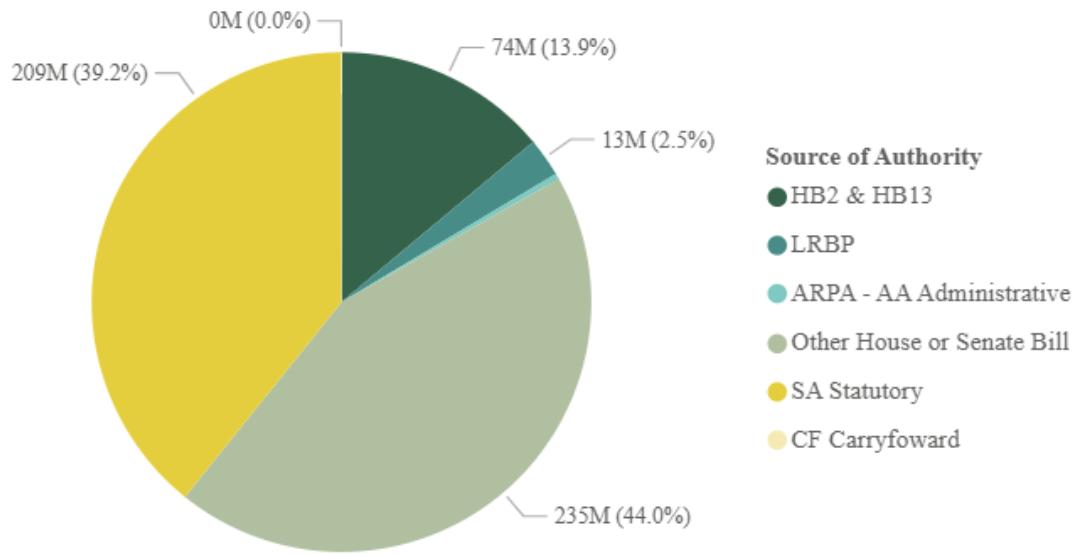


DEPARTMENT OF ADMINISTRATION

TOTAL APPROPRIATION AUTHORITY

The total appropriation authority for the Department of Administration is shown in the pie chart below. HB 2 and HB 13 provide 13.9% 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	Expenditure	% Expenditure
Other House or Senate Bill	234,772,216	3,583,532	1.5%
SA Statutory	209,258,910	98,869,241	47.2%
HB2 & HB13	74,340,534	58,615,238	78.8%
LRBP	13,313,395	1,294,378	9.7%
ARPA	2,001,672	313,662	15.7%
CF Carryforward	163,216		
Total	533,849,942	162,676,052	30.5%

Other House or Senate Bills

The Department of Administration has approximately \$234.8 million of appropriation authority in other bills, which is 44.0% of the total appropriation authority. Of this amount, approximately \$3.6 million, or 1.5%, is expended at this point in the fiscal year. Approximately \$229.6 million, or 97.8%, of the total authority comes from HB 10, which supports long-range information technology (IT) projects within the State Information Technology Services Division. These projects often span multiple years, with appropriation authority transferred to relevant state agencies as the projects progress, which often leads to lower annual expenditures.

Further details on the Long-Range Information Technology Program can be found here: [Legislative Fiscal Division's Interim Budget Committee - Section F](#). The table below outlines the original appropriations, expenditures prior to FY 2026 and transfers to other agencies, FY 2026 appropriations, FY 2026 expenditures, and the percentage expended for other house and senate bill appropriations within the Department of Administration.

Department of Administration Other House and Senate Bill Authority FY 2026 as of November 30, 2025						
		Original Appropriation	Expenditures Prior to the Start of FY 2026 and Total Transferred	FY 2026 Appropriation	FY 2026 Expenditures	Percent Expended
Director's Office						
HB 834 - Government Data and Impact Commission	\$ 75,000	\$ -	\$ 75,000	\$ 3,835	5.1%	
Program Total	75,000	-	75,000	3,835	5.1%	
Architecture and Engineering Division						
HB 5 - Major Repair Projects	2,000,000	167,084	1,832,916	-	0.0%	
Program Total	2,000,000	167,084	1,832,916	-	0.0%	
General Services Division						
HB 856 - Capitol Complex	6,000,000	2,844,646	3,155,354	624,709	19.8%	
Program Total	6,000,000	2,844,646	3,155,354	624,709	19.8%	
State Information Technology Services						
HB 10 - Long Range Information Technology Projects						
Department of Revenue						
2025 Session HB 10 Projects	500,000	-	500,000	-	0.0%	
Department of Administration						
Montana Cybersecurity Enhancement Project	19,362,397	16,414,498	2,947,899	186,107	6.3%	
E-Discovery/Public Information Request Software	1,800,000	806,699	993,301	192,743	19.4%	
Montana Cybersecurity Enhancement Project	500,000	357,284	142,716	-	0.0%	
HVAC Network	500,000	-	500,000	-	0.0%	
2025 Session HB 10 Projects	21,753,700	-	21,753,700	2,569,438	11.8%	
Department of Labor and Industry						
Unemployment Insurance Tax System Upgrade	5,000,000	-	5,000,000	-	0.0%	
Unemployment Insurance Benefits System Replacement	45,000,000	-	45,000,000	-	0.0%	
Department of Public Health and Human Services						
Comprehensive Child Welfare Information System	25,075,762	11,643,452	13,432,310	-	0.0%	
Montana Child Support Enforcement Automated System	31,521,000	700,000	30,821,000	-	0.0%	
Electronic Health Records & Billing - State Facilities	27,607,304	-	27,607,304	-	0.0%	
Montana Healthcare Programs Modularity Project	49,406,130	29,456,130	19,950,000	-	0.0%	
SNAP Employment & Training Enterprise Solution	2,800,000	-	2,800,000	-	0.0%	
Montana Family Safety Information System (MFSIS)	5,445,238	-	5,445,238	-	0.0%	
2025 Session HB 10 Projects	7,895,806	-	7,895,806	-	0.0%	
Department of Fish, Wildlife, and Parks						
Automated Licensing System Replacement	10,000,000	2,673,810	7,326,190	-	0.0%	
Montana Department of Transportation						
2025 Session HB 10 Projects	7,500,000	-	7,500,000	-	0.0%	
Department of Livestock						
Google AI	425,000	375,000	50,000	-	0.0%	

Department of Natural Resources and Conservation						
Financial Management System	1,204,000	650,000	554,000	-	0.0%	
Trust Land Management System Customer Portal	2,000,000	-	2,000,000	-	0.0%	
Trust Land Management System II	2,000,000	2,000,000	-	-	100.0%	
2025 Session HB 10 Projects	4,890,000	-	4,890,000	-	0.0%	
Judicial Branch						
2025 Session HB 10 Projects	1,475,000	-	1,475,000	-	0.0%	
Department of Justice						
Mainframe Transition	4,034,822	1,626,438	2,408,384	-	0.0%	
Public Service Commission						
Software Modernization (REDDI)	1,496,436	1,415,566	80,870	-	0.0%	
Office of the State Public Defender						
2025 Session HB 10 Projects	124,135	-	124,135	-	0.0%	
Department of Corrections						
Offender Management System	17,750,000	8,390,768	9,359,232	-	0.0%	
2025 Session HB 10 Projects	3,111,000	-	3,111,000	-	0.0%	
Office of the Commissioner of Higher Education						
2025 Session HB 10 Projects	5,018,360	-	5,018,360	-	0.0%	
Montana Historical Society						
2025 Session HB 10 Projects	947,500	-	947,500	-	0.0%	
Program Total	306,143,590	76,509,645	229,633,945	2,948,288	1.3%	
State Human Resources Division						
HB 13 - Labor Management Training Program (Biennial)	75,000	-	75,000	6,700	8.9%	
Program Total	75,000	-	75,000	6,700	8.9%	
Total	\$ 314,293,590	\$ 79,521,374	\$ 234,772,216	\$ 3,583,532	1.5%	

Statutory Appropriations

Statutory appropriations in the Department of Administration total approximately \$209.3 million in FY 2026, which is 39.2% of the total appropriation authority. Statutory appropriation authority consists of \$90.9 million general fund, \$9.8 million state special revenue funds, \$4.9 million federal special revenue funds, and \$103.6 million proprietary funds. Of the \$209.3 million appropriated in FY 2026, \$98.9 million, or 47.2%, is expended at this point in the fiscal year. The table below shows appropriations, expenditures, remaining appropriations, and the percent expended for individual statutory appropriations in the Department of Administration.

Department of Administration Statutory Appropriations and Expenditures FY 2026 as of November 30, 2025					
	Appropriations	Expenditures	Remaining Appropriations	Percent Expended	
General Fund					
Local Government PERS Contribution	\$ 705,862	\$ 245,306	\$ 460,556	34.8%	
School District PERS Contribution	761,323	221,344	539,979	29.1%	
TRS GABA Contribution	1,151,263	171,997	979,266	14.9%	
TRS Supplemental Contribution	49,018,339	28,577,846	20,440,493	58.3%	
State Fund	535,000	-	535,000	0.0%	
Public Employees Retirement Transfer	36,039,832	15,016,592	21,023,240	41.7%	
Bank Charges	2,437,227	539,291	1,897,936	22.1%	
Fees and Bond Costs	207,750	-	207,750	0.0%	
Total General Fund	90,856,596	44,772,376	46,084,220	49.3%	
State Special Revenue					
Mineral Impact Fees	8,518,514	7,129,695	1,388,819	83.7%	
State Building Insurance Proceeds	1,310,000	1,226,465	83,535	93.6%	
Total State Special Revenue	9,828,514	8,356,160	1,472,354	85.0%	
Federal Special Revenue					
Taylor Grazing Fees	125,000	-	125,000	0.0%	
Forest Reserve Funds	4,802,450	-	4,802,450	0.0%	
Total Federal Special Revenue	4,927,450	-	4,927,450	0.0%	
Enterprise Funds					
Lottery Prizes	88,500,000	38,077,098	50,422,902	43.0%	
Lottery Commissions	7,146,350	2,461,988	4,684,362	34.5%	
Lottery Vendor Fees	8,000,000	5,201,619	2,798,381	65.0%	
Total Enterprise Funds	103,646,350	45,740,706	57,905,644	44.1%	
Total Statutory Appropriations	\$ 209,258,910	\$ 98,869,241	\$ 110,389,669	47.2%	

There have been no expenditures from the appropriations for Taylor grazing fees and forest reserve funds because these appropriations do not get expended until the agency receives federal distributions, typically in the spring.

Long-Range Building Program (LRBP)

The Architecture and Engineering Division has approximately \$13.3 million in Long-Range Building Program authority for FY 2026. This authority is for the Infrastructure Investment and Jobs Act (IIJA) Broadband Equity, Access, and Deployment (BEAD) Program, a federal fund designed to improve broadband internet infrastructure. At this point in FY 2026, \$1.3 million, or 9.7%, of these funds are expended, primarily on consulting and professional services. The IIJA BEAD funds will remain available until June 30, 2032.

American Rescue Plan Act (ARPA)

The Department of Administration has ARPA authority of \$2.0 million that continued into FY 2026 for the broadband program. As of November 30, 2025, the Department of Administration expended \$314,000 primarily for program implementation and administrative support. Funding for the broadband program will remain available until the end of December 2026.

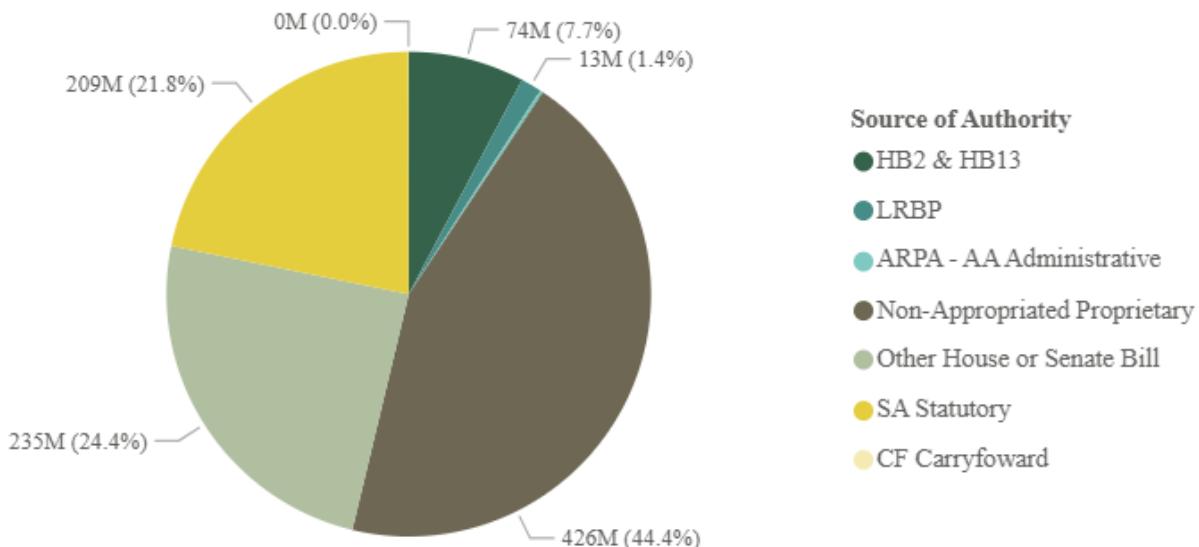
Carryforward

The Department of Administration has carryforward authority of approximately \$163,000, which is less than 1.0% of the total appropriation authority in FY 2026. Of the total carryforward authority, \$39,000 is in general fund, \$49,000 in state special revenue, \$1,500 in federal special revenue, and \$73,000 in enterprise proprietary funds. To date, the Department of Administration has expended 0.0% of this authority.

EXPENDITURE AUTHORITY

The total expenditure authority for the agency is shown in the following pie chart. Total expenditure authority includes non-budgeted proprietary funding and non-budgeted expenditures such as transfers or indirect costs which are not included in the previous pie chart as the expenditures are not appropriated.

Modified Budget & Expended Budget by Source of Authority



Source of Authority	Modified Budget	Expended Budget	% Expended
Non-Appropriated Proprietary	426,472,208	186,098,628	43.6%
Other House or Senate Bill	234,772,216	3,583,532	1.5%
SA Statutory	209,258,910	98,869,241	47.2%
HB2 & HB13	74,340,534	58,656,110	78.9%
LRPB	13,313,395	1,294,378	9.7%
ARPA	2,001,672	313,662	15.7%
CF Carryforward	163,216		
Total	960,322,150	348,815,551	36.3%

Non-Budgeted Proprietary Fund Authority

A significant portion, or 44.4%, of the funding for the Department of Administration is from non-budgeted proprietary funds and totals \$426.5 million at this point in FY 2026. These funds support the operations of several programs in the Department of Administration. Overall, the department has expended 43.6% of the non-budgeted proprietary funds. The table below shows the budget, expenditures, remaining budget, and percent expended for each of the non-budgeted proprietary funds as of November 30, 2025.

Department of Administration Non-Budgeted Proprietary Funds FY 2026 as of November 30, 2025					
	Appropriations	Expenditures	Remaining Appropriations	Percent Expended	
Director's Office					
Management Services	\$ 3,157,612	\$ 1,075,263	\$ 2,082,349	34.1%	
Chief Data Office	618,579	190,050	428,529	30.7%	
Office of Public Information Requests	448,159	107,135	341,024	23.9%	
Program Total	4,224,350	1,372,448	2,851,902	32.5%	
State Financial Services Division					
SABHRS Financials	5,463,389	2,049,823	3,413,566	37.5%	
Warrant Writing	1,103,887	562,820	541,067	51.0%	
Local Government Services Bureau	973,867	285,058	688,809	29.3%	
Program Total	7,541,143	2,897,701	4,643,442	38.4%	
General Services Division					
Facilities Management	13,794,899	5,750,587	8,044,312	41.7%	
Print and Mail Services	13,309,483	6,325,030	6,984,453	47.5%	
Surplus Property	976,902	344,933	631,969	35.3%	
Program Total	28,081,284	12,420,550	15,660,733	44.2%	
State Information Technology Services					
SITSD Proprietary	80,009,120	39,717,524	40,291,596	49.6%	
Electronic Government Services	1,364,993	129,298	1,235,695	9.5%	
Program Total	81,374,113	39,846,822	41,527,291	49.0%	
Health Care and Benefits Division					
Group Benefits Claims	253,271,771	107,858,876	145,412,895	42.6%	
Flexible Spending Funds	7,891,226	2,818,871	5,072,355	35.7%	
Workers' Compensation Management	391,370	123,957	267,413	31.7%	
Program Total	261,554,367	110,801,703	150,752,664	42.4%	
State Human Resources Division					
Human Resources Information Services	4,466,408	1,765,671	2,700,737	39.5%	
Enterprise Learning and Development	611,329	312,931	298,398	51.2%	
Group Benefits Claims	350,573	50,098	300,475	14.3%	
Program Total	5,428,310	2,128,700	3,299,610	39.2%	
Risk Management and Tort Defense Division					
Agency Insurance	38,268,641	16,630,702	21,637,939	43.5%	
Program Total	38,268,641	16,630,702	21,637,939	43.5%	
Total	\$ 426,472,208	\$ 186,098,628	\$ 240,373,580	43.6%	

HB 2 BUDGET MODIFICATIONS

The following chart shows the HB 2 budget as passed by the legislature, including the pay plan, and the HB modified budget from July 1, 2025, through November 30, 2025. 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	HB 2 Budget	Modified Budget	Net Modifications
Department of Administration	74,105,871	74,340,534	234,663
01 DIRECTORS OFFICE	50,329,724	50,329,724	
03 STATE FINANCIAL SERVICES DIV	3,158,414	3,158,414	0
04 ARCHITECTURE & ENGINEERING DIV	3,109,588	3,344,251	234,663
05 STATE PROCUREMENT SERV. DIV.	2,070,734	2,070,734	
14 DIV OF BANKING & FINANCIAL INS	5,226,462	5,226,462	
15 MONTANA STATE LOTTERY	6,937,316	6,937,316	
23 STATE HUMAN RESOURCES DIVISION	2,452,694	2,452,694	
37 MONTANA TAX APPEAL BOARD	820,939	820,939	
Total	74,105,871	74,340,534	234,663
Expenditure Type	HB 2 Budget	Modified Budget	Net Modifications
61000 Personal Services	15,274,135	15,463,379	189,244
62000 Operating Expenses	8,689,522	8,734,941	45,419
63000 Equipment & Intangible Assets	50,000	50,000	
65000 Local Assistance	38,979	38,979	
68000 Transfers-out	49,744,535	49,744,535	
69000 Debt Service	308,700	308,700	
Total	74,105,871	74,340,534	234,663
Fund Type	HB 2 Budget	Modified Budget	Net Modifications
01 General	58,108,415	58,108,415	
02 State/Other Spec Rev	8,941,049	9,175,712	234,663
03 Fed/Other Spec Rev	28,535	28,535	
06 Enterprise	6,937,316	7,027,872	90,556
06 Internal Service	90,556	0	-90,556
Total	74,105,871	74,340,534	234,663

The Department of Administration made two HB 2 budget modifications between July 1, 2025, and November 30, 2025, which include:

- A transfer of \$235,000 state special revenue appropriations from the Department of Environmental Quality to the Architecture and Engineering Division for the State Building Energy Conservation Program (SBECP). The 2025 Legislature passed HB 217, which directed this move. This includes \$189,000 in personal services funding for 2.00 PB and \$45,000 in operating expenses
- A transfer of approximately \$91,000 from an internal service fund to enterprise fund. The State Financial Services Division has 1.00 PB that is funded by the Board of Investments. HB 863 of the 2025 Legislative Session changed funding for the Board of Investments from an internal service fund to an enterprise fund, so the funding for this position needed to be adjusted

HB 2 APPROPRIATION AUTHORITY

The following chart shows the appropriated budget for the agency compared to expenditures through November 30, 2025.

Monthly Expenditures Compared to Historical Average

● FY 2026 Budget ● Cumulative Monthly FY 2026 Expenditures ● Cumulative Historical Monthly Average Expended

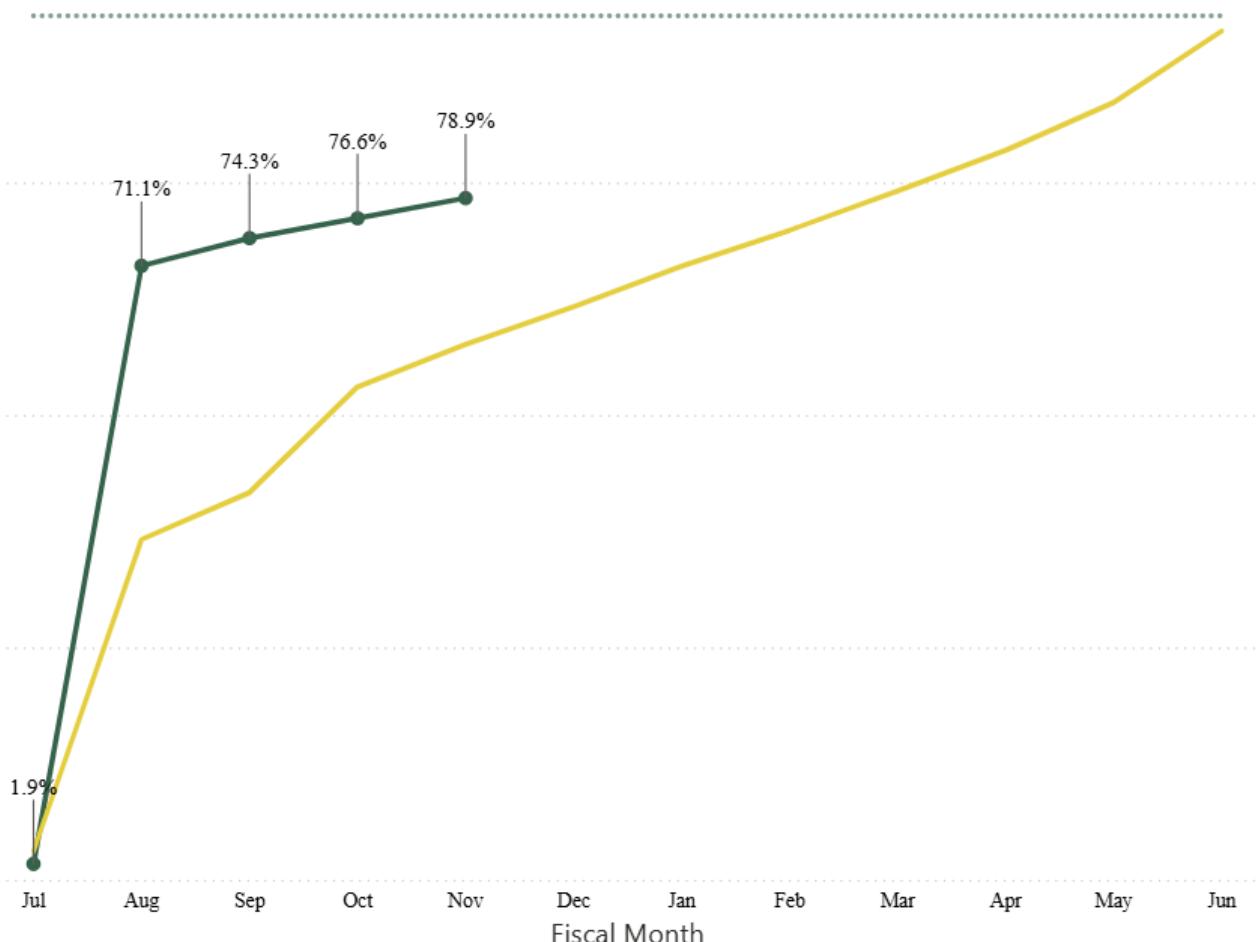
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Program Name	Modified Budget	Expend Budget	% Expended
01 DIRECTORS OFFICE	50,329,724	49,909,221	99.2%
03 STATE FINANCIAL SERVICES DIV	3,158,414	950,426	30.1%
04 ARCHITECTURE & ENGINEERING DIV	3,344,251	1,257,096	37.6%
05 STATE PROCUREMENT SERV. DIV.	2,070,734	896,880	43.3%
14 DIV OF BANKING & FINANCIAL INS	5,226,462	1,901,090	36.4%
15 MONTANA STATE LOTTERY	6,937,316	2,620,642	37.8%
23 STATE HUMAN RESOURCES DIVISION	2,452,694	810,956	33.1%
37 MONTANA TAX APPEAL BOARD	820,939	268,927	32.8%
Total	74,340,534	58,615,238	78.8%

Expenditure Type	Modified Budget	Expended Budget	% Expended
Personal Services	15,463,379	5,732,545	37.1%
Operating Expenses	8,734,941	2,987,577	34.2%
Equipment & Intangible Assets	50,000		
Local Assistance	38,979	3,887	10.0%
Transfers-out	49,744,535	49,744,535	100.0%
Debt Service	308,700	146,693	47.5%
Total	74,340,534	58,615,238	78.8%

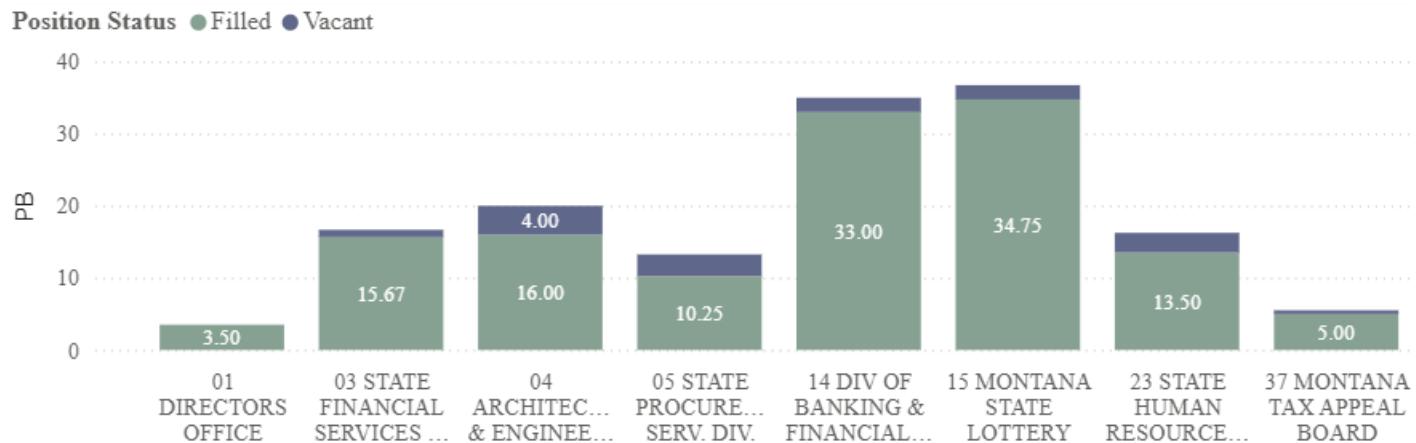
Fund Type	Modified Budget	Expended Budget	% Expended
01 General	58,108,415	52,621,665	90.6%
02 State/Other Spec Rev	9,175,712	3,334,044	36.3%
03 Fed/Other Spec Rev	28,535	3,697	13.0%
06 Enterprise	7,027,872	2,655,832	37.8%
06 Internal Service	0	0	NaN
Total	74,340,534	58,615,238	78.8%

The Department of Administration has expended 78.8% of its HB 2 authority in FY 2026 as of November 30, 2025. The high percentage expended at the beginning of the fiscal year, compared to the Olympic average, is in the Director's Office and due to budgeted general fund transfers to the Long-Range Building Program's major maintenance repair project account and the capital development project account. Approximately \$33.3 million general fund was transferred to the capital development long-range building program account, as outlined by 17-7-208, MCA, and \$16.5 million was transferred to the major repair long-range building program account, as outlined by 17-7-222, MCA at the beginning of FY 2026.

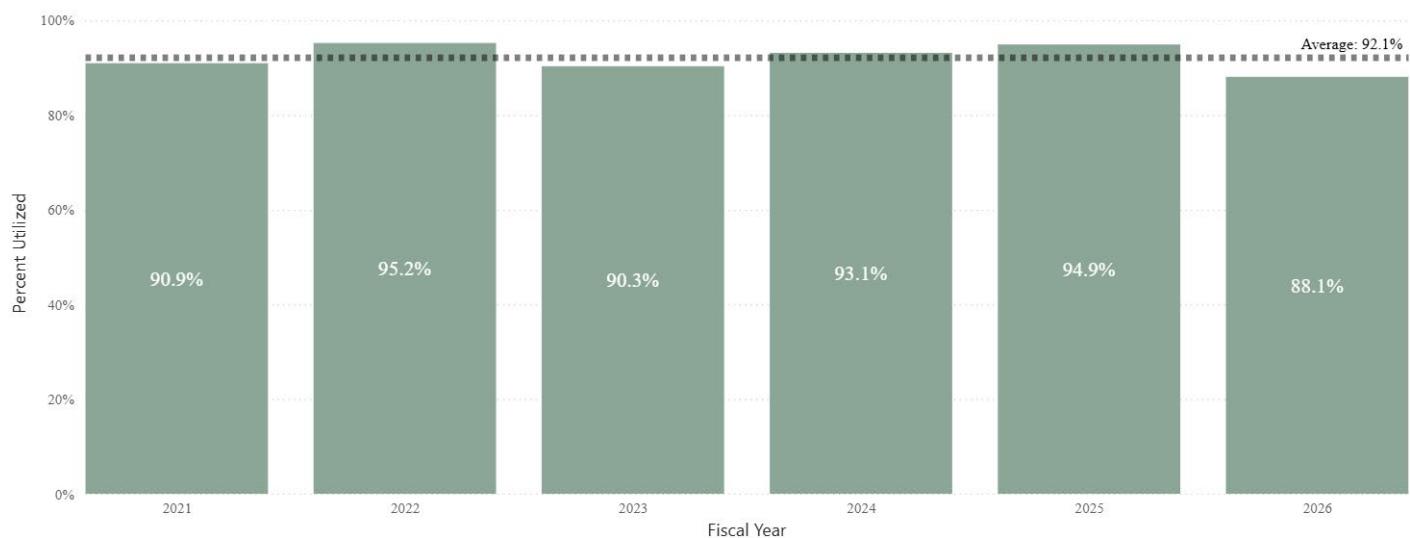
The State Financial Services Division's approximately \$3.2 million HB 2 appropriations are 30.1% expended as of November 30, 2025. The slightly lower expenditures are due to the \$1.2 million appropriation for the statewide audit. This is a biennial appropriation that can be expended in either fiscal year, and expenditures are dependent on the audit cycle.

Personal Services

Appropriations for personal services in the Department of Administration total \$15.5 million and are 37.1% expended through November 30, 2025. The following chart shows the filled and vacant PB within the agency as of November 1, 2025. The department has 146.92 HB 2 PB and 89.6% of these positions were filled.



The chart below shows the hourly utilization percentage for the Department of Administration between July 1 and November 1 for each fiscal year when compared to the available hours for the same time period. Overall, the department has utilized 88.1% of the available hours at this point in FY 2026, as shown in the chart below. This is slightly below the average utilization rate of 92.1%.



The chart below shows the vacant PB in each division, the number of months each position has been vacant, and the midpoint hourly pay rate. Of the 15.25 PB that are vacant, 13.00 PB have been vacant for one year or less. The positions in the State Human Resources Division are strategically not being filled at this time because of the initiative to centralize human resources (HR). As the centralization of HR becomes more defined, these positions are anticipated to be filled in a way that aligns with organizational needs and the long-term goals. Additionally, many of positions in the department are currently in the recruitment process or have been hired but have not started yet. Additional details on these positions include:

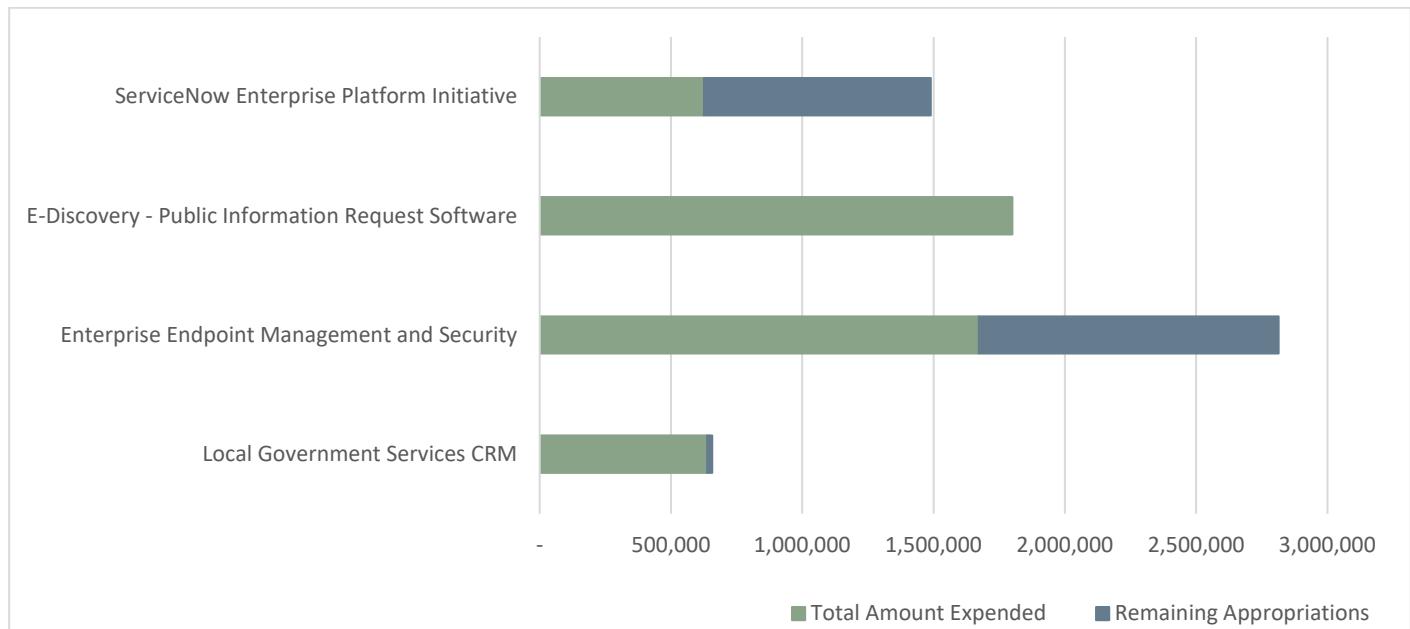
- Architecture and Engineering Division
 - Accountant – position was posted in early November and is currently in the recruitment process
 - Architect – position was posted in September and is currently in the recruitment process
 - Project Manager – position is currently posted and is currently in the recruitment process
- State Procurement Services Division
 - Procurement Supervisor – position is currently posted and is currently in the recruitment process
- Division of Banking and Financial Institutions
 - Associate Bank Examiner – this position was converted to a paralegal, posted in early November and is currently in the recruitment process
 - Chief Analyst – position was posted in early November and is currently in the recruitment process
- Montana State Lottery
 - Quality Assurance Analyst - position has been filled and started November 17, 2025

Vacant Positions Report

	PB	Median Months Vacant	Market Midpoint (Hourly)
□ 61010 ADMINISTRATION	15.25	4.08	31.85
□ 03 STATE FINANCIAL SERVICES DIV	1.00	3.38	36.96
Accountant	1.00	3.38	36.96
□ 04 ARCHITECTURE & ENGINEERING DIV	4.00	4.03	42.92
Accountant	1.00	4.03	29.57
Architect	1.00	10.10	47.69
Design Project Manager	1.00	0.52	38.15
Project Manager	1.00	4.03	47.69
□ 05 STATE PROCUREMENT SERV. DIV.	3.00	2.75	31.02
Attorney	1.00	3.21	55.14
Help Desk - Procurement	1.00	2.75	31.02
Procurement Supervisor	1.00	-0.07	28.12
□ 14 DIV OF BANKING & FINANCIAL INS	2.00	8.77	40.52
Associate Bank Examiner	1.00	4.89	32.68
Chief Analyst	1.00	12.66	48.36
□ 15 MONTANA STATE LOTTERY	2.00	4.74	29.42
Quality Assurance Analyst	1.00	5.44	31.02
Sales Rep	1.00	4.03	27.83
□ 23 STATE HUMAN RESOURCES DIVISION	2.75	19.75	29.49
Administrative Assistant	0.50	35.38	18.15
Administrative Assistant 3	1.00	4.13	21.48
Human Resources Manager	0.25	98.69	37.50
State ADA Coord and EO Officer	1.00	4.03	42.24
□ 37 MONTANA TAX APPEAL BOARD	0.50	96.16	7.59
Secretary	0.25	141.38	15.17
Short Term Worker	0.25	50.95	
Total	15.25	4.08	31.85

OTHER ISSUES

Information Technology Project Expenditures



ServiceNow Enterprise Platform Initiative

The ServiceNow Enterprise Platform Initiative is a statewide effort to modernize government services. This project will address inconsistent data, inefficient processes, and poor collaboration by streamlining IT operations through the Project Nova and improving everyday agency services through Project Accelerate. The goal of this project is to deliver faster, more reliable services to citizens and employees while promoting transparency, efficiency, and flexibility across all agencies. This project began March 24, 2025. In the previous report, the project was projected to be completed by October 31, 2025, and this delivery date has been revised to March 31, 2026 because of outstanding decisions and actions for the IT service management module and delays to importing tasks. As of the most recent report, there have been expenditures of \$656,000 from the \$1.5 million budget.

E-Discovery - Public Information Request Software

The implementation of this software supports the new centralized model within the Department of Administration to intake and respond to public information requests for executive branch agencies. The software will track and manage request submissions, allow cross agency collaboration, invoice and track fee payments, and support reporting requirements. System implementation is complete, and 23 executive branch agencies are actively using the system managed by the Office of Public Information Requests (OPIR) within the Department of Administration. All of the \$1.8 million budget has been expended. A post-implementation report has not been released to date.

Enterprise Endpoint Management and Security

This project implemented Tanium, a cybersecurity software that enhances endpoint security, reduces incident response time, and improves the efficiency of IT operations. This project was completed on June 30, 2025, which was passed its original delivery date of October 31, 2024. Approximately \$1.7 million was expended of the \$2.8 million budget. A post-implementation report has been released, and no post-implementation issues were identified.

Local Government Services CRM

This project replaced the current customer relationship manager (CRM) system as it was at the end of its life and unsupported by the vendor. The new CRM system is supported by Hike2. The original budget for this project was \$600,000; this budget has been revised to \$657,500. Additionally, the original delivery date of March 9, 2024 was revised to February 26, 2024. This project is 100.0% complete, and the agency expended \$637,400. A post-implementation report has been released, and no post-implementation issues were identified.