U. of Missouri curators consider budget cuts

BY TIM BARKER • tbarker@post-dispatch.com > 314-340-8350 | Posted: Friday, June 17, 2011 12:10 am

COLUMBIA, MO. • The University of Missouri Board of Curators on Thursday began grappling with last week's unexpected cut in state higher education spending.

The move by Gov. Jay Nixon to restore a 7 percent cut, instead of the 5.5 percent cut planned by lawmakers, from the state's colleges and universities hit every state school.

But Nixon specifically targeted MU with an 8.1 percent cut in response to the system's decision to raise tuition higher than his requested 5 percent. Curators voted earlier in the year on a 5.5 percent hike.

Nixon's extra cut leaves the system with a $4.4 million hole in its budget and an array of unpleasant budget-balancing strategies.

Among the options presented by Nikki Krawitz, the systems vice president for finance:

- Capping enrollment. More of a long-term solution and one that could possibly see a cap on in-state students, but not on more lucrative out-of-state students, who generally pay much higher rates.

- Cut institutional financial aid. This would be a backtracking of this year's pledge to set aside 20 percent of the recent tuition increase for financial aid.

- Student surcharge. Students would pay an additional fee.

It's unclear whether any of the options will actually be put into place, with curators expressing hope that Nixon might reconsider his position on the MU cuts. Regardless, system officials say they are worried about their inability to offset what appears to be a steady erosion of state financial support.

"Nobody wants to do any of these things," said Warren Erdman, curators chairman. "It's starting to get kind of ugly. And these are the sorts of things you have to think about."

The $2.7 billion budget currently under consideration does include a 2 percent pool for merit raises for faculty and staff, for whom salaries have been essentially frozen in recent years.
Finding money for those raises would force the system to cut even further from its maintenance and repair operations. The system is supposed to be spending more than $70 million a year in that area but has been forced to cut that in half.

"Are we going to invest on physical facilities or are we going to invest in people? I think we make the right choice, but it does have an impact," Krawitz said.
COLUMBIA MISSOURIAN

UM curators talk budget cuts, retirement, presidential candidates

By Megan Cassidy
June 16, 2011 | 8:22 p.m. CDT

COLUMBIA — The UM System Board of Curators on Thursday listened to a bleak account of potential funding cuts necessitated by a recent drop in state support.

At their June meeting in Columbia, board members also heard encouraging news about a pool of more than 140 candidates to replace former UM President Gary Forsee and moved along potential changes in the employee retirement plan.

Nikki Krawitz, vice president for finance and administration, addressed the unforeseen budget shortfall imposed by Gov. Jay Nixon last week with a list of possible areas to tap.

Nixon announced that UM state funding for the 2012 fiscal year would be cut by 8.1 percent rather than the anticipated 7 percent. Krawitz said this additional deficiency amounted to $4.4 million for the system.

She identified a number of areas that could be targeted to meet the loss in funding:

- Capping enrollment: This would reduce stress on an already-swollen campus but would curb enrollment for some eligible students, she said. It would also limit additional revenues unless the cap were restricted to in-state students.
- Reducing institutional financial aid: This would be an especially painful cut for students, Krawitz said, given reductions in other financial aid options such as Bright Flight, Access and Pell grants.
- Reduce the salary and wage merit pool from 2 percent to 1.5 percent: The two largest expenditures in the budget are for people and facilities, Krawitz said. Already, deferred maintenance on facilities totals $1 billion, “negatively impacting academic and research programs.” But UM salaries are already low in
comparison to peer institutions, and this action would only exacerbate the difficulty of attracting top faculty and staff, she said.

- Increase employee contributions to the retirement fund by half a percent; this action would protect student access and affordability, but also could reduce the ability to recruit top faculty and staff.
- Eliminate funding for Extension youth programs (4-H Club and others): Although this would help maintain funding for on-campus programs, it would eliminate programs in other counties in the state.
- Surcharge on students: As in 2003, UM is discussing a surcharge that would allow campuses to retain 20 percent for financial aid. Like other options, this could hurt student access and college affordability.
- Eliminate the Enterprise Investment Program: Although this would save funding for UM's core teaching mission, Krawitz said this action could have a negative long-term effect. The program supports new Missouri businesses that would help the future state economy and, in effect, the university system.

"None of these are good options," Krawitz said.

Earlier Thursday, the Presidential Search Committee announced that the board is examining more than 140 potential successors to Gary Forsee.

Curator Warren Erdman, who heads the committee, said most candidates preferred to keep their identities confidential but added that he was “enthused by their diversity.”

Erdman would not elaborate on backgrounds of the candidates, yet he called the list “extremely broad” and indicated the inclusion of women and minorities.

Additionally, Erdman said he was pleased by the quality of candidates both beyond and inside the borders of Missouri.

Erdman said the pool has not been whittled down, but the committee is “focusing in” on certain candidates who have either applied or been nominated.

"I'm encouraged by the thoroughness of the process," he said. "The board members are probing for detailed information in each of the candidates."
Erdman said the committee would begin the next round of dialogue as early as next week and likely conduct interviews this summer. Throughout the search, the committee remains open to new applicants and nominees, he said.

“This is not a closed search,” Erdman said. "We don’t want to feel the pressure to rush and have to compromise. This search is much more broad and detailed than previous ones.”

Also Thursday afternoon, the Compensation and Human Resources Committee forwarded potential changes to the employee retirement plan to the full board for consideration Friday.

The committee discussed a plan in which a certain amount of income would be guaranteed upon retirement and the rest subject to an employee’s investment decisions. It would only affect hires made after Sept. 30, 2012.

This proposal includes elements of the current defined benefit plan, which guarantees income, and a defined contribution plan, in which income is contingent upon performance of investments.

The changes, which have been debated for two years, were met with opposition from some board members who didn’t find a compelling need to shift plans.

“The question is who is better able to manage the risks of a downturn market?” board member Don Downing said. "The university has the ability to better mitigate market risks.”

Betsy Rodriguez, UM vice president for human resources, said there was no perfect answer.

“One cannot say that the DC plan is best, and one cannot say that the DB plan is best,” she said. "In the end, we feel that this is the best course for the university.”

If the board directs the university to proceed to the next step, a final plan design will be ready for a vote in October, Rodriguez said.

The full board meeting Friday will be live audio-streamed at umsystem.edu/stream.
Curators review candidates for UM president

By Janese Silvey

The University of Missouri System has attracted a broad pool of potential contenders for the president's post, according to the chairman of the Board of Curators.

Curators spent about four hours behind closed doors Thursday reviewing some 140 individuals who either expressed interest in becoming the next system leader or who were nominated. Chairman Warren Erdman said he's pleased with the caliber of those potential candidates. While he wouldn't go into specifics, saying most of the candidates have asked for confidentiality, Erdman said they represent a diverse population.

"There are a number of interesting and qualified candidates who are minority and women," he said.

Curators are looking to replace Gary Forsee, who stepped down in January, just shy of his third year, after his wife was diagnosed with cancer. Erdman and one other curator, Judith Haggard, were the only current curators who were on the board during the last search process.

Erdman said he's pleased with how things are going. During the closed session, he said curators received detailed background information about each nominee or applicant from search consultants from Greenwood/Asher & Associates.

"We know more about the candidates than we did last time at this stage in the game," Erdman said. "I was impressed with the degree to which curators were probing for details about each."

The board "focused in" on several candidates, and individual curators next week will start calling and visiting them, Erdman said.
900 pets still homeless after Joplin tornado

By ALAN SCHER ZAGIER and JIM SALTER The Associated Press

JOPLIN, Mo. | Hundreds of dogs and cats peer out from their cages at the Joplin Humane Society, some with cuts, infections and broken bones from the deadly tornado that turned their lives, like those of their owners, upside down.

Since the tornado, the Humane Society has found itself overflowing with animals, with about 900 now calling the shelter home — three times its usual inventory. One way or another, the pets became separated from their owners in the chaotic aftermath of the May 22 twister that tore through this town, killing 153 people. In some cases, the owners — scrambling to find housing for themselves after 7,000 homes were destroyed, leaving nearly one-third of the city's 50,000 residents homeless — have simply given up their pets.

But the Joplin Humane Society is determined to find a home for every cat and dog. To that end, it plans an "Adopt-a-thon" the weekend of June 25-26, when animals that haven't been claimed by their owners will be given away free to good homes, after being spayed and neutered.

"The reality is, a lot of these people aren't in a position to come get these animals," said Joplin native Tim Rickey, a field investigator for the American Society for the Prevention of Cruelty to Animals. "They've lost everything."

Executive director Karen Aquino said it's not that the Humane Society hasn't tried to find the owners.
"We feel we’ve exhausted every avenue to get the word out," Aquino said. "We’ve placed 250 yard signs. We have posters at food and donation distribution points, public service announcements on radio and TV, ads in the newspaper — everything we could think of to let people know their pets might be here if they’re missing."

To handle the additional cats and dogs, the organization fixed up two vacant warehouses next to the shelter into air-conditioned kennels. A gravel parking lot outside a former used appliance store has been converted into an owner’s waiting room, with plastic chairs and Polaroid snapshots of unnamed animals stuffed into thick three-ring binders.

Aquino said none of the pets left homeless by the tornado will be euthanized.

"If all of them aren't adopted, we'll start looking to rescue organizations and ways to get some of them to larger cities, where they have a better chance at adoption," she said.

More than 100 volunteers from across the country, many from other shelters, are in Joplin helping out — cleaning cages, providing veterinary care and exercising the animals. On most days, a half-dozen veterinarians are at the shelter tending to the wounded.

The work is exhausting, the plight of the animals sad. But spirits are buoyed by good news, such as the recent story of a cat found alive by its owner 16 days after the tornado.

"We've heard some amazing stories," Aquino said. "Animals are pretty resilient."

When Steven and Debbie Leatherman found their lost dog, Sugar, at the shelter, her back legs were paralyzed. Someone had apparently dropped off the 10-year-old cocker spaniel after finding her in a drainage ditch and about to drown. The University of Missouri said the Leathermans' son, Daniel, drove the dog to its veterinary hospital in Columbia, where veterinarians performed spinal surgery that gave Sugar back the use of her legs.

But some owners, such as 47-year-old Linda Head, still haven't been able to find their pets. Since the storm, Head has been looking for 2-year-old Isabel, a Labrador/Great Pyrenees mix, and 5-year-old Puddles, a cockapoo.

Both dogs hunkered down with Head, her 23-year-old son and a third dog, Max, in and around a bathtub in their home that was obliterated by the tornado. Head lost Puddles when the dog jumped through the shattered window of a car as Head's son was driven to seek medical care. Max also jumped out in the tumult, but he turned up nearly two weeks later at a Kansas veterinarian's office. Isabel hasn't been seen since the tornado, though Head's hopes were briefly buoyed when a neighbor thought he saw the dog running loose. He was mistaken.

Head visits the shelter twice a week, hoping her dogs will turn up. "Honey, when I left here the first time, I bawled all the way home," Head said during a recent visit to the shelter. "I'll bawl all the way home today, because I don't have my buddies."
COLUMBIA MISSOURIAN

'The sky's the limit': MU resident physician wins award

By Bridget Murphy
June 16, 2011 | 6:49 p.m. CDT

COLUMBIA — Karli Echterling Urban, 28, was a leader at MU throughout her undergraduate and medical school years and continues that tradition in her residency today.

Her dedication to family medicine, specifically geriatrics, as a resident physician at the MU School of Medicine caught the attention of the American Academy of Family Physicians. The organization awarded Urban the American Academy of Family Physicians/Bristol-Myers Squibb Award for Excellence in Education.

This award is given to 10 recipients out of 3,500 family medicine residents in more than 400 programs across the nation.

“It’s just a reassurance of the kind of efforts we make to provide good patient care for people,” Urban said.

Erik Lindbloom, associate director of residency at the School of Medicine, has known Urban for about seven years.

“She first came to our attention as an undergraduate at Mizzou when she was working on the LIFE project,” Lindbloom said.

Urban created the Lasting Intergenerational Fellowship Experience program in 2002 when she was in the Honors College Community Involvement Program at MU.

Her idea was simple: she wanted to create a program involving local middle school students and senior citizens in residential living facilities. She wrote a proposal about her dream idea, and two organizations were interested in it.
Gentry Middle School and South Hampton Place senior living facility participated in the LIFE program.

"It gave a great opportunity for the middle school students to learn from the senior citizens, and the same thing with the senior citizens," Urban said. "I think it was a great learning experience for both parties involved."

Urban continued the program until early 2008, but the demands of medical school did not grant her much time to run the program and coordinate all the events. Without her, the program ended. However, many people across the country were interested in the curriculum she had created and worked to start programs elsewhere.

"It was kind of neat; even though I wasn't able to continue my program, I think that it helped others do similar programs in their community," Urban said.

During her senior year as an MU undergraduate student, Urban joined the medical school's Geriatrics Interest Group. She was actively involved and served as president from 2006 to 2008.

At that time, Lindbloom was the adviser for the group and worked closely with Urban.

"During her time as president of the Geriatrics Interest Group, the membership and activities in that group just skyrocketed," Lindbloom said. "We twisted her arm for her to do it an extra year because she was doing such a good job."

In medical school, Urban was also involved in the Heyssel Senior Teacher Education Partnership Program. The program pairs medical students with seniors living in the community.

Urban explained that much of the time, older residents are very active in the community, which gives medical students a way to become involved and learn about Columbia.

Lindbloom received this same award in 1996, so he understands what Urban can expect in the future.

"It's one of those awards that you carry with you your whole career," Lindbloom said. "I still keep in touch with many of the people I met from my year."
Urban's interest in geriatrics began in her early high school years. She had a close connection with her grandparents, and the church she grew up attending had a large senior population. Urban said these experiences led her to recognize the great qualities the seniors have.

At the time, however, she just knew she had a desire to work with the senior population — she wasn't sure how to do that or what path to take. As she became interested in medicine, she decided to specialize in geriatric medicine.

"It's very rare for someone to have such an interest in both the community and in older adults at her young age, and she has maintained that interest through her undergraduate years, her medical school years and now as a resident physician," Lindbloom said.

Urban's path to family medicine was reinforced by a strong group of geriatricians in the family medicine department at MU. The opportunity to work with these well-known geriatricians led her to the program. Urban also enjoys the opportunity to have a continuity of care on an outpatient basis.

Urban said she went into medical school knowing it would be hard work but believing she would enjoy it. She said she has enjoyed building relationships with the family medicine faculty and other residents.

"I find that every day I enjoy going to work. It kind of gives a different perspective every day — new patient experiences, new opportunities to learn about treatment options and things like that," Urban said. "It's been very fulfilling so far."

Urban has been selected by faculty and resident peers to be one of four chief residents next year. Lindbloom said it was a natural selection.

Lindbloom and Urban recently co-authored a book chapter with another resident physician on elder abuse. The book, to be published later this year, is an evidence-based geriatric medicine book.

"Elder abuse is increasingly recognized as a major medical and community problem, so it's natural for (Urban) to have an interest in that topic because she's so interested in helping older adults in every way," Lindbloom said.
“(Lindbloom has) been very gracious to let us participate in that, and it’s kind of a fun opportunity to do something that I might not otherwise have an opportunity to do,” Urban said.

After her residency, Urban plans on staying at MU to take part in the Geriatric Medicine Fellowship. After that, she still has to decide which type of geriatric practice she wants to focus on.

Both she and her husband, Michael Urban, are originally from Missouri. Columbia has been the perfect place for the two, with his family in Washington, Mo., and hers in St. Joseph.

“I have a feeling we will end up certainly in Missouri,” Urban said.

Lindbloom said that for Urban, “The sky’s the limit.”

“That might sound like a cliché, but she really has tremendous promise as a future leader, both in academics and in the community,” he said. “I could see her as a leader, as a medical school faculty member, as a community leader and even leading national organizations in either primary care or geriatric medicine.”
Senate votes to end corn ethanol subsidy

Written by PHILIP BRASHER 11:42 PM, Jun. 16, 2011

Eliminating ethanol subsidies could ...

TAXPAYERS: Save taxpayers $2.4 billion this year.
PRODUCERS: Reduce production by about a billion gallons, but the cut would be temporary, Iowa State University economist Bruce Babcock said.
FARMERS: Cut the price of corn, affecting income for farmers but reducing costs for livestock producers and other users.
AG INDUSTRY: Most economists do not expect a major impact on industry jobs. Agriculture Secretary Tom Vilsack has warned of significant job loss in Iowa and other ethanol-producing states.

Washington, D.C. — The Senate voted overwhelmingly to abolish the 30-year-old subsidy for corn ethanol, a stunning, bipartisan rebuke to an industry whose once-legendary political clout has given way to concerns about the federal deficit and rising food costs.

The 73-27 vote was largely symbolic because the vote came on a bill that is unlikely to become law.

But even supporters in the industry conceded that the existing subsidy is doomed. The 45-cent-per-gallon tax credit that refiners receive and a tariff on imported ethanol are both due to expire at the end of the year, but talks are under way among key senators on the issue to scrap the subsidy early and use some of the savings to subsidize the cost of retrofitting service stations to sell higher blends of ethanol. That move would increase the potential market for the biofuel.

Economists say farmers and ethanol producers will survive a subsidy cut without a major impact.

"The fact that we still have the mandates in place means that any effect on the corn market is going to be muted," said University of Missouri economist Pat Westhoff.

Opponents of the subsidy argued that it was unnecessary given that refiners are already required under a 2007 measure to use increasing amounts of the biofuel each year.

"We're ready to repeal unnecessary subsidies because we have a big deficit to address," the chairman of the Senate Finance Committee, Montana Democrat Max Baucus, said after the vote. His committee has jurisdiction over the subsidy.
Sen. Lamar Alexander, R-Tenn., said that rejection of the subsidy was a "vote to lower food prices and to lower the national debt."

Thirty-three Republicans joined 38 Democrats and two independents in voting to terminate the 45-cent-per-gallon tax credit on July 1 along with the 54-cent tariff on imported ethanol. The subsidy's support came almost exclusively from Midwest senators, including Iowa's.

The Democratic-controlled Senate is crucial to the industry because Iowa and other rural states have greater clout there than they do in the Republican-run House, which is apportioned according to population.

Agriculture Secretary Tom Vilsack had warned Congress against abruptly ending the industry's subsidies, arguing that it would lead to widespread job losses, a claim disputed by economists.

But the Obama administration "is open to new approaches that meet today's challenges and save taxpayers money," said White House spokesman Clark Stevens.

The lead sponsor of the anti-ethanol measure the Senate voted on Thursday, California Democrat Diane Feinstein, disclosed before Thursday's vote that she was in talks with allies of the industry about a compromise.

Thursday's vote was a dramatic reversal from Tuesday, when the Senate voted to preserve the subsidy after Democratic leaders objected to the method that Sen. Tom Coburn, R-Okla., used to force the issue onto the floor. At the time, Coburn aides estimated that he had 60 to 65 votes against the subsidy. As it turned out, he had more than that.

The ethanol industry was buoyed by a second Senate vote Tuesday, 59-41, rejecting a proposal by Sen. John McCain, R-Ariz., to block the Obama administration from subsidizing the installation of ethanol pumps and storage tanks. The House approved a similar measure 283-128 earlier in the day as part of an appropriations bill for the Agriculture Department.

But the Senate vote was important because it shows the industry has support in that chamber for shifting at least some of the federal aid ethanol producers are now getting into infrastructure, said energy policy analyst Kevin Book.

The industry also hopes Congress will create a subsidy for ethanol production that could kick in should the price of oil collapse at some point.

Falling oil prices create less demand for ethanol because they make it more expensive in relation to gasoline.

Because refiners have been using more ethanol than they are required to under the federal mandate this year, abolishing the subsidy immediately could push down the price of corn, said Iowa State University economist Bruce Babcock. Corn prices soared to near $8 a bushel recently because of strong global demand, tight supplies and weather-related problems with planting this spring.
If the subsidy were eliminated, usage could actually fall a billion gallons below the mandated levels — 12.6 billion this year and 13.2 billion in 2012 — because of credits refiners have accumulated, Babcock said. After that, usage would rise again.

Abolishing the subsidy July 1, as the Senate voted to do, would save taxpayers $2.4 billion this year.