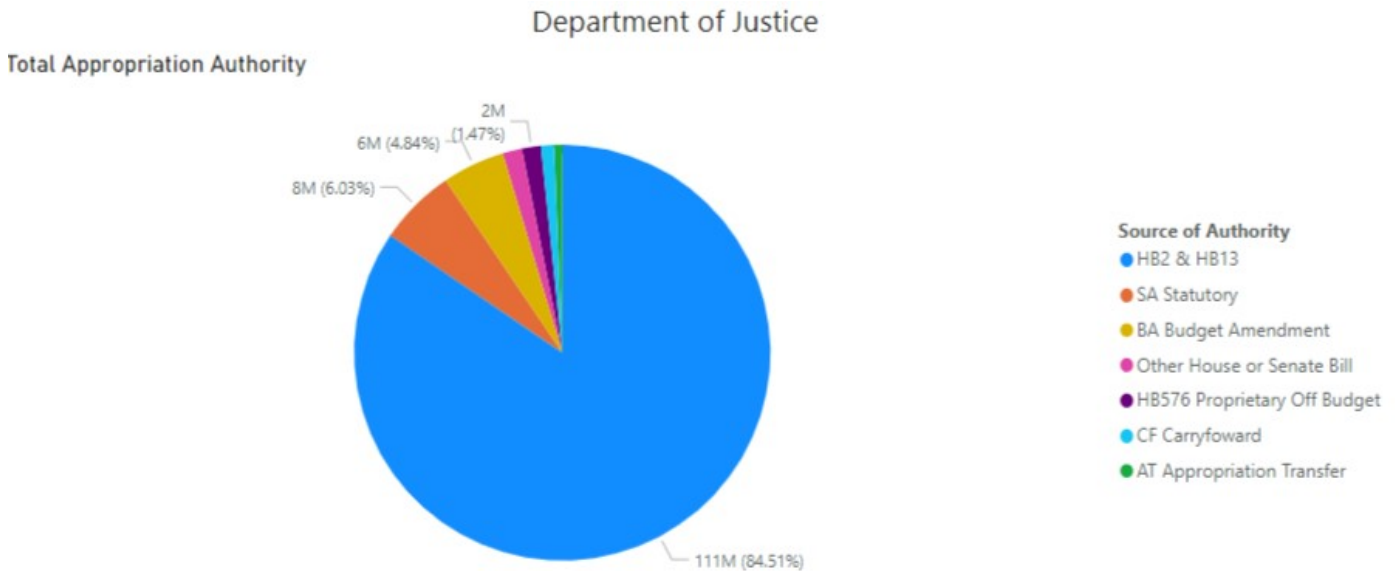


DEPARTMENT OF JUSTICE

TOTAL APPROPRIATION AUTHORITY

The total appropriation authority for the agency is shown in the pie chart below. HB 2 and HB 13 provide 84.5% 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.



Fiscal Year	2021		
LFD_src_auth_descr	Budget	FYE Expended	Percent Expended
AT Appropriation Transfer	826,438	826,438	100.0%
BA Budget Amendment	6,332,385	1,865,010	29.5%
CF Carryforward	1,326,679	595,015	44.8%
HB2 & HB13	110,595,570	110,034,307	99.5%
HB576 Proprietary Off Budget	1,929,835	1,687,079	87.4%
Other House or Senate Bill	1,971,669	1,961,026	99.5%
SA Statutory	7,887,862	7,503,073	95.1%
Total	130,870,438	124,471,948	95.1%

Source of Authority	Percent Expended
AT Appropriation Transfer	100%
BA Budget Amendment	29.5%
CF Carryforward	44.8%
HB2 & HB13	99.5%
HB576 Proprietary Off Budget	87.4%
Other House or Senate Bill	99.5%
SA Statutory	95.1%

Appropriation Transfers

In FY 2021, the Department of Justice (DOJ) expended all of their \$826,438 of appropriation transfer authority. The authority came from the Long-Range IT Program, provided by the 2019 Legislature. The spending was for operating expenses related to the motor vehicle mainframe project.

Budget Amendments

DOJ expended \$1.9 million, or 29.5%, of the \$6.3 million in budget amendment authority in FY 2021. The budget amendment expenditures in FY 2021 were funded 21.3% with state special revenues and 78.7% with federal special revenues. The following is a summary of primary spending related to DOJ budget amendments:

- \$394,419 of state special revenue expenditures for an increase of 7.00 modified FTE in the criminal record information system section (CRISS), to disseminate criminal history records to law enforcement agencies and the public
- \$249,388 of federal special revenue expenditures to address criminal activities related to the manufacture and distribution of methamphetamine
- \$345,857 of federal special revenue expenditures for DNA analysis capacity enhancement and backlog reduction
- \$280,774 of federal special revenue expenditures to develop effective responses crimes against children
- \$90,003 of federal special revenue expenditures in support of Victim of Crime Act (VOCA) Ombudsman

In many cases, unused budget amendment authority in FY 2021 will be continued into FY 2022.

Carryforward and/or Continuing Authority

The department had \$1.3 million in carryforward authority in FY 2021 and expended \$595,015 or 44.8%. Of the total authority, \$613,402 was carried forward from FY 2019, and that was 97.0% expended on operating expenses, capital outlay, and debt service principally in the Central Services Division for department needs. The remainder was carryforward authority from FY 2020, which has not been expended and will be continued into the FY 2022 budget.

Non-Budgeted Proprietary Funding

The department has a single proprietary program, Agency Legal Services. The program had \$2.0 million of authority in FY 2021 and expended \$1.7 million, principally (91.6%) on personal services to provide needed services.

Other Bills

DOJ had \$2.0 million of authority provided through non-HB 2 legislation in FY 2021, including the following:

- HB 715 (2019) - provided \$1.7 million to the department in FY 2021 in support of 12.25 new FTE. The appropriation was funded with 86.9% state special revenue and 13.1% general fund. The FTE and associated costs were spread across four of the department's programs. The authority became part of the FY 2022 base. The department expended 99.4% of the HB 715 authority in FY 2021
- HB 749 (2019) - \$291,659 remaining in FY 2021 from the total \$519,815 of biennial state special revenue appropriation. The purpose of the appropriation was to establish a human trafficking team to investigate and enforce efforts to address human trafficking. The department spent all the remaining appropriation in FY 2021 with 76.5% of the funding expended on the personal services costs of the team

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. Administrative authority for CARES I and ARPA appropriations was allocated to the agency by the Governor's Office. Administration authority is not an appropriation and thus is not included in the total appropriation authority on the shown on the previous page. The appropriation authority for CARES I and ARPA shown below remains with the Governor's Office.

Coronavirus Stimulus Appropriations Department of Justice

Stimulus Authority	Budget	FYE Expended	Percent Expended
CARES I	290,122	290,122	100.0%

The department received and expended \$290,122 in coronavirus relief funding. The funds were primarily expended as follows:

- \$196,749 Personal protective equipment
- \$75,795 Technology and telework
- \$12,533 Other directly COVID-19 costs
- \$5,014 COVID 19 related staff time

Not shown in the table above, in FY 2021 the department continued a federal COVID multi-classroom integration technology grant awarded in FY 2020. The department also fully expended a continued appropriation of \$49,634 for a morgue trailer in the Forensic Services Division.

Statutory Appropriations

DOJ expended statutory appropriation authority of \$7.5 million, or 95.1%, of the total \$7.9 million of authority in FY 2021 on six different statutory appropriations. The primary spending was as follows:

- \$3.6 million for the state’s share of the costs of county attorneys, as required in 7-4-2502, MCA. This appropriation is funded with general fund
- \$1.8 million for a transfer to the Highway Patrol retirement account, as required by 19-6-404, MCA. This appropriation is funded with general fund
- \$1.8 million for the distribution of fees and taxes on various forms of gambling (card tables, live bingo and keno, and video machines) to local governments, as required in 23-5-306, 409, and 612, MCA. The appropriation is funded with state special revenues derived from the fees and taxes
- \$0.2 million for crime victim’s compensation, as required in 53-9-113, MCA, which was extended by the 2021 Legislature through FY 2027. The appropriation is funded with state special revenues derived from the crime victim’s compensation account

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 Department of Justice

Agency Program	HB2 Budget	FYE Modified Budget	Net Modifications	
01 LEGAL SERVICES DIVISION	9,916,025	9,724,825	-191,200	
03 MONTANA HIGHWAY PATROL	42,807,953	42,807,953	0	
04 INFORMATION TECHNOLOGY SYSTEM	5,539,991	5,584,484	44,493	
05 DIV OF CRIMINAL INVESTIGATION	14,137,179	14,124,334	-12,845	
07 GAMBLING CONTROL DIVISION	4,726,456	4,209,156	-517,300	
08 FORENSIC SERVICES DIVISION	6,778,492	6,784,444	5,952	
09 MOTOR VEHICLE DIVISION	24,731,875	24,698,845	-33,030	
10 CENTRAL SERVICES DIVISION	2,001,558	2,661,529	659,971	
Total	110,639,529	110,595,570	-43,959	-43,959.24

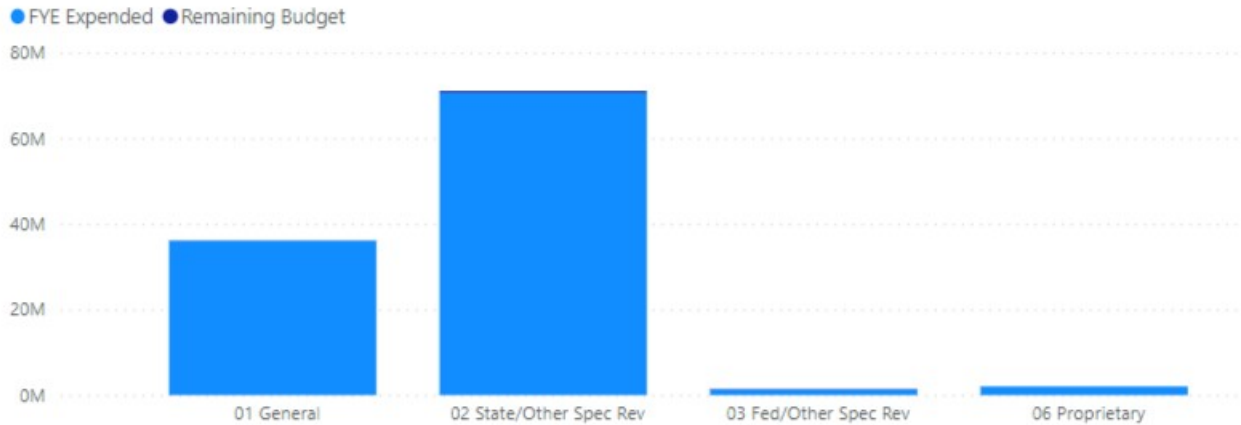
Expenditure Account	HB2 Budget	FYE Modified Budget	Net Modifications	
61000 Personal Services	65,697,581	67,432,865	1,735,284	
62000 Operating Expenses	39,004,340	35,337,616	-3,666,724	
63000 Equipment & Intangible Assets	4,355,325	3,614,222	-741,103	
64000 Capital Outlay		66,600	66,600	
65000 Local Assistance	25,000	25,000	0	
66000 Grants	90,000	120,000	30,000	
67000 Benefits & Claims	1,121,191	818,177	-303,014	
68000 Transfers-out	11,295	338,819	327,524	
69000 Debt Service	334,797	2,842,271	2,507,474	

Fund Type	HB2 Budget	FYE Modified Budget	Net Modifications	
01 General	36,052,855	36,113,658	60,803	
02 State/Other Spec Rev	71,131,165	71,026,403	-104,762	
03 Fed/Other Spec Rev	1,441,607	1,441,607	0	
06 Proprietary	2,013,902	2,013,902	0	

DOJ made modifications to the HB 2 budget that netted to negative \$43,959. The negative adjustment results from the difference between continuing authority of \$60,803 (continuation of the balance for the Legislative Audit FY 2020 appropriation) and negative modification for administrative appropriation transfers of \$104,762 (for the water tower project at the Law Enforcement Academy). The other adjustments that in total net to \$0 positively impact personal services, transfers-out, and debt service. Program transfers resulted in the increase the Central Services Division budget (transferring testing functions and other operational budget into the division) and reductions to the Gambling Control Division and the Motor Vehicle Division to accommodate the change. The significant increase in debt service is related to costs associated with a loan/maintenance contract for the upgrades and maintenance of the public safety radio system.

HB 2 APPROPRIATION AUTHORITY

HB 2 Expenditures



Expenditure Account	FYE Modified Budget	FYE Expended	Percent Expended
61000 Personal Services	67,432,865	68,498,058	101.6%
62000 Operating Expenses	35,337,616	33,917,912	96.0%
63000 Equipment & Intangible Assets	3,614,222	3,731,833	103.3%
64000 Capital Outlay	66,600	66,600	100.0%
65000 Local Assistance	25,000		
66000 Grants	120,000	120,000	100.0%
67000 Benefits & Claims	818,177	653,486	79.9%
68000 Transfers-out	338,819	263,819	77.9%
69000 Debt Service	2,842,271	2,782,599	97.9%

Agency Program	FYE Modified Budget	FYE Expended	Percent Expended
01 LEGAL SERVICES DIVISION	9,724,825	9,574,374	98.5%
03 MONTANA HIGHWAY PATROL	42,807,953	42,651,659	99.6%
04 INFORMATION TECHNOLOGY SYSTEM	5,584,484	5,549,906	99.4%
05 DIV OF CRIMINAL INVESTIGATION	14,124,334	13,950,722	98.8%
07 GAMBLING CONTROL DIVISION	4,209,156	4,203,597	99.9%
08 FORENSIC SERVICES DIVISION	6,784,444	6,779,637	99.9%
09 MOTOR VEHICLE DIVISION	24,698,845	24,663,332	99.9%
10 CENTRAL SERVICES DIVISION	2,661,529	2,661,080	100.0%
Total	110,595,570	110,034,307	99.5%

In FY 2021, DOJ expended \$110.0 million, or 99.5%, of the modified HB 2 budget. The figure at the top of this page explains 98.2% of the HB 2 funding. The figure below provides the amounts of the funding by source including how it was distributed and expended.

HB 2 Funding - Department of Justice				
Fund Type	Modified Budget	FYE Expenditures	Remaining Balance	% Expended
01 General	36,113,658	36,061,974	51,684	99.9%
02 State/Other Spec Rev	71,026,403	70,641,471	384,932	99.5%
03 Fed/Other Spec Rev	1,441,607	1,320,990	120,617	91.6%

The department's budget is principally funded with state special revenue (02 State/Other Spec Rev), and DOJ expended almost all the funds. In the HB 2 budget, 32.7% is funded with general fund (01 General), and the department spent \$36.1 million, or 99.9%, of the general fund authority. \$2.0 million of the HB 2 budget was funded through proprietary funds and the department expended all the funding provided. For more information on department funding, see Page 8 – Unspent Authority of this report.

Spending in the department has increased by an annual average of approximately 3.4% in the last five years. Spending also increased by \$2.3 million, or 2.2% between FY 2020 and FY 2021. The increases are explained by increases in personal services and operating expenses. As shown in the figure above, DOJ over expended the modified budget authority in two first level account types, personal services and equipment and intangible assets. While spending exceeds the modified budgets in these areas, the spending by program did not exceed the modified budget. Details related to the spending on these items follow:

- In FY 2021, the department expended 101.6% of the \$67.4 million in their personal services modified budget authority. A total overage of \$1.5 million was noted in general fund personal services costs in six programs and resulted from the costs of modified FTE for departmental priorities and pay adjustments as operationally necessary
- DOJ also expended 103.3% of the equipment and intangible assets budget. The overage amounts to \$117,611 and occurred in state special revenues of the Montana Highway Patrol Division where the division purchased automobiles and paid for the public safety radio system expenses (handheld and in car radios)

In the 2019 Legislative Session, DOJ received \$3.75 million each fiscal year in SB 352 to assume the administration of upgrades and maintenance on the statewide public safety communications system. The legislation amended the appropriations into HB 2 and included it in the 2023 base budget. The appropriation is within the Montana Highway Patrol Division. In FY 2021, DOJ expended \$3.6 million, or 96.5%, of the appropriation. This action is especially apparent in the increase in debt service costs. From the total system expenditures, \$2.4 million or 67.7% was expended on the debt service related to a contract with Motorola for radio tower upgrades and microwave system upgrades. The payments are due on a yearly basis for upgrades that have already been done on statewide systems.

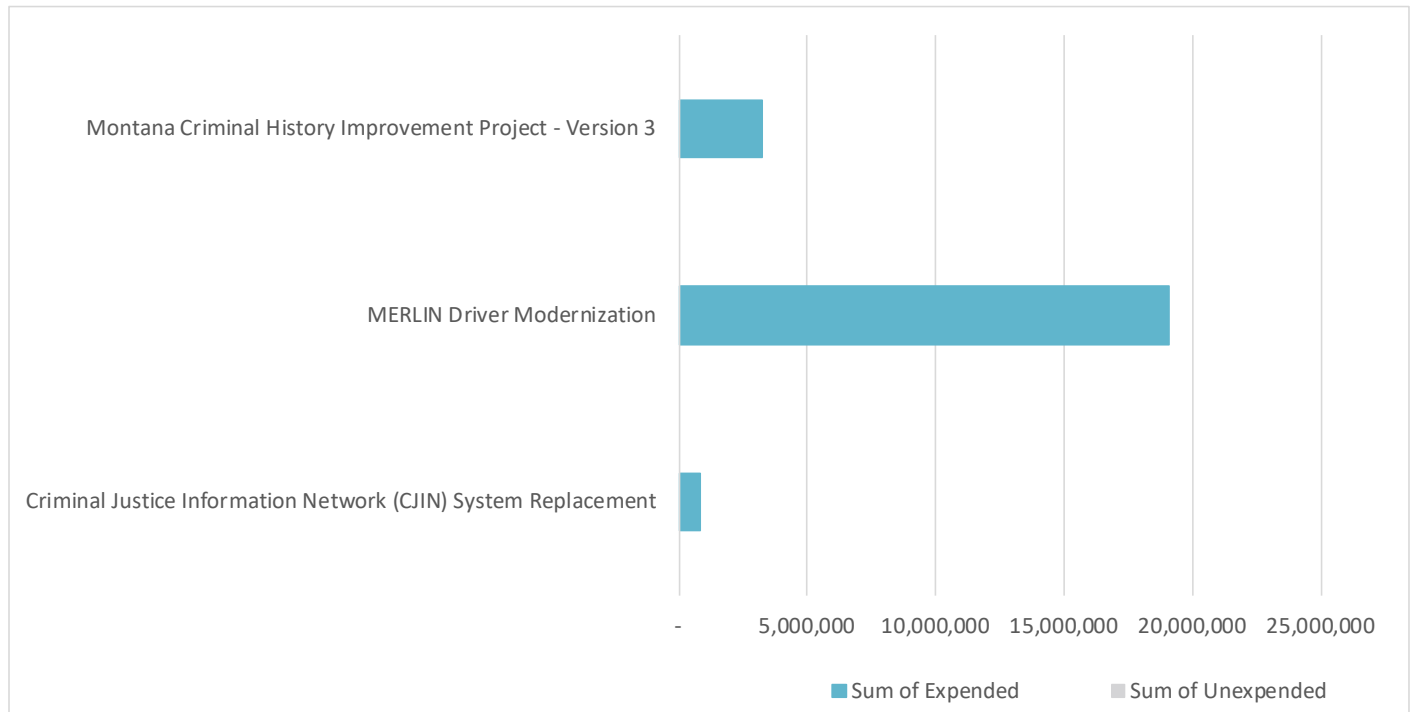
The Montana Highway Patrol Division has historically accounted for 39.0% of the department's HB 2 costs, and in FY 2021 was 38.8% of the modified budget. Personal services account for 65.4% of the FY 2021 budget and supports 39.4% of the department's FTE.

Some specific details of FY 2021 DOJ spending, as designated in the 2019 version of HB 2, include:

- SB 26 Witness Expenses - \$51,245 of general fund each year of the biennium in the Legal Services Division, coinciding with a similar reduction in the Judicial Branch, for an increase in payments for witness expenses. This appropriation was fully expended in both years of the 2021 biennium
- Increase CRISS and CJIN (OTO) - \$65,000 appropriation of state special revenues to make updates to two IT systems, the criminal record information system section (CRISS) and the criminal justice information network (CJIN). The funding for these upgrades was fully expended in both years of the 2021 biennium

OTHER ISSUES

Information Technology Project Expenditures



Large Information Technology Projects
Original and Revised Budgets

Project	Original Budget	Revised Budget	Change from Original Budget
Criminal Justice Information Network (CJIN) System Replacement	636,949	855,204	34.3%
MERLIN Driver Modernization	5,100,000	19,098,112	274.5%
Montana Criminal History Improvement Project - Version 3	2,984,662	3,223,528	8.0%

Large Information Technology Projects
Original and Revised Delivery Date

Project	Start Date	Original Delivery Date	Revised Delivery Date	Change from Original Delivery Date
Criminal Justice Information Network (CJIN) System Replacement	5/13/2020	10/30/2020	3/25/2021	85.9%
MERLIN Driver Modernization	3/31/2012	6/30/2016	11/23/2020	103.5%
Montana Criminal History Improvement Project - Version 3	1/1/2018	3/31/2018	6/30/2021	1333.7%

- Since the project start in January 2018, DOJ has expended the \$3.2 million that was allocated for the MT criminal history improvement project. Upon completion the project will enhance the current computerized criminal history system to provide a number of services that will improve efficiencies and create savings. The project phase continues to note that the project is in execution and the status of the project is good
- Since the project start in March 2012, DOJ has expended its allocation of \$19.1 million on modernization of MERLIN and in transferring the system from the Department of Administration mainframe to a MERLIN database. The project phase continues to show that it is within the 6-month post implementation period and the status of the project is good
- Started in May 2020, the criminal justice information system replacement project is now in closing. The project cost was increased by \$218,255 as a correction to the project funding to the amount of the appropriations provided in the 2019 version of HB 2

Required Reports

In 2021, the DOJ filed several “triggering” budget change documents in FY 2021. Note, all of the items in the list below were also submitted by DOJ in the time sensitive list provided to the LFC. The change actions include:

- An operating plan adjustment that moved budget authority from operating expenses to capital outlay in the Information Technology System Program (215 OP132)
- An operating plan adjustment that moved budget authority between first level accounts, primarily increasing debt service for the contract related to the public safety radio system and equipment in the Forensic Services Division (190 OP158)
- A program transfer that moved COVID 19 related unused budget authority out of the Gambling Control Division into the Motor Vehicle Division for expenses related to the MERLIN mainframe transition (PT157)

“Triggering” changes require review and comment by the Legislative Finance Committee, and were reviewed by staff of the Legislative Fiscal Division

Along the “triggering” budget change documents seen above, DOJ submitted an adjustment that moved federal authority from DPHHS between federal special revenue funds to be included on the time sensitive list provided to the LFC (190 HA154).

Unspent Authority

As seen in the figure on Page 5 of this report, DOJ expended 99.5% of the modified HB 2 budget. The remaining balance of \$0.6 million will be retained in the various funds. The largest source of funding in DOJ is state special revenue, where there is unused authority of \$384,932, which will generally be retained in the state special funds containing the appropriation. The department had an unexpended balance of \$51,684 in the general fund that will revert to the general fund and increase the projected general fund balance.