



MEDIA RELEASE

University Relations

1500 University Drive

Billings, MT 59101-0298

Phone: (406) 657-2243 Fax: (406) 657-2266

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MSUB ADDRESSES DECLINING ENROLLMENT THROUGH CAMPUS-WIDE REDUCTIONS

Montana State University Billings announced a \$4.4 million budget shortfall in late 2014 and today officials rolled out a plan to address the deficit.

Contacts:

Aaron Clingingsmith, University Relations & Communications, 657-2243

MSU BILLINGS NEWS SERVICES — Montana State University Billings faculty, staff and students were alerted to the institution's \$4.4 million budget shortfall during a series of *Budget Briefings* held at both the university and City College campuses on Dec. 10, 2014.

University officials held another series of briefings Tuesday so the campus community could hear the results of a nearly two-month campus-wide endeavor to balance the budget against declining enrollment. The plan outlines reductions across the entire campus and throughout all five major budget areas.

"Our continued enrollment decline is not isolated to one area of campus, it affects all of us," remarked first-year Chancellor Mark Nook. "Academic Affairs, Athletics, Administrative Services, Student Affairs and my division have all proposed strategic reductions in our general operating budget for this upcoming fiscal year."

Academic Affairs – the university's largest division – realized a \$2.4 million budget reduction.

"We are simply serving less students than we did four years ago and we need to reflect that in our budget process," commented Vice Chancellor for Academic Affairs and Provost Mark Pagano. "However, we are fortunate enough to have completed our academic program prioritization process this fall, so we were heading in the right direction fairly early in the process."

Reductions in the division of academic affairs include:

- College of Education: reduce by 3 instructional positions
- City College: reduce by 4 instructional positions
- College of Allied Health Professions: reduce by 2 instructional positions
- College of Business: reduce by 1 instructional position
- College of Arts and Sciences: reduce by 6.5 instructional positions
- Center for Applied Economic Research: discontinue operation
- Extended Campus: discontinue Garfield Center operation

The division of administrative services budget was reduced by \$815,000. The reduction includes a decrease in personnel from university police, financial services, human resources, facilities services, business services and Vice Chancellor's office. In addition, the division will see a reduction in operations, maintenance and utilities.

Athletics will see the most visible reductions with the elimination of men's and women's tennis. The removal of these sports will mean an annual savings of roughly \$230,000 and a complete withdrawal from the Rocky Mountain Athletic Conference – tennis is the only sport played by MSUB in that conference - firmly planting the Yellowjackets in the Great Northwest Athletic Conference.

"The decision to eliminate tennis was extremely difficult," said Krista Montague, MSUB athletic director. "We have had some solid teams and they are all great student-athletes but the fit isn't right for the GNAC. We will honor the athletic scholarships to tennis players until the end of their athletic eligibility."

Under newly appointed Vice Chancellor for Student Affairs, Dr. Joe Oravec, the division will be going through an organizational restructuring that will provide seamless holistic advising for students from orientation through graduation. The division will save just over \$335,000.

"We have a lot of synergy in our division and most personnel are already cross-trained to handle a multitude of duties," said Oravec. "Through a restructuring, we will blend positions in career services, advising, admissions, and student life in an effort to smooth the transition for our students."

The university will be eliminating 9.3 percent of its instructional positions, 9.8 percent of administrative positions and 10.8 percent of classified positions. In anticipation of the budget reductions, the university intentionally held open 23 positions. Therefore, the net effect of the reductions will mean 17 employees out of the university's approximately 500 employees will be laid-off

The strategic reductions in personnel, business services, and non-academic operations will take care of the forecasted \$4.4 million budget shortfall while increasing instructional support to 49.9 percent of the general operating budget.

MSU Billings administrators will continue to hold *Budget Briefings* throughout the spring semester and into summer. For now, MSU Billings will start its new fiscal year with a balanced budget.

Aaron Clingingsmith, Director
University Relations & Communications



aaron.clingingsmith@msubillings.edu
406.657.2243 • 406.794.7485 (mobile)

1500 University Drive
McMullen Hall, Room 204
Billings, MT 59101
msubillings.edu • msubsports.com • citycollege.msubillings.edu

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