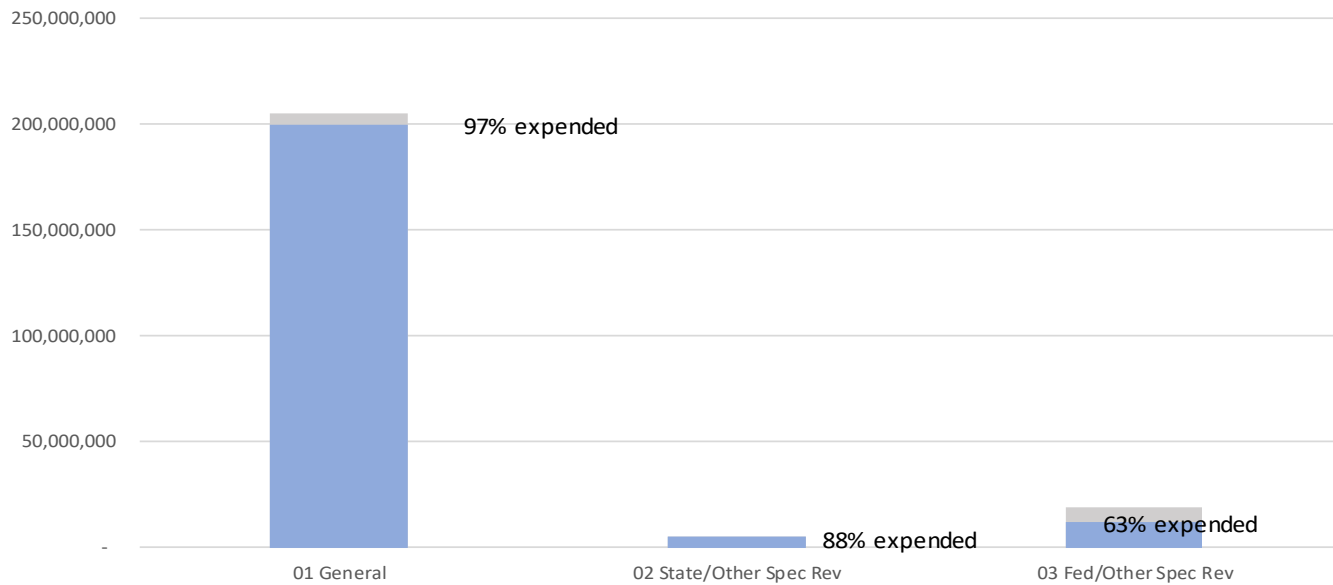


Department of Corrections has \$239,433,284 in total authority, \$229,698,465 (96%) is HB 2 authority

HB 2 Expenditures

Budgeted vs. Expended

by fund type



Expenditure Account	Budgeted	Expended	% Expended
Personal Services	92,900,157	87,624,806	94%
Operating Expenses	116,346,754	115,050,256	99%
Equipment & Intangible Assets	112,692	80,654	72%
Capital Outlay	41,546	-	0%
Grants	12,889,480	9,816,828	76%
Benefits & Claims	569,631	569,330	100%
Transfers-out	6,351,130	2,784,898	44%
Debt Service	487,074	484,904	100%
Agency Program	Budgeted	Expended	% Expended
01 Administrative Support Svcs	37,186,997	29,230,238	79%
02 Probation & Parole Division	77,273,546	73,154,630	95%
03 Secure Custody Facilities	89,230,978	88,521,473	99%
04 Mont Correctional Enterprises	4,747,998	4,586,284	97%
06 Clinical Services Division	20,250,888	20,037,536	99%
07 Board Of Pardons & Parole	1,008,059	881,514	87%
Total	229,698,465	216,411,676	94%

The Department of Corrections (DOC) expended 94% of its adjusted HB 2 FY 2019 budget. The department's budget is funded primarily through the general fund (90%) while the majority of the remaining HB 2 funds are federal special revenues.

The low percentage of expenditures in the Administrative Support Services Division can be primarily attributed to the Crime Control Bureau being federally funded within the division. This bureau contains the majority of both

grants (76% expended) and transfer expenditures (44% expended) which generally lag behind typical expenditure patterns due to the timing with federal grants. These federal grants are used by the bureau as pass-through to state and local agencies to aid with assistance to crime victims and a small amount to support agency operations to administer grant awards.

Personal service expenditures were nearly \$5.3 million lower than anticipated. The department performed a few budget changes at the end of the fiscal year to increase personal services, but the amount needed was overstated and not fully expended.

General Fund \$205.4 million budgeted, \$199.7 million expended

During FY 2018, the department transferred \$4.9 million from FY 2019 appropriations to help Secure Custody Facilities pay for higher than anticipated jail hold placement numbers. While jail hold numbers were reduced below 250 as per HB 2 of the 2017 Legislative Session, hold numbers were higher in the first half of FY 2018 which warranted the fiscal supplemental transfer. The 2019 Legislative Session, provided supplemental funding in HB 3 for FY 2019 in the amount of \$4.7 million to help backfill the fiscal transfer appropriations moved to FY 2018. The department expended 88.2% of this supplemental appropriation.

DOC reverted \$5.8 million FY 2019 general fund appropriations. In addition to reverting over \$500,000 of the received supplemental appropriation, the department's reversions also included over \$3.6 million associated with county jail hold placement funding. The reason for the large reversion coming out of the Probation and Parole Division is related to large amounts of restricted funding set in place by the 2017 legislature. The department was able to revert more than its approved supplemental funding due to continuing a five-month hiring freeze as well as halting other non-essential spending which helped the department mitigate the deficit.

HB 2 Modifications

Negative modifications vs. positive modifications, by program

The budget was modified by \$4,333,835.

Agency Program	April Budget	FYE Modified Budget	Net Modifications
01 Administrative Support Svcs:	35,186,997	37,186,997	2,000,000
02 Probation & Parole Division	79,823,546	77,273,546	(2,550,000)
03 Secure Custody Facilities	80,347,143	89,230,978	8,883,835
04 Mont Correctional Enterpris	4,747,998	4,747,998	-
06 Clinical Services Division	24,250,888	20,250,888	(4,000,000)
07 Board Of Pardons & Parole	1,008,059	1,008,059	-
Expenditure Account	April Budget	FYE Modified Budget	Net Modifications
Personal Services	87,597,139	92,900,157	5,303,018
Operating Expenses	117,262,961	116,346,754	(916,207)
Equipment & Intangible Assets	234,066	112,692	(121,373)
Capital Outlay	41,546	41,546	-
Grants	12,807,880	12,889,480	81,600
Benefits & Claims	489,573	569,631	80,058
Transfers-out	6,544,945	6,351,130	(193,815)
Debt Service	386,519	487,074	100,554
Fund Type	April Budget	FYE Modified Budget	Net Modifications
01 General	201,079,352	205,413,187	4,333,835
02 State/Other Spec Rev	5,483,880	5,483,880	-
03 Fed/Other Spec Rev	18,694,169	18,694,169	-
06 Enterprise	79,977	79,977	-
06 Internal Service	27,252	27,252	-
Total	225,364,630	229,698,465	4,333,835

In FY 2019, the department reorganized and eliminated the Youth Services Division. The youth population overseen by DOC had been on the decline, and the agency dispersed responsibilities and appropriations to three other divisions within the department, as well as, the Judicial Branch.

Both the Clinical Services Division and the Probation and Parole Division saw lower than anticipated expenditures for FY 2019, and the department transferred excess general fund appropriations to both the Administrative Support Services Division and Secure Custody Facilities. Reasons for the transfer of appropriations is as follows:

- In the 2019 biennium, the department had received restricted appropriations within the Administrative Support Services Division that was not made available for spending until mid-July 2019, which warranted the transfer of appropriations out of the Probation and Parole Division to make up the difference. As the restricted funds were later approved, the department reverted the rest of the unspent authority.
- Within Secure Custody Facilities, the department determined the need for additional appropriations to help stabilize the division's responsibilities after taking on the Pine Hills Correctional facility due to the reorganization to eliminate the Youth Services Division. Additionally, the department saw an increase in offender populations housed in secure facilities and determined it needed extra appropriations to run operations.

The largest portion of appropriations moved, came out of the Clinical Services Division. Since the enactment of Medicaid expansion, the department has seen an increase in the number of offenders eligible, which has greatly reduced outside medical expenses for the department. With these excess appropriations sitting within the division, the department reallocated for other usages.