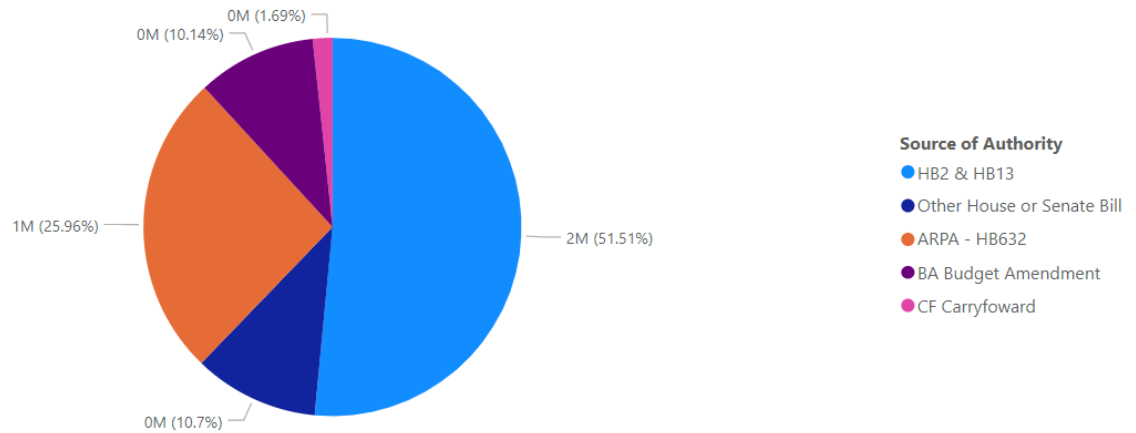


MONTANA ARTS COUNCIL

TOTAL APPROPRIATION AUTHORITY

The total appropriation authority for the agency is shown in the pie chart below. HB 2 and HB 13 provide 51.5% of the total authority for this agency. All types of appropriation authority for this agency are described below, including total budget and the percent expended by source of authority.

Total Modified Budget by Source of Authority



Source of Authority	Modified Budget	Expended Budget	Percent Expended
HB2 & HB13	1,515,828	883,680	58.3%
BA Budget Amendment	298,523	196,783	65.9%
CF Carryforward	49,592		
Other House or Senate Bill	314,800	43,750	13.9%
ARPA	764,000		
Total	2,942,743	1,124,213	38.2%

- Report Period
- Jul
 - Aug
 - Sep
 - Oct
 - Nov
 - Dec
 - Jan
 - Feb

Budget Amendments

The agency requested budget amendment authority for increased federal authority when federal grants awarded from the National Endowment for the Arts exceeded HB 2 budget authority. The agency has used 65.9% of its current budget amendment authority. This includes \$95,323 on operating expenses and \$101,460 in grants, \$5,460 of which was used to fund two Artist in Schools grants, and \$96,000 was used to fund Statewide service organization grants.

Carryforward
The budget includes FY 2020 carryforward authority from the general fund that was established in FY 2021 for the Montana Arts Council (MAC) to offset expenses from the Montana Artrepreneur Program. These funds have not yet been expended. Per [17-7-304](#), MCA, an agency has the following two years to spend the unspent authority that was carried forward.

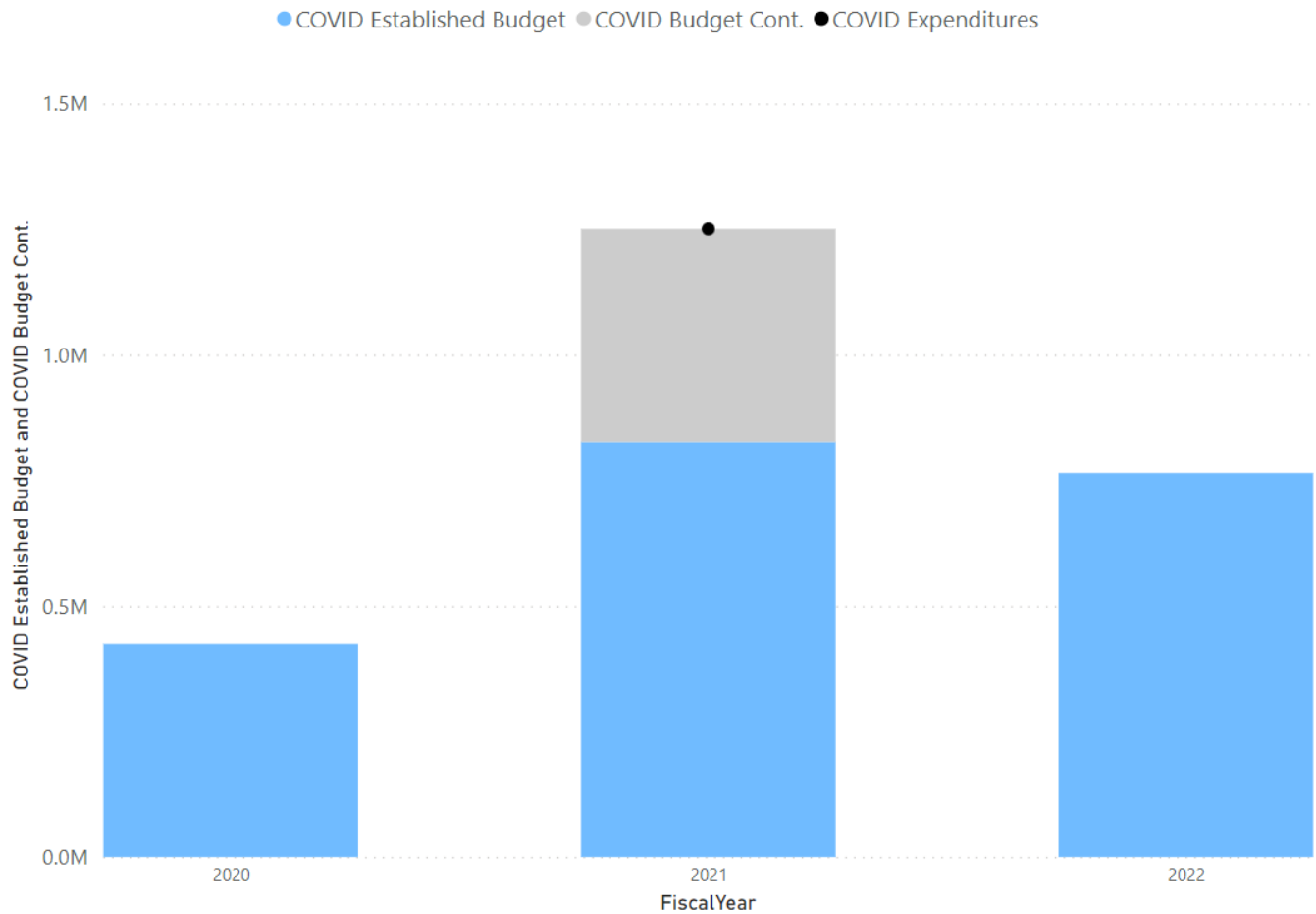
Other Bills

Montana Arts Council received \$314,800 of authority from HB 9, cultural and aesthetic grants, of which \$43,750 or 13.9% has been expended for grants.

COVID-19 Authority

The following chart is provided to allow the legislature to examine the funding that is available to the agency for COVID-19 impacts.

COVID Established Budget, COVID Continuing Budget, and COVID Expenditures by Fiscal Year



Under HB 632, the legislature appropriated \$754,500 of federal American Rescue Plan Act (ARPA) funding to the Montana Arts Council; the appropriation was authorized to begin in FY 2021 through the biennium beginning July 1, 2023. As the chart shows, funding available in FY 2020 of \$424,400 was unspent and moved to FY 2021 (light grey). By the end of FY 2021, all of the FY 2020 and FY 2021 authority had been expended (black dot). Appropriation authority of \$764,000 in FY 2022 is 0.0% expended.

HB 2 BUDGET MODIFICATIONS

The following chart shows the HB 2 budget as passed by the legislature, including the pay plan, and the HB 2 modified budget through February 28, 2022. Net modifications to the budget include operating plan changes from one expenditure account to another, program transfers, reorganizations, and agency transfers of authority. The **positive modifications** and **negative modifications** are shown by program, expenditure account, and fund type.

Legislative Budget Compared to Modified Budget - HB 2 Only

Agency Name	December Modified Budget	March Modified Budget	Net Modifications
☐ Montana Arts Council	1,515,828	1,515,828	
Total	1,515,828	1,515,828	

Acct & Lvl 1 DESC	December Modified Budget	March Modified Budget	Net Modifications
☐ 61000 Personal Services	689,434	689,434	
☐ 62000 Operating Expenses	362,847	362,847	
☐ 66000 Grants	462,238	462,238	
☐ 69000 Debt Service	1,309	1,309	

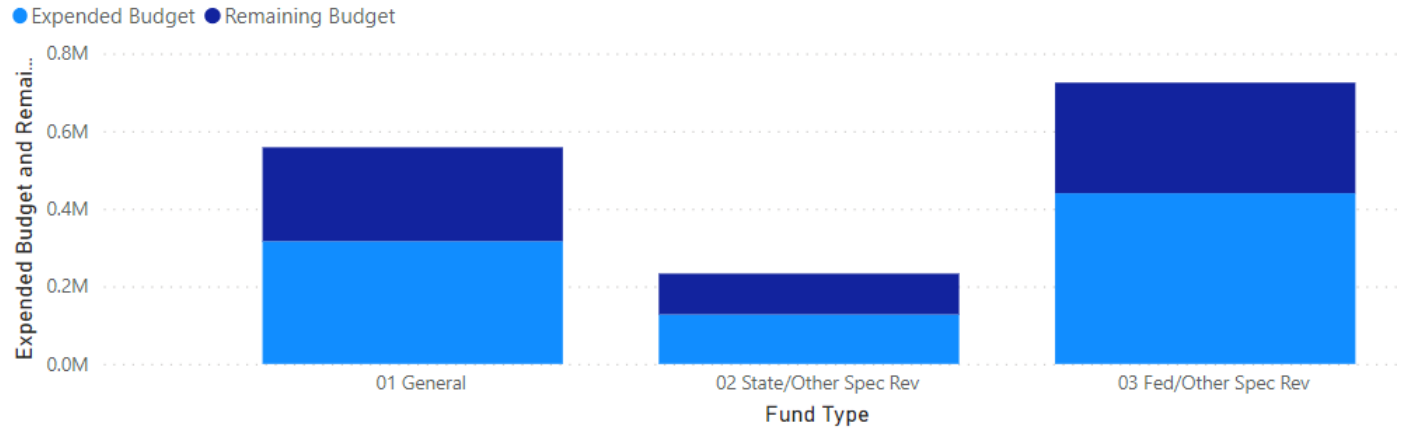
Fund Type	December Modified Budget	March Modified Budget	Net Modifications
☐ 01 General	558,191	558,191	
☐ 02 State/Other Spec Rev	232,779	232,779	
☐ 03 Fed/Other Spec Rev	724,858	724,858	

There were no budget modifications this quarter.

HB 2 APPROPRIATION AUTHORITY

The following chart shows the appropriated budget for the agency compared to expenditures through February 28, 2022.

Expended Budget and Remaining Budget by Fund Type - HB 2 Only



acclv1_descr	Modified Budget	Expended Budget	Percent Expended
Personal Services	689,434	417,413	60.5%
Operating Expenses	362,847	95,184	26.2%
Grants	462,238	371,083	80.3%
Debt Service	1,309	0	0.0%

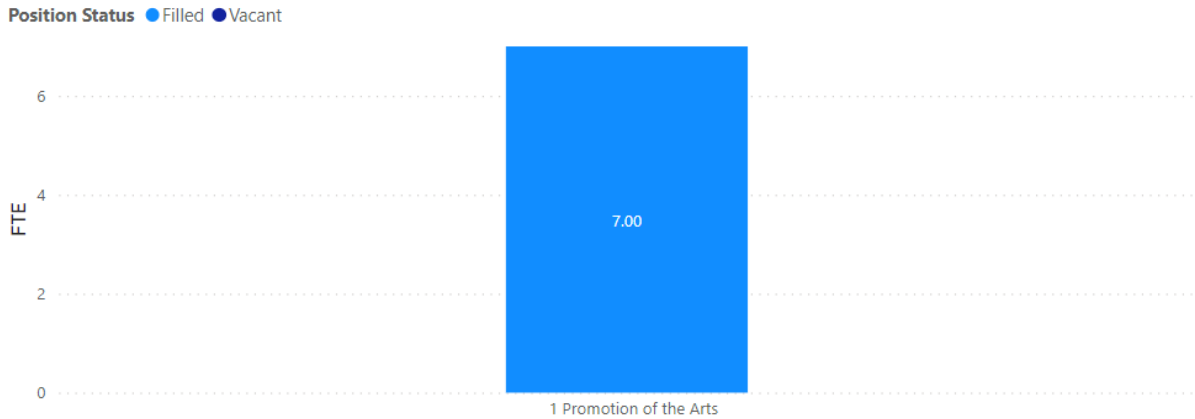


Program Name	Modified Budget	Expended Budget	Percent Expended
PROMOTION OF THE ARTS	1,515,828	883,680	58.3%
Total	1,515,828	883,680	58.3%

The agency's HB 2 modified budget for FY 2022 is \$1.5 million. At this point in the fiscal year the agency expended \$883,680 or 58.3%. The majority of these appropriations are federal funding for grant expenditures. For more information, please follow the link under the required reports section of this report.

Personal Services

The following chart shows the filled and vacant FTE within the agency as of February 1, 2021.



The agency has 7.00 FTE and no vacant positions.

Next Steps for Personal Services Reporting

In upcoming Quarterly Financial Reports, the LFD will begin the process of a more comprehensive look at personal services. The LFD will compare two executive “snapshots” -- July 2020 and July 2022. The analysis will identify adjustments adopted by the legislature in 2021 and modifications made by the agencies, within the confines of budget law.

The September Quarterly Financial Report will provide the complete comparison from July 2020 to July 2022. Ultimately, the analysis will result in a description of all the components that will be part of the executive’s decision package one (DP 1) 2025 biennium budget request. This work will prepare legislators for budget deliberations in the 2023 session. For a review of how DP 1 works and snapshot components, please read this short brochure from 2019. This story map was created with the Story Map Cascade application in ArcGIS Online.

OTHER ISSUES

Required Reports

A link to the MAC’s ARPA funding quarterly report, as required by HB 632, is available on the Education Interim Budget Committee’s (IBC) webpage in the Meeting Materials section: <https://www.leg.mt.gov/lfd/interim-budget-committee-section-e/>