

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
Transfers	175,035,264	175,993,070	189,907,379	191,747,290	351,028,334	381,654,669	30,626,335	8.72%
Total Costs	\$175,035,264	\$175,993,070	\$189,907,379	\$191,747,290	\$351,028,334	\$381,654,669	\$30,626,335	8.72%
General Fund	155,310,140	154,820,436	169,568,773	170,901,927	310,130,576	340,470,700	30,340,124	9.78%
State Special	19,725,124	21,172,634	20,338,606	20,845,363	40,897,758	41,183,969	286,211	0.70%
Total Funds	\$175,035,264	\$175,993,070	\$189,907,379	\$191,747,290	\$351,028,334	\$381,654,669	\$30,626,335	8.72%

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	
<ul style="list-style-type: none"> ◆ Although there is no constitutional or statutory requirement for the legislature to provide state funds for higher education, historically the legislature has appropriated state funds to cover a portion of the general operating budgets of the educational units and research/public service agencies ◆ The executive budget would provide a 8.7% biennial increase in this program ◆ The executive budget states that it has a Governor's Tuition Cap Agreement with the Montana University System for the 2015 biennium <ul style="list-style-type: none"> • The executive increases state funds \$28.3 million in the 2015 biennium from the FY 2012 base to cover the state portion of the executive's projected cost increases in the general operating budgets • The executive used the proportion of resident and WUE students as a percentage of total students to calculate the state portion of the projected cost increases ◆ The executive budget includes four new proposals totaling \$4.0 million general fund in the 2015 biennium. <ul style="list-style-type: none"> • \$0.4 million as an ongoing increase and is part of the proposed expansion of the medical education partnership with the University of Washington. (See DP 203 in the Student Assistance Program) • \$0.6 million as a one-time-only appropriation to develop an energy and natural resources doctoral program at UM Montana Tech • \$2.0 million as a one-time-only appropriation for workforce development and two year education • \$1.0 million as a one-time-only appropriation to expand veterinary medicine opportunities to Montana students ◆ Montana University System enrollments are projected to increase in the 2015 biennium ◆ The executive replaces \$1.6 million general fund with a like amount of six-mill levy revenue in the 2015 biennium compared to the FY 2012 base amount 	

Major LFD Issues
<ul style="list-style-type: none"> ◆ The proposed Governor’s Tuition Cap Agreement lacks the formality and substance of the tuition cap agreement reached between the Governor’s Office and MUS in 2006 and adopted by the 2007 Legislature. At the time this narrative was written in mid-December, the executive had not produced a written plan and the MUS had indicated there was no official agreement. ◆ The natural resource operations account is over-allocated and may impact appropriations for the Bureau of Mines

Program Narrative

Higher Education Funding

One of the policy choices the Montana legislature makes during its biennial 90-day session is how much of the MUS budget request it will fund from state funds. Similar to other state agencies, in September 2012 the MUS education units and agencies submitted their 2015 biennium budget request for education and general operating costs funded from the current unrestricted fund (the university-equivalent of the state general fund). For the educational units, the education and general operating costs are funded with state funds (general fund and the six-mill levy) and student tuition. The legislature establishes the state appropriations during the legislative session. The Board of Regents establishes the final budget, including tuition rates, after the legislature adjourns. The Board of Regents is the sole authority in setting the tuition rates for the MUS. Tuition is not controlled or appropriated by the legislature. Tuition revenue fills the “gap” between the Board of Regent approved expenditure budget for educational units and the state funds appropriated by the legislature.

While the Montana Constitution grants governance authority to the Board of Regents, the power to appropriate state funds remains with the legislature. With this “power of the purse” comes the authority to attach policy decisions and accountability measures to the funding.

State funds are an important component of university funding because:

- State general fund support is the second largest source of current unrestricted revenue for the MUS, after tuition
- General fund appropriations in House Bill 2 provide the vehicle with which the legislature may have a public policy impact upon the MUS
- Montana Supreme Court decisions say that the Regents’ power to govern must be harmonized with the legislature’s power to appropriate, set public policy, and ensure accountability of state revenue and expenditures

The legislature considers many factors to develop the MUS appropriation including:

- Projected student enrollment
- Base year and actual expenditures and funding
- State funds available
- Legislative priorities
- Governor’s recommendation
- Board of Regents’ priorities
- Shared policy goals

Lump Sum Appropriation

Since the 1995 legislative session, the legislature has combined the appropriation for the six four-year campuses, five colleges of technology, and most of the Office of the Commissioner of Higher Education into a single, biennial lump-sum appropriation. Appropriations for the remaining units are contained in line items in the general appropriations act (HB 2).

Proposed Executive Budget

The 2015 biennium proposed executive HB 2 budget would increase state funding to the Montana University System educational units and research/public service agencies by 8.7%, \$30.6 million, from the 2013 biennium base budget. Adjusting for the new proposals as most of them are one-time-only, the executive present law budget would increase state funding 7.5%, \$26.5 million, from the 2013 biennium.

FY 2012 Base

The executive 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 offsets the amount of general fund that otherwise would be needed. LFD revenue projections for this statewide levy in the 2015 biennium support this level of transfer.

Present Law Adjustments

The executive proposes to fund \$26.5 million in present law adjustments for the 2015 biennium for the education units and agencies.

The executive budget calculates the present law budget adjustments in this program in a manner similar to other state agencies, such as including annualization of the FY 2012 pay plan approved by the Board of Regents, inflation and fixed costs, and 4% vacancy savings applied to non-faculty positions. The executive budget also includes adjustments not routinely applied to other state agencies, such as a general inflation increase, and adjustments unique to higher education, such as an adjustment for mandatory fee waivers.

The executive does not propose a present law adjustment for enrollment growth. Although historically the executive and the legislature have used student enrollment projections to estimate present law budget adjustments, 2007 was the most recent year the legislature used enrollment to calculate funding for the MUS educational units in Montana. The figure below presents historical actual student FTE enrollment since FY 2002 and projected student FTE enrollment for the 2015 biennium for the MUS educational units. As the figure shows, FTE enrollment at the educational units has increased steadily since FY 2002, with enrollment increasing 14.3% between FY 2008 and FY 2012 and projected to increase 3.0% by FY 2015 compared to FY 2012.

Montana University System Student FTE Enrollment FY 2002 - FY 2015								
FY		Resident Student FTE	Annual % Change	WUE			Resident +	
				Student FTE	Non-Resident Student FTE	Total Student FTE	Resident as a % of Total	WUE as a % of Total
2002	Actual	25,566	2.9%	1,305	5,219	32,090	79.7%	83.7%
2003	Actual	26,226	2.6%	1,229	5,218	32,673	80.3%	84.0%
2004	Actual	26,828	2.3%	1,448	4,907	33,183	80.8%	85.2%
2005	Actual	26,322	-1.9%	1,434	5,008	32,764	80.3%	84.7%
2006	Actual	26,422	0.4%	1,603	5,066	33,091	79.8%	84.7%
2007	Actual	26,298	-0.5%	1,659	5,216	33,173	79.3%	84.3%
2008	Actual	26,279	-0.1%	1,710	5,361	33,350	78.8%	83.9%
2009	Actual	26,740	1.8%	1,603	5,577	33,920	78.8%	83.6%
2010	Actual	28,398	6.2%	1,730	5,772	35,900	79.1%	83.9%
2011	Actual	29,730	4.7%	1,964	6,291	37,985	78.3%	83.4%
2012	Actual	29,602	-0.4%	1,984	6,542	38,128	77.6%	82.8%
2013	Projected*	29,503	-0.3%	2,050	6,757	38,310	77.0%	82.4%
2014	Projected*	29,892	1.3%	2,115	6,823	38,830	77.0%	82.4%
2015	Projected*	30,215	1.1%	2,144	6,929	39,288	76.9%	82.4%

* Data from the Office of the Commission of Higher Education (September 2012)

How the Executive Proposes to fund the PL Budget

The executive budget uses a methodology based upon the portion of resident and Western Undergraduate Exchange enrollment to total enrollment to calculate the state share of present law budget increases. For the 2015 biennium, this ratio is approximately 82.4%. The executive budget therefore funds 82% of the present law budget increase with general fund. The remaining 18% of the present law budget increase would be funded from university funds, primarily tuition revenue. The tuition portion of the present law budget adjustment is not appropriated by the legislature and does not appear in HB 2.

LFD ISSUE

Proposed Tuition Cap Agreement -- No Written Agreement and Commitment is Unclear

The executive budget proposes a Tuition Cap Agreement for the 2015 biennium and has included \$34.1 million additional state funds in the proposed budget for this purpose. (Note: \$28.3 million is added to this program for the educational units and \$5.8 million is added to the Student Assistance program for scholarships.) However, unlike the tuition cap agreement forged in the 2007 session, the current proposal:

- Has no written document identifying:
 - The scope of the proposed agreement (i.e. general operations, pay plan, pensions)
 - Clear and measurable goals and objectives that are time-bound
 - Clearly stated milestones
 - Total estimated cost of the agreement
 - What the expectations are for 2015 biennium tuition rates
- Has not been agreed to by the university system

During the budget analysis, the Legislative Fiscal Division inquired of the Office of Budget and Program Planning (OBPP) if there was a written document outlining the proposed tuition cap agreement. The OBPP informed the LFD that there was no written plan. The LFD also inquired of the Office of the Commissioner of Higher Education if there was any kind of tuition cap agreement between the executive and the university system for the 2015 biennium and was informed that there was no agreement.

The executive has no written agreement with the university system outlining a tuition cap plan and the university system indicates there is no agreement. The executive budget has a proposal to fund approximately 82% of the present law increases for the education units.

Given that there is no statutory requirement regarding the state percent share of funding for the various university system budget components (e.g. present law adjustments, pay plan, pensions) and that the state percent share is solely a matter of public policy, the legislature may want to consider other state percent share levels for any of these budget components. (Note: pay plan and pension costs are discussed in Volume 1.)

For a further discussion of the impact of the state percent share of funding on tuition rates, see the LFD comment "Tuition Impact" in the Educational Units Subprogram later in this program narrative.

New Proposals

The executive budget includes \$4.0 million for four new proposals for the educational units in the 2015 biennium:

- \$0.4 million ongoing general fund for MSU to accommodate the first year cohort of the proposed 10-slot WWAMI expansion
- \$0.6 million biennial, one-time-only general fund for an Energy and Natural Resources Doctoral Program at MT Tech
- \$2.0 million one-time-only general fund for workforce development and two year education
- \$1.0 million biennial, one-time-only general fund for veterinary medicine

Total Proposed Executive Budget

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

Montana University System Executive Budget Proposal Appropriation Distribution Program - 2015 Biennium								
Unit	FY 2012 Base	State Share Present Law FY 2014	New Proposals FY 2014	Executive Budget FY 2014	State Share Present Law FY 2015	New Proposals FY 2015	Executive Budget FY 2015	2015 Biennium Total
Educational Units								
MSU Gt Falls	\$5,910,069	\$343,047		\$6,253,116	\$342,140		\$6,252,209	\$12,505,325
UM Helena	4,502,265	391,989		4,894,254	396,911		4,899,176	9,793,430
UM Missoula	49,268,294	4,673,069		53,941,363	5,729,948		54,998,242	108,939,604
MSU Bozeman	44,490,570	4,407,124		48,897,694	4,982,358		49,472,928	98,370,621
UM Tech	12,897,465	811,266		13,708,731	934,606		13,832,071	27,540,802
MSU Billings	18,851,964	1,011,314		19,863,278	1,067,431		19,919,395	39,782,673
MSU Northern	8,422,062	952,438		9,374,500	928,076		9,350,138	18,724,638
UM Western	6,576,301	595,638		7,171,939	658,862		7,235,163	14,407,102
Subtotal Ed Units								
New Proposals								
902-Energy & Natural Resources Doctoral Pgm (BIEN/OTO)			\$300,000	\$300,000		\$300,000	\$300,000	\$600,000
903-Workforce Development & 2-Yr Education (OTO)			1,000,000	1,000,000		1,000,000	1,000,000	2,000,000
905-Veterinary Medicine (BIEN/OTO)			500,000	500,000		500,000	500,000	1,000,000
909-WWAMI Expansion (Ongoing)			<u>193,551</u>	<u>193,551</u>		<u>199,358</u>	<u>199,358</u>	<u>392,909</u>
Subtotal Ed Units	<u>\$150,918,989</u>	<u>\$13,185,885</u>	<u>\$1,993,551</u>	<u>\$166,098,425</u>	<u>\$15,040,332</u>	<u>\$1,999,358</u>	<u>\$167,958,679</u>	<u>\$334,057,104</u>
Research/Public Service Agencies								
Agricultural Experiment Station	\$12,455,424	(\$285,645)		\$12,169,779	(\$250,197)		\$12,205,227	\$24,375,006
Extension Service	5,338,715	(140,069)		5,198,646	(133,439)		5,205,276	10,403,922
Forest & Conservation Experiment Station	1,011,216	(64,175)		947,041	(64,938)		946,278	1,893,319
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	(64,387)		673,462	(63,179)		674,670	1,348,132
Motorcycle Safety Program	<u>375,000</u>	<u>88,994</u>		<u>463,994</u>	<u>28,725</u>		<u>403,725</u>	<u>867,719</u>
Subtotal Agencies & Programs	<u>\$24,116,275</u>	<u>(\$307,321)</u>	<u>\$0</u>	<u>\$23,808,954</u>	<u>(\$327,664)</u>	<u>\$0</u>	<u>\$23,788,611</u>	<u>\$47,597,565</u>
Grand Total Costs	<u>\$175,035,264</u>	<u>\$12,878,564</u>	<u>\$1,993,551</u>	<u>\$189,907,379</u>	<u>\$14,712,668</u>	<u>\$1,999,358</u>	<u>\$191,747,290</u>	<u>\$381,654,669</u>
Funding								
General Fund	\$155,310,140	\$12,265,082	\$1,993,551	\$169,568,773	\$13,592,429	\$1,999,358	\$170,901,927	\$340,470,700
State Special Revenue	<u>19,725,124</u>	<u>613,482</u>	<u>0</u>	<u>20,338,606</u>	<u>1,120,239</u>	<u>0</u>	<u>20,845,363</u>	<u>41,183,969</u>
Grand Total Funding	<u>\$175,035,264</u>	<u>\$12,878,564</u>	<u>\$1,993,551</u>	<u>\$189,907,379</u>	<u>\$14,712,668</u>	<u>\$1,999,358</u>	<u>\$191,747,290</u>	<u>\$381,654,669</u>

Source: SABHRS data for base year expenditures; Gov Elect Jan 7th Biennium Executive Budget

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 - Appropriation Distribution							
Funds	HB 2	Non-		Total All Sources	% Total All Funds	MCA Reference	Statutory Category
		Budgeted Proprietary	Statutory Appropriation				
General Fund	\$340,470,700	\$0	\$2,721,082	\$343,191,782	89.1%	19-21-203	Direct
State Special Total	\$41,183,969	\$0	\$820,000	\$42,003,969	10.9%		
02111 Accommodation Tax Account	\$0	\$0	\$820,000	\$820,000	0.2%	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	10.0%		
02576 Natural Resources Operations Ssr Fu	\$351,772	\$0	\$0	\$351,772	0.1%		
02944 Motorcycle Safety Training	\$867,719	\$0	\$0	\$867,719	0.2%		
Total All Funds	\$381,654,669	\$0	\$3,541,082	\$385,195,751	100.0%		
Percent - Total All Sources	99.1%	0.0%	0.9%				

While funding for this program is primarily general fund, state special revenue from the six-mill property tax levy funds the university educational units. Resource Indemnity Trust interest (RIT) and oil and gas and metal mines taxes support research programs at the Montana Bureau of Mines, and program fees and an allocation from driver's license fees support the motorcycle safety program at MSU-Northern in Havre.

Six-Mill Property Tax Levy

The statewide six-mill property tax levy that supports the Montana University System is authorized in 15-10-108, MCA. The tax levy is presented to voters statewide for approval every 10 years. The most recent statewide vote was in 2008.

The six-mill levy revenue is used to fund the education and general operating expenses of the educational units and is the second largest state funding source for the MUS after general fund. The executive budget increases funding from the six-mill levy from \$38.5 million in the 2013 biennium to \$38.6 million in the 2015 biennium, a 0.3% biennial increase.

Natural Resource Operations State Special Revenue Account

The 2007 Legislature created the natural resource operations state special revenue account and allocated revenues from the Resource Indemnity Trust Fund, metal mines license tax proceeds, and oil and gas production taxes to the account. Appropriations were authorized by the 2009 Legislature from this account for the Department of Natural Resources and Conservation (DNRC), the Montana Bureau of Mines, the Department of Environmental Quality, and the Water Court in the Judicial Branch. The 2009 and 2011 Legislatures have appropriated \$175,866 per year of natural resource operations state special revenue for general program support for the Montana Bureau of Mines. A like amount each year is proposed in the 2015 biennium executive budget.

**LFD
ISSUE**Natural Resource Operations Account is Over-Allocated in the Executive Budget

The executive budget proposes expenditures from the natural resource operations account that exceed the projected revenue available in this account by the end of the biennium. The table below presents a summary of the account for the 2015 biennium.

The joint appropriation subcommittees on education and natural resources may wish to consult before making a final appropriation decision on this state special revenue account

Natural Resource Operations Fund (02576) Fund Balance Projection, 2015 Biennium	
Estimated Beginning Fund Balance (7/1/2013)	\$1,293,481
Revenue Projections ¹	
Interest Earnings	\$236,600
Metal Mines Tax	2,534,000
Oil & Gas Tax	<u>4,402,037</u>
2015 Biennium Revenues	\$7,172,637
Proposed Expenditures ²	
UM Bureau of Mines	(\$351,772)
DNRC	(2,041,940)
DEQ	(4,075,450)
Judiciary-Water Courts	<u>(2,062,727)</u>
Total Expenditures	<u>(\$8,531,889)</u>
Estimated Ending Fund Balance (6/30/2015)	<u>(\$65,771)</u>
¹ LFD estimates	
² Executive general appropriations act proposal	

Statutory Appropriations

Statutory appropriations do not require reauthorization each biennium, and they do not appear in HB 2. There are two statutory appropriations in this program:

- An allocation of the 4% lodging facility use tax is transferred to the University of Montana for travel research. The estimated amount of this statutory appropriation for the 2015 biennium is \$820,000 state special revenue.
- General fund is statutorily appropriated for a 1% employer contribution increase to the MUS defined contribution retirement plan authorized by HB 95 passed by the 2007 Legislature

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	91.23%	175,035,264	175,035,264	350,070,528	91.72%
Statewide PL Adjustments	(524,488)	(1,091,514)	(1,616,002)	(0.47%)	0	0	0	0.00%
Other PL Adjustments	12,789,570	14,683,943	27,473,513	8.07%	12,878,564	14,712,668	27,591,232	7.23%
New Proposals	1,993,551	1,999,358	3,992,909	1.17%	1,993,551	1,999,358	3,992,909	1.05%
Total Budget	\$169,568,773	\$170,901,927	\$340,470,700		\$189,907,379	\$191,747,290	\$381,654,669	

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
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	28,994	0	13,214,879	0.00	15,040,332	28,725	0	15,069,057
DP 904 - Statewide Present Law Adjustments Agencies	0.00	(396,315)	0	0	(396,315)	0.00	(356,389)	0	0	(356,389)
DP 9071 - Motorcycle Safety Equipment Replacement	0.00	0	60,000	0	60,000	0.00	0	0	0	0
Total Other Present Law Adjustments	0.00	\$12,789,570	\$88,994	\$0	\$12,878,564	0.00	\$14,683,943	\$28,725	\$0	\$14,712,668
Grand Total All Present Law Adjustments	0.00	\$12,265,082	\$613,482	\$0	\$12,878,564	0.00	\$13,592,429	\$1,120,239	\$0	\$14,712,668

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

New Proposals

New Proposals	Program	FTE	-----Fiscal 2014-----				-----Fiscal 2015-----				
			General Fund	State Special	Federal Special	Total Funds	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	1,000,000	0	0	1,000,000	0.00	1,000,000	0	0	1,000,000
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
Total		0.00	\$1,993,551	\$0	\$0	\$1,993,551	0.00	\$1,999,358	\$0	\$0	\$1,999,358

Sub-Program Details

EDUCATIONAL UNITS -SP 01

Sub-Program Proposed Budget

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

Sub-Program Proposed Budget								
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015	Total Exec. Budget Fiscal 14-15
Transfers	150,918,989	13,185,885	1,993,551	166,098,425	15,040,332	1,999,358	167,958,679	334,057,104
Total Costs	\$150,918,989	\$13,185,885	\$1,993,551	\$166,098,425	\$15,040,332	\$1,999,358	\$167,958,679	\$334,057,104
General Fund	132,410,751	12,661,397	1,993,551	147,065,699	13,948,818	1,999,358	148,358,927	295,424,626
State/Other Special	18,508,238	524,488	0	19,032,726	1,091,514	0	19,599,752	38,632,478
Total Funds	\$150,918,989	\$13,185,885	\$1,993,551	\$166,098,425	\$15,040,332	\$1,999,358	\$167,958,679	\$334,057,104

Sub-Program Description

This subprogram presents the base and proposed budget for the Montana University System educational units.

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	132,410,751	132,410,751	264,821,502	89.64%	150,918,989	150,918,989	301,837,978	90.36%
Statewide PL Adjustments	(524,488)	(1,091,514)	(1,616,002)	(0.55%)	0	0	0	0.00%
Other PL Adjustments	13,185,885	15,040,332	28,226,217	9.55%	13,185,885	15,040,332	28,226,217	8.45%
New Proposals	1,993,551	1,999,358	3,992,909	1.35%	1,993,551	1,999,358	3,992,909	1.20%
Total Budget	\$147,065,699	\$148,358,927	\$295,424,626		\$166,098,425	\$167,958,679	\$334,057,104	

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.

	-----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
Total Other Present Law Adjustments	0.00	\$13,185,885	\$0	\$0	\$13,185,885	0.00	\$15,040,332	\$0	\$0	\$15,040,332
Grand Total All Present Law Adjustments	0.00	\$12,661,397	\$524,488	\$0	\$13,185,885	0.00	\$13,948,818	\$1,091,514	\$0	\$15,040,332

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

DP 901 - State Support of Educational Units - In accordance with the Governor's Tuition Cap Agreement Plan (CAP) this decision package includes \$13,185,885 in FY 2014, and \$15,040,332 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. These costs are funded at the overall resident/WUE share as a percentage of total

students.

LFD COMMENT Present law adjustments for the MUS educational units and agencies are for statewide present law adjustments and other requested adjustments. As noted earlier, the legislature funds a portion of the university budget request. This portion, or state percent share, has varied over the years, depending upon legislative priorities and state revenues available. The 2015 biennium executive budget funds most of the present law adjustments it has included in its budget recommendation at the ratio of projected resident and WUE students to total students, approximately 82%. The dollar amounts in the tables in the Budget Analysis are the state share only (unless otherwise noted).

For a detailed listing of the present law adjustments by campus included in the proposed executive budget, see the table “Montana University System – Executive Budget Proposed Present Law Adjustments for the Educational Units – DP 901” in the appendix. This table presents the total executive proposed budget increase by campus, the state percent share by campus, and the total state share amount included in DP 901 of the proposed executive budget.

In addition, while the executive states the DP is in accordance with the tuition agreement, as stated earlier it does not appear that an actual agreement is in place.

LFD COMMENT Tuition Impact

As previously noted, the university system submits its board-approved biennial budget request to the OBPP in September of each even-numbered year. The executive reviews the request and develops a budget recommendation for the upcoming biennium, which includes the base budget and the anticipated total cost increases or decreases to the base budget (e.g. present law adjustments). The executive then recommends the portion of the present law adjustment that should be borne by the state and appropriated in HB 2. For the 2015 biennium, the executive is recommending that the state percent share should be based upon the proportion of resident and WUE students to total students. The above present law adjustment table is the executive’s recommended state share for present law adjustments in the 2015 biennium.

To the extent that this present law adjustment is funded at a lower amount than the executive budget level, student tuition rate increases would be necessary to fill the gap between the projected costs and state funds made available via HB 2.

According to information provided by the university system, a 1% compounded tuition rate increase (1% in the first year and an additional 1% in the second year) in the 2015 biennium would yield \$6.68 million tuition revenue over the biennium. For example, if the legislature funded present law adjustment DP 901 – State Support of Educational Units at one-half the amount proposed by the executive, the gap would be \$14.1 million, requiring a compounded tuition rate increase of 2.1% in the 2015 biennium.

New Proposal

Sub 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										
01	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)										
01	0.00	1,000,000	0	0	1,000,000	0.00	1,000,000	0	0	1,000,000
DP 905 - Veterinary Medicine BIEN / OTO										
01	0.00	500,000	0	0	500,000	0.00	500,000	0	0	500,000
DP 909 - WWAMI Expansion										
01	0.00	193,551	0	0	193,551	0.00	199,358	0	0	199,358
Total	0.00	\$1,993,551	\$0	\$0	\$1,993,551	0.00	\$1,999,358	\$0	\$0	\$1,999,358

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

DP 903 - Workforce Development and Two Year Education (OTO) - The executive budget includes \$2 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 and increase access and affordability to Montana's two year schools. In addition, these funds will ensure ease of transferability from two year to four year degree seekers.

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

DP 909 - WWAMI Expansion - The budget includes \$193,551 in FY 2014 and \$199,358 in FY 2015 of general fund for operating costs at Montana State University (MSU) to expand the Washington-Wyoming-Alaska-Montana-Idaho (WWAMI) program by 10 slots. The student assistance program cost to expand the program by 10 slots at University of Washington, School of Medicine (UWSOM) are \$515,265 beginning in FY 2015 and are included in DP-203 in program 02.

Sub-Program Details

AES TRANSFERS - SP 09

Sub-Program Proposed Budget

The following table summarizes the proposed executive budget for the sub-program by year, type of expenditure, and source of funding.

Sub-Program Proposed Budget								
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015	Total Exec. Budget Fiscal 14-15
Transfers	12,455,424	(285,645)	0	12,169,779	(250,197)	0	12,205,227	24,375,006
Total Costs	\$12,455,424	(\$285,645)	\$0	\$12,169,779	(\$250,197)	\$0	\$12,205,227	\$24,375,006
General Fund	12,455,424	(285,645)	0	12,169,779	(250,197)	0	12,205,227	24,375,006
Total Funds	\$12,455,424	(\$285,645)	\$0	\$12,169,779	(\$250,197)	\$0	\$12,205,227	\$24,375,006

Sub-Program Description

This subprogram presents the base and proposed budget for the Agricultural Experiment Station.

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	12,455,424	12,455,424	24,910,848	102.20%	12,455,424	12,455,424	24,910,848	102.20%
Statewide PL Adjustments	0	0	0	0.00%	0	0	0	0.00%
Other PL Adjustments	(285,645)	(250,197)	(535,842)	(2.20%)	(285,645)	(250,197)	(535,842)	(2.20%)
New Proposals	0	0	0	0.00%	0	0	0	0.00%
Total Budget	\$12,169,779	\$12,205,227	\$24,375,006		\$12,169,779	\$12,205,227	\$24,375,006	

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
Total Statewide Present Law Adjustments		\$0			\$0		\$0			\$0
DP 904 - Statewide Present Law Adjustments Agencies	0.00	(285,645)	0	0	(285,645)	0.00	(250,197)	0	0	(250,197)
Total Other Present Law Adjustments	0.00	(\$285,645)	\$0	\$0	(\$285,645)	0.00	(\$250,197)	\$0	\$0	(\$250,197)
Grand Total All Present Law Adjustments	0.00	(\$285,645)	\$0	\$0	(\$285,645)	0.00	(\$250,197)	\$0	\$0	(\$250,197)

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).

LFD COMMENT

The proposed budget includes the following adjustments for the Agricultural Experiment Station:

- Statewide present law adjustments – (\$696,680)
- Administrative Assessment -- \$77,300
- Utilities Inflation -- \$69,708
- Restoration of Base Expenditures -- \$13,830

The statewide present law adjustment is negative primarily due to 4% vacancy savings applied to the budget, including faculty.

Administrative assessments are overhead charges the agencies pay to the main campus for administrative services provided to the agency.

Sub-Program Details

EXTENSION SERVICE TRF - SP 10

Sub-Program Proposed Budget

The following table summarizes the proposed executive budget for the sub-program by year, type of expenditure, and source of funding.

Sub-Program Proposed Budget	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015	Total Exec. Budget Fiscal 14-15
Transfers	5,338,715	(140,069)	0	5,198,646	(133,439)	0	5,205,276	10,403,922
Total Costs	\$5,338,715	(\$140,069)	\$0	\$5,198,646	(\$133,439)	\$0	\$5,205,276	\$10,403,922
General Fund	5,338,715	(140,069)	0	5,198,646	(133,439)	0	5,205,276	10,403,922
Total Funds	\$5,338,715	(\$140,069)	\$0	\$5,198,646	(\$133,439)	\$0	\$5,205,276	\$10,403,922

Sub-Program Description

This subprogram presents the base and proposed budget for the Extension Service.

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	5,338,715	5,338,715	10,677,430	102.63%	5,338,715	5,338,715	10,677,430	102.63%
Statewide PL Adjustments	0	0	0	0.00%	0	0	0	0.00%
Other PL Adjustments	(140,069)	(133,439)	(273,508)	(2.63%)	(140,069)	(133,439)	(273,508)	(2.63%)
New Proposals	0	0	0	0.00%	0	0	0	0.00%
Total Budget	\$5,198,646	\$5,205,276	\$10,403,922		\$5,198,646	\$5,205,276	\$10,403,922	

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
Total Statewide Present Law Adjustments		\$0			\$0		\$0			\$0
DP 904 - Statewide Present Law Adjustments Agencies	0.00	(140,069)	0	0	(140,069)	0.00	(133,439)	0	0	(133,439)
Total Other Present Law Adjustments	0.00	(\$140,069)	\$0	\$0	(\$140,069)	0.00	(\$133,439)	\$0	\$0	(\$133,439)
Grand Total All Present Law Adjustments	0.00	(\$140,069)	\$0	\$0	(\$140,069)	0.00	(\$133,439)	\$0	\$0	(\$133,439)

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).

LFD COMMENT	<p>The proposed budget includes the following adjustments for the Extension Service:</p> <ul style="list-style-type: none"> ○ Statewide present law adjustments – (\$2,017,036) ○ Administrative Assessment-- \$38,226 ○ Restoration of Base Expenditures -- \$1,587,874 ○ Adjustment for Director Position -- \$117,428 <p>Statewide present law adjustment are negative due to special extension service employee benefit costs being removed from the base and 4% vacancy savings applied to the budget. The special benefits are restored in the “restoration of base expenditures” portion of this decision package.</p> <p>Administrative assessments are overhead charges the agencies pay to the main campus for administrative services provided to the agency</p>
--------------------	---

Sub-Program Details

FCES TRANSFER - SP 11

Sub-Program Proposed Budget

The following table summarizes the proposed executive budget for the sub-program by year, type of expenditure, and source of funding.

Sub-Program Proposed Budget								
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015	Total Exec. Budget Fiscal 14-15
Transfers	1,011,216	(64,175)	0	947,041	(64,938)	0	946,278	1,893,319
Total Costs	\$1,011,216	(\$64,175)	\$0	\$947,041	(\$64,938)	\$0	\$946,278	\$1,893,319
General Fund	1,011,216	(64,175)	0	947,041	(64,938)	0	946,278	1,893,319
Total Funds	\$1,011,216	(\$64,175)	\$0	\$947,041	(\$64,938)	\$0	\$946,278	\$1,893,319

Sub-Program Description

This subprogram presents the base and proposed budget for the Forest & Conservation Experiment Station.

Budget Summary by Category

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

Budget Summary by Category								
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	1,011,216	1,011,216	2,022,432	106.82%	1,011,216	1,011,216	2,022,432	106.82%
Statewide PL Adjustments	0	0	0	0.00%	0	0	0	0.00%
Other PL Adjustments	(64,175)	(64,938)	(129,113)	(6.82%)	(64,175)	(64,938)	(129,113)	(6.82%)
New Proposals	0	0	0	0.00%	0	0	0	0.00%
Total Budget	\$947,041	\$946,278	\$1,893,319		\$947,041	\$946,278	\$1,893,319	

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
Total Statewide Present Law Adjustments		\$0			\$0		\$0			\$0
DP 904 - Statewide Present Law Adjustments Agencies	0.00	(64,175)	0	0	(64,175)	0.00	(64,938)	0	0	(64,938)
Total Other Present Law Adjustments	0.00	(\$64,175)	\$0	\$0	(\$64,175)	0.00	(\$64,938)	\$0	\$0	(\$64,938)
Grand Total All Present Law Adjustments	0.00	(\$64,175)	\$0	\$0	(\$64,175)	0.00	(\$64,938)	\$0	\$0	(\$64,938)

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).

LFD COMMENT	<p>The proposed budget includes the following adjustments for the Forest & Conservation Experiment Station:</p> <ul style="list-style-type: none"> ○ Statewide present law adjustments – (\$129,113) <p>Statewide present law adjustments are negative because base year one-time benefits costs were not continued in the 2015 biennium budget and 4% vacancy savings was applied.</p>
--------------------	--

Sub-Program Details

BUREAU TRANSFERS - SP 12

Sub-Program Proposed Budget

The following table summarizes the proposed executive budget for the sub-program by year, type of expenditure, and source of funding.

Sub-Program Description

This subprogram presents the base and proposed budget for the Bureau of Mines.

Sub-Program Proposed Budget								
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015	Total Exec. Budget Fiscal 14-15
Transfers	4,198,071	157,961	0	4,356,032	155,364	0	4,353,435	8,709,467
Total Costs	\$4,198,071	\$157,961	\$0	\$4,356,032	\$155,364	\$0	\$4,353,435	\$8,709,467
General Fund	3,356,185	157,961	0	3,514,146	155,364	0	3,511,549	7,025,695
State/Other Special	841,886	0	0	841,886	0	0	841,886	1,683,772
Total Funds	\$4,198,071	\$157,961	\$0	\$4,356,032	\$155,364	\$0	\$4,353,435	\$8,709,467

Budget Summary by Category

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

Budget Summary by Category								
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	3,356,185	3,356,185	6,712,370	95.54%	4,198,071	4,198,071	8,396,142	96.40%
Statewide PL Adjustments	0	0	0	0.00%	0	0	0	0.00%
Other PL Adjustments	157,961	155,364	313,325	4.46%	157,961	155,364	313,325	3.60%
New Proposals	0	0	0	0.00%	0	0	0	0.00%
Total Budget	\$3,514,146	\$3,511,549	\$7,025,695		\$4,356,032	\$4,353,435	\$8,709,467	

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
Total Statewide Present Law Adjustments		\$0	\$0		\$0		\$0	\$0		\$0
DP 904 - Statewide Present Law Adjustments Agencies	0.00	157,961	0	0	157,961	0.00	155,364	0	0	155,364
Total Other Present Law Adjustments	0.00	\$157,961	\$0	\$0	\$157,961	0.00	\$155,364	\$0	\$0	\$155,364
Grand Total All Present Law Adjustments	0.00	\$157,961	\$0	\$0	\$157,961	0.00	\$155,364	\$0	\$0	\$155,364

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).

LFD COMMENT	<p>The proposed budget includes the following adjustments for the Bureau of Mines:</p> <ul style="list-style-type: none"> ○ Statewide present law adjustments -- \$279,325 ○ Administrative Assessment -- \$32,000 ○ Restoration of Base Expenditures -- \$2,000 <p>Administrative assessments are overhead charges the agencies pay to the main campus for administrative services provided to the agency</p>
--------------------	---

Sub-Program Description

Sub-Program Details

FSTS TRANSFERS - SP 19

Sub-Program Proposed Budget

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

Sub-Program Proposed Budget	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015	Total Exec. Budget Fiscal 14-15
Transfers	737,849	(64,387)	0	673,462	(63,179)	0	674,670	1,348,132
Total Costs	\$737,849	(\$64,387)	\$0	\$673,462	(\$63,179)	\$0	\$674,670	\$1,348,132
General Fund	737,849	(64,387)	0	673,462	(63,179)	0	674,670	1,348,132
Total Funds	\$737,849	(\$64,387)	\$0	\$673,462	(\$63,179)	\$0	\$674,670	\$1,348,132

Sub-Program Description

This subprogram presents the base and proposed budget for the Fire Service Training School.

Budget Summary by Category

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

Budget Summary by Category	-----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
Budget Item								

Budget Summary by Category	-----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	737,849	737,849	1,475,698	109.46%	737,849	737,849	1,475,698	109.46%
Statewide PL Adjustments	0	0	0	0.00%	0	0	0	0.00%
Other PL Adjustments	(64,387)	(63,179)	(127,566)	(9.46%)	(64,387)	(63,179)	(127,566)	(9.46%)
New Proposals	0	0	0	0.00%	0	0	0	0.00%
Total Budget	\$673,462	\$674,670	\$1,348,132		\$673,462	\$674,670	\$1,348,132	

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
Total Statewide Present Law Adjustments		\$0			\$0		\$0			\$0
DP 904 - Statewide Present Law Adjustments Agencies	0.00	(64,387)	0	0	(64,387)	0.00	(63,179)	0	0	(63,179)
Total Other Present Law Adjustments	0.00	(\$64,387)	\$0	\$0	(\$64,387)	0.00	(\$63,179)	\$0	\$0	(\$63,179)
Grand Total All Present Law Adjustments	0.00	(\$64,387)	\$0	\$0	(\$64,387)	0.00	(\$63,179)	\$0	\$0	(\$63,179)

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).

LFD COMMENT

The proposed budget includes the following adjustments for the Fire Services Training School:

- Statewide present law adjustments – (\$130,256)
- Administrative Assessment -- \$2,726

Statewide present law adjustments are negative because termination pay was incurred in the base year and is not restored in the 2015 biennium budget. Due to the agency’s small size, no vacancy savings was assessed to this budget in the 2015 biennium.

Administrative assessments are overhead charges the agencies pay to the main campus for administrative services provided to the agency

Sub-Program Description

This subprogram presents the base and proposed budget for the Motorcycle Safety Program.

Sub-Program Details

MOTORCYCLE SAFETY 24

Sub-Program Proposed Budget

The following table summarizes the proposed executive budget for the sub-program by year, type of expenditure, and

source of funding.

Sub-Program Proposed Budget								
Budget Item	Base Budget Fiscal 2012	PL Base Adjustment Fiscal 2014	New Proposals Fiscal 2014	Total Exec. Budget Fiscal 2014	PL Base Adjustment Fiscal 2015	New Proposals Fiscal 2015	Total Exec. Budget Fiscal 2015	Total Exec. Budget Fiscal 14-15
Transfers	375,000	88,994	0	463,994	28,725	0	403,725	867,719
Total Costs	\$375,000	\$88,994	\$0	\$463,994	\$28,725	\$0	\$403,725	\$867,719
State/Other Special	375,000	88,994	0	463,994	28,725	0	403,725	867,719
Total Funds	\$375,000	\$88,994	\$0	\$463,994	\$28,725	\$0	\$403,725	\$867,719

Sub-Program Description

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	0	0	0	0.00%	375,000	375,000	750,000	86.43%
Statewide PL Adjustments	0	0	0	0.00%	0	0	0	0.00%
Other PL Adjustments	0	0	0	0.00%	88,994	28,725	117,719	13.57%
New Proposals	0	0	0	0.00%	0	0	0	0.00%
Total Budget	\$0	\$0	\$0		\$463,994	\$403,725	\$867,719	

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.

	-----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		\$0	\$0		\$0		\$0	\$0		\$0
DP 901 - State Support of Educational Units	0.00	0	28,994	0	28,994	0.00	0	28,725	0	28,725
DP 9071 - Motorcycle Safety Equipment Replacement	0.00	0	60,000	0	60,000	0.00	0	0	0	0
Total Other Present Law Adjustments	0.00	\$0	\$88,994	\$0	\$88,994	0.00	\$0	\$28,725	\$0	\$28,725
Grand Total All Present Law Adjustments	0.00	\$0	\$88,994	\$0	\$88,994	0.00	\$0	\$28,725	\$0	\$28,725

DP 9071 - Motorcycle Safety Equipment Replacement - The motorcycle safety program is requesting an additional \$60,000 of 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.