

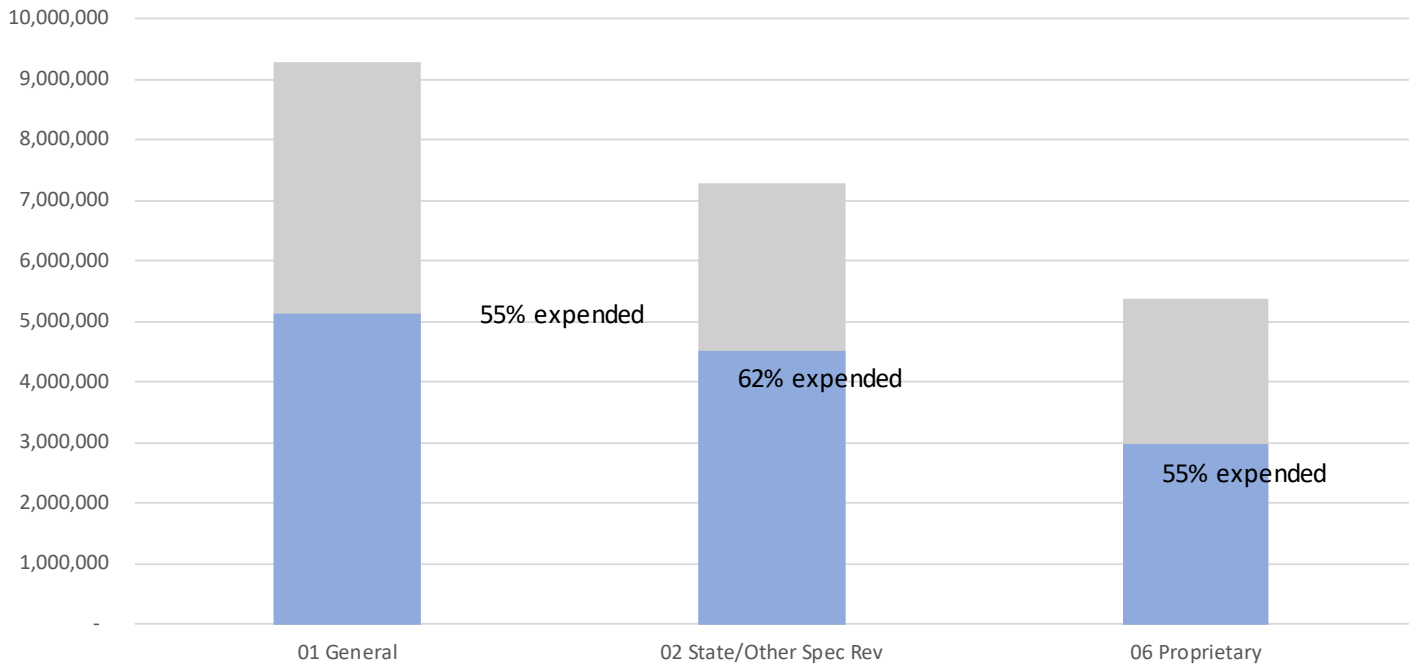
Department of Administration has \$281,395,481 in total authority, \$21,980,126 (8%) is HB 2 authority

57% of the agency's total HB2 budget has been expended, 55% is the 5 year average of actual expenditures

HB 2 Expenditures

Budgeted vs. Expended

by fund type



| Expenditure Account | Budgeted | Expended | % Expended |
|-----------------------------------|-------------------|-------------------|------------|
| Personal Services | 13,157,856 | 7,581,981 | 58% |
| Operating Expenses | 8,482,853 | 4,848,593 | 57% |
| Equipment & Intangible Assets | 314,838 | 200,979 | 64% |
| Local Assistance | 24,579 | 1,288 | 5% |
| Agency Program | Budgeted | Expended | % Expended |
| 01 Directors Office | 683,353 | 266,901 | 39% |
| 03 State Financial Services Div | 3,122,356 | 1,839,227 | 59% |
| 04 Architecture & Engineering Div | 2,387,536 | 1,394,312 | 58% |
| 07 State It Services Division | 3,808,920 | 2,318,284 | 61% |
| 14 Div Of Banking & Financial Ins | 4,275,120 | 2,664,087 | 62% |
| 15 Montana State Lottery | 5,334,186 | 2,922,878 | 55% |
| 23 State Human Resources Division | 1,689,962 | 868,602 | 51% |
| 37 Montana Tax Appeal Board | 678,693 | 358,550 | 53% |
| Total | 21,980,126 | 12,632,841 | 57% |

General fund provides the greatest amount of HB 2 modified budget authority for the Department of Administration at 42%, followed closely by state special revenue funds at 33%, and budgeted proprietary funds at 25%.

Over 92% of the overall funding in the department is not budgeted through HB 2, which includes statutory appropriations, carryforward authority, appropriation transfers, and other House and Senate bills. Statutory appropriations primarily include appropriations related to transfers to the teachers' retirement and public employees' retirement system, and lottery prizes.

Nonbudgeted proprietary funds, which are not included in the chart above, support the operations of the Director's Office, State Financial Services Division, General Services Division, State Information Technology Services Division, Healthcare and Benefits Division, State Human Resources Division, Risk Management and Tort Defense, and Montana State Lottery.

The Department of Administration expended 57% of its HB 2 modified budget as of March. Overall, this is in line with the 5-year historical average at 55%.

The Director's Office expended 39% of its modified HB 2 appropriations. Lower expenditures are primarily in operating expenses and related to legislative audit expenditures and labor management training. These are biennial appropriations that can be used in either year of the biennium.

The State Human Resources Division expended 51% of its modified HB 2 appropriations as of March. The lower percentage expended is in personal services and operating expenses. Lower personal services expenditures are due to 2.75 vacant FTE and one position charging time instructing at the Professional Development Center to an internal service fund rather than HB 2 appropriations. Lower operating expenses are due to the timing of expenditures related to contractual costs. These costs are anticipated to be recognized later in the fiscal year.

HB 2 Modifications

Negative modifications vs. positive modifications, by program

The net budget modifications were \$0.

| Agency Program | Dec. Mod. Budget | Mar. Mod. Budget | Net Modifications |
|---------------------------------|-------------------|-------------------|-------------------|
| 01 Directors Office | 596,016 | 683,353 | 87,337 |
| 03 State Financial Services Div | 3,124,579 | 3,122,356 | (2,223) |
| 04 Architecture & Engineering | 2,387,536 | 2,387,536 | - |
| 07 State It Services Division | 3,880,788 | 3,808,920 | (71,868) |
| 14 Div Of Banking & Financial | 4,275,120 | 4,275,120 | - |
| 15 Montana State Lottery | 5,334,186 | 5,334,186 | - |
| 23 State Human Resources Div | 1,696,585 | 1,689,962 | (6,623) |
| 37 Montana Tax Appeal Board | 685,316 | 678,693 | (6,623) |
| Expenditure Account | Dec. Mod. Budget | Mar. Mod. Budget | Net Modifications |
| Personal Services | 13,456,596 | 13,157,856 | (298,740) |
| Operating Expenses | 8,243,551 | 8,482,853 | 239,302 |
| Equipment & Intangible Assets | 251,000 | 314,838 | 63,838 |
| Local Assistance | 28,979 | 24,579 | (4,400) |
| Fund Type | Dec. Mod. Budget | Mar. Mod. Budget | Net Modifications |
| 01 General | 9,283,395 | 9,283,395 | - |
| 02 State/Other Spec Rev | 7,293,038 | 7,293,038 | - |
| 03 Fed/Other Spec Rev | 14,134 | 14,134 | - |
| 06 Proprietary | 5,389,559 | 5,389,559 | - |
| Total | 21,980,126 | 21,980,126 | - |

The Department of Administration had a few modifications between December 2019 and March 2020, which are reflected in the chart above. Significant budget modifications include:

- The State Information Technology Services Division (SITSD) transferred \$260,000 from personal services to operating expenses for security training
- The Department of Administration transferred 1.00 FTE from the Public Safety Communications Bureau in the State Information Technology Services Division to the Director's Office. Additionally, this modification transferred general fund of approximately \$71,900 from SITSD, \$6,600 from the State Financial Services Division, \$6,600 from the State Human Resources Division, and \$6,600 from the Montana Tax Appeal Board to the Director's Office. This modification was made to support the current workload in the Office of Labor Relations
- The Banking and Financial Institutions Division transferred approximately \$44,000 from personal services and \$20,000 from operating expenses to equipment and intangible assets. This transfer was made so the division could purchase two mid-sized sport utility vehicles that will be used to conduct examinations of state-chartered banks, credit unions, and other financial institutions