

**LARGEST VARIANCES BY AGENCY - 2015-17 BIENNIUM -  
FEDERAL FUNDS APPROPRIATED AND FEDERAL FUNDS ESTIMATED TO BE RECEIVED**

	<b>Agency</b>	<b>2015-17 Biennium Federal Funds Appropriated</b>	<b>2015-17 Biennium Federal Funds Estimated to Be Received</b>	<b>Variance</b>	<b>Variance Explanation</b>
1	Adjutant General	\$185,048,805	\$127,696,110	(\$57,352,695)	The variance is primarily attributable to decreases of \$13.7 million for interagency hazardous materials and public sector training and planning and \$28.6 million for disaster assistance - public assistance, both relating to timing of completion of the Federal Emergency Management Agency approved projects to county and local governments. Federal spending authority for the Adjutant General is appropriated in excess of the required disaster amount, in order to plan for additional or unforeseen disaster or hazard mitigation projects during the biennium. The remaining \$15.0 million decrease is primarily due to reductions in the federal budget and federally funded construction projects. Of these programs, emergency management performance grants are estimated to be \$2.3 million less than appropriated while state homeland security program grants and Air/Army National Guard contracts are estimated to be \$1.3 million and \$11.4 million less than appropriated, respectively.
2	State Water Commission	\$15,620,238	\$6,646,238	(\$8,974,000)	The variance is primarily attributable to decreases of \$7.5 million for Northwest Area Water Supply Project - Department of the Interior and \$1.5 million for the Federal/State Cooperative Program in Atmospheric Modification Research. Federal funds for the Northwest Area Water Supply Project were not received as the Northwest Area Water Supply Project is under a court order injunction to suspend the project. Federal funds were not requested for the Atmospheric Modification Research program.
3	State Department of Health	\$123,345,053	\$115,110,509	(\$8,234,544)	The variance is primarily attributable to the State Department of Health not receiving certain grants, project delays, and a general reduction in federal funding. The department was not awarded the colorectal cancer grant (\$1.5 million), the stroke prevention program grant (\$1.6 million), or the federal Health and Services Administration oral health mobilization grant (\$936,250) that were appropriated by the 2015 Legislative Assembly. The women, infants, and children - electronic benefits transfer project (\$1.4 million) was delayed and funding will be requested in the 2017-19 biennium. The department was not awarded the Centers for Disease Control and Prevention tobacco grant (\$1.1 million) as North Dakota is ineligible for enhanced funding due to the number of smokers in the state.
4	Department of Public Instruction	\$284,948,800	\$277,201,946	(\$7,746,854)	The variance is primarily attributable to decreases in federal funding as the requested appropriations are based on federal government estimates and actual allocations of each grant vary. The largest decreases in grant programs were, child and adult care food program (\$3.4 million), Assessing Achievement (\$2.8 million), and Individuals with Disabilities Education Act (\$1.9 million). The largest increase in grant programs was the statewide longitudinal data system, which was allocated \$1.2 million more than originally appropriated.
5	Job Service North Dakota	\$69,777,470	\$62,737,971	(\$7,039,499)	The variance is primarily attributable to carryover funding from the 2013-15 biennium being lower than anticipated. Job Service North Dakota anticipated having an additional \$5.6 million in carryover funding for the unemployment insurance program. The decrease in expected carryover funding is primarily due to level funding of the unemployment insurance program and the ending of the Wyoming, Colorado, Arizona, North Dakota (WyCAN) Consortium. In addition, Job Service North Dakota received \$1.1 million less in Department of Human Services funding as the Department of Human Services contract was lower than budgeted.

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6	Upper Great Plains Transportation Institute	\$4,479,226	\$8,630,793	\$4,151,567	The variance is primarily attributable to higher than anticipated funding being received. The Upper Great Plains Transportation Institute (UGPTI) submitted three University Transportation Center (UTC) proposals. If approved, UGPTI would receive an additional \$893,069 for the Small Urban and Rural Transit Center program. In addition, UGPTI anticipates receiving an additional \$1.9 million from the UTC - Mountain Plains Consortium (MPC), which will be used for the MPC research and education program. The Upper Great Plains Transportation Institute also anticipates receiving \$2.3 million in funding for UTC subawards in tribal livability and maritime research. Lastly, UGPTI expects a decrease of \$981,946 for the Transportation Safety Systems Center program due to decrease in federal appropriations.
7	Public Service Commission	\$12,752,230	\$8,687,941	(\$4,064,289)	The variance is primarily attributable to actual federal grant awards received being less than appropriated. The decrease is primarily due to a \$3.4 million decrease in the abandoned mine and land reclamation program and a decrease of \$574,089 in the regulation of surface coal mining and surface effects of underground coal mining program.
8	Department of Human Services	\$2,074,351,759	\$2,070,779,181	(\$3,572,578)	The variance is primarily attributable to decreases in caseload. The largest decreases were in the low-income home energy assistance program (\$15.8 million), food stamps electronic benefits transfer program (\$7.3 million), and temporary assistance for needy families block grant program (\$3.6 million). There were also increases in some program funding. The Medicaid program received an additional \$29.8 million in federal funding due to higher than expected expenditures for Medicaid Expansion.
9	Department of Corrections and Rehabilitation	\$5,733,326	\$7,962,784	\$2,229,458	The variance is primarily attributable to an unexpected increase in the Victim of Crime Act grant award. Funds from this award must be expended over a 3-year period and as a result, this variance amount will be expended during the 2017-19 biennium.
10	Information Technology Department	\$3,088,121	\$936,370	(\$2,151,751)	The variance is primarily attributable to an expected decrease in FirstNet program expenditures of \$1.3 million. The remaining variance is primarily due to the Information Technology Department not receiving certain grants or a portion of grant funds appropriated.

**LARGEST VARIANCES BY AGENCY - FEDERAL FUNDS ESTIMATED TO BE RECEIVED FOR THE 2017-19 BIENNIUM COMPARED TO THE 2015-17 BIENNIUM**

	Agency	2015-17 Biennium Federal Funds Estimated to Be Received	2017-19 Biennium Federal Funds Estimated to Be Received	Variance	Variance Explanation
1	Department of Human Services	\$2,070,779,181	\$2,262,647,081	\$191,867,900	The variance is primarily attributable to estimated increases in Medicaid, the food stamp program, and the low-income home energy assistance program. The Department of Human Services anticipates federal Medicaid funds for the 2017-19 biennium will exceed 2015-17 funds by \$166.4 million, which is primarily due to Medicaid Expansion, premium rate increases, and increase in the number of recipients. food stamp and food stamp electronic benefits transfer programs are estimated to increase by \$17.7 million due to expected caseload growth and post-production support contract costs for the new food stamp system. The low-income home energy assistance program is estimated to increase by \$5.9 million during the 2017-19 biennium due to an abnormally warm winter during 2015-16 and an expected return to colder temperatures in future winters.

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2	Department of Transportation	\$616,500,000	\$664,300,000	\$47,800,000	The variance is primarily attributable to estimated increases in federal highway funds, which are distributed to states based on a formula of available federal funds. The increase is primarily due to an estimated increase in Federal Highway Administration funding of \$40.0 million and an increase of \$7.3 million in federal rail grants.
3	Adjutant General	\$127,696,110	\$113,285,203	(\$14,410,907)	The variance is primarily attributable to an estimated decrease of \$25.8 million for the disaster assistance public assistance program due to anticipating less disaster-related funding during the 2017-19 biennium. The variance is also attributable to estimated funding increases of \$9 million for Air/Army National Guard contracts and \$1.7 million in predisaster mitigation funding.
4	Upper Great Plains Transportation Institute	\$8,630,793	\$16,611,761	\$7,980,968	The variance is primarily attributable to estimated increases of \$2.8 million for the UTC - MPC, \$1.2 million for the Small Urban and Rural Transit Center, and \$1.9 million in UGPTI other grants and contracts. If awarded, funding from MPC would be used for the MPC research and education program. Funding from the Small Urban and Rural Transit Center would be used for the transit program. Funding from UGPTI other grants and contracts would be awarded to tribal livability and maritime research.
5	Department of Commerce	\$42,868,782	\$37,801,496	(\$5,067,286)	The variance is primarily attributable to a decrease in expected activity for the community development block grant program.
6	Department of Public Instruction	\$277,201,946	\$270,060,734	(\$7,141,212)	The variance is primarily attributable to decreases in federal government estimated state allocations and various grants ending in the 2015-17 biennium. The largest expected decreases in federal allocations are in Title I, Part A (\$6.1 million) and 21 <sup>st</sup> Century afterschool program (\$1.6 million). The largest expected increases in federal allocations are in Assessing Achievement (\$2.4 million), state personnel development grant (\$1.9 million), and Individuals with Disabilities Education Act (\$1.4 million). Grants ending in the 2015-17 biennium include the statewide longitudinal data system, Centers for Disease Control and Prevention state program improvement, and Title II B Math and Science Partnership, which contributes a combined \$8.0 million decrease to the total Department of Public Instruction variance.
7	Department of Corrections and Rehabilitation	\$7,962,784	\$14,544,250	\$6,581,466	The variance is primarily attributable to an unexpected increase in the Victim of Crime Act grant award. Funds from this award must be expended over a 3-year period and as a result, this variance amount will be expended during the 2017-19 biennium.
8	Game and Fish Department	\$32,196,587	\$37,775,000	\$5,578,413	The variance is primarily attributable to estimated increases in federal excise tax. An estimated \$5.0 million in federal excise tax collections will be available for wildlife restoration while an additional \$428,694 is estimated to be available for sportfish restoration.
9	Housing Finance Agency	\$27,241,076	\$31,244,828	\$4,003,752	The variance is primarily attributable to an increase in fair market rents and due to a new program during the 2017-19 biennium--the National Housing Trust Fund. This program will focus on increasing the supply of rental units available for extremely low- and very-low income households to help reduce homelessness in the state.
10	Job Service North Dakota	\$62,737,971	\$58,826,922	(\$3,911,049)	The variance is primarily attributable to decreases of \$2.5 million for the unemployment insurance program due to reduced carryover funding and \$1.2 million for the Reed Act distribution, which is being used over multiple years.