

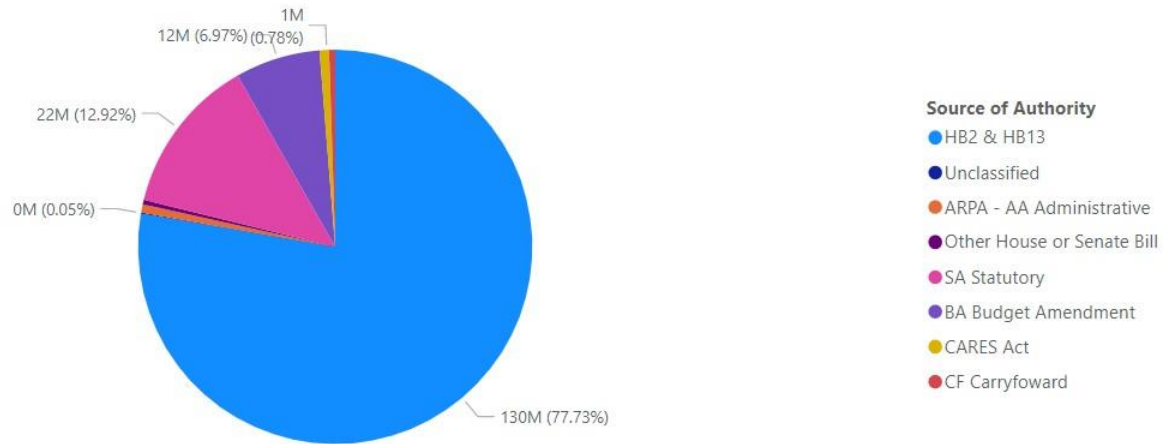
# DEPARTMENT OF JUSTICE

(Spending report July 1, 2021 through May 31, 2022)

## TOTAL APPROPRIATION AUTHORITY

The total appropriation authority for the agency is shown in the pie chart below. HB 2 and HB 13 provide 77.7% of the total authority for this agency. All types of appropriation authority for this agency are described below, including total budget and the percent expended by source of authority.

Total Modified Budget by Source of Authority



Source of Authority	Modified Budget	Expended Budget	Percent Expended
HB2 & HB13	129,729,264	102,595,587	79.1%
BA Budget Amendment	11,628,000	2,482,586	21.4%
CF Carryforward	825,415		
Other House or Senate Bill	595,002	317,595	53.4%
SA Statutory	21,570,893	17,676,119	81.9%
Unclassified	80,568		
CARES	1,295,953	812,769	62.7%
ARPA	1,169,008	35,231	3.0%
<b>Total</b>	<b>166,894,102</b>	<b>123,919,886</b>	<b>74.3%</b>

**Source of Authority**

- HB2 & HB13
- Unclassified
- ARPA - AA Administrative
- Other House or Senate Bill
- SA Statutory
- BA Budget Amendment
- CARES Act
- CF Carryforward

**Report Period**

- Jul
- Aug
- Sep
- Oct
- Nov
- Dec
- Jan
- Feb
- Mar
- Apr
- May
- Jun

## Budget Amendments

The Department of Justice (DOJ) expended \$2.5 million, or 21.4%, of the \$11.6 million in budget amendment (BA) authority. The BA authority is funded 6.3% with state special revenues and 93.7% with federal special revenues. Approximately 80.0% of the BA authority was continued from FY 2021. The following is a summary of the primary DOJ budget amendment authority and the related expenditures:

- \$5.4 million of federal special revenue authority and \$671,582 of expenditures in the Board of Crime Control (BOCC). The BOCC spending develops effective responses in crimes against women, children, and the elderly and provides grants to victims of crime. From the expenditures in BOCC, \$175,572, or 26.1%, of the spending was in the form of transfers to communities across the state to process sexual assault cases.

2. \$2.9 million of federal special revenue authority and \$784,356 of expenditures in the Division of Criminal Investigation to address criminal activities related to the manufacture and distribution of methamphetamine, opioids, and prescription drugs. A total of \$247,359, or 31.5%, of expenditures in the division were related to internet crimes against children.
3. \$1.4 million of federal special revenue authority and \$468,095 of expenditures in the Forensic Science Division for DNA analysis capacity enhancement and backlog reduction. In March, the division added another \$521,655 of federal grant authority for this purpose. Of the total spending, 84.5% was related to activities to reduce backlogs in the division.
4. \$734,909 in total state special revenue authority and \$283,057 of expenditures, 95.5% related to the criminal records and identification services (CRIS) system. The system disseminates criminal history records to law enforcement agencies and the public. Of the CRIS expenditures, 99.9% supported personal services costs for work on the system. Also included in BA state special revenue authority is \$310,039 of authority from the consumer education settlement account for prescription drug abuse prevention. Spending in this account was \$2,700 through May.

### **Carryforward**

DOJ has \$825,415 of carryforward authority in FY 2022, which is derived from 30.0% of the qualifying unexpended balances of FY 2020 and FY 2021 appropriations. The authority is funded with 64.0% state special revenue, 24.0% general fund, 11.8% federal special revenue, and 0.1% enterprise fund. The agency has not allocated any spending to this authority.

### **Other Bills**

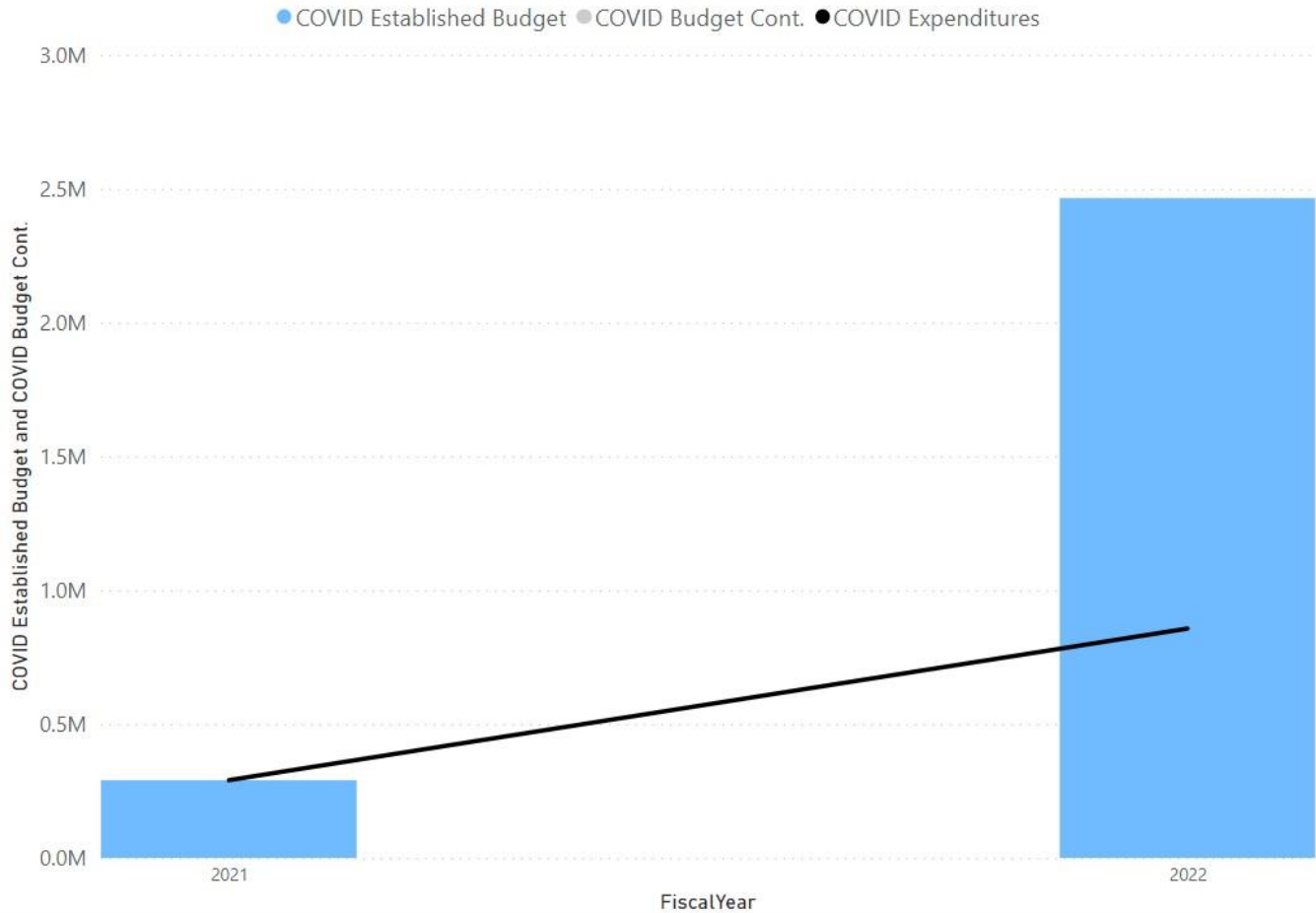
In FY 2022 DOJ has \$595,002 of authority from four non-HB 2 house or senate bills. The total authority is funded with 16.0% general fund and 84.0% state special revenue. Expenditures related to this authority are \$317,595. The detail of the other bills authority and related expenditures include:

- \$450,000 – state special revenue authority from HB 701, generally revise marijuana laws, that includes:
  - \$150,000 – in the Board of Crime Control Division for crisis interdiction team training (no expenditures)
  - \$300,000 – in the Central Services Division for grants to train drug sniffing dogs in the K9 program (fully expended)
- \$50,000 – state special revenue authority for grant funding in the Division of Criminal Investigation from HB 98, extending the termination date of the missing indigenous persons task force (\$12,500 of expenditures)
- \$75,000 – general fund authority in the Board of Crime Control Division in HB 696, generally revise crisis intervention training laws, to provide specialized training to help law enforcement officers to recognize and respond to individuals with mental illness or behavioral health problems (\$853 of expenditures)
- \$20,000 – general fund authority in the Division of Criminal Investigation from HB 35, establishes a missing persons review commission (\$4,241 of expenditures)

### **COVID-19 Authority**

The following chart is provided to allow the legislature to examine the funding that is available to the agency for COVID-19 impacts.

COVID Established Budget, COVID Continuing Budget, and COVID Expenditures by Fiscal Year



In FY 2022, DOJ has appropriations and allocations of COVID-19 funding amounting to \$2.5 million and has expended \$856,933 of the authority. Details of the authority and expenditures through May are as follows:

- \$1.3 million of authority in the Board of Crime Control
  - The authority supports grants for responding to, preparing, or preventing the spread of the Coronavirus
  - \$812,769, or 94.8% of total COVID-19 expenditures were made for this purpose
- \$354,008 of authority in the Legal Services Division
  - The Department of Public Health and Human Services allocated ARPA authority to the Legal Services Division for an elder justice prosecutor to focus on the exploitation of vulnerable adults
  - \$35,231 of COVID-19 expenditures
- \$815,000 of authority in the Division of Criminal Investigation
  - This allocation of ARPA funds address the increase in violent crime in Billings
  - There have been no expenditures allocated to this authority

**Statutory Appropriations**

DOJ expended statutory appropriation authority of \$17.7 million, or 81.9%, of the total \$21.6 million of authority in FY 2022 on six different statutory appropriations. The statutory appropriation budget and spending through May include:

1. \$13.0 million for two statutory appropriations, distributions, and grants from 9-1-1 fees, as required in 10-4-304, MCA. The appropriations, 75.0% for distributions to local and tribal government entities that host public safety answering points (9-1-1 call centers) and 25.0% for grants to private telecommunications providers that host the sites of answering points, was transferred into the DOJ budget in FY 2022. The statutory appropriations are funded with state special revenues. The agency spent \$7.6 million on distributions and \$2.5 million on grants.
2. \$3.8 million for the state's share of the costs of county attorneys, as required in 7-4-2502, MCA. This appropriation was increased in April and has been fully expended.
3. \$1.9 million for the distribution of fees and taxes on various forms of gambling (card tables, live bingo and keno, and video machines) to local governments, as required in 23-5-306, 409, and 612, MCA. The appropriation is funded with state special revenues derived from the gambling fees and taxes. The agency expended \$1.7 million of this authority.
4. \$1.7 million for a transfer to the Highway Patrol retirement account, as required by 19-6-404, MCA. This appropriation is funded with general fund and spending was \$1.5 million.
5. \$720,514 for crime victim's compensation, as required in 53-9-113, MCA, which was extended by the 2021 Legislature to be effective through FY 2027. The appropriation is funded with state special revenues derived from the crime victim's compensation account. This appropriation was increased by \$500,000 in April as a result of higher state special revenue spending on crime victim's benefits. Spending through May was \$558,729.

## Unclassified

Per 39-71-403(1)(b)(iv), MCA, when workers' compensation premiums are lower than the previous year, state agencies shall reduce personal services appropriations by the amount of the premium reduction. To track the changes in appropriation authority, total appropriations are not reduced, instead the Governor's Office of Budget and Program Planning (OBPP) requires state agencies to:

- Reduce HB 2, statutory, and proprietary appropriations
- Create a separate offsetting entry on the financial statements in the same amount using an identifying number for workers' compensation entries (shown in the Total Authority figure above as "Unclassified")

The offsetting entries are identified as "frozen" appropriations, which means the appropriations will not be spent unless authorized by OBPP. The DOJ HB 2 personal services budget was reduced by \$79,818 and has an offsetting unclassified appropriation of \$80,568, with the difference being the addition of \$750 from the non-budgeted proprietary program personal services adjustment.

## Non-Budgeted Proprietary Funding

Not shown in the total authority figure on Page 1, the department has \$1.7 million of non-budgeted proprietary funding in FY 2022 for a single proprietary program, Agency Legal Services (ALS). The program expended \$1.4 million, or 82.2% of the authority. Expenditures provide legal services for state agencies and DOJ. From the total expenditures, 87.0% of the costs are in personal services to provide legal, hearing examiner, and investigative services to state agency clients on a contract basis. ALS attorneys and investigators bill clients for their services, case-related, and incidental costs. ALS has 17.00 FTE that are funded from the revenues generated from legal services.

## HB 2 BUDGET MODIFICATIONS

The following chart shows the HB 2 budget as passed by the legislature, including the pay plan, and the HB 2 modified budget through May 31, 2022. Net modifications to the budget include operating plan changes from one expenditure account to another, program transfers, reorganizations, and agency transfers of authority. The **positive modifications** and **negative modifications** are shown by program, expenditure account, and fund type.

### Legislative Budget Compared to Modified Budget - HB 2 Only

Agency Name	March Modified Budget	June Modified Budget	Net Modifications
<b>Department of Justice</b>	<b>129,802,296</b>	<b>129,729,264</b>	<b>-73,032</b>
BOARD OF CRIME CONTROL	15,580,420	15,587,206	6,786
CENTRAL SERVICES DIVISION	2,887,168	2,886,367	-801
DIV OF CRIMINAL INVESTIGATION	16,756,284	16,743,192	-13,092
FORENSIC SERVICES DIVISION	7,258,216	7,231,724	-26,492
GAMBLING CONTROL DIVISION	4,471,597	4,467,318	-4,279
INFORMATION TECHNOLOGY SYSTEM	5,594,781	5,592,931	-1,850
LEGAL SERVICES DIVISION	8,479,968	8,499,130	19,162
MONTANA HIGHWAY PATROL	46,492,631	46,444,538	-48,093
MOTOR VEHICLE DIVISION	22,281,231	22,276,858	-4,373
<b>Total</b>	<b>129,802,296</b>	<b>129,729,264</b>	<b>-73,032</b>

Acct & Lvl 1 DESC	March Modified Budget	June Modified Budget	Net Modifications
61000 Personal Services	71,165,775	71,125,745	-40,030
62000 Operating Expenses	39,029,220	38,886,706	-142,514
63000 Equipment & Intangible Assets	4,613,234	4,588,234	-25,000
65000 Local Assistance	25,000	25,000	
66000 Grants	10,057,272	10,057,272	
67000 Benefits & Claims	774,048	774,048	
68000 Transfers-out	3,137,136	3,271,648	134,512
69000 Debt Service	1,000,611	1,000,611	

Fund Type	March Modified Budget	June Modified Budget	Net Modifications
01 General	33,906,924	33,887,606	-19,318
02 State/Other Spec Rev	79,114,862	79,056,434	-58,428
03 Fed/Other Spec Rev	14,838,362	14,844,282	5,920
06 Enterprise	1,935,170	1,933,964	-1,206
06 Internal Service	6,978	6,978	

The figure above highlights modifications to the HB 2 budget that occurred between March and May 2022. The March modified budget, as seen in the figure above, was presented at the March Interim Budget Committee (IBC) meeting. During this time frame, DOJ made the following modifications to the HB 2 budget:

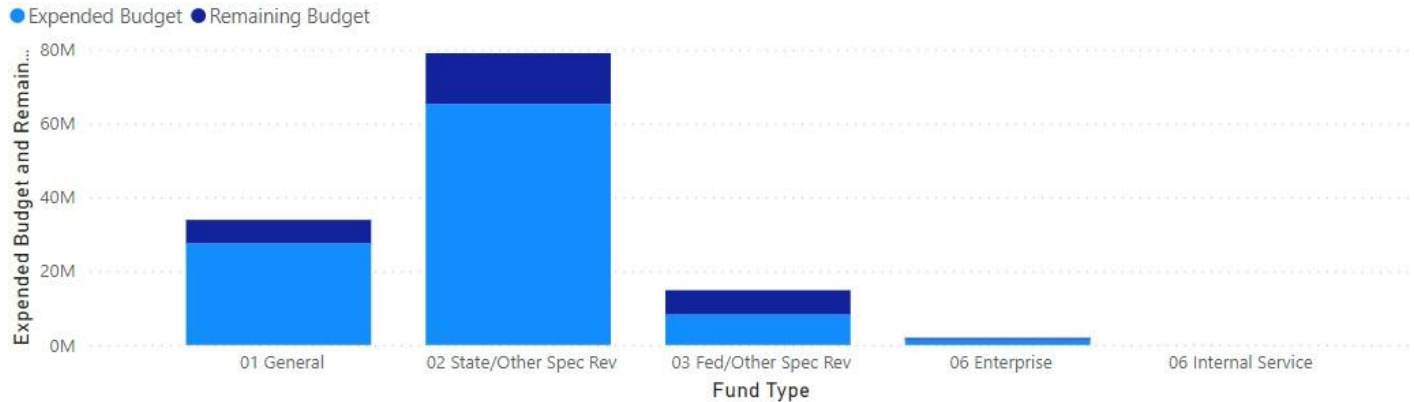
- \$79,818 - Personal services reductions related to the lower rate of workers' compensation insurance in all programs except the Board of Crime Control and funded with 24.2% general fund and 73.3% state special revenue
- Other primary budget modifications include:

- \$80,762 moved from operating expenses to transfers-out in the Board of Crime Control to fund human resources, fiscal, budget, and IT services provided by DOJ
- \$50,000 moved from operating expenses to transfers-out to provide funding to the Department of Administration to fund a project in the toxicology lab
- \$25,000 moved from equipment and intangible assets to operating expenses in the Forensic Science Division
- \$17,600 moved from operating expenses to personal services in the Legal Services Division to fund 5.00 (modified FTE) summer interns
- \$15,618 moved from operating expenses to personal services in the Motor Vehicle Division to fund a modified FTE
- \$6,786 increased appropriation in the Board of Crime Control Division that moved authority unintentionally left behind in the Department of Corrections budget when the division was transferred to DOJ

## HB 2 APPROPRIATION AUTHORITY

The following chart shows the appropriated budget for the agency compared to expenditures through May 31, 2022.

Expended Budget and Remaining Budget by Fund Type - HB 2 Only



acclv1_descr	Modified Budget	Expended Budget	Percent Expended
Personal Services	71,125,745	61,610,570	86.6%
Operating Expenses	38,886,706	28,161,345	72.4%
Equipment & Intangible Assets	4,588,234	2,811,053	61.3%
Local Assistance	25,000	24,110	96.4%
Grants	10,057,272	6,948,006	69.1%
Benefits & Claims	774,048	198,080	25.6%
Transfers-out	3,271,648	714,978	21.9%
Debt Service	1,000,611	2,127,445	212.6%

Program Name	Modified Budget	Expended Budget	Percent Expended
BOARD OF CRIME CONTROL	15,587,206	9,028,180	57.9%
CENTRAL SERVICES DIVISION	2,886,367	2,417,614	83.8%
DIV OF CRIMINAL INVESTIGATION	16,743,192	14,045,774	83.9%
FORENSIC SERVICES DIVISION	7,231,724	5,703,113	78.9%
GAMBLING CONTROL DIVISION	4,467,318	3,342,229	74.8%
INFORMATION TECHNOLOGY SYSTEM	5,592,931	4,366,545	78.1%
LEGAL SERVICES DIVISION	8,499,130	6,917,383	81.4%
MONTANA HIGHWAY PATROL	46,444,538	39,900,970	85.9%
MOTOR VEHICLE DIVISION	22,276,858	16,873,778	75.7%
<b>Total</b>	<b>129,729,264</b>	<b>102,595,587</b>	<b>79.1%</b>

Through May, DOJ expended \$102.6 million, or 79.1%, of the modified HB 2 budget for FY 2022. The figure at the top of this page explains the HB 2 funding. Primary funding in the DOJ HB 2 budget is 26.0% general fund, 61.0% state special revenue, and 11.5% federal special revenue. Spending followed a similar pattern.

Expenditures through May (79.1% of the modified budget) were slightly lower than the five-year annual average of 80.1% of the budget and lower than expenditures in the same period of FY 2021, 83.6%. The low rate of spending in the Board of Crime Control, at 57.9%, is one of the reasons that total spending is lower than the historic average. Another change from the historic averages occurs in the personal services where the historic comparison is 87.3% to the FY 2022 proportion of 86.6%.

Spending in the department has been weighted to personal services, accounting for 60.1% of total HB 2 expenditures. The Montana Highway Patrol Division (MHP) records the highest level of personal services, with a



budget of \$30.3 million (42.5% of total DOJ personal services budget) and expenditures of \$26.2 million (42.5% of personal services costs). The MHP expended 86.6% of the personal services budget, which compares to a five-year average of 84.7% but is higher than costs in FY 2021, which were 85.0% of the budget. The increase in personal services spending in MHP indicates that the division has made progress in their hiring efforts since last reported in March. For more information see the Personal Services section of this report.

MHP’s budget includes 29.5% of the DOJ operating expenses. Through May, the division expended \$9.5 million, or 82.7% of the \$11.5 million budget. Spending for operating expenses in MHP is higher than the five-year historic average of 75.3% of the budget and in nominal terms is \$2.0 million higher than the costs in FY 2021. When looking at the full year of operating expenses, MHP typically expends 98.8% of the budget. If spending continues at the current rate, MHP will exceed their current operating expense budget and DOJ will need to transfer authority from other components of the FY 2022 HB 2 budget or the FY 2023 budget.

The 2021 version of HB 2 contained a line item of \$62,500 each fiscal year in the 2023 biennium providing the Forensic Science Division with funding to outsource sexual assault kit testing. The division has expended \$11,025 of the appropriation, indicating that the vendor chosen for this testing has been approved/certified to test DNA in Montana. DOJ anticipates having the appropriation committed by fiscal year-end. According to DOJ, the casework has been submitted and returned and the agency is currently processing the payment of invoices.

## Personal Services

The following chart shows the filled and vacant FTE within the agency as of May 1, 2022.



In FY 2022, the DOJ is budgeted for 819.56 FTE, an increase of 27.40 FTE over the budgeted FTE in FY 2021, most of which is attributed to the transfer of the Board of Crime Control from the Department of Corrections. Of the total FTE, DOJ had 71.26 positions vacant as of May 1, for a point-in-time vacancy rate of 8.7%.

Since the last report in March, MHP has reduced vacancies from 25.00 FTE to 13.00 FTE. In the 2021 Session, the legislature provided highway patrol officers with a 4.6% salary increase. At this time, the union is negotiating the collective bargaining agreement, expected to take effect on July 1.

Within the MHP vacancies, 7.00 FTE vacancies are positions in the dispatch center where, as mentioned in the March report, recruitment and retention continue to be a problem.



## **Next Steps for Personal Services Reporting**

As mentioned in the March report, the LFD will begin the process of a more comprehensive look at personal services this summer. The LFD will compare two executive “snapshots” -- July 2020 and July 2022. The analysis will identify adjustments adopted by the legislature in 2021 and modifications made by the agencies, within the confines of budget law.

The September Quarterly Financial Report will provide the complete comparison from July 2020 to July 2022. Ultimately, the analysis will result in a description of all the components that will be part of the executive’s decision package one (DP 1) 2025 biennium budget request. This work will prepare legislators for budget deliberations in the 2023 session. For a review of how DP 1 works and snapshot components, please read this [short brochure](#) from 2019.