

Agency Proposed Budget

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

Agency Proposed Budget								
Budget Item	Base Budget Fiscal 2006	PL Base Adjustment Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	PL Base Adjustment Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009	Total Exec. Budget Fiscal 08-09
FTE	20.00	0.00	0.00	20.00	0.00	0.00	20.00	20.00
Personal Services	841,028	326,620	0	1,167,648	332,109	0	1,173,137	2,340,785
Operating Expenses	605,307	61,029	60,000	726,336	82,279	60,000	747,586	1,473,922
Equipment	6,790	0	0	6,790	0	0	6,790	13,580
Grants	7,118,816	90,000	0	7,208,816	90,000	0	7,208,816	14,417,632
Total Costs	\$8,571,941	\$477,649	\$60,000	\$9,109,590	\$504,388	\$60,000	\$9,136,329	\$18,245,919
General Fund	1,722,131	462,160	60,000	2,244,291	482,159	60,000	2,264,290	4,508,581
State/Other Special	9,349	90,390	0	99,739	90,523	0	99,872	199,611
Federal Special	6,840,461	(74,901)	0	6,765,560	(68,294)	0	6,772,167	13,537,727
Total Funds	\$8,571,941	\$477,649	\$60,000	\$9,109,590	\$504,388	\$60,000	\$9,136,329	\$18,245,919

Agency Description

The Montana Board of Crime Control (MBCC) was established to promote public safety by strengthening the coordination and performance of the criminal and juvenile justice systems. The MBCC is an 18-member board appointed by the Governor. The MBCC supervises the Crime Control Division (CCD), which provides financial support, technical assistance, and support services to state and local criminal justice agencies. The CCD administers federal anti-drug and anti-crime grants, certifies peace officers and others in the criminal justice system, and provides funding for juvenile justice programs. In addition, CCD collects and analyzes crime data from Montana’s law enforcement agencies and publishes the annual "Crime in Montana" report. MBCC is established in law by 2-15-2006, MCA.

The MBCC has two advisory councils, the Peace Officers Standards and Training Council (POST) and the Youth Justice Council (YJC). POST provides training, certification and other services to law enforcement officers and other public safety personnel. POST provides assistance and advice to law enforcement agencies, training academies, local county and city governments, and state agencies. POST also administers the contracts with the Regional Juvenile Detention Grant Program. YJC develops and implements the state’s juvenile justice plan and recommends educational, training, research, prevention, diversion, treatment and rehabilitation programs.

Agency Highlights

Board of Crime Control Major Budget Highlights
<ul style="list-style-type: none"> ◆ Total funding for the agency increases 6.4 percent, general fund increases 30.9 percent and federal funds decrease 1.0 percent, when the 2009 biennium is compared to double the FY 2006 base budget <ul style="list-style-type: none"> • General fund increases due to statewide present law adjustments and an increase in rent • General fund support for the agency rises to 24 percent of the adjusted base budget compared to 20 percent of the FY 2006 base budget • When the 2009 and 2007 biennia are compared (see table below), federal funds decrease almost \$20 million because the 2007 biennium funding included: <ul style="list-style-type: none"> • An appropriation of \$9.2 million for a portion of the federal Homeland Security Grant that was not received • More than \$9 million of federal funding (authority) that was not expended in previous years was carried forward to FY 2007 but is not included in the 2009 biennium budget

Major LFD Issues	
◆	Language regarding the carry forward of appropriations that has been included in the appropriations act appears to be an attempt to amend substantive law and inappropriate for inclusion
◆	Funding for personal services includes funding for two positions that the agency does not plan to fill

Agency Discussion

Goals & Objectives:

State law requires agency and program goals and objectives to be specific and quantifiable to enable the legislature to establish appropriations policy. As part of its appropriations deliberations the legislature may wish to review the following:

- Goals, objectives and year-to-date outcomes from the 2007 biennium
- Goals and objectives and their correlation to the 2009 biennium budget request

New Initiatives

A new initiative related to the Homeland Security, Law Enforcement Terrorism Prevention Grant (\$9,310,607 federal funds for the biennium) including 1.00 FTE Program Specialist was approved by the legislature as part of the 2007 biennium budget for the Montana Board of Crime Control. The funds that the agency anticipated receiving under this federal grant program were not realized. Thus, the agency did not implement or manage any activities under this grant program. The Homeland Security Grant was administered by another state agency.

Funding

The following table shows program funding, by source, for the base year and for the 2009 biennium as recommended by the Governor.

Program Funding	Base FY 2006	% of Base FY 2006	Budget FY 2008	% of Budget FY 2008	Budget FY 2009	% of Budget FY 2009
01000 Total General Fund	\$ 1,722,131	20.1%	\$ 2,244,291	24.6%	\$ 2,264,290	24.8%
01100 General Fund	1,722,131	20.1%	2,244,291	24.6%	2,264,290	24.8%
02000 Total State Special Funds	9,349	0.1%	99,739	1.1%	99,872	1.1%
02768 Dom Violence Intervention - Hb 476	9,349	0.1%	99,739	1.1%	99,872	1.1%
03000 Total Federal Special Funds	6,840,461	79.8%	6,765,560	74.3%	6,772,167	74.1%
03008 Juvenile Justice Council	646,296	7.5%	683,702	7.5%	684,963	7.5%
03009 Juvenile Accountability	338,378	3.9%	327,231	3.6%	327,458	3.6%
03090 P Coverdell Forensic Science	82,639	1.0%	91,015	1.0%	91,015	1.0%
03093 Title V Delinquency Intervention	99,999	1.2%	59,255	0.7%	59,257	0.6%
03111 Rsat Residential Substance Abuse	7,556	0.1%	82,933	0.9%	83,022	0.9%
03188 Justice Assistance Grants	1,613,077	18.8%	1,343,678	14.8%	1,345,209	14.7%
03192 Crime Victim Assistance	1,569,610	18.3%	1,732,592	19.0%	1,733,697	19.0%
03200 Drug Education Assistance	432,447	5.0%	396,943	4.4%	397,128	4.3%
03201 Justice System Enhancements	60,021	0.7%	94,170	1.0%	94,910	1.0%
03343 Criminal History Record Improv	269,000	3.1%	130,000	1.4%	130,000	1.4%
03344 Violence Against Women Act	846,291	9.9%	955,797	10.5%	957,010	10.5%
03414 Drug Enforcement Assistance	198,153	2.3%	-	-	-	-
03962 Enf. Underage Drinking Laws	352,460	4.1%	368,244	4.0%	368,498	4.0%
03963 Local Law Enforcement Assist	324,534	3.8%	500,000	5.5%	500,000	5.5%
Grand Total	\$ 8,571,941	100.0%	\$ 9,109,590	100.0%	\$ 9,136,329	100.0%

The Board of Crime Control and Crime Control Division are supported primarily by general and federal funds. General fund supports the board, administrative activities, and grants to juvenile detention centers (52 percent). The bulk of the agency’s budget is composed of federal funds from a variety of grant sources. The majority of the federal grants administered by the agency are passed through to local entities to support a variety of activities including multi-jurisdictional drug task forces, youth prevention and intervention activities, services and education regarding domestic violence, and assistance to victims of crime. The use of the funds is directed by the requirements of the federal grant. The amount or percentage of the grant that may be expended on administrative costs varies by grant.

LFD ISSUE As the main table above illustrates, general fund support for the agency increases while federal funds supporting the agency decrease. This switch in funding occurs in agency operations and is caused by changes and decreases in federal grants. Specifically, the federal grant previously known as the Drug Enforcement Assistance Grant was replaced by a federal program known as Justice Assistance Grants. While the Justice Assistance Grant program may be used for many of the same purposes as the Drug Enforcement Grant program, the funding level for this grant program has been declining in recent years. The decline in this grant and the Juvenile Accountability Grant are the primary drivers of the reduction in federal funding and increase in general fund support. A portion of the increased general fund costs relate to vacant positions, funded in the present law budget (72 percent from the general fund) that the agency does not intend to fill. This issue and potential actions the legislature may wish to take are discussed in the present law adjustments section of this analysis.

Biennium Budget Comparison

The following table compares the executive budget request in the 2009 biennium with the 2007 biennium by type of expenditure and source of funding. The 2009 biennium consists of actual FY 2006 expenditures and FY 2007 appropriations.

FTE	20.00	0.00	20.00	20.00	0.00	20.00	20.00	20.00
Personal Services	1,167,648	0	1,167,648	1,173,137	0	1,173,137	1,890,070	2,340,785
Biennium Budget Comparison								
Budget Item	Present Law Fiscal 2008	New Proposals Fiscal 2008	Total Exec. Budget Fiscal 2008	Present Law Fiscal 2009	New Proposals Fiscal 2009	Total Exec. Budget Fiscal 2009	Total Biennium Fiscal 06-07	Total Exec. Budget Fiscal 08-09
Operating Expenses	666,336	60,000	726,336	687,586	60,000	747,586	1,127,204	1,473,922
Equipment	6,790	0	6,790	6,790	0	6,790	22,556	13,580
Grants	7,208,816	0	7,208,816	7,208,816	0	7,208,816	34,740,241	14,417,632
Total Costs	\$9,049,590	\$60,000	\$9,109,590	\$9,076,329	\$60,000	\$9,136,329	\$37,780,071	\$18,245,919
General Fund	2,184,291	60,000	2,244,291	2,204,290	60,000	2,264,290	3,490,857	4,508,581
State/Other Special	99,739	0	99,739	99,872	0	99,872	102,832	199,611
Federal Special	6,765,560	0	6,765,560	6,772,167	0	6,772,167	34,186,382	13,537,727
Total Funds	\$9,049,590	\$60,000	\$9,109,590	\$9,076,329	\$60,000	\$9,136,329	\$37,780,071	\$18,245,919

Present Law Adjustments

The “Present Law Adjustments” table shows the primary changes to the adjusted base budget proposed by the Governor. “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.

Between the 2007 and 2009 biennia general fund support for the agency increases slightly more than \$1 million or 29 percent and federal fund appropriations decline \$20.6 million or 60 percent. The general fund increase is due to statewide present law adjustments, an increase in rent, and shift in funding between the FY 2006 base budget and the adjusted base budget. There is a shift in funding to the general fund because federal funding available for administrative costs is limited. The large decrease in federal funds is caused by an appropriation for anticipated grant funds that in actuality was administered by another state agency (Homeland Security) and due to language in HB 2 that allowed unexpended federal appropriations to be carried forward into the 2007 biennium. When 2009 biennium funding is compared to double the FY 2006 base budget, federal funds decline 0.9 percent or about \$123,000.

Present Law Adjustments	Fiscal 2008					Fiscal 2009				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					326,620					332,109
Inflation/Deflation					4,577					4,915
Fixed Costs					(41)					1,624
Total Statewide Present Law Adjustments					\$331,156					\$338,648
DP 100 - Office Relocation										
	0.00	36,713	390	19,390	56,493	0.00	49,220	523	25,997	75,740
DP 103 - Misdemeanor Probation Domestic Violence Program										
	0.00	0	90,000	0	90,000	0.00	0	90,000	0	90,000
Total Other Present Law Adjustments	0.00	\$36,713	\$90,390	\$19,390	\$146,493	0.00	\$49,220	\$90,523	\$25,997	\$165,740
Grand Total All Present Law Adjustments					\$477,649					\$504,388

LFD COMMENT

The statewide present law adjustment for personal services represents an increase of almost 39 percent when compared to the FY 2006 base budget. Components of the statewide present law adjustment for personal services are summarized in Figure 1 More than half of this increase (54 percent) is related to fully funding vacant positions and increased health insurance costs. Estimates place the costs of market based pay adjustments at about \$74,000 per year or about 22 percent of the statewide present law adjustment for personal services. The balance of the personal services increase is attributable to other pay increases such as annualization of 2007 biennium pay plan provisions.

Figure 1
Montana Board of Crime Control
Summary - Personal Services
Statewide Present Law Adjustment

Item	FY 2006 Cost	Percent of Total	FY 2007 Cost	Percent of Total	Biennium Total	Percent of Total
Health Insurance Incr.*	\$19,788	6.1%	\$19,788	6.0%	\$39,576	6.0%
Vacant Positions	157,038	48.1%	157,162	47.3%	314,200	47.7%
Market Adjustments (estimated)	73,517	22.5%	73,517	22.1%	147,034	22.3%
Other - Payplan, etc.	\$76,277	23.4%	\$81,642	24.6%	\$157,919	24.0%
Total	\$326,620	100.0%	\$332,109	100.0%	\$658,729	100.0%

*Increase for 17 of the 20 FTE. The health insurance costs increase for the three vacant positions is included in the costs of the vacant positions.

LFD ISSUE

The statewide present law adjustment for personal services includes funding for three positions that were vacant during FY 2006. Board of Crime Control staff have indicated that they plan to fill one of these three positions. However, they do not currently have plans to fill the other two positions. The combined personal services budget for the two positions that the agency does not plan to fill is \$195,096 for the biennium, including an estimated \$140,352 of general fund. Given that the agency does not plan to fill these two vacancies, the legislature may wish to reduce funding for personal services within the agency by this amount.

DP 100 - Office Relocation - This decision package requests \$85,933 general fund and \$132,233 total funds for the biennium for increased rental costs and the costs of moving the office (\$6,000 in FY 2008) from its current location. The owners of the building have informed the Department of Administration that they do not intend to lease the building as office space once the current lease agreement term is complete in November 2007. The department indicates there are several problems with the current office location including employee health related concerns such as respiratory problems, flu-like symptoms, sinus infections, diarrhea, and the appearance of visible growth (mold) beneath employee chair mats and in some of the offices. The funding requested in this decision package is based upon information provided by the Department of Administration indicating that the cost of different office space is estimated at \$20.00 per square foot. The Department of Administration plans to issue a request for proposal seeking an investor interested in building

office space that would house employees of several state agencies.

DP 103 - Misdemeanor Probation Domestic Violence Program - This decision package requests \$180,000 state special revenue for the Domestic Violence Intervention Program provided for in Section 44-4-310 MCA. This state special revenue fund is supported by a portion of the marriage license fee (\$13). It is estimated that approximately \$90,000 to \$100,000 will be collected each year. Statute specifies that these funds be granted to communities for misdemeanor probation officers or compliance officers to monitor compliance with sentencing requirements of offenders convicted of the offense of partner or family member assault or of a violation of an order of protection. It is estimated that two or three projects can be funded. Because this fund was created by the 2005 Legislature there was limited collection and expenditure of funds in the base budget.

New Proposals

New Proposals										
Program	FTE	-----Fiscal 2008-----				-----Fiscal 2009-----				
		General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 101 - Tech. Assistance to Law Enf. and Tribal Gov. 01	0.00	60,000	0	0	60,000	0.00	60,000	0	0	60,000
Total	0.00	\$60,000	\$0	\$0	\$60,000	0.00	\$60,000	\$0	\$0	\$60,000

DP 101 - Tech. Assistance to Law Enf. and Tribal Gov. - This decision package requests \$60,000 general fund each year of the biennium to continue MBCC technical assistance functions to law enforcement, tribal governments, and public safety agencies. Services provided include grant research, program development and implementation, facilitated grant writing, grant editing, on-site and web-based training, post-award consultation, grants administration technology and programming, and outcome tracking.

LFD ISSUE	<p>The executive proposes including language in HB 2 regarding the Montana Board of Crime Control to the effect of “all remaining federal pass-through grant appropriations, including reversion, for the 2007 biennium are authorized to continue and are appropriated in FY 2008 and FY 2009.” This creates a situation where a great deal of appropriation authority for federal funds is carried forward and builds in amount. The decrease in federal funds between the two biennia (as illustrated in the biennial comparison figure) is primarily due to this factor. Federal funds are being carried forward but not expended because grant funds have not been received at the level appropriated (including the continuing appropriations).</p> <p>The issue for legislative consideration is that this language appears to be an attempt to amend substantive law, which cannot be done in the appropriations act (HB 2). For this reason, legislative staff recommends this language not be included in HB 2 in this or future biennia. However, should the legislature wish to provide flexibility for the agency beyond that contained in appropriations law, it may wish to include a biennial appropriation of an additional specified amount (perhaps \$1 million) of federal funds in the agency budget, but not allow this appropriation to be carried forward to future biennia.</p>
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