

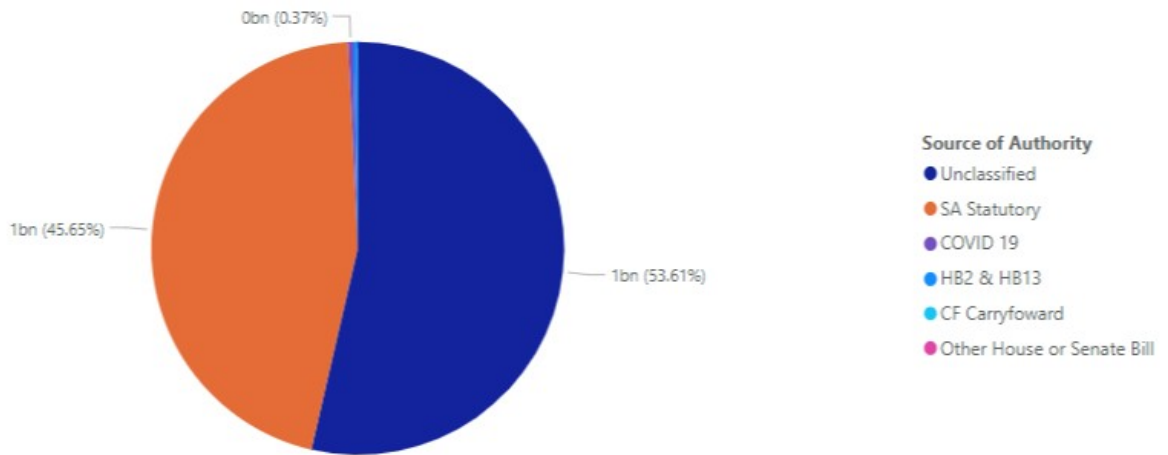
GOVERNOR'S OFFICE

Total Appropriation Authority

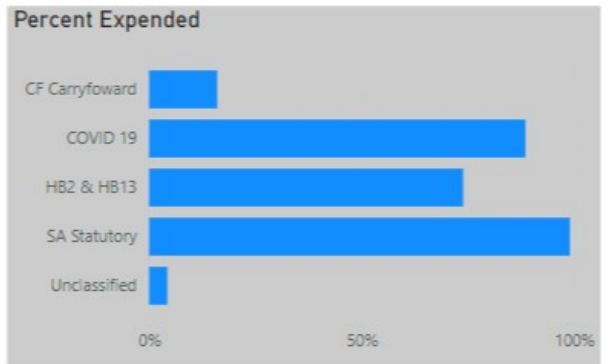
The total appropriation authority for the agency is shown in the pie chart below. HB 2 and HB 13 provide 0.4% of the total authority for this agency. All types of appropriation authority for this agency are described below, including total budget and the percent expended by source of authority.

Governor's Office

Total Appropriation Authority



Fiscal Year	2021		
LFD_src_auth_descr	Budget	FYE Expended	Percent Expended
CF Carryforward	333,967	53,502	16.0%
COVID 19	9,414,495	8,342,112	88.6%
HB2 & HB13	9,027,469	6,675,451	73.9%
Other House or Senate Bill	0		
SA Statutory	1,156,907,000	1,146,265,901	99.1%
Unclassified	1,358,722,243	58,110,275	4.3%
Total	2,534,405,175	1,219,447,239	48.1%



Appropriation Transfers

HB 715

The 2019 Legislature appropriated general fund, state and federal special revenue, and proprietary funds to the Office of Budget and Program Planning for allocation to various state agencies for fiscal impacts of legislation enacted by the legislature for the 2021 biennium. The following chart shows the allocations, fund types, and purpose of the transfers by state agency.

Governor's Office				
HB 715				
FY 2021				
Agency	Fund Type	Transfer	Uses	
Governor's Office	General Fund	(\$730,000)		
Governor's Office	State Special	(5,900,000)		
Governor's Office	Federal Special	(40,000)		
Governor's Office	Proprietary	(720,000)		
Department of Revenue	General Fund	290,905	Film tax credits, treatment courts	
Department of Administration	Proprietary	720,000	Sports wagering	
Department of Commerce	State Special	1,657,000	Coal Board funding	
Department of Public Health & Human Services	General Fund	195,392	Strategic planning, childhood sexual abuse	
Department of Public Health & Human Services	State Special	2,962,774	Medical marijuana	
Department of Public Health & Human Services	Federal Special	40,000	Childhood sexual abuse	
Department of Fish, Wildlife, and Parks	State Special	769,505	Motor vehicles	
Department of Environmental Quality	State Special	363,893	Open cut	
Department of Agriculture	State Special	146,828	Hemp, hobbyist apiaries	
Office of Public Defender	General Fund	243,703	Classification of employees, communications, stalking, human trafficking	

Budget Amendments

In FY 2021, the Governor's Office budget amended \$4.6 million of federal authority into its budget for the American Rescue Plan Act funds that were above the amount anticipated by the legislature. The funding showing in the table on page 1 is labeled as unclassified, as the source of authority for the funding was not categorized in the state's accounting records.

Carryforward

The Governor's Office has carryforward appropriation authority for two fiscal years included in the FY 2021 appropriation authority:

- FY 2019 \$94,496
- FY 2020 \$239,471

In FY 2021, the Governor's Office expended \$41,788 of FY 2019 carryforward for personal services related to termination payouts for employees, \$1,746 of FY 2019 carryforward for transfers out and \$9,967 of FY 2020 carryforward for operating expenses.

Other Bills

HB 3

The 2021 Legislature enacted HB 3, the supplemental appropriations bill and provided additional funding for the Office of Budget and Program Planning including:

- \$650,000 in authority to spend investment earnings generated by the \$1.25 billion in Coronavirus Relief Act funds
- \$17.0 million in authority to spend the Governor’s emergency education relief funds provided in the Coronavirus Aid, Relief, and Economic Security Act (CARES). The funding is included in the following table for CARES II

HB 632

The 2021 Legislature enacted HB 632 to appropriate federal funds provided in the American Rescue Plan Act (ARPA) of 2021. The Office of Budget and Program Planning received the following appropriations beginning in FY 2021:

- Broadband - \$275,000,000
- Water & Sewer - \$462,689,925
- Economic transformation, stabilization, and workforce - \$150,000,000
- Nursing home payments, provider rate study, Judicial Branch, Legislative Services Division, and Office of Budget and Program Planning – \$22,394,721
- Local coronavirus funding - \$81,800,000
- Capital projects - \$119,300,000
- Housing - \$213,859,768
- Non-public schools - \$12,100,000

This funding is labeled as unclassified as the source of authority for the funding was not categorized in the state’s accounting records. The funding is included in the following table for COVID-19 authority as ARPA funds. As shown, through the end of fiscal year 2021, \$58.1 million of the ARPA funds have been expended.

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. The appropriation authority for CARES I and ARPA shown below remains with the Governor’s Office. The funding for CARES II, HB 630 is designated for the Governor’s emergency relief fund provided for education.

Coronavirus Stimulus Appropriations Governor's Office

Stimulus Authority	Budget	FYE Expended	Percent Expended
ARPA	1,341,722,243	58,110,275	4.3%
CARES I	9,526,174	8,453,297	88.7%
CARES II	17,000,000		

Statutory Appropriations

At the beginning of FY 2021, the Governor's Office had \$1,156.9 million in coronavirus relief funds remaining of the original \$1,250.0 million authorized in the CARES Act. The funds are designated as statutory appropriations on the state's financial system. The following figure shows the distributions by section, by agency for FY 2021 as well as related expenditures.

COVID -19 Stimulus Funding Corona Relief Funds FY 2021			
		Appropriation	Expenditures
Section A - General Government			
Legislative Branch	Agency Covid Expense	\$983,355	\$983,355
Consumer Counsel	Agency Covid Expense	0	0
Governor's Office	Agency Covid Expense	111,679	111,679
Commissioner of Political Practices	Agency Covid Expense	0	0
State Auditor's Office	Agency Covid Expense	0	0
Department of Revenue	Agency Covid Expense	280,614	280,614
Department of Administration	Agency Covid Expense	1,206,321	1,206,321
	School Assistance	81,795,178	81,795,178
	Mail-in Ballot Postage Reimbursement	0	0
	Local Government Reimbursement	171,037,871	171,037,871
	Service Now	0	0
	Covid Contact Center	241,270	100,391
Department of Commerce	Agency Covid Expenses including submittable	1,154,645	1,154,640
	Business Stabilization Grants	208,927,219	208,747,163
	Tourism Safety Grants	14,893,525	14,893,525
	Census Grants	511,154	511,154
	East Edge of Glacier Park Tourism Grants	856,792	856,792
	Housing Assistance Grants	8,950,811	8,907,490
	Loan Deferment Program	69,742,692	69,705,528
	Movie Theater Grants	1,609,860	1,609,860
Department of Labor & Industry	Agency Covid Expense	127,910	127,910
	Unemployment Trust Fund	204,000,000	203,571,363
	Unemployment additional \$200 a week - 12/30/2020	14,832,155	14,509,690
	FEMA matching funds for Lost Wage Assistance Prgm	16,133,154	15,534,424
Department of Military Affairs	Agency Covid Expense	2,734,185	2,734,185
Total Section A		800,130,390	798,379,132
Section B - Health and Human Services			
Department of Public Health and Human Services	Agency Covid Expenses and misc grants	0	(37,588)
	Public Health Grants	5,344,294	5,344,294
	Stay Connected Grants	136,462	136,462
	Food Bank Grants	3,869,959	3,884,959
	Social Services Non- Profits Grants	50,109,830	50,109,830
	Adaptive Telework Technology	113,380	113,380
	Behavioral Health, Substance Abuse, & Other	8,965,737	8,965,737
	Safeguard Access Grants	899,240	899,240
	Childcare Assistance	58,823,291	58,823,291
	Supplement FC Support	1,719,587	1,715,687
	Nursing facility swing bed supplemental payments	32,644,440	32,644,440
	Nursing Home Quarantine & Isolation Payments	13,969,927	13,969,927
	Adopt Guard DRF Payment	1,123,800	1,123,800
	MEICHBV Home Visit	122,531	122,531
	COVID Cares	20,127,753	20,127,753
	COVID Testing	17,393,303	17,393,303
Total Section B		215,363,537	215,337,049
Section C - Natural Resources & Transportation			
Department of Fish, Wildlife, and Parks	Agency Covid Expenses	5,306	5,306
Department of Environmental Quality	Agency Covid Expenses	463,455	463,455
Department of Transportation	Agency Covid Expenses	97,007	97,007
	Live Entertainment Grant Program	10,308,592	10,308,592
Department of Livestock	Agency Covid Expenses	0	0
Department of Natural Resources & Conservation	Agency Covid Expenses	1,074,008	736,621
	Business Adaptability Grants	21,623,905	21,623,905
Department of Agriculture	Agency Covid Expenses	92,206	92,206
	Food & Agriculture Adaptability Grants	849,262	849,262
	Business Innovation Grants	2,332,987	2,332,987
	Meat Processing Grants	12,060,063	12,060,063
Total Section C		48,906,792	48,569,405
Section D- Justice, Law Enforcement, & Justice			
Judicial Branch	Agency Covid Expenses	133,460	133,460
	CARES Legal Services	180,000	180,000
Department of Justice	Agency Covid Expenses	290,122	290,122
Public Service Commission	Agency Covid Expenses	0	0
Office of the Public Defender	Agency Covid Expenses	102,879	102,879
Department of Corrections	Agency Covid Expenses	26,802,854	26,802,854
Total Section D		27,509,315	27,509,315
Section E - Education			
Office of Public Instruction	Agency Covid Expenses	89,922	89,922
Board of Public Education	Agency Covid Expenses	0	0
School for the Deaf and Blind	Agency Covid Expenses	0	0
Montana Arts Council	Agency Covid Expenses	7,512	7,512
	MT Arts Council Grants	819,194	819,184
Montana State Library	Agency Covid Expenses	0	0
	EContent for Local Libraries	250,000	250,000
Montana Historical Society	Agency Covid Expenses	0	0
Office of the Commissioner of Higher Education	Agency Covid Expenses	837,181	837,180
	COVID Mitigation	17,750,001	17,750,001
	COVID Mitigation Tribal and Private Colleges	1,372,600	1,372,600
	COVID Enhanced Screening	777,799	777,799
	COVID Access and Mental Health	10,354,500	10,351,726
Total Section E		32,258,709	32,255,924
Total Coronavirus Relief Funds Allocated to State Agencies		1,124,168,743	1,122,050,825
Total Appropriation Received		5	1,156,907,000
Funds Remaining for Allocation			32,738,257
Less Adjustment for COVID Cares			9,456,578

As reflected in the preceding figure, as of the end of FY 2021 \$9.5 million in coronavirus relief funds had not yet been allocated to specific purposes.

HB 2 Budget Modifications

The following chart shows the HB 2 budget as passed by the legislature, including the pay plan, and the ending FYE modified budget. 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.

HB 2 Modifications Governor's Office

Agency Program	HB2 Budget	FYE Modified Budget	Net Modifications	
01 EXECUTIVE OFFICE PROGRAM	3,094,003	3,758,324	664,321	
02 EXECUTIVE RESIDENCE OPERATIONS	176,701	194,701	18,000	
03 AIR TRANSPORTATION PROGRAM	310,760	277,381	-33,379	
04 OFC BUDGET & PROGRAM PLANNING	2,427,539	4,040,566	1,613,027	
05 OFFICE OF INDIAN AFFAIRS	214,979	231,328	16,349	
12 TBD - LIEUTENANT GOVERNOR'S OFFICE	355,556	0	-355,556	
20 MENTAL DISABILITIES BD VISTORS	523,404	525,170	1,766	
Total	7,102,942	9,027,469	1,924,527	1,924,527.40

Expenditure Account	HB2 Budget	FYE Modified Budget	Net Modifications	
61000 Personal Services	5,717,755	7,631,120	1,913,365	
62000 Operating Expenses	1,385,187	1,389,489	4,302	
69000 Debt Service		6,860	6,860	

Fund Type	HB2 Budget	FYE Modified Budget	Net Modifications	
01 General	7,102,942	8,221,469	1,118,527	
02 State/Other Spec Rev	0	686,000	686,000	
03 Fed/Other Spec Rev	0	70,000	70,000	
06 Proprietary	0	50,000	50,000	

The Office of Budget and Program Planning received \$3.0 million in personal services contingency funds for the 2021 biennium as a biennial appropriation in HB 175. In FY 2021, \$2.9 million of the funding was added to the budget as it was unexpended in FY 2020. The Office of Budget and Program Planning transferred \$1,408,851 in personal services from the personal services contingency fund to various state agencies, including \$414,245 to the Governor's Office. The funding was used to make termination payouts for employees during the transition between Governors.

In addition, legislative audit appropriations of \$44,541 that were not required in FY 2020 were included in the budget for the Office of Budget and Program Planning in FY 2021.

The Governor's Office eliminated the Lieutenant Governor's Office, transferring the following to the Executive Office Program:

- 3.00 FTE and \$315,296 in related personal services appropriations
- \$40,260 in operating expenses

The Air Transportation Program transferred \$33,379 to the Department of Transportation for airplane engine repairs.

The Executive Office Program, Office of Budget and Program Planning, and the Mental Disabilities and Board of Visitors transferred \$6,860 in operating expenses to debt service to capitalize long-term equipment leases as required by state accounting policy.

HB 2 APPROPRIATION AUTHORITY

HB 2 Expenditures

● FYE Expended ● Remaining Budget



Expenditure Account	FYE Modified Budget	FYE Expended	Percent Expended
61000 Personal Services	7,631,120	5,579,874	73.1%
62000 Operating Expenses	1,389,489	1,088,725	78.4%
69000 Debt Service	6,860	6,852	99.9%
Agency Program	FYE Modified Budget	FYE Expended	Percent Expended
01 EXECUTIVE OFFICE PROGRAM	3,758,324	3,348,096	89.1%
04 OFC BUDGET & PROGRAM PLANNING	4,040,566	2,347,066	58.1%
20 MENTAL DISABILITIES BD VISTORS	525,170	429,384	81.8%
03 AIR TRANSPORTATION PROGRAM	277,381	230,246	83.0%
02 EXECUTIVE RESIDENCE OPERATIONS	194,701	164,705	84.6%
05 OFFICE OF INDIAN AFFAIRS	231,328	155,954	67.4%
12 TBD - LIEUTENANT GOVERNOR'S OFFICE	0		
Total	9,027,469	6,675,451	73.9%

General fund makes up 91.1% of the Governor's Office HB 2 modified budget. State special revenues comprise 7.6%, federal special revenues 0.8%, and proprietary funds 0.6%.

In FY 2021, the Office of Budget and Program Planning budget included \$2.9 million in total funds (\$1.9 million general fund, \$700,000 state special revenue, \$250,000 federal special revenue, and \$50,000 in proprietary) for a personal services contingency for state agencies that:

- Did not have personnel vacancies occur
- Had retirement costs that exceeded agency resources
- Had other personal services contingencies that required additional authority

In FY 2021 the Governor's Office has transferred personal services contingency authority to state agencies including:

- \$800,605 in general fund
- \$14,000 in state special revenue

- \$180,000 in federal special revenue

In addition, the Governor's Office transferred general fund from the personal services contingency fund within its own programs to make termination payouts for employees including:

- \$326,765 to the Executive Office Program
- \$69,366 to the Office of Budget and Program Planning
- \$16,349 to the Office of Indian Affairs
- \$1,766 to the Mental Disabilities and Board of Visitors

At fiscal year-end \$693,120 in general fund, \$686,000 in state special revenue, \$70,000 in federal special revenue, and \$50,000 in proprietary fund appropriations were remaining in personal services contingency funding.

OTHER ISSUES

Required Reports

In FY 2021, the Governor's Office budget amended \$4.6 million of federal authority into its budget for American Rescue Plan Act funds that were above the amount anticipated by the legislature.