

FINANCIAL-RELATED AUDIT  
Montana State University

For the Two Fiscal Years Ended June 30, 2013

OCTOBER 2013

13-13

REPORT SUMMARY

Montana State University (university) consists of four campuses located in Bozeman, Billings, Havre, and Great Falls. For fiscal year 2012-13, the university served just under 20,000 students, 76 percent of which were Montana residents.

**Context**

The university consists of campuses located in Bozeman (MSU-Bozeman), Billings (MSU-Billings and City College), Havre (MSU-Northern), and Great Falls (Great Falls College-MSU). During the course of our audit we visited MSU-Bozeman, MSU-Billings, MSU-Northern and the Great Falls College-MSU.

The university receives a variety of federal funding. During the audit, we examined the university’s compliance with federal regulation over the Student Financial Assistance (SFA) and Research and Development (R&D) programs. The university had approximately \$100 million in R&D expenditures in fiscal years 2012 and 2013, 99 percent of which were at MSU-Bozeman. The university had approximately \$132 million of SFA expenditures in fiscal years 2012 and 2013, of which 87 percent were at MSU-Bozeman and MSU-Billings. As a result, we concentrated our audit efforts for programs at the MSU-Bozeman and MSU-Billings campuses.

In addition we tested compliance with selected state laws and Board of Regent policies at the campuses we visited including the Agriculture Experiment Station and Fire Services which are affiliated with the MSU-Bozeman campus.

**Results**

Our prior audit report included ten recommendations to the university. Of those, the university implemented eight and partially implemented two.

This audit report includes two recommendations relating to nonresident fee waivers in excess of limits in state law, and segregation of university and foundation assets.

Recommendation Concurrence	
Concur	1
Partially Concur	0
Do Not Concur	1
<b>Source: Agency audit response included in final report.</b>	

For a complete copy of the report (13-13) 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 web site at <http://leg.mt.gov/audit>  
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