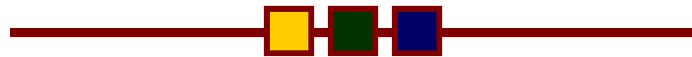


*Funding of Higher Education
in Missouri*

A Report for The Civic Council
of Greater Kansas City



MGT 
OF AMERICA, INC.

November 11, 2009

FUNDING OF MISSOURI HIGHER EDUCATION COMPARED TO CONTIGUOUS AND “BIG 12” STATES

This chapter provides information on Missouri funding for higher education and comparisons to funding of “peer” states. For these comparisons, MGT examined 15 years of Missouri data, including total state budget and appropriations to higher education. From these data, MGT constructed trend lines that show higher education’s share of the state budget over time. In addition, MGT compared Missouri funding for higher education to the national average data and to the data for the contiguous and “Big 12” states.

For the purposes of this analysis, “**public financial support**” was defined as revenues from the state general fund to support the operating budgets of the institutions of higher education, and the Commission on Higher Education, including state student financial aid. Revenues from other state sources such as the tobacco settlement, or revenues earmarked for the higher education capital budget, are not included in the analyses. Two different “measures” of public financial support were used: the original, budgeted appropriation, and actual appropriations. Actual differs from budget appropriation in those cases where additional appropriations were added during the fiscal year, or where funds were “dis-appropriated” or reverted during the fiscal year. These data were taken from the Missouri Senate Appropriations Committee Annual Fiscal Reports (also called the RedBook) for fiscal years 1999 through 2010.

In FY 2001 public financial support for Missouri higher education, defined as the original appropriated state general fund revenues for the operating budgets of the Higher Education Commission, the Board of Regents, the colleges, the universities, and student financial aid, totaled \$960.4 million, equal to 12.7 percent of the total State General Fund budget of \$7.5337 billion. State general fund appropriations to higher education increased to \$975.7 million in FY 2002, but then declined until 2008, returning to 2002 levels in 2009, but dropping again in 2010. Higher education’s share of the State General Fund appropriated budget varied throughout the decade, and reached a low point of 11.0 percent in FY 2003, after reaching a high of 12.7 percent in FY 2001.

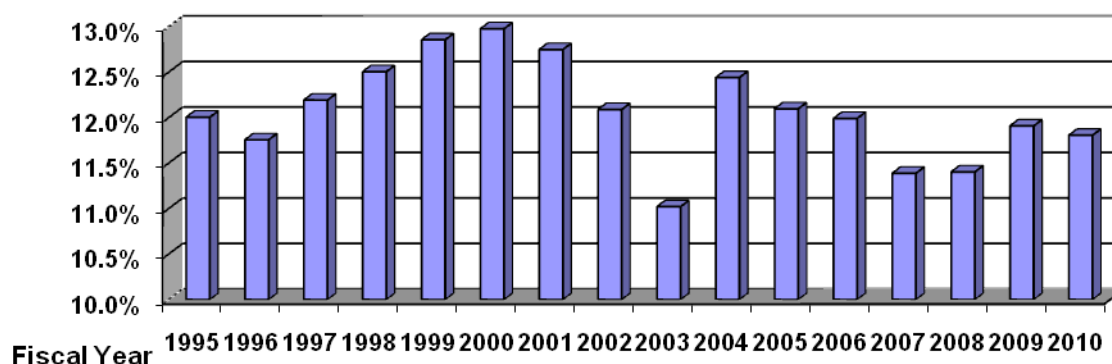
FY 2003 was a watershed year for Missouri higher education appropriations. After reaching a peak of funding in FY 2002, FY 2003 general fund appropriations declined about \$100 million, or 10.2 percent. FY 2004 appropriated State General Fund collections were 15 percent below FY 2003 appropriations, although higher education original appropriations experienced its big reduction between 2002 and 2003. Higher education general revenue appropriations in FY 2010 are about the same level as they were in FY 2000. This information is displayed in **Exhibits 1 and 2**.

EXHIBIT 1
Original Appropriations to Higher Education as a Share of the
State General Fund Appropriated Budget, FY 1995 to FY 2010

Fiscal Year	Original Higher Education General Revenue Approp.	% Change from Previous Year	Original Total State General Revenue	% Change from Previous Year	Higher Ed as a % of Total of Gen Revenue	% Change from Previous Year
1995	629,513,110	N/A	5,244,207,954	N/A	12.0%	N/A
1996	650,979,565	3.4%	5,537,547,295	5.6%	11.8%	-2.1%
1997	724,404,144	11.3%	5,941,277,319	7.3%	12.2%	3.7%
1998	778,751,287	7.5%	6,227,882,899	4.8%	12.5%	2.6%
1999	860,068,234	10.4%	6,690,259,327	7.4%	12.9%	2.8%
2000	911,575,549	6.0%	7,025,098,090	5.0%	13.0%	0.9%
2001	960,430,936	5.4%	7,533,720,326	7.2%	12.7%	-1.8%
2002	975,672,485	1.6%	8,070,615,103	7.1%	12.1%	-5.2%
2003	875,992,675	-10.2%	7,948,543,949	-1.5%	11.0%	-8.8%
2004	839,518,558	-4.2%	6,748,268,139	-15.1%	12.4%	12.9%
2005	862,342,674	2.7%	7,128,595,226	5.6%	12.1%	-2.8%
2006	855,961,813	-0.7%	7,138,727,756	0.1%	12.0%	-0.9%
2007	879,356,731	2.7%	7,721,701,972	8.2%	11.4%	-5.0%
2008	936,476,532	6.5%	8,212,907,639	6.4%	11.4%	0.1%
2009	1,028,804,430	9.9%	8,639,388,717	5.2%	11.9%	4.4%
2010	921,114,922	-10.5%	7,802,206,989	-9.7%	11.8%	-0.9%

Source: Missouri State Senate Appropriations Committee Annual Fiscal Reports, 1996 through 2010.

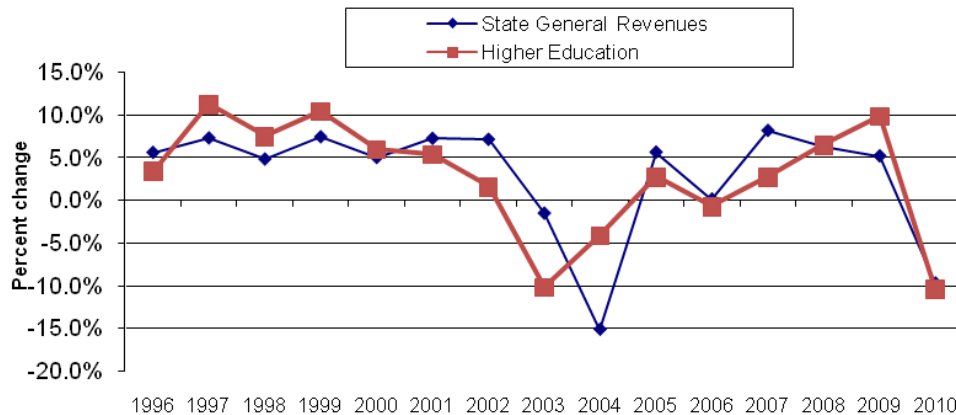
EXHIBIT 2
Original Appropriations to Higher Education as a Share of the
State General Fund Appropriated Budget, FY 1995 to FY 2010



Source: Missouri State Senate Appropriations Committee Annual Fiscal Reports, 1996 through 2010

Exhibit 1 also displays information on changes in total general revenues and in higher education general revenue appropriations from year to year. In FY 1997 through FY 2000, FY 2004, FY 2008 and FY 2009, higher education's change in general funds was greater than the increase in total general revenues, or less than the decrease in total general revenues, as shown graphically in **Exhibit 3**.

EXHIBIT 3
Comparisons of Changes in Total Original Missouri General Fund Appropriations and Higher Education Appropriations, FY 2001 – FY 2010



Source: Missouri State Senate Appropriations Committee Annual Fiscal Reports, 1996 through 2010

During the time period since FY 1995, large changes have occurred in the amounts appropriated for student financial aid in the form of grants and scholarships. **Exhibit 4** displays the appropriations for the higher education institutions and the Department of Higher Education (DHE) as well as the appropriations for student assistance for the time period FY 1995 through FY 2009.

In FY 1995, student assistance accounted for less than one percent of total higher education appropriations. Dollars appropriated for financial aid quadrupled from \$5 million in FY 1995 to over \$22 million in FY 1996, and increased by more than 10 percent in 1997, 1999, and 2000. In 2003, financial aid, as well as all higher education faced significant cuts, as financial aid was reduced 27 percent from \$45.4 million in FY 2002 to \$33.0 million in FY 2003. Substantial increases in general fund appropriations for student financial aid occurred in FY 2008 and FY 2009.

EXHIBIT 4

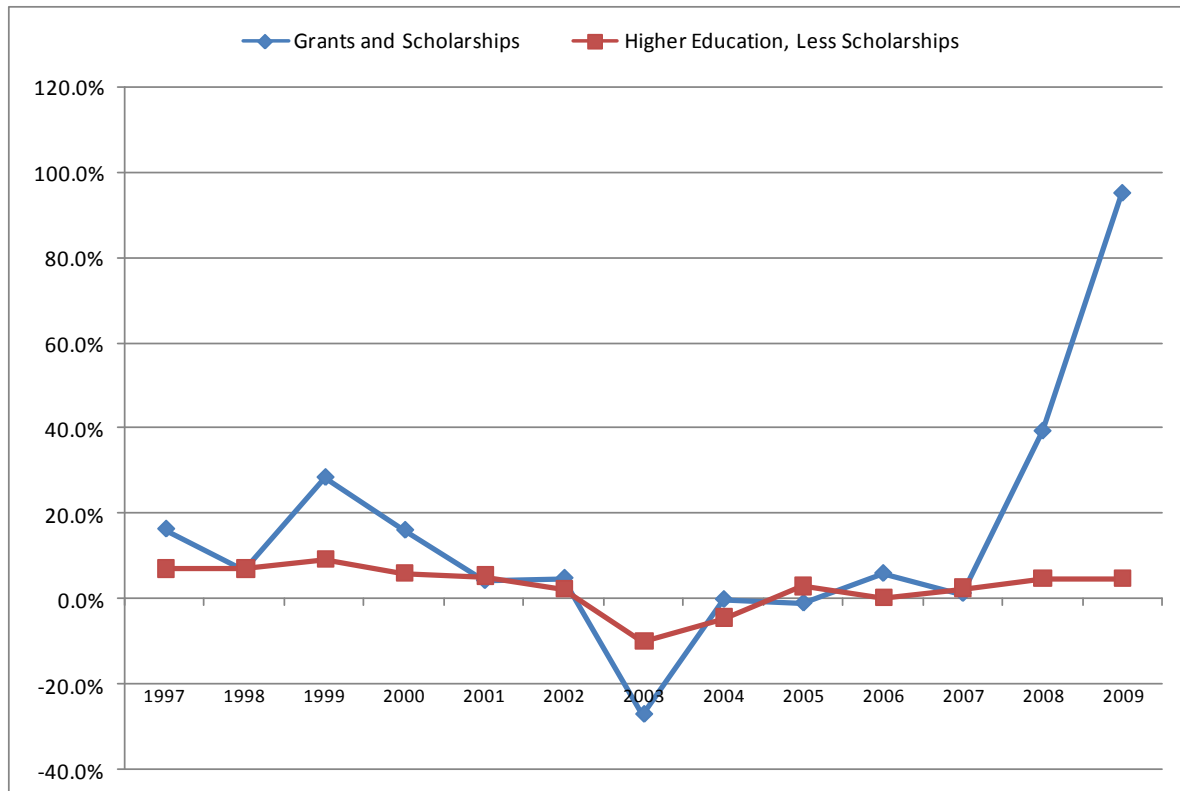
Appropriations to Higher Education Institutions and DHE, and Student Financial Aid as a Share of the Higher Education Appropriated Budget, FY 1995 to FY 2009

Fiscal Year	Appropriations to Institutions	% Change from Previous Year	Appropriation for Grant and Scholarship Programs	% Change from Previous Year	Grant and Scholarship as % of Higher Education	% Change from Previous Year
1995	624,493,110	N/A	5,020,000	N/A	0.8%	N/A
1996	628,538,565	0.6%	22,441,000	347.0%	3.4%	332.3%
1997	698,304,144	11.1%	26,100,000	16.3%	3.6%	4.5%
1998	750,851,287	7.5%	27,900,000	6.9%	3.6%	-0.6%
1999	824,231,234	9.8%	35,837,000	28.4%	4.2%	16.3%
2000	869,994,549	5.6%	41,581,000	16.0%	4.6%	9.5%
2001	917,115,936	5.4%	43,315,000	4.2%	4.5%	-1.1%
2002	930,302,485	1.4%	45,370,000	4.7%	4.7%	3.1%
2003	843,010,675	-9.4%	32,982,000	-27.3%	3.8%	-19.0%
2004	806,625,558	-4.3%	32,893,000	-0.3%	3.9%	4.1%
2005	829,817,674	2.9%	32,525,000	-1.1%	3.8%	-3.7%
2006	821,530,813	-1.0%	34,431,000	5.9%	4.0%	6.6%
2007	844,530,731	2.8%	34,826,000	1.1%	4.0%	-1.5%
2008	887,945,532	5.1%	48,531,000	39.4%	5.2%	30.9%
2009	934,009,430	5.2%	94,795,000	95.3%	9.2%	77.8%

Source: Missouri State Senate Appropriations Committee Annual Fiscal Reports, 1996 through 2010. Grant and Scholarship appropriations data from Grapevine.

Exhibit 5 displays the annual changes in state appropriations funding for scholarships and grants and for the remainder of higher education. Reductions in state appropriations for grants and scholarships were greater, percentage-wise, than cuts to the institutions in FY 2003, and greater than increases to the institutions in all the other years. Especially notable are the increases in FY 2008 and FY 2009.

EXHIBIT 5
Annual Changes in State Appropriations for Student Financial Aid, and for the Rest of Higher Education
FY 1997 to FY 2009



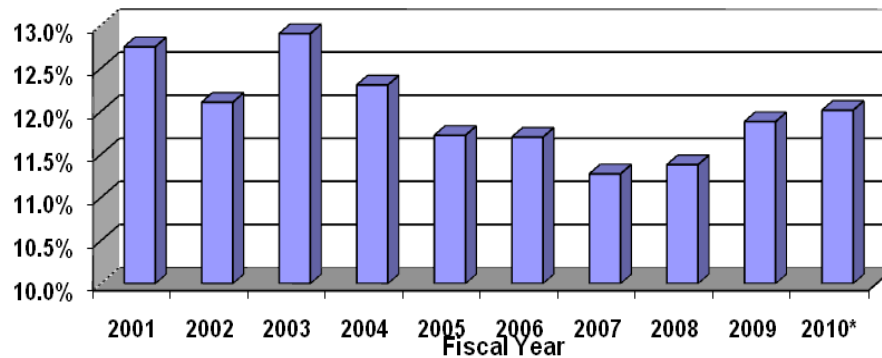
In practically every year, the actual state general fund revenues and the amounts appropriated to higher education differed from the amounts originally appropriated. **Exhibit 6** displays information related to actual appropriations to higher education and actual state general revenues from FY 2001 through FY 2010. Beginning in 2003, actual general fund revenues appropriated to higher education and total state general fund revenues were less than the original appropriations budget. Data for 2010 actual total state general revenues are not available because the fiscal year has not ended. However, on October 28, 2009 Governor Nixon announced additional reductions in the state budget. Higher education's general fund appropriations were reduced by an additional \$8.1 million, and total state general fund appropriations were reduced by \$203.7 million. These data are shown as "actual" appropriations in **Exhibits 6** and **7**.

EXHIBIT 6
Actual Appropriations to Higher Education as a Share of the
Actual State General Funds, FY 2001 to FY 2010

Fiscal Year	Actual Higher Education General Revenue Approp.	% Change from Previous Year	Actual Total State General Revenues	% Change from Previous Year	Higher Ed as a % of Total General Revenue	% Change from Previous Year
2001	960,430,936	5.4%	7,533,720,326	7.2%	12.7%	-1.8%
2002	975,672,485	1.6%	8,060,342,745	7.0%	12.1%	-5.1%
2003	819,136,439	-16.0%	6,349,183,198	-21.2%	12.9%	6.6%
2004	815,064,751	-0.5%	6,623,517,363	4.3%	12.3%	-4.6%
2005	834,519,478	2.4%	7,119,782,140	7.5%	11.7%	-4.7%
2006	831,264,731	-0.4%	7,104,687,680	-0.2%	11.7%	-0.2%
2007	871,081,458	4.8%	7,726,524,196	8.8%	11.3%	-3.6%
2008	910,107,089	4.5%	7,997,084,387	3.5%	11.4%	0.9%
2009	995,568,860	9.4%	8,380,075,219	4.8%	11.9%	4.4%
2010*	912,757,659	-8.3%	7,598,465,926	-9.3%	12.0%	1.1%

Source: Missouri State Senate Appropriations Committee Annual Fiscal Reports, 2000 through 2009. FY 2010 calculated by MGT from original number and Governor's 10-28-09 revisions.

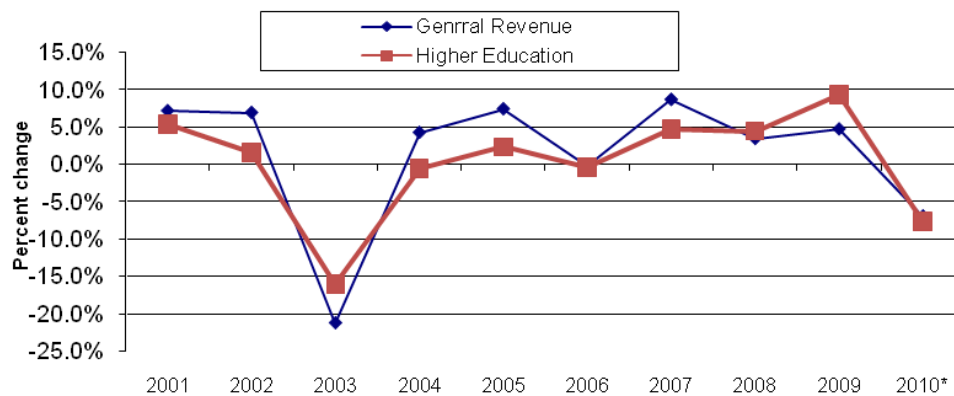
EXHIBIT 7
Actual Appropriations to Higher Education as a Share of Actual State General Funds
FY 2001 to FY 2009



Source: Missouri State Senate Appropriations Committee Annual Fiscal Reports, 2000 through 2009. FY 2010 calculated by MGT from original number and Governor's 10-28-09 revisions.

Exhibit 6 also displays information on changes in total general revenues and in higher education general revenue from year to year. In FY 2004, FY 2008 and FY 2009, higher education's change in general funds was greater than the increase in total general revenues, or less than the decrease in total general revenues, as shown graphically in **Exhibit 8**.

EXHIBIT 8
Comparisons of Changes in Total Original Missouri General Fund Appropriations and Higher Education Appropriations, FY 2001 – FY 2010



Source: Missouri State Senate Appropriations Committee Annual Fiscal Reports, 2000 through 2009. FY 2010 calculated by MGT from original number and Governor's 10-28-09 revisions.

Exhibit 9 displays a comparison between the original appropriation or total general revenue estimates and the actual higher education appropriations and general fund revenues. Actual dollar reductions were greatest in FY 2003, \$56.9 million for higher education and \$1.6 billion for the State. Each year reductions in higher education's original appropriations exceeded \$8 million.

Exhibit 10 displays the state general fund appropriations per full-time equivalent student (FTE) for each of the public institutions from FY 1995 through FY 2009. For the community colleges, state appropriations per FTE were highest in FY 2001, \$3,385, and have declined to \$2,588 in FY 2009. For the four-year institutions, appropriations per FTE were highest in FY 2002, \$8,482, and reached FY 1998 levels in FY 2009. For all institutions, state general fund appropriations per FTE were highest in FY 2001. These data are shown graphically in **Exhibit 11**.

EXHIBIT 9
COMPARISON OF ORIGINAL APPROPRIATIONS AND ACTUAL REVENUES

Fiscal Year	Original Higher Education General Revenue Approp.	Actual Higher Education General Revenue*	Difference between Approp. And Actual	Original Total State General Revenue	Actual Total State General Revenue*	Difference between Approp. And Actual
2001	n/a	960,430,936	-	n/a	7,533,720,326	-
2002	n/a	975,672,485	-	8,070,615,103	8,060,342,745	(10,272,358)
2003	875,992,675	819,136,439	(56,856,236)	7,948,543,949	6,349,183,198	(1,599,360,751)
2004	839,518,558	815,064,751	(24,453,807)	6,748,268,139	6,623,517,363	(124,750,776)
2005	862,342,674	834,519,478	(27,823,196)	7,128,595,226	7,119,782,140	(8,813,086)
2006	855,961,813	831,264,731	(24,697,082)	7,138,727,756	7,104,687,680	(34,040,076)
2007	879,356,731	871,081,458	(8,275,273)	7,721,701,972	7,726,524,196	4,822,224
2008	936,476,532	910,107,089	(26,369,443)	8,212,907,639	7,997,084,387	(215,823,252)
2009	1,028,804,430	995,568,860	(33,235,570)	8,639,388,717	8,380,075,219	(259,313,498)
2010	921,114,922	912,757,659	(8,357,263)	7,802,206,989	7,598,465,926	(203,741,063)

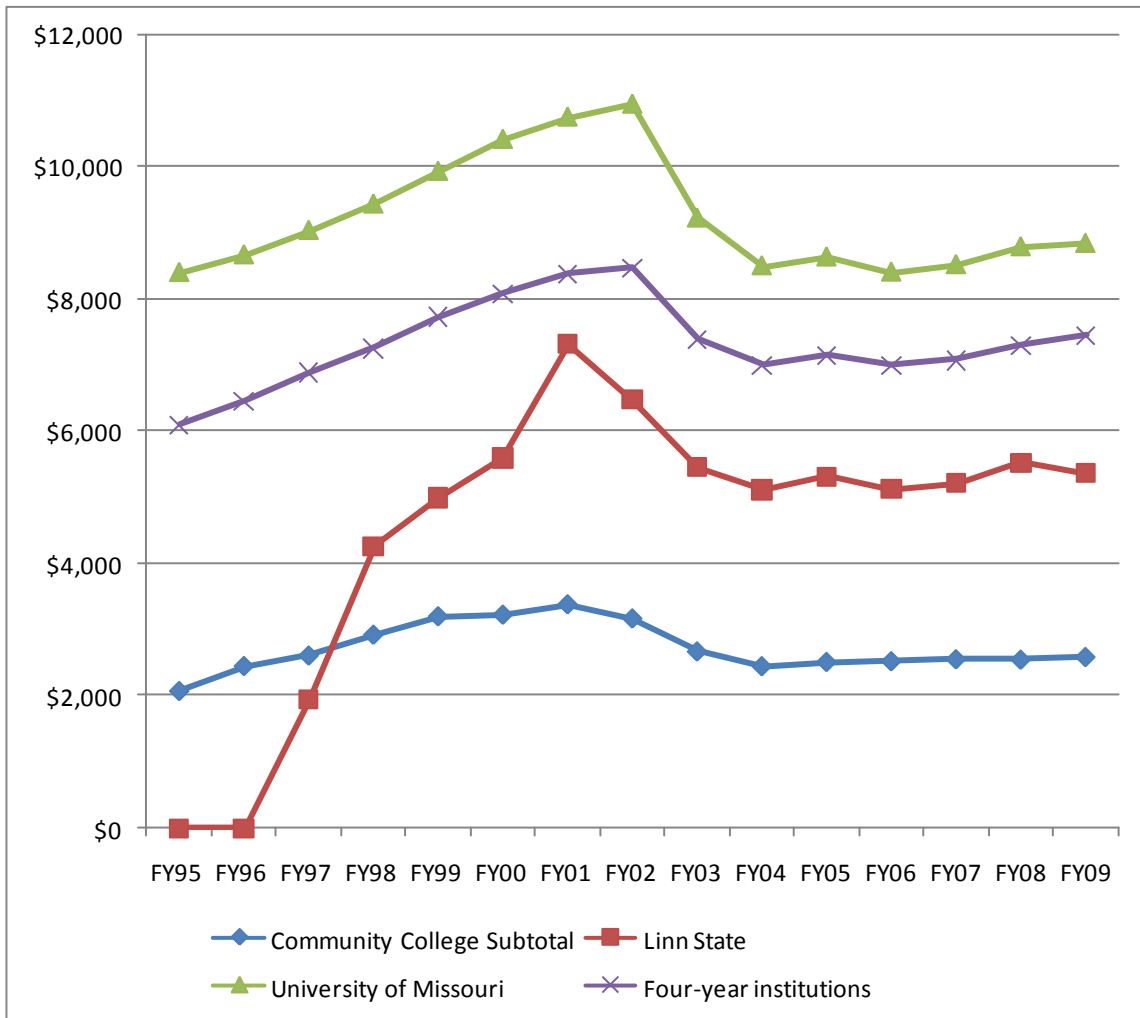
Source: Calculated by MGT from Missouri State Senate Appropriations Committee Annual Fiscal Reports, 2000 through 2009. FY 2010 calculated by MGT from original number and Governor's 10-28-09 revisions.

EXHIBIT 10
State General Fund Appropriations Per Full-Time Equivalent Student, FY1995 Through FY2009

Institution	FY95	FY96	FY97	FY98	FY99	FY00	FY01	FY02	FY03	FY04	FY05	FY06	FY07	FY08	FY09
Crowder College	1,946	2,376	2,834	3,673	4,466	4,211	4,482	3,846	2,915	2,441	2,561	2,606	2,448	2,089	2,022
East Central College	1,763	2,147	2,349	2,670	3,177	3,162	3,226	3,119	2,805	2,572	2,542	2,553	2,483	2,531	2,577
Jefferson College	1,932	2,313	2,424	2,700	3,062	3,266	3,529	3,405	2,984	2,746	2,716	2,630	2,583	2,443	2,421
Metropolitan Community College	2,166	2,598	2,886	3,285	3,364	3,520	3,833	3,737	3,241	3,015	3,055	3,019	3,108	3,109	3,162
Mineral Area College	1,901	2,363	2,484	2,691	3,227	3,432	3,244	2,970	2,452	2,385	2,557	2,532	2,540	2,511	2,591
Moberly Area Community College	1,934	2,299	2,496	2,970	3,711	3,217	3,095	2,741	2,196	2,021	2,012	2,083	2,092	2,003	2,084
North Central Missouri College	1,697	2,185	2,350	2,657	2,732	3,263	3,287	3,353	2,822	2,527	2,742	2,874	2,547	2,614	2,672
Ozarks Technical Community College	2,279	2,501	2,597	2,712	3,055	2,959	2,833	2,280	1,858	1,589	1,554	1,482	1,522	1,550	1,559
St. Charles County Community College	1,664	1,858	1,969	1,953	2,046	2,110	2,175	1,978	1,622	1,565	1,548	1,534	1,683	1,760	1,798
St. Louis Community College	2,281	2,666	2,867	3,256	3,527	3,461	3,723	3,622	3,017	2,821	2,999	3,081	3,162	3,273	3,317
State Fair Community College	1,649	2,022	2,580	2,989	3,495	3,511	3,266	2,931	2,596	2,360	2,667	2,731	2,695	2,487	2,523
Three Rivers Community College	1,498	1,779	1,957	2,235	2,621	2,674	2,854	2,616	2,383	1,993	1,930	2,124	2,125	2,019	2,429
Community College Subtotal	2,074	2,452	2,610	2,925	3,204	3,228	3,385	3,171	2,672	2,449	2,513	2,524	2,554	2,547	2,588
Linn State Technical College	0	0	1,940	4,266	4,992	5,598	7,318	6,489	5,453	5,114	5,316	5,130	5,219	5,529	5,365
University of Central Missouri	4,835	5,200	5,624	6,182	6,716	7,080	7,246	7,306	6,689	6,361	6,622	6,453	6,466	6,652	6,831
Southeast Missouri State University	5,470	5,664	6,041	6,567	7,003	7,213	7,459	7,144	6,176	5,758	5,930	5,624	5,710	5,835	5,953
Missouri State University	3,927	4,489	5,022	5,323	5,677	5,811	5,807	5,778	5,103	4,846	4,940	4,975	5,012	5,195	5,349
Lincoln University	4,896	5,311	6,518	6,747	6,929	7,200	7,751	8,121	7,705	7,258	7,069	7,141	7,433	8,242	8,819
Truman State University	5,016	5,303	5,656	5,899	6,503	7,077	7,793	8,178	7,417	7,193	7,166	7,209	7,438	7,639	7,990
Northwest Missouri State University	4,012	4,257	4,497	4,898	5,494	5,705	6,084	6,008	5,474	5,599	5,953	5,812	6,034	5,815	5,834
Missouri Southern State University	3,512	3,783	4,237	4,379	4,696	4,856	4,951	4,838	4,399	4,994	5,221	5,029	4,887	5,396	6,118
Missouri Western State University	3,659	3,948	4,341	4,616	5,044	5,257	5,425	5,352	4,769	5,107	5,197	5,107	5,301	5,515	5,580
Harris-Stowe State University	6,020	6,272	6,602	7,144	7,974	9,057	10,240	10,713	9,915	9,908	9,229	8,203	7,207	7,387	7,590
University of Missouri	8,409	8,677	9,048	9,449	9,945	10,432	10,770	10,967	9,237	8,511	8,645	8,415	8,528	8,800	8,850
Four-Year Institution Subtotal	6,114	6,472	6,907	7,269	7,745	8,103	8,397	8,482	7,399	7,015	7,156	7,004	7,092	7,317	7,470
Two & Four-Year Institutions Total	4,866	5,259	5,592	5,942	6,342	6,556	6,821	6,744	5,814	5,454	5,579	5,511	5,583	5,697	5,810

Source: Calculated by MGT from data from the Missouri Department of Higher Education.

EXHIBIT 11
State General Fund Appropriations Per FTE, FY 1995 to FY 2009



Missouri State Appropriations for Higher Education Compared to the Big 12 and Contiguous States

MGT compared funding for Missouri higher education to higher education funding in Arkansas, Colorado, Illinois, Iowa, Kansas, Kentucky, Nebraska, Oklahoma, Tennessee, and Texas. **Exhibit 12** shows total state appropriations to higher education in Missouri and the comparison states for FY 2000, FY 2005, FY 2008, FY 2009, and FY 2010. Data for FY 2010 appropriations were not available for Nebraska at the time of this report, and will be added as soon as they are available.

Only Iowa faced a greater reduction in total appropriations for higher education between FY 2009 and FY 2010 than did Missouri. Arkansas and Texas were the only two states who appropriated more funds to higher education in FY 2010 than in FY 2009, and between FY 2008 and FY 2010. Over five years and ten years, Arkansas had the largest percentage increase in appropriations. Colorado and Iowa were the only two states whose percentage change over ten years was less than Missouri's. These data also are shown graphically in **Exhibit 13**.

Exhibit 14 presents information on appropriations per FTE student for Missouri and the comparison states for FY 2002, FY 2003, FY 2006, FY 2007, and FY 2008, the last year for which these data were available. Data are presented for FY 2002 and FY 2003 because FY 2003 was the year in which many states' funding was restricted. It is important to note that these data are presented in constant dollars. To arrive at constant dollar figures, data were adjusted by a cost of living adjustment, an enrollment index, and a higher education cost adjustment. Adjustments made by the State Higher Education Executive Officers (SHEEO).

In FY 2002, Missouri's appropriations per FTE were 94 percent of the national average; among the comparison states, only Colorado's appropriations per FTE were less than those of Missouri. By FY 2008, Missouri's appropriations per FTE had declined to 88 percent of the national average, and were greater than those of Colorado, Iowa, and Kansas. These data are shown graphically in **Exhibit 15**.

Exhibits 16, 17, and 18 display information on state appropriations per capita and per \$1,000 in personal income for Missouri and the comparison states for FY 2000 and FY 2009. In FY 2000, Missouri's appropriations for higher education were \$179 per capita, which declined to \$174 per capita in FY 2009. On this measure, Missouri ranked 39th among the states in FY 2000, but 45th in FY 2009. Missouri's appropriations per capita were higher than those of only Colorado.

Similarly, when appropriations per \$1,000 in personal income are examined, Missouri ranked 36th among the states in FY 2000, and ranked 42nd in FY 2009. Colorado and Illinois ranked lower than Missouri in FY 2000, but only Colorado was lower in FY 2009.

EXHIBIT 12
Changes in State Higher Education Appropriations, 2000 to 2010
Missouri and Comparison States

State	FY2000 State Approp. For Higher Education*	FY05 State Higher Education Approp.	FY08 State Higher Education Approp.*	FY09 State Higher Education Approp.*	FY10 State Higher Education Approp.*	One-year Percentage Change	Two-year Percentage Change	Five-year Percentage Change	Ten-year Percentage Change
Missouri	910,571	861,421	935,281	1,027,185	919,657	-10.47%	-1.67%	6.76%	1.00%
Arkansas	605,216	639,021	862,049	865,212	884,115	2.18%	2.56%	38.35%	46.08%
Colorado	719,221	596,798	736,594	661,826	659,837	-0.30%	-10.42%	10.56%	-8.26%
Illinois	2,573,964	2,685,921	2,949,248	2,997,543	2,834,940	-5.42%	-3.88%	5.55%	10.14%
Iowa	824,062	743,122	873,709	914,197	801,643	-12.31%	-8.25%	7.88%	-2.72%
Kansas	650,069	715,832	822,952	796,155	743,162	-6.66%	-9.70%	3.82%	14.32%
Kentucky	925,506	1,001,365	1,133,526	1,076,469	1,006,320	-6.52%	-11.22%	0.49%	8.73%
Nebraska	473,939	505,555	607,938	632,901	n/a	n/a	n/a	n/a	n/a
Oklahoma	740,544	762,829	1,015,150	1,012,542	976,916	-3.52%	-3.77%	28.06%	31.92%
Tennessee	984,858	1,122,978	1,346,366	1,255,834	1,175,672	-6.38%	-12.68%	4.69%	19.37%
Texas	4,486,813	4,829,496	5,727,817	6,168,759	6,419,553	4.07%	12.08%	32.92%	43.08%
* Dollars in Thousands									

Source: Grapevine, accessed through the website.

EXHIBIT 13
Changes in State Higher Education Appropriations, 2000 to 2010
Missouri and Comparison States

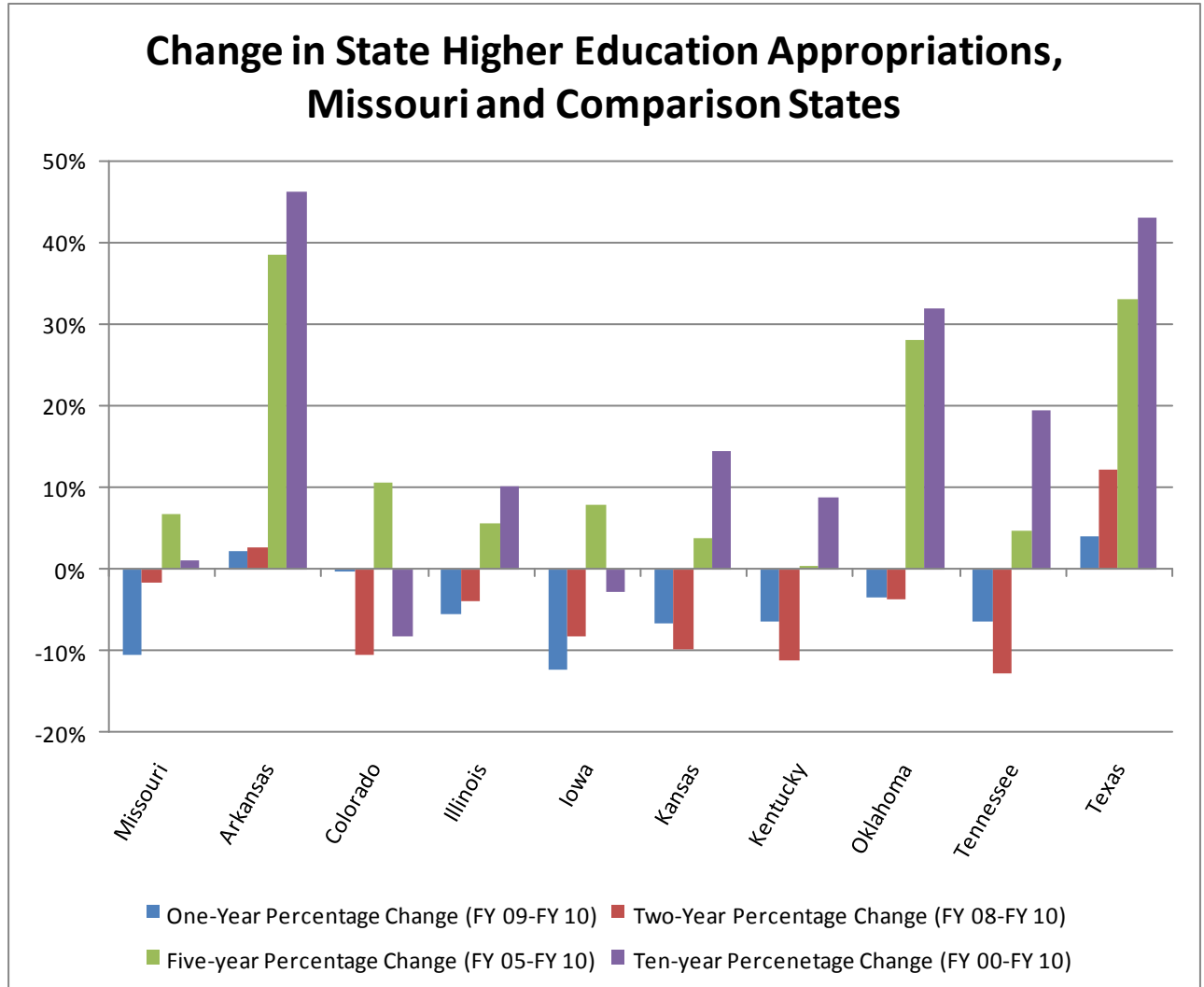


EXHIBIT 14
Public Higher Education Appropriations Per FTE
Missouri and Comparison States

State	FY 2002	FY 2003	FY 2006	FY 2007	FY 2008	As a % of National Average FY 2002	As a % of National Average FY 2003	As a % of National Average FY 2006	As a % of National Average FY 2007	As a % of National Average FY 2008
Missouri	\$6,932	\$6,876	\$6,233	\$6,434	\$6,225	94%	98%	96%	92%	88%
U.S. Average	\$7,341	\$7,006	\$6,520	\$7,018	\$7,059	100%	100%	100%	100%	100%
Arkansas	\$6,954	\$7,006	\$7,207	\$7,400	\$7,663	95%	100%	111%	105%	109%
Colorado	\$4,646	\$3,600	\$3,136	\$3,676	\$3,801	63%	51%	48%	52%	54%
Illinois	\$8,740	\$7,943	\$6,666	\$7,128	\$7,377	119%	113%	102%	102%	105%
Iowa	\$6,449	\$6,344	\$5,719	\$5,889	\$6,071	88%	91%	88%	84%	86%
Kansas	\$7,130	\$6,387	\$5,663	\$5,791	\$5,796	97%	91%	87%	83%	82%
Kentucky	\$8,933	\$8,170	\$7,698	\$7,884	\$8,431	122%	117%	118%	112%	119%
Nebraska	\$6,509	\$6,715	\$7,091	\$7,539	\$7,473	89%	96%	109%	107%	106%
Oklahoma	\$6,945	\$7,231	\$6,416	\$7,583	\$7,890	95%	103%	98%	108%	112%
Tennessee	\$6,509	\$6,315	\$6,703	\$7,437	\$7,677	89%	90%	103%	106%	109%
Texas	\$7,884	\$7,096	\$7,391	\$8,532	\$7,934	107%	101%	113%	122%	112%

NOTE: Constant dollars. To arrive at constant dollar figures, data were adjusted by a cost of living adjustment, an enrollment index, and a higher education cost adjustment. Adjustments made by the State Higher Education Executive Officers (SHEEO).

Source: State Higher Education Finance FY 2007 and FY 2008.

EXHIBIT 15
Public Higher Education Appropriations Per FTE
Missouri and Comparison States

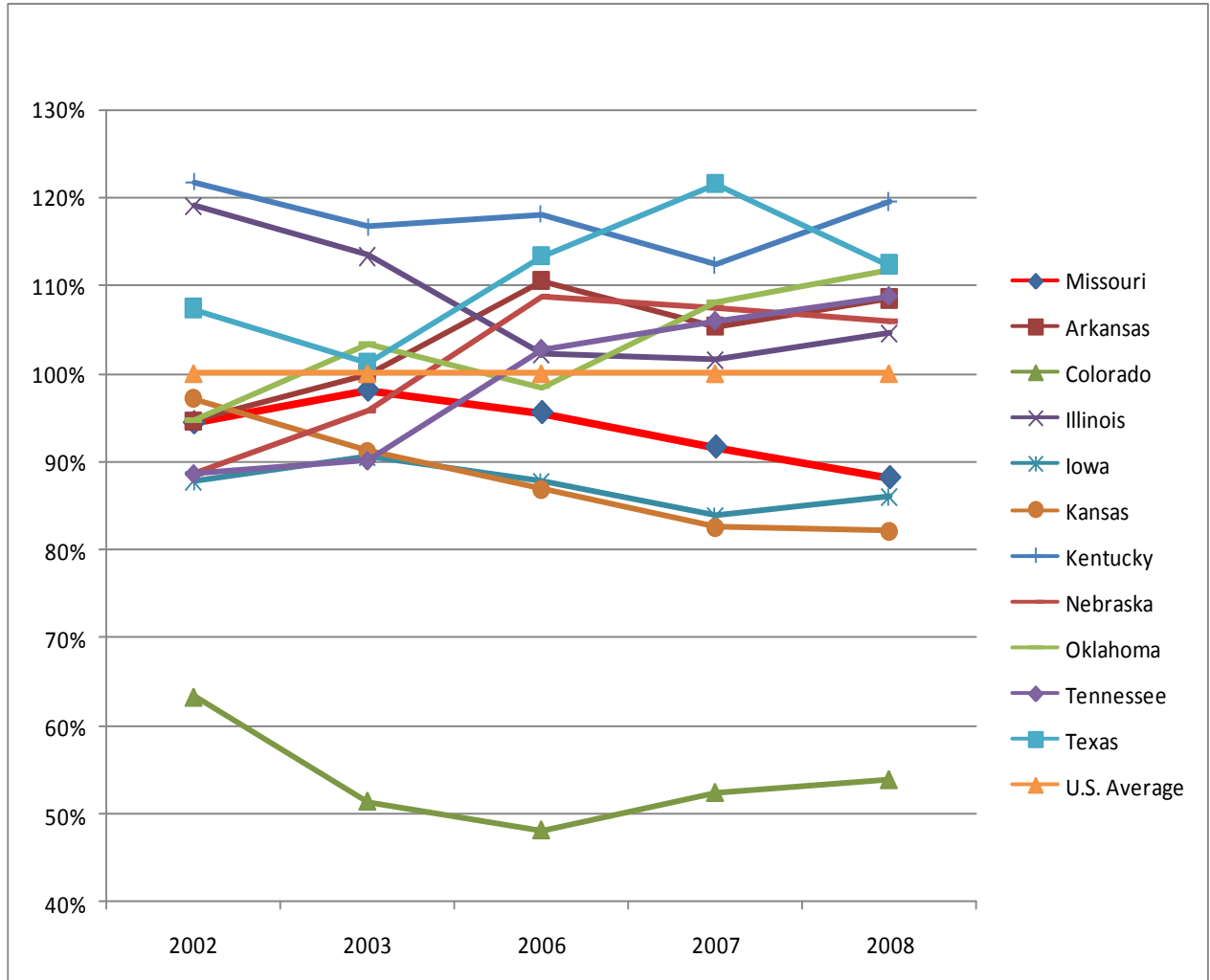


EXHIBIT 16
State Appropriations for Higher Education Per Capita and
Per \$1,000 in Personal Income, FY 2000 and FY 2009

State	Appropriations per Capita		State Ranking		Appropriations per \$1,000 in Personal Income		State Ranking	
	FY 2000	FY 2009	FY 2000	FY 2009	FY 2000	FY 2009	FY 2000	FY 2009
Missouri	\$179	\$174	39	45	\$6.98	\$4.91	36	42
Arkansas	\$237	\$301	13	15	\$11.25	\$9.54	8	11
Colorado	\$177	\$162	41	46	\$5.76	\$3.84	42	46
Illinois	\$211	\$233	23	32	\$6.88	\$5.50	38	40
Iowa	\$288	\$311	7	12	\$11.44	\$8.52	7	15
Kansas	\$234	\$300	14	17	\$9.63	\$7.88	19	17
Kentucky	\$234	\$301	15	16	\$10.34	\$9.36	13	13
Nebraska	\$284	\$355	9	10	\$10.97	\$9.40	10	12
Oklahoma	\$220	\$281	19	21	\$10.04	\$7.59	16	19
Tennessee	\$180	\$202	38	40	\$7.25	\$5.85	34	32
Texas	\$204	\$237	29	31	\$7.77	\$6.12	24	28

EXHIBIT 17

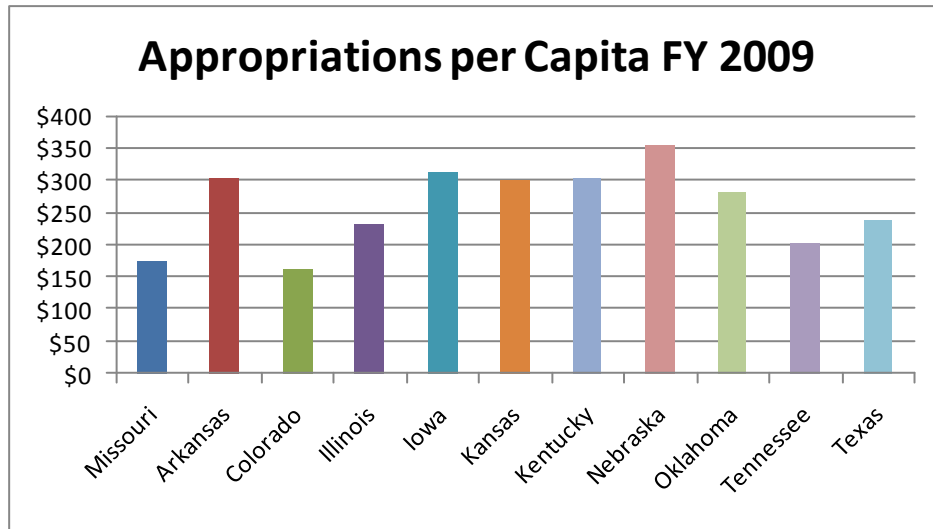
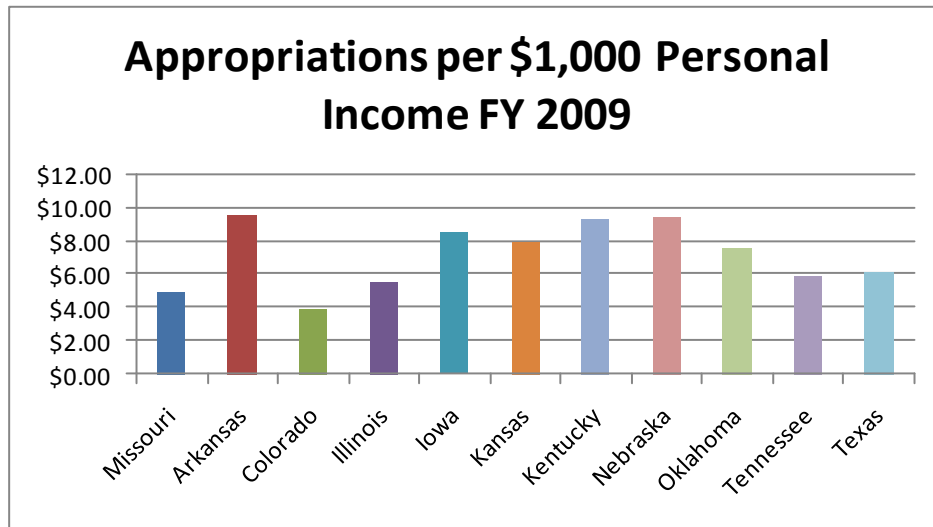


EXHIBIT 18



Summary

MGT used multiple measures to assess the Missouri investment in higher education. First, MGT evaluated higher education's appropriations and share of the Missouri general fund budget. As measured by share of the state general fund budget, in the time period from FY 1995 to the present, public financial support for higher education in Missouri reached a peak of 13.0 percent in FY 2000, and reached a low point of 11.0 percent in FY 2003.

These comparisons are before mid-year reductions in the state budget. In practically every year since 2003, the actual state general fund revenues received by higher education were less than the original appropriation. Higher education's increases in state general fund appropriations were greater than the increase in total general revenues from FY 1997 to FY 2000, but higher education's decreases since generally have been greater than the decreases in total general revenues. Missouri funded higher education relatively well during good financial times, but has taken disproportionate reductions from higher education when there was an economic downturn.

During this time period, funding for student financial aid increased significantly, from \$5.0 million in FY 1995 to \$94.8 million (before reversions or mid-year budget cuts) in FY 2009. During the last two years, financial aid received increases of 39.4 and 95.3 percent, much larger percentage increases than those for the institutions. This may be a reflection of the current economy and the greater financial need of students.

MGT compared Missouri funding for higher education to funding in ten comparison states: Arkansas, Colorado, Illinois, Iowa, Kansas, Kentucky, Nebraska, Oklahoma, Tennessee, and Texas. Over the ten year time period, FY 2000 through FY 2010, only Colorado and Iowa saw smaller increases in state appropriations to higher education. When funding for FY 2010 is compared to FY 2009 funding, all of the comparator states except Arkansas and Texas experienced reductions in state appropriations, as did Missouri.

Missouri appropriations per full-time equivalent student (FTE) were 94 percent of the national average in FY 2002, and declined to 88 percent of the national average in FY 2008, the last year for which these data were available. Among the comparator states in FY 2008, only Colorado, Iowa, and Kansas appropriations per FTE were lower than those of Missouri.

Missouri rankings on appropriations per capita and appropriations per \$1,000 in personal income declined during the time period FY 2000 to FY 2009. Appropriations per capita were \$179 in FY 2000 and had declined to \$174 per capita in FY 2009. Missouri ranked 39th among the states on that measure in FY 2000, and 45th in FY 2009. Similarly, Missouri ranked 36th on appropriations per \$1,000 in personal income in FY 2000, and 42nd in FY 2009. Colorado and Illinois ranked lower than Missouri in 2000, but only Colorado was lower in 2009.

In the next phase of the study, MGT will examine funding at each institution compared to peer institutions. This will give a fuller picture of Missouri support for higher education.