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Missouri tuition hike could mean prestige boost

By ALAN SCHER ZAGIER - Jan 14, 2011

By The Associated Press

COLUMBIA, Mo. (AP) — University of Missouri officials suggested Friday that an expected tuition increase will do more than just plug holes in campus budgets weakened by years of declining state support — it will boost the school's reputation.

Some out-of-state students and parents who equate a college's price tag with academic excellence could see the increased cost as a reflection of the university's prestige, they said.

"It's not just price," said Warren Erdman, a Kansas City lawyer and chairman of the university system's Board of Curators. "It's also a brand perception."

Curators held a video teleconference Friday morning to discuss campus finances in advance of a late January meeting in Columbia, where they plan to increase tuition for the first time in three years.

The exact amount of the fee hike won't be determined until Gov. Jay Nixon releases his proposed budget next week. School officials hope to keep the increase below 10 percent.

Undergraduate students from Missouri and take a standard 15-credit course load now pay \$3,684 in tuition each semester, while out-of-state students pay \$6,008. A 9 percent increase would translate into a \$332 boost per semester for in-state students and a \$541 hike for out-of-state undergraduates. Those amounts don't include required student fees.

Proposed fee increases range from 1 percent to 3 percent at the Columbia and St. Louis campuses to 6.5 percent at Missouri University of Science and Technology in Rolla. The proposed increases in room and board costs range from 2.8 percent at the Rolla campus to 8.3 percent at Missouri-St. Louis.

Chancellor Brady Deaton told curators that the Columbia campus could expect to enroll 200 more out-of-state students should tuition increase by 10 percent next year, with many of them likely coming from neighboring Illinois. Deaton didn't say how he came to the 200-student figure, but noted that prospective students and their families often consider a costlier school to mean a better education.

Columbia, the flagship campus, typically recruits nearly as many students from Chicago as from Kansas City, Deaton said.

Tuition for the coming academic year is typically set in the spring. But university leaders want an early start because Missouri law requires a waiver from the state to raise tuition beyond the Consumer Price Index inflation rate, which is currently 1.5 percent.

ST. LOUIS POST-DISPATCH

UM tuition is likely to rise

BY TIM BARKER • tbarker@post-dispatch.com > 314-340-8350 | Posted: Saturday, January 15, 2011 12:00 am

The University of Missouri Board of Curators set the stage on Friday for its first tuition increase in three years.

Curators spent much of the morning in a teleconference with system officials, learning about projected budget shortfalls, campus needs and procedural issues. And although they didn't get into specific numbers, it appears to be a forgone conclusion that an increase will happen for the 2011-12 school year.

The size of the increase is expected to be revealed at their next regular board meeting in Columbia at the end of the month.

Nikki Krawitz, the system's vice president for finance, said the four campuses — which have held tuition flat the past two years — could trim only so much before the quality of education began to suffer.

"We're at that tipping point right now," Krawitz told curators.

The curators have gotten an early start on this round of increases — unlike in past years, each campus will be able to have its own increase — because they are expected to exceed 1.5 percent. Curators will have to request a waiver from the Department of Higher Education and want to give themselves time to deal with appeals if needed.

"In a worst-case scenario, that could take us all the way to April," Krawitz said.

The two-year freeze was the result of an agreement with Gov. Jay Nixon, who worked to hold higher education funding fairly steady. Although funding was cut 5.2 percent last year, things could get worse this year, with Nixon recently telling campus officials that budget constraints made it impossible to offer any more deals.

In a stop in St. Louis on Thursday, Nixon acknowledged the need for state schools to raise rates, saying he expected "a slight uptick." He noted that inflation had gone up less than 4 percent during the time that schools had held tuition flat: "You'd hope to keep the majority under that."

Based on the budget projects laid out Friday, it seems clear that the curators will face a challenge if they want to meet the governor's expectations.

A best-case scenario — in which the state cuts another 5 percent from higher education funding — would leave the system with a \$64 million shortfall. A 4 percent tuition increase would raise slightly more than \$17 million.

System leaders say they hope to keep the tuition increase under 10 percent. But also they say it is critical to find money for modest raises — employee salaries have been frozen for two years — and critical maintenance needs.

"We are in danger of losing some of our best faculty and staff. I don't think we can go on like this even one more year," said John Carney, chancellor of Missouri University of Science and Technology in Rolla.



Deaton: Higher tuition could make MU more attractive

By **JANESE SILVEY**

University of Missouri Chancellor Brady Deaton suggested yesterday that higher tuition might make MU more competitive with other universities.

His conclusion was based on anecdotal evidence: Parents, mostly of out-of-state students, have told him that their children selected other schools over MU based on higher tuition, he said. But that doesn't mean Deaton supports excessive tuition, he said after a Board of Curators meeting.

"I was simply pointing out an illustration," he said. "Parents tell me the problem is Missouri doesn't charge enough."

Out-of-state tuition at MU for two semesters, including required fees, totals \$8,500. That's on the low end of comparable institutions, according to information presented to curators. Of 61 Association of American University institutions, the average cost is \$9,723.

An analysis showed that MU could increase tuition by 10 percent and see an enrollment increase of 200, Deaton said. But UM System administrators have said they'll try to keep an increase to less than 10 percent.

Deaton grew up on a Kentucky farm and had to work his way through college, so he said he knows first-hand the importance of keeping college affordable. That said, tuition has to help pay for the quality of the education provided, Deaton said.

"My goal is to keep tuition and fees as low as possible while preserving quality," he said.

Deaton compared what he's hearing from parents to someone wanting to purchase a diamond — the pricier, the more desirable. Likewise, the higher the tuition, the more people equate it to quality, Deaton said. "I don't like to hear it, but that's the reality out there," he said.

Research has confirmed that theory. A 2009 study in the journal *Research in Higher Education* looking at whether college rankings matter found that raising tuition improves the demand to attend lesser-ranked schools. That's because costs serve as markers of quality and prestige. The *New York Times* reported at the time, quoting from the study.

Yesterday, UM administrators outlined the need to raise tuition in order to maintain the level of education now provided. Although administrators did not outline specific recommendations, the system is expected to set tuition rates differently at each of the campuses to better reflect their respective markets.

At MU, that increase should be enough to "protect the brand and protect the quality," while still being affordable, Chairman Warren Erdman said.

Chancellors from all four campuses said they could increase tuition and still remain competitive with peer institutions.

Curators will set tuition rates during the Jan. 27-28 meeting in Columbia. They'll have a better idea at that time of what Gov. Jay Nixon will recommend for higher education in the budget proposal he'll unveil at next week's State of the State.

Reach Janese Silvey at 573-515-1705 or e-mail jsilvey@columbiatribune.com

COLUMBIA MISSOURIAN

UM curators hear of need for higher tuition

By Caitlin S. Miller, Raha Obaei

January 14, 2011 | 4:57 p.m. CST

Campus administrators call for action, hope to keep increase below 10 percent

COLUMBIA — A tuition increase at University of Missouri System campuses in fiscal year 2012 is nearly a certainty, but UM System administrators who met with the Board of Curators on Friday said they hope to keep the increase below 10 percent.

The increase is necessary to compensate for a decline in state funding and rising student enrollment, according to presentations made by officials from each of the UM System's four campuses on Friday.

There is an estimated \$64.4 million funding gap in fiscal year 2012 across all four campuses — MU, University of Missouri-St. Louis, University of Missouri-Kansas City, and Missouri University of Science and Technology — without a tuition increase.

Nikki Krawitz, vice president for finance and administration, said declining state revenue makes a tuition increase necessary. "We don't want to charge students more than we absolutely have to," Krawitz said.

Tuition for undergraduates has remained constant for the past two years, even though state support was cut by 5 percent this year. Over the past 10 years, however, enrollment has grown 28 percent.

Tuition and fees have replaced state appropriations as the primary source of revenue for UM System operating budgets.

The cost of attending school at a UM System campus varies with the number of credit hours a student takes, any accompanying course fees or surcharges that apply and the student's room-and-board expenses.

For a typical in-state undergraduate student at MU, 15 credit hours in a semester would cost \$4,250. A 9 percent increase would boost that cost to \$4,632.50, or a difference of \$382.50. That assumes that all information technology, student activity, recreation facility and prepaid health fees remain the same. That price also does not include individual college fees, which are also set to increase.

By comparison, a 1 percent increase would cost an additional \$42.50, a 5 percent increase an additional \$212.50 and a 10 percent increase an additional \$425.

Krawitz told the curators that a 1 percent increase would close the funding gap by \$4.4 million, a 5 percent increase by \$22.1 million and a 10 percent increase by \$44.2 million. A 9 percent increase would generate \$39.6 million in additional revenue.

The board plans on raising tuition by more than the expected inflation rate of 1.5 percent. To do so, it will have to file for a waiver from the commissioner of the Missouri Department of Higher Education.

The expected time line will be as follows:

- The waiver will be filed to the commissioner by Feb. 1.
- The commissioner will meet with the UM System staff by March 18.
- The commissioner will notify the UM System of the waiver decision by April 15.
- If a waiver is not granted, the UM System would have 10 days to amend the request, agree to any limits or maintain its original position, and board action would be required. This would all need to occur by April 27.
- The UM System will notify campuses of tuition and required fees by the end of April, and fees must be finalized 45 days before the beginning of a term to be effective.

The board will meet again on Jan. 27 to 28 and is scheduled to vote on recommended tuition and fees. Krawitz said the board wants to be efficient with costs but also to "maintain quality" on the campuses.

Krawitz said she hopes the board and the commission can act quickly enough to get tuition increases in place in time for summer sessions.

MU Chancellor Brady Deaton said many students base their college decision on the cost of the school and believe that more expensive schools are higher quality. He also said many out-of-state students come to MU despite higher nonresident costs because of MU's reputation.



Curators gear up for intense search for UM System president

If history is any indication, the search for the next University of Missouri System president will take up most of this year, include lots of closed-door meetings and spark plenty of speculation about who's on the short list.

Gary Forsee stepped down as university president Jan. 7, saying he wants to spend more time with his wife, Sherry, who is undergoing treatment for cancer.

He's the fourth university system president to resign in 15 years, meaning the state and community have been through this search process three times in recent memory.

In reviewing news coverage of the three most recent presidential searches, themes emerge. All three took about a year to complete. In every case, the UM Board of Curators went out of its way to keep candidates confidential, and all three times the efforts failed. The top finalists' names leaked to reporters months before official announcements.

The same names also seem to crop up again and again as possible contenders for the top university spot.

HIGH TURNOVER

The UM president historically has a relatively short shelf life, even for a position known nationally for high turnover.

Not one UM president has lasted longer than seven years in the past four decades.

In fact, 1963 seems to have been a turning point for UM presidential tenures. That's the year the system expanded from two campuses to four when Columbia and Rolla took over the then-private Kansas City campus and created a St. Louis campus. Before that time, several presidents lasted a decade, with a couple staying for nearly two, including Frederick Middlebush, who served from 1935 to 1954.

Elmer Ellis ushered in the transition to the four-campus system we know now. He had been at the helm nearly a decade and left three years after the expansion.

Since then, James Olson served seven years, but most presidents have served five years or fewer. On average, college and university presidents serve 8½ years, according to a 2007 study from the American Council on Education.

The past four presidents have had different reasons for leaving, but curators were behind two of the departures.

George Russell announced in July 1996 that the job "ceased to be enjoyable," likely because he had lost the confidence of the Board of Curators. According to Tribune archives, just before he resigned, the board narrowly voted to oust MU Chancellor Charles Kiesler, a controversial decision that caused one curator to vow to seek Russell's termination.

Manuel Pacheco said in 2002 he wanted to retire to pursue other interests. He temporarily came out of retirement in 2009 to become interim president of New Mexico State University.

Elson Floyd resigned from the UM System in 2007 after four years on the job to take a position at Washington State University. Although in public Floyd said the opportunity was too good to pass up, insiders speculated that a micromanaging Board of Curators forced him out.

Forsee was expected to stay longer, said Warren Erdman, chairman of the Board of Curators, appointed to the board just in time to participate in that search process.

"Longevity of service is certainly a consideration," Erdman said. "All of us the last time around wanted a president who could stay for the better part of a decade. We had an outstanding candidate for that. Unfortunately, those weren't the cards we were dealt."

The fact that the UM System is a system rather than a single campus might be to blame for turnover that's higher than turnover at smaller colleges. Truman State University, for instance, has had two longtime presidents since UM became a four-campus system: Charles McClain was at the helm there for nearly 20 years.

"It's a high-pressure job," said Truman President Troy Paino, who has been in the position for less than a year. "You have to be good at so many things, and you're under constant scrutiny by so many different constituency groups."

Asked whether UM System president is considered a coveted position, Paino said yes, but only for candidates with the ability and experience who are "up to a challenge."

CONFIDENTIALITY

During the past three presidential searches, UM curators went out of their way to protect the identities of presidential candidates, and the media went out of their way to reveal them.

Curators asked reporters at one time not to report rumored candidates, and in 2002, the board started conducting interviews on top floors of private executive buildings where candidates could be whisked in and out of side doors unseen.

The efforts weren't successful. In each case, a member of Pacheco's and Floyd's previous university boards confirmed their UM candidacies to the Tribune.

Forsee's official appointment was also old news by the time curators announced it in December 2007. Even though the 19 members of a presidential search advisory committee signed oaths of confidentiality, the Tribune reported in May of that year that Forsee, former U.S. Rep. Kenny Hulshof and businessman Terry Sutter were candidates. By November, after Sutter turned down the job, the Tribune reported the search had been narrowed to Forsee.

A fairly new Board of Curators could make this go-around a little different. Gov. Jay Nixon is expected to replace three members whose terms have expired, as well as appoint a new curator from the Ninth

Congressional District to replace Bo Fraser, who resigned. Erdman and Judith Haggard, both appointed in 2007, will be the most experienced members of the board.

There's also a newsman on the board this time. David Bradley — publisher of the St. Joseph News-Press and former president of the Missouri Press Association — was appointed in 2009 and is the board's vice chairman.

"I think we should be as open as possible, providing we don't run off people who don't want to have their names revealed because of where they're working now," he said. "At some point in the final strokes, when we're down to two or three or four, maybe then we'll have a chance to open it up and let other folks chime in on this."

Other curators who will be involved in the search process agreed that confidentiality is important early on but also seemed open to the idea of allowing finalists to become known in the later stages of the process.

"It's a timing issue," Erdman said. "Media may become aware of finalists toward the end of the process, but early in the process, when you're soliciting candidates, that's when it's especially important to have a commitment to confidentiality because many qualified candidates won't entertain an interview absent that condition."

Curator Wayne Goode, a former state senator appointed to the board in 2009, said without a commitment to confidentiality some people might not apply for the job, but he also acknowledged that names leak.

"Members of the media are going to do their job and do their best to find out what's going on," he said. "I don't have a problem with that. Our objective, obviously, is to get the best candidates and choose the best of those to run the university."

Charles Davis, a Missouri School of Journalism faculty member, has been a longtime critic of secretive university presidential searches. That type of closed process, he said, is rife with the potential for "good-old-boy, closed-loop networking."

"We, the faculty and citizens of the state, are left in the cold as far as not only who finalists were but also who didn't make the cut," he said. "Sometimes it's who didn't make the cut that is far more interesting. Was there a minority in the initial pile that ended up becoming president of another large university? If that's the case, what's wrong with our search committee process? We'll never know."

Getting names out would also help the university vet candidates, he said. Although private search firms promise to do that, Davis said there are plenty of cases in which individuals unsuited for the job end up in the finalist pool.

Plus, Davis pointed out, in 20 states the university president search process is conducted completely in public, and none of those institutions has closed for lack of candidates.

"These are, what, half-a-million-dollar-a-year jobs?" he said. "Somebody is going to logically tell me there will not be applicants for a job that pays \$500,000 a year in this economy? That's ludicrous."

Forsee's salary was \$400,000, with a performance bonus of \$100,000 that he turned down two of his three years. Goode warned that the price for qualified candidates has increased. A 2009 Chronicle of Higher Education study revealed that the median total compensation for chief executives at public institutions was \$436,111.

"It's going to be difficult," Goode said. "The price on the market has gone up. We'll just have to work through all of that."

FAMILIAR NAMES

Names of people rumored to have been candidates in previous searches are already surfacing in the discussion about who will follow Forsee.

Kit Bond, fresh off Capitol Hill after retiring from the U.S. Senate, has been suggested to be — both in the past and now — a logical contender. He's a staunch supporter of the university, having secured millions of dollars annually in federal earmarks for the Columbia campus. He also has instant statewide recognition and respect among Missouri's GOP-controlled legislature.

Bond has ties to the board and system as well. Erdman is Bond's former top aide, and Steve Knorr, UM's vice president of governmental affairs, also is a former Bond staffer.

Attempts to reach Bond at his Mexico, Mo., home and his new workplace, St. Louis-based law firm Thompson Coburn, were unsuccessful.

Erdman declined to speculate about candidates, saying he intends to oversee a process that allows for an open, comprehensive and national search.

Roger Wilson, former governor and CEO of Missouri Employers Mutual, also has cropped up as a candidate in previous searches. Reached after Forsee's announcement last week, Wilson said he likes his current position and declined to talk about whether he's going to be in the running for the presidency this time.

Hulshof said he experienced the search process "up close and personal" in 2007 and was intrigued by the prospect. Ultimately, he said in an e-mail, he turned out to be a "huge Gary Forsee fan" and said the board set a high standard for any future nominee. Hulshof doesn't plan to be one of them.

"My own career path has taken some interesting turns, and I'm thankful to work for an outstanding national law firm that allows me to continue my work in public policy," said Hulshof, who works for Kansas City-based Polsinelli Shughart. "I have no interest in the UM president's job at the present time."

Mike Nietzel, former president of Missouri State University, also has been suggested. He told the Springfield News-Leader last week that he does not expect to be tapped as a candidate for UM president.

Erdman has declined to speculate as to what type of president he wants to replace Forsee. Some have suggested a good candidate would possess the same traits Forsee had. That's typical: When Pacheco left, one curator called on the board to find his clone, and when Floyd stepped down, a Columbia lawmaker at the time said the university needed someone just like him.

Faculty members have said they're more open this time to candidates with a business background, although some still prefer an academic in that position.

Paino, who worked in private law practice and business before moving into higher education, suggested leading a system is much like leading a corporation. He doesn't think it's an "either-or" scenario between businessmen and academics.

"It depends on the person," he said.

But Paino said Forsee was effective, in part, because he spent more than 30 years in private business.

"When President Forsee said, 'Public higher education is underfunded, and it's a serious problem,' people listened," Paino said. "Someone who came out of business didn't sound as self-serving."

'WE NEED A LEADER'

During the search process, General Counsel Steve Owens is serving as interim president, a post several have said he can handle because of a skilled vice presidential team at University Hall. Nikki Krawitz, vice president of finance and administration, has earned awards for her qualifications. Betsy Rodriguez, who's over human resources, is respected among faculty and staff. Knorr and his team of lobbyists advocate for the university in Jefferson City. And there are vice presidents overseeing academics, communications, research and information technology. Meanwhile, chancellors are running day-to-day operations on their respective campuses.

So why does the UM System even need a president?

The idea of doing away with a system president was kicked around during Floyd's term when then-MU Chancellor Richard Wallace announced his retirement. Rather than finding a replacement, Floyd suggested the system president could also take on the campus's top administrative role and combine other administrative posts. The idea fizzled.

"I'm not sure that model would work," Erdman said.

Although he's an advocate for campus autonomy and agreed the team of vice presidents can conduct the university system's business, Erdman said the organization needs a leader.

"It needs a spokesperson and leader who builds a consensus around the state for the role and importance of the university," he said. "We need a president. We need a leader who conducts the role of a system-wide leader both in the legislation, the state and in communities and among all of the stakeholders."

Bradley pointed to Forsee's focus on creating system-wide efficiencies among the four campuses as an example of why the position is important. Having someone to oversee the system as a whole improves coordination among the campuses, he said.

With that idea off the table, Erdman plans to convene the first meeting of the curators' search committee Jan. 27 in Columbia. He stressed that the search will be a process with no preconceived notions.

"If you commit yourself to a process and let that process take you down a path, it leads you to a conclusion," he said. "You have to trust that process."

Erdman isn't worried about a mostly new board selecting the next UM president, saying curators will give faculty and staff plenty of opportunity for input.

Plus, he's been through this before.

"I took good notes," Erdman said. "I have a clear understanding of how the process works and opinions about the best parts. We can do this efficiently."

Reach Janese Silvey at 573-815-1705 or e-mail jsilvey@columbiatribune.com



Bill would solve Board of Curators makeup issue

By **JANESE SILVEY**

A state lawmaker has filed a bill that would solve a looming conflict between the constitutional requirement and state statute that govern how the University of Missouri System's Board of Curators is set up.

Rep. Mike Thomson, R-Maryville, said the language of his proposal would keep the current number of curators but allow more than one to serve from the same congressional district.

Right now, the Missouri Constitution establishes the Board of Curators as a nine-member body of Missouri residents. A separate state statute says no more than one curator shall be from the same district.

The two laws work when Missouri has nine or more congressional districts. In 2013, following the most recent U.S. Census, Missouri will lose a district, dropping to eight.

House Bill 174 would repeal the state statute requiring that no more than one serve from the same district and would replace it with language allowing for at least one but no more than two from each congressional district. That would solve any future issues if Missouri were to ever lose more districts, Thomson said.

Changing the number of curators would require a constitutional amendment and statewide approval from voters. It also would have a trickle-down effect — the state's Coordinating Board for Higher Education is structured to be patterned after the makeup of the Board of Curators.

University administrators have expressed a desire to keep the board as close to its current structure as possible, Thomson said.

The bill doesn't specify that the ninth member be a resident or a student with a vote, but it also "doesn't stop that discussion," he said.

Local representatives have said they'd be open to the idea of having a voting student on the board.

In the past, curators shot down the idea of making the ninth member a student, but Wayne Goode, a former state senator appointed to the board in 2009, asked last month that the issue be brought to the board at the January meeting in Columbia.

The Associated Students of the University of Missouri — a system-wide group that advocates for students — will lobby again this year to make that ninth member a student, said Blake Gooding, assistant legislative director for the group.

"We would like the ninth member currently established by the constitution to be a student voting curator rather than an at-large member," he said.

Lawmakers in 2008 approved legislation that would have made the ninth member a student if Missouri lost a congressional district, but then-Gov. Matt Blunt vetoed the bill. He argued that students would have a stakeholder interest on a board where non-student members are supposed to consider the best interest of the university as a whole.

Reach Janese Silvey at 573-815-1705 or e-mail jsilvey@columbiatribune.com



The Tribune's View

Monday, January 17, 2011, 2 p.m.

Higher ed

By Henry J. Waters III

On Wednesday state higher education leaders spent hours in private session with Gov. Jay Nixon talking about funding. The closed meetings did not violate the letter of the Sunshine Law because no public body quorum was present, but the spirit of the law would have been well served if constituents could have heard the give and take.

As participants emerged from the meetings, they hinted at an unremarkable general theme: The governor could promise no funding increase that would keep institutions from raising tuition rates, but everyone hopes tuition hikes can be kept to a minimum.

Last year higher education appropriations were reduced only 5 percent in exchange for keeping undergraduate tuitions flat. This year state revenue shortfalls apparently won't allow the governor to make the same deal. University of Missouri officials plan to ask the Department of Higher Education for a waiver to increase tuitions.

Getting a wide array of higher education brass in the same room was a good tactic, not only to share ideas but, most important, to put the institutions more or less in the same leaky boat, knowing none is getting a special deal, hearing *en masse* the governor's pain as he does his best to provide all the money he can for his favorite budget segment.

At least, that's what the closed meeting should have been about. What else? It was a communication fest concerning one of the major areas of public funding the public should have seen and heard.

UM and other higher education institutions will get the best shot they might expect at the hands of state Senate President Pro Tem Rob Mayer and his newly appointed Appropriations Committee chairman, Kurt Schaefer. In his first term, Schaefer proved himself a good friend of the university, and Mayer has consistently expressed similar instincts.

The same can be said for Gov. Nixon himself. Missouri officials are fiscal conservatives, but with the money they have, they keep higher and lower education as a top priority.

That said, unless the general fiscal climate of the state changes, UM and other institutions dependent on state funding might never again see levels of support they enjoyed several decades

ago. In states where universities enjoy more support, taxes and other forms of public revenue are larger. Missouri is constitutionally a low-tax, low-spend state, and that instinct has only strengthened in recent years. Parsimony is our middle public name. These days, those who feed at the public trough scratch for crumbs even more desperately than usual.

Here in Columbia, we must constantly remind ourselves of our skewed outlook. Since we host the state's flagship campus, we have extraordinary concern for its fiscal well-being. We like to see healthy state appropriations for the system and, particularly, its Columbia campus, but if we take a trip through the halls of the state Capitol, we get a less sanguine buzz. A disappointing number of those allocating state resources think Columbia and MU get more than a fair share. Even though this campus benefits everyone in the state, protecting flagship budgets is an uphill job.

We have reason to worry about the amount of money the university will get in the coming state budget, but we can't complain about the attitude of public leaders who would do more if they could.

HJW III



UM administrators make case for higher tuition

By **JANESE SILVEY**

Operating a high-quality research university takes money, and without sufficient state support, **the University of Missouri** will have to increase tuition next year to provide a competitive education.

That was the case UM System administrators laid out this morning during a Board of Curators videoconference to discuss tuition. Administrators did not bring the board a specific recommendation for a tuition increase, but the university is trying to keep the increase below 10 percent, said Nikki Krawitz, vice president of finance and administration.

In-state students with a standard 15-credit course load pay \$3,684 in tuition each semester. A 9 percent increase would mean an extra \$331.56 per semester.

The system is bracing for a \$64.4 million funding gap in the coming year, which takes into account increases in benefits, utility rates and other fixed costs, as well as an expected 5 percent cut in state appropriations. The system also is budgeting a 2 percent increase in the salary pool.

Krawitz said UM isn't trying to offset all of that with tuition increases: Even a 10 percent increase generating \$44 million would be \$20 million shy of filling the projected hole.

MU is expecting to see a 3 percent increase in enrollment next year, which would generate about \$6 million, Chancellor Brady Deaton said. Additionally, he said the Columbia campus has been able to tuck back \$9 million through savings in the past couple of years.

Even with those considerations, MU anticipates a net funding gap of \$30.7 million, including the 5 percent cut in state funding.

Curators are expected to vote on tuition increases at the Jan. 27-28 meeting on the MU campus. For the first time, system administrators are expected to bring different tuition proposals for each of the four campuses to better reflect their unique markets. MU, for instance, often competes with other large state universities, while the metro campuses in Kansas City and St. Louis compete for non-traditional students.

Krawitz said she is not worried about MU staying competitive with other public four-year universities in the state. One advantage of Missouri having so many institutions, she said, is that education is provided at different price points.

"Students have an opportunity to make choices about how they put together their college careers and where they go," she said. "Not every student can afford to go to every institution, but there is probably an institution for every student."

Deaton argued that some students bypass MU because tuition isn't high enough. He said he has heard from parents who have said their children prefer more expensive schools because they equate that cost with quality.

Curators Chairman Warren Erdman agreed, saying MU has a national brand that other campuses or Missouri institutions do not.

The tuition-selling process is happening earlier than normal because the university will have to seek a waiver to increase tuition higher than the consumer price index of 1.5 percent. The waiver, part of a three-year-old state statute, requires universities to get permission from the higher education commissioner or face a financial penalty.

Reach Janese Silvey at 573-815-1705 or e-mail jsilvey@columbiatribune.com.



MU releases its 5-year climate action plan

Goal is to reduce carbon emissions.

By **JANESE SILVEY**

The University of Missouri last week turned in its five-year plan to reduce greenhouse gases in hopes of someday becoming a climate-neutral campus.

The plan is required after MU Chancellor Brady Deaton — along with administrators from more than 650 colleges — signed the American College & University Presidents' Climate Commitment in 2008.

In the first phase, MU has outlined a plan to reduce carbon emissions by 20 percent by 2015. As of July, the campus has achieved close to an 8 percent reduction in carbon emissions from the university's 2008 baseline data, said Steve Burdic, MU sustainability coordinator.

MU uses 5 percent to 10 percent biomass sources along with coal to heat and cool more than 13 million square feet of university and MU Health Care facilities. That's expected to increase when a new biomass boiler goes online in 2012, replacing one coal-fired boiler. "Once we get the biomass boiler in place, it will help considerably," said Karlan Seville, a spokeswoman for MU Campus Facilities. "Also, as we continue to update the infrastructure and utility infrastructure, we expect that to also have an impact."

The university's Department of Forestry is assisting in those efforts by trying to start groves of fast-growing trees to supply more wood biomass supplies. Researchers this year plan to establish a 10-acre, two-row grove of short-rotation trees, such as willow and cottonwood.

In addition to reducing greenhouse gases by 2015, the climate plan also vows to make new buildings sustainable, continue to find ways to conserve energy and keep an eye on emerging technologies that help offset emissions.

Much of the 40-page report outlines what MU has already done to become more environmentally friendly, such as providing public transportation opportunities on campus, tracking energy use in residential halls through an online dashboard and promoting recycling in a variety of ways. MU also has added courses that focus on sustainability.

The main challenge the university faces as it strives to become carbon neutral, according to the report, is the economic dependence on coal. "Coal is plentiful and less expensive," the plan says, but the university "has made a commitment ... to eliminate MU's carbon footprint."

Reach Janese Silvey at 573-815-1705 or e-mail jsilvey@columbiatribune.com



Students will lobby for education interests

By **JANESE SILVEY**

The University of Missouri System will have a team of student advocates at the state Capitol trying to keep the looming budget knife away from higher education this legislative session.

The Associated Students of the University of Missouri — a group started 30 years ago to represent the collective student body on all four campuses — has nine interns working in Jefferson City on the system's behalf, including two registered lobbyists.

The group's first priority this year is the budget, said Blake Gooding, assistant legislative director and an MU student. "We know the budget is going to be very tough this year," he said. "We want a minimal cut to the University of Missouri's core budget."

The UM System is bracing for a 5 percent cut in state funding, which would equate to \$18 million. But in a worst-case scenario, the system could see a 15 percent decrease in state funding, Nikki Krawitz, vice president of finance, told the UM Board of Curators yesterday.

Gov. Jay Nixon will outline his budget recommendations Wednesday during his State of the State address.

In light of the tough financial picture, the Associated Students of the University of Missouri, or ASUM, won't try to advocate for legislators to financially support science, technological, engineering and math education at UM campuses, but Gooding said the group is planning to promote the disciplines, known collectively as STEM.

"Right now, our platform is just raising awareness," he said. "There are future gaps between jobs that are in demand for these fields in Missouri and people who have degrees from Missouri institutions to fill those gaps. It's a huge economic development issue that they need to be supporting."

In the future, Gooding said students might suggest the state create scholarships to promote STEM education, he said. ASUM also plans to try to get legislation passed that would protect student renters when they try to get security deposits back, Gooding said.

A bill has not yet been filed, but he envisions a system that would require landlords to put security deposits into interest-bearing accounts for the life of a lease. Once the lease is done, a landlord would have to provide a student renter with an evaluation of the residence and receipts for any damages and return the security deposit if the apartment is in good shape. At the conclusion of that process, the interest on the account would go to landlords.

Right now, students who feel they unfairly didn't get their deposits back have to fight landlords in small claims court, a pricey process that can get messy as students try to move on to new places and careers. Gooding said.

Rep. Mike Thomson, R-Maryville, is chairman of the House's Higher Education committee this legislative session. He said he doesn't anticipate any major issues related to higher education, especially after lawmakers worked out legislation to equalize Access Missouri scholarships last year. That decision caused some angst among private colleges, which unsuccessfully fought to keep lawmakers from decreasing the amount of state scholarships going to students who opt for a private education.

"I don't look for anything of that nature this year," Thomson said. "Most of what I file, I hope, will be in support of higher education and schools, which we know are under quite a lot of pressure financially."

At the end of the 2010 legislative session, lawmakers started talking about whether merging the Missouri Department of Higher Education with the Department of Elementary and Secondary Education would save money and create a more efficient operation.

Since that discussion, the departments have moved into the same building, so Thomson said the cost savings no longer is a rationale for combining the departments. He's not sure whether the discussion will crop up again.

The Department of Higher Education early this year is conducting a review of degrees offered at Missouri's public universities, but Thomson said he does not expect to see any legislation related to that process this year.

Reach Janese Silvey at 573-815-1705 or e-mail jsilvey@columbiatribune.com

AG WEEKLY

Missouri Scientists Find New Farming Method Reduces Greenhouse Gases

COLUMBIA, Mo. - U.S. agricultural practices create 58 percent of nitrous oxide in the world, which is the third most prevalent greenhouse gas in the atmosphere. Scientists believe nitrous oxide contributes to global warming about 300 times more than carbon dioxide.

New practices and products have been introduced to address this issue, but farmers do not have the time or profit margins to experiment with ideas that may ultimately hurt the “bottom line.” Now, researchers at the University of Missouri have found methods to help farmers reduce those emissions while also increasing corn grain production.

At the University of Missouri Greenley Research Center in northeast Missouri, Kelly Nelson, a research agronomist and associate professor in the MU Division of Plant Sciences, monitored fields of poorly drained claypan soil that were planted with corn after soybean. One field was “strip tilled” with nitrogen fertilizer placed in a band in the soil, while another field was left untilled with a surface application of nitrogen fertilizer. The research team found that strip tillage and banded fertilizer significantly reduced the amount of greenhouse gases emitted per bushel of corn grain production, when compared to that of surface applied no-till treatments.

Strip tillage is the practice of tilling a field in strips up to a foot wide and eight to nine inches deep, rather than tilling the entire field, so that crop residues can be left on the surface of most of the field. By planting corn into those strips, and adding fertilizer during the process, farmers can use less energy, reduce soil erosion and conserve soil moisture in a large area of the field. Additionally, the nitrogen stays deep in the soil, where it is less susceptible to environmental loss.

“This tells us that more efficient fertilizer use is needed to maintain productivity and profitability,” said Nelson. “We saw grain yields increase, and this is important when it comes to nitrous oxide emissions and the amount of food produced.”

Peter Motavalli, associate professor in the MU Department of Soil, Environmental and Atmospheric Sciences, directed the research focused on measurements of soil nitrous oxide emissions and says the results are another piece of information that can help farmers select management options that may increase agricultural production and economic returns while also reducing environmental impacts with use of nitrogen fertilizer. The research was conducted during above average rainfall growing seasons from 2008 to 2010 in poorly-drained soils so the results of between 2.4 to 3.8 percent cumulative loss of the applied fertilizer N as nitrous oxide N are probably relatively high for conditions in Missouri.

“The main goal for our team has been to identify agricultural practices that maintain or

increase production while reducing the environmental impact,” Motavalli said. “There hasn’t been much data on greenhouse gas emissions for Missouri, and we hope to provide information on how much nitrogen is being lost as nitrous oxide with different agricultural practices so growers can make informed choices depending on their farm operation and environmental conditions.”

Nelson, Motavalli, and Pat Nash, an MU graduate student, presented the results of their three-year study, “Use of Strip Tillage to Increase Corn Production and Reduce Soil Nitrous Oxide Emissions,” at the national meetings of the American Society of Agronomy in November and at the Missouri Crop Management Conference in December.



Tuesday, Jan. 11, 2011

Is Missouri Ready to Raise Its Very Low Cigarette Tax?

By Karen Ball / Jefferson City

At the Welcome Smokers shop on Missouri Boulevard in the Missouri state capital, a pack of Marlboro reds, the world's most popular brand, costs \$5.14. By contrast, a pack of the same cigarettes runs as much as \$13 on the Upper East Side of Manhattan.

"If this is a race to the bottom, we win," Missouri state representative Mary Still, a Democrat from Columbia, groused in a recent editorial, referring to the fact that Missouri now levies the lowest cigarette tax in the U.S.: 17 cents a pack. Missouri won this distinction this past summer when South Carolina lawmakers — shrugging off the influence of the state's tobacco growers — overrode outgoing Republican governor Mark Sanford's veto and raised its tax by half a huck per pack, from 7 cents to 57 cents. New York has the highest cigarette tax, at \$4.35 a pack; the national average is \$1.45 a pack, according to the Campaign for Tobacco-Free Kids. ([See the top 10 campaign ads.](#))

At a time when even Deep South tobacco states are turning on the golden leaf to jack up so-called sin taxes, many people find it baffling that Missouri — known more for its waves of soybeans and corn — remains determined to keep its cigarette taxes (and beer taxes too) at permanently low levels. Especially since the state is facing a budget shortfall of as much as \$600 million next year.

Both at the polls in statewide referendums and in the legislature, efforts to boost cigarette taxes are repeatedly shot down. Still is trying again in 2011: she's drafting a bill that would hike the tax by 12 cents each year for eight years. But antitax Republicans control both legislative chambers, and Democratic governor Jay Nixon has taken a no-new-taxes pledge. A spokesman for the governor, Scott Holste, wouldn't touch the tax idea with a 10-foot pole. "We're just not gonna weigh in on that right now," he said.

"There is absolutely no appetite for it — zip, zero, none," says a GOP lawmaker who recalls the time he made the mistake of telling his Republican brethren that he had no objection to a tax hike on smokers. "They almost laughed me out of the room," he says. "They said, 'Please don't ever say that out loud again.'"

The University of Missouri, which is staring at a potential \$50 million cut from the state next year, recently hosted area lawmakers to brainstorm ideas for closing the budget gap. The cigarette tax came up because it seems to be low-hanging fruit, given the high social costs of smoking. According to the Centers for Disease Control (CDC), 23.1% of adult Missourians are smokers, among the highest rates in the nation. Kentucky is highest, with 25.7% of its residents lighting up. Smoking-related illnesses cost the Medicaid system some \$641 million last year, according to the Missouri Budget Project, and the CDC says smoking kills at least 9,500 Missouri residents each year. And studies have shown that increasing cigarette taxes 10% can reduce consumption as much as 5%, especially among young people.

"There were Republicans in the room" during the university conference, Still tells TIME. "Everybody agreed it was indefensible to be lowest in the nation. But they don't think we can do anything about it. Well, just raise the tax. We've talked about what's the matter with Kansas. I think we need to talk about what's the matter with Missouri."

One thing that poses a problem in reforming cigarette taxes is the state constitution. Any major tax increase must go before the voters. (Still's proposed measure would avoid that fate by phasing in the tax in small steps.) In 2006, a proposal to raise the cigarette tax to 97 cents a pack lost a hard-fought referendum, 51% to 49%. Hospitals and health advocates poured millions into the campaign for the tax; opposition came from the tobacco lobby, gas stations and convenience stores. Posters at minimarts and filling stations across the state called for voters to "Stop Tax Abuse" and vote down a "470%" tax increase.

The public-health advocates learned a lesson. Without a change in public and political will, says Dave Dillon of the Missouri Hospital Association, "we're not going to invest again."

Opponents of higher levies on tobacco warn that sin taxes are regressive and hit poor folks the hardest. They also claim that the low taxes are a boon for the state because bargain-hunting residents of the eight states bordering Missouri cross state lines to stock up on coffin nails. For example, a smoker in Keokuk, Iowa, could save nearly \$12 per carton in state taxes by driving a little ways to Kahoka, Mo. The distance between Mammoth Springs, Ark., and Thayer, Mo., is about 2½ miles (4 km) — and \$10 a carton in taxes.

"The antitobacco zealots are not trying to reasonably regulate," says Ronald J. Leone of the Missouri Petroleum Marketers & Convenience Store Association. "Their goal is prohibition. It's hard to negotiate with these people. They can't prohibit it, so they're trying to kill it by a thousand cuts." Look at the whole tax picture, Leone contends. The federal tax on a pack of cigarettes is \$1.01, and local communities impose their own levies. When federal, state and local taxes are tallied up, Missouri's smokers are paying 46% taxes on a pack of popular off-brands, with names like Decade and Xcaliber, he said, while brand names are taxed above 30%, depending on the locality. "There is another product on the market that's overtaxed like that," says Leone.

Missouri's beer tax, too, is near the bottom. Its six cents-per-gal. rate has not been touched in nearly 40 years. The storied Anheuser-Busch brewery in St. Louis is one of the state's largest employers, which has surely helped keep the status quo in place.

Yet much of Missouri's steadfast refusal to jack up sin taxes can be attributed to one man. For decades, Jefferson City's most revered and feared lobbyist was John Britton, who worked to protect both Big Tobacco and the brewery interests. Stately and charming, Britton is a three-pack-a-day smoker so beloved at the statehouse that the Senate passed a resolution 15 years ago forever declaring the airspace immediately surrounding him "an official Missouri state senate designated smoking area."

And his hold has extended to other alcohol and cigarette regulations. It's perfectly legal to have open containers of alcohol in moving cars in Missouri, for instance. Britton's argument against the open-container bans embraced by most other states was that holding a beer can is no more distracting than holding a peanut-butter sandwich. When that brand of homespun thinking doesn't work, Britton has been known to hint that Missouri can kiss Budweiser goodbye — and all those jobs and corporate dollars — should the legislature decide to play uanny.

That would be a new role for Missouri politicians. The state has a long history of tolerance when it comes to matters of appetite. During the long years of Prohibition, as America's reformers fought to

dry out the nation, Missouri remained as wet as the rain forest. Boss Tom Pendergast of Kansas City made sure the saloons were well stocked, and not one felony prosecution for bootlegging occurred in his district. "If you want to see some sin, forget about Paris. Go to Kansas City," opined the Omaha *World Herald* at the time.

Still, it's politics, played hard and fast in Missouri, that might conceivably inspire a hike in the tobacco tax. Some supporters of higher cigarette levies have begun to suggest that that this might be a good chance for Republicans to put Governor Nixon in a box. Suppose the legislature passed a cigarette tax to ward off school budget cuts and sent it for the governor's signature: Nixon would have to choose between breaking his no-tax pledge or leaving schools in the lurch. That "would be a real Jedi mind trick on the governor," muses one observer — the sort of crafty political maneuver that might leave a Missouri pol craving another cigarette.



MU students vie for chance to cover Oscars

By **JANESE SILVEY**

Two teams of University of Missouri students have made it to the semifinals of a competition that could put them on the red carpet when the Oscars roll around next month.

The students are among the top 10 in the third annual mtvU Oscars Correspondents Contest, a joint promotion between the Academy of Motion Picture Arts and Sciences and MTV's college network.

As of last night, the teams were among the highest rated, with Erica Coghill and John Regan having an average rating of 67 percent and Alex Holley and Ryan Brown having a 62 percent. Online voting at www.oscars.mtvu.com continues through Jan. 28.

Coghill and Holley have been anchors on KOMU 8, the NBC affiliate station under the umbrella of the Missouri School of Journalism, experience they both played up in their video entries.

"We had watched some of the other videos from the past years of the competition," Coghill said. "Some people did take a humor approach, but we decided we wanted to be completely professional."

In her video, Coghill describes MU's journalism program and takes viewers on a tour of the KOMU station. She urges judges to give them "the opportunity to put our skills to use on the red carpet." Coghill said she's a fan of entertainment news and said winning the contest would be a "huge foot in the door."

Holley and Brown patterned their entry video after basketball player LeBron James' Nike commercial in which he asks former fans what he should do after he chose to play for the Miami Heat rather than the Cleveland Cavaliers.

"What do you want me to do?" Holley questions before offering her talents as a producer, anchor and reporter. "I can tell you what I want to do," she says at the end, walking out of a door. "I want to do it all."

Brown, a basketball fan, said the team wanted to try something a little different from more traditional videos. "Ours is a little more like a short film, and not really newsy," he said. "Right now, you can't tell me we're not going. I'm really optimistic we've got a good shot."

The three teams who receive the most online votes will be announced Feb. 2 and will advance to the final round. Those teams will then be flown to Los Angeles to participate in various pre-Oscar events leading up to the 83rd Annual Academy Awards on Feb. 27. Coghill and Brown said the teams would love to see MU represent two out of the three finalists.

They also agreed they'd like to meet actor Leonardo DiCaprio if given the chance to interview stars on the red carpet. Coghill has a couple of questions for Natalie Portman and Mila Kunis, the stars of "Black Swan."