

Spectrum

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Steele and Pacheco speak about Sept. 11 attacks

Before the regular Sept. 27 UM Board of Curators meeting at the University of Missouri-Columbia, Board President Paul Steele and UM President Manuel Pacheco spoke of the September 11 terrorist attacks in New York and Washington D.C.

Speaking for the University community, Steele extended his deepest sympathy to the family and friends of the victims.

Steele spoke of how different the world now seems since the attacks. Though barely more two weeks had passed, Steele said, "It seems as if it were a lifetime ago. I don't believe any of us ever imagined that we would live to see a day when such hatred and treachery would be unleashed at the heart of our nation. I am proud of the way our University family has reached out to aid those who have been affected by the terrorist hijackings and attacks in New York City, Washington D.C. and Pennsylvania."

Steele cited several examples of University of Missouri personnel and students contributing to relief efforts, including blood drives and fundraisers for survivors.

He praised the University and local communities for coming together in this unprecedented time of tragedy.

Several members of the UM-Columbia community, including faculty, staff and students, searched for survivors of the World Trade Center collapse in New York City. They were part of the "Missouri Task Force-1," one of 28 urban search and rescue teams in the nation. Many of the members were trained by MU Extension's Fire and Rescue Training Institute.

The University of Missouri-St. Louis sponsored a public forum to discuss the terrorist acts and their implications for our nation and the world. The Center for Trauma Recovery at UM-St. Louis offered free crisis counseling for those individuals who were profoundly and emotionally affected by the tragic images in the news media.

The University of Missouri-Kansas City also held a public forum to discuss ways to cope with the terrorist attacks. University Outreach and Extension provided communities with suggestions for helping families deal with the national tragedy. At the University of Missouri-Rolla, a memorial service drew students of several nationalities in a show of unity.

President Pacheco stressed the importance of unity and tolerance during the days following the attacks. He recently visited the site where the trade towers once stood in lower Manhattan. "As I stood there, I was reminded that this act of terrorism was not just a crime against the institutions and the people of America, but also a crime against the entire international community.

According to one report I saw, hundreds of citizens from 63 countries are believed to be buried in the rubble of the World Trade Center."

President Pacheco said he hoped that out of the recent terrorist attacks "a new spirit of cooperation might yet result that transcends the boundaries of nations. That spirit of cooperation among nations and renewed respect for human life begins here, at the University of Missouri."

He noted that of the roughly 54,000 students counted last year across the UM System, more than 1,500 were from other countries. Pacheco acknowledged that a small number of international students across the country, including some at UM, have chosen to return home since the attacks. He said the University has encouraged them to return.

Pacheco encouraged everyone to appreciate higher education's role in combating terrorism. Quoting from the poem, "The University," by John Masefield, Pacheco read: "In these days of broken frontiers and collapsing values wherever a university stands, it stands and shines. Wherever it exists free minds urged on to full and fair inquiry, may still bring wisdom into human affairs."

UM President Pacheco agrees to postpone retirement until 2003



UM President Manuel Pacheco

University of Missouri System President Manuel Pacheco agreed Sept. 27 to extend his contract with the University for one year, postponing the Aug. 31, 2002 retirement he announced in August.

The UM Board of Curators voted unanimously the same day to to extend Pacheco's contract until Aug. 31, 2003.

"The worsening economy and the events of Sept. 11 will place a great burden on all academic institutions," Pacheco said. "These institutions will be faced with difficult decisions and financial matters in the coming months."

Pacheco was appointed president of the University in 1997. He said that extending his term is "the best way I can contribute." He also said that in order for the University to move forward, "it should not be distracted by having to search for a new president."

Regarding Pacheco's decision, University of Missouri System Board of Curators President Paul Steele said, "Dr. Pacheco has interrupted his life — his plans —so we may continue on a path we have all begun This in a way is his sacrifice, I guess, to our university."

Board resolution clarifies UM policy

The following resolution was unanimously approved at a special meeting of the University of Missouri System Board of Curators held Oct. 10 by teleconference.

RESOLUTION

WHEREAS, *the extraordinary events of September 11 have forever changed the United States of America and the international community; and*

WHEREAS, *the University of Missouri community is profoundly saddened by the loss of so many lives to acts of terrorism and has responded with spontaneous and heartwarming expressions of personal support for those who have suffered the loss of loved ones and friends; and*

WHEREAS, *the American people have united in their commitment to uphold the principles of individual freedom and justice for all; and*

WHEREAS, *the University of Missouri remains committed to the free and open expression of ideas, and to the preservation of individual liberty, academic freedom and freedom of the press; and*

WHEREAS, *the Board of Curators has received numerous communications indicating the need to clarify and articulate University policy with respect to the display of patriotic symbols during a time of national concern over acts of terrorism against the United States of America; and*

WHEREAS, *the Collected Rules and Regulations of the University of Missouri do not preclude individuals from displaying patriotic symbols that express individual support for the United States of America, nor does the Board of Curators see any necessity to make such a modification in the Collected Rules and Regulations:*

NOW, THEREFORE, BE IT RESOLVED, *that the Board of Curators encourages administrators and supervisors to extend wide latitude to individuals in the University community who desire to display symbols of their sympathy for those directly affected by acts of terrorism, or who desire to express their patriotism and love of the United States of America in appropriate ways, consistent with concerns for health and safety in the work environment; and*

BE IT FURTHER RESOLVED, *that the Board of Curators further encourages members of the University of Missouri community to demonstrate the utmost respect for members of all cultures, religions and nationalities in keeping with the University's commitment to tolerance and understanding of divergent viewpoints; and*

***BE IT FURTHER RESOLVED**, that the Secretary to the Board of Curators cause this resolution to be spread upon the minutes of this meeting.*

Curators hire arena architect

At an Oct. 5 special meeting, the University of Missouri System Board of Curators approved hiring a consultant to re-examine plans for a new basketball arena on the UM-Columbia campus.

The Board voted unanimously to hire the Kansas City firm CDFM2 Architecture, Inc. to update a 1996 schematic design for the new arena. The update will take into account larger locker rooms and new spaces that aid recruiting and club seating.

Plans will also have to be modified to stay within the \$75 million construction budget. The redesign is expected to take roughly a year. Construction is expected to begin in late 2002 with anticipated completion by 2004.

Under the terms of an agreement with the anonymous donor of \$25 million for the arena, the state must release \$35 million in bonds toward the construction of the arena by Dec. 31, 2001. The University has a verbal agreement with the state that the bonds will be released by the deadline.

Board approves changes to medical and dental insurance for 2002

Medical and dental insurance premiums will increase next year, reflecting higher costs, and minor changes will be made in the Express Scripts prescription drug plan. The Board of Curators approved the increases at its Sept. 27-28 meeting in Columbia.

The Board also learned that new federal legislation will ease some restrictions on tax-deferred annuities.

"Health insurance costs continue to rise, and that is reflected in our premiums for next year," said Ken Hutchinson, UM System vice president for human resources. "To help control costs we have made some modifications in the prescription drug program, but in general we will provide the same coverage as last year."

Detailed information about these changes was mailed to employees in October and will be sent to retirees in November. Employees may opt to receive e-mail notification of benefits changes in lieu of notices through the regular mail channels. (See details below.)

Medical insurance premiums

Most employees will see an increase in their medical insurance premiums for 2002. Employee premiums for the UM Choice Plus POS plan will increase 10 percent. For example, premiums for a single employee will rise from \$57.20 per month to \$62.92 per month, while employee premiums for family coverage will rise from \$198.44 to \$218.28 per month.

For the most popular plan in Columbia, the University Managed Health Care program, employee premiums for 2002 will increase slightly more than 11 percent. For example, for employee and spouse coverage, premiums will go up to \$166.72 a month in 2002, compared to \$149.86 today. For an employee, spouse and children, rates will rise from \$178.78 monthly in 2001 to \$199.02 monthly in 2002.

For the Humana plan in Kansas City, some employee premiums will fall slightly while others will rise a maximum of 3.2 percent. For example, coverage for an employee and children will cost \$69.90 monthly in 2002, versus \$72.10 this year, while the employee, spouse and children monthly premium will rise from \$242.90 today to \$250.14 in 2002. Employee premiums for the Catastrophic Program will rise 10 percent.

Humana HMO

Employees utilizing the Humana HMO in Kansas City will see several plan design changes, effective Jan. 1, 2002, which are intended to hold premium increases down while maintaining a very high level of benefits.

Some of the changes include a \$10 copay per physician visit, a \$25 copay for outpatient hospital care and higher annual copay limits — \$300 for individuals and \$750 for families. There also will be changes to Humana's prescription drug program, including increased copays.

Three-tier prescription plan

Express Scripts will continue as the prescription drug provider for the UM Managed Health Care and UM Choice Plus Point of Service programs. The Express Scripts formulary, a list of approved drugs, will be greatly expanded as of Jan. 1, 2002, offering more choice. Oral contraceptives also will be covered.

For formulary generic and brand-name drugs, the copays will remain the same as in 2001. In addition, a third tier, for non-formulary brand prescriptions, will be added in 2002.

Purchasing non-formulary brands will not require prior authorization by Express Scripts as is currently the case. However, copays are higher, reflecting the higher prices Express Scripts must pay for such drugs.

The UM Managed Health Care plan will use a new Express Scripts pharmacy network in 2002 that does not include Walgreen pharmacies. The network will remain the same as in 2001 for those in the UM Choice Plus program.

Dental insurance premiums

Dental plan coverage will remain the same for 2002, but dental insurance premiums will increase 13 percent for all campuses. For example, monthly premiums for a single employee will rise from \$10.04 per month to \$11.34 per month. The increase reflects the higher costs the program is experiencing.

Subsidy limited to 10 dependent children

The University subsidizes the cost of medical and dental insurance premiums. As of Jan. 1, 2002, the premium subsidy will be limited to ten dependent children. The employee will be required to pay the full premium for each child enrolled beyond the maximum.

Those who had coverage for more than ten children as of December 31, 2001, will continue to receive the premium subsidy. However, any additional children enrolled after Jan. 1, 2002, will not be subsidized.

Tax deferred annuity

Several changes in federal law offer potential benefits for those who put money aside in a tax deferred annuity program. For example, employees age 50 and older will be allowed to contribute an additional \$1,000 a year in 2002, if they wish. Details about these and other changes will be provided in December.

Electronic benefit notification

To provide timely updates regarding changes in benefits, and to do so in a more efficient, cost-effective manner, UM Faculty and Staff Benefits is offering employees the option of receiving benefits notification by email, rather than "hard copy" booklets and letters.

Such email will be used in conjunction with the Benefits Web site—the email will, when appropriate, refer to a specific section, or sections, of the site. Of course, benefits information may be accessed from the Web site (www.system.missouri.edu/hrs/benefits) at any time.

To request to receive email communication from the benefits office instead of printed materials, please use the following procedure. Go to www.umsystem.edu. Those who do not have a PIN will need to get one by clicking "Register for a PIN."

Click "Web Applications." At the prompt enter your user name or Social Security number. In the password box, enter the PIN. Next, choose "Employee Information," then choose "Electronic Benefit Communications." Click the "Begin" button to receive future benefits information electronically.

State legislators examine funding for public higher ed

Full Cost to the University of Instruction Per Credit Hour, FY2000 (by student level)

Campus	Student Level			
	UG	MS	Prof.	PhD
UMC	\$288	\$945	\$1,018	\$1,981
UMKC	358	947	1,086	2,492
UMR	430	1,541	N/A	3,419
UMSL	292	781	853	1,821

UM System President Manuel Pacheco summarized for the Board of Curators Sept. 27 information presented recently at a series of public legislative hearings held to study the issue of funding equity among Missouri's public colleges and universities.

State appropriations for public higher education currently are allocated on the basis of each institution's unique missions, program mix, student composition, and cost structure, but Pacheco said that some public four-year institutions have suggested that the state's funding formula for higher education should be changed.

"They would prefer the formula to be based on student enrollment or number of full-time employees," he said. "This method has been tried before and found to be wholly inadequate for funding institutions as diverse as those found here in Missouri."

During the course of the summer and fall, a House sub-committee on higher education held a series of hearings to examine the existing formula. Pacheco said that all four UM chancellors and the executive vice president for University Outreach and Extension presented information to the committee. "In each instance, witnesses addressed the committee in support of the vital parts these components of the UM System have played and will continue to play in preparing Missourians to assume important roles in our state and nation," he said. "I also described the allocation process we use to distribute funds to each of our UM System entities."

Pacheco said equitable funding across the UM System campuses is governed largely on the basis of program mix and cost structure, although other factors come into play as well.

" An argument could be made that the state support given to the University of Missouri should be increased or, at a minimum, held relatively stable because we provide programs no one else can provide." - UM President Manuel Pacheco

For example, a campus with significantly more graduate enrollment and more high-cost professional programs will require more state funding per full-time student than a campus with a lower graduate enrollment and fewer graduate and professional programs. This will be the case even if the two campuses have similar full-time enrollments, Pacheco said.

The reason for this is the higher cost of graduate and professional education compared to undergraduate education. On average, it costs three times as much to produce a graduate with a master's degree and seven times as much to produce a graduate with a doctoral degree.

Pacheco said master's and doctoral degree programs account for 63 percent of all the degree programs offered by the University of Missouri. Furthermore, nearly one quarter (22 percent) of all credit hours produced by the University of Missouri in FY2001 were at the graduate or first professional level. "This is much higher than for other state four-year institutions in Missouri," Pacheco said.

Another factor driving the allocation process is the number and type of degree programs at each UM campus. The University of Missouri-Columbia offers the largest number of master's and doctoral programs, and has three professional programs. The University of Missouri-Kansas City has a significant number of master's programs and fewer doctoral programs, but also offers four professional programs.

The University of Missouri-Rolla, with its focused curriculum in engineering and technology, has fewer master's programs, but a considerable number of doctoral programs. The University of Missouri-St. Louis offers a significant number of master's and doctoral programs, and has one professional program in optometry.

Pacheco also said that the cost of instruction is not the same across UM campuses for the same level of program. For example, the cost of master's level instruction varies from \$781 per credit hour at UM-St.Louis to \$1,541 per credit hour at UM-Rolla. This variation reflects other drivers that also influence the overall cost of instruction.

Instructional costs differ across academic disciplines and campuses due to variations in average faculty salaries, variations in faculty rank and discipline mix, and variations in enrollment size by student level across disciplines and across campuses, Pacheco said. Other contributing factors include variations in both faculty workload and distribution and the percentage of faculty salaries that are essentially fixed costs.

For example, undergraduate education is less expensive at UM-Columbia, where undergraduate enrollment is relatively high, resulting in favorable economies of scale. The cost of graduate level courses is significantly higher compared to undergraduate courses.

The cost of instruction also can vary widely from one group of disciplines to another within the same campus. UM-Rolla has the smallest enrollment of the four campuses in the UM System, a large percentage of highly specialized faculty members in the hard sciences, and extensive (and expensive) research facilities.

"Regardless of the level of coursework we consider — undergraduate, master's or doctoral level — at UM-Rolla instruction in disciplines grouped together in the College of Arts and Sciences costs relatively little when compared to the cost of providing courses in either Engineering or Mines and Metallurgy," Pacheco said.

Another factor affecting funding allocation is the annual cost per student and cost per credit hour for professional programs such as dentistry, optometry, medicine and pharmacy. "These are expensive programs to support, and yet their value to the state cannot be over-emphasized," Pacheco said.

Professional programs tend to cost more because faculty salaries are higher and because expensive and state-of-art equipment and diagnostic tools are required. In addition, enrollments are capped or controlled at predetermined levels in order to provide more individualized instruction. Students enrolled in these programs pay only a fraction of the actual cost of their education.

"The formula used to allocate higher education funding will continue to be a matter of interest to some members of the state legislature and the state's Coordinating Board for Higher Education," Pacheco said. "Successive state administrations have asserted that access to quality undergraduate, graduate and professional education is essential to the future of our state. If this is true, then an argument could be made that the state support given to the University of Missouri should be increased or, at a minimum, held relatively stable because we provide programs no one else can provide."

Program Cost for Professional Degrees, FY2000

Program	Annual Cost Per Student	Credit Hour Cost
Dentistry	\$78,929	\$1,698
Law (UMC)	24,846	662
Law (UMKC)	24,20	1 646
Medicine (UMC)	60,996	941
Medicine (UMKC)	56,645	989
Optometry	36,445	853
Pharmacy	27,353	1,023
Veterinary Medicine	79,387	1,819

UM leaders reward outstanding faculty performance with shares

Nearly 350 faculty members from the University of Missouri System's four campuses and University Outreach and Extension have received mutual fund shares as part of the first allocation of the University's new Faculty Performance Shares Plan, UM President Manuel Pacheco told the Board of Curators Sept. 27.

The shares plan, approved last year by the Board, is designed to annually recognize exemplary faculty activities that are critical to successful implementation of the University's Strategic Plan.

The number of recipients of faculty performance shares were distributed by campus as follows: 235 at the University of Missouri-Columbia, 34 at the University of Missouri-Kansas City, 30 at

the University of Missouri-Rolla, 26 at the University of Missouri-St. Louis and 23 to Outreach and Extension.

"The purpose of the Faculty Performance Shares program is to recognize outstanding performance by supplementing recipients' regular annual compensation with options to purchase shares in a professionally managed mutual fund that invests in corporate stocks, bonds, and cash-equivalent securities," Pacheco said.

He said the 348 first-year allocations were made for exceptional achievements such as use of creative teaching strategies to improve student learning, use of innovative programs to improve agricultural productivity and use of new methods for improving student retention.

At UM- Columbia, 120 individual allocations, or 51 percent, recognized teaching, enhancement of learning, and other services to students. At UM-Kansas City, while teaching and research were the most rewarded categories, eight awards (24 percent) recognized campus or community service. At UM-Rolla, student recruitment or leadership was the top category, with 14 awards (47 percent).

At UM-St. Louis, the largest category of awards, with nine awards (35 percent), was program quality and access. University Outreach & Extension used its allocations to recognize activities contributing to the enhancement of specific Extension and Outreach priority programs.

"I believe the Faculty Performance Shares Program has the potential to be a key contributor to the retention of high quality faculty," Pacheco said. "It should also allow each campus and Outreach & Extension to focus energy and attention on key areas within their unit strategic plans. Chancellors recognize that this program is a tool that can be used to lend focus to campus initiatives. With this program we are acting on our firm belief that people are our greatest asset."

Work begins on Life Sciences Building



University of Missouri officials, professors and students, politicians and assorted dignitaries break ground September 8 on the new Life Sciences Building at the University of Missouri-Columbia.

University officials and politicians Sept. 8 celebrated the long-awaited launch of a project expected to help foster scientific discoveries that could help shape the future of Missouri and the world.

The \$60 million Life Sciences Center at the University of Missouri-Columbia will be central to efforts by the University and the state to become leaders in the industrial application of genetics research.

The 124,000-square-foot building will house 50 research laboratories, five computer labs and a 250-seat auditorium. It will be at the heart of the University's drive to be a leader in the life sciences field, which seeks to use knowledge about genetics to promote advances in fields such as agriculture and medicine.

Daniel Goldin, the administrator of the National Aeronautics and Space Administration, was on hand for the groundbreaking and to sign a memorandum of understanding to formalize the relationship that has existed between NASA and the University for many years. Goldin and UM President Manuel Pacheco cited several unique research initiatives at the university from which NASA could benefit, including a UM-Columbia project to undertake gender-based physiological research. Goldin said the partnership was a great opportunity for University of Missouri students to become involved in NASA's work. "America's space program belongs all over the country, wherever the best and brightest minds come together."

Pacheco said NASA has sponsored the Cloud and Aerosol Sciences Laboratory at the University of Missouri-Rolla since 1991. A spin-off of this has been the development of procedures for studying the high-altitude emissions characteristic of large rocket motors on the Space Shuttle and other vehicles. He also said UM-Columbia engineers are working under a NASA grant to develop an efficient and reliable automatic temperature controller for use by astronauts during space walks.

Short accepts new position in Tennessee

Paula Short, UM System associate vice president for academic affairs since 1999, has accepted the position of vice chancellor for academic affairs of the University of Tennessee Board of Regents.

Short will assume the new post later this year. The Tennessee Board of Regents is the nation's sixth largest higher education system, governing six universities, 13 two-year colleges and 26 technology centers.

Short, who holds a doctorate in educational administration from the University of North Carolina at Chapel Hill, joined the University of Missouri in 1995 as chair of the Department of Educational Leadership and Policy Analysis in the University of Missouri-Columbia College of Education. She also served as the UM System Faculty Fellow from 1998-1999.

UM merges procurement

UM President Pacheco told curators Sept. 27 that the University of Missouri System began implementing a new procedure for the procurement of goods and services Aug. 1. He said the initiative to consolidate procurement under UM System administration was identified by the University's Strategic Plan as a way to improve administrative practices and save money.

"I expect the consolidated procurement system to enable our procurement personnel to serve the campuses more efficiently and effectively," Pacheco said. "We also expect cost savings under the new system, and we will report those savings to you when their magnitude becomes known."

Pacheco also said he appointed Bill Harris, formerly director of procurement and materials management at the University of Missouri-Columbia, to be the new chief procurement officer of UM System Procurement Services.