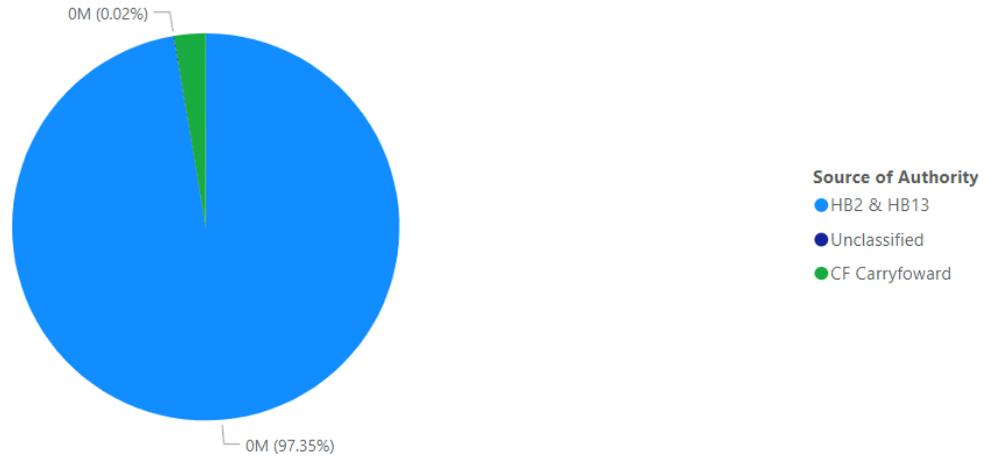


BOARD OF PUBLIC EDUCATION

TOTAL APPROPRIATION AUTHORITY

The total appropriation authority for the agency is shown in the pie chart below. HB 2 and HB 13 provide 97.4% of the total authority for this agency.

Total Modified Budget by Source of Authority



Source of Authority	FYE22 Modified Budget	FYE22 Expended Budget	Percent Expended
HB2 & HB13	393,448	320,948	81.6%
CF Carryforward	10,638	10,638	100.0%
Unclassified	83		
Total	404,169	331,586	82.0%

Report Period

- Jul
- Aug
- Sep
- Oct
- Nov
- Dec
- Jan
- Feb
- Mar
- Apr
- May
- Jun

Carryforward and/or Continuing Authority

The Board of Public Education (BPE) had fewer in-person meetings in FY 2021 due to COVID-19 and did not utilize all of its budget authority. As a result of fewer in-person meetings, the agency had a total of \$10,638 in carryforward authority, which the agency used for operating expenses in FY 2022.

Unclassified

Per 39-71-403(1)(b)(iv), MCA, when workers' compensation premiums are lower than the previous year, state agencies shall reduce personal services appropriations by the amount of the premium reduction. To track the changes in appropriation authority, total appropriations were not reduced, instead the Governor's Office of Budget and Program Planning (OBPP) requires state agencies to:

- Reduce HB 2, statutory, and proprietary appropriations

- Create a separate offsetting entry on the financial statements in the same amount using an identifying number for workers' compensation entries

The offsetting entries are identified as "frozen" appropriations, which means the appropriations will not be spent unless authorized by OBPP. Overall, the agency had an \$83 reduction in workers' compensation premiums.

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.

Legislative Budget Compared to Modified Budget - HB 2 Only

Agency Name	June Modified Budget	FYE22 Modified Budget	Net Modifications
<input type="checkbox"/> Board of Public Education	393,448	393,448	
K-12 EDUCATION	393,448	393,448	
Total	393,448	393,448	

Acct & Lvl 1 DESC	June Modified Budget	FYE22 Modified Budget	Net Modifications
<input type="checkbox"/> 61000 Personal Services	256,594	256,594	
<input type="checkbox"/> 62000 Operating Expenses	136,854	136,854	

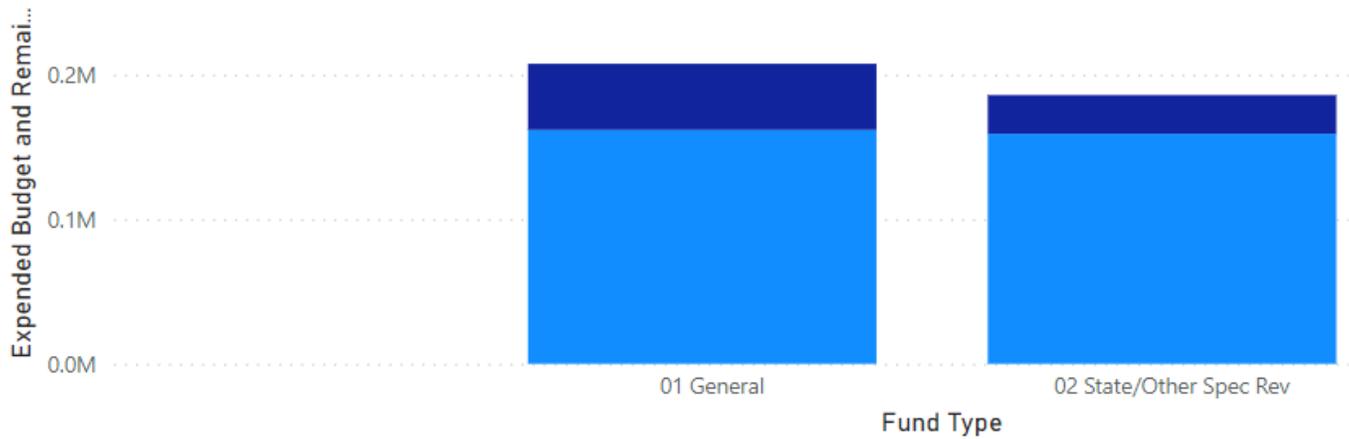
Fund Type	June Modified Budget	FYE22 Modified Budget	Net Modifications
<input type="checkbox"/> 01 General	207,571	207,571	
<input type="checkbox"/> 02 State/Other Spec Rev	185,877	185,877	

The BPE had no modifications to its HB 2 budget at the end of FY 2022.

HB 2 APPROPRIATION AUTHORITY

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

● Expended Budget ● Remaining Budget



acclv1_descr	Modified Budget	Expended Budget	Percent Expended
⊞ Personal Services	256,594	220,150	85.8%
⊞ Operating Expenses	136,854	100,798	73.7%

Program Name	Modified Budget	Expended Budget	Percent Expended
⊞ K-12 EDUCATION	393,448	320,948	81.6%
A_ACCRUAL	393,448	610	0.2%
ACTUALS	393,448	320,338	81.4%
COST_ALLOC	393,448		
ENTITYWIDE	393,448		
Total	393,448	320,948	81.6%

In total, the BPE's HB 2 budget was \$393,448, of which \$320,948 or 81.6% was expended as of fiscal year end. The BPE expended 85.8% of its personal services budget with \$36,444 remaining. Operating expenses are 73.7% expended with \$36,056 remaining.

By fund, the agency expended 77.9% of its \$207,571 general fund authority and 85.6% or \$159,148 of its \$185,877 state special authority. It is important to note that only \$161,937 of revenue came into the research

and advisory council funds this year, so only 87.1% of the state special authority granted to the agency by HB 2 was available.

The agency is required to expend state special funds before general fund and in May 2021, the Legislative Audit Division recommended the BPE comply with state law regarding expending available state special revenue funds prior to using general fund appropriations. In addition, the Audit Division recommended that the BPE comply with state law regarding use of teacher license fees and establish controls to ensure completeness and accuracy of fees collected by the Office of Public Instruction. The Section E Interim Budget Committee studied the BPE fee structure and Audit Division recommendations during the 2021-2022 interim. Additional information on this topic is available at the end of this report.

The advisory council and research state special revenue funds are experiencing low fund balances this year due to changes that were made to the licensing system during the spring. The tables below show the past decade of revenue and disbursements for both the advisory council fund and research fund.

The FY 2022 appropriation for the advisory council fund is \$122,873.

02122 - Advisory Council

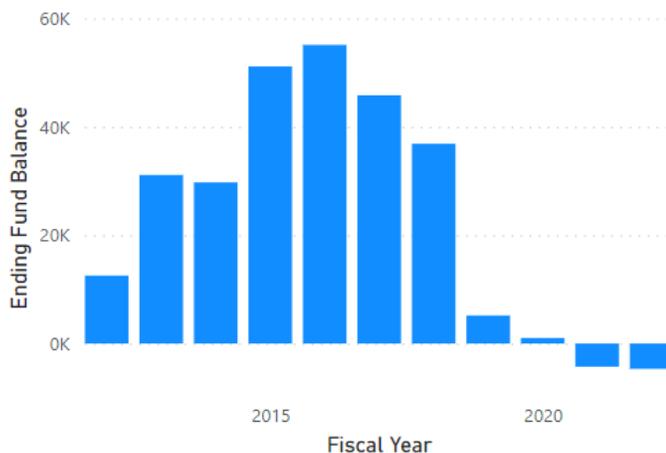
Last Update

8/16/2022

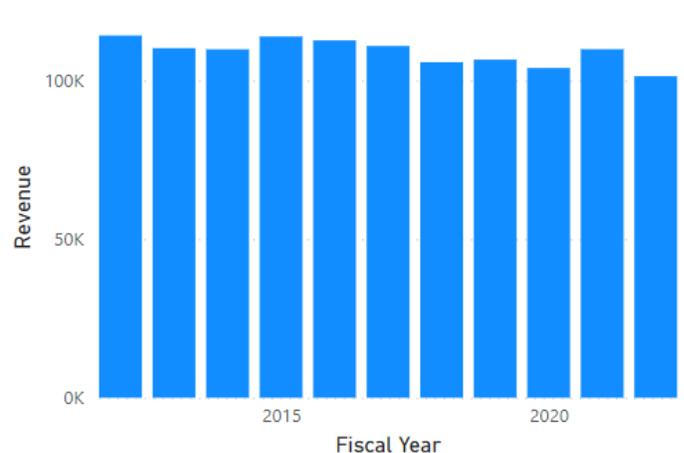
Fund Balance	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
01 Fund Balance	11,307	12,545	31,110	29,742	51,142	55,120	45,818	36,883	5,176	1,003	-4,285
02 Revenue	114,156	110,168	109,805	113,852	112,629	110,848	105,746	106,552	103,928	109,835	101,348
03 Disbursements	-112,918	-91,603	-111,173	-92,453	-108,651	-120,150	-114,681	-138,258	-108,101	-115,124	-101,741
Total	12,545	31,110	29,742	51,142	55,120	45,818	36,883	5,176	1,003	-4,285	-4,678

Balance Sheet	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
04 Assets	12,565	34,929	34,904	54,060	63,658	54,622	45,916	5,240	16,060	3,064	3,262
05 Liabilities	-20	-3,819	-5,161	-2,919	-8,538	-8,805	-9,033	-64	-15,057	-7,349	-7,940
Total	12,545	31,110	29,742	51,142	55,120	45,818	36,883	5,176	1,003	-4,285	-4,678

Ending Fund Balance by Fiscal Year



Revenue by Fiscal Year



The appropriation for the research fund is \$63,004

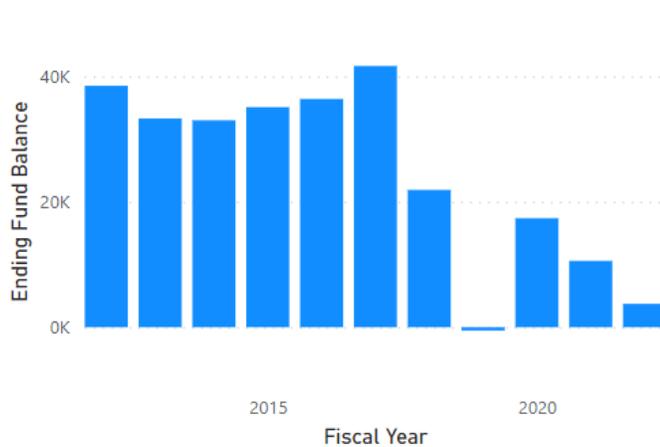
Last Update
8/16/2022

02219 - Research Fund

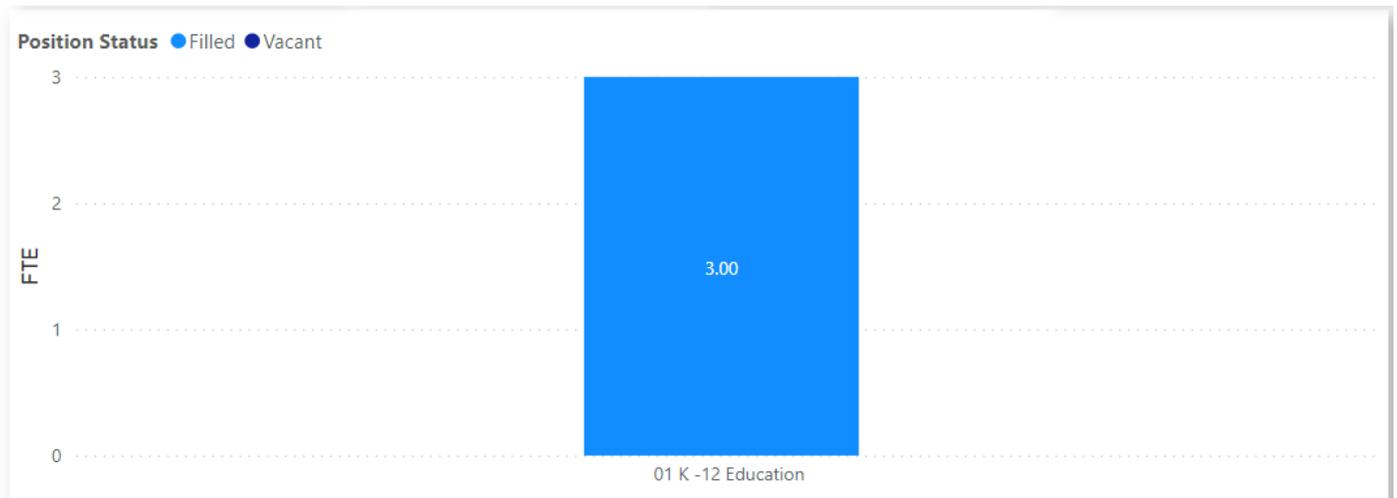
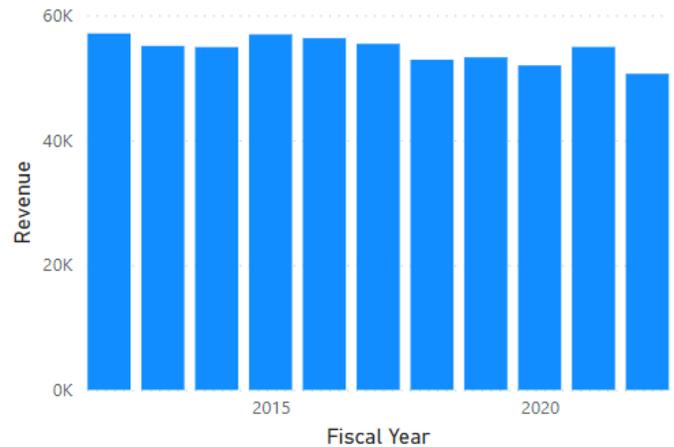
Fund Balance	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
01 Fund Balance	48,498	38,503	33,287	33,002	35,103	36,415	41,669	21,899	-526	17,375	10,584
02 Revenue	57,072	55,077	54,892	56,919	56,312	55,422	52,871	53,255	51,963	54,917	50,625
03 Disbursements	-67,067	-60,292	-55,177	-54,818	-55,000	-50,168	-72,641	-75,681	-34,062	-61,708	-57,483
Total	38,503	33,287	33,002	35,103	36,415	41,669	21,899	-526	17,375	10,584	3,726

Balance Sheet	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
04 Assets	45,387	32,252	33,956	35,105	36,426	41,749	22,792	12	18,122	11,440	7,222
05 Liabilities	-6,885	1,035	-954	-2	-11	-80	-893	-538	-747	-856	-3,495
Total	38,503	33,287	33,002	35,103	36,415	41,669	21,899	-526	17,375	10,584	3,726

Ending Fund Balance by Fiscal Year



Revenue by Fiscal Year



The BPE has a total of 3.0 FTE, all of which were filled as of August 1, 2022. A total of \$235 longevity pay increases occurred during FY 2022.

Additional Information

The BPE's state special revenue authority is provided by teacher certification fees of \$6.00 per year. These fees are collected by the Office of Public Instruction and then deposited into two funds: an advisory council fund and a research fund. Additional information about the BPE's state special revenue funds, including historical revenues and appropriations can be found here, under the Meeting Materials section:

<https://www.leg.mt.gov/lfd/interim-budget-committee-section-e/>

The Legislative Audit Division's most recent financial compliance audit for the BPE -

<https://leg.mt.gov/content/Publications/Audit/Report/20-22.pdf> - included a recommendation (Recommendation #1) to seek a legislation change to allow the BPE to use all of the teacher licensure revenues for all Board activities, including the Certification Standards and Practices Advisory Council, due to a finding that the BPE was not complying with state law regarding the use of the teacher licensing funding. This conclusion was a finding in the 2018 audit as well.

The Legislative Interim Budget Committee Section E studied Board of Public Education license fees and teacher licensing accreditation in other states within the region. Please review the full report for more details:

<https://leg.mt.gov/content/publications/fiscal/2023-Interim/IBC-E/BPE-regional-study.pdf>