



MONTANA LEGISLATIVE BRANCH

Legislative Fiscal Division

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Legislative Fiscal Analyst
CLAYTON SCHENCK

DATE: June 2, 2009
TO: Legislative Finance Committee
FROM: Taryn Purdy 
RE: Operating Plan Changes of a Time Sensitive Nature

Sections 17-7-138 and 17-7-139, MCA, require that cumulative operating budget changes (in any budget category) and program transfers of \$25,000 and 25 percent or \$1,000,000 must be brought before the Legislative Finance Committee (LFC) prior to implementation, unless of a time sensitive nature¹. Since the last meeting of the LFC, the Office of Budget and Program Planning approved as time sensitive 4 operating plan changes and 2 program transfers that met these criteria. The attached memorandum from OBPP explains the change. LFD staff has reviewed the changes and raises no issues.

¹ Legislation passed by the 2009 Legislature increases the trigger to \$75,000 and 25 percent for all changes taking place after the effective date of the legislation, which was April 14, 2009

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JUN 2 2009

LEGISLATIVE
FISCAL ANALYST

BRIAN SCHWEITZER
GOVERNOR

OFFICE OF THE GOVERNOR
BUDGET AND PROGRAM PLANNING
STATE OF MONTANA



CAPITOL BUILDING - P.O. BOX 200802
HELENA, MONTANA 59620-0802

To: Clayton Schenck, Legislative Fiscal Analyst
Legislative Fiscal Division

From: David Ewer, Budget Director
Office of Budget & Program Planning

Date: June 1, 2009

Subject: OBPP Report on Time Sensitive Transactions Approved

Ami Sussano for D Ewer

In accordance with 17-7-138 and -139, MCA, the Governor's Office of Budget and Program Planning is reporting that five operating plan budget changes and three program transfer budget changes that exceeded \$25,000 and 25% or \$1 million of a budget category have been approved since the last meeting of the Legislative Finance Committee. The transactions described below were all processed for FY 2009 and the documents are available for your staff to review on our guest directory.

Under 17-7-138 and 139, MCA.

- The **Department of Environmental Quality** requested that \$272,491 be transferred from various excess bond forfeiture operating (62000) fund authority to capital outlay (64000) for the Landusky Water Treatment Plant upgrades. The Landusky Biological Treatment Plant needs engineering and plant construction modifications in order to effectively address the untreated leach pad waters at Landusky. The transfer was then requested to be reversed when it was realized the move was not necessary.
- The **Office of Public Instruction** requested that \$2,000,000 be transferred from Program 09 - Local Education Activities to Program 06 - State Level Activities. Program 09 - Local Education Activities has authority remaining because public schools did not request as much of their federal funds as anticipated when federal authority for the 09 biennium was requested from the legislature. Program 6 needed this additional authority because technical assistance and assessment services provided to public school districts exceeded amounts anticipated when federal authority for the 09 biennium was requested.
- The **Department of Transportation** requested the transfer of \$25,668 from operating (62000) to equipment (63000). Accounting expenditures for the consultant design must be within the 63000-expenditure category for capitalization of a fire truck purchase at West Yellowstone Airport. This fire truck ensures the Airport will maintain its FAA certification and is 95% federally funded.
- The **Department of Transportation** requested the transfer of \$41,085.50 from operating (62000) to equipment (63000). These equipment category expenditures are needed due to unanticipated repairs at the Mossmain weight station and bus ramps needed for undercarriage inspections.
- The **Montana Board of Crime Control** requested the transfer of \$683,846.36 from grants (66000) to transfers (68000). Per DOA Accounting - treatment of grants awarded to other state agencies need to be treated as transfers out - 68XXX. This is a delayed impact of GASB 34.
- The **Department of Health and Human Services** requested that \$7,500,000 be moved from Prgm 04 (DIR OFF) to Prgm 02 (HCSD) in benefits to cover additional SNAP expenditures. The HIFA Waiver was not approved in Prgm 04. Prgm 02 has had increased activity in the SNAP program.

We have reviewed the requests and found them to be in compliance with state and federal laws and policies, as well as allowing your staff to review the transactions, prior to processing. The Legislative Fiscal Division staff raised no issues with the transactions. Please let us know if you have questions or wish additional information.

CC: Taryn Purdy
Scott Sim
Terry Lazure
Julia Dilly
John Huth
Don Merritt