

Agency Budget Comparison

The following table compares the 2023 biennium appropriated budget and the adopted budget for the 2025 biennium by type of expenditure and source of funding.

Agency Budget Comparison				
Budget Item	Appropriated Budget 22-23	Legislative Budget 24-25	Biennium Change	Biennium % Change
Personal Services	26,594,024	26,156,823	(437,201)	(1.64)%
Operating Expenses	30,594,456	32,403,387	1,808,931	5.91 %
Local Assistance	1,794,921,091	1,911,375,501	116,454,410	6.49 %
Grants	322,536,870	326,796,542	4,259,672	1.32 %
Transfers	28,652,140	5,608,604	(23,043,536)	(80.43)%
Debt Service	331,414	325,514	(5,900)	(1.78)%
Total Expenditures	\$2,203,629,995	\$2,302,666,371	\$99,036,376	4.49 %
General Fund	1,824,467,915	1,058,446,766	(766,021,149)	(41.99)%
State/Other Special Rev. Funds	31,795,684	897,436,161	865,640,477	2,722.51 %
Federal Spec. Rev. Funds	347,366,396	346,783,444	(582,952)	(0.17)%
Total Funds	\$2,203,629,995	\$2,302,666,371	\$99,036,376	4.49 %
Total Ongoing	\$2,179,543,010	\$2,302,414,700	\$122,871,690	5.64 %
Total OTO	\$24,086,985	\$251,671	(\$23,835,314)	(98.96)%

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Agency Highlights

Office of Public Instruction Major Budget Highlights
<p>The Office of Public Instruction’s 2025 biennium HB 2 adopted budget is \$99.0 million or 4.5% higher than the 2023 biennium budget.</p> <p>Major changes for the State Level Activities Program are listed below:</p> <ul style="list-style-type: none"> • A restricted, biennial appropriation of general fund for the reauthorization of the Montana Indian Language Preservation Program • A federal special revenue grant award adjustment to support part-time modified FTE • A one-time-only increase of general fund for the replacement of audiological services equipment • The reduction of 4.00 FTE and associated general fund and federal special revenue • A fund switch from general fund to state special revenue for the new teacher licensing system, contingent on HB 403 <p>Major changes for the Local Education Activities Program are listed below:</p> <ul style="list-style-type: none"> • An inflationary increase of general fund for K-12 BASE Aid • A decrease in general fund for K-12 BASE Aid to offset increases in the guarantee account • A state special revenue increase to fully fund debt service assistance • Increases in general fund and decreases in state special revenue for major maintenance aid • A general fund increase for advanced opportunities grants • A fund switch from general fund to state special revenue for the 95 property tax mills, contingent on HB 587

Agency Actuals and Budget Comparison

The following table compares FY 2022 actual expenditures, FY 2022 and FY 2023 appropriations, and the adopted budget for FY 2024 and FY 2025 by type of expenditure and source of funding.

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2022	Approp. Fiscal 2022	Approp. Fiscal 2023	Legislative Fiscal 2024	Legislative Fiscal 2025
FTE	0.00	153.27	153.27	149.27	149.27
Personal Services	11,431,765	12,806,887	13,787,137	13,045,340	13,111,483
Operating Expenses	13,221,917	15,230,793	15,363,663	16,276,888	16,126,499
Local Assistance	870,486,784	875,868,585	919,052,506	929,972,654	981,402,847
Grants	148,924,335	160,602,748	161,934,122	163,316,393	163,480,149
Transfers	8,689,395	14,960,766	13,691,374	2,780,365	2,828,239
Debt Service	165,437	168,657	162,757	162,757	162,757
Total Expenditures	\$1,052,919,633	\$1,079,638,436	\$1,123,991,559	\$1,125,554,397	\$1,177,111,974
General Fund	884,693,735	891,242,610	933,225,305	508,132,172	550,314,594
State/Other Special Rev. Funds	9,076,170	14,755,667	17,040,017	444,108,793	453,327,368
Federal Spec. Rev. Funds	159,149,728	173,640,159	173,726,237	173,313,432	173,470,012
Total Funds	\$1,052,919,633	\$1,079,638,436	\$1,123,991,559	\$1,125,554,397	\$1,177,111,974
Total Ongoing	\$1,047,085,620	\$1,067,444,703	\$1,112,098,307	\$1,125,261,716	\$1,177,152,984
Total OTO	\$5,834,013	\$12,193,733	\$11,893,252	\$292,681	(\$41,010)

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Executive Budget Comparison

The following table compares the legislative budget for the biennium to the budget requested by the Governor by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Approp. Fiscal 2023	Executive Budget Fiscal 2024	Legislative Budget Fiscal 2024	Leg — Exec. Difference Fiscal 2024	Executive Budget Fiscal 2025	Legislative Budget Fiscal 2025	Leg — Exec. Difference Fiscal 2025	Biennium Difference Fiscal 24-25
FTE	153.27	149.27	149.27	0.00	149.27	149.27	0.00	0.00
Personal Services	13,787,137	13,175,776	13,045,340	(130,436)	13,242,615	13,111,483	(131,132)	(261,568)
Operating Expenses	15,363,663	16,193,147	16,276,888	83,741	16,041,373	16,126,499	85,126	168,867
Equipment & Intangible Assets	0	0	0	0	0	0	0	0
Local Assistance	919,052,506	506,982,728	929,972,654	422,989,926	553,299,404	981,402,847	428,103,443	851,093,369
Grants	161,934,122	163,316,393	163,316,393	0	163,480,149	163,480,149	0	0
Transfers	13,691,374	2,733,122	2,780,365	47,243	2,733,122	2,828,239	95,117	142,360
Debt Service	162,757	162,757	162,757	0	162,757	162,757	0	0
Total Costs	\$1,123,991,559	\$702,563,923	\$1,125,554,397	\$422,990,474	\$748,959,420	\$1,177,111,974	\$428,152,554	\$851,143,028
General Fund	933,225,305	518,300,069	508,132,172	(10,167,897)	563,158,944	550,314,594	(12,844,350)	(23,012,247)
State/other Special Rev. Funds	17,040,017	10,879,078	444,108,793	433,229,715	12,258,938	453,327,368	441,068,430	874,298,145
Federal Spec. Rev. Funds	173,726,237	173,384,776	173,313,432	(71,344)	173,541,538	173,470,012	(71,526)	(142,870)
Total Funds	\$1,123,991,559	\$702,563,923	\$1,125,554,397	\$422,990,474	\$748,959,420	\$1,177,111,974	\$428,152,554	\$851,143,028
Total Ongoing	\$1,112,098,307	\$702,230,231	\$1,125,261,716	\$423,031,485	\$748,959,420	\$1,177,152,984	\$428,193,564	\$851,225,049
Total OTO	\$11,893,252	\$333,692	\$292,681	(\$41,011)	\$0	(\$41,010)	(\$41,010)	(\$82,021)

The legislature adopted a HB 2 budget that is approximately \$851.1 million higher than the proposed executive HB 2 budget for the 2025 biennium. This large increase is primarily driven by a change in the source of appropriation authority for the fund switch to move the 95 mill property tax revenue from the general fund to a state special revenue account dedicated to school funding, contingent on HB 587. This change was included in the executive budget with a statutorily appropriated state special revenue account, but the legislature chose to adopt a HB 2 state special revenue appropriation in order to

improve legislative oversight of the OPI budget. This change has a net zero effect to the OPI budget as a whole; it increases HB 2 appropriations by \$861.6 million and reduces statutory appropriations by the same amount.

There are several other notable differences in the legislative budget as compared to the executive budget:

- An increased adjustment to fully fund debt service assistance
- An increase for a fixed costs adjustment
- An inflationary increase for the Montana Digital Academy
- An adjusted decrease to transfer the 95 mills from the general fund to a statutorily appropriated state special revenue account based on the HJ 2 revenue estimate
- A reduced increase for K-12 BASE Aid inflation due to adjustments to the GTB multiplier based on the HJ 2 marijuana revenue estimate
- A reduction to major maintenance aid to bring the appropriation down to the statutory payment cap
- An additional 1.0% vacancy savings
- A reduction to the proposed motor pool rates
- A reduction to the proposed SABHRS rate
- Two adjustments to the statewide present law adjustment for inflation

Funding

The following table shows adopted agency funding for all sources of authority.

Total Office of Public Instruction Funding by Source of Authority 2025 Biennium Budget Request - Office of Public Instruction							
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
General Fund	1,058,292,821	153,945	0	0	1,058,446,766	43.68 %	
State Special Total	897,434,601	1,560	0	113,241,891	1,010,678,052	41.71 %	
Federal Special Total	346,687,278	96,166	0	0	346,783,444	14.31 %	
Proprietary Total	0	0	7,288,322	0	7,288,322	0.30 %	
Other Total	0	0	0	0	0	0.00 %	
Total All Funds	\$2,302,414,700	\$251,671	\$7,288,322	\$113,241,891	\$2,423,196,584		
Percent - Total All Sources	95.02 %	0.01 %	0.30 %	4.67 %			

HB 2 Funding

General Fund

General fund accounts for a majority of spending for OPI, and a majority of general fund dollars are passed through to local school districts, primarily as K-12 BASE aid.

State Special Revenue

The school facility and technology account supports state subsidies for school debt service from facilities bonds, technological improvements, and other infrastructure and facility needs. The school facility and technology account is funded from hydroelectric power site rent under the provisions of 77-4-208(2), MCA and timber harvest income from school trust lands under the provisions of 20-9-516(2)(a), MCA. The school facility state special revenue account receives interest from the school facility sub-trust within the state coal trust. This money is then distributed to school districts to help support major maintenance.

State special revenues for the School Lunch Program are generated through reimbursements for the costs of shipping, handling, and other related costs of school food commodities used in the program.

The traffic & safety education state special revenue account funds traffic education programs in Montana schools. Traffic and safety education revenues are generated from a percentage of drivers' license and commercial drivers' license fees.

Contingent on the passage of HB 587, property tax revenues from the 95 mills would be deposited into a new state special revenue account specifically dedicated to school funding.

Federal Special Revenue

OPI receives federal grants that support public education, school nutrition, education for the disadvantaged, special education, professional development for educators, and various other functions.

Statutory Funding

The guarantee account is a state special revenue fund dedicated to school funding, and its funds are statutorily appropriated. The guarantee account receives revenue generated from common school state land, as well as interest from the common school trust. Revenues are primarily generated from interest off the trust in addition to agriculture and extraction industry leases. Revenues from the guarantee account offset general fund received by OPI.

COVID-19 Authority

All three rounds of federal COVID-19 funding for education were provided to OPI through the Elementary and Secondary School Emergency Relief (ESSER) Fund, but each round of funding has its own specific allocation details.

ESSER I

This allocation is also referred to as CARES I or ESSER I and was provided to OPI from the Governor's Office through the budget amendment process. The funding was allocated according to federal guidance and, where allowable, OPI's discretion. OPI received approximately \$41.3 million in these federal coronavirus relief funds, of which \$35.6 million or 86.1% had been expended as of FYE 2022. The remaining funds were expended in FY 2023.

ESSER II

This allocation is also referred to under three other names—Coronavirus Response and Relief Supplemental Appropriations (CRRSA), CARES II, and ESSER II. OPI received approximately \$182.9 million in these federal coronavirus relief funds, which were appropriated in HB 630 during the 2021 Legislative Session. As of the end of FY 2022, OPI had expended about \$77.4 million or 42.3% of HB 630 funding. Most of the remaining funds are available for expenditure through September 2023.

ESSER III

This allocation is also referred to as the American Rescue Plan Act (ARPA) or ESSER III, and the allocation authority was provided in HB 632 during the 2021 Legislative Session. OPI received approximately \$382.6 million in these federal coronavirus relief funds. By the end of FY 2022, OPI had expended about \$51.2 million or 13.4% of HB 632 funding. Most of the remaining funds are available for expenditure through September 2024.

Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the glossary.

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget
2023 Base Budget	932,345,305	932,345,305	1,864,690,610	176.17 %	1,112,098,307	1,112,098,307	2,224,196,614	96.59 %
SWPL Adjustments	420,417	512,026	932,443	0.09 %	(174,123)	76,751	(97,372)	(0.00)%
PL Adjustments	887,042	52,405,347	53,292,389	5.04 %	12,673,112	63,933,346	76,606,458	3.33 %
New Proposals	(425,520,592)	(434,948,084)	(860,468,676)	(81.30)%	957,101	1,003,570	1,960,671	0.09 %
Total Budget	\$508,132,172	\$550,314,594	\$1,058,446,766		\$1,125,554,397	\$1,177,111,974	\$2,302,666,371	

Language and Statutory Authority

The legislature adopted the following language in HB 2:

"All revenue up to \$1.5 million in the state traffic education account for distribution to schools under the provisions of 20-7-506 and 61-5-121 is appropriated for the 2025 biennium as provided in Title 20, chapter 7, part 5.

All appropriations for federal special revenue appropriations in OPI Administration and in Distribution to Public Schools are biennial. All general fund appropriations in Distribution to Public Schools are biennial except for major maintenance aid and debt service assistance.

OPI Administration includes a one-time-only reduction in FY 2024 and FY 2025 for a suspension of insurance premium payments to the Risk Management and Tort Defense Division’s proprietary fund.

OPI Administration includes general fund operating expenses reductions of \$166,348 in FY 2024 and \$166,333 in FY 2025. If HB 403 is not passed and approved, the reduction of general fund and the appropriations for Teacher Licensure System are void and the appropriations for OPI Administration are increased by \$166,348 in general fund operating expenses in FY 2024 and \$166,333 in general fund operating expenses in FY 2025. If HB 403 is passed and approved, the appropriation for Teacher Licensure System is increased by \$8,889 state special revenue operating expenses in FY 2024 and increased by \$188,904 state special revenue operating expenses in FY 2025.

If HB 257 is passed and approved, the appropriation for Advanced Opportunities is void.

If HB 587 is passed and approved, K-12 BASE Aid is increased by \$36,458,256 general fund local assistance in FY 2025. If HB 587 is not passed and approved, K-12 BASE Aid is increased by \$426,054,000 general fund local assistance in FY 2024 and \$435,529,000 general fund local assistance in FY 2025 and is decreased by \$426,054,000 state special revenue local assistance in FY 2024 and \$435,529,000 state special revenue local assistance in FY 2025.

If HB 818 is passed and approved and contains an appropriation for Major Maintenance Aid and Debt Service Assistance, the appropriations for Major Maintenance Aid and Debt Service Assistance are void.

If HB 346 is passed and approved, the appropriations for OPI Administration are decreased by \$32,000 general fund local assistance in FY 2024 and decreased by \$32,000 general fund local assistance in FY 2025.

OPI Administration includes an increase in general fund of \$54,933 in FY 2024 and \$71,349 in FY 2025, an increase in state special revenue of \$1,213 in FY 2024 and \$1,600 in FY 2025, and an increase in federal special revenue of \$110,154 in FY 2024 and \$143,330 in FY 2025. The increase was provided to offset inflationary impacts. The agency may allocate this increase in funding among programs when developing 2025 biennium operating plans.

If HB 36 is passed and approved, K-12 BASE Aid is increased by \$60,288 general fund local assistance in FY 2024 and \$299,696 general fund local assistance in FY 2025.

If HB 171 is passed and approved, OPI Administration is increased by \$81,300 general fund in FY 2024 and \$78,500 general fund in FY 2025; State Tuition Payments are decreased by \$199,015 general fund in FY 2025; In-State Treatment is increased by \$1,845,330 general fund in each fiscal year of the biennium; and the Office of Public Instruction may increase

full-time equivalent positions authorized in HB 2 by 1.00 FTE in FY 2024 and 1.00 FTE in FY 2025.

If HB 212 is passed and approved, K-12 BASE Aid is increased by \$2,745,568 general fund local assistance in FY 2025.

If HB 352 is passed and approved, OPI Administration is increased by \$153,748 general fund in FY 2024 and \$148,148 general fund in FY 2025, and the Office of Public Instruction may increase full-time equivalent positions authorized in HB 2 by 2.00 FTE in FY 2024 and 2.00 FTE in FY 2025.

If HB 393 is passed and approved, OPI Administration is increased by \$110,089 general fund in FY 2024 and \$114,565 general fund in FY 2025, and the Office of Public Instruction may increase full-time equivalent positions authorized in HB 2 by 2.00 FTE in FY 2024 and 2.00 FTE in FY 2025.

If HB 396 is passed and approved, K-12 BASE Aid is increased by \$1,977,675 general fund local assistance in FY 2024 and \$2,199,656 general fund local assistance in FY 2025.

If HB 549 is passed and approved, K-12 BASE Aid is increased by \$816,893 general fund local assistance in FY 2025.

If HB 562 is passed and approved, K-12 BASE Aid is increased by \$424,542 general fund local assistance in FY 2025.

If HB 588 is passed and approved, K-12 BASE Aid is increased by \$209,361 general fund local assistance in FY 2025.

If HB 774 is passed and approved, OPI Administration is increased by \$90,170 general fund in FY 2024 and \$84,570 general fund in FY 2025; K-12 BASE Aid is increased by \$4,738,597 general fund local assistance in FY 2025; and the Office of Public Instruction may increase full-time equivalent positions authorized in HB 2 by 1.50 FTE in FY 2024 and 1.50 FTE in FY 2025.

If SB 70 is passed and approved, Recruitment and Retention is increased by \$103,000 general fund in FY 2024 and \$166,000 general fund in FY 2025."

Program Budget Comparison

The following table compares the 2023 biennium appropriated budget and the adopted budget for the 2025 biennium by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 22-23	Legislative Budget 24-25	Biennium Change	Biennium % Change
Personal Services	26,594,024	26,156,823	(437,201)	(1.64)%
Operating Expenses	28,060,831	29,656,288	1,595,457	5.69%
Local Assistance	0	64,000	64,000	0.00%
Grants	1,849,885	1,500,000	(349,885)	(18.91)%
Transfers	4,281,015	4,223,600	(57,415)	(1.34)%
Debt Service	331,414	325,514	(5,900)	(1.78)%
Total Expenditures	\$61,117,169	\$61,926,225	\$809,056	1.32%
General Fund	24,638,353	25,659,042	1,020,689	4.14%
State/Other Special Rev. Funds	583,202	954,521	371,319	63.67%
Federal Spec. Rev. Funds	35,895,614	35,312,662	(582,952)	(1.62)%
Total Funds	\$61,117,169	\$61,926,225	\$809,056	1.32%
Total Ongoing	\$59,316,244	\$61,674,554	\$2,358,310	3.98%
Total OTO	\$1,800,925	\$251,671	(\$1,549,254)	(86.03)%

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Program Actuals and Budget Comparison

The following table compares FY 2022 actual expenditures, FY 2022 and FY 2023 appropriations, and the adopted budget for FY 2024 and FY 2025 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2022	Approp. Fiscal 2022	Approp. Fiscal 2023	Legislative Fiscal 2024	Legislative Fiscal 2025
FTE	0.00	153.27	153.27	149.27	149.27
Personal Services	11,431,765	12,806,887	13,787,137	13,045,340	13,111,483
Operating Expenses	12,089,978	14,091,055	13,969,776	14,911,834	14,744,454
Local Assistance	0	0	0	32,000	32,000
Grants	409,219	1,137,385	712,500	750,000	750,000
Transfers	2,240,395	2,240,395	2,040,620	2,087,863	2,135,737
Debt Service	165,437	168,657	162,757	162,757	162,757
Total Expenditures	\$26,336,794	\$30,444,379	\$30,672,790	\$30,989,794	\$30,936,431
General Fund	11,497,387	12,249,174	12,389,179	12,935,424	12,723,618
State/Other Special Rev. Funds	222,078	290,437	292,765	476,329	478,192
Federal Spec. Rev. Funds	14,617,329	17,904,768	17,990,846	17,578,041	17,734,621
Total Funds	\$26,336,794	\$30,444,379	\$30,672,790	\$30,989,794	\$30,936,431
Total Ongoing	\$26,144,451	\$29,503,454	\$29,812,790	\$30,697,113	\$30,977,441
Total OTO	\$192,343	\$940,925	\$860,000	\$292,681	(\$41,010)

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Funding

HB 2 Funding

General Fund

General fund supports about a third of the State Level Activities Program budget, with the remainder supported by state special revenue, federal special revenue, and proprietary funds.

State Special Revenue

State special revenues fund the School Lunch Program and the Traffic and Safety Education Program. Revenues for the School Lunch Program are generated through reimbursements for the costs of shipping, handling, and other related costs of school food commodities used in the program. Traffic and Safety Education revenues are generated through a percentage of driver's license fees.

Federal Special Revenue

Federal funds support just over half of the Office of Public Instruction's total budget authority.

Non-Budgeted Proprietary Funding

Proprietary funds are used for the indirect cost pool and the advanced drivers' education program. For a detailed discussion of programs funded through proprietary funds, see the discussion on proprietary rates.

Program Budget Summary by Category

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget
2023 Base Budget	11,584,179	11,584,179	23,168,358	90.29 %	29,812,790	29,812,790	59,625,580	96.28 %
SWPL Adjustments	346,541	413,617	760,158	2.96 %	(247,999)	(21,658)	(269,657)	(0.44)%
PL Adjustments	452,827	120,303	573,130	2.23 %	449,433	117,126	566,559	0.91 %
New Proposals	551,877	605,519	1,157,396	4.51 %	975,570	1,028,173	2,003,743	3.24 %
Total Budget	\$12,935,424	\$12,723,618	\$25,659,042		\$30,989,794	\$30,936,431	\$61,926,225	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Present Law Adjustments										
DP 1 - Personal Services	0.00	166,434	14,974	(988,087)	(806,679)	0.00	195,341	15,454	(950,093)	(739,298)
DP 2 - Fixed Costs	0.00	47,564	(419)	(25,812)	21,333	0.00	48,783	(417)	(25,712)	22,654
DP 3 - Inflation Deflation	0.00	132,543	4,410	400,394	537,347	0.00	169,493	5,803	519,690	694,986
DP 21 - Fixed Costs Adjustment	0.00	87,707	0	0	87,707	0.00	88,838	0	0	88,838
DP 30 - Motor Pool Rate Adjustment	0.00	(572)	(127)	(3,267)	(3,966)	0.00	(535)	(119)	(3,058)	(3,712)
DP 222 - RMTD Adjustment	0.00	91,436	(805)	(49,620)	41,011	0.00	88,311	(755)	(46,546)	41,010
DP 223 - RMTD Adjustment (OTO)	0.00	(91,436)	805	49,620	(41,011)	0.00	(88,311)	755	46,546	(41,010)
DP 601 - Audiological Services Equipment Replacement (OTO)	0.00	333,692	0	0	333,692	0.00	0	0	0	0
DP 613 - Tribal Computer Boost Scholarship Program	0.00	32,000	0	0	32,000	0.00	32,000	0	0	32,000
Grand Total All Present Law Adjustments	0.00	\$799,368	\$18,838	(\$616,772)	\$201,434	0.00	\$533,920	\$20,721	(\$459,173)	\$95,468

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget for expected changes, management decisions and budget modifications.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget for fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, information technology services, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include: other services, supplies and materials, communications, in-state state motor pool and motor pool leased vehicles, and repair and maintenance.

DP 21 - Fixed Costs Adjustment -

The legislature adopted an adjustment to fixed costs for the Office of Public Instruction to reallocate the proprietary funding back to general fund authority. A portion of the general fund allocation of the statewide present law adjustment for fixed costs was allocated to proprietary funds in DP 2 during the budgeting process. However, these fixed costs are not included in the current approved U.S. Department of Education indirect cost rate, and OPI would not have the ability to recover these costs via the proprietary fund.

DP 30 - Motor Pool Rate Adjustment -

The legislature adopted a reduction to proposed motor pool rates.

DP 222 - RMTD Adjustment -

The legislature adopted an adjustment to the insurance premiums paid to the Risk Management and Tort Defense Division proprietary fund. This decision package eliminates the reduction included in DP 2. This change is necessary to designate the reduction as one-time-only in the budgeting system.

DP 223 - RMTD Adjustment (OTO) -

The legislature adopted an adjustment to the insurance premiums paid to the Risk Management and Tort Defense Division proprietary fund. This decision package designates the reduction as one-time-only.

DP 601 - Audiological Services Equipment Replacement (OTO) -

The legislature adopted one-time-only general fund operating expenses in FY 2024 only, in order to fund the replacement of audiology equipment used to provide hearing screenings for Montana students. The Individuals with Disabilities Education Act (IDEA) requires schools to have a system in place for children suspected of having disabilities, including hearing loss, through the age of 21. The OPI Hearing Conservation Program is the primary method for schools to ensure proper identification of students with hearing impairments. OPI and DPHHS administer the program, which mandates hearing screenings for children in kindergarten, 1st grade, and either 9th or 10th grade. The public school takes on the primary responsibility for conducting screenings, but OPI contracts with audiologists to provide hearing screenings and provides the hearing screening equipment. According to OPI, all of the state's ten audiologists are currently screening with outdated equipment, which is no longer supported by the manufacturer.

DP 613 - Tribal Computer Boost Scholarship Program -

The legislature adopted an appropriation of general fund local assistance to fund the Tribal Computer Programming Boost Scholarship Program. OPI would administer the teacher professional development component as provided in 20-7-106, MCA. HB 644 (2021 Legislative Session) authorized the program with a sunset at the end of FY 2025.

Under proposed legislation (HB 346), this program would transfer to the Department of Labor and Industry. The legislature adopted coordinating language to remove this decision package from the OPI budget if HB 346 passes.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 333 - Adjustment to Inflation	0.00	(36,464)	(1,213)	(110,154)	(147,831)	0.00	(46,746)	(1,600)	(143,330)	(191,676)
DP 555 - Additional Vacancy Savings	0.00	(60,737)	(1,622)	(68,077)	(130,436)	0.00	(61,037)	(1,627)	(68,468)	(131,132)
DP 604 - FTE Efficiency	(3.00)	0	0	(135,701)	(135,701)	(3.00)	0	0	(136,082)	(136,082)
DP 605 - Federal Grant Award Adjustments	0.00	0	0	500,000	500,000	0.00	0	0	500,000	500,000
DP 612 - CSCT FTE Reduction	(1.00)	(36,750)	0	(37,255)	(74,005)	(1.00)	(36,831)	0	(37,502)	(74,333)
DP 614 - MT Indian Language Preservation (RST/BIEN)	0.00	750,000	0	0	750,000	0.00	750,000	0	0	750,000
DP 618 - Montana Digital Academy Inflationary Increase (RST)	0.00	47,243	0	0	47,243	0.00	95,117	0	0	95,117
DP 619 - Teacher Licensure System (RST/BIEN)	0.00	0	166,348	0	166,348	0.00	0	166,333	0	166,333
DP 620 - Teacher Licensure System	0.00	(166,348)	0	0	(166,348)	0.00	(166,333)	0	0	(166,333)
DP 3333 - Additional Adjustment to Inflation	0.00	54,933	1,213	110,154	166,300	0.00	71,349	1,600	143,330	216,279
Total	(4.00)	\$551,877	\$164,726	\$258,967	\$975,570	(4.00)	\$605,519	\$164,706	\$257,948	\$1,028,173

**"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 333 - Adjustment to Inflation -

The legislature adopted an adjustment to inflation included in DP 3.

DP 555 - Additional Vacancy Savings -

The legislature adopted an additional 1.0% vacancy savings.

DP 604 - FTE Efficiency -

The legislature adopted a reduction of federal special revenue personal services authority and 3.00 FTE due to the completion of the Substance Abuse and Mental Health Services Administration (SAMHSA) federal grant, which ended in March of 2022.

DP 605 - Federal Grant Award Adjustments -

The legislature adopted federal special revenue personal services funding to support part-time modified FTE. Changes in state and federal law do not allow the agency to contract for these services and the state personal services funding process does not reinstate personal services expenditures for these workers.

DP 612 - CSCT FTE Reduction -

The legislature adopted a reduction of 1.00 FTE and the associated personal services and operating expenses funding for the Comprehensive School & Community Treatment (CSCT) Program services to schools director, as the program moves to the Department of Public Health and Human Services (DPHHS). In the 2021 Legislative Session, the legislature moved the CSCT Program from DPHHS to OPI and approved a restricted, one-time-only appropriation of general fund and state special revenue to be used as state match for federal funds for CSCT. According to the executive, DPHHS has continued to administer the benefit plan, provider network, and claims payments for CSCT throughout the 2023 biennium. The return of CSCT administration to DPHHS would eliminate the third-party collection of the required cash match by OPI.

DP 614 - MT Indian Language Preservation (RST/BIEN) -

The legislature adopted a restricted, biennial general fund increase in grants funding for the Montana Indian Language Preservation Program (MILP). The MILP was established to address the language loss of Native American languages in the state and to preserve Montana tribal heritage. The funding is used for grants to tribal nations to develop and makes accessible curricula, audio, and video recordings and reference materials to assist in preserving and perpetuating Indian languages. The program was previously housed in the Department of Commerce, but the program was transferred to the Office of Public Instruction and approved as one-time-only by the 2021 Legislature.

DP 618 - Montana Digital Academy Inflationary Increase (RST) -

The legislature adopted an inflationary increase of general fund transfers for the Montana Digital Academy (MTDA). This inflationary increase provides a pay increase of \$1.50 per hour or 4.0% of salary, whichever is greater, for each of the MTDA's 8.38 FTE.

DP 619 - Teacher Licensure System (RST/BIEN) -

The legislature adopted a restricted, biennial increase of state special revenue operating expenses as part of a fund switch from general fund to state special revenue, in order to use teacher license fees to fund existing operational costs for the teacher licensure system. The legislature also adopted HB 2 language to make this change contingent on the passage of HB 403. Under current law, teacher license fees are deposited into two state special revenue accounts, both of which fund the activities of the Board of Public Education (BPE). HB 403 would remove teacher license fees as a source of funding for BPE and redirect the funds to a state special revenue account for OPI's current costs of the teacher licensure system. OPI's new TeachMT teacher licensure system was created with federal COVID-19 funding from the Elementary and Secondary School Emergency Relief Fund (ESSER). However, the system will have ongoing costs for upkeep and maintenance that will not be funded with federal dollars. Historically, about half of BPE's budget is made up of state special revenue from teacher license fees. The legislature has approved a general fund increase to the Board of Public Education in order to maintain its current funding level.

DP 620 - Teacher Licensure System -

The legislature adopted a decrease of general fund operating expenses as part of the fund switch from general fund to state special revenue, in order to use teacher license fees to fund existing operational costs for the teacher licensure system. The legislature also adopted HB 2 language to make this change contingent on the passage of HB 403.

DP 3333 - Additional Adjustment to Inflation -

The legislature adopted an additional adjustment to inflation included in DP 3.

Other Issues -**Proprietary Rates**

The State Level Activities Program has two proprietary funds. These programs are described separately along with a discussion of program expenses, revenues, and rates being requested to finance the program. There are two proprietary programs:

- Indirect cost pool
- Advanced driver education program

Indirect Cost Pool – 06512*Proprietary Program Description*

The OPI indirect cost pool is an internal service fund used to allocate various centralized costs such as payroll, accounting, and budgeting to all of OPI's state and federally funded programs, using a pre-approved indirect cost rate. Because the proprietary funds do not require an appropriation, they are not typically included in appropriation tables. Instead, the legislature approves the fees and charges that support the revenues for the program. The fees approved in HB 2 are the maximum fees that may be charged in the biennium.

*Program Description*Revenue

Indirect cost pool revenues are a function of the amount of expenditures recorded in the State Level Activities Program. Revenues are generated monthly by applying the approved indirect cost rate to the prior month's direct personal services and operating expenditures in both state and federally funded programs.

Expenses

Costs of OPI operations that are paid from the indirect cost pool include:

- Termination payouts (for vacation, comp time, and sick leave) for all staff, except the state superintendent and personal staff
- Partial costs for services provided to OPI by other state agencies, known as fixed costs
- Payroll, personnel, accounting, budgeting, data management, cash management, financial reporting, purchasing, mail delivery, and resource center services to all OPI programs
- Operating costs associated with 25.91 FTE, including the cost of rent for space occupied, office supplies, postage, equipment, training, travel, photocopy charges, etc.
- General-use items such as paper, FAX lines, and shared equipment, including maintenance contracts on equipment

It should be noted that the legislative audit costs are appropriated on a biennial basis causing expenditures for the OPI indirect cost pool to be higher in the first year of the biennium.

2025 Biennium Report on Internal Service and Enterprise Funds						
Fund	Fund Name	Agency #	Agency Name	Program Name		
06512	Indirect Cost Pool	35010	Office of Public Instruction	State Level Activities		
			Actual FY 2022	Budgeted FY 2023	Proposed FY 2024	Proposed FY 2025
Operating Revenues:						
Fees and Charges						
	Federal Indirect Cost Recovery		1,656,986	1,167,166	1,303,907	1,181,986
	Non Federal Ind Cost Recovery		1,229,780	2,085,839	2,132,070	2,145,864
	Total Operating Revenues		<u>2,886,766</u>	<u>3,253,005</u>	<u>3,435,977</u>	<u>3,327,850</u>
Expenses:						
	Personal Services		1,669,984	2,085,839	2,132,070	2,145,864
	Other Operating Expense		870,428	1,167,166	1,303,907	1,181,986
	Total Operating Expense		<u>2,540,412</u>	<u>3,253,005</u>	<u>3,435,977</u>	<u>3,327,850</u>
	Operating Income (Loss)		<u>346,355</u>	<u>-</u>	<u>-</u>	<u>-</u>
Nonoperating Revenues						
	Accomodation Tax		4,180	-	-	-
	Total Nonoperating Revenue					
	Income (Loss) Before Contributions and Transfers		<u>350,535</u>	<u>-</u>	<u>-</u>	<u>-</u>
	Loans and Lease Payments		1,386	24,930	24,930	24,930
	Change in Net Position		<u>351,921</u>	<u>24,930</u>	<u>24,930</u>	<u>24,930</u>
	Beginning Net Position - July 1		(476,544)	(124,623)	(99,693)	(74,763)
	Prior Period Adjustments					
	Change in Net Position		351,921	24,930	24,930	24,930
	Ending Net Position - June 30		<u>(124,623)</u>	<u>(99,693)</u>	<u>(74,763)</u>	<u>(49,833)</u>
Net Position (Fund Balance) Analysis						
	Unrestricted Net Position					

Rate and Rate Explanation

OPI negotiates an annual predetermined rate with the U.S. Department of Education, calculated in accordance with federal regulations and section 17-3-111(1), MCA. OPI will renegotiate an annual rate for FY 2024 and FY 2025. It is anticipated this rate will be consistent with previous years and remain around 17.0%, which is consistent with the current legislatively approved rate of 17.0%. The agency may not charge more than the lesser of the rate negotiated with the Department of Education and the rate approved by the legislature.

Program Budget Comparison

The following table compares the 2023 biennium appropriated budget and the adopted budget for the 2025 biennium by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 22-23	Legislative Budget 24-25	Biennium Change	Biennium % Change
Operating Expenses	2,533,625	2,747,099	213,474	8.43 %
Local Assistance	1,794,921,091	1,911,311,501	116,390,410	6.48 %
Grants	320,686,985	325,296,542	4,609,557	1.44 %
Transfers	24,371,125	1,385,004	(22,986,121)	(94.32)%
Total Expenditures	\$2,142,512,826	\$2,240,740,146	\$98,227,320	4.58 %
General Fund	1,799,829,562	1,032,787,724	(767,041,838)	(42.62)%
State/Other Special Rev. Funds	31,212,482	896,481,640	865,269,158	2,772.19 %
Federal Spec. Rev. Funds	311,470,782	311,470,782	0	0.00 %
Total Funds	\$2,142,512,826	\$2,240,740,146	\$98,227,320	4.58 %
Total Ongoing	\$2,120,226,766	\$2,240,740,146	\$120,513,380	5.68 %
Total OTO	\$22,286,060	\$0	(\$22,286,060)	(100.00)%

Page Reference

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Program Actuals and Budget Comparison

The following table compares FY 2022 actual expenditures, FY 2022 and FY 2023 appropriations, and the adopted budget for FY 2024 and FY 2025 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2022	Approp. Fiscal 2022	Approp. Fiscal 2023	Legislative Fiscal 2024	Legislative Fiscal 2025
Operating Expenses	1,131,939	1,139,738	1,393,887	1,365,054	1,382,045
Local Assistance	870,486,784	875,868,585	919,052,506	929,940,654	981,370,847
Grants	148,515,116	159,465,363	161,221,622	162,566,393	162,730,149
Transfers	6,449,000	12,720,371	11,650,754	692,502	692,502
Total Expenditures	\$1,026,582,839	\$1,049,194,057	\$1,093,318,769	\$1,094,564,603	\$1,146,175,543
General Fund	873,196,348	878,993,436	920,836,126	495,196,748	537,590,976
State/Other Special Rev. Funds	8,854,092	14,465,230	16,747,252	443,632,464	452,849,176
Federal Spec. Rev. Funds	144,532,399	155,735,391	155,735,391	155,735,391	155,735,391
Total Funds	\$1,026,582,839	\$1,049,194,057	\$1,093,318,769	\$1,094,564,603	\$1,146,175,543
Total Ongoing	\$1,020,941,169	\$1,037,941,249	\$1,082,285,517	\$1,094,564,603	\$1,146,175,543
Total OTO	\$5,641,670	\$11,252,808	\$11,033,252	\$0	\$0

Page Reference

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Funding

The Local Education Activities Program is funded by a combination of general fund, state, and federal special revenue. The majority of funds are appropriated in HB 2 and the remainder are statutory appropriations.

General Fund

General fund supports the majority of the distribution to school districts, with the addition of some state and federal funds.

State Special Revenue

Guarantee Account

The guarantee account is a state special revenue account, which receives revenue generated from common school trust lands and the subsequent interest on the common school trust account. Revenue is statutorily appropriated for school funding per 20-9-622, MCA.

School Facility and Technology Account

The school facility and technology account supports state subsidies for school debt service from facilities bonds, technological improvements, and other infrastructure and facility needs. The school facility and technology account is funded from public land trust power site rent under the provisions of 77-4-208(2), MCA and timber harvest income from school trust lands under the provisions of 20-9-516(2)(a), MCA.

Traffic & Safety Education Account

The traffic & safety education account funds traffic education programs in Montana schools. Traffic and safety education revenues are generated from a percentage of drivers' license and commercial drivers' license fees.

School Facility State Special Revenue Account

The school facility state special revenue account receives interest from the school facility sub-trust within the state coal trust. This money is then distributed to school districts to help support major maintenance.

School Equalization and Property Tax Reduction Account

Contingent on the passage of HB 587, property tax revenues from the 95 mills would be deposited into a new state special revenue account specifically dedicated to school funding.

Federal Funds

Federal funds support school nutrition, education for the disadvantaged, special education, professional development for educators, and various other purposes.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget
2023 Base Budget	920,761,126	920,761,126	1,841,522,252	178.31 %	1,082,285,517	1,082,285,517	2,164,571,034	96.60 %
SWPL Adjustments	73,876	98,409	172,285	0.02 %	73,876	98,409	172,285	0.01 %
PL Adjustments	434,215	52,285,044	52,719,259	5.10 %	12,223,679	63,816,220	76,039,899	3.39 %
New Proposals	(426,072,469)	(435,553,603)	(861,626,072)	(83.43)%	(18,469)	(24,603)	(43,072)	(0.00)%
Total Budget	\$495,196,748	\$537,590,976	\$1,032,787,724		\$1,094,564,603	\$1,146,175,543	\$2,240,740,146	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 3 - Inflation Deflation	0.00	73,876	0	0	73,876	0.00	98,409	0	0	98,409
DP 903 - At Risk Payment Inflationary Increase	0.00	158,592	0	0	158,592	0.00	339,563	0	0	339,563
DP 904 - Increase National Board Certification	0.00	75,760	0	0	75,760	0.00	74,352	0	0	74,352
DP 907 - NRD K-12 Facilities Major Maintenance Aid	0.00	2,809,000	(710,536)	0	2,098,464	0.00	3,117,100	(968,824)	0	2,148,276
DP 910 - State Transformational Learning Aid	0.00	193,257	0	0	193,257	0.00	256,854	0	0	256,854
DP 911 - State Advanced Opportunities Aid	0.00	1,151,514	0	0	1,151,514	0.00	1,251,673	0	0	1,251,673
DP 914 - Guarantee Account Adjustment	0.00	(5,464,252)	0	0	(5,464,252)	0.00	(8,860,907)	0	0	(8,860,907)
DP 917 - Debt Service Assistance	0.00	0	12,500,000	0	12,500,000	0.00	0	12,500,000	0	12,500,000
DP 920 - Adjusted K-12 BASE Aid Inflationary Increase	0.00	1,510,344	0	0	1,510,344	0.00	56,106,409	0	0	56,106,409
Grand Total All Present Law Adjustments	0.00	\$508,091	\$11,789,464	\$0	\$12,297,555	0.00	\$52,383,453	\$11,531,176	\$0	\$63,914,629

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include: other services, supplies and materials, communications, in-state state motor pool and motor pool leased vehicles, and repair and maintenance.

DP 903 - At Risk Payment Inflationary Increase -

The legislature adopted an appropriation of general fund local assistance to support inflationary increases for the at-risk student payment, at 2.7% in FY 2024 and 3.0% in FY 2025. These rates are the same inflationary rates associated with the present law adjustment for K-12 BASE aid.

DP 904 - Increase National Board Certification -

The legislature adopted an increase in general fund local assistance for stipends to qualified teachers who hold a current certification with the National Board for Professional Teaching Standards, per 20-4-134, MCA.

DP 907 - NRD K-12 Facilities Major Maintenance Aid -

The legislature adopted an increase of general fund local assistance and a reduction of state special revenue local assistance in order to meet the statutory required growth for the Natural Resource Development (NRD) K-12 school facilities payment in each year of the biennium, per 20-9-635, MCA. The NRD payment is composed of general fund and state special coal sub-trust interest, and the payment is used to support major maintenance of public school facilities.

DP 910 - State Transformational Learning Aid -

The legislature adopted an appropriation of general fund grants to increase the state transformational learning payment. This increase represents 10.0% of the estimated statewide number of full-time equivalent educators from the fiscal year immediately preceding the year to which distribution of transformational aid applies, per 20-7-1602(8)(b)(iii), MCA.

DP 911 - State Advanced Opportunities Aid -

The legislature adopted an appropriation of general fund grants to increase the state advanced opportunities payment. This increase represents an amount sufficient to provide advanced opportunities aid to 100.0% of districts in FY 2024 and FY 2025, based on the statutory inflationary increases of 2.7% in FY 2024 and 3.0%, as per section 20-7-1506(7), MCA.

Proposed legislation (HB 257) would expand advanced opportunities programs, and there is an appropriation of \$4.0 million per year included in the bill. The legislature adopted coordinating language to strike the appropriation for advanced opportunities from HB 2 if HB 257 passes.

DP 914 - Guarantee Account Adjustment -

The legislature adopted a reduction in general fund K-12 BASE aid appropriations and an increase in the statutory guarantee account authority to reflect the HJ 2 revenue estimate for the guarantee account. The guarantee account revenue is statutorily appropriated and offsets general fund appropriations for K-12 BASE aid.

DP 917 - Debt Service Assistance -

The legislature adopted state special revenue local assistance authority to fully fund the debt service assistance payment.

DP 920 - Adjusted K-12 BASE Aid Inflationary Increase -

The legislature adopted an adjusted general fund local assistance inflationary increase for:

- Inflationary increases of 2.7% in FY 2024 and 3.0% in FY 2025 for the basic entitlement, per-ANB entitlement, quality educator payment, Indian education for all payment, data for achievement payment, special education allowable cost payment, and American Indian achievement gap payment
- Growth in enrollment (average number belonging, ANB) at 0.98% in FY 2024 and 0.65% in FY 2025
- Changes to the guaranteed tax base (GTB) aid multiplier (20-9-366, MCA) for property tax changes and revenue received from marijuana, at 0.0% in FY 2024 and 7.0% in FY 2025
- An increase for teacher base pay incentives (20-9-324, MCA)

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 333 - Adjustment to Inflation	0.00	(18,469)	0	0	(18,469)	0.00	(24,603)	0	0	(24,603)
DP 927 - 95 Mills Fund Switch	0.00	(426,054,000)	426,054,000	0	0	0.00	(435,529,000)	435,529,000	0	0
Total	0.00	(\$426,072,469)	\$426,054,000	\$0	(\$18,469)	0.00	(\$435,553,603)	\$435,529,000	\$0	(\$24,603)

**"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 333 - Adjustment to Inflation -

The legislature adopted an adjustment to inflation included in DP 3.

DP 927 - 95 Mills Fund Switch -

The legislature adopted a funding switch for K-12 BASE aid from the general fund to a new state special revenue fund dedicated to school funding, contingent on the passage of HB 587. HB 587 would redirect property tax revenue from the 95 mills from the general fund to the new state special revenue account. The legislature adopted coordinating language to revert this fund switch if HB 587 does not pass.

Agency Budget Comparison

The following table compares the 2023 biennium appropriated budget and the adopted budget for the 2025 biennium by type of expenditure and source of funding.

Agency Budget Comparison				
Budget Item	Appropriated Budget 22-23	Legislative Budget 24-25	Biennium Change	Biennium % Change
Personal Services	518,117	508,605	(9,512)	(1.84)%
Operating Expenses	256,467	361,809	105,342	41.07%
Total Expenditures	\$774,584	\$870,414	\$95,830	12.37%
General Fund	402,796	870,414	467,618	116.09%
State/Other Special Rev. Funds	371,788	0	(371,788)	(100.00)%
Total Funds	\$774,584	\$870,414	\$95,830	12.37%
Total Ongoing	\$724,584	\$872,306	\$147,722	20.39%
Total OTO	\$50,000	(\$1,892)	(\$51,892)	(103.78)%

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Agency Highlights

Board of Public Education Major Budget Highlights
<p>The Board of Public Education's 2025 biennium budget as adopted by the legislature is 12.4% or \$95,830 greater than the 2023 biennium budget. Changes include the following:</p> <ul style="list-style-type: none"> • The legislature adopted two fund switches that removed state special appropriations and replaced them with general fund including the following: <ul style="list-style-type: none"> ◦ A fund switch that replaces \$19,725 of state special funds with general fund. This ensures the agency will have sufficient funding available as appropriations have been greater than revenues ◦ A fund switch of approximately \$166,000 state special funds derived from teacher licensure fees in each year of the biennium. This will replace all state special funds with general fund. This change is contingent on passage and approval of HB 403 • The legislature adopted a reduction in general fund because of the statewide present law adjustment to personal services • The legislature adopted an increase to operations funding of \$20,000 for the biennium to support meeting costs, professional development and travel for staff and board members • The legislature approved an appropriation of \$35,000 in each year of the biennium for legal fees • The legislature approved language that states “If HB 132 is passed and approved by the Legislature, Legislative Audit is void.” This would have the effect of removing the audit line item and reduce general fund by \$20,153 in FY 2024 • The legislature passed DP 333 which reduces the DP 3 inflation increase by 25.0% or \$4,035 for the biennium • The legislature passed DP 3333 which increases DP 3 inflation by \$4,035 for the biennium • The legislature adopted contingency language to provide an appropriation of \$7,500 general fund in FY 2024 upon passage and approval of HB 394 in order to require examination of the creation of state-tribal education accord schools • The legislature adopted contingency language to provide an appropriation of \$147,166 general fund in FY 2024 and \$141,566 in FY 2025 and 2.00 FTE in each year upon passage and approval of HB 549 in order to authorize the establishment of public charter schools

Agency Actuals and Budget Comparison

The following table compares FY 2022 actual expenditures, FY 2022 and FY 2023 appropriations, and the adopted budget for FY 2024 and FY 2025 by type of expenditure and source of funding.

Agency Actuals and Budget Comparison						
Budget Item	Actuals Fiscal 2022	Approp. Fiscal 2022	Approp. Fiscal 2023	Legislative Fiscal 2024	Legislative Fiscal 2025	
FTE	0.00	3.00	3.00	3.00	3.00	3.00
Personal Services	220,152	256,594	261,523	253,132	255,473	
Operating Expenses	100,795	136,854	119,613	190,639	171,170	
Total Expenditures	\$320,947	\$393,448	\$381,136	\$443,771	\$426,643	
General Fund	161,801	207,571	195,225	443,771	426,643	
State/Other Special Rev. Funds	159,146	185,877	185,911	0	0	
Total Funds	\$320,947	\$393,448	\$381,136	\$443,771	\$426,643	
Total Ongoing	\$295,947	\$368,448	\$356,136	\$444,717	\$427,589	
Total OTO	\$25,000	\$25,000	\$25,000	(\$946)	(\$946)	

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Executive Budget Comparison

The following table compares the legislative budget for the biennium to the budget requested by the Governor by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Approp. Fiscal 2023	Executive Budget Fiscal 2024	Legislative Budget Fiscal 2024	Leg — Exec. Difference Fiscal 2024	Executive Budget Fiscal 2025	Legislative Budget Fiscal 2025	Leg — Exec. Difference Fiscal 2025	Biennium Difference Fiscal 24-25
FTE	3.00	3.00	3.00	0.00	3.00	3.00	0.00	0.00
Personal Services	261,523	253,132	253,132	0	255,473	255,473	0	0
Operating Expenses	119,613	190,592	190,639	47	171,128	171,170	42	89
Total Costs	\$381,136	\$443,724	\$443,771	\$47	\$426,601	\$426,643	\$42	\$89
General Fund	195,225	443,724	443,771	47	426,601	426,643	42	89
State/other Special Rev. Funds	185,911	0	0	0	0	0	0	0
Total Funds	\$381,136	\$443,724	\$443,771	\$47	\$426,601	\$426,643	\$42	\$89
Total Ongoing	\$356,136	\$408,724	\$444,717	\$35,993	\$391,601	\$427,589	\$35,988	\$71,981
Total OTO	\$25,000	\$35,000	(\$946)	(\$35,946)	\$35,000	(\$946)	(\$35,946)	(\$71,892)

The legislature adopted a budget that is \$89 higher than the proposed executive budget for the 2025 biennium. This increase is due to adjustments to statewide present law increases to fixed costs and inflation/deflation by the legislature. The ongoing 2025 biennium budget passed by the legislature is \$71,981 greater than that proposed by the executive and primarily due to the removal of the one-time-only designation for legal fees. Legal fees were appropriated as one-time-only for several biennia. However, the 2023 Legislature removed the one-time-only designation.

Funding

The following table shows adopted agency funding for all sources of authority.

Total Board of Public Education Funding by Source of Authority 2025 Biennium Budget Request - Board of Public Education						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	872,298	(1,884)	0	0	870,414	100.00 %
State Special Total	8	(8)	0	0	0	0.00 %
Federal Special Total	0	0	0	0	0	0.00 %
Proprietary Total	0	0	0	0	0	0.00 %
Other Total	0	0	0	0	0	0.00 %
Total All Funds	\$872,306	(\$1,892)	\$0	\$0	\$870,414	
Percent - Total All Sources	100.22 %	(0.22)%	0.00 %	0.00 %		

The primary functions for the Board of Public Education are funded through HB 2 and the pay plan.

HB 2 Funding

The BPE is currently funded through a combination of general fund and state special revenue funds. The legislature adopted a fund switch that would replace all state special funding with general fund, while redirecting teacher licensure fees to OPI. This funding switch is contingent on approval and passage of HB 403.

Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the glossary.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget
2023 Base Budget	170,225	170,225	340,450	39.11 %	356,136	356,136	712,272	81.83 %
SWPL Adjustments	42,426	25,318	67,744	7.78 %	42,588	25,465	68,053	7.82 %
PL Adjustments	29,772	29,767	59,539	6.84 %	10,047	10,042	20,089	2.31 %
New Proposals	201,348	201,333	402,681	46.26 %	35,000	35,000	70,000	8.04 %
Total Budget	\$443,771	\$426,643	\$870,414		\$443,771	\$426,643	\$870,414	

Language and Statutory Authority

The legislature adopted the following language in HB 2:

"Administration includes a one-time-only reduction in FY 2024 and FY 2025 for a suspension of insurance premium payments to the Risk Management and Tort Defense Division's proprietary fund."

"Administration includes general fund appropriations of \$166,348 in FY 2024 and \$166,333 in FY 2025 and state special revenue reductions of \$166,348 in FY 2024 and \$166,333 in FY 2025. The increase in general fund and reduction of state special revenue is contingent on the passage and approval of HB 403."

"If HB 132 is passed and approved by the Legislature, Legislative Audit is void."

"The Administration Program includes an increase in general fund of \$1,778 in FY 2024 and \$2,257 in FY 2025. The increase was provided to offset inflationary impacts. The agency may allocate this increase in funding among programs when developing 2025 biennium operating plans."

"If HB 394 is passed and approved, the Board of Public Education is increased by \$7,500 general fund in FY 2024."

"If HB 549 is passed and approved, the Board of Public Education is increased by \$147,166 general fund in FY 2024 and \$141,566 general fund in FY 2025, and the Board of Public Education may increase full-time equivalent positions authorized in HB 2 by 2.00 FTE in FY 2024 and 2.00 FTE in FY 2025."

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Page Reference

N/A

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	(8,391)	0	0	(8,391)	0.00	(6,050)	0	0	(6,050)
DP 2 - Fixed Costs	0.00	47,626	162	0	47,788	0.00	27,478	147	0	27,625
DP 3 - Inflation Deflation	0.00	3,191	0	0	3,191	0.00	3,890	0	0	3,890
DP 5 - Reallocate State Special and General Fund	0.00	19,725	(19,725)	0	0	0.00	19,725	(19,725)	0	0
DP 6 - Operations Funding	0.00	10,000	0	0	10,000	0.00	10,000	0	0	10,000
DP 20 - SABHRS Rate Adjustment	0.00	51	0	0	51	0.00	45	0	0	45
DP 30 - Motor Pool Rate Adjustment	0.00	(4)	0	0	(4)	0.00	(3)	0	0	(3)
DP 222 - RMTD Adjustment	0.00	943	3	0	946	0.00	941	5	0	946
DP 223 - RMTD Adjustment (OTO)	0.00	(943)	(3)	0	(946)	0.00	(941)	(5)	0	(946)
Grand Total All Present Law Adjustments	0.00	\$72,198	(\$19,563)	\$0	\$52,635	0.00	\$55,085	(\$19,578)	\$0	\$35,507

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget for expected changes, management decisions and budget modifications.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget for fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, information technology services, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include the following: other services, supplies and materials, communications, in-state state motor pool and motor pool leased vehicles, and repair and maintenance.

DP 5 - Reallocate State Special and General Fund -

The legislature adopted a reallocation of funds to decrease the state special fund allocation and increase general fund allocation.

DP 6 - Operations Funding -

The legislature adopted an appropriation of \$10,000 of general fund in each year of the biennium for operating costs. This appropriation will fund basic operational costs, professional development for staff and board members, and travel to educational conferences.

DP 20 - SABHRS Rate Adjustment -

The legislature adopted an increase to proposed SABHRS rates.

DP 30 - Motor Pool Rate Adjustment -

The legislature adopted a reduction to proposed motor pool rates.

DP 222 - RMTD Adjustment -

The legislature adopted an adjustment to the insurance premiums paid to the Risk Management and Tort Defense Division proprietary fund. This decision package eliminates the reduction included in DP 2. This change is necessary to designate the reduction as one-time-only in the budgeting system.

DP 223 - RMTD Adjustment (OTO) -

The legislature adopted an adjustment to the insurance premiums paid to the Risk Management and Tort Defense Division proprietary fund. This decision package designates the reduction as one-time-only.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 4 - Legal Fees	0.00	35,000	0	0	35,000	0.00	35,000	0	0	35,000
DP 7 - Teacher Licensure Fund Switch	0.00	166,348	(166,348)	0	0	0.00	166,333	(166,333)	0	0
DP 333 - Adjustment to Inflation	0.00	(1,778)	0	0	(1,778)	0.00	(2,257)	0	0	(2,257)
DP 3333 - Additional Adjustment to Inflation	0.00	1,778	0	0	1,778	0.00	2,257	0	0	2,257
Total	0.00	\$201,348	(\$166,348)	\$0	\$35,000	0.00	\$201,333	(\$166,333)	\$0	\$35,000

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 4 - Legal Fees -

The legislature adopted an increase in general fund for legal fees in the 2025 biennium and removed the one-time-only designation, making the appropriation ongoing.

DP 7 - Teacher Licensure Fund Switch -

The legislature adopted a reduction of state special revenue funding by \$166,348 in FY 2024 and \$166,333 in FY 2025 and increases general fund expenditures by like amounts each year.

DP 333 - Adjustment to Inflation -

The legislature adopted an adjustment to inflation included in DP 3.

DP 3333 - Additional Adjustment to Inflation -

The legislature adopted an additional adjustment to inflation included in DP 3.

Agency Budget Comparison

The following table compares the 2023 biennium appropriated budget and the adopted budget for the 2025 biennium by type of expenditure and source of funding.

Agency Budget Comparison				
Budget Item	Appropriated Budget 22-23	Legislative Budget 24-25	Biennium Change	Biennium % Change
Personal Services	10,942,832	11,380,639	437,807	4.00 %
Operating Expenses	17,233,485	22,029,628	4,796,143	27.83 %
Equipment & Intangible Assets	22,126	22,126	0	0.00 %
Local Assistance	29,134,072	32,294,359	3,160,287	10.85 %
Grants	35,442,108	38,722,066	3,279,958	9.25 %
Transfers	498,120,420	524,242,244	26,121,824	5.24 %
Debt Service	489,068	528,796	39,728	8.12 %
Total Expenditures	\$591,384,111	\$629,219,858	\$37,835,747	6.40 %
General Fund	503,837,657	521,695,001	17,857,344	3.54 %
State/Other Special Rev. Funds	50,127,218	69,619,548	19,492,330	38.89 %
Federal Spec. Rev. Funds	36,198,128	36,458,379	260,251	0.72 %
Proprietary Funds	1,221,108	1,446,930	225,822	18.49 %
Total Funds	\$591,384,111	\$629,219,858	\$37,835,747	6.40 %
Total Ongoing	\$583,949,111	\$641,491,988	\$57,542,877	9.85 %
Total OTO	\$7,435,000	(\$12,272,130)	(\$19,707,130)	(265.06)%

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Agency Highlights

Office of the Commissioner of Higher Education Major Budget Highlights
<ul style="list-style-type: none"> • The Office of the Commissioner of Higher Education’s 2025 biennium appropriations are approximately \$37.8 million or 6.4% higher than the 2023 biennium. Significant biennial changes include: <ul style="list-style-type: none"> ◦ Restricted, one-time-only general fund appropriations in the Administration Program of \$3.0 million for a seamless system initiative, \$2.0 million for developing accelerated degree pathways, and \$1.4 million for the One-Two-Free Program ◦ Increases in general fund appropriations of \$4.5 million for the statutory calculation of the community college funding formula ◦ Increases in general fund appropriations of \$27.8 million for present law adjustments related to personal services, higher education fixed costs, and inflation in the Appropriation Distribution Program. This increase is partially offset by a decrease of \$17.8 million because of the elimination of insurance payments to the Risk Management and Tort Defense (RMTD) Division in the 2025 biennium ◦ Decreases in general fund appropriations and increases in six-mill levy state special revenue appropriations of \$19.2 million. The revenues in the state special revenue fund are estimated to grow substantially in the 2025 biennium due to high reappraisal growth estimates ◦ Increases in general fund of \$4.3 million for present law adjustments for personal services, fixed costs, and inflation in the Research and Development Agencies. This increase is partially offset by a decrease of \$663,000 because of the elimination of insurance payments to the RMTD Division in the 2025 biennium ◦ Increases in restricted general fund appropriations of \$600,000 for the Montana Agricultural Experiment Stations (MAES), \$600,000 for precision agriculture, \$200,000 for the MAES Seed Lab, and \$110,000 for the MAES Wool Lab ◦ Increases in restricted state special revenue appropriations of \$600,000 for the Montana Bureau of Mines and Geology data preservation project

Agency Actuals and Budget Comparison

The following table compares FY 2022 actual expenditures, FY 2022 and FY 2023 appropriations, and the adopted budget for FY 2024 and FY 2025 by type of expenditure and source of funding.

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2022	Approp. Fiscal 2022	Approp. Fiscal 2023	Legislative Fiscal 2024	Legislative Fiscal 2025
FTE	0.00	50.22	50.22	50.22	50.22
Personal Services	5,061,933	5,408,399	5,534,433	5,676,452	5,704,187
Operating Expenses	5,211,408	8,357,904	8,875,581	11,031,853	10,997,775
Equipment & Intangible Assets	0	11,063	11,063	11,063	11,063
Local Assistance	15,017,699	15,020,699	14,113,373	15,703,511	16,590,848
Grants	15,404,612	17,418,418	18,023,690	18,874,987	19,847,079
Transfers	241,775,480	242,077,950	256,042,470	261,008,221	263,234,023
Debt Service	244,521	244,541	244,527	264,398	264,398
Total Expenditures	\$282,715,653	\$288,538,974	\$302,845,137	\$312,570,485	\$316,649,373
General Fund	243,776,321	244,912,809	258,924,848	258,526,385	263,168,616
State/Other Special Rev. Funds	24,598,673	24,949,790	25,177,428	35,107,935	34,511,613
Federal Spec. Rev. Funds	13,772,759	18,065,821	18,132,307	18,212,700	18,245,679
Proprietary Funds	567,900	610,554	610,554	723,465	723,465
Total Funds	\$282,715,653	\$288,538,974	\$302,845,137	\$312,570,485	\$316,649,373
Total Ongoing	\$279,116,269	\$284,908,974	\$299,040,137	\$319,406,550	\$322,085,438
Total OTO	\$3,599,384	\$3,630,000	\$3,805,000	(\$6,836,065)	(\$5,436,065)

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Executive Budget Comparison

The following table compares the legislative budget for the biennium to the budget requested by the Governor by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Approp. Fiscal 2023	Executive Budget Fiscal 2024	Legislative Budget Fiscal 2024	Leg — Exec. Difference Fiscal 2024	Executive Budget Fiscal 2025	Legislative Budget Fiscal 2025	Leg — Exec. Difference Fiscal 2025	Biennium Difference Fiscal 24-25
FTE	50.22	50.22	50.22	0.00	50.22	50.22	0.00	0.00
Personal Services	5,534,433	5,735,507	5,676,452	(59,055)	5,763,552	5,704,187	(59,365)	(118,420)
Operating Expenses	8,875,581	11,087,438	11,031,853	(55,585)	11,069,227	10,997,775	(71,452)	(127,037)
Equipment & Intangible Assets	11,063	11,063	11,063	0	11,063	11,063	0	0
Local Assistance	14,113,373	15,488,681	15,703,511	214,830	16,169,308	16,590,848	421,540	636,370
Grants	18,023,690	19,044,462	18,874,987	(169,475)	20,016,554	19,847,079	(169,475)	(338,950)
Transfers	256,042,470	259,953,221	261,008,221	1,055,000	260,779,023	263,234,023	2,455,000	3,510,000
Debt Service	244,527	264,398	264,398	0	264,398	264,398	0	0
Total Costs	\$302,845,137	\$311,584,770	\$312,570,485	\$985,715	\$314,073,125	\$316,649,373	\$2,576,248	\$3,561,963
General Fund	258,924,848	257,783,963	258,526,385	742,422	260,125,167	263,168,616	3,043,449	3,785,871
State/other Special Rev. Funds	25,177,428	34,812,245	35,107,935	295,690	34,917,065	34,511,613	(405,452)	(109,762)
Federal Spec. Rev. Funds	18,132,307	18,265,097	18,212,700	(52,397)	18,307,428	18,245,679	(61,749)	(114,146)
Other	610,554	723,465	723,465	0	723,465	723,465	0	0
Total Funds	\$302,845,137	\$311,584,770	\$312,570,485	\$985,715	\$314,073,125	\$316,649,373	\$2,576,248	\$3,561,963
Total Ongoing	\$299,040,137	\$309,084,770	\$319,406,550	\$10,321,780	\$311,573,125	\$322,085,438	\$10,512,313	\$20,834,093
Total OTO	\$3,805,000	\$2,500,000	(\$6,836,065)	(\$9,336,065)	\$2,500,000	(\$5,436,065)	(\$7,936,065)	(\$17,272,130)

The legislature adopted appropriations that are approximately \$3.6 million higher than the proposed appropriations for the 2025 biennium. The significant differences in the legislative budget compared to the proposed budget include:

- The legislature adopted restricted, one-time-only general fund appropriations of \$1.4 million in FY 2024 for the One-Two-Free Program. This program offers two dual enrollment courses, or up to six credits, through the Montana University System and community colleges to all eligible students for free
- The legislature adjusted factors in the community college funding formula, as allowed by statute. The present law adjustment for the community colleges increased by \$617,000 over the biennium when compared to the proposed budget
- The legislature adopted restricted general fund appropriations of \$600,000 for the Montana Agricultural Experiment Stations (MAES), \$600,000 for precision agriculture, \$200,000 for the MAES Seed Lab, and \$110,000 for the MAES Wool Lab over the 2025 biennium
- The legislature adopted restricted state special revenue appropriations of \$600,000 over the 2025 biennium for the Montana Bureau of Mines and Geology data preservation project
- The legislature adopted restricted, one-time-only appropriations of \$200,000 over the biennium for high school equivalency test (HiSET) preparation at the Tribal Colleges. This is a reduction of \$500,000 from the proposed budget
- The legislature adopted additional general fund appropriations of \$161,000 for nonbeneficiary students attending one of the seven tribal colleges in Montana. This provides funding for 24.55 additional nonbeneficiary students, which, in addition to the base budget, funds a total of 280.00 students at the statutory maximum payment of \$3,280 each fiscal year

The shift of appropriations between one-time-only and ongoing is primarily due to designating the elimination of the insurance premiums being paid to the RMTD Division as one-time-only.

Funding

The following table shows adopted agency funding for all sources of authority.

Total Commissioner of Higher Education Funding by Source of Authority 2025 Biennium Budget Request - Commissioner of Higher Education							
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
General Fund	533,967,131	(12,272,130)	0	3,765,356	525,460,357	52.95 %	
State Special Total	69,619,548	0	0	8,775,033	78,394,581	7.90 %	
Federal Special Total	36,458,379	0	0	0	36,458,379	3.67 %	
Proprietary Total	1,446,930	0	350,631,712	0	352,078,642	35.48 %	
Other Total	0	0	0	0	0	0.00 %	
Total All Funds	\$641,491,988	(\$12,272,130)	\$350,631,712	\$12,540,389	\$992,391,959		
Percent - Total All Sources	64.64 %	(1.24)%	35.33 %	1.26 %			

Approximately two-thirds of the funding for the agency is appropriated in HB 2, approximately one-third of the proposed funding does not require an appropriation as the funds are enterprise funds, and the remaining one percent is statutory appropriation authority.

HB 2 Appropriations

HB 2 funds are primarily general fund. Also included is state special revenue, with the majority being from the six-mill levy. Federal funds are also appropriated in HB 2 and are from various federal education grant programs.

Non-Budgeted Proprietary Funds

The agency administers two programs funded by enterprise funds:

- MUS Self-Funded Workers' Compensation
- MUS Group Health Insurance

The legislature does not appropriate enterprise funds or approve rates for the programs. Instead, the legislature reviews the funds and identifies any concerns with the financial position of the funds. Revenues, expenditures, and fund balances for the enterprise funds for the current and projected biennia are detailed in the respective program.

Statutory Appropriations

The agency receives several statutory appropriations that are not included in HB 2. The MUS RP Retirement program is a general fund statutory appropriation. The majority of the agency's statutory appropriations are from state special revenue, including:

- Montana Rural Physicians Incentive Program
- STEM Scholarships
- UM Bed Tax

More detail about statutory appropriations is provided in the program analyses.

Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the glossary.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget
2023 Base Budget	255,419,848	255,419,848	510,839,696	97.92 %	299,040,137	299,040,137	598,080,274	95.05 %
SWPL Adjustments	99,007	61,699	160,706	0.03 %	266,614	276,457	543,071	0.09 %
PL Adjustments	10,251,527	12,949,313	23,200,840	4.45 %	10,364,184	13,061,985	23,426,169	3.72 %
New Proposals	(7,243,997)	(5,262,244)	(12,506,241)	(2.40)%	2,899,550	4,270,794	7,170,344	1.14 %
Total Budget	\$258,526,385	\$263,168,616	\$521,695,001		\$312,570,485	\$316,649,373	\$629,219,858	

Language and Statutory Authority

The legislature adopted the following language in HB 2:

"Items designated as OCHE Administration Program, Student Assistance Program, Educational Outreach and Diversity, Workforce Development Program, Appropriation Distribution, Guaranteed Student Loan, and Board of Regents Administration are designated as biennial appropriations.

General fund money, state and federal special revenue, and proprietary fund revenue appropriated to the Board of Regents are included in all Montana University System programs. All other public funds received by units of the Montana University System (other than plant funds appropriated in HB 5 relating to long-range building) are appropriated to the Board of Regents and may be expended under the provisions of 17-7-138(2). The Board of Regents shall allocate the appropriations to individual University System units, as defined in 17-7-102(15), according to board policy.

The Montana University System, except for the Office of the Commissioner of Higher Education and the community colleges, shall provide the Office of Budget and Program Planning and the Legislative Fiscal Division Banner access to the entire University System's information system, except for information pertaining to individual students and individual employees that is protected by Article II, sections 9 and 10, of the Montana Constitution, 20-25-515, or the Family Educational Rights and Privacy Act of 1974, 20 U.S. C. 1232g.

The Montana University System shall provide the electronic data required for entering human resource data for the current unrestricted operating funds into the internet budgeting and reporting system. The salary and benefit data provided must reflect approved Board of Regents operating budgets.

The community college FTE decrease funding factor is \$3,125 for FY 2024 and \$3,125 for FY 2025. The community college FTE increase funding factor is \$6,250 for FY 2024 and \$6,250 for FY 2025. The community college weighting factors for the 2025 biennium are 1.50 for CTE FTE, 1.00 for general education FTE, 0.50 for early college FTE, and 0.25 for concurrent enrollment FTE.

The commissioner may adjust the funding distribution between community colleges based on actual enrollment.

The general fund appropriation for Community College Assistance is calculated to fund education in the community colleges for an estimated 1,865 resident FTE in FY 2024 and 1,951 in FY 2025. If total weighted resident FTE student enrollment in the community colleges is greater than the estimated number for the biennium, the community colleges must receive a reimbursement for the underpayment from the community college FTE adjustment account. If actual resident FTE student enrollment is less than the estimated numbers for the biennium, the community colleges shall pay a fee equal to the overpayment amount to be deposited in the FTE adjustment account in accordance with 20-15-328.

Funding to be transferred to the state energy conservation program debt service account for energy improvements are as follows: Transferred funding for each year of the biennium to retire bonded projects are MSU Northern -- \$16,200 in FY 2024 and \$16,200 in FY 2025, MSU Billings -- \$45,519 in both FY 2024 and FY 2025, MSU Great Falls -- \$86,500 in FY 2024 and \$80,000 for FY 2025. Funding to be transferred for each year of the biennium for state energy revolving projects are MSU Billings -- \$55,323, MSU Northern -- \$69,099, and Miles Community College -- \$23,553. Montana State University transfers are \$254,753 in FY 2024 and \$253,822 in FY 2025.

Total audit costs are estimated to be \$178,000 for the community colleges for the biennium. Audit costs charged to the community colleges for the biennium may not exceed \$58,100 for Flathead Valley Community College, \$55,000 for Miles Community College, and \$65,000 for Dawson Community College. Total audit costs for the Office of Commissioner of Higher Education and the Board of Regents is \$71,655, UM - Missoula is \$313,489, and MSU - Bozeman is \$313,489.

OCHE Administration Program, Appropriation Distribution, and Research and Development Agencies include a one-time-only reduction in FY 2024 and FY 2025 for a suspension of insurance premium payments to the Risk Management and Tort Defense Division's proprietary fund.

If HB 482 is passed and approved, the Commissioner of Higher Education is increased by \$56,132 general fund in FY 2024 and \$115,631 general fund in FY 2025.

If HB 833 is passed and approved, the Commissioner of Higher Education is increased by \$35,000 general fund in FY 2025 and \$15,000 one-time-only general fund in FY 2025."

Program Budget Comparison

The following table compares the 2023 biennium appropriated budget and the adopted budget for the 2025 biennium by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 22-23	Legislative Budget 24-25	Biennium Change	Biennium % Change
Personal Services	6,569,522	6,914,113	344,591	5.25 %
Operating Expenses	2,490,440	6,744,936	4,254,496	170.83 %
Equipment & Intangible Assets	22,126	22,126	0	0.00 %
Transfers	45,546	1,445,546	1,400,000	3,073.82 %
Debt Service	310,644	350,386	39,742	12.79 %
Total Expenditures	\$9,438,278	\$15,477,107	\$6,038,829	63.98 %
General Fund	8,217,170	14,030,177	5,813,007	70.74 %
Proprietary Funds	1,221,108	1,446,930	225,822	18.49 %
Total Funds	\$9,438,278	\$15,477,107	\$6,038,829	63.98 %
Total Ongoing	\$8,813,278	\$9,425,593	\$612,315	6.95 %
Total OTO	\$625,000	\$6,051,514	\$5,426,514	868.24 %

Page Reference

LFD Budget Analysis, E-59

Program Actuals and Budget Comparison

The following table compares FY 2022 actual expenditures, FY 2022 and FY 2023 appropriations, and the adopted budget for FY 2024 and FY 2025 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2022	Approp. Fiscal 2022	Approp. Fiscal 2023	Legislative Fiscal 2024	Legislative Fiscal 2025
FTE	0.00	23.28	23.28	23.28	23.28
Personal Services	3,236,932	3,238,188	3,331,334	3,447,397	3,466,716
Operating Expenses	576,879	1,017,394	1,473,046	3,406,457	3,338,479
Equipment & Intangible Assets	0	11,063	11,063	11,063	11,063
Transfers	0	22,773	22,773	22,773	1,422,773
Debt Service	155,311	155,322	155,322	175,193	175,193
Total Expenditures	\$3,969,122	\$4,444,740	\$4,993,538	\$7,062,883	\$8,414,224
General Fund	3,401,222	3,834,186	4,382,984	6,339,418	7,690,759
Proprietary Funds	567,900	610,554	610,554	723,465	723,465
Total Funds	\$3,969,122	\$4,444,740	\$4,993,538	\$7,062,883	\$8,414,224
Total Ongoing	\$3,894,122	\$4,369,740	\$4,443,538	\$4,737,126	\$4,688,467
Total OTO	\$75,000	\$75,000	\$550,000	\$2,325,757	\$3,725,757

Page Reference

LFD Budget Analysis, E-60

Funding

The Administration Program is primarily funded with general fund. The remaining funding in the 2025 biennium is from a budgeted proprietary fund. The proprietary fund receives revenues from an indirect costs rate charged to other programs and supports the administrative overhead activities for those programs (e.g., Talent Search, GEAR-UP, Perkins, MUS Group Insurance, and MUS Workers' Compensation).

Program Budget Summary by Category

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget
2023 Base Budget	3,832,984	3,832,984	7,665,968	54.64 %	4,443,538	4,443,538	8,887,076	57.42 %
SWPL Adjustments	58,777	15,456	74,233	0.53 %	58,777	15,456	74,233	0.48 %
PL Adjustments	442	352	794	0.01 %	113,353	113,263	226,616	1.46 %
New Proposals	2,447,215	3,841,967	6,289,182	44.83 %	2,447,215	3,841,967	6,289,182	40.64 %
Total Budget	\$6,339,418	\$7,690,759	\$14,030,177		\$7,062,883	\$8,414,224	\$15,477,107	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	102,525	0	0	102,525	0.00	122,048	0	0	122,048
DP 2 - Fixed Costs	0.00	(78,688)	0	0	(78,688)	0.00	(150,827)	0	0	(150,827)
DP 3 - Inflation Deflation	0.00	34,940	0	0	34,940	0.00	44,235	0	0	44,235
DP 20 - SABHRS Rate Adjustment	0.00	745	0	0	745	0.00	635	0	0	635
DP 30 - Motor Pool Rate Adjustment	0.00	(303)	0	0	(303)	0.00	(283)	0	0	(283)
DP 101 - Indirect Cost Increases	0.00	0	0	0	112,911	0.00	0	0	0	112,911
DP 222 - RMTD Adjustment	0.00	174,243	0	0	174,243	0.00	174,243	0	0	174,243
DP 223 - RMTD Adjustment (OTO)	0.00	(174,243)	0	0	(174,243)	0.00	(174,243)	0	0	(174,243)
Grand Total All Present Law Adjustments	0.00	\$59,219	\$0	\$0	\$172,130	0.00	\$15,808	\$0	\$0	\$128,719

**"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget for expected changes, management decisions and budget modifications.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget for fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, information technology services, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include: other services, supplies and materials, communications, in-state motor pool and motor pool leased vehicles, and repair and maintenance.

DP 20 - SABHRS Rate Adjustment -

The legislature adopted an increase to proposed SABHRS rates.

DP 30 - Motor Pool Rate Adjustment -

The legislature adopted a reduction to proposed motor pool rates.

DP 101 - Indirect Cost Increases -

The legislature adopted an increase in budgeted proprietary funds for an indirect cost rate approved by the Department of Education. A new rate was approved, which increased to 5.2% restricted and 5.6% unrestricted. This will increase the authority in the internal service fund for the indirect cost recoveries to support the operation of the Administration Program.

DP 222 - RMTD Adjustment -

The legislature adopted an adjustment to the insurance premiums paid to the Risk Management and Tort Defense Division proprietary fund. This decision package eliminates the reduction included in DP 2. This change is necessary to designate the reduction as one-time-only in the budgeting system.

DP 223 - RMTD Adjustment (OTO) -

The legislature adopted an adjustment to the insurance premiums paid to the Risk Management and Tort Defense Division proprietary fund. This decision package designates the reduction as one-time-only.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 102 - Seamless System (RST/OTO)	0.00	1,500,000	0	0	1,500,000	0.00	1,500,000	0	0	1,500,000
DP 104 - MUS Sprint Degree (RST/OTO)	0.00	1,000,000	0	0	1,000,000	0.00	1,000,000	0	0	1,000,000
DP 105 - One-Two-Free Program (RST/OTO)	0.00	0	0	0	0	0.00	1,400,000	0	0	1,400,000
DP 333 - Adjustment to Inflation	0.00	(17,016)	0	0	(17,016)	0.00	(22,060)	0	0	(22,060)
DP 555 - Additional Vacancy Savings	0.00	(35,769)	0	0	(35,769)	0.00	(35,973)	0	0	(35,973)
Total	0.00	\$2,447,215	\$0	\$0	\$2,447,215	0.00	\$3,841,967	\$0	\$0	\$3,841,967

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 102 - Seamless System (RST/OTO) -

The legislature adopted restricted, one-time-only general fund appropriations for a seamless system initiative. This initiative will create an online course catalog for students to discover, register for, and access all online courses across all campuses in the Montana University System. It will also provide a digital learning environment for all student and courses that will modernize and improve the quality of service and provide a single learning management system throughout the MUS.

DP 104 - MUS Sprint Degree (RST/OTO) -

The legislature adopted restricted, one-time-only general fund appropriations to support an accelerated high-quality degree pathway that results in degree attainment in reliable, high-wage, high-demand careers (e.g., health professions, manufacturing, technology) in Montana. Four-year degree pathways would be condensed to six or seven semesters, and two-year programs would be condensed to three semesters.

DP 105 - One-Two-Free Program (RST/OTO) -

The legislature adopted restricted, one-time-only general fund appropriations in FY 2025 to support the One-Two-Free Program. This program offers two dual enrollment courses, or up to six credits, through the Montana University System and community colleges to all eligible high school students for free.

DP 333 - Adjustment to Inflation -

The legislature adopted an adjustment to inflation included in DP 3.

DP 555 - Additional Vacancy Savings -

The legislature adopted an additional 1.0% vacancy savings.

Program Budget Comparison

The following table compares the 2023 biennium appropriated budget and the adopted budget for the 2025 biennium by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 22-23	Legislative Budget 24-25	Biennium Change	Biennium % Change
Personal Services	597,809	687,237	89,428	14.96 %
Operating Expenses	636,263	875,901	239,638	37.66 %
Local Assistance	327,000	333,000	6,000	1.83 %
Grants	21,798,620	25,067,528	3,268,908	15.00 %
Total Expenditures	\$23,359,692	\$26,963,666	\$3,603,974	15.43 %
General Fund	22,700,094	26,238,904	3,538,810	15.59 %
State/Other Special Rev. Funds	659,598	724,762	65,164	9.88 %
Total Funds	\$23,359,692	\$26,963,666	\$3,603,974	15.43 %
Total Ongoing	\$22,859,692	\$26,963,666	\$4,103,974	17.95 %
Total OTO	\$500,000	\$0	(\$500,000)	(100.00)%

Page Reference

LFD Budget Analysis, E-64

Program Actuals and Budget Comparison

The following table compares FY 2022 actual expenditures, FY 2022 and FY 2023 appropriations, and the adopted budget for FY 2024 and FY 2025 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2022	Approp. Fiscal 2022	Approp. Fiscal 2023	Legislative Fiscal 2024	Legislative Fiscal 2025
FTE	0.00	3.00	3.00	3.00	3.00
Personal Services	286,693	293,711	304,098	343,051	344,186
Operating Expenses	281,335	318,161	318,102	435,017	440,884
Local Assistance	159,000	162,000	165,000	164,000	169,000
Grants	9,983,754	10,596,674	11,201,946	12,047,718	13,019,810
Total Expenditures	\$10,710,782	\$11,370,546	\$11,989,146	\$12,989,786	\$13,973,880
General Fund	10,405,074	11,040,983	11,659,111	12,629,244	13,609,660
State/Other Special Rev. Funds	305,708	329,563	330,035	360,542	364,220
Total Funds	\$10,710,782	\$11,370,546	\$11,989,146	\$12,989,786	\$13,973,880
Total Ongoing	\$10,491,398	\$11,120,546	\$11,739,146	\$12,989,786	\$13,973,880
Total OTO	\$219,384	\$250,000	\$250,000	\$0	\$0

Page Reference

LFD Budget Analysis, E-65

Funding

HB 2 Appropriations

The Student Assistance Program is funded primarily with general fund in HB 2. State special revenue supports the administration of the Family Education Savings Program. The state special revenue fund receives revenue from annual account maintenance fees paid by non-resident participants and Board of Investments earnings.

Statutory Appropriations

The Student Assistance Program has statutory appropriations from two state special revenue funds, which include:

- The Montana Rural Physicians Incentive Program (MRPIP)
- Science, technology, engineering, math, and healthcare (STEM) scholarships

MRPIP provides a financial incentive for physicians to practice in rural areas or medically underserved areas by paying up to \$150,000 of student loan debt. Funding for the program comes from fees paid by medical students in the professional student exchange programs and state general fund. Statutes governing MRPIP also allow administrative costs to be paid up to 10.0% of the annual fees assessed.

The STEM scholarship is a statutory appropriation funded through lottery proceeds. The STEM scholarship program is designed to provide an incentive for Montana high school students to prepare for, enter into, and complete degrees in postsecondary fields related to science, technology, engineering, mathematics, and healthcare. The goal of this program is to increase the number of STEM degree recipients participating in Montana’s workforce.

Program Budget Summary by Category

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget
2023 Base Budget	11,409,111	11,409,111	22,818,222	86.96 %	11,739,146	11,739,146	23,478,292	87.07 %
SWPL Adjustments	38,563	40,079	78,642	0.30 %	73,380	79,716	153,096	0.57 %
PL Adjustments	1,184,826	2,163,892	3,348,718	12.76 %	1,184,826	2,163,892	3,348,718	12.42 %
New Proposals	(3,256)	(3,422)	(6,678)	(0.03)%	(7,566)	(8,874)	(16,440)	(0.06)%
Total Budget	\$12,629,244	\$13,609,660	\$26,238,904		\$12,989,786	\$13,973,880	\$26,963,666	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	36,637	20,927	0	57,564	0.00	37,522	21,189	0	58,711
DP 3 - Inflation Deflation	0.00	1,926	13,890	0	15,816	0.00	2,557	18,448	0	21,005
DP 201 - Professional Student Exchange Programs	0.00	1,184,826	0	0	1,184,826	0.00	2,163,892	0	0	2,163,892
Grand Total All Present Law Adjustments	0.00	\$1,223,389	\$34,817	\$0	\$1,258,206	0.00	\$2,203,971	\$39,637	\$0	\$2,243,608

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget for expected changes, management decisions and budget modifications.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include: other services, supplies and materials, communications, in-state motor pool and motor pool leased vehicles, and repair and maintenance.

DP 201 - Professional Student Exchange Programs -

The legislature adopted increases in general fund appropriations for present law adjustments associated with support for first year and continuing student slots and anticipated increases in tuition levels for the WICHE, WWAMI, MN Dental, WIMU, and ICOM professional student exchange programs.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals	-----Fiscal 2024-----				-----Fiscal 2025-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 333 - Adjustment to Inflation	0.00	(482)	(3,473)	0	(3,955)	0.00	(639)	(4,612)	0	(5,251)
DP 555 - Additional Vacancy Savings	0.00	(2,774)	(837)	0	(3,611)	0.00	(2,783)	(840)	0	(3,623)
Total	0.00	(\$3,256)	(\$4,310)	\$0	(\$7,566)	0.00	(\$3,422)	(\$5,452)	\$0	(\$8,874)

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 333 - Adjustment to Inflation -

The legislature adopted an adjustment to inflation included in DP 3.

DP 555 - Additional Vacancy Savings -

The legislature adopted an additional 1.0% vacancy savings.

Program Budget Comparison

The following table compares the 2023 biennium appropriated budget and the adopted budget for the 2025 biennium by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 22-23	Legislative Budget 24-25	Biennium Change	Biennium % Change
Local Assistance	28,807,072	31,961,359	3,154,287	10.95 %
Total Expenditures	\$28,807,072	\$31,961,359	\$3,154,287	10.95 %
General Fund	28,807,072	31,961,359	3,154,287	10.95 %
Total Funds	\$28,807,072	\$31,961,359	\$3,154,287	10.95 %
Total Ongoing	\$28,507,072	\$31,961,359	\$3,454,287	12.12 %
Total OTO	\$300,000	\$0	(\$300,000)	(100.00)%

Page Reference

LFD Budget Analysis, E-71

Program Actuals and Budget Comparison

The following table compares FY 2022 actual expenditures, FY 2022 and FY 2023 appropriations, and the adopted budget for FY 2024 and FY 2025 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2022	Approp. Fiscal 2022	Approp. Fiscal 2023	Legislative Fiscal 2024	Legislative Fiscal 2025
Local Assistance	14,858,699	14,858,699	13,948,373	15,539,511	16,421,848
Total Expenditures	\$14,858,699	\$14,858,699	\$13,948,373	\$15,539,511	\$16,421,848
General Fund	14,858,699	14,858,699	13,948,373	15,539,511	16,421,848
Total Funds	\$14,858,699	\$14,858,699	\$13,948,373	\$15,539,511	\$16,421,848
Total Ongoing	\$14,558,699	\$14,558,699	\$13,948,373	\$15,539,511	\$16,421,848
Total OTO	\$300,000	\$300,000	\$0	\$0	\$0

Page Reference

LFD Budget Analysis, E-72

Funding

The Community College Assistance Program is funded entirely with general fund in HB 2. The state appropriation for the community colleges is a separate line item and is not part of the lump sum appropriation to the Montana University System educational units.

Program Budget Summary by Category

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget
2023 Base Budget	13,948,373	13,948,373	27,896,746	87.28 %	13,948,373	13,948,373	27,896,746	87.28 %
SWPL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
PL Adjustments	2,312,496	3,207,473	5,519,969	17.27 %	2,312,496	3,207,473	5,519,969	17.27 %
New Proposals	(721,358)	(733,998)	(1,455,356)	(4.55)%	(721,358)	(733,998)	(1,455,356)	(4.55)%
Total Budget	\$15,539,511	\$16,421,848	\$31,961,359		\$15,539,511	\$16,421,848	\$31,961,359	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 402 - BVCC Funded Base	0.00	400,000	0	0	400,000	0.00	400,000	0	0	400,000
DP 403 - Community College Audit Costs	0.00	178,100	0	0	178,100	0.00	0	0	0	0
DP 408 - Community College PLA	0.00	1,734,396	0	0	1,734,396	0.00	2,807,473	0	0	2,807,473
Grand Total All Present Law Adjustments	0.00	\$2,312,496	\$0	\$0	\$2,312,496	0.00	\$3,207,473	\$0	\$0	\$3,207,473

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 402 - BVCC Funded Base -

The legislature adopted general fund appropriations for establishing the base for Bitterroot Valley Community College (BVCC). BVCC was appropriated \$400,000 in FY 2022, which is the base year for the statutory calculation for funding community colleges.

DP 403 - Community College Audit Costs -

The legislature adopted restricted, biennial general fund appropriations for audit costs for the community colleges.

DP 408 - Community College PLA -

The legislature adopted an increase in general fund for the present law adjustment based on the statutory funding formula for the community colleges.

New Proposals -

The "New Proposals" table shows new changes to spending.

	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 404 - BVCC Funded Base Adjustment	0.00	(421,358)	0	0	(421,358)	0.00	(433,998)	0	0	(433,998)
DP 405 - FVCC Funded Base	0.00	(300,000)	0	0	(300,000)	0.00	(300,000)	0	0	(300,000)
Total	0.00	(\$721,358)	\$0	\$0	(\$721,358)	0.00	(\$733,998)	\$0	\$0	(\$733,998)

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 404 - BVCC Funded Base Adjustment -

The legislature adopted a reduction in general fund appropriations for the Bitterroot Valley Community College. This adjustment reduces the appropriation for BVCC to \$0 because it is not anticipated that the college will be operational with FTE during the 2025 biennium.

DP 405 - FVCC Funded Base -

The legislature adopted a reduction in general fund appropriations for Flathead Valley Community College. FVCC received a one-time-only appropriation from the 2021 Legislature. For the 2025 biennium, the community college funding formula did not adjust for one-time-only appropriations. The legislature adopted the elimination of this one-time-only appropriation for the 2025 biennium.

Program Budget Comparison

The following table compares the 2023 biennium appropriated budget and the adopted budget for the 2025 biennium by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 22-23	Legislative Budget 24-25	Biennium Change	Biennium % Change
Personal Services	1,464,718	1,897,419	432,701	29.54 %
Operating Expenses	44,193,792	45,441,727	1,247,935	2.82 %
Benefits & Claims	289,744,942	293,744,942	4,000,000	1.38 %
Debt Service	78,270	78,270	0	0.00 %
Total Expenditures	\$335,481,722	\$341,162,358	\$5,680,636	1.69 %
Proprietary Funds	335,481,722	341,162,358	5,680,636	1.69 %
Total Funds	\$335,481,722	\$341,162,358	\$5,680,636	1.69 %

Page Reference

LFD Budget Analysis, E-84

Program Actuals and Budget Comparison

The following table compares FY 2022 actual expenditures, FY 2022 and FY 2023 appropriations, and the adopted budget for FY 2024 and FY 2025 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2022	Approp. Fiscal 2022	Approp. Fiscal 2023	Legislative Fiscal 2024	Legislative Fiscal 2025
FTE	0.00	7.00	7.00	10.00	10.00
Personal Services	699,198	727,176	737,542	946,326	951,093
Operating Expenses	16,435,178	22,096,845	22,096,947	22,632,247	22,809,480
Benefits & Claims	107,128,906	142,872,471	146,872,471	146,872,471	146,872,471
Debt Service	39,134	39,135	39,135	39,135	39,135
Total Expenditures	\$124,302,416	\$165,735,627	\$169,746,095	\$170,490,179	\$170,672,179
Proprietary Funds	124,302,416	165,735,627	169,746,095	170,490,179	170,672,179
Total Funds	\$124,302,416	\$165,735,627	\$169,746,095	\$170,490,179	\$170,672,179

Page Reference

LFD Budget Analysis, E-85

Funding

The MUS Group Insurance Program is funded with enterprise type proprietary funds. As such, the legislature does not appropriate funds or approve rates for the program. Instead, the legislature reviews the report for the enterprise fund and identifies any concerns with the financial position of the fund.

Program Budget Summary by Category

Budget Item	General Fund				Total Funds			
	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget
2023 Base Budget	0	0	0	0.00 %	169,746,095	169,746,095	339,492,190	99.51 %
SWPL Adjustments	0	0	0	0.00 %	517,495	699,878	1,217,373	0.36 %
PL Adjustments	0	0	0	0.00 %	(101)	(95)	(196)	(0.00)%
New Proposals	0	0	0	0.00 %	226,690	226,301	452,991	0.13 %
Total Budget	\$0	\$0	\$0		\$170,490,179	\$170,672,179	\$341,162,358	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments	Fiscal 2024					Fiscal 2025				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	0	0	0	(17,906)	0.00	0	0	0	(12,750)
DP 3 - Inflation Deflation	0.00	0	0	0	535,401	0.00	0	0	0	712,628
DP 30 - Motor Pool Rate Adjustment	0.00	0	0	0	(101)	0.00	0	0	0	(95)
Grand Total All Present Law Adjustments	0.00	\$0	\$0	\$0	\$517,394	0.00	\$0	\$0	\$0	\$699,783

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature reviewed adjustments to the present law personal services budget for items such as the annualization of the FY 2023 pay plan, benefit rate adjustments, vacancy savings, longevity, and pay rate changes approved by management.

DP 3 - Inflation Deflation -

The legislature reviewed adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include: other services, supplies and materials, communications, in-state state motor pool and motor pool leased vehicles, and repair and maintenance.

DP 30 - Motor Pool Rate Adjustment -

The legislature reviewed a reduction to proposed motor pool rates.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals	Fiscal 2024					Fiscal 2025				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 501 - MUS Group Insurance Wellness Program	3.00	0	0	0	226,690	3.00	0	0	0	226,301
Total	3.00	\$0	\$0	\$0	\$226,690	3.00	\$0	\$0	\$0	\$226,301

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 501 - MUS Group Insurance Wellness Program -

The legislature reviewed an increase to proprietary funding for 3.00 FTE. These positions support the wellness program of the MUS Group Insurance Program. The wellness program is undergoing strategic changes, and these positions were formerly held by Montana State University as part of a service agreement that has ended.

Program Budget Comparison

The following table compares the 2023 biennium appropriated budget and the adopted budget for the 2025 biennium by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 22-23	Legislative Budget 24-25	Biennium Change	Biennium % Change
Personal Services	2,584,968	2,615,029	30,061	1.16 %
Operating Expenses	9,589,053	9,801,232	212,179	2.21 %
Grants	6,754,000	6,754,000	0	0.00 %
Debt Service	114,661	114,656	(5)	0.00 %
Total Expenditures	\$19,042,682	\$19,284,917	\$242,235	1.27 %
General Fund	280,230	287,451	7,221	2.58 %
Federal Spec. Rev. Funds	18,762,452	18,997,466	235,014	1.25 %
Total Funds	\$19,042,682	\$19,284,917	\$242,235	1.27 %
Total Ongoing	\$19,042,682	\$19,284,917	\$242,235	1.27 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

LFD Budget Analysis, E-92

Program Actuals and Budget Comparison

The following table compares FY 2022 actual expenditures, FY 2022 and FY 2023 appropriations, and the adopted budget for FY 2024 and FY 2025 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2022	Approp. Fiscal 2022	Approp. Fiscal 2023	Legislative Fiscal 2024	Legislative Fiscal 2025
FTE	0.00	18.24	18.24	18.24	18.24
Personal Services	1,095,482	1,281,863	1,303,105	1,304,301	1,310,728
Operating Expenses	2,738,409	4,772,705	4,816,348	4,891,075	4,910,157
Grants	2,057,401	3,377,000	3,377,000	3,377,000	3,377,000
Debt Service	57,332	57,333	57,328	57,328	57,328
Total Expenditures	\$5,948,624	\$9,488,901	\$9,553,781	\$9,629,704	\$9,655,213
General Fund	134,361	138,518	141,712	142,706	144,745
Federal Spec. Rev. Funds	5,814,263	9,350,383	9,412,069	9,486,998	9,510,468
Total Funds	\$5,948,624	\$9,488,901	\$9,553,781	\$9,629,704	\$9,655,213
Total Ongoing	\$5,948,624	\$9,488,901	\$9,553,781	\$9,629,704	\$9,655,213
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

LFD Budget Analysis, E-93

Funding

HB 2 appropriation authority is comprised of general fund and federal special revenue. The general fund supports the American Indian / Minority Achievement component of the program. The federal special revenue supports Educational Talent Search and GEAR UP and is from two sources:

- The talent search grant comprises approximately 10.7% of the biennial program funding and has no non-federal matching requirements
- The GEAR UP grant comprises 87.8% of the biennial budget and requires a 50.0% non-federal match. The non-federal match is provided through allowable in-kind services

Program Budget Summary by Category

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget
2023 Base Budget	141,712	141,712	283,424	98.60 %	9,553,781	9,553,781	19,107,562	99.08 %
SWPL Adjustments	2,637	4,718	7,355	2.56 %	114,948	146,862	261,810	1.36 %
PL Adjustments	(106)	(99)	(205)	(0.07)%	(290)	(272)	(562)	(0.00)%
New Proposals	(1,537)	(1,586)	(3,123)	(1.09)%	(38,735)	(45,158)	(83,893)	(0.43)%
Total Budget	\$142,706	\$144,745	\$287,451		\$9,629,704	\$9,655,213	\$19,284,917	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments	-----Fiscal 2024-----				-----Fiscal 2025-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	2,391	0	12,534	14,925	0.00	4,355	0	17,065	21,420
DP 3 - Inflation Deflation	0.00	246	0	99,777	100,023	0.00	363	0	125,079	125,442
DP 30 - Motor Pool Rate Adjustment	0.00	(106)	0	(184)	(290)	0.00	(99)	0	(173)	(272)
Grand Total All Present Law Adjustments	0.00	\$2,531	\$0	\$112,127	\$114,658	0.00	\$4,619	\$0	\$141,971	\$146,590

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget for expected changes, management decisions and budget modifications.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include: other services, supplies and materials, communications, in-state motor pool and motor pool leased vehicles, and repair and maintenance.

DP 30 - Motor Pool Rate Adjustment -

The legislature adopted a reduction to proposed motor pool rates.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 333 - Adjustment to Inflation	0.00	(62)	0	(24,944)	(25,006)	0.00	(91)	0	(31,270)	(31,361)
DP 555 - Additional Vacancy Savings	0.00	(1,475)	0	(12,254)	(13,729)	0.00	(1,495)	0	(12,302)	(13,797)
Total	0.00	(\$1,537)	\$0	(\$37,198)	(\$38,735)	0.00	(\$1,586)	\$0	(\$43,572)	(\$45,158)

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 333 - Adjustment to Inflation -

The legislature adopted an adjustment to inflation included in DP 3.

DP 555 - Additional Vacancy Savings -

The legislature adopted an additional 1.0% vacancy savings.

Program Budget Comparison

The following table compares the 2023 biennium appropriated budget and the adopted budget for the 2025 biennium by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 22-23	Legislative Budget 24-25	Biennium Change	Biennium % Change
Personal Services	214,405	228,284	13,879	6.47 %
Operating Expenses	3,118,879	3,229,902	111,023	3.56 %
Benefits & Claims	6,000,000	6,000,000	0	0.00 %
Debt Service	11,171	11,168	(3)	(0.03)%
Total Expenditures	\$9,344,455	\$9,469,354	\$124,899	1.34 %
Proprietary Funds	9,344,455	9,469,354	124,899	1.34 %
Total Funds	\$9,344,455	\$9,469,354	\$124,899	1.34 %

Page Reference

LFD Budget Analysis, E-96

Program Actuals and Budget Comparison

The following table compares FY 2022 actual expenditures, FY 2022 and FY 2023 appropriations, and the adopted budget for FY 2024 and FY 2025 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2022	Approp. Fiscal 2022	Approp. Fiscal 2023	Legislative Fiscal 2024	Legislative Fiscal 2025
FTE	0.00	1.00	1.00	1.00	1.00
Personal Services	105,855	106,701	107,704	113,244	115,040
Operating Expenses	1,228,554	1,559,433	1,559,446	1,607,058	1,622,844
Benefits & Claims	97,648	3,000,000	3,000,000	3,000,000	3,000,000
Debt Service	5,587	5,587	5,584	5,584	5,584
Total Expenditures	\$1,437,644	\$4,671,721	\$4,672,734	\$4,725,886	\$4,743,468
Proprietary Funds	1,437,644	4,671,721	4,672,734	4,725,886	4,743,468
Total Funds	\$1,437,644	\$4,671,721	\$4,672,734	\$4,725,886	\$4,743,468

Page Reference

LFD Budget Analysis, E-97

Funding

The MUS Workers' Compensation Program is funded with an enterprise type proprietary fund. As such, the legislature does not appropriate funds or approve rates for the program. Instead, the legislature reviews the report for the enterprise fund and identifies any concerns with the financial position of the fund.

Program Budget Summary by Category

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget
2023 Base Budget	0	0	0	0.00 %	4,672,734	4,672,734	9,345,468	98.69 %
SWPL Adjustments	0	0	0	0.00 %	53,162	70,743	123,905	1.31 %
PL Adjustments	0	0	0	0.00 %	(10)	(9)	(19)	(0.00)%
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$0	\$0	\$0		\$4,725,886	\$4,743,468	\$9,469,354	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	0	0	0	5,540	0.00	0	0	0	7,336
DP 3 - Inflation Deflation	0.00	0	0	0	47,622	0.00	0	0	0	63,407
DP 30 - Motor Pool Rate Adjustment	0.00	0	0	0	(10)	0.00	0	0	0	(9)
Grand Total All Present Law Adjustments	0.00	\$0	\$0	\$0	\$53,152	0.00	\$0	\$0	\$0	\$70,734

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature reviewed adjustments to the present law personal services budget for items such as the annualization of the FY 2023 pay plan, benefit rate adjustments, vacancy savings, longevity, and pay rate changes approved by management.

DP 3 - Inflation Deflation -

The legislature reviewed adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include: other services, supplies and materials, communications, in-state state motor pool and motor pool leased vehicles, and repair and maintenance.

DP 30 - Motor Pool Rate Adjustment -

The legislature reviewed a reduction to proposed motor pool rates.

Program Budget Comparison

The following table compares the 2023 biennium appropriated budget and the adopted budget for the 2025 biennium by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 22-23	Legislative Budget 24-25	Biennium Change	Biennium % Change
Personal Services	756,258	725,022	(31,236)	(4.13)%
Operating Expenses	124,994	154,075	29,081	23.27 %
Grants	4,863,738	4,863,738	0	0.00 %
Transfers	7,127,832	7,105,356	(22,476)	(0.32)%
Debt Service	46,989	46,980	(9)	(0.02)%
Total Expenditures	\$12,919,811	\$12,895,171	(\$24,640)	(0.19)%
General Fund	193,219	206,125	12,906	6.68 %
Federal Spec. Rev. Funds	12,726,592	12,689,046	(37,546)	(0.30)%
Total Funds	\$12,919,811	\$12,895,171	(\$24,640)	(0.19)%
Total Ongoing	\$12,919,811	\$12,895,171	(\$24,640)	(0.19)%
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

LFD Budget Analysis, E-101

Program Actuals and Budget Comparison

The following table compares FY 2022 actual expenditures, FY 2022 and FY 2023 appropriations, and the adopted budget for FY 2024 and FY 2025 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2022	Approp. Fiscal 2022	Approp. Fiscal 2023	Legislative Fiscal 2024	Legislative Fiscal 2025
FTE	0.00	4.20	4.20	4.20	4.20
Personal Services	297,543	379,681	376,577	362,597	362,425
Operating Expenses	36,507	51,212	73,782	77,149	76,926
Grants	2,412,606	2,431,869	2,431,869	2,431,869	2,431,869
Transfers	3,622,720	3,575,154	3,552,678	3,552,678	3,552,678
Debt Service	23,498	23,499	23,490	23,490	23,490
Total Expenditures	\$6,392,874	\$6,461,415	\$6,458,396	\$6,447,783	\$6,447,388
General Fund	100,401	100,402	92,817	103,077	103,048
Federal Spec. Rev. Funds	6,292,473	6,361,013	6,365,579	6,344,706	6,344,340
Total Funds	\$6,392,874	\$6,461,415	\$6,458,396	\$6,447,783	\$6,447,388
Total Ongoing	\$6,392,874	\$6,461,415	\$6,458,396	\$6,447,783	\$6,447,388
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

LFD Budget Analysis, E-102

Funding

The Workforce Development Program is primarily funded with federal special revenue. These federal funds:

- Are authorized by the federal Carl D. Perkins Career and Technical Education Improvement Act of 2006
- Are administered by the Office of the Commissioner of Higher Education and granted to postsecondary programs and transferred to the Office of Public Instruction for secondary programs
- Require a maintenance of effort on funds used for administration

The state general fund in this program is the minimum non-federal match for the postsecondary administration costs. The state match for administration related to secondary programs is accounted for in the Office of Public Instruction.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget
2023 Base Budget	92,817	92,817	185,634	90.06 %	6,458,396	6,458,396	12,916,792	100.17 %
SWPL Adjustments	(2,706)	(723)	(3,429)	(1.66)%	(19,748)	(18,097)	(37,845)	(0.29)%
PL Adjustments	13,118	11,142	24,260	11.77 %	13,118	11,142	24,260	0.19 %
New Proposals	(152)	(188)	(340)	(0.16)%	(3,983)	(4,053)	(8,036)	(0.06)%
Total Budget	\$103,077	\$103,048	\$206,125		\$6,447,783	\$6,447,388	\$12,895,171	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	(3,200)	0	(17,653)	(20,853)	0.00	(1,359)	0	(18,064)	(19,423)
DP 3 - Inflation Deflation	0.00	494	0	611	1,105	0.00	636	0	690	1,326
DP 30 - Motor Pool Rate Adjustment	0.00	(105)	0	0	(105)	0.00	(98)	0	0	(98)
DP 801 - Perkins MOE Increase	0.00	13,223	0	0	13,223	0.00	11,240	0	0	11,240
Grand Total All Present Law Adjustments	0.00	\$10,412	\$0	(\$17,042)	(\$6,630)	0.00	\$10,419	\$0	(\$17,374)	(\$6,955)

**"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget for expected changes, management decisions and budget modifications.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include: other services, supplies and materials, communications, in-state motor pool and motor pool leased vehicles, and repair and maintenance.

DP 30 - Motor Pool Rate Adjustment -

The legislature adopted a reduction to proposed motor pool rates.

DP 801 - Perkins MOE Increase -

The legislature adopted general fund appropriations for the minimum maintenance of effort requirement for the Perkins grant.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 333 - Adjustment to Inflation	0.00	(124)	0	(153)	(277)	0.00	(159)	0	(173)	(332)
DP 555 - Additional Vacancy Savings	0.00	(28)	0	(3,678)	(3,706)	0.00	(29)	0	(3,692)	(3,721)
Total	0.00	(\$152)	\$0	(\$3,831)	(\$3,983)	0.00	(\$188)	\$0	(\$3,865)	(\$4,053)

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 333 - Adjustment to Inflation -

The legislature adopted an adjustment to inflation included in DP 3.

DP 555 - Additional Vacancy Savings -

The legislature adopted an additional 1.0% vacancy savings.

Program Budget Comparison

The following table compares the 2023 biennium appropriated budget and the adopted budget for the 2025 biennium by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 22-23	Legislative Budget 24-25	Biennium Change	Biennium % Change
Transfers	427,691,012	446,569,740	18,878,728	4.41 %
Total Expenditures	\$427,691,012	\$446,569,740	\$18,878,728	4.41 %
General Fund	380,424,328	379,914,890	(509,438)	(0.13)%
State/Other Special Rev. Funds	47,266,684	66,654,850	19,388,166	41.02 %
Total Funds	\$427,691,012	\$446,569,740	\$18,878,728	4.41 %
Total Ongoing	\$422,941,012	\$464,429,894	\$41,488,882	9.81 %
Total OTO	\$4,750,000	(\$17,860,154)	(\$22,610,154)	(476.00)%

Page Reference

LFD Budget Analysis, E-106

Program Actuals and Budget Comparison

The following table compares FY 2022 actual expenditures, FY 2022 and FY 2023 appropriations, and the adopted budget for FY 2024 and FY 2025 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2022	Approp. Fiscal 2022	Approp. Fiscal 2023	Legislative Fiscal 2024	Legislative Fiscal 2025
Transfers	207,042,129	207,369,391	220,321,621	222,949,418	223,620,322
Total Expenditures	\$207,042,129	\$207,369,391	\$220,321,621	\$222,949,418	\$223,620,322
General Fund	183,830,132	183,830,132	196,594,196	189,321,993	190,592,897
State/Other Special Rev. Funds	23,211,997	23,539,259	23,727,425	33,627,425	33,027,425
Total Funds	\$207,042,129	\$207,369,391	\$220,321,621	\$222,949,418	\$223,620,322
Total Ongoing	\$204,667,129	\$204,994,391	\$217,946,621	\$231,879,495	\$232,550,399
Total OTO	\$2,375,000	\$2,375,000	\$2,375,000	(\$8,930,077)	(\$8,930,077)

Page Reference

LFD Budget Analysis, E-107

Funding

HB 2 Appropriations

Funding for the Appropriation Distribution Program is predominately general fund. Other HB 2 funding includes the motorcycle safety training state special revenue and the six-mill levy. Program fees and an allocation from drivers' license fees support the motorcycle safety program at MSU Northern in Havre.

The statewide six-mill levy, which supports the Montana University System, is authorized in statute (15-10-108, MCA). The levy is presented to voters statewide for approval every 10 years. The most recent vote was in 2018. The six-mill levy revenue is used to fund the education and general operating expenses of the Montana University System educational units and is the second largest state funding source for the MUS after general fund.

Statutory Appropriations

Statutory appropriations do not require reauthorization each biennium, and they do not appear in HB 2. There are two statutory appropriations in this program:

- An allocation of the 4.0% lodging facility use tax is transferred to the University of Montana for travel research
- General fund is statutorily appropriated for a 1.0% employer contribution reimbursement to the MUS defined contribution retirement plan authorized in HB 95 (2007 Legislature)

Tuition

The Board of Regents is the sole authority in setting tuition rates for the MUS. Tuition is not controlled or appropriated by the legislature. However, the Regents, legislature, and executive have worked together to create affordable postsecondary educational opportunities for the residents of Montana.

Program Budget Summary by Category

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget
2023 Base Budget	194,219,196	194,219,196	388,438,392	102.24 %	217,946,621	217,946,621	435,893,242	97.61 %
SWPL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
PL Adjustments	5,002,797	5,673,701	10,676,498	2.81 %	5,002,797	5,673,701	10,676,498	2.39 %
New Proposals	(9,900,000)	(9,300,000)	(19,200,000)	(5.05)%	0	0	0	0.00 %
Total Budget	\$189,321,993	\$190,592,897	\$379,914,890		\$222,949,418	\$223,620,322	\$446,569,740	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 222 - RMTD Adjustment	0.00	8,930,077	0	0	8,930,077	0.00	8,930,077	0	0	8,930,077
DP 223 - RMTD Adjustment (OTO)	0.00	(8,930,077)	0	0	(8,930,077)	0.00	(8,930,077)	0	0	(8,930,077)
DP 901 - MUS LAD Audit Costs	0.00	626,978	0	0	626,978	0.00	0	0	0	0
DP 902 - MUS Fixed Cost Increases from State	0.00	(8,879,218)	0	0	(8,879,218)	0.00	(8,911,377)	0	0	(8,911,377)
DP 903 - Montana University System PLA	0.00	13,255,037	0	0	13,255,037	0.00	14,585,078	0	0	14,585,078
Grand Total All Present Law Adjustments	0.00	\$5,002,797	\$0	\$0	\$5,002,797	0.00	\$5,673,701	\$0	\$0	\$5,673,701

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 222 - RMTD Adjustment -

The legislature adopted an adjustment to the insurance premiums paid to the Risk Management and Tort Defense Division proprietary fund. This decision package eliminates the reduction included in DP 2. This change is necessary to designate the reduction as one-time-only in the budgeting system.

DP 223 - RMTD Adjustment (OTO) -

The legislature adopted an adjustment to the insurance premiums paid to the Risk Management and Tort Defense Division proprietary fund. This decision package designates the reduction as one-time-only.

DP 901 - MUS LAD Audit Costs -

The legislature adopted general fund appropriations for legislative audit costs for the Montana University System in FY 2024.

DP 902 - MUS Fixed Cost Increases from State -

The legislature adopted general fund decreases for statewide present law adjustment for fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, information technology services, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 903 - Montana University System PLA -

The legislature adopted an increase in general fund appropriations for statewide present law adjustments. This includes adjustments to annualize various personal services costs, MUS fixed cost, and inflationary costs for all Montana University System (MUS) units at the state share rate. This change package is similar to the statewide present law adjustments for personal services, fixed costs, and inflation for other agencies.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 904 - University Millage Fund Switch	0.00	(9,900,000)	9,900,000	0	0	0.00	(9,300,000)	9,300,000	0	0
Total	0.00	(\$9,900,000)	\$9,900,000	\$0	\$0	0.00	(\$9,300,000)	\$9,300,000	\$0	\$0

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 904 - University Millage Fund Switch -

The legislature adopted a decrease in general fund appropriations and an increase in state special revenue appropriations to adjust funding because of a significant increase in revenue in the six-mill levy state special revenue fund.

Program Budget Comparison

The following table compares the 2023 biennium appropriated budget and the adopted budget for the 2025 biennium by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 22-23	Legislative Budget 24-25	Biennium Change	Biennium % Change
Transfers	63,256,030	69,121,602	5,865,572	9.27 %
Total Expenditures	\$63,256,030	\$69,121,602	\$5,865,572	9.27 %
General Fund	61,055,094	66,881,666	5,826,572	9.54 %
State/Other Special Rev. Funds	2,200,936	2,239,936	39,000	1.77 %
Total Funds	\$63,256,030	\$69,121,602	\$5,865,572	9.27 %
Total Ongoing	\$62,346,030	\$69,785,092	\$7,439,062	11.93 %
Total OTO	\$910,000	(\$663,490)	(\$1,573,490)	(172.91)%

Page Reference

LFD Budget Analysis, E-115

Program Actuals and Budget Comparison

The following table compares FY 2022 actual expenditures, FY 2022 and FY 2023 appropriations, and the adopted budget for FY 2024 and FY 2025 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2022	Approp. Fiscal 2022	Approp. Fiscal 2023	Legislative Fiscal 2024	Legislative Fiscal 2025
Transfers	31,110,631	31,110,632	32,145,398	34,483,352	34,638,250
Total Expenditures	\$31,110,631	\$31,110,632	\$32,145,398	\$34,483,352	\$34,638,250
General Fund	30,029,663	30,029,664	31,025,430	33,363,384	33,518,282
State/Other Special Rev. Funds	1,080,968	1,080,968	1,119,968	1,119,968	1,119,968
Total Funds	\$31,110,631	\$31,110,632	\$32,145,398	\$34,483,352	\$34,638,250
Total Ongoing	\$30,655,631	\$30,655,632	\$31,690,398	\$34,815,097	\$34,969,995
Total OTO	\$455,000	\$455,000	\$455,000	(\$331,745)	(\$331,745)

Page Reference

LFD Budget Analysis, E-116

Funding

The general operating budgets for the Research and Development Agencies are funded primarily with general fund. The remaining funding comes from state special revenue. The state special revenue is comprised of revenues from the resource indemnity trust (RIT) interest, oil and gas and metal mines tax. The agencies also use non-state revenues to support their general operating budgets; these revenues are not appropriated in HB 2.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget
2023 Base Budget	30,870,430	30,870,430	61,740,860	92.31 %	31,690,398	31,690,398	63,380,796	91.69 %
SWPL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
PL Adjustments	1,737,954	1,892,852	3,630,806	5.43 %	1,737,954	1,892,852	3,630,806	5.25 %
New Proposals	755,000	755,000	1,510,000	2.26 %	1,055,000	1,055,000	2,110,000	3.05 %
Total Budget	\$33,363,384	\$33,518,282	\$66,881,666		\$34,483,352	\$34,638,250	\$69,121,602	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 222 - RMTD Adjustment	0.00	331,745	0	0	331,745	0.00	331,745	0	0	331,745
DP 223 - RMTD Adjustment (OTO)	0.00	(331,745)	0	0	(331,745)	0.00	(331,745)	0	0	(331,745)
DP 1001 - Research & Development Agencies PLA	0.00	2,069,699	0	0	2,069,699	0.00	2,224,597	0	0	2,224,597
DP 1002 - SWPL Research & Development Agencies	0.00	(331,745)	0	0	(331,745)	0.00	(331,745)	0	0	(331,745)
Grand Total All Present Law Adjustments	0.00	\$1,737,954	\$0	\$0	\$1,737,954	0.00	\$1,892,852	\$0	\$0	\$1,892,852

**"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 222 - RMTD Adjustment -

The legislature adopted an adjustment to the insurance premiums paid to the Risk Management and Tort Defense Division proprietary fund. This decision package eliminates the reduction included in DP 2. This change is necessary to designate the reduction as one-time-only in the budgeting system.

DP 223 - RMTD Adjustment (OTO) -

The legislature adopted an adjustment to the insurance premiums paid to the Risk Management and Tort Defense Division proprietary fund. This decision package designates the reduction as one-time-only.

DP 1001 - Research & Development Agencies PLA -

The legislature adopted an increase in general fund appropriations for statewide present law adjustments. This includes adjustments to annualize various personal services costs, higher education fixed cost, and inflationary costs. This change package is similar to the statewide present law adjustments for personal services, fixed costs, and inflation for other agencies.

DP 1002 - SWPL Research & Development Agencies -

The legislature adopted general fund decreases for the statewide present law adjustment for fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, information technology services, etc. The rates charged for these services are approved in the section of the budget that provides the services.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1004 - MAES Seed Lab (RST)	0.00	100,000	0	0	100,000	0.00	100,000	0	0	100,000
DP 1005 - MAES Wool Lab (RST)	0.00	55,000	0	0	55,000	0.00	55,000	0	0	55,000
DP 1006 - MBMG Data Preservation (RST)	0.00	0	300,000	0	300,000	0.00	0	300,000	0	300,000
DP 1007 - MAES (RST)	0.00	300,000	0	0	300,000	0.00	300,000	0	0	300,000
DP 1008 - Precision Agriculture (RST)	0.00	300,000	0	0	300,000	0.00	300,000	0	0	300,000
Total	0.00	\$755,000	\$300,000	\$0	\$1,055,000	0.00	\$755,000	\$300,000	\$0	\$1,055,000

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1004 - MAES Seed Lab (RST) -

The legislature adopted restricted general fund appropriations for the Montana Agricultural Experiment Stations Seed Lab.

DP 1005 - MAES Wool Lab (RST) -

The legislature adopted restricted general fund appropriations for the Montana Agricultural Experiment Stations Wool Lab.

DP 1006 - MBMG Data Preservation (RST) -

The legislature adopted restricted state special revenue appropriations for the Montana Bureau of Mines and Geology data preservation project.

DP 1007 - MAES (RST) -

The legislature adopted restricted general fund appropriations for the Montana Agricultural Experiment Stations.

DP 1008 - Precision Agriculture (RST) -

The legislature adopted restricted general fund appropriations for transfers to the Montana Agricultural Experiment Station (MAES) and the MSU Extension. This includes funding for salaries and associated benefits for two new tenure-track faculty positions and operational costs to continue a precision agriculture program. MAES would utilize \$200,000 per year toward precision agriculture research and the MSU Extension would utilize \$100,000 per year to build and maintain a precision agriculture outreach program.

Program Budget Comparison

The following table compares the 2023 biennium appropriated budget and the adopted budget for the 2025 biennium by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 22-23	Legislative Budget 24-25	Biennium Change	Biennium % Change
Grants	2,025,750	2,036,800	11,050	0.55 %
Total Expenditures	\$2,025,750	\$2,036,800	\$11,050	0.55 %
General Fund	2,025,750	2,036,800	11,050	0.55 %
Total Funds	\$2,025,750	\$2,036,800	\$11,050	0.55 %
Total Ongoing	\$1,675,750	\$1,836,800	\$161,050	9.61 %
Total OTO	\$350,000	\$200,000	(\$150,000)	(42.86)%

Page Reference

LFD Budget Analysis, E-119

Program Actuals and Budget Comparison

The following table compares FY 2022 actual expenditures, FY 2022 and FY 2023 appropriations, and the adopted budget for FY 2024 and FY 2025 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2022	Approp. Fiscal 2022	Approp. Fiscal 2023	Legislative Fiscal 2024	Legislative Fiscal 2025
Grants	950,851	1,012,875	1,012,875	1,018,400	1,018,400
Total Expenditures	\$950,851	\$1,012,875	\$1,012,875	\$1,018,400	\$1,018,400
General Fund	950,851	1,012,875	1,012,875	1,018,400	1,018,400
Total Funds	\$950,851	\$1,012,875	\$1,012,875	\$1,018,400	\$1,018,400
Total Ongoing	\$775,851	\$837,875	\$837,875	\$918,400	\$918,400
Total OTO	\$175,000	\$175,000	\$175,000	\$100,000	\$100,000

Page Reference

LFD Budget Analysis, E-120

Funding

The Tribal College Assistance Program is funded entirely with general fund.

Program Budget Summary by Category

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget
2023 Base Budget	837,875	837,875	1,675,750	82.27 %	837,875	837,875	1,675,750	82.27 %
SWPL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	180,525	180,525	361,050	17.73 %	180,525	180,525	361,050	17.73 %
Total Budget	\$1,018,400	\$1,018,400	\$2,036,800		\$1,018,400	\$1,018,400	\$2,036,800	

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1101 - HiSET to Tribal Colleges (RST/OTO)	0.00	100,000	0	0	100,000	0.00	100,000	0	0	100,000
DP 1103 - Funding for Additional Non-Beneficiary Students	0.00	80,525	0	0	80,525	0.00	80,525	0	0	80,525
Total	0.00	\$180,525	\$0	\$0	\$180,525	0.00	\$180,525	\$0	\$0	\$180,525

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1101 - HiSET to Tribal Colleges (RST/OTO) -

The legislature adopted restricted, one-time-only general fund appropriations in FY 2024 and FY 2025 to distribute to tribal colleges for the colleges to provide specific classes and training to individuals and students to prepare and complete the HiSET.

DP 1103 - Funding for Additional Non-Beneficiary Students -

The legislature adopted general fund appropriations for nonbeneficiary students attending one of the seven tribal colleges in Montana. The base budget funds 255.45 nonbeneficiary students and the additional funding included in this decision package allows for a total of 280.00 nonbeneficiary students at the statutory maximum payment of \$3,280.

Program Budget Comparison

The following table compares the 2023 biennium appropriated budget and the adopted budget for the 2025 biennium by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 22-23	Legislative Budget 24-25	Biennium Change	Biennium % Change
Personal Services	425,875	426,638	763	0.18 %
Operating Expenses	4,266,435	4,328,455	62,020	1.45 %
Debt Service	16,774	16,774	0	0.00 %
Total Expenditures	\$4,709,084	\$4,771,867	\$62,783	1.33 %
Federal Spec. Rev. Funds	4,709,084	4,771,867	62,783	1.33 %
Total Funds	\$4,709,084	\$4,771,867	\$62,783	1.33 %
Total Ongoing	\$4,709,084	\$4,771,867	\$62,783	1.33 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

LFD Budget Analysis, E-123

Program Actuals and Budget Comparison

The following table compares FY 2022 actual expenditures, FY 2022 and FY 2023 appropriations, and the adopted budget for FY 2024 and FY 2025 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2022	Approp. Fiscal 2022	Approp. Fiscal 2023	Legislative Fiscal 2024	Legislative Fiscal 2025
FTE	0.00	1.50	1.50	1.50	1.50
Personal Services	143,583	212,856	213,019	212,806	213,832
Operating Expenses	1,514,060	2,133,182	2,133,253	2,159,803	2,168,652
Debt Service	8,380	8,387	8,387	8,387	8,387
Total Expenditures	\$1,666,023	\$2,354,425	\$2,354,659	\$2,380,996	\$2,390,871
Federal Spec. Rev. Funds	1,666,023	2,354,425	2,354,659	2,380,996	2,390,871
Total Funds	\$1,666,023	\$2,354,425	\$2,354,659	\$2,380,996	\$2,390,871
Total Ongoing	\$1,666,023	\$2,354,425	\$2,354,659	\$2,380,996	\$2,390,871
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

LFD Budget Analysis, E-124

Funding

The Guaranteed Student Loan Program is funded entirely with federal funds from the U.S. Department of Education.

Program Budget Summary by Category

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget
2023 Base Budget	0	0	0	0.00 %	2,354,659	2,354,659	4,709,318	98.69 %
SWPL Adjustments	0	0	0	0.00 %	37,521	50,351	87,872	1.84 %
PL Adjustments	0	0	0	0.00 %	(70)	(66)	(136)	(0.00)%
New Proposals	0	0	0	0.00 %	(11,114)	(14,073)	(25,187)	(0.53)%
Total Budget	\$0	\$0	\$0		\$2,380,996	\$2,390,871	\$4,771,867	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments	-----Fiscal 2024-----				-----Fiscal 2025-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	0	0	2,027	2,027	0.00	0	0	3,064	3,064
DP 3 - Inflation Deflation	0.00	0	0	35,494	35,494	0.00	0	0	47,287	47,287
DP 30 - Motor Pool Rate Adjustment	0.00	0	0	(70)	(70)	0.00	0	0	(66)	(66)
Grand Total All Present Law Adjustments	0.00	\$0	\$0	\$37,451	\$37,451	0.00	\$0	\$0	\$50,285	\$50,285

**Total Funds* amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget for expected changes, management decisions and budget modifications.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include: other services, supplies and materials, communications, in-state motor pool and motor pool leased vehicles, and repair and maintenance.

DP 30 - Motor Pool Rate Adjustment -

The legislature adopted a reduction to proposed motor pool rates.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals	-----Fiscal 2024-----				-----Fiscal 2025-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 333 - Adjustment to Inflation	0.00	0	0	(8,874)	(8,874)	0.00	0	0	(11,822)	(11,822)
DP 555 - Additional Vacancy Savings	0.00	0	0	(2,240)	(2,240)	0.00	0	0	(2,251)	(2,251)
Total	0.00	\$0	\$0	(\$11,114)	(\$11,114)	0.00	\$0	\$0	(\$14,073)	(\$14,073)

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 333 - Adjustment to Inflation -

The legislature adopted an adjustment to inflation included in DP 3.

DP 555 - Additional Vacancy Savings -

The legislature adopted an additional 1.0% vacancy savings.

Program Budget Comparison

The following table compares the 2023 biennium appropriated budget and the adopted budget for the 2025 biennium by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 22-23	Legislative Budget 24-25	Biennium Change	Biennium % Change
Personal Services	8,400	12,600	4,200	50.00 %
Operating Expenses	126,300	125,029	(1,271)	(1.01)%
Total Expenditures	\$134,700	\$137,629	\$2,929	2.17 %
General Fund	134,700	137,629	2,929	2.17 %
Total Funds	\$134,700	\$137,629	\$2,929	2.17 %
Total Ongoing	\$134,700	\$137,629	\$2,929	2.17 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

LFD Budget Analysis, E-127

Program Actuals and Budget Comparison

The following table compares FY 2022 actual expenditures, FY 2022 and FY 2023 appropriations, and the adopted budget for FY 2024 and FY 2025 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2022	Approp. Fiscal 2022	Approp. Fiscal 2023	Legislative Fiscal 2024	Legislative Fiscal 2025
Personal Services	1,700	2,100	6,300	6,300	6,300
Operating Expenses	64,218	65,250	61,050	62,352	62,677
Total Expenditures	\$65,918	\$67,350	\$67,350	\$68,652	\$68,977
General Fund	65,918	67,350	67,350	68,652	68,977
Total Funds	\$65,918	\$67,350	\$67,350	\$68,652	\$68,977
Total Ongoing	\$65,918	\$67,350	\$67,350	\$68,652	\$68,977
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

LFD Budget Analysis, E-128

Funding

The Board of Regents is funded entirely with general fund.

Program Budget Summary by Category

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget
2023 Base Budget	67,350	67,350	134,700	97.87 %	67,350	67,350	134,700	97.87 %
SWPL Adjustments	1,736	2,169	3,905	2.84 %	1,736	2,169	3,905	2.84 %
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	(434)	(542)	(976)	(0.71)%	(434)	(542)	(976)	(0.71)%
Total Budget	\$68,652	\$68,977	\$137,629		\$68,652	\$68,977	\$137,629	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	0	0	0	0	0.00	0	0	0	0
DP 3 - Inflation Deflation	0.00	1,736	0	0	1,736	0.00	2,169	0	0	2,169
Grand Total All Present Law Adjustments	0.00	\$1,736	\$0	\$0	\$1,736	0.00	\$2,169	\$0	\$0	\$2,169

**"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include: other services, supplies and materials, communications, in-state motor pool and motor pool leased vehicles, and repair and maintenance.

New Proposals -

The "New Proposals" table shows new changes to spending.

	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 333 - Adjustment to Inflation	0.00	(434)	0	0	(434)	0.00	(542)	0	0	(542)
Total	0.00	(\$434)	\$0	\$0	(\$434)	0.00	(\$542)	\$0	\$0	(\$542)

**"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 333 - Adjustment to Inflation -

The legislature adopted an adjustment to inflation included in DP 3.

Agency Budget Comparison

The following table compares the 2023 biennium appropriated budget and the adopted budget for the 2025 biennium by type of expenditure and source of funding.

Agency Budget Comparison				
Budget Item	Appropriated Budget 22-23	Legislative Budget 24-25	Biennium Change	Biennium % Change
Personal Services	15,189,365	16,517,293	1,327,928	8.74 %
Operating Expenses	1,908,397	2,009,943	101,546	5.32 %
Equipment & Intangible Assets	50,000	0	(50,000)	(100.00)%
Transfers	2,000	2,000	0	0.00 %
Debt Service	56,902	56,902	0	0.00 %
Total Expenditures	\$17,206,664	\$18,586,138	\$1,379,474	8.02 %
General Fund	16,255,147	17,610,992	1,355,845	8.34 %
State/Other Special Rev. Funds	584,184	586,514	2,330	0.40 %
Federal Spec. Rev. Funds	367,333	388,632	21,299	5.80 %
Total Funds	\$17,206,664	\$18,586,138	\$1,379,474	8.02 %
Total Ongoing	\$17,032,788	\$18,738,070	\$1,705,282	10.01 %
Total OTO	\$173,876	(\$151,932)	(\$325,808)	(187.38)%

Page Reference

LFD Budget Analysis, E-130

Agency Highlights

Montana School for the Deaf and Blind Major Budget Highlights
<p>The Montana School for the Deaf and Blind’s 2025 biennium budget as adopted by the legislature is \$1.4 million or 8.0% higher than the 2023 biennium budget. This increase includes:</p> <ul style="list-style-type: none"> • Statewide present law adjustments in the amount of \$69,048 general fund for the biennium. These are partially offset by adjustments totaling negative \$45,052 in DPs 20, 30, 222, 223, and 333, which reflect changes in rates approved by the legislature, make the tort and defense insurance holiday one-time-only, and reduce the inflationary increase by 25.0% • The school is exempt from vacancy savings • A total of 4.81 new FTE and associated funding were adopted including the following: <ul style="list-style-type: none"> ◦ In the general services program 1.00 FTE and \$124,301 of general fund for the biennium to add a maintenance supervisor position ◦ 3.81 FTE and \$569,942 general fund in the education program for four new outreach consultant positions (3.08 FTE) and \$137,678 of general fund for a transition specialist (0.73 FTE) • An appropriation of \$45,000 general fund for student travel in each year of the biennium • \$42,500 of general fund in each year for personal services to support family engagement camps and weekends • \$70,000 general fund for the biennium for professional development • \$20,000 in federal special revenue for the IDEA Part B outreach grant • \$53,876 general fund for the biennium for compensation to teachers supervising extra-curricular activities • The legislature adopted language removing the audit line item contingent on passage and approval of HB 132. This would remove \$29,110 of restricted general fund • The legislature adopted language contingent on passage and approval of HB 15 which provides a general fund appropriation for K-12 inflation of \$2,388 in FY 2024 and \$5,105 in FY 2025

Agency Actuals and Budget Comparison

The following table compares FY 2022 actual expenditures, FY 2022 and FY 2023 appropriations, and the adopted budget for FY 2024 and FY 2025 by type of expenditure and source of funding.

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2022	Approp. Fiscal 2022	Approp. Fiscal 2023	Legislative Fiscal 2024	Legislative Fiscal 2025
FTE	0.00	83.47	83.47	88.28	88.28
Personal Services	6,798,833	7,382,278	7,807,087	8,252,507	8,264,786
Operating Expenses	938,458	1,021,850	886,547	1,025,231	984,712
Equipment & Intangible Assets	50,000	50,000	0	0	0
Transfers	0	1,000	1,000	1,000	1,000
Debt Service	28,450	28,451	28,451	28,451	28,451
Total Expenditures	\$7,815,741	\$8,483,579	\$8,723,085	\$9,307,189	\$9,278,949
General Fund	7,379,294	8,009,635	8,245,512	8,819,616	8,791,376
State/Other Special Rev. Funds	253,429	290,927	293,257	293,257	293,257
Federal Spec. Rev. Funds	183,018	183,017	184,316	194,316	194,316
Total Funds	\$7,815,741	\$8,483,579	\$8,723,085	\$9,307,189	\$9,278,949
Total Ongoing	\$7,708,441	\$8,371,641	\$8,661,147	\$9,383,155	\$9,354,915
Total OTO	\$107,300	\$111,938	\$61,938	(\$75,966)	(\$75,966)

Page Reference

LFD Budget Analysis, E-131

Executive Budget Comparison

The following table compares the legislative budget for the biennium to the budget requested by the Governor by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Approp. Fiscal 2023	Executive Budget Fiscal 2024	Legislative Budget Fiscal 2024	Leg — Exec. Difference Fiscal 2024	Executive Budget Fiscal 2025	Legislative Budget Fiscal 2025	Leg — Exec. Difference Fiscal 2025	Biennium Difference Fiscal 24-25
FTE	83.47	86.74	88.28	1.54	86.74	88.28	1.54	1.54
Personal Services	7,807,087	8,113,089	8,252,507	139,418	8,124,833	8,264,786	139,953	279,371
Operating Expenses	886,547	1,019,060	1,025,231	6,171	988,856	984,712	(4,144)	2,027
Equipment & Intangible Assets	0	0	0	0	0	0	0	0
Transfers	1,000	1,000	1,000	0	1,000	1,000	0	0
Debt Service	28,451	28,451	28,451	0	28,451	28,451	0	0
Total Costs	\$8,723,085	\$9,161,600	\$9,307,189	\$145,589	\$9,143,140	\$9,278,949	\$135,809	\$281,398
General Fund	8,245,512	8,674,027	8,819,616	145,589	8,655,567	8,791,376	135,809	281,398
State/other Special Rev. Funds	293,257	293,257	293,257	0	293,257	293,257	0	0
Federal Spec. Rev. Funds	184,316	194,316	194,316	0	194,316	194,316	0	0
Total Funds	\$8,723,085	\$9,161,600	\$9,307,189	\$145,589	\$9,143,140	\$9,278,949	\$135,809	\$281,398
Total Ongoing	\$8,661,147	\$9,116,600	\$9,383,155	\$266,555	\$9,098,140	\$9,354,915	\$256,775	\$523,330
Total OTO	\$61,938	\$45,000	(\$75,966)	(\$120,966)	\$45,000	(\$75,966)	(\$120,966)	(\$241,932)

The legislature adopted a budget that is \$281,398 greater than the proposed executive budget for the 2025 biennium. This change is in part due to the inclusion of an additional two outreach consultants beyond the executive request totaling 3.08 FTE and \$569,942 in general fund. The legislature approved several adjustments to rates that affect statewide present law adjustments. These include DP 30 which reflects a decrease in motor pool rates from those initially proposed by the Montana Department of Transportation, DP 20 which funds an increase in the SABHRS rate, DP 222 and 223 which make the decrease paid to the Risk Management and Tort Defense Division proprietary fund one-time-only, and DP 333 which reduced DP 3 by 25.0%. The legislature also approved an additional \$25,000 of general fund per year for group and activity travel.

Funding

The following table shows adopted agency funding for all sources of authority.

Total School For the Deaf & Blind Funding by Source of Authority 2025 Biennium Budget Request - School For the Deaf & Blind						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	17,762,924	(151,932)	0	0	17,610,992	94.75 %
State Special Total	586,514	0	0	0	586,514	3.16 %
Federal Special Total	388,632	0	0	0	388,632	2.09 %
Proprietary Total	0	0	0	0	0	0.00 %
Other Total	0	0	0	0	0	0.00 %
Total All Funds	\$18,738,070	(\$151,932)	\$0	\$0	\$18,586,138	
Percent - Total All Sources	100.82 %	(0.82)%	0.00 %	0.00 %		

The School for the Deaf and Blind is funded primarily with general fund, which is 94.8% of the budget. The school receives state special funding from school trust interest, and Medicaid reimbursement. The school receives federal school lunch funds as well as federal funds designated for the assistance of state and local education agencies to meet special educational needs of students.

Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the glossary.

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget
2023 Base Budget	8,183,574	8,183,574	16,367,148	92.94 %	8,661,147	8,661,147	17,322,294	93.20 %
SWPL Adjustments	38,662	30,386	69,048	0.39 %	38,662	30,386	69,048	0.37 %
PL Adjustments	41,243	41,492	82,735	0.47 %	41,243	41,492	82,735	0.45 %
New Proposals	556,137	535,924	1,092,061	6.20 %	566,137	545,924	1,112,061	5.98 %
Total Budget	\$8,819,616	\$8,791,376	\$17,610,992		\$9,307,189	\$9,278,949	\$18,586,138	

Language and Statutory Authority

The legislature adopted the following language in HB 2:

"The Administration Program and General Services Program include a one-time-only reduction in FY 2024 and FY 2025 for a suspension of insurance premium payments to the Risk Management and Tort Defense Division's proprietary fund."

"If HB 132 is passed and approved by the Legislature, Legislative Audit is void."

"If HB 15 is passed and approved, the Montana School For the Deaf and Blind is increased by \$2,388 general fund in FY 2024 and \$5,105 general fund in FY 2025."

Program Budget Comparison

The following table compares the 2023 biennium appropriated budget and the adopted budget for the 2025 biennium by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 22-23	Legislative Budget 24-25	Biennium Change	Biennium % Change
Personal Services	882,633	926,006	43,373	4.91 %
Operating Expenses	356,032	463,951	107,919	30.31 %
Total Expenditures	\$1,238,665	\$1,389,957	\$151,292	12.21 %
General Fund	1,231,907	1,383,169	151,262	12.28 %
State/Other Special Rev. Funds	6,758	6,788	30	0.44 %
Total Funds	\$1,238,665	\$1,389,957	\$151,292	12.21 %
Total Ongoing	\$1,238,665	\$1,391,735	\$153,070	12.36 %
Total OTO	\$0	(\$1,778)	(\$1,778)	100.00 %

Page Reference

LFD Budget Analysis, E-135

Program Actuals and Budget Comparison

The following table compares FY 2022 actual expenditures, FY 2022 and FY 2023 appropriations, and the adopted budget for FY 2024 and FY 2025 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2022	Approp. Fiscal 2022	Approp. Fiscal 2023	Legislative Fiscal 2024	Legislative Fiscal 2025
FTE	0.00	5.00	5.00	5.00	5.00
Personal Services	427,026	434,412	448,221	462,258	463,748
Operating Expenses	172,965	200,087	155,945	246,253	217,698
Total Expenditures	\$599,991	\$634,499	\$604,166	\$708,511	\$681,446
General Fund	596,627	631,135	600,772	705,117	678,052
State/Other Special Rev. Funds	3,364	3,364	3,394	3,394	3,394
Total Funds	\$599,991	\$634,499	\$604,166	\$708,511	\$681,446
Total Ongoing	\$599,991	\$634,499	\$604,166	\$709,400	\$682,335
Total OTO	\$0	\$0	\$0	(\$889)	(\$889)

Page Reference

LFD Budget Analysis, E-136

Funding

The Administration Program is funded entirely through HB 2 and the pay plan.

HB 2 Funding

The Administration Program is funded almost entirely with general fund, at 99.5%. The school also receives interest and income from school trust lands which funds less than 1.0% of the programs budget.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget
2023 Base Budget	600,772	600,772	1,201,544	86.87 %	604,166	604,166	1,208,332	86.93 %
SWPL Adjustments	107,964	83,015	190,979	13.81 %	107,964	83,015	190,979	13.74 %
PL Adjustments	113	111	224	0.02 %	113	111	224	0.02 %
New Proposals	(3,732)	(5,846)	(9,578)	(0.69)%	(3,732)	(5,846)	(9,578)	(0.69)%
Total Budget	\$705,117	\$678,052	\$1,383,169		\$708,511	\$681,446	\$1,389,957	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	14,037	0	0	14,037	0.00	15,527	0	0	15,527
DP 2 - Fixed Costs	0.00	85,839	0	0	85,839	0.00	56,913	0	0	56,913
DP 3 - Inflation Deflation	0.00	8,088	0	0	8,088	0.00	10,575	0	0	10,575
DP 20 - SABHRS Rate Adjustment	0.00	113	0	0	113	0.00	111	0	0	111
DP 222 - RMTD Adjustment	0.00	889	0	0	889	0.00	889	0	0	889
DP 223 - RMTD Adjustment (OTO)	0.00	(889)	0	0	(889)	0.00	(889)	0	0	(889)
Grand Total All Present Law Adjustments	0.00	\$108,077	\$0	\$0	\$108,077	0.00	\$83,126	\$0	\$0	\$83,126

**"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget for expected changes, management decisions and budget modifications.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget for fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, information technology services, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include: other services, supplies and materials, communications, in-state state motor pool and motor pool leased vehicles, and repair and maintenance.

DP 20 - SABHRS Rate Adjustment -

The legislature adopted an increase to proposed SABHRS rates.

DP 222 - RMTD Adjustment -

The legislature adopted an adjustment to the insurance premiums paid to the Risk Management and Tort Defense Division proprietary fund. This decision package eliminates the reduction included in DP 2. This change is necessary to designate the reduction as one-time-only in the budgeting system.

DP 223 - RMTD Adjustment (OTO) -

The legislature adopted an adjustment to the insurance premiums paid to the Risk Management and Tort Defense Division proprietary fund. This decision package designates the reduction as one-time-only.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 99 - New Fixed Costs	0.00	2,786	0	0	2,786	0.00	2,786	0	0	2,786
DP 333 - Adjustment to Inflation	0.00	(6,518)	0	0	(6,518)	0.00	(8,632)	0	0	(8,632)
Total	0.00	(\$3,732)	\$0	\$0	(\$3,732)	0.00	(\$5,846)	\$0	\$0	(\$5,846)

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 99 - New Fixed Costs -

The legislature adopted a general fund appropriation of \$2,786 in each year of the 2025 biennium to provide funding for the agency to pay for new fixed cost allocations related to the State Management Training Center. Rates for the fix costs are reviewed by the Section A subcommittee.

DP 333 - Adjustment to Inflation -

The legislature adopted an adjustment to inflation included in DP 3.

Program Budget Comparison

The following table compares the 2023 biennium appropriated budget and the adopted budget for the 2025 biennium by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 22-23	Legislative Budget 24-25	Biennium Change	Biennium % Change
Personal Services	503,621	632,580	128,959	25.61 %
Operating Expenses	652,720	458,893	(193,827)	(29.70)%
Equipment & Intangible Assets	50,000	0	(50,000)	(100.00)%
Transfers	2,000	2,000	0	0.00 %
Debt Service	56,902	56,902	0	0.00 %
Total Expenditures	\$1,265,243	\$1,150,375	(\$114,868)	(9.08)%
General Fund	1,265,243	1,150,375	(114,868)	(9.08)%
Total Funds	\$1,265,243	\$1,150,375	(\$114,868)	(9.08)%
Total Ongoing	\$1,215,243	\$1,300,529	\$85,286	7.02 %
Total OTO	\$50,000	(\$150,154)	(\$200,154)	(400.31)%

Page Reference

LFD Budget Analysis, E-140

Program Actuals and Budget Comparison

The following table compares FY 2022 actual expenditures, FY 2022 and FY 2023 appropriations, and the adopted budget for FY 2024 and FY 2025 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2022	Approp. Fiscal 2022	Approp. Fiscal 2023	Legislative Fiscal 2024	Legislative Fiscal 2025
FTE	0.00	3.57	3.57	4.57	4.57
Personal Services	223,093	245,817	257,804	315,784	316,796
Operating Expenses	347,806	356,742	295,978	230,159	228,734
Equipment & Intangible Assets	50,000	50,000	0	0	0
Transfers	0	1,000	1,000	1,000	1,000
Debt Service	28,450	28,451	28,451	28,451	28,451
Total Expenditures	\$649,349	\$682,010	\$583,233	\$575,394	\$574,981
General Fund	649,349	682,010	583,233	575,394	574,981
Total Funds	\$649,349	\$682,010	\$583,233	\$575,394	\$574,981
Total Ongoing	\$599,349	\$632,010	\$583,233	\$650,471	\$650,058
Total OTO	\$50,000	\$50,000	\$0	(\$75,077)	(\$75,077)

Page Reference

LFD Budget Analysis, E-141

Funding

The program is funded entirely with general fund, through HB 2 and the pay plan.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget
2023 Base Budget	583,233	583,233	1,166,466	101.40 %	583,233	583,233	1,166,466	101.40 %
SWPL Adjustments	(65,145)	(61,203)	(126,348)	(10.98)%	(65,145)	(61,203)	(126,348)	(10.98)%
PL Adjustments	0	0	0	0.00 %	0	0	0	0.00 %
New Proposals	57,306	52,951	110,257	9.58 %	57,306	52,951	110,257	9.58 %
Total Budget	\$575,394	\$574,981	\$1,150,375		\$575,394	\$574,981	\$1,150,375	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	(2,658)	0	0	(2,658)	0.00	(1,871)	0	0	(1,871)
DP 2 - Fixed Costs	0.00	(75,077)	0	0	(75,077)	0.00	(75,077)	0	0	(75,077)
DP 3 - Inflation Deflation	0.00	12,590	0	0	12,590	0.00	15,745	0	0	15,745
DP 222 - RMTD Adjustment	0.00	75,077	0	0	75,077	0.00	75,077	0	0	75,077
DP 223 - RMTD Adjustment (OTO)	0.00	(75,077)	0	0	(75,077)	0.00	(75,077)	0	0	(75,077)
Grand Total All Present Law Adjustments	0.00	(\$65,145)	\$0	\$0	(\$65,145)	0.00	(\$61,203)	\$0	\$0	(\$61,203)

**"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget for expected changes, management decisions and budget modifications.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget for fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, information technology services, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include: other services, supplies and materials, communications, in-state motor pool and motor pool leased vehicles, and repair and maintenance.

DP 222 - RMTD Adjustment -

The legislature adopted an adjustment to the insurance premiums paid to the Risk Management and Tort Defense Division proprietary fund. This decision package eliminates the reduction included in DP 2. This change is necessary to designate the reduction as one-time-only in the budgeting system.

DP 223 - RMTD Adjustment (OTO) -

The legislature adopted an adjustment to the insurance premiums paid to the Risk Management and Tort Defense Division proprietary fund. This decision package designates the reduction as one-time-only.

New Proposals -

The “New Proposals” table shows new changes to spending.

New Proposals	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 7 - Maintenance Supervisor Position	1.00	63,438	0	0	63,438	1.00	60,863	0	0	60,863
DP 333 - Adjustment to Inflation	0.00	(6,132)	0	0	(6,132)	0.00	(7,912)	0	0	(7,912)
Total	1.00	\$57,306	\$0	\$0	\$57,306	1.00	\$52,951	\$0	\$0	\$52,951

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 7 - Maintenance Supervisor Position -

The legislature adopted an appropriation of \$63,438 for FY 2024 and \$60,863 for FY 2025, as well as 1.00 FTE for a maintenance supervisor. A maintenance supervisor position was reduced in the budget several years ago. This position will manage day-to-day activities of maintenance and custodial staff, request project quotes, complete maintenance paperwork for accounting, work with Department of Administration on Long Range Building Program projects, verify Occupational Safety and Health Administration (OSHA) compliance, and complete the MSDB portion of the statewide facility assessment.

DP 333 - Adjustment to Inflation -

The legislature adopted an adjustment to inflation included in DP 3.

Program Budget Comparison

The following table compares the 2023 biennium appropriated budget and the adopted budget for the 2025 biennium by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 22-23	Legislative Budget 24-25	Biennium Change	Biennium % Change
Personal Services	3,310,226	3,411,314	101,088	3.05 %
Operating Expenses	389,803	475,139	85,336	21.89 %
Total Expenditures	\$3,700,029	\$3,886,453	\$186,424	5.04 %
General Fund	3,630,638	3,816,995	186,357	5.13 %
Federal Spec. Rev. Funds	69,391	69,458	67	0.10 %
Total Funds	\$3,700,029	\$3,886,453	\$186,424	5.04 %
Total Ongoing	\$3,630,029	\$3,886,453	\$256,424	7.06 %
Total OTO	\$70,000	\$0	(\$70,000)	(100.00)%

Page Reference

LFD Budget Analysis, E-145

Program Actuals and Budget Comparison

The following table compares FY 2022 actual expenditures, FY 2022 and FY 2023 appropriations, and the adopted budget for FY 2024 and FY 2025 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2022	Approp. Fiscal 2022	Approp. Fiscal 2023	Legislative Fiscal 2024	Legislative Fiscal 2025
FTE	0.00	25.21	25.21	25.21	25.21
Personal Services	1,421,683	1,612,292	1,697,934	1,701,877	1,709,437
Operating Expenses	180,544	197,535	192,268	237,253	237,886
Total Expenditures	\$1,602,227	\$1,809,827	\$1,890,202	\$1,939,130	\$1,947,323
General Fund	1,567,565	1,775,165	1,855,473	1,904,401	1,912,594
Federal Spec. Rev. Funds	34,662	34,662	34,729	34,729	34,729
Total Funds	\$1,602,227	\$1,809,827	\$1,890,202	\$1,939,130	\$1,947,323
Total Ongoing	\$1,567,227	\$1,774,827	\$1,855,202	\$1,939,130	\$1,947,323
Total OTO	\$35,000	\$35,000	\$35,000	\$0	\$0

Page Reference

LFD Budget Analysis, E-146

Funding

The Student Services Program is funded primarily with general fund appropriations. The small portion of federal funds is made up of subsidies provided by the National School Lunch Program.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget
2023 Base Budget	1,820,473	1,820,473	3,640,946	95.39 %	1,855,202	1,855,202	3,710,404	95.47 %
SWPL Adjustments	(24,271)	(15,931)	(40,202)	(1.05)%	(24,271)	(15,931)	(40,202)	(1.03)%
PL Adjustments	44,271	44,319	88,590	2.32 %	44,271	44,319	88,590	2.28 %
New Proposals	63,928	63,733	127,661	3.34 %	63,928	63,733	127,661	3.28 %
Total Budget	\$1,904,401	\$1,912,594	\$3,816,995		\$1,939,130	\$1,947,323	\$3,886,453	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	(38,557)	0	0	(38,557)	0.00	(30,997)	0	0	(30,997)
DP 3 - Inflation Deflation	0.00	14,286	0	0	14,286	0.00	15,066	0	0	15,066
DP 10 - Student Travel	0.00	45,000	0	0	45,000	0.00	45,000	0	0	45,000
DP 30 - Motor Pool Rate Adjustment	0.00	(729)	0	0	(729)	0.00	(681)	0	0	(681)
Grand Total All Present Law Adjustments	0.00	\$20,000	\$0	\$0	\$20,000	0.00	\$28,388	\$0	\$0	\$28,388

**"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget for expected changes, management decisions and budget modifications.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include: other services, supplies and materials, communications, in-state motor pool and motor pool leased vehicles, and repair and maintenance.

DP 10 - Student Travel -

The legislature adopted general fund appropriations of \$45,000 each year of the 2025 biennium to pay additional travel costs to transport students to and from their homes. No commercial bus transportation is available in Great Falls, so the school must charter transportation for students to and from their homes once per month. Due to COVID-19 and inflation, transportation costs have increased.

DP 30 - Motor Pool Rate Adjustment -

The legislature adopted a reduction to proposed motor pool rates.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 6 - Family Engagement Opportunities	0.00	42,500	0	0	42,500	0.00	42,500	0	0	42,500
DP 13 - Student Group and Activity Travel	0.00	25,000	0	0	25,000	0.00	25,000	0	0	25,000
DP 333 - Adjustment to Inflation	0.00	(3,572)	0	0	(3,572)	0.00	(3,767)	0	0	(3,767)
Total	0.00	\$63,928	\$0	\$0	\$63,928	0.00	\$63,733	\$0	\$0	\$63,733

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 6 - Family Engagement Opportunities -

The legislature adopted general fund appropriations of \$42,500 in each year of the 2025 biennium for personal services authority to provide staffing for various engagement opportunities provided by the school during the summers.

DP 13 - Student Group and Activity Travel -

The legislature adopted an appropriation of \$25,000 general fund in each year of the biennium to fund travel for students for groups and activities.

DP 333 - Adjustment to Inflation -

The legislature adopted an adjustment to inflation included in DP 3.

Program Budget Comparison

The following table compares the 2023 biennium appropriated budget and the adopted budget for the 2025 biennium by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 22-23	Legislative Budget 24-25	Biennium Change	Biennium % Change
Personal Services	10,492,885	11,547,393	1,054,508	10.05 %
Operating Expenses	509,842	611,960	102,118	20.03 %
Total Expenditures	\$11,002,727	\$12,159,353	\$1,156,626	10.51 %
General Fund	10,127,359	11,260,453	1,133,094	11.19 %
State/Other Special Rev. Funds	577,426	579,726	2,300	0.40 %
Federal Spec. Rev. Funds	297,942	319,174	21,232	7.13 %
Total Funds	\$11,002,727	\$12,159,353	\$1,156,626	10.51 %
Total Ongoing	\$10,948,851	\$12,159,353	\$1,210,502	11.06 %
Total OTO	\$53,876	\$0	(\$53,876)	(100.00)%

Page Reference

LFD Budget Analysis, E-150

Program Actuals and Budget Comparison

The following table compares FY 2022 actual expenditures, FY 2022 and FY 2023 appropriations, and the adopted budget for FY 2024 and FY 2025 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2022	Approp. Fiscal 2022	Approp. Fiscal 2023	Legislative Fiscal 2024	Legislative Fiscal 2025
FTE	0.00	49.69	49.69	53.50	53.50
Personal Services	4,727,031	5,089,757	5,403,128	5,772,588	5,774,805
Operating Expenses	237,143	267,486	242,356	311,566	300,394
Total Expenditures	\$4,964,174	\$5,357,243	\$5,645,484	\$6,084,154	\$6,075,199
General Fund	4,565,753	4,921,325	5,206,034	5,634,704	5,625,749
State/Other Special Rev. Funds	250,065	287,563	289,863	289,863	289,863
Federal Spec. Rev. Funds	148,356	148,355	149,587	159,587	159,587
Total Funds	\$4,964,174	\$5,357,243	\$5,645,484	\$6,084,154	\$6,075,199
Total Ongoing	\$4,941,874	\$5,330,305	\$5,618,546	\$6,084,154	\$6,075,199
Total OTO	\$22,300	\$26,938	\$26,938	\$0	\$0

Page Reference

LFD Budget Analysis, E-151

Funding

The MSDB outreach program is funded with 92.6% general fund. The residential education program is funded with general fund, additional state special revenue funding from the school's trust lands, Medicaid reimbursement for services provided to students who qualify for Medicaid, and federal funds designated for the assistance of state and local educational agencies to meet the special educational needs of educationally deprived children.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget
2023 Base Budget	5,179,096	5,179,096	10,358,192	91.99 %	5,618,546	5,618,546	11,237,092	92.42 %
SWPL Adjustments	20,114	24,505	44,619	0.40 %	20,114	24,505	44,619	0.37 %
PL Adjustments	(3,141)	(2,938)	(6,079)	(0.05)%	(3,141)	(2,938)	(6,079)	(0.05)%
New Proposals	438,635	425,086	863,721	7.67 %	448,635	435,086	883,721	7.27 %
Total Budget	\$5,634,704	\$5,625,749	\$11,260,453		\$6,084,154	\$6,075,199	\$12,159,353	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	2,313	0	0	2,313	0.00	3,204	0	0	3,204
DP 3 - Inflation Deflation	0.00	17,801	0	0	17,801	0.00	21,301	0	0	21,301
DP 30 - Motor Pool Rate Adjustment	0.00	(3,141)	0	0	(3,141)	0.00	(2,938)	0	0	(2,938)
Grand Total All Present Law Adjustments	0.00	\$16,973	\$0	\$0	\$16,973	0.00	\$21,567	\$0	\$0	\$21,567

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget for expected changes, management decisions and budget modifications.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include: other services, supplies and materials, communications, in-state motor pool and motor pool leased vehicles, and repair and maintenance.

DP 30 - Motor Pool Rate Adjustment -

The legislature adopted a reduction to proposed motor pool rates.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 4 - New Transition Specialist Position	0.73	70,111	0	0	70,111	0.73	67,567	0	0	67,567
DP 5 - Additional Funding for Family Advisors	0.00	21,000	0	0	21,000	0.00	21,000	0	0	21,000
DP 8 - Professional Development	0.00	35,000	0	0	35,000	0.00	35,000	0	0	35,000
DP 9 - IDEA Part B Outreach Grant Expenses	0.00	0	0	10,000	10,000	0.00	0	0	10,000	10,000
DP 12 - Extra-curricular Compensation	0.00	26,938	0	0	26,938	0.00	26,938	0	0	26,938
DP 14 - Four New Outreach Consultants	3.08	290,036	0	0	290,036	3.08	279,906	0	0	279,906
DP 333 - Adjustment to Inflation	0.00	(4,450)	0	0	(4,450)	0.00	(5,325)	0	0	(5,325)
Total	3.81	\$438,635	\$0	\$10,000	\$448,635	3.81	\$425,086	\$0	\$10,000	\$435,086

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 4 - New Transition Specialist Position -

The legislature adopted an increase of 0.73 FTE for a transition specialist at a cost of \$70,111 in FY 2024 and \$67,567 in FY 2025. The position will develop partnerships with businesses and organizations to work with MSDB students and act as a job coach for employers and students to help prepare MSDB students to be productive in the workforce. This appropriation also includes one new employee office package (\$1,600) and computer equipment (\$1,200) in FY 2024.

DP 5 - Additional Funding for Family Advisors -

The legislature adopted an increase of \$21,000 general fund in each year of the 2025 biennium for personal services costs to provide family advisors. Family advisors are non-staff people who have children with similar disabilities who are paid by MSDB to meet with other families with children with similar needs for consulting and advising. These funds are not used to pay additional stipends to current MSDB staff. Historically, these costs have been paid by an IDEA Part B grant from the Office of Public Instruction and vacancy savings. It is anticipated these funds will not be sufficient for this purpose in the 2025 biennium.

DP 8 - Professional Development -

The legislature adopted an appropriation of \$35,000 per year for professional development funding. No staff training is available in Montana so staff must travel to other states to maintain their high level of training.

DP 9 - IDEA Part B Outreach Grant Expenses -

The legislature adopted an appropriation of \$10,000 per year of the 2025 biennium in federal authority to match the funding received for the IDEA Part B grant received through the Office of Public Instruction.

DP 12 - Extra-curricular Compensation -

The legislature adopted general fund personal services authority of \$26,938 in each year of the biennium to pay stipends to staff for sponsoring extracurricular activities such as sports, clubs, and class sponsors. These sponsors allow MSDB students to participate in extracurricular activities like their peers who attend public schools.

DP 14 - Four New Outreach Consultants -

The legislature adopted a general fund increase of \$290,036 for FY 2024 and \$279,906 for FY 2025 and 3.08 FTE for outreach consultants. This decision package also includes operating costs for four new employee office packages (\$6,200) and four computer packages (\$4,800) in FY 2024.

DP 333 - Adjustment to Inflation -

The legislature adopted an adjustment to inflation included in DP 3.

Agency Budget Comparison

The following table compares the 2023 biennium appropriated budget and the adopted budget for the 2025 biennium by type of expenditure and source of funding.

Agency Budget Comparison				
Budget Item	Appropriated Budget 22-23	Legislative Budget 24-25	Biennium Change	Biennium % Change
Personal Services	1,389,594	1,409,396	19,802	1.43 %
Operating Expenses	507,294	715,280	207,986	41.00 %
Grants	1,046,964	1,024,476	(22,488)	(2.15)%
Debt Service	68,237	90,982	22,745	33.33 %
Total Expenditures	\$3,012,089	\$3,240,134	\$228,045	7.57 %
General Fund	1,091,318	1,241,872	150,554	13.80 %
State/Other Special Rev. Funds	467,946	432,519	(35,427)	(7.57)%
Federal Spec. Rev. Funds	1,452,825	1,565,743	112,918	7.77 %
Total Funds	\$3,012,089	\$3,240,134	\$228,045	7.57 %
Total Ongoing	\$3,012,089	\$3,244,710	\$232,621	7.72 %
Total OTO	\$0	(\$4,576)	(\$4,576)	100.00 %

Page Reference

LFD Budget Analysis, E-156

Agency Highlights

Montana Arts Council Major Budget Highlights
<ul style="list-style-type: none"> • The Montana Arts Council's 2025 biennium budget as adopted by the legislature is \$228,045 or 7.6% greater than the 2023 biennium budget. This includes increases in general fund and federal authority, offset by a decrease in state special funds. This includes: <ul style="list-style-type: none"> ◦ An increase of \$50,000 general fund each year of the biennium to match federal National Endowment for the Arts (NEA) grant award ◦ A fund switch replaces \$25,000 of state special revenue funds with federal special funds for personal services each fiscal year ◦ Statewide present law increases totaling \$156,548 over the 2025 biennium, of which \$78,537 is general fund ◦ A negative adjustment to inflation in the amount of \$10,479

Agency Actuals and Budget Comparison

The following table compares FY 2022 actual expenditures, FY 2022 and FY 2023 appropriations, and the adopted budget for FY 2024 and FY 2025 by type of expenditure and source of funding.

Agency Actuals and Budget Comparison						
Budget Item	Actuals Fiscal 2022	Approp. Fiscal 2022	Approp. Fiscal 2023	Legislative Fiscal 2024	Legislative Fiscal 2025	
FTE	0.00	7.00	7.00	7.00	7.00	7.00
Personal Services	674,742	689,176	700,418	702,896	706,500	706,500
Operating Expenses	208,669	218,922	288,372	373,301	341,979	341,979
Grants	584,726	584,726	462,238	512,238	512,238	512,238
Debt Service	22,746	22,746	45,491	45,491	45,491	45,491
Total Expenditures	\$1,490,883	\$1,515,570	\$1,496,519	\$1,633,926	\$1,606,208	\$1,606,208
General Fund	533,409	558,107	533,211	636,032	605,840	605,840
State/Other Special Rev. Funds	232,703	232,703	235,243	215,886	216,633	216,633
Federal Spec. Rev. Funds	724,771	724,760	728,065	782,008	783,735	783,735
Total Funds	\$1,490,883	\$1,515,570	\$1,496,519	\$1,633,926	\$1,606,208	\$1,606,208
Total Ongoing	\$1,490,883	\$1,515,570	\$1,496,519	\$1,636,214	\$1,608,496	\$1,608,496
Total OTO	\$0	\$0	\$0	(\$2,288)	(\$2,288)	(\$2,288)

Page Reference

LFD Budget Analysis, E-157

Executive Budget Comparison

The following table compares the legislative budget for the biennium to the budget requested by the Governor by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Approp. Fiscal 2023	Executive Budget Fiscal 2024	Legislative Budget Fiscal 2024	Leg — Exec. Difference Fiscal 2024	Executive Budget Fiscal 2025	Legislative Budget Fiscal 2025	Leg — Exec. Difference Fiscal 2025	Biennium Difference Fiscal 24-25
FTE	7.00	7.00	7.00	0.00	7.00	7.00	0.00	0.00
Personal Services	700,418	702,896	702,896	0	706,500	706,500	0	0
Operating Expenses	288,372	377,645	373,301	(4,344)	347,553	341,979	(5,574)	(9,918)
Equipment & Intangible Assets	0	0	0	0	0	0	0	0
Grants	462,238	512,238	512,238	0	512,238	512,238	0	0
Transfers	0	0	0	0	0	0	0	0
Debt Service	45,491	45,491	45,491	0	45,491	45,491	0	0
Total Costs	\$1,496,519	\$1,638,270	\$1,633,926	(\$4,344)	\$1,611,782	\$1,606,208	(\$5,574)	(\$9,918)
General Fund	533,211	637,523	636,032	(1,491)	607,902	605,840	(2,062)	(3,553)
State/other Special Rev. Funds	235,243	216,383	215,886	(497)	217,246	216,633	(613)	(1,110)
Federal Spec. Rev. Funds	728,065	784,364	782,008	(2,356)	786,634	783,735	(2,899)	(5,255)
Total Funds	\$1,496,519	\$1,638,270	\$1,633,926	(\$4,344)	\$1,611,782	\$1,606,208	(\$5,574)	(\$9,918)
Total Ongoing	\$1,496,519	\$1,638,270	\$1,636,214	(\$2,056)	\$1,611,782	\$1,608,496	(\$3,286)	(\$5,342)
Total OTO	\$0	\$0	(\$2,288)	(\$2,288)	\$0	(\$2,288)	(\$2,288)	(\$4,576)

The legislature adopted ongoing appropriations that are \$5,342 lower than the proposed executive appropriations for the 2025 biennium. The only differences are due to an increase in fixed costs for SAHBRS, offset by reductions in motor pool rates and inflation. The reduction for risk management and tort defense premiums was designated as one-time-only.

Funding

The following table shows adopted agency funding for all sources of authority.

Total Montana Arts Council Funding by Source of Authority 2025 Biennium Budget Request - Montana Arts Council						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	1,244,159	(2,287)	0	0	1,241,872	38.33 %
State Special Total	432,919	(400)	0	0	432,519	13.35 %
Federal Special Total	1,567,632	(1,889)	0	0	1,565,743	48.32 %
Proprietary Total	0	0	0	0	0	0.00 %
Other Total	0	0	0	0	0	0.00 %
Total All Funds	\$3,244,710	(\$4,576)	\$0	\$0	\$3,240,134	
Percent - Total All Sources	100.14 %	(0.14)%	0.00 %	0.00 %		

The Montana Arts Council is funded with general fund, state special revenue, and federal special revenue.

General fund supports the following:

- A portion of the agency operations and services to the state’s art community
- Grants, which include Artists in the Schools and several other grant programs available to non-profit art organizations, schools, and other eligible entities

The cultural and aesthetic project state special revenue fund supports the following:

- Overall agency operations
- Administration of cultural and aesthetic trust activities and the preservation of the state’s cultural heritage
- Grant awards in HB 9 for cultural and aesthetic projects

Federal special revenue from the National Endowment of the Arts supports the following:

- Formula-based grants, which require a non-federal dollar match. The agency utilizes general fund and state special revenue as a source of matching funds
- The agency’s administration of services to the state’s art community

Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the glossary.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget
2023 Base Budget	533,211	533,211	1,066,422	85.87 %	1,496,519	1,496,519	2,993,038	92.37 %
SWPL Adjustments	54,079	24,458	78,537	6.32 %	91,518	65,030	156,548	4.83 %
PL Adjustments	243	81	324	0.03 %	342	219	561	0.02 %
New Proposals	48,499	48,090	96,589	7.78 %	45,547	44,440	89,987	2.78 %
Total Budget	\$636,032	\$605,840	\$1,241,872		\$1,633,926	\$1,606,208	\$3,240,134	

Language and Statutory Authority

The legislature adopted the following language in HB 2:

"All HB 2 federal funding appropriations for the Montana Arts Council are biennial appropriations."

"Promotion of the Arts includes a one-time-only reduction in FY 2024 and FY 2025 for a suspension of insurance premium payments to the Risk Management and Tort Defense Division's proprietary fund."

"If HB 132 is passed and approved by the Legislature, Legislative Audit is void."

Page Reference

LFD Budget Analysis, E-161

Page Reference

N/A

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	1,392	(204)	1,290	2,478	0.00	2,654	516	2,912	6,082
DP 2 - Fixed Costs	0.00	47,838	4,903	23,193	75,934	0.00	15,963	4,750	22,447	43,160
DP 3 - Inflation Deflation	0.00	4,849	1,441	6,816	13,106	0.00	5,841	1,737	8,210	15,788
DP 20 - SABHRS Rate Adjustment	0.00	282	29	136	447	0.00	118	35	165	318
DP 30 - Motor Pool Rate Adjustment	0.00	(39)	(11)	(55)	(105)	0.00	(37)	(11)	(51)	(99)
DP 222 - RMTD Adjustment	0.00	1,441	148	699	2,288	0.00	846	252	1,190	2,288
DP 223 - RMTD Adjustment (OTO)	0.00	(1,441)	(148)	(699)	(2,288)	0.00	(846)	(252)	(1,190)	(2,288)
Grand Total All Present Law Adjustments	0.00	\$54,322	\$6,158	\$31,380	\$91,860	0.00	\$24,539	\$7,027	\$33,683	\$65,249

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget for expected changes, management decisions and budget modifications.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget for fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, information technology services, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include: other services, supplies and materials, communications, in-state motor pool and motor pool leased vehicles, and repair and maintenance.

DP 20 - SABHRS Rate Adjustment -

The legislature adopted an increase to proposed SABHRS rates.

DP 30 - Motor Pool Rate Adjustment -

The legislature adopted a reduction to proposed motor pool rates.

DP 222 - RMTD Adjustment -

The legislature adopted an adjustment to the insurance premiums paid to the Risk Management and Tort Defense Division proprietary fund. This decision package eliminates the reduction included in DP 2. This change is necessary to designate the reduction as one-time-only in the budgeting system.

DP 223 - RMTD Adjustment (OTO) -

The legislature adopted an adjustment to the insurance premiums paid to the Risk Management and Tort Defense Division proprietary fund. This decision package designates the reduction as one-time-only.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals	Fiscal 2024					Fiscal 2025				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 4 - Personal Services Fund Switch	0.00	0	(25,000)	25,000	0	0.00	0	(25,000)	25,000	0
DP 5 - General Fund Federal Match Increase	0.00	50,000	0	0	50,000	0.00	50,000	0	0	50,000
DP 99 - New Fixed Costs	0.00	233	0	0	233	0.00	233	0	0	233
DP 333 - Adjustment to Inflation	0.00	(1,734)	(515)	(2,437)	(4,686)	0.00	(2,143)	(637)	(3,013)	(5,793)
Total	0.00	\$48,499	(\$25,515)	\$22,563	\$45,547	0.00	\$48,090	(\$25,637)	\$21,987	\$44,440

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 4 - Personal Services Fund Switch -

The legislature adopted a personal services reduction of \$25,000 in FY 2024 and FY 2025 in the state special revenue fund (Cultural Trust) and a corresponding personal services increase of \$25,000 in FY 2024 and FY 2025 in federal special revenue (National Endowment for the Arts).

DP 5 - General Fund Federal Match Increase -

The legislature adopted an appropriation of \$50,000 general fund for each year of the 2025 biennium to fully match the federal National Endowment for the Arts (NEA) grant award without reverting funds.

DP 99 - New Fixed Costs -

The legislature adopted an appropriation of \$233 in each year of the 2025 biennium to provide funding for the agency to pay for new fixed cost allocations related to the Chief Data Office and the State Management Training Center. Rates for the fix costs are reviewed by the Section A subcommittee.

DP 333 - Adjustment to Inflation -

The legislature adopted an adjustment to inflation included in DP 3.

Agency Budget Comparison

The following table compares the 2023 biennium appropriated budget and the adopted budget for the 2025 biennium by type of expenditure and source of funding.

Agency Budget Comparison				
Budget Item	Appropriated Budget 22-23	Legislative Budget 24-25	Biennium Change	Biennium % Change
Personal Services	6,433,580	5,729,631	(703,949)	(10.94)%
Operating Expenses	6,752,300	10,398,610	3,646,310	54.00 %
Grants	974,961	950,000	(24,961)	(2.56)%
Debt Service	3,044	0	(3,044)	(100.00)%
Total Expenditures	\$14,163,885	\$17,078,241	\$2,914,356	20.58 %
General Fund	5,710,161	6,331,789	621,628	10.89 %
State/Other Special Rev. Funds	6,318,031	7,751,611	1,433,580	22.69 %
Federal Spec. Rev. Funds	2,127,939	2,994,841	866,902	40.74 %
Proprietary Funds	7,754	0	(7,754)	(100.00)%
Total Funds	\$14,163,885	\$17,078,241	\$2,914,356	20.58 %
Total Ongoing	\$13,238,885	\$15,308,245	\$2,069,360	15.63 %
Total OTO	\$925,000	\$1,769,996	\$844,996	91.35 %

Page Reference

Legislative Budget Analysis, E-163

Agency Highlights

Montana State Library Major Budget Highlights
<ul style="list-style-type: none"> • The Montana State Library's 2025 biennium appropriations are \$2.9 million or 20.6% higher than the 2023 biennium budget. Significant biennial changes include: <ul style="list-style-type: none"> ◦ An increase in authority for statewide present law adjustments for personal services and inflation ◦ An increase of \$370,000 of federal special revenue per fiscal year in the 2025 biennium to allow the appropriation to match the anticipated federal Library Services and Technology Act grant funding ◦ A decrease in general fund fixed costs of \$293,000 in rent for the library's previous location and a present law adjustment for rent of \$165,000 for an off-campus location lease, resulting in a net decrease of \$128,000 of general fund for both changes ◦ Restricted, one-time-only state special revenue funding of \$500,000 per fiscal year for additional start-up and ongoing costs related to the Montana real-time network ◦ One-time-only state special revenue funding of \$400,000 per fiscal year to continue the hot spots program for local libraries ◦ An additional 1.0% vacancy savings and a reduction to the statewide present law adjustment for inflation

Agency Actuals and Budget Comparison

The following table compares FY 2022 actual expenditures, FY 2022 and FY 2023 appropriations, and the adopted budget for FY 2024 and FY 2025 by type of expenditure and source of funding.

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2022	Approp. Fiscal 2022	Approp. Fiscal 2023	Legislative Fiscal 2024	Legislative Fiscal 2025
FTE	0.00	30.46	30.46	30.46	30.46
Personal Services	3,982,274	4,176,840	2,256,740	2,857,842	2,871,789
Operating Expenses	2,249,518	2,555,911	4,196,389	5,193,428	5,205,182
Grants	474,515	499,961	475,000	475,000	475,000
Debt Service	3,043	3,044	0	0	0
Total Expenditures	\$6,709,350	\$7,235,756	\$6,928,129	\$8,526,270	\$8,551,971
General Fund	2,582,110	2,828,689	2,881,472	3,156,646	3,175,143
State/Other Special Rev. Funds	2,884,694	3,156,767	3,161,264	3,873,109	3,878,502
Federal Spec. Rev. Funds	1,242,546	1,242,546	885,393	1,496,515	1,498,326
Proprietary Funds	0	7,754	0	0	0
Total Funds	\$6,709,350	\$7,235,756	\$6,928,129	\$8,526,270	\$8,551,971
Total Ongoing	\$6,450,710	\$6,773,256	\$6,465,629	\$7,641,272	\$7,666,973
Total OTO	\$258,640	\$462,500	\$462,500	\$884,998	\$884,998

Page Reference

Legislative Budget Analysis, E-165

Executive Budget Comparison

The following table compares the legislative budget for the biennium to the budget requested by the Governor by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Approp. Fiscal 2023	Executive Budget Fiscal 2024	Legislative Budget Fiscal 2024	Leg — Exec. Difference Fiscal 2024	Executive Budget Fiscal 2025	Legislative Budget Fiscal 2025	Leg — Exec. Difference Fiscal 2025	Biennium Difference Fiscal 24-25
FTE	30.46	30.46	30.46	0.00	30.46	30.46	0.00	0.00
Personal Services	2,256,740	2,887,890	2,857,842	(30,048)	2,901,983	2,871,789	(30,194)	(60,242)
Operating Expenses	4,196,389	4,682,820	5,193,428	510,608	4,715,764	5,205,182	489,418	1,000,026
Grants	475,000	475,000	475,000	0	475,000	475,000	0	0
Debt Service	0	0	0	0	0	0	0	0
Total Costs	\$6,928,129	\$8,045,710	\$8,526,270	\$480,560	\$8,092,747	\$8,551,971	\$459,224	\$939,784
General Fund	2,881,472	3,239,987	3,156,646	(83,341)	3,279,766	3,175,143	(104,623)	(187,964)
State/other Special Rev. Funds	3,161,264	3,482,264	3,873,109	390,845	3,487,705	3,878,502	390,797	781,642
Federal Spec. Rev. Funds	885,393	1,323,459	1,496,515	173,056	1,325,276	1,498,326	173,050	346,106
Other	0	0	0	0	0	0	0	0
Total Funds	\$6,928,129	\$8,045,710	\$8,526,270	\$480,560	\$8,092,747	\$8,551,971	\$459,224	\$939,784
Total Ongoing	\$6,465,629	\$7,545,710	\$7,641,272	\$95,562	\$7,592,747	\$7,666,973	\$74,226	\$169,788
Total OTO	\$462,500	\$500,000	\$884,998	\$384,998	\$500,000	\$884,998	\$384,998	\$769,996

The legislature adopted appropriations that, in total, are approximately \$0.9 million higher than the proposed budget. This includes adoption of ongoing appropriations that are approximately \$170,000 higher than proposed for the 2025 biennium and adoption of one-time-only appropriations that are approximately \$770,000 higher than proposed. These differences are primarily for state and federal special revenue appropriations.

The major differences in the legislative budget compared to the proposed budget include:

- The legislature adopted an ongoing increase of federal special revenue appropriations totaling \$370,000 per fiscal year. The federal special revenue increase in the proposed budget was \$195,000 per fiscal year. The difference in the legislative budget compared to the proposed budget, totaling \$175,000 per fiscal year, is due to an anticipated higher amount of federal grant funding awarded to the Montana State Library

- The legislature adopted a one-time only appropriation of state special revenue funds totaling \$400,000 per fiscal year for the continuation of the Montana State Library's hot spot program. This program was originally funded with federal American Rescue Plan Act funding, granted by the Institute of Museum and Library Services, for which the period of performance will end April 30, 2023
- The legislature adopted an ongoing increase of \$15,000 of general fund per fiscal year for insurance premium payments to the Risk Management and Tort Defense Division's proprietary fund. The legislature also adopted a one-time-only reduction of \$15,000 of general fund per fiscal year for the Risk Management and Tort Defense Division's insurance premium holiday. The net impact of these changes is zero and results in the designation of the insurance premium holiday as one-time-only
- The legislature adopted an additional 1.0% vacancy savings and a reduction to the statewide present law adjustment for inflation

Funding

The following table shows adopted agency funding for all sources of authority.

Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	6,361,793	(30,004)	0	1,084,226	7,416,015	36.94 %
State Special Total	5,951,611	1,800,000	0	999,794	8,751,405	43.59 %
Federal Special Total	2,994,841	0	0	0	2,994,841	14.92 %
Proprietary Total	0	0	914,401	0	914,401	4.55 %
Other Total	0	0	0	0	0	0.00 %
Total All Funds	\$15,308,245	\$1,769,996	\$914,401	\$2,084,020	\$20,076,662	
Percent - Total All Sources	76.25 %	8.82 %	4.55 %	10.38 %		

The Montana State Library is funded through a combination of general fund, state special revenue, federal special revenue, and proprietary funds.

HB 2 Authority

General fund in the Montana State Library supports:

- General agency operations
- The statewide interlibrary resource sharing program
- Natural resource information system (NRIS)
- The Montana natural heritage program

State special revenue in the 2025 biennium supports:

- The digital library services account, which receives assessments paid by certain state agencies that use the Natural Resource Information System (NRIS)/Geographic Information Systems (GIS)
- The Montana land information account, which receives a portion of the document recording fees assessed at the local level, funds GIS and land information services and grants
- The coal severance tax library account, which receives a 0.9% distribution of coal severance tax funds and is used for general operations, statewide technology contracts, and the library federation grants to assist local libraries in providing basic services

Federal special revenue is primarily comprised of Library Services and Technology Act (LSTA) grants administered by the Institute of Museum and Library Services (IMLS). These funds:

- Are a formula grant to the Montana State Library from the IMLS rather than a competitive grant
- Require a 2:1 federal/state match and a 5-year plan
- Are used for collection content and access, training and outreach to local libraries, and services to patrons with disabilities

Proprietary Authority

Approximately 4.5% of the Montana State Library’s total budget is non-budgeted proprietary funding for the Montana Shared Catalog project; funding is member fees paid by participating libraries.

Statutory Authority

Statutory authority for the Montana State Library is estimated to be approximately \$2.1 million or 10.3% of the total budget. The funding for this authority includes state special revenue from fees imposed for 9-1-1 mapping services; in accordance with 10-4-304(5), MCA, the Montana State Library’s 9-1-1 GIS mapping account receives a transfer of \$450,000 of state special revenue each fiscal year through FY 2030. Statutory authority for the agency also includes general fund for state aid to public libraries, as authorized under 22-1-327, MCA.

Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the glossary.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget
2023 Base Budget	2,881,472	2,881,472	5,762,944	91.02 %	6,465,629	6,465,629	12,931,258	75.72 %
SWPL Adjustments	191,793	231,572	423,365	6.69 %	718,359	765,396	1,483,755	8.69 %
PL Adjustments	164,675	164,704	329,379	5.20 %	164,675	164,704	329,379	1.93 %
New Proposals	(81,294)	(102,605)	(183,899)	(2.90)%	1,177,607	1,156,242	2,333,849	13.67 %
Total Budget	\$3,156,646	\$3,175,143	\$6,331,789		\$8,526,270	\$8,551,971	\$17,078,241	

Language and Statutory Authority

The legislature adopted the following language in HB 2:

"Statewide Library Resources includes a one-time-only reduction in FY 2024 and FY 2025 for a suspension of insurance premium payments to the Risk Management and Tort Defense Division's proprietary fund."

"If HB 132 is passed and approved by the Legislature, Legislative Audit is void."

Page Reference

Legislative Budget Analysis, E-171

Page Reference

N/A

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	219,584	283,500	243,066	746,150	0.00	226,419	288,941	244,883	760,243
DP 2 - Fixed Costs	0.00	(213,607)	0	0	(213,607)	0.00	(242,542)	0	0	(242,542)
DP 3 - Inflation Deflation	0.00	185,816	0	0	185,816	0.00	247,695	0	0	247,695
DP 20 - SABHRS Rate Adjustment	0.00	133	0	0	133	0.00	133	0	0	133
DP 30 - Motor Pool Rate Adjustment	0.00	(458)	0	0	(458)	0.00	(429)	0	0	(429)
DP 222 - RMTD Adjustment	0.00	15,002	0	0	15,002	0.00	15,002	0	0	15,002
DP 223 - RMTD Adjustment (OTO)	0.00	(15,002)	0	0	(15,002)	0.00	(15,002)	0	0	(15,002)
DP 51507 - Off-Campus Location Lease	0.00	165,000	0	0	165,000	0.00	165,000	0	0	165,000
Grand Total All Present Law Adjustments	0.00	\$356,468	\$283,500	\$243,066	\$883,034	0.00	\$396,276	\$288,941	\$244,883	\$930,100

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget for expected changes, management decisions and budget modifications.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget to for fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, information technology services, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include: other services, supplies and materials, communications, in-state motor pool and motor pool leased vehicles, and repair and maintenance.

DP 20 - SABHRS Rate Adjustment -

The legislature adopted an increase to proposed SABHRS rates.

DP 30 - Motor Pool Rate Adjustment -

The legislature adopted a reduction to proposed motor pool rates.

DP 222 - RMTD Adjustment -

The legislature adopted an adjustment to the insurance premiums paid to the Risk Management and Tort Defense Division proprietary fund. This decision package eliminates the reduction included in DP 2. This change is necessary to designate the reduction as one-time-only in the budgeting system.

DP 223 - RMTD Adjustment (OTO) -

The legislature adopted an adjustment to the insurance premiums paid to the Risk Management and Tort Defense Division proprietary fund. This decision package designates the reduction as one-time-only.

DP 51507 - Off-Campus Location Lease -

The legislature adopted a general fund appropriation in each year of the 2025 biennium for an off-campus lease location. The Montana State Library moved from a 25,000 square-foot space in an on-campus building, rented at \$293,000 per year, to a 7,200 square-foot building, rented at \$165,000 per year. The reduction of general fund for the former location rent amount is included in DP 2 – Fixed Costs.

New Proposals -

The “New Proposals” table shows new changes to spending.

New Proposals	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 8 - Real Time Network (RST/OTO)	0.00	0	500,000	0	500,000	0.00	0	500,000	0	500,000
DP 10 - Hot Spot Program (OTO)	0.00	0	400,000	0	400,000	0.00	0	400,000	0	400,000
DP 99 - New Fixed Costs	0.00	1,722	0	0	1,722	0.00	1,722	0	0	1,722
DP 333 - Adjustment to Inflation	0.00	(64,067)	0	0	(64,067)	0.00	(85,286)	0	0	(85,286)
DP 555 - Additional Vacancy Savings	0.00	(18,949)	(9,155)	(1,944)	(30,048)	0.00	(19,041)	(9,203)	(1,950)	(30,194)
DP 51506 - Increase Federal Authority	0.00	0	0	370,000	370,000	0.00	0	0	370,000	370,000
Total	0.00	(\$81,294)	\$890,845	\$368,056	\$1,177,607	0.00	(\$102,605)	\$890,797	\$368,050	\$1,156,242

**"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 8 - Real Time Network (RST/OTO) -

The legislature adopted restricted, one-time-only state special revenue funding for additional start-up costs and operational costs for the statewide Real Time Network, a network of permanent continuously operating reference stations (CORS) spread throughout the state to provide precise location data.

DP 10 - Hot Spot Program (OTO) -

The legislature adopted one-time-only state special revenue funding for the Hot Spots program to allow continuation of the hot spots lending program.

DP 99 - New Fixed Costs -

The legislature adopted an appropriation for the agency to provide funding for a new fixed cost for the State Management Training Center. The rates charged for this service are approved in the section of the budget that provides the services.

DP 333 - Adjustment to Inflation -

The legislature adopted an adjustment to inflation included in DP 3.

DP 555 - Additional Vacancy Savings -

The legislature adopted an additional 1.0% vacancy savings.

DP 51506 - Increase Federal Authority -

The legislature adopted an increase to the Library's federal special revenue authority in each year of the 2025 biennium. This increase is for the Montana State Library's base federal authority to match the anticipated federal grant amounts.

Agency Budget Comparison

The following table compares the 2023 biennium appropriated budget and the adopted budget for the 2025 biennium by type of expenditure and source of funding.

Agency Budget Comparison				
Budget Item	Appropriated Budget 22-23	Legislative Budget 24-25	Biennium Change	Biennium % Change
Personal Services	7,456,471	10,386,117	2,929,646	39.29 %
Operating Expenses	3,647,066	5,785,896	2,138,830	58.65 %
Equipment & Intangible Assets	224,821	192,020	(32,801)	(14.59)%
Grants	174,240	174,240	0	0.00 %
Debt Service	356,674	375,828	19,154	5.37 %
Total Expenditures	\$11,859,272	\$16,914,101	\$5,054,829	42.62 %
General Fund	6,955,289	7,767,165	811,876	11.67 %
State/Other Special Rev. Funds	1,903,860	5,335,859	3,431,999	180.27 %
Federal Spec. Rev. Funds	1,817,506	1,910,773	93,267	5.13 %
Proprietary Funds	1,182,617	1,900,304	717,687	60.69 %
Total Funds	\$11,859,272	\$16,914,101	\$5,054,829	42.62 %
Total Ongoing	\$11,859,272	\$16,623,743	\$4,764,471	40.18 %
Total OTO	\$0	\$290,358	\$290,358	100.00 %

Page Reference

LFD Budget Analysis Addendum, E-1

Agency Highlights

Montana Historical Society Major Budget Highlights
<p>The legislature adopted a biennial budget for the Montana Historical Society which is 42.6% or \$5.1 million greater than the previous biennium. The increase is due in large part to the operation and staffing of the new Heritage Center (SB 338, 2019). Most of this increase will be funded by state special revenues from accommodations taxes. Approved changes include the following:</p> <ul style="list-style-type: none"> • Statewide present law increases totaling \$2.5 million for the biennium the majority of the increase is for SWPL 2, fixed costs, due to additional rent for the expanded space. This is offset by the one-time-only insurance payment holiday, a reduction to inflation in the amount of \$77,440, and a 1.0% increase in vacancy savings which totals \$116,110 • A fund switch of \$823,930 of authority for operating and maintenance (O&M) from general fund to state special revenue funds from accommodation taxes • A one-time-only appropriation on \$48,000 for archiving legislative records • Additional moving and rent costs for an interim location for employees displaced by construction totaling \$242,358 general fund • The legislature adopted language to appropriate \$34,432 state special revenue in FY 2024 and \$31,632 in FY 2025 to fund 0.50 seasonal FTE to implement HB 586, Allow fossils found on state land to be housed in local museums • 24.46 additional FTE, a total FTE increase of 45.0%, totaling \$3.1 million for the biennium to staff the new Montana Heritage Center. The legislature approved a phase in of these FTE with 12.64 added in the first year and 11.82 more added in FY 25. These FTE are distributed as follows: <ul style="list-style-type: none"> ◦ Administration program: 15.00 FTE of which 8.00 FTE are approved for first year - \$1.4 million state special for the biennium ◦ Research center: 3.00 FTE of which 1.00 is approved for the first year - \$295,208 state special ◦ Museum Program: 4.00 FTE of which 2.00 are approved for the first year - \$442,697 state special ◦ Education program: 2.46 FTE of which 1.64 are approved for the first year - \$206,679 state special

Agency Actuals and Budget Comparison

The following table compares FY 2022 actual expenditures, FY 2022 and FY 2023 appropriations, and the adopted budget for FY 2024 and FY 2025 by type of expenditure and source of funding.

Agency Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2022	Approp. Fiscal 2022	Approp. Fiscal 2023	Legislative Fiscal 2024	Legislative Fiscal 2025
FTE	0.00	54.38	54.38	67.02	78.84
Personal Services	3,674,186	3,682,783	3,773,688	4,853,279	5,532,838
Operating Expenses	1,717,472	1,795,751	1,851,315	2,826,504	2,959,392
Equipment & Intangible Assets	128,524	128,811	96,010	96,010	96,010
Grants	87,000	87,120	87,120	87,120	87,120
Debt Service	168,757	168,760	187,914	187,914	187,914
Total Expenditures	\$5,775,939	\$5,863,225	\$5,996,047	\$8,050,827	\$8,863,274
General Fund	3,371,867	3,417,538	3,537,751	4,275,454	3,491,711
State/Other Special Rev. Funds	943,273	951,897	951,963	1,914,908	3,420,951
Federal Spec. Rev. Funds	892,054	903,737	913,769	952,882	957,891
Proprietary Funds	568,745	590,053	592,564	907,583	992,721
Total Funds	\$5,775,939	\$5,863,225	\$5,996,047	\$8,050,827	\$8,863,274
Total Ongoing	\$5,775,939	\$5,863,225	\$5,996,047	\$7,868,004	\$8,755,739
Total OTO	\$0	\$0	\$0	\$182,823	\$107,535

Page Reference

LFD Budget Analysis Addendum, E-3

Executive Budget Comparison

The following table compares the legislative budget for the biennium to the budget requested by the Governor by type of expenditure and source of funding.

Executive Budget Comparison								
Budget Item	Approp. Fiscal 2023	Executive Budget Fiscal 2024	Legislative Budget Fiscal 2024	Leg — Exec. Difference Fiscal 2024	Executive Budget Fiscal 2025	Legislative Budget Fiscal 2025	Leg — Exec. Difference Fiscal 2025	Biennium Difference Fiscal 24-25
FTE	54.38	78.84	67.02	(11.82)	78.84	78.84	0.00	0.00
Personal Services	3,773,688	5,603,545	4,853,279	(750,266)	5,591,078	5,532,838	(58,240)	(808,506)
Operating Expenses	1,851,315	2,753,938	2,826,504	72,566	2,863,307	2,959,392	96,085	168,651
Equipment & Intangible Assets	96,010	96,010	96,010	0	96,010	96,010	0	0
Grants	87,120	87,120	87,120	0	87,120	87,120	0	0
Debt Service	187,914	187,914	187,914	0	187,914	187,914	0	0
Total Costs	\$5,996,047	\$8,728,527	\$8,050,827	(\$677,700)	\$8,825,429	\$8,863,274	\$37,845	(\$639,855)
General Fund	3,537,751	4,199,767	4,275,454	75,687	3,446,309	3,491,711	45,402	121,089
State/other Special Rev. Funds	951,963	2,642,911	1,914,908	(728,003)	3,399,328	3,420,951	21,623	(706,380)
Federal Spec. Rev. Funds	913,769	967,860	952,882	(14,978)	974,451	957,891	(16,560)	(31,538)
Other	592,564	917,989	907,583	(10,406)	1,005,341	992,721	(12,620)	(23,026)
Total Funds	\$5,996,047	\$8,728,527	\$8,050,827	(\$677,700)	\$8,825,429	\$8,863,274	\$37,845	(\$639,855)
Total Ongoing	\$5,996,047	\$8,680,527	\$7,868,004	(\$812,523)	\$8,825,429	\$8,755,739	(\$69,690)	(\$882,213)
Total OTO	\$0	\$48,000	\$182,823	\$134,823	\$0	\$107,535	\$107,535	\$242,358

The legislature adopted an ongoing budget that is \$639,855 lower than the executive's request. The difference consists of legislative adjustments reducing inflation, increasing vacancy savings, and reducing the amount of new FTE in the first year of the biennium. The legislature also adopted a one-time-only agency request for additional rent and moving costs for an interim location for employees displaced by construction and renovations.

Funding

The following table shows adopted agency funding for all sources of authority.

Total Montana Historical Society Funding by Source of Authority 2025 Biennium Budget Request - Montana Historical Society						
Funds	HB2 Ongoing	HB2 OTO	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds
General Fund	7,524,807	242,358	0	0	7,767,165	40.98 %
State Special Total	5,287,859	48,000	0	2,037,389	7,373,248	38.91 %
Federal Special Total	1,910,773	0	0	0	1,910,773	10.08 %
Proprietary Total	1,900,304	0	0	0	1,900,304	10.03 %
Other Total	0	0	0	0	0	0.00 %
Total All Funds	\$16,623,743	\$290,358	\$0	\$2,037,389	\$18,951,490	
Percent - Total All Sources	87.72 %	1.53 %	0.00 %	10.75 %		

The agency is funded through a combination of general fund, state special revenue, federal special, and proprietary revenue as shown in the table above.

Statutory Appropriations

The Montana Historical Society has several state special revenue funds that are statutorily appropriated. These include:

- Montana Historical Society membership state special revenue fund
- Original Governor’s mansion state special revenue fund
- Sites and signs state special revenue fund
- Lewis and Clark license plates state special revenue fund

The statutory appropriations will be discussed in further detail at the program level.

Budget Summary by Category

The following table summarizes the total budget by base, present law adjustments, and new proposals. For a description of these categories, please see the glossary.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget
2023 Base Budget	3,537,751	3,537,751	7,075,502	91.09 %	5,996,047	5,996,047	11,992,094	70.90 %
SWPL Adjustments	660,903	731,375	1,392,278	17.93 %	1,150,721	1,345,033	2,495,754	14.76 %
PL Adjustments	428	326	754	0.01 %	514	418	932	0.01 %
New Proposals	76,372	(777,741)	(701,369)	(9.03)%	903,545	1,521,776	2,425,321	14.34 %
Total Budget	\$4,275,454	\$3,491,711	\$7,767,165		\$8,050,827	\$8,863,274	\$16,914,101	

Language and Statutory Authority

The legislature adopted the following language in HB 2:

"The Administration Program includes a one-time-only reduction in FY 2024 and FY 2025 for a suspension of insurance premium payments to the Risk Management and Tort Defense Division's proprietary fund."

"If HB 132 is passed and approved by the Legislature, Legislative Audit is void."

"If HB 586 is passed and approved, the Montana Historical Society is increased by \$34,432 state special revenue in FY 2024 and \$31,632 state special revenue in FY 2025, and the Montana Historical Society may increase full-time equivalent positions authorized in HB 2 by 0.50 FTE in FY 2024 and 0.50 FTE in FY 2025."

Program Budget Comparison

The following table compares the 2023 biennium appropriated budget and the adopted budget for the 2025 biennium by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 22-23	Legislative Budget 24-25	Biennium Change	Biennium % Change
Personal Services	2,134,816	3,796,032	1,661,216	77.82 %
Operating Expenses	875,218	1,791,679	916,461	104.71 %
Total Expenditures	\$3,010,034	\$5,587,711	\$2,577,677	85.64 %
General Fund	2,373,087	3,052,766	679,679	28.64 %
State/Other Special Rev. Funds	3,458	1,653,438	1,649,980	47,714.86 %
Federal Spec. Rev. Funds	219,324	259,109	39,785	18.14 %
Proprietary Funds	414,165	622,398	208,233	50.28 %
Total Funds	\$3,010,034	\$5,587,711	\$2,577,677	85.64 %
Total Ongoing	\$3,010,034	\$5,345,353	\$2,335,319	77.58 %
Total OTO	\$0	\$242,358	\$242,358	100.00 %

Page Reference

LFD Budget Analysis, E-183

Program Actuals and Budget Comparison

The following table compares FY 2022 actual expenditures, FY 2022 and FY 2023 appropriations, and the adopted budget for FY 2024 and FY 2025 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2022	Approp. Fiscal 2022	Approp. Fiscal 2023	Legislative Fiscal 2024	Legislative Fiscal 2025
FTE	0.00	14.68	14.68	22.68	29.68
Personal Services	1,062,885	1,071,475	1,063,341	1,699,855	2,096,177
Operating Expenses	407,420	454,327	420,891	886,818	904,861
Total Expenditures	\$1,470,305	\$1,525,802	\$1,484,232	\$2,586,673	\$3,001,038
General Fund	1,162,127	1,207,799	1,165,288	1,664,286	1,388,480
State/Other Special Rev. Funds	21	1,729	1,729	498,787	1,154,651
Federal Spec. Rev. Funds	103,168	108,972	110,352	129,188	129,921
Proprietary Funds	204,989	207,302	206,863	294,412	327,986
Total Funds	\$1,470,305	\$1,525,802	\$1,484,232	\$2,586,673	\$3,001,038
Total Ongoing	\$1,470,305	\$1,525,802	\$1,484,232	\$2,451,850	\$2,893,503
Total OTO	\$0	\$0	\$0	\$134,823	\$107,535

Page Reference

LFD Budget Analysis, E-184

Funding

HB 2 Appropriations

The Administration Program is primarily funded in HB 2 with general fund. The program receives a small amount of state special revenue from the sale of Lewis and Clark medallions and bronze replicas of the "We Proceeded On" bronze relief located in the Senate chamber. This state special revenue funding is used for the care and maintenance of the original bronze relief.

The program also receives federal funds generated through indirect cost recoveries and proprietary funds from museum entrance fees, lobby rentals, and merchandise sales.

Statutory Appropriations

The Administration Program has one statutorily appropriated state special revenue fund. The Montana Historical Society membership fund receives revenue from the purchase of memberships to the Montana Historical Society. This funding must be used for the improvement, development, and operation of the MTHS.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget
2023 Base Budget	1,165,288	1,165,288	2,330,576	76.34 %	1,484,232	1,484,232	2,968,464	53.12 %
SWPL Adjustments	385,707	408,415	794,122	26.01 %	505,011	564,644	1,069,655	19.14 %
PL Adjustments	394	342	736	0.02 %	528	499	1,027	0.02 %
New Proposals	112,897	(185,565)	(72,668)	(2.38)%	596,902	951,663	1,548,565	27.71 %
Total Budget	\$1,664,286	\$1,388,480	\$3,052,766		\$2,586,673	\$3,001,038	\$5,587,711	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	157,200	0	18,607	183,757	0.00	164,023	0	19,365	191,738
DP 2 - Fixed Costs	0.00	222,838	0	0	298,578	0.00	237,860	0	0	346,778
DP 3 - Inflation Deflation	0.00	5,669	0	5,669	22,676	0.00	6,532	0	6,532	26,128
DP 20 - SABHRS Rate Adjustment	0.00	394	0	0	528	0.00	342	0	0	499
DP 222 - RMTD Adjustment	0.00	82,110	0	0	110,018	0.00	75,463	0	0	110,018
DP 223 - RMTD Adjustment (OTO)	0.00	(82,110)	0	0	(110,018)	0.00	(75,463)	0	0	(110,018)
Grand Total All Present Law Adjustments	0.00	\$386,101	\$0	\$24,276	\$505,539	0.00	\$408,757	\$0	\$25,897	\$565,143

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget for expected changes, management decisions and budget modifications.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget for fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, information technology services, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include: other services, supplies and materials, communications, in-state motor pool and motor pool leased vehicles, and repair and maintenance.

DP 20 - SABHRS Rate Adjustment -

The legislature adopted an increase to proposed SABHRS rates.

DP 222 - RMTD Adjustment -

The legislature adopted an adjustment to the insurance premiums paid to the Risk Management and Tort Defense Division proprietary fund. This decision package eliminates the reduction included in DP 2. This change is necessary to designate the reduction as one-time-only in the budgeting system.

DP 223 - RMTD Adjustment (OTO) -

The legislature adopted an adjustment to the insurance premiums paid to the Risk Management and Tort Defense Division proprietary fund. This decision package designates the reduction as one-time-only.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 99 - New Fixed Costs	0.00	421	0	0	535	0.00	421	0	0	535
DP 333 - Adjustment to Inflation	0.00	(3,403)	0	(3,403)	(13,613)	0.00	(4,276)	0	(4,276)	(17,105)
DP 555 - Additional Vacancy Savings	0.00	(18,944)	0	(2,037)	(21,901)	0.00	(19,086)	0	(2,052)	(22,065)
DP 51701 - MT Heritage Center FTE	8.00	0	497,058	0	497,058	15.00	0	882,763	0	882,763
DP 51705 - Fund Switch O&M Costs	0.00	0	0	0	0	0.00	(270,159)	270,159	0	0
DP 51707 - Temporary Location Rent and Moving Costs (Restricted/OTO)	0.00	134,823	0	0	134,823	0.00	107,535	0	0	107,535
Total	8.00	\$112,897	\$497,058	(\$5,440)	\$596,902	15.00	(\$185,565)	\$1,152,922	(\$6,328)	\$951,663

**"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 99 - New Fixed Costs -

The legislature adopted an appropriation for the agency to provide funding for a new fixed cost for the State Management Training Center. The rates charged for this service are approved in the section of the budget that provides the services.

DP 333 - Adjustment to Inflation -

The legislature adopted an adjustment to inflation included in DP 3.

DP 555 - Additional Vacancy Savings -

The legislature adopted an additional 1.0% vacancy savings.

DP 51701 - MT Heritage Center FTE -

The legislature adopted an increase of 15.00 FTE to be funded with state special revenue lodging facility use taxes. The positions approved in this program include guards, guest services, human resources specialist, merchandise staff, information technology staff, facilities specialist, and an accountant. An office furniture package and computer package is included as operating costs in FY 2024 for each FTE.

DP 51705 - Fund Switch O&M Costs -

The legislature adopted a reduction to operation and maintenance expenses in the general fund and moved those costs to the state special revenue account for operations and maintenance funded with accommodations taxes in FY 2025.

DP 51707 - Temporary Location Rent and Moving Costs (Restricted/OTO) -

The legislature adopted a one-time-only appropriation to cover rent and moving costs associated with a temporary location during the biennium.

Program Budget Comparison

The following table compares the 2023 biennium appropriated budget and the adopted budget for the 2025 biennium by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 22-23	Legislative Budget 24-25	Biennium Change	Biennium % Change
Personal Services	1,740,892	2,227,618	486,726	27.96 %
Operating Expenses	914,261	1,281,325	367,064	40.15 %
Equipment & Intangible Assets	218,021	178,430	(39,591)	(18.16)%
Total Expenditures	\$2,873,174	\$3,687,373	\$814,199	28.34 %
General Fund	2,313,049	2,464,015	150,966	6.53 %
State/Other Special Rev. Funds	489,879	1,152,937	663,058	135.35 %
Proprietary Funds	70,246	70,421	175	0.25 %
Total Funds	\$2,873,174	\$3,687,373	\$814,199	28.34 %
Total Ongoing	\$2,873,174	\$3,639,373	\$766,199	26.67 %
Total OTO	\$0	\$48,000	\$48,000	100.00 %

Page Reference

LFD Budget Analysis Addendum, E-14

Program Actuals and Budget Comparison

The following table compares FY 2022 actual expenditures, FY 2022 and FY 2023 appropriations, and the adopted budget for FY 2024 and FY 2025 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2022	Approp. Fiscal 2022	Approp. Fiscal 2023	Legislative Fiscal 2024	Legislative Fiscal 2025
FTE	0.00	13.50	13.50	14.50	16.50
Personal Services	813,971	813,968	926,924	1,077,550	1,150,068
Operating Expenses	432,635	435,543	478,718	621,623	659,702
Equipment & Intangible Assets	128,524	128,806	89,215	89,215	89,215
Total Expenditures	\$1,375,130	\$1,378,317	\$1,494,857	\$1,788,388	\$1,898,985
General Fund	1,098,246	1,098,248	1,214,801	1,362,903	1,101,112
State/Other Special Rev. Funds	244,849	244,945	244,934	390,272	762,665
Proprietary Funds	32,035	35,124	35,122	35,213	35,208
Total Funds	\$1,375,130	\$1,378,317	\$1,494,857	\$1,788,388	\$1,898,985
Total Ongoing	\$1,375,130	\$1,378,317	\$1,494,857	\$1,740,388	\$1,898,985
Total OTO	\$0	\$0	\$0	\$48,000	\$0

Page Reference

LFD Budget Analysis Addendum, E-15

Funding

The Research Center is primarily funded with general fund. The program also receives state special revenue from the lodging facility use tax, as well as funding from two proprietary funds that receive revenue from the sale of historical photo reproductions and images and research requests.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget
2023 Base Budget	1,214,801	1,214,801	2,429,602	98.60 %	1,494,857	1,494,857	2,989,714	81.08 %
SWPL Adjustments	164,247	206,467	370,714	15.05 %	176,999	221,532	398,531	10.81 %
PL Adjustments	126	100	226	0.01 %	126	100	226	0.01 %
New Proposals	(16,271)	(320,256)	(336,527)	(13.66)%	116,406	182,496	298,902	8.11 %
Total Budget	\$1,362,903	\$1,101,112	\$2,464,015		\$1,788,388	\$1,898,985	\$3,687,373	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	30,872	0	0	30,872	0.00	35,039	0	0	35,039
DP 2 - Fixed Costs	0.00	121,138	424	0	121,653	0.00	156,860	410	0	157,356
DP 3 - Inflation Deflation	0.00	12,237	12,237	0	24,474	0.00	14,568	14,569	0	29,137
DP 20 - SABHRS Rate Adjustment	0.00	126	0	0	126	0.00	100	0	0	100
Grand Total All Present Law Adjustments	0.00	\$164,373	\$12,661	\$0	\$177,125	0.00	\$206,567	\$14,979	\$0	\$221,632

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget for expected changes, management decisions and budget modifications.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required for fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, information technology services, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include: other services, supplies and materials, communications, in-state motor pool and motor pool leased vehicles, and repair and maintenance.

DP 20 - SABHRS Rate Adjustment -

The legislature adopted an increase to proposed SABHRS rates.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 99 - New Fixed Costs	0.00	492	0	0	492	0.00	492	0	0	492
DP 333 - Adjustment to Inflation	0.00	(4,720)	(4,720)	0	(9,440)	0.00	(5,850)	(5,851)	0	(11,701)
DP 555 - Additional Vacancy Savings	0.00	(12,043)	0	0	(12,043)	0.00	(12,106)	0	0	(12,106)
DP 51701 - MT Heritage Center FTE	1.00	0	89,397	0	89,397	3.00	0	205,811	0	205,811
DP 51705 - Fund Switch O&M Costs	0.00	0	0	0	0	0.00	(302,792)	302,792	0	0
DP 51706 - Legislative Archive Costs (Restricted/Biennial/OTO)	0.00	0	48,000	0	48,000	0.00	0	0	0	0
Total	1.00	(\$16,271)	\$132,677	\$0	\$116,406	3.00	(\$320,256)	\$502,752	\$0	\$182,496

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 99 - New Fixed Costs -

The legislature adopted an appropriation for the agency to provide funding for a new fixed cost for the State Management Training Center. The rates charged for this service are approved in the section of the budget that provides the services.

DP 333 - Adjustment to Inflation -

The legislature adopted an adjustment to inflation included in DP 3.

DP 555 - Additional Vacancy Savings -

The legislature adopted an additional 1.0% vacancy savings.

DP 51701 - MT Heritage Center FTE -

The legislature adopted an increase of 3.00 FTE to be funded with state special revenue lodging facility use taxes. The positions include a digital projects specialist, an archivist, and a photo/film specialist. This includes an office package and computer package in FY 2024 for each FTE.

DP 51705 - Fund Switch O&M Costs -

The legislature adopted a decision package to reduce operation and maintenance expenses in the general fund and moves those costs to the state special revenue account for operations and maintenance funded with accommodations taxes in FY 2025.

DP 51706 - Legislative Archive Costs (Restricted/Biennial/OTO) -

The legislature adopted a one-time-only, biennial, restricted state special revenue authority of \$48,000 to spend cash available for archiving legislative files.

Program Budget Comparison

The following table compares the 2023 biennium appropriated budget and the adopted budget for the 2025 biennium by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 22-23	Legislative Budget 24-25	Biennium Change	Biennium % Change
Personal Services	1,060,617	1,556,820	496,203	46.78 %
Operating Expenses	886,203	959,521	73,318	8.27 %
Equipment & Intangible Assets	6,800	13,590	6,790	99.85 %
Debt Service	356,674	375,828	19,154	5.37 %
Total Expenditures	\$2,310,294	\$2,905,759	\$595,465	25.77 %
General Fund	1,134,939	1,023,712	(111,227)	(9.80)%
State/Other Special Rev. Funds	1,169,196	1,875,889	706,693	60.44 %
Proprietary Funds	6,159	6,158	(1)	(0.02)%
Total Funds	\$2,310,294	\$2,905,759	\$595,465	25.77 %
Total Ongoing	\$2,310,294	\$2,905,759	\$595,465	25.77 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

LFD Budget Analysis, E-193

Program Actuals and Budget Comparison

The following table compares FY 2022 actual expenditures, FY 2022 and FY 2023 appropriations, and the adopted budget for FY 2024 and FY 2025 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2022	Approp. Fiscal 2022	Approp. Fiscal 2023	Legislative Fiscal 2024	Legislative Fiscal 2025
FTE	0.00	7.75	7.75	9.75	11.75
Personal Services	536,620	536,618	523,999	698,100	858,720
Operating Expenses	452,060	452,072	434,131	480,525	478,996
Equipment & Intangible Assets	0	5	6,795	6,795	6,795
Debt Service	168,757	168,760	187,914	187,914	187,914
Total Expenditures	\$1,157,437	\$1,157,455	\$1,152,839	\$1,373,334	\$1,532,425
General Fund	569,778	569,776	565,163	636,495	387,217
State/Other Special Rev. Funds	584,581	584,599	584,597	733,760	1,142,129
Proprietary Funds	3,078	3,080	3,079	3,079	3,079
Total Funds	\$1,157,437	\$1,157,455	\$1,152,839	\$1,373,334	\$1,532,425
Total Ongoing	\$1,157,437	\$1,157,455	\$1,152,839	\$1,373,334	\$1,532,425
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

LFD Budget Analysis, E-194

Funding

The Museum Program is primarily funded in HB 2 with general fund and the accommodation tax state special revenue fund. This program also has proprietary funding, which receives revenue from the sale of books, copies, and photographs, as well as the rental of traveling exhibits.

The Museum Program has several state special revenue funds that are statutorily appropriated. These include:

- The Original Governor’s Mansion account, which is established in 22-3-117, MCA. It receives revenues from tours of the mansion and the funding must be used for the improvement, development, and operation of the Original Governor’s Mansion
- The sites and signs account, which is established in 15-65-121(2)(a), MCA. This fund receives 1.0% of the lodging facility use tax for the installation or maintenance of roadside historical signs and historic sites
- The Lewis and Clark license plates account, which is established in 90-1-115, MCA. This fund receives 25.0% of the revenue from the sale of Lewis and Clark bicentennial license plates. Funding must be used to support projects related to Lewis and Clark

Program Budget Summary by Category

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget
2023 Base Budget	565,163	565,163	1,130,326	110.41 %	1,152,839	1,152,839	2,305,678	79.35 %
SWPL Adjustments	82,540	84,614	167,154	16.33 %	91,129	93,837	184,966	6.37 %
PL Adjustments	(92)	(116)	(208)	(0.02)%	(95)	(120)	(215)	(0.01)%
New Proposals	(11,116)	(262,444)	(273,560)	(26.72)%	129,461	285,869	415,330	14.29 %
Total Budget	\$636,495	\$387,217	\$1,023,712		\$1,373,334	\$1,532,425	\$2,905,759	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments	-----Fiscal 2024-----				-----Fiscal 2025-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	45,874	0	0	45,874	0.00	49,482	0	0	49,482
DP 2 - Fixed Costs	0.00	28,972	895	0	29,867	0.00	26,743	834	0	27,577
DP 3 - Inflation Deflation	0.00	7,694	7,694	0	15,388	0.00	8,389	8,389	0	16,778
DP 20 - SABHRS Rate Adjustment	0.00	(92)	(3)	0	(95)	0.00	(116)	(4)	0	(120)
Grand Total All Present Law Adjustments	0.00	\$82,448	\$8,586	\$0	\$91,034	0.00	\$84,498	\$9,219	\$0	\$93,717

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget for expected changes, management decisions and budget modifications.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required for fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, information technology services, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include: other services, supplies and materials, communications, in-state motor pool and motor pool leased vehicles, and repair and maintenance.

DP 20 - SABHRS Rate Adjustment -

The legislature adopted an increase to proposed SABHRS rates.

New Proposals -

The "New Proposals" table shows new changes to spending.

	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 99 - New Fixed Costs	0.00	200	82	0	282	0.00	200	82	0	282
DP 333 - Adjustment to Inflation	0.00	(2,324)	(2,324)	0	(4,648)	0.00	(2,626)	(2,626)	0	(5,252)
DP 555 - Additional Vacancy Savings	0.00	(8,992)	0	0	(8,992)	0.00	(9,039)	0	0	(9,039)
DP 51701 - MT Heritage Center FTE	2.00	0	142,819	0	142,819	4.00	0	299,878	0	299,878
DP 51705 - Fund Switch O&M Costs	0.00	0	0	0	0	0.00	(250,979)	250,979	0	0
Total	2.00	(\$11,116)	\$140,577	\$0	\$129,461	4.00	(\$262,444)	\$548,313	\$0	\$285,869

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 99 - New Fixed Costs -

The legislature adopted an appropriation in each year of the 2025 biennium to provide funding for the agency to pay for new fixed cost allocations related to the State Management Training Center. Rates for the fix costs are reviewed by the Section A subcommittee.

DP 333 - Adjustment to Inflation -

The legislature adopted an adjustment to inflation included in DP 3.

DP 555 - Additional Vacancy Savings -

The legislature adopted an additional 1.0% vacancy savings.

DP 51701 - MT Heritage Center FTE -

The legislature adopted an increase of 4.00 FTE to be funded with state special revenue lodging facility use taxes. The positions include two exhibits specialists and two historians/curators to operate the Heritage Center. This request includes an office package and computer package in FY 2024 for each FTE.

DP 51705 - Fund Switch O&M Costs -

The legislature adopted a decision package to reduce operation and maintenance expenses in the general fund and moves those costs to the state special revenue account for operations and maintenance funded with accommodations taxes in FY 2025.

Program Budget Comparison

The following table compares the 2023 biennium appropriated budget and the adopted budget for the 2025 biennium by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 22-23	Legislative Budget 24-25	Biennium Change	Biennium % Change
Personal Services	681,423	706,261	24,838	3.65 %
Operating Expenses	301,016	530,235	229,219	76.15 %
Total Expenditures	\$982,439	\$1,236,496	\$254,057	25.86 %
General Fund	451,172	510,255	59,083	13.10 %
Proprietary Funds	531,267	726,241	194,974	36.70 %
Total Funds	\$982,439	\$1,236,496	\$254,057	25.86 %
Total Ongoing	\$982,439	\$1,236,496	\$254,057	25.86 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

LFD Budget Analysis, E-198

Program Actuals and Budget Comparison

The following table compares FY 2022 actual expenditures, FY 2022 and FY 2023 appropriations, and the adopted budget for FY 2024 and FY 2025 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2022	Approp. Fiscal 2022	Approp. Fiscal 2023	Legislative Fiscal 2024	Legislative Fiscal 2025
FTE	0.00	5.00	5.00	5.00	5.00
Personal Services	339,779	339,781	341,642	352,259	354,002
Operating Expenses	123,063	123,070	177,946	253,572	276,663
Total Expenditures	\$462,842	\$462,851	\$519,588	\$605,831	\$630,665
General Fund	203,455	203,455	247,717	254,525	255,730
Proprietary Funds	259,387	259,396	271,871	351,306	374,935
Total Funds	\$462,842	\$462,851	\$519,588	\$605,831	\$630,665
Total Ongoing	\$462,842	\$462,851	\$519,588	\$605,831	\$630,665
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

LFD Budget Analysis, E-199

Funding

The Publications Program is funded with general fund and proprietary funds. The proprietary funding receives revenues from subscription sales for the magazine and sales of books published by the program.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget
2023 Base Budget	247,717	247,717	495,434	97.10 %	519,588	519,588	1,039,176	84.04 %
SWPL Adjustments	10,182	11,563	21,745	4.26 %	91,338	116,522	207,860	16.81 %
PL Adjustments	0	0	0	0.00 %	(243)	(249)	(492)	(0.04)%
New Proposals	(3,374)	(3,550)	(6,924)	(1.36)%	(4,852)	(5,196)	(10,048)	(0.81)%
Total Budget	\$254,525	\$255,730	\$510,255		\$605,831	\$630,665	\$1,236,496	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	8,535	0	0	14,325	0.00	9,582	0	0	16,086
DP 2 - Fixed Costs	0.00	0	0	0	73,718	0.00	0	0	0	96,474
DP 3 - Inflation Deflation	0.00	1,647	0	0	3,295	0.00	1,981	0	0	3,962
DP 20 - SABHRS Rate Adjustment	0.00	0	0	0	(243)	0.00	0	0	0	(249)
Grand Total All Present Law Adjustments	0.00	\$10,182	\$0	\$0	\$91,095	0.00	\$11,563	\$0	\$0	\$116,273

**Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget for expected changes, management decisions and budget modifications.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget for fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, information technology services, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include: other services, supplies and materials, communications, in-state motor pool and motor pool leased vehicles, and repair and maintenance.

DP 20 - SABHRS Rate Adjustment -

The legislature adopted an increase to proposed SABHRS rates.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 99 - New Fixed Costs	0.00	0	0	0	182	0.00	0	0	0	182
DP 333 - Adjustment to Inflation	0.00	(663)	0	0	(1,326)	0.00	(826)	0	0	(1,652)
DP 555 - Additional Vacancy Savings	0.00	(2,711)	0	0	(3,708)	0.00	(2,724)	0	0	(3,726)
Total	0.00	(\$3,374)	\$0	\$0	(\$4,852)	0.00	(\$3,550)	\$0	\$0	(\$5,196)

***Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 99 - New Fixed Costs -

The legislature adopted an appropriation for the agency to provide funding for a new fixed cost for the State Management Training Center. The rates charged for this service are approved in the section of the budget that provides the services.

DP 333 - Adjustment to Inflation -

The legislature adopted an adjustment to inflation included in DP 3.

DP 555 - Additional Vacancy Savings -

The legislature adopted an additional 1.0% vacancy savings.

Program Budget Comparison

The following table compares the 2023 biennium appropriated budget and the adopted budget for the 2025 biennium by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 22-23	Legislative Budget 24-25	Biennium Change	Biennium % Change
Personal Services	564,613	797,490	232,877	41.25 %
Operating Expenses	299,830	503,544	203,714	67.94 %
Total Expenditures	\$864,443	\$1,301,034	\$436,591	50.51 %
General Fund	564,613	593,591	28,978	5.13 %
State/Other Special Rev. Funds	241,327	653,595	412,268	170.83 %
Proprietary Funds	58,503	53,848	(4,655)	(7.96)%
Total Funds	\$864,443	\$1,301,034	\$436,591	50.51 %
Total Ongoing	\$864,443	\$1,301,034	\$436,591	50.51 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

LFD Budget Analysis, E-202

Program Actuals and Budget Comparison

The following table compares FY 2022 actual expenditures, FY 2022 and FY 2023 appropriations, and the adopted budget for FY 2024 and FY 2025 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2022	Approp. Fiscal 2022	Approp. Fiscal 2023	Legislative Fiscal 2024	Legislative Fiscal 2025
FTE	0.00	4.45	4.45	6.09	6.91
Personal Services	279,646	279,646	284,967	376,732	420,758
Operating Expenses	144,089	153,877	145,953	238,252	265,292
Total Expenditures	\$423,735	\$433,523	\$430,920	\$614,984	\$686,050
General Fund	279,646	279,646	284,967	296,027	297,564
State/Other Special Rev. Funds	113,822	120,624	120,703	292,089	361,506
Proprietary Funds	30,267	33,253	25,250	26,868	26,980
Total Funds	\$423,735	\$433,523	\$430,920	\$614,984	\$686,050
Total Ongoing	\$423,735	\$433,523	\$430,920	\$614,984	\$686,050
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

LFD Budget Analysis, E-203

Funding

HB 2 Appropriations

The Education Program is primarily funded in HB 2 with general fund and the accommodation tax state special revenue fund. This program also has proprietary funding, which receives revenue from:

- The Montana Historical Conference and the revenues are used for expenses associated with the conference
- Special tours and revenues are used for operating expenses associated with the tours
- Elementary and middle school textbook sales and revenues are used for expenses related to textbook reproduction and teacher training

Statutory Appropriations

The Education Program has one state special revenue fund that is statutorily appropriated. The sites and signs fund established in 15-65-121(2)(a), MCA, receives 1.0% of the lodging facility use tax for the installation or maintenance of roadside historical signs and historic sites.

Program Budget Summary by Category

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget
2023 Base Budget	284,967	284,967	569,934	96.01 %	430,920	430,920	861,840	66.24 %
SWPL Adjustments	16,175	17,870	34,045	5.74 %	108,186	137,066	245,252	18.85 %
PL Adjustments	0	0	0	0.00 %	158	149	307	0.02 %
New Proposals	(5,115)	(5,273)	(10,388)	(1.75)%	75,720	117,915	193,635	14.88 %
Total Budget	\$296,027	\$297,564	\$593,591		\$614,984	\$686,050	\$1,301,034	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments	-----Fiscal 2024-----				-----Fiscal 2025-----					
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	14,126	0	0	14,126	0.00	15,577	0	0	15,577
DP 2 - Fixed Costs	0.00	0	87,626	0	87,911	0.00	0	114,327	0	114,608
DP 3 - Inflation Deflation	0.00	2,049	2,050	0	6,149	0.00	2,293	2,294	0	6,881
DP 20 - SABHRS Rate Adjustment	0.00	0	157	0	158	0.00	0	149	0	149
Grand Total All Present Law Adjustments	0.00	\$16,175	\$89,833	\$0	\$108,344	0.00	\$17,870	\$116,770	\$0	\$137,215

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget for expected changes, management decisions and budget modifications.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget for fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, information technology services, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include: other services, supplies and materials, communications, in-state motor pool and motor pool leased vehicles, and repair and maintenance.

DP 20 - SABHRS Rate Adjustment -

The legislature adopted an increase to proposed SABHRS rates.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals	Fiscal 2024					Fiscal 2025				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 99 - New Fixed Costs	0.00	0	235	0	235	0.00	0	235	0	235
DP 333 - Adjustment to Inflation	0.00	(718)	(718)	0	(2,154)	0.00	(844)	(845)	0	(2,534)
DP 555 - Additional Vacancy Savings	0.00	(4,397)	0	0	(4,397)	0.00	(4,429)	0	0	(4,429)
DP 51701 - MT Heritage Center FTE	1.64	0	82,036	0	82,036	2.46	0	124,643	0	124,643
Total	1.64	(\$5,115)	\$81,553	\$0	\$75,720	2.46	(\$5,273)	\$124,033	\$0	\$117,915

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 99 - New Fixed Costs -

The legislature adopted an appropriation for the agency to provide funding for a new fixed cost for the State Management Training Center. The rates charged for this service are approved in the section of the budget that provides the services.

DP 333 - Adjustment to Inflation -

The legislature adopted an adjustment to inflation included in DP 3.

DP 555 - Additional Vacancy Savings -

The legislature adopted an additional 1.0% vacancy savings.

DP 51701 - MT Heritage Center FTE -

The legislature adopted an increase of 2.46 FTE to be funded with state special revenue lodging facility use taxes. This includes an office furniture package and computer package in FY 2024 for each FTE.

Program Budget Comparison

The following table compares the 2023 biennium appropriated budget and the adopted budget for the 2025 biennium by type of expenditure and source of funding.

Program Budget Comparison				
Budget Item	Appropriated Budget 22-23	Legislative Budget 24-25	Biennium Change	Biennium % Change
Personal Services	1,274,110	1,301,896	27,786	2.18 %
Operating Expenses	370,538	719,592	349,054	94.20 %
Grants	174,240	174,240	0	0.00 %
Total Expenditures	\$1,818,888	\$2,195,728	\$376,840	20.72 %
General Fund	118,429	122,826	4,397	3.71 %
Federal Spec. Rev. Funds	1,598,182	1,651,664	53,482	3.35 %
Proprietary Funds	102,277	421,238	318,961	311.86 %
Total Funds	\$1,818,888	\$2,195,728	\$376,840	20.72 %
Total Ongoing	\$1,818,888	\$2,195,728	\$376,840	20.72 %
Total OTO	\$0	\$0	\$0	0.00 %

Page Reference

LFD Budget Analysis, E-207

Program Actuals and Budget Comparison

The following table compares FY 2022 actual expenditures, FY 2022 and FY 2023 appropriations, and the adopted budget for FY 2024 and FY 2025 by type of expenditure and source of funding.

Program Actuals and Budget Comparison					
Budget Item	Actuals Fiscal 2022	Approp. Fiscal 2022	Approp. Fiscal 2023	Legislative Fiscal 2024	Legislative Fiscal 2025
FTE	0.00	9.00	9.00	9.00	9.00
Personal Services	641,285	641,295	632,815	648,783	653,113
Operating Expenses	158,205	176,862	193,676	345,714	373,878
Grants	87,000	87,120	87,120	87,120	87,120
Total Expenditures	\$886,490	\$905,277	\$913,611	\$1,081,617	\$1,114,111
General Fund	58,615	58,614	59,815	61,218	61,608
Federal Spec. Rev. Funds	788,886	794,765	803,417	823,694	827,970
Proprietary Funds	38,989	51,898	50,379	196,705	224,533
Total Funds	\$886,490	\$905,277	\$913,611	\$1,081,617	\$1,114,111
Total Ongoing	\$886,490	\$905,277	\$913,611	\$1,081,617	\$1,114,111
Total OTO	\$0	\$0	\$0	\$0	\$0

Page Reference

LFD Budget Analysis, E-208

Funding

The Historic Preservation Program is primarily funded with federal special revenue. This funding is from the National Parks Service for historic site preservation. The program also receives funding from a proprietary fund and a small portion from the general fund. The proprietary fund receives revenue from fees for historical preservation assistance and services and is used to enhance and maintain the agency’s antiquities database.

Program Budget Summary by Category

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget	Budget Fiscal 2024	Budget Fiscal 2025	Biennium Fiscal 24-25	Percent of Budget
2023 Base Budget	59,815	59,815	119,630	97.40 %	913,611	913,611	1,827,222	83.22 %
SWPL Adjustments	2,052	2,446	4,498	3.66 %	178,058	211,432	389,490	17.74 %
PL Adjustments	0	0	0	0.00 %	40	39	79	0.00 %
New Proposals	(649)	(653)	(1,302)	(1.06)%	(10,092)	(10,971)	(21,063)	(0.96)%
Total Budget	\$61,218	\$61,608	\$122,826		\$1,081,617	\$1,114,111	\$2,195,728	

Present Law Adjustments -

The "Present Law" Adjustments table shows the changes from the base appropriation to the adopted budget. "Statewide Present Law" adjustments (DP 1, DP 2, DP 3) are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies.

Present Law Adjustments										
	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 1 - Personal Services	0.00	2,052	0	20,746	22,798	0.00	2,446	0	24,727	27,173
DP 2 - Fixed Costs	0.00	0	0	2,069	147,398	0.00	0	0	2,058	175,092
DP 3 - Inflation Deflation	0.00	0	0	7,000	7,862	0.00	0	0	8,000	9,167
DP 20 - SABHRS Rate Adjustment	0.00	0	0	3	224	0.00	0	0	2	212
DP 30 - Motor Pool Rate Adjustment	0.00	0	0	(164)	(184)	0.00	0	0	(151)	(173)
Grand Total All Present Law Adjustments	0.00	\$2,052	\$0	\$29,654	\$178,098	0.00	\$2,446	\$0	\$34,636	\$211,471

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 1 - Personal Services -

The legislature adopted adjustments to the present law personal services budget for expected changes, management decisions and budget modifications.

DP 2 - Fixed Costs -

The legislature adopted adjustments to provide the funding required in the proposed budget for fixed costs assessed by other agencies within state government for the services they provide. Examples include: warrant writer, motor pool, information technology services, etc. The rates charged for these services are approved in the section of the budget that provides the services.

DP 3 - Inflation Deflation -

The legislature adopted adjustments to reflect budgetary changes generated from the application of inflation and deflation factors to specific expenditure accounts. Affected accounts include: other services, supplies and materials, communications, in-state motor pool and motor pool leased vehicles, and repair and maintenance.

DP 20 - SABHRS Rate Adjustment -

The legislature adopted an increase to proposed SABHRS rates.

DP 30 - Motor Pool Rate Adjustment -

The legislature adopted a reduction to proposed motor pool rates.

New Proposals -

The "New Proposals" table shows new changes to spending.

New Proposals	-----Fiscal 2024-----					-----Fiscal 2025-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 99 - New Fixed Costs	0.00	0	0	0	328	0.00	0	0	0	328
DP 333 - Adjustment to Inflation	0.00	0	0	(3,196)	(3,590)	0.00	0	0	(3,861)	(4,424)
DP 555 - Additional Vacancy Savings	0.00	(649)	0	(6,181)	(6,830)	0.00	(653)	0	(6,222)	(6,875)
Total	0.00	(\$649)	\$0	(\$9,377)	(\$10,092)	0.00	(\$653)	\$0	(\$10,083)	(\$10,971)

*"Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 99 - New Fixed Costs -

The legislature adopted an appropriation for the agency to provide funding for a new fixed cost for the State Management Training Center. The rates charged for this service are approved in the section of the budget that provides the services.

DP 333 - Adjustment to Inflation -

The legislature adopted an adjustment to inflation included in DP 3.

DP 555 - Additional Vacancy Savings -

The legislature adopted an additional 1.0% vacancy savings.