FY04 Budget Update

- FY04 projection of net tuition revenues
  - More WUE students
  - More Montana residents
  - Fall retention rate slightly lower (normal fluctuation)
  - Summer enrollments down
  - Enrollment projected as flat and it dropped slightly
- $1.47 million deficit
- Proposed options for dealing with deficit
  - Utilize $1.5 million in reserve
  - Budget recisions
  - Wait and see (limits future options)
  - Tap other sources of funds
  - Combination of above

- Discussion of possible solutions
  - Review of extra section costs ($165,000 additional from AY03)
  - Possible use of “rainy day” benefits account (reserve for more than average retirements)
    - Utilize these funds on a one-time basis
    - Account would need to be replenished
  - Possible use of OLP funds on one-time basis
  - $1 M fund for FY05 for quality enhancements

- Motion made by Tom McCoy: Take no action until spring semester enrollments are known, with the exception of funding extra sections
  - Motion seconded
  - Vote: unanimous in favor

- Scholarship strategy
  - Aggressive tuition discounting for non-resident students
  - Increase overall quality of student body at MSU
  - Expanded high school honors scholarship – 4 year renewable
• Five-Year Vision Statement
  ➢ Rimpau is refining numbers and gathering information
  ➢ Final draft to be completed by December 2 UPBAC meeting
  ➢ Final draft posted to web by mid-December
  ➢ Campus open forum scheduled for late January 2004