



MONTANA LEGISLATIVE BRANCH

Legislative Fiscal Division

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Director
AMY CARLSON

DATE: September 28, 2011
TO: Legislative Finance Committee
FROM: Taryn Purdy *AB*
RE: Operating Plan Changes

The Office of Budget and Program Planning submitted 7 operating plan changes and 2 house adjustments that meet the requirements for review by the Legislative Finance Committee. The executive has also processed 14 operating plan changes and 11 program transfers as time sensitive. An explanation of the changes is attached.

LFD staff has reviewed the proposed and implemented changes and raise no concerns.

OFFICE OF THE GOVERNOR
BUDGET AND PROGRAM PLANNING
STATE OF MONTANA



BRIAN SCHWEITZER
GOVERNOR

PO BOX 200802
HELENA, MONTANA 59620-0802

To:  Amy Carlson, Legislative Fiscal Analyst
Legislative Fiscal Division

From: David Ewer, Budget Director
Office of Budget & Program Planning

Date: September 26th, 2011

Subject: **LFC Review & Comment on Operating Budget Changes and Program Transfers**

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SEP 26 2011

LEGISLATIVE
FISCAL ANALYST

In accordance with 17-7-138 and -139, MCA, the Governor's Office of Budget and Program Planning is submitting seven operating plan changes and two program transfers that exceed \$75,000 and 25% of a budget category or \$1 million for review and comment at the September Legislative Finance Committee meeting. In addition, this office has processed fourteen operating plan changes and eleven program transfers that also exceeded \$75,000 and 25% of a budget category or \$1 million as time sensitive mainly due to them being FY 2011 documents.

We have reviewed the requests and find them to be in compliance with state and federal laws and policies. Your staff has also reviewed these documents and has no issues with these transactions. Please let us know if you have questions or wish additional information.

CC: Taryn Purdy
Dean Rude
Scott Sim
Roche Juneau
Frieda Houser
Pat McNamee
Kim Moog
Karen Revious
Kris Schmitz
Julia Dilly
Kathy Seacat
Rhonda Scheaffer

Budget Change Documents that Trigger

Information submitted for the September 2011 LFC meeting

<u>Agency #</u>	<u>Agency Name</u>	<u>Doc #</u>	<u>Brief Explanation</u>	<u>Fiscal Year</u>
Documents Being Held for Comment				
61010	Department of Administration	617 OP153	The Montana Lottery is requesting to move \$42,077 of spending authority from 63000 to account 69000 and \$47,899.65 of spending authority from 62000 to account 69000 in FY2012. The Montana Lottery is also requesting to move \$42,077 of spending authority from 63000 to account 69000 and \$43,750.09 of spending authority from 62000 to account 69000 in FY2013. The 69000 debt service account will be used for their leased Winstation machines.	2012
54010	Department of Transportation	445 OP007	D of A is requesting that we move capital lease expenditures to 69301 and 69302. These expenditures were previously recorded in 62504.	2012
54010	Department of Transportation	475 OP003	Move budget authority from 66000 to 62000 for accounting purposes. MDT is currently using Grant account 66102 for loans made through the Aeronautics Division and should be using 62867 Loans for the loans processed. This budget request will properly align loan budgets to the correct accounting treatment level.	2012
53010	Dept of Environmental Quality	430 OP441	Legislature approved Orphan Share authority to be reimbursed to S&W Sawmill for remedial actions. Authority should have been requested as claims (67000) instead of operating (62000).	2012
66020	Labor & Industry	790 OP181	Change being made to comply with MOM Policy 345 IX.C. Previously, expenditures for the Math & Science contract and Angel Network Training & Development contract were recorded in the grants category but now will be recorded in the transfer category.	2012
67010	Dept of Military Affairs	830 OP501	This request is to move Federal Spending Authority authorized in House Bill 2 from account 62000 to 64000 to allow for capital improvements to statewide facilities.	2012
69010	Public Health & Human Services	893 PT808	Transfer of funding from Prog 11 to Prog 12 for the Health Information Technology (HIT) Incentive Payment (OTO).	2012
69010	Public Health & Human Services	875 OP797	Establish account level 68000 for transfers between state agencies. To comply to Department of Administration's updated Policy 320 and 345. This replicates Prog 07 adjustment from SFY11 done on BCD OP783.	2012

<u>Agency #</u>	<u>Agency Name</u>	<u>Doc #</u>	<u>Brief Explanation</u>	<u>Fiscal Year</u>
51150	Library Commission	325 OP203	ESTABLISHING LSTA 11 PROJECTS THAT ARE MANAGED WITHIN THE STATE LIBRARY AND APPROVED BY THE COMMISSION.	2012
Documents Processed as Time-Sensitive				
35010	Office of Public Instruction	155 OP003	To allow equipment purchase using State Longitudinal Data System funds. This is to purchase equipment to store data for the GEMS (Growth and Enhancement of Montana Students) project funded through this federal grant. The GEMS Project will allow the Office of Public Instruction to efficiently and accurately manage, analyze and	2011
41100	Department of Justice	185 OP105	The vehicle purchase will be used in the field operation bureau for examiners that travel. It was determined more cost effective to than using a motor pool leased vehicle. The AP servers are part of the continuity of operations initiative, and the MERLIN server is needed for the next phase of development on the driver services,	2011
41100	Department of Justice	185 OP101	The Motor Vehicle Division in the Department of Justice is requesting an operating budget change in the amount of \$1,401,000 from operating to personal services to cover the shortfall.	2011
41100	Department of Justice	173 OP101	Moving budget from benefits and claims 67000 to grants to counties from state sources 66000. The attorney general implented a prescription drug drop box grant program that allows counties and local governments to apply for a grant up to \$1,000.	2011
51020	Commissioner of Higher Education	255 PT014	move authority from GSL to Eisenhower to allow grants for fiscal year 2011	2011
51020	Commissioner of Higher Education	245 OP013	clean up negative org budgets at fiscal year end	2011
51170	Historical Society	335 PT040	Transfer HB2 060XX funds between HIS programs, different funds, same expenditure levels, to meet obligations through FYE 2011.	2011
51170	Historical Society	352 PT040	Transfer HB2 060XX funds between HIS programs, different funds, same expenditure levels, to meet obligations through FYE 2011.	2011
54010	Department of Transportation	450 OP099	Move authority from 2000s to 8000s related to accounting treatment change for component unit, quasi-external transactions. Per management memo 2-04-03.	2011
54010	Department of Transportation	445 OP090	D of A is requesting that we move capital lease expenditures to 69301 and 69302. These expenditures were previously recorded in 62504.	2011
61010	Department of Administration	605 OP705.2	move authority from GSL to Eisenhower to allow grants for fiscal year 2011	2011

<u>Agency #</u>	<u>Agency Name</u>	<u>Doc #</u>	<u>Brief Explanation</u>	<u>Fiscal Year</u>
64010	Dept of Corrections	695 PT182	Transferring funds from program 3 to program 1 to cover BOPP budget overages of \$50,000, outside medical overages, approximately \$600,000, and ITSD fixed costs overages, approximately \$500,000, and general fund canteen wages approximately \$20,000.	2011
64010	Dept of Corrections	685 PT182	Transferring funds from program 3 to program 1 to cover BOPP budget overages of \$50,000, outside medical overages, approximately \$600,000, and ITSD fixed costs overages, approximately \$500,000, and general fund canteen wages approximately \$15,000.	2011
66020	Labor & Industry	810 OP711	Request to adjust org budgets within the Department of Labor and Industry, Office of Community Services (OCS).	2011
66020	Labor & Industry	790 OP153	This request will allow compliance with MOM Policy 345 IX.C. Expenditures related to a grant with the Governor's Office will now be recorded in the transfer account category. This request will also ensure positive account balances within the same fund and subclass at the end of SFY11.	2011
69010	Public Health & Human Services	892 PT763	The purpose of this BCD is to realign Medicaid appropriations to enable compliance with the caseload language in HB-645.	2011
69010	Public Health & Human Services	890 PT763	The purpose of this BCD is to realign Medicaid appropriations to enable compliance with the caseload language in HB-645.	2011
69010	Public Health & Human Services	860 PT762	This transfer is necessary to cover planned expenditures within operations in the TSD for system development purposes.	2011
69010	Public Health & Human Services	885 PT885	This transfer is necessary to cover planned expenditures within operations in the TSD for system development purposes.	2011
69010	Public Health & Human Services	875 OP783	This Operation Plan change is necessary to conform with the new policies issued by the Department of Administrations (Policy 320 and 345), on June 29, 2011. The purpose of the transfer is to provide funds for the Dept of Justice to enforce Montana's tobacco Laws.	2011
69010	Public Health & Human Services	892 PT785	The purpose of this BCD is to realign Medicaid appropriations to enable compliance with the caseload language in HB-645	2012
69010	Public Health & Human Services	895 PT785	The purpose of this BCD is to realign Medicaid appropriations to enable compliance with the caseload language in HB-645	2012
35010	Office of Public Instruction	155 OP202	Montana Digital Academy, 20-7-1201, MCA; OPI will transfer the funds to the University of Montana. Therefore, a transfer account code will be used rather than an operating expenditure code.	
35010	Office of Public Instruction	155 OP204	To allow equipment purchase using State Longitudinal Data System funds. This is to purchase equipment to store data for the GEMS (Growth and Enhancement of Montana Students) project funded through this federal grant. The GEMS Project will allow the Office of Public Instruction to efficiently and accurately manage, analyze and use education data, including individual student records.	2012
69010	Public Health & Human Services	855 OP728	Operation plan change in HCSD to conform with the new policies issued by the Department of Administration (Policy 320 and 345). This is a replicate of Prog 02 adjustment from SFY11 done on BCD # 855 OP727.	2012