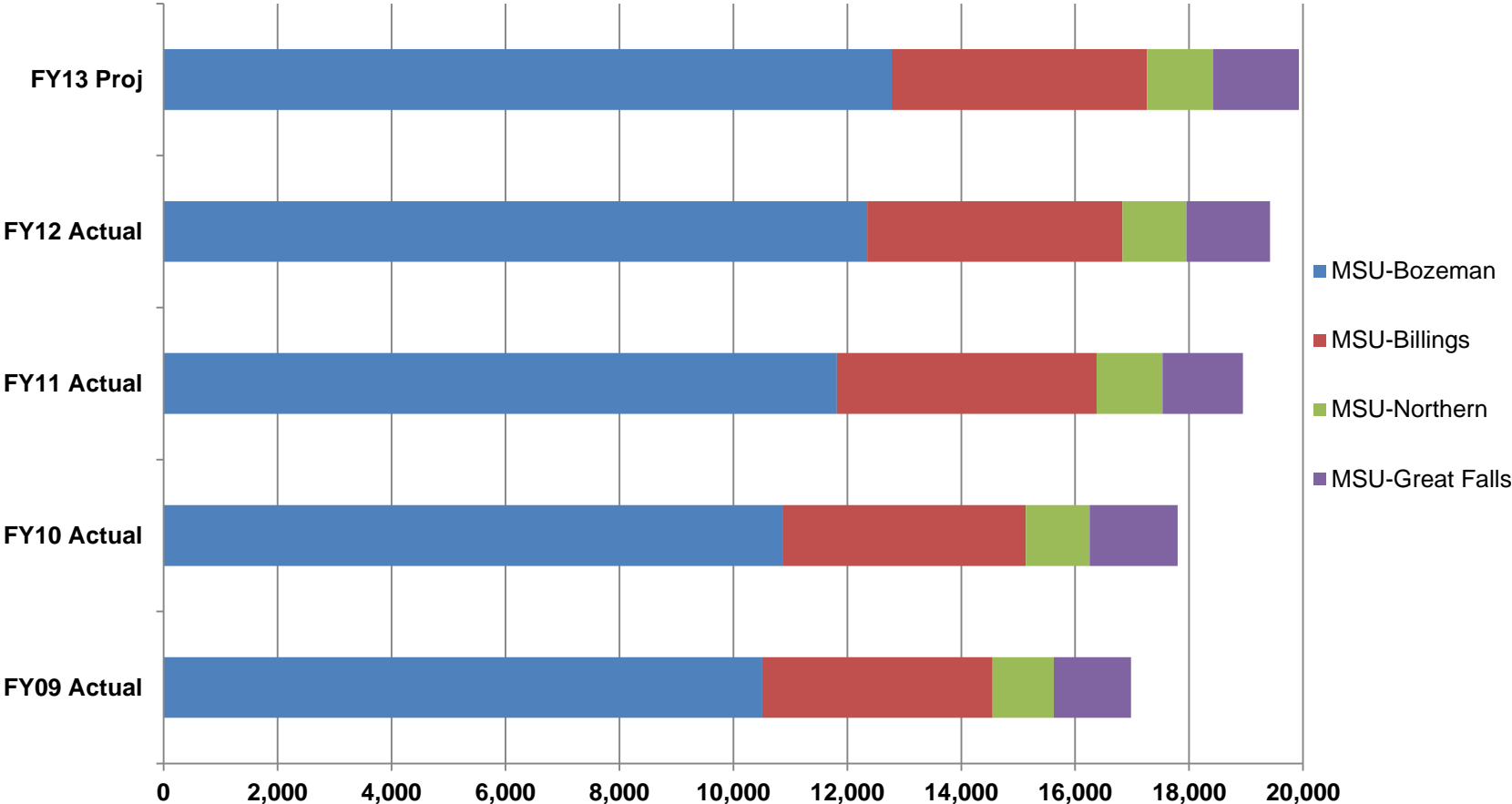


FY13 BUDGET PRESENTATION
September 2012 Board of Regents Meeting



Campuses of Montana State University

Fiscal Year FTE Enrollment Campuses of Montana State University



Expenditures per FTE

Expenditures per FTE FY09 Actual	Expenditures per FTE FY10 Actual	Expenditures per FTE FY11 Actual	Expenditures per FTE FY12 Actuals	Expenditures per FTE FY13 Budgeted	Expenditures per FTE Growth Rate
\$12,600	\$12,826	\$12,244	\$12,418	\$13,192	1.2%

- Classroom Renovations and ADA / Access Renovations (FY12), and OTO Funding Investments (FY13) result in higher expenditures per FTE.
 - FY13 OTO investments will benefit our students, faculty and staff, including:
 - Students: Need-based aid for Montana residents, financial literacy, retention, degree completion and academic program enhancements
 - Professional development for faculty and staff
 - Efficiency and effectiveness of administrative processes
- Enrollment growth has provided increased tuition revenues which are being used to increase the number of class sections and enhance our academic programs, facilities and student services.

Per Student Funding

Non-Resident Student Funding	FY13 Budgeted	Percent of Expenditure per FTE
Expenditure per FTE*	13,013	
Average Non-resident Tuition per FTE*	17,643	135.6%
Other Revenue per FTE***	602	4.6%
Resident Student Funding		
Expenditure per FTE*	13,013	
State Support per FTE**	4,790	36.8%
Average Resident Tuition per FTE*	5,684	43.7%
Other Revenue per FTE***	602	4.6%
Non-Resident Subsidy per FTE	1,937	14.9%
<p>* Excludes Program Fees and Super Tuition</p> <p>** Includes General Fund and Millage</p> <p>*** Includes Registration Fee, Admission Fee, Investment Earnings, Other Fees, and Miscellaneous Revenue</p>		

Enrollment

	FY09 Actual	FY10 Actual	FY11 Actual	FY12 Actual	FY13 Budgeted
Resident	7,777	7,973	8,452	8,758	8,945
WUE	321	348	438	488	564
Non-resident	2,411	2,555	2,930	3,106	3,272
Total	10,509	10,876	11,820	12,352	12,782

Undergraduate	9,564	9,850	10,487	10,981	11,368
Graduate	945	1,026	1,075	1,038	1,037
Gallatin College			258	333	377
Total	10,509	10,876	11,820	12,352	12,782

- 21.6% enrollment growth overall from FY09 to FY13 (Budget)
 - Resident enrollment growth of 15% (1,168 FTE)
 - Nonresident/WUE enrollment growth of 40% (1,104 FTE)

- 22.8% increase in undergraduates and 9.75% increase in graduate students

Expenditures by Program

	FY09 Actual	FY10 Actual	FY11 Actual	FY12 Actual	FY13 Budgeted
01 - Instruction					
\$ Expenditures	\$64,224,023	\$67,586,996	\$68,742,184	\$70,535,497	\$80,802,219
Percent of Total	48.5%	48.5%	47.5%	46.0%	47.9%
02 - Research					
\$ Expenditures	\$1,083,015	\$1,046,911	\$1,182,373	\$1,399,704	\$1,219,405
Percent of Total	0.8%	0.8%	0.8%	0.9%	0.7%
03 - Public Service					
\$ Expenditures	\$1,280,286	\$1,321,659	\$1,304,934	\$1,725,069	\$1,929,187
Percent of Total	1.0%	0.9%	0.9%	1.1%	1.1%
04 - Academic Support					
\$ Expenditures	\$17,595,294	\$17,894,116	\$19,318,667	\$19,159,117	\$22,531,777
Percent of Total	13.3%	12.8%	13.3%	12.5%	13.4%
05 - Student Services					
\$ Expenditures	\$9,221,144	\$9,949,346	\$10,423,267	\$11,039,553	\$12,448,762
Percent of Total	7.0%	7.1%	7.2%	7.2%	7.4%
06 - Institutional Support					
\$ Expenditures	\$10,936,299	\$11,374,708	\$11,922,337	\$11,803,264	\$13,078,001
Percent of Total	8.3%	8.2%	8.2%	7.7%	7.8%
07 - Plant O & M					
\$ Expenditures	\$16,182,545	\$17,374,773	\$17,218,184	\$21,083,274	\$19,163,491
Percent of Total	12.2%	12.5%	11.9%	13.7%	11.4%
08 - Scholarship and Fellowships					
\$ Expenditures	\$11,893,536	\$12,947,408	\$14,613,829	\$16,641,154	\$17,437,902
Percent of Total	9.0%	9.3%	10.1%	10.8%	10.3%
Total					
\$ Expenditures	\$132,416,142	\$139,495,917	\$144,725,775	\$153,386,632	\$168,610,744
Percent of Total	100.0%	100.0%	100.0%	100.0%	100.0%

Operating Budget Ratios

MONTANA STATE UNIVERSITY		FY08 Actual	FY09 Actual	FY10 Actual	FY11 Actual	FY12 Actual	FY12 Budgeted	FY13 Budgeted
MSU (includes Gallatin College, FY11 - present)	Instructional Exp / FTE	\$5,994	\$6,111	\$6,214	\$5,815	\$5,710	\$5,983	\$6,322
	Percent of Total Exp	49.6%	48.5%	48.5%	47.5%	46.0%	46.4%	47.9%
	Student FTE to Contract Faculty Ratio	17.5	16.9	16.9	17.1	17.1	17.1	16.2
	Student FTE to Contract Admin/Pro Ratio	40.6	41.5	45.0	44.7	45.1	45.1	45.1
	Student FTE to Classified Employee Ratio	20.3	21.4	23.1	24.2	24.6	24.1	25.4

- Instructional Exp / FTE: 88.6% of the instruction expenditures are salaries and benefits so overall instruction budget largely driven by pay plan increases
 - MSU has taken steps to support progress toward the 50% target
 - Strategic Investments approved in FY12
 - Additional funding to Academic Affairs in FY12 and FY13
 - Academic program enhancements and innovative instruction investments in FY13
 - Many expenditures for the benefit of instruction and students are recorded elsewhere:
 - Classroom renovations, technology enhancements, scholarships, etc.
- Student to faculty ratio: Consistent ratios despite enrollment growth
- Student to admin/professional/classified ratio: Increase in students served per employee
 - Currently investing in technology and process changes to address staff workloads

Cost Per Completion

Campus	Expenditures per Completion				
	2005-06	2007-08	2009-10	2010-11	2011-12
MSU Bozeman	\$47,986	\$55,141	\$59,335	\$60,860	\$62,658
MUS Total	\$44,148	\$49,312	\$52,836	\$50,560	\$50,982
Doc WICHE Avg	\$56,680	\$64,528	\$63,825		

- Costs associated with 20% larger enrollments since 2005-06 are an investment in students that will graduate in the next several years. This is causing the upward trend in our cost per completion.
- Above MUS average, but below Doctoral WICHE average.

Strengths

- Facilities improvements and equipment upgrades system-wide
- New varieties of barley, spring wheat and winter wheat on millions of acres
- Pulse crops (peas, lentils, chickpeas) acres expanding
- Implementation of integrated pest management on crops and livestock
- State and Federal grant successes remain high in extremely competitive environment

Challenges

- Faculty and staff compensation
- Faculty and staff recruitment and retention (especially at rural centers)
- Need for on-going facility improvements
- Field and laboratory equipment

Funding: \approx \$12.5M State and \approx \$2.0M Federal

MSU Extension Service

Strengths

- Our county partnership is very strong. County governments support local Extension programs.
- Service to all counties and five reservations in Montana, bringing an MSU presence to the entire state.

Challenges

- State general fund reduction of 7.62% or \$440,000 in FY11. Extension has managed this base funding reduction, but it has limited Extension's ability to serve counties across the State.
- The Local Government Center cannot continue operation unless base funding is secured in the 2015 biennium. The Montana legislature provided OTO funding in the FY11 biennium and MSU provided OTO funding in the FY13 biennium.

Fire Services Training School

Strengths

- State-wide contact
- Established Relationships
- Increased Firefighters skills and abilities
- Reduced risk to communities

Challenges

- Size of the State
- Number & Makeup of fire departments

Opportunities

- Use of more technology
- Build more capacity in communities
- Establish more partnerships
- Enhance our regional trainers resources