



MONTANA LEGISLATIVE BRANCH

Legislative Fiscal Division

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Director
AMY CARLSON

DATE: June 4, 2012

TO: Legislative Finance Committee

FROM: Taryn Purdy 

RE: Operating Plan Changes

The Office of Budget and Program Planning submitted five operating plan changes and one program transfer already approved as time sensitive and two adjustments that meet the requirements for review by the Legislative Finance Committee. An explanation of the changes is attached.

LFD staff has reviewed the proposed and implemented changes and raise no concerns.

OFFICE OF THE GOVERNOR
BUDGET AND PROGRAM PLANNING
STATE OF MONTANA



BRIAN SCHWEITZER
GOVERNOR

PO BOX 200802
HELENA, MONTANA 59620-0802

To: Amy Carlson, Legislative Fiscal Analyst
Legislative Fiscal Division

From: Dan Villa, Budget Director 
Office of Budget & Program Planning

Date: May 31st, 2012

Subject: LFC Review & Comment on Operating Budget Changes and Program Transfers

In accordance with 17-7-138 and -139, MCA, the Governor's Office of Budget and Program Planning is submitting one operating plan change that exceeds \$75,000 and 25% of a budget category or \$1 million for review and comment at the June Legislative Finance Committee meeting. In addition, this office has processed five operating plan changes and one program transfer that also exceeded \$75,000 and 25% of a budget category or \$1 million as time sensitive.

We have reviewed the requests and find them to be in compliance with state and federal laws and policies. Your staff has also reviewed these documents and has no issues with these transactions. Please let us know if you have questions or wish additional information.

RECEIVED

MAY 31 2012

LEGISLATIVE
FISCAL ANALYST

CC: Taryn Purdy
Larry Flynn
Scott Sim
Bill Hoffmann
Karen Revious
Kim Moog

Budget Change Documents that Trigger

Information submitted for the June 2012 LFC meeting

<u>Agency #</u>	<u>Agency Name</u>	<u>Doc #</u>	<u>Brief Explanation</u>	<u>Fiscal Year</u>
Documents Being Held for Comment				
54010	Department of Transportation	450 OP036	This request moves existing authority for Congestion Mitigation and Air Quality (CMAQ) and Community Transportation and Enhancement Program (CTEP) from the Operating Category to the Equipment and Grants categories.	2012
57060	Dept Nat Resource/Conservation	PT252	Due to the significant change in billing structure by DOA/ITSD for Computer Services from base fiscal year 2010 to current biennium DNRC is moving existing ITSD budget from various DNRC programs to program 21-Centralized Services Division, Office of Information Technology (OIT) where most of the costs will be charged. Moving authority and recording expenditures in Program 21, OIT will provide DNRC with better management and oversight of computer services costs. Due to DOA/ITSD rates for Computer Services changing in FY13 DNRC has not included FY13 in this request. DNRC will complete an analysis on FY13 rates after receipt of the July/August billing and prepare a PT BCD adjusting authority between programs at that time.	2012
Documents Processed as Time-Sensitive				
69010	Public Health & Human Services	895 OP886	Operational plan adjustment because of new accounting policy to record State Building Energy Conservation Program expenditures as transfers, rather than utilities. In the past these expenditures were budgeted and expended under account code 62608. New DOA accounting policy 345 mandates that these transactions now be recorded as account code 68108, transfers out.	2012
65010	Department of Commerce	760 OP071	This BCD revises the FY 2012 and FY 2013 operating plan for the HOME program in the Housing Division and is submitted in response to changes implemented by FHA/HUD that require certain Home program funds for loans to be issued by an Instrumentality of Government (IOG). In summary, due to this change rather than granting funds to the nonprofit and having them lend the money to the borrower the department is lending the funds to the borrower causing a change in the FY 2012 and FY 2013 operating plan. MOMS 2-82-1 requires that loans be recorded as operating expenditures (O/E 62867 Loans Made).	2012
67010	Dept of Military Affairs	830 OP540	To meet mission requirement the Army program plans on purchasing more equipment than there is available federal spending authority, therefore this transaction has become necessary.	2012
65010	Department of Commerce	760 OP074	This BCD revises the FY 2012 and FY 2013 operating plan for the HOME program in the Housing Division and is submitted in response to changes implemented by FHA/HUD that require certain Home program funds for loans to be issued by an Instrumentality of Government (IOG).	2012
66020	Labor & Industry	795 OP219	Movement is required to allow expenditures to be recorded in the proper account category. UI will be giving Workforce Services Division administrative authority and reimbursing them through the transfer account category.	2012
69010	Public Health & Human Services	PT899	Funding splits in programs 09 and 08 resulted in extra federal and state special authority. During the reorg of 2010 that created program 16, some costs were not properly identified as part of the budget that was transferred to create the program but that were subsequently identified as those that legitimately should be paid by program 16. As a result program 16 was under budgeted.	2012
Enter Agency No agency number has been entered				