

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
Transfers	175,035,264	175,993,070	191,280,583	193,120,338	351,028,334	384,400,921	33,372,587	9.51%
Total Costs	\$175,035,264	\$175,993,070	\$191,280,583	\$193,120,338	\$351,028,334	\$384,400,921	\$33,372,587	9.51%
General Fund	155,310,140	154,820,436	170,641,977	171,974,975	310,130,576	342,616,952	32,486,376	10.48%
State Special	19,725,124	21,172,634	20,638,606	21,145,363	40,897,758	41,783,969	886,211	2.17%
Total Funds	\$175,035,264	\$175,993,070	\$191,280,583	\$193,120,338	\$351,028,334	\$384,400,921	\$33,372,587	9.51%

Program Description

The Appropriation Distribution Program in the Office of the Commissioner of Higher Education (OCHE) is the conduit through which state funds flow to: 1) the university system units and colleges of technology and other campus related appropriations, and 2) the research/public service agencies.

Program Highlights

Appropriation Distribution Program	
Major Budget Highlights	
◆	The 2015 biennium budget for the MUS educational units and research and public service agencies increases 9.5%, or \$33.4 million, from the 2013 biennium base budget
◆	The Governor vetoed two HB 2 line item appropriations impacting the Agricultural Experiment Station and the Extension Service, reducing the \$2.8 million of new legislative proposals for these agencies by \$650,000 in the 2015 biennium
◆	Most of the funding that was appropriated in HB 2 as part of the Tuition Cap Agreement for the 2015 biennium is included in this program <ul style="list-style-type: none"> • \$28.2 million general fund was added to the educational units to fund an 82% state share of the present law cost increases in the MUS general operating budget for the 2015 biennium • The agreement also commits the Montana University System to incorporating a performance funding component into the allocation model used by the Board of Regents for distributing funds to the MUS education units.

Appropriation Distribution Program Major Budget Highlights (continued)
<ul style="list-style-type: none"> ◆ 10 new proposals totaling \$5.90 million general fund were funded for the 2015 biennium. Significant additions include: <ul style="list-style-type: none"> • \$0.8 million for two proposals, focused upon increasing access to medical education for Montana students and increasing the number of physicians practicing in Montana (DP 909 and DP 950) • \$0.6 million for a one-time-only appropriation to develop an energy and natural resources doctoral program at UM Montana Tech (DP 902) • \$1.0 million for a one-time-only appropriation for workforce development and two year education (DP 903) • \$1.0 million for a one-time-only appropriation to expand veterinary medicine opportunities to Montana students (DP 905) • \$2.1 million for four proposals increasing budgets for the Agricultural Experiment Station and Extension Service, and eliminating vacancy savings for the 2015 biennium at the Agricultural Experiment Station (DP 920, DP 921, and DP 925, and DP 951)

Program Narrative

Tuition Cap Agreement and Performance Funding

The 2013 Legislature funded the Governor's proposal for a resident student tuition freeze each year of the 2015 biennium. Funding was provided via HB 2, the general appropriations act, and HB 13, the pay plan bill. The Board of Regents will make the final determination of whether to implement the tuition freeze at its May 2013 meeting.

Significant HB 2 components of the tuition cap agreement include:

- 1) \$28.2 million was added in the 2015 biennium for an 82% state share of present law cost increases at the MUS education units. The adjustments included faculty, classified, and contract employee market/merit/inversion pay; mandatory fee waivers, utilities and library inflation, overtime; and fixed costs.
- 2) No adjustment was made for resident or Western Undergraduate Exchange (WUE) student enrollment increases or decreases in the 2015 biennium. State funding will not be increased or decreased as a result of actual enrollment being higher or lower than the FY 2012 resident/WUE level as outlined in 17-7-142, MCA.
- 3) General fund totaling \$2.6 million each year of the 2015 biennium was restored to the Student Assistance Program, reversing a one-time funding switch to federal funds for the 2013 biennium.
- 4) \$0.59 million was added for estimated increased tuition support for the current level of professional student exchange programs (WICHE/WWAMI/Minnesota Dental).

HB 13 Components:

- 1) The agreement relies on a state appropriation to the MUS to fund fully any raises that the legislature approves in a state employee pay plan.
- 2) HB 13 includes funding for increasing employer contributions for health insurance premiums 10% each year of the 2015 biennium (the same increase provided for all eligible state employees).
- 3) HB 13 did not include a specific dollar or percentage across the board pay increase for state employees. Instead, the legislature allocated funds to the branches of government, including a separate allocation for the Montana University System.

- 4) The Montana Board of Regents will make the final determination on how much of the HB 13 funding allocation will be used for increased employer contribution for health insurance premiums and how much will be used for employee pay increases.

Performance Funding:

- 1) The tuition cap agreement also includes a commitment by the Montana University System to incorporate a performance funding component into the allocation model used by the Board of Regents to distribute state funds to the MUS education units.
- 2) Approximately one-half of the FY 2015 present law adjustment -- \$7.5 million -- will be designated for performance funding and distributed based upon progress toward increasing college completions and other related outcomes.

May 2013 Board of Regents Action on Resident Tuition for 2015 Biennium

At its May 2013 meeting, the Board of Regents approved a resident tuition rate freeze for FY 2014 and FY 2015 for the 4-year and 2-year campuses of the Montana University System. The freeze applies only to resident tuition rates².

The board approved a tuition rate increase for one of the three community colleges at the May 2013 meeting, while the remaining two community colleges did not increase tuition rates for FY 2014. The community colleges are not part of the Tuition Cap Agreement.

For tuition and mandatory fees approved by the Board of Regents at the May 2013 meeting click on the link below.

<http://leg.mt.gov/content/Publications/fiscal/FR-2015/Additional-Data-Tables/5102-BOR-Approved-Tuition-Rates.pdf>

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 - Appropriation Distribution								
Funds	HB 2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	MCA Reference	Statutory Category	
General Fund	\$343,266,952	\$0	\$2,721,082	\$345,988,034	88.9%	19-21-203	Direct	
State Special Total	\$41,783,969	\$0	\$1,233,750	\$43,017,719	11.1%			
02111 Accommodation Tax Account	\$0	\$0	\$1,233,750	\$1,233,750	0.3%	15-65-121	Pass Thru	
02289 Bureau Of Mines Groundwater	\$1,332,000	\$0	\$0	\$1,332,000	0.3%			
02443 University Millage	\$38,632,478	\$0	\$0	\$38,632,478	9.9%			
02576 Natural Resources Operations Ssr Fund	\$351,772	\$0	\$0	\$351,772	0.1%			
02694 Coal Bed Methane Protection	\$600,000	\$0	\$0	\$600,000	0.2%			
02944 Motorcycle Safety Training	\$867,719	\$0	\$0	\$867,719	0.2%			
Total All Funds	\$385,050,921	\$0	\$3,954,832	\$389,005,753	100.0%			
Percent - Total All Sources	99.0%	0.0%	1.0%					

The Appropriation Distribution program is the conduit through which state funds are transferred to the university educational units and the research/public service agencies affiliated with the university units. State funding in this program comes from six sources:

²The Tuition Cap Agreement applies only to resident tuition. All students must also pay mandatory fees in addition to tuition. The board approved increases in mandatory fees of between 1% and 9% at the MUS campuses except MSU-Northern and Helena College UM which did not request an increase in mandatory fees in the 2015 biennium. Mandatory fees are accounted for in the designated and plant funds while tuition and state funds are accounted for in the current unrestricted fund.

- 1) State general fund;
- 2) State special revenue from the statewide six-mill property tax levy that is appropriated for the support, maintenance, and improvement of the Montana University System. The legislature increased funding from the statewide six-mill levy \$1.6 million in the 2015 biennium compared to the FY 2012 base six-mill funding. This adjustment offset the amount of general fund that otherwise would have been needed;
- 3) State special revenue from the motorcycle safety account that is funded from motorcycle endorsement fees and motorcycle safety fees that is appropriated for the operation of the Montana motorcycle safety training program at MSU-Northern in Havre;
- 4) State special revenue from the groundwater assessment account that is funded from an allocation of resource indemnity trust interest and an allocation of taxes on mineral production and is used to fund groundwater assessment activities at the Montana Bureau of Mines in Butte;
- 5) State special revenue from an allocation of the natural resources operations account that is funded from resource indemnity trust interest, metal mines tax, and oil and natural gas production tax. This revenue is also used to fund groundwater assessment activities at the Montana Bureau of Mines; and
- 6) State special revenue from a one-time-only appropriation from the coal bed methane protection account for the 2015 biennium only. This funding will be used at the Montana Bureau of Mines for making coal and mine data available online to the public. (See New Proposal DP 930)

State general fund for the education units and the state special revenue from the statewide six-mill property tax levy are appropriated as part of the lump sum appropriation and are distributed by the board of regents to the education units using an allocation formula. State general fund and the state special revenues for the Bureau of Mines are line-itemed in HB 2 for each research or public service agency.

The figure below illustrates the legislative budget for each component of the appropriation distribution program, including the university education units and the research/public service agencies.

Montana University System Legislative Budget - HB 2 Appropriation Distribution Program - 2015 Biennium								
Unit	FY 2012 Base	State Share Present Law FY 2014	New Proposals FY 2014	Legislative Budget FY 2014	State Share Present Law FY 2015	New Proposals FY 2015	Legislative Budget FY 2015	2015 Biennium Total
Educational Units								
MSU Gt Falls	\$5,910,069	\$345,042		\$6,255,111	\$343,935		\$6,254,004	\$12,509,115
UM Helena	4,502,265	393,138		4,895,403	398,192		4,900,457	9,795,860
UM Missoula	49,268,294	4,699,207		53,967,501	5,755,303		55,023,597	108,991,097
MSU Bozeman	44,490,570	4,431,645		48,922,215	5,006,899		49,497,469	98,419,683
UM Tech	12,897,465	816,031		13,713,496	939,776		13,837,241	27,550,737
MSU Billings	18,851,964	1,017,468		19,869,432	1,073,698		19,925,662	39,795,094
MSU Northern	8,422,062	955,049		9,377,111	930,602		9,352,664	18,729,775
UM Western	6,576,301	597,885		7,174,186	661,116		7,237,417	14,411,603
Motorcycle Safety Program	375,000	88,994		463,994	28,725		403,725	867,719
New Proposals								
902-Energy & Natural Resources Doctoral Program (Biennial/OTO)			300,000	300,000		300,000	300,000	600,000
903-Workforce Development & 2-Yr Education (OTO)			500,000	500,000		500,000	500,000	1,000,000
905-Veterinary Medicine (BIEN/OTO)			500,000	500,000		500,000	500,000	1,000,000
909-WWAMI Expansion (Ongoing)			193,551	193,551		199,358	199,358	392,909
935-Bio-Energy Research Center/MSU-N (OTO)			200,000	200,000		200,000	200,000	400,000
950-Family Practice Residency (Ongoing)			<u>200,000</u>	<u>200,000</u>		<u>200,000</u>	<u>200,000</u>	<u>400,000</u>
Subtotal Ed Units	<u>\$151,293,989</u>	<u>\$13,344,459</u>	<u>\$1,893,551</u>	<u>\$166,531,999</u>	<u>\$15,138,246</u>	<u>\$1,899,358</u>	<u>\$168,331,593</u>	<u>\$334,863,592</u>
Research/Public Service Agencies								
Agricultural Experiment Station	\$12,455,424	(\$283,480)		\$12,171,944	(\$247,372)		\$12,208,052	\$24,379,996
Extension Service	5,338,715	(138,784)		5,199,931	(132,179)		5,206,536	10,406,467
Forest & Conservation Experiment Station	1,011,216	(34,078)		977,138	(34,886)		976,330	1,953,468
Bureau of Mines	4,198,071	157,961		4,356,032	155,364		4,353,435	8,709,467
Fire Services Training School	737,849	(64,294)		673,555	(63,089)		674,760	1,348,315
New Proposals								
920-Increase Funding for Ag Exper Station (Ongoing)			400,000	400,000		400,000	400,000	800,000
921-Increase Funding for Extension (Ongoing)			200,000	200,000		200,000	200,000	400,000
925-Eliminate Vacancy Savings for Ag Exper Station			369,984	369,984		369,632	369,632	739,616
930-Bureau of Mines Coal & Mine Data Records (RST/OTO)			300,000	300,000		300,000	300,000	600,000
951-Local Government Center (OTO)			<u>100,000</u>	<u>100,000</u>		<u>100,000</u>	<u>100,000</u>	<u>200,000</u>
Subtotal Agencies & Programs	<u>\$23,741,275</u>	<u>(\$362,675)</u>	<u>\$1,369,984</u>	<u>\$24,748,584</u>	<u>(\$322,162)</u>	<u>\$1,369,632</u>	<u>\$24,788,745</u>	<u>\$49,537,329</u>
Grand Total Costs	<u>\$175,035,264</u>	<u>\$12,981,784</u>	<u>\$3,263,535</u>	<u>\$191,280,583</u>	<u>\$14,816,084</u>	<u>\$3,268,990</u>	<u>\$193,120,338</u>	<u>\$384,400,921</u>
Funding								
General Fund	\$155,310,140	\$12,368,302	\$2,963,535	\$170,641,977	\$13,695,845	\$2,968,990	\$171,974,975	\$342,616,952
State Special Revenue	<u>19,725,124</u>	<u>613,482</u>	<u>300,000</u>	<u>20,638,606</u>	<u>1,120,239</u>	<u>300,000</u>	<u>21,145,363</u>	<u>41,783,969</u>
Grand Total Funding	<u>\$175,035,264</u>	<u>\$12,981,784</u>	<u>\$3,263,535</u>	<u>\$191,280,583</u>	<u>\$14,816,084</u>	<u>\$3,268,990</u>	<u>\$193,120,338</u>	<u>\$384,400,921</u>

Source: SABHRS data for base year actuals, MBARS for budgeted amounts

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	155,310,140	155,310,140	310,620,280	90.66%	175,035,264	175,035,264	350,070,528	91.07%
Statewide PL Adjustments	(524,488)	(1,091,514)	(1,616,002)	(0.47%)	0	0	0	0.00%
Other PL Adjustments	12,892,790	14,787,359	27,680,149	8.08%	12,981,784	14,816,084	27,797,868	7.23%
New Proposals	2,963,535	2,968,990	5,932,525	1.73%	3,263,535	3,268,990	6,532,525	1.70%
Total Budget	\$170,641,977	\$171,974,975	\$342,616,952		\$191,280,583	\$193,120,338	\$384,400,921	

Other Legislation

SJ 13 - This joint resolution requests the Montana University System to work in conjunction with the Governor to study and adopt goals and performance measures directed at increasing college completion rates. The resolution further requests that the Montana University System set specific goals by July 1, 2014 to increase college completion rates and develop a state action plan for increasing completion rates. A report to the 64th Legislature, the Governor, and the Board of Regents is also required in the resolution.

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
Total Statewide Present Law Adjustments		(\$524,488)	\$524,488		\$0		(\$1,091,514)	\$1,091,514		\$0
DP 901 - State Support of Educational Units	0.00	13,185,885	0	0	13,185,885	0.00	15,040,332	0	0	15,040,332
DP 904 - Statewide Present Law Adjustments Agencies	0.00	(366,218)	0	0	(366,218)	0.00	(326,337)	0	0	(326,337)
DP 930 - Fixed Cost Rate Adjustments	0.00	73,123	0	0	73,123	0.00	73,364	0	0	73,364
DP 959 - Adjustment to Correct Reporting	0.00	524,488	(524,488)	0	0	0.00	1,091,514	(1,091,514)	0	0
DP 960 - General Fund Replacement with Six Mill Levy Funds	0.00	(524,488)	524,488	0	0	0.00	(1,091,514)	1,091,514	0	0
DP 9071 - Motorcycle Safety Equip Replacement and PL Adjustm	0.00	0	88,994	0	88,994	0.00	0	28,725	0	28,725
Total Other Present Law Adjustments	0.00	\$12,892,790	\$88,994	\$0	\$12,981,784	0.00	\$14,787,359	\$28,725	\$0	\$14,816,084
Grand Total All Present Law Adjustments	0.00	\$12,368,302	\$613,482	\$0	\$12,981,784	0.00	\$13,695,845	\$1,120,239	\$0	\$14,816,084

DP 901 - State Support of Educational Units - The legislature approved funding for the Tuition CAP Agreement (CAP) totaling \$13.2 million in FY 2014 and \$15.0 million in FY 2015 to fund present law adjustments. Items funded with this present law adjustment include faculty, classified and contract employee market/merit/inversion pay, mandatory fee waivers, utilities and library inflation, overtime, statewide present law adjustments, and other base budget operating adjustments. The legislature determined the state portion of the present law adjustments should reflect the portion of resident and Western Undergraduate Exchange (WUE) students in the Montana University System, or 82% of the total.

DP 904 - Statewide Present Law Adjustments Agencies - Included in this adjustment are personal services adjustments, vacancy savings, inflation/deflation, fixed costs, and administrative assessments as they relate to the agencies of the Montana University System (MUS).

DP 930 - Fixed Cost Rate Adjustments - This adjustment reflects the fixed cost rates for risk management and state accounting services (SABHRS) as approved by the General Government joint appropriations subcommittee.

DP 959 - Adjustment to Correct Reporting - This is a technical adjustment that corrects the reporting of the fund switch between general fund and the six-mill levy.

DP 960 - General Fund Replacement with Six Mill Levy Funds - The legislature adopted the executive's six mill levy revenue estimate for the 2015 biennium. This action replaced general fund with a like amount of six mill levy revenue.

DP 9071 - Motorcycle Safety Equip Replacement and PL Adjustm - The legislature increased state special revenue authority for equipment replacement including a 10 year old pickup that is used to haul the motorcycles to offered trainings around the state and replacement of older motorcycles. The legislature also increased state special revenue authority for present law adjustments for the motorcycle safety program.

New Proposals

Program	FTE	Fiscal 2014				Fiscal 2015				
		General Fund	State Special	Federal Special	Total Funds	FTE	General Fund	State Special	Federal Special	Total Funds
DP 902 - Energy & Natural Resources Doctoral Pgm BIEN / OTO										
09	0.00	300,000	0	0	300,000	0.00	300,000	0	0	300,000
DP 903 - Workforce Development and Two Year Education (OTO)										
09	0.00	500,000	0	0	500,000	0.00	500,000	0	0	500,000
DP 905 - Veterinary Medicine BIEN / OTO										
09	0.00	500,000	0	0	500,000	0.00	500,000	0	0	500,000
DP 909 - WWAMI Expansion										
09	0.00	193,551	0	0	193,551	0.00	199,358	0	0	199,358
DP 920 - Increase Funding for Ag Experiment Station										
09	0.00	400,000	0	0	400,000	0.00	400,000	0	0	400,000
DP 921 - Increase Funding for Extension Service										
09	0.00	200,000	0	0	200,000	0.00	200,000	0	0	200,000
DP 925 - Eliminate Vac Savings at AES										
09	0.00	369,984	0	0	369,984	0.00	369,632	0	0	369,632
DP 930 - Bureau of Mines Coal & Mine Data Records (RST/OTO)										
09	0.00	0	300,000	0	300,000	0.00	0	300,000	0	300,000
DP 935 - Bio-Energy Research Center at MSU-N (Biennial/OTO)										
09	0.00	200,000	0	0	200,000	0.00	200,000	0	0	200,000
DP 950 - Family Practice Residency										
09	0.00	200,000	0	0	200,000	0.00	200,000	0	0	200,000
DP 951 - Local Government Center (OTO)										
09	0.00	100,000	0	0	100,000	0.00	100,000	0	0	100,000
Total	0.00	\$2,963,535	\$300,000	\$0	\$3,263,535	0.00	\$2,968,990	\$300,000	\$0	\$3,268,990

DP 902 - Energy & Natural Resources Doctoral Pgm BIEN / OTO - The legislature included \$600,000 of biennial one-time-only general fund to implement the energy and natural resources doctoral program at Montana Tech of the University of Montana.

DP 903 - Workforce Development and Two Year Education (OTO) - The legislature approved \$1.0 million one-time-only general fund in the 2015 biennium to invest in two-year education across Montana. These funds are intended to be used to expand dual enrollment opportunities, increase access and affordability to Montana's two year schools, and ensure ease of transferability from two year to four year degree seekers.

DP 905 - Veterinary Medicine BIEN / OTO - The legislature added \$1 million biennial one-time-only general fund to expand the veterinary medicine program at Montana State University.

DP 909 - WWAMI Expansion - The legislature increased general fund for operating costs at Montana State University (MSU) to expand the Washington-Wyoming-Alaska-Montana-Idaho (WWAMI) program by 10 slots.

DP 920 - Increase Funding for Ag Experiment Station - The legislature added funding to the Agriculture Experiment Station in the 2015 biennium to support investment in research positions, including:

- Horticulture Specialty Crops
- Pulse Crops
- Animal Nutrition
- Wildlife Management

DP 921 - Increase Funding for Extension Service - The legislature added funding to the Extension Service in the 2015 biennium to support investment in extension specialist positions, including:

- Extension Farm Management Specialist
- Beef Management Specialist

DP 925 - Eliminate Vac Savings at AES - The legislature eliminated vacancy savings at the Agriculture Experiment Station for the 2015 biennium. This action added \$739,616 general fund in the 2015 biennium.

DP 930 - Bureau of Mines Coal & Mine Data Records (RST/OTO) - The legislature added restricted, one-time-only funding from the coal bed methane protection state special revenue account to the Montana Bureau of Mines for 3.0 FTE and related expenses to assist with making data records of mines and coal available online to the public.

DP 935 - Bio-Energy Research Center at MSU-N (Biennial/OTO) - The legislature increased one-time-only general fund to support the Bio-Energy Research Center at Montana State University-Northern.

DP 950 - Family Practice Residency - The legislature added general fund to expand medical residency programs in Montana from one to three. With this addition, the total number of medical residency slots will increase from 8 to 24. This appropriation is added to the base and will increase the total base funding in HB 2 for medical residency programs from \$319,366 to \$519,366 annually.

DP 951 - Local Government Center (OTO) - The legislature added one-time-only general fund in the 2015 biennium for support of the Local Government Center at Montana State University - Bozeman.

Language and Statutory Authority

The legislature included the following language in HB 2.

1. *Language containing estimated public funds that will be received by MUS educational units and agencies and deposited to the current unrestricted fund. These revenues are in addition to the state funds contained in line items in HB 2.*

"Revenue anticipated to be received by the Montana university system units and colleges includes interest earnings and other revenues of \$956,891 for each year of the 2015 biennium. These amounts are appropriated for current unrestricted operating expenses as a biennial lump-sum appropriation and are in addition to the funds shown in OCHE—Appropriation Distribution Transfers.

Anticipated interest earnings and other revenue of \$8,500 each year of the 2015 biennium is appropriated to the agricultural experiment station for current unrestricted operating expenses. This amount is in addition to that shown in OCHE -- Appropriation Distribution Transfers.

Anticipated interest earnings of \$1,500 each year of the 2015 biennium is appropriated to the extension service for current unrestricted operating expenses. This amount is in addition to that shown in OCHE -- Appropriation Distribution Transfers.

Anticipated interest revenue of \$800 in each year of the 2015 biennium is appropriated to the forestry and conservation experiment station for current unrestricted operating expenses. This amount is in addition to that shown in OCHE --

Appropriation Distribution Transfers.

Anticipated sales revenue of \$40,000 each year in the 2015 biennium is appropriated to the bureau of mines and geology for current unrestricted operating expenses. This amount is in addition to that shown in OCHE -- Appropriation Distribution Transfers.

Anticipated interest revenue of \$200 each year of the 2015 biennium is appropriated to the fire services training school for current unrestricted operating expenses. This amount is in addition to that shown in OCHE -- Appropriation Distribution Transfers."

2. *Legislative Audit Costs*

"Total audit costs are estimated to be \$530,974 for the university system educational units and public service/research agencies, other than the office of the commissioner of higher education. Audit costs charged to the educational units and public service/research agencies for the 2015 biennium may not exceed \$265,487 for the University of Montana and \$265,487 for Montana State University."

3. *Language that requires the MUS units to transfer funds for bond payments relating to the state energy conservation program*

"OCHE -- Appropriation Distribution Transfers includes \$1,442,114 in FY 2014 and \$1,384,114 in FY 2015 that must be transferred to the energy conservation program account and used to retire the general obligation bonds sold to fund energy improvements or repay loans received for energy improvements through the state energy conservation program. The costs of this transfer in each year of the 2015 biennium are as follows: University of Montana-Missoula, \$468,859 each year; University of Montana- Western, \$147,867 each year; University of Montana-Montana Tech, \$32,099 each year; Helena College, \$64,104 each year; Montana State University-Bozeman \$383,410 in FY 2014 and \$325,410 in FY 2015; Montana State University- Billings \$170,542 each year; Montana State University-Northern, \$85,336 each year; and Great Falls College, \$86,500 each year of the biennium."

4. *Language that requires the MUS to transfer funds to the Montana state library for the natural resource information system.*

"The Montana university system shall pay \$88,506 for the 2015 biennium in current funds in support of the Montana natural resource information system (NRIS) located at the Montana state library. Quarterly payments must be made upon receipt of the bills from the state library, up to the total amount appropriated."