

OFFICE OF THE GOVERNOR  
BUDGET AND PROGRAM PLANNING  
STATE OF MONTANA



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**To:** Amy Carlson, Legislative Fiscal Analyst  
Legislative Fiscal Division

Jerry Howe, Executive Director  
Legislative Services Division

**From:** Ryan Osmundson, Budget Director  
Office of Budget & Program Planning

**Date:** June 13, 2022

**Subject:** LFC Review & Comment on Operating Budget Changes and Program Transfers

In accordance with 17-7-138 and -139, MCA, the Governor's Office of Budget and Program Planning has processed twenty-seven time sensitive and three non-time sensitive Operating Plan changes that exceeded \$75,000 and 25% of a budget category or \$1 million. This covers the time period from March 8, 2022, through June 13, 2022.

We have reviewed the requests and find them in compliance with state and federal laws and policies. Your staff has also reviewed these documents and has no issues with these transactions. Please let us know if you have questions or wish additional information.

CC: Quinn Holzer  
Kris Wilkinson

## Time Sensitive

### Documents Processed as Time-Sensitive

<u>Agency #</u>	<u>Agency Name</u>	<u>BCD #</u>	<u>Brief Explanation</u>	<u>FY</u>
42010	PSC	230 OP011	Move authority to account level 59000 from 62000 to comply with GASB lease requirements	2022/23
51150	Library Comm	325 OP153	This BCD adjusts HB2 authority between related accounts to match turnaround intention for FY2022 and FY2023. During turnaround in July 2021, agency distributed personal services, operating expenses and grant funding for HB 2 authority into incorrect accounts. This BCD will adjust FY 2022 funding as of this date (3/23/22) and FY 2023 funding to correct appropriations going forward.	2022/23
69010	DPHHS	855 HA156	Adjustment of subclass and org authority w/ HCSD due to turnaround imbalance and also sub-recipients expenses needing to be in account 66xxx	2022/23
69010	DPHHS	860 HA174	Excess authority exists in multiple general and federal funding streams due to the approval late in the fiscal year by the Administration of Children and Families of the state's Title IV-E Prevention Plan. In addition to having extra authority in the Prevention Plan line items, the division has experienced an increase in several federal formula grants over time without receiving an increase in appropriations allowing the division to fully maximize the federal funding streams.	2022/23
61010	DOA	616 OP144	The Department of Administration/Banking and Financial Institutions Division is requesting to move \$162,295 of budget authority between Operating (62000) and Debt Service (69000). This is to accommodate the requirements of GASB 87 and the building leases recorded as debt services.	2022/23
54010	MDT	480 HA027	Realign budget to current and projected needs	2022/23
57060	DNRC	OP105	Move operating to debt service to implement GASB87 and to properly record lease expenses	2022/23
69010	DPHHS	PT189	Transfer Covid FMAP Contingency Funds (OTO) to cover deficit for Hospital utilization fees for HRD	2022
69010	DPHHS	PT190	Transfer 02 SSR from Prog 02 Energy & Weather, Prog 07 Health Lavs & Tobacco, Prog 33 Chem Dep, Prog 16 Oper Srv, Prog 08 Prog Compliance to Prog 11 HUF for annual Payments	2022
69010	DPHHS	PT165	Requesting move of Prog 10 DDS and Prog 02 HCSD under used federal authority to Prog 11 HRD to cover Medicaid Care Benefits and Medicaid Expansion drugs for anticipated cost	2022

69010	DPHHS	860 HA183	This BCD is necessary to correct FY 2023 benefits appropriation misalignments that occurred during the 2023 Biennial turn around process. It is also necessary to to meet the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards in accordance with 2 CFR 200, (Uniform Guidance) which requires preparation of a Schedule of Expenditures of Federal Awards (SEFA). With this BCD we will ensure CFSD expenditure reporting is aligned with the published disclosure checklist 200.510(b) for the requirements of preparing a SEFA.	2023
61010	DOA	617 OP161	The Department of Administration (DOA)/Montana Lottery Division (Lottery) requests to move \$216,816 of authority in fund 06001 from operators (62000) to debt services (69000). Per GASB 87 guidance the Lottery will be recording their building lease in the debt service expenditures.	2022/23
51020	OCHE	270 OP293	Transferring authority to operating expenses	2022/23
67010	DMA	830 OP530	Request to transfer appropriation from 62000 to 69000 per MOM 336	2022/23
69010	DPHHS	OP200	This BCD is being processed to meet the following requirements. Section 9817 of the ARP provides qualifying states with a temporary 10 percentage point increase to the federal medical assistance percentage (FMAP) for certain Medicaid expenditures for home and community-based services (HCBS). States must use the federal funds attributable to the increased FMAP to supplement, not supplant, existing state funds expended for Medicaid HCBS in effect as of April 1, 2021, and states must use state funds equivalent to the amount of federal funds attributable to the increased FMAP to implement or supplement the implementation of one or more activities to enhance, expand, or strengthen HCBS under the Medicaid program.	2022
53010	DEQ	PT979	Transfer is needed to move excess 02542 OP authority from prog 10 to cover authority shortfall in prog 20 02418- subdivision for the remainder of the year	2022
69010	DPHHS	896 HA191	Realignment authority for various funds. Increase 67 authority to 03096 as SFY22 has exhausted authority. Move 61 authority for Division cost allocation fund. Division federal fund (03625) baseline did not match FY21 execution. The need to increase 61 authority is to support the various modified positions previously supported by other federal funds. Additionally adjusting the SFY23 for ORG authority to move from 67 to 66 in order to meet 2 CFR 200 rules.	2022/23

69010	DPHHS	OP200	This BCD is being processed to meet the following requirements. Section 9817 of the ARP provides qualifying states with a temporary 10 percentage point increase to the federal medical assistance percentage (FMAP) for certain Medicaid expenditures for home and community-based services (HCBS). States must use the federal funds attributable to the increased FMAP to supplement, not supplant, existing state funds expended for Medicaid HCBS in effect as of April 1, 2021, and states must use state funds equivalent to the amount of federal funds attributable to the increased FMAP to implement or supplement the implementation of one or more activities to enhance, expand, or strengthen HCBS under the Medicaid program.	2022
51170	Historical Society	345 OP236	Augument 69000 authority for GASB87 lease	2022/23
69010	DPHHS	855 OP208	Adjustment org authority within HCSD due to sub-recipients expense needing to be account 66xxx	2023
66020	DLI	790 OP001	This request moves SSR within the DLI, Workforce Services Division	2022
58010	DOR	OP483	Moving 69000 account level to 62000 account level in programs 01, 03, and 07. Moving 62000 account level to 69000 account level in program 05. Moving 61000 account level to 69000 account level in program 08. These moves are for implementing GASB 87 as required by DOA.	2022/23
67010	MA	840 OP741	FYE Adjustments to ensure subrecipient payment obligations and authority levels needed for FYE accruals are attributed to the correct fund for predisaster mitigation program	2022
35010	OPI	155 OP221	Moving authority to 69000 due to an accounting change in lease payment coding	2022/23
35010	OPI	160 OP220	Moving authority betwwn 1st level accounts to realign the budget where expenditures will be coded	2022/23
6910	DPHHS	PT219	This BCD addresses the rise in cost of contract nurse staffing at Montana State Hospital. MSH is eperiencing a nursing shortage and is required to contract with traveling nurse providers in	2022

## Non-Time Sensitive

### Documents Being Held for Comment

<u>Agency #</u>	<u>Agency Name</u>	<u>BCD #</u>	<u>Brief Explanation</u>	<u>FY</u>
41100	Justice	190 OP294	Move authority from 63000 to 61000,62000 and 69000 to cover known expenditures	2022
67010	MA	840 OP739	FYE adjustments to meet needs of Federal Portion of payroll costs for FYE	2022
	DPHHS	OP223	Move budget from 62000 to 69000 for rent charges per GASB 87 implementing a reclassification of how we are to record capital leases	2022
69010				