

Program Budget Comparison

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

Program Budget Comparison								
Budget Item	Base Fiscal 2012	Approp. Fiscal 2013	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 12-13	Biennium Fiscal 14-15	Biennium Change	Biennium % Change
FTE	23.03	23.03	23.03	23.03	23.03	23.03	0.00	0.00%
Personal Services	2,348,762	2,092,394	2,244,492	2,244,089	4,441,156	4,488,581	47,425	1.07%
Operating Expenses	663,112	770,241	725,581	697,242	1,433,353	1,422,823	(10,530)	(0.73%)
Transfers	0	36,000	0	0	36,000	0	(36,000)	(100.00%)
Debt Service	0	0	23,553	23,553	0	47,106	47,106	n/a
Total Costs	\$3,011,874	\$2,898,635	\$2,993,626	\$2,964,884	\$5,910,509	\$5,958,510	\$48,001	0.81%
General Fund	2,539,506	2,329,395	2,580,063	2,556,529	4,868,901	5,136,592	267,691	5.50%
State Special	0	0	0	0	0	0	0	n/a
Federal Special	399,608	493,201	338,470	334,065	892,809	672,535	(220,274)	(24.67%)
Other	72,760	76,039	75,093	74,290	148,799	149,383	584	0.39%
Total Funds	\$3,011,874	\$2,898,635	\$2,993,626	\$2,964,884	\$5,910,509	\$5,958,510	\$48,001	0.81%

Program Description

The administration program includes: 1) general administration of the university system, 2) academic, financial, and legal administration, 3) labor relations and personnel administration, and 4) student assistance administration. Article X, Section 9, of the Montana Constitution requires that the Board of Regents appoints the commissioner and prescribes his powers and duties.

Program Highlights

Administration Program Major Budget Highlights
<ul style="list-style-type: none"> ◆ The legislature increased overall funding to this program less than 1% due to offsetting adjustments: <ul style="list-style-type: none"> • Funding Regent-approved across the board pay increases of 1% + \$500 implemented in FY 2012 (additional pay increase of 2% + \$500 was excluded from the personal services snapshot as it was not effective until October 1, 2012) • Increased fixed costs • Applying an additional 2% vacancy savings to the agency and allocating the entire reduction to this program, with language that allows reallocation to other programs in the agency operating plan. Approximately 3/4ths of the federal special revenue reduction shown in this program for the 2015 biennium is attributable to this additional vacancy savings adjustment.

Funding

The following table shows program funding by source of authority for the 2015 biennium as adopted by the legislature.

Total Commissioner Of Higher Education Funding by Source of Authority 2015 Biennium Budget - Administration Program							
Funds	HB 2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	MCA Reference	Statutory Category
General Fund	\$5,136,592	\$0	\$0	\$5,136,592	86.2%		
Federal Special Total	\$672,535	\$0	\$0	\$672,535	11.3%		
03080 Che Indirect Cost Recovery	\$672,535	\$0	\$0	\$672,535	11.3%		
Proprietary Total	\$149,383	\$0	\$0	\$149,383	2.5%		
06539 Indirect Costs - Oche	\$149,383	\$0	\$0	\$149,383	2.5%		
Total All Funds	\$5,958,510	\$0	\$0	\$5,958,510	100.0%		
Percent - Total All Sources	100.0%	0.0%	0.0%				

This program is funded primarily from general fund. About 14% of the funding for the 2015 biennium will come from federal and proprietary revenue to support administrative overhead activities for federal grant programs and proprietary programs administered by other OCHE programs (e.g. Talent Search, GEAR-UP, Perkins, Group Insurance, and MUS Workers Compensation).

Budget Summary by Category

The following summarizes the total budget by base, present law adjustments, and new proposals.

Budget Item	-----General Fund-----				-----Total Funds-----			
	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget	Budget Fiscal 2014	Budget Fiscal 2015	Biennium Fiscal 14-15	Percent of Budget
Base Budget	2,539,506	2,539,506	5,079,012	98.88%	3,011,874	3,011,874	6,023,748	101.09%
Statewide PL Adjustments	84,025	60,623	144,648	2.82%	106,572	77,982	184,554	3.10%
Other PL Adjustments	852	707	1,559	0.03%	1,082	910	1,992	0.03%
New Proposals	(44,320)	(44,307)	(88,627)	(1.73%)	(125,902)	(125,882)	(251,784)	(4.23%)
Total Budget	\$2,580,063	\$2,556,529	\$5,136,592		\$2,993,626	\$2,964,884	\$5,958,510	

The following summarizes the total budget by base, present law adjustments, and new proposals

Present Law Adjustments

The "Present Law Adjustments" table shows the changes to the base budget adopted by the legislature.

Present Law Adjustments	-----Fiscal 2014-----					-----Fiscal 2015-----				
	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
Personal Services					120,400					119,956
Vacancy Savings					(98,768)					(98,747)
Inflation/Deflation					(683)					(385)
Fixed Costs					85,623					57,158
Total Statewide Present Law Adjustments		\$84,025	\$0	\$19,074	\$106,572*		\$60,623	\$0	\$14,685	\$77,982*
DP 50 - Initial Motion to FY 2012 Base	0.00	(84,025)	0	(19,074)	(106,572)*	0.00	(60,623)	0	(14,685)	(77,982)*
DP 51 - Adjustment for Statewide Personal Services	0.00	14,467	0	6,061	21,632*	0.00	14,131	0	5,988	21,209*
DP 52 - Adjustment for Statewide Operations	0.00	70,410	0	13,207	86,022*	0.00	47,199	0	8,868	57,683*
Total Other Present Law Adjustments	0.00	\$852	\$0	\$194	\$1,082*	0.00	\$707	\$0	\$171	\$910*
Grand Total All Present Law Adjustments	0.00	\$84,877	\$0	\$19,268	\$107,654*	0.00	\$61,330	\$0	\$14,856	\$78,892*

* "Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 50 - Initial Motion to FY 2012 Base - The legislature adopted a motion to establish the starting point for budget deliberations as the FY 2012 base. This adjustment removes statewide present law adjustments for personal services, vacancy savings, fixed costs, and inflation/deflation.

DP 51 - Adjustment for Statewide Personal Services - This adjustment funds statewide personal services and vacancy savings.

DP 52 - Adjustment for Statewide Operations - This adjustment establishes the fixed cost and inflation/deflation rates as approved by the General Government subcommittee.

New Proposals

New Proposals	-----Fiscal 2014-----					-----Fiscal 2015-----					
	Program	FTE	General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 54 - Additional Vacancy Savings	01	0.00	(44,320)	0	(80,406)	(125,902)*	0.00	(44,307)	0	(80,399)	(125,882)*
Total		0.00	(\$44,320)	\$0	(\$80,406)	(\$125,902)*	0.00	(\$44,307)	\$0	(\$80,399)	(\$125,882)*

* "Total Funds" amount includes funding from sources other than General Fund, State Special, or Federal Special (i.e. Proprietary).

DP 54 - Additional Vacancy Savings - The legislature applied an additional 2% vacancy savings to all positions except those exempt in statute or that must be filled 24/7. Language was included in HB 2 that allows the agency to allocate the reduction among programs.

Language and Statutory Authority

The legislature approved the following language for HB 2:

"OCHE -- Administration program includes a reduction in general fund of \$44,320 in fiscal year 2014 and \$44,307 in fiscal year 2015, federal special revenue of \$80,406 in fiscal year 2014 and \$80,399 in fiscal year 2015, and proprietary funds of \$1,176 in fiscal year 2014 and \$1,176 in fiscal year 2015. The reduction is the equivalent of an additional 2% vacancy savings. The agency may allocate this reduction in funding among programs when developing 2015 biennium operating plans."