



**University Budget Committee Minutes**  
**September 20, 2018**  
**3:00 – 4:00 PM**  
**UH 004**

**1. Welcome and Introductions**

The purpose of this first meeting is educational, to help everyone understand the budget and that “the budget” refers to the entire University budget, not just the general fund.

**2. FY19 Operating Budget**

See [presentation](#). The FY19 budget for the University of Montana, approved last week by the Board of Regents, is \$418 million. That is separated into different funds:

- Unrestricted (from tuition and state appropriations) \$146.9 million
- Auxiliaries (self-supported enterprises like housing and campus rec) \$52.3 million
- Designated (e.g. ASUM and athletics) \$53 million
- Plant (building projects and debt service) \$52.2 million
- Restricted (e.g. sponsored programs, financial aid) \$110.5 million
- Special appropriations:
  - Digital Academy \$2.2 million
  - Travel Research \$846K
  - Yellow Bay \$123K

**3. FY19 Current Unrestricted (General Fund) Budget**

See [presentation](#). When looking at yearly comparisons, keep in mind that we’re looking at *actual* numbers from previous years vs. *budgeted* numbers for the current year.

**Revenue:** State support has been fairly stable over the previous years. Net tuition revenue has been declining due to decreased enrollment. Transfers are up significantly and that has been planned for (includes reserve from FY17, carry-forward from FY18, and investment earnings). (FY18 carry-forward resulted from actual expenses being below budgeted expenses.) Waivers are up but that is because they hadn’t been included in the budget before. They are built in now so over the next few years we’ll be able to track those more precisely.

We budgeted for a student FTE of 9,207, with 6,812 resident students and 2,395 non-residents. We were conservative on the non-resident side for budgeting purposes. Because of the enrollment decline, state support per FTE is \$8,640 for UM, higher than the MUS average of \$7,546.

**Expenditures:** Instruction is the biggest category of expenditures, followed by Academic Support (e.g. the library). Student Services includes admissions and financial aid; it appears that there has been a decrease in this area, but there actually hasn't been – employee benefit calculations have been adjusted. The MUS target for Instruction expenditures is 50% – we are over that at 56%. UM expenditures per student are \$14,109, again due to decreased enrollment; MUS average is \$13,150.

**Staffing:** For total faculty/staff, it would appear that we're increasing (1,191 in FY19 compared to 1,186 in FY18), but remember that we're looking at actual numbers from previous years and budgeted numbers for the current year. In FY18, the budgeted number for total faculty/staff was 1,260 and this year it's 1,191. We are down but we still have a ways to go. Our Student to Faculty ratio is budgeted for 16 to 1, while the BOR benchmark is 18 to 1. Personnel Services account for 88% of our budget, while the HECA benchmark is 75%.

#### 4. Questions/Comments

None.

#### 5. Future Meetings and Topics

Suggested meeting topics:

- A deep dive into one of the fund groups, e.g. auxiliaries
- A look at mandatory student fees
- Program tuition – models showing how enrollment affects budget (e.g. what an increase of 100 students would do to the budget)