

## Departmental Base Budget Overview

Department **University Budget Office**

Executive **VP Administration & Finance**

Index **402030**

Program **06**

**Base Budgets:**

1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	10-Year % Change
0	0	120,796	132,564	136,402	258,927	126,591	130,628	145,971	150,202	157,202	

The mission of the University Budget Office is to provide the data, expertise, analysis, and staffing necessary to support the University's planning, budgeting, and university assessment committees and processes, as well as all of the University's budget matters with the Governor, the Legislature, the Regents, the Commissioner's Office, and the other campuses and agencies of Montana State University.

The Budget Office supports the University's leaders, and its strategic planning processes, by providing objective, accurate, and timely information, analysis, and advice to inform the decision-making and resource allocation process. In addition, the Office is responsible for coordinating all aspects of the development, allocation, processing, and monitoring of the University's annual budget, as well as its biennial legislative request. It is a primary expectation of President Gamble that the University will engage in an open, data-rich, budget development process that is directly linked to the maintenance of a long-range plan, the identification of specific strategic priorities, and a detailed assessment of resource allocation outcomes.

The significant increase in 2001 is the result of the Institutional Research Office being combined with the University Budget Office. In 2003, the Office of Planning & Analysis (formerly Institutional Research) was directed to report to the President with its share of the budget following it.

UNIVERSITY BUDGET OFFICE Key Performance Indicators				FY07 Budgeted FTE:	3	FY07 Budget:	\$150,202
Relationship to University Mission	Productivity Benchmark						Source/Comment
	Description	Benchmark	2004 Measure	2005 Measure	2006 Measure	MSU VP Target	
Beneficially Cost Effective	Internal Staff Development	Hours per FTE	64.5	56	32		Training/class hours
Essential	External Staff Development	Hours per FTE	32.7	52	58		Hours spent training department staff
Essential	External Staff Development	Number of Persons Trained	236	530	525		Class attendance + Individual Sessions
Mandated, Essential, Beneficially Cost Effective	Standard Report Design, Generation, and Maintenance	Average Hours per FTE	978	758	758		Department averages
Mandated, Essential, Beneficially Cost Effective	Ad Hoc Report Design, Generation, and Maintenance	Average Hours per FTE	238.7	230	230		Department averages
Essential	Total FOAPs Reviewed During Budget Process	Number	1330	1360	1250		NWAATYP
Essential	Budget Transfers Processed	Number	765	830	808		TRND 2005 includes BD01s

Note: Additional workshops for salary budget training were held in 2005. This is shown in the increase of external staff development hours per FTE and number of persons trained.

## Departmental Base Budget Overview

Department **VP Administration & Finance**

Executive **VP Administration & Finance**

Index **4A1001**

Program **06**

**Base Budgets:**

1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	10-Year % Change
482,976	514,618	332,026	342,428	366,610	384,476	392,366	398,144	415,444	443,683	331,428	-31.38%

**Mission:** To manage, enhance, and deliver the Administrative and Financial services that enable the University to achieve its mission.

**Motto:** Quality Service, Customer Satisfaction and Student Success.

The Vice President for Administration & Finance is responsible for the leadership and management of all division services for the Bozeman campus, for coordinating many of the University's budget, finance, and administrative initiatives with the MSU campuses and agencies, and maintaining a close working relationship with the Office of the Commissioner of Higher Education, and other State officials, in regard to budget, finance, and administrative issues of the University.

The major departments in this division include University Services, Human Resources/Personnel & Payroll, University Business Services, University Budgets and Division Planning & Coordination. The Office of the Vice President includes the positions of the Vice President, the Assistant to the Vice President, the Director for Division Planning & Coordination, an Accounting Associate and a fixed-term Media/Information Coordinator.

VP ADMINISTRATION & FINANCE Key Performance Indicators			FY07 Budgeted FTE: 3.59		FY07 Budget: \$331,428			
Relationship to University Mission	Productivity Benchmark					Source/Comment		
	Description	Benchmark	2003	2004	2005	2006	MSU	
			Measure	Measure	Measure	Measure	VP Target	

## Departmental Base Budget Overview

Department **Administration & Finance Support Reserve**

Executive **VP Administration & Finance**

Index **4A1010**

Program **06**

**Base Budgets:**

1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	10-Year % Change
153,975	110,234	45,567	115,591	90,492	504,550	151,620	154,681	194,159	219,127	294,455	91.24%

This fund represents the remainder of the Vice President for Administration and Finance annual base budget allocation. It is used for one-time funding of equipment renewals, division-wide initiatives and contingency plans within the Administration and Finance division.

In FY06, funds were committed to a new Financial Manager position in Accounting Services, a new Purchasing Agent position in Purchasing, a new position in HR/Personnel & Payroll for BPR backup and Training & Development. Another significant commitment was to support the BPR (Business Process Redesign) project – funds were used for operational costs on all MSU campuses as well as for additional compensation for team leaders and incentives for team members.

Administration & Finance continues to support personal services and operational budget needs for the CEPAC office, the capital office equipment replacement plan for the Administration & Finance division, Montana Hall R&R costs, salary equity adjustments and professional development.

Contributions were also made to assist with the base funding of two new positions: the CAPP position in the Registrar's Office and the Fiscal Manager in Student Affairs.

## Departmental Base Budget Overview

Department **CEPAC Operations**

Executive **VP Administration & Finance**

Index **4A1013**

Program **06**

**Base Budgets:**

1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	10-Year % Change
0	0	0	0	0	0	0	0	0	620	660	

**Budget Note:**

FY06 and FY07 base budgets represent classified salary increases only. The classified employee's FY07 projected salary (\$17,379) continues to be covered by the Vice President for Administration and Finance with one-time funds only. A base budget request for personal services and basic operations for FY08 will be submitted to UPBAC for consideration.

**Program Overview:** CEPAC serves MSU-Bozeman's 1,110 classified staff working locally and remotely in 5 EEO categories, across 193 titles; both union-affiliated and non-union personnel. CEPAC facilitates communication and cooperation between the staff, administration, faculty, professional workforce, and students of the Bozeman campus, and at the System level. It promotes and provides for improved working conditions and professional welfare of the staff, and associated policies and programs.

CEPAC is a full partner in Shared Governance. It encourages improvement of higher education in the State of Montana. It actively promotes the classified contribution to the fulfillment of the University's mission, including the University's role in the community as a high quality employer, and a positive influence on the economy.

Recent noteworthy CEPAC activity includes (i) the presentation of new research relating to MSU, influential in the Board of Regents' November 2006 decision to call for a task force to address costs faced by faculty and staff, including housing; (ii) leadership in the innovation and launch (anticipated Spring 2007) of the "Pooled Resources" professional development and training program for classified staff. The potential benefits to MSU include service enhancement, and improved recruitment, retention, and staff morale; and (iii) the "Supporting Student Success" button campaign – MSU Brand Champion recipient, 2006. (Phase II of the campaign will launch in January 2007).

## Departmental Base Budget Overview

Department **To Improve Productivity Program (TIP)**

Executive **VP Administration & Finance**

Index **4A2011**

Program **06**

**Base Budgets:**

1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	10-Year % Change
0	0	0	0	0	0	0	0	3,500	3,500	3,500	

The "To Improve Productivity" program was formally established in August 2004 based on policy effective February 2003. The purpose of the program is to encourage and provide incentives to employees and students who make suggestions on how MSU can make productivity or operating cost savings.

The index is to cover the costs of a \$15 gift for each valid suggestion, a quarterly random draw prize of \$150, and an annual celebration to recognize everyone's contributions. There are occasional additional expenses such as printing costs for posters.

(Any major incentive reward is made from departmental cost savings where suggestions have been implemented).

There will be a change in policy to have the TIPs index cover small nominal awards up to \$200 to provide awards that provide cost savings/productivity gains to the whole organization, where a single department cannot be easily identified.

## Departmental Base Budget Overview

Department **Personnel & Payroll Services**

Executive **VP Administration & Finance**

Index **4A2300**

Program **06**

**Base Budgets:**

1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	10-Year % Change
410,317	447,455	428,176	473,374	464,764	514,696	649,255	662,761	667,265	700,765	767,622	87.08%

**Mission Statement:** The Human Resources/Personnel & Payroll (HR/PP) department projects pride and enthusiasm in support of the University's mission and strategic plan by providing leadership, guidance and administration of classification, recruitment, payroll, benefits, and employee/labor relations in a professional and dedicated manner.

**Vision Statement:** "From Hiring to Retiring - Your Human Resources Partner"

HR/PP provides services (as mandated by Federal, State, Board of Regents, and collective bargaining regulatory requirements) to MSU: labor/management relations; labor negotiations; employee discipline and terminations; grievance resolution; development, implementation, and interpretation of personnel policy; job classification and pay administration; recruitment and selection; EEO/Affirmative Action/Veteran's Preference compliance; administration and management of payroll and benefits including providing information and establishing and maintaining standards, processes, and procedures followed by all University departments in preparing and submitting payroll and related HR data into the payroll system. HR/PP uses the Banner HR software system to administer, process, distribute, report and account for payroll, benefits, and associated withholdings/deductions for approximately 5,500 MSU employees.

Since FY01, growth in the HR/PP budget is due to across-the-board salary allocations, base budget adjustments for new positions, monetary awards for the Employee Recognition Program, and purchase of Tax Navigator software for managing and reporting tax compliance for foreign students and employees. The HR/PP operations budget has basically remained static over this period. Three additional FTE have been added for the purposes of implementing and managing the MUS Staff Compensation and Performance Management Program, and reconciling institutional payroll and third party vendor accounts as a result of implementing the Banner Administrative software.

Human Resources/Personnel & Payroll Key Performance Indicators			FY07 Budgeted    21.75 FTE:			FY07 Budget: Prsnl Svcs Operations		\$767,622 \$692,472 \$ 75,150	
Relationship to University Mission	Productivity Benchmark					Source/Comment			
	Description	Benchmark	FY03 Measure	FY04 Measure	FY05 Measure	FY06 Measure	MSU VP Target		
Mandated/Essential	Total institutional FTE/PPS FTE		126.22	122.24	123.55	129.06			
Mandated/Essential	PPS budget/total institutional FTE		252.56	258.76	256.15	264.42			
Mandated/Essential	PPS FTE/institutional headcount	148	163.63	167.18	157.6	163.23		*NACUBO; *BNA	
Mandated/Essential	PPS budget/total institutional headcount		194	189.24	200.8	209.06			
	Institutional FTE = All budgeted positions (faculty, staff, students) in FY06								
	*NACUBO Standard - the median ratio of HR staff to total organizational headcount for FY96 was 1.0 HR worker for every 148 employees served by the HR department for doctoral universities								
*BNA Standard - the median ratio of HR staff to total organizational headcount for the year 2000 is 1.0 HR worker for every 100 employees served by the HR department. SHRM/BNA survey, June 2000									

## Departmental Base Budget Overview

Department **Banner Central Administration**

Executive **VP Administration & Finance**

Index **4A2500**

Program **06**

**Base Budgets:**

1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	10-Year % Change
0	0	0	0	160,551	216,526	224,276	303,704	212,440	219,973	195,546	

In July 1998 Montana State University implemented a new management information system called "SCT Banner 2000" to replace its current Information Associated System. The change was made, in part, to ensure that MSU would be Y2K compliant. The Banner System was selected because it promised to be a more versatile and robust system that would support the increasing demands of MSU's multi-campus University.

In December 1999, the Banner Central Account was established to record the expenses related to centralized oversight and support of the system, in its multi-campus environment. The initial, one-time funding for the account was reallocated from existing revenues and other accounts to cover the expenses related to implementing and managing the Banner central operations. The "host departments" that provide support for the Banner Central positions include the Controller's Office, Personnel and Information Services.

The Central Staff positions necessary to support the Banner Central Operations include a Finance Module Team Leader, Human Resources Module Team leader, Student Information/Financial Aid Module Team Leader and Banner Training Coordinator. The Banner Central Account is established to support the salaries, appropriate conference costs and related travel of these individuals. The "host department" supplies the costs related to the regular operations, i.e., office space and equipment, telephone, supplies, etc. Additional operating costs from FY04 onwards include strategic planning for the administrative information systems across the four campuses.

In FY04 the base budget received an increase of \$73,632 to reflect a change in the cost-sharing of Banner expenses among the MSU campuses. Rather than charging each campus their share of the operational expenses, MSU-Bozeman will absorb the entire cost in the future.

In the 12 month period of February 2006 to February 2007, the 4 campuses of MSU completed a Business Process Review of all administration and finance business processes to improve institutional and system efficiencies and effectiveness. Recommendations included the implementation of the unused Banner functionality of Approval Queues, and Web and Departmental time entry.

### BANNER CENTRAL ADMINISTRATION Key Performance Indicators

FY07 Budgeted FTE: **4.0**

FY07  
Budget: **\$195,546**

#### Productivity Benchmark

Relationship to University Mission	Productivity Benchmark					Source/Comment
	Description	Benchmark	2003 Measure	2004 Measure	MSU VP Target	

## Departmental Base Budget Overview

Department **Central Mail Service**

Executive **VP Administration & Finance**

Index **4A4900**

Program **06**

**Base Budgets:**

1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	10-Year % Change
165,788	167,757	156,522	163,602	169,780	183,362	199,394	203,437	217,058	225,254	233,662	40.94%

**Mission:** To provide the University community with reliable, customer-focused, cost-effective mail service and to efficiently integrate with the U.S. Postal Service.

Central Mail is a vital part of the infrastructure of the University and provides an essential service to the institution by facilitating mail processing and delivery of domestic and international mail. The mail room is the communications hub for the University through which most recruiting, academic, fundraising, grant-related, business, and general communications flow. Central Mail Services provides departments with reliable and timely pick up, delivery and processing of incoming, outgoing and intra-campus mail. The expertise of a highly educated staff, who are up-to-date on the ever-changing postal rules and regulations, allow departments to consider a variety of mailing options to receive the best service and postage rates available.

**Budget Notes:** The noticeable increase in FY 2002 funding is the result of having a 1.0 classified staff FTE restored to the state budget. Also noteworthy is the fact that while operating costs have continued to increase over the past ten years, the operations budget for Central Mail Services has remained constant.

### CENTRAL MAIL SERVICES Key Performance Indicators

FY07 Budgeted FTE: **6.956**

FY07 Budget: **\$233,662**

Relationship to University Mission	Benchmark					MSU VP Target	Source/Comment
	Description	Benchmark	FY 2004 Measure	FY 2005 Measure	FY 2006 Measure		
Essential	Increased Use of Presorted First-Class Mail: Piece Counts & Postage Savings	None Available	376,517 \$6,777.31	394,275 \$7,084.42	430,020 \$7,945.50	None Established	



## Departmental Base Budget Overview

Department **Controller's Office**

Executive **VP Administration & Finance**

Index **4A6100**

Program **06**

### Base Budgets:

1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	10-Year % Change
578,171	600,881	549,705	588,856	644,467	770,166	865,193	900,961	915,990	983,772	1,180,193	104.13%

**Mission Statement:** University Business Services provides accounting and business services for the instructional, research, and administrative components of the University. The Assistant Vice President for Financial Services, as the chief financial officer, is responsible for the formulation and implementation of financial and accounting policies, procedures, reporting, and financial systems. The mission of these offices is to provide these services University-wide in an efficient, effective, and timely manner in compliance with applicable rules and regulations.

### Discussion of Budget Increase:

The budget reflects an annual growth rate of approximately 16.7%, although the budget was nearly flat for 5 years and since then has grown significantly. The following items contributed to the budget increase:

- During FY06, and reflected fully in FY07, the Administration & Finance Division restructured; we eliminated the separate Treasurer's office, giving the former Controller both the Controller's and Treasurer's financial duties and a commensurate salary increase; we rolled two FTE into the Business Services budget as well. This reorganization represents \$119,000 in the 2007 budget.
- The University is implementing Web Payment for its student accounts function, which represents an additional \$30,000 in each of the 2006 and 2007 budgets.
- Operating funds have not increased significantly, but did increase from \$92,000 in 2001 to \$120,000 in 2007, reflecting additional costs primarily relating to postage and mailing of past-due notices in an effort to improve collections of student accounts, and to collect required tax information for accounts payable vendor files.
- Staff salaries are what have changed most significantly, with the department adding the following:
  - A reconciliation accountant was hired because, during 2000, the new Banner accounting system was implemented, and during 2001 it became apparent that with the strain of implementing the Banner system and a flat budget, certain basic accounting duties had not been performed adequately. The state's SABHRS system and the Banner system could not be reconciled, and the State of Montana was in danger of receiving a qualified opinion on its financial statements until reconciliation procedures could be put in place.
  - An experienced Assistant Controller was hired due to the new, more complex GASBB 35 financial reporting requirements..
  - Two FTE were added due to the reorganization discussed above.
  - One Collections technician was added to focus solely on collecting student accounts. During 2001, the University had to write off \$2.3 million in old outstanding receivables, and since then, writeoffs have been minimal.
  - An Student Accounts lead worker was hired to ensure adequate, timely service to students as well as reconciliation of the student receivables system to the general ledger, to ensure that no more large writeoffs would occur.

- Because implementation of Banner and the implementation of new accounting and financial reporting requirements, many existing staff have assumed additional and more complex duties than they previously had. They have moved up on the pay scale commensurate with the increase in the complexity of their duties.
- In the years 1996 through 2001, the budget for this office increased \$112,825, an average annual growth rate of only 2.6%.

#### Description of Functions:

**Accounting** provides accounting services campus-wide, review transactions, prepares reconciliations, and maintains the Banner accounting structure. This staff also prepares required recurring and ad-hoc reports for internal and external constituents.

**Accounts Payable/Travel** processes and reviews for compliance all payments made by the University, whether via check or purchasing card, and ensures that compliance with state and regents' policies is maintained in the expenditure of funds.

**Cashiering** processes all payments to the University, from students as well as other campus customers.

The **Capital Programs** area ensures compliance with debt covenants, manages debt and investments (including endowments), and tracks and monitors capital expenditures.

The **Loan Service Center** processes collections on the University's approximately 6,500 outstanding Perkins and Nursing loans, provides exit counseling to students, and monitors loan collection services.

**Property Management** manages University assets, including physically verifying existence and recording them in the accounting records, in accordance with State and Federal regulations, delivering quality, cost-effective services in a positive, professional, ethical and timely manner.

**Purchasing** provides professional purchasing services for instructional, research, and administrative components of the University. In providing these services, in accordance with sound business practices and the rules and regulations of the State of Montana, the Department seeks to realize, for the University, the maximum value for every dollar expended.

**Student Accounts** assists students in meeting their financial obligation to the University, and is responsible for the billing and collection of all student charges and administration of payment plans. This office also issues financial aid checks to students.

### CONTROLLER'S OFFICE Key Performance Indicators

FY07 Budgeted FTE: **27.5**

FY07  
Budget: **\$1,180,193**

Relationship to University Mission	Productivity Benchmark				Source/Comment
	Description	Benchmark	2005 Measure	2006 Measure	
Essential	Students/Accounting FTE	1074-2380	2,042	1,828	UM and UNR range benchmark
Essential	Number of invoices/Accounts Payable FTE	9,908	16,837	12,096	1996 NACUBO is the benchmark
Essential	Student headcount/Student Accounts FTE	1,745	1,289	1,371	UM 2006 is benchmark
Mandated	Active loans/Loan Service Center FTE	1208	6,193	4,073	UM 2006 is benchmark
Mandated	Student Loan Cohort default rate	7.23%	4.18%	6.87%	State of Montana 2005 is benchmark

## Departmental Base Budget Overview

Department **Warrant Writing Cost**

Executive **VP Administration & Finance**

Index **4A6111**

Program **06**

**Base Budgets:**

1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	10-Year % Change
25,000	41,500	25,000	30,000	30,000	30,000	30,000	30,000	30,000	31,267	31,267	25.07%

The funds in this budget pay the state for the cost of the warrants written on behalf of MSU-Bozeman.

Departmental Base Budget Overview

Department SFCAP Clearing  
Index 4A6112

Executive VP Administration & Finance  
Program 06

Base Budgets:

1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	10-Year % Change
0	0	0	0	0	0	0	0	0	0	0	

## Departmental Base Budget Overview

Department **Service Bureau Charge**

Executive **VP Administration & Finance**

Index **4A6113**

Program **06**

**Base Budgets:**

1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	10-Year % Change
97,000	95,000	108,000	112,000	124,000	128,800	128,800	128,800	133,900	113,900	113,900	17.42%

The funds in this budget are for the administration, servicing, and collection of Perkins Loans and Nursing Student Loans, which are campus-based federal student loans available to MSU-Bozeman students. Both loan programs are funded by block grants, and are administered by the MSU-Bozeman Loan Service Center. The Nursing Student Loan Program is funded by the Department of Health and Human Services. The Perkins Loan Program is funded by the Department of Education (three-fourths) and MSU-Bozeman (one-fourth).

The proper administration of these loan programs is important at two levels. First, and most obviously, the better these program funds are administered, the more money is available to loan MSU-Bozeman students through these two programs. Secondly, if these programs are not properly administered, the funding agencies may withdraw their funds, which would not only terminate these two loan programs, but also terminate MSU-Bozeman's entire financial aid program under the Department of Education's rules and regulations.

Due to limited staffing, this office has traditionally contracted with a loan-servicing agency (currently Campus Partners) to provide day-to-day service on non-delinquent accounts, leaving the delinquent and problem accounts under the administration of the Loan Service Center. AMS also provides limited services with regard to accounts which are approaching delinquent status, including a specified number of phone calls and letters encouraging prompt payment to avoid delinquency.

In FY06, the management of 6,100 active Perkins Loans was done by 1.5 FTE, assisted by a student worker, compared with the University of Montana – 4,830 active loans and 2 FTE.

The above costs constitute only the direct collection expenses paid to outside service bureaus. Personnel costs, supplies, equipment, etc. for this office are funded by Index 4A6100, the budget for University Business Services.

## Departmental Base Budget Overview

Department **Finance Systems Support**

Executive **VP Administration & Finance**

Index **4A6400**

Program **06**

**Base Budgets:**

1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	10-Year % Change
0	0	0	0	0	0	163,179	166,423	167,994	173,841	180,598	

The **Finance Systems Support Group** was created during 2000. The Group supports Banner users through the provision of query reports and financial data extraction on a regular and ad-hoc basis, and conducts periodic training sessions for Banner Finance users. The group reports to the MSU-Bozeman Finance Systems Director and the Director of Student Accounts for day-to-day guidance, but the MSU Controller's Group, which acts as a steering committee, largely dictates its priorities and workflow. Users supported by this group include, in varying degrees, all departmental accounting techs, the grants & contracts and budget offices, and the functions of student accounts, property management, purchasing, and finance.

The group comprises four personnel—three systems analysts and one accountant—who support all four MSU campuses. The group performs the production control and certain programming aspects of the Banner Finance and Accounts Receivable systems, and provides a liaison between the programmers in ITC and the system users. These personnel also ensure that claims are submitted to the State for payment and that payroll, revenue and expense transactions are properly interfaced from the various Banner modules into the Finance module.

Continuous improvement of Banner procedures is a Group goal—using Banner to enhance efficiency and ensure that MSU uses Banner to its full potential. The group works with the Module Team leaders to ensure that all Banner Finance-related issues are addressed efficiently. Regular communication and collaboration with the ITC Systems Analysts is vital, especially in ensuring that MSU transactions are properly transmitted to the State SABHRS system.

Support to Bozeman's University Business Services is also one of the Group's duties, including tasks such as updating the University Business Services website, updating student fee information, and performing limited IT services within the department. Funding for 2006 includes four full-time salaries, as well as education-related travel costs.

### FINANCE SYSTEMS SUPPORT Key Performance Indicators

FY07 Budgeted FTE: **4.00**

FY07  
Budget: **\$180,598**

#### Productivity Benchmark

Relationship to University Mission	Productivity Benchmark					Source/Comment
	Description	Benchmark	2005 Measure	2006 Measure	MSU VP Target	
Essential	# Students/FTE	3,490	3,063	3,085	TBD	Benchmark Figure is the UM calculation

## Departmental Base Budget Overview

Department **Institutional Insurance**

Executive **VP Administration & Finance**

Index **4A7501**

Program **06**

**Base Budgets:**

1997	1998	1999	2000	2001	2002	2003	2004	2005	2006	2007	10-Year % Change
232,436	260,902	260,902	190,402	190,402	202,787	242,329	532,753	554,537	495,537	495,537	113.19%

The Institutional Insurance account, Index 4A7501 is a pass-through account to pay for insurance premiums assessed the University by the State Risk Management and Defense Division. Normally there are no other expenses other than insurance premiums associated with this account. The insurance premiums paid via this account are general liability coverage, fidelity bond, crime coverage, fine arts coverage, and other miscellaneous costs of risk.

Insurance costs for FY 07 will be consistent with the budgeted amount for FY 06 as indicated above. The budgeted amounts within this index for fiscal years 08 and 09 will be significantly higher as the 2005 Montana Legislature has authorized the Risk Management and Tort Defense Division of the Department of Administration to adjust General Liability contributions to reflect an amount that fully funds the claims payable expenses on an actuarial basis.