

Program Budget Comparison

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

Program Budget Comparison								
Budget Item	Base Fiscal 2010	Approp. Fiscal 2011	Budget Fiscal 2012	Budget Fiscal 2013	Biennium Fiscal 10-11	Biennium Fiscal 12-13	Biennium Change	Biennium % Change
FTE	41.25	41.25	40.25	40.25	41.25	40.25	(1.00)	(2.42%)
Personal Services	3,772,476	2,874,688	3,035,376	3,033,108	6,647,164	6,068,484	(578,680)	(8.71%)
Operating Expenses	980,185	873,789	905,044	905,650	1,853,974	1,810,694	(43,280)	(2.33%)
Debt Service	0	802	0	0	802	0	(802)	(100.00%)
Total Costs	\$4,752,661	\$3,749,279	\$3,940,420	\$3,938,758	\$8,501,940	\$7,879,178	(\$622,762)	(7.32%)
General Fund	1,992,454	1,604,573	1,638,989	1,637,808	3,597,027	3,276,797	(320,230)	(8.90%)
State Special	439,899	308,235	378,654	378,769	748,134	757,423	9,289	1.24%
Federal Special	2,320,308	1,836,471	1,922,777	1,922,181	4,156,779	3,844,958	(311,821)	(7.50%)
Total Funds	\$4,752,661	\$3,749,279	\$3,940,420	\$3,938,758	\$8,501,940	\$7,879,178	(\$622,762)	(7.32%)

Program Description

The Director's Office provides overall policy development and administrative guidance for the department. Included in the Director's Office are legal affairs, personnel services, public information, the prevention resource center, and the AmeriCorps*VISTA Program. The Department of Public Health and Human Services Statewide Advisory Council, the Native American Advisory Council, and the Montana Health Coalition are administratively attached and the director serves on the Interagency Coordinating Council for State Prevention Programs, which is attached to the Governor's Office.

Statutory authority is in Title 2, Chapter 15, part 22 and Title 53, Chapter 19, part 3, MCA.

Program Highlights

Director's Office	
Major Budget Highlights	
◆	The Director's Office overall budget decreases 7.3% when compared to the 2011 biennium due to: <ul style="list-style-type: none"> • Adjustments for termination costs • Elimination of 1.00 FTE for an operations manager position • Reductions of \$0.4 million over the biennium for operational efficiencies

Program Narrative

The legislature approved a 2013 biennium budget that declines 7.3% or \$0.6 million when compared to the 2011 biennium. Present law changes for the Director's Office (office) are negative for both years of the 2013 biennium due to removal of department wide termination payouts of about \$1.4 million. Agencies pay accumulated annual leave and a portion of unused sick leave when employees retire or leave state employment. Termination payouts are recorded in the personnel program budget in the Director's Office and then removed in the statewide present law adjustments because they are considered a one-time expense. Removal of termination costs accounts for a reduction of about \$722,314 in general fund, \$140,277 in state special revenues, and \$500,985 in federal special revenues each year of the 2013 biennium. Increases in personal services and operating costs offset part of the reductions.

In addition, the legislature approved elimination of an operations manager and reductions for operational efficiencies. These changes account for \$0.4 million of the reductions over the biennium.

Funding

The following table shows program funding, by source, for the base year and for the 2013 biennium as adopted by the legislature.

Program Funding	Base FY 2010	% of Base FY 2010	Budget FY 2012	% of Budget FY 2012	Budget FY 2013	% of Budget FY 2013
01000 Total General Fund	\$ 1,992,454	41.9%	\$ 1,638,989	41.6%	\$ 1,637,808	41.6%
01100 General Fund	1,992,454	41.9%	1,638,989	41.6%	1,637,808	41.6%
02000 Total State Special Funds	439,899	9.3%	378,654	9.6%	378,769	9.6%
02099 69010-Vista-Community Cost Shr	89,285	1.9%	86,677	2.2%	86,934	2.2%
02377 02 Indirect Activity Prog 04	350,614	7.4%	291,977	7.4%	291,835	7.4%
03000 Total Federal Special Funds	2,320,308	48.8%	1,922,777	48.8%	1,922,181	48.8%
03072 69010-Cns-Grants-Vista	367,385	7.7%	366,517	9.3%	366,972	9.3%
03580 6901-93.778 - Med Adm 50%	49,487	1.0%	4,200	0.1%	4,210	0.1%
03594 03 Indirect Activity Prog 04	1,903,436	40.0%	1,552,060	39.4%	1,550,999	39.4%
Grand Total	\$ 4,752,661	100.0%	\$ 3,940,420	100.0%	\$ 3,938,758	100.0%

With the exception of the Prevention Resource Center (PRC), the functions within the Director's Office are cost allocated through indirect cost recoveries to the other divisions within DPHHS.

The Director's Office is funded through a combination of general fund, and state and federal special revenues. The department has a complex public assistance cost allocation plan reviewed by six federal agencies and approved by Montana's federal oversight agency, the Department of Health and Human Services. All funds decrease between the 2013 and 2011 biennia. This is mainly due to elimination of termination costs from the 2013 biennium budget.

Two state special revenue funds support the Director's Office:

- Cost allocations, budgeted at about \$292,000 annually
- Community costs shares for the VISTA volunteers

The PRC administers the VISTA program, which is also supported by a federal grant of \$0.4 million annually.

Budget Summary by Category

The following summarizes the total budget by base, present law adjustments, and new proposals.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2012	Budget Fiscal 2013	Biennium Fiscal 12-13	Percent of Budget	Budget Fiscal 2012	Budget Fiscal 2013	Biennium Fiscal 12-13	Percent of Budget
Base Budget	1,992,454	1,992,454	3,984,908	121.61%	4,752,661	4,752,661	9,505,322	120.64%
Statewide PL Adjustments	(282,310)	(283,491)	(565,801)	(17.27%)	(624,173)	(626,117)	(1,250,290)	(15.87%)
Other PL Adjustments	(27,509)	(27,509)	(55,018)	(1.68%)	(66,796)	(66,817)	(133,613)	(1.70%)
New Proposals	(43,646)	(43,646)	(87,292)	(2.66%)	(121,272)	(120,969)	(242,241)	(3.07%)
Total Budget	\$1,638,989	\$1,637,808	\$3,276,797		\$3,940,420	\$3,938,758	\$7,879,178	

Present Law Adjustments

The "Present Law Adjustments" table shows the changes to the adjusted base budget proposed by the legislature. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

Present Law Adjustments	-----Fiscal 2012-----					-----Fiscal 2013-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					(484,303)					(486,977)
Vacancy Savings					(131,525)					(131,422)
Inflation/Deflation					(628)					(620)
Fixed Costs					(7,717)					(7,098)
Total Statewide Present Law Adjustments		(\$282,310)	(\$54,781)	(\$287,082)	(\$624,173)		(\$283,491)	(\$54,659)	(\$287,967)	(\$626,117)
DP 55140 - 17-7-140 Operations Efficiencies	0.00	(27,509)	(6,464)	(32,823)	(66,796)	0.00	(27,509)	(6,471)	(32,837)	(66,817)
Total Other Present Law Adjustments	0.00	(\$27,509)	(\$6,464)	(\$32,823)	(\$66,796)	0.00	(\$27,509)	(\$6,471)	(\$32,837)	(\$66,817)
Grand Total All Present Law Adjustments	0.00	(\$309,819)	(\$61,245)	(\$319,905)	(\$690,969)	0.00	(\$311,000)	(\$61,130)	(\$320,804)	(\$692,934)

DP 55140 - 17-7-140 Operations Efficiencies - The Governor made reductions to agencies' 2011 biennium general fund budgets in accordance with 17-7-140, MCA. A portion of the reduction was effective in FY 2011 and therefore not reflected in the base. The legislature continued the original reduction in the 2013 biennium. The Director's Office will make operations reductions through efficiencies in the areas of travel, conferences, supplies, and contracting.

New Proposals

New Proposals	-----Fiscal 2012-----					-----Fiscal 2013-----					
	Program	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 55404 - 4% FTE Reduction	04	(1.00)	(43,646)	0	(77,626)	(121,272)	(1.00)	(43,646)	0	(77,323)	(120,969)
Total	(1.00)	(\$43,646)	\$0	(\$77,626)	(\$121,272)	(1.00)	(\$43,646)	\$0	(\$77,323)	(\$120,969)	

DP 55404 - 4% FTE Reduction - The legislature included a 4% reduction of personal services funded with general fund. The reduction includes the permanent reduction of FTE associated with positions vacant when budgets were developed. The legislature approved permanently eliminating an operations manager position in the Director's Office.