

FINANCIAL AUDIT

Montana State University

For the Fiscal Year Ended June 30, 2014

FEBRUARY 2015

13-11B

REPORT SUMMARY

The Montana State University (MSU) Bozeman campus full time equivalent (FTE) student increased by 433, or 3.35 percent, in 2014. Since 2010, the student FTE for MSU Bozeman has increased by approximately 2,500. In response to this continued trend of increased enrollment, MSU Bozeman issued \$65.5 million in bonds during fiscal year 2014 to fund a new 400-bed residence hall, the new Jake Jabs College of Business and Entrepreneurship building, and to renovate three existing dining halls, as well as to fund maintenance projects in various residence halls.

### Context

Montana State University (MSU) serves state, national, and international students with a diversity of undergraduate and graduate academic degrees, as well as two-year vocational and technical programs. The University includes four campuses located in Bozeman, Billings, Great Falls, and Havre, as well as the Montana Agricultural Experiment Station, Montana Extension Service, and the Fire Services Training School.

In addition to the financial activity of MSU, the financial statements include financial activity related to foundations for the Bozeman, Billings, and Havre campuses, the Museum of the Rockies Incorporated, and the Bozeman Bobcat Club.

The report also contains unaudited supplemental information with detailed information for each campus, the Agricultural Experiment Station, Montana State University Extension Service, and the Fire Services Training School.

### Results

During our audit, we reviewed financial records related to the university's compensation and benefits, student financial aid, tuition and fees, grants and contracts, as well as other account balances and transaction cycles. We issued an unmodified opinion over the university's financial statements. Readers of this report can rely on the financial statements to be a fair representation of the university's operations for fiscal year 2014 and financial position as of June 30, 2014. The Independent Auditor's Report on page A-1 refers to a prior period restatement of the 2013 amounts due to an adjustment to Other Post-Employment Benefits. Our opinion is not modified with respect to this matter.