

March 30, 2012

**ITEM 154-2002-C0312**  
**Revised Operating Budgets – FY 2012; Montana State University**

---

**THAT**

The Board of Regents of Higher Education authorizes the amended fiscal year 2012 operating budget for Montana State University as submitted herein, increasing overall budget authority by \$900,000.

**EXPLANATION**

As previously noted during the September 2011 Board of Regents meeting, Montana State University expected to exceed the enrollment and tuition projections used in developing its FY12 Budget. The original revenue estimate was based on 11,921 FTE and the revised revenue estimate is based on 12,352 FTE; an increase of 431 FTE over the original projection.

The FY12 additional tuition revenue associated with this enrollment is estimated at \$3,400,000.

	9/21-22/2011	02/20/12	Difference
Registration/Tuition	85,169,924	88,169,924	3,000,000
Waivers	14,960,606	15,260,606	300,000
<b>Gross Tuition</b>	<b>100,130,530</b>	<b>103,430,530</b>	<b>3,300,000</b>
Admissions Fee	361,450	361,450	0
Program Fees	2,037,235	2,137,235	100,000
<b>Total</b>	<b>102,529,215</b>	<b>105,929,215</b>	<b>3,400,000</b>

Montana State University is requesting a revision of previous budget authority as well as additional authority of \$900,000 for the following:

- In the September 2011 annual operating budget for FY12, Montana State University projected a Non-Mandatory Transfer-In of \$4M from the BOR POLICY 901.15 Reserve Revolving account. This consisted of \$1M for Sungard Investments and \$3M for Access/ADA and academic classroom renovation projects. Montana State University is requesting to reduce the transfer by \$2.5M since the \$1M Sungard investments have been deferred and we would like to utilize current tuition revenues for the academic classroom renovation projects (\$1.5M).
- Additionally, Montana State University has earmarked \$1.5M of these current tuition revenues for FY12 instruction and materials costs for the extra sections to accommodate the additional students. The remaining \$400,000 will be used to offset waivers and program fee expenditures.

<b>Operating Budget Amendment:</b>	<b><u>Budget Authority</u></b>	<b><u>Proposed Expenditures</u></b>
Additional Tuition & Fee Revenue	\$3.4 million	
Proposed Expenditures:		
- Costs of Additional Course sections		\$1.5 million
- Academic Classroom Renovations		\$1.5 million
- Additional Waiver Costs and Program Fee Expenditures		\$0.4 million
<b>Subtotal</b>	<b>\$3.4 million</b>	<b>\$3.4 million</b>
Reduce previously budgeted transfer from Reserve Revolving Account	(\$2.5 million)	
Proposed Expenditure Reductions: Academic Classroom Renovations		(\$1.5 million)
Sungard IT Investments		(\$1.0 million)
<b>Net Increase</b>	<b>\$0.9 million</b>	<b>\$0.9 million</b>

The approving authority for the university system is defined by 17-7-102(3)(f) M.C.A. to be the Board of Regents of Higher Education or its designated representative. Further, in accordance with 17-7-402(1)(a)(ii), the Board of Regents or its designated representative is the authority responsible for approving budget amendments for spending additional tuition collected.

**Campus:** MSU-Bozeman

**Reporting Metric - Revised 2012 Enrollment**

	<b>FY08</b>	<b>FY09</b>	<b>FY10</b>	<b>FY11</b>	<b>FY12</b>	<b>FY12</b>	<b>FY12 Incr over Budget</b>
	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Budgeted</b>	<b>Actual</b>	
Resident	7,851	7,777	7,973	8,452	8,485	8,758	273
WUE	299	321	348	438	440	488	48
Non-resident	2,317	2,411	2,555	2,930	2,996	3,106	110
<b>Total</b>	<b>10,467</b>	<b>10,509</b>	<b>10,876</b>	<b>11,820</b>	<b>11,921</b>	<b>12,352</b>	<b>431</b>

Undergraduate	9,552	9,564	9,850	10,487	10,633	10,981	348
Graduate	915	945	1,026	1,075	1,014	1,038	24
Gallatin College				258	274	333	59
<b>Total</b>	<b>10,467</b>	<b>10,509</b>	<b>10,876</b>	<b>11,820</b>	<b>11,921</b>	<b>12,352</b>	<b>431</b>

**ATTACHMENTS**

none