					
Reorganization and FTE Transfer	(17.50)	(1,029,964)	-	-	(1,029,964)
Remainder of Other	0.00	887,333	(372,809)	-	514,524
Total Other	(17.50)	(142,631)	(372,809)	-	(515,440)
Personal Services Present Law Adjustments	177.85	\$239,475	(\$372,809)	\$0	(\$133,334)
FY 2017					
CP 98 PSPL Item	FTE	General Fund	State Special	Federal Special	Total Funds
State Share Health Insurance	195.35	\$86,435	\$0	\$0	\$86,435
Executive Implementation of 2015 Pay Increase		186,817	-	-	186,817
Fully Fund 2015 Legislatively Authorized FTE		108,853	-	-	108,853
Other					
Reorganization and FTE Transfer	(17.50)	(1,029,964)	-	-	(1,029,964)
Remainder of Other	0.00	874,130	(364,864)	-	509,266
Total Other	(17.50)	(155,834)	(364,864)	-	(520,698)
Personal Services Present Law Adjustments	177.85	\$226,272	(\$364,864)	\$0	(\$138,592)

The executive has proposed to reduce funding for personal services by 1.1% in FY 2016 and by 1.2% in FY 2017 compared to the FY 2015 legislative budget.

*Reorganization and FTE Transfer* - The executive reorganized the agency in FY 2014. The reorganization moved 13.50 FTE from this program to a new Clinical Services Program. Refer to the Summary section for this agency for further discussion of the reorganization. Additionally, nearly \$205,000 of the FY 2015 personal services funding was transferred to the Secure Custody Facilities Program to fund 4.00 FTE transferred to provide security at the Lewistown Infirmary.

*Remainder of Other* - Changes that make up the other adjustments include the following:

- Overtime
- Inmate pay
- Pay changes made in FY 2014 at the agency's discretion that are over and above the legislative pay plan, \$411,000 per year (estimated)

The executive requests funding for overtime pay at \$80,652 each year more than was funded in FY 2015 or about 2% higher than was expended in FY 2014. Overtime is requested each year for the Juvenile Corrections Bureau, \$6,495; the Riverside Youth Correctional Facility, \$49,268; Transition Centers, \$19,677; and Pine Hills Correctional Facility, \$229,826.

The executive requests funding for inmate pay at levels 14.6% lower than was funded in FY 2015 or about 3% higher than was expended in FY 2014. Inmate pay is requested each year for the Riverside Youth Correctional Facility, \$1,000; and Pine Hills Correctional Facility, \$25,358.

DP 99 - LEG. Present Law -

The executive has proposed to reduce funding for all other expenditure categories excluding personal services by 1.8% in FY 2016 and by 1.7% in FY 2017 compared to the FY 2015 legislative budget. Changes that make up the LGPL adjustment are:

- Reorganization

The executive reorganized the agency and moved funding for medical services and operating costs of staff moved from this program to the Clinical Services program. This reorganization moved \$277,544 of FY 2015 funding from this program in non-personal services categories.