

NEWS RELEASE

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State's FY19 Budget Calls for 7.72 Percent Reduction in Funding for Universities

WARRENSBURG, MO (Jan. 22, 2018) – In a press conference Monday, Jan. 22, Missouri Gov. Eric Greitens announced his Fiscal Year 2019 budget recommendations calling for across-the board cuts of 7.72 in gross appropriations for post-secondary education. His recommendation was part of a total reduction for higher education of \$62.8 million.

This would mean approximately \$5.6 million less in funding for the UCM during the next fiscal year. Total gross state appropriations are expected to be \$50.1 million, of which 10 percent will be set aside and made available upon the institution's success in meeting performance funding goals.

The amount of state support UCM will receive in FY19 drops to a level of funding last received in 2004, and continues a recent decline in net appropriations. For FY18, UCM received \$52.7 million in state appropriations, considerably below the \$57.9 million budgeted net appropriation for FY17. UCM's forecast for tuition and state appropriations in FY18 – the bulk of its revenue – was approximately \$138 million. This compares to an initial budget of \$152.3 million for tuition and state appropriations for FY17.

In a letter to the campus community Monday, UCM President Charles Ambrose said, "This is a very important starting point for state appropriations, not only for UCM but for all colleges and universities across Missouri. We look forward to working with the administration and the legislature to hopefully mitigate the loss and make the case higher education funding is required for the future of the state."

He told faculty and staff, "Our campus leadership will continue to work with all of you on the budget to address the impact this reduction in funding will have on the university, and additional information will be forthcoming as we move through our budget planning process for FY19."

While the decline in state appropriations will impact the university financially, UCM's focus on student success continues to mean finding ways to keep students from shouldering the impact of these revenue declines

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which also means keeping tuition as low as possible while still maintaining a quality education. This has consisted of a 1.39 percent average annual tuition increase over the past seven years, consistently below the Consumer Price Index. UCM also had the most aggressive completion agenda among its competitor institutions, maximizing opportunities to create public K-12-higher education-business partnerships such as The Missouri Innovation Campus and Innovation Track programs that reduce the time to degree completion and students' debt. The university also was the first institution in Missouri to implement the 15-to-Finish Scholarship concept as a way to keep students on track toward timely degree completion. This makes UCM's 15-to-Finish program the only one of its kind in Missouri to actually pay students to graduate in four years. Such measures have helped the university to reduce the need for financial aid by 19.1 percent over a three-year period.

While UCM attracts students from all socioeconomic backgrounds, the university seeks to reduce financial barriers and find ways to ensure qualified students who desire a higher education degree have the opportunity to achieve one. Meeting this goal includes serving many first-generation, low-income students who are pioneering the education trail with little family backing. About 40 percent of UCM students are eligible for Pell grants. UCM has the highest graduation rate for first generation students among its competitors.

“While our state faces budget challenges, higher education continues to be an exceptional asset in helping to meet economic goals, and we will collectively work together in cooperation with other institutions across the state to make sure our legislators hear this message,” Ambrose said. “Our priority at UCM will continue to be student success and making education as accessible and affordable as possible. This mission and our position with the region allows us to grow and maintain momentum within the challenging environment we are addressing.”

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