

## Budget 101 Topics

- Budget alignment with strategic plan
- General operating budget
- Enrollment trends
- Enrollment impact on revenue
- Other university funds

## The Annual Budget

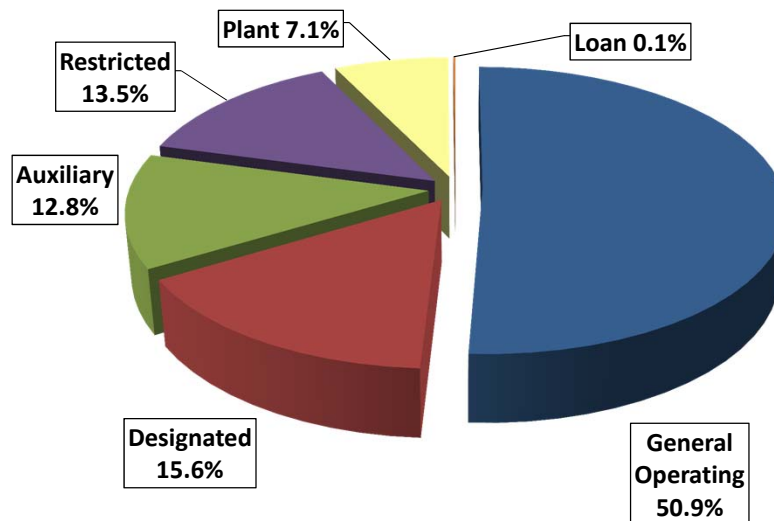
- Aligns and deploys resources to accomplish University strategic goals and objectives
  - Cultivating teaching excellence
  - Provide an environment for learning
  - Promoting and engaging in civic responsibility
  - Enhancing the community
  - Essentials for success
- Maximizes use of financial, physical and human resources



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### FY 2015 Budgeted Expenditures (All Funds)

Total: \$85.2M



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## ***A CLOSER LOOK:***

### ***General Operating Budget (General Operating Fund)***



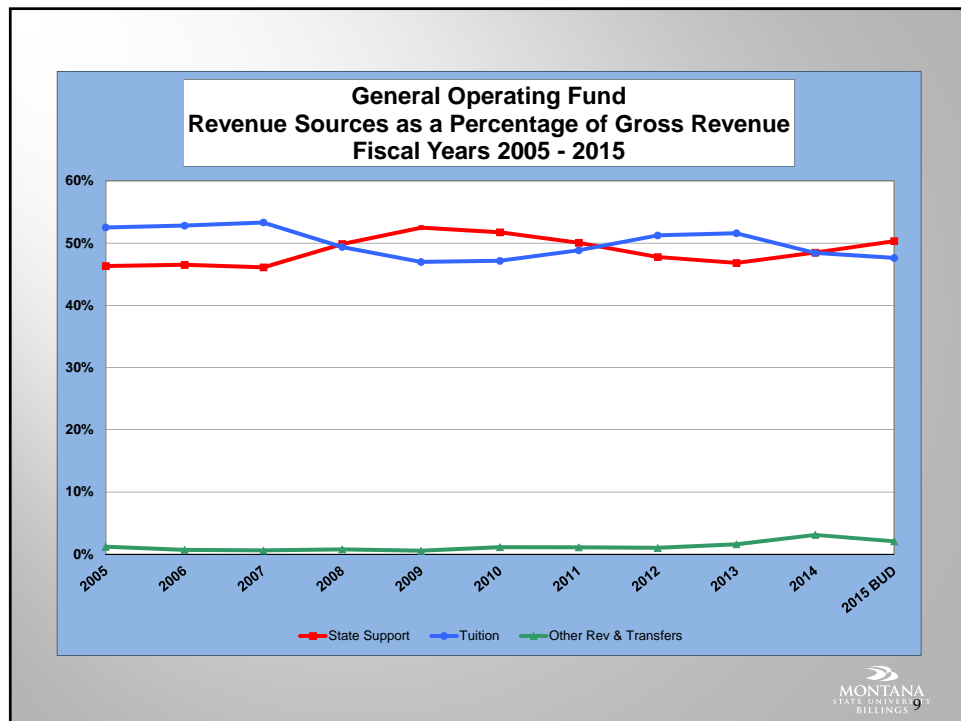
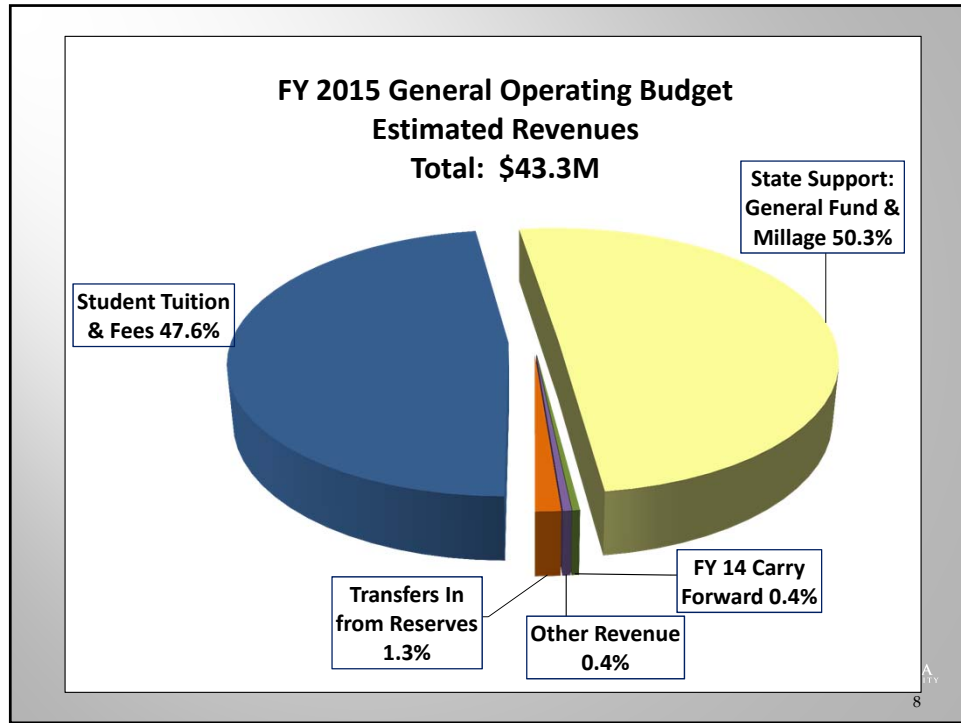
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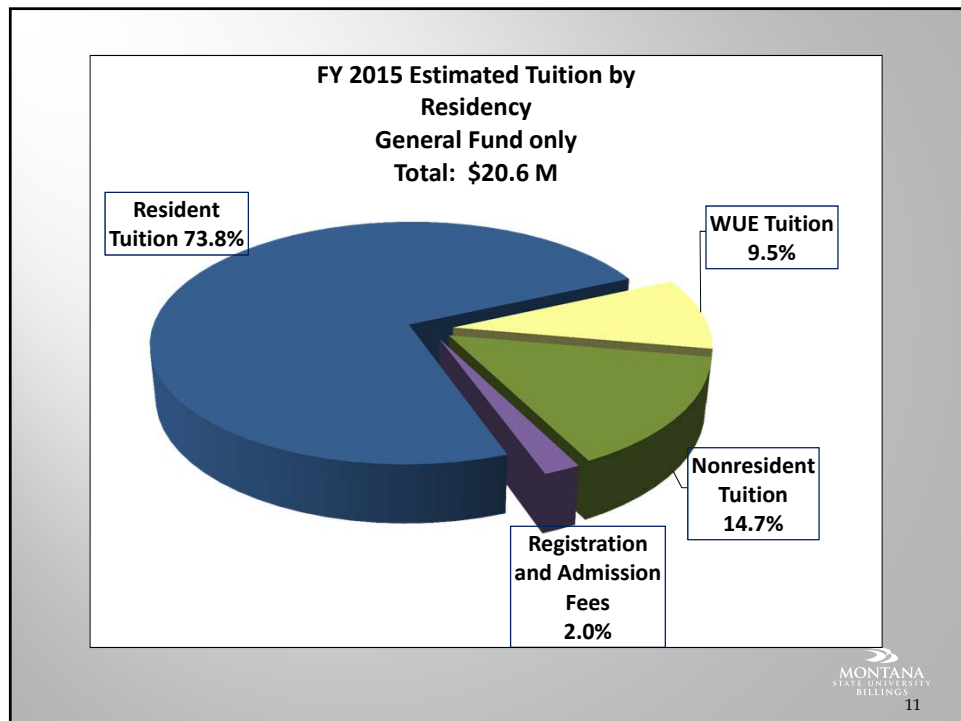
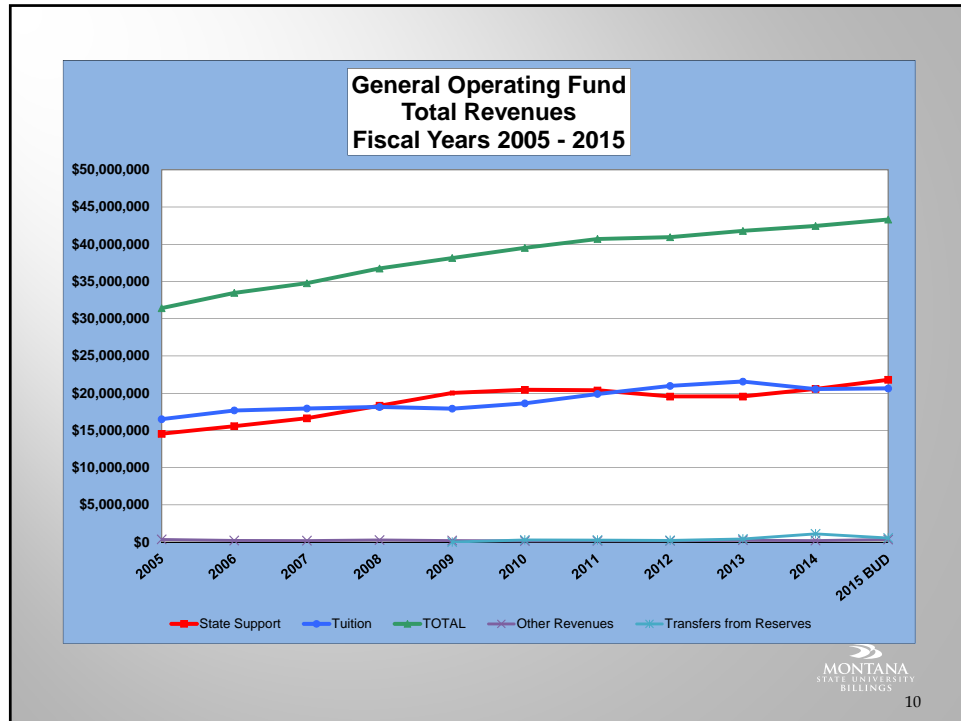
### **Budget Focus: General Operating Fund FY 2015 Budget: \$43.3 M**

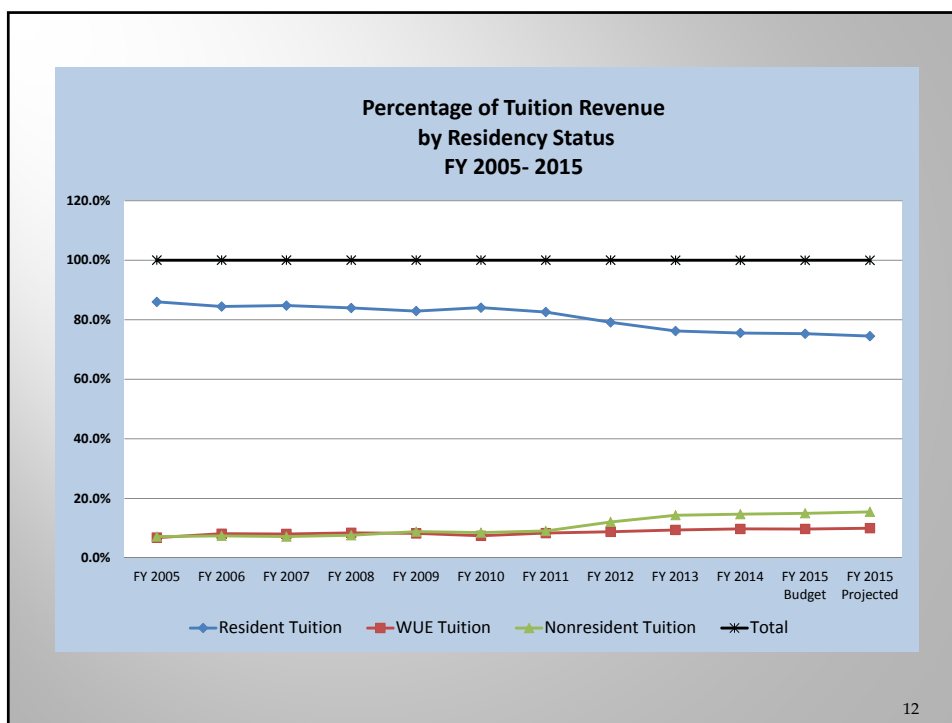
- Also referred to as the State appropriated budget
- Used to record revenues and expenditures associated with University general operations
- Revenues include State appropriations, tuition, miscellaneous fees, investment income and transfers.
- Expenditures are recorded by program in accordance with NACUBO guidelines
- Expenditures are also recorded by account codes to provide reporting by type of expense
- Banner index numbers begin with 61



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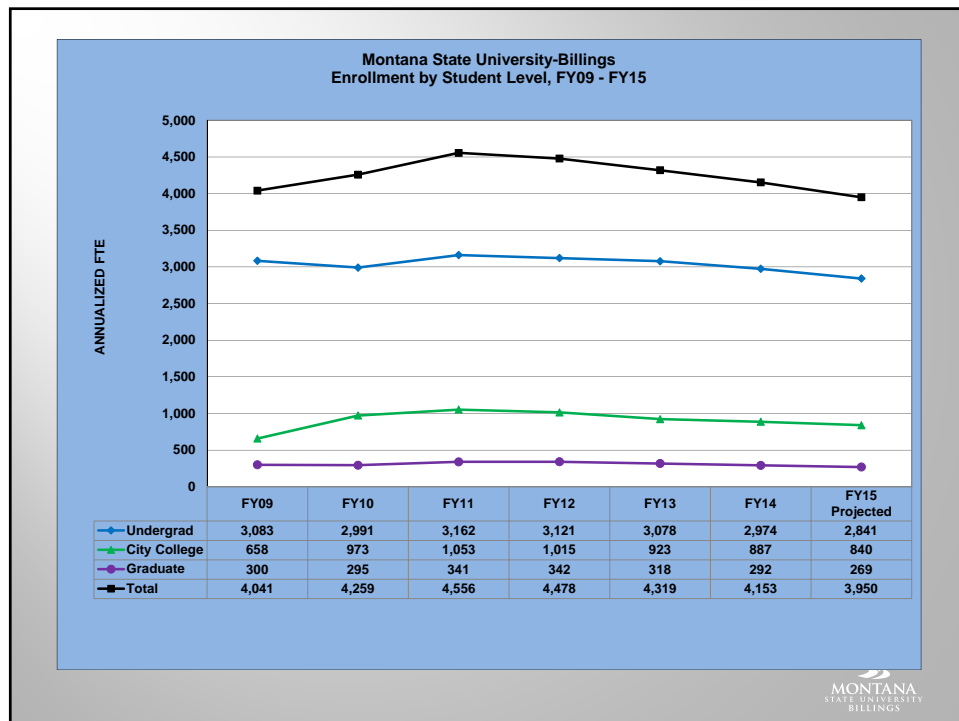
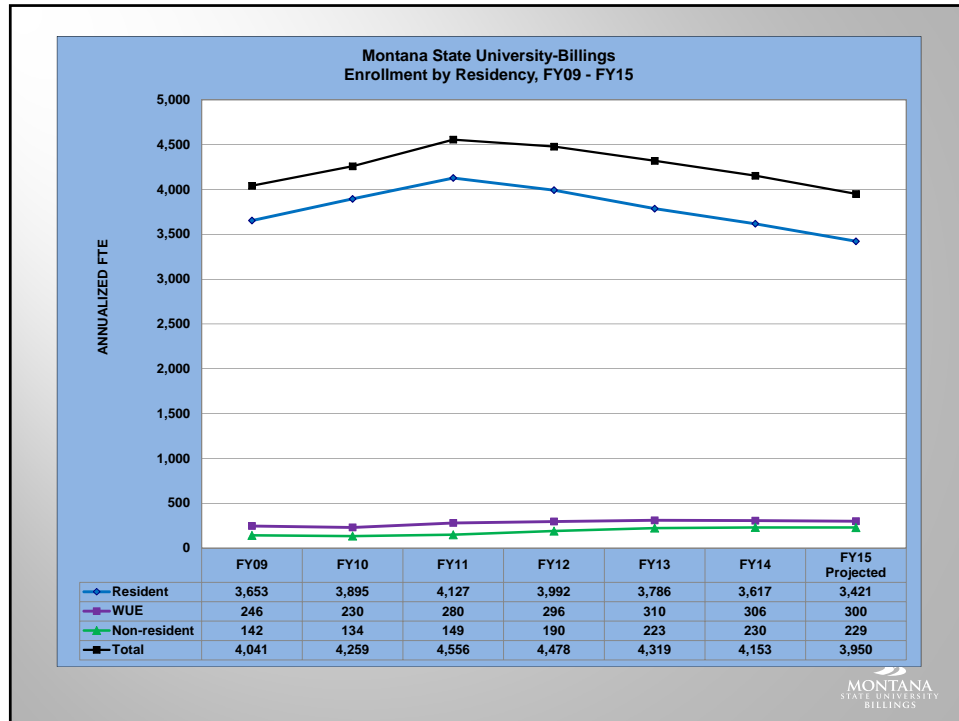


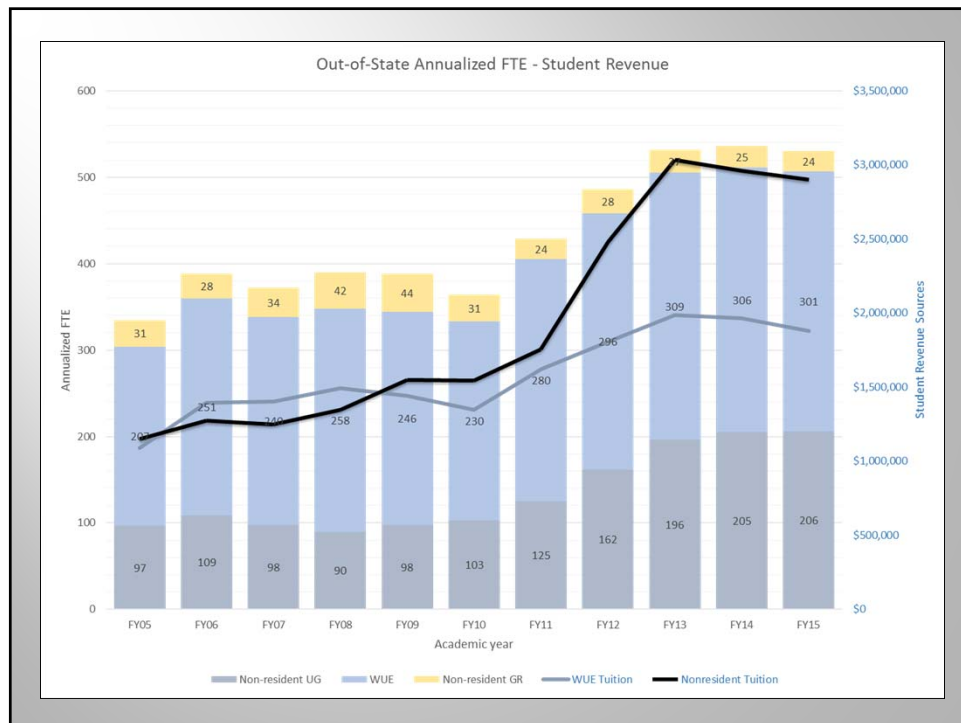
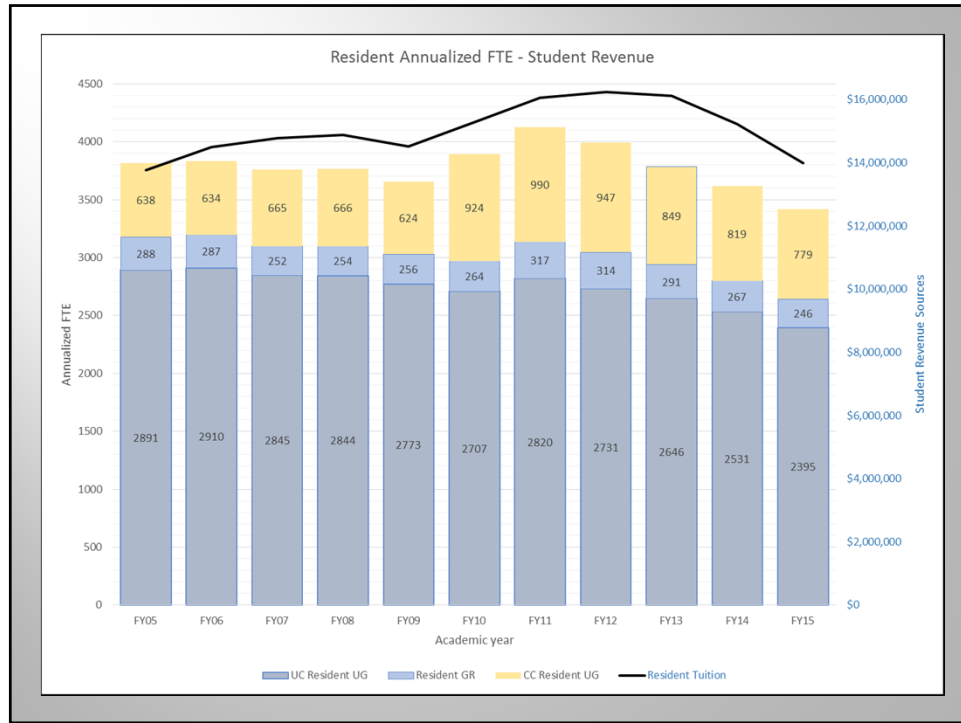




## *A CLOSER LOOK:*

### *Enrollment*







## Enrollment Impact on the Budget

- Tuition collections
  - Estimated tuition used to build the total budget
  - Surplus/shortfall due to variance of actual collections compared to budgeted revenue
  - Variable due to enrollment growth/decline and student credit loads (headcount vs. FTE)
  - Variable with a change in mix of students
    - Dual Enrollment vs. CC vs. 4 year UG vs. Graduate
    - Resident vs. WUE vs. NR vs. NR online only



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## Enrollment Impact on the Budget

- Fee collections
  - Cover salaries and operating expenses
  - Actual revenue available impacted directly by enrollment growth/decline
  - Examples
    - Fee for service
      - Housing, Dining Services, Campus Bookstore
    - Mandatory student fees
      - Student Union, ASC, Library, Athletics



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## Enrollment Impact on the Budget

- State appropriations
  - Legislature appropriates a lump sum to MUS
    - Starts with base from 1<sup>st</sup> year of biennium
    - Adds funding for present law base adjustments, pay plan estimates and fixed costs passed through to state agencies
    - Adds one time only initiatives
    - May adjust the appropriation in relation to enrollment growth/decline



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## Enrollment Impact on the Budget

- MUS allocates state funds to campuses
  - Performance funding
  - One time only appropriations
  - Other BOR initiatives
  - To UM and MSU based on resident student FTE (three year rolling average)
- MSU allocates state funds to MSU campuses
  - Historical funding levels
  - Enrollment growth/decline
  - Present Law Adjustments, Pay Plan and fixed costs



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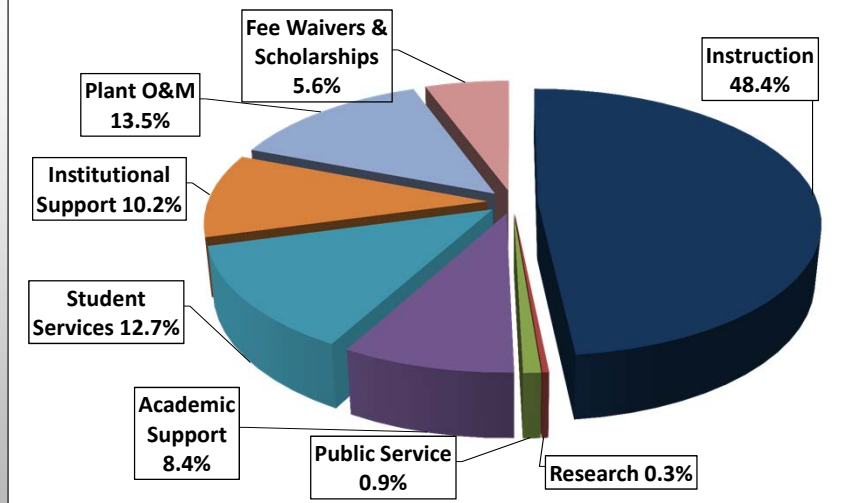
## ***A CLOSER LOOK: GENERAL OPERATING BUDGET BY PROGRAM***

***Expenditures are categorized by program  
according to the associated function or activity***



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**FY 2015 Budgeted General Fund  
Expenditures by Program  
Total: \$43.2M**



## MSUB Program Budget Goals

### ➤ Instruction Program

- Goal: Allocation equal to 50% of total budget
- FY 2014 actual results = 46.6%
- FY 2015 budget = 48.4%

### ➤ Instruction + Academic Support + Student Affairs

- Goal: Allocation equal to 70% of total budget
- FY 2014 actual results = 68.5%
- FY 2015 budget = 69.5%



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### Expenditures by Program

	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Actual	FY15 Budgeted
<b>Instruction</b>					
\$ Expenditures	\$17,376,203	\$20,038,490	\$19,867,656	\$19,710,106	\$20,963,014
Percent of Total	42.6%	49.0%	47.5%	46.6%	48.4%
<b>Academic Support</b>					
\$ Expenditures	\$3,471,883	\$3,285,471	\$3,299,355	\$3,667,966	\$3,653,104
Percent of Total	8.5%	8.0%	7.9%	8.7%	8.4%
<b>Student Services</b>					
\$ Expenditures	\$5,070,286	\$5,354,651	\$5,542,333	\$5,592,755	\$5,511,246
Percent of Total	12.4%	13.1%	13.2%	13.2%	12.7%
<b>SUBTOTAL \$</b>	<b>25,918,372</b>	<b>28,678,612</b>	<b>28,709,344</b>	<b>28,970,827</b>	<b>30,127,364</b>
<b>SUBTOTAL %</b>	<b>63.6%</b>	<b>70.1%</b>	<b>68.6%</b>	<b>68.5%</b>	<b>69.5%</b>



## Expenditures by Program

	FY11 Actual	FY12 Actual	FY13 Actual	FY14 Actual	FY15 Budgeted
<b>Research</b>					
\$ Expenditures	\$126,880	\$125,348	\$166,821	\$143,790	\$141,330
Percent of Total	0.3%	0.3%	0.4%	0.3%	0.3%
<b>Public Service</b>					
\$ Expenditures	\$397,326	\$408,678	\$372,622	\$382,003	\$374,276
Percent of Total	1.0%	1.0%	0.9%	0.9%	0.9%
<b>Institutional Support</b>					
\$ Expenditures	\$4,262,901	\$3,901,135	\$3,806,327	\$4,240,695	\$4,403,395
Percent of Total	10.5%	9.5%	9.1%	10.0%	10.2%
<b>Plant O &amp; M</b>					
\$ Expenditures	\$7,878,722	\$5,560,180	\$6,439,272	\$6,010,747	\$5,837,914
Percent of Total	19.3%	13.6%	15.4%	14.2%	13.5%
<b>Scholarship and Fellowships</b>					
\$ Expenditures	\$2,174,656	\$2,209,715	\$2,359,891	\$2,541,394	\$2,437,190
Percent of Total	5.3%	5.4%	5.6%	6.0%	5.6%
<b>Total</b>					
\$ Expenditures	<b>\$40,758,857</b>	<b>\$40,883,668</b>	<b>\$41,854,277</b>	<b>\$42,289,456</b>	<b>\$43,321,469</b>
Percent of Total	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>	<b>100.0%</b>

MONTANA  
STATE UNIVERSITY  
BILLINGS

## Program Descriptions

### ➤ Program 01 - Instruction – Indexes 611XXX

General academic activities: Faculty salaries, Instructional materials and equipment, departmental support and supplies

### ➤ Program 02 - Research – Indexes 612XXX

Organized faculty research: CARE Grants & Center for Applied Economic Research

MONTANA  
STATE UNIVERSITY  
BILLINGS

## Program Descriptions

### ➤ **Program 03 - Public Service – Indexes 613XXX**

Organized activities explicitly designed to serve the public:  
KEMC/Yellowstone Public Radio & Montana Center for Inclusive Education

### ➤ **Program 04 - Academic Support – Indexes 614XXX**

Support services for the institution's primary missions of instruction, research, and public service: academic deans, library, advising center, Office of Grants and Sponsored Programs



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## Program Descriptions

### ➤ **Program 05 - Student Services–Indexes 615XXX**

Administrative offices and activities contributing to students' emotional and physical well-being: Registrar, Financial Aid, Career Services, Diversity Support Services, Disability Support Services, and Athletics

### ➤ **Program 06 - Institutional Support - Indexes 616XXX**

Central executive-level activities that serve all functional areas concerned with the management and planning for the institution: Chancellor's and Vice Chancellors' offices, budget, financial and business services, human resources, and public relations



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## Program Descriptions

### ➤ **Program 07 – Operation and Maintenance of Plant - Indexes 617XXX**

All expenditures of general operating funds used to provide services and general maintenance and repair related to grounds and facilities. Includes custodial and grounds operations, utilities, insurance, safety and security

### ➤ **Program 08 – Fee Waivers and Scholarships Indexes 618XXX**

Mandatory and discretionary tuition waivers and institutional scholarships as authorized by the Board of Regents



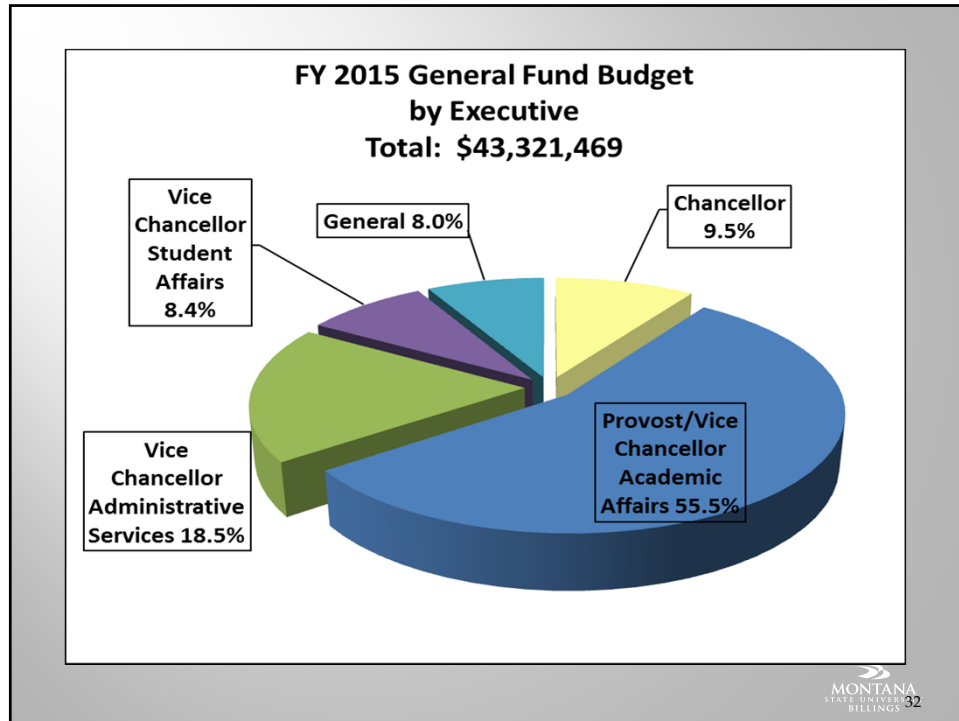
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## ***A CLOSER LOOK: GENERAL OPERATING BUDGET BY EXECUTIVE***

***Budget responsibility follows the  
University's  
organizational chart***



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## ***A CLOSER LOOK: OTHER UNIVERSITY FUNDS***

***Revenues and expenditures are  
categorized into different fund types  
based on the source (revenue) and use  
(expenditure) of those funds***



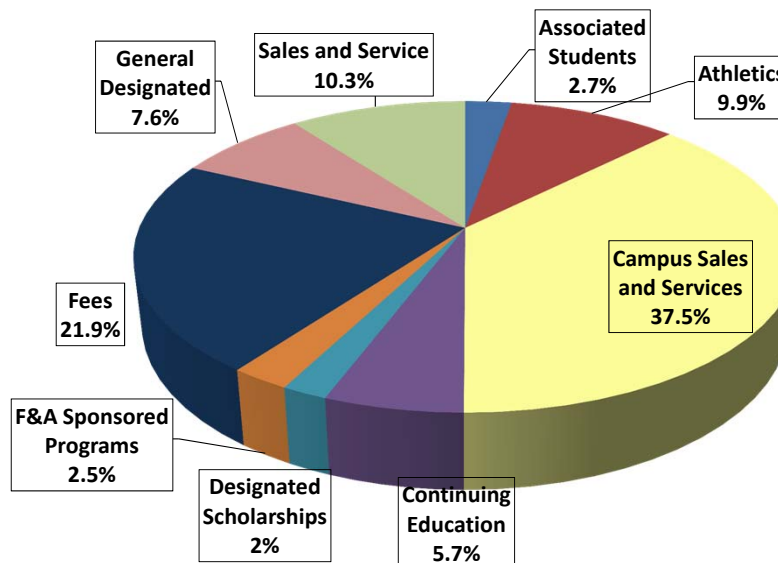
## Designated Fund

- Used to record financial activity associated with general operations
- Includes internal service centers which accumulate costs to recharge to other funds (IT, print shop, telephones, maintenance service, etc.)
- Includes self support or specialized activities which collect a fee or generate revenue (resale, course fee, MSUB Extended Campus, athletics, student fees)
- Fund Balances carry over from year to year
- Banner index numbers begin with 63



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**FY 2015 Designated Budget by Area**  
**Total \$13.2M**



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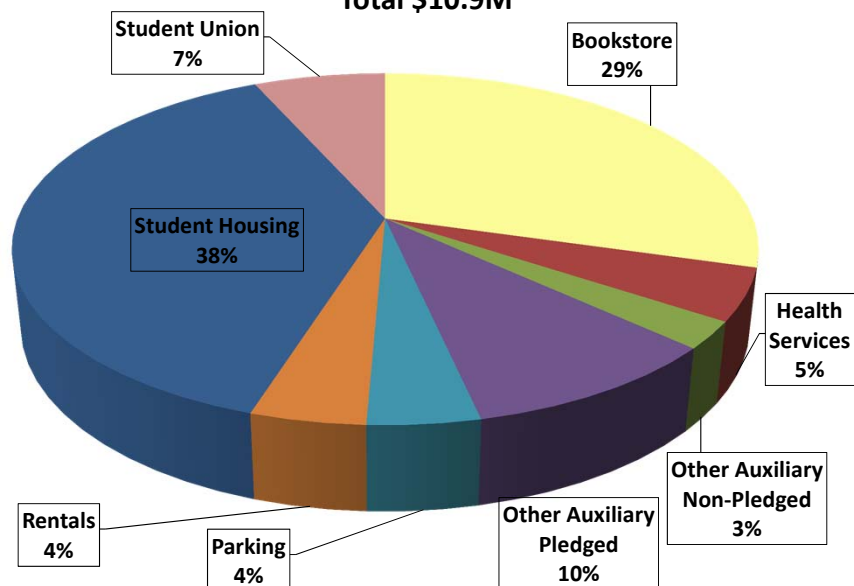
## Auxiliary Fund

- Used to record financial activity of on-campus services provided to students, faculty, or staff for a fee
- Fees may be applied to all students (Student Union Fee, Health Service Fee) or charged in exchange for goods and services (Campus Store)
- Examples: residence halls, food services, Campus Store, health services, rental housing, parking
- Excess revenue is generally pledged for repayment of revenue bonds
- Fund Balances carry over from year to year
- Banner index numbers begin with 64



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**FY 2015 Auxiliary Budget by Area**  
**Total \$10.9M**



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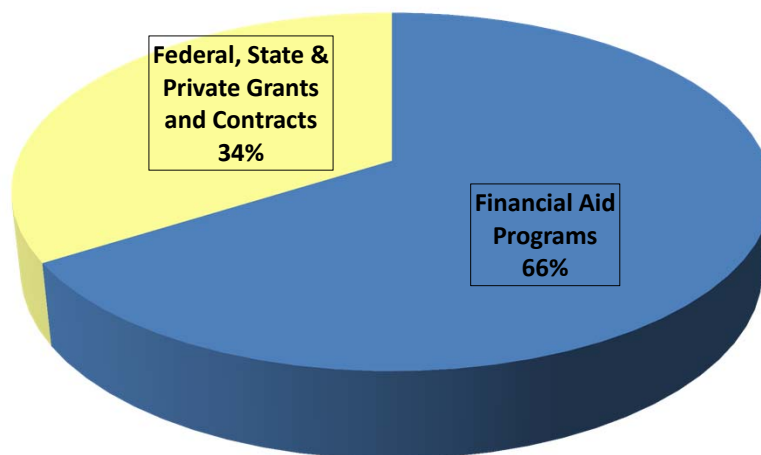
## Restricted Fund

- Funds received and restricted for purposes specified by external sources
- Federal, State, and private grants and contracts (examples: Upward Bound, SOS, CC Perkins Grant, INBRE, Montana Center Grants & Contracts)
- Federal, State, and private student financial assistance in the form of grants and scholarships (example: Pell grants, Federal work study)
- Banner index numbers begin with 62



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**FY 2015 Restricted Budget**  
**Total \$10.9M**



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## In Review

- Budget alignment with strategic plan
- General operating budget
- Enrollment trends
- Enrollment impact on revenue
- Other university funds



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## QUESTIONS?

<http://www.msubillings.edu/budgetoffice/>



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