

Spectrum

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Letter from the president

Dear Colleagues:

Karen and I are proud to be part of the University of Missouri and eager to become better acquainted with you, with our fine university and with the colorful history and heritage of our new home state.

Within a few days, we will begin a series of visits to our campuses, Extension offices and outstate communities in an effort to become better acquainted with our University of Missouri colleagues, citizens of the state, Missouri legislators and state media outlets. I hope you will be patient in the knowledge that Missouri is a large state and that Karen and I have a lot to learn!

I am grateful to the Board of Curators, to Mel George, who served as interim president for nearly a year before my arrival, the chancellors, and you for maintaining the University's momentum. The very successful five-year financial plan, executed by President Emeritus George Russell and the Board and concluded last June 30, has set a high standard for good management and public accountability in higher education.

Because of the University's recent accomplishments and the opportunity to request Mission Enhancement funding beginning in 1998, I believe UM is positioned to make significant advances. Our University is unique as the state's public research university, as the state's land-grant institution (in cooperation with Lincoln University) and as academic home to the state's largest body of undergraduate students.

I deeply appreciate the opportunity to have a part in the promising future of the University of Missouri and to work with you in seeing that promise realized.

Sincerely,

Manuel T. Pacheco, President

Pacheco takes over as UM president

On his first day on the job Aug. 1 as president of the University of Missouri System, Dr. Manuel T. Pacheco settled into his office, reviewed issues and office procedures, attended an introductory meeting on the University's Administrative Systems Project, held a 30-minute press conference and met individually with several reporters — all before lunch. Pacheco said he feels excited about getting to know Missouri because of its role in developing the western part of the U.S. — his native region and where he has lived most of his life.



"I'm back on the Santa Fe Trail," he said at the press conference, "But I've moved back to its beginning."

After thanking the UM Board of Curators for their support, Interim President Mel George for "his tremendous service to all who care about the University," and the faculty, staff and students for "maintaining the University's momentum," Pacheco outlined the major issues he expects to focus on during the first months of his presidency.

"I am a beneficiary of the University's five-year financial plan executed by President Emeritus George Russell," he said. "Because the plan put the university's financial house in such good order, we are able to multiply the return of every additional dollar invested in the System."

And, he said, the most important issue currently facing the University is its request for mission enhancement funding for next fiscal year. Pacheco said he is comfortable with the general direction of the preliminary proposals already presented to the Board, but after he meets with the general officers he will present a more focused and refined plan for mission enhancement to the curators at their September 25-26 meeting. He said he will pay particular attention to ways to relate enhancement requests to each other and to plans for involving undergraduates in research activities.

When asked about the status of the position of chancellor of the UM-Columbia campus, Pacheco said he will institute a process for getting the issue resolved when faculty and students return for the fall semester. "MU Interim Chancellor Richard Wallace is doing a good job and will be part of the consideration," he said.

Pacheco has planned a series of get-acquainted visits throughout the state during the next few months, and said his wife, Karen, who also wishes to learn more about their new state, will join him when her schedule permits. In August, he will travel to Kansas City, Springfield, St. Louis and Southeast Missouri, and by fall to Northwest, North Central and Northeast Missouri. Pacheco also will visit each of the UM campuses and University Outreach and Extension centers throughout the state.

The message Pacheco said he intends to deliver to Missourians is that the University of Missouri System meets the needs of the state and touches the lives of all its citizens. He cited distance learning programs offered through Telecommunication Community Resource Centers around the state, research in biological sciences and agriculture, and the economic impact University graduates make in the areas of the state in which they live.

Pacheco said he will lobby actively when appropriate. He said he has met Gov. Carnahan and is comfortable with maintaining the prerogatives enjoyed by the University's constitutionally-empowered governing board, while still keeping the governor well informed about University business. He also said he will take advantage of his contacts in Washington, D.C., to help the University take advantage of funding opportunities from national research agencies.

Pacheco was president of the University of Arizona, in Tucson, from 1991 until becoming UM president. While at Arizona, he was faced with managing significant reductions in state funding. In response, he made academic program changes and improved dramatically federal funding levels for research — moving Arizona from being ranked the 22nd best research university in the U.S. to 10th.

He was president of the University of Houston-Downtown from 1988 to 1991 and president of Laredo State University in Texas from 1984 to 1988.

Pacheco was born May 30, 1941, in Rocky Ford, Colo. He was raised on a farm in northern New Mexico, the oldest of 12 children. He received bachelor degrees in Spanish and French-German from New Mexico Highlands University in 1962. He attended Universite de Montpellier in France in 1962-63 and received a master's degree in Spanish from The Ohio State University in 1966. He received his doctorate in foreign language education from Ohio State in 1969.

President Pacheco began his career in education as a teacher of French and Spanish in New Mexico high schools in the early 1960s. From 1968 until 1971 he was an assistant professor of foreign languages at Florida State University. In 1971-72, he was assistant professor in the department of Spanish and Portuguese at the University of Colorado. He became dean of the University and professor of education at Texas A&I University in Laredo in 1972. In 1977, he became chairman and professor at San Diego State University.

He was professor of Spanish and Education and coordinator of the Division of Teaching Education and Psychology at Laredo State University from 1978 to 1980. From 1980 to 1982, he was executive director of the Bilingual Education Center and director of the Doctoral Program at Texas A&I University. From 1982 to 1984, he was associate dean of education and professor of

curriculum, Executive Director of Planning, and Chief Policy Aide for Education to the Governor of New Mexico while on leave from the University of Texas-El Paso.

Pacheco is widely published, has been a visiting professor at three institutions of higher education, and is the recipient of several honors and awards, including Father of the Year in 1995, Outstanding Hispanic Family of the Year in 1992, Distinguished Alumnus of The Ohio State University, an honorary doctorate from Elmira College in New York and a Fulbright Fellowship. In 1991 he was honored with the Distinguished Leadership in Higher Education Award from the Hispanic Caucus of the American Association of Higher Education.

Chronology of UM presidential search

- July 18, 1996:** Board of Curators creates Presidential Succession Committee.
- August 31:** George Russell retires, Melvin George becomes interim president.
- January 31-February 1, 1997:** Presidential Succession Committee interviews six candidates.
- February 5, February 12:** Faculty Consultative Committee meets to review candidates' application materials.
- February 22:** Faculty Consultative Committee interviews candidates.
- February 26:** Faculty Consultative Committee reviews its work.
- March 5:** Board of Curators names two finalists for president.
- March 7:** Board of Curators and Faculty Consultative Committee meet jointly to discuss candidates.
- March 12:** Board of Curators makes its choice and schedules an announcement for March 14.
- March 14:** Manuel Pacheco signs a formal contract to be president of the University of Missouri System and is introduced to the press.
- August 1, 1997:** Pacheco takes office.

Currently, President Pacheco serves as chair of the Board of Directors of the National Association of State Universities and Land-Grant Colleges, the nation's oldest higher education association. NASULGC's 25-member governing board is selected from among the leadership of the 194 major public research universities, colleges and university systems that hold membership in the public higher education association based in Washington, D.C.

C. Peter Magrath, president of NASULGC, left the presidency of the University of Missouri in 1991 to become the chief executive officer of the association. As board chair, Dr. Pacheco will preside at NASULGC's 110th annual meeting in Washington, D.C., Nov. 16-18.

Hispanic magazine Aug. 26 in San Francisco will present Pacheco with its 1997 Hispanic Achievement Trailblazer Award.

President Pacheco and his wife, who have been married since 1966, have three grown children — Daniel Mark, Andrew Charles and Sylvia Lois Elizabeth.

UM and Capital Region join forces

After more than a year of analysis and negotiations, the UM Board of Curators July 24 unanimously approved an affiliation between the University and Capital Region Medical Center in Jefferson City. The Capital Region Board of Directors gave their unanimous approval for the agreement Aug. 4.

"The action item you just passed is terribly important to the people of this city and to the Columbia campus for ensuring a future flow of patients sufficient to support the medical training programs on our campus," MU Interim Chancellor Richard Wallace told the curators. He said the agreement will result in a unified operation that will provide a more comprehensive, cost-effective network of care for mid-Missouri patients.

University officials have been working for two years to find the best alternative for responding to dramatic changes in the health care industry. Many health care providers have consolidated to effectively restructure the delivery system and reduce costs. As fewer inpatient services are being offered and managed-care insurance companies are seeking broad networks of physician and hospital providers, UM and MU administrators have become convinced that to remain competitive they must join forces with another mid-Missouri health services provider.

"No other agreement or affiliation has ever received such close scrutiny, public attention and media coverage," said UM Interim President Mel George. "The exhaustive analysis that has been done must certainly ensure a high probability of good outcomes for this agreement."

Not only will the affiliation provide more training opportunities in the University's specialized facilities, it also will allow students to be taught in Capital Region's community hospital settings, said UM Executive Vice President James McGill.

The agreement approved by the curators establishes a "strong affiliation," as opposed to the University buying Capital Region. Both institutions will continue to own their property and buildings, as well as assets and liabilities. The structure will allow both institutions to share risk for the purposes of managed care contracting and to achieve operating efficiencies.

Also as part of the agreement, the University has established a new entity, the University of Missouri-Columbia Health System. The entity is a legal structure such as those used by other health care systems to join health care resources, and it allows additional affiliations such as the one with Capital Region.

The UMC Health Sciences Center's operational authority and management will be unchanged, said McGill. A new governing board, the UMC Health System board, will be appointed by the University of Missouri president. With the exception of Capital Region's CEO, who will be jointly appointed, all of its staff will continue to be employed by Capital Region. University staff will continue to be employed by the University.

The University and Capital Region will begin joint operation as soon as IRS and regulatory approval permits, which could be as early as this fall. McGill said profits and losses from the

Health System will remain with the Health System. Profits and losses from Capital Region will remain with Capital Region, but will be budgeted as part of the Health System.

University, CBHE boards discuss mission enhancement needs

Members of the state Coordinating Board for Higher Education got their first glimpse of the University of Missouri's mission enhancement needs July 24. Now the University's new president, Dr. Manuel Pacheco, is studying the plans for further enhancing the University's strongest academic programs.

The introduction of the initial \$75 million legislative wish list came during a joint meeting of the University's Board of Curators and the CBHE in Jefferson City, within sight of the state Capitol Building. The final Mission Enhancement request, to be considered by the Curators at their Sept. 25-26 meeting in Columbia, must be submitted to CBHE by Oct. 1. The request, with recommendations from CBHE, will be forwarded to Governor Mel Carnahan and state lawmakers who will be asked to act on the measure when the Legislature begins its next regular session in January.

UM System-Wide Mission Enhancement Initiatives

Endowed Chairs	\$ 4 million
Libraries and Library Technology	\$ 4 million
Advanced Technology	\$1.5 million (begins year 3)
Cooperative Programs	\$1.9 million
Faculty Internship Program	\$250,000

Interim President Mel George told members of the coordinating board that the \$75 million price tag was a high-end number. "Do not expect the final request to be as large as those figures," George said. Any new funds approved for enhanced programs would be added to the \$364 million the University now receives from the state, and would be phased in over four years.

Pacheco will complete his review of system-wide and campus needs, plus outreach and extension, and will pare the request prior to the September meeting of the Board of Curators.

The University has completed a review of its mission and academic programs, as required every five years by the CBHE. In the process, George told the board members and Commissioner of Higher Education Kala Stroup, University officials talked to state agencies to determine what the state's needs would be in coming years, held meetings with campus administrators and faculty, and identified areas in which the University provides unique or essential services.

George said this process led to the identification of four University-wide themes that served as the focus of planners:

- Meeting the future needs of the state, particularly in research and graduate education,

- Taking greater advantage of the synergy obtained through linking research to teaching and service,
- Strengthening the life sciences in such areas as biology, medicine, veterinary medicine and agriculture, and
- Focusing on leadership development in undergraduate and graduate and professional programs.

Board of Curators President Malaika Horne described the unique nature of the University's academic mission and the functional diversity of its four campuses.

"The University of Missouri is the only public university in the state that provides doctoral education, but the University also offers a number of other unique programs at the master's and bachelor's level," Horne said, adding that many of the University's professional and graduate programs are not offered at all by other institutions in the state, public or private.

Curator Hugh Stephenson underscored the importance of research to the state's 1862 land-grant university, but he warned that the University of Missouri must attract more external research funding or risk falling behind peer institutions in the Association of American Universities.

"We are extremely concerned that we are falling behind the top-notch research institutions in the nation" in growth in research funding, Stephenson said. He said that two ways to increase research funding are to hire superb research faculty and to identify and enhance already strong research programs. He said that the enhancement request, which calls for recurring funds to support the highly successful endowed chairs program and for important research initiatives, would help the University to remain competitive.

The System-wide request includes \$4 million in recurring funds to complete the funding of the Missouri Endowed Chairs and Professorships Program. "If there is any doubt that this is the number one priority of the University of Missouri, let me allay those doubts right now," George said.

He added that, in the future, the endowed chairs program would be restricted to fields that are in high priority areas identified by the University for enhancement.

In addition to the endowed chairs, George said the System is considering asking for \$4 million in recurring funds for libraries and library technology, \$1.5 million for the next generation of the Internet, and \$1.9 million to support cooperative programs such as the Ed.D and master's in social work programs among the Columbia, St. Louis and Kansas City campuses and the statewide delivery of UM-Rolla's master's program in engineering management.

Also on the System-wide list is \$250,000 for support of a modest program to enable faculty to conduct cooperative research and service work in state agencies and Missouri corporations.

CBHE Chair Marie Carmichael took time out to praise George for his work while serving as interim president of the University of Missouri. George came out of a brief retirement in August 1996 to lead the UM System on an interim basis after President Emeritus George Russell retired.

Carmichael said of George that "the University and the people of Missouri are in his debt."

Curators OK manager for Medicaid plans

The UM System Board of Curators, meeting July 24 in Jefferson City, unanimously approved the hiring of a firm to help the University bid for and help manage the state's Medicaid patients in mid-Missouri.

Schaller Anderson Inc. of Phoenix, Ariz., will help prepare a bid for the state's Medicaid program and assist the University in establishing contracts to form a network of physicians, staff and facilities should the University's bid be successful.

"It is critical to the mission and the financial health of the Health Sciences Center at UM-Columbia that we continue to provide services to Medicaid patients," MU Interim Chancellor Richard Wallace said. "The firm we employ must not only help us put together a competitive bid but also bring key health-care industry expertise to the management of the program. Schaller Anderson is an experienced firm that has established an excellent reputation in the health-care industry."

The one-time costs of establishing the Medicaid program will be \$2 million, including capital of \$800,000 for computers and offices. Schaller Anderson will be hired for a term matching the contract with the state and will earn \$180,000 monthly or 12 percent of revenue, whichever is greater. If the University does not receive the Medicaid contract, the contract will be terminated.

If the University does receive the contract, Schaller Anderson will provide staff for accounting, budgeting, claims processing and other administrative duties, and will provide and maintain both the hardware and software for the management information system.

If UM does not receive the contract, the relationship with Schaller Anderson ends, but the University retains equipment and assets purchased.

In other action at the July 24-25 Board meeting the Board also voted to name the \$10 million molecular electronic center at UM-St. Louis for Rep. William Clay, D-St. Louis, after he retires from elected office.

George named president emeritus

The Board of Curators unanimously approved a resolution Sept. 24 thanking Melvin D. George for his most recent service as Interim President of the University of Missouri and bestowing upon him the honorary title President Emeritus. George, who has never been President of the University, has twice served as Interim President.

Board of Curators President Malaika Horne made the surprise announcement at a public reception for Mel and Meta George. Mel George most recently served as Interim President from Sept. 1, 1996 through July 31, 1997.

Curators approve FY99 operating request for 9.5 percent base increase

With the 1998 fiscal year just 24 days old, the Board of Curators at its July meeting in Jefferson City approved a request for operating funds for Fiscal Year 1999 that would add \$34.52 million to the University of Missouri's recurring budget.

The request will be acted upon by the Coordinating Board for Higher Education before being submitted to the Governor and the General Assembly.

Interim President Mel George emphasized that the request for the core budget is separate from the request for additional Mission Enhancement funding, which is to be brought to the Board at its Sept. 25-26 meeting in Columbia by President Manuel T. Pacheco.

The request for operating funds, in addition to recurring funds, includes \$13.45 million in one-time appropriations.

The operating budget provided by state appropriations in the current fiscal year is \$364.36 million. The University's total budget, which includes federal funding, tuition and fees, gifts and grants, medical facilities, residence halls and other operations, is approximately \$1.3 billion.

The first priority in the FY99 request is cost of inflation — to continue current operations. The base adjustment also includes a request for \$3.8 million to supplement expense and equipment budgets in academic units — part of the administration's commitment to improving the academic "infrastructure" — and to provide for appropriate staffing in county Extension offices. This "first-priority" request totals \$16.6 million.

The request also includes \$5.87 million to meet the costs associated with opening and operating new and renovated buildings that will have come on line by June 30, 1999.

In addition, the request includes \$3.45 million for renovation and rehabilitation of facilities. George noted that maintenance and repair costs, as a result of the successful five-year financial plan, are included in the University's annual budget. "We no longer ask the General Assembly for maintenance and repair funding," George said. "Even with our well-maintained buildings, there comes a point where disciplines and teaching styles change and so facilities must change, too."

A schedule for rehabilitating facilities on an average 50-year cycle would cost about \$34.5 million annually, George said, about two percent of the replacement value of the University's facilities. The FY99 request represents 10 percent of that need and the first step in "ramping up" to a point where planning and efficiency could be enhanced by inclusion of the necessary funds in the University's operating budget.

The request also includes \$5.4 million in recurring funds and \$7.9 million in one-time funds for completion of the campuses' information technology plans and the statewide MOREnet (Missouri Research and Education Network) telecommunication plan. (Responsibility for the

higher education component of MOREnet was assigned to the Curators during the 1997 legislative session.)

Another \$3.2 million in recurring funds and \$5.25 million in one-time funds is requested to implement redesign of business processes and systems. Another \$300,000 in one-time funds is requested to permit completion of the required state match for the National Science Foundation grant that supports the Capsule Pipeline Research Center.

UM Board decides 'batting order' for capital improvement projects

Paul Combs, chair of the Board of Curators' Physical Facilities Committee, praised Interim President Mel George and the University administration for bringing to the Board's July meeting a list of capital improvement requests for FY99 in the order of their priority.

George explained that the "batting order" was determined by several criteria, including centrality of the facility to the institutional mission as well as the history and consistency of the request.

Combs suggested that the Board's approval of the priority listing should avoid confusion on the part of the General Assembly and the University's advocates and special interest groups.

The Capital Appropriation Request, which was approved by the Board:

	FY99 Request	Total Cost
Business and Public Administration, UM-Columbia.	\$17,127,000;	\$23,355,000.
Pharmacy and Nursing Building, UM-Kansas City.	\$2,000,000;	\$35,396,000.
Butler-Carlton Civil Engineering Addition & Renovation, UM-Rolla.	\$17,750,000;	\$22,213,000.
Red Campus Renovations, UM-Columbia.	\$18,066,000;	\$23,066,000.
Benton & Stadler Hall Rehabilitation, UM-St.Louis.	\$5,700,000;	\$22,695,000.
Dental School Rehabilitation, UM-Kansas City.	\$13,100,000;	\$18,200,000.
Communication Arts, UM-St. Louis.	\$25,020,000;	\$50,520,000.
Ag Experiment Station Teleconference Centers, UM-Columbia.	\$1,000,000;	\$1,700,000.
Engineering Equipment, UM-Columbia.	\$466,800;	\$933,600.

Employees asked to use corporate card for travel

University employees conducting business related travel are eligible to obtain a MasterCard Corporate Card. The benefits to using the corporate card rather than personal cards include the following:

- The University Corporate Card Program is designed as a benefit for University employees who travel on University business.

- The Corporate Card is convenient for conducting University business because it is accepted by 13 million merchants, with some University restrictions, around the world, and gives access to cash at 450,000 bank and ATM locations.
- The MasterRental insurance coverage on the corporate card provides full-value primary collision/loss damage coverage and secondary personal effects coverage for up to 31 days.
- The Master RoadAssist Roadside Service is a 24-hour emergency roadside assistance available through MasterCard and the American Automobile Association (AAA) at pre-negotiated rates that are automatically billed to the Corporate Card.
- MasterAssist Medical Protection provides medical expense coverage up to a maximum of \$2,500 per person, per trip for costs related to hospital admission, or emergency care as secondary coverage.
- MasterTrip Travel Assistance provides emergency cash, replacement of lost tickets and documents, and up to \$1,250 in baggage coverage.
- When airline tickets are charged to the University corporate card, Common Carrier Travel Accident Insurance for \$250,000 is available in addition to travel agency coverage.
- The MasterCard Corporate Card Program helps the University control costs and negotiate lower rates with vendors.
- To obtain a University MasterCard application, contact a campus Travel Coordinator.