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FY 2025 Higher Education and Workforce Development Budget

Coordinating Board for Higher Education
June 12, 2024

BACKGROUND

This item provides an update on the FY 2025 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 2025 Operating Budget (HB 2003)

Bill Summary

The General Assembly appropriated \$1.45 billion through this bill to support higher education institutions, financial aid programs, workforce development, and DHEWD administration for FY 2025. This includes:

- \$1.3 billion in General Revenue (GR) (up from \$1.2 billion in FY 2024)
- \$58 million in federal funds (down from \$141 million in FY 2024)
- \$106 million in other funds (down from \$107 million in FY 2024)

A summary of the bill is provided as Attachment A.

Department Budget

The department's budget was increased by \$593,869 for FY 2025 (\$700,406 increase in personal service and \$106,537 decrease in equipment and expenses). This increase includes a 3.2 percent across the board salary increase for staff.

The General Assembly approved \$54,401,005 for FY 2025 MoExcels projects funded from the General Revenue Fund.

Workforce Development

The following is a breakdown of the Office of Workforce Development funding line items for FY 2025.

Workforce Administration: A total of \$21.0 million in spending authority and 333.62 FTE are included in the bill. This includes the Missouri Economic Research and Information Center (MERIC) and its 21.93 FTE, which contains \$2.8 million in General Revenue and 5 FTE to maintain the P20W data system.

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: \$40.7 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
- \$1,600,000 in both federal funds and GR for a pre-apprenticeship program in Kansas City
- \$500,000 in Budget Stabilization Funds for Missouri Works
- \$200,000 in Budget Stabilization Funds for Pre-Apprenticeship Training
- \$1,000,000 in Budget Stabilization Funds 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.
- \$1,000,000 in Budget Stabilization Funds for St Louis Urban League

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 \$181,389,569 (\$5.2 million or 3 percent increase from FY 2024).

Public Universities: Core funding for public universities increased to \$929,136,995 (\$27.1 million or 3 percent above FY 2024 funding).

State Technical College of Missouri: State Technical College of Missouri will receive a core appropriation of \$9,358,187 (\$271,695 or 3 percent over FY 2024 funding).

MoExcels

HB 3 also includes \$54.4 million for MoExcels projects for FY 2025. The General Assembly appropriated the Governor's recommended amount using General Revenue. Funded projects include:

- University of Central Missouri; \$1,012,645; Capacity Building Through XR and Simulation
- University of Missouri – Columbia; \$1,838,100; Mo Child Care Workforce Development
- University of Missouri – St. Louis; \$675,000; Workforce Development and Career Advancement Center
- State Technical College of Missouri; \$4,000,000; Agriculture Demonstration Center
- State Fair Community College; \$3,496,000; Advanced Health Science Expansion
- University of Missouri – Columbia; \$3,460,000; MU Engineering – CEEIT
- Missouri State University; \$1,600,000; Interdisciplinary Clinical Training Facilities: Health Care Workforce Development
- Missouri University of Science and Technology, East Central College, St. Charles Community College; \$9,124,339; Bridging the Missouri Manufacturing Critical Skills Gap
- Missouri Western State University; \$1,208,368; Digital Solutions for a Modern Missouri
- Northwest Missouri State University; \$1,190,000; Growing Missouri's Healthcare Workforce, Phase II

- Missouri Southern State University; \$132,608; Public Safety and Forensics Institute
- University of Missouri – Kansas City; \$4,000,000; Student Career Pathways & Student Success Space
- Jefferson College; \$400,000; Workforce and Employment Space Renovation
- Missouri State University – West Plains; \$815,000; Veterinary Technician and Veterinary Assistant Program
- St. Louis Community College; \$2,000,000; Expanding Nursing Training in North St. Louis
- University of Missouri – St. Louis; \$1,015,000; Center for Entrepreneurship and Innovation
- North Central Missouri College; \$1,000,000; Agriculture Training Facility
- Metropolitan Community College; \$3,000,000; High-tech Automotive Institute
- University of Missouri – Columbia; \$3,696,000; Unmanned Aircraft Systems (Drones) Hands-on Training
- St. Charles Community College; \$4,000,000; Advancing the Health Sciences, Agriculture, & Bioscience Workforce
- Harris-Stowe State University; \$340,000; Accelerated Certification Track Project
- Mineral Area College; \$1,397,945; Farm Management
- Ozarks Technical Community College; \$5,000,000; Airframe & Powerplant Maintenance Center

Other Higher Education Line Items in HB 2003:

- 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 or 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 social work education
- Missouri University of Science and Technology; \$250,000 for Project Lead the Way
- Ranken Technical College; \$2,861,649 for a next generation residential Module Building System facility in St. Louis to address needs in affordable housing, workforce training, and versatile construction applications.
- Missouri State University – West Plains; \$1,850,000 for expansion of nursing and allied health programs
- Lincoln University; \$1,000,000 to develop industrial hemp end-use products (Job Development Training Fund)
- Lincoln University; \$100,000 for mental health training
- Lincoln University; \$150,000 for coaching, education, and advisement to encourage urban gardening and agriculture
- University of Missouri; \$1,000,000 for two-year adult leadership training (50/50 match)
- 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; \$1,550,000 for St. Louis International Collaboration
- 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; \$5,207,879 (a \$894,870 increase over FY 2024) 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 2025 will be \$60.3 million.
- *Dual Credit/Dual Enrollment Scholarship*: The department requested and the Governor recommended keeping funding the same as the prior fiscal year. Total appropriations for FY 2025 will be \$7 million.
- *Bright Flight*: The department requested and the Governor recommended to keep funding the same as prior fiscal year. Total appropriations for FY 2025 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 2003 for FY 2025 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 2025.
- *Other Student Financial Assistance Programs*: The following student financial assistance programs were appropriated for FY 2025 as indicated.
 - Advanced Placement Incentive Grants - \$100,000
 - Public Service Grant Program - \$160,500
 - Wartime Veterans Survivor Grants - \$495,000, an increase of \$170,000
 - Kids Chance Scholarships - \$15,000
 - Minority Environmental Literacy Program - \$36,964
- The department requested and the General Assembly appropriated \$1,043,401 under the Returning Heroes program for higher education institutions.

Additional Notes on HB 2003

- 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. In addition, HB 2003 includes the following additional items:
 - 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.
 - Language indicating that no scholarship funds shall be expended on behalf of students with an unlawful immigration status in the United States.

FY 2025 Capital Improvements Budget (HB 2019)

Bill Summary

Across all state agencies, HB 2019 includes \$5.2 million in GR, \$72.0 million in federal funding, and \$59.1 million in other funds for capital improvements. The bill contains \$1.2 million in appropriations involving higher education institutions. The appropriation lines for higher education are detailed below. The projects are funded from the Budget Stabilization Fund.

- \$215,500 for a veterinary technician program at Mineral Area College
- \$250,000 for a veterinary technical program at Crowder College
- \$250,000 for a veterinary technician program at Jefferson College
- \$197,500 for a veterinary technician program at Metropolitan Community College

- \$250,000 for a veterinary technician program at Moberly Area Community College

FY 2025 Capital Improvements Budget (HB 2020)

- Higher Education Transformational Projects: \$1,089,165,412
 - Re-Appropriated: \$686,476,871
 - New Funds for Existing Projects: \$314,688,541 (all GR)
 - New Projects for FY 2025: \$88,000,000
 - \$25,000,000 for UMSL Engineering School (ARPA-Revenue Replacement)
 - \$20,000,000 for NextGen Radiopharmaceuticals at the University of Missouri-Columbia (GR)
 - \$15,000,000 for expansion of the heavy equipment program at State Technical College of Missouri (Budget Stabilization Fund)
 - \$11,000,000 for redevelopment of the historic commercial district in Cape Girardeau (ARPA-Revenue Replacement)
 - \$10,000,000 for dormitory construction at Three Rivers College (Budget Stabilization Fund)
 - \$3,000,000 for construction of the Goodwill Opportunity Campus (Budget Stabilization Fund)
 - \$1,000,000 for facility improvements for Mission St. Louis (ARPA-Revenue Replacement)
 - \$3,000,000 for an early childhood career center for the Bolivar campus of Ozarks Technical Community College (GR)
- Private MoExcels: \$5,532,646 Re-Appropriated
- Job Center Upgrades: \$1,188,915 Re-Appropriated
- Ag Innovation: \$7,850,156 Re-Appropriated

NEXT STEPS

Once the legislature sends the bills to the Governor, 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.

RECOMMENDATION

This is an information item only.

ATTACHMENTS

- Attachment A: FY 2025 Higher Education Operating Budget
- Attachment B: FY 2025 Funding by Institution