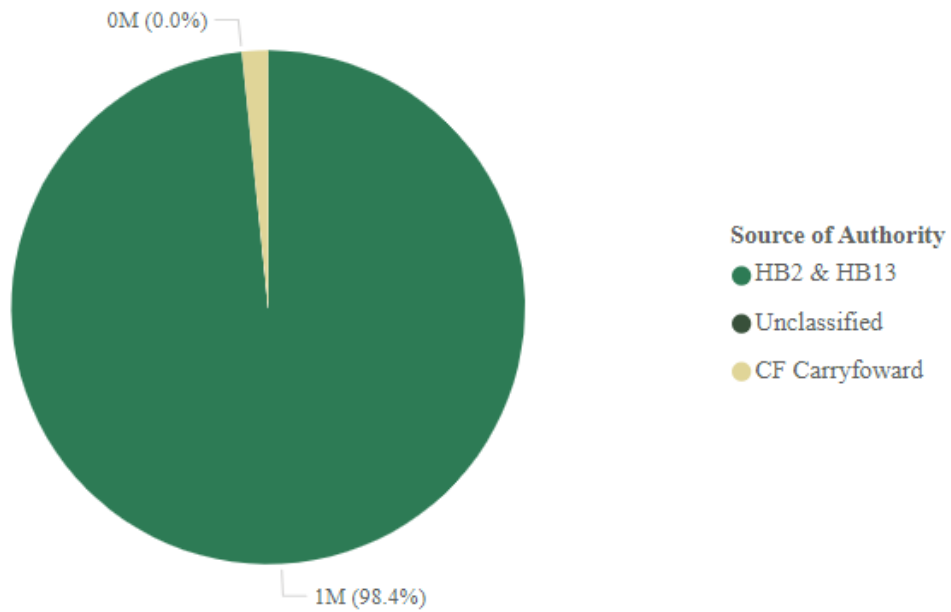


# BOARD OF PUBLIC EDUCATION

## 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 provided 98.4% of the total authority for this agency.

### Total Modified Budget by Source of Authority



| Source of Authority | Modified Budget | Expended Budget | % Expended   |
|---------------------|-----------------|-----------------|--------------|
| HB2 & HB13          | 582,188         | 351,501         | 60.4%        |
| CF Carryforward     | 9,721           | 6,226           | 64.0%        |
| Unclassified        | 14              |                 |              |
| <b>Total</b>        | <b>591,923</b>  | <b>357,727</b>  | <b>60.4%</b> |

## HB 2 & HB 13

The Board of Public Education has total budgeted authority of approximately \$582,000 for FY 2024, of which approximately \$352,000 or 60.4% was expended as of May 31, 2024.

## **Carryforward Authority**

BPE has approximately \$9,700 in carryforward authority for FY 2024, of which about \$6,200 or 64.0% was expended as of May 31, 2024.

## **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 March 1, 2024 through May 31, 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         |                   |
| <b>Total</b>              | <b>582,188</b> | <b>582,188</b>  |                   |

| Expenditure Type         | HB 2 Budget    | Modified Budget | Net Modifications |
|--------------------------|----------------|-----------------|-------------------|
| 61000 Personal Services  | 264,488        | 264,488         |                   |
| 62000 Operating Expenses | 317,700        | 317,700         |                   |
| <b>Total</b>             | <b>582,188</b> | <b>582,188</b>  |                   |

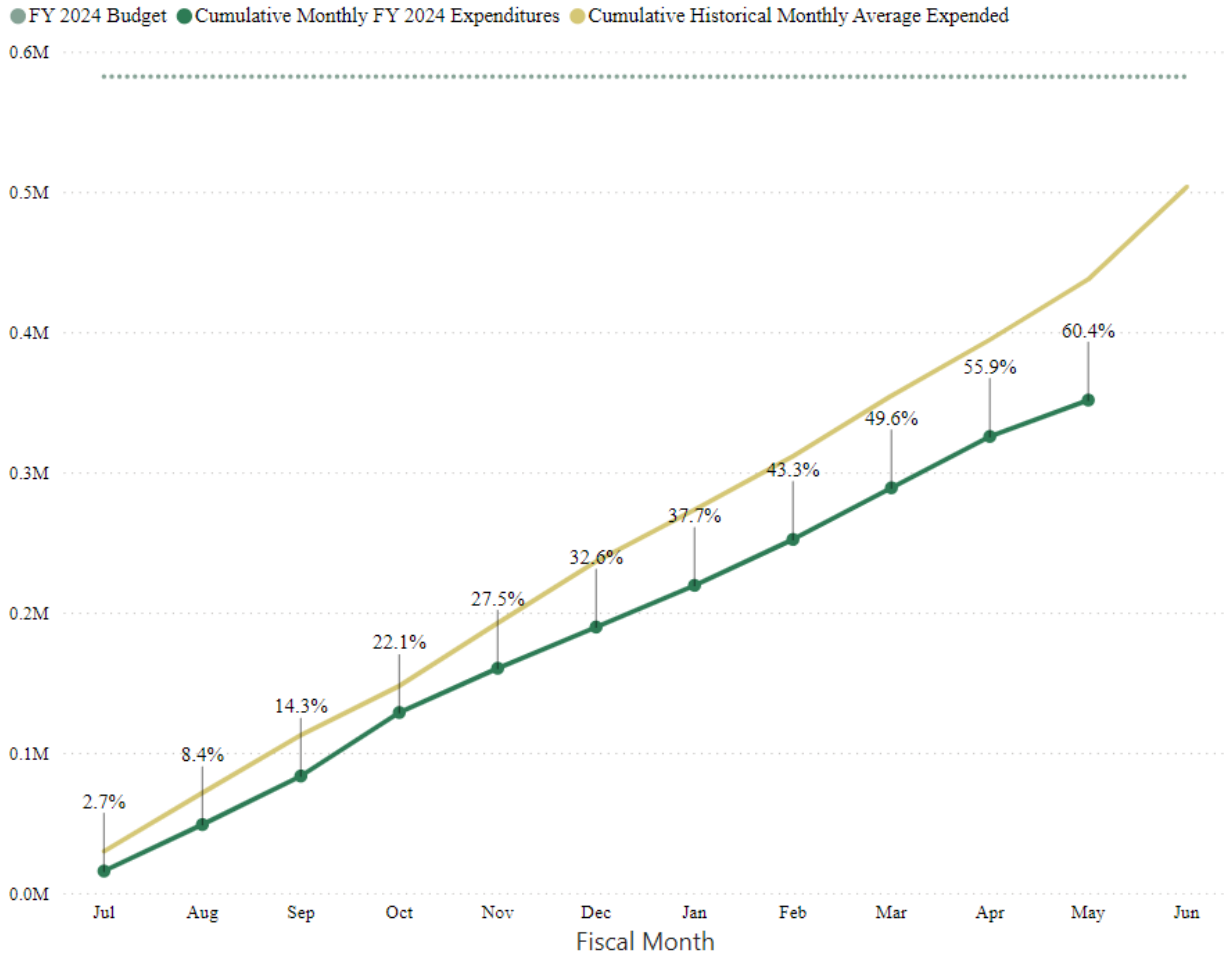
| Fund Type               | HB 2 Budget    | Modified Budget | Net Modifications |
|-------------------------|----------------|-----------------|-------------------|
| 01 General              | 576,445        | 576,445         |                   |
| 02 State/Other Spec Rev | 5,743          | 5,743 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

The Board of Public Education did not have any budget modifications between March 1, 2024 and May 31, 2024.

### HB 2 APPROPRIATION AUTHORITY

The following chart shows the appropriated budget for the agency compared to expenditures through May 31, 2024.

## Monthly Expenditures Compared to Historical Average



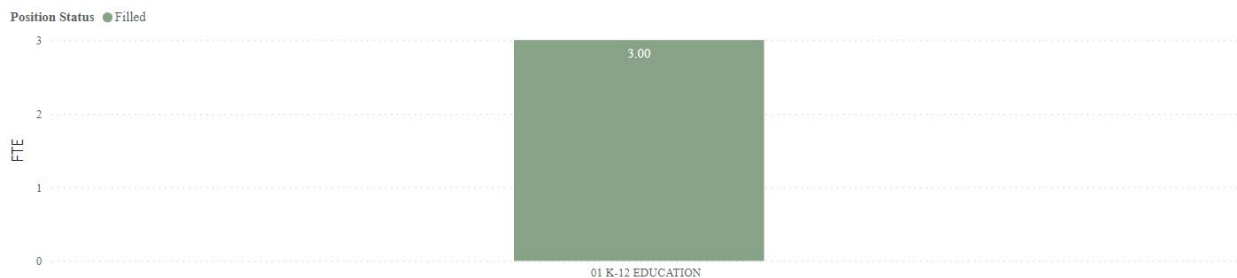
| Program Name             | Modified Budget | Expended Budget | % Expended   |
|--------------------------|-----------------|-----------------|--------------|
| <b>01 K-12 EDUCATION</b> | <b>582,188</b>  | <b>351,501</b>  | <b>60.4%</b> |
| <b>Total</b>             | <b>582,188</b>  | <b>351,501</b>  | <b>60.4%</b> |
| Expenditure Type         | Modified Budget | Expended Budget | % Expended   |
| Personal Services        | 264,488         | 229,636         | 86.8%        |
| Operating Expenses       | 317,700         | 121,865         | 38.4%        |
| <b>Total</b>             | <b>582,188</b>  | <b>351,501</b>  | <b>60.4%</b> |
| Fund Type                | Modified Budget | Expended Budget | % Expended   |
| 01 General               | 576,445         | 347,803         | 60.3%        |
| 02 State/Other Spec Rev  | 5,743           | 3,698           | 64.4%        |
| <b>Total</b>             | <b>582,188</b>  | <b>351,501</b>  | <b>60.4%</b> |

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.

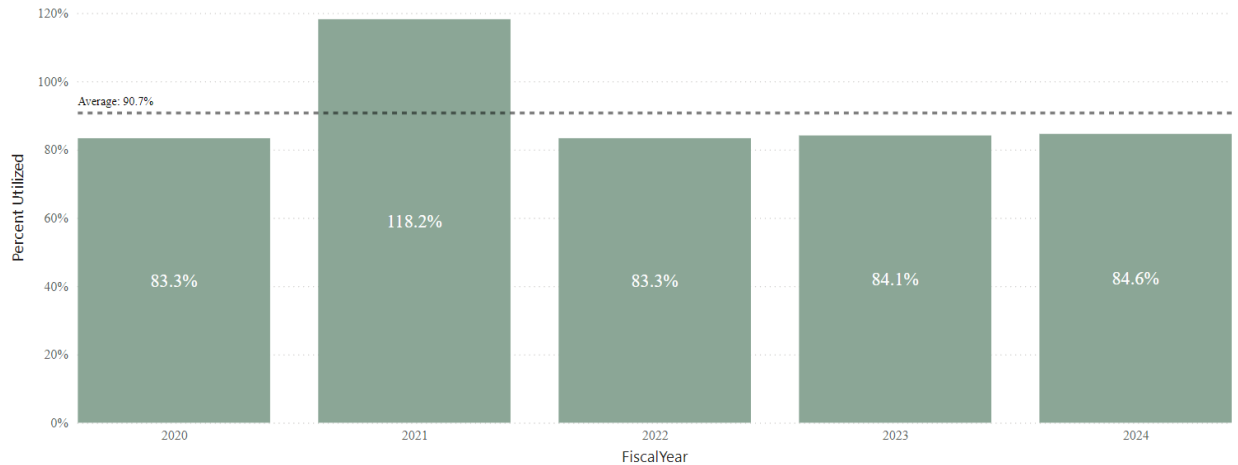
The Board of Public Education expended approximately \$352,000 or 60.4% of the modified HB 2 budget, which is below the historical five-year average of 75.2%. HB 2 authority provided an appropriation to the agency related to HB 549 (2023 Session), but the agency did not receive its request of 2.00 FTE. The agency reports they are working with the Office of Budget and Program Planning to create a modified position to utilize this funding and support the implementation of HB 549, but that the agency will likely not be able to fill the position until August. Funding received from HB 549 has been minimally spent, resulting in the lower than typical percentage expended.

## Personal Services

Personal services are approximately \$264,000 or 45.4% of the HB 2 modified budget for FY 2024, with 86.8% of that amount expended as of May 31, 2024. The agency has 3.00 HB 2 FTE and all positions were filled as of May 1, 2024. The following chart shows the filled and vacant FTE within the agency as of May 1, 2024.



The chart below shows the hourly utilization percentage for the Board of Public Education between July 1 and May 1 for each fiscal year. The percentage of FTE hours utilized through May 1, 2024 was 84.6%. 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.