



# MONTANA LEGISLATIVE AUDIT DIVISION

## FINANCIAL AUDIT

# Montana State University

For the Year Ended June 30, 2010

DECEMBER 2010

09-11B

REPORT SUMMARY

Montana State University is a land grant university serving state, national, and international students and communities. The University's four campuses are located in Bozeman, Billings, Havre, and Great Falls. The Montana Agricultural Experiment Station, The MSU Extension Service, and The Fire Services Training School are reported under the Bozeman campus. The campuses provide a diversity of undergraduate and graduate academic degrees and two-year vocational/technical programs.

### Context

The university requested this audit to provide timely information and accountability for operations to interested parties. We issued a separate financial audit report for the fiscal year ended June 30, 2009 (09-11A) in December 2009. Financial related audits are conducted every two years to determine compliance related to contract and grant expenditures and selected state laws and regulations. Our financial related audit for Montana State University covering fiscal years 2008 and 2009 (09-13) was issued in September 2009. The next scheduled financial related audit will cover fiscal years 2010 and 2011. Annualized Student FTE reported by the Commissioner of Higher Education for fiscal year 2010 is as follows: Bozeman-10,876, Billings-4,259, Havre-1,118, and Great Falls-1,547.

In addition to financial activity of the University, the financial statements include financial activity related to Montana State University Foundation, Museum of the Rockies Incorporated, Montana State University Bobcat Club, Montana State University-Billings Foundation, and Montana State University-Northern Foundation.

During the 2009-2010 academic year tuition and fee revenue increased approximately 4.4 percent due to increased enrollments. Operating expenses in fiscal year 2010 and 2009 were \$126 million and \$129 million respectively. The university received a one time state appropriation of federal stimulus funds in the amount of \$20.3 million in fiscal year 2010. Federal legislation provided for a \$9 million increase in PELL grant revenue for the University in fiscal year 2010.

### Results

This report does not contain any recommendations to the University.

Recommendation Concurrence	
Concur	0
Partially Concur	0
Do Not Concur	0

Source: Agency audit response included in final report.

For a complete copy of the report or for further information, contact the Legislative Audit Division at 406-444-3122; e-mail to [lad@mt.gov](mailto:lad@mt.gov); or check the website at <http://leg.mt.gov/audit>. Report Fraud, Waste, and Abuse to the Legislative Auditor's FRAUD HOTLINE Call toll-free 1-800-222-4446, or e-mail [lad@mt.gov](mailto:lad@mt.gov).