

Program Budget Comparison

The following table summarizes the total proposed budget by year, type of expenditure, and source of funding.

Program Budget Comparison								
Budget Item	Base Fiscal 2014	Approp. Fiscal 2015	Budget Fiscal 2016	Budget Fiscal 2017	Biennium Fiscal 14-15	Biennium Fiscal 16-17	Biennium Change	Biennium % Change
FTE	19.90	19.90	19.90	19.90	19.90	19.90	0.00	0.00 %
Personal Services	894,697	1,202,492	1,258,381	1,255,571	2,097,189	2,513,952	416,763	19.87 %
Operating Expenses	1,669,035	1,542,547	1,668,052	1,668,016	3,211,582	3,336,068	124,486	3.88 %
Grants	775,779	616,624	1,400,000	1,400,000	1,392,403	2,800,000	1,407,597	101.09 %
Transfers	460,144	1,289,703	900,000	900,000	1,749,847	1,800,000	50,153	2.87 %
Total Costs	\$3,799,655	\$4,651,366	\$5,226,433	\$5,223,587	\$8,451,021	\$10,450,020	\$1,998,999	23.65 %
General Fund	96,468	96,864	102,137	101,762	193,332	203,899	10,567	5.47 %
Federal Spec. Rev. Funds	3,703,187	4,554,502	5,124,296	5,121,825	8,257,689	10,246,121	1,988,432	24.08 %
Total Funds	\$3,799,655	\$4,651,366	\$5,226,433	\$5,223,587	\$8,451,021	\$10,450,020	\$1,998,999	23.65 %

Program Description

This program is primarily a federally-funded program to decrease the dropout rate of disadvantaged students in high schools and increase their enrollment and retention in post-secondary education. The Educational Outreach and Diversity program has three components providing services to the target populations:

- Gaining Early Awareness and Readiness for Undergraduate Programs (GEAR-UP) is an early intervention and scholarship program that provides mentoring, counseling and outreach to build academic success that will lead to postsecondary education enrollment and achievement. The program provides these services to an entire cohort of students at participating schools starting in seventh grade, and the program services follow that cohort through high school completion
- Montana Educational Talent Search (METS) creates a long-term academic contract with middle school students that subsequently provide academic support, skills building, and counseling to encourage the planning, preparation and pursuit of a postsecondary education
- American Indian/Minority Achievement (AIMA) is responsible for American Indian and minority recruitment and retention in the university system, oversight for the campus diversity plans, and implementation of Indian Education for All programs in the university system. An overall objective of the program is to work with the campuses of the MUS in order to increase recruitment, enrollment, and graduation rates of American Indian and other minority students

Program Highlights

Educational Outreach & Diversity Program Major Budget Highlights
<ul style="list-style-type: none"> • The increase in personal services is due to annualization of the 2015 biennium pay plan and vacancy savings in FY 2014 • The executive requests additional federal authority for the GEAR-UP grants to fully fund federal scholarships to students • General fund in this program supports the American Indian/Minority Achievement function and is about 2% of total biennial program expenditures

Program Discussion -

The following highlights the differences between the FY 2015 appropriations as shown in the main table and the FY 2015 legislative appropriations used for purposes of the budget base.

There are no differences between FY 2015 Legislative Appropriation and FY 2015 as implemented by the executive.

Comparison of FY 2014 Actual Expenditures to FY 2015 Legislative Appropriation

Actual FY 2014 expenditures are less than the FY 2015 Legislative Appropriation. The primary reasons for the difference are:

- Vacancy savings in FY 2014
- Remaining unspent biennial budget appropriation in FY 2014

Funding

The following table shows proposed program funding by source from all sources of authority.

Commissioner of Higher Ed, 06-Educational Outreach & Diversity Funding by Source of Authority						
Funds	HB2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	
01100 General Fund	203,899	0	0	203,899	1.95 %	
State Special Total	\$0	\$0	\$0	\$0	0.00 %	
03042 2nd Gear Up Grant	6,697,869	0	0	6,697,869	65.37 %	
03411 Gear Up Trio Scholarship	0	0	0	0	0.00 %	
03412 2005 Gear Up Fed School Trust	1,948,936	0	0	1,948,936	19.02 %	
03806 Talent Search	1,599,316	0	0	1,599,316	15.61 %	
Federal Special Total	\$10,246,121	\$0	\$0	\$10,246,121	98.05 %	
Proprietary Total	\$0	\$0	\$0	\$0	0.00 %	
Total All Funds	\$10,450,020	\$0	\$0	\$10,450,020		

- General fund supports the American Indian/Minority Achievement component of the program
 - Federal funds are from two grant sources:
 - The Talent Search grant, comprising 16% of the biennial program funding, has no non-federal matching requirement
 - The GEAR-UP grant, comprising 84% of the biennial budget, requires a 50% non-federal fund match, which is provided through allowable in-kind services

Budget Summary by Category

The following summarizes the total budget utilizing the FY 2015 Legislative base, present law adjustments, and new proposals.

Budget Summary by Category								
Budget Item	-----General Fund-----				-----Total Funds-----			
	Leg. Budget Fiscal 2016	Leg. Budget Fiscal 2017	Leg. Biennium Fiscal 16-17	Percent of Budget	Leg. Budget Fiscal 2016	Leg. Budget Fiscal 2017	Leg. Biennium Fiscal 16-17	Percent of Budget
2015 Budget	96,864	96,864	193,728	95.01 %	4,651,366	4,651,366	9,302,732	89.02 %
PL Adjustments	5,273	4,898	10,171	4.99 %	575,067	572,221	1,147,288	10.98 %
New Proposals	0	0	0	0.00 %	0	0	0	0.00 %
Total Budget	\$102,137	\$101,762	\$203,899		\$5,226,433	\$5,223,587	\$10,450,020	

Present Law Adjustments -

The "Present Law Adjustments" table shows the changes from FY 2015 legislative appropriation to the budget proposed by the executive. PSPL adjusts all personal services. LGPL provides for adjustments to other expenditures such as operating expenses. Each is discussed in the narrative that follows. Total funds in the Present Law Adjustments table do not include proprietary funds budgeted in House Bill 2.

Present Law Adjustments										
	-----Fiscal 2016-----					-----Fiscal 2017-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 98 - LEG. Personal Services Present Law	0.00	5,630	0	50,259	55,889	0.00	5,309	0	47,770	53,079
DP 99 - LEG. Present Law	0.00	(357)	0	519,535	519,178	0.00	(411)	0	519,553	519,142
Grand Total All Present Law Adjustments	0.00	\$5,273	\$0	\$569,794	\$575,067	0.00	\$4,898	\$0	\$567,323	\$572,221

DP 98 - LEG. Personal Services Present Law -

The Personal Services Present Law Adjustments (PSPL) in the table below includes all present law adjustments related to personal services, including statewide present law personal services adjustments. This adjustment has been broken out by some of its component parts for a more detailed understanding of the adjustments. FY 2016 and FY 2017 contain the reductions in FTE made by the executive to implement the boilerplate language in HB 2.

Personal Services Present Law Adjustments						
CP 98 PSPL Item	FY 2016					
	FTE	General Fund	State Special	Federal Special	Proprietary Fund	Total Funds
State Share Health Insurance	19.90	\$486	-	\$9,185	-	\$9,671
Executive Implementation of 2015 Pay Increase		1,777	-	18,921	-	20,697
Fully Fund 2015 Legislatively Authorized FTE		-	-	20,165	-	20,165
Other		3,367	-	1,988	-	5,355
Personal Services Present Law Adjustments	19.90	\$5,630	\$0	\$50,259	\$0	\$55,889
CP 98 PSPL Item	FY 2017					
	FTE	General Fund	State Special	Federal Special	Proprietary Fund	Total Funds
State Share Health Insurance	19.90	\$486	-	\$9,185	-	\$9,671
Executive Implementation of 2015 Pay Increase		1,777	-	18,921	-	20,697
Fully Fund 2015 Legislatively Authorized FTE		-	-	20,165	-	20,165
Other		3,046	-	(501)	-	2,545
Personal Services Present Law Adjustments	19.90	\$5,309	\$0	\$47,770	\$0	\$53,079

The executive proposes to increase personal services adjustments by 4.6% in FY 2016 and 4% in FY 2017 when compared to the FY 2015 legislative budget. As shown in the table, about 38% of the changes are due to costs associated with the Board of Regents' enactment of HB 13 from the 2013 Legislature.

DP 99 - LEG. Present Law -

The executive proposes:

- The executive requests additional federal authority to make transfers of funding to the Office of Public Instruction and to fully fund federal scholarships to students
- Increase in fixed costs, inflation, and deflation