

### Agency Budget Comparison

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

Agency 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	61.14	61.14	59.83	59.83	61.14	59.83	(1.31)	(2.14%)
Personal Services	2,814,802	3,109,826	3,278,725	3,280,613	5,924,628	6,559,338	634,710	10.71%
Operating Expenses	1,242,132	1,277,968	1,724,888	1,618,558	2,520,100	3,343,446	823,346	32.67%
Equipment & Intangible Assets	6,954	29,711	6,954	6,954	36,665	13,908	(22,757)	(62.07%)
Grants	88,389	77,000	88,389	88,389	165,389	176,778	11,389	6.89%
Transfers	50,503	50,503	0	0	101,006	0	(101,006)	(100.00%)
<b>Total Costs</b>	<b>\$4,202,780</b>	<b>\$4,545,008</b>	<b>\$5,098,956</b>	<b>\$4,994,514</b>	<b>\$8,747,788</b>	<b>\$10,093,470</b>	<b>\$1,345,682</b>	<b>15.38%</b>
General Fund	2,641,116	2,761,337	2,978,037	2,856,095	5,402,453	5,834,132	431,679	7.99%
State Special	90,795	139,710	567,618	581,831	230,505	1,149,449	918,944	398.67%
Federal Special	659,333	671,859	760,618	765,318	1,331,192	1,525,936	194,744	14.63%
Other	811,536	972,102	792,683	791,270	1,783,638	1,583,953	(199,685)	(11.20%)
<b>Total Funds</b>	<b>\$4,202,780</b>	<b>\$4,545,008</b>	<b>\$5,098,956</b>	<b>\$4,994,514</b>	<b>\$8,747,788</b>	<b>\$10,093,470</b>	<b>\$1,345,682</b>	<b>15.38%</b>

### Agency Description

The Montana Historical Society (MHS), authorized by Title 22-3-101, MCA, exists for the use, learning, culture, and enjoyment of the citizens of, and visitors to, the State of Montana. MHS acquires, preserves, and protects historical records, art, documents, photographs, museum objects, historical places, sites, and monuments. MHS maintains a historical museum and a library and archives; provides educational programs and services for teachers and the general public; and, publishes the state historical magazine, press books, and newsletter. MHS also administers the preservation and antiquities acts; supports commissions with state historical orientation; and, provides technical assistance to all Montana museums, historical societies, preservation programs, and owners of historic resources.

### Agency Highlights

<b>Montana Historical Society</b>	
<b>Major Budget Highlights</b>	
◆	The legislature increased this agency's budget by 15.4% from the previous biennium
◆	Major initiatives adopted by the legislature include: <ul style="list-style-type: none"> <li>• \$95,000 general fund appropriated for the care and conservation of artifacts</li> <li>• \$967,285 of state special appropriation authority was added to HB 2 to expend lodging facility use tax for historical interpretation and Scriver collection costs as authorized by HB 477, and</li> <li>• The elimination of a transfer of general fund to the proprietary fund in the publications program, thus eliminating the double counting of program revenues and expenditures in the proprietary fund</li> </ul>
◆	The legislature implemented a 5% reduction plan in the 2013 biennium that reduced \$262,704 in state general fund and 1.31 FTE positions <ul style="list-style-type: none"> <li>• The legislature authorized the agency to replace the general fund reductions in the historic preservation program with increased proprietary fund revenue</li> </ul>

### Summary of Legislative Action

The legislature implemented three major initiatives for this agency:

- Added \$95,000 for the 2013 biennium for the care and conservation of artifacts. This is a biennial, restricted appropriation that was added to the base budget
- Permanently funded the historical interpretation functions and Scriver collection costs with lodging facility use tax. This is discussed in more detail in the Agency Discussion section below
- Eliminated the transfer of general fund to the proprietary fund in the Publications Program, thus eliminating the double counting of program revenues and expenditures in the proprietary fund. This corrected a long-standing, incorrect practice. Future accounting of program costs in the Publications Program should more accurately reflect the real cost of the program

### Agency Discussion

Since 2003, the legislature has requested that the Department of Commerce transfer a portion of its statutorily appropriated lodging facility use taxes to the Montana Historical Society to fund historical interpretation and the Scriver collection costs at the Society. During this time this transfer has not been budgeted in HB 2 and the budget authority for the Montana Historical Society to spend the transferred funds has been obtained outside of the regular legislative appropriation process. In the 2011 biennium, the funds transferred from the Department of Commerce to the Montana Historical Society comprised approximately 10% of the Society's HB 2 appropriation.

Allocation of Lodging Facility Use Tax Revenue Montana Historical Society 2013 Biennium						
Program	Expenditure Level	FY 2012	FY 2013	Biennium	% of Total	
Administration	Operating Expenses	\$25,000	\$25,000	\$50,000	5.2%	
Research	Operating Expenses	65,000	65,000	\$130,000	13.4%	
Museum	Operating Expenses	297,036	305,518	\$602,554	62.3%	
Education	Operating Expenses	<u>89,500</u>	<u>95,231</u>	<u>\$184,731</u>	<u>19.1%</u>	
Agency Total		<u>\$476,536</u>	<u>\$490,749</u>	<u>\$967,285</u>	<u>100.0%</u>	

The 2011 Legislature passed HB 477 that permanently allocates, in statute, 2.6% of the lodging facility use tax for historical interpretation and Scriver collection costs to the Montana Historical Society. HB 477 also requires these funds to be appropriated by the legislature each session so the funding of the agency functions is more transparent during the budgeting process. The 2011 Legislature added \$967,285 of state special appropriation

authority for these funds in HB 2 for the 2013 biennium. The table illustrates how the lodging facility use tax was allocated between agency programs for the 2013 biennium.

### Funding

The following table summarizes funding for the agency, by program and source. Funding for each program is discussed in detail in the individual program narratives that follow.

Total Agency Funding 2013 Biennium Budget						
Agency Program	General Fund	State Spec.	Fed Spec.	Proprietary	Grand Total	Total %
01 Administration Program	\$ 1,864,503	\$ 230,816	\$ 201,636	\$ 719,104	\$ 3,016,059	29.88%
02 Research Center	2,070,937	130,000	-	139,308	2,340,245	23.19%
03 Museum Program	983,886	603,902	-	25,262	1,613,050	15.98%
04 Publications Program	281,873	-	-	598,751	880,624	8.72%
05 Education Program	571,635	184,731	-	68,154	824,520	8.17%
06 Historic Preservation Program	<u>61,298</u>	<u>-</u>	<u>1,324,300</u>	<u>33,374</u>	<u>1,418,972</u>	<u>14.06%</u>
Grand Total	<u>\$ 5,834,132</u>	<u>\$ 1,149,449</u>	<u>\$ 1,525,936</u>	<u>\$ 1,583,953</u>	<u>\$ 10,093,470</u>	<u>100.00%</u>

**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	2,641,116	2,641,116	5,282,232	90.54%	4,202,780	4,202,780	8,405,560	83.28%
Statewide PL Adjustments	376,199	349,296	725,495	12.44%	498,721	475,105	973,826	9.65%
Other PL Adjustments	0	0	0	0.00%	0	0	0	0.00%
New Proposals	(39,278)	(134,317)	(173,595)	(2.98%)	397,455	316,629	714,084	7.07%
<b>Total Budget</b>	<b>\$2,978,037</b>	<b>\$2,856,095</b>	<b>\$5,834,132</b>		<b>\$5,098,956</b>	<b>\$4,994,514</b>	<b>\$10,093,470</b>	

**Other Legislation**

**HB 4** - The table below summarizes the FY 2011 federal budget amendment authority included in the bill by agency program. The table also indicates the various projects for which remaining FY 2011 federal budget amendment authority is authorized to continue into state FY 2012 or federal FY 2013.

Montana Historical Society HB 4 Budget Amendment Authority - 2013 Biennium			
Program	Project Title	FY 2011 Federal Authority in HB 4	Authorization for FY 2011 Federal Budget Amendment to Continue
Research Center	Montana Labor Leaders Oral History Project	\$6,500	State FY 2012
	Growing Baby Beef in Montana*		State FY 2012
	Ceremonial Dances of the Pueblo Indians Preservation Projects*		State FY 2012
Publications	Montana's Last Best Barns	\$4,000	State FY 2012
	Cultural History of Montana Weddings*		State FY 2012
Education	No Ordinary Time: War, Resistance, and the Montana Experience	\$1,500	State FY 2012
	Teaching With a Primary Impact	\$15,000	State FY 2012
	Richest Hills: Mining in the Far West, 1865-1920*		State FY 2012
Historic Preservation	Cultural Resource Annotated Bibliography System and the Cultural Resources Information System	\$5,000	State FY 2012
	Preserve America Grant Program*		Federal FY 2013
	Bureau of Land Management Data Sharing Grant*		Federal FY 2013

\*FY 2011 Federal Budget authority obtained prior to November 2010

**HB 477** – Allocates a portion of the lodging facility use tax revenue to the Montana Historical Society, creates a new state special revenue fund for the Montana Historical Society to use to account for the funds, and restricts the use of the funds for historical interpretation and costs associated with the Scriver collection. See the Agency Discussion section for more information on HB 477.

### Executive Budget Comparison

The following table compares the legislative budget in the 2013 biennium to the budget requested by the Governor, by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Base Budget Fiscal 2010	Executive Budget Fiscal 2012	Legislative Budget Fiscal 2012	Leg - Exec. Difference Fiscal 2012	Executive Budget Fiscal 2013	Legislative Budget Fiscal 2013	Leg - Exec. Difference Fiscal 2013	Biennium Difference Fiscal 12-13
FTE	61.14	59.83	59.83	0.00	59.83	59.83	0.00	
Personal Services	2,814,802	3,136,677	3,278,725	142,048	3,138,552	3,280,613	142,061	284,109
Operating Expenses	1,242,132	1,293,387	1,724,888	431,501	1,251,843	1,618,558	366,715	798,216
Equipment & Intangible Assets	6,954	3,954	6,954	3,000	3,954	6,954	3,000	6,000
Grants	88,389	88,389	88,389	0	88,389	88,389	0	0
Transfers	50,503	50,503	0	(50,503)	50,503	0	(50,503)	(101,006)
<b>Total Costs</b>	<b>\$4,202,780</b>	<b>\$4,572,910</b>	<b>\$5,098,956</b>	<b>\$526,046</b>	<b>\$4,533,241</b>	<b>\$4,994,514</b>	<b>\$461,273</b>	<b>\$987,319</b>
General Fund	2,641,116	2,878,024	2,978,037	100,013	2,835,068	2,856,095	21,027	121,040
State/Other Special	90,795	91,082	567,618	476,536	91,082	581,831	490,749	967,285
Federal Special	659,333	760,618	760,618	0	765,318	765,318	0	0
Proprietary	811,536	843,186	792,683	(50,503)	841,773	791,270	(50,503)	(101,006)
<b>Total Funds</b>	<b>\$4,202,780</b>	<b>\$4,572,910</b>	<b>\$5,098,956</b>	<b>\$526,046</b>	<b>\$4,533,241</b>	<b>\$4,994,514</b>	<b>\$461,273</b>	<b>\$987,319</b>

The legislature approved a budget that is \$987,000 more than the executive budget proposal. The legislative budget includes approximately \$121,000 more general fund and \$967,000 more state special revenue than the executive proposal and \$101,000 less proprietary funds.

The legislative budget is higher in general fund because:

- The legislature restored a portion of the 5% general fund reduction because the original plan had removed more than 5%
- The legislature added a \$95,000 biennial general fund appropriation for the care and conservation of artifacts in the museum program
- The executive's new proposal for an historic structures report on the original governor's mansion was not funded

The legislative budget is higher than the executive budget in state special revenue due to the legislative initiative that added lodging facility use tax allocated to the Montana Historical Society via passage of HB 477.

The legislative budget has less proprietary fund authority than the executive budget because the legislature eliminated the transfer of general fund to the proprietary fund in the Publications Program, thus eliminating the double counting of program revenues and expenditures in the proprietary fund.

### 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	17.79	17.79	17.43	17.43	17.79	17.43	(0.36)	(2.02%)
Personal Services	938,392	968,556	943,191	945,299	1,906,948	1,888,490	(18,458)	(0.97%)
Operating Expenses	542,692	678,623	581,264	546,305	1,221,315	1,127,569	(93,746)	(7.68%)
Equipment & Intangible Assets	0	12,750	0	0	12,750	0	(12,750)	(100.00%)
Transfers	0	0	0	0	0	0	0	n/a
<b>Total Costs</b>	<b>\$1,481,084</b>	<b>\$1,659,929</b>	<b>\$1,524,455</b>	<b>\$1,491,604</b>	<b>\$3,141,013</b>	<b>\$3,016,059</b>	<b>(\$124,954)</b>	<b>(3.98%)</b>
General Fund	930,593	1,010,813	948,677	915,826	1,941,406	1,864,503	(76,903)	(3.96%)
State Special	90,121	114,710	115,408	115,408	204,831	230,816	25,985	12.69%
Federal Special	100,818	107,865	100,818	100,818	208,683	201,636	(7,047)	(3.38%)
Other	359,552	426,541	359,552	359,552	786,093	719,104	(66,989)	(8.52%)
<b>Total Funds</b>	<b>\$1,481,084</b>	<b>\$1,659,929</b>	<b>\$1,524,455</b>	<b>\$1,491,604</b>	<b>\$3,141,013</b>	<b>\$3,016,059</b>	<b>(\$124,954)</b>	<b>(3.98%)</b>

### Program Description

The Administration Program provides supervision, administration, and coordination of the six programs in the Montana Historical Society. Program staff is responsible for the management, planning, direction, and leadership of the society. Activities include public information, payroll/personnel, fund raising, financial reporting, business management, security, building management, community outreach, and the society store.

### Program Highlights

<b>Administration Program Major Budget Highlights</b>
<ul style="list-style-type: none"> <li>◆ The legislature decreased this program's budget 4.0% from the previous biennium <ul style="list-style-type: none"> <li>• The legislature implemented a 5% budget reduction in this program for the 2013 biennium, reducing 0.36 FTE and approximately \$37,000 general fund annually</li> <li>• \$50,000, or 5.2% of the lodging facility use tax authorized by HB 477 was allocated to this program</li> </ul> </li> </ul>

### 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 Table						
Administration Program						
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	\$ 930,593	62.8%	\$ 948,677	62.2%	\$ 915,826	61.4%
01100 General Fund	930,593	62.8%	948,677	62.2%	915,826	61.4%
02000 Total State Special Funds	90,121	6.1%	115,408	7.6%	115,408	7.7%
02041 Mt Hist. Society Donations	90,121	6.1%	90,408	5.9%	90,408	6.1%
02853 Accommodation Tax Mou	-	-	25,000	1.6%	25,000	1.7%
03000 Total Federal Special Funds	100,818	6.8%	100,818	6.6%	100,818	6.8%
03021 Historic Sites Preservation	100,818	6.8%	100,818	6.6%	100,818	6.8%
03102 Federal Grants	-	-	-	-	-	-
06000 Total Proprietary Funds	359,552	24.3%	359,552	23.6%	359,552	24.1%
06071 Merchandise - Historical Soc	310,170	20.9%	310,170	20.3%	310,170	20.8%
06073 Historical Society Management	49,382	3.3%	49,382	3.2%	49,382	3.3%
Grand Total	\$ 1,481,084	100.0%	\$ 1,524,455	100.0%	\$ 1,491,604	100.0%

The program is funded with a combination of general fund, state special revenue funds from membership fees and donations, federal funds generated through indirect cost recoveries, and proprietary funds from museum entrance fees and merchandise sales.

In addition, starting in the 2013 biennium, the legislature added appropriation authority in HB 2 for state special revenue from the lodging facility use tax allocated by HB 477. This funding is intended to be used for historical interpretation and Scriver collection costs in the Montana Historical Society. See the Agency Discussion section in the agency summary of this HB 2 narrative for more information on this revenue.

The 2013 biennium budget for this program is reduced from the 2011 biennium due largely to the FY 2011 appropriation being higher than the FY 2010 base expenditures and the 5% general fund reduction applied to the program in the 2013 biennium.

**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	930,593	930,593	1,861,186	99.82%	1,481,084	1,481,084	2,962,168	98.21%
Statewide PL Adjustments	58,511	24,858	83,369	4.47%	58,798	25,145	83,943	2.78%
Other PL Adjustments	0	0	0	0.00%	0	0	0	0.00%
New Proposals	(40,427)	(39,625)	(80,052)	(4.29%)	(15,427)	(14,625)	(30,052)	(1.00%)
<b>Total Budget</b>	<b>\$948,677</b>	<b>\$915,826</b>	<b>\$1,864,503</b>		<b>\$1,524,455</b>	<b>\$1,491,604</b>	<b>\$3,016,059</b>	

### 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					63,142					64,502
Vacancy Savings					(40,061)					(40,115)
Inflation/Deflation					795					802
Fixed Costs					34,922					(44)
<b>Total Statewide Present Law Adjustments</b>		<b>\$58,511</b>	<b>\$287</b>	<b>\$0</b>	<b>\$58,798</b>		<b>\$24,858</b>	<b>\$287</b>	<b>\$0</b>	<b>\$25,145</b>
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$58,511</b>	<b>\$287</b>	<b>\$0</b>	<b>\$58,798</b>	<b>0.00</b>	<b>\$24,858</b>	<b>\$287</b>	<b>\$0</b>	<b>\$25,145</b>

### 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 10 - Implement HB 477											
01	0.00	0	25,000		0	25,000	0.00	0	25,000	0	25,000
DP 55140 - 5% General Fund Reduction											
01	0.00	(22,145)	0		0	(22,145)	0.00	(22,145)	0	0	(22,145)
DP 55400 - 4% Personal Services Reduction											
01	(0.36)	(15,330)	0		0	(15,330)	(0.36)	(14,541)	0	0	(14,541)
DP 95002 - 5% Reduction - Correct Budget Error State Special											
01	0.00	0	(3,866)		0	(3,866)	0.00	0	(3,866)	0	(3,866)
DP 96001 - Restore 5% State Special Revenue											
01	0.00	0	3,866		0	3,866	0.00	0	3,866	0	3,866
DP 97100 - Reduction in Worker's Compensation Costs											
01	0.00	(2,952)	0		0	(2,952)	0.00	(2,939)	0	0	(2,939)
<b>Total</b>	<b>(0.36)</b>	<b>(\$40,427)</b>	<b>\$25,000</b>	<b>\$0</b>	<b>(\$15,427)</b>	<b>(0.36)</b>	<b>(\$39,625)</b>	<b>\$25,000</b>	<b>\$0</b>	<b>(\$14,625)</b>	

DP 10 - Implement HB 477 - The legislature added state special revenue authority from the lodging facility use tax to implement HB 477. HB 477 establishes a state special revenue account for the Montana Historical Society for costs associated with historical interpretation and the Robert Scriver collection and funds the account with revenue from the lodging facility use tax. The state special revenue account is available to the Montana Historical Society by appropriation.

DP 55140 - 5% General Fund Reduction - The legislature applied a 5% reduction of general fund and state special revenue funds to this agency in the 2013 biennium. The legislature continued a portion of the 17-7-140, MCA general fund reductions that were implemented in the 2011 biennium as part of the 5% reduction for the 2013 biennium. This reduction will impact staff travel to board meetings and increase the computer replacement cycle to five years. This reduction was part of the agency's submitted 5% reduction plan.

DP 55400 - 4% Personal Services Reduction - The legislature applied a 5% reduction of general fund and state special revenue funds to this agency in the 2013 biennium. The legislature reduced general fund personal services in this program as part of the 5% general fund reduction. This adjustment includes the elimination of 0.36 FTE in the 2013 biennium. This reduction was part of the agency's submitted 5% reduction plan.

DP 95002 - 5% Reduction - Correct Budget Error State Special - The legislature applied a 5% reduction of general fund and state special revenue funds to this agency in the 2013 biennium. This adjustment was initially made to correct a technical error in the 5% plan for state special revenue in the Museum and Education Programs and reallocate the 5% state special revenue reduction to the Administration Program. This reduction was part of the agency's submitted 5% reduction plan. These funds were restored in DP 96001.

DP 96001 - Restore 5% State Special Revenue - The legislature reversed a 5% reduction by restoring state special revenue authority for the Montana Historical Society Membership state special revenue fund.

DP 97100 - Reduction in Worker's Compensation Costs - The legislature reduced general fund support for worker's compensation costs based upon the anticipated impact of HB 334. The agency may allocate this reduction in funding among programs.

**Language and Statutory Authority**

The legislature included the following language in HB 2.

"Administration Program includes a reduction in general fund money of \$2,952 in FY 2012 and \$2,939 in FY 2013. The agency may allocate this reduction in funding among programs when developing 2013 biennium operating plans."

### 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	14.75	14.75	14.75	14.75	14.75	14.75	0.00	0.00%
Personal Services	772,924	765,215	792,443	792,509	1,538,139	1,584,952	46,813	3.04%
Operating Expenses	293,602	286,603	370,119	371,266	580,205	741,385	161,180	27.78%
Equipment & Intangible Assets	6,954	16,961	6,954	6,954	23,915	13,908	(10,007)	(41.84%)
Transfers	0	0	0	0	0	0	0	n/a
<b>Total Costs</b>	<b>\$1,073,480</b>	<b>\$1,068,779</b>	<b>\$1,169,516</b>	<b>\$1,170,729</b>	<b>\$2,142,259</b>	<b>\$2,340,245</b>	<b>\$197,986</b>	<b>9.24%</b>
General Fund	1,003,826	974,705	1,034,862	1,036,075	1,978,531	2,070,937	92,406	4.67%
State Special	0	0	65,000	65,000	0	130,000	130,000	n/a
Federal Special	0	0	0	0	0	0	0	n/a
Other	69,654	94,074	69,654	69,654	163,728	139,308	(24,420)	(14.91%)
<b>Total Funds</b>	<b>\$1,073,480</b>	<b>\$1,068,779</b>	<b>\$1,169,516</b>	<b>\$1,170,729</b>	<b>\$2,142,259</b>	<b>\$2,340,245</b>	<b>\$197,986</b>	<b>9.24%</b>

### Program Description

The Research Center Program consists of the library, archives, and photograph archives functions. This program acquires, organizes, preserves, makes accessible to the public, and assists researchers with published materials, historic records and manuscripts, photographs and related media, and oral histories illustrative of the history of Montana and the surrounding region. By statute, this program houses the official archives of state government.

### Program Highlights

<b>Research Center Program Major Budget Highlights</b>
<ul style="list-style-type: none"> <li>◆ The legislature increased this program's budget 9.2% from the previous biennium               <ul style="list-style-type: none"> <li>• \$130,000, or 13.4% of the lodging facility use tax authorized by HB 477 was allocated to this program</li> </ul> </li> </ul>

### 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 Table							
Research Center							
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	\$ 1,003,826	93.5%	\$ 1,034,862	88.5%	\$ 1,036,075	88.5%	
01100 General Fund	1,003,826	93.5%	1,034,862	88.5%	1,036,075	88.5%	
02000 Total State Special Funds	-	-	65,000	5.6%	65,000	5.6%	
02131 His/Dept Of Commerce Tvmf Mou	-	-	-	-	-	-	
02208 Mmp Mou Msl Lsta	-	-	-	-	-	-	
02853 Accommodation Tax Mou	-	-	65,000	5.6%	65,000	5.6%	
03000 Total Federal Special Funds	-	-	-	-	-	-	
03102 Federal Grants	-	-	-	-	-	-	
06000 Total Proprietary Funds	69,654	6.5%	69,654	6.0%	69,654	5.9%	
06072 Misc Enterprise-Historical Soc	41,672	3.9%	41,672	3.6%	41,672	3.6%	
06076 Mhs Library Enterprise Funds	<u>27,982</u>	<u>2.6%</u>	<u>27,982</u>	<u>2.4%</u>	<u>27,982</u>	<u>2.4%</u>	
Grand Total	<u>\$ 1,073,480</u>	<u>100.0%</u>	<u>\$ 1,169,516</u>	<u>100.0%</u>	<u>\$ 1,170,729</u>	<u>100.0%</u>	

This program is funded through a combination of general fund and proprietary funds. Proprietary funds are generated through the sale of photographs, photocopies, and fees charged for research time spent by staff on public requests. The legislature authorized level funding from the library enterprise funds compared to the FY 2010 base. General fund supports the expenditure increases for statewide present law adjustments.

In addition, starting in the 2013 biennium, the legislature added appropriation authority in HB 2 for state special revenue from the lodging facility use tax allocated by HB 477. This funding is intended to be used for historical interpretation and Scriver collection costs in the Montana Historical Society. See the Agency Discussion section in the agency summary of this HB 2 narrative for more information on this revenue.

**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	1,003,826	1,003,826	2,007,652	96.94%	1,073,480	1,073,480	2,146,960	91.74%
Statewide PL Adjustments	30,859	32,071	62,930	3.04%	30,859	32,071	62,930	2.69%
Other PL Adjustments	0	0	0	0.00%	0	0	0	0.00%
New Proposals	177	178	355	0.02%	65,177	65,178	130,355	5.57%
<b>Total Budget</b>	<b>\$1,034,862</b>	<b>\$1,036,075</b>	<b>\$2,070,937</b>		<b>\$1,169,516</b>	<b>\$1,170,729</b>	<b>\$2,340,245</b>	

### 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					52,537					52,606
Vacancy Savings					(33,018)					(33,021)
Inflation/Deflation					192					192
Fixed Costs					11,148					12,294
<b>Total Statewide Present Law Adjustments</b>		<b>\$30,859</b>	<b>\$0</b>	<b>\$0</b>	<b>\$30,859</b>		<b>\$32,071</b>	<b>\$0</b>	<b>\$0</b>	<b>\$32,071</b>
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$30,859</b>	<b>\$0</b>	<b>\$0</b>	<b>\$30,859</b>	<b>0.00</b>	<b>\$32,071</b>	<b>\$0</b>	<b>\$0</b>	<b>\$32,071</b>

### 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 10 - Implement HB 477											
02	0.00	0	65,000	0	65,000	0.00	0	65,000	0	65,000	
DP 55140 - 5% General Fund Reduction											
02	0.00	(30,210)	0	0	(30,210)	0.00	(30,210)	0	0	(30,210)	
DP 56140 - Restore 5% - Original Reduction Exceeded 5%											
02	0.00	30,387	0	0	30,387	0.00	30,388	0	0	30,388	
<b>Total</b>	<b>0.00</b>	<b>\$177</b>	<b>\$65,000</b>	<b>\$0</b>	<b>\$65,177</b>	<b>0.00</b>	<b>\$178</b>	<b>\$65,000</b>	<b>\$0</b>	<b>\$65,178</b>	

DP 10 - Implement HB 477 - The legislature added state special revenue authority from the lodging facility use tax to implement HB 477. HB 477 establishes a state special revenue account for the Montana Historical Society for costs associated with historical interpretation and the Robert Scriver collection and funds the account with revenue from the lodging facility use tax. The state special revenue account is available to the Montana Historical Society by appropriation.

DP 55140 - 5% General Fund Reduction - The legislature applied a 5% reduction of general fund and state special revenue funds to this agency in the 2013 biennium. The legislature adopted the executive's recommendation to continue a portion of the 17-7-140, MCA general fund reductions in this program that were implemented in the 2011 biennium as part of the 5% reduction for the 2013 biennium. However, this action was later reversed (see DP 56140) as the initial 5% reduction for the agency overall exceeded 5%.

DP 56140 - Restore 5% - Original Reduction Exceeded 5% - The legislature reversed a 5% reduction that had also been included in the executive budget. The agency's 5% plan, combined with the executive budget reductions, equaled 6.1%. This adjustment adds \$60,775 general fund in the 2013 biennium to reset the 5% reduction to 5%.

### 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	9.00	9.00	8.05	8.05	9.00	8.05	(0.95)	(10.56%)
Personal Services	319,492	399,519	464,069	463,727	719,011	927,796	208,785	29.04%
Operating Expenses	85,985	51,200	385,796	299,458	137,185	685,254	548,069	399.51%
<b>Total Costs</b>	<b>\$405,477</b>	<b>\$450,719</b>	<b>\$849,865</b>	<b>\$763,185</b>	<b>\$856,196</b>	<b>\$1,613,050</b>	<b>\$756,854</b>	<b>88.40%</b>
General Fund	392,172	360,469	539,524	444,362	752,641	983,886	231,245	30.72%
State Special	674	25,000	297,710	306,192	25,674	603,902	578,228	2,252.19%
Federal Special	0	0	0	0	0	0	0	n/a
Other	12,631	65,250	12,631	12,631	77,881	25,262	(52,619)	(67.56%)
<b>Total Funds</b>	<b>\$405,477</b>	<b>\$450,719</b>	<b>\$849,865</b>	<b>\$763,185</b>	<b>\$856,196</b>	<b>\$1,613,050</b>	<b>\$756,854</b>	<b>88.40%</b>

### Program Description

The Museum Program collects, preserves, and interprets the history of Montana through its material culture, collecting fine arts and historical, archaeological, and ethnological artifacts from Montana and the general geographic region. The program interprets its collections through exhibits, tours, and traveling exhibits. The program also coordinates with the society's Education Program to orchestrate events, programs, and materials on Montana history for learners of all ages.

### Program Highlights

<b>Museum Program Major Budget Highlights</b>	
◆	The legislature increased this program's budget 88% from the previous biennium <ul style="list-style-type: none"> <li>• \$602,554, or 62.3% of the lodging facility use tax funding authorized by HB 477 was allocated to this program</li> <li>• The legislature approved a new, \$95,000 biennial, restricted general fund appropriation for the care and conservation of artifacts</li> <li>• The legislature implemented a 5% reduction in this program in the 2013 biennium, reducing 0.95 FTE and approximately \$77,000 annually</li> </ul>

### 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 Table						
Museum Program						
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	\$ 392,172	96.7%	\$ 539,524	63.5%	\$ 444,362	58.2%
01100 General Fund	392,172	96.7%	539,524	63.5%	444,362	58.2%
02000 Total State Special Funds	674	0.2%	297,710	35.0%	306,192	40.1%
02009 Cultural And Aesthetic Project	-	-	-	-	-	-
02045 Orig Gov'S Mansion Restoration	674	0.2%	674	0.1%	674	0.1%
02853 Accommodation Tax Mou	-	-	297,036	35.0%	305,518	40.0%
03000 Total Federal Special Funds	-	-	-	-	-	-
03102 Federal Grants	-	-	-	-	-	-
06000 Total Proprietary Funds	12,631	3.1%	12,631	1.5%	12,631	1.7%
06077 Mhs Museum Enterprise Funds	12,631	3.1%	12,631	1.5%	12,631	1.7%
Grand Total	<u>\$ 405,477</u>	<u>100.0%</u>	<u>\$ 849,865</u>	<u>100.0%</u>	<u>\$ 763,185</u>	<u>100.0%</u>

The Museum Program is funded through a combination of general fund, state special revenue from undesignated donations at the Original Governor’s Mansion, and proprietary funds generated through the sales of books, copies, photographs, and the rental of traveling exhibits. The legislature authorized level funding from the museum enterprise funds compared to the FY 2010 base. General fund supports the expenditure increases for statewide present law adjustments and the new proposal approved for the care and conservation of artifacts. In the FY 2010 base year, the agency used non-HB 2 funds to support several positions in this program. These positions are 100% general fund in the 2013 biennium.

In addition, starting in the 2013 biennium, the legislature added appropriation authority in HB 2 for state special revenue from the lodging facility use tax allocated by HB 477. This funding is intended to be used for historical interpretation and Scriver collection costs in the Montana Historical Society. See the Agency Discussion section in the agency summary of this HB 2 narrative for more information on this revenue.

**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	392,172	392,172	784,344	79.72%	405,477	405,477	810,954	50.27%
Statewide PL Adjustments	129,258	129,938	259,196	26.34%	129,258	129,938	259,196	16.07%
Other PL Adjustments	0	0	0	0.00%	0	0	0	0.00%
New Proposals	18,094	(77,748)	(59,654)	(6.06%)	315,130	227,770	542,900	33.66%
<b>Total Budget</b>	<b>\$539,524</b>	<b>\$444,362</b>	<b>\$983,886</b>		<b>\$849,865</b>	<b>\$763,185</b>	<b>\$1,613,050</b>	

**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					145,067					145,585
Vacancy Savings					(18,584)					(18,602)
Inflation/Deflation					20					20
Fixed Costs					2,755					2,935
<b>Total Statewide Present Law Adjustments</b>		<b>\$129,258</b>	<b>\$0</b>	<b>\$0</b>	<b>\$129,258</b>		<b>\$129,938</b>	<b>\$0</b>	<b>\$0</b>	<b>\$129,938</b>
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$129,258</b>	<b>\$0</b>	<b>\$0</b>	<b>\$129,258</b>	<b>0.00</b>	<b>\$129,938</b>	<b>\$0</b>	<b>\$0</b>	<b>\$129,938</b>

**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 10 - Implement HB 477											
03	0.00	0	297,036		0	297,036	0.00	0	305,518	0	305,518
DP 11 - Care & Conservation of Artifacts (Restricted/Bienn											
03	0.00	95,000	0		0	95,000	0.00	0	0	0	0
DP 55400 - 4% Personal Services Reduction											
03	(0.95)	(76,906)	0		0	(76,906)	(0.95)	(77,748)	0	0	(77,748)
DP 95001 - 5% Plan - Reduce Unspecified Operating Expenses											
03	0.00	0	(1,400)		0	(1,400)	0.00	0	(1,400)	0	(1,400)
DP 95002 - 5% Plan - Correct Budget Error											
03	0.00	0	726		0	726	0.00	0	726	0	726
DP 96001 - Restore 5% State Special Revenue											
03	0.00	0	674		0	674	0.00	0	674	0	674
<b>Total</b>	<b>(0.95)</b>	<b>\$18,094</b>	<b>\$297,036</b>	<b>\$0</b>	<b>\$315,130</b>	<b>(0.95)</b>	<b>(\$77,748)</b>	<b>\$305,518</b>	<b>\$0</b>	<b>\$227,770</b>	

DP 10 - Implement HB 477 - The legislature added state special revenue authority from the lodging facility use tax to implement HB 477. HB 477 establishes a state special revenue account for the Montana Historical Society for costs associated with historical interpretation and the Robert Scriver collection and funds the account with revenue from the lodging facility use tax. The state special revenue account is available to the Montana Historical Society by appropriation.

DP 11 - Care & Conservation of Artifacts (Restricted/Bienn - The legislature added \$95,000 general fund in a biennial appropriation for the care and conservation of artifacts.

DP 55400 - 4% Personal Services Reduction - The legislature applied a 5% reduction of general fund and state special revenue funds to this agency in the 2013 biennium. The legislature reduced general fund personal services in this program as part of the 5% general fund reduction. This adjustment includes the elimination of 0.95 FTE in the 2013 biennium. This reduction was part of the agency’s submitted 5% reduction plan.

DP 95001 - 5% Plan - Reduce Unspecified Operating Expenses - The legislature applied a 5% reduction of general fund and state special revenue funds to this agency in the 2013 biennium. This adjustment represents the difference between the 5% reduction plan submitted with the agency's 2013 biennium budget request as required by law, and the reduction

included in the executive budget for this program. This reduction was part of the agency's submitted 5% reduction plan. These funds were restored through a correction that reallocated a portion of the reduction to the Administration Program in DP 95002 and a reversal in DP 96001.

DP 95002 - 5% Plan - Correct Budget Error - This adjustment corrects a technical error in the 5% reduction plan for state special revenue in the Museum and Education Programs and reallocates the 5% state special revenue reduction to the Administration Program. This reduction was part of the agency's submitted 5% reduction plan.

DP 96001 - Restore 5% State Special Revenue - The legislature reversed a 5% reduction by restoring state special revenue authority for the Original Governor's Mansion state special revenue fund.

### 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	5.00	5.00	5.00	5.00	5.00	5.00	0.00	0.00%
Personal Services	249,932	265,450	259,667	259,259	515,382	518,926	3,544	0.69%
Operating Expenses	172,896	175,722	180,462	181,236	348,618	361,698	13,080	3.75%
Transfers	50,503	50,503	0	0	101,006	0	(101,006)	(100.00%)
<b>Total Costs</b>	<b>\$473,331</b>	<b>\$491,675</b>	<b>\$440,129</b>	<b>\$440,495</b>	<b>\$965,006</b>	<b>\$880,624</b>	<b>(\$84,382)</b>	<b>(8.74%)</b>
General Fund	141,653	142,464	140,047	141,826	284,117	281,873	(2,244)	(0.79%)
State Special	0	0	0	0	0	0	0	n/a
Federal Special	0	0	0	0	0	0	0	n/a
Other	331,678	349,211	300,082	298,669	680,889	598,751	(82,138)	(12.06%)
<b>Total Funds</b>	<b>\$473,331</b>	<b>\$491,675</b>	<b>\$440,129</b>	<b>\$440,495</b>	<b>\$965,006</b>	<b>\$880,624</b>	<b>(\$84,382)</b>	<b>(8.74%)</b>

### Program Description

The Publications Program promotes the study of Montana history and education through lectures, publications, and curriculum materials. The program publishes quarterly editions of the award-winning magazine, *Montana The Magazine of Western History*. It also publishes books under the Montana Historical Society Press imprint.

### Program Highlights

Publications Program Major Budget Highlights	
◆	The legislature decreased this program's budget 8.7% from the previous biennium <ul style="list-style-type: none"> <li>• The reduction was due entirely to eliminating the transfer of general fund to the proprietary fund in this program, thus eliminating the double counting of program revenues and expenditures in the proprietary funds</li> </ul>

### 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 Table						
Publications Program						
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	\$ 141,653	29.9%	\$ 140,047	31.8%	\$ 141,826	32.2%
01100 General Fund	141,653	29.9%	140,047	31.8%	141,826	32.2%
02000 Total State Special Funds	-	-	-	-	-	-
02307 Contracted Services - Dnrc	-	-	-	-	-	-
02406 Cultural And Aesthetic Project	-	-	-	-	-	-
03000 Total Federal Special Funds	-	-	-	-	-	-
03102 Federal Grants	-	-	-	-	-	-
06000 Total Proprietary Funds	331,678	70.1%	300,082	68.2%	298,669	67.8%
06002 Mhs Publications Enterprise	331,678	70.1%	300,082	68.2%	298,669	67.8%
Grand Total	\$ 473,331	100.0%	\$ 440,129	100.0%	\$ 440,495	100.0%

The program is funded with a combination of general fund and proprietary funds. Proprietary funds are derived from subscription sales for the magazine and sales of books published by the program. General fund pays a portion of 2.00 FTE, the program manager and an editor, involved in publishing *Montana the Magazine of Western History*.

The overall program budget decreases in the 2013 biennium because the legislature eliminated the transfer of general fund to the program's proprietary fund, thus eliminating the double counting of program revenues and expenditures in the proprietary fund (See DP 401).

### 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	141,653	141,653	283,306	100.51%	473,331	473,331	946,662	107.50%
Statewide PL Adjustments	(1,606)	173	(1,433)	(0.51%)	17,301	17,667	34,968	3.97%
Other PL Adjustments	0	0	0	0.00%	0	0	0	0.00%
New Proposals	0	0	0	0.00%	(50,503)	(50,503)	(101,006)	(11.47%)
<b>Total Budget</b>	<b>\$140,047</b>	<b>\$141,826</b>	<b>\$281,873</b>		<b>\$440,129</b>	<b>\$440,495</b>	<b>\$880,624</b>	

### 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					20,554					20,130
Vacancy Savings					(10,819)					(10,803)
Inflation/Deflation					235					235
Fixed Costs					7,331					8,105
<b>Total Statewide Present Law Adjustments</b>		<b>(\$1,606)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$17,301</b>		<b>\$173</b>	<b>\$0</b>	<b>\$0</b>	<b>\$17,667</b>
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>(\$1,606)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$17,301</b>	<b>0.00</b>	<b>\$173</b>	<b>\$0</b>	<b>\$0</b>	<b>\$17,667</b>

### New Proposals

New Proposals	Program	FTE	-----Fiscal 2012-----			-----Fiscal 2013-----					
			General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
	DP 401 - Eliminate Transfer to Proprietary Fund										
	04	0.00	0	0	0	(50,503)*	0.00	0	0	0	(50,503)*
	<b>Total</b>	<b>0.00</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$50,503)*</b>	<b>0.00</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>(\$50,503)*</b>

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

DP 401 - Eliminate Transfer to Proprietary Fund - The legislature reduced the proprietary fund in this program and directed the agency to discontinue the practice of transferring general fund appropriated for this program to the agency proprietary fund. This practice resulted in overstating both expenditures and revenues in the proprietary fund. This adjustment should result in program revenues and expenditures being properly stated.

### 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	5.85	5.85	5.85	5.85	5.85	5.85	0.00	0.00%
Personal Services	126,631	238,765	337,909	337,741	365,396	675,650	310,254	84.91%
Operating Expenses	37,615	12,786	71,549	77,321	50,401	148,870	98,469	195.37%
Transfers	0	0	0	0	0	0	0	n/a
<b>Total Costs</b>	<b>\$164,246</b>	<b>\$251,551</b>	<b>\$409,458</b>	<b>\$415,062</b>	<b>\$415,797</b>	<b>\$824,520</b>	<b>\$408,723</b>	<b>98.30%</b>
General Fund	130,169	218,483	285,881	285,754	348,652	571,635	222,983	63.96%
State Special	0	0	89,500	95,231	0	184,731	184,731	n/a
Federal Special	0	0	0	0	0	0	0	n/a
Other	34,077	33,068	34,077	34,077	67,145	68,154	1,009	1.50%
<b>Total Funds</b>	<b>\$164,246</b>	<b>\$251,551</b>	<b>\$409,458</b>	<b>\$415,062</b>	<b>\$415,797</b>	<b>\$824,520</b>	<b>\$408,723</b>	<b>98.30%</b>

### Program Description

The Education Program is comprised of three primary activities: Outreach and Interpretation, Historic Signs, and the Volunteer Program. The Outreach and Interpretation Program provides educational public programming of all types, both at the society's headquarters and throughout the state, for a wide range of audiences; plans and produces educational publications, curriculum materials, and instructional literature for broad distribution; plans and produces interpretive, place-based publications, articles, brochures, and tours for statewide distribution/implementation; oversees the National Register Sign Program for the State of Montana, producing interpretive signage for eligible structures and sites in all parts of the state; assists in the planning, production, and placement of non-Register signage in all parts of the state; assists in the planning, production, and distribution of interpretive permanent, temporary, and travelling exhibitions; provides reference services to the general public, teachers, students, technical users, and other like-minded institutions and organizations; and, oversees the society's volunteer program, coordinating volunteers and volunteer activities society-wide.

### Program Highlights

<b>Education Program Major Budget Highlights</b>	
◆	The legislature increased this program's budget 98.3% from the previous biennium <ul style="list-style-type: none"> <li>• \$184,731, or 19.1% of the lodging facility use tax funding authorized by HB 477 was allocated to this program</li> <li>• Statewide present law adjustments totaling \$324,000 were approved</li> </ul>

### 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	\$ 130,169	79.3%	\$ 285,881	69.8%	\$ 285,754	68.8%
01100 General Fund	130,169	79.3%	285,881	69.8%	285,754	68.8%
02000 Total State Special Funds	-	-	89,500	21.9%	95,231	22.9%
02853 Accommodation Tax Mou	-	-	89,500	21.9%	95,231	22.9%
03000 Total Federal Special Funds	-	-	-	-	-	-
03102 Federal Grants	-	-	-	-	-	-
06000 Total Proprietary Funds	34,077	20.7%	34,077	8.3%	34,077	8.2%
06022 Mhs Education Enterprise Funds	34,077	20.7%	34,077	8.3%	34,077	8.2%
Grand Total	<u>\$ 164,246</u>	<u>100.0%</u>	<u>\$ 409,458</u>	<u>100.0%</u>	<u>\$ 415,062</u>	<u>100.0%</u>

This program is funded through a combination of general fund and proprietary funds generated from education enterprises. General fund supports most of the budget increase in the 2013 biennium. In the FY 2010 base year, the agency used non-HB 2 funds to support several positions in this program. These positions are 100% general fund in the 2013 biennium.

In addition, starting in the 2013 biennium, the legislature added appropriation authority in HB 2 for state special revenue from the lodging facility use tax allocated by HB 477. This funding is intended to be used for historical interpretation and Scriver collection costs in the Montana Historical Society. See the Agency Discussion section in the agency summary of this HB 2 narrative for more information on this revenue.

### 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	130,169	130,169	260,338	45.54%	164,246	164,246	328,492	39.84%
Statewide PL Adjustments	162,134	162,007	324,141	56.70%	162,134	162,007	324,141	39.31%
Other PL Adjustments	0	0	0	0.00%	0	0	0	0.00%
New Proposals	(6,422)	(6,422)	(12,844)	(2.25%)	83,078	88,809	171,887	20.85%
<b>Total Budget</b>	<b>\$285,881</b>	<b>\$285,754</b>	<b>\$571,635</b>		<b>\$409,458</b>	<b>\$415,062</b>	<b>\$824,520</b>	

### 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					173,274					173,098
Vacancy Savings					(11,996)					(11,988)
Inflation/Deflation					(104)					(102)
Fixed Costs					960					999
<b>Total Statewide Present Law Adjustments</b>		<b>\$162,134</b>	<b>\$0</b>	<b>\$0</b>	<b>\$162,134</b>		<b>\$162,007</b>	<b>\$0</b>	<b>\$0</b>	<b>\$162,007</b>
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$162,134</b>	<b>\$0</b>	<b>\$0</b>	<b>\$162,134</b>	<b>0.00</b>	<b>\$162,007</b>	<b>\$0</b>	<b>\$0</b>	<b>\$162,007</b>

### 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 10 - Implement HB 477											
05	0.00	0	89,500		0	89,500	0.00	0	95,231	0	95,231
DP 95001 - 5% Plan-Reduce Unspecified Operating Expenses											
05	0.00	(6,422)	(3,140)		0	(9,562)	0.00	(6,422)	(3,140)	0	(9,562)
DP 95002 - 5% Plan - Correct Budget Error											
05	0.00	0	3,140		0	3,140	0.00	0	3,140	0	3,140
<b>Total</b>	<b>0.00</b>	<b>(\$6,422)</b>	<b>\$89,500</b>	<b>\$0</b>	<b>\$83,078</b>	<b>0.00</b>	<b>(\$6,422)</b>	<b>\$95,231</b>	<b>\$0</b>	<b>\$88,809</b>	

DP 10 - Implement HB 477 - The legislature added state special revenue authority from the lodging facility use tax to implement HB 477. HB 477 establishes a state special revenue account for the Montana Historical Society for costs associated with historical interpretation and the Robert Scriver collection and funds the account with revenue from the lodging facility use tax. The state special revenue account is available to the Montana Historical Society by appropriation.

DP 95001 - 5% Plan-Reduce Unspecified Operating Expenses - The legislature applied a 5% reduction of general fund and state special revenue funds to this agency in the 2013 biennium. This adjustment represents the 5% reduction plan for this program submitted with the agency's 2013 biennium budget request as required by law. The state special reduction was corrected in DP 95002 and the reduction reallocated to the Administration Program.

DP 95002 - 5% Plan - Correct Budget Error - This adjustment corrects a technical error in the 5% reduction plan for state special revenue in the Museum and Education Programs and reallocates the 5% state special revenue reduction to the Administration Program. This reduction was part of the agency's submitted 5% reduction plan.

### 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	8.75	8.75	8.75	8.75	8.75	8.75	0.00	0.00%
Personal Services	407,431	472,321	481,446	482,078	879,752	963,524	83,772	9.52%
Operating Expenses	109,342	73,034	135,698	142,972	182,376	278,670	96,294	52.80%
Grants	88,389	77,000	88,389	88,389	165,389	176,778	11,389	6.89%
<b>Total Costs</b>	<b>\$605,162</b>	<b>\$622,355</b>	<b>\$705,533</b>	<b>\$713,439</b>	<b>\$1,227,517</b>	<b>\$1,418,972</b>	<b>\$191,455</b>	<b>15.60%</b>
General Fund	42,703	54,403	29,046	32,252	97,106	61,298	(35,808)	(36.88%)
Federal Special	558,515	563,994	659,800	664,500	1,122,509	1,324,300	201,791	17.98%
Other	3,944	3,958	16,687	16,687	7,902	33,374	25,472	322.35%
<b>Total Funds</b>	<b>\$605,162</b>	<b>\$622,355</b>	<b>\$705,533</b>	<b>\$713,439</b>	<b>\$1,227,517</b>	<b>\$1,418,972</b>	<b>\$191,455</b>	<b>15.60%</b>

### Program Description

The Historic Sites Preservation Program (State Historic Preservation Office) administers the Montana Antiquities Act (MCA 22-3-421; ARM 10.121.901) and Montana's participation in the National Historic Preservation Act of 1966, as amended, with its federal programs, guidelines, and grants-in-aid for historic preservation. Staff provide technical assistance to all Montana property owners, including agencies, organizations, and the public. Staff maintains a statewide inventory of recorded historic and archaeological sites. Staff reviews state agencies compliance with the state antiquities act. Staff review and comment on all proposed federally funded or permitted projects within the state to determine their effect on properties listed or eligible for listing in the National Register of Historic Places. Staff administers the National Register of Historic Places program in Montana through the state preservation review board. The office recommends certification of historic structures and rehabilitation projects for federal tax credits to citizens and businesses, as authorized by the Tax Reform Act of 1976. The program awards and administers pass-through federal grants to local governments participating in the federal Certified Local Government Program. The program may also award funds for historic survey and planning for historic areas and for bricks and mortar rehabilitation when funds are available.

### Program Highlights

<b>Historic Preservation Program Major Budget Highlights</b>	
◆	The legislature increased this program's budget 15.6% from the previous biennium <ul style="list-style-type: none"> <li>• The legislature implemented a 5% general fund reduction in this program in the 2013 biennium, reducing general fund \$10,700 annually</li> <li>• The legislature authorized a \$10,700 annual increase in the program's proprietary fund to offset the general fund reduction</li> <li>• Statewide present law adjustments totaling \$208,000 were approved</li> <li>• The legislature authorized a \$201,800 increase in federal special authority in anticipation of increased federal grants for this program</li> </ul>

### 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	% of Base	Budget	% of Budget	Budget	% of Budget
	FY 2010	FY 2010	FY 2012	FY 2012	FY 2013	FY 2013
01000 Total General Fund	\$ 42,703	7.1%	\$ 29,046	4.1%	\$ 32,252	4.5%
01100 General Fund	42,703	7.1%	29,046	4.1%	32,252	4.5%
03000 Total Federal Special Funds	558,515	92.3%	659,800	93.5%	664,500	93.1%
03021 Historic Sites Preservation	558,515	92.3%	659,800	93.5%	664,500	93.1%
03102 Federal Grants	-	-	-	-	-	-
06000 Total Proprietary Funds	3,944	0.7%	16,687	2.4%	16,687	2.3%
06013 Shpo Enterprise Fund	-	-	10,700	1.5%	10,700	1.5%
06073 Historical Society Management	3,944	0.7%	5,987	0.8%	5,987	0.8%
<b>Grand Total</b>	<b>\$ 605,162</b>	<b>100.0%</b>	<b>\$ 705,533</b>	<b>100.0%</b>	<b>\$ 713,439</b>	<b>100.0%</b>

The program is funded through a combination of general fund, federal special revenue from the National Park Service (NPS), and proprietary funds. Proprietary funds are generated from fees for historical preservation assistance and services. These funds increase primarily because the legislature authorized the agency to replace general fund reduced in DP 55140 (see below). The legislature increased federal special revenue authority in anticipation of an increase in the federal grant it expects for the upcoming biennium. The grants from the NPS have a 60:40 federal/state matching requirement. MHS uses funding at the local level to match the federal grant.

**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	42,703	42,703	85,406	139.33%	605,162	605,162	1,210,324	85.30%
Statewide PL Adjustments	(2,957)	249	(2,708)	(4.42%)	100,371	108,277	208,648	14.70%
Other PL Adjustments	0	0	0	0.00%	0	0	0	0.00%
New Proposals	(10,700)	(10,700)	(21,400)	(34.91%)	0	0	0	0.00%
<b>Total Budget</b>	<b>\$29,046</b>	<b>\$32,252</b>	<b>\$61,298</b>		<b>\$705,533</b>	<b>\$713,439</b>	<b>\$1,418,972</b>	

**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.

	-----Fiscal 2012-----				-----Fiscal 2013-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					94,076					94,734
Vacancy Savings					(20,061)					(20,087)
Inflation/Deflation					(255)					(250)
Fixed Costs					26,611					33,880
<b>Total Statewide Present Law Adjustments</b>			\$0	\$101,285	\$100,371		\$249	\$0	\$105,985	\$108,277
		(\$2,957)								
<b>Grand Total All Present Law Adjustments</b>			\$0	\$101,285	\$100,371	0.00	\$249	\$0	\$105,985	\$108,277
	0.00	(\$2,957)								

**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 55140 - 5% General Fund Reduction										
06	0.00	(10,700)	0	0	0*	0.00	(10,700)	0	0	0*
<b>Total</b>	<b>0.00</b>	<b>(\$10,700)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0*</b>	<b>0.00</b>	<b>(\$10,700)</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0*</b>

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

DP 55140 - 5% General Fund Reduction – The legislature applied a 5% reduction of general fund and state special revenue funds to this agency in the 2013 biennium. This adjustment represents the 5% reduction plan for this program submitted with the agency's 2013 biennium budget request as required by law. The legislature authorized the agency to backfill the general fund reduction with proprietary funds in this program in the 2013 biennium.