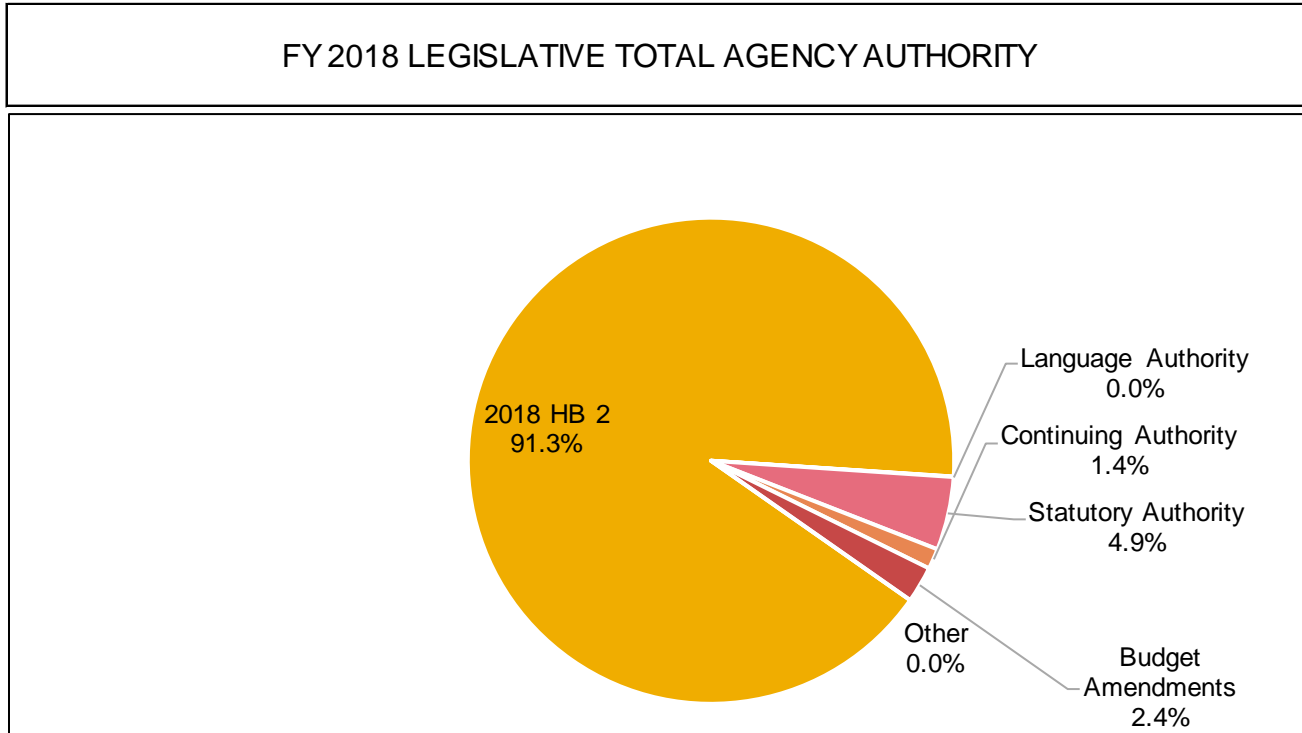


# OFFICE OF PUBLIC INSTRUCTION

## BUDGET AND EXPENDITURE HIGHLIGHTS

The Office of Public Instruction's (OPI) modified HB 2 budget of \$958.4 million, comprised of general fund, state special revenue, and federal funds, was 98.3% expended as of the end of FY 2018. Funds from common school interest and income into the guarantee account came in \$2.7 million higher than expected, primarily due to bonus payments.

## TOTAL APPROPRIATION AUTHORITY OVERVIEW



FY 2018 Total Agency Authority	
Authority	FYE Budget
2018 HB 2	958,416,211
Language Authority	300,000
Statutory Authority	51,124,187
Carry Forward	0
Continuing Authority	14,353,513
Budget Amendments	25,357,727
Other	0
Long Range Planning	0
<b>Total Budgeted Authority</b>	<b>1,049,551,637</b>
Non-Budgeted Proprietary	\$ 3,771,705

FY 2018 Total Agency Authority Expended	
Total Budgeted Expended	1,004,483,441
Total Budgeted Authority	1,049,551,637
<b>% Expended</b>	<b>95.7%</b>

*This chart shows current FYE authority compared to special session budget authority for the agency (Appendix B). Budget Amendment authority is not legislative authority, instead it is added authority through the budget amendment process.*

## Statutory Appropriations

OPI has statutory appropriations primarily from Guarantee Fund interest and income from common school trust land. This accounts for 4.9% of the total appropriation authority.

## Budget Amendments

OPI did not have budget amendments in June 2018.

## Non-Budgeted Proprietary

OPI has a \$3.8 million of non-budgeted funds. These consist primarily of funds related to the advanced driver's education program.

## Carry Forward

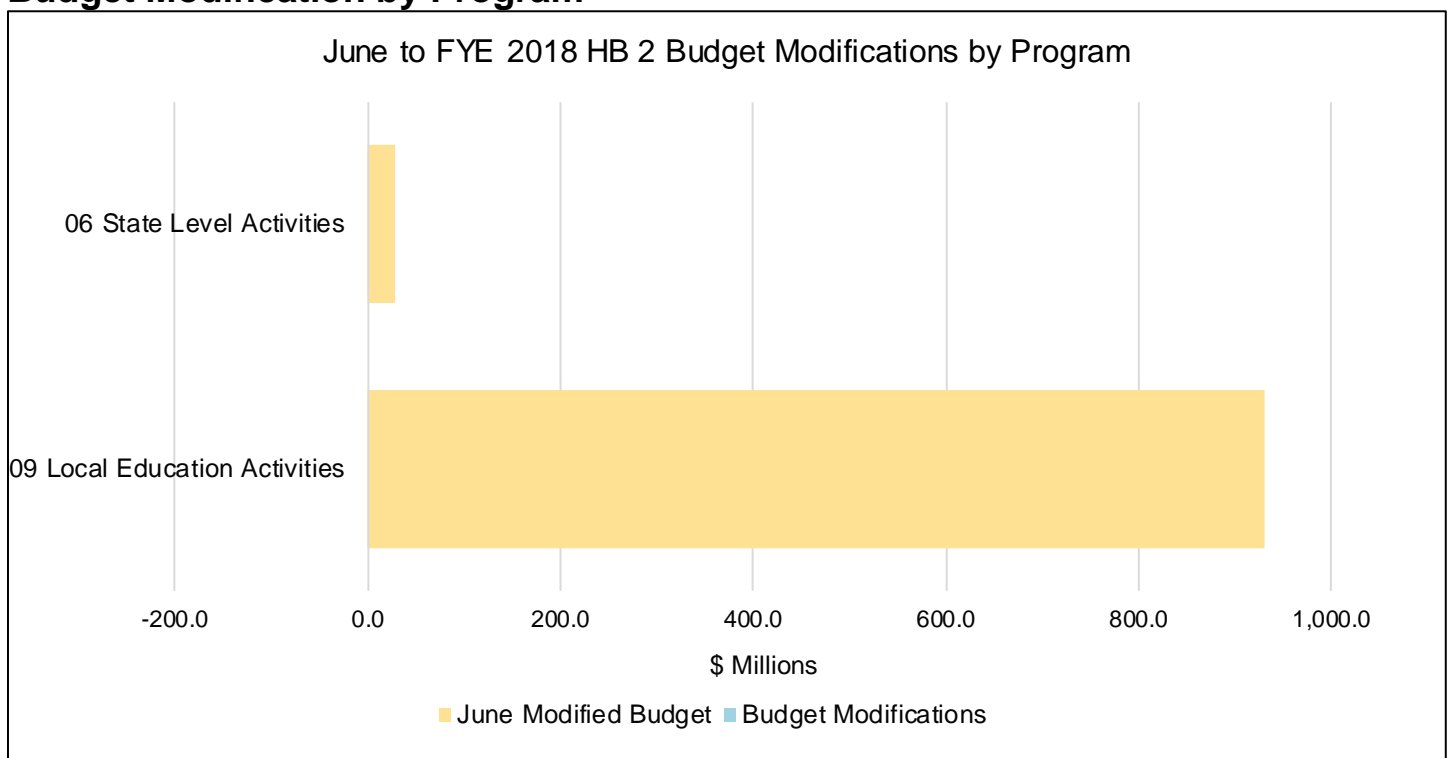
OPI does not have carry forward authority from FY 2017.

## Continuing 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	June. Modified Budget	Modifications			FYE Modified Budget	Variance to June
		Increases	Decreases	Total		
06 State Level Activities	28,985,137.5	1,034,165	(1,034,165)	(0)	28,985,137.5	0.0%
09 Local Education Activities	929,431,073.0	13,585	(13,585)	-	929,431,073.0	0.0%
<b>Grand Total</b>	<b>\$958,416,211</b>	<b>\$1,047,750</b>	<b>(\$1,047,750)</b>	<b>(\$0)</b>	<b>\$958,416,211</b>	<b>0.0%</b>

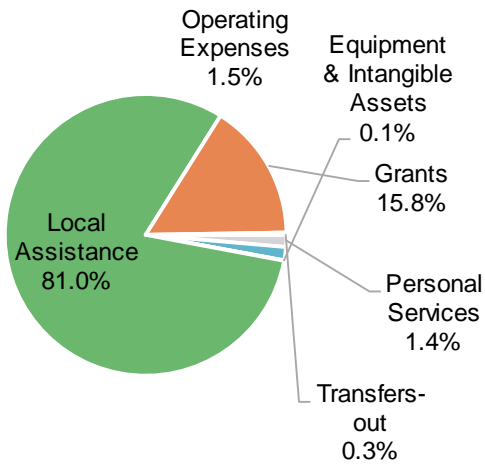
*This chart shows budget modifications by program from June through FYE.*

The Office of Public Instruction had three budget modifications in program 06 and one in program 09 since June 1, 2018. These activities involved transfers between accounting categories and did not move money between programs. Additional details on these HB 2 budget modifications are included in the first level section below.

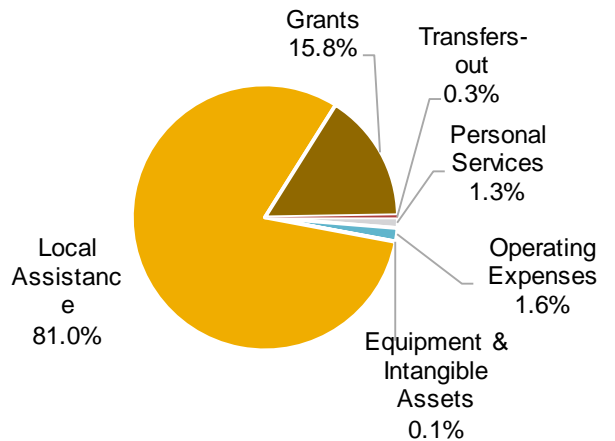
# Budget Modification by First Level

## June HB 2 Modified Budget vs FYE 2018 HB 2 Modified Budget

June Modified Budget by First Level



FYE 2018 Modified Budget by First Level



June to FYE 2018 HB 2 Budget Modification by First Level

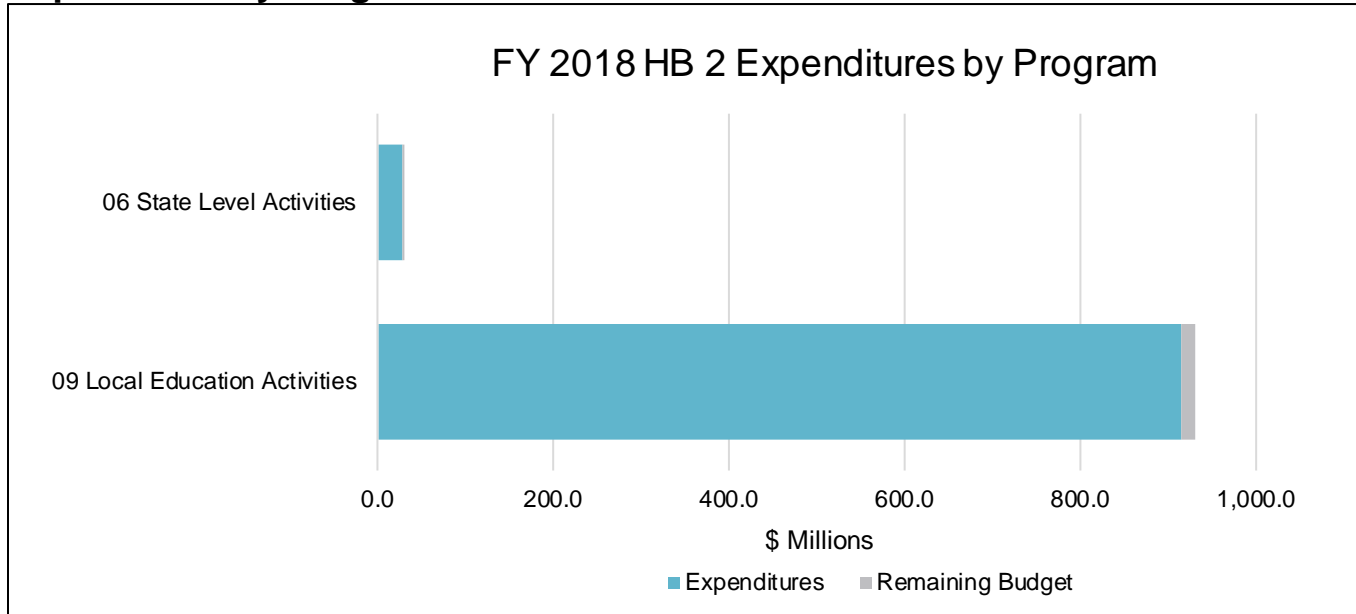
First Level	June Modified Budget	Modifications			Modified Budget	Variance to June
		Increases	Decreases	Total		
61000 Personal Services	\$13,249,082	5,665	(\$1,028,500)	(1,022,835)	12,226,247	-7.7%
62000 Operating Expenses	\$14,553,562	1,028,500	(\$19,250)	1,009,250	15,562,812	6.9%
63000 Equipment & Intangible Assets	\$492,762	-	\$0	-	492,762	0.0%
65000 Local Assistance	\$776,117,952	13,551	\$0	13,551	776,131,503	0.0%
66000 Grants	\$151,498,676	-	\$0	-	151,498,676	0.0%
68000 Transfers-out	\$2,504,177	34	\$0	34	2,504,210	0.0%
<b>Grand Total</b>	<b>\$958,416,211</b>	<b>\$1,047,750</b>	<b>(\$1,047,750)</b>	<b>(\$0)</b>	<b>\$958,416,211</b>	<b>0.0%</b>

The above charts show June HB 2 modified budget by first level compared to FYE modified budget by first level.

The Office of Public Instruction primarily had budget modifications that were to adjust for negative account balances. Program 06 moved of approximately \$1.0 million of federal funds from personal services to operating expenses to cover contractor costs related to a federal grant program. State special funds in the amount of \$5,665 were moved from operating costs to personal services. OPI moved \$13,584 of general fund appropriated for the school food program from operating expenses to local assistance and transfers.

# AGENCY HB 2 EXPENDITURES

## Expenditure by Program



Program	FYE Modified Budget	Expenditures	Remaining Budget	Percent Expended
06 State Level Activities	28,985,138	27,426,429	1,558,709	94.6%
09 Local Education Activities	929,431,073	914,943,633	14,487,440	98.4%
<b>Grand Total</b>	<b>\$958,416,211</b>	<b>942,370,061</b>	<b>\$16,046,149</b>	<b>98.3%</b>

*This chart shows current FY 2018 expenditures by program and remaining authority for HB 2 budget.*

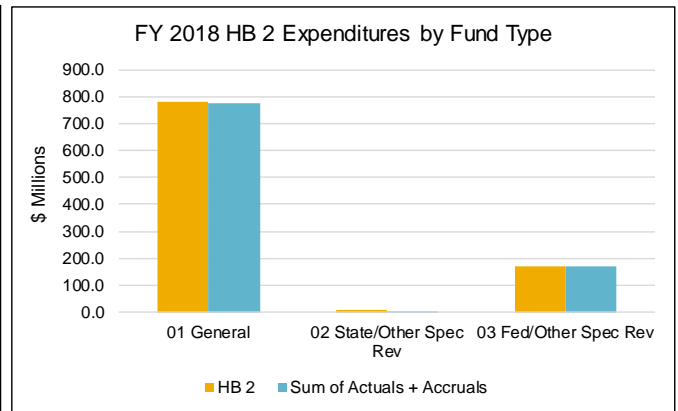
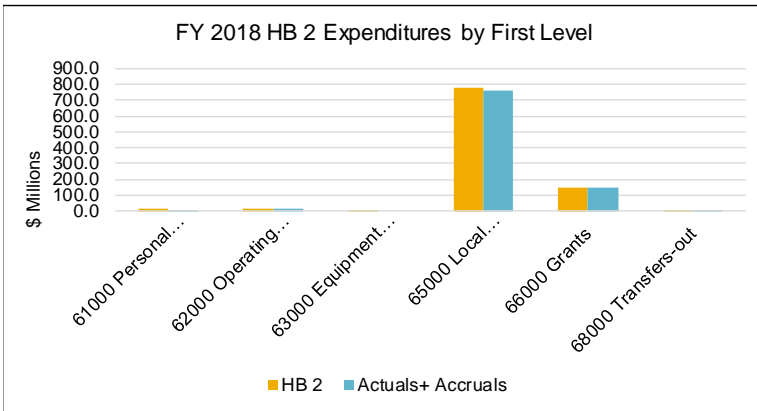
### State Level Activities

Program 06 expended 94.6% of its FY 2018 modified HB 2 budget. Personal services were 90.2% expended, operating expenses were 101.0% expended, equipment and intangible assets was 0.0% expended, transfers were 99.7% expended. Operating plan changes were used to adjust for the negative balance in operating expenses.

### Local Education Activities

Program 09 expended 98.4% of its FY 2018 modified HB 2 budget. Operating costs were 98.8% expended, local assistance was 98.2% expended, grants were 99.6% expended. Program 09 typically spends between 98.0% and 99.0% of their total budget, so this is in line with past expenditures. The only exception is on transfers which were \$0.2 million above the appropriation. This is due to an account misallocation of the budget modifications discussed above to address negative account balances. This is currently being adjusted to address the negative balance.

## Expenditure By First Level Account and Fund Type



First Level	FYE Modified HB 2	Expended	Percent Expended
61000 Personal Services	12,226,247	11,035,059	90.3%
62000 Operating Expenses	15,562,812	15,678,328	100.7%
63000 Equipment & Intangible Assets	492,762	-	0.0%
65000 Local Assistance	776,131,503	762,104,635	98.2%
66000 Grants	151,498,676	150,847,618	99.6%
68000 Transfers-out	2,504,210	2,704,420	108.0%
<b>Grand Total</b>	<b>\$958,416,211</b>	<b>\$942,370,061</b>	<b>98.3%</b>

Fund Type	FYE Modified HB 2	Expended	Percent Expended
01 General	779,283,557	773,704,821	99.3%
02 State/Other Spec Rev	9,534,870	930,520	9.8%
03 Fed/Other Spec Rev	169,597,784	167,734,721	98.9%
<b>Grand Total</b>	<b>\$958,416,211</b>	<b>\$942,370,061</b>	<b>98.3%</b>

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

The Office of Public Instruction HB 2 modified budget is comprised of general fund, state special, and federal revenue. The branch expended 98.3% of its HB 2 modified budget as of the end of FY 2018. This is in line with anticipated expenditures at the end of the fiscal year with the one exception of 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.

### Required Reports

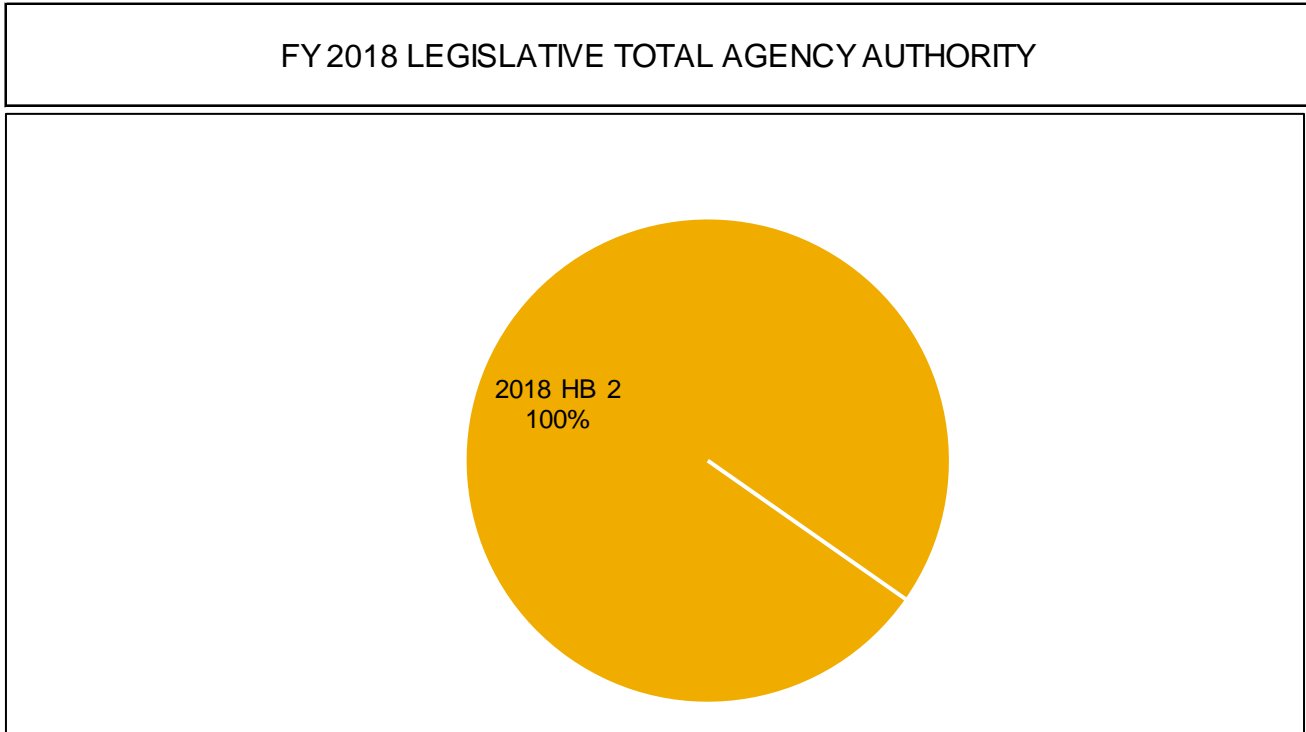
The Office of Public Instruction does not have any required reports due currently to the Legislative Finance Committee.

# BOARD OF PUBLIC EDUCATION

## BUDGET AND EXPENDITURE HIGHLIGHTS

The Board of Public Education’s modified HB 2 budget of \$353,097, comprised of general fund and state special revenue funds, was 86.1% expended as of the end of FY 2018. This is in line with spending in previous years.

## TOTAL APPROPRIATION AUTHORITY OVERVIEW



FY 2018 Total Agency Authority	
Authority	FYE Budget
2018 HB 2	353,097
Language Authority	0
Statutory Authority	0
Carry Forward	0
Continuing Authority	0
Budget Amendments	0
Other	0
Long Range Planning	0
<b>Total Budgeted Authority</b>	<b>353,097</b>
Non-Budgeted Proprietary	\$ -

FY 2018 Total Agency Authority Expended	
Total Expended	304,110
Total Budgeted Authority	353,097
<b>% Expended</b>	<b>86.1%</b>

*This chart shows current FYE authority compared to special session budget authority for the agency (Appendix B). Budget Amendment authority is not legislative authority, instead it is added authority through the budget amendment process.*

BPE has total authority of \$353,097 for FY 2018, which is entirely contained in HB 2.

## 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

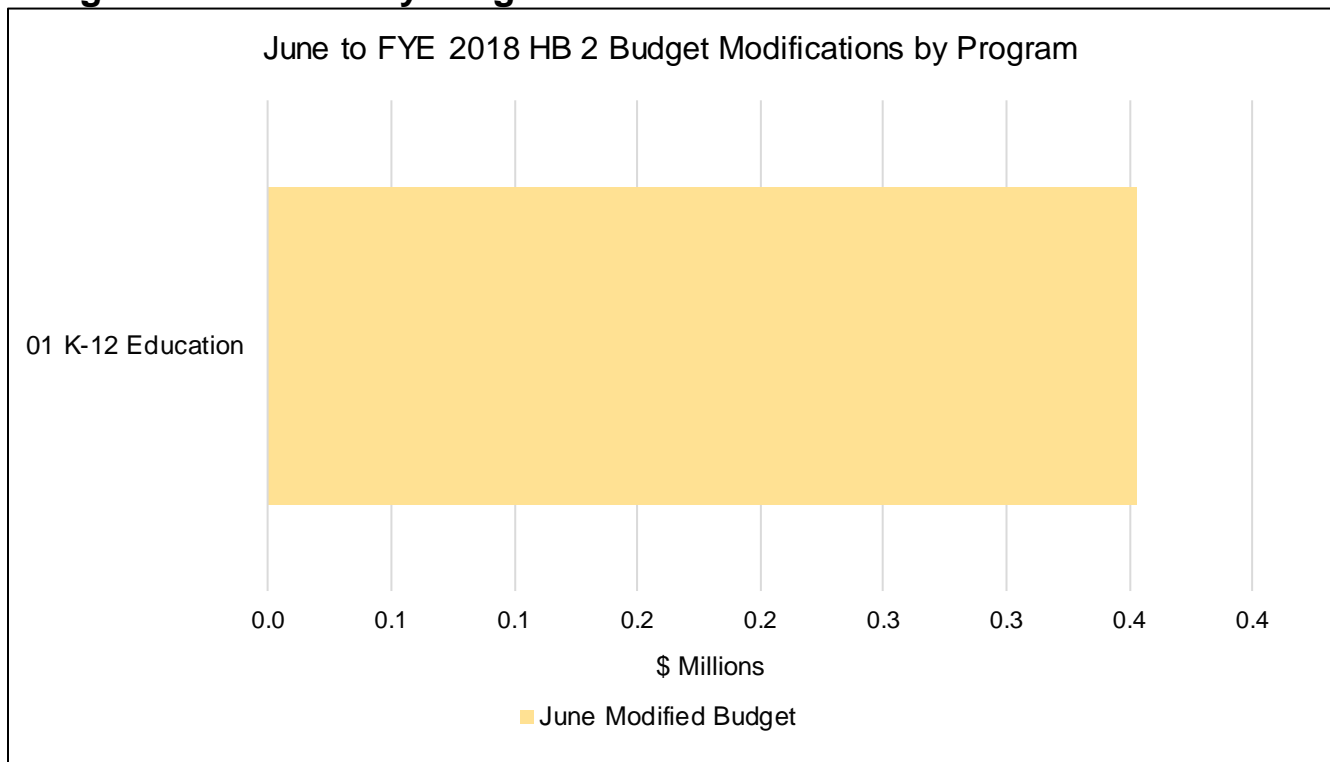
BPE does not have carryforward authority from FY 2017.

## Other Authority

BPE does not have other authority.

## HB 2 BUDGET MODIFICATIONS

### Budget Modification by Program

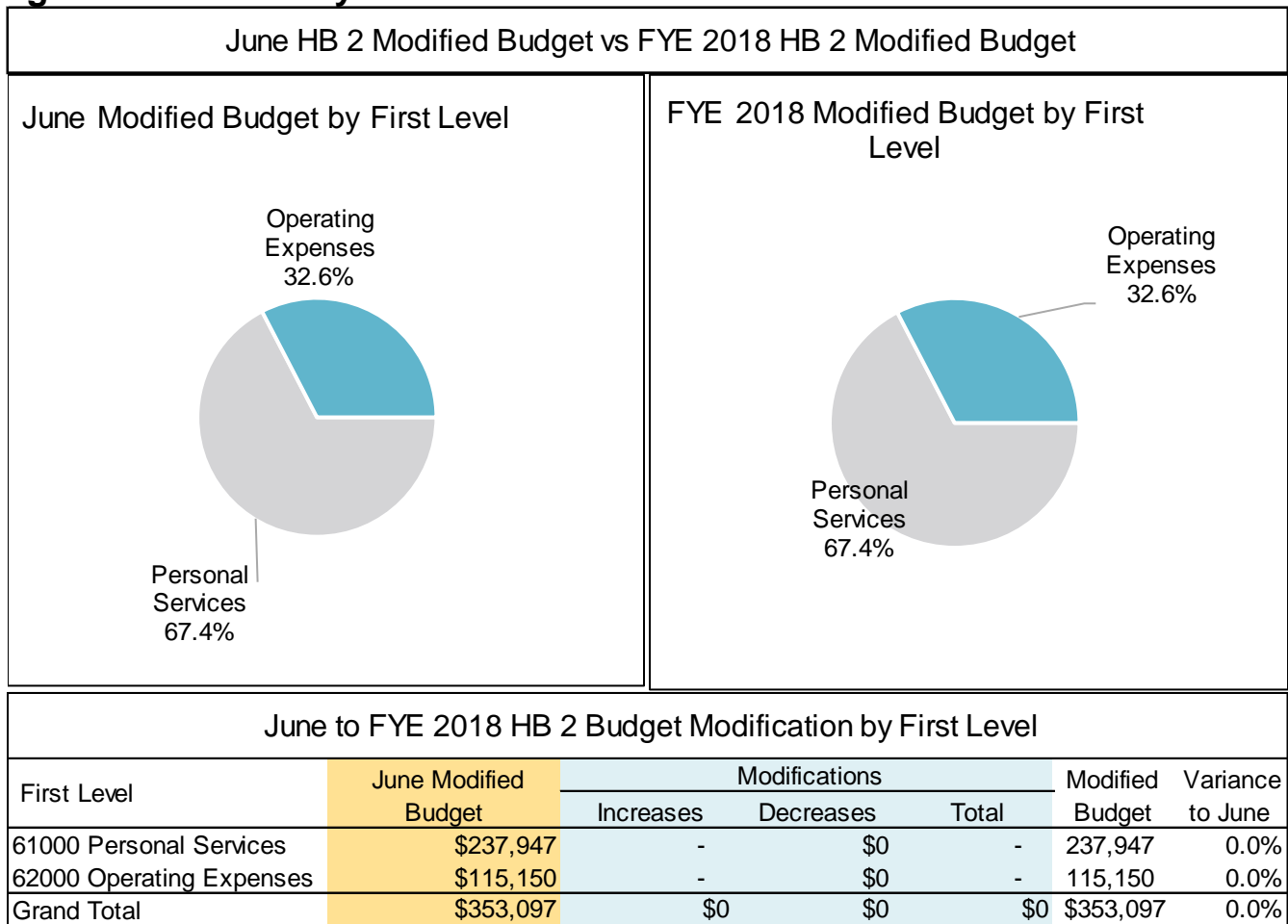


Program	June. Modified Budget	Modifications			FYE Modified Budget	Variance to June
		Increases	Decreases	Total		
01 K-12 Education	353,097	-	-	-	353,097	0.0%
Grand Total	\$353,097	\$0	\$0	\$0	\$353,097	0.0%

*This chart shows budget modifications by program from June through FYE.*

The Board of Public Education had no modifications since June 1.

## Budget Modification by First Level



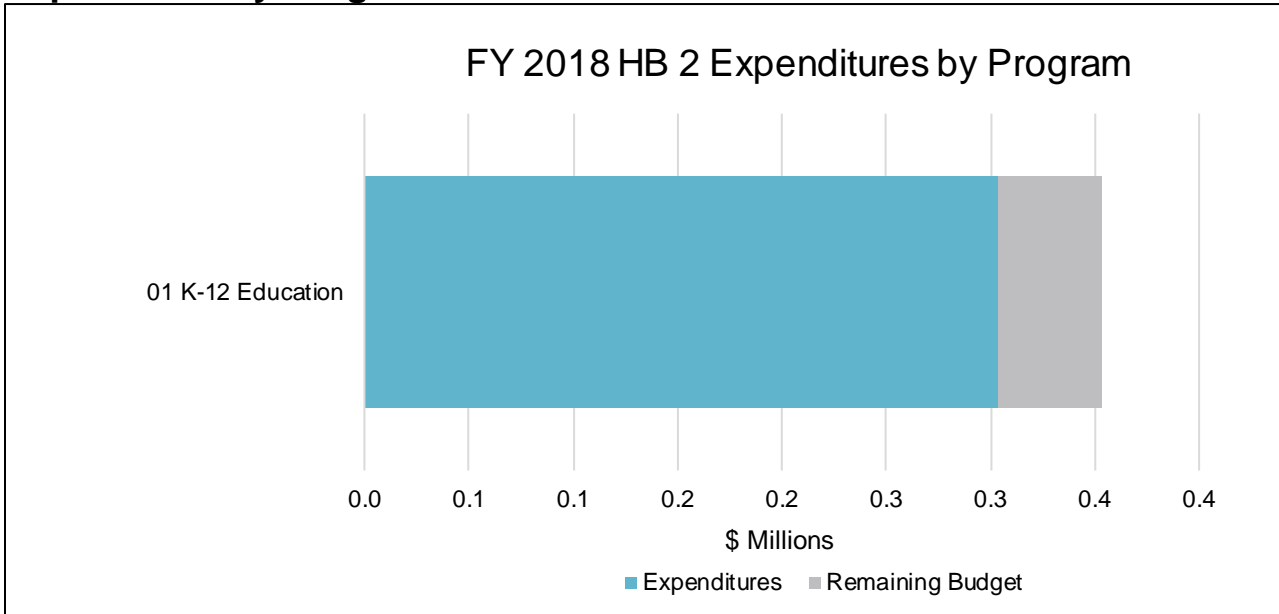
The above charts show June HB 2 modified budget by first level compared to FYE modified budget by first level.

The Board of Public Education did not have budget modifications in June.



# AGENCY HB 2 EXPENDITURES

## Expenditure by Program

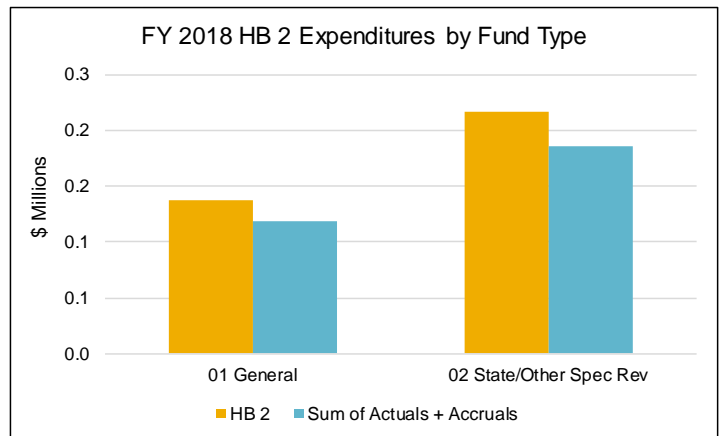
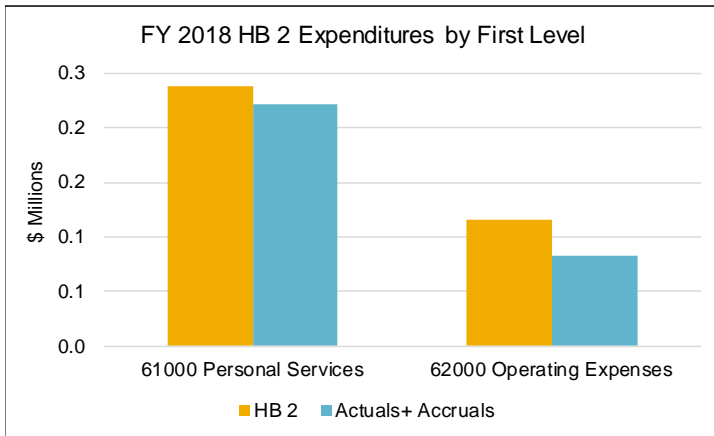


Program	FYE Modified Budget	Expenditures	Remaining Budget	Percent Expended
01 K-12 Education	353,097	304,110	48,987	86.1%
Grand Total	\$353,097	304,110	\$48,987	86.1%

*This chart shows current FY 2018 expenditures by program and remaining authority for HB 2 budget.*

As of the end of June the Board of Public Education had expended 86.1% of its budget. This is in line with previous years.

## Expenditure By First Level Account and Fund Type



FY 2018 HB 2 Expended by First Level			
First Level	FYE Modified HB 2	Expended	Percent Expended
61000 Personal Services	237,947	220,843	92.8%
62000 Operating Expenses	115,150	83,267	72.3%
Grand Total	\$353,097	\$304,110	86.1%

FY 2018 HB 2 Expended by Fund Type			
Fund Type	FYE Modified HB 2	Expended	Percent Expended
01 General	136,811	118,715	86.8%
02 State/Other Spec Rev	216,286	185,395	85.7%
Grand Total	\$353,097	\$304,110	86.1%

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

The Board of Public Education expended 86.1% of its budget as of FYE 2018. The agency expended most of its personal services and 72.3% of its operating expenses.

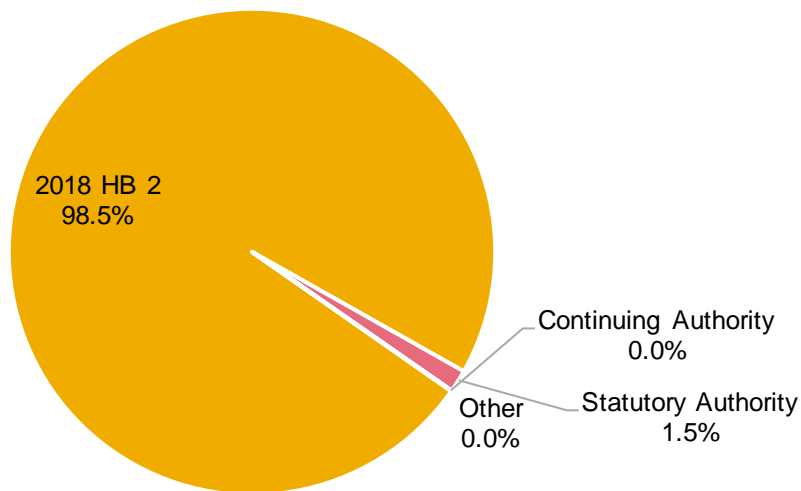
# COMMISSIONER OF HIGHER EDUCATION

## BUDGET AND EXPENDITURE HIGHLIGHTS

- The Office of the Commissioner of Higher Education (OCHE) has expended 87.5% of their \$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 grant activities
- Guaranteed Student Loan (GSL) is continuing to phase out loan servicing thus this program budget is only 36.1% expended
- Tribal college enrollment of non-beneficiary students reported to OCHE increased by 55.33 FTE for FY 2018 over FY 2017. This increase adjusted the reimbursement rate and fully expended the appropriation

## TOTAL APPROPRIATION AUTHORITY OVERVIEW

### FY 2018 LEGISLATIVE TOTAL AGENCY AUTHORITY



FY 2018 Total Agency Authority	
Authority	FYE Budget
2018 HB 2	314,502,388
Language Authority	0
Statutory Authority	4,767,426
Carry Forward	0
Continuing Authority	17,721
Budget Amendments	0
Other	133,570
Long Range Planning	0
<b>Total Budgeted Authority</b>	<b>319,421,104</b>
Non-Budgeted Proprietary	\$ 127,898,551

FY 2018 Total Agency Authority Expended	
Total Budgeted Expended	279,337,212
Total Budgeted Authority	319,421,104
<b>% Expended</b>	<b>87.5%</b>

*This chart shows current FYE authority compared to special session budget authority for the agency (Appendix B). Budget Amendment authority is not legislative authority, instead it is added authority through the budget amendment process.*

OCHE has total authority of \$447.3 million for FY 2018. The majority of their authority is from HB 2. The remaining authority is primarily statutory appropriations and non-budgeted proprietary funds.

## Statutory Appropriations

OCHE has statutory appropriation authority of approximately \$4.8 million 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.

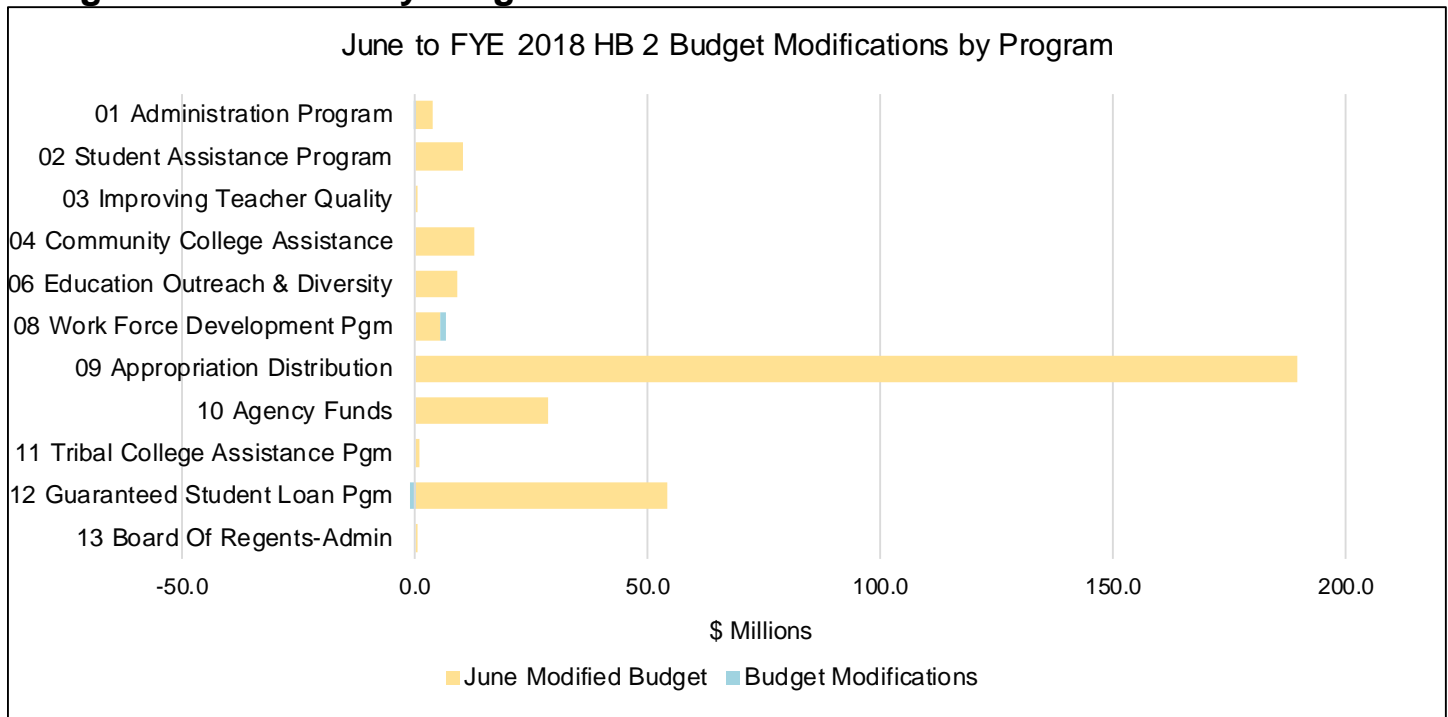
## Non-Budgeted Proprietary

There are two non-budgeted proprietary programs in OCHE:

- MUS Group Insurance program
- MUS Workers' Compensation program

## HB 2 BUDGET MODIFICATIONS

### Budget Modification by Program

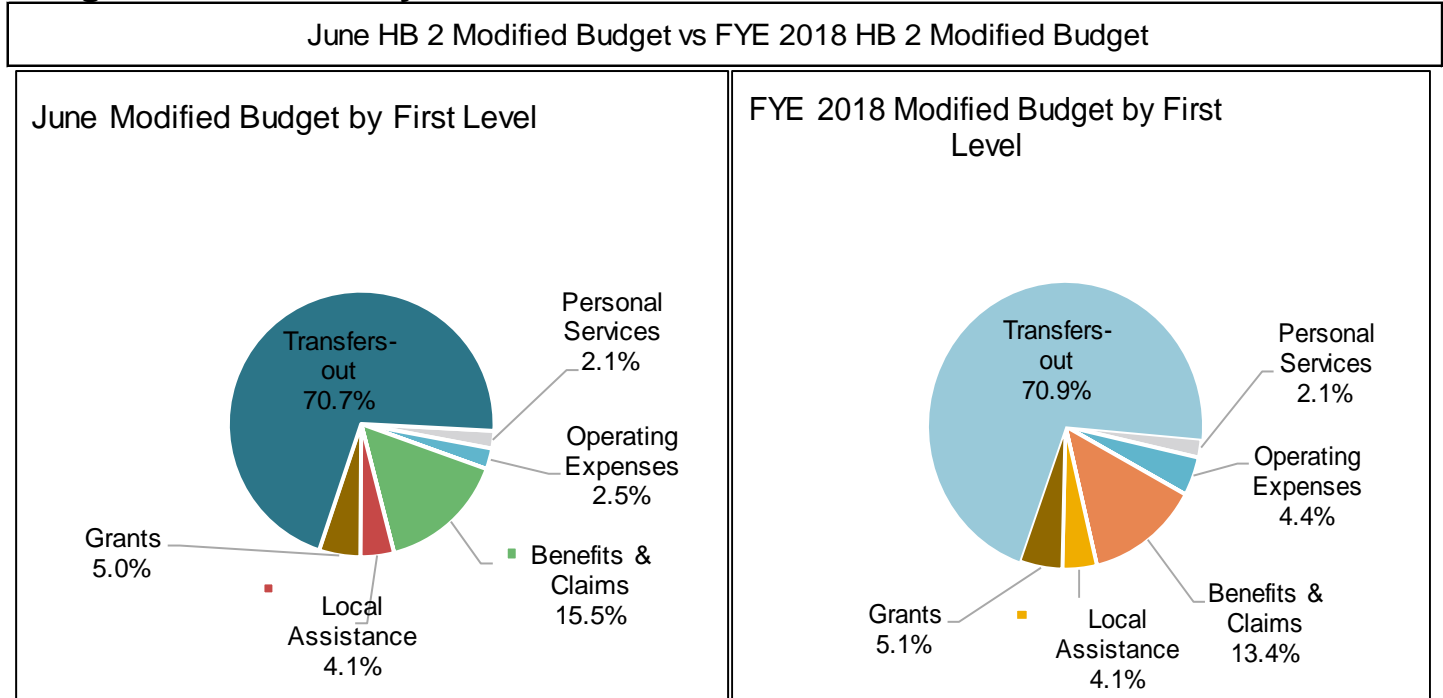


Program	June Modified Budget	Modifications			FYE Modified Budget	Variance to June
		Increases	Decreases	Total		
01 Administration Program	3,595,529	8,213	(8,233)	(20)	3,595,509	0.0%
02 Student Assistance Program	10,144,180	19,708	(19,708)	-	10,144,180	0.0%
03 Improving Teacher Quality	517,390	-	-	-	517,390	0.0%
04 Community College Assistance	12,666,644	-	-	-	12,666,644	0.0%
06 Education Outreach & Diversity	8,971,836	17,846	(17,846)	0	8,971,836	0.0%
08 Work Force Development Pgm	5,553,047	939,374	(19,158)	920,216	6,473,263	16.6%
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	5,792,926	(6,713,122)	(920,196)	53,348,776	-1.7%
13 Board Of Regents-Admin	67,350	1,899	(1,899)	-	67,350	0.0%
<b>Grand Total</b>	<b>\$314,502,388</b>	<b>\$6,779,967</b>	<b>(\$6,779,967)</b>	<b>\$0</b>	<b>\$314,502,388</b>	<b>0.0%</b>

This chart shows budget modifications by program from June through FYE.

The budget modifications for this budget status report include two program transfers and an operating plan change. The first program transfer was to transfer approximately \$920,000 of federal authority from the Guaranteed Student Loan program to the Workforce Development program. The other program transfer was from the Administration program to Workforce Development program in order to maintain the minimum maintenance of effort requirement. Operating plan changes will be discussed in the next section.

## Budget Modification by First Level



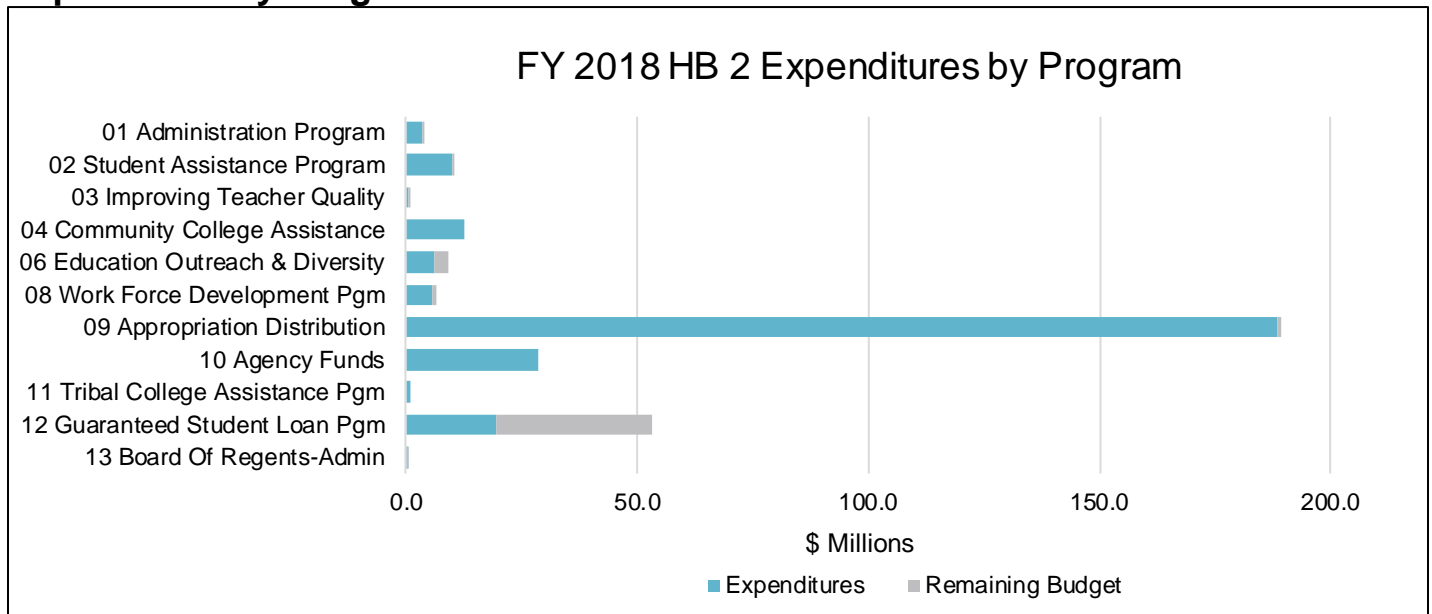
June to FYE 2018 HB 2 Budget Modification by First Level						
First Level	June Modified Budget	Modifications			Modified Budget	Variance to June
		Increases	Decreases	Total		
61000 Personal Services	\$6,712,712	22,642	(\$59,183)	(36,541)	6,676,171	-0.5%
62000 Operating Expenses	\$7,940,923	5,852,129	(\$7,662)	5,844,467	13,785,390	73.6%
63000 Equipment & Intangible Assets	\$21,315	-	\$0	-	21,315	0.0%
65000 Local Assistance	\$12,815,644	-	\$0	-	12,815,644	0.0%
66000 Grants	\$15,774,113	346,732	\$0	346,732	16,120,845	2.2%
67000 Benefits & Claims	\$48,825,537	-	(\$6,713,122)	(6,713,122)	42,112,415	-13.7%
69000 Debt Service	\$12,682	-	\$0	-	12,682	0.0%
68000 Transfers-out	\$222,399,462	558,464	\$0	558,464	222,957,926	0.3%
<b>Grand Total</b>	<b>\$314,502,388</b>	<b>\$6,779,967</b>	<b>(\$6,779,967)</b>	<b>\$0</b>	<b>\$314,502,388</b>	<b>0.0%</b>

*The above charts show June HB 2 modified budget by first level compared to FYE modified budget by first level.*

OCHE had an operating plan change during this reporting cycle. This operating plan change moved approximately \$5.8 million primarily from benefits & claims and personal services to operating expenses. The modification was to correct budgets between multiple programs.

# AGENCY HB 2 EXPENDITURES

## Expenditure by Program



Program	FYE Modified Budget	Expenditures	Remaining Budget	Percent Expended
01 Administration Program	3,595,509	3,357,098	238,411	93.4%
02 Student Assistance Program	10,144,180	9,784,601	359,579	96.5%
03 Improving Teacher Quality	517,390	280,225	237,165	54.2%
04 Community College Assistance	12,666,644	12,666,644	-	100.0%
06 Education Outreach & Diversity	8,971,836	6,217,808	2,754,028	69.3%
08 Work Force Development Pgm	6,473,263	5,728,245	745,018	88.5%
09 Appropriation Distribution	189,431,681	188,544,947	886,734	99.5%
10 Agency Funds	28,447,884	28,447,884	-	100.0%
11 Tribal College Assistance Pgm	837,875	837,875	-	100.0%
12 Guaranteed Student Loan Pgm	53,348,776	19,259,039	34,089,737	36.1%
13 Board Of Regents-Admin	67,350	66,749	601	99.1%
<b>Grand Total</b>	<b>\$314,502,388</b>	<b>\$275,191,117</b>	<b>\$39,311,271</b>	<b>87.5%</b>

*This chart shows current FY 2018 expenditures by program and remaining authority for HB 2 budget.*

Overall, OCHE has expended 87.5% of their FY 2018 HB 2 budget. General fund is 99.5% expended. The majority of expenditures are in line with previous years with a few exceptions primarily due to timing of grant 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.

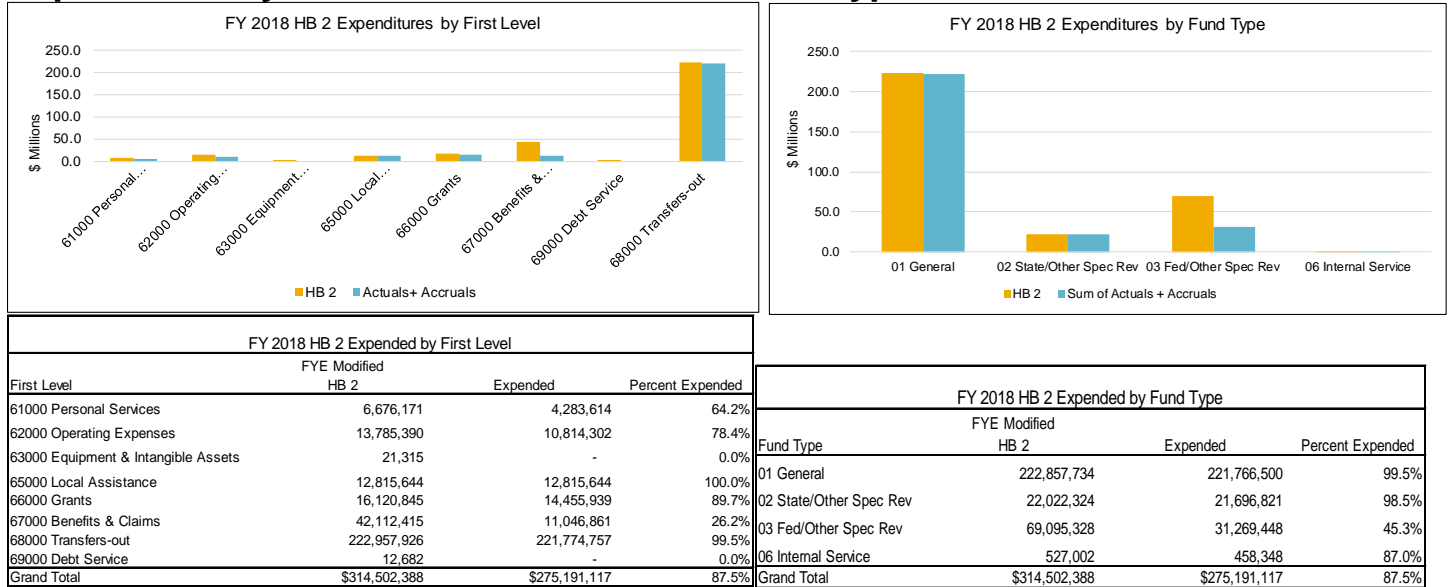
The lower expenditures in Educational Outreach & Diversity program is normal and due to timing of grant activities.

Workforce Development expended 88.5% of their FY 2018 appropriation. The lower expenditures is due to the timing of grant activities and is in line with previous years.

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 full-time equivalent (FTE) students, 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, which is allowed per statute in 20-25-428, MCA.

The Guaranteed Student Loan (GSL) program has only expended 36.1% 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.

## 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.

Overall, OCHE has expended 87.4% of their FY 2018 HB 2 budget. General fund is 99.5%. 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. Federal special revenue is only 45.3% expended, this is related to the timing of grant activities and the transition of the Guaranteed Student Loan program.

The lower level of personal services expended is related to vacancy savings and turnover in the Student Assistance program. Operating expenses also have a slightly higher balance. The majority of OCHE is a biennial appropriation, and spending authority for unexpended funds will continue into FY 2019.

## OTHER ITEMS

As a result of the reductions from the 2017 Legislative Session, the Montana University System (MUS) increased tuition for FY 2018 and FY 2019. The tuition and mandatory fee increases were approved by the Board of Regents and implemented as of Fall Semester 2017. The chart below outlines the tuition increases by each campus of the MUS based on academic year rates for full-time students enrolled in 12+ credits per semester.

Academic Year Resident Undergraduate Tuition & Mandatory Fees								
		FY17	FY18			FY19		
		Tuition	\$ Increase	Tuition	% Increase	\$ Increase	Tuition	% Increase
Montana State University		6,887	192	7,079	2.8%	165	7,244	2.3%
University of Montana	Lower Div	6,238	825	7,063	13.2%	181	7,244	2.5%
	Upper Div	6,699	364	7,063	5.4%			
MSU Billings		5,827	6	5,833	0.1%	95	5,928	1.6%
MSU Northern	Lower Div	4,922	939	5,861	19.1%	95	5,956	1.6%
	Upper Div	5,820	41	5,861	0.7%			
MT Tech	Lower Div	6,623	516	7,139	7.8%	272	7,411	3.8%
	Upper Div	7,139		7,139	0.0%			
UM Western	Lower Div	4,284	1,218	5,502	28.4%	215	5,717	3.8%
	Upper Div	5,502		5,502	0.0%			
Great Falls College		3,130	125	3,255	4.0%	131	3,386	3.9%
Helena College		3,079	150	3,229	4.9%	120	3,349	3.6%
Missoula College		3,588	157	3,745	4.4%	142	3,887	3.7%
Gallatin College		3,161	119	3,280	3.8%	125	3,404	3.7%
Highlands College		3,324	119	3,443	3.6%	125	3,568	3.5%

## REQUIRED REPORTS

OCHE is required to submit the following reports by September 1 for the Legislative Finance Committee to review:

- Negative cash balances
- Loans or loan extensions authorized to the same fund

The Montana University System has not had a negative cash balance for any two consecutive fiscal years and a report is not warranted.

The Montana University System has seven loans that qualify for reporting purposes under 17-2-107(5), MCA. The majority of the loans are related to loans for the restricted fund. Due to the timing of expenditures and cost reimbursement within the sponsored activities (research, specific federal grants, or contracts) in this fund, inter entity bridge loans are a necessity. These loans are used throughout the year with the recurring nature of the grant expenses.

Other loans that have been reported are:

- An outstanding loan to MSU-Northern due to an operating loss in their auxiliary fund
- An inter-entity loan to provide the additional funding for the six-mill levy collections not meeting the appropriation level

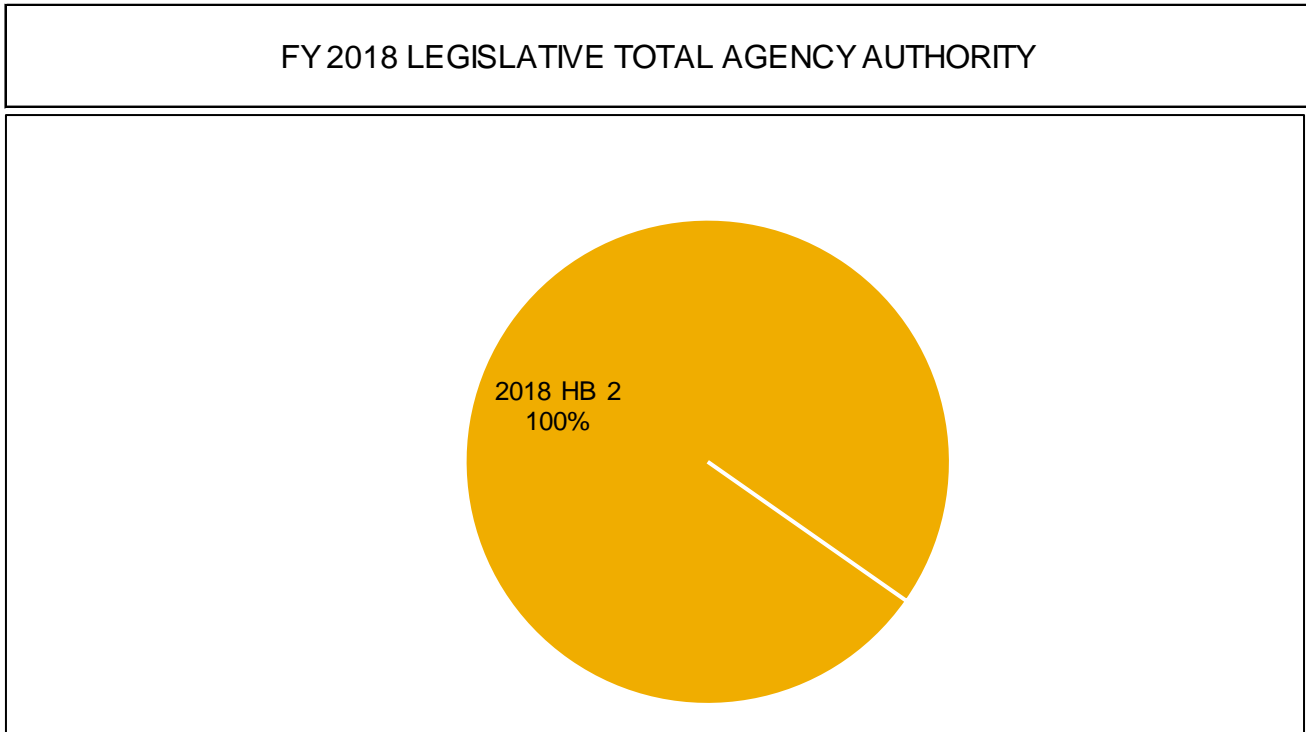


# SCHOOL FOR DEAF AND BLIND

## BUDGET AND EXPENDITURE HIGHLIGHTS

The School for Deaf and Blind's (MSDB) modified HB 2 budget of \$7.2 million, comprised of general fund, state special funds and federal funds, was 93.0% expended as of the end of FY 2018. The personal services budget of \$6.3 million was 92.7% expended. The school has had difficulty recruiting for open teaching positions and retaining employees. Several raises were granted prior to the snapshot in order to bring pay up to parity with the Great Falls school district.

## TOTAL APPROPRIATION AUTHORITY OVERVIEW



FY 2018 Total Agency Authority	
Authority	FYE Budget
2018 HB 2	7,224,651
Language Authority	0
Statutory Authority	0
Carry Forward	0
Continuing Authority	0
Budget Amendments	0
Other	0
Long Range Planning	0
<b>Total Budgeted Authority</b>	<b>7,224,651</b>
Non-Budgeted Proprietary	\$ -

FY 2018 Total Agency Authority Expended	
Total Expended	6,715,875
Total Budgeted Authority	7,224,651
<b>% Expended</b>	<b>93.0%</b>

*This chart shows current FYE authority compared to special session budget authority for the agency (Appendix B). Budget Amendment authority is not legislative authority, instead it is added authority through the budget amendment process.*

MSDB has total authority of \$7.2 million for FY 2018, which is 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

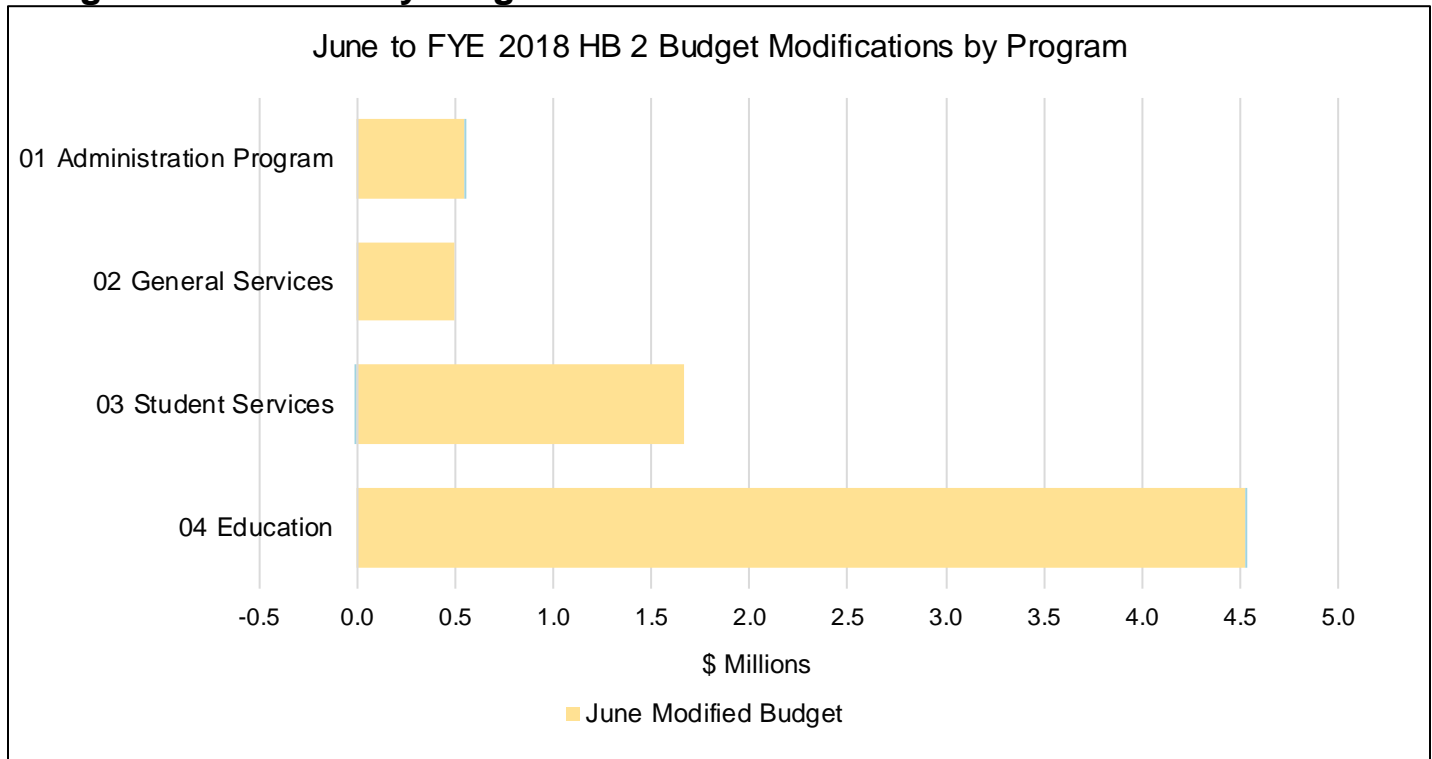
The School for the Deaf and Blind does not have carryforward authority from FY 2017.

## Other Authority

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

## HB 2 BUDGET MODIFICATIONS

### Budget Modification by Program



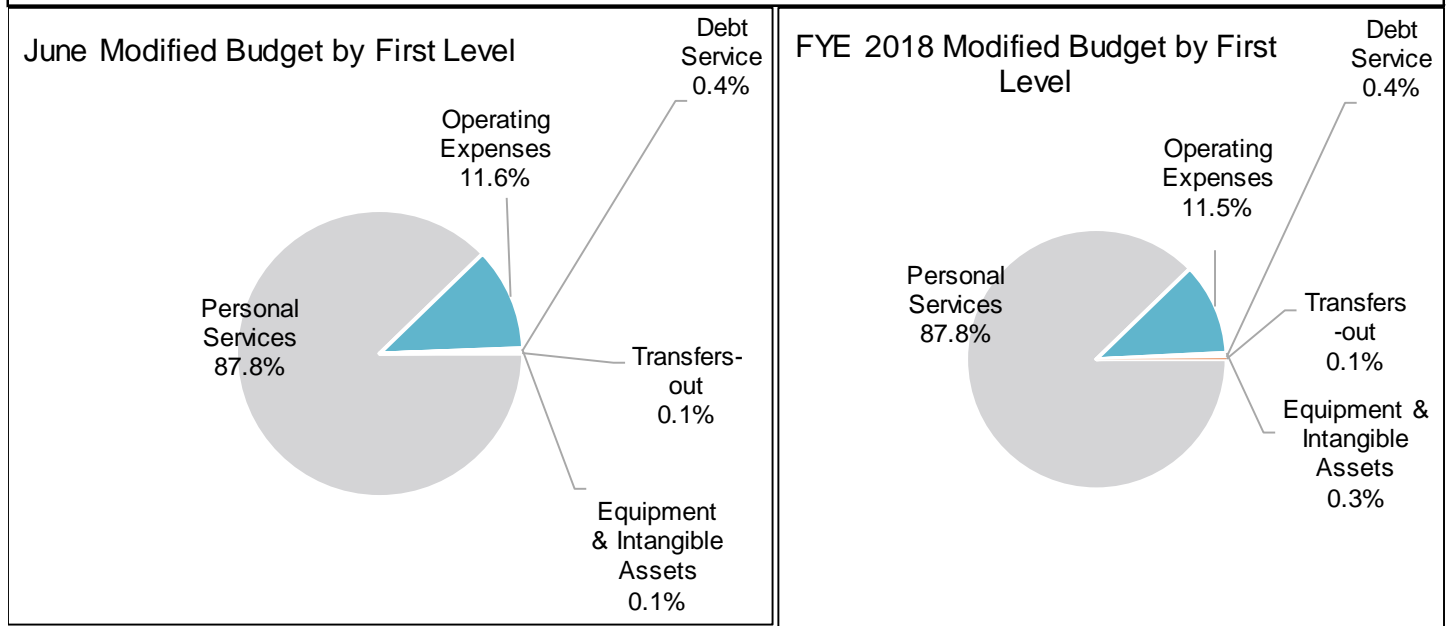
Program	June. Modified Budget	Modifications			FYE Modified Budget	Variance to June
		Increases	Decreases	Total		
01 Administration Program	545,785	3,335	-	3,335	549,120	0.6%
02 General Services	493,403	-	-	-	493,403	0.0%
03 Student Services	1,662,558	2,496	(11,647)	(9,151)	1,653,407	-0.6%
04 Education	4,522,905	7,316	(1,500)	5,816	4,528,721	0.1%
<b>Grand Total</b>	<b>\$7,224,651</b>	<b>\$13,147</b>	<b>(\$13,147)</b>	<b>\$0</b>	<b>\$7,224,651</b>	<b>0.0%</b>

*This chart shows budget modifications by program from June through FYE.*

The School for Deaf and Blind had one modification since June 1, 2018 that transferred \$13,147 in operating expenses funding to equipment & intangible assets, in order to buy new copiers and printers. This program transfer affected programs 01, 03 and 04.

## Budget Modification by First Level

### June HB 2 Modified Budget vs FYE 2018 HB 2 Modified Budget



### June to FYE 2018 HB 2 Budget Modification by First Level

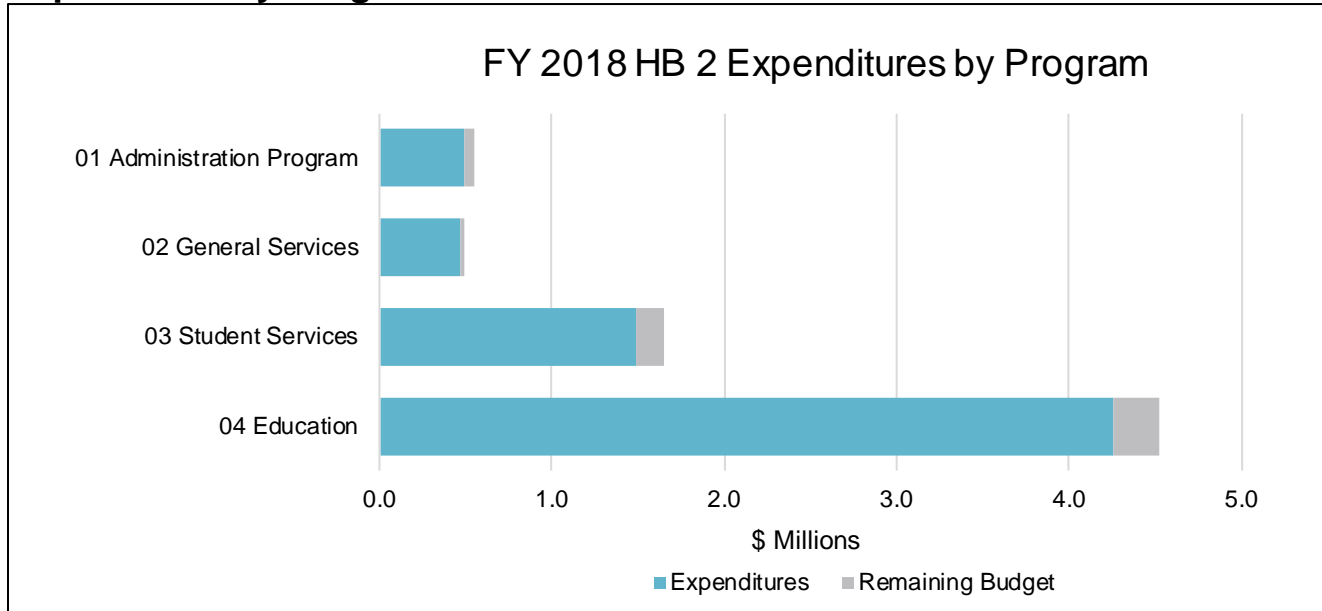
First Level	June Modified Budget	Modifications			Modified Budget	Variance to June
		Increases	Decreases	Total		
61000 Personal Services	\$6,339,656	-	\$0	-	6,339,656	0.0%
62000 Operating Expenses	\$841,144	-	(\$13,147)	(13,147)	827,997	-1.6%
63000 Equipment & Intangible Assets	\$6,400	13,147	\$0	13,147	19,547	205.4%
69000 Debt Service	\$28,451	-	\$0	-	28,451	0.0%
68000 Transfers-out	\$9,000	-	\$0	-	9,000	0.0%
<b>Grand Total</b>	<b>\$7,224,651</b>	<b>\$13,147</b>	<b>(\$13,147)</b>	<b>\$0</b>	<b>\$7,224,651</b>	<b>0.0%</b>

The above charts show June HB 2 modified budget by first level compared to FYE modified budget by first level.

See previous section for details.

# AGENCY HB 2 EXPENDITURES

## Expenditure by Program



Program	FYE Modified Budget	Expenditures	Remaining Budget	Percent Expended
01 Administration Program	549,120	492,678	56,442	89.7%
02 General Services	493,403	471,012	22,391	95.5%
03 Student Services	1,653,407	1,491,069	162,338	90.2%
04 Education	4,528,721	4,261,116	267,605	94.1%
Grand Total	\$7,224,651	6,715,875	\$508,776	93.0%

*This chart shows current FY 2018 expenditures by program and remaining authority for HB 2 budget.*

### Administration Program

The Administration Program expended 89.7% of its FY 2018 budget. Personal services were 93.1% expended, operating expenses were 78.5% expended, and equipment and intangible assets were 100.0% expended.

### General Services

The General Services Program expended 95.5% of its FY 2018 budget. Personal services were 91.2% expended, operating expenses were 100.0% expended, equipment and intangible assets were 0.0% expended, transfers were 100.0% expended, and debt service was 100.0% expended.

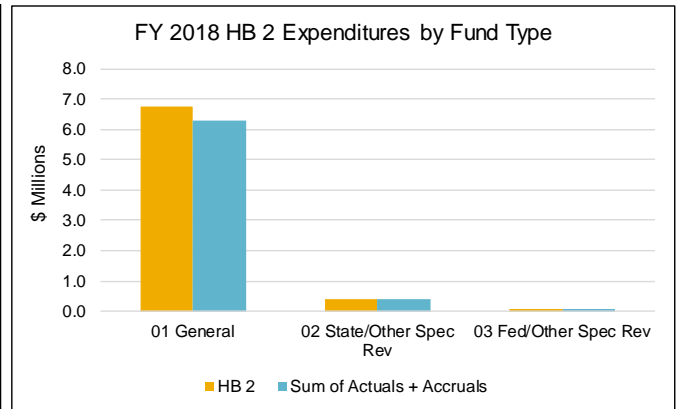
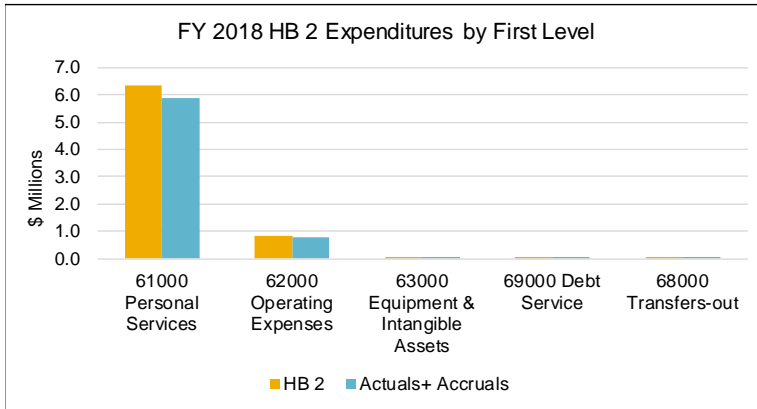
### Student Services

The Student Services Program expended 90.2% of its FY 2018 budget. Personal services were 89.0% expended, operating expenses were 99.1% expended, and equipment and intangible assets were 100.0% expended.

### Education

The Education Program expended 94.1% of its FY 2018 budget. Personal services were 93.6% expended, operating expenses were 99.9% expended, and equipment and intangible assets were 100.0% expended.

## Expenditure By First Level Account and Fund Type



First Level	FYE Modified		Percent Expended
	HB 2	Expended	
61000 Personal Services	6,339,656	5,877,999	92.7%
62000 Operating Expenses	827,997	787,279	95.1%
63000 Equipment & Intangible Assets	19,547	13,147	67.3%
68000 Transfers-out	9,000	9,000	100.0%
69000 Debt Service	28,451	28,450	100.0%
<b>Grand Total</b>	<b>\$7,224,651</b>	<b>\$6,715,875</b>	<b>93.0%</b>

Fund Type	FYE Modified		Percent Expended
	HB 2	Expended	
01 General	6,757,028	6,266,624	92.7%
02 State/Other Spec Rev	398,340	379,968	95.4%
03 Fed/Other Spec Rev	69,283	69,283	100.0%
<b>Grand Total</b>	<b>\$7,224,651</b>	<b>\$6,715,875</b>	<b>93.0%</b>

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

The School for Deaf and Blind HB 2 modified budget is comprised of general fund, state special revenue and federal funds. It expended 93.0% of its HB 2 modified budget as of the end of FY 2018. This is in line with anticipated expenditures at the end of the fiscal year.

Personal services makes up most of the school's expenditures and was 92.7% expended. Nearly \$0.5 million in personal services was not used in FY 2018 due to difficulty in filling vacancies.

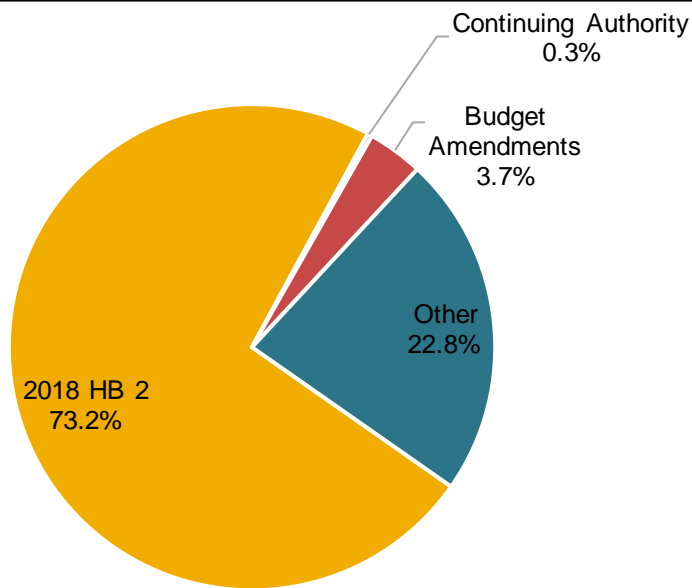
# MONTANA ARTS COUNCIL

## BUDGET AND EXPENDITURE HIGHLIGHTS

- The Montana Arts Council (MAC) has expended 99.7% of their FY 2018 HB 2 modified budget
- MAC expenditures overall are in line with previous years
- General fund is 99.2% expended

## TOTAL APPROPRIATION AUTHORITY OVERVIEW

### FY 2018 LEGISLATIVE TOTAL AGENCY AUTHORITY



FY 2018 Total Agency Authority	
Authority	FYE Budget
2018 HB 2	1,411,450
Language Authority	0
Statutory Authority	0
Carry Forward	0
Continuing Authority	5,798
Budget Amendments	71,257
Other	440,000
Long Range Planning	0
<b>Total Budgeted Authority</b>	<b>1,928,505</b>
Non-Budgeted Proprietary	\$ -

FY 2018 Total Agency Authority Expended	
Total Budgeted Expended	1,723,887
Total Budgeted Authority	1,928,505
<b>% Expended</b>	<b>89.4%</b>

*This chart shows current FYE authority compared to special session budget authority for the agency (Appendix B). Budget Amendment authority is not legislative authority, instead it is added authority through the budget amendment process.*

The Montana Arts Council has total authority of \$1.9 million for FY 2018. The majority of their 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 Authority

MAC has continuing appropriations of approximately \$6,000 of federal special revenue.

## Other House and Senate Bills

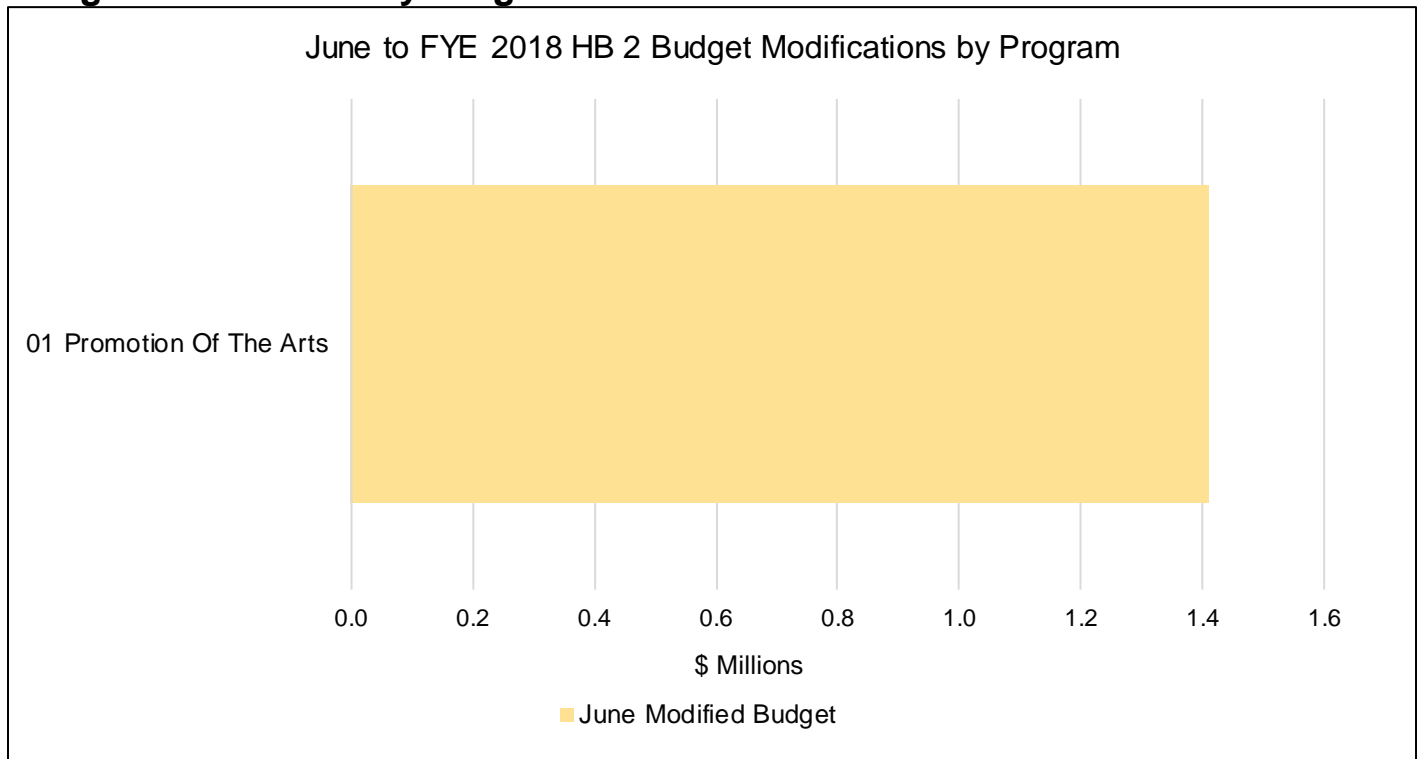
The Arts Council receives \$440,000 from the cultural and aesthetic projects trust fund through HB 9 for designated projects.

## Non-Budgeted Proprietary

None at this time.

## HB 2 BUDGET MODIFICATIONS

### Budget Modification by Program



Program	June Modified Budget	Modifications			FYE Modified Budget	Variance to June
		Increases	Decreases	Total		
01 Promotion Of The Arts	1,411,450	-	-	-	1,411,450	0.0%
Grand Total	\$1,411,450	\$0	\$0	\$0	\$1,411,450	0.0%

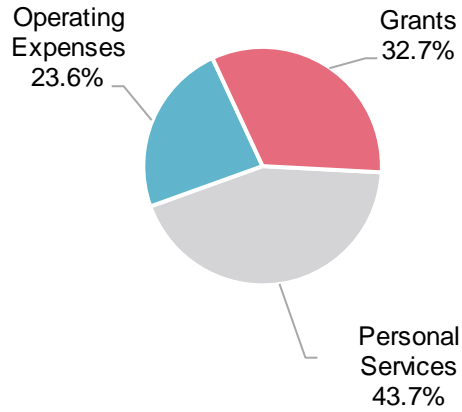
*This chart shows budget modifications by program from June through FYE.*

There were no budget modifications for Montana Arts Council during this reporting cycle.

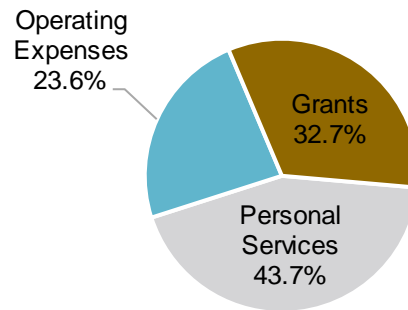
## Budget Modification by First Level

### June HB 2 Modified Budget vs FYE 2018 HB 2 Modified Budget

June Modified Budget by First Level



FYE 2018 Modified Budget by First Level



### June to FYE 2018 HB 2 Budget Modification by First Level

First Level	June Modified Budget	Modifications			Modified Budget	Variance to June
		Increases	Decreases	Total		
61000 Personal Services	\$616,404	-	\$0	-	616,404	0.0%
62000 Operating Expenses	\$332,808	-	\$0	-	332,808	0.0%
66000 Grants	\$462,238	-	\$0	-	462,238	0.0%
<b>Grand Total</b>	<b>\$1,411,450</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$1,411,450</b>	<b>0.0%</b>

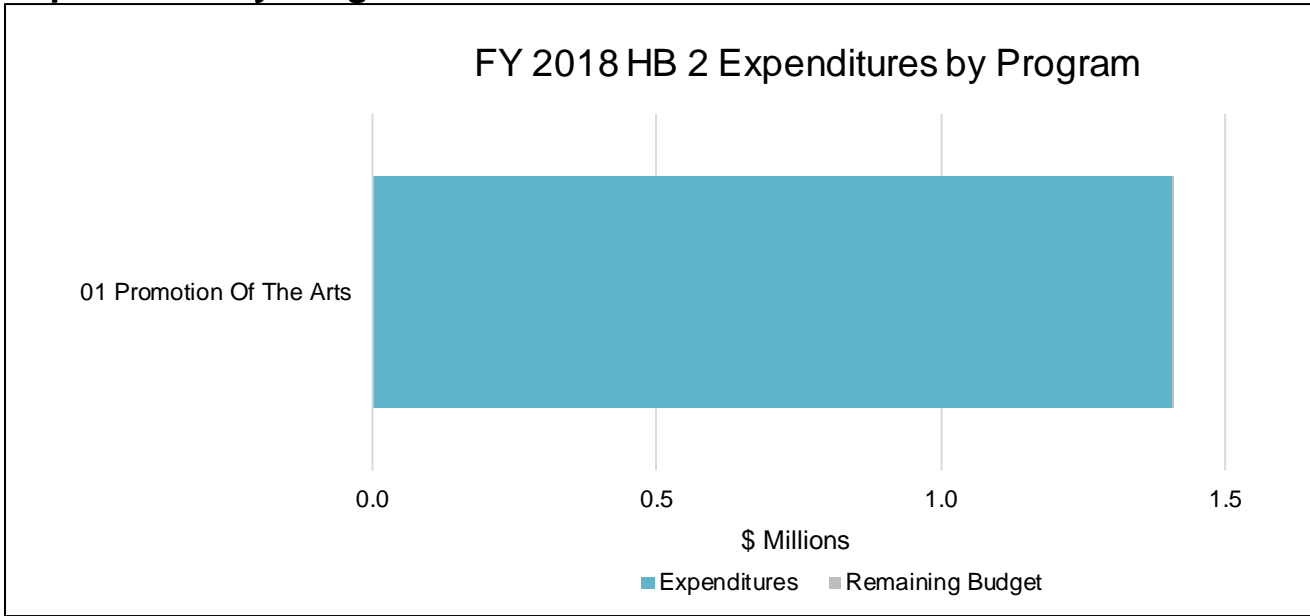
The above charts show June HB 2 modified budget by first level compared to FYE modified budget by first level.

MAC did not have any budget modifications for the reporting cycle.



# AGENCY HB 2 EXPENDITURES

## Expenditure by Program

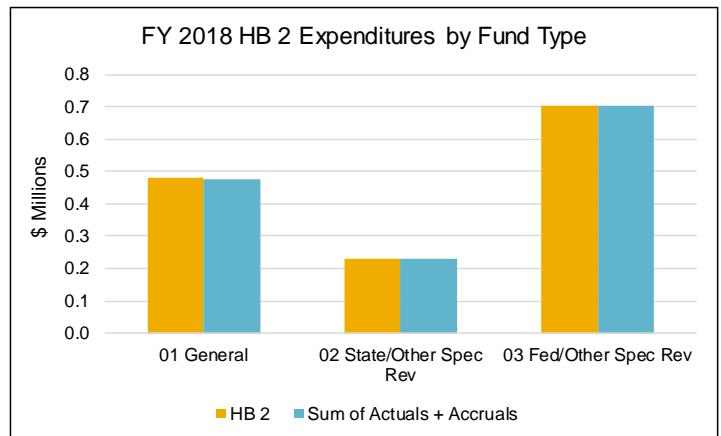
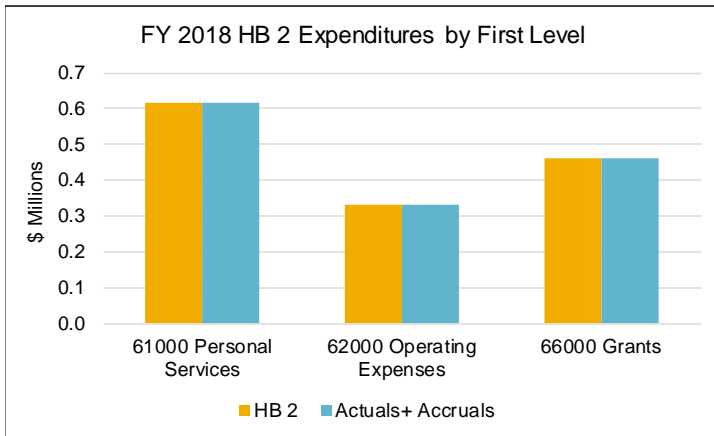


Program	FYE Modified Budget	Expenditures	Remaining Budget	Percent Expended
01 Promotion Of The Arts	1,411,450	1,407,757	3,693	99.7%
Grand Total	\$1,411,450	\$1,407,757	\$3,693	99.7%

*This chart shows current FY 2018 expenditures by program and remaining authority for HB 2 budget.*

The Montana Arts Council has expended 99.7% of their FY 2018 HB 2 budget. This is consistent with previous years at the end of the fiscal year even with the reductions to the agency during special session.

## Expenditure By First Level Account and Fund Type



First Level	FYE Modified HB 2	Expended	Percent Expended
61000 Personal Services	616,404	615,606	99.9%
62000 Operating Expenses	332,808	332,350	99.9%
66000 Grants	462,238	459,801	99.5%
Grand Total	\$1,411,450	\$1,407,757	99.7%

Fund Type	FYE Modified HB 2	Expended	Percent Expended
01 General	479,042	475,349	99.2%
02 State/Other Spec Rev	230,126	230,126	100.0%
03 Fed/Other Spec Rev	702,282	702,282	100.0%
Grand Total	\$1,411,450	\$1,407,757	99.7%

The above charts 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.

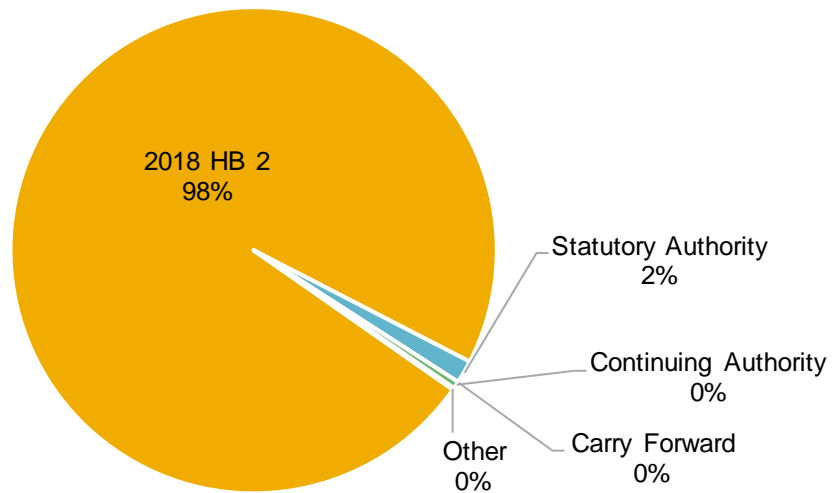
# LIBRARY COMMISSION

## BUDGET AND EXPENDITURE HIGHLIGHTS

- The library has expended 86.3% of their FY 2018 HB 2 modified budget
- General fund is 97.7% expended
- The lower level of overall expenditures is due to remaining federal authority

## TOTAL APPROPRIATION AUTHORITY OVERVIEW

FY 2018 LEGISLATIVE TOTAL AGENCY AUTHORITY



FY 2018 Total Agency Authority	
Authority	FYE Budget
2018 HB 2	5,085,537
Language Authority	0
Statutory Authority	80,000
Carry Forward	0
Continuing Authority	25,029
Budget Amendments	140,000
Other	6,675
Long Range Planning	0
<b>Total Budgeted Authority</b>	<b>5,337,241</b>
Non-Budgeted Proprietary	\$ 361,738

FY 2018 Total Agency Authority Expended	
Total Expended	4,471,458
Total Budgeted Authority	5,337,241
<b>% Expended</b>	<b>83.8%</b>

*This chart shows current FYE authority compared to special session budget authority for the agency (Appendix B). Budget Amendment authority is not legislative authority, instead it is added authority through the budget amendment process.*

The Montana State Library (MSL) has total authority of \$5.7 million for FY 2018. The majority of their 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 their FY 2018 budget. These were primarily in relation to receiving a grant award from the Natural Resource Conservation Service.

## Continuing Appropriations

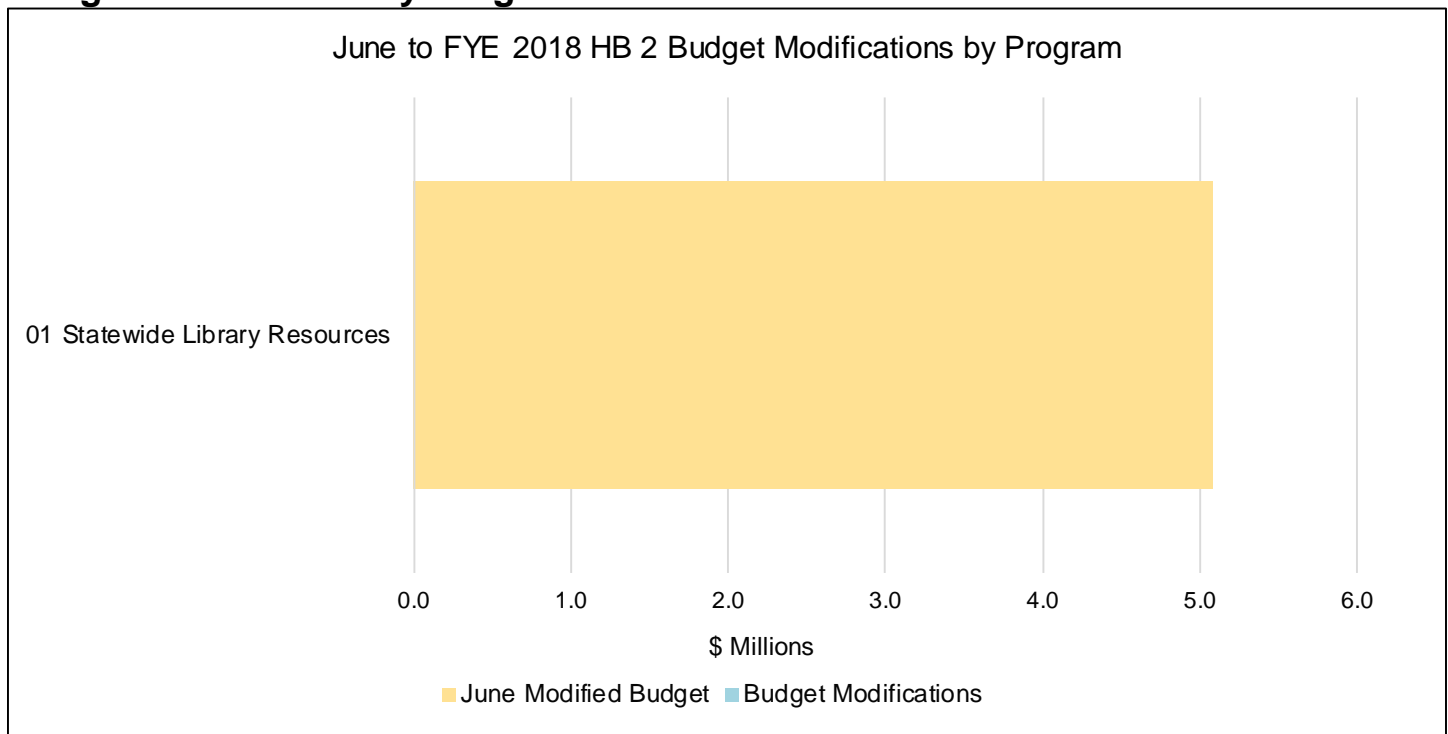
The continuing appropriations within the library are in relation to federal fund grant activities.

## 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	June Modified Budget	Modifications			FYE Modified Budget	Variance to June
		Increases	Decreases	Total		
01 Statewide Library Resources	5,085,537	-	-	-	5,085,537	0.0%
Grand Total	\$5,085,537	\$0	\$0	\$0	\$5,085,537	0.0%

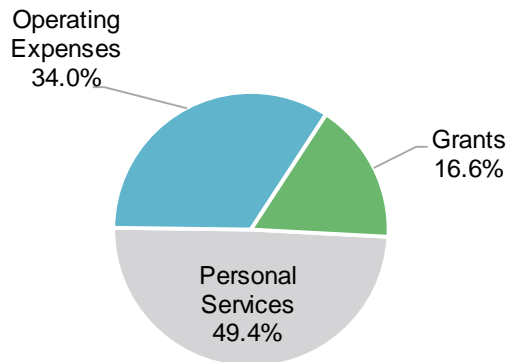
*This chart shows budget modifications by program from June through FYE.*

Montana State Library did not have any budget modifications since the last budget status report.

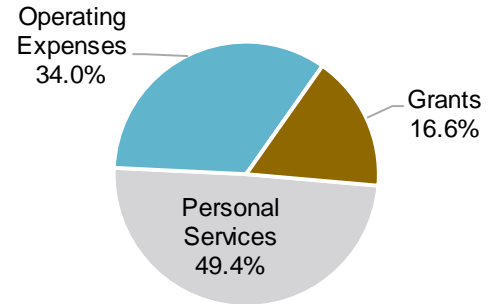
## Budget Modification by First Level

### June HB 2 Modified Budget vs FYE 2018 HB 2 Modified Budget

June Modified Budget by First Level



FYE 2018 Modified Budget by First Level



June to FYE 2018 HB 2 Budget Modification by First Level

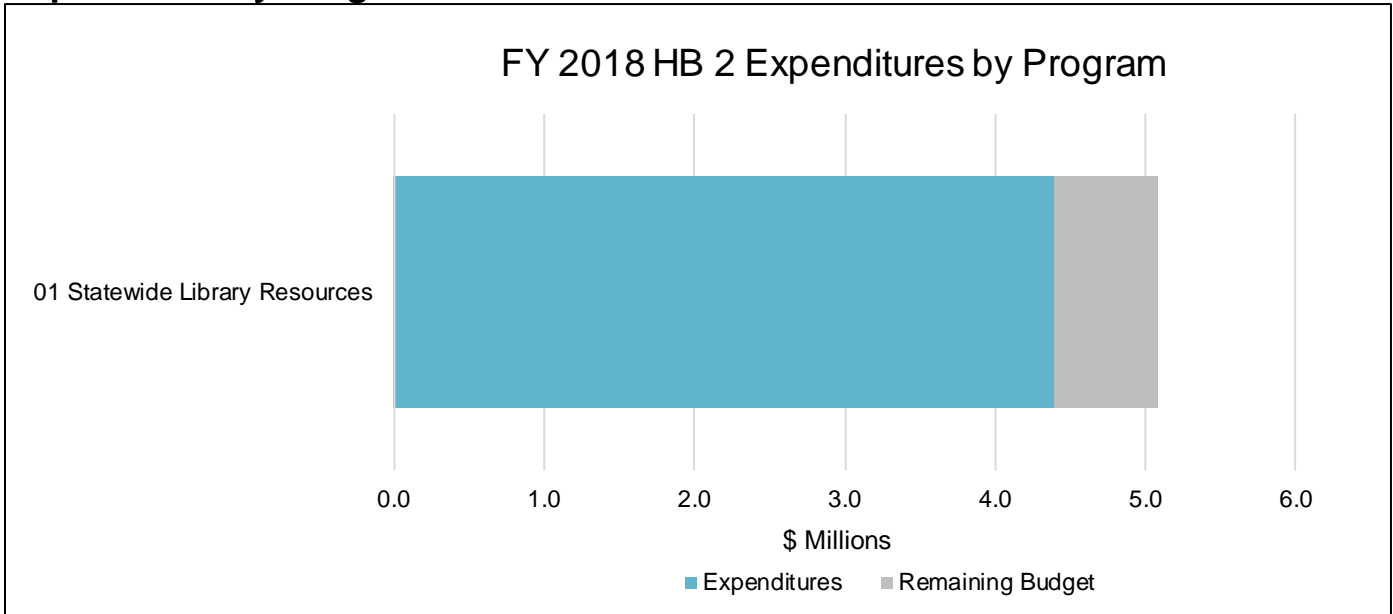
First Level	June Modified Budget	Modifications			Modified Budget	Variance to June
		Increases	Decreases	Total		
61000 Personal Services	\$2,510,782	-	\$0	-	2,510,782	0.0%
62000 Operating Expenses	\$1,729,119	-	\$0	-	1,729,119	0.0%
63000 Equipment & Intangible Assets	\$0	-	\$0	-	-	0.0%
66000 Grants	\$845,636	-	\$0	-	845,636	0.0%
<b>Grand Total</b>	<b>\$5,085,537</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$5,085,537</b>	<b>0.0%</b>

The above charts show June HB 2 modified budget by first level compared to FYE modified budget by first level.

Montana State Library did not have any budget modifications since the last budget status report.

# AGENCY HB 2 EXPENDITURES

## Expenditure by Program

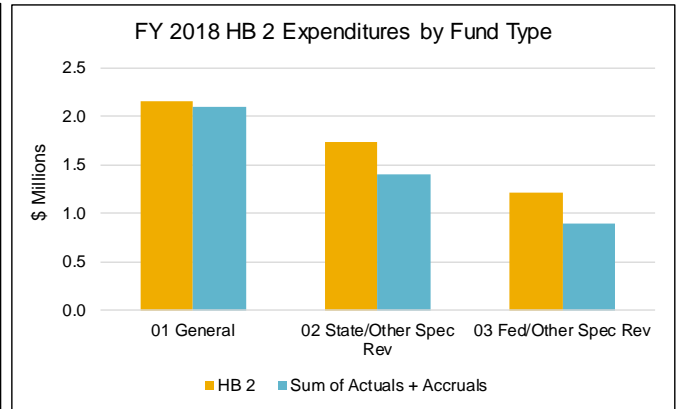
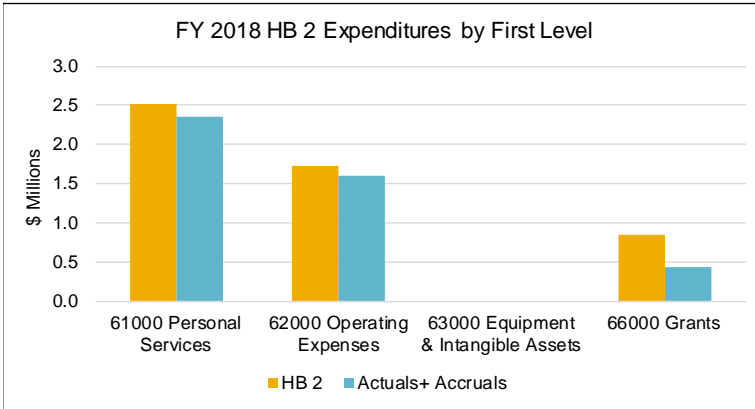


Program	FYE Modified Budget	Expenditures	Remaining Budget	Percent Expended
01 Statewide Library Resources	5,085,537	4,391,249	694,288	86.3%
Grand Total	\$5,085,537	\$4,391,249	\$694,288	86.3%

*This chart shows current FY 2018 expenditures by program and remaining authority for HB 2 budget.*

Overall, expenditures for the MSL are slightly below anticipated levels at fiscal year-end. Even with the reductions from SB 261, the library managed their programs within the available resources.

## Expenditure By First Level Account and Fund Type



First Level	FYE Modified HB 2	Expended	Percent Expended
61000 Personal Services	2,510,782	2,361,290	94.0%
62000 Operating Expenses	1,729,119	1,604,656	92.8%
63000 Equipment & Intangible Assets	-	-	0.0%
66000 Grants	845,636	425,303	50.3%
<b>Grand Total</b>	<b>\$5,085,537</b>	<b>\$4,391,249</b>	<b>86.3%</b>

Fund Type	FYE Modified HB 2	Expended	Percent Expended
01 General	2,148,954	2,099,356	97.7%
02 State/Other Spec Rev	1,729,049	1,399,846	81.0%
03 Fed/Other Spec Rev	1,207,534	892,047	73.9%
<b>Grand Total</b>	<b>\$5,085,537</b>	<b>\$4,391,249</b>	<b>86.3%</b>

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

General fund is 97.7% as of fiscal year-end. While federal special revenue is 73.9% expended, this authority will continue into FY 2019.

Of the grants awarded, only 50.3% 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. In addition, due to timing of coal tax payments there is remaining coal tax grant authority that did not allow for allocations to the federations prior to fiscal year-end.

## REQUIRED REPORTS

None at this time.

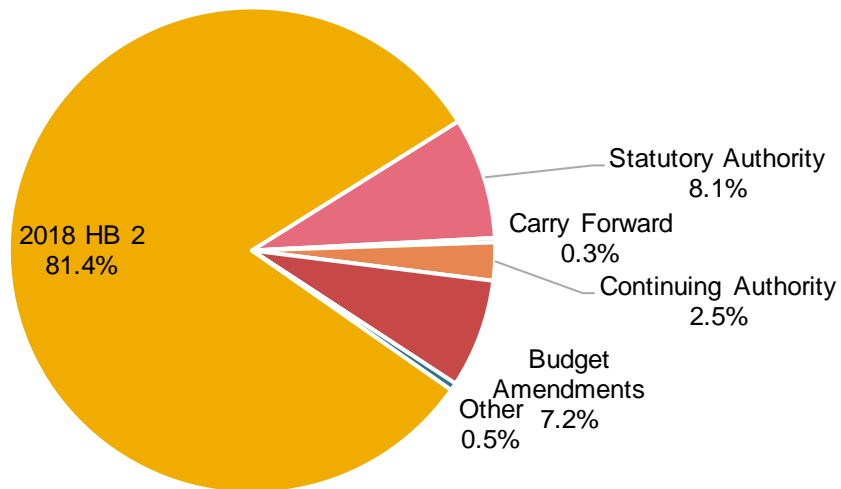
# HISTORICAL SOCIETY

## BUDGET AND EXPENDITURE HIGHLIGHTS

- The Montana Historical Society (MHS) has expended 97.0% of their FY 2018 HB 2 modified budget
- General fund is 98.5% expended

## TOTAL APPROPRIATION AUTHORITY OVERVIEW

### FY 2018 LEGISLATIVE TOTAL AGENCY AUTHORITY



### FY 2018 Total Agency Authority

Authority	FYE Budget
2018 HB 2	4,908,547
Language Authority	0
Statutory Authority	487,420
Carry Forward	17,591
Continuing Authority	152,413
Budget Amendments	436,225
Other	30,000
Long Range Planning	0
<b>Total Budgeted Authority</b>	<b>6,032,196</b>
Non-Budgeted Proprietary	\$ -

### FY 2018 Total Agency Authority Expended

Total Budgeted Expended	5,467,586
Total Budgeted Authority	6,032,196
<b>% Expended</b>	<b>90.6%</b>

*This chart shows current FYE authority compared to special session budget authority for the agency (Appendix B). Budget Amendment authority is not legislative authority, instead it is added authority through the budget amendment process.*

MHS has total authority of \$6.0 million for FY 2018. The majority of their authority is from HB 2. The remaining authority is derived from statutory appropriations, budget amendments, other house and senate bills, continuing authority, and a small portion of non-budgeted.



## Statutory Appropriations

The agency also has statutory appropriation authority of approximately \$0.5 million. 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 \$436,225 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
- Grant award for the State and National Archival Partnership
- Increased authority for the grant with the National Park Service

## Continuing Appropriations

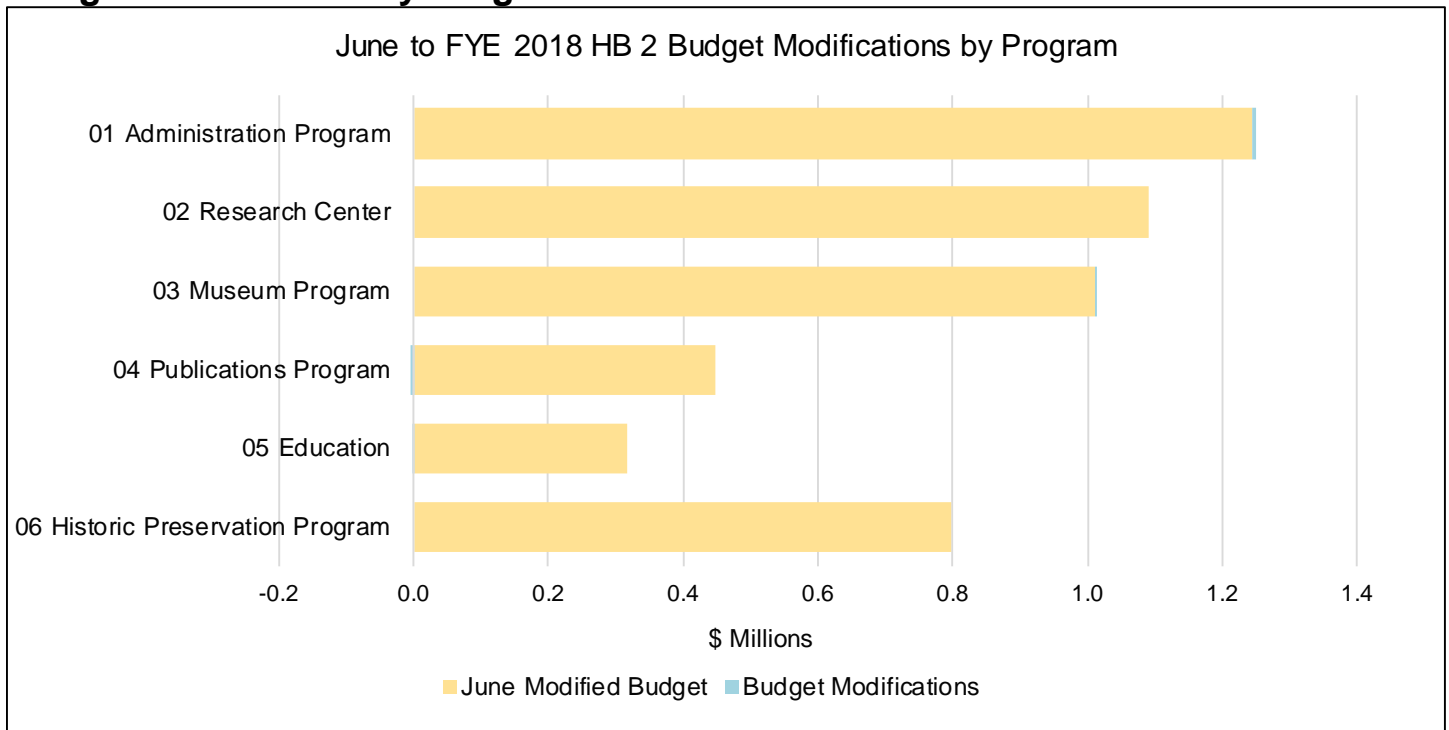
MHS has continuing appropriations of approximately \$152,000 of federal funds for various grants.

## Non-Budgeted

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

## HB 2 BUDGET MODIFICATIONS

### Budget Modification by Program



Program	June. Modified Budget	Modifications			FYE Modified Budget	Variance to June
		Increases	Decreases	Total		
01 Administration Program	1,245,202	8,692	(4,114)	4,578	1,249,780	0.4%
02 Research Center	1,091,174	11,220	(11,220)	0	1,091,174	0.0%
03 Museum Program	1,009,947	24,886	(24,328)	558	1,010,505	0.1%
04 Publications Program	448,151	4,100	(8,250)	(4,150)	444,001	-0.9%
05 Education	317,480	14	(1,000)	(986)	316,494	-0.3%
06 Historic Preservation Program	796,593	-	-	-	796,593	0.0%
<b>Grand Total</b>	<b>\$4,908,547</b>	<b>\$48,912</b>	<b>(\$48,912)</b>	<b>\$0</b>	<b>\$4,908,547</b>	<b>0.0%</b>

This chart shows budget modifications by program from June through FYE.

MHS had several budget modifications since the last budget status report. The following program transfers occurred during this reporting period:

- PT 153 moved \$8,500 of enterprise funds from the Publications program to Administration
- PT 154 aligned \$31,543 of bed tax authority at the program and account level
- PT 155 aligned authority of \$7,072 enterprise funds between programs and account level
- PT 156 moved \$692 of SITSD authority between programs
- PT 158 shifted \$600 of personal services from Administration to the Publications program

## Budget Modification by First Level

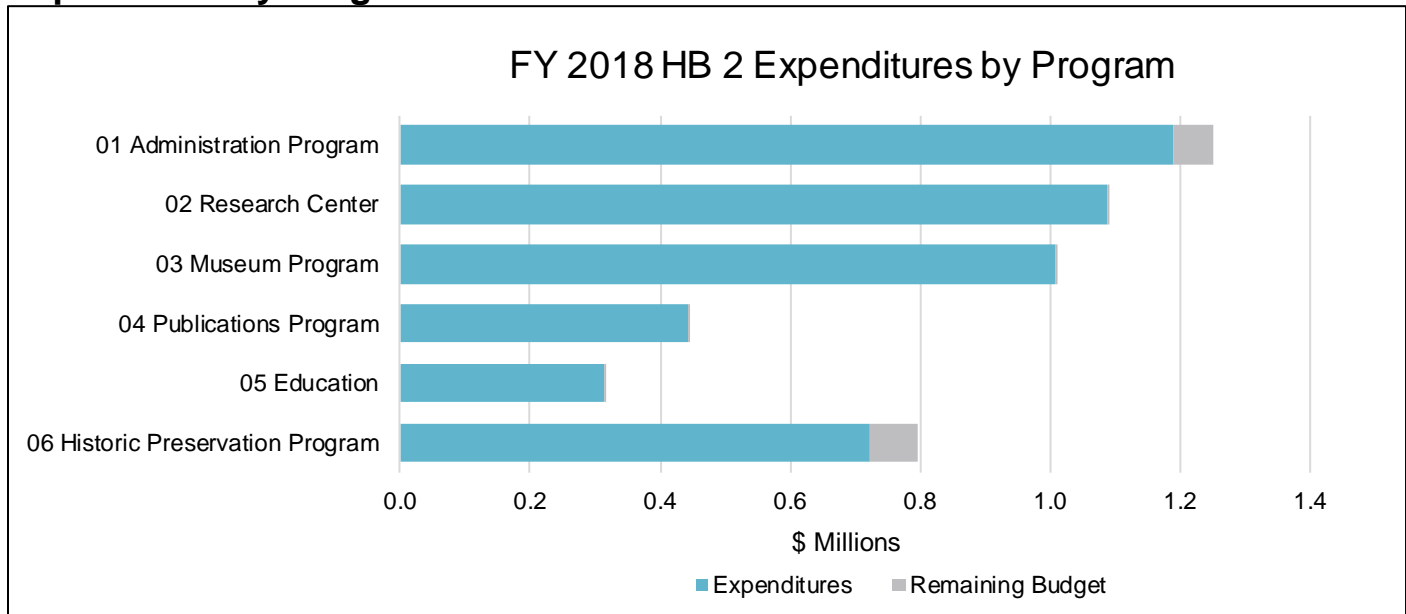
June HB 2 Modified Budget vs FYE 2018 HB 2 Modified Budget						
<p>June Modified Budget by First Level</p>			<p>FYE 2018 Modified Budget by First Level</p>			
<p>June to FYE 2018 HB 2 Budget Modification by First Level</p>						
First Level	June Modified Budget	Modifications			Modified Budget	Variance to June
		Increases	Decreases	Total		
61000 Personal Services	\$2,997,028	4,100	(\$4,100)	-	2,997,028	0.0%
62000 Operating Expenses	\$1,730,389	41,235	(\$13,283)	27,952	1,758,341	1.6%
63000 Equipment & Intangible Assets	\$94,010	3,577	(\$31,529)	(27,952)	66,058	-29.7%
66000 Grants	\$87,120	-	\$0	-	87,120	0.0%
<b>Grand Total</b>	<b>\$4,908,547</b>	<b>\$48,912</b>	<b>(\$48,912)</b>	<b>\$0</b>	<b>\$4,908,547</b>	<b>0.0%</b>

The above charts show June HB 2 modified budget by first level compared to FYE modified budget by first level.

In addition to program transfers, MHS had an operating plan change that moved funds from operating expenses to equipment.

## AGENCY HB 2 EXPENDITURES

### Expenditure by Program



Program	FYE Modified Budget	Expenditures	Remaining Budget	Percent Expended
01 Administration Program	1,249,780	1,188,970	60,810	95.1%
02 Research Center	1,091,174	1,087,989	3,185	99.7%
03 Museum Program	1,010,505	1,009,175	1,330	99.9%
04 Publications Program	444,001	442,178	1,823	99.6%
05 Education	316,494	313,769	2,725	99.1%
06 Historic Preservation Program	796,593	721,424	75,169	90.6%
<b>Grand Total</b>	<b>\$4,908,547</b>	<b>4,763,505</b>	<b>\$145,042</b>	<b>97.0%</b>

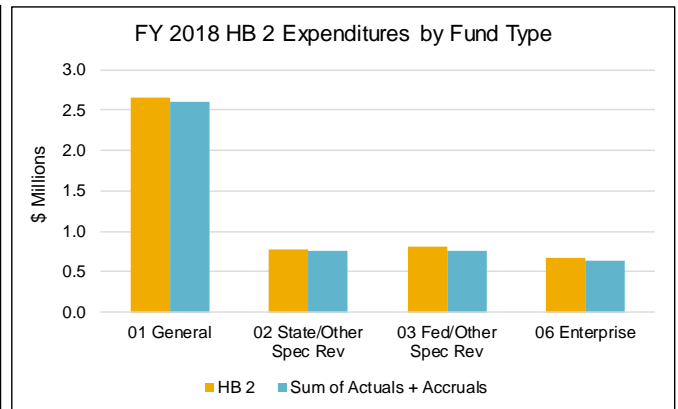
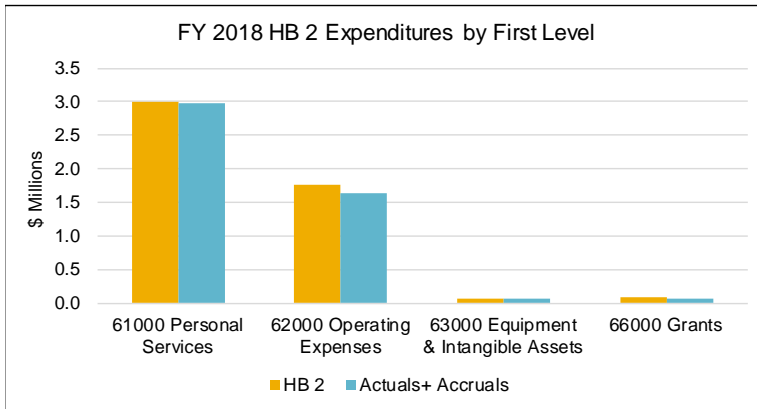
*This chart shows current FY 2018 expenditures by program and remaining authority for HB 2 budget.*

MHS has expended 97.0% of their FY 2018 HB 2 budget. Factoring in budget reductions to the agency during session, expenditures are generally consistent with previous years.

The Administration Program is 95.1% expended. The majority of the remaining budget in operating expenses is for the legislative audit.

The Historic Preservation Program is 90.6% expended. The lower expenditures are in operating expenses and grants and will be explained in the next section.

## Expenditure By First Level Account and Fund Type



First Level	FYE Modified HB 2	Expended	Percent Expended
61000 Personal Services	2,997,028	2,980,096	99.4%
62000 Operating Expenses	1,758,341	1,644,150	93.5%
63000 Equipment & Intangible Assets	66,058	66,058	100.0%
66000 Grants	87,120	73,200	84.0%
Grand Total	\$4,908,547	\$4,763,505	97.0%

Fund Type	FYE Modified HB 2	Expended	Percent Expended
01 General	2,645,159	2,605,785	98.5%
02 State/Other Spec Rev	768,776	766,102	99.7%
03 Fed/Other Spec Rev	818,165	756,024	92.4%
06 Enterprise	676,447	635,594	94.0%
Grand Total	\$4,908,547	\$4,763,505	97.0%

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

Overall, MHS expenditures are consistent with previous years. Operating expenses have less expended due to the audit not being conducted prior to year-end and lower expenditures with SITSD. Grants are below expected for fiscal year-end due to the timing of the Certified Local Government activities.

## REQUIRED REPORTS

None at this time.