The Purpose of the Budget

- To allocate scarce resources to accomplish the University’s mission
- For use as a planning tool
- To provide fiscal boundaries
- To provide accountability and stewardship of the resources entrusted to the University
A CLOSER LOOK:
ALL FUNDS
FY 2012 Current Unrestricted Fund Expenditures Budget $40,417,862

- Also referred to as the General Funds Operating budget or the State Appropriated budget
- Used to record revenue and expenditures associated with the university’s primary mission
- Revenue sources: State appropriations, millage, tuition, and interest, OCHE One Time Only (OTO) allocations
- Expenditures are recorded by program in accordance with NACUBO guidelines
- Budget Authority for a Fiscal Year
- Indexes: 61XXXX
FY 2012 Restricted Fund Expenditures Budget $15,028,853

- Funds received and restricted for purposes specified by external sources
- Federal, State, and private grants and contracts (example: Upward Bound, SOS, COT Perkins Grant, Sustainable Energy, INBRE, Montana Center Grants & Contracts, etc.)
- Federal, State, and private student financial assistance in the form of grants and scholarships (example: Pell grants)
- Indexes: 62XXXX
FY 2012 Designated Fund Expenditures Budget $10,176,500

- Financial activity associated with general operations
- Includes internal service centers which accumulate costs to recharge to other funds (IT, copy center, print shop, phones, maintenance, etc.)
- Includes self support or specialized activities which collect a fee (resale, course fee, continuing education tuition)
- Fund Balance carries over
- Indexes: 63XXXX
Funds dedicated to on-campus services 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 (Bookstore)

Examples: residence halls, food services, bookstore, health services, rental housing, parking

Excess revenue is generally pledged for repayment of revenue bonds

Fund Balance carries over

Indexes: 64XXXX
FY 2012 Loan Fund Expenditures Budget $95,450

- Perkins, LEAPS Loans
FY 2012 Plant Funds
Expenditures Budget $5,709,000

- Used for the acquisition of long term assets (construction)
- Record costs associated with the renewal or replacement of campus properties (Computer fee, equipment fee)
- Account for debt service payments (loans and bonds)
- Accumulate the historical costs of long-lived assets
- Fund Balance carries over
- Indexes: 67XXXX, 68XXXX, 69XXXX
A CLOSER LOOK: ALL FUNDS EXPENDITURE BUDGET
## FY 2012 All Funds Expenditures

<table>
<thead>
<tr>
<th>Category</th>
<th>Amount</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Current Unrestricted General Operating</td>
<td>$40,417,862</td>
<td>49.3%</td>
</tr>
<tr>
<td>Designated</td>
<td>$10,176,500</td>
<td>12.4%</td>
</tr>
<tr>
<td>Auxiliary</td>
<td>$10,490,000</td>
<td>12.8%</td>
</tr>
<tr>
<td>Restricted</td>
<td>$15,028,853</td>
<td>18.3%</td>
</tr>
<tr>
<td>Plant</td>
<td>$5,709,000</td>
<td>7.0%</td>
</tr>
<tr>
<td>Loan</td>
<td>$95,450</td>
<td>0.1%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$81,917,665</strong></td>
<td><strong>100.0%</strong></td>
</tr>
</tbody>
</table>
FY 2012 All Funds Expenditure Budget
Total: $81,917,665

- Current Unrestricted General Operating: $40,417,862 (49.3%)
- Designated: $10,176,500 (12.4%)
- Auxiliary: $10,490,000 (12.8%)
- Restricted: $15,028,853 (18.3%)
- Plant: $5,709,000 (7.0%)
- Loan: $95,450 (0.1%)

Total fiscal year 2012 all funds expenditure budget.
A CLOSER LOOK:

Current Unrestricted Fund Revenue
Current Unrestricted Revenue Sources

- **State General Fund** – Individual income taxes, corporation tax, coal and oil severance taxes and other taxes
- **Millage** – Property tax appropriated to MUS
- **Tuition and Fees** – Students share of the cost of their education – budgeted based on annualized Student FTE
- **Interest Earnings and Other** – Interest earned on general operating funds; Federal Title IV administrative fees and miscellaneous fees and fines
- **OCHE & State One Time Only (OTO) allocations**
## FY 2012 General Fund Revenue

<table>
<thead>
<tr>
<th>Source</th>
<th>Amount</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Student Tuition &amp; Fees</td>
<td>$20,696,000</td>
<td>51.2%</td>
</tr>
<tr>
<td>State Support: General Fund &amp; Millage</td>
<td>$18,851,964</td>
<td>46.6%</td>
</tr>
<tr>
<td>State Support: Temporary Funds</td>
<td>$590,598</td>
<td>1.5%</td>
</tr>
<tr>
<td>State Support: Other State Funding</td>
<td>$110,300</td>
<td>0.3%</td>
</tr>
<tr>
<td>Other CUF Revenue &amp; Transfers</td>
<td>$169,000</td>
<td>0.4%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$40,417,862</strong></td>
<td><strong>100.0%</strong></td>
</tr>
</tbody>
</table>
FY 2012 Estimated General Fund Revenues
Total: $40,417,862

- Student Tuition & Fees: $20,696,000 (51.2%)
- General Fund & Millage: $18,851,964 (46.6%)
- State Support OTO Funds: $590,598 (1.5%)
- Other State Support: $110,300 (0.3%)
- Other CUF Revenue & Transfers: $169,000 (0.4%)
- Revenue & Transfers: $169,000 (0.4%)
General Operating Fund
Revenue Sources as a Percentage of Gross Revenue
Fiscal Years 1988 - 2012

State Support
Tuition
Other Revenue & Transfers
A CLOSER LOOK:

Current Unrestricted Fund Expenditures
Fiscal Year 2012 General Operating Budget
Projected Revenue by Source &
Budgeted Expenditures by Account Classification

**FY 2012 Estimated General Fund Budgeted Revenues**
Total: $40,417,862

- Student Tuition & Fees $20,696,000 51.2%
- Other CUF Revenue & Transfers $169,000 0.4%
- Other State Support $110,300 0.3%
- State Support OTO Funds $590,598 1.5%

**FY 2012 General Fund Budgeted Expenditures**
Total: $40,417,862

- Personnel (including benefits) $27,903,423 69.0%
- Operating $9,993,389 24.7%
- Waivers & Scholarships $2,214,081 5.5%
- Capital Expenditures & Transfers Out * $306,969 0.8%
Fiscal Year 2012
Current Unrestricted Budgeted Expenditures

FY 2012 Budgeted General Fund Expenditures by Program
Total: $40,417,862

- Instruction * $19,564,242 48.4%
- Plant O&M $5,657,779 14.0%
- Institutional Support $4,249,669 10.5%
- Student Services $4,752,321 11.8%
- Academic Support $3,266,569 8.1%
- Public Service $423,678 1.0%
- Research $134,523 0.3%
- Fee Waivers & Scholarships $2,369,081 5.9%
Current Unrestricted Program Descriptions

- **Program 01 - Instruction** – Indexes 611XXX
  General academic activities: Faculty salaries, Instructional materials and equipment, department support and supplies

- **Program 02 - Research** – Indexes 612XXX
  Organized faculty research: CARE Grants & Center for Applied Economic Research

- **Program 03 - Public Service** – Indexes 613XXX
  Organized activities explicitly designed to serve the public: KEMC, Montana Center on Disabilities

- **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
Program 05 - Student Services—Indexes 615XXX

Administrative offices and activities contributing to students’ emotional and physical well-being: Registrar, Financial Aid, Career Services, Multicultural 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, fiscal operations, human resource management, public relations, institutional research
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: Custodial and grounds operations, utilities, Insurance, safety and security

Program 08 – Fee Waivers and Scholarships
Indexes 618XXX

Mandatory and discretionary tuition waivers as approved by the Board of Regents and Scholarship
### Reporting Metric - Expenditures by Program

<table>
<thead>
<tr>
<th></th>
<th>FY08 Actual</th>
<th>FY09 Actual</th>
<th>FY10 Actual</th>
<th>FY11 Actual</th>
<th>FY12 Budgeted</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Instruction</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$ Expenditures</td>
<td>$17,388,744</td>
<td>$17,834,459</td>
<td>$18,825,382</td>
<td>$16,679,483</td>
<td>$19,459,242</td>
</tr>
<tr>
<td>Percent of Total</td>
<td>47.6%</td>
<td>47.4%</td>
<td>47.8%</td>
<td>41.7%</td>
<td>48.3%</td>
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<tr>
<td><strong>Research</strong></td>
<td></td>
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<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$ Expenditures</td>
<td>$104,817</td>
<td>$147,094</td>
<td>$158,666</td>
<td>$126,880</td>
<td>$134,523</td>
</tr>
<tr>
<td>Percent of Total</td>
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<td>0.4%</td>
<td>0.4%</td>
<td>0.3%</td>
<td>0.3%</td>
</tr>
<tr>
<td><strong>Public Service</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$ Expenditures</td>
<td>$472,612</td>
<td>$423,572</td>
<td>$431,558</td>
<td>$397,326</td>
<td>$423,678</td>
</tr>
<tr>
<td>Percent of Total</td>
<td>1.3%</td>
<td>1.1%</td>
<td>1.1%</td>
<td>1.0%</td>
<td>1.1%</td>
</tr>
<tr>
<td><strong>Academic Support</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$ Expenditures</td>
<td>$3,793,240</td>
<td>$3,654,807</td>
<td>$3,501,994</td>
<td>$3,450,083</td>
<td>$3,266,569</td>
</tr>
<tr>
<td>Percent of Total</td>
<td>10.4%</td>
<td>9.7%</td>
<td>8.9%</td>
<td>8.6%</td>
<td>8.1%</td>
</tr>
<tr>
<td><strong>Student Services</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$ Expenditures</td>
<td>$3,882,001</td>
<td>$4,122,507</td>
<td>$4,609,127</td>
<td>$5,070,286</td>
<td>$4,752,321</td>
</tr>
<tr>
<td>Percent of Total</td>
<td>10.6%</td>
<td>11.0%</td>
<td>11.7%</td>
<td>12.7%</td>
<td>11.8%</td>
</tr>
<tr>
<td><strong>Institutional Support</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$ Expenditures</td>
<td>$3,578,901</td>
<td>$3,809,272</td>
<td>$3,742,688</td>
<td>$4,262,901</td>
<td>$4,249,669</td>
</tr>
<tr>
<td>Percent of Total</td>
<td>9.8%</td>
<td>10.1%</td>
<td>9.5%</td>
<td>10.6%</td>
<td>10.5%</td>
</tr>
<tr>
<td><strong>Plant O &amp; M</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$ Expenditures</td>
<td>$5,413,132</td>
<td>$5,774,197</td>
<td>$6,054,503</td>
<td>$7,878,722</td>
<td>$5,657,779</td>
</tr>
<tr>
<td>Percent of Total</td>
<td>14.8%</td>
<td>15.3%</td>
<td>15.4%</td>
<td>19.7%</td>
<td>14.0%</td>
</tr>
<tr>
<td><strong>Scholarship and Fellowships</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$ Expenditures</td>
<td>$1,863,459</td>
<td>$1,854,687</td>
<td>$2,028,930</td>
<td>$2,174,656</td>
<td>$2,369,081</td>
</tr>
<tr>
<td>Percent of Total</td>
<td>5.1%</td>
<td>4.9%</td>
<td>5.2%</td>
<td>5.4%</td>
<td>5.9%</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>$ Expenditures</td>
<td>$36,496,906</td>
<td>$37,620,595</td>
<td>$39,352,848</td>
<td>$40,040,337</td>
<td>$40,312,862</td>
</tr>
<tr>
<td>Percent of Total</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
<td>100.0%</td>
</tr>
</tbody>
</table>

NOTE: Does not include Equipment, Work Force Development One-Time Only Appropriations, PY expenditures, or BOR Reserve Transfers
$ 1.00 in General Fund Revenue comes from:
$ .51  Tuition & Fees
$ .48  State Appropriation
$ .01  Other Revenue
How do we spend our General Fund Budget?

$ 1.00 in General Fund Expenditures:

$ .69  Personal Services  (including benefits)
$ .25  Operating
$ .05  Scholarships & Waivers
$ .01  Capital Expenditures & Transfers
$ 1.00 in General Fund Expenditures by Program:

$ .48  Instruction
$ .14  Plant
$ .12  Student Services
$ .11  Institutional Support
$ .08  Academic Support
$ .06  Scholarships & Waivers
$ .01  Public Service
$ .00  * Research

*Less than one cent
A CLOSER LOOK:

Enrollment
## Campus: Montana State University - Billings

### Reporting Metric - Enrollment

<table>
<thead>
<tr>
<th></th>
<th>FY08 Actual</th>
<th>FY09 Actual</th>
<th>FY10 Actual</th>
<th>FY11 Actual</th>
<th>FY12 Budgeted</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Resident</strong></td>
<td>3,764</td>
<td>3,653</td>
<td>3,895</td>
<td>4,127</td>
<td>4,134</td>
</tr>
<tr>
<td><strong>WUE</strong></td>
<td>258</td>
<td>246</td>
<td>230</td>
<td>280</td>
<td>284</td>
</tr>
<tr>
<td><strong>Non-resident</strong></td>
<td>132</td>
<td>142</td>
<td>134</td>
<td>149</td>
<td>152</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>4,154</td>
<td>4,041</td>
<td>4,259</td>
<td>4,556</td>
<td>4,570</td>
</tr>
</tbody>
</table>

### Undergraduate

<table>
<thead>
<tr>
<th></th>
<th>FY08 Actual</th>
<th>FY09 Actual</th>
<th>FY10 Actual</th>
<th>FY11 Actual</th>
<th>FY12 Budgeted</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Graduate</strong></td>
<td>296</td>
<td>300</td>
<td>295</td>
<td>341</td>
<td>336</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>4,154</td>
<td>4,041</td>
<td>4,259</td>
<td>4,556</td>
<td>4,570</td>
</tr>
</tbody>
</table>

Annualized FTE = (Summer FTE + Fall FTE + Spring FTE) divided by 2
Budget Planning

Many Variables:

- Strategic Planning
- Student Enrollment
- Possible Loss of OTO State Funding in the base $590,598 in next biennium
- Possible Re-Base/Reallocation $451,067 in FY13 & FY14
- Performance Based Funding
- Legislative Actions
- Economy
- Other?
In Conclusion.....

University mission and strategic goals
+ Available funding
= The difficult task
of assigning finite resources
to infinite possibilities
QUESTIONS?

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