



Tab 17 FY 2024 Draft Budget Instructions

Coordinating Board for Higher Education
March 9, 2022

BACKGROUND

One of the primary responsibilities of the Department of Higher Education and Workforce Development is the development of a unified appropriation request for the public colleges and universities. Although the law technically assigns the responsibility to the department, approval by the Coordinating Board of those recommendations is a critical step in the process.

- Section 173.1540, RSMo, requires DHEWD review annual budget requests from each public university and prepare a corresponding appropriation recommendation.
- Section 163.191.2, RSMo, requires DHEWD review annual institutional budget requests and prepare an appropriation recommendation for the community colleges.
- Section 178.638, RSMo, requires the inclusion of funds designated for State Technical College of Missouri in the unified budget request.

In order to implement those provisions, § 173.005.2, RSMo, requires the Coordinating Board for Higher Education establish guidelines for appropriation requests by public institutions of higher education.

CURRENT STATUS

To operationalize those statutory requirements, DHEWD staff propose the following plan for FY 2024 requests for funding for public higher education institutions, ranked in order of priority.

- 1) **Institutional Operating Core:** DHEWD staff plan to recommend an increase to core operating appropriations but are not prepared to offer a specific approach at the present time. Although institutions often include core increases as part of their New Decision Item requests, the development of this priority does not require institutions to submit information or data. Staff will work with institutional representatives and other policymakers over the next several months to develop an approach to core appropriation increases for institutions and will bring a specific recommendation to the Coordinating Board at its September meeting.
- 2) **MoExcells:** For the past several budget cycles, DHEWD has highlighted the need to focus on strengthening our workforce development pipeline through the MoExcells process. The continuing impact of the pandemic on employment and the economy make an ongoing response important. This item would solicit institutional proposals, developed in collaboration with business and industry, for one-time increases to establish or expand academic programs linked to high-demand occupations. DHEWD plans to release the request for proposals in May with proposals due back in early July. This timeline will provide sufficient time for department staff to review and score the proposals in time for the Coordinating Board to take action on the prioritized list of projects at its September meeting.
- 3) **Missouri Returning Heroes:** The statute that establishes the Missouri Returning Heroes Education Act allows the Coordinating Board to include in its appropriation recommendations the amount of tuition waived during the prior fiscal year by public colleges and universities pursuant to the act.
- 4) **New Decision Items:** Institutions can submit requests for funding for new decision items. New Decision Item forms will be available when the official budget instructions are released by the Office of Administration, which typically occurs sometime in July. Although the formal deadline for submission to DHEWD will be released as part of the formalization of these instructions at the June CBHE meeting, that deadline would

typically occur in early August. Institutional NDIs will not be formally entered into the budget process. The CBHE may opt to elevate some of those NDI requests for inclusion in the formal budget request.

Institutions will be focused on completing ARPA funded capital improvement projects during FY 2024. DHEWD will not include a list of recommended capital improvement projects in the FY 2024 unified higher education budget request. Institutions should continue to report all capital projects through the Capital Improvements Budget Request system so information about those projects is available if the legislature determines there are funds for this purpose.

NEXT STEPS

As indicated above, these are draft instructions intended to provide the basis for an ongoing conversation relating to the development of the FY 2024 appropriation request. Subsequent to the meeting, DHEWD staff will solicit additional input from stakeholders, including presidents and chancellors, chief financial officers, legislative leadership, and other interested parties. Based on that feedback, staff will revise the proposed prioritization plan for inclusion in an action item for a future Coordinating Board meeting.

RECOMMENDATION

This is an information item only.

NO ATTACHMENTS