

# Montana State University

## Preliminary Budget Reduction Management Plan November 2009



# Tuition Mitigation Funding and Assigned Budget Reductions

	Bozeman	Billings	Northern	Great Falls	MSU
FY10/FY11 Tuition Mitigation Funding	5,270,834	1,748,169	536,424	1,106,035	8,661,462
Allocated FY12/FY13 Reduction	(5,853,808)	(1,724,981)	(589,689)	(492,984)	(8,661,462)
Change in Funding	(582,974)	23,188	(53,265)	613,051	0
Annual Budget Reduction Target	(2,926,904)	(862,491)	(294,845)	(246,492)	(4,330,731)



# Budget Reduction Targets

by

## Category

	Bozeman	Billings	Northern	Great Falls	MSU
<b>Annual Budget Reduction Target</b>	<b>(2,926,904)</b>	<b>(862,491)</b>	<b>(294,845)</b>	<b>(246,492)</b>	<b>(4,330,731)</b>
<b>Proposed Actions (Tentative)</b>					
Added Enrollment Growth Revenues	1,750,904	140,335	180,000	246,492	2,317,731
Personnel Budget Reductions	650,000	410,092	47,500	0	1,107,592
Operations Budget Reductions	350,000	164,755	67,345	0	582,100
Infrastructure Budget Reductions	176,000	147,309	0	0	323,309
Other Actions	TBD	0	0	0	0
<b>TOTAL Reductions &amp; Offsets</b>	<b>2,926,904</b>	<b>862,491</b>	<b>294,845</b>	<b>246,492</b>	<b>4,330,732</b>

*Note: this slide presents the broad brush categories of the campuses' allocated FY10 Base Budget reductions -- however, all are engaged in a continuing process that is focused on identifying reallocations and/or reinvestments that will better position the University in future years.*



# Budget Reduction Targets

by

## Program Area

	Bozeman	Billings	Northern	Great Falls	MSU
<b>Annual Budget Reduction Target</b>	<b>(2,926,904)</b>	<b>(862,491)</b>	<b>(294,845)</b>	<b>(246,492)</b>	<b>(4,330,731)</b>
<b>Tentative Program Area Reductions</b>					
Added Enrollment Growth Revenues	1,750,904	140,335	180,000	246,492	2,317,731
Instruction / Student Affairs	720,000	368,637	47,500	0	1,136,137
Academic / Institutional Support	240,000	174,875	67,345	0	482,220
Facilities / Information Technology	191,000	147,309	0	0	338,309
Other (Research & Public Service)	25,000	31,335	0	0	56,335
<b>TOTAL Reductions &amp; Offsets</b>	<b>2,926,904</b>	<b>862,491</b>	<b>294,845</b>	<b>246,492</b>	<b>4,330,732</b>

*Note: this slide presents the broad brush Program areas of the campuses' allocated FY10 Base Budget reductions -- however, all are engaged in a continuing process that is focused on identifying reallocations and/or reinvestments that will better position the University in future years.*



# Campus Impacts of Budget Reductions

## Great Falls

- Low expenditures per student & low State funding per Student
- 85% change in Enrollment Growth over the past 10 Years

## Northern

- The Challenge of Depending on Enrollment Growth
- Faculty retirements allow replacement at Lower Salaries

## Billings

- Less ability to deliver full range of services to students
- FTE Reductions create Increased Workload for faculty and staff

## Bozeman

- FTE reductions & Increased workload for faculty and staff
- Increased class sizes & and some limitations on access
- UPBAC engaged in comprehensive Budget Review Process



# Additional Comments & Observations

## Great Falls

- Expansion of Designated Reserve account is essential

## Northern

- Regents Approval of Special Tuition Rates is Essential

## Billings

- Tuition increases may have to be considered part of solution in future
- Flexibility is key to the Mission of an urban university

## Bozeman

- UPBAC is focused on Strategic Reallocations & Investments
- A high priority is Recruitment, Retention and Accessibility

## University-Wide

- Reform of MSU's Administrative Info System is a High Priority
- The possibility of Furloughs - for all employees - should be pursued
- Review employer Insurance Contributions for Part Time employees

