



## Tab 5

### Report on FY 2024 Budget

Coordinating Board for Higher Education  
June 14, 2023

## BACKGROUND

This item provides an update on the FY 2024 higher education and workforce development budget, including final actions taken by the General Assembly. This does not reflect actions the Governor may take in the form of line item vetoes, restrictions, or withholds.

## CURRENT STATUS

### FY 2024 Supplemental (HB 15)

#### Bill Summary

Across all state agencies, HB 15 includes \$427.3 million in General Revenue (GR), \$1.448 billion in federal funding, and \$176.4 million in other funds. The bill contains \$25.8 million in supplemental appropriations (spending authority) involving higher education, specifically for the Fast Track program and the Missouri Student Loan Program. The appropriation lines for higher education are detailed below.

<u>House Bill Section</u>	<u>Line Item</u>	<u>Amount</u>	<u>Fund Source</u>
15.065	Fast Track Workforce Grant	\$800,000	Fast Track Workforce Grant
15.070	Missouri Guaranteed Student Loan	\$15,000,000	Guaranty Agency Operating
15.075	Loan Program	\$10,000,000	Federal Student Loan Reserve

### FY 2024 Operating Budget (HB 3)

#### Bill Summary

The General Assembly appropriated \$1.5 billion through this bill to support higher education institutions, financial aid programs, workforce development, and DHEWD administration for FY 2024. This includes:

- \$1.2 billion in GR (up from \$1 billion in FY 2023)
- \$141 million in federal funds (down from \$150 million in FY 2023)
- \$107 million in other funds (down from \$291 million in FY 2023)

A summary of the bill is provided as Attachment A.

#### Department Budget

The department's budget was increased by \$1,233,731 for FY 2024 (\$1,290,132 increase in personal service and \$156,401 decrease in equipment and expenses). This increase includes an 8.7 percent across the board salary increase for staff, additional staffing for the fiscal and budget area, and a \$0.105 per mile (from \$0.55 to \$0.655 per mile) increase in the mileage reimbursement rate from FY 2023.

The General Assembly approved \$38,336,840 for FY 2024 MoExcels projects funded from the Budget Stabilization Fund. The bill also included one-time Lottery funding for the board's \$100,000 recommendation to support continuation of the student journey mapping initiative.

## Workforce Development

The following is an itemization of the Office of Workforce Development funding line items for FY 2024.

*Workforce Administration:* A total of \$26.3 million in spending authority and 343.62 FTE are included in the bill. This includes the Missouri Economic Research and Information Center (MERIC) and its 21.93 FTE. These totals include a new \$2.8 million General Revenue (GR) appropriation, which includes 5 FTE, to establish a formal P20W data system which will connect data across multiple state agencies for research and program evaluation purposes.

*Workforce Autism Program:* \$250,000 was appropriated again to support a workforce development program that helps prepare autistic individuals for work.

*Show-Me Heroes:* \$500,000 was appropriated to support on-the-job training that prepares transitioning service members for work.

*Workforce Programs:* \$92.3 million was appropriated for workforce development programs, the majority of which is passed through to local workforce boards. In addition, this appropriation includes the following specific line items.

- \$100,000 in GR for the Certified Work Ready Community programs
- \$1,000,000 in GR for free computer programming training and apprenticeships
- \$1,459,000 in GR for a virtual education program
- \$350,000 in GR to provide education curriculum, training, access to capital, and mentoring
- \$300,000 in federal funds for a construction pre-apprenticeship program in St. Louis
- \$100,000 in federal funds for occupational job and entrepreneurship training in Kansas City
- \$700,000 in federal funds for a pre-apprenticeship program in Kansas City
- \$1,000,000 in GR for programs and services to under-resourced individuals in St. Louis
- \$630,000 in federal funds for a grant to provide programs and services to under-resourced individuals in St. Louis
- \$100,000 in GR to provide youth and their family with mentorship and educational opportunities relating to college preparedness, workforce development, and character preparation to foster academic success
- \$1,000,000 in federal funds for providing cost-free digital skills training, re-entry services, and providing workforce development and employment services in western Missouri
- \$700,000 in federal funds for a pre-apprenticeship program for minorities and women in construction contractor programs
- \$3,000,000 in GR for a geospatial training program
- \$2,000,000 in GR for a comprehensive counseling and solution generation service that focuses on a multi-year journey for high school students from initial training to full-time employment with pre-identified entry level jobs that drive the program's training while earning a degree relating to information technology

Public College and University Core Funding: A detailed summary of institutions' core appropriations is included in Attachment B.

*Community Colleges:* Core funding for community colleges increased to \$173,193,756 (\$11.3 million or 7 percent increase from FY 2023).

*Public Universities:* Core funding for public universities increased to \$904,019,752 (\$58.9 million or 7 percent above FY 2023 funding). Included as a separate line item is a \$16.8 million placeholder for funds towards a performance funding model.

*State Technical College of Missouri:* State Technical College of Missouri will receive a core appropriation of \$9,052,492 (\$592,481 or 7 percent over FY 2023 funding).

### MoExcels

HB 3 also includes \$38.3 million for MoExcels projects for FY 2024. The General Assembly appropriated the Governor's recommended amount using Budget Stabilization Funds. Funded projects include:

- State Technical College of Missouri; \$1,995,500; Infrastructure Village
- Lincoln University; \$150,000; Innovative Strategies for Teacher Recruitment
- Missouri University of Science and Technology; \$841,000; Improving Workforce Diversity through STEM Education
- Northwest Missouri State University; \$497,084; Growing Missouri's Healthcare Workforce
- State Fair Community College; \$4,462,525; Center for Advanced Agriculture and Transportation
- Jefferson College; \$2,000,000; Veterinary Technology Clinic
- University of Missouri – St. Louis; \$767,500; Center for Behavioral Health Practice-based Learning
- University of Missouri – Columbia; \$1,000,000; Industry 4.0 Laboratory Development and Certification
- Missouri State University; \$2,000,000; Construction Industry Training and Education Environment
- St. Louis Community College; \$754,750; St. Louis GeoTech Workforce Expansion
- University of Missouri – Kansas City; \$1,536,000; Student Careers Pathways
- Metropolitan Community College; \$6,485,008; MCC Science Laboratory Upgrade, Phase II
- Southeast Missouri State University; \$5,600,000; Health Sciences Training
- Missouri Southern State University; \$474,967; Center for Applied Data Analytics and M.S. in Data Analytics
- Ozarks Technical Community College; \$2,500,000; Agriculture and Electrical Distribution Systems Training Center
- North Central Missouri College; \$80,000; Production Agriculture Training
- Mineral Area College; \$4,392,506; MAC Automotive Tech

- University of Central Missouri; \$1,500,000; Construction Management and Safety Sciences Lab Renovation
- Harris-Stowe State University; \$1,300,000; Expanding and creating online programs for marginalized communities

Other Higher Education Line Items in HB 3:

- Harris-Stowe State University; \$500,000 in continued funding for the Urban Policing Program to provide students real world law enforcement practice and de-escalation and anti-bias training for officers throughout Missouri
- Missouri Southern State University; \$2,300,000 for a statewide program designed to increase collaboration and workforce opportunities via industry partnership in precision health and agricultural sciences
- Missouri Western State University; \$300,000 in GR for a social work education grant
- Missouri University of Science and Technology; \$250,000 for Project Lead the Way
- University of Missouri; \$1,000,000 for the Fisher Delta Research Center
- University of Missouri; \$325,000 for the School of Law Veterans Clinic
- University of Missouri; \$275,000 for the Greenley Research Center
- University of Missouri; \$120,000 for the Delta Research Rice Breeders
- University of Missouri; \$15,000,000 for the eMints Program for prosocial education training initiatives
- University of Missouri; \$5,000,000 for MU Extension Council
- University of Missouri; \$550,000 for St. Louis International Collaboration
- University of Missouri; \$1,000,000 for Rural Economic Vitality Initiative
- University of Missouri; \$600,000 for the Center for Defense Medicine
- University of Missouri; \$250,000 for the Center for National Pandemic Resiliency
- University of Missouri; \$1,937,640 for the Missouri Telehealth Network
- University of Missouri; \$1,500,000 for research into spinal cord injuries
- University of Missouri; \$1,750,000 for a statewide program for renal disease
- State Historical Society; \$4,313,009 (a \$531,881 increase over FY 2023) for additional staffing, increased salary and benefits, and expense and equipment

Student Financial Assistance Programs

- *A+ Scholarship Program:* The department requested and the Governor recommended keeping funding the same as the prior fiscal year. Total appropriations for FY 2024 will be \$60.3 million.
- *Dual Credit/Dual Enrollment Scholarship:* The Governor recommended and the General Assembly provided \$7 million to fund the Dual Credit/Dual Enrollment Grant Program, the same as for FY 2023.

- *Bright Flight*: The department requested and the Governor recommended to keep funding the same as prior fiscal year. Total appropriations for FY 2024 will be \$27.6 million.
- *Access Missouri*: The department requested and the Governor recommended keeping funding the same as the prior fiscal year. Total appropriations from HB 3003 for FY 2023 will be \$75.4 million.
- *Fast Track Workforce Incentive*: The department requested and the Governor recommended keeping funding the same as the prior fiscal year. The total appropriation will be \$4.7 million for FY 2024.
- *Other Student Financial Assistance Programs*: The following student financial assistance programs were appropriated for FY 2024 as indicated.
  - Advanced Placement Incentive Grants - \$100,000
  - Public Service Grant Program - \$160,500
  - Wartime Veterans Survivor Grants - \$325,000
  - Kids Chance Scholarships - \$15,000
  - Minority Environmental Literacy Program - \$36,964
- The department requested \$1,145,601 under the Returning Heroes program for higher education institutions. Although the Governor did not recommend funding, the General Assembly appropriated \$600,000 to fund up to 50 percent of the total tuition waived as part of the program.

*Additional Notes on HB 3*

- HB 3 (and all other budget bills) includes language that no funds shall be expended for or from any federal grant in furtherance of administrative costs greater than five percent of said federal grant amount or in accordance with grant guidelines.
- HB 3 includes language indicating that no funds shall be expended at public institutions of higher education that offer a tuition rate to any student with an unlawful immigration status in the United States that is less than the tuition rate charged to international students.
- HB 3 includes language indicating that no scholarship funds shall be expended on behalf of students with an unlawful immigration status in the United States.

**FY 2024 Capital Improvement Budget (HB 19)**

*Bill Summary*

Across all state agencies, HB 19 includes \$246.6 million in GR, \$317.7 million in federal funding, and \$54 million in other funds for capital improvements. The bill contains \$69.5 million in appropriations involving higher education institutions and technical education. The appropriation lines for higher education are detailed below. The projects are funded General Revenue. Those projects requiring a 50/50 match from non-state funds are noted.

- \$15,000,000 for a manufacturing innovation center in St. Louis (50/50 match)
- \$700,000 for construction of a medical school in St. Joseph (50/50 match)
- \$2,000,000 for construction of a soil laboratory and maintenance at the Fisher Delta Research Center

- \$1,000,000 for maintenance and upgrades to the greenhouse and farm buildings at the Fisher Delta Research Center
- \$46,000,000 for a Nursing Allied Health building at St. Louis Community College
- \$200,000 for a veterinary technician program at Mineral Area College
- \$1,400,000 for a veterinary technician program at Crowder College
- \$2,000,000 for a veterinary technician program at Jefferson College
- \$200,000 for a veterinary technician program at St. Louis Community College
- \$1,000,000 for the international collaboration program at UM-St. Louis

### **FY 2024 Capital Improvement Budget (HB 20)**

- \$291.6 million in additional state funding support toward each public higher education institutions' HB 3020 (FY23) transformational projects and new transformational projects with a 50/50 match
- Carries over federal funding into FY24 for projects funded in HB 3020 (FY23)
- \$2.2 million increase toward planning and implementing technology updates for Missouri's job centers providing statewide services to citizens and employers

### **NEXT STEPS**

Once the Governor receives the legislation, he can sign budget bills in their entirety, reduce funding for individual items through a line item veto, or veto whole bills. He may also impose expenditure restrictions, if needed, to achieve a balanced budget by the end of the fiscal year. Staff will outline the approach for items that require department action to implement under the "Implementation of New Laws and Budget Items" board item. The board item can be found under Tab 4 of this board book.

### **RECOMMENDATION**

This is an information item only.

### **ATTACHMENTS**

- Attachment A: FY 2024 Higher Education Operating Budget
- Attachment B: FY 2024 Funding by Institution



Tab 5, Attachment A  
 FY 2024 Higher Education  
 Operating Budget

UMC Telemedicine "Telehealth Network" & "ECHO"	\$ 1,937,640	\$ 1,937,640	\$ 1,937,640	\$ 1,937,640	\$ 1,937,640	\$ 1,937,640
Spinal Cord Injury	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000	\$ 1,500,000
Missouri Kidney Program	\$ 1,750,000	\$ 1,750,000	\$ 1,750,000	\$ 1,750,000	\$ 1,750,000	\$ 1,750,000
State Historical Society	\$ 3,781,128	\$ 4,313,009	\$ 3,904,473	\$ 4,215,688	\$ 4,313,009	\$ 4,313,009
State Historical Society one-time funds	\$ 120,000	\$ -	\$ -	\$ -	\$ -	\$ -
Seminary Interest	\$ 275,000	\$ 275,000	\$ 275,000	\$ 275,000	\$ 275,000	\$ 275,000
<b>Grand Total</b>	\$ 1,518,798,419	\$ 1,437,482,159	\$ 1,426,726,519	\$ 1,420,750,611	\$ 1,458,841,341	\$ 1,477,027,053

Notes:

1. FY 2023 TAFP figure varies from the FY 2023 report due to Governor's Vetoes of \$6,812,500: Section 3.155, Line 18 - \$4,000,000; Section 3.155, Line 114 - \$112,500; Section 3.240, Line 10 - \$2,300,000; Section 3.255, Line 26 - \$400,000.
2. Transfers for financial aid programs are included in the worksheet above, but the spending authority is not included in the grand total.
3. UM Greenley Research Center has its own Core Sheet and is not included in the University of Missouri Core.
4. State Administration of the Loan Program was closed during FY 2023. The one remaining Loan Department Request of \$640,001 is spending authority from the Guaranty Agency Operating Fund to close out the program.
5. FY 2024 Department requests for public higher education institutions include a New Decision Item (NDI) requesting a 7% Consumer Price Index (CPI) increase to each institutions' core funding.
- 6 The CORE figures listed for each public higher education institution do NOT include the Debt Offset Escrow Fund



Tab 5, Attachment B  
FY 2024 Funding by Institution

FY 2024 Higher Education Operating Budget Status - HB 3

Institution	FY2023 (TAFP)	FY 2023 - \$10M One-Time Funds	7% CORE Increase Allocation formula from	FY 2024
Crowder College	\$ 8,178,524	\$ (681,451)	\$ 1,004,171	\$ 8,501,244
East Central College	\$ 6,169,619	\$ (577,917)	\$ 78,723	\$ 5,670,425
Jefferson College	\$ 8,871,144	\$ (678,096)	\$ 988,185	\$ 9,181,233
Metropolitan Community College	\$ 34,150,764	\$ (1,390,359)	\$ 461,761	\$ 33,222,166
Mineral Area College	\$ 7,074,970	\$ (616,536)	\$ 89,806	\$ 6,548,240
Moberly Area Community College	\$ 9,018,487	\$ (731,449)	\$ 1,255,029	\$ 9,542,067
North Central Missouri College	\$ 3,912,941	\$ (530,726)	\$ 450,438	\$ 3,832,653
Ozarks Technical Community College	\$ 20,560,710	\$ (1,192,075)	\$ 3,046,084	\$ 22,414,719
St. Charles Community College	\$ 12,606,907	\$ (828,120)	\$ 1,652,836	\$ 13,431,623
St. Louis Community College	\$ 46,056,295	\$ (1,477,633)	\$ 502,754	\$ 45,081,416
State Fair Community College	\$ 8,608,393	\$ (675,899)	\$ 1,018,927	\$ 8,951,421
Three Rivers College	\$ 6,654,569	\$ (619,739)	\$ 781,719	\$ 6,816,549
<b>Community College Subtotal</b>	<b>\$ 171,863,323</b>	<b>\$ (10,000,000)</b>	<b>\$ 11,330,433</b>	<b>\$ 173,193,756</b>
State Technical College of Missouri	\$ 8,464,011	\$ -	\$ 592,481	\$ 9,056,492
<b>Technical College Subtotal</b>	<b>\$ 8,464,011</b>	<b>\$ -</b>	<b>\$ 592,481</b>	<b>\$ 9,056,492</b>
		<b>Other Core Changes</b>		
	<b>FY 2023 (TAFP)</b>	<b>See Notes Below</b>	<b>7% CORE Increase</b>	<b>FY 2024</b>
UNIVERSITY OF CENTRAL MO	\$ 60,486,063	\$ -	\$ 4,234,024	\$ 64,720,087
SOUTHEAST MO STATE UNIVERSITY	\$ 50,146,167	\$ -	\$ 3,510,232	\$ 53,656,399
MISSOURI STATE UNIVERSITY	\$ 102,742,970	\$ -	\$ 7,192,008	\$ 109,934,978
LINCOLN UNIVERSITY	\$ 19,222,539	\$ 2,139,909	\$ 1,345,578	\$ 22,708,026
LINCOLN UNIV LAND GRANT MATCH	\$ 9,761,158	\$ -	\$ 683,281	\$ 10,444,439
TRUMAN STATE UNIVERSITY	\$ 45,534,649	\$ -	\$ 3,187,425	\$ 48,722,074
NORTHWEST MO STATE UNIVERSITY	\$ 34,086,363	\$ -	\$ 2,386,045	\$ 36,472,408
MO SOUTHERN STATE UNIVERSITY	\$ 28,374,099	\$ -	\$ 1,986,187	\$ 30,360,286
MO WESTERN STATE UNIVERSITY	\$ 24,315,659	\$ -	\$ 1,702,096	\$ 26,017,755
HARRIS-STOWE STATE UNIVERSITY	\$ 11,434,137	\$ -	\$ 800,390	\$ 12,234,527
UNIV OF MISSOURI CAMPUSES	\$ 459,956,797	\$ 15,000,000	\$ 31,846,976	\$ 506,803,773
<b>Public University Subtotal</b>	<b>\$ 846,060,601</b>	<b>\$ 17,139,909</b>	<b>\$ 58,874,242</b>	<b>\$ 922,074,752</b>
<b>Total of All Sectors</b>	<b>\$ 1,026,387,935</b>		<b>\$ 70,797,156</b>	<b>\$ 1,104,325,000</b>

Tab 5, Attachment B  
FY 2024 Funding by Institution

Notes:

Debt offset funding authority is not included in the totals above.

Lincoln University is receiving a \$2,139,909 Core increase for MCHCP

Univ of Missouri Campuses Core includes their land grant.

FY 2023 included a \$5M one-time appropriation that is being removed in FY 2024

Univ of Missouri Campuses includes two new core increases:

\$15,000,000 eMINTS, and \$5,000,000 MU Extension Council

HB 3 also includes the following for the Univ of Missouri; not reflected in CORE totals above:

- \$ 275,000 - Greenley Research Center
- \$1,000,000 - Fisher Delta Research
- \$ 325,000 - Veterans Law Clinic
- \$ 120,000 - Delta Research Rice Breeders

HB 3 also includes the following for Harris-Stowe State Univ; not reflected in CORE totals above:

- \$500,000 - Urban Policing Program