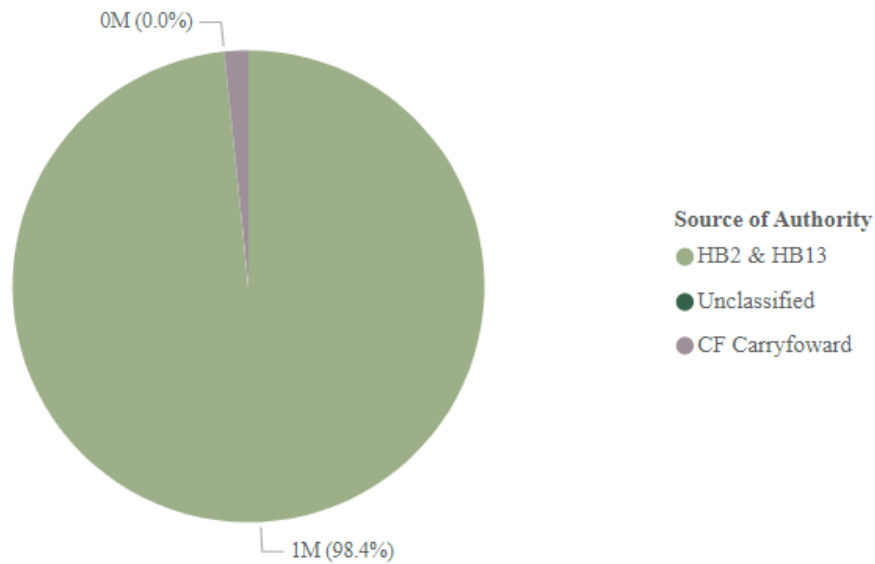


BOARD OF PUBLIC EDUCATION

TOTAL APPROPRIATION AUTHORITY

The total appropriation authority for the Board of Public Education (BPE) is shown in the pie chart below. HB 2 and HB 13 provide 98.4% of the total authority for this agency. All types of appropriation authority for this agency are described below, including total budget and percent expended by source of authority.

Total Modified Budget by Source of Authority



Source of Authority	Modified Budget	Expended Budget	% Expended
HB2 & HB13	582,188	396,946	68.2%
CF Carryforward	9,721	9,721	100.0%
Unclassified	14		
Total	591,923	406,667	68.7%

HB 2 & HB 13

The Board of Public Education has total budgeted authority of approximately \$582,000 for FY 2024, of which approximately \$397,000 or 68.2% was expended as of the end of FY 2024.

Carryforward Authority

BPE has approximately \$9,700 in carryforward authority for FY 2024, of which 100.0% was expended as of the end of this fiscal year.

Unclassified

The Board of Public Education has unclassified appropriation authority of \$14 because of lower workers' compensation premiums. 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 are 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.

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 from June 1, 2024, through fiscal year end 2024. 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	HB 2 Budget	Modified Budget	Net Modifications
Board of Public Education	582,188	582,188	0
Total	582,188	582,188	0

Expenditure Type	HB 2 Budget	Modified Budget	Net Modifications
61000 Personal Services	264,488	264,988	500
62000 Operating Expenses	317,700	317,200	-500
Total	582,188	582,188	0

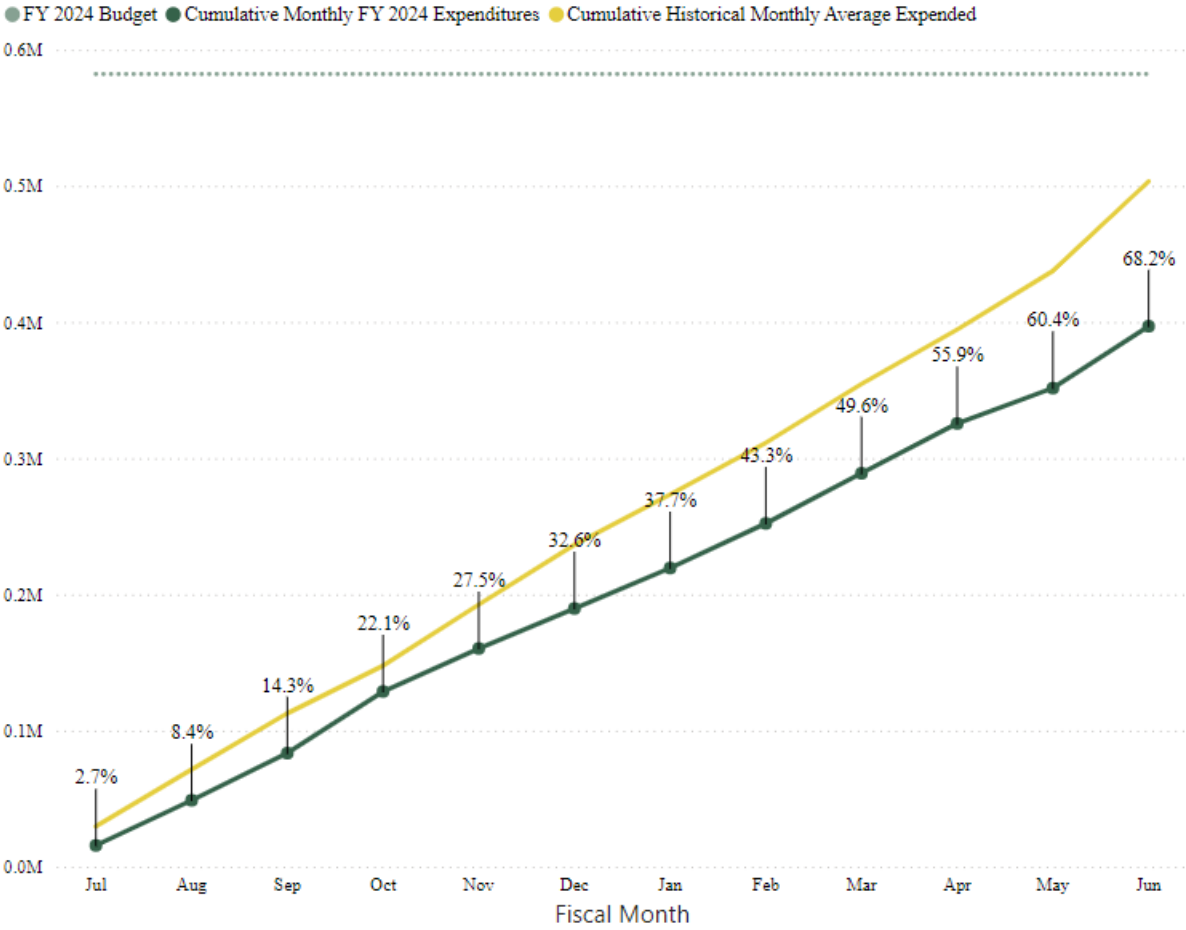
Fund Type	HB 2 Budget	Modified Budget	Net Modifications
01 General	576,445	576,445	0
02 State/Other Spec Rev	5,743	5,743	0
Total	582,188	582,188	0

The Board of Public Education did budget modifications between June 1, 2024, and June 31, 2024, whereby \$500 was moved from operating expenses to personal services to cover a shortfall in fiscal year end payroll costs for FY 2024.

HB 2 APPROPRIATION AUTHORITY

The following chart shows the appropriated budget for the agency compared to expenditures through fiscal year end 2024.

Monthly Expenditures Compared to Historical Average



Program Name	Modified Budget	Expended Budget	% Expended
01 K-12 EDUCATION	582,188	396,946	68.2%
Total	582,188	396,946	68.2%

Expenditure Type	Modified Budget	Expended Budget	% Expended
Personal Services	264,988	258,486	97.5%
Operating Expenses	317,200	138,460	43.7%
Total	582,188	396,946	68.2%

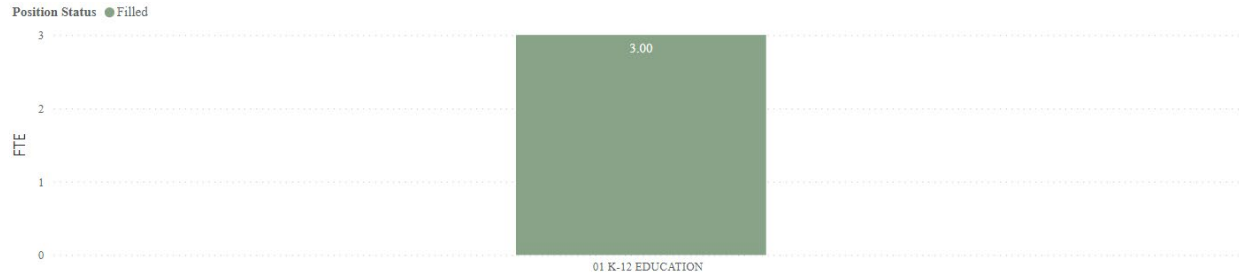
Fund Type	Modified Budget	Expended Budget	% Expended
01 General	576,445	395,804	68.7%
02 State/Other Spec Rev	5,743	1,142	19.9%
Total	582,188	396,946	68.2%

The Board of Public Education’s HB 2 modified budget for FY 2024 is made up of approximately 99.0% general fund. HB 403 (2023 Session) changed the funding sources for the Board of Public Education such that it is now fully funded by general fund. However, HB 13 (2023 Session) provided the Board of Public Education with state special revenue for the pay plan, but the agency no longer has the spending authority for this state special revenue. The agency has worked with the Governor’s Office of Budget and Program Planning to utilize a personal services contingency if the current budget is unable to support the implementation of the pay plan.

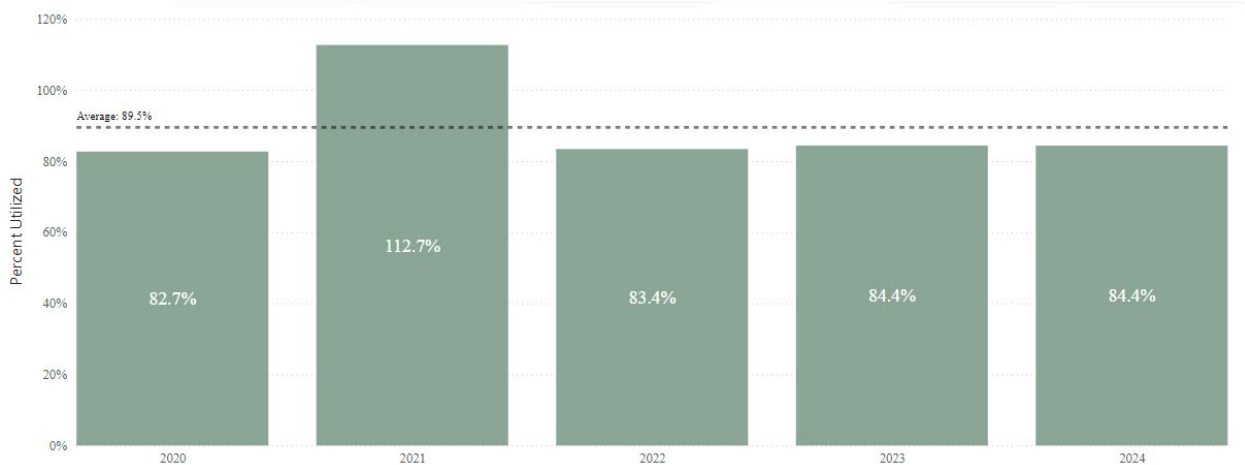
The Board of Public Education expended approximately \$397,000 or 68.2% of the modified HB 2 budget, which is below the historical five-year average of 86.5%. HB 2 authority provided an appropriation to the agency related to HB 549 (2023 Session), but the agency did not receive its request of 2.00 FTE. The agency absorbed the cost of managing and implementing the Public Charter School Act in the first year, and as a result, the agency reports they have needed time to receive approval from the Office of Budget and Program Planning to create a modified position to utilize this funding and support the implementation of HB 549. As of the August 22, 2024, the agency hired 1.00 FTE, costing approximately \$85,000 in personal services, which should bring BPE up to average spending for the second year of the biennium. The new FTE is a dedicated position to support the charter school initiative as directed in HB 549.

Personal Services

Personal services are approximately \$264,000 or 45.5% of the HB 2 modified budget for FY 2024, with 97.5% of that amount expended as of fiscal year end. The agency has 3.00 HB 2 FTE, and all positions were filled as of fiscal year end. The following chart shows the filled and vacant FTE within the agency as of fiscal year end.



The chart below shows the hourly utilization percentage for the Board of Public Education at fiscal year end, by each fiscal year. The percentage of FTE hours utilized through fiscal year end was 84.4%. Though the agency has not had any vacancies in FY 2024, the utilization percentage is currently under 100.0% due to one employee working half time.



The unusually high utilization percentage for this time period in FY 2021 was due to a retirement payout for the exiting executive director in February of 2021, which artificially inflated the utilization hours for that time period. The new executive director had already been hired, so the combined regular hours for that position and the hours recorded for the retirement payout resulted in a utilization greater than 100.0%.

OTHER ISSUES

Required Reports

The Board of Public Education did not have any budget amendments, operating plan changes, or program transfers that require reporting to the Legislative Finance Committee.