

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	45.00	45.00	45.00	45.00	45.00	45.00	0.00	0.00%
Personal Services	1,813,441	2,683,262	2,191,792	2,189,913	4,496,703	4,381,705	(114,998)	(2.56%)
Operating Expenses	2,398,865	4,490,060	3,003,053	2,989,211	6,888,925	5,992,264	(896,661)	(13.02%)
Benefits & Claims	30,617,909	40,508,723	40,617,909	40,617,909	71,126,632	81,235,818	10,109,186	14.21%
Transfers	0	143,356	0	0	143,356	0	(143,356)	(100.00%)
Debt Service	43,480	43,480	43,480	43,480	86,960	86,960	0	0.00%
Total Costs	\$34,873,695	\$47,868,881	\$45,856,234	\$45,840,513	\$82,742,576	\$91,696,747	\$8,954,171	10.82%
Federal Special	34,873,695	47,868,881	45,856,234	45,840,513	82,742,576	91,696,747	8,954,171	10.82%
Total Funds	\$34,873,695	\$47,868,881	\$45,856,234	\$45,840,513	\$82,742,576	\$91,696,747	\$8,954,171	10.82%

Program Description

GSL operates under federal regulation to guarantee federal student loans. GSL purchases and services student loans that have been defaulted, works to prevent default, collects outstanding principle from defaulted loans and provides training and technical assistance to schools and lenders under Title 20, Chapter 26, MCA. GSL also administers several state and federal grant and scholarship programs and the Montana Family Education Savings Program.

Program Highlights

Guaranteed Student Loan Program Major Budget Highlights	
◆	The executive increases the budget authority in anticipation of an increase in the volume of defaulted student loans and associated collection costs

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 - Guaranteed Student Loan Pgm								
Funds	HB 2	Non-Budgeted Proprietary	Statutory Appropriation	Total All Sources	% Total All Funds	MCA Reference	Statutory Category	
Federal Special Total	\$91,696,747	\$0	\$0	\$91,696,747	100.0%			
03400 Guaranteed Std. Loan-admin.	\$18,627,375	\$0	\$0	\$18,627,375	20.3%			
03401 U.s. Dept Ed / Gsl Recall Acct	\$73,041,174	\$0	\$0	\$73,041,174	79.7%			
03410 Gear Up Essay Scholarship	\$28,198	\$0	\$0	\$28,198	0.0%			
Total All Funds	\$91,696,747	\$0	\$0	\$91,696,747	100.0%			
Percent - Total All Sources	100.0%	0.0%	0.0%					

This program is funded from federal funds from the U.S. Department of Education relating to the operation of the program.

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%	34,873,695	34,873,695	69,747,390	76.06%
Statewide PL Adjustments	0	0	0	0.00%	382,539	366,818	749,357	0.82%
Other PL Adjustments	0	0	0	0.00%	10,600,000	10,600,000	21,200,000	23.12%
New Proposals	0	0	0	0.00%	0	0	0	0.00%
Total Budget	\$0	\$0	\$0		\$45,856,234	\$45,840,513	\$91,696,747	

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					469,674					467,715
Vacancy Savings					(91,323)					(91,243)
Inflation/Deflation					2,090					3,968
Fixed Costs					2,098					(13,622)
Total Statewide Present Law Adjustments		\$0	\$0	\$382,539	\$382,539		\$0	\$0	\$366,818	\$366,818
DP 1201 - Present law increases for GSL	0.00	0	0	10,600,000	10,600,000	0.00	0	0	10,600,000	10,600,000
Total Other Present Law Adjustments	0.00	\$0	\$0	\$10,600,000	\$10,600,000	0.00	\$0	\$0	\$10,600,000	\$10,600,000
Grand Total All Present Law Adjustments	0.00	\$0	\$0	\$10,982,539	\$10,982,539	0.00	\$0	\$0	\$10,966,818	\$10,966,818

DP 1201 - Present law increases for GSL - The executive budget would increase the budget authority in this program in anticipation of an increase in defaulted loans due to economic conditions and associated collection expenses.