

## **Spectrum**

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### **Administrative streamlining plan exceeds goal, meets \$20**

The University of Missouri is implementing a plan to save \$20 million in administrative costs, far exceeding the original goal of \$12.5 million set last year, President Elson S. Floyd told the Board of Curators at its July 21 meeting in Kansas City.

“This is a tremendous accomplishment,” Floyd said. “I am deeply proud of our chancellors and staff for their vigilant efforts to enhance our academic mission while protecting access and affordability for our students.”

In December 2005, Floyd directed each campus, the system and UM Health Care to reduce administrative expenditures by 10 percent and reinvest those resources in academic and strategic priorities.

Each campus was charged with determining its own list of suggestions. Efforts were focused on eliminating unnecessary academic and non-academic administrative duplication; enhancing efficiency and productivity; reducing costs in administrative service areas; enhancing the use of technology without increasing cost; and streamlining the structure and function of UM Health Care.

The final plan totals \$20 million, or \$7.7 million more than the original goal. While some reductions have already been implemented, others will be accomplished over a one- or two-year period.

Actions taken to reduce costs include eliminating or combining administrative staff positions; reducing operating budgets; consolidating support functions; and eliminating organizational layers.

The University also is exploring the potential for additional savings through e-procurement as well as the consolidation and outsourcing of information technology.

Resources will be reallocated to achieve targeted academic and strategic initiatives and to enable the University to reduce or better control future tuition increases.

Approximately \$18 million in administrative savings will be applied to academic priorities that directly benefit students, such as increased instructional capacity, student financial aid, and initiatives to retain students once they are enrolled.

The University also will make investments in academic programs and faculty in areas such as the life sciences, public policy and autism. Funds will be directed to faculty retention and recruitment, employee diversity and staff benefits.

More than \$4 million will go toward permanent expense reductions to balance the budget at UM-Rolla and toward expense reductions and reallocations for facilities, maintenance and repair, and increases in utilities and insurance costs at UM-Kansas City.

Floyd said the long-term objective of the plan is to continue to improve efficiency and control future tuition increases without reducing quality.

## **Retirement & staff benefits committee issues report**

The University of Missouri's existing pension plan is a value to the University, faculty and staff, and should be retained, the Retirement and Staff Benefits Committee recommended in a recent report. The committee completed a comprehensive study on retirement plans and post-employment health plans.

The committee, comprised of faculty, staff and retirees representing each campus, engaged the services of The Segal Company, the University's consulting actuaries, and experts in the field of retirement plans and post-employment health plans.

UM's current plan is considered a hybrid of the defined benefit and defined contribution approaches, combining the best features of both. With the University's defined benefit pension plan, the University funds the entire cost of the benefit for vested employees. The "hybrid" feature of the plan borrows from accumulated account features in a defined contribution plan, where accumulations are based upon a certain contribution going into an account. When employees leave or retire from the University, they receive the greater value of the "accumulated value" or the "present value" of the defined benefit. If they retire, it is paid in the form of an annuity.

The committee recommended that UM retain this existing hybrid plan. This approach offers a unique combination of flexibility in benefits while still maintaining cost efficiency for the institution.

UM has spent 50 years in diligently managing and appropriately funding its defined benefit pension plan, the report stated. The result is a cost-effective, well-financed asset that allows UM to offer competitive benefits at a lower cost than comparator institutions with defined contribution plans.

The University offers other retirement plan programs, such as 403(b), 457(b), and 401(a) plans that allow employees to voluntarily contribute.

The committee also analyzed the issue of post-retirement health care benefits and recommended that UM continue to offer and subsidize such benefits. They are considered to be a critical part of the overall benefit package.

In order to control increasing costs in this regard, the committee recommended that UM consider areas that can impact growth, including: increasing the eligibility threshold for post-employment benefits; reviewing opportunities offered by Medicare Part D; using Medicare Advantage

opportunities as they become available in geographic areas where UM retirees are located; and mandatory home delivery of maintenance prescription drugs for retirees to take advantage of greater discounts.

In addition to its report on retirement plans, the committee continues to regularly assess alternatives and new approaches to manage the benefit programs in a value-oriented, cost-efficient environment. Its latest effort involved a series of health care plan changes that were implemented January 1, 2006.

The best possible investment of the compensation dollar is critical to effective recruitment and retention of high quality faculty and staff, the committee reported.

The Board of Curators has expressed interest in the University's retirement and post-employment benefits, which have been the topics of board development sessions.

"The University and the board can stand tall and take pride in how these benefit programs have been managed for many years," said Ken Hutchinson, UM Vice President for Human Resources.

### **Board approves FY08 operating & capital appropriations requests**

The University of Missouri Board of Curators approved the Fiscal Year 2008 operating and capital appropriations requests at its July 21 meeting in Kansas City.

The total operating request for FY08 is \$474 million, a \$61 million increase from the FY07 core budget. The appropriations request for operations includes four main categories: the core operating budget, increases to the core budget, new initiatives, and other curator program requests. The FY07 core operating budget is \$413 million.

Increases to the core budget include the costs of continuing operations, approximately \$30 million. This includes a 4 percent salary and wage pool increase and a 5.2 percent total increase in staff benefits. The request also includes 1.5 percent for maintenance and repair of facilities and 4 percent for equipment and other expenses, which includes unavoidable cost increases in areas such as utilities, insurance, fuel and technology costs.

The University is requesting \$4.7 million to offset the cost of operating new and renovated buildings that will open next year, including the Health Sciences Building at UM-Kansas City and the Clinical Support and Education Building at UM-Columbia, as well as additional new buildings and renovations at UM-Columbia.

Funds also will be requested for three new initiatives, including \$20 million to increase the capacity and quality of the University's health care education programs. Additional requests include \$4 million for student access to continue an endowed scholarship program and \$2 million to continue an endowed chairs program. With both programs, the University would be able to generate \$34 million from private donors by leveraging state funds.

The request for UM Health Care includes core appropriations for the University Hospitals, Ellis Fischel Cancer Center and the Missouri Rehabilitation Center, as well as \$1.3 million for the cost to continue.

Other curator programs, state programs administered by the University, with funding requests include MOREnet, the Institute of Mental Health, the Missouri Kidney Program and the State Historical Society.

Requests also will be made for the Seminary Fund, Alzheimer's Research Fund and the Spinal Cord Injury Research Fund.

The state capital appropriations request of approximately \$304 million for FY08, with rehabilitation and new construction projects at each campus, also was approved by the board.

#### **State capital appropriations request, FY08**

Benton Stadler Chemical/Biological Sciences & Master Plan Phase 3, UMSL:	\$55,164,000
Biological Science/Chemistry/Chemical Engineering Addition & Renovation, UMR:	\$58,098,000
Health Sciences Research Center, UMC:	\$87,529,000
Miller Nichols Library Renovation & Interactive Learning Center Addition, UMKC:	\$50,000,000
College of Optometry, UMSL:	\$21,440,000
Freshman Studies Building, UMR:	\$13,638,000
Health Sciences Building Phase I Completion, UMKC:	\$10,864,000
Tate Hall Renovation, UMC:	\$8,242,000
<b>Total:</b>	<b>\$304,975,000</b>

#### **February 2006 research board awards announced**

The University of Missouri Research Board, a University-wide panel composed of 20 faculty members, has awarded more than \$1 million to support 49 research projects across the University's four campuses.

The board has established a network of UM experts in each discipline. The board addresses specific criteria in evaluating a request. The board then considers the recommendations of the peer reviewers. William Miller, professor of nuclear engineering at UM-Columbia, chairs the research board.

In February, UM researchers filed 156 requests for grants, totaling more than \$5 million. Approximately 31 percent of the requests were approved and approximately 18 percent of the total dollar amount requested was awarded.

The board granted ten engineering requests for a total of \$254,321; ten in humanities and fine arts for a total of \$96,157; 12 in life sciences for a total of \$397,048; six in physical sciences and mathematics for a total of \$101,084; and 11 in social and behavioral sciences for a total of \$177,137.

### **UM-Columbia**

- Frank Booth, Biological Sciences, \$16,498
- Kristin Buss, Psychological Sciences, \$29,000
- Dawn Cornelison, Biological Sciences, \$26,820
- Guilherme DeSouza, Electrical Engineering, \$26,800
- Frances Dickey, English, \$5,000
- Paul Fadel, Physiology, \$30,594
- Raghuraman Kannan, Radiology, \$24,500
- Martin Katz, Ophthalmology, \$34,300
- Brian Kierland, Philosophy, \$12,000
- M. Kovarik, Veterinary Biomedical Sciences, \$33,696
- Huaiyin Li, History, \$7,790
- Yuyan Luo, Psychological Sciences, \$19,200
- Bruce McClure, Agriculture Biochemistry, \$39,520
- Kerby Miller, History, \$10,000
- Susan Nagel, Obstetrics & Gynecology, \$30,280
- Craig Palmer, Anthropology, \$8,000
- Peter Pfeifer, Physics & Astronomy, \$12,484
- Elmer Price, Dalton Cardiovascular Research Center, \$45,000
- Takeshi Wada, Sociology, \$28,500
- Shuguang Wang, Mathematics, \$7,100

- Glenn Washer, Civil & Environmental Engineering, \$30,600
- Paul Weirich, Philosophy, \$10,000
- Robert Winholtz, Mechanical & Aerospace Engineering, \$29,500
- Chengshan Xiao, Electrical Engineering, \$26,550

### **UM-Kansas City**

- Elijah Gowin, Art & Art History, \$10,200
- Kathy Krause, Foreign Languages & Literature, \$12,800
- Ann Smith, Basic Medical Sciences, \$45,840
- Deborah Smith, Sociology & Criminal Justice, \$8,500
- Da-Ming Zhu, Physics, \$13,500

### **UM-Rolla**

- Derek Apel, Mining Engineering, \$22,300
- Ghulam Bham, Civil Engineering, \$25,705
- Anne Cotterill, English, \$13,367
- Robert DuBois, Physics, \$20,000
- Shannon Fogg, History, \$5,000
- Daniel Forciniti, Chemical Engineering, \$35,200
- Yu-Ning Ge, Civil Engineering, \$26,477
- Gregory Gelles, Economics & Finance, \$6,500
- Katie Grantham Lough, Basic Engineering, \$31,189
- Nicholas Leventis, Chemistry, \$22,000

## **UM-St. Louis**

- Thomas Fletcher, Psychology, \$12,000
- Erika Gibb, Physics & Astronomy, \$26,000
- Baorong Guo, Social Work, \$6,000
- Sharon Johnson, Social Work, \$12,000
- Lisa Schechter, Biology, \$39,000
- Mary Troy, English, \$10,000
- Kamila White, Psychology, \$29,000
- Richard Wright, Criminology & Criminal, \$18,437
- Bethany Zolman, Biology, \$31,000

## **Research foundation to help move UM inventions to marketplace**

With the establishment of a new research foundation, the University of Missouri aims to improve its ability to form start-up companies from University technologies. At its July 21 meeting in Kansas City, the University of Missouri Board of Curators authorized President Elson S. Floyd to establish a University-affiliated, non-profit foundation.

The process of technology transfer, or moving technologies from the University to the marketplace, is currently administered through a network of decentralized offices on each campus. Central policy, legal, accounting and database support is provided by the system.

When faculty members disclose their inventions to the University, there are three potential outcomes: 1) ownership is waived by the University and returned to the faculty member; 2) the intellectual property is protected, marketed, and a licensing agreement occurs with an existing firm; or 3) the new technology creates the opportunity for a new business.

The research foundation comes into play with the third outcome. The University has reached a point where a foundation is needed to “focus its attention on nurturing those ideas that can become a business,” said John Gardner, UM Vice President for Research and Economic Development.

The foundation’s purpose is to encourage and potentially sponsor University scientific investigations, in cooperation with the private sector, to establish new firms that utilize University research.

“The foundation is one more tool to help the University spawn businesses as well as technologies,” Gardner said. It also could prove to be a valuable tool in stimulating Missouri’s economic growth.

In addition, the foundation will identify and manage any risks and conflict of interests that may occur between the University’s economic development mission and that of teaching, research and service.

The foundation also would pursue research, development and marketing in those instances where it would be in the best interest of the University not to be involved on a daily basis, such as in some international business.

Governance and oversight will be provided by a board, with the UM President serving as chair. The Vice President for Research and Economic Development will act as the operating officer.

Any proceeds from the foundation would be dedicated to further supporting the research and economic development mission of the University.

“Combined with a community of interested and willing investors, professionals, and management expertise, the University of Missouri is stepping up to help create an innovation-based economy for Missouri’s future,” Gardner said.

### **Allen named vice president for information technology**



University of Missouri President Elson S. Floyd has appointed Gary K. Allen, DVM, Ph.D., to serve as UM vice president for information technology. Allen began his new duties July 1, 2006.

Allen will direct the information technology infrastructure for the four University of Missouri campuses, health care system, and statewide extension programs, as well as for a student enrollment of more than 63,000. He also will have overall responsibility for MOREnet, the statewide research and education network, and MOBIUS, the statewide common library platform.



Allen will continue in his current role as chief information officer at the University of Missouri-Columbia, with a second reporting relationship to the campus provost. The net savings of combining the UM and campus CIO positions is \$137,000.

“I am pleased that Gary has accepted the challenge of providing leadership and direction for the entire University in the ever-changing area of information technology,” Floyd said. “He is a proven leader and a strategic thinker who is well-respected by his peers across the University and the state. As the CIO for the Columbia campus, he has improved customer service, gotten the most out of limited IT resources, and established sound relationships with faculty, staff and students.”

Allen received his bachelor’s degree in agriculture and a doctorate in veterinary medicine, both from Mississippi State University, and a doctorate in microbiology from UM-Columbia.

He was a National Institutes of Health-funded postdoctoral fellow in medical informatics at the UM-Columbia School of Medicine. Allen is a faculty member in the Department of Veterinary Pathobiology in the UM-Columbia College of Veterinary Medicine.

“I am delighted to accept this opportunity to serve as the chief information officer for the University of Missouri,” Allen said. “I look forward in coming months to working with our excellent IT staff throughout the University.”

Allen has overseen information technology operations for the Columbia campus since August 2004. He also serves as executive director of the University of Missouri Bioinformatics Consortium.

He previously served as director of advanced computing environments in the Office of Information Access and Technology Services and director of information technology in the College of Veterinary Medicine at UM-Columbia.

## **New director of MOBIUS**

Beth Fisher has been named executive director of MOBIUS, the Missouri Bibliographic Information User System.

Fisher most recently served as associate director for the information technology acquisitions department at Virginia Polytechnic University, with primary duties involving contract negotiation and administration for the university’s major software purchases. She previously managed the cost recovery research center at Virginia Tech, which performed competitive intelligence work and information support services for Virginia companies.

MOBIUS is a consortium of academic libraries with member colleges and universities in Missouri.

Fisher replaces George Rickerson, who served as executive director since 1998 and is now the associate vice president for administrative applications for the University of Missouri.

## **University of Missouri briefs**

### **Curators' professors named**

At its July 21 meeting in Kansas City, the University of Missouri Board of Curators approved the appointments of one curators' teaching professor and six curators' professors at UM-Columbia and one curators' professor emeritus at UM-St. Louis.

Mark R. Ryan, William J. Rucker Professor and director of the School of Natural Resources, was appointed curators' teaching professor at UM-Columbia.

Sandra K. Abell, professor of learning, teaching and curriculum; James M. Keller, professor of electrical and computer engineering; M. Harold Laughlin, professor and chair, veterinary biomedical sciences; Randall S. Prather, distinguished professor of reproductive biotechnology; A. Mark Smith, professor of history; and Giovanni Vignale, Millsap Professor of Physics, were each named curators' professors at UM-Columbia.

The appointees will receive a \$10,000 annual stipend as long as they hold their respective positions. The appointments are effective Sept. 1, 2006.

David A. Ricks, distinguished professor of management and international business at UM-St. Louis, was appointed curators' professor emeritus, effective upon his retirement from the University.

### **Board approves resolution in appreciation of Delta Center**

The board approved a resolution in appreciation of the University of Missouri Delta Center's response to a tornado that struck Dunklin and Pemiscot counties on April 2, 2006.

The center immediately responded to the crisis, delivering food and supplies, establishing a temporary command center to facilitate relief efforts, and assisting residents with damaged buildings, among other efforts.

The Delta Center, located in Portageville, Mo., is an agricultural experiment station, the research arm of the College of Agriculture, Food and Natural Resources at UM-Columbia.

### **UMKC receives finance award**

The Government Finance Officers Association of the U.S. and Canada has selected UM-Kansas City the recipient of its 2006 Award for Excellence in Government Finance. The award recognizes contributions to the practice of government finance exemplifying outstanding financial management. UM-Kansas City was honored in the management and service delivery category for "Our Accountabilities Plan: A Five-Star Plan for Excellence."

## **New programs at UMKC, UMC approved by board**

The board approved a proposal for a master of science in anesthesia at UM-Kansas City. The program will be housed in the School of Medicine at UMKC and operate in conjunction with the school's department of anesthesiology and community hospitals.

The board also approved a proposal for a doctorate in informatics at UM-Columbia. The program will be part of the campus' Informatics Institute.

Both proposed degrees now go to the Coordinating Board for Higher Education for approval.

## **Board approves master plans, design selections**

The board approved the selection of architects and engineers for various campus projects.

Cannon Design, St. Louis, Mo., was selected for design services for the University Hospital Surgery Tower for UM Health Care. A schematic design prepared by Archimages, St. Louis, Mo., was approved for the Columbia Regional Hospital fourth floor renovation for UM Health Care. At UM-Columbia, the Clark Enersen Partners, Kansas City, Mo., was selected for schematic designs for the Lafferre Hall addition and for the International Institute for Nano and Molecular Medicine. International Architects Atelier, Kansas City, Mo., was selected for the Schurz Hall and Bingham Dining Hall renovation.

The board also approved the design of the MU Research Reactor Center addition at the Columbia campus and the design of the South Campus Parking Structure at the St. Louis campus.

The campus master plan for UM-Columbia and the master facility plan for UM Health Care also were approved.

## **UMSL honors Sen. Wayne Goode with naming of trail, statue**

The board approved naming a new UM-St. Louis trail the "Wayne Goode Greenway" in honor of former state representative and senator Wayne Goode. The trail also will have a statue of Goode in the greenway near the Millennium Student Center.

In 1963, during his first term as a state representative, Goode sponsored the bill that established UM-St. Louis. During his 40 years of service to the state, Goode remained a strong supporter of the campus, which developed from an abandoned golf course to its current size.

## **University has an incredible story to tell, Floyd reports to curators**

The University of Missouri continues to celebrate its commitment to excellence, while remaining focused on access, affordability and accountability, President Elson S. Floyd told curators in his report to the board at its July 21 meeting in Kansas City.

Floyd praised Gov. Matt Blunt for his support of public higher education. The governor signed the higher education appropriations bill, which includes a 2.8 percent increase for the University, at ceremonies held on the Columbia and Kansas City campuses.

The budget increase allowed the University to raise tuition by only 5 percent for the coming year, Floyd said.

“We will continue to do all that we can to ensure that the doors of the University remain open to all Missourians,” he said.

Floyd commended the chancellors and their leadership teams for the administrative streamlining plan, which redirects \$20 million to support the University’s core academic mission.

“I will continue to exercise appropriate stewardship of the dollars that you have entrusted to us,” he said. “The taxpayers of our state deserve nothing less.”

The University of Missouri has an incredible story to tell, Floyd said, and will continue to bring news of the University’s accomplishments to Missourians. Floyd and the chancellors have hosted candidate forums to provide state House and Senate candidates with an overview of the University’s mission, funding and legislative priorities.

Another series of community events is planned with leaders of Missouri public higher education institutions to discuss principles of stewardship, service to students and to Missourians, and recognition of the state’s investment in public higher education.