

OFFICE OF THE GOVERNOR
BUDGET AND PROGRAM PLANNING
STATE OF MONTANA

BRIAN SCHWEITZER
GOVERNOR



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RECEIVED
APR 05 2012
LEGISLATIVE
FISCAL ANALYST

TO: Amy Carlson, Legislative Fiscal Analyst
Legislative Fiscal Division

FROM: Dan Villa, Budget Director 
Office of Budget and Program Planning

DATE: March 5, 2012

SUBJECT: **LFC review and comment on a fiscal year transfer supplemental appropriation for the Board of Public Education costs**

In accordance with Title 17, Chapter 7, part 3, MCA, the Governor's Office of Budget and Program Planning is submitting for review and comment a proposed supplemental appropriation to transfer FY 2013 authority to FY 2012.

The Board of Public Education is projecting up to a \$20,000 shortfall in FY 2012. This office is requesting your comment on this proposed transfer. The need for this transfer is due to the retirement of a long-time state employee in September 2011 that consumed nearly a third of the Board's FY 2012 budget. The agency has used vacancy savings by not filling two vacant FTE positions since September 2011 to mitigate this shortfall. However, the agency will still have a shortfall in FY 2012. The agency will continue to use vacancy savings in FY 2013 until the shortfall has been recovered.

CC: Pete Donovan



Board of Public Education

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TO: Nancy Hall, Lead Budget Analyst, Governor's Budget Office

FROM: Peter Donovan, Interim Executive Secretary

CC: Patty Myers, Chair, Board of Public Education

DATE: March 5, 2012

RE: Fiscal Year 2012 Estimated Shortfall in Personal Services Budget for the Board of Public Education

The Board of Public Education had 3 employees who terminated during Fiscal Year 2012. The total sum of the agency payouts for these three employees was \$129,105.06. This figure represents nearly a third of the Board of Public Education's total annual budget. In order to absorb this financial tsunami, the agency has kept 2 of the agency's 4 FTE positions vacant for what will amount to a total of 10 months by the end of Fiscal Year 2012. The agency has also eliminated all out-of-state travel, limited in-state travel, and conducted other cost savings measures such as conducting one BPE meeting via conference call to save on mileage, meals and lodging costs.

Even after implementing these extraordinary cut backs, the BPE projects to have approximately an \$18,000 shortfall in personal services funds to pay salaries for the 2 BPE FTE for the remainder of the fiscal year. Therefore, the Board of Public Education would like to respectfully request the authority to borrow up to \$20,000 from the BPE personal services budget from Fiscal Year 2013, to pay the personal services shortfall in Fiscal Year 2012. The BPE would account for the borrowed funds through vacancy savings for the 2 open positions in the agency for the Fiscal Year 2013.

Thank you for your consideration of this request.