

University Budget Committee Meeting Summary

Tuesday, March 15, 2016 3:00 – 4:30 in MCM 305

1. Welcome by Co-Chairs Hoar and Hecimovic

2. University Budgeting 102: Auxiliary Funds

LeAnn Anderson, MSUB Financial Services Director, presented a review of Auxiliary Funds, presentation slides attached.

3. Board of Regents Meeting Update

Chancellor Nook shared changes in the Performance Based Funding (PBF) spending timeline. Originally, the Performance Based Funding (PBF) funds received in January 2016 were to be spent by June 30, 2016. At the Board of Regent's meeting, OCHE Commissioner Christian indicated we will have through June 30, 2017 to spend these funds.

The Commissioner's Office is also open to changing PBF metrics for institutions. What is unlikely is that we can create new metrics, however, we can use metrics already in use by another institution type. New metrics will have to make sense with an institution's mission and will also have to fit into the MUS degree production focus for PBF.

Any additional PBF metrics selected now will not impact 16-17 budget; they will impact 17-18 budget. If we include Graduate Completions as a metric for University Campus, this year's completions would be in metrics for FY 17-18 funding.

4. Performance Based Funding/One-Time-Only initiatives update

Although the timeframe changed for spending PBF dollars, we need to keep working on retention and recruitment issues.

The Vice Chancellors and EBC discussed the impact of the timeline change on the one-time-only funding initiatives. With this longer time horizon, they are bringing back to UBC a revised listing of one-time-only initiatives broken into three categories: retention, recruitment, and other. A list will be sent out to UBC electronically for prioritization prior to our next meeting.

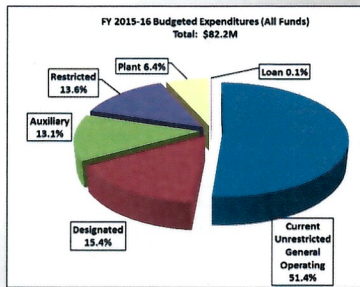
5. FY 2016-17 Budget development update

Trudy Collins, MSUB Budget Director, indicated there is a change this year in how the biennium budget request will be built. In the past, this budget request process has been based on the first year of current biennium, however, this is now changing to second year of current biennium.

Our biennium budget build for FY18 and FY19 will now be based on the budget for FY17.

MSU BILLINGS BUDGETING 102 AUXILIARY FUNDS

University Budgeting 102
Trudy Saxe Collins
University Budget Director



Current Unrestricted General Operatin	\$ 42,203,982	51.4%
Designated	\$ 12,671,800	15.4%
Auxiliary	\$ 10,814,500	13.1%
Restricted	\$ 11,161,128	13.6%
Plant	\$ 5,252,000	6.4%
Loan	\$ 62,000	0.1%
Total	\$ 82,165,408	100.0%

A CLOSER LOOK: AUXILIARY FUNDS

The revenues and expenses related to on-campus services provided primarily to students, faculty, or staff for a fee

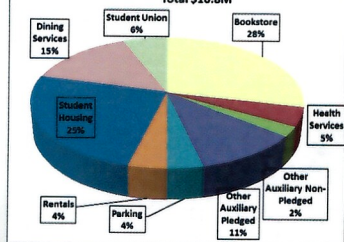


Auxiliary Funds

- Used to record financial activity of campus services provided to students, faculty, or staff for a fee
- Fees may be assessed to all students (Student Union Fee, Health Service Fee) or charged in exchange for goods and services (Campus Store)
- Net revenue is generally pledged for repayment of revenue bonds
- Fund Balances carry over from year to year
- Banner index numbers begin with 64
- Must be fully self supporting

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FY 2015-16 Auxiliary Budget by Area
Total \$10.8M



Bookstore	\$	3,057,800	28.3%
Health Services	\$	439,000	4.0%
Other Auxiliary Non-Pledged	\$	277,000	2.6%
Other Auxiliary Pledged	\$	1,165,100	10.8%
Parking	\$	400,000	3.7%
Rentals	\$	423,500	3.9%
Student Housing	\$	2,701,500	25.0%
Dining Services	\$	1,625,000	15.0%
Student Union	\$	665,000	6.1%
Total	\$	10,814,900	100.0%

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Auxiliary Operations/Funds

- Student Housing
- Food Service
- Student Union – SUB student fee and operations
- Campus Store
- Health Services – student fee
- Parking
- Rentals
- Other Auxiliary – pledged (student building fee, land grant and timber sale funds)
- Other Auxiliary – non pledged (vending, etc.)

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Auxiliary Operations/Funds

- Internal charges from Auxiliary Funds to the General Operating Budget
 - Space Rental in auxiliary buildings
- Internal charges from the General Operating Budget to Auxiliary Funds as required by CUBA standards
 - Administrative and Technology Services (HR, Financial Svcs, Business Svcs, Budget, Information Tech, and Custodial Svcs)
- Auxiliary funds can be used to support other campus operations as directed by the Vice Chancellor

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Auxiliary Operations/Funds

- How are facilities repair and renovation costs covered for auxiliary buildings?
 - Direct expense from fees and income
 - Revenue bonds repaid with fees and income
 - Loans repaid with fees and income
- How are new auxiliary buildings funded?
 - Debt financed through revenue bonds or loans
- Does the state pay plan cover salary and benefit increases for employees paid from auxiliary funds?
 - No – self funded

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QUESTIONS?

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



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