

# UNIVERSITY OF MISSOURI SYSTEM

## FY2005 APPROPRIATIONS REQUEST FOR OPERATIONS

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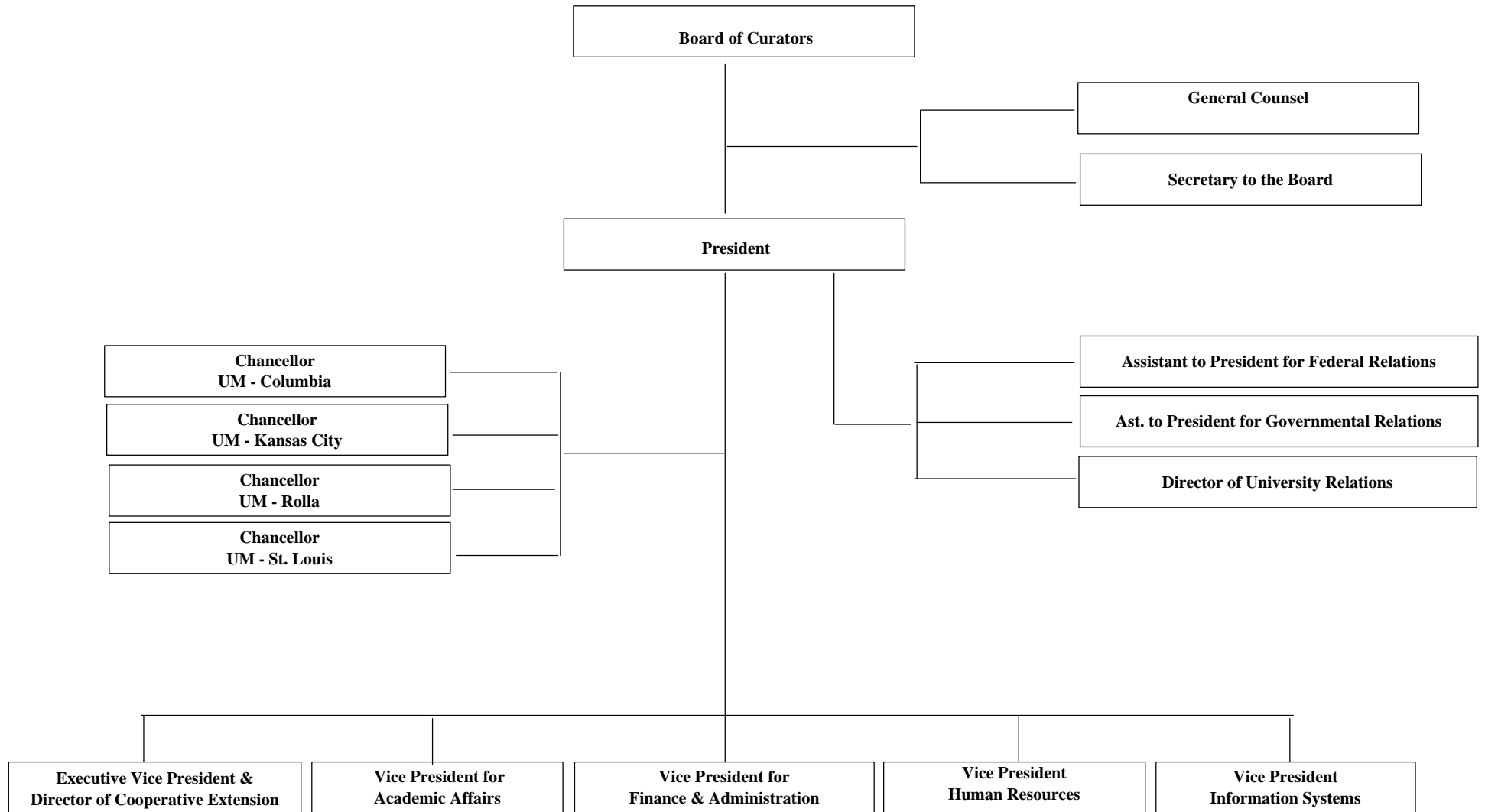
#### GENERAL OPERATIONS

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# University of Missouri System



# **FY2004-2005 APPROPRIATIONS REQUEST FOR OPERATIONS**

## **UNRESTRICTED FUNDS SUMMARY**

### **University of Missouri System**

	<u>DECISION ITEM NUMBER</u>	<u>STATE APPROPRIATED FUNDS</u>	<u>NON-STATE FUNDS</u>	<u>TOTAL FUNDS</u>
<b>FY2003-2004 EXPENDITURE BASE (Core)</b>		\$388,738,932	\$685,347,485	\$1,074,086,417
<b>RECURRING INCREASE REQUESTED:</b>				
Cost to Continue Adjustment to the Core Budget	1	31,600,000	\$21,100,000	52,700,000
Cost of Operating New and Renovated Facilities	2	6,015,230		6,015,230
Equity Funding/Resource Gap Funding	3	32,050,000		32,050,000
Life Science Initiative	4	7,600,000		7,600,000
Health Science Education	5	10,500,000		10,500,000
Total Recurring Increase Requested		\$87,765,230	\$21,100,000	\$108,865,230
<b>TOTAL RECURRING REQUEST FY2004-2005</b>		<u>\$476,504,162</u>	<u>\$706,447,485</u>	<u>\$1,182,951,647</u>

**UNIVERSITY OF MISSOURI SYSTEM**

**EDUCATIONAL AND GENERAL CURRENT FUNDS**

**FORM 1: EXPENDITURES**

EDUCATION AND GENERAL EXPENDITURES (EXCLUDE EXPENDITURES ON AUXILIARIES)	Audited Unrestricted Expenditures FY 2002	Audited Restricted Expenditures FY 2002	FY 2003 Estimated Unrestricted Education and General Operating Funds		Estimated Unrestricted Expenditures FY 2003	Estimated Restricted Expenditures FY 2003	FY 2004 Projected Unrestricted Education and General Operating Funds		Projected Unrestricted Expenditures FY 2004	Projected Restricted Expenditures FY 2004
			Personal Service	Expense & Equip.			Personal Service	Expense & Equip.		
1 GENERAL INSTRUCTION										
1.1 On-campus instruction for credit			347,103,320	51,868,627	398,971,947		382,599,543	43,771,897	426,371,440	
1.3 Community Education			8,745,467	9,165,714	17,911,181		9,120,739	7,700,660	16,821,399	
1.4 Off-campus instruction for credit			5,449,493	6,172,636	11,622,129		5,534,092	7,407,673	12,941,765	
TOTAL INSTRUCTION	389,094,171	38,470,351	361,298,280	67,206,977	428,505,257	40,381,943	397,254,374	58,880,230	456,134,604	46,759,661
2 RESEARCH										
2.1 Institutes and Research Centers			25,617,977	5,456,446	31,074,423		26,126,511	8,450,422	34,576,933	
2.2 Individual or Project Research			22,492,438	7,974,567	30,467,005		25,364,205	27,202,340	52,566,545	
TOTAL RESEARCH	64,947,330	108,002,444	48,110,415	13,431,013	61,541,428	126,304,606	51,490,716	35,652,762	87,143,478	143,485,000
3 PUBLIC SERVICE										
3.2 Community Services			21,814,735	8,661,914	30,476,649		25,101,437	11,910,555	37,011,992	
3.3 Cooperative Extension Services			29,516,113	5,338,845	34,854,958		28,918,564	8,759,743	37,678,307	
TOTAL PUBLIC SERVICE	65,549,839	88,028,978	51,330,848	14,000,759	65,331,607	80,818,137	54,020,001	20,670,298	74,690,299	84,680,000
4 ACADEMIC SUPPORT										
4.1 Libraries			14,718,559	15,570,965	30,289,524		16,190,928	16,579,829	32,770,757	
4.2 Museums and Galleries			355,661	(37,887)	317,774		373,847	3,231	377,078	
4.3 Educational Media Services			3,182,790	330,200	3,512,990		3,083,215	999,700	4,082,915	
4.5 Ancillary Support			34,203,627	3,657,471	37,861,098		35,119,289	10,667,967	45,787,256	
4.6 Academic Admin. & Personnel Development			30,341,388	5,675,739	36,017,127		34,781,297	9,141,006	43,922,303	
TOTAL ACADEMIC SUPPORT	113,312,536	3,813,921	82,802,025	25,196,488	107,998,513	11,512,749	89,548,576	37,391,733	126,940,309	5,950,000
5 STUDENT SERVICE										
5.1 Student Service Administration			5,199,724	4,518,283	9,718,007		6,710,752	2,766,038	9,476,790	
5.2 Social and Cultural Development			6,203,550	6,562,439	12,765,989		6,865,385	6,975,770	13,841,155	
5.3 Counseling and Career Guidance			4,969,477	(340,553)	4,628,924		4,889,074	1,956	4,891,030	
5.4 Financial Aid Administration			3,385,863	108,057	3,493,920		3,395,613	929,474	4,325,087	
5.5 Student Health Services			3,137,813	1,706,436	4,844,249		3,306,356	1,784,416	5,090,772	
5.6 Intercollegiate Athletics			851,583	3,795,203	4,646,786		836,420	2,369,442	3,205,862	
5.7 Student Admissions and Records			8,504,368	429,146	8,933,514		8,571,899	3,138,492	11,710,391	
TOTAL STUDENT SERVICE	51,665,208	2,459,220	32,252,378	16,779,011	49,031,389	2,344,634	34,575,499	17,965,588	52,541,087	2,375,000
6 INSTITUTIONAL SUPPORT										
6.1 Executive Management			11,448,179	6,195,579	17,643,758		10,663,008	1,438,714	12,101,722	
6.2 Fiscal Operations			6,594,815	6,024,879	12,619,694		8,820,117	7,879,296	16,699,413	
6.3 General Admin. & Logistical Services			53,542,953	(27,133,027)	26,409,926		56,029,037	(24,374,657)	31,654,380	
6.5 Public Relations and Development			16,164,629	3,105,892	19,270,521		18,387,968	7,277,666	25,665,634	
TOTAL INSTITUTIONAL SUPPORT	69,283,879	2,742,945	87,750,576	(11,806,677)	75,943,899	2,698,583	93,900,130	(7,778,981)	86,121,149	2,230,000
7 OPERATION AND MAINTENANCE OF PLANT										
7.1 General Physical Plant			15,958,723	1,052,834	17,011,557		18,426,899	(46,916)	18,379,983	
7.2 Fuel and Utilities			2,863,693	25,030,732	27,894,425		1,907,597	30,131,151	32,038,748	
7.3 Maintenance and Repair			17,089,232	7,446,698	24,535,930		18,598,646	8,166,199	26,764,845	
TOTAL OPERATION AND MAINTENANCE OF PLANT	65,403,646	640,239	35,911,648	33,530,264	69,441,912	103,403	38,933,142	38,250,434	77,183,576	290,000
8 SCHOLARSHIPS AND FELLOWSHIPS										
8.1 Scholarships				55,561,082	55,561,082			64,318,007	64,318,007	
8.2 Fellowships				26,073,003	26,073,003			30,748,663	30,748,663	
TOTAL SCHOLARSHIPS/FELLOWSHIPS	75,348,148	34,754,088	-	81,634,085	81,634,085	38,418,361	-	95,066,670	95,066,670	44,060,000
9 TRANSFERS										
9.1 Mandatory Transfers (in)/out			-	7,864,884	7,864,884		-	4,229,187	4,229,187	
9.2 Nonmandatory Transfers (in)/out			-	10,849,024	10,849,024		-	14,036,058	14,036,058	
TOTAL TRANSFERS	28,839,396	8,018,708	-	18,713,908	18,713,908	10,876,804	-	18,265,245	18,265,245	245,000
TOTAL E&G EXPENDITURES AND TRANSFERS	923,444,153	286,930,894	699,456,170	258,685,828	958,141,998	313,459,220	759,722,438	314,363,979	1,074,086,417	330,074,661

**UNIVERSITY OF MISSOURI SYSTEM**

**EDUCATIONAL AND GENERAL CURRENT FUNDS**

**FORM 1-A: EXPENDITURES FOR ON-CAMPUS INSTRUCTION (PCS 1.1) BY COST CENTER**

<b>No.</b>	<b>INSTRUCTIONAL COST CENTER<sup>1</sup></b> <b>(EXCLUDE EXPENDITURES ON AUXILIARIES)</b>	<b>Audited Unrestricted Expenditures FY 2002</b>	<b>Estimated Unrestricted Expenditures FY 2003</b>	<b>Projected Unrestricted Expenditures FY 2004</b>
1	Arts & Sciences	96,720,310	104,991,099	93,422,834
2	Agriculture, Food & Natural Resources	7,285,175	8,836,767	8,145,363
3	Biology/Life Sciences	4,831,907	4,760,329	4,694,691
4	Business & Public Administration	18,023,207	19,315,329	19,156,285
5	Conservatory of Music	4,327,879	4,044,420	4,361,107
6	Dentistry	13,286,242	12,376,152	12,801,020
7	Education	19,483,321	20,204,394	23,025,333
8	Engineering	28,810,148	28,263,064	30,522,488
9	Evening College	823,637	769,257	946,978
10	Extension	1,730,745	1,316,053	865,879
11	Fine Arts & Communications	2,631,638	2,731,076	3,403,568
12	Graduate School	2,530,640	2,639,447	2,560,329
13	Health Professions & Related Sciences	2,402,090	3,709,007	3,104,415
14	Human Environmental Sciences	5,410,699	5,954,553	5,202,491
15	Interdisciplinary Computing and Engineering	199,401	3,621,672	4,363,685
16	Journalism	5,416,779	5,631,606	5,302,564
17	Law	9,473,399	9,582,220	10,248,763
18	Medicine	83,751,493	107,889,321	118,160,143
19	Management & Information Systems	352,643	1,179,306	1,266,600
20	Mines & Metallurgy	5,238,990	4,705,603	4,936,345
21	Nursing	8,064,557	8,812,140	11,557,897
22	Optometry	3,192,230	4,067,806	4,956,600
23	Pharmacy	4,724,912	4,237,112	4,963,728
24	Pierre Laclède Honors College	397,565	510,512	807,563
25	Veterinary Medicine	11,144,161	11,396,141	11,426,638
26	Miscellaneous Instruction	18,477,512	17,427,561	36,168,133
	TOTAL	\$358,731,280	\$398,971,947	\$426,371,440

**UNIVERSITY OF MISSOURI SYSTEM**

**EDUCATIONAL AND GENERAL CURRENT FUNDS**

**FORM 2: REVENUES**

<b>EDUCATION AND GENERAL RESTRICTED AND UNRESTRICTED REVENUES (EXCLUDE EXPENDITURES ON AUXILIARIES)</b>	<b>Audited Unrestricted Revenue FY 2002</b>	<b>Audited Restricted Revenue FY 2002</b>	<b>Estimated Unrestricted Revenue FY 2003</b>	<b>Estimated Restricted Revenue FY 2003</b>	<b>Projected Unrestricted Revenue FY 2004</b>	<b>Projected Restricted Revenue FY 2004</b>
Student Education Fees (Excluding Off-Campus Credit)	322,397,202	81,141	365,142,363	152,494	409,423,552	0
Student Education Fees (Off-Campus Credit)	9,624,499	0	13,496,544	0	16,000,000	
<b>SUBTOTAL OF TUITION AND FEES</b>	<b>332,021,701</b>	<b>81,141</b>	<b>378,638,907</b>	<b>152,494</b>	<b>425,423,552</b>	<b>0</b>
Federal Appropriations	15,386,499	0	14,859,482	0	15,029,008	0
Federal Grants and Contracts	0	131,558,149	0	166,082,563	0	187,075,000
Federal Vocational Reimbursement						
<b>SUBTOTAL OF FEDERAL SOURCES</b>	<b>15,386,499</b>	<b>131,558,149</b>	<b>14,859,482</b>	<b>166,082,563</b>	<b>15,029,008</b>	<b>187,075,000</b>
State Grants and Contracts		49,974,784		33,716,712	0	32,600,000
State Vocational Reimbursement						
<b>SUBTOTAL OF STATE GRANTS/REIMBURSEMENT</b>	<b>0</b>	<b>49,974,784</b>	<b>0</b>	<b>33,716,712</b>	<b>0</b>	<b>32,600,000</b>
Local Tax Revenue						
Local Grants and Contracts	0	1,636,211	0	1,076,796	0	1,100,000
Recovery of Indirect Costs	32,213,444	0	37,870,966	0	33,543,893	0
Private Gifts, Grants and Contracts	712,925	83,400,523	392,004	85,347,672	89,001	79,914,562
Investment Income	21,121,852	3,410,824	42,506,227	3,060,094	12,980,933	2,576,863
Endowment Income	2,653,630	26,221,101	2,854,721	27,873,237	2,618,100	29,330,597
Sales & Services of Educational Activities	116,088,814	126,712	137,481,031	0	151,977,454	0
Intercollegiate Athletic Income						
Other Sources	38,500,619	(26,992,848)	38,865,026	(28,581,412)	43,685,544	(25,070,761)
<b>SUBTOTAL OF TOTAL LOCAL REVENUES/OTHER</b>	<b>211,291,284</b>	<b>87,802,523</b>	<b>259,969,975</b>	<b>88,776,388</b>	<b>244,894,925</b>	<b>87,851,261</b>
<b>TRANSFERS FROM OTHER FUNDS</b>						
State Appropriations for RTEC Distributions						
State Appropriations (Education & General Operating)	376,918,057	17,453,346	384,968,925	16,589,593	388,738,932	22,548,400
<b>SUBTOTAL STATE APPROPRIATIONS</b>	<b>376,918,057</b>	<b>17,453,346</b>	<b>384,968,925</b>	<b>16,589,593</b>	<b>388,738,932</b>	<b>22,548,400</b>
<b>TOTAL EDUCATION &amp; GENERAL REVENUE</b>	<b>\$935,617,541</b>	<b>\$286,869,943</b>	<b>\$1,038,437,289</b>	<b>\$305,317,751</b>	<b>\$1,074,086,417</b>	<b>\$330,074,661</b>

**UNIVERSITY OF MISSOURI SYSTEM**

**UNRESTRICTED EDUCATIONAL AND GENERAL CURRENT FUNDS**

**FORM 3: PERSONAL SERVICE DETAIL**

<b>TOTAL</b>	<b>Audited Unrestricted Expenditures FY 2002</b>	<b>FTE</b>	<b>Estimated Unrestricted Expenditures FY 2003</b>	<b>FTE</b>	<b>Projected Unrestricted Expenditures FY 2004</b>	<b>FTE</b>
<b>PERSONAL SERVICE CATEGORIES (EXCLUDE EXPEND. ON AUXILIARIES)</b>						
Professors	88,553,423	667.75	82,790,258	623.81	87,405,719	535.51
Associate Professors	68,645,656	797.34	67,500,660	780.90	71,299,812	757.40
Assistant Professors	65,375,938	834.93	68,539,940	876.22	72,408,340	875.92
Instructors	10,951,828	179.27	10,795,665	177.05	11,403,539	169.45
Other Teaching & Research	72,692,207	1,676.48	84,518,669	1,934.20	88,305,061	1,907.30
Executive/Administrative/Managerial	80,237,342	1,020.10	79,550,969	1,007.53	83,395,823	969.23
Other professional	90,052,405	1,956.90	90,387,378	1,969.40	94,639,878	1,956.70
Technical and paraprofessionals	20,935,654	772.66	19,881,873	735.60	20,870,706	662.40
Clerical and secretarial	46,328,402	1,796.26	44,427,193	1,725.92	46,581,307	1,733.62
Skilled Crafts	17,022,851	464.79	15,542,531	424.31	16,246,180	410.41
Service/Maintenance	18,430,884	832.25	16,901,351	755.62	17,656,984	767.32
Students	8,917,790	826.21	8,967,138	829.76	9,427,964	862.56
Staff Benefits	111,127,626	-	109,652,545	-	140,081,125	-
<b>TOTAL PERSONAL SERVICES</b>	<b>699,272,005</b>	<b>11,824.94</b>	<b>699,456,170</b>	<b>11,840.32</b>	<b>759,722,438</b>	<b>11,607.82</b>

**UNIVERSITY OF MISSOURI SYSTEM**

**UNRESTRICTED EDUCATIONAL AND GENERAL CURRENT FUNDS**

**FORM 3: PERSONAL SERVICE DETAIL**

<b>INSTRUCTION</b>	<b>Audited Unrestricted Expenditures FY 2002</b>	<b>FTE</b>	<b>Estimated Unrestricted Expenditures FY 2003</b>	<b>FTE</b>	<b>Projected Unrestricted Expenditures FY 2004</b>	<b>FTE</b>
<b>PERSONAL SERVICE CATEGORIES (EXCLUDE EXPEND. ON AUXILIARIES)</b>						
Professors	77,194,038	587.33	72,360,853	550.56	76,695,505	465.56
Associate Professors	62,720,597	728.53	60,525,324	703.03	64,150,988	682.03
Assistant Professors	59,548,068	750.74	61,870,104	780.01	65,576,325	776.01
Instructors	9,350,512	152.94	9,411,463	153.94	9,975,240	147.74
Other Teaching & Research	36,568,646	807.84	49,764,770	1,099.35	52,745,842	1,099.35
Executive/Administrative/Managerial	13,131,889	148.27	14,798,330	167.09	15,684,798	165.29
Other professional	16,606,279	363.99	18,380,331	402.88	19,481,373	415.88
Technical and paraprofessionals	3,982,436	136.29	3,664,921	125.42	3,884,462	116.22
Clerical and secretarial	15,538,181	613.41	15,598,259	615.78	16,532,646	591.38
Skilled Crafts	330,991	9.85	353,900	10.53	375,099	10.53
Service/Maintenance	872,971	58.77	536,828	36.14	568,986	36.14
Students	2,003,177	166.46	2,160,054	179.50	2,289,448	186.10
Staff Benefits	49,572,381	-	51,873,143	-	69,293,662	-
<b>TOTAL PERSONAL SERVICES</b>	<b>347,420,166</b>	<b>4,524.42</b>	<b>361,298,280</b>	<b>4,824.23</b>	<b>397,254,374</b>	<b>4,692.23</b>



**UNIVERSITY OF MISSOURI SYSTEM**

**UNRESTRICTED EDUCATIONAL AND GENERAL CURRENT FUNDS**

**FORM 3: PERSONAL SERVICE DETAIL**

<b>RESEARCH</b>	<b>Audited Unrestricted Expenditures FY 2002</b>	<b>FTE</b>	<b>Estimated Unrestricted Expenditures FY 2003</b>	<b>FTE</b>	<b>Projected Unrestricted Expenditures FY 2004</b>	<b>FTE</b>
<b>PERSONAL SERVICE CATEGORIES (EXCLUDE EXPEND. ON AUXILIARIES)</b>						
Professors	7,193,452	51.33	6,348,564	45.30	6,534,928	40.80
Associate Professors	3,763,357	48.26	3,664,550	46.99	3,772,123	44.99
Assistant Professors	2,924,971	45.91	3,261,678	51.20	3,357,424	51.20
Instructors	388,334	7.15	304,589	5.61	313,531	5.61
Other Teaching & Research	9,221,184	243.95	8,688,840	229.87	8,943,900	223.37
Executive/Administrative/Managerial	5,083,322	68.85	4,732,483	64.10	4,871,405	62.60
Other professional	7,008,621	178.85	6,695,542	170.86	6,892,090	164.56
Technical and paraprofessionals	3,378,419	110.42	3,226,803	105.46	3,321,525	109.66
Clerical and secretarial	2,657,784	108.02	2,431,885	98.84	2,503,273	94.84
Skilled Crafts	410,380	9.87	333,629	8.02	343,422	5.12
Service/Maintenance	678,992	36.11	573,283	30.49	590,111	32.79
Students	622,696	60.20	770,142	74.45	792,750	82.05
Staff Benefits	7,840,514	-	7,078,427	-	9,254,234	-
<b>TOTAL PERSONAL SERVICES</b>	<b>51,172,026</b>	<b>968.92</b>	<b>48,110,415</b>	<b>931.19</b>	<b>51,490,716</b>	<b>917.59</b>

**UNIVERSITY OF MISSOURI SYSTEM**

**UNRESTRICTED EDUCATIONAL AND GENERAL CURRENT FUNDS**

**FORM 3: PERSONAL SERVICE DETAIL**

<b>PUBLIC SERVICE</b>	<b>Audited Unrestricted Expenditures FY 2002</b>	<b>FTE</b>	<b>Estimated Unrestricted Expenditures FY 2003</b>	<b>FTE</b>	<b>Projected Unrestricted Expenditures FY 2004</b>	<b>FTE</b>
<b>PERSONAL SERVICE CATEGORIES (EXCLUDE EXPEND. ON AUXILIARIES)</b>						
Professors	2,973,775	22.13	2,540,597	18.91	2,539,577	18.81
Associate Professors	1,309,438	12.19	2,286,626	21.28	2,285,709	21.78
Assistant Professors	1,859,559	22.15	2,390,567	28.48	2,389,607	32.68
Instructors	574,855	10.36	512,745	9.24	512,539	7.84
Other Teaching & Research	17,543,803	413.06	17,288,075	407.04	17,281,134	405.04
Executive/Administrative/Managerial	4,242,255	63.73	4,414,673	66.32	4,412,900	66.32
Other professional	7,187,630	158.03	8,424,736	185.23	8,421,353	188.63
Technical and paraprofessionals	1,478,504	66.48	1,520,445	68.37	1,519,835	69.87
Clerical and secretarial	2,733,495	113.83	2,855,392	118.91	2,854,245	114.91
Skilled Crafts	45,712	1.68	22,257	0.82	22,248	0.82
Service/Maintenance	221,184	7.12	202,267	6.51	202,186	4.91
Students	380,237	34.93	311,078	28.58	310,953	27.08
Staff Benefits	9,366,870	-	8,561,390	-	11,267,715	-
<b>TOTAL PERSONAL SERVICES</b>	<b>49,917,318</b>	<b>925.71</b>	<b>51,330,848</b>	<b>959.69</b>	<b>54,020,001</b>	<b>958.69</b>

**UNIVERSITY OF MISSOURI SYSTEM**

**UNRESTRICTED EDUCATIONAL AND GENERAL CURRENT FUNDS**

**FORM 3: PERSONAL SERVICE DETAIL**

<b>ACADEMIC SUPPORT</b>	<b>Audited Unrestricted Expenditures FY 2002</b>	<b>FTE</b>	<b>Estimated Unrestricted Expenditures FY 2003</b>	<b>FTE</b>	<b>Projected Unrestricted Expenditures FY 2004</b>	<b>FTE</b>
<b>PERSONAL SERVICE CATEGORIES (EXCLUDE EXPEND. ON AUXILIARIES)</b>						
Professors	848,187	4.86	1,100,489	6.31	1,179,037	7.61
Associate Professors	644,138	5.53	827,746	7.11	886,827	6.11
Assistant Professors	822,488	14.30	853,307	14.84	914,212	14.34
Instructors	419,522	7.82	407,612	7.60	436,706	7.60
Other Teaching & Research	7,045,274	146.89	6,601,581	137.64	7,072,773	128.24
Executive/Administrative/Managerial	19,805,221	219.94	19,369,380	215.10	20,751,882	198.80
Other professional	24,613,483	502.30	21,722,311	443.30	23,272,755	408.80
Technical and paraprofessionals	7,282,695	258.65	6,756,345	239.96	7,238,583	162.16
Clerical and secretarial	7,513,390	296.55	6,878,628	271.50	7,369,595	308.00
Skilled Crafts	99,826	4.34	80,531	3.50	86,279	4.50
Service/Maintenance	610,002	28.99	681,549	32.39	730,195	38.79
Students	2,677,294	252.45	2,556,114	241.02	2,738,558	242.02
Staff Benefits	14,225,165	-	14,966,432	-	16,871,174	-
<b>TOTAL PERSONAL SERVICES</b>	<b>86,606,686</b>	<b>1,742.64</b>	<b>82,802,025</b>	<b>1,620.27</b>	<b>89,548,576</b>	<b>1,526.97</b>

**UNIVERSITY OF MISSOURI SYSTEM**

**UNRESTRICTED EDUCATIONAL AND GENERAL CURRENT FUNDS**

**FORM 3: PERSONAL SERVICE DETAIL**

<b>STUDENT SERVICES</b>	<b>Audited Unrestricted Expenditures FY 2002</b>	<b>FTE</b>	<b>Estimated Unrestricted Expenditures FY 2003</b>	<b>FTE</b>	<b>Projected Unrestricted Expenditures FY 2004</b>	<b>FTE</b>
<b>PERSONAL SERVICE CATEGORIES (EXCLUDE EXPEND. ON AUXILIARIES)</b>						
Professors	16,712	0.15	40,464	0.37	42,071	0.37
Associate Professors	178,732	2.68	150,539	2.26	156,530	2.26
Assistant Professors	133,178	1.67	129,931	1.63	135,102	1.63
Instructors	187,392	0.91	111,029	0.54	115,447	0.54
Other Teaching & Research	1,947,364	58.83	1,789,981	54.08	1,861,211	45.08
Executive/Administrative/Managerial	7,646,481	114.17	7,584,040	113.24	7,885,838	105.54
Other professional	9,436,143	213.47	9,564,934	216.38	9,945,558	223.08
Technical and paraprofessionals	708,274	19.70	746,185	20.75	775,879	18.75
Clerical and secretarial	4,449,434	189.01	4,403,659	187.07	4,578,898	195.97
Skilled Crafts	24,958	0.78	31,807	1.00	33,073	1.00
Service/Maintenance	218,430	14.35	185,340	12.18	192,716	12.88
Students	2,286,460	226.71	2,236,558	221.76	2,325,559	242.96
Staff Benefits	5,774,095	-	5,277,911	-	6,527,617	-
<b>TOTAL PERSONAL SERVICES</b>	<b>33,007,653</b>	<b>842.45</b>	<b>32,252,378</b>	<b>831.26</b>	<b>34,575,499</b>	<b>850.06</b>

**UNIVERSITY OF MISSOURI SYSTEM**

**UNRESTRICTED EDUCATIONAL AND GENERAL CURRENT FUNDS**

**FORM 3: PERSONAL SERVICE DETAIL**

<b>INSTITUTIONAL SUPPORT</b>	<b>Audited Unrestricted Expenditures FY 2002</b>	<b>FTE</b>	<b>Estimated Unrestricted Expenditures FY 2003</b>	<b>FTE</b>	<b>Projected Unrestricted Expenditures FY 2004</b>	<b>FTE</b>
<b>PERSONAL SERVICE CATEGORIES (EXCLUDE EXPEND. ON AUXILIARIES)</b>						
Professors	327,260	1.93	399,291	2.36	414,601	2.36
Associate Professors	29,394	0.15	45,875	0.23	47,635	0.23
Assistant Professors	87,673	0.15	34,353	0.06	35,670	0.06
Instructors	31,213	0.08	48,227	0.12	50,076	0.12
Other Teaching & Research	365,937	5.91	385,422	6.22	400,201	6.22
Executive/Administrative/Managerial	26,092,541	325.72	24,820,617	309.84	25,772,345	300.34
Other professional	20,160,139	446.23	21,034,128	465.58	21,840,666	475.28
Technical and paraprofessionals	2,927,262	149.72	2,853,639	145.95	2,963,060	154.25
Clerical and secretarial	11,994,002	418.09	10,938,217	381.29	11,357,634	381.79
Skilled Crafts	4,998,948	136.29	4,594,315	125.26	4,770,480	123.76
Service/Maintenance	6,432,256	247.71	6,097,757	234.83	6,331,571	245.43
Students	812,499	72.30	760,955	67.71	790,133	65.01
Staff Benefits	16,431,626	-	15,737,780	-	19,126,058	-
<b>TOTAL PERSONAL SERVICES</b>	<b>90,690,751</b>	<b>1,804.28</b>	<b>87,750,576</b>	<b>1,739.45</b>	<b>93,900,130</b>	<b>1,754.85</b>

**UNIVERSITY OF MISSOURI SYSTEM**

**UNRESTRICTED EDUCATIONAL AND GENERAL CURRENT FUNDS**

**FORM 3: PERSONAL SERVICE DETAIL**

<b>PHYSICAL PLANT</b>	<b>Audited Unrestricted Expenditures FY 2002</b>	<b>FTE</b>	<b>Estimated Unrestricted Expenditures FY 2003</b>	<b>FTE</b>	<b>Projected Unrestricted Expenditures FY 2004</b>	<b>FTE</b>
<b>PERSONAL SERVICE CATEGORIES (EXCLUDE EXPEND. ON AUXILIARIES)</b>						
Professors	-	-	-	-	-	-
Associate Professors	-	-	-	-	-	-
Assistant Professors	-	-	-	-	-	-
Instructors	-	-	-	-	-	-
Other Teaching & Research	-	-	-	-	-	-
Executive/Administrative/Managerial	4,235,633	79.42	3,831,446	71.84	4,016,655	70.34
Other professional	5,040,108	94.03	4,565,396	85.17	4,786,083	80.47
Technical and paraprofessionals	1,178,063	31.41	1,113,535	29.69	1,167,362	31.49
Clerical and secretarial	1,442,116	57.34	1,321,153	52.53	1,385,016	46.73
Skilled Crafts	11,112,035	301.97	10,126,092	275.18	10,615,579	264.68
Service/Maintenance	9,397,050	439.20	8,624,327	403.08	9,041,219	396.38
Students	135,426	13.16	172,237	16.74	180,563	17.34
Staff Benefits	7,916,975	-	6,157,462	-	7,740,665	-
<b>TOTAL PERSONAL SERVICES</b>	<b>40,457,405</b>	<b>1,016.53</b>	<b>35,911,648</b>	<b>934.23</b>	<b>38,933,142</b>	<b>907.43</b>

## **UNRESTRICTED EDUCATIONAL AND GENERAL**

### **CORE BUDGET REQUEST ANALYSIS FORM 4**

**Department:** Higher Education – Unrestricted  
**Level 2:** University of Missouri System

#### **MISSION STATEMENT**

**(Approved by the University of Missouri Board of Curators in July, 1997)**

##### **University of Missouri**

The mission of the University of Missouri, as a land-grant university and Missouri's only public research and doctoral-level institution, is to discover, disseminate, apply, and preserve knowledge. It thereby stimulates learning by its students, and lifelong learning by Missouri citizens, and advances the health and well-being and the intellectual, cultural, social, and economic interests of the people of Missouri, the nation, and the world.

The University of Missouri consists of five major organizational component units, including the University of Missouri-Columbia, the University of Missouri-Kansas City, the University of Missouri-Rolla, the University of Missouri-St. Louis, and University Outreach and Extension. The specific missions of each of these components are as follows:

##### **University of Missouri-Columbia**

As the state's original and largest land-grant university, the University of Missouri-Columbia has as its mission creativity and the discovery, preservation, application and dissemination of knowledge on behalf of the people of Missouri, the nation, and the world.

The comprehensive nature of the campus, coupled with a faculty committed to teaching and research, generates a unique synergy that involves undergraduate, graduate and professional school students in a learning community and scholarly processes, thus preparing them for success in a global environment.

Faculty interact with students at all levels, in and out of the classroom, to mentor and exemplify learning, the pursuit of inquiry, and responsible service for the common good, all of which contribute to a productive and educated citizenry. Focused activities include strengthening health and agricultural productivity through the life sciences; research on economic, educational and social issues; and applying research and new technologies to Missouri's needs.

##### **University of Missouri-Kansas City**

The University of Missouri-Kansas City provides instruction, research, and community service for continuous state and regional progress. It is the only university in western Missouri offering graduate and professional study at the highest academic level.

UMKC's programming focuses on three areas: visual and performing arts, health sciences, and urban affairs (academic programs such as law, business and education important to urban communities) from model undergraduate education to graduate and professional study. With emphasis on graduate and professional study, including an innovative Interdisciplinary Ph.D. program, UMKC prepares scholars for the challenges of the 21st century.

In partnership with the Kansas City community and its educational institutions, UMKC is active in the region's economic and cultural development. UMKC also provides lifelong learning, including graduate and non-credit classes for business, education, and government, through its video network.

### **University of Missouri-Rolla**

The University of Missouri-Rolla has a major responsibility for meeting Missouri's needs for engineering education. UMR offers residential programs with an emphasis on leadership development that include a full range of engineering and science degrees and complementary liberal arts degrees and programs.

UMR conducts research to advance knowledge, to provide essential support for graduate education, and to enhance undergraduate education. There is special emphasis on research in materials, manufacturing, infrastructure, geotechnical, and environmental engineering and science.

UMR assists in the economic development of the state and nation with the transfer of the technology developed through its research programs.

### **University of Missouri-St. Louis**

The University of Missouri-St. Louis is the land-grant research institution committed to meeting the diverse needs in the state's largest metropolitan community. It educates traditional and nontraditional students in undergraduate, graduate and professional programs so that they may provide leadership in health professions; liberal and fine arts; science and technology; and metropolitan affairs such as business, education and public policy. University research advances knowledge in all areas, and through outreach and public service, assists in solving, in particular, problems of the St. Louis region.

Academic programs are enriched through advanced technologies and partnerships that link the University of Missouri-St. Louis to institutions and businesses locally, regionally, nationally and internationally. Its special commitment to partnership provides UM-St. Louis with a leadership role among public educational and cultural institutions in improving the region's quality of life while its relations with two- and four-year colleges and universities in the St. Louis region promote seamless educational opportunities.

### **University Outreach and Extension**

The mission of University Outreach and Extension, in partnership with UM campuses, Lincoln University, the people of Missouri through county extension councils, and the Cooperative Research, Education, and Extension Service of the U.S. Department of Agriculture, is to serve Missouri by extending the research-based knowledge and problem-solving resources of the University of Missouri and Lincoln University to focus on high priority needs of people throughout the state. This effort is integral to the land-grant university mission.



## **II. DESCRIPTION**

The University of Missouri was founded in 1839 as the first state university west of the Mississippi River. With passage of the Morrill Act by Congress in 1862, the University became a land-grant institution. The University includes four campuses, University Outreach and Extension, and a University-wide administrative unit. All instructional and research programs are conducted on the campuses, while system administration provides support and administrative services. University Outreach and Extension disseminates information regarding the outcomes of instruction and research to the general public. The campuses are headed by Chancellors, who report to the President. The President is responsible to the Board of Curators, which is the University's governing body appointed by the Governor and confirmed by the Senate.

The Columbia campus offers academic programs through 16 schools and colleges. In fall 2002, the total enrollment was 24,842, with 5,434 of this number enrolled in graduate and professional programs. At that time, the full-time teaching and research staff numbered 2,445. In 2002-03 the campus granted 5,790 degrees. The Kansas City campus offers academic programs through 12 schools and colleges. Its fall 2002 total enrollment was 11,567, which included 4,950 graduate and professional students. The campus employed 1,121 full-time teaching and research staff. In 2002-03, the campus awarded 2,513 degrees. The Rolla campus offers academic programs through 4 schools and colleges. In fall 2002, its total enrollment was 4,936 students, which included 1,103 enrolled in graduate programs. Full-time teaching and research staff numbered 353. In 2002-03, the campus awarded 1,228 degrees. The St. Louis campus offers academic programs through 9 schools and colleges, and had a fall 2002 total enrollment of 12,250, which included 2,781 graduate and professional students. The campus employed 495 full-time teaching and research staff and awarded 2,646 degrees in 2002-03.

The University's primary responsibility is to serve students and citizens of Missouri, although the University enrolls students from other states and countries to contribute to greater world understanding and to provide a richer learning environment for Missouri residents. The University is also the only public institution in the state which emphasizes basic and applied research and doctoral education as major academic missions. This emphasis on advanced education and research attracts faculty at the forefront of knowledge in their disciplines. As part of an international research community, the University engages in research and creative programs to improve the quality of life and to contribute to a higher standard of living throughout the world.

The University's four campuses are quite diverse in their missions, clientele served, and areas of programmatic strength. This diversity enhances the University's ability to respond to the educational needs of Missourians and provides opportunities for cooperative programs. In serving the needs of its clientele, the University emphasizes its unique capabilities as Missouri's largest and most comprehensive public institution of higher education.

The University has the responsibility to bring its unique educational programs and problem-solving capabilities to Missouri citizens throughout the state. University Outreach and Extension programs originating from each campus and through Extension Centers in each county are directed to deal with locally identified issues where higher education resources can assist.

The University recognizes that no single institution in the state can address all of the higher education needs of Missouri. Thus, the University, through its planning and budgeting processes, is identifying those programs and services of highest priority to the state and is allocating resources to enhance and strengthen these programs.

### III. PERFORMANCE & ACTIVITY MEASURES

<b>Total On-Campus FTE Enrollment</b>	<b>FY 2003</b>	<b>FY 2004</b>	<b>FY 2005 PROJ.</b>
a. Percentage Out-of-State Enrollment	20.11%	20.11%	20.11%
Numerical Out-of-State Enrollment	8,467	8,596	8,680
NUMERICAL TOTAL	42,103	42,742	43,160

<b>Total Off-campus FTE Enrollment</b>	<b>FY 2003</b>	<b>FY 2004</b>	<b>FY 2005 PROJ.</b>
Numerical Enrollment at Off-campus Sites	2,401	2,436	2,479

<b>Number of Degrees/Certificates</b>	<b>FY 2003</b>	<b>FY 2004</b>	<b>FY 2005 PROJ.</b>
One-year Certificates			
Two-year Certificates			
Associate			
Bachelor	7,579	7,694	7,769
First Professional	728	739	746
Graduate	3,870	3,929	3,968
TOTAL	12,177	12,362	12,483

<b>Total Credit Hour Production</b>	<b>FY 2003</b>	<b>FY 2004</b>	<b>FY 2005 PROJ.</b>
	652,176	662,517	669,080

<b>Institutional Scholarships/Fellowships:</b>	<b>FY 2003</b>	<b>FY 2004</b>	<b>FY 2005 PROJ.</b>
a. Number of Merit-based Scholarships awarded	15,727	15,966	16,122
Dollar amount awarded	52,490,308	53,288,161	53,810,385
b. Number of Need-based Scholarships awarded	3,413	3,465	3,499
Dollar amount awarded	6,314,706	6,410,690	6,473,515
c. Number of Athletic Scholarships awarded	1,067	1,083	1,094
Dollar amount awarded	6,816,758	6,920,373	6,988,193
d. Number of Tuition and Fee Remissions or Waivers	9,365	9,507	9,600
Dollar amount of Tuition and Fee Remissions or Waivers	33,456,904	33,965,449	34,298,310
e. Number of Other Awards	1,528	1,551	1,566
Dollar amount of Other Awards	2,676,095	2,716,772	2,743,396
Total Number of Scholarships Awarded	31,100	31,573	31,882
Total Dollar Amount of Scholarships Awarded	101,754,771	103,301,444	104,313,798

#### IV. GROSS SQUARE FOOTAGE (Physical Plant)

Indicate the total nonauxiliary gross square footage to be maintained by your institution during FY 2003.

Square feet 13,105,856\*

\* This is an estimated number

List all new construction or razing of buildings that is to be completed in FY 2004 that will change the gross square footage data provided above. Indicate whether the change is an increase or decrease in square footage, the type of space modifications, the resulting change in nonauxiliary gross square feet, and the number of months the square footage will be in effect during FY 2004. If no changes occur, indicate "No change."

Type of Project or Space Modification	Gross Sq ft Increase or Decrease	Number of Months in Effect in FY 2004	Annualized Gross sq. ft. Increase or Decrease
Life Sciences Center (UMC)	231,000	4	76,667
Dalton Research Center (UMC)	10,258	5	4,274
Dental Addition (UMKC)	13,450	12	13,450
Performing Arts Center (UMSL)	123,000	12	123,000
East Drive Parking Garage (UMSL)	35,000	6	17,500
Technology & Learning Center	1,000	12	1,000
Daughters of Charity	101,000	12	101,000
TOTAL	514,708		336,891

## V. SALARY INCREASE COMPARISONS

List the approximate percentage salary increases provided or anticipated for staff as indicated below.

<b>Occupational Category</b>	<b>FY 2003 over FY 2002 (%)</b>	<b>FY 2004 over FY 2003 (%)</b>
Professors	0%	2%
Associate Professors	0%	2%
Assistant Professors	0%	2%
Instructors	0%	2%
Lecturers	0%	2%
Other Faculty	0%	2%
Executive/Administrative/Managerial	0%	2%
Other Professional	0%	2%
Technical and paraprofessionals	0%	2%
Clerical and secretarial	0%	2%
Skilled Crafts	0%	2%
Service/Maintenance	0%	2%
Students and all others	0%	2%
TOTAL	0%	2%

**NEW DECISION ITEM REQUEST**  
**UNRESTRICTED EDUCATIONAL AND GENERAL**  
**FORM 5**

**Department:** Higher Education-Unrestricted  
**Level 2** University of Missouri System  
**Level 3** All Programs  
**Decision Item Name:** Cost to Continue Adjustment to Core Budget from State Funds: \$ 31,600,000  
**Decision Item Rank:** 1 of 5

**I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST**

The University of Missouri has had \$68.3 million in cuts to the core state appropriation since FY2002. In addition to these core cuts, the university's receipts have been reduced by \$89.9 million in extraordinary withholdings. The University of Missouri System has also not had its cost to continue request approved since FY2001. This has led to the equivalent of an additional \$80.1 million core cut. Expenditure reductions, including a reduction in workforce and tuition increases, have partially offset the decrease in state support. However, without an increase in state appropriations to cover a portion of the mandatory increases in costs, program quality and student access will be jeopardized.

**II. DESCRIPTION**

The University of Missouri System has worked hard to control costs. In spite of increases in mandatory expenditures such as health care benefits, utilities, and insurance, the University's unrestricted expenditures have increased only 13%, less than the cost of inflation, over the five-year period 1997-2002. On a per FTE student basis the increase has been only 6%. In FY2005 we will be faced with large mandatory increases in staff benefits and insurance. Required investment in information technology for instruction, research, and support purposes continues to be a significant need. Because these costs are not being partially offset by an increase in state funding, the higher education institutions of Missouri have been forced to increase tuition. Unfortunately, the increase in scholarship funds has not kept pace with the increase in tuition and as a result student access is quickly becoming a formidable issue.

Continuance of core cuts, withholdings, and lack of additional funding jeopardizes the Missouri student's access to higher education and the quality of the programs offered. It also has negative consequences for Missouri's future. We live in a knowledge-based economy. Reducing higher education's budgets is reducing investment in Missouri's workforce, our future, our communities, our citizens, and our quality of life.

The request includes a total increase of 4.9% to offset the effects of non-discretionary increases in the University's core budget. The increase amount of \$52,700,000 consists of a 4.0% adjustment in the salary and wage merit increase pool, which is necessary to retain and recruit faculty and staff, 13.1%

in related healthcare and retirement benefit costs, and 3.0% in expense and equipment to cover inflationary and mandatory increases in such areas as insurance and utilities. The total cost to continue request for state funds is 60% of the total, or \$31,600,000.

### **III. COST EXPLANATION**

Cost to Continue on Salaries @ 4.0% + Related Benefits @ 13.1%	\$43,300,000
Cost to Continue on Expense and Equipment @ 3.0%	<u>9,400,000</u>
Total Cost to Continue	\$52,700,000
From State Appropriations	\$31,600,000
From Non-State Sources	\$21,100,000

### **IV. EVALUATION OF OUTCOMES**

Cost to Continue adjustment to the University's core budget will permit the continuation of educational, research, and outreach programs benefiting all citizens of Missouri at current levels.

## **NEW DECISION ITEM REQUEST**

### **UNRESTRICTED EDUCATIONAL AND GENERAL FORM 5**

**Department:** Higher Education Unrestricted  
**Level 2** University of Missouri System  
**Level 3** All Programs  
**Decision Item Name:** Cost of Operating New and Renovated Facilities: \$6,015,230  
**Decision Item Rank:** 2 of 5

#### **I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST**

In FY2005, the University of Missouri-Columbia will be occupying 555,137 square feet of new and renovated space to support its instruction, research and public service missions. To effectively operate these facilities, the University of Missouri-Columbia will need additional funds of \$4,191,230 to pay for the ongoing operations and maintenance of these buildings and increased utility costs. The University of Missouri-St Louis currently plans to occupy approximately 182,000 gross square feet of new space to support its instruction and research missions. To operate these facilities effectively, University of Missouri-St. Louis will need additional funds in the amount of \$1,824,000 to pay for the on-going operations and maintenance of these facilities.

#### **II. DESCRIPTION**

The University of Missouri-Columbia plans to open two new buildings, two building additions, several renovations and is projecting increased utilities costs. Buildings included in this year's request are the Life Sciences Center, Swine Facility, Dalton Research Addition and Brewer Field House Expansion.

The Dalton Research Addition of 10,258 gross square feet (GSF) will open in February 2004. The Life Sciences Center with 231,000 GSF will open in March 2004. The Swine Facility with 20,300 GSF will open in May 2004. Brewer Field House Expansion of 62,318 GSF will open in August 2004. In addition to the expansion, Brewer Field House renovation will add air conditioning to the existing space. In addition 231,261 GSF of renovated space will be added with various renovations.

During FY2005, UM-St. Louis currently plans to open three new facilities. The Performing Arts Center building will require \$1,444,000 in additional recurring funding. Administrative office space will be located within the East Drive Parking Garage II and will require \$349,000 in additional recurring funds. The College of Fine Arts and Communication will occupy a newly purchased facility that will require \$31,000 in additional recurring funds.

**III. COST EXPLANATION**

**RECURRING FUNDS**

<b>PCS</b>	<b>FTE</b>	<b>Compensation</b>	<b>E&amp;E</b>	<b>Total</b>
Operation & Maintenance of Plant	24.8	721,979	5,293,251	6,015,230
<b>Total Improvements</b>	<b>24.8</b>	<b>721,979</b>	<b>5,293,251</b>	<b>6,015,230</b>

**From State Appropriations**

**\$6,015,230**

**IV. EVALUATION OF OUTCOMES**

This request will fund an additional 555,137 gross square feet of useable space for the University of Missouri-Columbia, which will enhance the support of the University of Missouri's primary programs of instruction, research, and public service.

The Performing Arts Center building will be approximately 123,000 gross square feet. The administrative office space within the East Drive Parking Garage II will be approximately 55,000 gross square feet. The College of Fine Arts and Communication building will be approximately 5,000 gross square feet. These facilities will be used to carry out or otherwise support the instruction and research missions of the University of Missouri-St Louis.



## **NEW DECISION ITEM REQUEST**

### **UNRESTRICTED EDUCATIONAL AND GENERAL FORM 5**

**Department:** Higher Education-Unrestricted  
**Level 2** University of Missouri System  
**Level 3** All Programs  
**Decision Item Name:** Equity Funding/Resource Gap Funding: \$32.1 million  
**Decision Item Rank:** 3 of 5

#### **I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST**

The purpose of this request is to address funding disparities that exist between the University of Missouri and like institutions nationally and among the University of Missouri's campuses. John T. Russell, Chairman of the Senate Appropriations Committee and Carl Bearden, Chairman of the House Budget Committee confirmed the intent of the 92<sup>nd</sup> General Assembly, First Regular Session, that the University of Missouri System should begin a process to address equity that would take into consideration programmatic differences in addition to enrollments. Adjustments, as needed, would be implemented over three years pending the availability of new revenues. This request is for the first adjustment.

#### **II. DESCRIPTION**

The University of Missouri is unique in the state of Missouri; it is the state's only public research, land-grant university. As such, its resource needs are significantly different from the state's other four-year institutions of higher education. For example, FTE enrollment is an important factor in driving the costs among all four-year institutions of higher education. However, significant additional costs drivers exist for the four campuses of the University of Missouri associated with their research mission, programmatic and enrollment mix, and their land-grant mandate to serve lifelong learning needs and promote economic development statewide.

A resource requirements model was developed based on a review of best practices in higher education budgeting to quantitatively identify resource needs of the campuses, including Outreach and Extension to fulfill the land-grant, research mission of the University of Missouri. The resource requirements model acknowledges the diversity of mission, priorities and complexity of our campuses and comprehensively addresses the total general operating needs. The model also addresses the varying workloads and costs that are attributable to differences in academic disciplines and levels of instruction. For example, regarding differences in academic programs, the cost of medical school instruction is vastly different from the cost of teaching history. With respect to levels of instruction, the costs of instruction differ depending on whether the student is lower or upper division undergraduate, masters, doctoral or professional.

The model is quantitative and has elements that are defined to avoid bias for or against a particular campus. Estimates that are used in the formula are compared against actual experience and adjusted as needed. The model also addresses the need to use comparative data for similar institutions

as indicators of resource adequacy. As the state's research university, comparative data from the top public research universities (signified by membership in the Association of American Universities) nationally were used as a common metric for all four campuses where appropriate.

The model calculates resource requirements in each of eight major program classifications and one subprogram that are a standard for higher education. These include instruction, research, public service including Outreach and Extension, information access (libraries), other academic support, student services, institutional support, operation and maintenance of plant, and scholarships and fellowships. In addition, we include the resource requirements of the system-wide administrative offices. The base factors for each component vary. For example, to calculate instructional resource needs, student credit hours are used, whereas student services needs are determined using FTE students, and plant operations and maintenance needs are calculated using a combination of square footage, acreage, replacement value and actual cost.

The results of the resource requirements model indicate that the University of Missouri System is significantly under funded by \$96.0 million compared to other public research universities. The two largest sources of funding for the University's general operations are tuition and state appropriations. Over the last two years, as state funding has declined, students have covered an increasing proportion of the overall cost. If the University of Missouri is to achieve and sustain the level of excellence needed to fulfill its research and land grant mission, the gap between the available resources and calculated resource needs must be addressed with additional state support. With the additional funding requested the University of Missouri will be able to begin to address the resource gap among its campuses and between the University of Missouri and its peer public research and land grant universities.

Although the model sizes the gap, the distribution of the additional resources across the system will be dependent on the resource allocation principles that the Board adopts for use. These principles are currently under development and must address funding for existing programs that will be continued into the future, investment in new programs, and incentives for achieving quality and planned change.

### III. REQUESTED AMOUNT

#### RECURRING COSTS

PCS	FTE	Compensation	E&E	Total
Instruction		\$20,000,000	\$2,050,000	\$22,050,000
Research		8,500,000	1,500,000	10,000,000
<b>Total Improvements</b>		<b>\$28,500,000</b>	<b>\$3,550,000</b>	<b>\$32,050,000</b>

**From State Appropriations:** **\$32,050,000**

### IV. EVALUATION OF OUTCOMES

1. Reduction in the gap between the identified resource needs to operate the state's research and land grant university and current funding levels.
2. Movement toward equitable funding for the University of Missouri System campuses.

## **NEW DECISION ITEM REQUEST**

### **UNRESTRICTED EDUCATIONAL AND GENERAL FORM 5**

**Department:** Higher Education-Unrestricted  
**Level 2** University of Missouri System  
**Level 3** All Programs  
**Decision Item Name:** Life Science Initiative: \$7.6 million  
**Decision Item Rank:** 4 of 5

#### **I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST**

The purpose of this request is to build on the mission enhancement investment in the Life Sciences to better position the University of Missouri to participate in the future economic development in the state. This request will expand world-class basic and applied research that enhances agriculture, improves health care, and protects the environment. It will develop new and expand existing academic programs that will provide a well-trained work force for a growing biotechnology-driven economy. The developing research enterprise and biotechnology workforce will attract fast-growing entrepreneurial firms working in partnership with the University of Missouri to develop and commercialize products of biotechnology research.

#### **II. DESCRIPTION**

The 21<sup>st</sup> Century is the age of biology. Great advances in science and technology place the world on the brink of breakthrough discoveries in the life sciences that will result in dramatic improvements in our food, our health, and our environment. The University of Missouri is uniquely positioned – geographically, intellectually, and as a public land-grant university – to support the Governor’s agenda to make Missouri a global player in the life sciences for the benefit of all citizens of the state.

As an emerging industry, the life sciences focus on three primary areas of human concern: the supply and quality of food; the pathobiology of disease processes and the means to address them; and the protection and enhancement of the environment. The University of Missouri is prepared to work with the State to develop new solutions in the life sciences for a global society.

Researchers at the University of Missouri have been making groundbreaking discoveries in the plant sciences for more than a century. The College of Agriculture, Food and Natural Resources has some of the world’s leading scientists in wheat, corn, and soybean research. The genetic mapping of plants at the College and in St. Louis will increase yields and develop better ways to protect the environment.

The University of Missouri Health Care, the School of Medicine in Kansas City, the School of Dentistry, the School of Pharmacy, and the School of Optometry provide opportunities for research and treatment in many areas, including heart disease and cancer. For example, because of its reactor, the University is a world leader in the development and production of radiopharmaceuticals used to treat liver and bone cancer, with new discoveries just

around the corner. The College of Veterinary Medicine is a pioneer in research related to the connections between exercise and cardiovascular health in both animals and humans. UMSL seeks to integrate several academic disciplines to create a bioinformatics program encompassing human and plant genetics, drug development and testing, and computer related technologies.

The collective and collaborative power of researchers from many disciplines on the four UM campuses will promote discovery and application of the life sciences, and spur economic development. Missouri already is an international center of plant and human-genome research, health-care advances, environmental protection, and agricultural development. According to the Department of Economic Development, Missouri is home to more than 100 life science companies ranking it among the top third of all U.S. states in the number of such enterprises. The state can boast a growing list of examples, from the Donald W. Danforth Plant Science Center in St. Louis to the Stowers Institute of Medical Research in Kansas City. Indeed, the state is well on the way to establishing the life sciences corridor of Kansas City, St. Louis, and Columbia. The University of Missouri is positioned throughout this corridor, and across the state, to unite the effort through its role as a land-grant university that delivers the benefits of research to citizens.

### III. COST EXPLANATION

#### RECURRING COSTS

PCS	FTE	Compensation	E&E	Total
Instruction	35	\$2,760,000	\$4,840,000	\$7,600,000
<b>Total Improvements</b>	<b>35</b>	<b>\$2,760,000</b>	<b>\$4,840,000</b>	<b>\$7,600,000</b>

**From State Appropriations:**

**\$7,600,000**

### IV. EVALUATION OF OUTCOMES

1. The total research funding, from both federal and private sources, will increase.
2. The annual number of patent applications, patents issued, and licensed technology will increase.
3. The national ranking and prestige of Life Sciences programs at the University of Missouri will improve.

## NEW DECISION ITEM REQUEST

### UNRESTRICTED EDUCATIONAL AND GENERAL FORM 5

**Department:** Higher Education-Unrestricted  
**Level 2** University of Missouri System  
**Level 3** All Programs  
**Decision Item Name:** Health Science Education: \$10.5 million  
**Decision Item Rank:** 5 of 5

#### I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

The University of Missouri has the unique responsibility in the state to provide access to quality health education. Changes brought about by managed care, Medicare, and revisions in Medicaid, and historical underfunding have severely impacted several health science programs. The funding shortages threaten the quality of the programs and result in an inability to offer competitive compensation to potential educators and provide adequate research support. Furthermore, program access is quickly becoming an issue as student fees are becoming a more significant source of operating revenue for these programs and are quickly replacing clinical income as a major funding stream.

To assist in providing access to quality health science education at affordable prices, the University of Missouri requests funding for specific health science programs at the University of Missouri-Columbia (UMC), at the University of Missouri-Kansas City (UMKC), and the University of Missouri-St. Louis (UMSL). These programs include medicine, dentistry, optometry, nursing, and pharmacy.

##### Medical Education

To continue providing quality medical education, the University of Missouri needs to stabilize its funding base by reducing its reliance on revenue streams that have become increasingly at risk and volatile and have created financial instability in its two medical schools. Revenues from medical practice plans and from affiliated teaching hospitals that support medical education at Columbia and Kansas City are subject to fluctuations beyond the control of either campus, and in selected cases are declining. An increase in state support will reduce the two campus' dependence upon clinical revenue and transfer payments for operations and thus bring much needed stability to its revenue base.

##### Dentistry and Pharmacy Education

Health care shortages in dentistry and pharmacy and the growing demand for improved health care for the underserved and for an aging population necessitate expanding the education and training of health care professionals in these two fields. To respond to this shortage, the entering classes in dentistry and pharmacy will be increased by twenty-five and thirteen percent respectively. The University of Missouri is requesting additional resources to accommodate this increase in enrollment and to provide expanding clinical learning experiences for students.

### Optometry Education

The University of Missouri is continually challenged to provide financially affordable access to optometry education at its St. Louis campus. Of the 17 schools and colleges of optometry in the U.S., nine are public institutions. Among the nine public universities, students attending the UMSL School of Optometry pay the highest student fees. Although there have been constant efforts to control costs, the problem of high fees is exacerbated by the relatively low state funding for the program, compared to other public institutions. The University of Missouri is requesting additional state funds to improve the affordability of its optometry education program to Missouri residents.

### Nursing Education

The decline in trained nursing professionals is well documented. The Missouri Hospital Association reported an 11 percent vacancy rate for trained nurses in the state's health care facilities. In St. Louis alone, 1400 vacancies are estimated to exist. As a result of enrollment declines and accelerating nursing retirements, the state and the nation face a serious shortage of registered nurses and experts predict a crisis of significant proportions. The University of Missouri is requesting additional state funds to actively expand enrollments in nursing education and provide the needed resources to support these students as well as enhance graduate nursing education at Columbia, Kansas City, and St. Louis.

## **II. DESCRIPTION**

### Medical Education

The University of Missouri–Columbia School of Medicine is responsible for the medical education of 384 professional students that are pursuing the MD degree each year. The School's faculty also teaches and trains more than 100 Ph.D. and Masters candidates in the biomedical sciences, 350 graduate resident physicians and clinical fellows, and 40 post-doctoral fellows in the basic sciences.

Several major factors contribute to the School's financial distress. Financial cross-subsidization has emerged as a common funding strategy of nearly all academic health centers in the U.S. Part of that subsidization comes from patient care, which not only provides the clinical teaching and training environment for physicians, but also provides a major revenue stream that supports the mission of medical schools. Over the years, revenue from patient care has become an increasing source of funding for medical education nationally and at UMC. In fact, UMC's School of Medicine has for a number of years been more dependent on clinical revenue than most similar schools of medicine.

In more recent years, patient care revenue has become particularly vulnerable as managed care has become an integral part of the U.S. health care system and as Congress has enacted changes in the federal Medicare program. These two initiatives have focused on reducing health care costs to patients and insulating them and taxpayers in general from rising costs of medical care. Both of these initiatives have significant financial impact on medical education. Furthermore, Medicare, which has been traditionally an important source of revenue to cover the cost of training medical students, interns, and residents, has squarely targeted its subsidy to medical education as a key component in its cost reduction efforts. Medical schools and teaching hospitals throughout the country are experiencing the severity of Medicare support reductions, including UMC's School of Medicine. Furthermore, Medicare is exacting reductions in payments to the very physician specialties that generate a significant amount of UMC's School of Medicine's patient care income.

Despite the successful efforts of managed care to hold down the medical costs to patients, the costs of delivering the care have not gone down. The additional staff needed to complete paperwork, seek pre-admission certification or to follow up on third-party reimbursement add to the expense of care, and the School of Medicine absorbs much of the costs. Furthermore, medical faculty time that would otherwise be spent in academic pursuits, such as research, is now used to assure compliance with regulations that are continually changing.

The Liaison Committee on Medical Education, the accrediting body for U.S. medical schools, in its last accreditation review in 1994 noted: The heavy dependence of the medical school on clinical practice income and hospital transfers of funds, and the lack of strong financial support from the State of Missouri has created a degree of financial instability in the school that deserves close attention in the future. A low level of state and University support in addition to low current and projected hospital margins has lowered the faculty morale and threatens to compromise educational programs. Because of this the accrediting body has requested a report from the dean of the school addressing the financial impact on medical education. Funding from the UMC School of Medicine will be used to stabilize financial support for existing faculty and staff and reduce transfer payments from the MU Health Care, which has historically supported a portion of the medical education enterprise.

The UMKC School of Medicine provides a six-year, baccalaureate-M.D. curriculum that is focused on developing a well-rounded physician trained in an environment that integrates patient care with basic sciences and liberal arts. Student applicants to the program are admitted directly after graduation from high school and enroll in course work delivered by the schools of Medicine, Biological Sciences, and the College of Arts and Sciences.

The School of Medicine has nine affiliated teaching hospitals and collaborates with a major physician's group, including Truman Medical Center, Hospital Hill Health Services Corporation, Children's Mercy Hospital, the Western Missouri Mental Health Center, Saint Luke's Hospital, Baptist Medical Center, Menorah Medical Center, Research Medical Center, and Trinity Lutheran Hospital, to obtain clinical training for medical students. The University contracts with these organizations for clinical teaching faculties in the various medical specialties.

UMKC's Medical School has three primary sources of funding: (1) affiliated partners (hospitals and the physician practice plan); (2) student fees; and (3) state appropriations. Unfortunately, changes in affiliated partners have resulted in serious under-funding of the School. Historically the bulk of revenues have come from medical practice plan earnings and from hospital affiliates (approximately 65%). This high dependency on hospital and practice revenues, in turn, places the medical school at extreme financial risk. Further changes in health care markets and health care financing will continue to decrease the flow of revenue from affiliates and thus pose further threats to the financial integrity of the medical school. Practice plan revenues alone are projected to decline eight percent. The high dependency on patient-based income and the lack of state funding has been noted by the Liaison Committee on Medical Education (the accrediting body for medical education) as a condition that demands prompt attention, if the quality and financial accessibility of the program is to be maintained.

Furthermore, the Liaison Committee noted that the medical school is extraordinarily dependent on student fees. Approximately 13% of the medical school's total operating revenues is derived from student fees, compared to 3% for other public medical schools. Currently, fees for resident students are approximately \$11,000 above the average for medical schools in the region. This fee is abnormally high and has led to student indebtedness that averages approximately \$80,000, exceeding the national average for both public and private medical schools.

The University is requesting an increase in state appropriations for the UMKC School of Medicine to provide support for clinical teaching contracts with Hospital Hill Health Services Corporation and other affiliated hospitals, to strengthen the basic medical sciences, and to improve financial access to medical education.

The University of Missouri's total resource need for medical education is approximately \$37 million, and the request for FY2005 is \$8.6 million.

#### Dental and Pharmacy Education

Dental and pharmacy education programs, which are offered at the University of Missouri-Kansas City, enrolled 320 and 176 students respectively in the fall of 2000. Enrollments in both programs have been relatively stable for the past several years, as has the number of graduates, which average about 75 in dentistry and 55 in pharmacy. Current workforce projections for both dentistry and pharmacy indicate a potential shortage of trained professionals in these fields. According to dental certifying boards, an appropriate ratio of trained dentists to total population is 50 per 100,000 population. To adequately meet this need in Missouri and in other states for which UMKC trains dentists, will require increasing the entering class of first-year dental students by approximately 25%. In order to train these additional students and maintain the highest standard of dental education as well as superior quality patient care, additional resources will be required. The University is requesting funds to support additional faculty, clinical staff, and basic dental equipment. The total resource need for dental education is \$1,680,000, of which \$390,000 is requested for FY2005.

To meet the increasing demand for trained pharmacists, enrollments will be increased for the entering class by thirteen percent and additional clinical experiences will be provided. In addition, a community-based pharmacy practice will be established to serve the needs of patients, provide improved learning opportunities for students, and enhance the attractiveness of the program to potential students. The total resource needs for pharmacy education is \$365 thousand, and the request for FY2005 is \$85,000.

#### Optometry Education

The School of Optometry at the University of Missouri-St. Louis one of nine optometry schools affiliated with a public university. The School enrolls approximately 170 students annually and graduates each year about 40 students with professional degrees in optometry. The School of Optometry is the primary source for trained optometrists in the State of Missouri.

In the past several years, the issue of financial access to optometry education at UMSL has been a recurring challenge for the campus. Since its inception, the School of Optometry has relied significantly on student fee revenue as a major source of operating income. Currently, the revenue mix is overly dependent on student fees and this places the future financial stability of the School of Optometry at risk. Today, student fees for optometry education are approximately twice the mean rate charged at other public institutions.

The total resource need for optometry education is \$1,020,000 and University is requesting state funding of \$256,000 thousand for FY2005. The increase in state support will permit the University to reduce student fees to approximately the mean of other state supported university schools of optometry. The added state assistance will likewise reduce the average debt load and improve the financial accessibility of the program to Missourians.

#### Nursing Education

Nursing education is provided on three of the University of Missouri campuses: UMC, UMKC, and UMSL. The University graduates annually approximately 450 nursing students, with approximately 160 receiving graduate degrees. As a result of enrollment declines and accelerating nurse retirements, the state and the nation face a serious shortage of registered nurses that experts predict will worsen over the decade. In addition, the Bureau of Health Profession's Division of Nursing urges that at least two-thirds of the basic nurse workforce hold baccalaureate or higher degrees by 2010. Nationally, only 32 percent of the RNs employed hold baccalaureate degrees, while in Missouri the number is 28 percent. Vacancies for nursing



positions in Missouri have now exceeded the 10% critical level and many health care facilities are facing curtailment of selected medical services. Clearly, there is a pressing need to increase the number of students entering the nursing profession, particularly as the population ages and enhanced health care for the elderly grows in importance.

Maintaining financial access to nursing education is also a challenge facing the University. Escalating costs and the need to expand clinical practices contributes to the growing financial stress experienced by the University's three nursing programs. Student fees must be maintained at a reasonable level in order to attract students to nursing education and at the same time adequate funding must be available to support the quality of education expected by citizens and health care providers.

The total funding needs for nursing education is slightly over \$5.0 million, and the University is requesting \$1,169,000 for FY2005.

### III. COST EXPLANATION

#### RECURRING COSTS

PCS	FTE	Compensation	E&E	Total
Instruction	29	\$6,000,000	\$4,500,000	\$10,500,000
<b>Total Improvements</b>	<b>29</b>	<b>\$6,000,000</b>	<b>\$4,500,000</b>	<b>\$10,500,000</b>

**From State Appropriations:**

**\$10,500,000**

### IV. EVALUATION OF OUTCOMES

#### Medical Education funding results:

1. Full accreditation by the Liaison Committee on Medical Education without an expression of concern about the heavy dependence of the medical school on clinical practice income and hospital transfers of funds and the lack of support from the State of Missouri.
2. Reduced dependence on hospital and patient care revenue for operating support.
3. Discontinue the practice of drawing on capital fund balances to cover current operating expenses of academic programs.
4. Reduce faculty turnover in the lower academic ranks.
5. Improved success in recruiting outstanding, capable department chairs and faculty in competitive medical sub-specialties.
6. Increased interest in participation in the medical curriculum by tenured and tenure track faculty.
7. Enable the School to develop "mission based management" as an approach to establishing funding priorities and holding individuals and operating units accountable for their success and failure.
8. Increase in need-based scholarships.
9. Improved quality of instruction.
10. Continuation of purchased teaching contracts at equitable rates for services provided.

Dental and Pharmacy Education funding results:

1. Increased enrollments and graduates.
2. Expanded clinical services.

Optometry Education funding results:

1. Reduction in indebtedness of optometry graduates.
2. Increase in credentials of applicants.
3. Greater retention of qualified Missouri residents.

Nursing Education funding results:

1. Increased enrollments of full-time students in nursing.
2. Increase in the quality of applicants as measured by admission GPA and ACT scores.
3. Increased graduation of undergraduate and graduate students.
4. Shorten time to degree completion.