

**Proposed HB 2 Language For the Montana University System
Adopted by the Education Appropriations Subcommittee
February 3, 2005**

Department Level Language:

Establish Biennial Lump Sum Appropriation: “Items [OCHE Administration (01), Student Assistance (02), Improving Teacher Quality (formerly Dwight D. Eisenhower) (03), Talent Search (06), C.D. Perkins (Workforce development) (08), Appropriation Distribution (Educational units) (09), Guaranteed Student Loan (12), and the Board of Regents (13)] are a single biennial lump-sum appropriation.”

Appropriation of all Funds; Budget Transfers: “General fund money and state and federal special revenue funds appropriated to the board of regents are included in all CHE programs. All other public funds received by units of the Montana university system (other than plant funds appropriated in House Bill No. 5, relating to long-range building) are appropriated to the board of regents and may be expended under the provisions of 17-7-138(2). The board of regents shall allocate the appropriations to individual university system units, as defined in 17-7-102(13), according to board policy.”

Standard Accounting Practices: “In addition to the requirements in 17-1-102(4), all university system units, except the office of the commissioner of higher education, shall account for expenditures consistently within programs and funds across all units and shall use the standards of accounting and reporting, as described by the national association of college and university business officers, as a minimum for achieving consistency.”

Access to Banner Information System: “The Montana university system, except the office of the commissioner of higher education and the community colleges, shall provide the office of budget and program planning and the legislative fiscal division banner access to the entire university system's banner information system, except for information pertaining to individual students or individual employees that is protected by Article II, sections 9 and 10, of the Montana constitution, 20-25-515, or the Family Educational Rights and Privacy Act of 1974, 20 U.S.C. 1232g. The Montana university system shall provide the electronic data required for human resource data for the current unrestricted operating funds into the MBARS system. The salary and benefit data provided must reflect approved board of regents operating budgets.”

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Appropriation Distribution (Educational units)
Program 09 – Language:

Investment Earnings Revenue: "Revenue anticipated to be received by the Montana university system units and colleges of technology includes:

(1) interest earnings of \$791,274 each year of the 2007 biennium; and (2) other revenue of \$1,301,198 each year of the 2007 biennium. These amounts are appropriated for current unrestricted operating expenses as a biennial lump-sum appropriation and are in addition to the funds shown in item Appropriation Distribution."

General Fund Appropriation Subject to Reversion: "The general fund and millage appropriation in the appropriation distribution item is calculated to fund education in the 4-year units and the colleges of technology for an estimated 26,918 resident student FTE students in fiscal 2006 and 27,188 resident students in fiscal 2007. If actual resident student enrollment is greater than the estimated number for the biennium, the university system shall serve the additional students without a state general fund contribution. If actual resident enrollment is less the estimated number for the biennium, the commissioner of higher education shall revert general fund money to the state in accordance with MCA, 17-7-142."

Audit Costs for the University Educational Units: "Total audit costs are estimated to be \$544,376 for the university system, other than the office of the commissioner of higher education. Each unit shall pay a percentage of these costs from funds other than those appropriated in the Appropriation Distribution item."

Miscellaneous Language/Energy Conservation Transfer: "The appropriation distribution item includes \$817,960 for the 2007 biennium that must be transferred to the energy conservation program account and used to retire the general obligation bonds sold to fund energy improvements through the state energy conservation program. The costs of this transfer in each year of the biennium are: university of Montana-Missoula, \$126,400 in fiscal year 2006 and \$88,800 in fiscal year 2007; Montana tech of the university of Montana, \$28,000; Montana state university-northern, \$101,000 in fiscal year 2006 and \$67,000 in fiscal year 2007; Montana state university-Bozeman \$58,000; Montana state university-Billings, \$133,500 in fiscal year FY 2006 and \$105,500 in fiscal year 2007; and western Montana college of the university of Montana, \$12,410 in fiscal year 2006 and \$11,350 in fiscal year 2007."

Miscellaneous Language/National Resource Information System: "The Montana university system shall pay \$88,506 for the 2007 biennium in current funds in support of Montana natural resource information system (NRIS) located at the Montana state library. Quarterly payments must be made upon receipt of the bills from the state library, up to the total amount appropriated."