

ITEM 130-1601-R0106 BUDGET

Budget Assumptions A.A.S. Natural Horsemanship The University of Montana-Western

NOTE: This budget covers both the A.A.S. and the B.S. in Natural Horsemanship since the A.A.S. degree utilizes the same faculty and much of the same coursework as the B.S. Year 1 is 2004-5, the first year that the A.A.S. was offered.

Line items:

1. Use of Current Operating Funds

One-Half Quist salary/benefits + annual phone/data cost, incremented by 3 percent annually.

2. State Funding for Enrollment Growth

Factored in beginning year 3, per budget instructions formula

3. Tuition Revenue

Gross Incremental Tuition Revenue

Assumes 70% in state/30% out of state (one half of out of state WUE) with 70% lower division students and 30% upper division students and tuition increases of three percent per year beginning in year 2.

4. Reductions to Incremental Tuition

Reduction is taken at 60 percent after first year to cover estimated costs of academic and institutional support, fee waivers, and enrollment and expenditure contingencies. \$10,000 used in first year.

5. Program fees

No need for a program fee is currently anticipated

6. External funds

Arena space: \$100/hr X 18 hrs (1block course) X 2 courses = \$3,600 per semester X 2 semesters in year 1; 3 per semester in year 2 and 4 in years 3-5

Instructor costs: \$40/hr 3.5 hours (1/2 hour prep hence 3.5) = \$140/day X 18 days = \$2520 X number of courses shown above in *Arena space*. Inflation figured at 3 percent per year after first year.

7. Total Estimated Revenue

Calculated as C (Net Applied Revenue) + External Funds

8. Estimated Incremental Revenue

Personal Services

FTE

Please see my notes in the budget for my explanation and calculation. .50 UMW is ½ of Quist salary throughout with 3% increase as in **Revenue** above, growing to a 1.00 FTE in year 5, but additional .5 FTE is calculated at part time rate; La Cense increase is calculated at University formula; i.e., 1 course = ¼ time

Cost

Calculated as total of UMW instructor costs + La Cense instructor costs

Operating Expenses

- Supplies, etc. @\$1400 per year each year
- Phone/data @ \$384 per year each year
- Library @ 800 per year for years 1&2; @ \$500 per year for years 3-5
- Accreditation visit expenses in year 2 of \$2,400 (based on information from Sally Munday for 2 evaluators)
- Marketing@ \$2000 year one only
- Computer/printer in year 5 to support additional FTE@ \$2000

BUDGET ANALYSIS

Proposed Program: BS, Natural Horsemanship										
Campus: The University of Montana-Western										
	Year 1		Year 2		Year 3		Year 4		Year 5	
Estimated Enrollment										
FTE Enrollment	10		20		30		40		40	
Estimated Incremental Revenue										
Use of Current General Operating Funds	\$24,358		\$25,077		\$25,818		\$26,581		\$27,366	
State Funds	0		0		0		0		0	
State Funding for Enrollment Growth					\$38,280		\$38,280		\$76,560	
Tuition Revenue										
A. Gross Incremental Tuition Revenue	\$35,710		\$73,563		\$113,655		\$140,478		\$144,692	
B. Reductions to Incremental Tuition @ 60%	\$10,000		\$44,138		\$68,193		\$84,287		\$86,815	
C. Net Applied Tuition Revenue (A-B)	\$25,710		\$29,425		\$45,462		\$56,912		\$57,897	
Program Fees	0		0		0		0		0	
External Funds (La Cense arena space & donated instructor time)	\$7200/arena + \$10,080 instructor time = \$17,280		\$11,124 arena + \$15,574 instructor time = \$26,698		\$15,277 arena + \$21,383 instructor time = \$36,660		\$15,735 + \$22,024 = \$37,159		\$16,207+ \$22,685 = \$38,892	
Other Funds	0		0		0		0		0	
TOTAL Estimated Revenue (C + External?)	\$42,990		\$56,123		\$82,122		\$94,071		\$96,789	
Estimated Incremental Expenditures										
	FTE	Cost	FTE	Cost	FTE	Cost	FTE	Cost	FTE	Cost
Personal Services (initial .50 full time/remaining FTE at part time rate of \$2520 per class for La Cense)	.50 UMW + .75 La Cense	\$23,974 + \$10,080 = \$34,054	.50 UMW + 1.00 La Cense	\$24,693 + \$15,120 = \$39,813	.50 + 1.25	\$25,434 + \$20,160 = \$45,594	.75 + 1.25	\$28,597 + \$20,160 = \$48,757	1.00 + 1.25	\$30,997 + \$20,160 = \$51,157
Operating Expenses (Library acquisitions, supplies & phone/data costs; accreditation visit in year 2; computer/printer year 5)	\$2,584		\$4,984		\$3,184		\$3,184		\$3,184	
Equipment	0		0		0		0		\$2,000	
Start-up Expenditures (marketing)	\$2,000									
TOTAL Estimated Expenditures	\$38,638		\$44,797		\$48,778		\$51,941		\$56,341	
Estimated Revenues Over/Under (-) Expenditures	\$4,352		\$11,326		\$33,344		\$42,130		\$40,448	

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BOARD OF REGENTS
STATE OF MONTANA

ITEM 130-1601-R0106

PROPOSAL

TO INITIATE A NEW, EXPANDED, COOPERATIVE, OR
OFF-CAMPUS INSTRUCTIONAL PROGRAM

Submitted By:

THE UNIVERSITY OF MONTANA – WESTERN

School of Education, Business & Technology
Name of College, School, or Division

Business and Technology
Name of Department(s) or Area

A NEW, EXPANDED, COOPERATIVE, OR OFF-CAMPUS
INSTRUCTIONAL PROGRAM LEADING TO:

Associate of Applied Science
Certificate, Associate, Bachelor's
Master's, or Doctoral Degree
(give complete name of degree)

Natural Horsemanship
Academic Specialty or Area

FALL 2003

Proposed Starting Date

THE DEVELOPMENT OF THIS PROPOSAL HAS BEEN APPROVED BY:

Department Chair/Division Head Date

Dean of College or School Date

Vice Chancellor for Academic Affairs Date

Provost/VP Academic Affairs Date

Vice Chancellor for Admin. & Finance Date

VP Administration & Finance Date

Chancellor Date

President Date