

06 GRA Budgets Rational

1. Total Budget available to academic affairs is \$119,968,011 as opposed to \$114,528,234 in 05 but \$1,265,000 of that is for Peoplesoft/System IT and Applied Language Institute rate cost. However, our increase is \$5.4M overall and the total new money into the university is about \$4.9M.
2. The only new monies coming into the university this year are generated by tuition; state appropriation is projected as flat (we hope) and will probably remain so for 4 years.
3. Within Academic Affairs, we must allocate new revenues to the Schools with increased cost resulting from increases in SCH being taught otherwise we are reducing the quality of the programs our students want to attend which is not a viable strategy.
4. The approach to allocation of 06 GRA will be to calculate your state subsidy based upon the difference between your 05 GRA and your 05 tuition model revenue, and then add this difference to your tuition model revenue based upon 06 rates. For this to work, the campus and the provost office had to reallocate significant funds above the net tuition revenue to the process.
5. In other words, we are holding your state subsidy fixed and giving schools all of the revenue generated from the 06 tuition model. It should be noted that the net revenue sharing program has been absorbed into this process, i.e., there will not be additional funding coming from that source in 06 or in the future.
6. We anticipate this being the conceptual model for the future as we expect state support to be flat. However, it will not be possible to provide all of the new tuition to the units in the future as there is not sufficient campus wide and provost office resources to re-allocate to offset the increases in cost required to continue the operation of other units.

7. I have then adjusted these numbers to fix several problems left over from when the original base budgets were established as the decentralized process was started. These include:
 - a. Rate funding the Applied Language Institute (\$530,000) which was included in the academic affairs increase
 - b. Adding \$1M to Law School Budget; gets the school to point where they can support the faculty and staff that are there
 - c. Adding \$750,000 to Library Acquisitions budget
 - d. Adding the \$735,000 to IT for the Peoplesoft/System costs which was included in the academic affairs increase
 - e. All other additions to academic support units were based upon $\frac{1}{2}$ of their increased costs of benefits and salary adjustments, i.e., they are being burdened in the same way the schools are.
 - f. Provost office is reallocating \$2M from our budget to make all of this balance.**
8. The GRA budgets on the attached page are the entire allocation; from this you must cover all costs including increase in salaries and benefits.

One thing you and your faculty must remember about this plan is that the provost's office and the campus are broke; we have moved all of the spare money to your units. Hence, you must assume responsibility for all of your costs including salary plans, benefits, startup cost, equipment maintenance, more GTA's, etc. You have the revenue, the means to control it and the responsibility to do so!

University of Missouri - Kansas City		Provost Proposal W/10% Re-Allocation					
Division of Academic Affairs							
Office of the Provost							
				Estimated	Base	Adjustments	Final
UNIT	SCH (FY05)	Current		06 SCH	06 GRA		06 GRA
SCHOOLS		GRA 05	05 Funding Gap				
Arts & Sciences	\$19,969,097	\$18,907,982	-\$1,061,115	\$20,276,532	\$20,276,532	\$530,000	\$20,806,532
School of Biological Sciences	\$2,665,967	\$6,445,596	\$3,779,629	\$2,778,550	\$6,558,179		\$6,558,179
School of Business and Admin	\$4,363,073	\$5,518,314	\$1,155,241	\$4,561,110	\$5,716,351		\$5,716,351
School of Computing and Engineering	\$3,128,571	\$5,350,608	\$2,222,037	\$3,267,148	\$5,489,185		\$5,489,185
Conservatory of Music	\$2,204,211	\$4,901,613	\$2,697,402	\$2,340,774	\$5,038,176		\$5,038,176
School of Dentistry	\$7,857,483	\$15,176,056	\$7,318,573	\$8,746,877	\$16,065,450		\$16,065,450
School of Education	\$3,761,617	\$4,997,621	\$1,236,004	\$3,925,671	\$5,161,675		\$5,161,675
School of Law	\$6,274,239	\$6,240,808	-\$33,431	\$6,514,363	\$6,514,363	\$1,000,000	\$7,514,363
School of Medicine	\$13,719,865	\$13,570,285	-\$149,580	\$13,685,142	\$13,685,142		\$13,685,142
School of Nursing	\$1,460,859	\$3,827,482	\$2,366,623	\$1,527,213	\$3,893,836		\$3,893,836
School of Pharmacy	\$4,455,496	\$5,415,287	\$959,791	\$5,085,208	\$6,044,999		\$6,044,999
Total Schools	\$69,860,478	\$90,351,652	\$20,491,174	\$72,708,588	\$94,443,888		\$95,973,888
ACADEMIC SUPPORT							
Libraries		\$5,460,548			\$5,460,548	\$850,000	\$6,310,548
IT		\$5,474,118			\$5,474,118	\$845,040	\$6,319,158
Office of Cultural Events		\$1,877,459			\$1,877,459	\$0	\$1,877,459
Office of the Provost		\$5,148,086			\$5,148,086	-\$2,272,999	\$2,875,087
Graduate Studies		\$1,631,275			\$1,631,275	\$90,000	\$1,721,275
Research Services / ATTC		\$4,385,470			\$4,385,470	\$50,000	\$4,435,470
Institutional Effectiveness		\$199,626			\$199,626	\$3,500	\$203,126
P&T and Other						\$252,000	\$252,000
Total Academic Support		\$24,176,582			\$24,176,582		\$23,994,123
Total Academic Affairs Costs		\$114,528,234			\$118,620,470		\$119,968,011
Total Revenue to Academic Affairs							\$119,968,005