

FINANCIAL AUDIT

Montana State University

For the Fiscal Year Ended June 30, 2015

JANUARY 2016

15-11A

REPORT SUMMARY

The Montana State University student full time equivalent remained consistent between 2014 and 2015. MSU–Billings experienced a 4 percent, or 146, decrease in student FTE while MSU–Bozeman saw a 1 percent, or 137, increase in student FTE. Despite consistent student enrollment, the financial statements show a decrease in unrestricted net position of approximately \$67 million in 2015. This decrease is primarily due to the implementation of Governmental Accounting Standards Board (GASB) Statement No. 68 which requires MSU to recognize its portion of the defined benefit pension liability and expense and the related deferred outflows and inflows due to its participation in these plans.

Context

The Montana State University (MSU) includes four campuses located in Bozeman, Billings, Great Falls, and Havre. In addition, MSU includes the Montana Agricultural Experiment Station, Montana Extension Service, and the Fire Services Training School. These campuses and programs serve state, national, and international students by providing undergraduate and graduate academic degrees. Two year vocational and technical programs are also provided.

Included in the financial statements for MSU is financial activity for the foundations of the Bozeman, Billings, and Havre campuses, the Museum of the Rockies Incorporated, and the Bozeman Bobcat Club.

Unaudited supplemental information is included in the financial statements. It contains detailed information for each campus, the Agricultural Experiment Station, Montana Extension Service, and the Fire Services Training School.

Results

During our audit, we reviewed financial records related to MSU'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 on MSU's financial statements and this report does not contain any findings or recommendations.

For a complete copy of the report (#15-11A) or for further information, contact the Legislative Audit Division at 406-444-3122; e-mail to lad@mt.gov; or check the web site at <http://leg.mt.gov/audit>

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