

**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	Legislative Budget 2016	Legislative Budget 2017	Biennium Fiscal 14-15	Biennium Fiscal 16-17	Biennium Change	Biennium % Change
FTE	147.00	147.00	141.97	141.97	147.00	141.97	(5.03)	(3.42)%
Personal Services	8,408,617	9,028,213	9,132,344	9,131,982	17,436,830	18,264,326	827,496	4.75%
Operating Expenses	4,690,936	6,342,327	5,115,635	5,144,001	11,033,263	10,259,636	(773,627)	(7.01)%
Benefits & Claims	14,266,466	13,691,777	14,706,157	14,976,100	27,958,243	29,682,257	1,724,014	6.17%
Transfers	0	0	0	0	0	0	0	0.00%
<b>Total Costs</b>	<b>\$27,366,019</b>	<b>\$29,062,317</b>	<b>\$28,954,136</b>	<b>\$29,252,083</b>	<b>\$56,428,336</b>	<b>\$58,206,219</b>	<b>\$1,777,883</b>	<b>3.15%</b>
General Fund	5,726,929	5,777,130	6,040,044	6,129,856	11,504,059	12,169,900	665,841	5.79%
State/Other Special Rev. Funds	930,524	1,029,065	947,359	948,528	1,959,589	1,895,887	(63,702)	(3.25)%
Federal Spec. Rev. Funds	20,708,566	22,256,122	21,966,733	22,173,699	42,964,688	44,140,432	1,175,744	2.74%
<b>Total Funds</b>	<b>\$27,366,019</b>	<b>\$29,062,317</b>	<b>\$28,954,136</b>	<b>\$29,252,083</b>	<b>\$56,428,336</b>	<b>\$58,206,219</b>	<b>\$1,777,883</b>	<b>3.15%</b>

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**Funding**

The department is funded with a variety of sources and both sources and federal matching rates vary by function. General fund comprises 19.9% of the budget, with most used to match federal funds.

Federal funds comprise over 74.2% of the budget. The disability determination function, the Montech assistive technology program, and supported employment are entirely federally funded. The remaining federally funded programs require state matching funds.

State special revenue makes up about 5.9% of the budget and fully supports the MTAP program. MTAP revenue is raised by a fee of 10 cents per month assessed on subscriber connections and prepaid wireless telecommunication services per 53-19-311, MCA.

**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	5,767,310	5,767,310	11,534,620	94.78 %	29,007,759	29,007,759	58,015,518	99.67 %
PL Adjustments	135,134	135,593	270,727	2.22 %	(368,272)	(340,268)	(708,540)	(1.22)%
New Proposals	137,600	226,953	364,553	3.00 %	314,649	584,592	899,241	1.54 %
<b>Total Budget</b>	<b>\$6,040,044</b>	<b>\$6,129,856</b>	<b>\$12,169,900</b>		<b>\$28,954,136</b>	<b>\$29,252,083</b>	<b>\$58,206,219</b>	

**69020 - Economic Security Services Branch 01-Disability Employment & Transitions Division**

**Present Law Adjustments -**

The "Present Law Adjustments" table shows the changes from FY 2015 legislative appropriation to the budget proposed. Each is discussed in the narrative that follows.

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 101 - Personal Services to 2014 Levels	0.00	62,137	13,209	(25,174)	50,172	0.00	62,158	14,599	(26,947)	49,810
DP 102 - General Operations to 2014 Levels	0.00	94,265	(17,094)	(944,934)	(867,763)	0.00	94,347	(17,121)	(944,990)	(867,764)
DP 515 - State Share Health Insurance	0.00	10,231	2,030	56,737	68,998	0.00	10,231	2,030	56,737	68,998
DP 520 - Fully Fund 2015 Legislatively Authorized FTE	0.00	3,341	1,665	34,513	39,519	0.00	3,341	1,665	34,513	39,519
DP 525 - Fixed Costs	0.00	516	119	1,187	1,822	0.00	515	122	1,192	1,829
DP 527 - Inflation/Deflation	0.00	(13,999)	(5,042)	(52,690)	(71,731)	0.00	(13,642)	(5,239)	(51,337)	(70,218)
DP 100000 - Fixed Costs	0.00	0	0	0	0	0.00	0	0	0	0
DP 100444 - Statewide 4% FTE Reduction - Program 1	(5.03)	0	0	0	0	(5.03)	0	0	0	0
DP 101001 - DDS Operations Support	0.00	0	0	273,025	273,025	0.00	0	0	299,872	299,872
DP 101003 - VRB Annualization of 2015B Funding	0.00	285,490	0	1,357,910	1,643,400	0.00	285,490	0	1,357,910	1,643,400
DP 101006 - MTAP Annualization of Relay Services	0.00	0	(65,136)	0	(65,136)	0.00	0	(65,136)	0	(65,136)
DP 101008 - VRB Support Fee for Case Mgmt System	0.00	(306,847)	0	(1,133,731)	(1,440,578)	0.00	(306,847)	0	(1,133,731)	(1,440,578)
<b>Grand Total All Present Law Adjustments</b>	<b>(5.03)</b>	<b>\$135,134</b>	<b>(\$70,249)</b>	<b>(\$433,157)</b>	<b>(\$368,272)</b>	<b>(5.03)</b>	<b>\$135,593</b>	<b>(\$69,080)</b>	<b>(\$406,781)</b>	<b>(\$340,268)</b>

\*\*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 101 - Personal Services to 2014 Levels -

The legislature appropriated additional funds in each year of the biennium to fund personal services at the current usage level; this covers changes such as longevity, workers compensation rates, movement of 1.00 FTE into Disability Employment and Transitions from the Public Health and Safety division, and various other adjustments.

DP 102 - General Operations to 2014 Levels -

The legislature approved a reduction in funds in each year of the biennium to fund operations at the current usage level; operational expenses are currently lower than anticipated by the FY 2015 appropriation.

DP 515 - State Share Health Insurance -

The legislature provided appropriation authority for the state share of health insurance rates as adopted by the 2013 Legislature.

DP 520 - Fully Fund 2015 Legislatively Authorized FTE -

The legislature provided appropriation authority to restore personal services funding to create a vacancy savings rate of zero.

DP 525 - Fixed Costs -

The legislature adopted proprietary rates for fixed costs charged to state agencies for services such as information technology or rent and grounds maintenance within the capitol complex. Rates for messenger services, legislative audit, grounds maintenance, records management, agency legal costs, and the statewide cost allocation plan were adopted as proposed by the executive. The legislature lowered proprietary rates for warrant writer, payroll services, SABHRS, SITSD fees, and rent. The legislature increased insurance premiums to provide for increased costs of claims and to establish a reserve for the insurance fund.

DP 527 - Inflation/Deflation -

The legislature adopted inflation/deflation factors for budgeted expenditures such as food or electricity. The legislature concurred with the executive on the factors with the exception of gasoline, aviation gasoline, diesel fuel, and jet fuel. For these factors the legislature further deflated costs to align the budget with more current information on declining prices of oil and gas projected to continue into the 2017 biennium.

DP 100000 - Fixed Costs -

The legislature adopted proprietary rates for fixed costs charged to state agencies for services such as information technology or rent and grounds maintenance within the capitol complex. Rates for messenger services, legislative audit, grounds maintenance, records management, agency legal costs, and the statewide cost allocation plan were adopted as proposed by the executive. The legislature lowered proprietary rates for warrant writer, payroll services, SABHRS, SITSD fees, and rent. The legislature increased insurance premiums to provide for increased costs of claims and to establish a reserve for the insurance fund.

DP 100444 - Statewide 4% FTE Reduction - Program 1 -

FY 2016 and FY 2017 contain 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.

DP 101001 - DDS Operations Support -

The legislature approved federal funds of \$273,025 in FY 2016 and \$299,872 in FY 2017 to annualize the costs associated with maintaining existing Disability Determination Services in the Disability Employment & Transitions Division.

DP 101003 - VRB Annualization of 2015B Funding -

The legislature approved \$1,357,910 federal funds and \$285,490 general fund in each year of the biennium to annualize benefit increases for the Vocational Rehabilitation and Blind Services (VRB) program implemented during the 2015 biennium.

DP 101006 - MTAP Annualization of Relay Services -

The legislature approved a decrease of \$65,136 in state special funds each year of the biennium to align with current relay service contract rates.

DP 101008 - VRB Support Fee for Case Mgmt System -

**69020 - Economic Security Services Branch 01-Disability Employment & Transitions Division**

The legislature approved reductions of \$17,753 general fund and \$1,133,731 federal funds in each year of the biennium to align with current support needs for the Vocational Rehabilitation and Blind (VRB) program's case management system.

**New Proposals -**

The "New Proposals" table shows the changes from the legislative appropriation for FY 15 to the proposed budget.

New Proposals	-----Fiscal 2016-----					-----Fiscal 2017-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 10201 - Montana Youth Transitions (RST)	0.00	50,000	0	0	50,000	0.00	50,000	0	0	50,000
DP 101009 - PRI - Vocation Rehabilitation (RST)	0.00	47,918	0	177,049	224,967	0.00	96,795	0	357,639	454,434
DP 101010 - PRI - Extended Employment (RST)	0.00	26,048	0	0	26,048	0.00	52,617	0	0	52,617
DP 101011 - PRI - Independent Living (RST)	0.00	13,634	0	0	13,634	0.00	27,541	0	0	27,541
<b>Total</b>	<b>0.00</b>	<b>\$137,600</b>	<b>\$0</b>	<b>\$177,049</b>	<b>\$314,649</b>	<b>0.00</b>	<b>\$226,953</b>	<b>\$0</b>	<b>\$357,639</b>	<b>\$584,592</b>

\*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 10201 - Montana Youth Transitions (RST) -

The legislature restricted \$75,000 general fund in each year of the biennium for the Montana Youth Transitions program; the restriction included \$50,000 from the base and \$25,000 in additional authority.

DP 101009 - PRI - Vocation Rehabilitation (RST) -

The legislature approved a 2.0% provider rate increase in each year of the biennium for Vocational Rehabilitation providers.

DP 101010 - PRI - Extended Employment (RST) -

The legislature approved a 2.0% provider rate increase in each year of the biennium for Extended Employment providers.

DP 101011 - PRI - Independent Living (RST) -

The legislature approved a 2.0% provider rate increase in each year of the biennium for Independent Living providers.