

Presentation to the
Board of Trustees

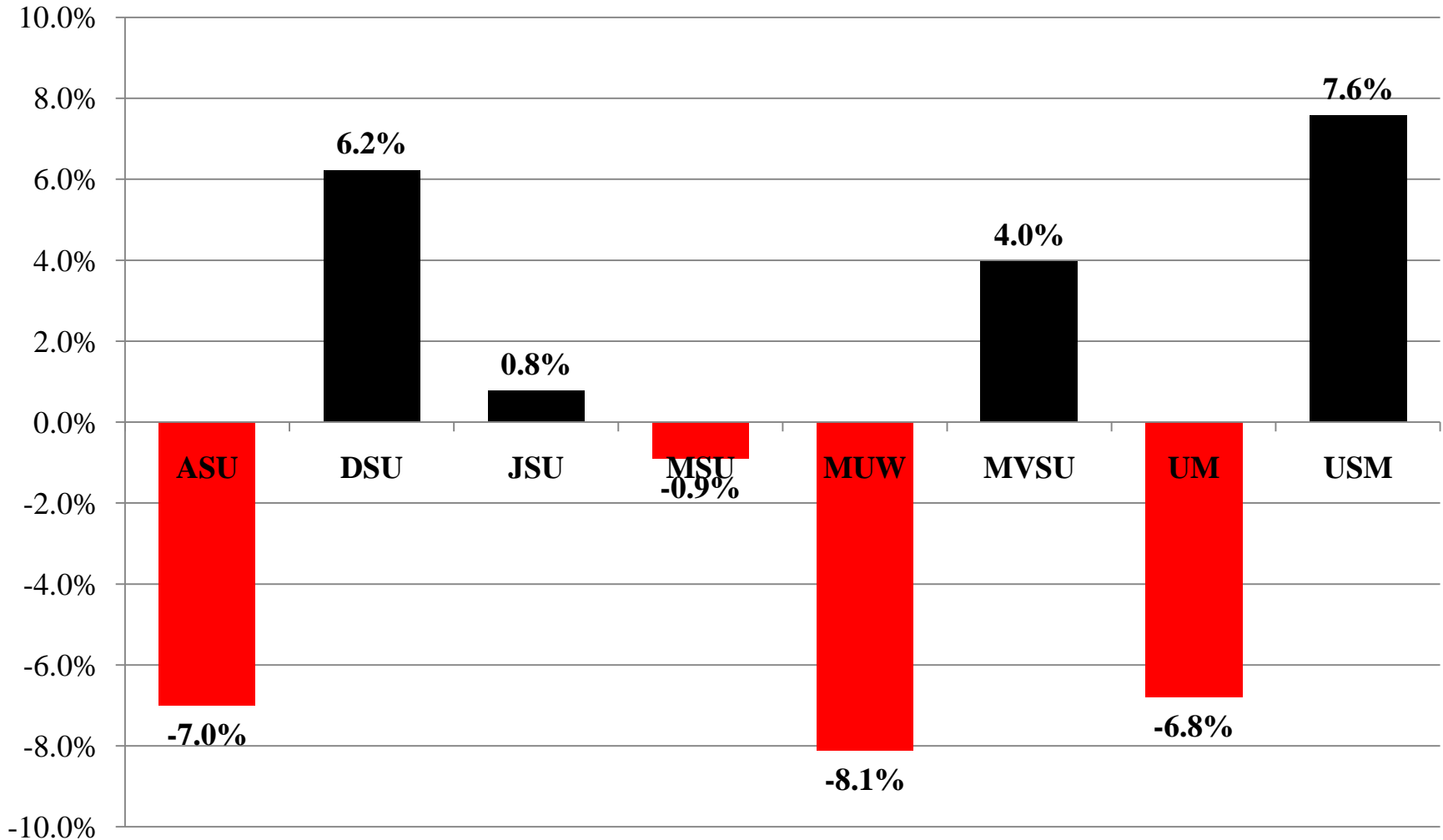
Performance Allocation Model



April 18, 2013



Allocation Differences After FY 2014 Formula Run

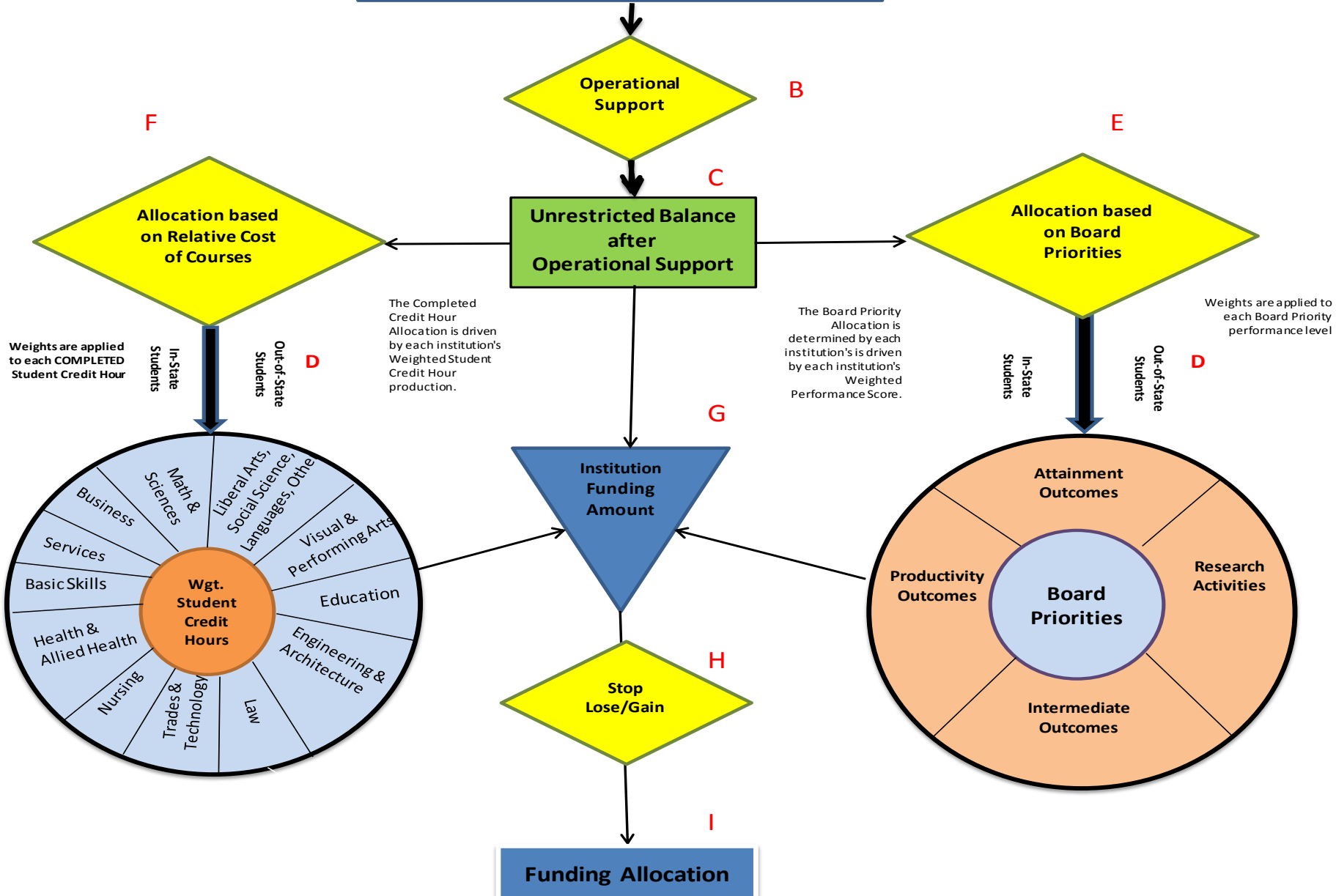




Changes from Initial Run

1. Realignment of courses under the appropriate CIP codes
2. Board priority percentage changed from 15% to 10%
3. Allocations among Board priorities categories changed for research institutions
4. Operational support changed from flat fee to a percentage of the budget for three (3) functions – Student Services, Institutional Support, and Operations and Maintenance
 - a. 15% for ASU, DSU, MUW, MVSU
 - b. 10% adjusted down for JSU
 - c. 6% for MSU, UM, USM

Unrestricted Institutional Appropriation





Decision Points

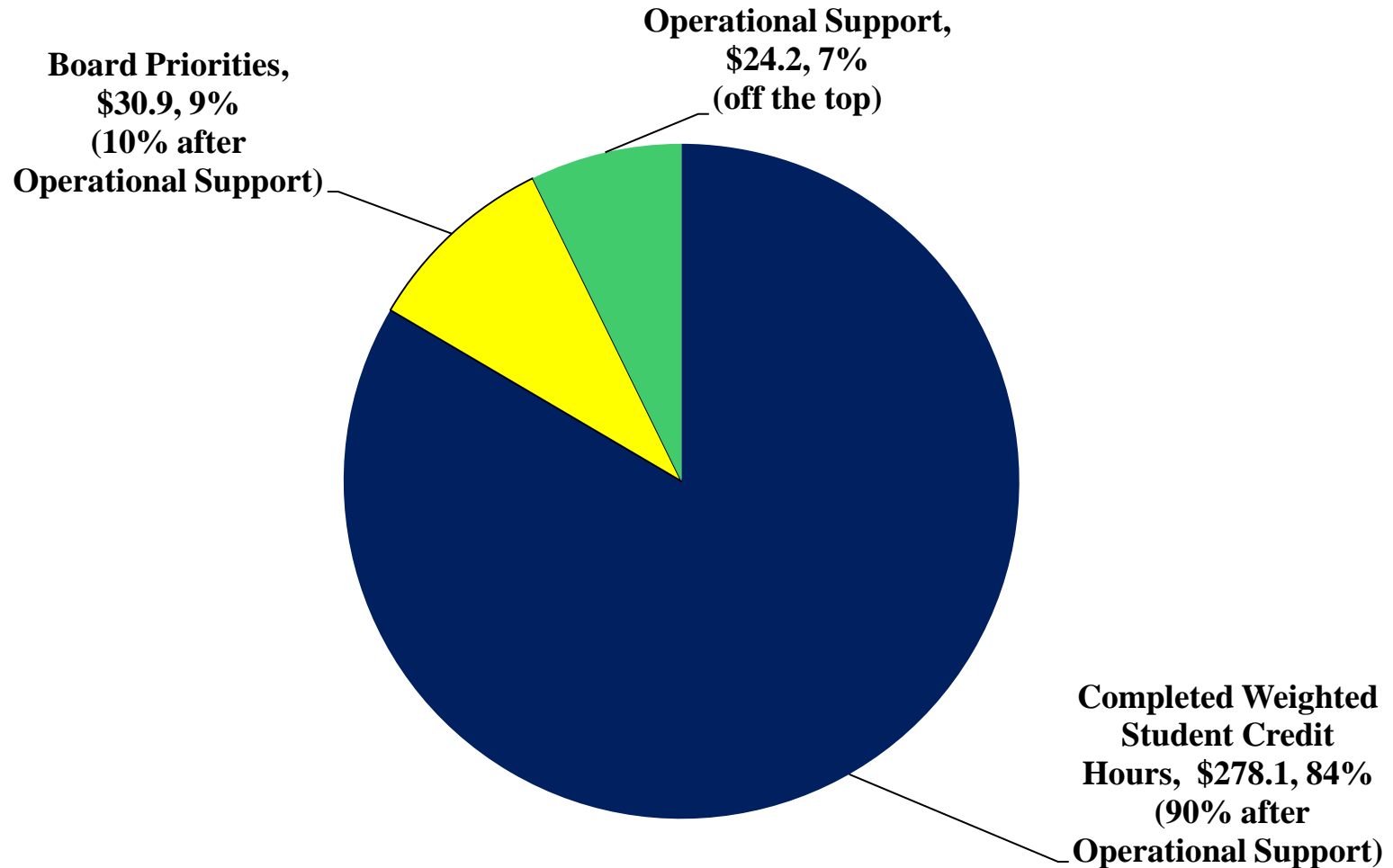
1. Weights for completed credit hour production
2. Funding for Board priorities
3. Operational support
4. Non-resident weighting
5. Hold-harmless provision



Proposed Division of Funds

Total Dollars = \$333.2 million

FY 2014
(in millions)





Decision: Weights for Completed Credit Hour Production

	Lower Division	Upper Division	Masters	Doctoral
Liberal Arts, Social Science, Languages, Other	1.00	2.20	4.40	5.50
Basic Skills	1.50			
Business	1.00	2.20	4.40	6.60
Education	1.50	2.20	2.75	5.50
Services	1.50	2.20	3.30	4.40
Visual, Performing Arts	1.50	2.75	5.50	5.50
Trades, Technologies	2.00	2.75	4.40	5.50
Math, Sciences	2.00	3.30	5.50	8.80
Law	2.00	2.20	4.40	4.40
Engineering	2.00	3.30	5.50	8.80
Health	2.00	3.30	5.50	6.60
Nursing	2.00	4.00	5.50	6.60



Decision: Allocations Among Board Priority Categories

	MSU, UM, USM	JSU	ASU, DSU, MUW, MVSU
Attainment Outcomes	15%	35%	40%
Intermediate Outcomes	35%	30%	30%
Research Activity	10%	5%	0%
Public K-12 Education	0%	0%	0%
Productivity Outcomes	40%	30%	30%
Must Equal 100%	100%	100%	100%



Attainment Outcomes Three Year Averages

- Degrees (Associate, Bachelor, Graduate, Professional)
- At Risk Students
 - Pell recipient
 - ACT score less than 19
 - 25 years of age or older
- Priority Fields
 - STEM
 - Health
 - Education



Intermediate Outcomes Three Year Averages

- ACT score less than 19 who successfully completes first college English and first college Math
- Number of students who cross 30 SCH threshold*
- Number of students who cross 60 SCH threshold*

* Counted in the year the student crosses the 30/60 SCH threshold. Counted once for each threshold.



Research Activity Three Year Averages

- Research expenditures as reported to the National Science Foundation
- Technology transfer/entrepreneurship data as reported to the Association of University Technology Managers
- Patents/Licenses
 - new patents issued in the U.S.
 - new patents filed in the U.S.
 - technology licenses
 - start-up companies



Productivity Outcomes

Three Year Averages

- Number of undergraduate degrees per 100 FTE
- Number of graduate degrees per 100 FTE
- Number of degrees per \$100,000 revenue



Decision: Operational Support

IHL	Operational Support (\$)
Alcorn State University	\$ 2,900,000
Delta State University	2,300,000
Jackson State University	3,400,000
Mississippi State University	4,300,000
Mississippi University for Women	1,800,000
Mississippi Valley State University	2,300,000
University of Mississippi	3,800,000
University of Southern Mississippi	3,400,000
SYSTEM TOTAL	\$ 24,200,000



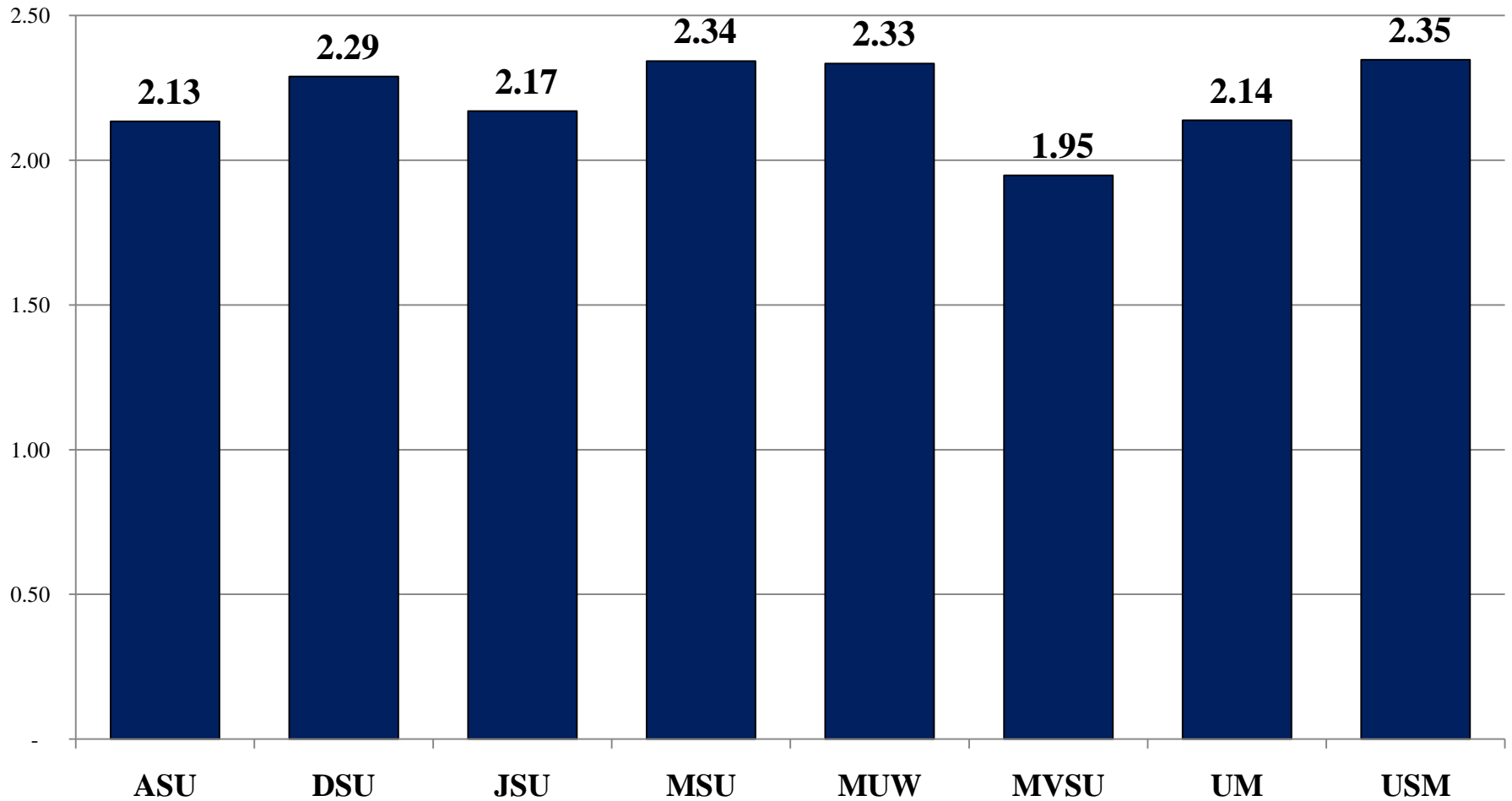
Operational Support as Percent of Budget and Calculation of Operational Support (OS) per FTE (3 year average)

IHL	Operational Support (\$)	FY 2013 Budget	OS as % of FY 2013 Budget	FTE 3 Year Average	OS per FTE
Alcorn State University	\$ 2,900,000	\$ 47,368,454	6.1%	3,479	\$ 834
Delta State University	2,300,000	44,832,498	5.1%	3,506	656
Jackson State University	3,400,000	93,883,576	3.6%	7,230	470
Mississippi State University	4,300,000	256,270,461	1.7%	17,818	241
Mississippi University for Women	1,800,000	32,016,990	5.6%	2,485	724
Mississippi Valley State University	2,300,000	31,697,660	7.3%	2,487	925
University of Mississippi	3,800,000	266,610,990	1.4%	16,878	225
University of Southern Mississippi	3,400,000	191,974,741	1.8%	14,084	241
SYSTEM TOTAL	\$ 24,200,000	\$ 964,655,370	2.5%	67,967	\$ 356

Stage One: Set Funding Allocations									
		Non-Resident Percentage			0.85	Board Priority Percentage			10%
Total State Appropriation		\$333,198,810							
Allocable Amount after Operational Support		\$308,998,810							
Completed Credit Hour Production		90%		Amount Allocated		\$278,098,929			
Board Priorities		10%		Amount Allocated		\$30,899,881			
Stage Two: Define Weights for Completed Credit Hour Production and Allocations Among Board Priority Categories									
Weights for Completed Credit Hour Production					Allocations Among Board Priority Categories				
	Lower Division	Upper Division	Masters	Doctoral	University Groups	MSU, UM, USM	JSU	ASU, DSU, MUW, MVSU	
Liberal Arts, Social Science, Languages, Other	1.00	2.20	4.40	5.50					
Basic Skills	1.50				Attainment Outcomes	15%	35%	40%	
Business	1.00	2.20	4.40	6.60	Intermediate Outcomes	35%	30%	30%	
Education	1.50	2.20	2.75	5.50	Research Activity	10%	5%	0%	
Services	1.50	2.20	3.30	4.40	Public K-12 Education	0%	0%	0%	
Visual, Performing Arts	1.50	2.75	5.50	5.50	Productivity Outcomes	40%	30%	30%	
Trades, Technologies	2.00	2.75	4.40	5.50	Must Equal 100%	100%	100%	100%	
Math, Sciences	2.00	3.30	5.50	8.80	Stop Loss Provision				
Law	2.00	2.20	4.40	4.40	-2%				
Engineering	2.00	3.30	5.50	8.80					
Health	2.00	3.30	5.50	6.60					
Nursing	2.00	4.00	5.50	6.60					

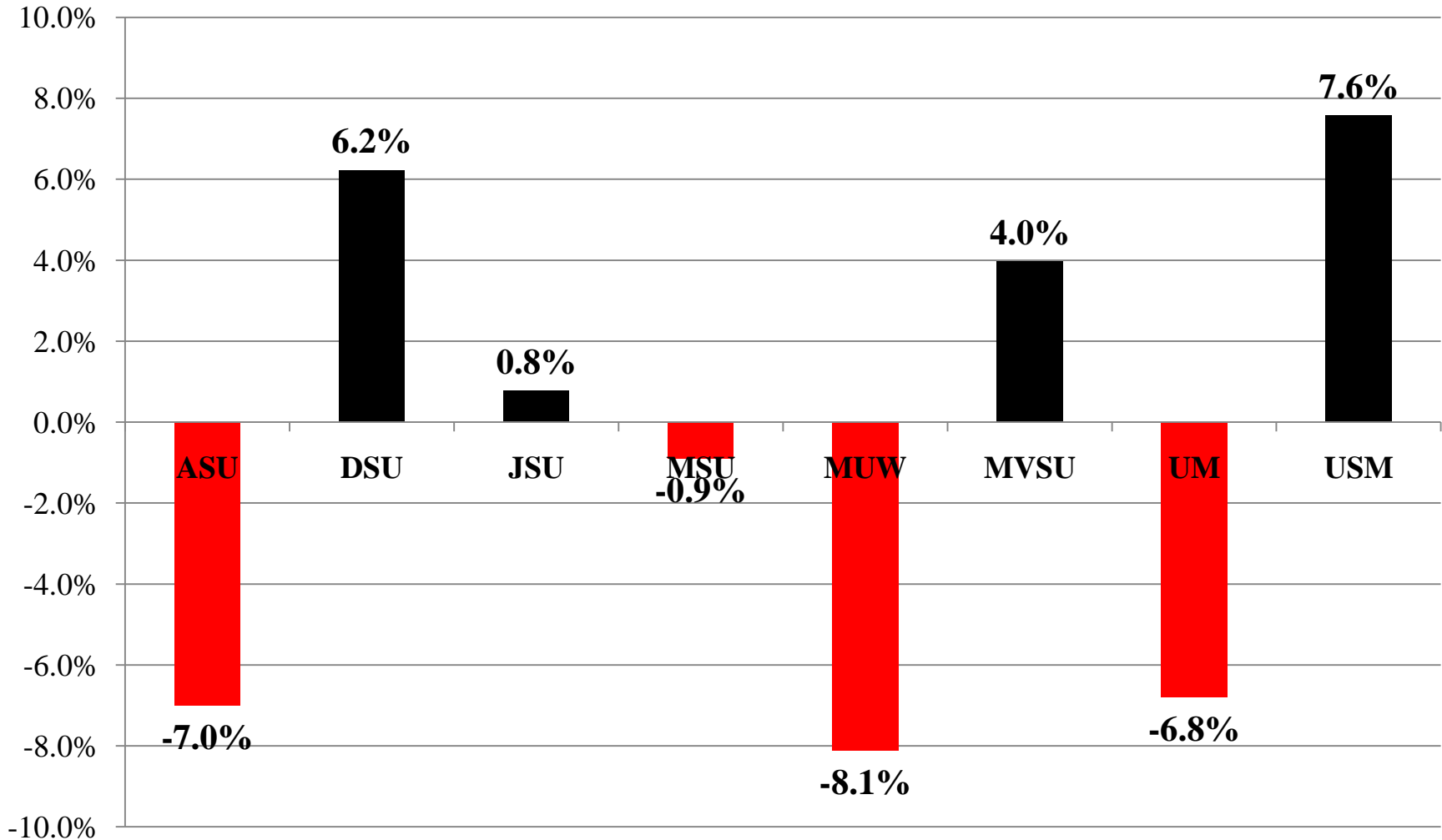


Ratio of Weighted Student Credit Hours to Student Credit Hours





Allocation Differences After FY 2014 Formula Run



Mississippi IHL		New Funding Level - No Stop Loss ALLOCATION FOR FY 2014					New Funding Level - With Stop Loss		
	2013 Funding Allocation	Completed Credit Hour Allocation (\$)	Board Priority Allocation (\$)	Operational Support (\$)	Total Allocation	Percentage Difference in Funding from 2013	Total Allocation After Stop Loss Adjustment	Difference \$ (+/-) between Stop Loss and FY 2013 GAA	Percentage Difference in Funding from 2013
ASU	\$ 17,633,820	\$ 13,933,398	\$ 2,034,233	\$ 2,900,000	\$ 18,867,632	7.00%	\$ 18,022,391	\$ 388,571	2.20%
DSU	19,987,178	14,219,488	2,224,195	2,300,000	18,743,682	-6.22%	19,587,434	(399,744)	-2.00%
JSU	35,093,942	27,842,458	3,583,212	3,400,000	34,825,670	-0.76%	34,825,670	(268,272)	-0.76%
MSU	85,082,478	74,308,576	7,240,558	4,300,000	85,849,134	0.90%	85,323,925	241,447	0.28%
MUW	13,698,565	10,517,033	2,493,243	1,800,000	14,810,275	8.12%	14,048,682	350,117	2.56%
MVSU	13,772,481	8,969,439	1,957,073	2,300,000	13,226,512	-3.96%	13,497,031	(275,450)	-2.00%
UM	70,608,599	65,676,167	5,926,319	3,800,000	75,402,486	6.79%	72,118,364	1,509,765	2.14%
USM	77,321,747	62,632,370	5,441,049	3,400,000	71,473,419	-7.56%	75,775,312	(1,546,435)	-2.00%
SYSTEM TOTAL	\$ 333,198,810	\$ 278,098,929	\$ 30,899,881	\$ 24,200,000	\$ 333,198,810	0.00%	\$ 333,198,810	\$ 0	0.00%



Allocation

Based on New Formula

(with Hold Harmless and Pro-Rated New Funding)

IHL	FY 2013 Allocation	FY 2014 Allocation	Difference
ASU	\$ 17,633,820	\$ 18,637,057	\$ 1,003,237
DSU	19,987,178	19,987,178	-
JSU	35,093,942	35,093,942	-
MSU	85,082,478	85,705,861	623,383
MUW	13,698,565	14,602,519	903,954
MVSU	13,772,481	13,772,481	-
UM	70,608,599	74,506,603	3,898,004
USM	77,321,747	77,321,747	-
System Total	\$ 333,198,810	\$ 339,627,388	\$ 6,428,578



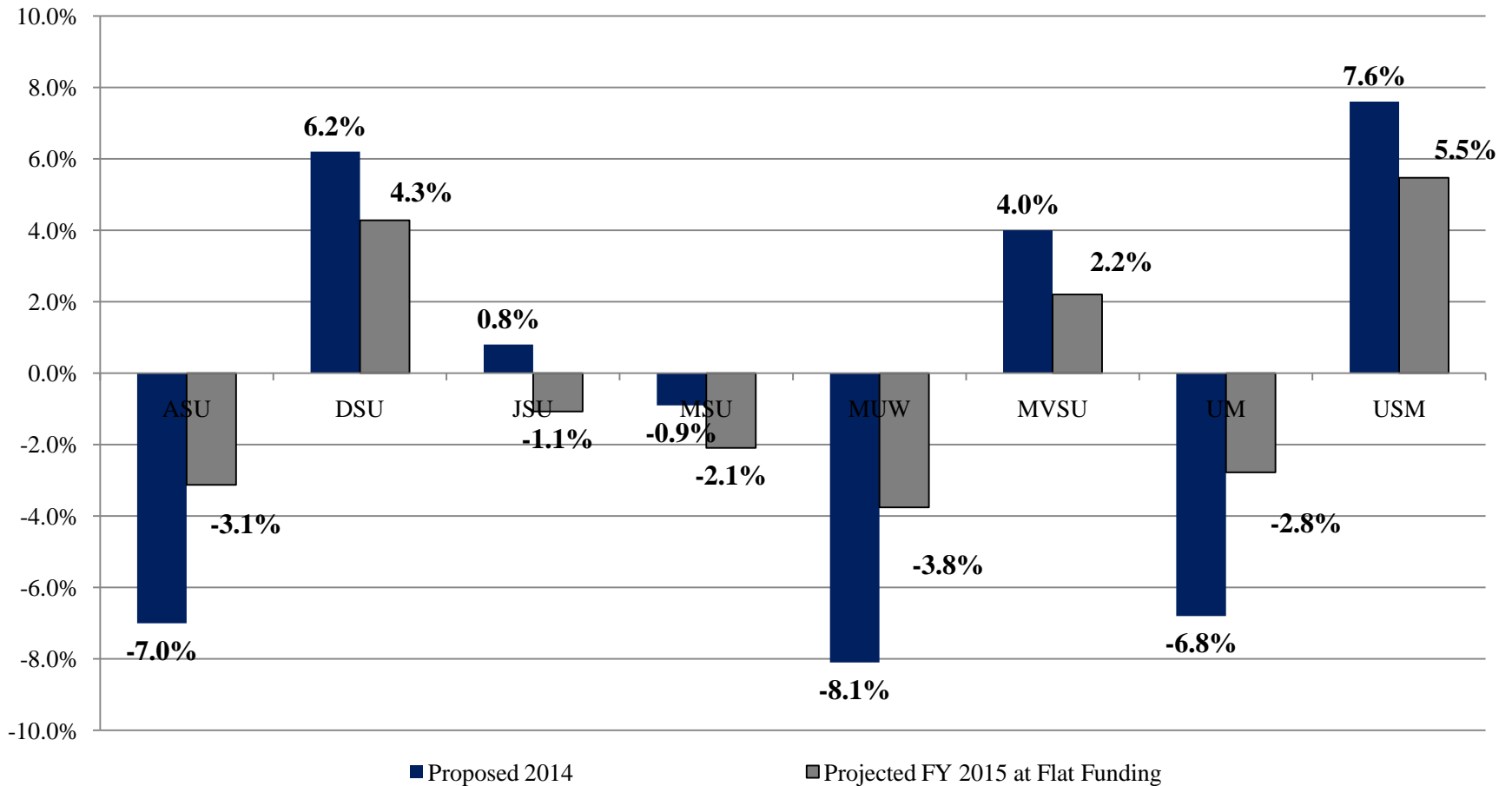
2013 PERS Increase

IHL	Estimated July 1, 2013 PERS Increase
Alcorn State University	\$ 330,445
Delta State University	343,009
Jackson State University	716,173
Mississippi State University	1,858,504
Mississippi University for Women	215,834
Mississippi Valley State University	238,610
University of Mississippi	1,889,783
University of Southern Mississippi	1,423,320
System Total	\$ 7,015,678

Mississippi IHL	Past Amounts	New Funding Level - No Stop Loss SCENARIO FOR FY 2015					New Funding Level - With Stop Loss		
	2014 Funding Allocation	Completed Credit Hour Allocation (\$)	Board Priority Allocation (\$)	Operational Support (\$)	Total Allocation	Percentage Difference in Funding from 2014	Total Allocation After Stop Loss Adjustment	Difference \$ (+/-) between Stop Loss and FY 2014 GAA	Percentage Difference in Funding from 2014
ASU	\$ 18,967,502	\$ 14,539,628	\$ 2,122,338	\$ 2,900,000	\$ 19,561,966	3.13%	\$ 19,212,455	\$ 244,953	1.29%
DSU	20,330,187	14,838,165	2,321,239	2,300,000	19,459,403	-4.28%	19,923,583	(406,604)	-2.00%
JSU	35,810,115	29,053,858	3,739,427	3,400,000	36,193,285	1.07%	35,968,003	157,888	0.44%
MSU	87,564,365	77,541,674	7,555,893	4,300,000	89,397,567	2.09%	88,319,748	755,383	0.86%
MUW	14,818,353	10,974,619	2,600,689	1,800,000	15,375,308	3.76%	15,047,850	229,497	1.55%
MVSU	14,011,091	9,359,692	2,042,621	2,300,000	13,702,313	-2.20%	13,730,869	(280,222)	-2.00%
UM	76,396,386	68,533,677	6,183,791	3,800,000	78,517,468	2.78%	77,270,392	874,006	1.14%
USM	78,745,067	65,357,447	5,678,310	3,400,000	74,435,757	-5.47%	77,170,166	(1,574,901)	-2.00%
SYSTEM TOTAL	\$ 346,643,066	\$ 290,198,759	\$ 32,244,307	\$ 24,200,000	\$ 346,643,066	0.00%	\$ 346,643,066	\$ 0	0.00%



Comparison of FY 2014 to Projected FY 2015 with No Increase in Funding





On & Off Campus Line Items

Campus		Budget	FY 2013	FY 2014	Dollar Change	Percent Change
System	Washington		\$ 75,000	\$ 75,000	\$ -	0.0%
System	Efficiency		2,000,000	2,000,000	-	0.0%
System	Licenses		197,536	197,536	-	0.0%
Research	Economic Development		2,000,000	2,000,000	-	0.0%
Various	Interest		80,396	80,396	-	0.0%
DSU	E-Learning		350,000	350,000	-	0.0%
DSU	Center for Culture		150,000	150,000	-	0.0%
DSU	Aviation		675,000	675,000	-	0.0%
JSU	E-Learning		550,000	550,000	-	0.0%
MSU	Meridian Campus		900,000	900,000	-	0.0%
MUW	Governor's School		157,500	157,500	-	0.0%
UM	Teachers Corps		340,000	340,000	-	0.0%
USM	Communication & Development		-	100,000	100,000	100.0%
Inst.	Capital Projects		6,000,000	13,200,000	7,200,000	120.0%
	Total		\$ 13,475,432	\$ 20,775,432	\$ 7,300,000	54.2%



Facilities Funding in the Appropriation Bill

(all of FY 2014 intended for R&R)

Campus	Budget	FY 2013	FY 2014	Total	Percent
ASU	Capital Projects	\$ 1,292,079	\$ 849,000	\$ (443,079)	-34.3%
ASU	Athletic Track	-	100,000	100,000	100.0%
ASU	Capital Expense Fund	-	453,600	453,600	100.0%
DSU	Capital Expense Fund	-	491,850	491,850	100.0%
JSU	Capital Projects	3,415,842	1,302,000	(2,113,842)	-61.9%
JSU	Capital Expense Fund	-	880,650	880,650	100.0%
MSU	Capital Expense Fund	-	2,271,150	2,271,150	100.0%
MUW	Capital Expense Fund	-	345,150	345,150	100.0%
MVSU	Capital Projects	1,292,079	849,000	(443,079)	-34.3%
MVSU	Capital Expense Fund	-	415,800	415,800	100.0%
UM/UMMC	Capital Expense Fund	-	2,486,250	2,486,250	100.0%
USM	Capital Expense Fund	-	1,655,550	1,655,550	100.0%
USM	Tornado Personal Property	-	1,100,000	1,100,000	100.0%
	Total	\$ 6,000,000	\$ 13,200,000	\$ 7,200,000	120.0%



Bond Bill

Capital Appropriations

Campus	Budget	FY 2014
ASU	Alcorn State University	\$ 400,000
DSU	Delta State University	2,000,000
JSU	Jackson State University	8,500,000
MSU	Mississippi State University	10,000,000
MUW	Mississippi University for Women	5,100,000
MVSU	Mississippi Valley State University	6,000,000
UM	University of Mississippi	6,000,000
USM	University of Southern Mississippi	20,500,000
UMMC	Medical Center	31,000,000
MSU	MSU Agriculture Units	7,500,000
	Total	<hr/> \$ 97,000,000



Three Year Capital Plan

Institution	2013 Bond Bill	Year 2	Year 3	Grand Total
ASU	\$ 400,000	\$ 9,000,000	\$ 7,100,000	\$ 16,500,000
DSU	2,000,000	14,500,000		16,500,000
JSU	8,500,000	3,000,000	8,500,000	20,000,000
MUW	5,100,000	4,900,000	6,500,000	16,500,000
MSU	10,000,000	7,000,000	13,000,000	30,000,000
MSU-DAFVM	7,500,000		12,500,000	20,000,000
MVSU	6,000,000	4,500,000	6,000,000	16,500,000
UM	6,000,000	14,000,000	10,000,000	30,000,000
UMMC	31,000,000	30,500,000		61,500,000
USM	20,500,000	5,000,000	5,000,000	30,000,000
System Total	\$ 97,000,000	\$ 92,400,000	\$ 68,600,000	\$ 258,000,000



Ayers Appropriations

Budget	FY 2013	FY 2014	Dollar Change	Percent Change
Ayers Program Funding	\$ 13,467,000	\$ 13,467,000	\$ -	0.0%
Ayers Endowment	\$ 5,000,000	\$ 5,000,000	\$ -	0.0%
Ayers Summer Program Funding	\$ 750,000	\$ 750,000	\$ -	0.0%
Ayers Re-appropriations	\$ 2,537,256	\$ 1,196,372	(1,340,884)	-52.8%
Total	\$ 21,754,256	\$ 20,413,372	\$ (1,340,884)	-6.2%



Subsidiary Appropriations

Jackson State University

Budget Unit	FY 2013	FY 2014	Dollar Change	Percent Change
Urban Research Center	\$ 515,734	\$ 520,372	\$ 4,638	0.9%

System Office

Budget Unit	FY 2013	FY 2014	Dollar Change	Percent Change
Executive Office	\$ 6,968,781	\$ 7,412,934	\$ 444,153	6.4%
Student Financial Aid	29,578,808	36,285,077	6,706,269	22.7%
Volunteer Commission (1)	500,000	509,619	9,619	1.9%
Total	\$ 37,047,589	\$ 44,207,630	\$ 7,160,041	19.3%

(1) For information and reporting purposes.



Subsidiary Appropriations

Mississippi State University

Budget	FY 2013	FY 2014	Dollar Change	Percent Change
Advanced Vehicular Studies	\$ 3,300,000	\$ 3,328,126	\$ 28,126	0.9%
State Chemical Laboratory	1,743,849	2,062,803	318,954	18.3%
Water Resources Research Institute	180,531	240,531	60,000	33.2%
Stennis Institute	901,782	909,550	7,768	0.9%
Alcohol Safety Education (S. F.)	1,483,856	1,485,371	1,515	0.1%
Total	\$ 7,610,018	\$ 8,026,381	\$ 416,363	5.5%



Subsidiary Appropriations

University of Mississippi

Budget	FY 2013	FY 2014	Dollar Change	Percent Change
Center for Manufacturing Excellence	\$ 1,000,000	\$ 1,310,311	\$ 310,311	31.0%
Law Research Institute	809,003	823,015	14,012	1.7%
Mineral Resources Institute	400,824	413,650	12,826	3.2%
Research Inst. of Pharmaceutical Sciences	3,202,749	3,291,936	89,187	2.8%
Supercomputer	691,278	695,804	4,526	0.7%
Small Business Center	231,222	290,329	59,107	25.6%
State Court Education Program (S. F.)	1,491,301	1,499,288	7,987	0.5%
Total	\$ 7,826,377	\$ 8,324,333	\$ 497,956	6.4%



Subsidiary Appropriations

University of Southern Mississippi

Budget	FY 2013	FY 2014	Dollar Change	Percent Change
Mississippi Polymer Institute	\$ 668,440	\$ 675,869	\$ 7,429	1.1%
Gulf Coast Research Laboratory	3,176,881	3,517,645	340,764	10.7%
Stennis Center	436,618	439,724	3,106	0.7%
Total	\$ 4,281,939	\$ 4,633,238	\$ 351,299	8.2%



University of Mississippi Medical Center

Budget	FY 2013	FY 2014	Dollar Change	Percent Change
Medical Center	\$ 183,917,002	\$ 191,968,612	\$ 8,051,610	4.4%



Agricultural Appropriations

Budget	FY 2013	FY 2014	Dollar Change	Percent
ASU Agricultural Unit	\$ 5,498,389	\$ 5,819,110	\$ 320,721	5.8%
Ag. & Forestry Experiment Station	21,365,833	22,650,355	1,284,522	6.0%
Mississippi Cooperative Extension	27,369,914	29,139,390	1,769,476	6.5%
Forest & Wildlife Research Center	5,392,854	5,972,870	580,016	10.8%
College of Veterinary Medicine	16,203,711	17,291,269	1,087,558	6.7%
Total	\$ 75,830,701	\$ 80,872,994	\$ 5,042,293	6.6%



Staff Recommendation