

# FY13 BUDGET PRESENTATION

## September 2012 Board of Regents Meeting

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# Expenditures per FTE

| <b>Expenditures<br/>per FTE<br/>FY09<br/>Actual</b> | <b>Expenditures<br/>per FTE<br/>FY10<br/>Actual</b> | <b>Expenditures<br/>per FTE<br/>FY11<br/>Actual</b> | <b>Expenditures<br/>per FTE<br/>FY12<br/>Actuals</b> | <b>Expenditures<br/>per FTE<br/>FY13<br/>Budgeted</b> | <b>Expenditures<br/>per FTE<br/>Growth<br/>Rate</b> |
|---|---|---|--|---|---|
| \$10,262  | \$9,421   | \$9,020   | \$9,312  | \$10,200  | -0.2%   |

- Montana Western metrics have not appreciably changed over the last several years.
- We utilize the metrics to set the beginning budget and to inform the next one. During the year we manage to the most important issues and strategic needs of the campus. We regularly track meaningful data as we make decisions.
- Montana Western uses the combined 70% budget target in Instruction, Academic Support, and Student Services in developing the annual budget. We meet that target consistently.



# Per Student Funding

|                                       | <b>FY13<br/>Budgeted</b> | <b>Percent of<br/>Expenditure<br/>per FTE</b> |
|---------------------------------------|--------------------------|---|
| <b>Non-Resident Student Funding</b>   |                          |   |
| Expenditure per FTE*                  | 10,100                   |   |
| Average Non-resident Tuition per FTE* | 13,047                   | 129.2%  |
| Other Revenue per FTE***              | 341                      | 3.4%  |
| <b>Resident Student Funding</b>       |                          |   |
| Expenditure per FTE*                  | 10,100                   |   |
| State Support per FTE**               | 5,401                    | 53.5%   |
| Average Resident Tuition per FTE*     | 3,745                    | 37.1%   |
| Other Revenue per FTE***              | 341                      | 3.4%  |
| Non-Resident Subsidy per FTE          | 613                      | 6.1%  |

\* Excludes Program Fees and Super Tuition and Waivers

\*\* Includes General Fund and Millage

\*\*\* Includes Registration Fee, Admission Fee, Investment Earnings, Other Fees, and Miscellaneous Revenue



# Enrollment

|              | <b>FY09<br/>Actual</b> | <b>FY10<br/>Actual</b> | <b>FY11<br/>Actual</b> | <b>FY12<br/>Actual</b> | <b>FY13<br/>Budgeted</b> |
|--------------|------------------------|------------------------|------------------------|------------------------|--------------------------|
| Resident     | 852                    | 981                    | 1,053                  | 1,076                  | 1,030                    |
| WUE          | 205                    | 207                    | 220                    | 198                    | 200                      |
| Non-resident | 76                     | 67                     | 88                     | 92                     | 85                       |
| <b>Total</b> | <b>1,133</b>           | <b>1,255</b>           | <b>1,361</b>           | <b>1,366</b>           | <b>1,315</b>             |

  

|               |              |              |              |              |              |
|---------------|--------------|--------------|--------------|--------------|--------------|
| Undergraduate | 1,133        | 1,255        | 1,361        | 1,366        | 1,315        |
| Graduate      |              |              |              |              |              |
| <b>Total</b>  | <b>1,133</b> | <b>1,255</b> | <b>1,361</b> | <b>1,366</b> | <b>1,315</b> |

- We predict a small increase in enrollment this fall but only a slight increase in revenue due to our low tuition and fee structure.
- As in past years, this revenue will first be invested in additional classes to meet the needs of the students and then invested in the most critical student needs that strategically place us in a better position to educate students in the future.
- Montana Western has a history and philosophy of not over-estimating enrollment.



# Expenditures by Program

| Programs                                | FY09<br>Actual      | FY10<br>Actual      | FY11<br>Actual      | FY12<br>Actual      | FY13<br>Budgeted    |
|---|---------------------|---------------------|---------------------|---------------------|---------------------|
| <b>01 - Instruction</b>                 |                     |                     |                     |                     |                     |
| \$ Expenditures                         | \$5,615,426         | \$5,728,748         | \$5,860,366         | \$6,275,864         | \$6,657,578         |
| Percent of Total                        | 48.1%               | 48.3%               | 47.7%               | 49.3%               | 49.6%               |
| <b>02 - Academic Support</b>            |                     |                     |                     |                     |                     |
| \$ Expenditures                         | \$953,857           | \$952,888           | \$984,658           | \$984,704           | \$1,149,751         |
| Percent of Total                        | 8.2%                | 8.0%                | 8.0%                | 7.7%                | 8.6%                |
| <b>03 - Student Services</b>            |                     |                     |                     |                     |                     |
| \$ Expenditures                         | \$1,591,554         | \$1,648,062         | \$1,800,103         | \$1,744,634         | \$1,799,358         |
| Percent of Total                        | 13.6%               | 13.9%               | 14.7%               | 13.7%               | 13.4%               |
| <b>04 - Institutional Support</b>       |                     |                     |                     |                     |                     |
| \$ Expenditures                         | \$1,366,383         | \$1,298,997         | \$1,353,420         | \$1,302,609         | \$1,352,143         |
| Percent of Total                        | 11.7%               | 11.0%               | 11.0%               | 10.2%               | 10.1%               |
| <b>05 - Plant O &amp; M</b>             |                     |                     |                     |                     |                     |
| \$ Expenditures                         | \$1,391,382         | \$1,441,660         | \$1,482,944         | \$1,544,389         | \$1,572,493         |
| Percent of Total                        | 11.9%               | 12.2%               | 12.1%               | 12.1%               | 11.7%               |
| <b>06 - Scholarship and Fellowships</b> |                     |                     |                     |                     |                     |
| \$ Expenditures                         | \$744,369           | \$783,871           | \$794,810           | \$867,914           | \$882,328           |
| Percent of Total                        | 6.4%                | 6.6%                | 6.5%                | 6.8%                | 6.6%                |
| <b>Total</b>                            |                     |                     |                     |                     |                     |
| \$ Expenditures                         | <b>\$11,662,971</b> | <b>\$11,854,226</b> | <b>\$12,276,301</b> | <b>\$12,720,114</b> | <b>\$13,413,651</b> |
| Percent of Total                        | <b>100.0%</b>       | <b>100.0%</b>       | <b>100.0%</b>       | <b>100.0%</b>       | <b>100.0%</b>       |

NOTE: Both the FY12 instructional expenditure ratio and the FY13 ratio will be affected by the fact the Montana Western faculty association has not settled their contract. This means a faculty salary increase for FY12 is not reflected in these data.



# Operating Budget Ratios

| UM - WESTERN                             | FY08<br>Actual | FY09<br>Actual | FY10<br>Actual | FY11<br>Actual | FY12<br>Actual | FY12<br>Budgeted | FY13<br>Budgeted |
|--|----------------|----------------|----------------|----------------|----------------|------------------|------------------|
| Instructional Exp / FTE                  | \$4,720        | \$4,955        | \$4,564        | \$4,304        | \$4,594        | \$4,890          | \$5,063          |
| Percent of Total Exp                     | 48.2%          | 48.1%          | 48.3%          | 47.7%          | 49.3%          | 49.7%            | 49.6%            |
| Student FTE to Contract Faculty Ratio    | 15.9           | 16.0           | 17.4           | 18.2           | 17.2           | 16.1             | 16.7             |
| Student FTE to Contract Admin/Pro Ratio  | 46.2           | 44.7           | 51.0           | 55.6           | 53.8           | 50.5             | 51.0             |
| Student FTE to Classified Employee Ratio | 27.5           | 26.9           | 29.0           | 31.4           | 30.8           | 28.9             | 28.8             |

- Overall, these ratios have held relatively steady at Montana Western despite a 20% increase in enrollment from FY09. Western remains very close to the 50% target for instructional expenditures each year.
- Specifically, Experience One is based on small classes and there have been small fluctuations in the student/faculty ratio since we began block scheduling in 2005. We have varied from 18.2 to 15.9 since 2008 and targeted about 16 in the near future.
- The student to contract professional ratio has increased slightly and the student to classified staff ratio has stayed relatively constant.
- It is important to note that not all staffing needs are based on FTE. Many federal, state, and Regents reports are required of us.
- Since implementing Experience One, we have strategically added positions to increase faculty, admissions, marketing and student success.



# Cost Per Completion

| Campus       | Cost per Completion |          |          |          |          |
|--------------|---------------------|----------|----------|----------|----------|
|              | 2005-06             | 2007-08  | 2009-10  | 2010-11  | 2011-12  |
| UM - Western | \$44,650            | \$61,771 | \$59,870 | \$60,178 | \$47,463 |
| MUS Total    | \$44,148            | \$49,312 | \$52,836 | \$50,560 | \$50,982 |
| WICHE Avg    | \$41,718            | \$47,010 | \$43,210 |          |          |

- We note this temporal measurement often shows larger fluctuations on the smaller campuses, including us.
- These data are affected by increasing enrollment and corresponding expenditures.
- Accordingly, as our completions increase we approach WICHE averages
- Based on this metric, we have strategically changed our approach regarding two-year enrollment and degrees. In the past, successful students could declare a four-year major at the end of the first year and move directly to the four-year degree. Last year, we began encouraging the completion of the A.A. or A.S. and continuing toward a four-year degree for the cohort admitted to the two-year degree program. This will impact the metric (as it did this year) and also should improve our completion and graduation rates in the future.