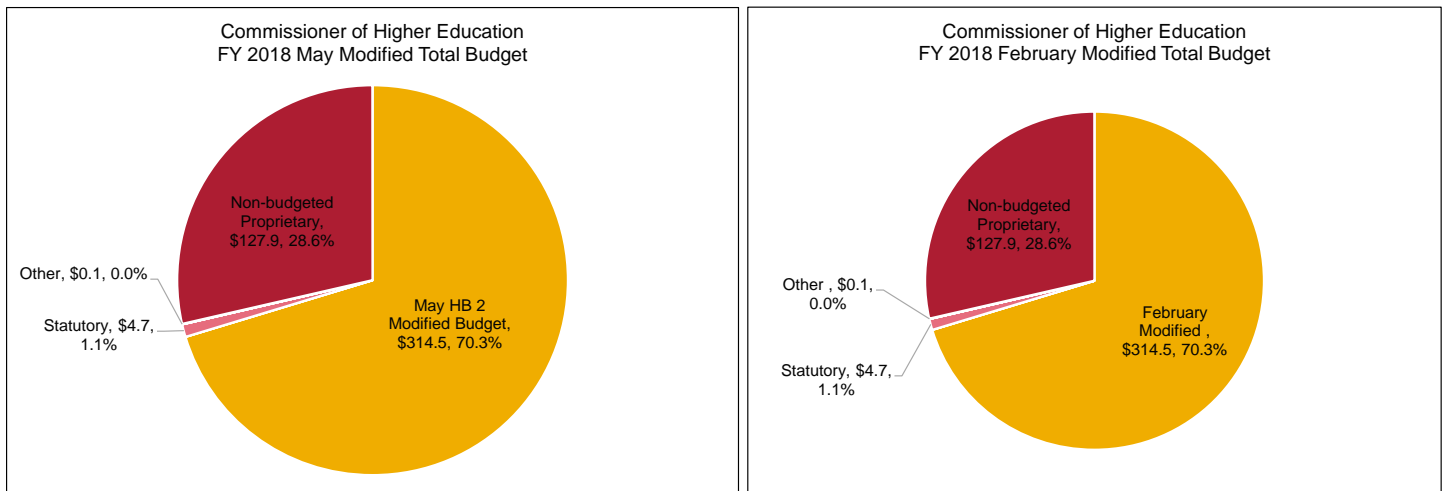


# COMMISSIONER OF HIGHER EDUCATION

## BUDGET AND EXPENDITURE HIGHLIGHTS

- The Office of the Commissioner of Higher Education (OCHE) has expended 77.7% of its \$314.5 million FY 2018 HB 2 modified budget
- The majority of expenditures are in line with previous years with a few exceptions primarily due to timing of activities
- Guaranteed Student Loan (GSL) is continuing its transition from loan servicing thus this program budget is only 35.2% expended. As part of the transfer of loan servicing, OCHE was required to return \$6.6 million of federal funds to the Department of Education
- Tribal college enrollment of non-beneficiary students increased by 55.33 FTE for FY 2018. This increase adjusted the reimbursement rate and fully expended the appropriation

## TOTAL APPROPRIATION AUTHORITY OVERVIEW



These charts show the February total appropriation authority compared to the May total appropriation authority for the agency (Appendix B).

OCHE has total authority of \$447.1 million for FY 2018. The majority of its authority is from HB 2. The remaining authority is primarily statutory appropriations and non-budgeted proprietary funds.

### Statutory Appropriations

OCHE has statutory appropriation authority for the Science, Technology, Engineering, & Math (STEM) Scholarship program, accommodation tax for travel and visitor research at the University of Montana, the university system retirement plan, and the rural physicians incentive program. State special revenue comprises 60.0% of the statutory appropriations to OCHE.

### Budget Amendments

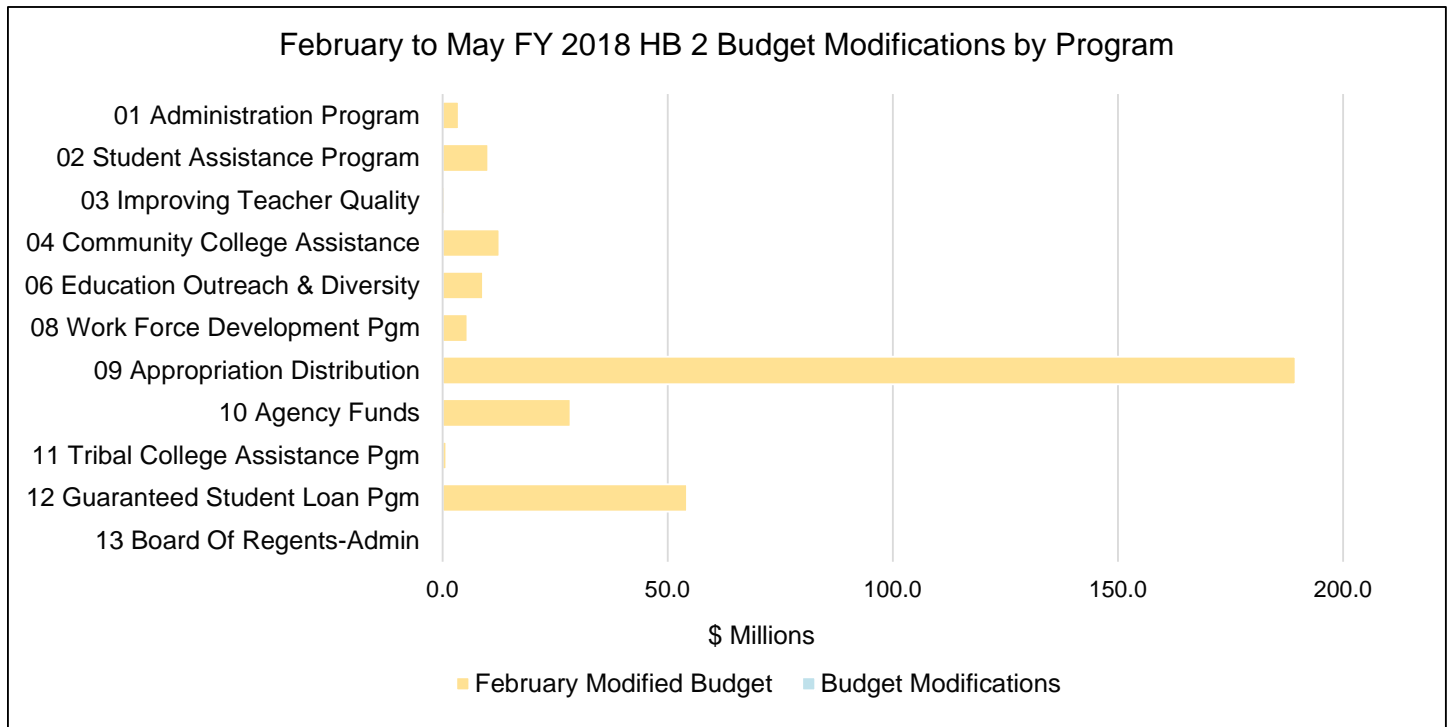
None at this time.

### Non-Budgeted Proprietary

There are two non-budget proprietary programs in OCHE:

- MUS Group Insurance program
- MUS Workers' Compensation program

## HB 2 BUDGET MODIFICATIONS



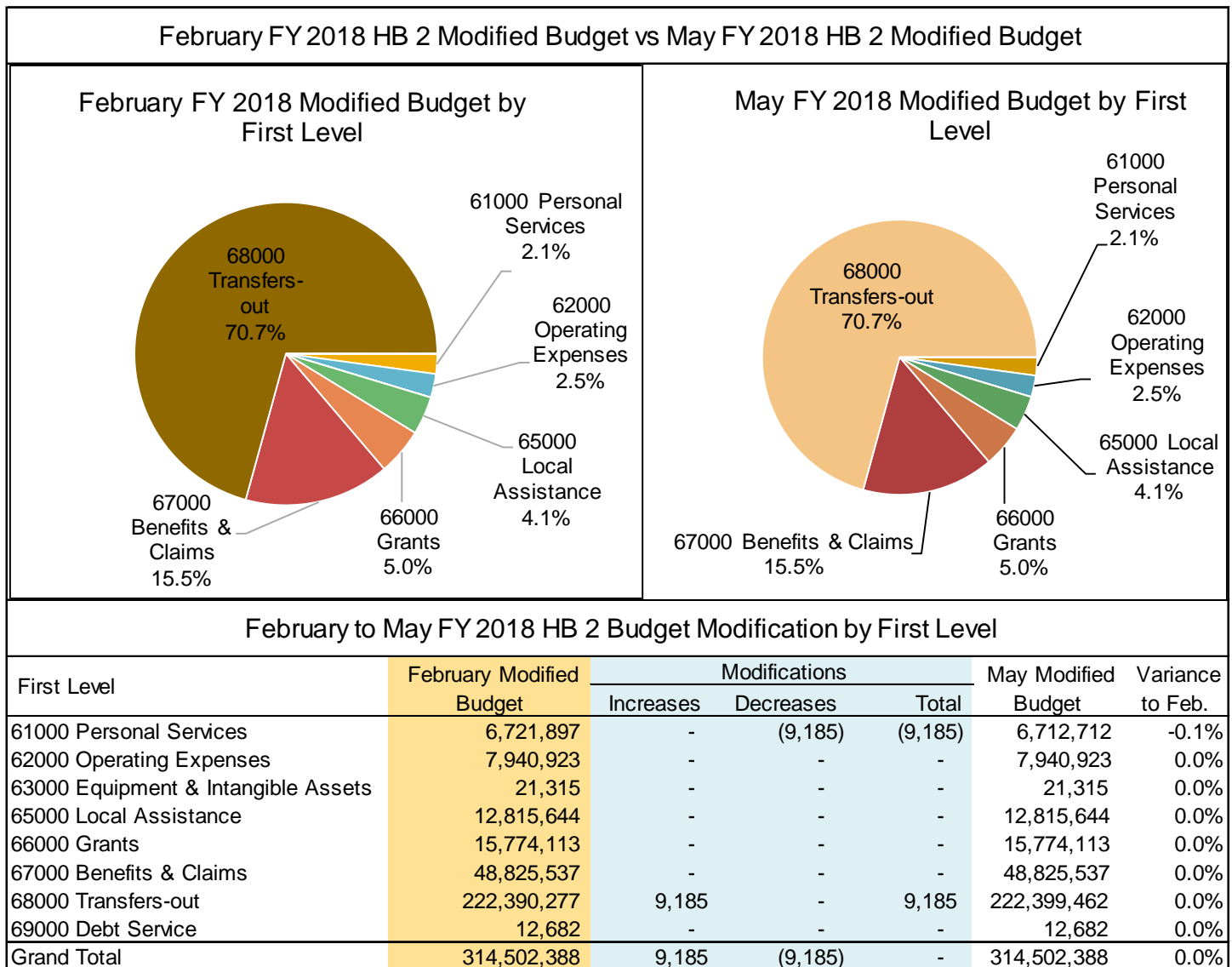
This chart shows budget modifications by program from February through May.

### Budget Modification by Program

Program	February Modified Budget	Modifications			May Modified Budget	Variance to Feb.
		Increases	Decreases	Total		
01 Administration Program	3,595,529	9,185	(9,185)	-	3,595,529	0.0%
02 Student Assistance Program	10,144,180	-	-	-	10,144,180	0.0%
03 Improving Teacher Quality	517,390	-	-	-	517,390	0.0%
04 Community College Assistance	12,666,644	-	-	-	12,666,644	0.0%
06 Education Outreach & Diversity	8,971,836	-	-	-	8,971,836	0.0%
08 Work Force Development Pgm	5,553,047	-	-	-	5,553,047	0.0%
09 Appropriation Distribution	189,431,681	-	-	-	189,431,681	0.0%
10 Agency Funds	28,447,884	-	-	-	28,447,884	0.0%
11 Tribal College Assistance Pgm	837,875	-	-	-	837,875	0.0%
12 Guaranteed Student Loan Pgm	54,268,972	-	-	-	54,268,972	0.0%
13 Board Of Regents-Admin	67,350	-	-	-	67,350	0.0%
<b>Grand Total</b>	<b>314,502,388</b>	<b>9,185</b>	<b>(9,185)</b>	<b>-</b>	<b>314,502,388</b>	<b>0.0%</b>

The budget modification for this reporting cycle is explained in detail in the next section.

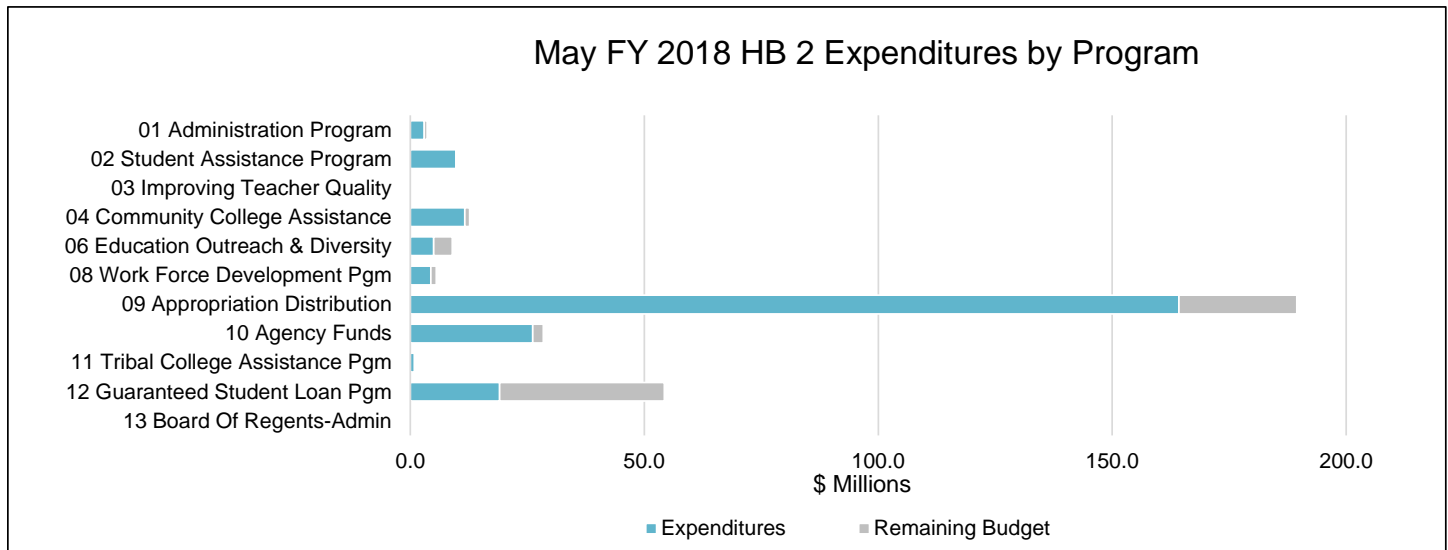
## Budget Modification by First Level



The above charts show HB 2 FY 2018 modified budget as of May by first level compared to February modified budget by first level.

OCHE had one budget change during this reporting cycle. The budget modification was an operating plan change moving funds from personal services to transfers-out in order to establish a memorandum of understanding (MOU) between OCHE, Governor's Office, and Department of Labor and Industry. The MOU is to establish the joint employment of a policy advisor position.

## AGENCY HB 2 EXPENDITURES



### Expenditure by Program

Program	May Modified Budget	Expenditures	Remaining Budget	% Expended
01 Administration Program	3,595,529	3,002,222	593,307	83.5%
02 Student Assistance Program	10,144,180	9,730,588	413,592	95.9%
03 Improving Teacher Quality	517,390	241,327	276,063	46.6%
04 Community College Assistance	12,666,644	11,624,170	1,042,474	91.8%
06 Education Outreach & Diversity	8,971,836	5,001,038	3,970,798	55.7%
08 Work Force Development Pgm	5,553,047	4,375,768	1,177,279	78.8%
09 Appropriation Distribution	189,431,681	164,266,342	25,165,339	86.7%
10 Agency Funds	28,447,884	26,186,626	2,261,258	92.1%
11 Tribal College Assistance Pgm	837,875	837,875	-	100.0%
12 Guaranteed Student Loan Pgm	54,268,972	19,076,112	35,192,860	35.2%
13 Board Of Regents-Admin	67,350	63,718	3,632	94.6%
<b>Grand Total</b>	<b>314,502,388</b>	<b>244,405,787</b>	<b>70,096,601</b>	<b>77.7%</b>

*This shows current expenditures by program and remaining authority for HB 2 budget.*

Overall, OCHE has expended 77.7% of their FY 2018 HB 2 budget. General fund is 90.3% expended which would be anticipated at this point in the fiscal year. The majority of expenditures are in line with previous years with a few exceptions primarily due to timing of activities.

The Improving Teacher Quality program is a grant-funded program through the Department of Education. The federal grant has not been renewed for post-secondary education. It is in its final months of operation and will come to an end December 31, 2018.

The lower expenditures in Educational Outreach & Diversity program is normal and due to timing of grant activities.

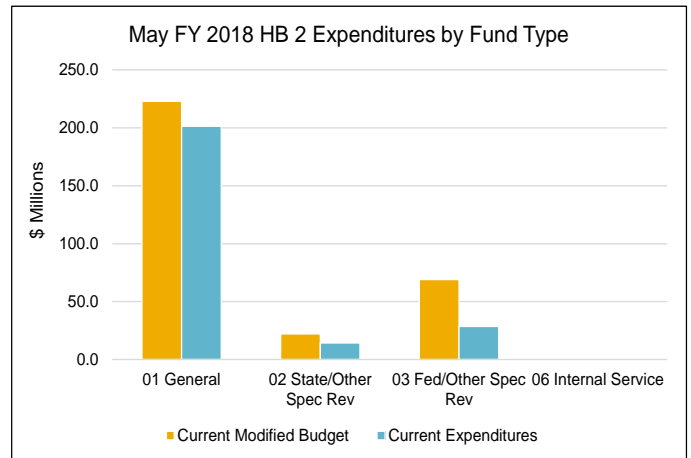
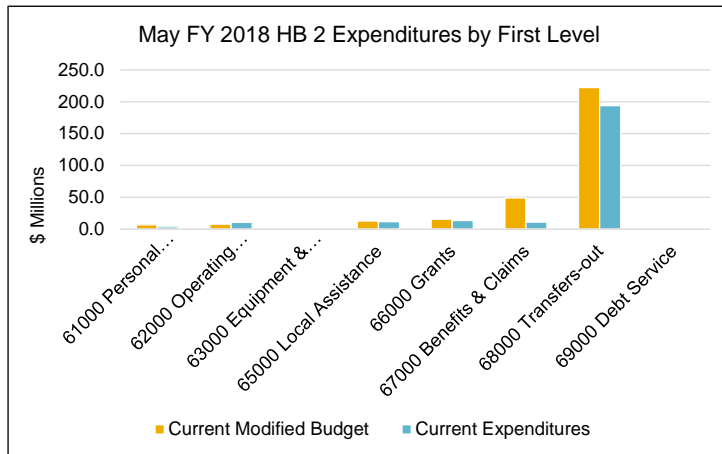
Tribal College Assistance is fully expended. The tribal colleges experienced higher enrollment of non-beneficiary students this academic year. Due to the increase of 55.33 FTE, the reimbursement rate of the non-beneficiary students was reduced to \$2,833.82 per student. This is a decrease from the statutory maximum of \$3,280.

The Guaranteed Student Loan (GSL) program has only expended 35.2% of its budgeted federal spending authority as this program continues to transition. GSL has not issued loans since July 2010 and has been managing the existing loan portfolio. As of October 1, 2017, GSL transferred their portfolio to a federally

approved loan servicing provider. As required by the Department of Education, OCHE was required to return \$6.6 million of the federal funds provided for loan servicing. Program 12 will continue to offer other student financial aid-related activities for the benefit of students as determined by the Board of Regents in future years.

Board of Regents has expended \$63,718 or 94.6% of its budget. This is due to additional activities this year requiring Regent participation, such as the University of Montana President search and additional planning meetings to manage the reductions due to session and special session.

## Expenditure By First Level Account and Fund Type



May FY 2018 HB 2 Expended by First Level			
First Level	May Modified HB 2	Expended	% Expended
61000 Personal Services	6,712,712	3,715,095	55.3%
62000 Operating Expenses	7,940,923	10,535,696	132.7%
63000 Equipment & Intangible Assets	21,315	-	0.0%
65000 Local Assistance	12,815,644	11,773,170	91.9%
66000 Grants	15,774,113	13,641,590	86.5%
67000 Benefits & Claims	48,825,537	10,995,509	22.5%
68000 Transfers-out	222,399,462	193,744,728	87.1%
69000 Debt Service	12,682	-	0.0%
<b>Grand Total</b>	<b>314,502,388</b>	<b>244,405,787</b>	<b>77.7%</b>

May FY 2018 HB 2 Expended by Fund Type			
Fund Type	May Modified HB 2	Expended	% Expended
01 General	222,857,734	201,325,709	90.3%
02 State/Other Spec Rev	22,022,324	14,173,933	64.4%
03 Fed/Other Spec Rev	69,095,328	28,520,937	41.3%
06 Internal Service	527,002	385,208	73.1%
<b>Grand Total</b>	<b>314,502,388</b>	<b>244,405,787</b>	<b>77.7%</b>

The above graphics show HB 2 modified budget compared to expenditures by first level and fund type.

Overall, OCHE has expended 77.7% of its FY 2018 HB 2 budget. General fund is 90.3% expended which is normal at this point in the year. There is a slight decrease in spending compared to the previous year in specific programs due to the reductions that occurred to their overall budget.

Operating expenses appear to be over expended. However, if the one-time refund to the Department of Education in GSL was not considered, the actual expenditures of the agency would be as anticipated at this point in the fiscal year.

## REQUIRED REPORTS

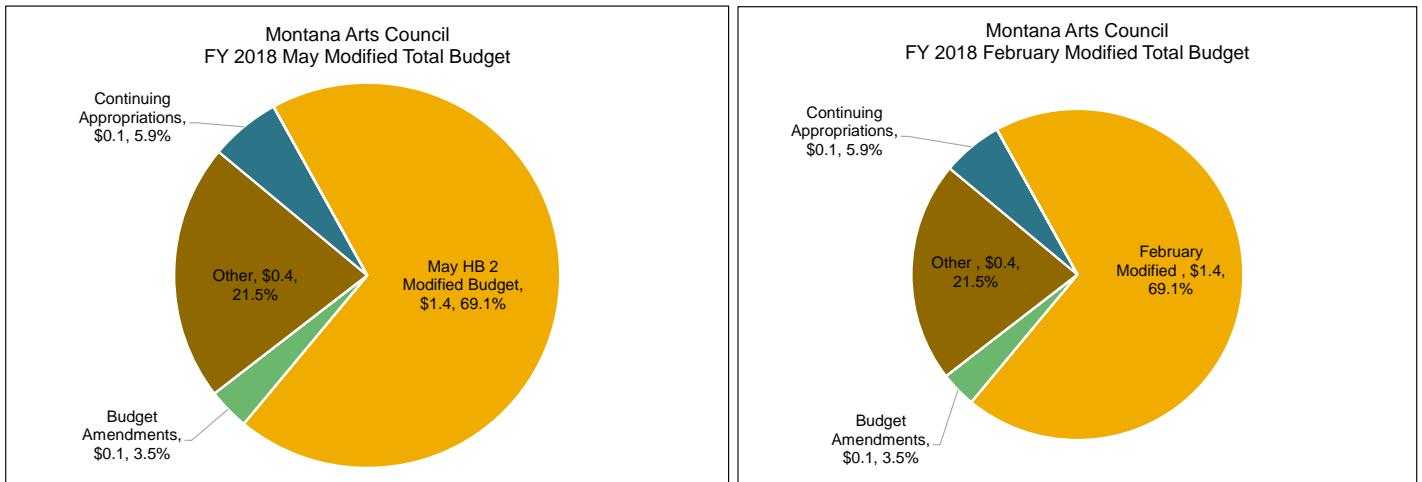
None at this time.

# MONTANA ARTS COUNCIL

## BUDGET AND EXPENDITURE HIGHLIGHTS

- The Montana Arts Council (MAC) has expended 87.0% of its FY 2018 HB 2 modified budget
- MAC expenditures overall are in line with previous years
- General fund is 86.7% expended

## TOTAL APPROPRIATION AUTHORITY OVERVIEW



*These charts show the February total appropriation authority compared to the May total appropriation authority for the agency (Appendix B).*

The Montana Arts Council has total authority of \$2.0 million for FY 2018. The majority of its authority is from HB 2. The remaining authority is from budget amendments, continuing appropriations, and other house and senate bills.

### Statutory Appropriations

None at this time.

### Budget Amendments

MAC has received a partnership grant from the National Endowment of the Arts increasing their federal authority.

### Continuing Appropriations

MAC has continuing appropriations of approximately \$86,000 of state special revenue for the procurement of art in new state buildings. A small amount of continuing appropriations is for federal fund grant authority and the timing of the award.

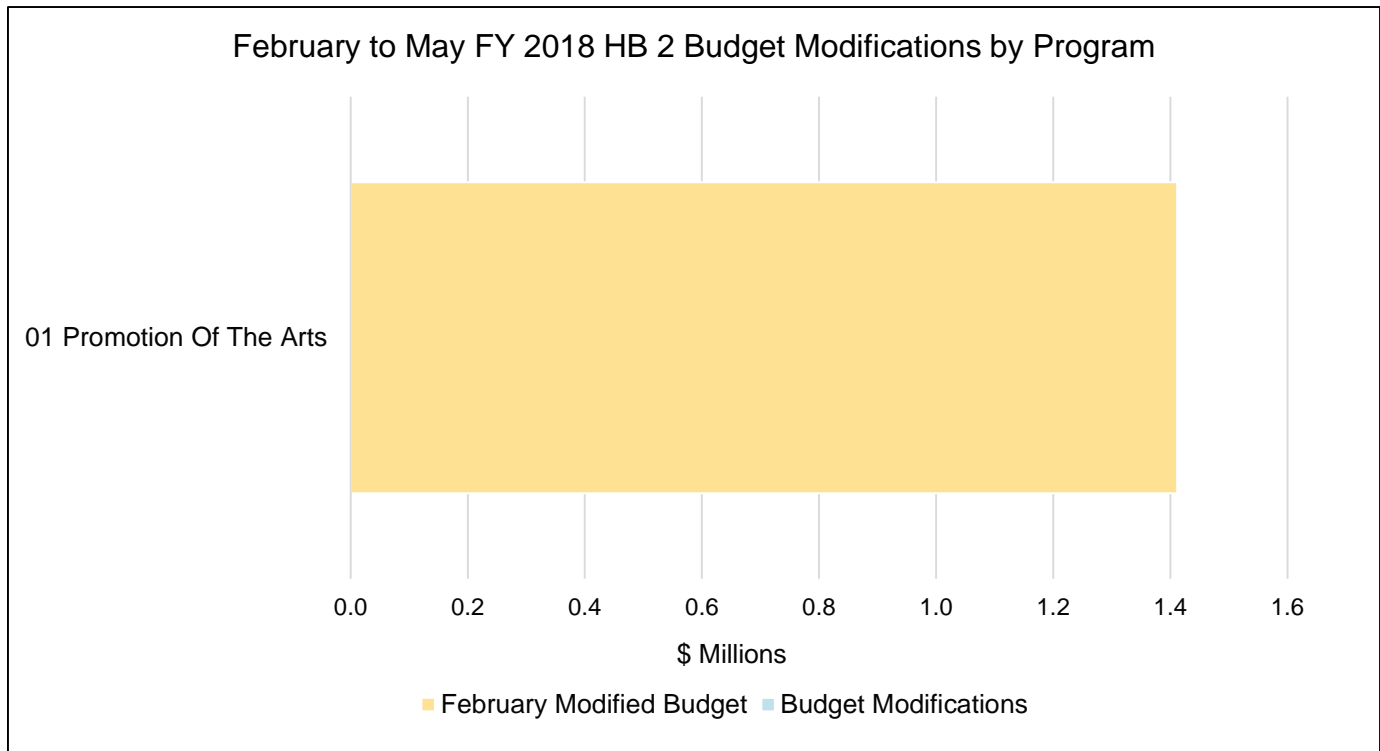
### Other House and Senate Bills

The arts council receives \$440,000 from the cultural and aesthetic projects trust fund through HB 9 for designated projects.

### Non-Budgeted Proprietary

None at this time.

## HB 2 BUDGET MODIFICATIONS



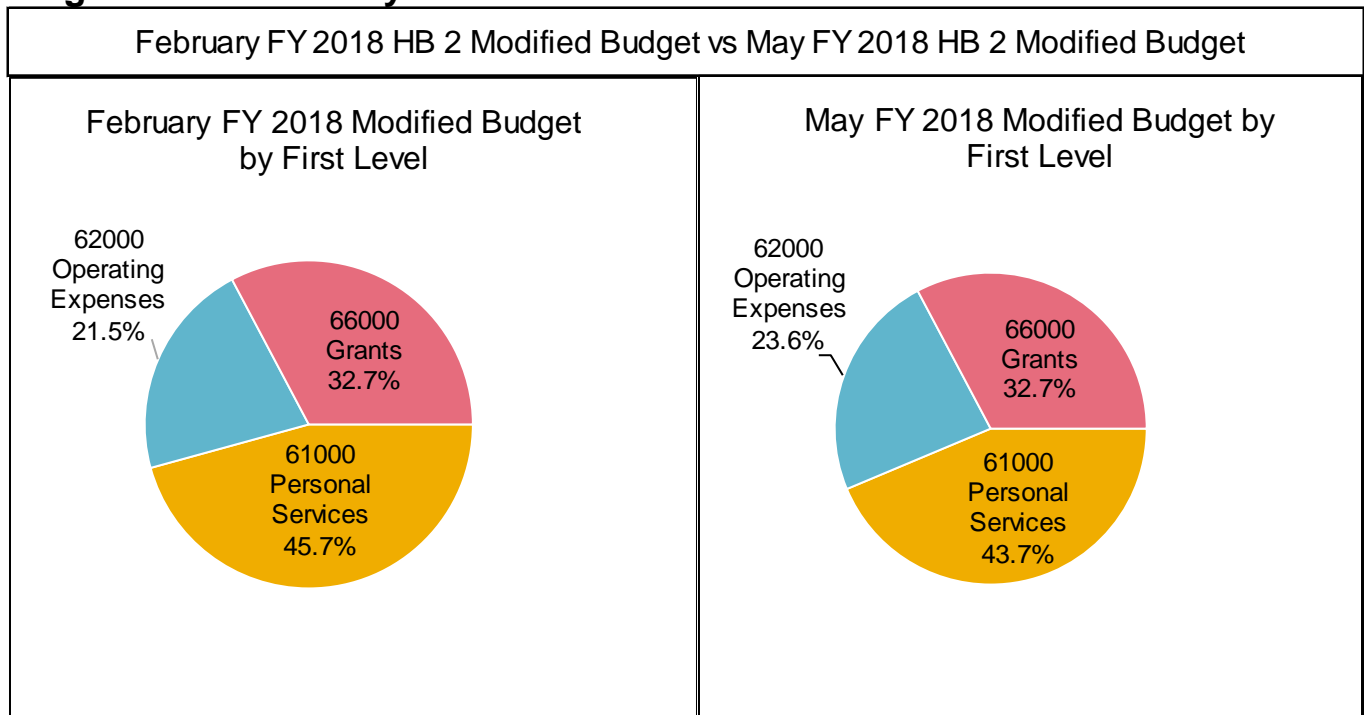
### Budget Modification by Program

Program	February Modified Budget	Modifications			May Modified Budget	Variance to Feb.
		Increases	Decreases	Total		
01 Promotion Of The Arts	1,411,450	29,000	(29,000)	-	1,411,450	0.0%
Grand Total	1,411,450	29,000	(29,000)	-	1,411,450	0.0%

*This chart shows budget modifications by program from February through May.*

The budget modification for MAC will be discussed in the next section.

## Budget Modification by First Level



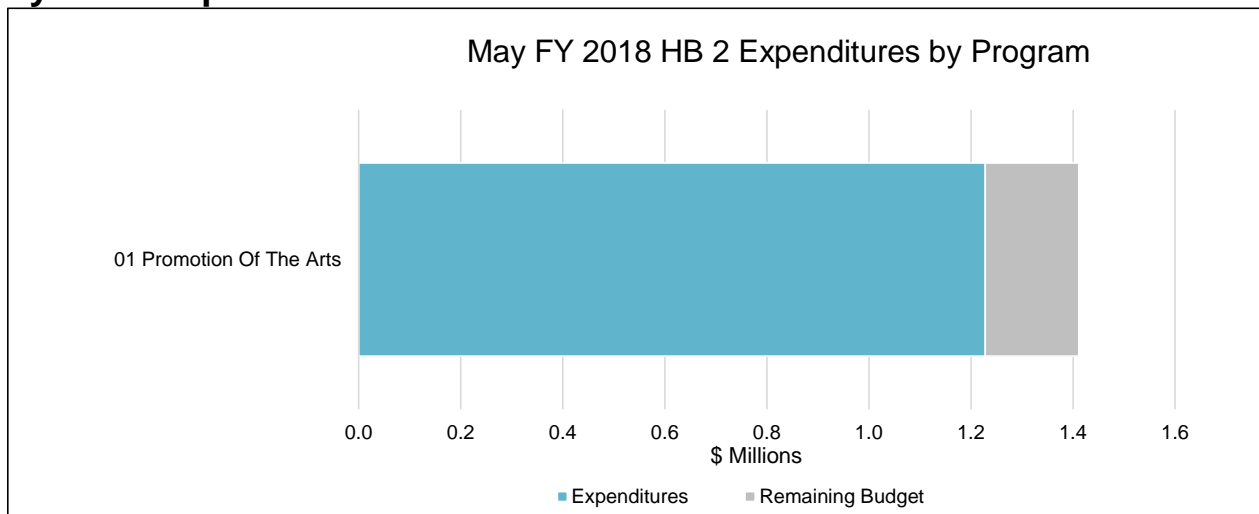
February to May FY 2018 HB 2 Budget Modification by First Level

First Level	February Modified Budget	Modifications			May Modified Budget	Variance to Feb.
		Increases	Decreases	Total		
61000 Personal Services	645,404	-	(29,000)	(29,000)	616,404	-4.5%
62000 Operating Expenses	303,808	29,000	-	29,000	332,808	9.5%
66000 Grants	462,238	-	-	-	462,238	0.0%
<b>Grand Total</b>	<b>1,411,450</b>	<b>29,000</b>	<b>(29,000)</b>	<b>-</b>	<b>1,411,450</b>	<b>0.0%</b>

The above charts show HB 2 FY 2018 modified budget as of May by first level compared to February modified budget by first level.

MAC had one budget amendment to align expenditures with correct account level for a National Endowment of the Arts grant.

## Agency HB 2 Expenditures





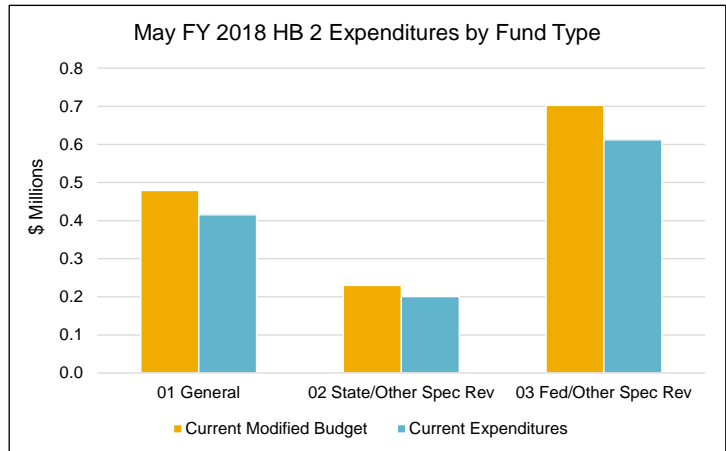
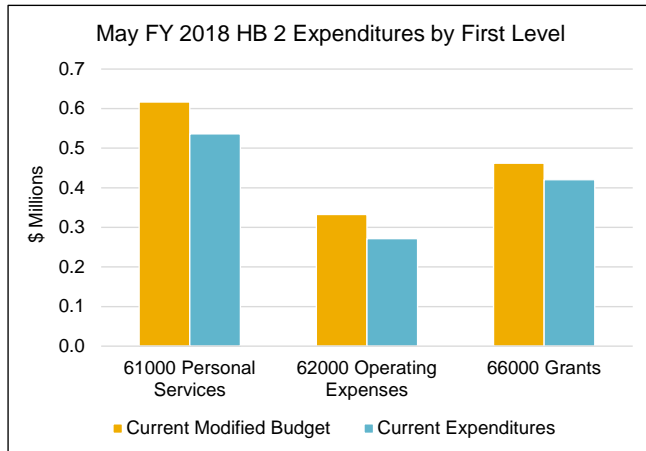
## Expenditure by Program

Program	May Modified Budget	Expenditures	Remaining Budget	% Expended
01 Promotion Of The Arts	1,411,450	1,228,047	183,403	87.0%
Grand Total	1,411,450	1,228,047	183,403	87.0%

*This shows current expenditures by program and remaining authority for HB 2 budget.*

The Montana Arts Council has expended 87.0% of its FY 2018 HB 2 budget. This is consistent with previous years at this point in the fiscal year.

## Expenditure By First Level Account and Fund Type



First Level	May Modified		
	HB 2	Expended	% Expended
61000 Personal Services	616,404	536,425	87.0%
62000 Operating Expenses	332,808	271,339	81.5%
66000 Grants	462,238	420,283	90.9%
Grand Total	1,411,450	1,228,047	87.0%

Fund Type	May Modified		
	HB 2	Expended	% Expended
01 General	479,042	415,342	86.7%
02 State/Other Spec Rev	230,126	200,518	87.1%
03 Fed/Other Spec Rev	702,282	612,187	87.2%
Grand Total	1,411,450	1,228,047	87.0%

*The above graphics show HB 2 modified budget compared to expenditures by first level and fund type.*

MAC expenditures are in line with previous years.

## REQUIRED REPORTS

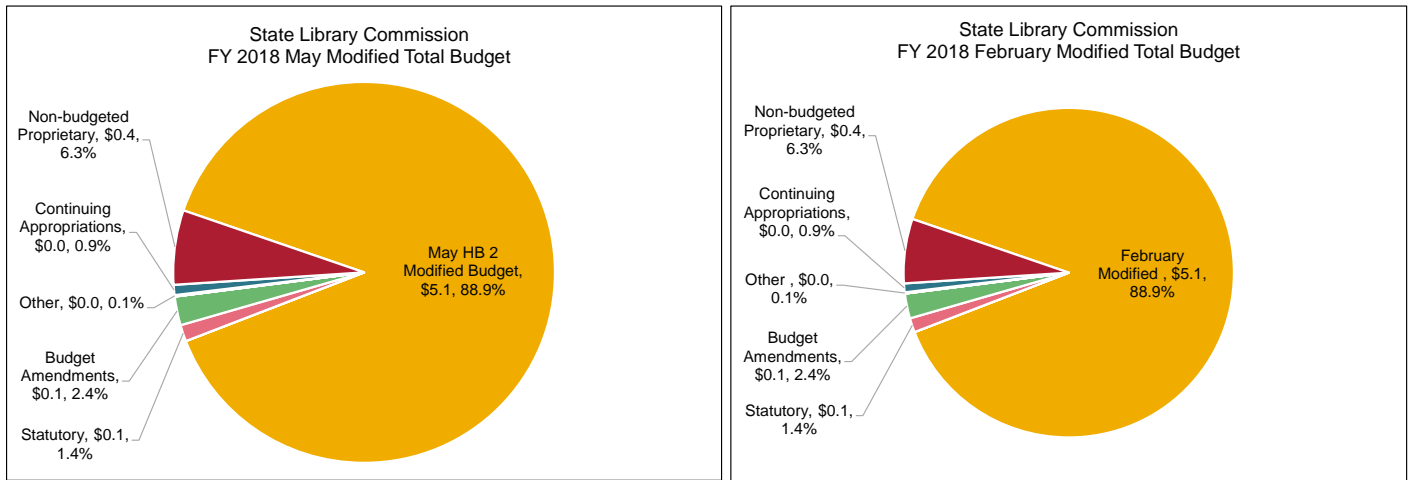
None at this time.

# LIBRARY COMMISSION

## BUDGET AND EXPENDITURE HIGHLIGHTS

- The library has expended 71.0% of its FY 2018 HB 2 modified budget
- General fund is 84.5% expended
- The lower level of overall expenditures is due to the timing of payments and contracts

## TOTAL APPROPRIATION AUTHORITY OVERVIEW



*These charts show the February total appropriation authority compared to the May total appropriation authority for the agency (Appendix B).*

The Montana State Library (MSL) has total authority of \$5.7 million for FY 2018. The majority of its authority is from HB 2. The remaining authority is comprised of statutory appropriations, budget amendments, non-budgeted proprietary, and continuing appropriations.

### Statutory Appropriations

MSL has \$80,000 in statutory appropriation for 911 GIS mapping.

### Budget Amendments

MSL has a few budget amendments that impact its FY 2018 budget. These were primarily in relation to receiving a grant award from the Natural Resource Conservation Service.

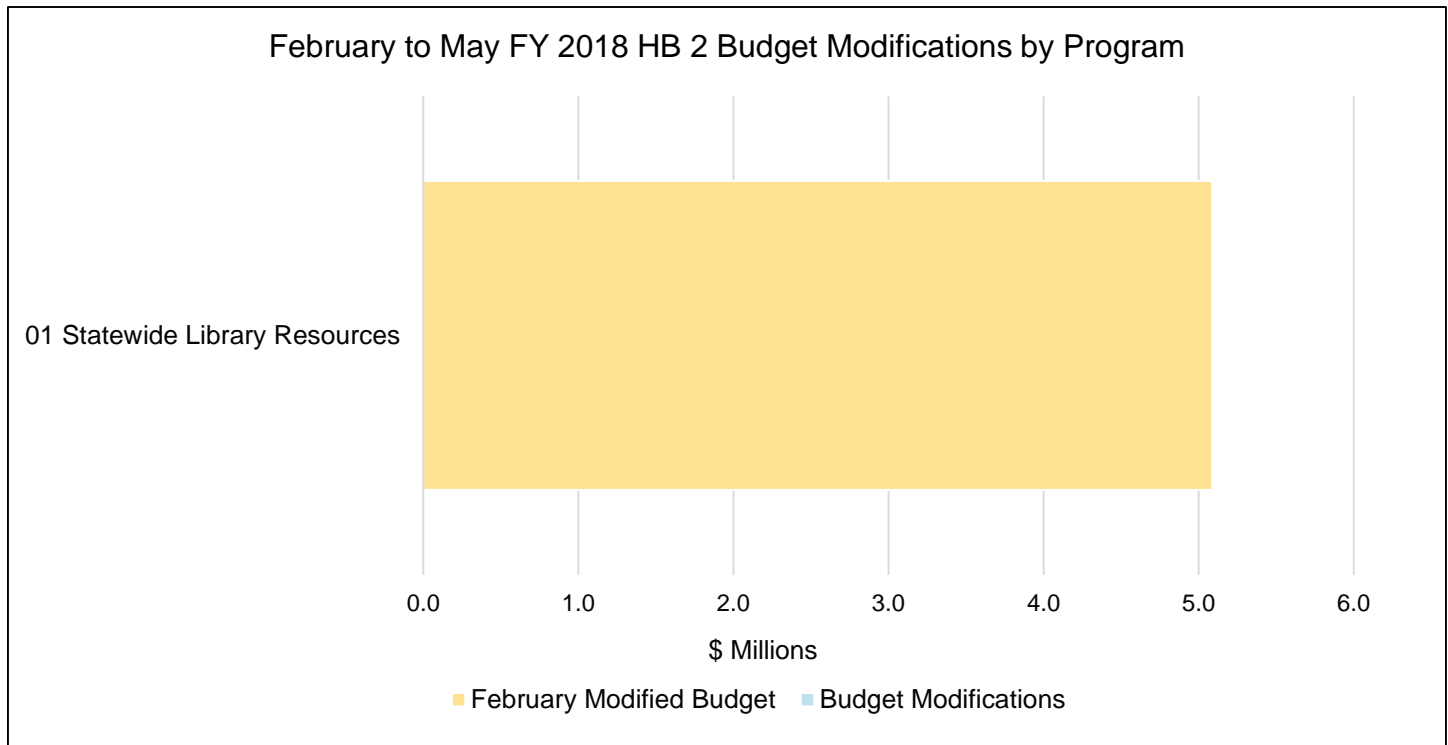
### Continuing Appropriations

The continuing appropriations within the library are in relation to federal fund grant activities.

### Non-Budgeted Proprietary

The Montana Shared Catalog accounts for the non-budgeted proprietary funds at the MSL.

## HB 2 BUDGET MODIFICATIONS



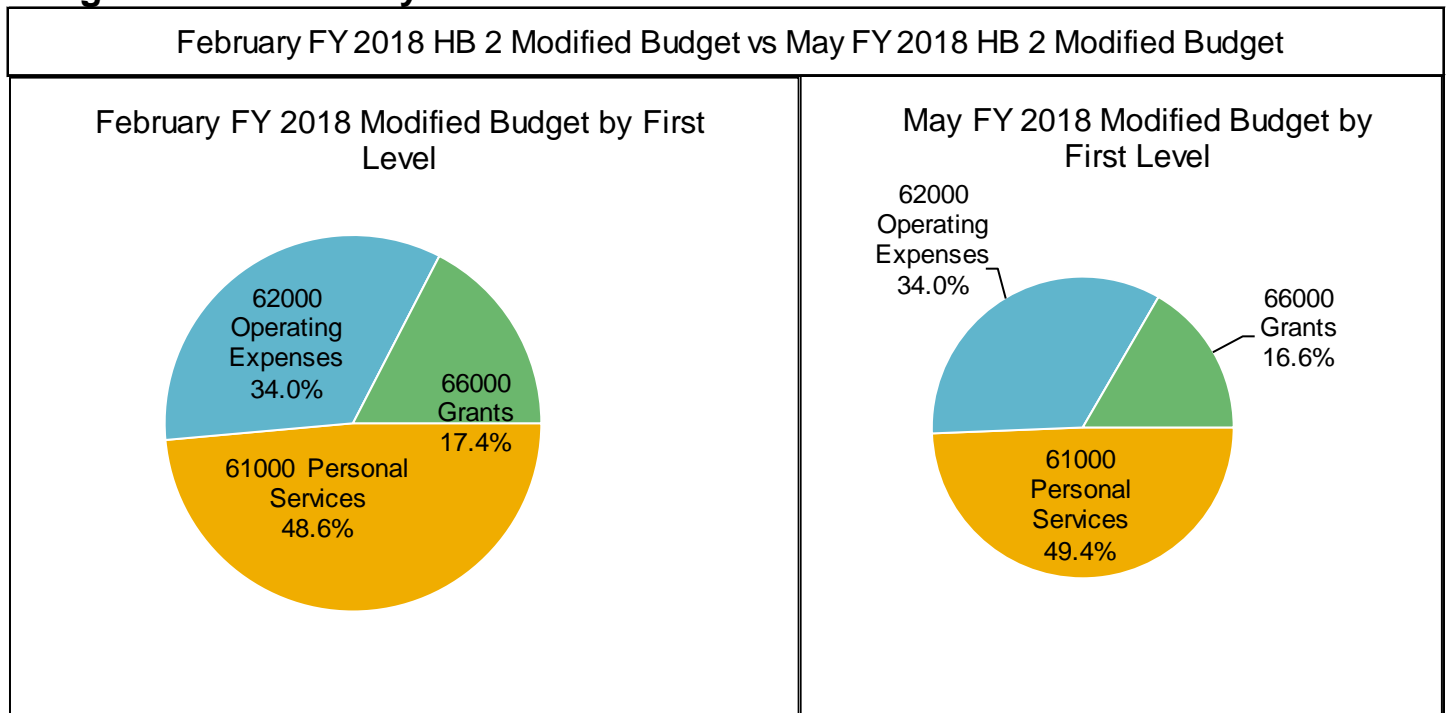
### Budget Modification by Program

Program	February Modified Budget	Modifications			May Modified Budget	Variance to Feb.
		Increases	Decreases	Total		
01 Statewide Library Resources	5,085,537	40,000	(40,000)	-	5,085,537	0.0%
Grand Total	5,085,537	40,000	(40,000)	-	5,085,537	0.0%

*This chart shows budget modifications by program from February through May.*

MSL had a couple budget modifications during this reporting period. These modifications are operating plan changes which are discussed in further detail in the next section.

## Budget Modification by First Level

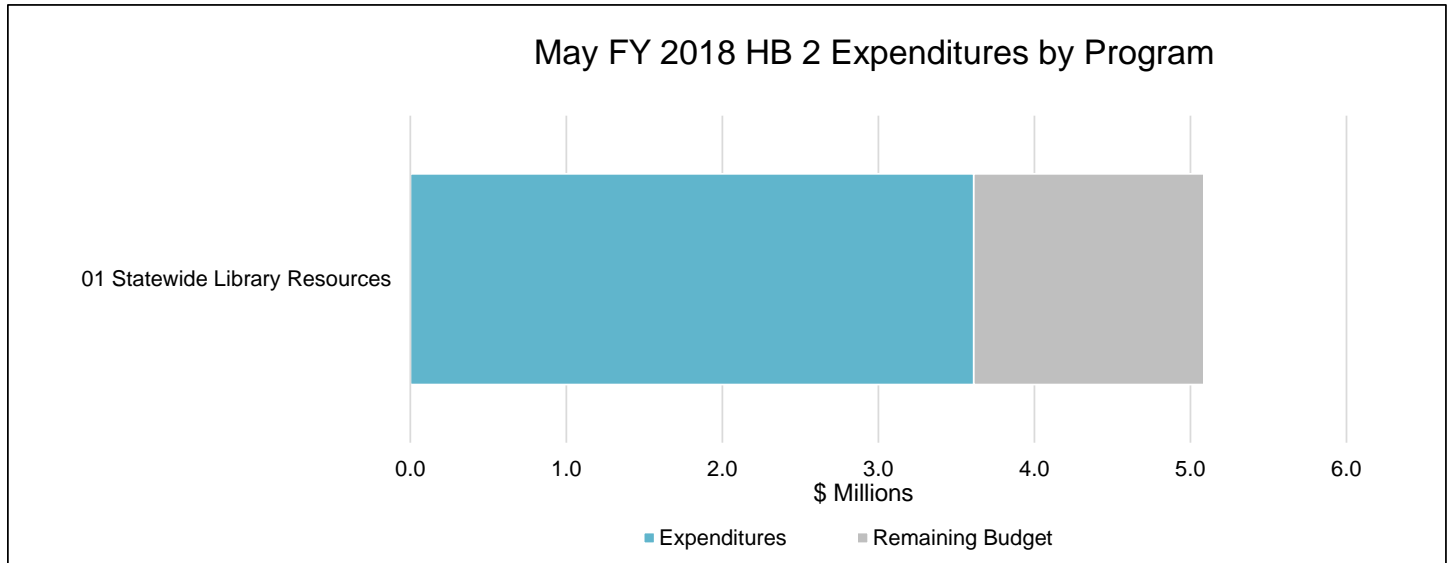


February to May FY 2018 HB 2 Budget Modification by First Level						
First Level	February Modified Budget	Modifications			May Modified Budget	Variance to Feb.
		Increases	Decreases	Total		
61000 Personal Services	2,470,782	40,000	-	40,000	2,510,782	1.6%
62000 Operating Expenses	1,729,119	-	-	-	1,729,119	0.0%
63000 Equipment & Intangible Assets	-	-	-	-	-	0.0%
66000 Grants	885,636	-	(40,000)	(40,000)	845,636	-4.5%
<b>Grand Total</b>	<b>5,085,537</b>	<b>40,000</b>	<b>(40,000)</b>	<b>-</b>	<b>5,085,537</b>	<b>0.0%</b>

The above charts show HB 2 FY 2018 modified budget as of May by first level compared to February modified budget by first level.

MSL had three operating plan changes during this reporting period. Two of the modifications were with federal Library Service and Technology Act (LSTA) grant funds to align expenditures and add modified FTE for grant activities. The other operating plan change was from federal Montana Land Information Advisory Council (MLIAC) funds to cover personal services costs associated with accrued leave balances.

# AGENCY HB 2 EXPENDITURES



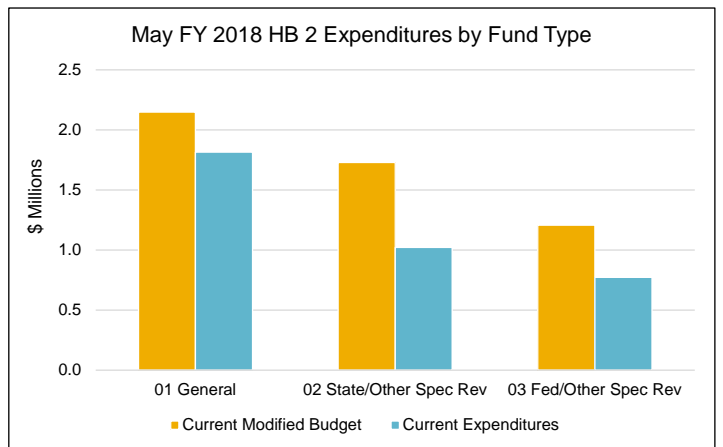
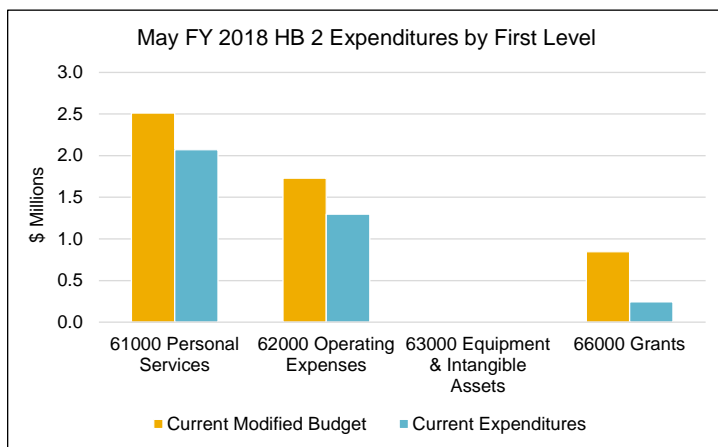
## Expenditure by Program

Program	May Modified Budget	Expenditures	Remaining Budget	% Expended
01 Statewide Library Resources	5,085,537	3,612,032	1,473,505	71.0%
Grand Total	5,085,537	3,612,032	1,473,505	71.0%

This shows current expenditures by program and remaining authority for HB 2 budget.

Overall, expenditures for the MSL are slightly below anticipated levels at this point. This is due to lower expenditures in state special revenue and will be discussed in the next section.

## Expenditure By First Level Account and Fund Type



First Level	May Modified HB 2	Expended	% Expended
61000 Personal Services	2,510,782	2,071,491	82.5%
62000 Operating Expenses	1,729,119	1,296,772	75.0%
63000 Equipment & Intangible Assets	-	-	0.0%
66000 Grants	845,636	243,769	28.8%
Grand Total	5,085,537	3,612,032	71.0%

Fund Type	May Modified HB 2	Expended	% Expended
01 General	2,148,954	1,816,406	84.5%
02 State/Other Spec Rev	1,729,049	1,021,841	59.1%
03 Fed/Other Spec Rev	1,207,534	773,785	64.1%
Grand Total	5,085,537	3,612,032	71.0%

The above graphics show HB 2 modified budget compared to expenditures by first level and fund type.

General fund expenditures for MSL are slightly lower than anticipated due to timing of the Heritage Contract payments.

The expenditures in state special revenue are lower than would be anticipated at this time. There was a delay in the Natural Resource Information System (NRIS) contract to begin projects causing the increased budget balance. These funds will begin to align with projections as the projects get underway. Additionally, the Heritage Contract is partially funded with state special revenue and is causing the expenditures to appear low since payments are still outstanding.

Of the grants awarded, only 28.8% has been expended of their FY 2018 budget. This is as anticipated for the agency since only a portion of the grant funding has been committed to projects at this time. Grant expenditures are dependent on the awarding of projects and the timing of each one.

## **REQUIRED REPORTS**

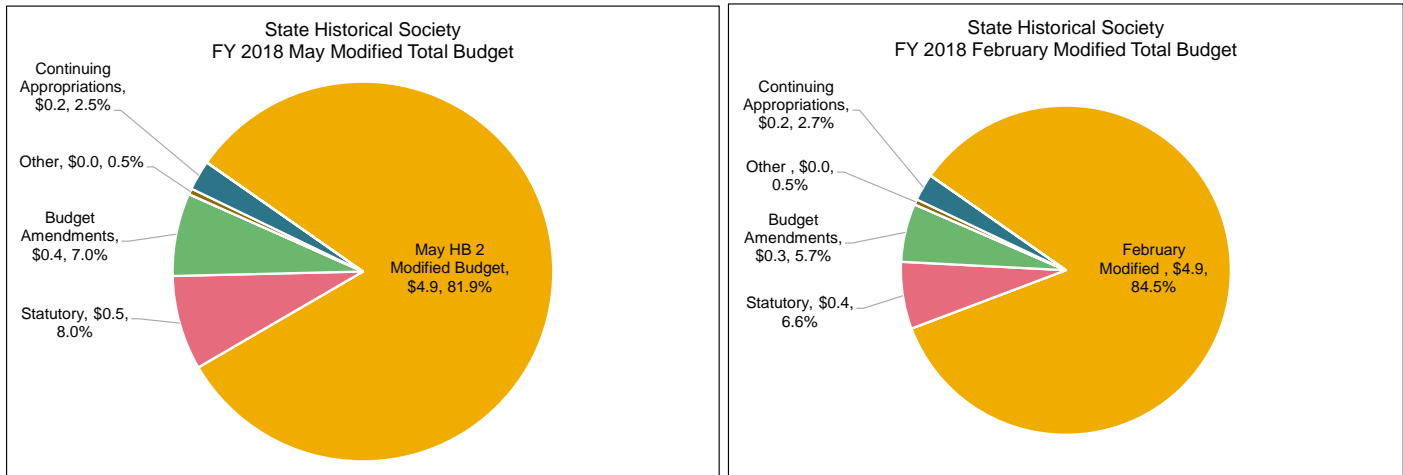
None at this time.

# HISTORICAL SOCIETY

## BUDGET AND EXPENDITURE HIGHLIGHTS

- The Montana Historical Society (MHS) has expended 86.5% of its FY 2018 HB 2 modified budget
- Although the percent expended to date corresponds with the percent of fiscal year elapsed, general fund and personal services are experiencing higher expenditure patterns
- General fund is 91.6% expended
- Personal services are 90.9% expended and the agency is projecting an approximate shortfall of \$300,000. The agency received personal services contingency funding from the executive to cover a portion of the shortfall

## TOTAL APPROPRIATION AUTHORITY OVERVIEW



*These charts show the February total appropriation authority compared to the May total appropriation authority for the agency (Appendix B).*

MHS had a \$0.1 million increase; for total authority of \$5.8 million for FY 2018. The majority of its authority is from HB 2. The remaining authority is derived from statutory appropriations, budget amendments, other house and senate bills, and a small portion of non-budgeted proprietary.

## Statutory Appropriations

Besides the allocated HB 2 authority the agency also has statutory appropriation authority. These funds are from fees received via the MHS membership program, historic preservation signage and site location, the Original Governor's Mansion, and the Lewis & Clark license plates. Additional statutory authority was required to manage personal services for the remainder of the fiscal year.

## Budget Amendments

MHS has several budget amendments of approximately \$401,500 for FY 2018 including:

- Increased authority in enterprise funds
- Increased authority for the BLM grant
- Grant awards from the National Endowment for the Humanities
- Grant award from the National Film Preservation Foundation

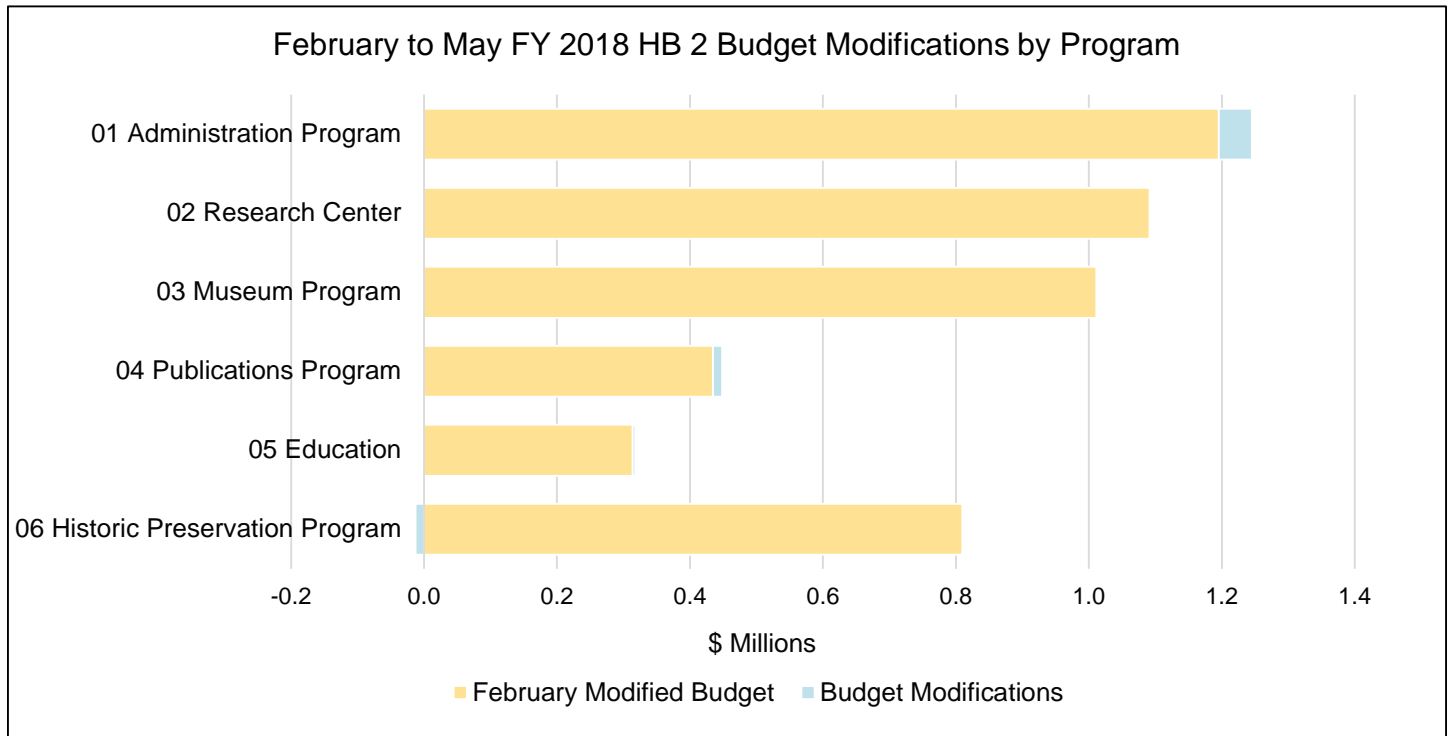
## Continuing Appropriations

MHS has continuing appropriations of approximately \$152,000 of federal funds for various grants.

## Non-Budgeted Proprietary

MHS has a few private donations and private trusts that comprise its non-budgeted proprietary funds.

## HB 2 BUDGET MODIFICATIONS



## Budget Modification by Program

Program	February Modified Budget	Modifications			May Modified Budget	Variance to Feb.
		Increases	Decreases	Total		
01 Administration Program	1,195,702	76,000	(26,500)	49,500	1,245,202	4.1%
02 Research Center	1,091,174	-	-	-	1,091,174	0.0%
03 Museum Program	1,011,447	-	(1,500)	(1,500)	1,009,947	-0.1%
04 Publications Program	434,651	26,500	(13,000)	13,500	448,151	3.1%
05 Education	313,980	3,500	-	3,500	317,480	1.1%
06 Historic Preservation Program	809,593	-	(13,000)	(13,000)	796,593	-1.6%
<b>Grand Total</b>	<b>4,856,547</b>	<b>106,000</b>	<b>(54,000)</b>	<b>52,000</b>	<b>4,908,547</b>	<b>1.1%</b>

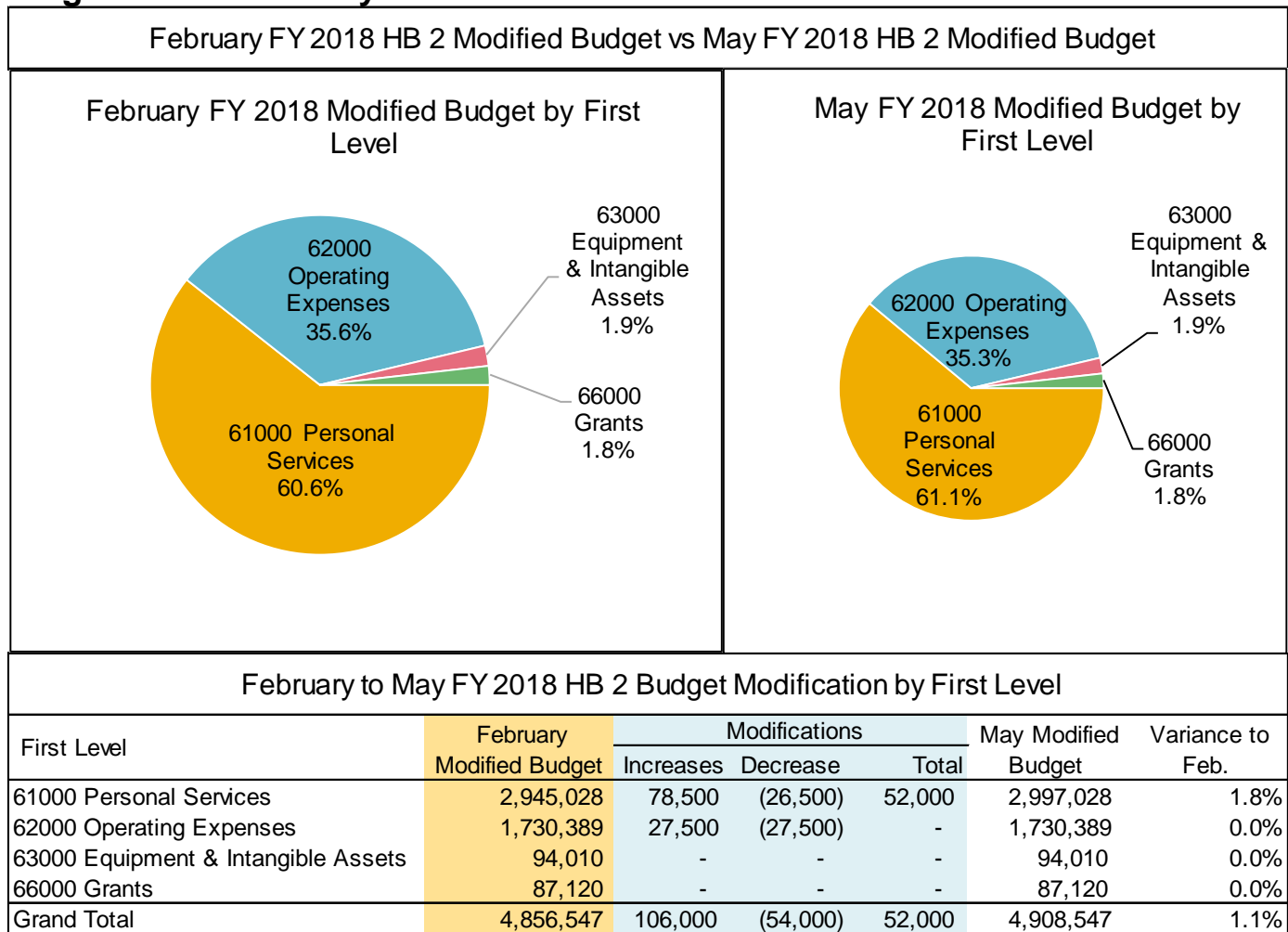
*This chart shows budget modifications by program from February through May.*

MHS had a program transfer to move state special revenue funds from the Museum Program to the Administration Program. This modification aligns expenditures to the correct fund and program for senate art purchases.

An additional program transfer was completed to align authority of enterprise funds to correct programs. The other budget modifications will be discussed in the next section as they relate to personal services.



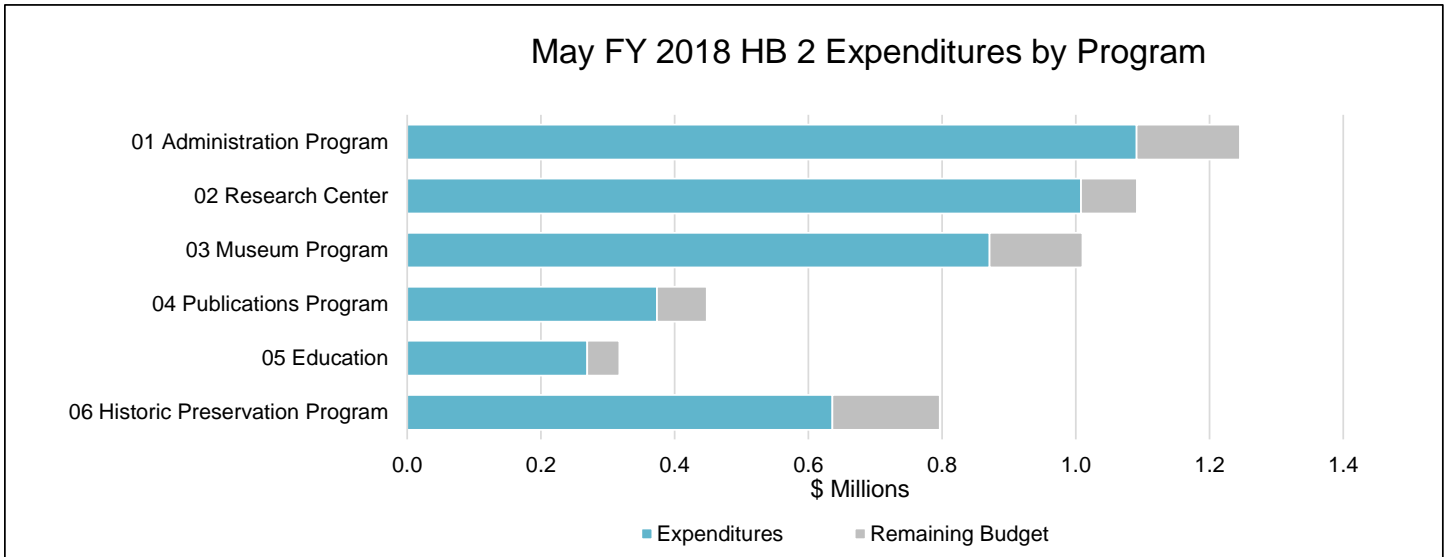
## Budget Modification by First Level



The above charts show HB 2 FY 2018 modified budget as of March by first level compared to October modified budget by first level.

In addition to program transfers, MHS had several budget modifications to offset a portion of the agency anticipated shortfall in personal services. MHS received \$52,000 in personal services contingency funding from the executive. The additional budget modifications to personal services include budget amendments of \$21,000 and \$74,000 in statutory authority.

# AGENCY HB 2 EXPENDITURES



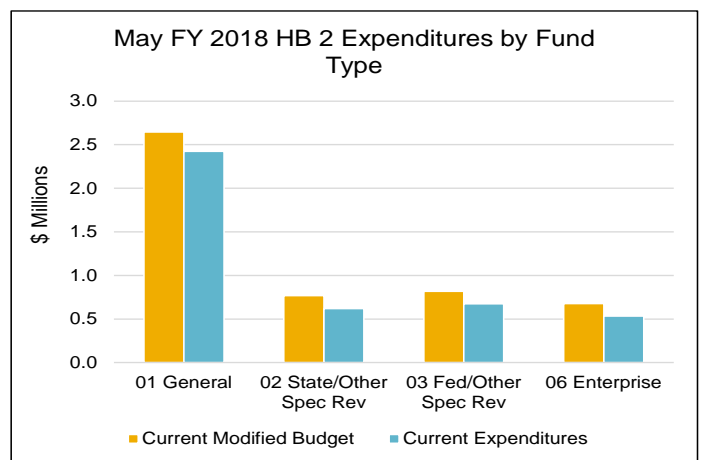
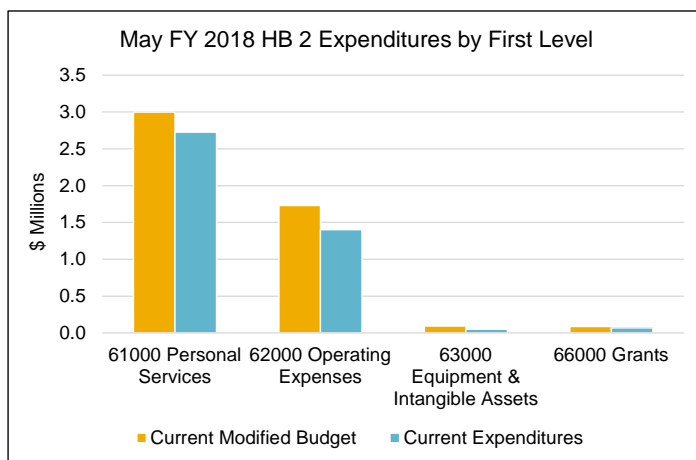
## Expenditure by Program

Program	May Modified Budget	Expenditures	Remaining Budget	% Expended
01 Administration Program	1,245,202	1,090,601	154,601	87.6%
02 Research Center	1,091,174	1,007,582	83,592	92.3%
03 Museum Program	1,009,947	870,875	139,072	86.2%
04 Publications Program	448,151	373,572	74,579	83.4%
05 Education	317,480	269,383	48,097	84.9%
06 Historic Preservation Program	796,593	635,750	160,843	79.8%
<b>Grand Total</b>	<b>4,908,547</b>	<b>4,247,764</b>	<b>660,783</b>	<b>86.5%</b>

*This chart shows current expenditures by program and remaining authority for HB 2 budget.*

MHS has expended 86.5% of their FY 2018 HB 2 budget. Factoring in budget reductions to the agency during session, expenditures are generally consistent with previous years.

## Expenditure By First Level Account and Fund Type



May FY 2018 HB 2 Expended by First Level			
First Level	May Modified		
	HB 2	Expended	% Expended
61000 Personal Services	2,997,028	2,724,580	90.9%
62000 Operating Expenses	1,730,389	1,402,275	81.0%
63000 Equipment & Intangible Assets	94,010	50,659	53.9%
66000 Grants	87,120	70,250	80.6%
<b>Grand Total</b>	<b>4,908,547</b>	<b>4,247,764</b>	<b>86.5%</b>

May FY 2018 HB 2 Expended by Fund Type			
Fund Type	May Modified		
	HB 2	Expended	% Expended
01 General	2,645,159	2,423,088	91.6%
02 State/Other Spec Rev	768,776	617,696	80.3%
03 Fed/Other Spec Rev	818,165	673,575	82.3%
06 Enterprise	676,447	533,404	78.9%
<b>Grand Total</b>	<b>4,908,547</b>	<b>4,247,764</b>	<b>86.5%</b>

*The above graphics show HB 2 modified budget compared to expenditures by first level and fund type.*

Overall, MHS expenditures are consistent with previous years. Personal services are higher than anticipated with the reductions of staff experienced by the agency during session and SB 261 triggers. The agency has indicated an approximate shortfall of \$300,000 in personal services. The agency has requested personal services contingency funding from the executive to cover this shortfall. If the contingency funds do not cover the entire amount, the agency will manage the shortfall with modified positions paid for with private, bed tax, and enterprise funds.

## **REQUIRED REPORTS**

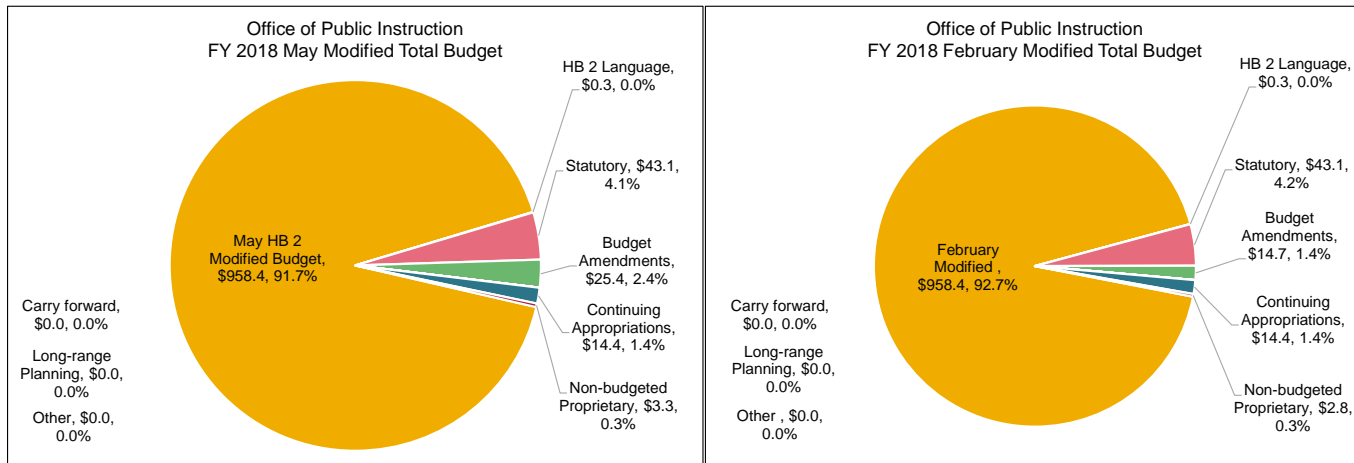
None at this time.

# OFFICE OF PUBLIC INSTRUCTION

## BUDGET AND EXPENDITURE HIGHLIGHTS

- The Office of Public Instruction (OPI) HB 2 modified budget of \$958.4 million was roughly 85.3% expended as of the end of May 2018, which is in line with anticipated expenditures at this point in the fiscal year
- Income from the Guarantee Fund appears to be coming in around \$4.5 million over estimates primarily due to higher-than-expected oil revenue from higher prices. A supplemental for BASE aid is not expected at this time.

## TOTAL APPROPRIATION AUTHORITY OVERVIEW



These charts show the February total appropriation authority compared to the May total appropriation authority (Appendix B).

### Statutory Appropriations

OPI has statutory appropriations from Guarantee Fund interest and income from common school trust land. This accounts for 4.1% of the total appropriation authority.

### Budget Amendments

OPI budget amendments originated from federal grants that were awarded to OPI and accounted for 2.4% of the budget. There was a budget amendment increase of \$100,000 in federal funds from the NASA Northwest Earth and Space Science Program grant award. Additionally there was a budget amendment of \$10.5 million from a federal preschool development grant as the fourth and final annual installment of a grant awarded in December 2014. This grant is not linked to ongoing state funding.

### Non-Budgeted Proprietary

OPI has a small amount of non-budgeted funds. These consist primarily of indirect costs. There is also some in the advanced driver's education program. A \$0.5 million increase in proprietary appropriation authority was added to the indirect cost pool. This change in spending on indirect costs is within the rate established in HB 2, and common for OPI as they respond to federal funds spending and associated indirect costs as needed.

### Carry Forward

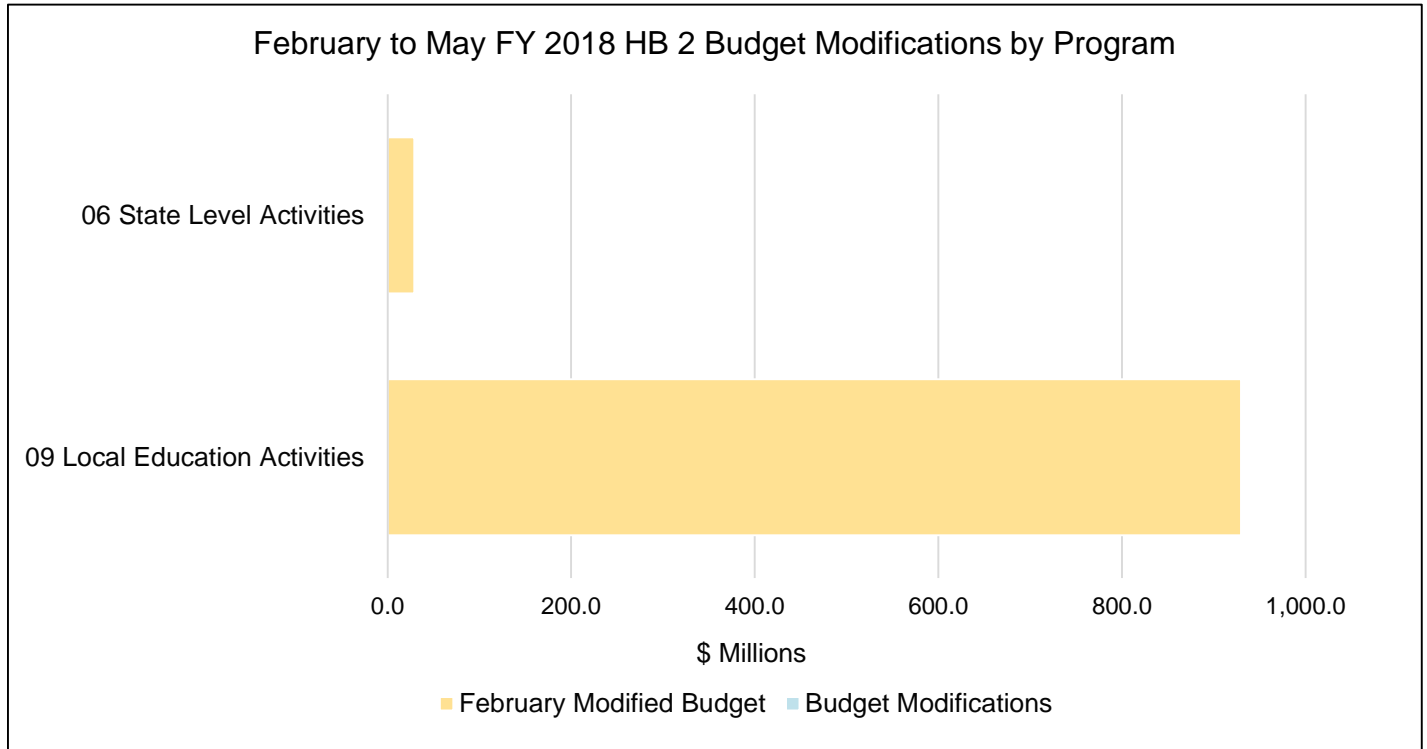
OPI does not have carry forward authority from FY 2017.

### Other Authority

OPI has continuing appropriations from federal funds grants. This amounts to 1.4% of their total budget.

# HB 2 BUDGET MODIFICATIONS

## Budget Modification by Program

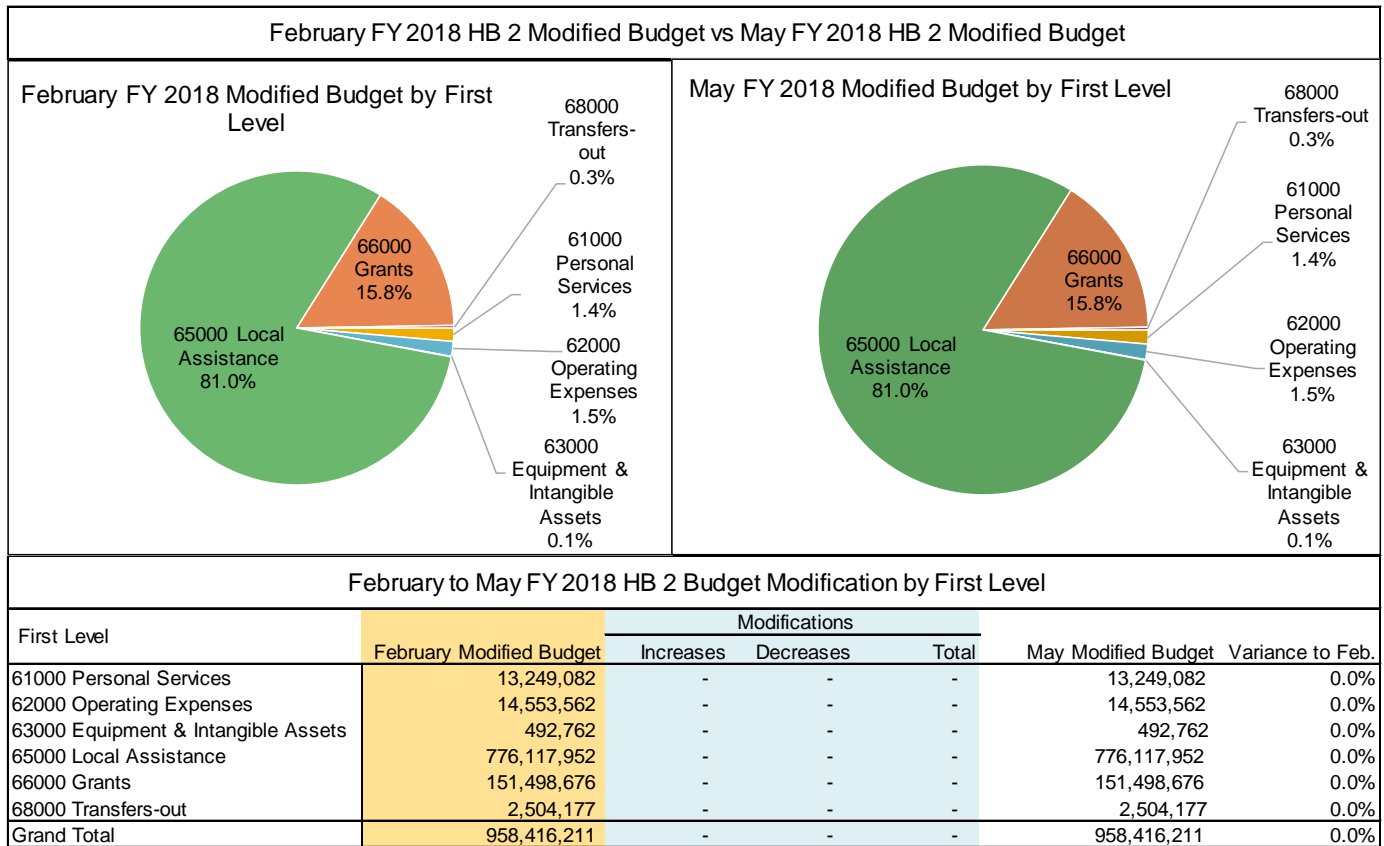


Program	February Modified Budget	Modifications			May Modified Budget	Variance to Feb.
		Increases	Decreases	Total		
06 State Level Activities	28,985,138	-	-	-	28,985,138	0.0%
09 Local Education Activities	929,431,073	-	-	-	929,431,073	0.0%
<b>Grand Total</b>	<b>958,416,211</b>	-	-	-	<b>958,416,211</b>	<b>0.0%</b>

*This chart shows budget modifications by program from February through May.*

OPI had no HB 2 budget modifications during this period.

## Budget Modification by First Level

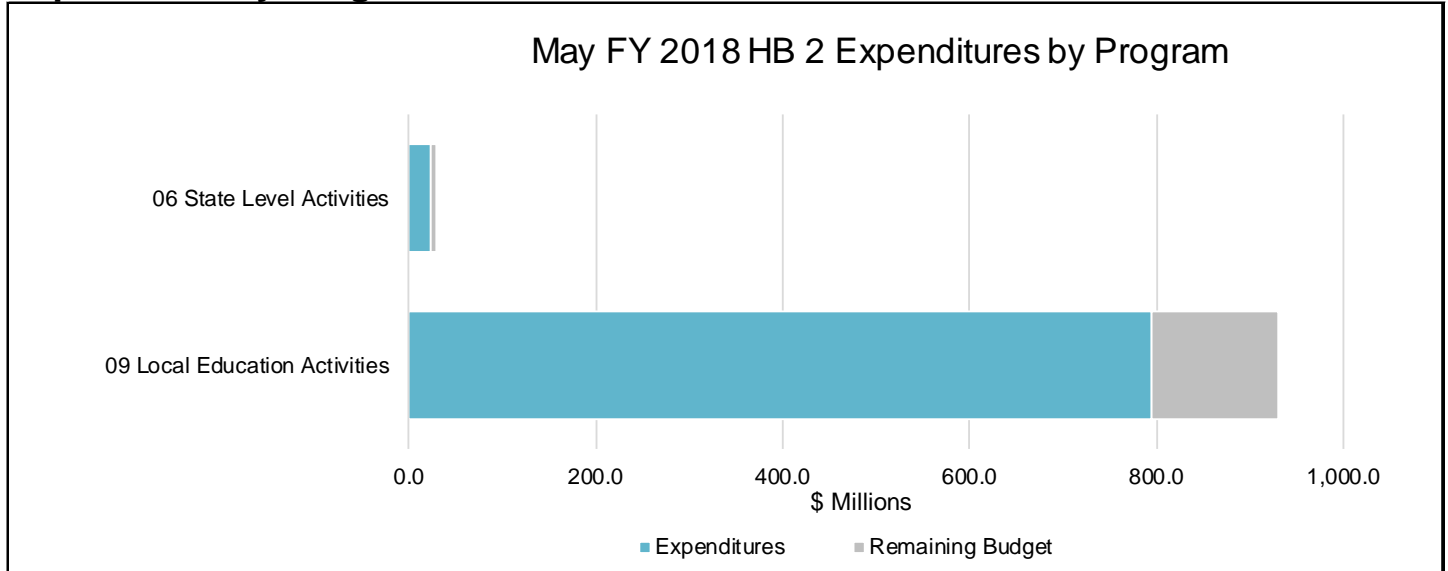


The above charts show HB 2 FY 2018 modified budget as of May by first level compared to February modified budget by first level.

OPI had no budget modifications during this period.

# AGENCY HB 2 EXPENDITURES

## Expenditure by Program

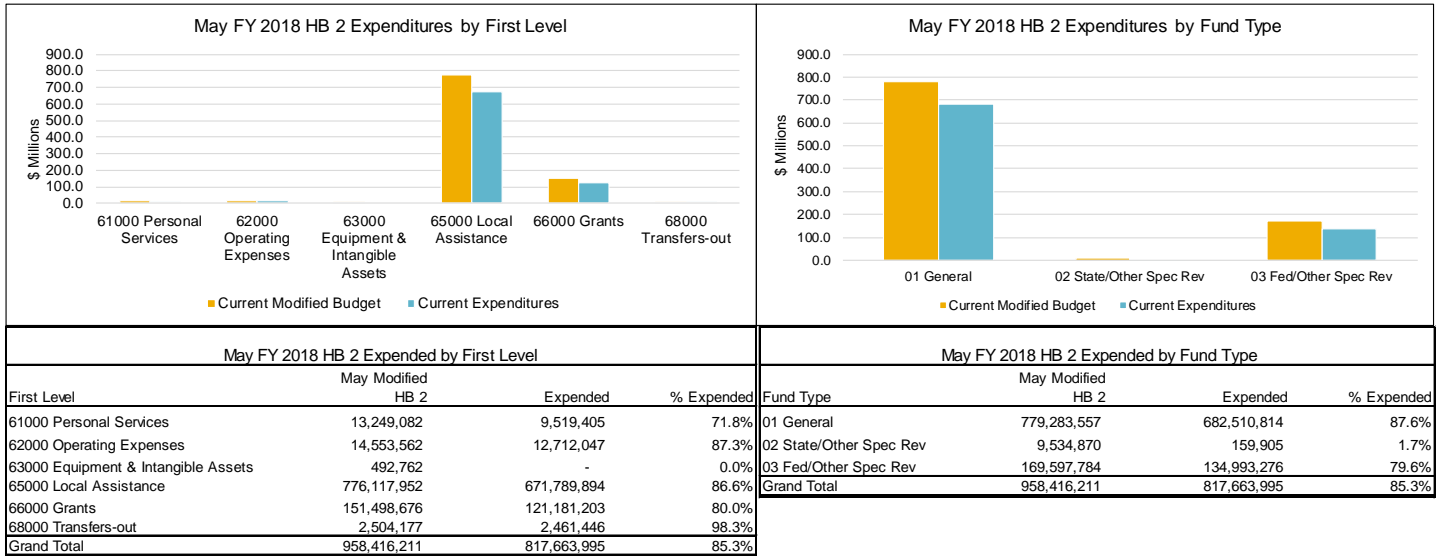


Program	May Modified Budget	Expenditures	Remaining Budget	% Expended
06 State Level Activities	28,985,138	23,018,461	5,966,677	79.4%
09 Local Education Activities	929,431,073	794,645,535	134,785,538	85.5%
<b>Grand Total</b>	<b>958,416,211</b>	<b>817,663,995</b>	<b>140,752,215</b>	<b>85.3%</b>

*This shows current expenditures by program and remaining authority for HB 2 budget.*

Expenditures are in line with what would be expected at this point in the year. Actual expenditures are lower than last year due to reductions that came about from the 2017 Session and 2017 Special Session, but the percent of budget expended is on track.

## Expenditure By First Level Account and Fund Type



The above charts show HB 2 modified budget compared to expenditures by first level and fund type.

Expenditures are tracking as expected. Of note is the lack of spending in State Special Funds. This is due to the fact that there is \$8.6 million in state special budget authority for school facility reimbursements, but there are no funds to support this appropriation. Thus, this expenditure will not occur and state special spending will continue to look low throughout FY 2018 and FY 2019.

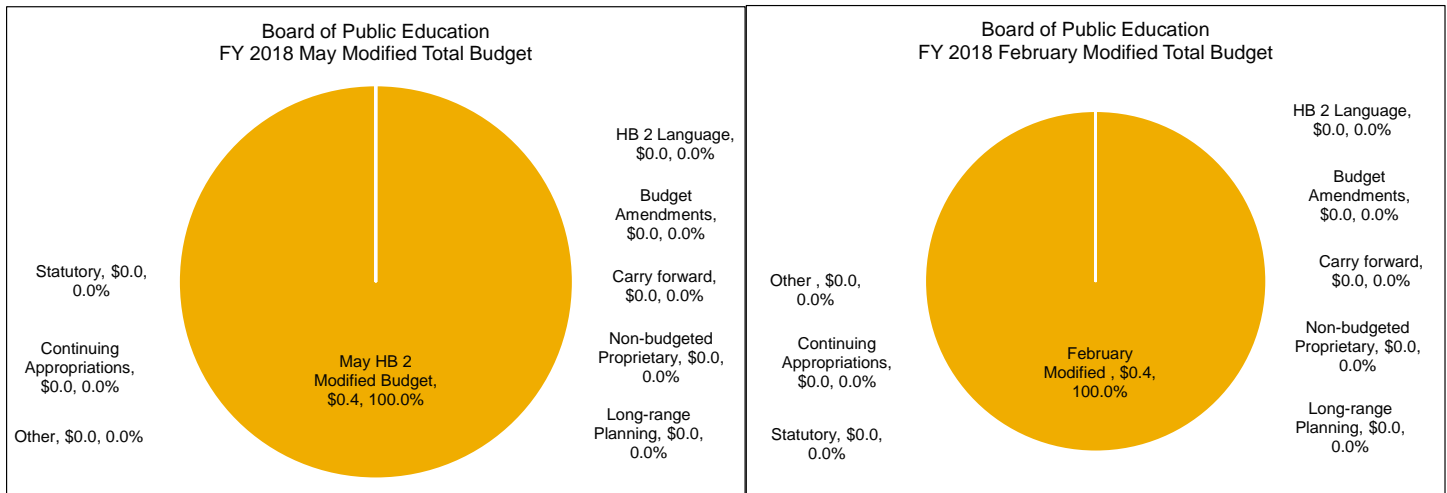


# BOARD OF PUBLIC EDUCATION

## BUDGET AND EXPENDITURE HIGHLIGHTS

- The Board of Public Education (BPE) HB 2 modified budget of \$353,097 was 76% expended as of the end of May 2018. This level is actually a bit higher than in recent years due to budget reductions, showing the percent expended at the end of May as higher, while actual costs were lower.
- BPE had lower operating costs, mostly consisting of legal lower legal and audit fees, as well as reduced travel expenses.

## TOTAL APPROPRIATION AUTHORITY OVERVIEW



*This chart FY 2018 total agency authority and corresponds to Appendix B.*

### Statutory Appropriations

BPE does not have statutory appropriations.

### Budget Amendments

BPE did not have any budget amendments.

### Non-Budgeted Proprietary

BPE does not have non-budgeted proprietary funding.

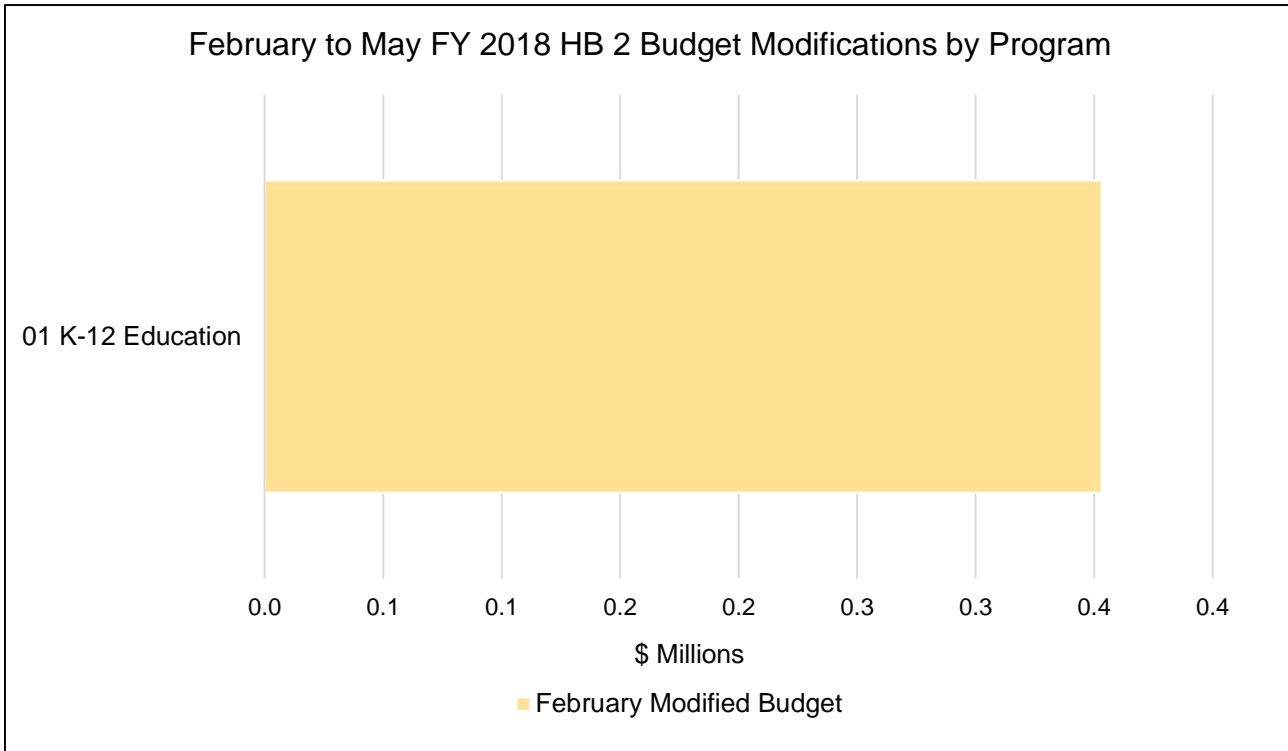
### Carry Forward

BPE does not have carryforward authority from FY 2017.

### Other Authority

BPE does not have other authority.

# HB 2 BUDGET MODIFICATIONS

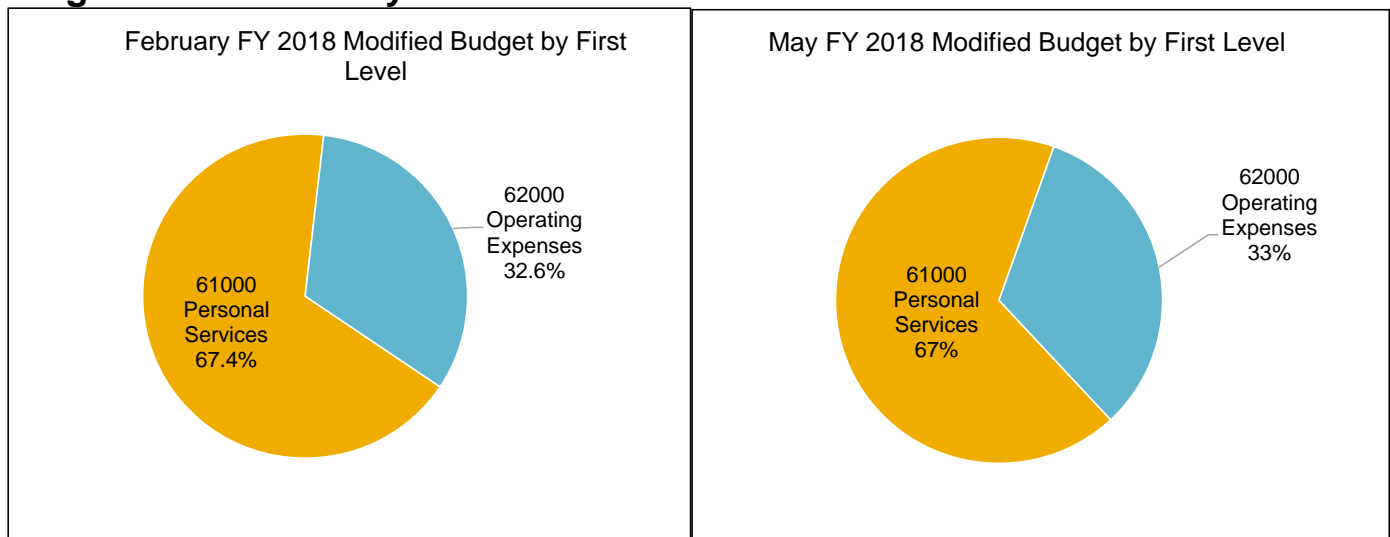


## Budget Modification by Program

Program	February Modified Budget	Modifications			May Modified Budget	Variance to Feb.
		Increases	Decreases	Total		
01 K-12 Education	353,097	-	-	-	353,097	0.0%
Grand Total	353,097	-	-	-	353,097	0.0%

This chart shows budget modifications by program from February through May.

## Budget Modification by First Level

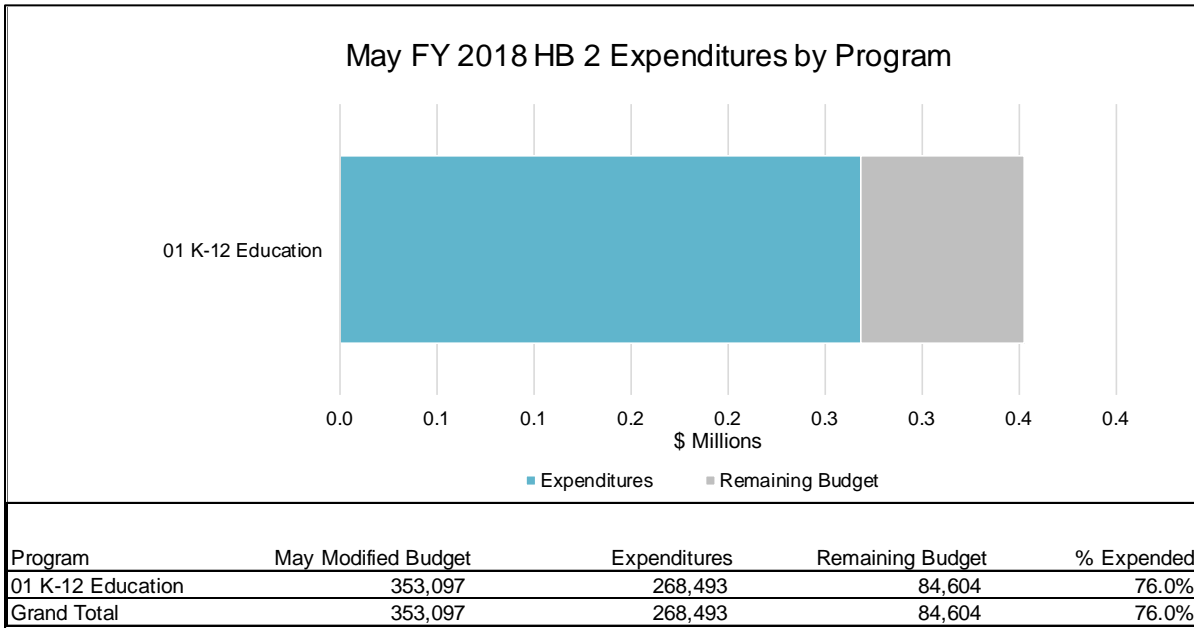


February to May FY 2018 HB 2 Budget Modification by First Level						
First Level	February Modified Budget	Modifications			May Modified Budget	Variance to Feb.
		Increases	Decreases	Total		
61000 Personal Services	237,947	-	-	-	237,947	0.0%
62000 Operating Expenses	115,150	-	-	-	115,150	0.0%
Grand Total	353,097	-	-	-	353,097	0.0%

The above charts show HB 2 FY 2018 modified budget as of May by first level compared to February modified budget by first level.

BPE did not have budget modifications between February and May.

## AGENCY HB 2 EXPENDITURES

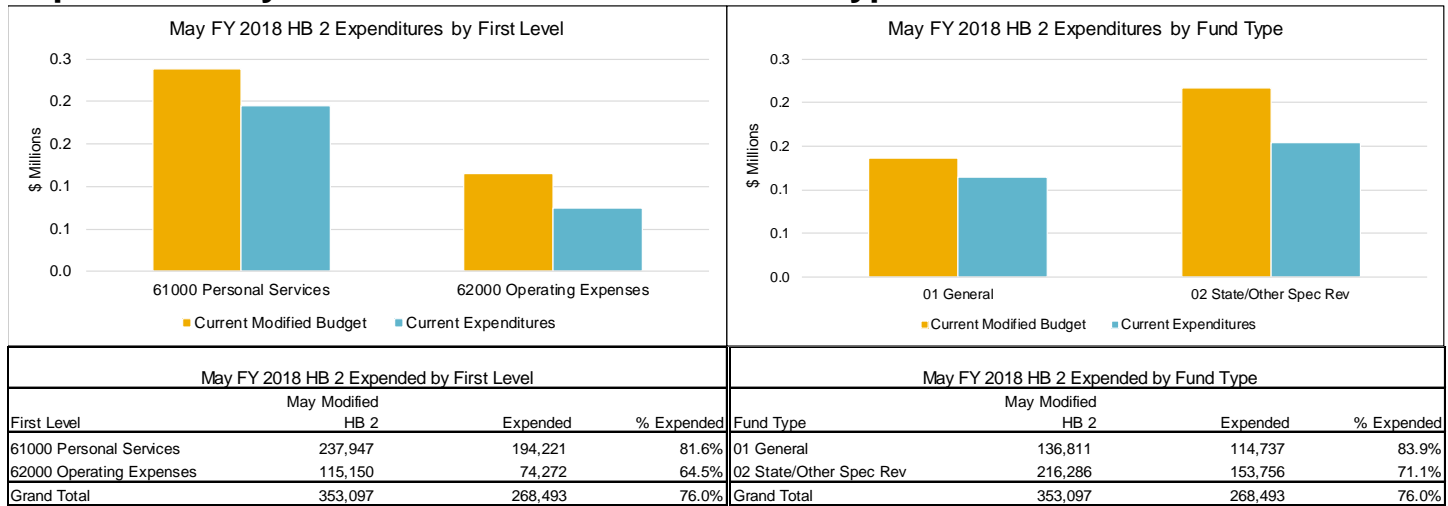


### Expenditure by Program

This shows current expenditures by program and remaining authority for HB 2 budget.

As of the end of May BPE has expended 76% of its budget. This level is slightly higher than in previous years due to budget reductions.

## Expenditure By First Level Account and Fund Type



The above charts show HB 2 modified budget compared to expenditures by first level and fund type.

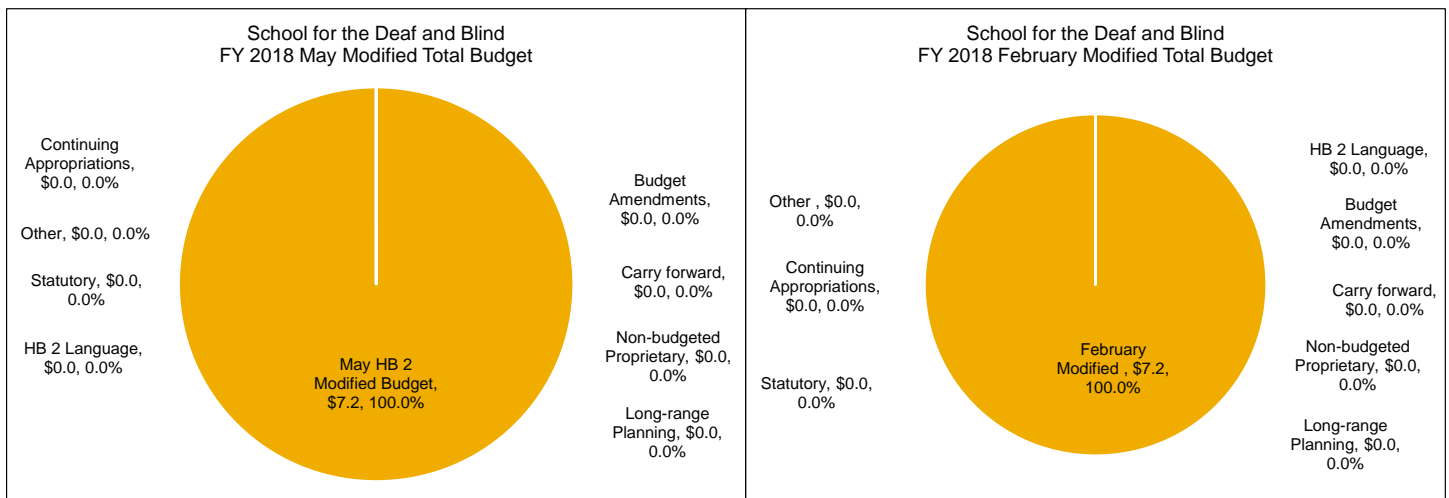
BPE has expended 76% of its HB 2 budget year-to-date.

# SCHOOL FOR THE DEAF AND BLIND

## BUDGET AND EXPENDITURE HIGHLIGHTS

- The School for the Deaf and Blind (SDB) HB 2 modified budget of \$7.2 million was 78.7% expended as of the end of May 2018, which is in line with anticipated level of expenditures at this point in the fiscal year, but nominally lower than recent years due to budget cuts.
- Personal services expenditures at this time are the lowest they have been since 2014 as SDB continues to have difficulty filling all positions.
- Operating cost expenditures are the lowest they have been in the last five years and are significantly lower than FY 2017 as of the end of May. However, there is often significantly higher maintenance spending during June than other months.

## TOTAL APPROPRIATION AUTHORITY OVERVIEW



This chart shows FY 2018 total agency authority and corresponds to Appendix B.

SDB has total authority of \$7.2 million for FY 2018, entirely contained in HB 2.

### Statutory Appropriations

The School for the Deaf and Blind does not have statutory appropriations.

### Budget Amendments

The School for the Deaf and Blind did not have any budget amendments.

### Non-Budgeted Proprietary

The School for the Deaf and Blind does not have non-budgeted proprietary funding.

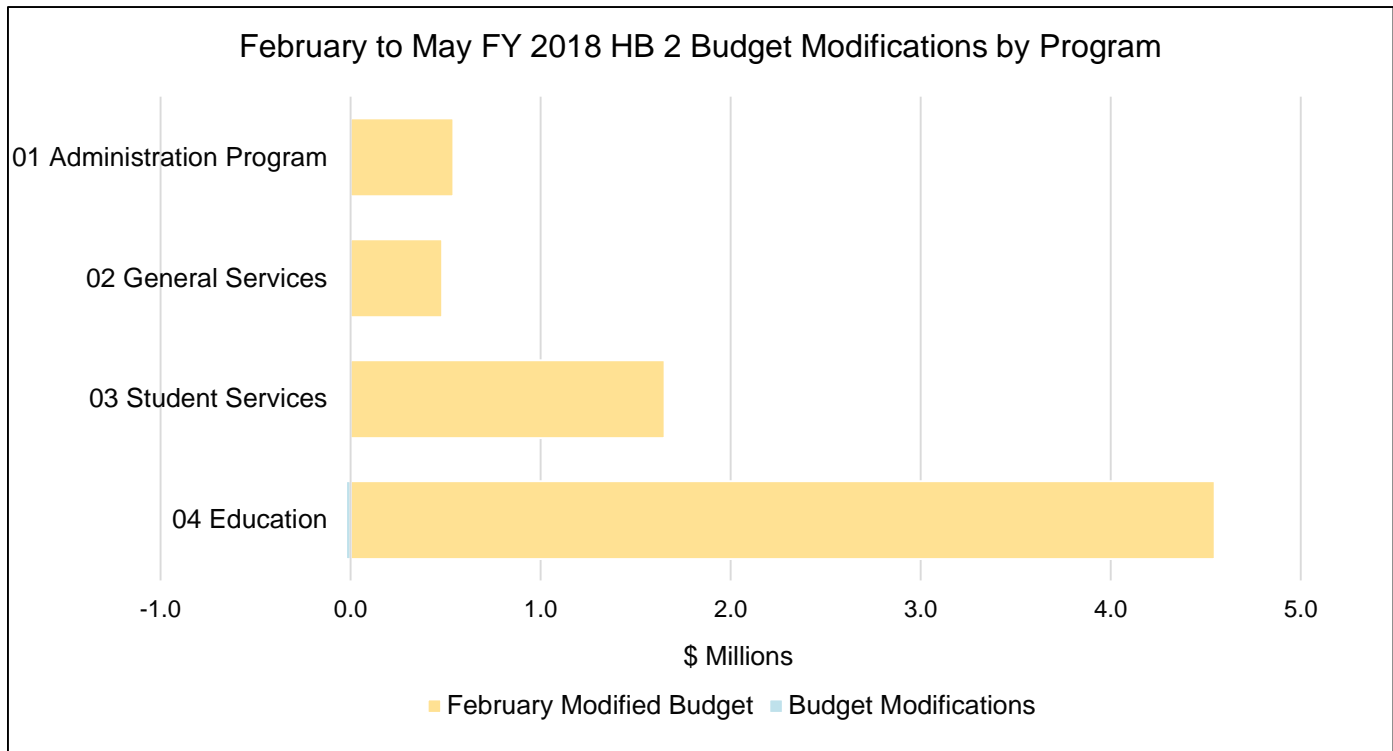
### Carry Forward

The School for the Deaf and Blind does not have carryforward authority from FY 2017.

### Other Authority

The School for the Deaf and Blind does not have other authority.

## HB 2 BUDGET MODIFICATIONS



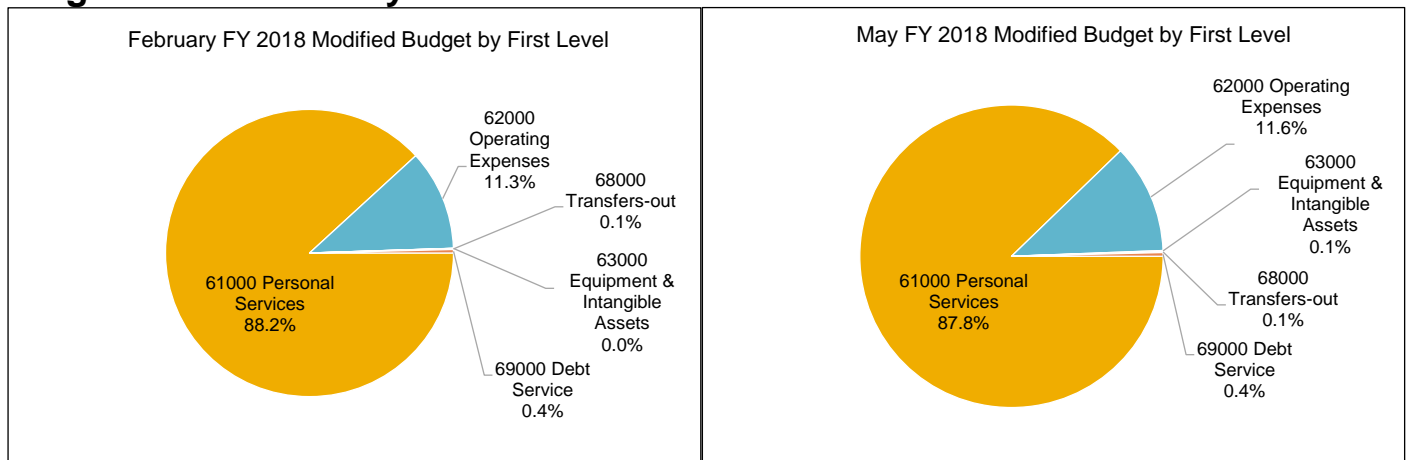
### Budget Modification by Program

Program	February Modified Budget	Modifications			May Modified Budget	Variance to Feb.
		Increases	Decreases	Total		
01 Administration Program	541,785	4,000	-	4,000	545,785	0.7%
02 General Services	483,403	16,400	(6,400)	10,000	493,403	2.1%
03 Student Services	1,652,558	10,000	-	10,000	1,662,558	0.6%
04 Education	4,546,905	-	(24,000)	(24,000)	4,522,905	-0.5%
Grand Total	7,224,651	30,400	(30,400)	-	7,224,651	0.0%

*This chart shows budget modifications by program from February through May.*

SDB had an operation plan change in the general services program that moved \$6,400 from personal services to assets to purchase a car from state surplus for the driver's education program. Additionally there was a program transfer that moved \$24,000 from personal servicers in program 4 and distributed it between operating expenses in the other 3 programs: \$4000 in Administration, \$10,000 in General Services, and \$10,000 in Student services.

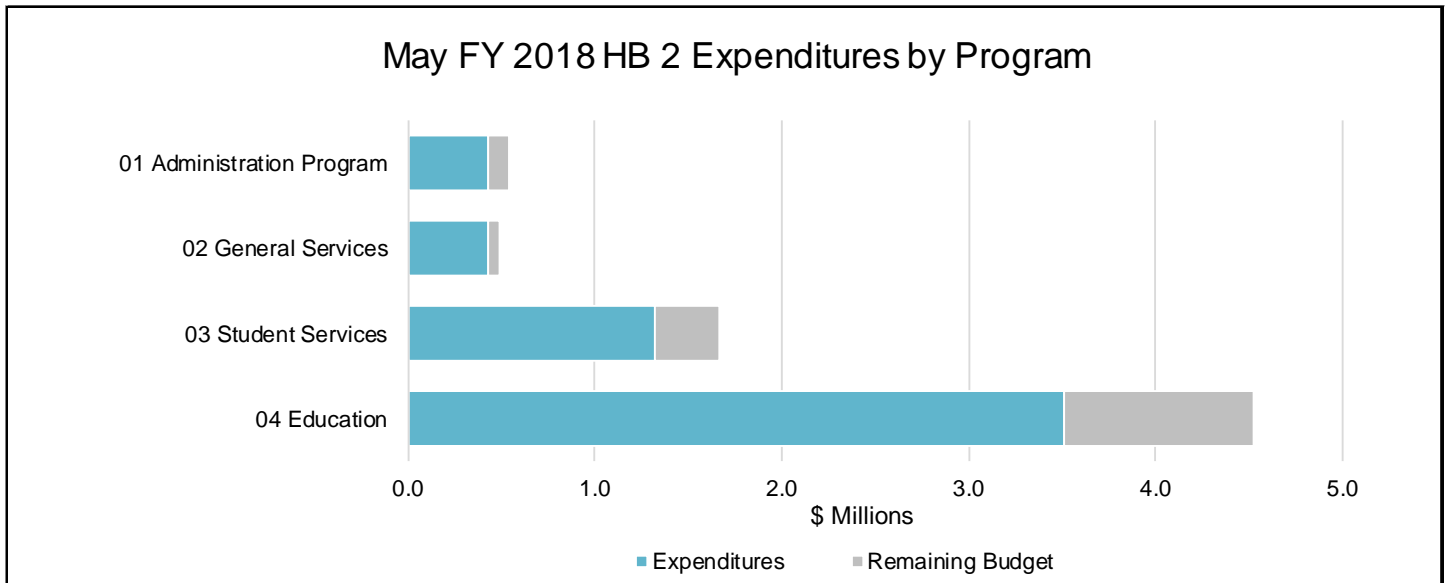
## Budget Modification by First Level



February to May FY 2018 HB 2 Budget Modification by First Level						
First Level	February Modified Budget	Modifications			May Modified Budget	Variance to Feb.
		Increases	Decreases	Total		
61000 Personal Services	6,370,056	-	(30,400)	(30,400)	6,339,656	-0.5%
62000 Operating Expenses	817,144	24,000	-	24,000	841,144	2.9%
63000 Equipment & Intangible Assets	-	6,400	-	6,400	6,400	0.0%
68000 Transfers-out	9,000	-	-	-	9,000	0.0%
69000 Debt Service	28,451	-	-	-	28,451	0.0%
<b>Grand Total</b>	<b>7,224,651</b>	<b>30,400</b>	<b>(30,400)</b>	<b>-</b>	<b>7,224,651</b>	<b>0.0%</b>

The above charts show HB 2 FY 2018 modified budget as of May by first level compared to February modified budget by first level.

## AGENCY HB 2 EXPENDITURES



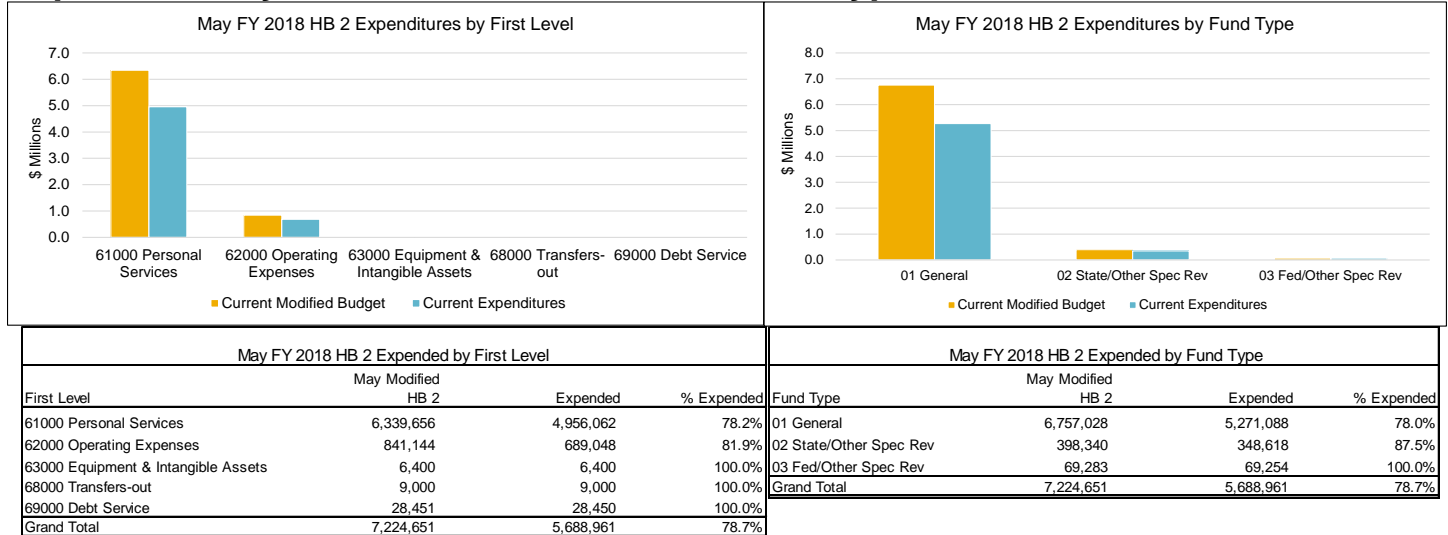
Program	May Modified Budget	Expenditures	Remaining Budget	% Expended
01 Administration Program	545,785	426,805	118,980	78.2%
02 General Services	493,403	432,682	60,721	87.7%
03 Student Services	1,662,558	1,320,967	341,591	79.5%
04 Education	4,522,905	3,508,507	1,014,399	77.6%
<b>Grand Total</b>	<b>7,224,651</b>	<b>5,688,961</b>	<b>1,535,690</b>	<b>78.7%</b>

This shows current expenditures by program and remaining authority for HB 2 budget.

## Expenditure by Program

The current level of spending as of the end of May is at the lowest level in the past four years due to lower personal services spending in programs 2 & 3 and lower operating expenses in programs 1 & 4.

## Expenditure By First Level Account and Fund Type



The above graphics show HB 2 modified budget compared to expenditures by first level and fund type.

The School for the Deaf and Blind has expended 78.7% of their HB 2 modified budget year-to-date (as of June 1.) Expenditures have gradually been decreasing in recent years. The school has difficulty filling all vacancies due to the specialized nature of the positions and relative location of the school.