The attached presentation covers an overview of budget expenditures by type and workforce metrics.
University of Missouri
Board of Curators
July 24, 2015

Budget, Personnel and Benchmark Information
NACUBO/IPEDS Program Classification

**Primary Programs**

- Instruction – expenditures for all activities that are part of the University’s Instructional program
- Research – separately budgeted expenditures for activities specifically to produce research
- Public Service – Activities designed to provide non-instructional services beneficial to individuals and groups external to the institution

**Support**

- Academic Support - including libraries and deans
- Student Services – admissions, records, counseling, financial aid
- Institutional Support – Executive management, planning, fiscal operations, procurement, HR, benefits admin., health & safety
- Physical Plant Administration – fuel & utilities, maintenance, custodial, landscape & grounds
Spending on Primary Programs Exceeds Peers

Primary Programs or Core Mission includes Instruction, Research & Public Service

76.2% for UM

71.7% for Peers
Color of Money - Discussion Focuses on the Green "Bucket" Today
Expenditures by Program FY05 vs. FY15 – UM System

FY05 Operations Fund Expenditures:
$851 Million

- Instruction: 45.4%
- Research: 8.0%
- Public Service: 7.6%
- Academic Support: 12.1%
- Student Services: 6.4%
- Institutional Support: 10.9%
- Operation and Maintenance of Plant: 9.7%

FY15 Operations Fund Expenditures:
$1,158 Million

- Instruction: 47.7%
- Research: 4.9%
- Public Service: 4.9%
- Academic Support: 12.5%
- Student Services: 6.9%
- Institutional Support: 12.9%
- Operation and Maintenance of Plant: 10.3%

Unrestricted Operations Fund only – excludes auxiliaries, self-funded operations, and all restricted activities including research.
FTE Enrollment by Campus FY05 vs. FY15

Showing % change

MU
- Fall 2004: 33%
- Fall 2014:

UMKC
- Fall 2004: 20%
- Fall 2014:

S&T
- Fall 2004: 58%
- Fall 2014:

UMSL
- Fall 2004: 11%
- Fall 2014:
Student Faculty Ratio FY05 vs. FY15
Compensation is 78% of Operations Fund Expenditures

FY15 Operations Fund Expenditures:
$1.16 Billion

- Salaries & Wages: 59.6%
- Benefits: 18.3%
- Other Operating Expense: 6.3%
- Fuel & Utilities: 4.4%
- Capital Expenditures: 3.4%
- Computing & Equipment: 3.5%
- Travel, Training & Business Meeting: 2.4%
- Professional & Consulting: 2.1%
Who are we... Workforce changes 2005-2015
Who are we... Full-time vs. part-time
(Today... 2015)

Based on July 2015 Employment Data – System Wide

Head Count: 39,250

- Full-Time (Benefit Eligible)
- Part-Time (Non-Benefit Eligible)

Annual Payroll: $1.3 billion
Who are we... Our part-time population
(Today... 2015)

Based on July 2015 Employment Data – System Wide
Who are we... Full-time employees by type (Today... 2015)

HOSPITAL STAFF 23%
TEACHING & RESEARCH 27%
SALARIED STAFF 23%
HOURLY STAFF 27%

Based on May 2015 Employment Data – System Wide
Who are we... Staff by function system wide
(Excluding Hospital Employees & Healthcare Titles)

Based on May 2015 Employment Data – System Wide
How we categorize... Staff compensation program

- Significant streamlining of staff structure
  - 5,000 staff titles to 700
  - 1,100 pay ranges to 19
- Consistent titling and compensation structure across campuses for first time in decades
- Sets foundation to address availability of people data, HR analyses, pay-for-performance, and career opportunities
Our compensation philosophy

Total Compensation Philosophy for Faculty & Staff

Attract and retain highly qualified employees through salary and benefits that are:

- **Competitive** (measured by peer comparisons)
- **Cost effective** (measured by national and regional benchmarks)
- **Valuable** (measured by employee surveys and peer comparisons)
Staff... Measuring the market

- Staff Benchmarking
  - A representative sample of our jobs are compared to “like” jobs in the external market every two years
  - External market is local, regional and national, depending on job

Benchmark job = easily defined, commonly found in many organizations/reported in surveys, and representative of key or highly populated university jobs.
Staff pay compared to the market
Faculty...Measuring the market

Salary Market Data – Faculty (Ranked)

- Established based on discussions with academic campus leadership
- 5 Market comparisons by academic discipline:
  - AAU Inclusive (all 35 AAU institutions)
  - AAU (excludes institutions in coastal states)
  - CUPA-HR Public National (50 public institutions: doctoral granting; intensive research; 15,000 and higher enrollment)
  - CUPA-HR Urban 21 (21 institutions located in urban areas)
  - APLU (land grant institutions excluding coastal states)
MU faculty salaries compared to public AAU

- Chart shows percent growth in overall salary base, with an average salary
- MU average salary for ranked faculty is $87,300
- In fall 2009, MU fell to last and has remained there

Average Salaries for Ranked Faculty at Public AAU Institutions
All Ranked Faculty Combined
May 2014 - Using Previous Fall Salary Information

<table>
<thead>
<tr>
<th>Institution - Ranked High to Low on Fall '09 Salaries</th>
<th>Fall '03</th>
<th>Fall '12</th>
<th>Fall '13</th>
<th>Three Yr Growth '10 to '13</th>
<th>Five Yr Growth '08 to '13</th>
<th>Ten Yr Growth '03 to '13</th>
<th>One Yr Growth '12 to '13</th>
</tr>
</thead>
<tbody>
<tr>
<td>California, University of -- Los Angeles</td>
<td>102,125</td>
<td>142,474</td>
<td>147,600</td>
<td>12.5%</td>
<td>22.1%</td>
<td>44.5%</td>
<td>3.6%</td>
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<tr>
<td>California, University of -- Berkeley</td>
<td>105,975</td>
<td>137,523</td>
<td>142,500</td>
<td>10.2%</td>
<td>16.7%</td>
<td>34.5%</td>
<td>3.6%</td>
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<tr>
<td>California, University of -- San Diego</td>
<td>94,370</td>
<td>122,543</td>
<td>126,400</td>
<td>9.8%</td>
<td>12.7%</td>
<td>33.9%</td>
<td>3.1%</td>
</tr>
<tr>
<td>Michigan, University of -- Ann Arbor</td>
<td>93,548</td>
<td>121,313</td>
<td>126,400</td>
<td>7.8%</td>
<td>12.0%</td>
<td>35.1%</td>
<td>4.2%</td>
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<tr>
<td>California, University of -- Santa Barbara</td>
<td>92,082</td>
<td>120,968</td>
<td>125,700</td>
<td>10.1%</td>
<td>14.7%</td>
<td>36.5%</td>
<td>3.9%</td>
</tr>
<tr>
<td>Virginia, University of</td>
<td>90,485</td>
<td>115,738</td>
<td>122,800</td>
<td>11.2%</td>
<td>14.7%</td>
<td>35.7%</td>
<td>6.1%</td>
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<tr>
<td>California, University of -- Irvine</td>
<td>87,459</td>
<td>117,187</td>
<td>121,800</td>
<td>11.8%</td>
<td>15.0%</td>
<td>39.3%</td>
<td>3.9%</td>
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<tr>
<td>Rutgers, State Univ of New Jersey</td>
<td>90,899</td>
<td>122,018</td>
<td>121,600</td>
<td>4.5%</td>
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<td>33.8%</td>
<td>-0.3%</td>
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<tr>
<td>Georgia Institute of Technology</td>
<td>93,749</td>
<td>116,397</td>
<td>120,300</td>
<td>5.8%</td>
<td>7.6%</td>
<td>28.3%</td>
<td>3.4%</td>
</tr>
<tr>
<td>Texas, University of -- at Austin</td>
<td>84,918</td>
<td>117,733</td>
<td>119,800</td>
<td>7.6%</td>
<td>10.6%</td>
<td>41.1%</td>
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</tr>
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<td>90,269</td>
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<td>13.1%</td>
<td>31.5%</td>
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<td>113,115</td>
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<td>15.5%</td>
<td>36.1%</td>
<td>3.7%</td>
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<td>North Carolina, University of -- Chapel Hill</td>
<td>87,454</td>
<td>116,000</td>
<td>117,300</td>
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<td>15.0%</td>
<td>39.3%</td>
<td>3.9%</td>
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<td>Maryland, University of -- College Park</td>
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<td>113,372</td>
<td>115,700</td>
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<tr>
<td>Pennsylvania State University</td>
<td>85,356</td>
<td>113,518</td>
<td>114,900</td>
<td>7.8%</td>
<td>10.9%</td>
<td>34.6%</td>
<td>1.2%</td>
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<tr>
<td>State University of NY at Stony Brook</td>
<td>84,096</td>
<td>111,149</td>
<td>111,500</td>
<td>0.3%</td>
<td>9.7%</td>
<td>32.6%</td>
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<tr>
<td>Ohio State University</td>
<td>82,785</td>
<td>110,335</td>
<td>111,200</td>
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<td>10.5%</td>
<td>34.3%</td>
<td>0.8%</td>
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<td>Washington, University of</td>
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<td>110,300</td>
<td>110,300</td>
<td>9.9%</td>
<td>7.1%</td>
<td>38.1%</td>
<td>-</td>
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<tr>
<td>Minnesota, University of -- Twin Cities</td>
<td>83,575</td>
<td>107,408</td>
<td>109,000</td>
<td>8.6%</td>
<td>7.9%</td>
<td>30.4%</td>
<td>1.5%</td>
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<tr>
<td>Indiana University -- Bloomington</td>
<td>80,987</td>
<td>106,257</td>
<td>107,500</td>
<td>10.2%</td>
<td>13.3%</td>
<td>32.7%</td>
<td>1.2%</td>
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<tr>
<td>Wisconsin, University of -- Madison</td>
<td>84,737</td>
<td>102,787</td>
<td>106,600</td>
<td>7.2%</td>
<td>11.5%</td>
<td>26.0%</td>
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<tr>
<td>Purdue University</td>
<td>79,616</td>
<td>104,200</td>
<td>106,200</td>
<td>7.1%</td>
<td>14.5%</td>
<td>33.4%</td>
<td>1.9%</td>
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<tr>
<td>Texas A &amp; M University</td>
<td>78,753</td>
<td>100,023</td>
<td>106,100</td>
<td>10.7%</td>
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<td>6.1%</td>
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<tr>
<td>Colorado, University of -- Boulder</td>
<td>80,431</td>
<td>103,697</td>
<td>105,700</td>
<td>10.0%</td>
<td>7.3%</td>
<td>31.4%</td>
<td>1.9%</td>
</tr>
<tr>
<td>Iowa, University of</td>
<td>78,261</td>
<td>102,325</td>
<td>104,600</td>
<td>4.9%</td>
<td>7.4%</td>
<td>33.7%</td>
<td>2.2%</td>
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<tr>
<td>Michigan State University</td>
<td>81,631</td>
<td>101,549</td>
<td>104,000</td>
<td>5.9%</td>
<td>9.2%</td>
<td>27.4%</td>
<td>2.4%</td>
</tr>
<tr>
<td>Pittsburgh, University of</td>
<td>80,555</td>
<td>100,951</td>
<td>103,200</td>
<td>4.8%</td>
<td>8.9%</td>
<td>28.1%</td>
<td>2.2%</td>
</tr>
<tr>
<td>State University of NY at Buffalo</td>
<td>80,620</td>
<td>103,475</td>
<td>102,200</td>
<td>-1.3%</td>
<td>5.9%</td>
<td>26.8%</td>
<td>-1.2%</td>
</tr>
<tr>
<td>Florida, University of</td>
<td>74,809</td>
<td>95,085</td>
<td>101,000</td>
<td>8.8%</td>
<td>14.7%</td>
<td>35.0%</td>
<td>6.2%</td>
</tr>
<tr>
<td>Iowa State University</td>
<td>75,147</td>
<td>97,792</td>
<td>100,400</td>
<td>7.3%</td>
<td>9.4%</td>
<td>33.6%</td>
<td>2.7%</td>
</tr>
<tr>
<td>Arizona, University of</td>
<td>76,616</td>
<td>97,655</td>
<td>99,600</td>
<td>4.2%</td>
<td>7.7%</td>
<td>30.0%</td>
<td>2.0%</td>
</tr>
<tr>
<td>Kansas, University of</td>
<td>70,204</td>
<td>93,932</td>
<td>96,100</td>
<td>5.2%</td>
<td>5.2%</td>
<td>36.9%</td>
<td>2.3%</td>
</tr>
<tr>
<td>Oregon, University of</td>
<td>65,293</td>
<td>89,654</td>
<td>91,300</td>
<td>7.2%</td>
<td>13.9%</td>
<td>39.8%</td>
<td>1.8%</td>
</tr>
<tr>
<td>Missouri, University of -- Columbia</td>
<td>68,751</td>
<td>86,284</td>
<td>87,300</td>
<td>7.3%</td>
<td>7.0%</td>
<td>27.0%</td>
<td>1.2%</td>
</tr>
</tbody>
</table>
Annual pay increase process (Faculty and Staff)

- Campuses determine annual pay guidelines – most campuses require individual units to fund pay increases
- Most pay increases are effective Sept 1
- Based on merit*
- Typically ‘base building’ increases
  - Occasional market increases (e.g., staff below range minimum, faculty retention)
  - May include promotion (e.g., academic progression from Asst. to Assoc. Professor)
- Supervisors and Academic Department Chairs required to complete annual performance evaluations

*Assumes pay is already at market
## History of pay increase budgets

<table>
<thead>
<tr>
<th>Year</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>2002</td>
<td>0%</td>
</tr>
<tr>
<td>2003</td>
<td>2%</td>
</tr>
<tr>
<td>2004</td>
<td>2%</td>
</tr>
<tr>
<td>2005</td>
<td>2%</td>
</tr>
<tr>
<td>2006</td>
<td>2%</td>
</tr>
<tr>
<td>2007</td>
<td>2%</td>
</tr>
<tr>
<td>2008</td>
<td>4%</td>
</tr>
<tr>
<td>2009</td>
<td>0%</td>
</tr>
<tr>
<td>2010</td>
<td>0%</td>
</tr>
<tr>
<td>2011</td>
<td>0-2% Pool (varied by campus)</td>
</tr>
<tr>
<td>2012</td>
<td>0-2% Pool (varied by campus)</td>
</tr>
<tr>
<td>2013</td>
<td>1-2% Pool (varied by campus)</td>
</tr>
<tr>
<td>2014</td>
<td>0-2% (varied by campus)</td>
</tr>
</tbody>
</table>
An example of merit based pay for System staff

The closer to green, the greater the pay increase relative to merit budget, as this indicates a lower compa-ratio and higher level of performance.
Who makes pay decisions... Chancellors

- Approve or delegate personnel actions pertaining to total compensation, changes in status, and termination for all faculty, staff and students, with the exception of:
  - Certain personnel actions related to certain executive-level positions/appointments reporting directly to the Chancellor
  - Other positions as determined by the President, in advance, for discretionary review.

- Any appointments made must fall within available funds and must be in compliance with University policies regarding individual qualifications and levels of compensation.

- In general, faculty and staff pay decisions are handled at unit level with approval process to include HR, Provost or others.
Tools and resources... Faculty salaries
Tools and resources... Total compensation

Total Compensation Calculator

This calculator is a decision-making tool for prospective employees considering a career with the University of Missouri (UM) System. Compensation is bigger than just the salary you earn. It includes how much the university subsidizes your insurance, what kinds of retirement plans are available to you, the number of paid leave days you can earn, and more. Use this calculator to help compare your current compensation with what UM can offer.

Also, explore the Total Rewards website to learn more about the rewards package we offer to acknowledge our employees as the university’s most important resource. All circumstances cannot be accounted for in this calculator (footnote 1). Individuals have unique considerations that may not be captured. And because faculty benefits can differ depending on the position, this calculator is primarily for individuals who are considering a staff position.

Please note: This calculator is not geared for existing UM employees; it does not populate with your existing compensation information. Existing employees seeking an estimate of their retirement earnings should go to the the webpage named “Estimate your retirement benefits.”

Compensation comparison chart

<table>
<thead>
<tr>
<th>Current Employer</th>
<th>University of Missouri System</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salary and Earnings</td>
<td>Salary and Earnings</td>
</tr>
<tr>
<td>Your current gross, annual base salary</td>
<td>Your projected gross, annual base salary at UM</td>
</tr>
<tr>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>Your current gross earnings above base salary</td>
<td>Your projected gross earnings above base salary</td>
</tr>
<tr>
<td>$</td>
<td>$</td>
</tr>
</tbody>
</table>

Cost of living overview

Missouri offers low state taxes, vibrant communities, and award-winning state perks, among other advantages. UM System campuses are located in cities that offer a lower cost of living than many other metropolitan areas—meaning you can pay less for day-to-day expenses and entertainment.

- 180% less than New York, NY (Manhattan)
- 120% less than San Francisco, CA
- 70% less than Los Angeles, CA
- 50% less than Chicago, IL
- 30% less than Denver, CO

Summary of total compensation

<table>
<thead>
<tr>
<th>Your current employer</th>
<th>University of Missouri System</th>
</tr>
</thead>
<tbody>
<tr>
<td>Value of employer-paid benefits</td>
<td>Value of UM-paid benefits</td>
</tr>
<tr>
<td>Salary and earnings</td>
<td>Salary and earnings</td>
</tr>
<tr>
<td>Total</td>
<td>Total</td>
</tr>
<tr>
<td>Value of benefits as a % of salary</td>
<td>Value of benefits as a % of salary</td>
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</tbody>
</table>
Questions?