

### Program Budget Comparison

The following table summarizes the total executive 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	2,370,394	2,369,971	4,441,156	4,740,365	299,209	6.74%
Operating Expenses	663,112	770,241	727,446	699,279	1,433,353	1,426,725	(6,628)	(0.46%)
Transfers	0	36,000	2,500,000	2,500,000	36,000	5,000,000	4,964,000	13,788.89%
Debt Service	0	0	23,553	23,553	0	47,106	47,106	n/a
<b>Total Costs</b>	<b>\$3,011,874</b>	<b>\$2,898,635</b>	<b>\$5,621,393</b>	<b>\$5,592,803</b>	<b>\$5,910,509</b>	<b>\$11,214,196</b>	<b>\$5,303,687</b>	<b>89.73%</b>
General Fund	2,539,506	2,329,395	5,125,004	5,101,602	4,868,901	10,226,606	5,357,705	110.04%
State Special	0	0	0	0	0	0	0	n/a
Federal Special	399,608	493,201	420,156	415,767	892,809	835,923	(56,886)	(6.37%)
Other	72,760	76,039	76,233	75,434	148,799	151,667	2,868	1.93%
<b>Total Funds</b>	<b>\$3,011,874</b>	<b>\$2,898,635</b>	<b>\$5,621,393</b>	<b>\$5,592,803</b>	<b>\$5,910,509</b>	<b>\$11,214,196</b>	<b>\$5,303,687</b>	<b>89.73%</b>

### 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 appoint the commissioner and prescribes his powers and duties.

### Program Highlights

<b>Administration Program Major Budget Highlights</b>
<ul style="list-style-type: none"> <li>◆ The executive budget increases general fund for: <ul style="list-style-type: none"> <li>• A \$5.0 million biennial, one-time-only appropriation for funding to further integrate the Montana University System's enterprise information systems in order to increase student access and services</li> <li>• Regent approved across the board pay increases of 1% + \$500 effective October 1, 2011 (An additional pay increase of 2% + \$500 was excluded from the personal services snapshot as it was not effective until October 1, 2012)</li> <li>• Higher salary paid to the incoming commissioner compared to the outgoing commissioner</li> <li>• Increased fixed costs</li> </ul> </li> </ul>

### Funding

The following table shows program funding, by source for the 2015 biennium as recommended by the Governor.

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	\$10,226,606	\$0	\$0	\$10,226,606	91.2%		
Federal Special Total	\$835,923	\$0	\$0	\$835,923	7.5%		
03080 Che Indirect Cost Recovery	\$835,923	\$0	\$0	\$835,923	7.5%		
Proprietary Total	\$151,667	\$0	\$0	\$151,667	1.4%		
06539 Indirect Costs - Oche	\$151,667	\$0	\$0	\$151,667	1.4%		
Total All Funds	\$11,214,196	\$0	\$0	\$11,214,196	100.0%		
<b>Percent - Total All Sources</b>	<b>100.0%</b>	<b>0.0%</b>	<b>0.0%</b>				

This program is funded primarily from general fund. About 8.9% of the funding for the 2015 biennium would come from federal and proprietary revenue to support administrative overhead activities for federal grant programs and proprietary programs administered by other OCHE programs

**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	49.66%	3,011,874	3,011,874	6,023,748	53.72%
Statewide PL Adjustments	84,025	60,623	144,648	1.41%	106,572	77,982	184,554	1.65%
Other PL Adjustments	0	0	0	0.00%	0	0	0	0.00%
New Proposals	2,501,473	2,501,473	5,002,946	48.92%	2,502,947	2,502,947	5,005,894	44.64%
<b>Total Budget</b>	<b>\$5,125,004</b>	<b>\$5,101,602</b>	<b>\$10,226,606</b>		<b>\$5,621,393</b>	<b>\$5,592,803</b>	<b>\$11,214,196</b>	

**Present Law Adjustments**

The "Present Law Adjustments" table shows the changes to the adjusted base budget proposed by the executive. "Statewide Present Law" adjustments are standard categories of adjustments made to all agencies. Decisions on these items were applied globally to all agencies. The other numbered adjustments in the table correspond to the narrative descriptions.

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
<b>Total Statewide Present Law Adjustments</b>		<b>\$84,025</b>	<b>\$0</b>	<b>\$19,074</b>	<b>\$106,572*</b>		<b>\$60,623</b>	<b>\$0</b>	<b>\$14,685</b>	<b>\$77,982*</b>
<b>Grand Total All Present Law Adjustments</b>	<b>0.00</b>	<b>\$84,025</b>	<b>\$0</b>	<b>\$19,074</b>	<b>\$106,572*</b>	<b>0.00</b>	<b>\$60,623</b>	<b>\$0</b>	<b>\$14,685</b>	<b>\$77,982*</b>

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

Present law adjustments included in the executive budget for the Administration Program include statewide present law adjustments only.

- o The personal services adjustment reflects the pay adjustments authorized by the Board of Regents for FY 2012 (see the Agency Personal Services narrative for more information) and fully funding all authorized HB 2 positions, including any that were vacant for a portion or all of FY 2012
- o Fixed cost increases are largely attributable to rate increases for insurance & bonds

**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 103 - Universal Enrollment - BIEN / OTO										
01	0.00	2,500,000	0	0	2,500,000	0.00	2,500,000	0	0	2,500,000
DP 6101 - Professional Development Center Fee Allocation										
01	0.00	1,473	0	1,474	2,947	0.00	1,473	0	1,474	2,947
<b>Total</b>	<b>0.00</b>	<b>\$2,501,473</b>	<b>\$0</b>	<b>\$1,474</b>	<b>\$2,502,947</b>	<b>0.00</b>	<b>\$2,501,473</b>	<b>\$0</b>	<b>\$1,474</b>	<b>\$2,502,947</b>

DP 103 - Universal Enrollment - BIEN / OTO - The executive requests \$5 million of biennial one-time-only general fund to further integrate the Montana University System's (MUS) enterprise information systems in order to increase student access and services. This funding will be used to develop a unified electronic application process for admission to all MUS campuses, implement a system-wide student ID number, enable information systems to receive electronic high school transcript data from the Office of Public Instruction and enable students to seamlessly enroll in courses offered throughout the MUS.

DP 6101 - Professional Development Center Fee Allocation - The executive requests an increase for training services purchased from the Professional Development Center (PDC) of the Department of Administration. This request reflects the difference between the amount paid in the base for PDC services and a fixed cost allocation based on agency FTE counts. Starting in the 2015 biennium and beyond, the executive recommends funding the PDC as a fixed cost item. For a further discussion, see the narrative for the Department of Administration.