



Tab 17

FY 2025 Budget Request Summary

Coordinating Board for Higher Education
September 13, 2023

DESCRIPTION

The Coordinating Board for Higher Education (CBHE) submits requests for funding for Department of Higher Education and Workforce Development operations, state student financial aid programs administered by the department, and higher education institutions' operating budgets and initiatives each year. In addition, the CBHE may request supplemental funding when additional funds are needed to continue to operate a program for the remainder of the current fiscal year. Decisions about request levels are made in close consultation with the Office of Administration's Division of Budget and Planning and the state budget director.

In July of each year, the state budget director issues budget instructions that provide guidelines for the preparation of each agency's budget request. The FY 2025 budget instructions from Dan Haug, State Budget Director, provided a state economic forecast. Of particular importance are the statements that:

"Departments may request mandatory and high priority Fiscal Year 2025 new decision items. For priority items, departments need to look at existing resources as a funding source."

and

"No requests for additional funding from ARPA State Fiscal Recovery Funds shall be included in the department request."

This informational item is a summary of DHEWD staff recommendations for the FY 2025 department operations, student financial assistance programs, institutions' operating budgets and initiatives. Additional detail is provided in the agenda items dedicated to these topics.

FY 2024 Supplemental Budget

The following items are supplemental requests that the department expects to need for FY 2024.

- \$5,000,000 Transfer appropriation from Federal Student Loan Fund to Loan Operating Fund
- \$2,227,669 increase for Lincoln University to fully fund the institution's land grant match
- \$100,000 increase in the Debt Offset Appropriation Fund for Missouri State University
- \$25,000 increase in the Debt Offset Appropriation Fund for Southeast Missouri State University

FY 2024 Eliminations/Reductions

The following items were passed as one-time appropriations in FY 2024 totaling \$59,958,634 and will be eliminated in FY 2025 unless reauthorized under a new appropriation.

- \$6,537 in E&E for Coordination Administration
- \$100,000 for Future In Action
- \$38,336,840 for MoExcels
- \$100,000 for Student Journey Mapping
- \$15 million for University of Missouri eMINTS Program
- \$2 million ACCESSPOINT
- \$3 million Geospatial Intelligence Training
- \$100,000 KC Pre-Apprenticeship

- \$1,000,000 for an organization providing services in a city not within a county, that facilitates supplemental educational programs, job development and training and community service programs for under-resourced individuals
- \$300,000 for MO Works Pre-Apprenticeship

FY 2025 Proposed Increases

Office of Workforce Development – Apprenticeship

A \$3,000,000 new decision item is recommended for Apprenticeship Missouri which is essentially a fund switch from federal funds to General Revenue. The General Revenue funding request for FY 2024 was moved into Workforce’s federal funds. While it may appear that federal funding is available, the budget represents spending authority and not actual cash funds available. Federal funding for the workforce programs have decreased over the past few years, and most of the funds are disbursed to the local workforce boards and projects to support the workforce system. A stable funding source for Apprenticeships will ensure growth in the “earn and learn” model for both workers and employers. The focus for apprenticeships will continue to be in-demand occupations that employers across Missouri need to continue to grow and thrive.

Workforce Outreach

The Workforce Innovation and Opportunity Act (WIOA) does not allow federal funds to be used for marketing or advertising of Job Center services. However, some of the best ways to reach individuals and employers are through paid means. One of DHEWD's placemat initiatives is to create and deliver a best-in-class customer experience in Missouri's Job Centers.

The funding request for marketing will be used to develop campaigns focused on raising awareness of the resources available to both job seekers and employers, reaching larger audiences, including underserved communities. This funding will support advertising to increase the awareness of services such as support for resume writing, employability skills, interview assistance, and training and education opportunities to increase skill sets for today's jobs. Employers will benefit as the pool of job seekers will grow, providing more individuals with the right skills to fill open positions needed to grow businesses in the state.

DHEWD's strategic goals are increasing educational attainment and increasing the labor participation rate. Marketing the services of Job Centers will contribute to both of these goals.

Returning Heroes

Per state statute, institutions are allowed to ask for the amount of tuition they have waived in complying with the Missouri Returning Heroes Act. For FY 2025, an appropriation of \$1,043,401 is requested to reimburse the institutions.

Institutions’ Core CPI Increase

Based upon a 5 percent increase, a total increase of \$8,659,688 is needed for community colleges; \$45,103,737 for public universities; and \$452,825 for the State Technical College of Missouri. The combined total for all three sectors is \$54,216,250.

Other Institutional Requests

Institutions and other organizations funded by House Bill 3 were invited to submit specific new decision items for consideration. These can be found in Tab 16, Attachment C – Institutional FY 2025 Requests.

Other Requests

State Historical Society - \$611,407 is requested to help cover employee salary and benefit cost increases. SHSMO requests recurring funds of \$611,407 to provide employees a 5 percent cost of living increase.

STATUTORY REFERENCE

Sections 173.005-750, RSMo

RECOMMENDATION

This is an information item only.

NO ATTACHMENTS