

FY10/FY11 BUDGET OVERVIEW
FOR REGENTS
MAY 13, 2009



BOZEMAN CURRENT CAMPUS STATUS



- **Our Budget is Far Below Peer Funding Levels**
- **Our Faculty Productivity is Far Above Peer Levels**
- **There are No Vacancy Savings**
- **Bright Spots & Clouds in the Enrollment Picture**
- **Each Budget Year Involves Sacrifices**

BOZEMAN EXPENSES, REVENUES & GAP



	FY10	FY11
FY09 NET Base Budget (excluding 1% ORP & Fee Waivers)	\$119,442,956	\$122,865,464
Annualized Salaries (excluding Pay Plan Employee Bonuses)	\$ 892,237	\$ 110,375
Health Insurance Increases	\$ 930,067	\$ 947,616
Faculty Promotions and Merit/Market Adjustments	\$ 419,660	\$ 422,283
Utilities	\$ 433,076	\$ 116,866
New Space O&M	\$ 141,926	\$ 292,632
State Services, IT Fixed Costs, and Other Operating Inflation	\$ 300,584	\$ 203,688
Library Acquisitions	\$ 304,958	\$ 329,354
TOTAL NET Expenditures	\$122,865,464	\$125,288,278
Continuing NET Base Tuition (excluding Fee Waivers)	\$ 66,167,391	\$ 65,908,113
Miscellaneous Revenues	\$ 3,585,857	\$ 3,585,857
State HB2, HB13 and HB645 (excluding 1% ORP)	\$ 50,711,807	\$ 52,287,823
HB2 Reduction	\$ (839,906)	\$ (852,585)
NR PLA Share	\$ 740,013	\$ 1,480,026
TOTAL NET Revenues	\$120,365,162	\$122,409,234
REMAINING REVENUE GAP	\$ (2,500,302)	\$ (2,879,044)

BOZEMAN

IMPACTS OF TUITION FREEZE



- **Our Budget Process is Open and Participatory**
- **Capital, Travel, and Supplies Budgets can Contribute**
- **Many Operations are Difficult to Cut**
- **82% of Our Budget is Personnel Services**
- **And \$2 Million is roughly equivalent to:**
 - A 6-day furlough for every employee;
 - A 2.5% pay decrease for every employee;
 - 45 (approx 10%) of our classified employee positions;
 - 12 (approx 40%) of our administrative (Pres thru Dean) employee positions;
 - 30 (approx 13%) of our professional positions;
 - 22 (approx 4%) of our tenure track faculty positions; or
 - Many more of our adjunct positions.

Extension Service Budget Impacts



	FY10-11 Biennial Cost
MAJOR REDUCTIONS ANTICIPATED	
2% Reduction in State General Funds	(\$231,819)
68.6% Partial Funding of Overhead Increases	(\$83,345)
Increased Vacancy Savings (4% to 7%)	(\$270,987)
TOTAL Projected Reductions in State Funding FY10-11	(\$586,151)
*FY10 President's Federal Budget released May 7, 2009 has an overall decrease in federal funding of 4.5% for the National Institute of Food and Agriculture (Extension's federal agency)	Projected FY10 (\$107,000)

Budget Shortfall Strategies:

- Leave Current Vacant Positions Unfilled (Campus Specialists: Water Quality, Wildlife, Livestock Environment, Swine; Admin Support to Director)
- Anticipated FY 10-11 Retirements Left Vacant
- Non-Renewal of 2 Post Retirement Contracts; 1 Fixed Term Position
- Move 3 FTE State General Fund Positions to Grant Funding
- Potential Downsizing of 4-6 Professional and Classified Positions
- Strategic Realignment of Staffing and Resources

Montana Agricultural Experiment Station



MAJOR ITEMS	FY10-11 Biennium
Increased Vacancy Savings (4 to 7%)	(\$646,560)
State Share Funding (84%) [overhead & annualized salaries]	(\$183,000)
Reduction in State General Funds (2%)	(\$514,800)
Interest Income (projected)	(<\$120,000)
USDA Federal Funding (new, National Institute for Food and Ag)	flat

Budget Shortfall Strategies:

- Leave Vacant Faculty Positions Unfilled (Cropping systems, Weed, Animal, beef geneticist, Range management, Beef physiologist, Environmental physics, Land-atmosphere interactions, Biogeochemist)
- Potential Reduction/elimination of Professional and Classified Positions