Missouri: Budget had role in SEC switch

KANSAS CITY, Mo. -- A decade of declining state funding for the University of Missouri enhanced the appeal of switching conference alignments from the Big 12 to the more financially stable and lucrative Southeastern Conference, the university's chancellor said Monday.

The University of Missouri-Columbia plans to join the SEC in July under an arrangement announced with much fanfare last month by university and conference officials. The golden financial opportunities associated with the SEC's powerful football programs were a much-publicized part of the deal. Chancellor Brady Deaton acknowledged Monday that repeated state funding cuts to the university also played a role in his decision to make the switch.

"Had state funding stayed up and we were in real solid shape financially, there would still be the issues that we were dealing with trying to gain some sense of stability and surety with the Big 12. But the fact that there was pressure financially there, certainly accentuated our attention to that set of issues," Deaton said while answering questions at the annual Missouri-Kansas Associated Press Publishers and Editors Meeting in Kansas City.

Deaton added: "Looking at more stable and perhaps lucrative long-term conference alignment, the attractiveness was enhanced by the financial uncertainty that we were facing."

State funding for Missouri's higher education institutions has failed to keep pace with inflation. In fact, it remains below the levels that colleges and universities were budgeted to receive in 2001, before the first round of many state cuts -- something noted by Deaton during his presentation to the media Monday. This year, the Missouri Department of Higher Education is budgeted to receive $834 million from state general revenues, much of which goes to colleges and universities. In the 2001 budget, that figure was $960 million, according to figures provided by the state Senate Appropriations Committee.

The University of Missouri Board of Curators, which oversees a four-campus system that includes the flagship Columbia site, has pushed for the athletic department to become self-sufficient financially. Deaton said. Given the state funding cuts, the university "simply cannot ask our students and taxpayers to provide the kind of funding needed by a major athletic program," Deaton said.
Missouri ranks 11th among the 14 current and future SEC schools in overall athletics revenue, bringing in $59 million in the 2010-11 academic year. Missouri still has to negotiate its exit fees for leaving the Big 12, which could place a multimillion dollar hit on the university. But Deaton said Monday that the university expects a long-term financial advantage by switching to the SEC, gaining between $2 million to $4 million annually in television revenues, "with some possibility that it could be even greater than that."

Missouri's college and university leaders struck a deal with Gov. Jay Nixon's administration in each of the two previous budget years to freeze tuition in exchange for flat or minimized state funding cuts, though no such agreement was made this year. Deaton said he is not aware of any such discussions for the upcoming year. A Nixon spokesman said he also was unaware of any such possibility.

Deaton said the state's financial pressures have increased the importance of private fundraising for the university. Ideally, he said, donations would help to "create a margin of excellence" for the university provide scholarships and keep up with other top-ranked research institutions around the nation, he said.

But "we're worried, clearly, that if the funding picture doesn't change at the state and national level, that it's going to take all that private fundraising effort just to sort of stay abreast of the very significant needs educationally that are there," Deaton said.
Pinkel discusses conference switch
MU coach says he was in favor of move to SEC.

By DAVE MATTER

**Gary Pinkel did his part to ensure a Southeastern Conference rematch for the national title.**

Missouri’s coach voted LSU No. 1 and Alabama No. 2 in the USA Today Coaches’ poll — and left Oklahoma State No. 4, a spot behind Stanford.

“They’re the two best teams in the country,” he said last night of his soon-to-be SEC cohorts. “The system is designed to get the two best teams playing. And it worked.”

For Pinkel, now comes the hard part. Getting his program on par with the SEC heavyweights.

In a 30-minute interview with reporters last night, Pinkel discussed Missouri’s decision to leave the Big 12 for the SEC, the transition process for recruiting and the pieces potentially left behind, namely, the Kansas rivalry.

The turning point for Missouri came Sept. 2, the day before Missouri’s first game, Pinkel said. That’s the day Oklahoma President David Boren suggested the Sooners were going to pursue offers from other conferences.

“They were going to look at themselves and consider joining the Pac-12,” Pinkel said. “As we all know, that next Monday or Tuesday,” people asked, “Is the University of Missouri going to be in the Big East? Is the University of Missouri going to be in the Mountain West?” At that time, the university administration said they had to do what was best for the University of Missouri. That was the defining moment for our chancellor, which was the right thing to do.”

Pinkel said he was in favor of Missouri’s decision to join the SEC once it became clear the Big 12’s problems weren’t being addressed.

“If you have problems and you don’t fix them, it’s going to implode eventually,” he said. “And that’s what happened. Why did Nebraska leave? Why did Colorado leave? Why did Texas A&M leave? Why did Missouri leave? The reason they left was because they got these problems that they never ever fixed.”

Asked to elaborate on those problems, Pinkel mentioned the Longhorn Network and the league’s preference for a five- or six-year granting of media rights as opposed to a longer commitment.

“You don’t hear about any of this stuff in the other leagues,” he said. “They’re monumental problems, and nothing gets fixed.”

Before he approved of the SEC move, Pinkel wanted a pledge from Chancellor Brady Deaton and Athletic Director Mike Alden that MU would invest in facility improvements and other commitments.
"If you're not going to invest, I don't really want to be a part of it," Pinkel said. "That's facilities, that's recruiting budgets, that's commitment it's going to take to be a player in this league. I didn't want to go and just say, 'We're in the Southeastern Conference. Let's go try to win some games.' The University of Missouri's got an opportunity now. They've got a chance now to change Mizzou football forever. This is the shot. This is our shot."

Pinkel confirmed that Missouri's cross-division rival will be Texas A&M, ensuring MU a game in Texas every other year. MU will continue to recruit Dallas and Houston, Pinkel said, but he is assigning an assistant coach to Atlanta and two to Florida. Pinkel said MU's voyage into SEC territories will be similar to his staff's infiltration of Texas when it came to Missouri from Toledo 11 years ago.

"The one difference is when we started shaking hands at Texas, there were two winning seasons" at Missouri "in 18 years," he said. "Now, we're going to seven bowls in a row, eight bowls in nine years."

As for the Border War, Pinkel hopes Kansas can agree to scheduling a nonconference game on the first or second week of the season when "emotions calm."

"People have to calm themselves a little bit," he said. "You've got to tell me why you wouldn't play? Because you're mad? Let's be a little more professional than that."

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Hospital worker sues UM, supervisors
Women, blacks were favored, man claims.

By JANESE SILVEY

A hospital employee is suing the University of Missouri System Board of Curators and several hospital administrators for allegedly discriminating against him because he's a white male.

Zack Riley, a surgical instrument reprocessing specialist, also claims administrators disciplined him for reusing disposable and single-use surgical items, even though he complained to supervisors about dirty instruments on three occasions.

Columbia attorney George Smith filed the lawsuit on Riley's behalf in Boone County Circuit Court in September. They are asking a judge to grant back pay, lost wages and a $1 million punitive award.

Riley has worked at University Hospital since 2007, mostly as a supervisor in surgical instrument reprocessing. After returning from a family medical leave in early 2010, the lawsuit says, he was illegally demoted when administrators stripped him of supervisory duties.

The bulk of the seven-count lawsuit claims his supervisors — mainly former sterilization manager Lynn McKinney — gave female and black employees preferential treatment. In several cases, the lawsuit says, Riley attempted to transfer to better positions that were instead given to lesser-qualified women and blacks. McKinney believed in "promoting women up," the lawsuit says. It goes on to accuse her of stating a preference for black employees because "they will do whatever you want them to do."

Black and female workers were paid more than Riley, even though duties were similar, and were given updated business cards and name badges, which Riley was denied, the lawsuit says.

Riley also accuses the hospital of not paying him differential hourly wages when he worked evening and night shifts and of not paying him for working mandatory overtime.

The suit includes one count of retaliation over his complaint about the reuse of disposable surgical items. In 2008, former hospital worker Sam Backues complained to Riley about dirty instruments, and Riley passed those concerns on to his manager, Glenn Berkey.

Riley "began removing these items from surgical trays and instructed his staff to remove these items as well," the lawsuit says. "The problem was so extensive that his staff could not keep up with the demand for replacement instruments. Manager Berkey would not increase their instrument budget or assist in resolving the issue even though I stressed the importance to him."

The Food and Drug Administration inspected the hospital in 2008 and reported finding rusty and dirty surgical items. Hospital administrators denied most of the findings but made changes to staff and practices. Earlier this year, the FDA gave University Hospital a clean bill of health after a follow-up inspection.
The suit accuses McKinney of authorizing other supervisors to “discontinue the written shift report that the FDA had mandated to preserve records.” That, the suit says, “increased the risk of proper and timely sterilization of surgical instruments.”

Hospital spokeswoman Mary Jenkins declined to address that accusation, saying the hospital doesn’t comment on pending litigation.

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COLUMBIA, Mo. • The yearlong search for a new University of Missouri president appears to be winding down.

A 20-member advisory panel will meet this morning for the first time since the search began in January. The group of professors, students, campus workers and alumni is expected to offer university curators advice on the choices for presidential finalists.

The Board of Curators, which has met several times behind closed doors in recent weeks, has final approval of the hiring.

The curators are seeking a replacement for Gary Forsee, who stepped down as president in January to care for his wife as she battles cancer. Interim president Steve Owens has said he is not a candidate for the permanent job and expects to resume his duties as general counsel.
UM presidential search panel to reconvene

The 20-member advisory committee set up to assist the University of Missouri Board of Curators in the search for a new system president will meet tomorrow for the first time in months.

The group will convene at 9:45 a.m. in the Clinton Club at Mizzou Arena and then relocate to the Stalcup Room for the closed-session meeting.

The advisory committee is made up of faculty members, alumni and student representatives from all four UM campuses. The group met once after being formed in March but has since been left out of the process.

Curators have been looking for a new president since Gary Forsee resigned in January. Last month, board Chairman Warren Erdman said he hoped to have a replacement named by the end of this year.

Tomorrow’s meeting comes two days before the Board of Curators’ regular winter meeting, set for Thursday and Friday at UM-St. Louis.
Committee to review finalists in UM System presidential search

By Zach Murdock
December 5, 2011 | 6:00 p.m. CST

COLUMBIA -- The search for a new University of Missouri System president may be nearing its end.

The UM System Board of Curators has narrowed the presidential search to a list of finalists that has been passed along to the presidential search advisory committee, which is made up of students, faculty and alumni representing all aspects of the UM System.

The advisory committee will review the finalists Tuesday morning in a closed-door executive session at Mizzou Arena's Clinton Club.

UM System spokeswoman Jennifer Hollingshead said several curators will receive feedback from the advisory committee, either in person or on the phone, later in the afternoon Tuesday. The full board will then consider the feedback at its regularly scheduled December meeting Thursday at the University of Missouri-St. Louis.

Board Chairman Warren Erdman said that he could not comment on the number of finalists or if those candidates have been notified of their status as finalists, but that the curators will consider the advisory committee's report Thursday and "decide where to go from there at that time."

When asked when he thinks a new president will be named, Erdman said, "We will not know the answer to this question until the search committee completes its work and the Board of Curators considers the committee's report and recommendation."

Hollingshead said it is likely the advisory committee chairman will address the media following Tuesday's meeting, but cautioned that he would not make any announcements — all official announcements will be made by the board.
The Board of Curators met as the presidential search committee for the sixth time in seven weeks last Friday.

The search has been shrouded in secrecy, and very little is known about any potential candidates.
In 2000, the University of Missouri kicked off a $1 billion fundraising drive that finished in 2008. As part of the drive, the athletic department raised more than $156 million. Missouri is set to begin another fundraising drive soon, and the athletic department will shoot for even more money to redo its master plan, says Tim Hickman, MU senior associate athletic director of operations.

The athletics department is trying to build the facilities into one interactive area that creates a full-fledged athletics community — almost its own campus. “One thing we’ve worked on is really making all of our facilities into a sports park,” Hickman says.

Texas-sized growth-

In 1996, the Big 8 merged with four Texas schools from the Southwest Conference to create the Big 12. Since the merger, the Missouri Athletics Department has undergone a Texas-sized growth, spending more than $155 million on 18 major renovations. Those renovations have included the constructions of Mizzou Arena, the Missouri Athletics Training Complex and a new scoreboard in “The Zou,” among many other improvements. Most recently, the Golden Girls and gymnastics teams received an overhauled practice studio worth $5.6 million.

“We’ve basically touched every sport in the last 13 years,” Hickman says. “The ability for [the gymnastics team and the Golden Girls] to have a better defined, better climate control, better contained area, up-to-date facility — all of those things are huge for them to compete at the highest level.”

The spending has been warranted, as the Athletics Department has been laying golden eggs for the University of Missouri and the city of Columbia.

In the 2009-2010 school year, the athletics program brought Columbia more than $118 million, according to a study conducted by students from the Trulaske College of Business Crosby MBA Program at the University of Missouri.

Stagnant ’70s and ’80s

But renovations have not always been so common at Missouri.
"We’re getting to where we need to, to be competitive in the long run," Hickman says. "There was a period of time in the ’70s, ’80s and early ’90s where the University of Missouri was pretty stagnant as far as growth in facilities and investment in facilities. It got way behind, and so we spent a period of time trying to catch up a little bit. Now we’re kind of to that point, so now we’re trying to continue to make that next step to get us more to the upper echelon."

The budget went from a bottom-of-the-barrel $21.9 million in 2001 to a big-boy $53.2 million in 2011, according to numbers given by Kevin Hayward, MU associate athletic director of business. Every aspect of the budget increased, with ticket sales jumping from $7.7 million to $20.1 million, and donations increasing from $5.5 million to $14.4 million.

“We’ve become more successful across the board in various sports, built more facilities, we have higher ticket sales, we have higher donation totals, our conference revenue is more, so it’s just continued to raise the profile and the scope of what we’re managing here,” Hickman says.

Even still, Missouri’s $53 million athletics budget seems small next to the budgets of other universities that exceed $100 million. Money and mega-growth are dominating the college sports landscape, as conferences are negotiating TV contracts worth billions of dollars. Missouri may be on its way to the truly big time with its move to the Southeastern Conference (SEC), potentially earning more than $8 million more a year in media rights alone, according to an MU analysis reported by the Associated Press.

Football reigns

In the world of college sports, football is the most important game, with men’s basketball a distant second. Mizzou has steadily improved on the gridiron, earning 40 wins from 2007–2010, six straight bowl appearances and a slew of NFL draft picks coming from nearly every position on the field.

Missouri’s money increase has kept it competitive and helped the football team to on-field success, but to become an elite athletics program, Missouri has a ways to go, even in football. Missouri’s football recruiting ranking has never reached higher than 21st, according to Rivals.com, but shows a slight rise on average — from 34.4 in 2002–2006 to 33.4 in 2007–2011. Football attendance has generally been on the rise for Mizzou — but usually sits below the yearly Big 12 average — and hit a record 62,975 in 2010.

Missouri’s Memorial Football Stadium seats 71,004, making it one of the 30 largest home college football stadiums in the U.S. Memorial Stadium is the fourth biggest in the current 10-team Big 12 and will be the 9th biggest in the SEC.

Stable overall ranking

While Missouri’s revenue and facilities budget have more than doubled in the last 10 years, its overall place in the world of college sports has risen only slightly. The Learfield Sports Directors’ Cup measures athletic success across every sport, and Missouri’s ranking has been relatively stable over the last 10 years.
In 2001, Missouri finished 53rd, and in 2011, Missouri finished 41st. But the rankings are erratic; Missouri ranked highest at 36th in 2008 and second highest at 37th in 2002. The average ranking from 2001 to 2005 (before the Missouri Athletic Training Complex was built) sits at 45, while the average ranking from 2006 to 2010 hovers slightly higher at 43.4. The standard bearer for overall athletic success has been Stanford University, which has won the Learfield Sports Directors’ Cup 17 years in a row.

Yet, as Mizzou completes its move to the SEC, fans can glimpse a rise in overall excellence and elite status on the horizon.
SEC a big score for ‘Heart of America’

By Al Germond

Sharing its border with eight other states, Missouri is incontestably the “Heart of America.” Depending on where you are, you may feel a kinship with the northeast and its original baker’s dozen of colonies; or perhaps one peers toward the far expanses of the ranging Old West and its mountains. Now our eyes are fixed toward the southeast as the University of Missouri’s (UM) athletic competition moves into Dixie, the area revisionists prefer to call the “New South.” The significance of Mizzou joining the Southeast Conference (SEC) to the state as a whole is huge.

It has taken more than 100 years to free the “Old South” from the shackles of the War Between the States. With abundant natural resources and a moderate climate, its transformation into the New South came by way of several significant developments.

The combination of cheap land and low labor costs spurred the relocation of many manufacturing enterprises out of the northeast—especially the New England states—starting more than 100 years ago. Low-cost electrical power was ensured once dams of the federally-sponsored Tennessee Valley Authority were put into operation during the 1930s. Additional assistance came several decades later during the Johnson Administration when a slice of the South called “Appalachia” qualified for programs of more federal aid and assistance.

With the exception of Kentucky, labor in every southeastern state is permitted to function under “open” shop rules. Highly controversial and disparagingly referred to as a “right-to-work” law area, the New South has witnessed tremendous economic growth over the decades as tens of thousands of enterprises have either transferred into the area or simply spring up because the economic development was favorable. Huge financial and marketing regions have sprung up around once comparatively small cities including Atlanta, Nashville and Charlotte and a cluster of one-time resort communities in Florida, leapfrogging both St. Louis and Kansas City in terms of economic importance.

Finally there’s a person who surely qualifies as a real hero to the New South. Willis Carrier, a refrigeration engineer from New York had the vision to perfect and promote a practical system for air conditioning homes, buildings and even larger expanses. Dixie B.C (“Before Carrier”) used to be an insufferably hot and humid. The New South has been booming for decades; and it looks like Missouri, aside from how its athletic chips may fall, now has a better opportunity to sit at the table of the New South and begin to share in its economic growth.
Nothing will happen overnight, but moving the UM into the SEC will benefit our state on all levels and, sooner rather than later, require significant infrastructure upgrades.

changes on the horizon

In general, enrollment will pace upward even with adjustments for the anticipated slackening among the available pool of eligible students. For the athletic program specifically, there's firm talk about building a luxury box "tower" on the east side of Faurot Field and expanding seating at the south end of the stadium.

Questions include the future of the Hearnes Arena and the A.L. Gustin golf course. Are there plans, if any, for a new baseball stadium? Less visible will be upgrades to various training facilities. Likely some aver is a high-rise parking facility near Faurot Field and the Mizzou Arena and maybe a new tailgating area.

UM and its adjuncts will continue to grow, which will impose new burdens on the regional infrastructure. This will require continued cooperation on all levels—streets and highways, parking, mass transit, law enforcement. Rumors of a high rise apartment house have begun to circulate—15 stories?—on downtown's eastern edge.

Upgrades and additions will spring up in the hospitality and food service sectors. The timing appears to be excellent for the transformation of the Tiger Hotel into a four-star "boutique" hotel, while construction is slated to begin shortly on the DoubleTree Hotel on Broadway.

Columbia Regional Airport more than ever needs its makeover. In an informal comparative assessment of where our airport stands compared to other facilities in the SEC, the need for upgrading is urgent. Fortuitous is the FAA grant to upgrade both the main and the cross-wind runways. Fortuitous are MoDOT's highway improvements and the new interchange on Highway 63 South, slated for completion next year. Still to be financed and built, planning is already underway to upgrade terminal facilities with cost estimates reduced somewhat over the originally shocking number.

While various rivalries and seasonal habits are changing, the end result of Mizzou's joining the SEC will yield a string of positives at all levels of Missouri. While others ponder the minutiae of the games and athleticism, I'm looking forward to the gains Missouri may realize by studying the economic development activities of say North Carolina's Research Triangle. That Missouri hasn't fully realized its geographic significance should be history. Now's the time to seize on Missouri's uniqueness as the "Heart of America" and march forward.
Learfield makes deal with L.A. equity fund
Founder retains minority stake.

By JACOB BARKER
November 5, 2011

Learfield, the parent company of Learfield Sports and Mizzou Sports Properties, announced a deal today that gives a Los Angeles private equity fund a controlling stake in the Jefferson City media company.

The deal with Shamrock Capital Advisors marks a big shift for a homegrown broadcasting business that has flourished into a collegiate sports media marketing powerhouse over the past decade. But founder and former Chairman Clyde Lear, who has had a majority stake in the company since he began the radio news broadcasting service in 1972, said he was "really pumped" about the deal.

"The whole ground for collegiate sports is shifting," Lear said. "It's just not as firm as it used to be. Things today are not even where they were a year ago."

Already, the company's largest business segment, Learfield Sports, had grown its university media partnerships from 11 to 54 since 2000. Along with its longtime partnership with the University of Missouri, it has partnerships with other Big Division I schools, including the University of Wisconsin-Madison, the University of North Carolina and Penn State. Most of its partnerships include radio broadcasting rights for the colleges' sports teams, and it also has rights to in-stadium advertising and other marketing avenues such as game programs. It also does some TV broadcasting.

When Lear handed off the management duties to current President and CEO Greg Brown in 2009, he said he wanted Brown to begin looking for outside resources to position the company to continue its growth. Without "a big pot of money," Lear said he worried the company would be unable to stay with the pack in the competitive world of collegiate sports broadcasting.

"I would tell you our future is not bright if we didn't do something," he said.

The investment by Shamrock, which used capital from a $400 million fund it raised this year, will give the fund three of five seats on Learfield's board of directors. The other two will be occupied by Brown and an independent director, said Lear, who has retained a minority interest in the business.

The existing management team will remain in place. Learfield employs 400 people in offices around the country, with 100 in its Jefferson City headquarters. Financial details of the transaction weren't disclosed. A July release from Shamrock on the fund used to invest in Learfield said it would "invest in companies seeking $15 million to $75 million of capital."

With conference changes shaking up the collegiate sports business — Learfield will lose about half of 15 MU basketball games it had the broadcast rights to because of the university's move to
the Southeastern Conference — and big broadcast companies vying for media rights, Lear thinks the company is in a much better position going forward.

"I think we just need to be poised so we can take advantage in changes in the athletic landscape, the collegiate athletic landscape, as opposed to being pushed around by it," he said.

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