

PRESENT LAW PRELIMINARY BUDGET ESTIMATE

MAY 2018

The construction of Executive Planning Process Present Law Budget preliminary budget estimate for the 2021 biennium includes the assumptions outlined below.

The 2021 Executive Budget will use the 2019 Budget as the starting point.

Definition of Present Law Adjustments from MCA 17-18-102: The level of funding needed under present law to maintain operations and services at the level authorized by the previous legislature.

Restoration of Base Expenditures:

The following examples are base budget expenditures removed during the budget build process. These expenditures are removed from the starting base budget and must be requested via a decision package. A restoration DP that is not approved for inclusion in the Executive budget or is reduced by the Legislature becomes a base budget reduction.

- Faculty Termination Costs
- Overtime
- Merit/Market/Compression/Inversion Pay

Personal Services:

- Estimates include annualized pay plan based upon the assumption of a 2% pay increase effective 2/1/19.
- It is assumed that health insurance remains unchanged in FY 20 and FY 21.
- Promotions and merit increases are campus specific.
- Faculty Termination Costs are campus specific projections.

Operating Costs:

- State Fixed Costs have not been increased (awaiting specifics estimates from the executive budget process)
- Utilities costs are preliminary. Updates will be made as necessary until the August budget submittal.
- New Space (annualized) projections includes staff, utilities, O & M, and insurance, for buildings previously authorized by the Legislature.
- Other Operating Costs – limited to 2% for educational units and for agencies
- Library Acquisition Costs - 6%
- Information Technology Fixed Costs-6%

State % Share:

- Ed Units, requested amount of state funding presently received in comparison to total revenue collected
- For the system, on average, the Ed Units requested about 41% state funding; 59% funding from tuition
- Agencies 100% state funding request since they don't collect tuition.

MUS Present Law (PL) Budget-Current Unrestricted Fund
 2021 Biennium
 MUS Summary of Preliminary Budget Projections May 2018
 Educational Units

| | Regents Approved FY 18 Budget | Ed Units Projected FY 18 Budget | BASE BUDGET FY 19 Projected | PL Base Adjustments FY 20 | Total Budget FY 20 | PL Base Adjustments FY 21 | Total Budget FY 21 |
|---|-------------------------------------|---------------------------------------|-----------------------------------|---------------------------------|--------------------------|---------------------------------|--------------------------|
| Personal Services | | | | | | | |
| Contract Faculty | \$ 144,366,904 | \$ 143,703,859 | \$ 146,863,407 | \$ 3,685,658 | \$ 150,549,064 | \$ 5,031,161 | \$ 151,894,568 |
| Contract Administrative | 15,218,366 | 15,218,366 | 15,250,269 | 177,567 | 15,427,836 | 177,567 | 15,427,836 |
| Classified | 54,922,774 | 54,903,595 | 54,307,341 | 1,168,029 | 55,475,370 | 1,178,080 | 55,485,421 |
| Graduate Assistants | 10,466,137 | 10,466,137 | 10,753,259 | 9,924 | 10,763,183 | 9,924 | 10,763,183 |
| Contract Professional | 38,923,728 | 38,826,346 | 39,234,683 | 507,155 | 39,741,838 | 507,155 | 39,741,838 |
| Other Salaries | 5,050,505 | 5,025,356 | 5,210,602 | - | 5,210,602 | - | 5,210,602 |
| Other Compensation | 389,822 | 389,822 | 384,822 | - | 384,822 | - | 384,822 |
| Total Salaries and Wages | 269,338,236 | 268,533,481 | 272,004,383 | 5,548,333 | 277,552,716 | 6,903,888 | 278,908,270 |
| Employee Benefits | 100,396,265 | 99,217,264 | 99,783,500 | 1,123,100 | 100,906,600 | 1,513,282 | 101,296,782 |
| Termination Benefits | 305,000 | 305,000 | 382,000 | 466,254 | 848,254 | 15,000 | 397,000 |
| Termination Pay | 1,447,822 | 1,447,822 | 2,518,373 | 662,328 | 3,180,701 | 182,622 | 2,700,995 |
| Other Benefits | - | - | - | - | - | - | - |
| Total Benefits | 102,149,087 | 100,970,086 | 102,683,873 | 2,251,682 | 104,935,555 | 1,710,904 | 104,394,777 |
| Total Personal Services | 371,487,323 | 369,503,567 | 374,688,256 | 7,800,015 | 382,488,271 | 8,614,792 | 383,303,047 |
| Operating Expenses | - | - | - | - | - | - | - |
| Contracted Services | 18,220,234 | 18,179,643 | 19,313,196 | 427,796 | 19,740,993 | 868,264 | 20,181,460 |
| Supplies | 17,392,152 | 16,968,817 | 18,715,425 | 977,780 | 19,693,205 | 1,939,390 | 20,654,815 |
| Communications | 3,998,134 | 3,979,079 | 4,050,239 | 103,030 | 4,153,269 | 204,014 | 4,254,252 |
| Travel | 4,564,744 | 4,458,699 | 4,658,485 | 93,168 | 4,751,652 | 188,198 | 4,846,683 |
| Rent | 6,354,384 | 6,348,007 | 6,488,854 | 129,850 | 6,618,704 | 264,211 | 6,753,065 |
| Utilities | 11,412,706 | 11,412,706 | 11,350,783 | 918,136 | 12,268,919 | 1,354,717 | 12,705,499 |
| Repairs & Maintenance | 12,873,003 | 12,855,634 | 13,625,309 | 1,114,437 | 14,739,747 | 1,663,844 | 15,289,153 |
| Other | (8,575,808) | (7,618,853) | (7,087,862) | (131,952) | (7,219,814) | (266,513) | (7,354,375) |
| Waivers & Scholarships | 48,555,725 | 49,913,576 | 54,612,118 | - | 54,612,118 | - | 54,612,118 |
| Sponsored Programs Indirect Cost | 35,541 | 35,541 | 36,252 | 725 | 36,977 | 1,465 | 37,716 |
| Total Operating Expenses | 114,830,815 | 116,532,849 | 125,762,797 | 3,632,970 | 129,395,768 | 6,217,589 | 131,980,387 |
| Capital and Transfers | - | - | - | - | - | - | - |
| Capital Equipment | 2,576,732 | 2,557,271 | 2,722,737 | 68,687 | 2,791,424 | 141,498 | 2,864,235 |
| Debt Service | 1,457,025 | 1,457,025 | 1,453,911 | (5,200) | 1,448,711 | 600 | 1,454,511 |
| Total Capital | 4,033,757 | 4,014,296 | 4,176,648 | 63,487 | 4,240,135 | 142,098 | 4,318,746 |
| Mandatory Transfer Out | - | - | - | - | - | - | - |
| NonMandatory Transfer Out | 14,739,844 | 10,411,757 | 8,425,218 | - | 8,425,218 | - | 8,425,218 |
| Total Transfers | 14,739,844 | 10,411,757 | 8,425,218 | - | 8,425,218 | - | 8,425,218 |
| Total Capital and Transfers | 18,773,601 | 14,426,053 | 12,601,866 | 63,487 | 12,665,353 | 142,098 | 12,743,964 |
| Total Expenses | \$ 505,091,739 | \$ 500,462,469 | \$ 513,052,919 | \$ 11,496,472 | \$ 524,549,391 | \$ 14,974,479 | \$ 528,027,398 |
| Less Waivers | \$ 48,555,725 | \$ 49,913,576 | \$ 54,612,118 | - | \$ 54,612,118 | - | \$ 54,612,118 |
| Total Expenses less waivers | \$ 456,536,014 | \$ 450,548,893 | \$ 458,440,801 | \$ 4,297,460 | \$ 469,937,273 | \$ 4,654,254 | \$ 473,415,280 |
| Restoration of Base Expenditures | | | | \$ 4,297,460 | | \$ 4,654,254 | |
| Total Present Law Preliminary Estimate | | | | \$ 15,793,932 | | \$ 19,628,733 | |
| % Increase over FY 19 Base Budget | | | | 3.08% | | 3.83% | |
| State % Share | | | | 41% | | 41% | |
| Preliminary Estimate of State PL Request | | | | 6,553,940 | | 8,095,432 | |

*amounts may not foot due to rounding

MUS Present Law (PL) Budget-Current Unrestricted Fund
 2021 Biennium
 MUS Summary of Preliminary Budget Projections May 2018
 Public Service & Research Agencies

| | Regents Approved FY 18 Budget | Ed Units Projected FY 18 Budget | BASE BUDGET | PL Base | Total | PL Base | Total |
|---|-------------------------------------|---------------------------------------|----------------------|-------------------|----------------------|-------------------|----------------------|
| | | | FY 19 | Adjustments | Budget | Adjustments | Budget |
| | | | Projected | FY 20 | FY 20 | FY 21 | FY 21 |
| Personal Services | | | | | | | |
| Contract Faculty | \$ 8,217,615 | \$ 8,256,870 | \$ 8,377,584 | \$ 198,465 | \$ 8,576,049 | \$ 381,333 | \$ 8,758,917 |
| Contract Administrative | 202,999 | 202,999 | 203,689 | 3,390 | 207,079 | 4,356 | 208,045 |
| Classified | 3,096,009 | 3,107,766 | 3,121,295 | (39,352) | 3,081,943 | 61,526 | 3,182,821 |
| Graduate Assistants | 425,000 | 425,000 | 425,000 | - | 425,000 | - | 425,000 |
| Contract Professional | 4,489,301 | 4,445,932 | 4,467,582 | 706 | 4,468,288 | 88,586 | 4,556,168 |
| Other Salaries | 205,808 | 205,808 | 265,251 | (35,000) | 230,251 | - | 265,251 |
| Other Compensation | 29,021 | 29,021 | 29,511 | - | 29,511 | - | 29,511 |
| Total Salaries and Wages | 16,665,752 | 16,673,395 | 16,889,912 | 128,209 | 17,018,121 | 535,801 | 17,425,713 |
| Employee Benefits | 6,601,440 | 6,594,814 | 6,767,915 | (25,498) | 6,742,417 | 102,991 | 6,870,906 |
| Termination Benefits | - | - | - | 78,711 | 78,711 | - | - |
| Termination Pay | - | - | - | 132,250 | 132,250 | - | - |
| Other Benefits | 6,000 | 6,000 | 4,700 | - | 4,700 | - | 4,700 |
| Total Benefits | 6,607,440 | 6,600,814 | 6,772,615 | 185,463 | 6,958,078 | 102,991 | 6,875,606 |
| Total Personal Services | 23,273,192 | 23,274,209 | 23,662,527 | 313,672 | 23,976,199 | 638,792 | 24,301,319 |
| Operating Expenses | | | | | | | |
| Contracted Services | 903,664 | 903,664 | 859,688 | 18,252 | 877,940 | 36,870 | 896,557 |
| Supplies | 772,783 | 774,924 | 715,621 | 16,830 | 732,451 | 31,401 | 747,022 |
| Communications | 196,656 | 196,656 | 189,909 | 17,742 | 207,651 | 8,030 | 197,939 |
| Travel | 493,081 | 493,081 | 491,654 | 10,230 | 501,884 | 20,250 | 511,904 |
| Rent | 71,941 | 71,941 | 70,081 | 1,458 | 71,539 | 2,945 | 73,026 |
| Utilities | 428,295 | 428,295 | 396,474 | 7,486 | 403,960 | 18,771 | 415,244 |
| Repairs & Maintenance | 511,338 | 526,538 | 490,616 | 26,403 | 517,019 | 39,358 | 529,974 |
| Other | 752,579 | 752,379 | 712,510 | 108,340 | 820,850 | 36,397 | 748,907 |
| Admin Assessment | 1,018,994 | 1,016,036 | 1,011,836 | 29,370 | 1,041,206 | 60,446 | 1,072,282 |
| Total Operating Expenses | 5,149,331 | 5,163,514 | 4,938,388 | 236,112 | 5,174,500 | 254,469 | 5,192,857 |
| Capital and Transfers | | | | | | | |
| Capital Equipment | 42,063 | 42,063 | 20,321 | - | 20,321 | - | 20,321 |
| Debt Service | 13,783 | 13,783 | 13,783 | - | 13,783 | - | 13,783 |
| Total Capital | 55,846 | 55,846 | 34,104 | - | 34,104 | - | 34,104 |
| Mandatory Transfer Out | - | - | - | - | - | - | - |
| NonMandatory Transfer Out | 14,841 | 14,841 | 14,867 | - | 14,867 | - | 14,867 |
| Intra-Entity Exp-External | - | - | - | - | - | - | - |
| Total Transfers | 14,841 | 14,841 | 14,867 | - | 14,867 | - | 14,867 |
| Total Capital and Transfers | 70,687 | 70,687 | 48,971 | - | 48,971 | - | 48,971 |
| Total Expenses | \$ 28,493,210 | \$ 28,508,410 | \$ 28,649,886 | \$ 549,784 | \$ 29,199,669 | \$ 893,261 | \$ 29,543,146 |
| Restoration of Base Expenses | | | | 166,334 | | 230,568 | |
| Total Present Law Preliminary Estimate | | | | \$ 716,118 | | 1,123,829 | |
| | | | | 2.50% | | 3.92% | |

*amounts may not foot due to rounding