



MONTANA LEGISLATIVE AUDIT DIVISION

FINANCIAL AUDIT

The University of Montana

For the Fiscal Year Ended June 30, 2009

JANUARY 2010

09-10A

REPORT SUMMARY

The University of Montana (University) is comprised of The University of Montana – Missoula in Missoula, which includes the Montana Forest and Conservation Experiment Station; The University of Montana – Western in Dillon; The University of Montana – Helena College of Technology in Helena; and Montana Tech of The University of Montana in Butte, which includes the Montana Bureau of Mines and Geology. The four campuses are accredited by the Commission on Colleges of the Northwest Association of Schools and Colleges and provide a diversity of undergraduate and graduate academic and two-year vocational/technical programs to students.

Context

The University requests annual financial audits to provide timely audited financial statements to interested parties. To determine if the University's financial statements are fairly presented, we determine whether the University complied with laws and regulations that have a direct and material impact on its financial presentation.

The University's total net assets increased \$27.7 million during fiscal year 2008-09, to \$232.9 million, primarily due to increases in capital assets. These increases in assets were offset by a \$7.6 million increase in the liability for other post employment benefits.

In September of 2006, the Governor enacted the College Affordability Plan (CAP) that resulted in tuition freezes for 2008 and 2009. Enrollment growth and higher tuition rates for out-of-state students increased tuition and fee revenue by \$3.2 million in fiscal year 2008-09, to \$107.5 million. State appropriations increased \$6.5 million, to nearly \$80 million, and revenue from non-capital grants and contracts increased by \$7.5 million, to \$91.83 million, during fiscal year 2008-09.

Expenses increased \$20.2 million during fiscal year 2008-09, to \$355.5 million. Scholarships and fellowships expenses and depreciation and amortization expenses also increased during fiscal year 2008-09.

Our audit report includes student FTE enrollment information from fiscal year 2003-04 through fiscal year 2008-09. During fiscal year 2008-09, student FTE enrollment totaled about 17,000, of which over 13,000 were Montana students and nearly 12,600 were undergraduate students.

Results

Report readers can rely on financial information included in our audit report as a basis for financial decisions. The audit report does not contain any recommendations.

Recommendation Concurrence	
Concur	0
Partially Concur	0
Do Not Concur	0

Source: Agency audit response included in final report.