

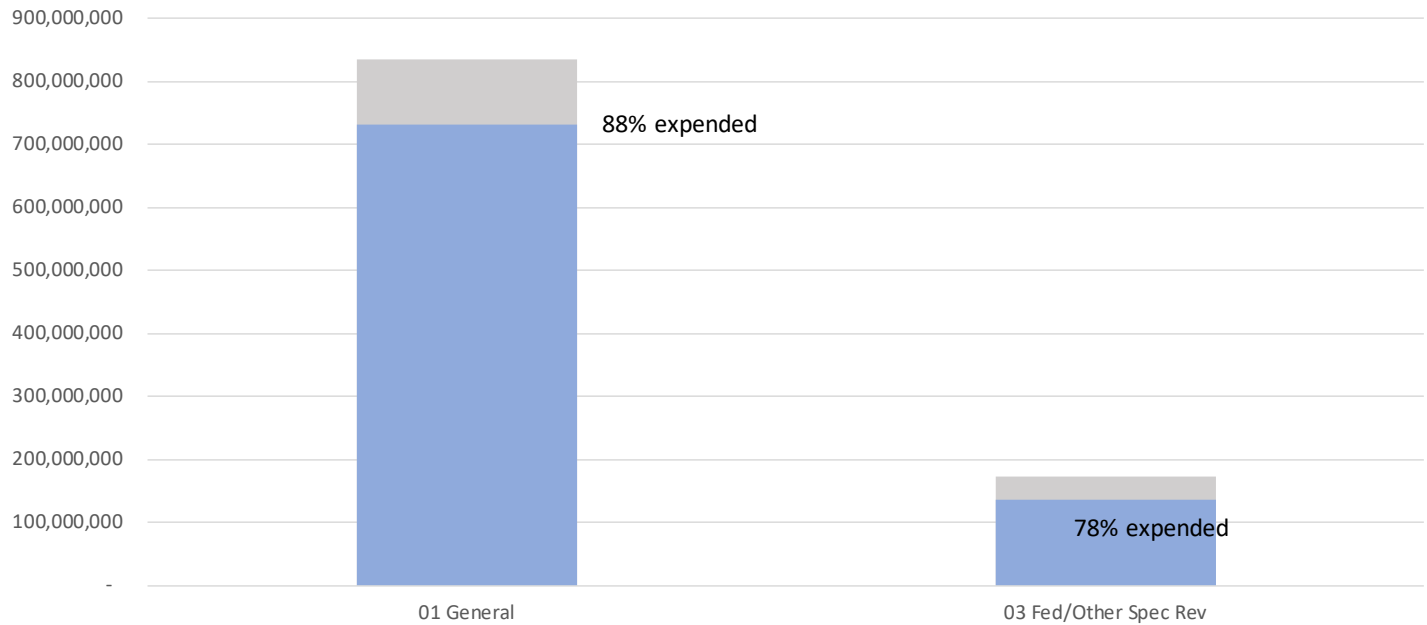
Office of Public Instruction has \$1,139,609,574 in total authority, \$1,009,818,208 (89%) is HB 2 authority

86% of the agency's total HB2 budget has been expended, **85%** is the 5 year average of actual expenditures

HB 2 Expenditures

Budgeted vs. Expended

by fund type



Expenditure Account	Budgeted	Expended	% Expended
Personal Services	12,846,313	10,203,921	79%
Operating Expenses	14,907,050	11,795,677	79%
Local Assistance	824,249,754	721,696,190	88%
Grants	155,296,751	121,841,326	78%
Transfers-out	2,518,340	2,419,742	96%
Agency Program	Budgeted	Expended	% Expended
06 State Level Activities	28,544,180	22,848,781	80%
09 Local Education Activities	981,274,028	845,108,075	86%
Total	1,009,818,208	867,956,856	86%

The Office of Public Instruction (OPI) receives 82.7% of its HB 2 modified budget from the general fund. State and federal special revenues make up the remaining percentage, with federal special revenue accounting for 17.1% of funding and state special revenue accounting for less than 1.0% of funding. OPI receives federal grants that support public education, school nutrition, education for the disadvantaged, special education, professional development for educators, and various other functions. Most of state special revenue utilized by the department is from the school facility account, which receives interest from the school facility sub-trust within the state coal trust. This money is then distributed to school districts to help support major maintenance projects.

OPI's HB 2 modified budget was 86.0% expended as of the end of May 2020, which is consistent with the current point in the fiscal year. The State Level Activities Program was 80.0% expended, and the Local Education Activities Program was 86.1% expended overall.

Personal services make up a small portion (1.3%) of OPI's total FY 2020 HB 2 modified budget in comparison to the amount passed through OPI to school districts. However, personal services make up 45.0% of OPI's state level activities. Personal services were 79.4% expended, which is lower than would be expected at this point in the fiscal year due to vacant positions. Operating expenses were 79.1% expended and grants were 78.5% expended, both of which are typical for the agency. Transfers-out were almost completely expended due to a one-time payment to the Montana Digital Academy (MTDA) which occurred at the beginning of the fiscal year.

State special revenue was only 59.0% expended, due to a couple of factors. The state food co-op state special revenue appropriation is no longer active, and the traffic education state special revenue distribution to schools is accrued in June and paid out the following August. General fund and federal special revenue were expended at a level consistent with this point in the fiscal year.

HB 2 Modifications

Negative modifications vs. positive modifications, by program

The budget was modified by \$205,000.

Agency Program	Mar. Mod. Budget	June Mod. Budget	Net Modifications
06 State Level Activities	28,544,180	28,544,180	-
09 Local Education Activities	981,069,028	981,274,028	205,000
Expenditure Account	Mar. Mod. Budget	June Mod. Budget	Net Modifications
Personal Services	12,846,313	12,846,313	-
Operating Expenses	14,414,288	14,907,050	492,762
Equipment & Intangible Asset	492,762	-	(492,762)
Local Assistance	824,044,754	824,249,754	205,000
Grants	155,296,751	155,296,751	-
Transfers-out	2,518,340	2,518,340	-
Fund Type	Mar. Mod. Budget	June Mod. Budget	Net Modifications
01 General	834,722,148	834,927,148	205,000
02 State/Other Spec Rev	2,613,412	2,613,412	-
03 Fed/Other Spec Rev	172,277,648	172,277,648	-
Total	1,009,613,208	1,009,818,208	205,000

Since the March 2020 quarterly report, the Office of Public Instruction has made two budget modifications. OPI transferred \$492,762 in federal funding from equipment and intangible assets to operating expenses. This funding was carried forward from the previous biennium, and according to OPI, the agency did not need the funding for equipment and intangible assets.

The second budget modification transferred \$205,000 in general fund from FY 2021 to FY 2020 for state tuition authority in order to make payments to schools. Moving this authority to FY 2020 increases the total appropriation in FY 2020 to \$647,675 and leaves \$107,675 remaining for FY 2021. There is no additional funding for this purpose unless OPI requests and is appropriated additional supplemental funding during the 2021 Legislative Session.