

UNIVERSITY OF MISSOURI (A)

ACADEMIC CUTS PLANNED

FOR MISSOURI DRAW FIRE

By Gene I. Maeroff

COLUMBIA, MO., May 28--Budget conscious administrators at the University of Missouri's main campus here have proposed dropping some programs and sharply curtailing others. But the plan has brought a flood of protest letters, emergency hearings in the State Legislature and criticism from three of the University's nine board members.

"More people have talked about the University of Missouri in the last 30 days than in the last 30 years," said Dr. Wilbur Miller, Associate Dean of the College of Education, which would lose one-third of its \$3.6 million budget under the proposal, jeopardizing many of its undergraduate programs.

Provost Ron Bunn has proposed abolishing two of the university's 14 schools and colleges and sharply reducing the operations of seven others over a period of three years. The money freed by those actions could then be reallocated to the remaining programs to improve faculty salaries and buy equipment for research.

--The *New York Times*, May 30, 1982

It was June 1, 1982 and Ron Bunn, the Provost at the University of Missouri's Columbia campus, faced several questions. He wondered how the administration's effort to develop a long-range response to financial pressures had led to such a political maelstrom. He wondered whether there was anything the administration could have done to prevent events from careening out of control. Most important, he wondered what, if anything, he could do now.

This case was written by Jacqueline Stefkovich, Chris Harris, and Lee Bolman, for the Institute for Educational Management, Harvard University, and is based in part on the research of Professor David Kuechle, Harvard Graduate School of Education. The case was developed for class discussion, and is not intended to illustrate either effective or ineffective handling of an administrative situation. © 1986, Institute for Educational Management

Nineteen eighty-two marked Ron Bunn's second year at the University of Missouri. He was new to the state, but not to higher education. Before coming to Missouri, he had been a full-time faculty member at the University of Texas and at Louisiana State University. He was a graduate dean at the University of Houston for seven years and Vice-President for Academic Affairs at the State University of New York in Buffalo from 1976 to 1980. He had directed long-range planning efforts at the last two institutions, but neither involved program reductions on the scale contemplated at Missouri.

From the beginning of his tenure, Bunn was aware of the university's fiscal problems. He knew from the outset that cuts in programs would be difficult, but he also wanted to help a university that he believed "was beginning to enter a period of protracted financial stress". He had been optimistic about his reallocation proposals. He felt they had the potential to save several million dollars and to strengthen the programs that were most central to the mission of the university and most needed by the citizens of Missouri.

The University of Missouri

Founded in 1839 as the first state university west of the Mississippi and approved as a land-grant institution in 1870, the University of Missouri at Columbia is part of a four-campus system (the other sites are Kansas City, Rolla and St. Louis). The University is governed by a Board of Curators whose nine members are appointed by the governor to serve six-year terms. State law requires that each curator come from a different Congressional district and that no more than five be members of one political party. Most of the curators were alumni who served on a part-time basis while maintaining full-time commitments in law, business, agriculture or other professions. In 1982, the membership of the board included eight men and one woman who was also the only Black member.

Reporting to the Curators was the President of the University and system-wide chief executive, James Olson. Each of the four campuses was headed by a Chancellor. The Chancellor at Columbia, Barbara Uehling, was regarded as a strong and vocal advocate of higher education.

Columbia, Missouri is a classic college town. The 90,000 residents include 25,000 students at the Columbia campus. The streets carry names like College and University and the 75,000- person football stadium dominates the southern edge of town. The university's teaching hospital is a major health facility for Columbia and central Missouri. The university operates half a dozen museums and galleries, and fields surrounding the town are sites for university-based agricultural experiments.

The local visitor's brochure proudly proclaims the institution as "one of the most comprehensive universities in the world", a university that "belongs to all Missourians".

Beside the nation's oldest School of Journalism, the campus includes Colleges of Agriculture, Arts and Sciences, (with twenty-five departments), Business and Public Administration, Education, Engineering, Graduate Studies, Home Economics, Public and Community Services and Veterinary Medicine and professional schools of Law, Medicine and Health Related Services, Nursing, and Library and Informational Science.

The University of Missouri system is the only public institution in the state to offer Ph.D. and professional degrees, and the Columbia campus, with its 100+ Ph.D. programs, confers most of these. Administrators at the Columbia campus emphasize the important research in areas such as plant biochemistry and genetics, arthritic disease, hazardous waste management and the effects of diet on cholesterol levels. Students and community emphasize the school's excellence in teaching.

The university distributes an information brochure, stylishly dressed in the school's black and gold colors, that sums up the institution's philosophy with these lines:

There are few earthly things more splendid than a university. In these days of broken frontiers and collapsing values , when the dams are down and the floods are making misery, when every future looks somewhat grim and every ancient foothold has become something of a quagmire, wherever a University stands, it stands and shines; wherever it exists, the free minds of men, urged on to full and fair inquiry, may still bring wisdom into human affairs.

--John Masefield

Administration, faculty and staff are proud of the University. As the Dean for Community and Public Service, a former mayor of Columbia, said, "I came to this university as a sophomore in 1945 and have stayed ever since. I like it here."

The Financial Context

Missouri was operating on a narrow tax base and ranked next- to-last among the states in its *per capita* appropriations for higher education.

In 1980, droughts had hampered the state's agricultural economy and national economic trends were hurting other major Missouri industries. The governor had withheld three percent

of the higher education appropriations and announced a ten percent reduction for the following year. The Hancock Amendment, an anti-tax bill, had recently been enacted via the initiative process. Bunn doubted that the governor or Missouri citizens would, or could, support an increase in state taxes.

James Buchholz, the University's Vice-President for Administrative Affairs, predicted that reductions and inflation would cause the university to lose twenty percent of its operating budget during the 1981-1982 school year. Although endowments and research support made a significant contribution, they were designated for specific areas and contributed little to the school's operating budget.

Substantial increases in student tuition were planned, but these accounted for less than thirty percent of the school's total operating budget. (Over sixty percent came from state subsidies and most of the remainder from federal land-grant monies.) Over ninety percent of the students resided in state. (See Appendix A for budget information, and Appendix B for enrollment figures.)

The university's commitment as a land-grant institution obliged it to maintain reasonable tuition rates for its residents. Administrators viewed massive tuition hikes as out of the question. To further compound the problems, the state of Missouri was not legally permitted to deficit-spend.

Bunn and Uehling both believed that the University of Missouri could maintain and improve its status and capacities as a major university in the Midwest only if it could attract and retain talented faculty. The institution was already several percentage points behind the other Big Ten and Big Eight schools in its faculty salaries. (See Appendix C for these comparisons.) Offering competitive salaries was crucial to this effort.

Bunn and Uehling saw a major dilemma. Either the university could spread broadly the decline in resources throughout the campuses and hope for a better day, or it could take steps to reduce its range of commitments so that existing strengths could be maintained and remaining programs strengthened. Both Bunn and Barbara Uehling believed that it was essential for the Columbia campus to concentrate its resources on its strongest and most significant programs. Uehling had frequently and publicly expressed concern over the University's tendency to skim all programs across the board at the expense of those central to the institution's mission.

History of the Reallocation Process

On November 21, 1980, a few months after Bunn was hired, the University's Board of Curators adopted a revised academic plan for the 1975-1985 decade. It read:

The University of Missouri cannot do everything. It is important to remember that the University is only one of the segments of public higher education in Missouri and should maintain its historic role of strength in research, advanced graduate and professional programs and extension. The University should do well whatever it does.

In August 1981, President Olson asked the chancellors to consider salary increments in light of the state's withholding of ten percent of the university's funds. Uehling, described by the press as a tough administrator, an iron fist in a velvet glove, assumed what she considered to be a hard, but fair and reasonable stance. She responded to Olson's request:

To plan for next year and beyond, we will be developing a process to identify entire programs that may be substantially reduced or eliminated, thereby supplanting our need to spread reductions throughout the campus. The early planning that we have done, at your suggestion, indicates a need to reduce our commitments by 10 to 20 percent in the next three years. After years of expansion, a reduction of that magnitude will be very difficult to achieve. But we must do it. . .

To paraphrase Philip Brooks who spoke of individuals: 'Greatness after all, in spite of its name, appears to be not so much a certain size as a quality in human lives. It may be present in lives whose range is very small.' As this is true for human life, so is it true for education, with programs depending on their inherent quality rather than size. The success of this endeavor depends on the cooperation and good judgment of all.

On the Columbia campus, some faculty feared Uehling's hard line, while others felt it was long overdue. A majority appeared to support her convictions, at least in principle. On November 19, 1981, the Faculty Council reaffirmed its long-standing "opposition to additional budget cuts applied uniformly to all academic units". That same month, the campus paper conducted a non-scientific opinion poll. It reported that eighty-seven percent of the faculty who responded answered "yes" to the question, "Would you be in favor of dropping entire programs on the Columbia campus to preserve and strengthen others?"

Throughout 1981, President Olson had referred to the University's financial difficulties in a number of speeches and public announcements. It was not a surprise when he addressed the Curators on the subject at their December 16, 1981, meeting.

As the planning processes in which we are now engaged move forward, we will be bringing to you recommendations which emerge. The decisions you will be asked to make will be difficult, painful and, in some cases, controversial. We will need your help and support as we move toward preparing the University to maintain program quality and to address difficult decisions about the future. This is the approach we are taking. If it does not meet with your general approval, we should know it now.

Olson's address reminded the Curators of the financial difficulties facing the university, but he gave only a series of general illustrations of the painful decisions they might be asked to make. The possibilities included: "limit enrollment in specific programs", "adjust admissions standards to better reflect the unique role of the University of Missouri", "combine programs within a campus or even among campuses", "reduce the range of options for specialization in selected degree programs", and "discontinue entire degree programs and eliminate departments or even schools and colleges".

The Board approved this measure with little discussion and no formal action. Only one Board member questioned the process. Everyone heard the speech and was given a copy. Whether all the Board Members understood the possible ramifications of their action was less clear. (The text of Olson's speech is in Appendix D.)

The next week, the chancellors were asked to submit a list of recommendations for determining reductions or eliminations. The President would use the suggestions as a basis for establishing criteria for retrenchment. Because the process would involve changes in programs and faculty, the Board had to vote on the final proposals at their annual budget meeting in July, 1982. As a result of these stringent timelines, chancellors had three weeks to suggest criteria and six months to provide a plan for eliminations and reductions based on the criteria. The countdown began. . . .

At the Columbia campus, Barbara Uehling was ahead of the game. She had spent the previous year encouraging President Olson to take action. Anticipating that some action would be mandated, she had, in October, 1981, appointed a sixteen-person committee to develop criteria to be used in the event that cut-backs were needed.

Uehling later described her perceptions in the following terms:

The rationale and the data for the whole effort were supplied by the campus Institutional Research and Planning Office, working with me. The model for the need to take these steps was based on some very basic assumptions regarding needed revenue to reach Big 8/Big 10 salaries and to meet inflation on the base budget in ensuing years. Projected revenues from the state fell short.

The committee consisted of faculty, professional staff, two deans, and two students. Uehling selected the faculty members and students from panels nominated through the Faculty Council and Student Association, respectively. Each committee member was to consult with the groups they represented.

After Olson's December announcement, Bunn realized that programmatic decisions would have to be made soon. Anticipating these moves, he discussed possible strategies at two of his weekly meetings with Academic Deans. He also initiated a meeting with the executive committee (officers) of the Faculty Council. He proposed three possible ways to proceed. The first was to organize a committee, provide them with the criteria and necessary information and let them make the decisions. The second was for an officer, possibly Bunn, to gather all the data and make the decisions. Third, the deans could suggest programs for elimination or reduction based on the criteria.

Both groups suggested that Bunn should make the decision. Twelve of the fourteen deans favored the approach. There was some hesitation among members of the Faculty Council, who felt that this should be a long, carefully planned process. But they concurred that the second option was the most feasible in light of time constraints.

Bunn discussed his plan privately with several faculty members. These individuals were not on the Faculty Council Executive Committee, but they were people whose opinion Bunn respected. He felt "their achievements placed them in an especially good position to speak with some authority about evaluating academic programs". They agreed with the others.

"Even though I had some concerns about any single officer taking the initiative to identify the programs," Bunn concluded, "in light of the time frame, and the willingness of the groups consulted, I finally advised the chancellor that I was prepared to do it, if she judged that I should."

Chancellor Uehling approved this proposal, and asked each of her Vice-Chancellors (including development, student services and administrative services as well as academic affairs) to follow the same procedure in developing tentative conclusions. (See Appendix E for the administrative chart.) Uehling stated clearly that all final decisions were contingent upon her approval. Recommendations would be reviewed by an ad hoc committee appointed by the chancellor in each of the divisions. The ad hoc committees included representation from the faculty, staff, and students, although some faculty later criticized the committees as unrepresentative of the diversity of the Columbia campus.

By January 1982, the list of criteria was approved. It consisted of four categories, each including ten to twelve questions. They were: a.) quality of the programs; b.) centrality of the programs to the mission of the campus; c.) cost-effectiveness and d.) demand and need for the program. (The report of the criteria committee is in Appendix F.)

Uehling and the criteria committee set the target reductions for the Columbia campus at \$12 million or twelve percent of its state-provided budget. Savings would be redirected over a three-year period in the form of salaries, wages and operating budgets. With about seventy percent of the entire campus budget, Bunn was assigned reductions amounting to \$7.5 million. This was the largest dollar amount of the planned reductions, but it represented a smaller proportion of the total than the targets for the other divisions.

Bunn's office had already compiled a substantial body of information. Because cost-effectiveness reports were available, the quantitative evaluation seemed fairly straight-forward. (Appendix G contains the data for each program, including teaching-student ratio, program costs, availability of the program at the other University campuses and at other institutions in the state.)

Sorting out programs to determine if one was "of greater distinction" than another proved to be the more difficult task. As Bunn carefully considered each of the University's thirteen schools and colleges, he realized that all seemed to have legitimate arguments in their favor.

The College of Agriculture had been awarded several large research grants and it was mandated as an integral part of the federal land-grant legislation, for which it received federal funding.

The College of Arts and Sciences was already under severe financial restraints; its survival was crucial. It enjoyed the greatest student demand, and its offerings constituted fifty percent of the required courses for the Colleges of Business, Home Economics, Agriculture, Engineering, Education, and Public and Community Services. It was Columbia's most diverse program. It had a strong history of research and graduated more Ph.D.s than any other college on the campus or, for that matter, any public institution in Missouri.

The School of Journalism was the oldest in the world and had a reputation for being one of the best in the country. It had a thousand current students and a number of influential alumni. This school ran a commercial television station and published a commercial newspaper. Consequently, it was one of the most viable programs--and a political bombshell.

The professional Schools of Medicine and Law had powerful constituencies and only one other state public institution offered these programs. Although reduction of weaker medical programs to save stronger ones seemed advisable, Bunn approached these recommendations with caution.

The School of Library and Informational Science conducted little research and served comparatively few students, but it was the only program in the state and the University library system relied upon the school's students and resources.

In Bunn's assessment, the School of Nursing and the Colleges of Public and Community Service and Home Economics were comparatively weak on most criteria, but served the largest numbers of women and minorities. The College of Home Economics also offered the only such Ph.D. program in the state and was ranked among the best in the nation in a national survey.

Bunn struggled with the decisions. He knew that the departments with the weakest research capabilities were also the youngest on campus. Established during the heyday of the 1960s and early 1970s, they barely had time to establish a track record. Should he sacrifice them for older, more established programs?

Bunn and his five-person staff spent the next four weeks--a time he later characterized as a "lonely month"--judging each program on the four criteria (quality of program, centrality of the mission, cost effectiveness and demand). The most difficult decisions revolved around program quality. He used a variety of methods to judge this aspect. These included: program reviews conducted by faculty committees, the most recent accreditation studies, and reputation studies that had been previously requested of the deans.

Centrality was difficult to assess because the Columbia campus' mission statement was broad. It consisted of a few paragraphs referring to teaching, research and public service.

Bunn developed an interpretation that emphasized three dimensions: intellectual and scholarly leadership; diversity of programs and students; and importance to the university's identity as a land-grant institution. (Bunn interpreted the last according to the original intent of the federal law, activities associated with agriculture.)

Given the budget targets, Bunn felt clear that some programs would have to be eliminated entirely. He felt that any other approach would result in across-the-board cuts or the crippling of a significant number of programs. He estimated that a minimum of two colleges would have to be completely eliminated with an additional six experiencing substantial losses.

Bunn created a five-point scale where he attempted to quantify his judgement, and rated each program on each of the four criteria. He double-weighted the criteria of quality and centrality, and produced scores for the different schools and colleges that ranged from a low of 15.5 for Public and Community Service to a high of 25.0 for Agriculture and Arts and Sciences. (Exhibit 1 shows the rankings for the different schools.)

Bunn developed a report that recommended closing two schools and making substantial cuts in six other programs with a projected saving of about \$7 million. (The recommendations are detailed in Exhibit 2.)

Realizing that colleges marked for elimination and reduction included the largest numbers of female and minority staff and students, Bunn's office set aside funds for affirmative action strategies such as hiring in the remaining departments. He agreed with Uehling's premise that women and minorities should enter fields that need their skills.

The affected programs had powerful constituencies in the state. Bunn wondered if his plan could sustain outside pressure. Would his definition of the University's mission and his interpretation of the data withstand scrutiny? Would faculty and students still support selected cuts after the targeted programs were announced?

On April 1, 1982, Bunn forwarded his suggestions and supporting data to the 17-member, *ad hoc* "Provost's Advisory Committee on Program Reductions". In his memorandum to the committee, he emphasized that his conclusions were "tentative" and asked the committee to "test your judgment against mine". He also emphasized the seriousness of the task:

To the extent that my recommendations are accepted and implemented, a number of faculty and staff will lose their positions at UMC. Careers will be interrupted, relocations will be necessary, families will be distressed, and financial hardships will ensue. Though administrators are occasionally seen as being oblivious to

these consequences, I have to record that I know of none on this campus who is untroubled by these prospects.

Events of April and May

The University of Missouri's flagship campus here, normally a place where the loudest outcries are the Saturday afternoon cheers for "Mizzou" in the football stadium, is an unlikely setting for such academic furor.

"My advice to other universities," said Dr. David West, chairman of Missouri's Faculty Council and a proponent of the reductions, "is that you may think you are ready for this and everyone may agree in the abstract, but all hell will break loose when you name the specific targets for cutting."

What the university's administration apparently did not foresee was the extent to which the various schools and colleges would fight to remain alive, taking their case directly to the Legislature and to the university's board, which is appointed by the Governor.

--The New York Times, May 30, 1982

When Bunn delivered his proposals for academic cuts on April 1, 1982, he viewed them as preliminary: they were to be reviewed by an ad hoc committee of administrators, faculty and students, and were subject to final approval by the Chancellor of the Columbia campus.

The news of the Provost's recommendations traveled rapidly. His proposals and rankings of individual programs were published in the campus newspaper. A firestorm began to build.

What disturbed Bunn was that, in his view, key administrators and faculty in the affected programs largely ignored their opportunity to participate in the campus review process, and moved instead to "get the word out to interest groups, alumni, professional groups and other publics that their programs were earmarked for reduction or elimination." Bunn felt there was a failure to recognize that his proposals were only tentative, that alternatives would be

considered, and that the basic purpose of the cuts was to secure the funds needed to strengthen other programs at the Columbia campus.

George Nickolaus, Dean of the College of Public and Community Service, saw it differently. His college was slated for extinction in Bunn's recommendations, and he was highly critical of the proposed changes. "Deans are supposed to be advocates for their programs," he said. "I couldn't sit back. Small schools and programs dealing with human services were attacked." Nickolaus believed that the issue was not "retrenchment", but an attempt to enhance faculty salaries when the state was in a recession and many Missourians were out of work. He criticized the administration for not providing timely and accurate information. In particular, he noted that the administration was specific about cuts, but not about where the redirected resources would go.

His faculty united behind him. One faculty member gave Nickolaus a replica of a famous revolutionary war flag depicting a snake and the legend "Don't Tread on Me".

The dean of another school slated for a significant reduction had similar views. "I have always been a team player, and I was never much of a feminist," said Bea Litherland, Dean of the College of Home Economics. "I thought that if you worked hard, you would be rewarded. But when I realized that the targeted programs were those most affecting women, I knew that I had to take action." Students in her school began wearing red T-shirts with the message, "H%@*! No; We Won't Go", shortly after Bunn proposed eliminating two of the college's five departments.

In all of the affected programs, administrators and faculty sharply criticized Bunn's process and attacked the validity of his conclusions. He was accused of using data that were unsystematic and out-of-date. He was reproached for making arbitrary decisions based on his own personal vision of what the University ought to be. He was criticized for putting too much emphasis on research and graduate education and for trying to create a "Harvard on the Hinkson" (Hinkson Creek runs past the campus).

Engineers said that he was "anti-engineering". A professor of education condemned Bunn for "a flagrant display of political expediency that would strangle the human services profession." Supporters of the extension programs said that he was an outsider who did not really understand Missouri and its people. Women and members of minority groups saw overtones of sexism and racism in his proposals.

Bunn did not get all the blame. Uehling was sharply criticized and, on April 19, 1982, the faculty passed a resolution urging Uehling either to clean up the mess or resign (the vote was 237 to 70 out of a possible 1500). Since only twenty percent of the faculty voted, and this was the second time that they had voted in favor of her resignation (the first

time had been the previous Fall when faculty were dissatisfied with their salary increments), Uehling minimized the significance of this expression of faculty sentiment.

Many faculty rejected the assumption that there was a fiscal crisis, and argued that the university was in excellent financial condition. In the words of one faculty member, "Objective conditions did not mandate drastic reductions. This was an administration-induced crisis that was mismanaged."

Faculty also complained that the Faculty Council was unrepresentative and had failed to keep them informed about the seriousness of the situation. There were complaints that the *ad hoc* advisory committee to study the proposed cuts was "stacked", so that it was little surprise when the committee came back with a report that was generally supportive of Bunn's recommendations.

University administrators, members of the Board of Curators, and state legislators received hundreds of calls and thousands of letters. Both houses of the state legislature scheduled hearings, and one legislator called Bunn to say, "Ron, I have two things to tell you. First, I think what you are doing is right. Second, I'm going to have to fight you on it."

By May, 1982, four of the nine Curators had announced that they opposed the cuts, including three who had been silent six months earlier when President Olson addressed them on the need for retrenchment. One curator said the faculty was there to teach and not to write books, so the problem could be solved by increasing teaching loads. Others criticized Uehling for being a poor administrator and not keeping the board informed. The press reported running battles between Uehling and at least one of the Board Members. Uehling felt that she was in a bind, because she had relied on President Olson, at his request, to communicate to the board. It was hard to defend herself without giving the appearance that she was publicly criticizing her boss.

Bunn and Uehling were troubled by the reactions and puzzled about what to do. Much of their time was spent in a frustrating effort to keep up with events which had moved beyond their control. According to Bunn, "it soon became unmanageable for the administration to respond to every report and every allegation transmitted through the media. The volume of work involved in such continuous responding was overwhelming, and the ground shifted so rapidly that yesterday's response was not addressing today's allegation. It was like the remark attributed to Disraeli in the nineteenth century: "Every time the British had an answer, the Irish changed the question."

In addition to everything else, Uehling had to contend with a student occupation of her office, and the mysterious appearance of "For Sale" signs on her lawn.

During the month of May, support for the administration and its recommendations steadily deteriorated. Although President Olson maintained that he had kept the board fully-informed, only two of the curators still supported cut-backs on June 1. One Curator explained, "It is hard to ignore the stacks of anti- reallocation mail that we have received from Missourians."

One faculty member commented that even Barbara Uehling "began to distance herself from responsibility for Bunn's specific proposals. She continued to give the impression that reductions would be necessary, yet it almost looked as if she was allowing Provost Bunn to hold the bag."

Bunn felt that Uehling's difficulties with the Curators on one side and the faculty on the other made it very difficult for her to defend him. If anything, he said, she probably defended him "more than she should have".

At a hearing before a standing committee of the state Senate, Uehling and Olson testified first, seated side-by-side. When Bunn's turn came, the committee chairman asked, "Are you alone?" Bunn replied, "Yes, but I am getting accustomed to the idea."

Reflecting on the events of Spring, 1982, Bunn drew an analogy:

It is recorded that upon losing the election in 1945, Churchill was told by his wife, in an attempt to console him, that "perhaps the loss was a blessing in disguise". Churchill responded, "That may be, but I wish it weren't so well disguised." Retrenchment and reduction may be blessings in disguise, but for most of us, they are painful business. It may be necessary. It is not fun.

Exhibit 1:

BUNN'S RATINGS OF ACADEMIC PROGRAMS

COLLEGE/SCHOOL	QUALITY	MISSION	COST	NEED	TOTAL
Agriculture	3.5 x 2 = 7.0	5.0 x 2 = 10.0	3.0	5.0	25.0
Arts and Science	3.0 x 2 = 6.0	5.0 x 2 10	4.0	5.0	25.0
Business & Public Admin.	3.0 x 2 = 6.0	5.0 x 2 = 10.0	4.0	4.0	24.0
Education	3.0 x 2 = 6	4.0 x 2 = 8	3.0	3.5	20.5
Engineering	3.0 x 2 = 6	5.0 x 2 = 10	3.5	5.0	24.5
Home Economics	3.5 x 2 = 7	3.5 x 2 = 7	2.5	3.5	20.0
Journalism	5.0 x 2 = 10	3.0 x 2 = 6	3.0	4.0	23.0
Law	3.0 x 2 = 6	5.0 x 2 = 10	3.0	4.0	23.0
Library/Info. Science	3.5 x 2 = 7	2.0 x 2 = 4	2.0	3.0	16.0
Medicine	3.0 x 2 = 6	5.0 x 2 = 10	3.5	5.0	24.5
Nursing	3.0 x 2 = 6	3.5 x 2 = 7	2.0	5.0	20.0
Public/Communi- ty Service	3.0 x 2 = 6	2.0 x 2 = 4	2.5	3.0	15.5
Veterinary Medicine	3.0 x 2 = 6	5.0 x 2 = 10	3.5	5.0	24.5

(continued next page)
Exhibit 1 (continued)

KEY TO RATING SYSTEM

Quality

- 5 = Nationally eminent
- 4 = Strong by National Standards
- 3 = Adequate by National Standards
- 2 = Below Average by National Standards
- 1 = Unacceptable Quality

Mission

- 5 = Indispensable to Campus Mission
- 4 = Highly consistent with Campus Mission -- Support Function Strong
- 3 = Consistent - Moderate Support Function
- 2 = Peripheral to Campus Mission
- 1 = Inconsistent with Campus Mission

Cost

- 5 = Highly Productive per Unit Cost/Investment
- 4 = Better than Average Productivity
- 3 = Productivity Average by Norms
- 2 = Productivity Lower than Average
- 1 = Productivity Much Lower than Average

Need/Demand/Accessibility

- 5 = Need Critical as Compared with Accessibility
- 4 = Need Strong as Compared with Accessibility
- 3 = Need Moderate as Compared with Accessibility
- 2 = Need Weak as Compared with Accessibility in State
- 1 = Need Very Weak as Compared with Accessibility in State

Exhibit 2:

BUNN'S RECOMMENDATIONS

UNIT	RECOMMENDED ACTION	CUT	PROCESS
Library & Information Science	Elimination	\$526,000	Three-year phase-out
College of Public & Community Services	Elimination (Possibly retain social work master's program)	\$1,100,000 (\$750,000)	Three-year phase-out
College of Education	Reduction	\$1,200,000	Review school in conjunction with outside consultants. Phase reductions over 3 years
Extension Division	Reduction	\$1,000,000	Review by extension division. Reduce during 1982-83.
College of Home Economics	Reduction	\$525,000	Review by college. Phase in reductions over three years.
College of Engineering	Reduction	\$400,000	Review by college. Phase in reductions over three years.
College of Medicine	Reduction	\$325,000	Review by college. Phase in reductions over three years.
General academic administration & support services	Reduction	\$1,500,000	Review by provost in consultation with deans and directors. Phase in reductions over three years.

TOTAL REALLOCATION \$7,071,000

(\$6,721,000 if social work master's program is retained)

University of Missouri-Columbia
Current Fund Revenues (in 1000's)

General Operating	1978-79	1979-80	1980-81	1981-82	1982-83
<u>Tuition and Fees</u>					
Incidental fees	\$15,104	\$16,057	\$18,078	\$20,547	\$24,878
Non-res. tuition	\$2,866	\$3,164	\$3,668	\$4,324	\$4,989
Supplemental fees	\$472	\$1,080	\$1,164	\$1,306	\$1,564
Ext. - Credit	\$1,904	\$2,436	\$1,604	\$1,638	\$1,859
Ext. - Noncredit			\$1,345	\$1,196	\$1,372
Other	\$359	\$292	\$127	\$135	\$100
Total	\$20,705	\$23,029	\$25,986	\$29,146	\$34,762
<u>Federal Appropriat.</u>					
Columbia General	\$195	\$195	\$195	\$35	\$35
Ag. Exp. Station	\$3,082	\$3,373	\$3,651	\$3,887	\$4,043
Coop. Ext. Service	\$1,417	\$1,929	\$2,061	\$1,659	\$2,036
Total	\$4,694	\$5,497	\$5,907	\$5,581	\$6,114
<u>State Appropriation</u>					
Regular	\$66,410	\$72,675	\$78,549	\$73,242	\$78,398
FICA	\$2,849	\$3,357	\$3,500	\$3,792	\$4,540
Total	\$69,259	\$76,032	\$82,049	\$77,034	\$82,938

<u>Recovery of I.C.</u>	\$2,559	\$2,832	\$3,100	\$2,757	\$2,678
<u>Endowment Income</u>	\$98	\$86	\$119	\$165	\$148
<u>Sales and Service</u>					
Columbia General	\$579	\$591	\$142	\$182	\$97
Ag. Exp. Station	\$1,380	\$1,543	\$1,691	\$1,662	\$1,554
Total	\$1,959	\$2,134	\$1,833	\$1,844	\$1,651
<u>Other</u>	\$612	\$835	\$571	\$569	\$817
TOTAL GENERAL OPERATING	\$99,886	\$110,445	\$119,56 5	\$117,09 6	\$129,108
<u>Designated and Restricted</u>					
Tuition and	\$766	\$991	\$1,711	\$2,130	\$2,184
State Appropriation	\$3,846	\$3,788	\$4,062	\$3,986	\$4,082
Grants and Contracts	\$23,751	\$25,319	\$29,729	\$32,381	\$33,882
MPIP	\$9,076	\$10,721	\$12,147	\$15,490	\$17,957
Sales - Aux.Ent.	\$22,997	\$25,854	\$26,875	\$29,502	\$30,501
Other	\$5,266	\$6,613	\$7,533	\$8,143	\$9,125
Total Des. and Rest.	\$65,702	\$73,286	\$82,057	\$91,632	\$97,731
GRAND TOTAL	\$165,588	\$183,731	\$201,62 2	\$208,72 8	\$226,839

University of Missouri-Columbia

Current Fund Expenditures and Transfers (in \$1,000s)

	1978-79	1979-80	1980-81	1981-82	1982-83
<u>General operating</u>					
Instruction	\$46,583	\$51,641	\$57,085	\$56,479	\$61,100
Research	\$11,123	\$12,177	\$14,544	\$14,104	\$15,187
Public Service	\$4,260	\$4,674	\$5,167	\$5,124	\$5,335
Academic Support	\$11,939	\$13,146	\$13,755	\$14,111	\$15,332
Student Services	\$4,605	\$5,273	\$5,454	\$5,066	\$5,767
Inst. Support	\$7,657	\$8,651	\$9,861	\$8,948	\$9,594
Oper. and Maint. of Plant	\$9,691	\$10,411	\$10,823	\$11,093	\$10,728
Scholarships	\$847	\$1,171	\$1,085	\$1,126	\$1,359
Transfers	\$1,884	\$2,836	\$3,450	\$2,405	\$3,465
TOTAL GENERAL OP.	\$98,589	\$109,980	\$121,224	\$118,456	\$127,867
<u>Designated & Restricted</u>					
Aux. Enterprises	\$22,271	\$26,100	\$28,404	\$29,664	\$33,382
MPIP	\$8,490	\$9,851	\$11,219	\$15,400	\$16,129
Student Activities	\$732	\$775	\$822	\$941	\$905

Restricted (Grants, Contracts, etc.)	\$27,997	\$29,750	\$34,197	\$36,800	\$37,744
Other	\$4,062	\$4,942	\$6,192	\$5,113	\$7,606
TOTAL DESIG. & RESTR.	\$64,002	\$71,418	\$80,834	\$87,918	\$95,766
Grand Total	\$162,591	\$181,398	\$202,058	\$206,374	\$223,633

Appendix B:

Faculty Salary and Tuition Comparisons**Among Big 8 and Big 10 Institutions**

(1981-82)

	Assistant Professor	Associate Professor	Full Professor	All Ranks
Average salary for Big 8/Big 10	\$28,764	\$34,502	\$44,460	\$37,663
Average salary for Missouri-Col umbia	\$26,760	\$31,979	\$38,948	\$32,870
UMC Rank	12th of 17	13th of 17	16th of 17	17th of 17
Missouri Deficit	7%	7%	12%	13%

Appendix D:

Report of the Criteria Committee

REPORT OF THE CHANCELLOR'S CRITERIA SELECTION COMMITTEE

October 9, 1981

The University of Missouri-Columbia is a university in the traditional and academic sense. It is charged with major program thrusts of a university in the historic tradition and assumed under the Land Grant mission of teaching, research, extension, and service. It is the principal public institution in Missouri for granting the Ph.D. degree and professional education.

The University is an institution which serves the public that supports its activities and into which it sends human resources that will fashion the future society. This mission is accomplished by preserving the connection between knowledge and a zest for life, uniting the young with the old in any imaginative consideration of learning. Youth is a time of imagination, energy, and vision which can be combined with facts and experience that enables each generation to construct its intellectual image of a new world and set upon the path to attain it. The task of this community of scholars is to use all available resources to weld together imagination and experience in classrooms, laboratories and libraries; to provide new knowledge and new configurations of old knowledge; and to acknowledge by commencement those young minds disciplined by facts and necessary habit.

Financial resources proceeding from the State of Missouri have become limited by circumstances of revenue collection and dispersion. It is necessary to provide criteria to determine how the University can maintain quality in its mission in this constrained financial setting. The criteria provided here are drawn from individual experience.

The criteria statements are set in a four dimensional matrix (see Appendix) of quality, utility, efficiency, and socio-political impact. No single criteria in itself should determine the discontinuation or reduction of a program. The order in which these criteria are applied (i.e. quality first) is important to maintain the integrity of the academic community.

The academic community is its students, faculty, and staff or it is nothing. In our current circumstances, budgetary considerations become all consuming. It is, however, crucial that

the budgetary decisions should conform to academic policy, not determine it.

We propose that in evaluating every program or activity the following criteria be applied:

I. Does the program or activity significantly strengthen the quality of this university?

- A. To what extent does it provide a quality educational experience for its students? For example,
 - How does its curriculum compare to that of leading institutions in the field?
 - Does it have the facilities necessary for success (for example, library, laboratories, computer services)?
 - Does it have national accreditation (in fields where this is applicable)?
- B. Does it have a critical mass of faculty members whose research production, publication, and professional affiliations demonstrate national visibility and leadership?
- C. Do its programs in research, teaching, extension, and service attract external support on a level appropriate to the field?
- D. Is its faculty broadly recruited from the leading academic departments in the field?
- E. Does it attract able students, as measured, for example, by nationally normed examinations, winning of national prizes and fellowships, and achievements in national competitions?
- F. Does it produce high-quality graduates, as measured for example by:
 - admission to the leading postgraduate training programs?
 - performance on national and state certification examinations?
 - achievement of distinction in later careers?

II. Is the program or activity useful?

- A. What is its contribution to the teaching, research, extension, and service missions (i.e., its contribution to the "core" of UMC)?
- B. How important is it for other programs or activities on the campus? For example,
 - Does it provide courses needed for other degree programs?
 - Does it contribute to the research effort needed for extension work?
- C. What do its enrollment projections and anticipated employment opportunities for its graduates indicate about probable future need?
- D. What is the current and future need for the instructional, scholarly, creative and extension services that it produces?
- E. Does it duplicate other UMC programs or activities? Can it be effectively consolidated with similar programs or activities?
- F. What is the availability of the program on other campuses (public and private) in the state and region?
- G. Does it conform to the mission assigned to UMC in the system-wide academic plan?

III. What are the costs and the revenue of the program or activity?

- A. Is it being operated efficiently? How do its costs compare to costs for programs with comparable missions at other institutions as measured for example by:
 - ranked faculty/student ratios?
 - unranked faculty/student ratios?
 - total teaching faculty/student ratios?
 - costs per student credit hour?
 - faculty/staff ratios?
 - other measures of efficiency appropriate for research, extension and services.
- B. What are the total costs of operating the program at various levels relative to its contribution to achievement of institutional missions?

- costs at present level of operation?
- costs of improving quality or increasing scope or size?
- magnitude and timing of savings that would be realized from reducing or eliminating the program?
- possible alternative assignments for the faculty, staff, and physical facilities presently invested in the program?

- C. What are the present and potential levels of revenue generated by the program from:
 - student fees and tuition?
 - grants and contracts?
 - gifts?
 - auxiliary enterprises?

IV. What is the socio-political impact of the program or activity?

- A. What do the several constituencies of the university (e.g. students, faculty, staff, the legislature, other funding and regulatory agencies, the general public and special interest groups) expect of the program or activity? What will be their reaction if it is reduced or eliminated?
- B. What will be the impact on the university's policy of affirmative action if the program or activity is reduced or eliminated?
- C. What will be the impact on the local and state economy if the program or activity is reduced or eliminated?
- D. What contribution does the program or activity make to the quality of life for the university community, the state, the nation, and the world.

Appendix G:

Cost-Effectiveness Data**Cost-Effectiveness of M. U. Programs**

Comparison of Costs of Schools and Colleges

College	Faculty/ Student Ratio	Dollars FTE Student	Stu. FTE Per Fac.	Credit Hours Fall 1981	1980-81 Expenses (G. O.)	Degrees Awarded	Expense/Deg ree Awarded
Agriculture	1:20	\$2,219	19.6	17,996	\$11,220,668	B-442 M- 78 D- 17	\$5,270
Arts & Science	1:18	Composite figures not available					
Business & P. A.	1:22	\$1,625	28.8	22,422	\$3,091,308	B-496 M-166 D- 8	\$3,554
Education	1:19	\$2,053	21.0	20,754	\$3,771,247	B-481 M-324 D- 89	\$3,357
Engineer-ing	1:12	\$3,788	12.9	18754	\$5,686,628	B-369 M- 96 D- 24	\$9,530
Home Economics	1:14	\$2,282	16.0	8380	\$1,538,635	B-217 M- 20 D- 2	\$5,493
Journalism	1:12	\$2,733	14.6	8,991	\$2,031,548	B-377 M- 67 D- 3	\$4,280

Law	1:21	\$2,581	22.5	6,504	\$1,397,563	P-138	\$8,464
Library Science	1:7	\$4,271	12.2	1313	\$526,162	M- 44	\$8,270
Medicine	1:9	\$8,469	9.2	13,537	\$8,434,134	M- 34 D- 6 P-113	\$42,892
Nursing	1:5	\$5,852	6.9	3,110	\$2,156,485	B- 92 M- 37	\$11,785
Public Comm. Service	1:11	\$3,482	10.0	2,041	\$625,201	B- 71 M- 34	\$4,775
Social Work		\$3,180	11.8	1,984	\$485,893	B- 48 M- 37	\$5,206
Vet. Medicine	1:6	\$9,761	7.0	5,697	\$4,193,177	M- 7 P- 72	\$45,556
Forestry		\$3,477	13.7	2,428	\$1,271,082	B-101 M- 20 D- 5	\$4,468
Health Rel. Prof.		\$3,731	10.2	3,666	\$961,913	B- 99	\$10,303