Appropriations Request for Operations

University of Missouri System

Fiscal Year 2008

UNIVERSITY OF MISSOURI SYSTEM

FY 2008 APPROPRIATIONS REQUEST FOR OPERATIONS

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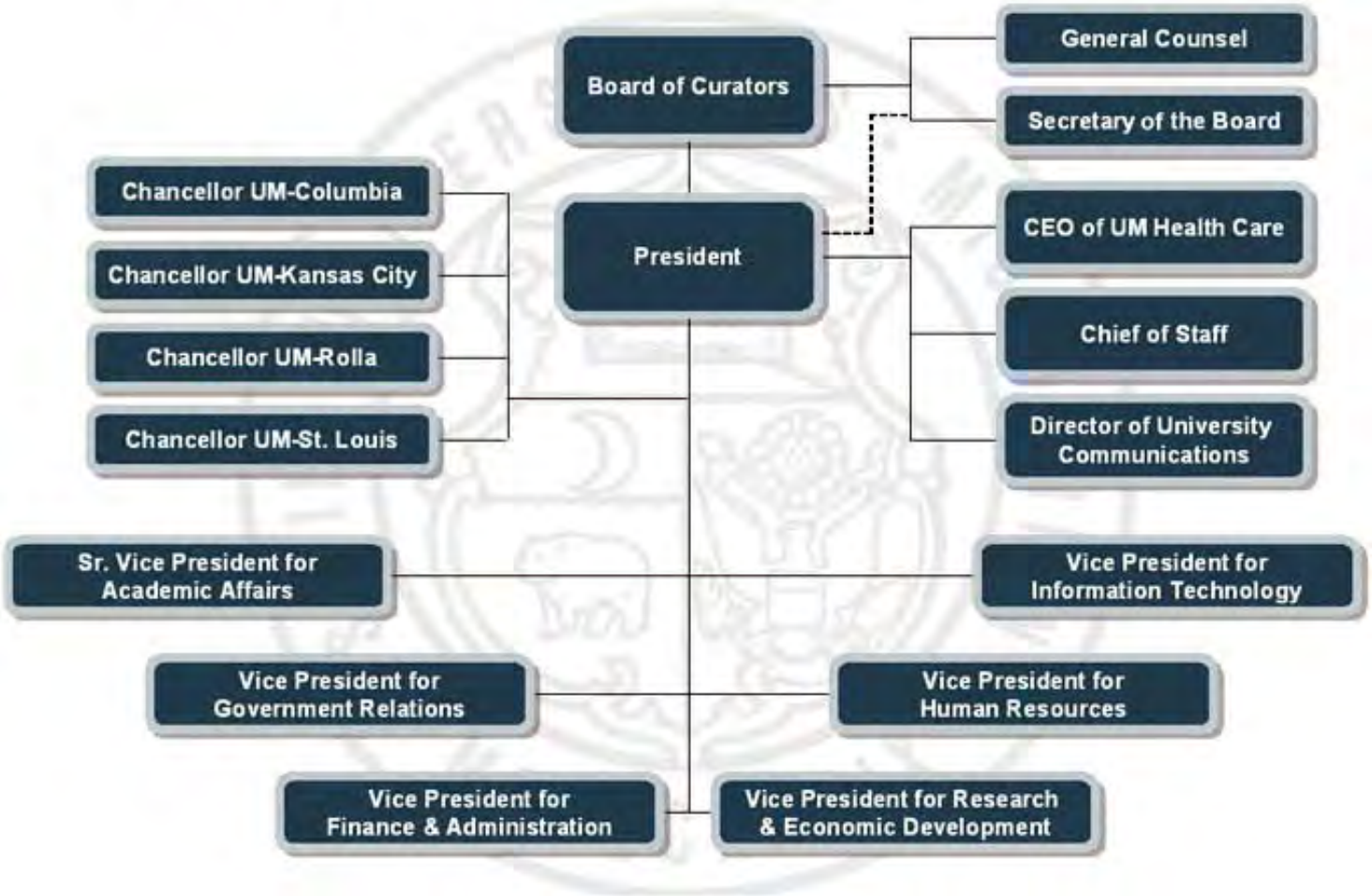
Summaries

University of Missouri Organizational Structure



FY 2007-2008 APPROPRIATIONS REQUEST FOR OPERATIONS

UNRESTRICTED FUNDS SUMMARY

UNIVERSITY OF MISSOURI SYSTEM

	DECISION ITEM NUMBER	STATE APPROPRIATED FUNDS	NON-STATE FUNDS	TOTAL FUNDS
FY 2006-2007 EXPENDITURE BASE (Core)		$412,991,189	$669,843,934	$1,082,835,123
RECURRING INCREASE REQUESTED:				
Mandatory Adjustment to the Core Budget	1			
Mandatory Increase on Salaries and Wages @ 4.0%		$13,662,000	$9,108,000	$22,770,000
Mandatory Increase on Employee Benefits				
Fixed Cost Increase on NonFICA Benefits @ 4.1%		2,940,000	1,960,000	4,900,000
Variable Benefits Increase on Salary Adjustment @ 14.0%		1,968,000	1,312,000	3,280,000
Total Employee Benefits Increase		4,908,000	3,272,000	8,180,000
Maintenance & Repair up from 1% to 1.5% of Replacement Value		7,080,000	4,720,000	11,800,000
Increases in other Mandatory Costs (e.g. fuel, utilities, IT, insurance)		4,620,000	3,080,000	7,700,000
Total Mandatory Adjustment to the Core Budget		$30,270,000	$20,180,000	$50,450,000
UM-Rolla Cooperative Engineering Program with Missouri State University	2	500,000		500,000
Preparing the Next Generation of Health Care Professionals	3	20,000,000		20,000,000
Cost of Operating New and Renovated Facilities	4	4,678,118		4,678,118
Student Access - Missouri Endowed Scholarships Program	5	4,000,000		4,000,000
Missouri Endowed Chair Program	6	2,000,000		2,000,000
Total Recurring Increase Requested		$61,448,118	$20,180,000	$81,628,118
TOTAL RECURRING REQUEST FY 2007-2008		$474,439,307	$690,023,934	$1,164,463,241
ONE-TIME FUNDS REQUESTED FY 2007-2008				
UM-Rolla Cooperative Engineering Program with Missouri State University		$500,000		$500,000

UNIVERSITY OF MISSOURI SYSTEM
EDUCATIONAL AND GENERAL CURRENT FUNDS
FORM 1: EXPENDITURES

	EDUCATION AND GENERAL EXPENDITURES (EXCLUDE EXPENDITURES ON AUXILIARIES)	Actual Unrestricted Expenditures FY 2005	Actual Restricted Expenditures FY 2005	FY 2006 Estimated Unrestricted Education and General Operating Funds		Estimated Unrestricted Expenditures FY 2006	Estimated Restricted Expenditures FY 2006	FY 2007 Projected Unrestricted Education and General Operating Funds		Projected Unrestricted Expenditures FY 2007	Projected Restricted Expenditures FY 2007
				Personal Service	Expense & Equip.			Personal Service	Expense & Equip.		
1.0	GENERAL INSTRUCTION										
1.1	On-campus Instruction for Credit			$359,371,687	$27,113,077	$386,484,764		$384,507,174	$35,658,577	$420,165,751	
1.3	Community Education			8,776,301	6,984,121	15,760,422		8,686,978	7,170,217	15,857,195	
1.4	Off-campus Instruction for Credit			7,604,234	3,930,244	11,534,478		6,931,230	3,191,143	10,122,373	
	TOTAL INSTRUCTION	$383,285,765	$39,138,145	$375,752,222	$38,027,442	$413,779,664	$40,196,837	$400,125,382	$46,019,937	$446,145,319	$42,764,184
2.0	RESEARCH										
2.1	Institutes and Research Centers			22,362,708	6,408,483	28,771,191		22,114,968	8,198,511	30,313,479	
2.2	Individual or Project Research			23,052,064	15,854,864	38,906,928		25,014,355	12,530,245	37,544,600	
	TOTAL RESEARCH	$61,942,768	$138,985,964	$45,414,772	$22,263,347	$67,678,119	$139,602,074	$47,129,323	$20,728,756	$67,858,079	$143,499,369
3.0	PUBLIC SERVICE										
3.2	Community Services			21,618,493	9,095,245	30,713,738		23,212,161	8,717,285	31,929,446	
3.3	Cooperative Extension Services			31,688,258	5,937,414	37,625,672		34,326,564	5,430,997	39,757,561	
3.4	Public Broadcasting Services										
	TOTAL PUBLIC SERVICE	$62,512,087	$79,103,252	$53,306,751	$15,032,659	$68,339,410	$76,810,053	$57,538,725	$14,148,282	$71,687,007	$79,048,718
4.0	ACADEMIC SUPPORT										
4.1	Libraries			17,022,278	16,860,504	33,882,782		18,183,432	17,603,822	35,787,254	
4.2	Museums and Galleries			589,622	78,276	667,898		580,378	67,263	647,641	
4.3	Educational Media Services			4,914,855	897,419	5,812,274		4,902,513	2,202,785	7,105,298	
4.5	Ancillary Support			17,092,899	(826,719)	16,266,180		19,040,361	4,529,634	23,569,995	
4.6	Academic Admin. & Personnel Development			40,384,848	11,092,784	51,477,632		40,730,416	11,067,959	51,798,375	
	TOTAL ACADEMIC SUPPORT	$102,591,099	$7,242,277	$80,004,502	$28,102,264	$108,106,766	$5,664,068	$83,437,100	$35,471,463	$118,908,563	$5,804,675
5.0	STUDENT SERVICE										
5.1	Student Service Administration			6,925,200	6,540,605	13,465,805		10,660,115	4,390,963	15,051,078	
5.2	Social and Cultural Development			7,581,484	6,795,378	14,376,862		7,563,459	7,220,055	14,783,514	
5.3	Counseling and Career Guidance			5,855,555	886,992	6,742,547		5,906,092	687,165	6,593,257	
5.4	Financial Aid Administration			4,138,824	856,683	4,995,507		3,625,012	253,353	3,878,365	
5.5	Student Health Services			4,473,500	907,550	5,381,050		4,813,732	894,686	5,708,418	
5.6	Intercollegiate Athletics			1,016,719	398,554	1,415,273		1,104,507	394,772	1,499,279	
5.7	Student Admissions and Records			10,860,169	4,073,570	14,933,739		11,227,980	3,344,144	14,572,124	
	TOTAL STUDENT SERVICE	$57,336,203	$6,760,869	$40,851,451	$20,459,332	$61,310,783	$7,734,334	$44,900,897	$17,185,138	$62,086,035	$1,775,492
6.0	INSTITUTIONAL SUPPORT										
6.1	Executive Management			13,925,776	1,317,025	15,242,801		15,839,742	1,119,611	16,959,353	
6.2	Fiscal Operations			9,409,013	7,904,740	17,313,753		10,015,225	3,754,321	13,769,546	
6.3	General Admin. & Logistical Services			53,039,578	(44,217,192)	8,822,386		57,995,311	(32,440,750)	25,554,561	
6.5	Public Relations and Development			22,965,838	9,615,450	32,581,288		22,512,272	7,496,768	30,009,040	
	TOTAL INSTITUTIONAL SUPPORT	$91,699,745	$3,638,656	$99,340,205	($25,379,977)	$73,960,228	$4,501,374	$106,362,550	($20,070,050)	$86,292,500	$2,334,520
7.0	OPERATION AND MAINTENANCE OF PLANT										
7.1	General Physical Plant			17,596,002	1,999,008	19,595,010		19,526,519	1,093,055	20,619,574	
7.2	Fuel and Utilities			2,028,829	33,220,026	35,248,855		2,102,637	37,927,564	40,030,201	
7.3	Maintenance and Repair			20,641,352	6,670,029	27,311,381		21,545,866	8,013,620	29,559,486	
	TOTAL OPERATION AND MAINTENANCE OF PLANT	$73,685,316	$305,227	$40,266,183	$41,889,063	$82,155,246	$105,207	$43,175,022	$47,034,239	$90,209,261	$572,441
8.0	SCHOLARSHIPS AND FELLOWSHIPS										
8.1	Scholarships			0	77,047,554	77,047,554		0	77,367,152	77,367,152	
8.2	Fellowships			0	34,141,523	34,141,523		0	37,325,138	37,325,138	
	TOTAL SCHOLARSHIPS/FELLOWSHIPS	$96,977,565	$50,450,107	$0	$111,189,077	$111,189,077	$51,290,443	$0	$114,692,290	$114,692,290	$54,943,020
9.0	TRANSFERS										
	Internal Transfers			0	(589,938)	(589,938)		0	1,037,806	1,037,806	
9.1	Mandatory Transfers (decrease)/increase			0	7,677,884	7,677,884		0	7,467,620	7,467,620	
9.2	Nonmandatory Transfers (decrease)/increase			0	38,050,491	38,050,491		0	16,450,643	16,450,643	
	TOTAL TRANSFERS	$42,280,291	$15,436,098	$0	$45,138,437	$45,138,437	$11,424,821	$0	$24,956,069	$24,956,069	$1,268,577
	TOTAL E&G EXPENDITURES AND TRANSFERS	$972,310,839	$341,060,595	$734,936,086	$296,721,644	$1,031,657,730	$337,329,212	$782,668,999	$300,166,124	$1,082,835,123	$332,010,996

UNIVERSITY OF MISSOURI SYSTEM
EDUCATIONAL AND GENERAL UNRESTRICTED CURRENT FUNDS
FORM 1-A EXPENDITURES FOR ON-CAMPUS INSTRUCTION (PCS 1.1) BY COST CENTER

No.	INSTRUCTIONAL COST CENTER (Excludes Expenditures on Auxiliary Enterprises)	Actual Unrestricted Expenditures FY 2005	Estimated Unrestricted Expenditures FY 2006	Projected Unrestricted Expenditures FY 2007
1	Arts & Sciences	$117,570,897	$126,089,622	$121,454,220
2	Agriculture, Food & Natural Resources	9,811,192	11,246,812	11,141,690
3	Biology/Life Sciences	5,268,576	5,096,280	5,059,787
4	Business & Public Administration	22,520,304	25,275,736	25,450,104
5	Conservatory of Music	4,844,965	5,095,657	5,128,597
6	Dentistry	13,623,358	16,289,988	16,910,826
7	Education	23,591,778	23,241,203	25,975,683
8	Engineering	32,364,971	34,113,517	36,350,951
9	Extension and Extended Learning	1,112,519	965,260	986,898
10	Fine Arts & Communications	5,094,111	5,742,333	4,901,412
11	Graduate School	3,820,689	3,838,467	3,887,522
12	Health Professions & Related Sciences	3,576,411	3,991,343	4,185,215
13	Human Enviornmental Sciences	5,855,101	6,519,456	7,092,281
14	Interdiciplinary Computing and Engineering	4,419,421	4,504,665	4,801,962
15	Journalism	6,958,553	6,801,750	6,882,726
16	Law	9,446,961	10,759,237	11,061,765
17	Medicine	39,311,511	44,382,929	55,191,795
18	Management & Information Systems	2,116,550	2,538,851	3,554,972
19	Mines & Metallurgy	4,849,780	4,790,522	5,631,012
20	Nursing	9,781,324	9,792,725	11,976,523
21	Optometry	4,202,982	4,315,549	4,223,500
22	Pharmacy	3,238,724	4,088,302	5,083,283
23	Pierre Laclede Honors College	849,723	877,206	894,525
24	Veterinary Medicine	13,241,883	13,569,813	13,025,811
25	Miscellaneous Instruction	11,573,004	12,557,542	29,312,693 *
	TOTAL	**$359,045,286**	**$386,484,764**	**$420,165,751** *

* Includes 3% Withholding Reserve of $12,389,736

UNIVERSITY OF MISSOURI SYSTEM
EDUCATIONAL AND GENERAL CURRENT FUNDS
FORM 2: REVENUES

EDUCATION AND GENERAL UNRESTRICTED AND RESTRICTED REVENUES (Excludes Auxiliary Enterprises)	**Actual Unrestricted Revenue FY 2005**	**Actual Restricted Revenue FY 2005**	**Estimated Unrestricted Revenue FY 2006**	**Estimated Restricted Revenue FY 2006**	**Projected Unrestricted Revenue FY 2007**	**Projected Restricted Revenue FY 2007**
Student Education Fees (Excluding Off-Campus Credit)	$455,544,097	$186,340	$482,307,086	$189,450	$504,205,945	$0
Student Education Fees (Off-Campus Credit)	15,509,223		18,853,985		19,916,659	
SUBTOTAL OF TUITION AND FEES	$471,053,320	$186,340	$501,161,071	$189,450	$524,122,604	$0
Federal Appropriations	15,776,010		12,897,472		14,909,587	
Federal Grants and Contracts		193,103,667		193,042,979		193,872,000
Federal Vocational Reimbursement						
SUBTOTAL OF FEDERAL SOURCES	$15,776,010	$193,103,667	$12,897,472	$193,042,979	$14,909,587	$193,872,000
State Grants and Contracts		42,016,939		41,436,410		39,978,800
State Vocational Reimbursement						
SUBTOTAL OF STATE GRANTS/REIMBURSEMENT	$0	$42,016,939	$0	$41,436,410	$0	$39,978,800
Local Tax Revenue						
Local Grants and Contracts						
Recovery of Indirect Costs	40,036,890	(39,288,692)	42,145,823	(41,421,241)	42,753,774	(42,753,774)
Private Gifts, Grants and Contracts	367,475	122,627,769	539,342	96,651,681	437,550	87,866,400
Investment Income	17,015,449	2,198,344	12,165,584	3,026,303	16,139,865	2,075,071
Endowment Income	(1,295,980)	28,253,872	(1,514,381)	30,792,541	(2,268,228)	31,730,064
Sales & Services of Educational Activities	29,692,771		30,700,402	108,815	35,168,417	
Intercollegiate Athletic Income						
Other Sources	56,027,345	4,255,664	46,132,430	5,452,276	38,580,365	2,311,834
SUBTOTAL OF TOTAL LOCAL REVENUES/OTHER	$141,843,950	$118,046,957	$130,169,200	$94,610,375	$130,811,743	$81,229,595
TRANSFERS FROM OTHER FUNDS						
State Appropriations for RTEC Distributions						
State Appropriations (Education & General Operating)	388,794,776	20,187,049	389,764,780	16,573,232	412,991,189	16,930,601
SUBTOTAL STATE APPROPRIATIONS	$388,794,776	$20,187,049	$389,764,780	$16,573,232	$412,991,189	$16,930,601
TOTAL EDUCATION & GENERAL REVENUE	$1,017,468,056	$373,540,952	$1,033,992,523	$345,852,446	$1,082,835,123	$332,010,996

UNIVERSITY OF MISSOURI SYSTEM
UNRESTRICTED EDUCATIONAL AND GENERAL CURRENT FUNDS
FORM 3: PERSONAL SERVICE DETAIL

PERSONAL SERVICE CATEGORIES (Excludes Expenditures on Auxiliaries)	**Actual Unrestricted Expenditures FY 2005**	**FTE**	**Estimated Unrestricted Expenditures FY 2006**	**FTE**	**Projected Unrestricted Expenditures FY 2007**	**FTE**
Professors	$80,747,696	752.7	$84,669,254	762.3	$89,765,945	779.7
Associate Professors	61,078,908	798.1	63,359,600	802.0	66,878,982	817.6
Assistant Professors	55,898,233	903.9	59,699,915	917.9	62,430,578	927.0
Instructors	8,600,264	205.8	8,474,387	200.9	8,985,222	204.5
Lecturers	0		0		0	
Other Faculty	73,535,368	2,497.9	75,522,519	2,477.7	79,168,953	2,484.1
Executive/Administrative/Managerial	85,936,784	1,049.4	85,536,375	998.5	87,921,865	989.8
Other Professional	79,934,083	1,702.7	77,263,271	1,585.3	80,209,078	1,586.7
Technical and Paraprofessionals	26,705,495	831.2	28,681,593	860.3	29,837,104	853.1
Clerical and Secretarial	53,208,565	1,935.1	57,377,970	1,981.7	60,240,452	1,976.7
Skilled Crafts	17,839,845	448.0	19,235,831	458.2	20,240,769	456.9
Service/Maintenance	19,241,409	817.2	21,105,264	852.3	22,027,428	832.0
Students	6,375,057	960.0	6,420,719	950.8	6,669,577	956.6
SUBTOTAL SALARIES AND WAGES	**$569,101,707**		**$587,346,698**		**$614,375,953**	
Staff Benefits	132,069,941		147,589,388		168,293,046	
TOTAL PERSONAL SERVICES	**$701,171,648**	**12,902.0**	**$734,936,086**	**12,847.7**	**$782,668,999**	**12,864.4**

Core Programs

UNRESTRICTED EDUCATIONAL AND GENERAL

CORE BUDGET REQUEST ANALYSIS
FORM 4

Department: **Higher Education – Unrestricted**
Level 2: **University of Missouri System**

MISSION STATEMENT

(Approved by the University of Missouri Board of Curators in July, 1997)
(Board of Curators approved revisions in December 2003)

University of Missouri

The mission of the University of Missouri, as a land-grant university and Missouri's only public research and doctoral-level institution, is to discover, disseminate, preserve, and apply knowledge. The university promotes learning by its students and lifelong learning by Missouri's citizens, fosters innovation to support economic development, and advances the health, cultural, and social interests of the people of Missouri, the nation, and the world.

University of Missouri-Columbia

Our distinct mission, as Missouri's only state-supported member of the Association of American Universities, is to provide all Missourians the benefit of a world-class research university. We are stewards and builders of a priceless state resource, a unique physical infrastructure and scholarly environment in which our tightly interlocked missions of teaching, research and service work together on behalf of all citizens. Students work side by side with some of the world's best faculty to advance the arts and humanities, the sciences, and the professions. Scholarship and teaching are daily driven by a sense of public service – the obligation to produce and disseminate knowledge that will improve the quality of life in the state, the nation and the world.

University of Missouri-Kansas City

The University of Missouri-Kansas City provides instruction, research, and community service for continuous state and regional progress. It is the only university in western Missouri offering graduate and professional study at the highest academic level.

UMKC's programming focuses on three areas: visual and performing arts, health sciences, and urban affairs (academic programs such as law, business and education important to urban communities) from model undergraduate education to graduate and professional study. With emphasis on graduate and professional study, including an innovative Interdisciplinary Ph.D. program, UMKC prepares scholars for the challenges of the 21st century.

In partnership with the Kansas City community and its educational institutions, UMKC is active in the region's economic and cultural development. UMKC also provides lifelong learning, including graduate and non-credit classes for business, education, and government, through its video network.

University of Missouri-Rolla

The University of Missouri-Rolla, Missouri's Research Technological University, offers educational programs in major disciplines that are technology-based, technology-dependent, or complementary to these programs and is responsible for meeting Missouri's need for engineering education. It is a premier source of leaders for our rapidly changing society – leaders able to identify and solve complex societal and technical challenges; to create, assimilate, synthesize and communicate knowledge; to work effectively as team members in diverse environments; to adapt to change through life-long learning; and to improve quality of life for the citizens of the state and nation.

UMR conducts nationally recognized research and develops and integrates new technologies in areas, which improve the well-being of our citizens. The university stimulates economic development by creating and disseminating knowledge, by providing an educated work force, by encouraging and providing continuing education for lifelong learning, and by fostering partnerships among university, industry, and government groups. UMR emphasizes a broad range of educational and research programs with special emphasis on science and technology.

University of Missouri-St. Louis

The University of Missouri-St. Louis is the land-grant research institution committed to meeting the diverse needs in the state's largest metropolitan community. It educates traditional and nontraditional students in undergraduate, graduate and professional programs so that they may provide leadership in health professions; liberal and fine arts; science and technology; and metropolitan affairs such as business, education and public policy. University research advances knowledge in all areas, and through outreach and public service, assists in solving, in particular, problems of the St. Louis region.

Academic programs are enriched through advanced technologies and partnerships that link the University of Missouri-St. Louis to institutions and businesses locally, regionally, nationally and internationally. Its special commitment to partnership provides UM-St. Louis with a leadership role among public educational and cultural institutions in improving the region's quality of life while its relations with two-and four-year colleges and universities in the St. Louis region promote seamless educational opportunities.

II. DESCRIPTION

The University of Missouri was founded in 1839 as the first state university west of the Mississippi River. With passage of the Morrill Act by Congress in 1862, the University became a land-grant institution. The University includes four campuses, University of Missouri Heath Care, and a University-wide administrative unit. All instructional and research programs are conducted on the campuses, while system administration provides support and administrative services. University of Missouri Extension disseminates information regarding the outcomes of instruction and research to the general public. The campuses are headed by Chancellors, who report to the President. The President is responsible to the Board of Curators, which is the University's governing body appointed by the Governor and confirmed by the Senate.

The Columbia campus offers academic programs through 15 schools and colleges. In fall 2005, the total enrollment was 27,930 with 6,595 of this number enrolled in graduate and professional programs. At that time, the full-time teaching and research staff numbered 2,789. In 2005-06, the campus granted 6,449 degrees. The Kansas City campus offers academic programs through 12 schools and colleges. Its fall 2005 total enrollment was 14,306, which included 4,819 graduate and professional students. The campus employed 1,134 full-time teaching and research staff. In 2005-06, the campus awarded 2,756 degrees. The Rolla campus offers academic programs through 4 schools and colleges. In fall 2005, its total enrollment was 5,600 students, which included 1,289 enrolled in

graduate programs. Full-time teaching and research staff numbered 368. In 2005-06, the campus awarded 1,285 degrees. The St. Louis campus offers academic programs through 8 schools and colleges, and had a fall 2005 total enrollment of 15,548, which included 2,942 graduate and professional students. The campus employed 512 full-time teaching and research staff and awarded 2,833 degrees in 2005-06.

The University has the responsibility to the State of providing access to exceptional educational experiences for Missouri's future health care professionals. This educational health care experience is provided at the Kansas City, St. Louis, and Columbia campuses. At the Columbia campus, is University of Missouri Health Care (UMHC), which is an integral part of the health sciences education program. Its flagship hospital, University Hospital and Clinics, is the primary teaching hospital for MU's academic programs in medical, nursing, and health professions. University Hospital has traditionally served as a key "safety-net" hospital for Missouri. In 2005-2006, the health system had 20,411 inpatient admissions and 580,308 outpatient clinics visits. University of Missouri Health Care's core mission is to advance the health of all people, especially Missourians.

The University's primary responsibility is to serve students and citizens of Missouri, although the University enrolls students from other states and countries to contribute to greater world understanding and to provide a richer learning environment for Missouri residents. The University is also the only public institution in the state, which emphasizes basic and applied research and doctoral education as major academic missions. This emphasis on advanced education and research attracts faculty at the forefront of knowledge in their disciplines. As part of an international research community, the University engages in research and creative programs to improve the quality of life and to contribute to a higher standard of living throughout the world.

The University's four campuses are quite diverse in their missions, clientele served, and areas of programmatic strength. This diversity enhances the University's ability to respond to the educational needs of Missourians and provides opportunities for cooperative programs. In serving the needs of its clientele, the University emphasizes its unique capabilities as Missouri's largest and most comprehensive public institution of higher education.

In 2003, the Board of Curators officially added economic development to teaching, research, and service as primary missions of the University. Given the important role of higher education in the 21st century, the University of Missouri also recognizes the growing obligation to convert its research into results for the public good. The University now feeds a pipeline of scientific and technological innovation for our knowledge-based economy, and our role is critical to the economic future of the institution, state, and nation.

The University has the responsibility to bring its unique educational programs and problem-solving capabilities to Missouri citizens throughout the state. University of Missouri Extension programs originating from each campus and through Extension Centers in each county are directed to deal with locally identified issues where higher education resources can assist.

The University recognizes that no single institution in the state can address all of the higher education needs of Missouri. Thus, the University, through its planning and budgeting processes, is identifying those programs and services of highest priority to the state and is allocating resources to enhance and strengthen these programs.

III. PERFORMANCE AND ACTIVITY MEASURES

	FY 2005 Actual	FY 2006 Actual	FY 2007 Proj.	FY 2008 Proj.
Total Off-campus FTE Enrollment (Fall Semester)	2,497	2,498	2,535	2,575

Total On-campus FTE Enrollment (Fall semester)	**FY 2005 Actual**	**FY 2006 Actual**	**FY 2007 Proj.**	**FY 2008 Proj.**
Undergraduates	34,982	36,123	36,325	36,641
Graduates	6,203	6,400	6,437	6,512
First Professional	2,681	2,730	2,774	2,814
Total On-campus FTE Enrollment (Fall semester)	**43,866**	**45,253**	**45,536**	**45,967**

Total Credit Hour Activity for Academic Programs (12-month instructional activity)	**FY 2005 Actual**	**FY 2006 Est.**	**FY 2007 Proj.**	**FY 2008 Proj.**
Undergraduate programs	1,117,609	1,152,831	1,159,278	1,169,363
Graduate programs	192,440	199,025	200,176	202,508
First Professional	106,021	109,410	111,173	112,776
Total Credit Hours	**1,416,070**	**1,461,266**	**1,470,627**	**1,484,647**

Institutional Scholarships/Fellowships/Grants:	**FY 2005 Actual**	**FY 2006 Est.**	**FY 2007 Proj.**	**FY 2008 Proj.**
Undergraduate				
a. Number of Need-based Scholarships awarded	5,359	5,534	5,565	5,613
Dollar amount awarded	$9,960,234	$10,285,105	$10,342,619	$10,432,592
b. Number of Merit-based Scholarships awarded	12,023	12,415	12,485	12,593
Dollar amount awarded	$41,712,550	$43,073,079	$43,313,944	$43,690,742
c. Number of Athletic Scholarships awarded	1,000	1,033	1,038	1,047
Dollar amount awarded	$8,656,343	$8,938,685	$8,988,670	$9,066,865
d. Number of Tuition and Fee Remissions or Waivers	2,629	2,715	2,730	2,754
Dollar amount awarded	$6,053,169	$6,250,604	$6,285,557	$6,340,237
e. Number of Other Scholarships awarded	1,444	1,491	1,499	1,512
Dollar amount awarded	$2,554,494	$2,637,813	$2,652,564	$2,675,639
Subtotal Undergraduate Scholarship/Grants - Number of Awards	**22,455**	**23,187**	**23,317**	**23,520**
Subtotal Undergraduate Scholarship/Grants - Dollar Amount Awarded	**$68,936,790**	**$71,185,286**	**$71,583,354**	**$72,206,075**
Graduate				
a. Number of Need-based Scholarships awarded	493	509	512	518
Dollar amount awarded	$1,181,986	$1,219,524	$1,226,575	$1,240,866
b. Number of Merit-based Scholarships awarded	3,298	3,403	3,422	3,462
Dollar amount awarded	$14,434,934	$14,893,371	$14,979,473	$15,154,005
c. Number of Athletic Scholarships awarded	50	52	52	52
Dollar amount awarded	$404,316	$417,157	$419,568	$424,457
d. Number of Tuition and Fee Remissions or Waivers	5,922	6,110	6,145	6,217
Dollar amount awarded	$36,226,183	$37,376,684	$37,592,768	$38,030,776
e. Number of Other Scholarships awarded	981	1,012	1,018	1,030
Dollar amount awarded	$2,355,190	$2,429,988	$2,444,036	$2,472,513
Subtotal Graduate Scholarship/Grants - Number of Awards	**10,744**	**11,085**	**11,149**	**11,279**
Subtotal Graduate Scholarship/Grants - Dollar Amount Awarded	**$54,602,609**	**$56,336,724**	**$56,662,420**	**$57,322,616**
Total Number of Scholarships Awarded (Undergraduate and Graduate)	**33,199**	**34,273**	**34,466**	**34,799**
Total Dollar Amount of Scholarships Awarded (Undergraduate and Graduate)	**$123,539,399**	**$127,522,010**	**$128,245,775**	**$129,528,692**

III. PERFORMANCE AND ACTIVITY MEASURES (con't.)

Number of Degrees/Certificates	FY 2005 Actual	FY 2006 Est.	FY 2007 Proj.	FY 2008 Proj.
Bachelor	8,285	8,535	8,583	8,658
Masters and Graduate Certificates	3,549	3,577	3,598	3,640
Doctoral	439	470	473	479
First Professional Degrees	711	741	753	764
Total Degrees Awarded	**12,984**	**13,323**	**13,407**	**13,541**

IV. GROSS SQUARE FOOTAGE (Physical Plant)

Total Non Auxiliary Gross Square Footage to be Maintained in FY 2007 13,498,674 *

* this is an estimated number

New and Renovated Educational and General Space to be Occupied in FY 2008.

Type of Project or Space Modification	Gross Sq ft Increase or Decrease	Number of Months in Effect in FY 2008	Annualized Gross sq. ft. Increase or Decrease
Regional Biocontainment Facility	29,291	12	29,291
Animal Resource Center	17,450	8	11,633
Clinical Support & Education Building	69,485	6	34,743
Life Science Technology Incubator	33,000	2	5,500
Journalism Institute (Connector)	19,732	12	19,732
Schweitzer Addition - Biochemistry	24,000	9	18,000
Health Sciences Building	227,649	12	227,649
TOTAL	**420,607**		**346,548**

V. SALARY COMPARISONS

List the approximate percentage salary increases provided or anticipated for staff as indicated below.

Occupational Category	FY 2006 over FY 2005 (%)	FY 2007 over FY 2006 (%)
Ranked Faculty	3.36%	2.00%
All Faculty	2.86%	2.00%
Executive/Administrative/Managerial	2.90%	2.00%
Other Professional	3.01%	2.00%
Technical and paraprofessionals	2.51%	2.00%
Clerical and secretarial	2.53%	2.00%
Skilled Crafts	3.53%	2.00%
Service/Maintenance	2.20%	2.00%

V. SALARY COMPARISONS (con't.)

Full-time Instructional Staff on 9/10-month Contracts by Gender and Academic Rank for FY 2006 *			
Gender and Academic Rank	**Number**	**Salary Outlays**	**Average Salary**
Men			
Professors	428	41,697,695	97,425
Associate Professors	374	25,914,969	69,291
Assistant Professors	349	20,422,652	58,518
Instructors	16	710,301	44,394
Lecturers	43	1,899,596	44,177
No Academic Rank	8	376,234	47,029
Total Men	**1,218**	**91,021,447**	**74,730**
Women			
Professors	105	9,049,961	86,190
Associate Professors	186	11,543,593	62,062
Assistant Professors	262	13,730,843	52,408
Instructors	42	1,806,941	43,022
Lecturers	68	2,541,319	37,372
No Academic Rank	7	236,041	33,720
Total Women	**670**	**38,908,698**	**58,073**
Total (Men & Women)	**1,888**	**129,930,145**	**68,819**
Total from prior year	1,831	123,412,279	67,402

* Per IPEDS

Full-time Instructional Staff on 11/12-month Contracts by Gender and Academic Rank for FY 2006 *			
Gender and Academic Rank	**Number**	**Salary Outlays**	**Average Salary**
Men			
Professors	117	14,115,035	120,641
Associate Professors	112	9,732,454	86,897
Assistant Professors	90	6,395,059	71,056
Instructors	29	1,442,043	49,726
Lecturers	52	2,494,050	47,963
No Academic Rank	38	1,536,273	40,428
Total Men	**448**	**35,714,914**	**79,721**
Women			
Professors	33	3,511,795	106,418
Associate Professors	58	4,593,589	79,200
Assistant Professors	81	5,593,524	69,056
Instructors	69	2,865,522	41,529
Lecturers	71	2,754,652	38,798
No Academic Rank	32	1,204,322	37,635
Total Women	**305**	**20,523,404**	**67,290**
Total (Men & Women)	**697**	**56,238,318**	**80,686**
Total from prior year	995	65,901,310	66,232

* Per IPEDS

Core Decision Items

NEW DECISION ITEM REQUEST

UNRESTRICTED EDUCTIONAL AND GENERAL

FORM 5

Department: **Higher Education-Unrestricted**
Level 2 **University of Missouri System**
Level 3 **All Programs**
Decision Item Name: **Mandatory Adjustment to Core Budget from State Funds: $ 30,270,000**
Decision Item Rank: **1 of 6**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

The University of Missouri is the state's premier research university. To sustain excellence and fulfill its missions of teaching, research, public service, and economic development, the University requires an increase in state funding for its on-going operations. Cognizant of the many demands on the state's limited resources, the University of Missouri has worked hard to reduce expenditures through administrative efficiencies, and increase revenues from other sources. For example, in July 2006, the University announced that a comprehensive review of university administration with a goal to reduce administrative expenses by 10% or $12.4 million had exceeded its target. $20 million in administrative reductions have been identified for reinvestment in academic and strategic priorities. This request includes the minimum needed from the state to support the recruitment and retention of outstanding faculty and staff, keep increases in student tuition and fees at the cost of inflation, and cover a portion of the increases in mandatory expenditures. The current level of appropriations in nominal dollars is less than what the University received in FY 2000 even though enrollment has increased 15.7%. The current level of appropriations adjusted for inflation using the Consumer Price Index (CPI) is equivalent to the support the University received from the state in FY1994. The Higher Education Price Index (HEPI) is an inflation index designed specifically for higher education and is a more accurate indicator of the cost changes for colleges and universities than the CPI. The current level of appropriations adjusted for inflation using the HEPI is lower than the appropriation to the University in FY1977. Without an increase in state appropriations to cover a portion of the mandatory increases in costs, program quality and student access will be jeopardized.

II. DESCRIPTION

The vision for the University of Missouri is to be recognized as one of the premiere world-class public research universities in the country. Our strategic plan goals include increasing access to quality learning and teaching, achieving a nationally competitive position in research, scholarship, and academic programs, and setting new standards of quality for community-university engagement that will constitute a national model of service and outreach to the state, the nation, and the world. An investment in the University of Missouri will reap returns to the entire State of Missouri.

The University of Missouri takes its stewardship of resources seriously and has worked hard to control costs in the face of rising enrollments and reduced state support. In spite of increases in mandatory expenditures such as health care benefits, utilities, and insurance, the University's unrestricted expenditures per FTE student have increased only 5.8% in total over the four-year period FY 2001-FY 2005, or 1.4% per year.

The University of Missouri has also been aggressive in seeking to increase its funding from other sources such as private giving and external research funding. During the five-year period from FY 2000 to FY 2005, research funding increased 58.6% and private giving increased 43.7%. However, these resources are typically restricted for specific research programs or scholarships and cannot be used to support the on-going operations. In FY2007, the University is requesting funds from the state to offset a portion of the mandatory costs that will have to be funded in our operations fund.

Our request includes a 4% increase pool for salaries and wages. Our strategic financial planning assumptions have reflected the need to have a pool of this size in order to maintain the University's competitive position. The level of state support is critical to our ability to provide resources for this purpose. As an example of the tenuous nature of our ability to attract and retain faculty, in 2006, the Columbia campus ranked 16 out of 16 in average faculty salaries in all faculty ranks among a subset of the public AAU universities in Colorado, Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Nebraska, Ohio, Texas, and Wisconsin. From 2001 to 2006, the total faculty salary increase among these same institutions ranged from 8.1% to 20.8% with a median of 17.7%. MU faculty salaries increased a total of 11.9% or 13th out of 16. While we recruit nationally for faculty, we used a regional state comparison. These comparisons are based on AAUP faculty salary survey information. Similar problems exist with staff salaries, where the University is well below market for selected types of employees. The cost of a 4% salary adjustment pool is estimated to be $22.8 million. We are requesting the state fund 60% of the increase or $13.7 million. The remaining $9.1 million would be funded by a combination of increases in general revenues including tuition and fees and internal reallocations within the University.

Faculty and staff benefit cost increases, which are in the planning phase, are made up of two components. The first is the cost of our Non-FICA benefits which are anticipated to increase $4.9 million or 4.1%. This includes all the health and related benefits plus the retirement contribution. In addition, there is a variable benefits increase on the salary adjustment estimated at $3.3 million or 14.0% of the salary adjustment pool. This would include all salary based benefits, but is primarily the retirement contribution and FICA on the increased payroll. The total increase in employee benefits is estimated to be approximately $8.2 million or 5.2%. The University is diligent in the management and oversight of its health and related benefits in order to control cost increases, and through the excellent performance of its retirement trust fund, the retirement plan has remained fully funded and annual contributions have remained well under 10% of payroll. We are requesting that the state fund $4.9 million, or 60%, of the cost of the benefits increase. The remaining $3.3 million would be funded by a combination of increases in other general revenues, including tuition and fees, and internal reallocations.

Prior to FY2002 the University had a policy which required that the campuses spend 1.5% of the plant replacement value annually on maintenance and repair of their facilities and equipment. The decline in state support since FY2001, coupled with other budgetary pressures, has reduced the level of these expenditures to 1% of plant replacement value. This has resulted in a growing backlog of deferred maintenance. To reverse this trend in deferred maintenance, and increase the expenditures back to the 1.5% level would require $11.8 million. We are requesting that the state fund $7.1 million, or 60%, of the cost of the maintenance and repair increase.

Increases in other mandatory costs such as utilities, insurance, fuel, and technology costs as a result of rate and volume changes, as well as increased costs of compliance with federal rules and mandates, is anticipated to be $7.7 million or roughly 4% of our expense and equipment budget in spite of the fact that the university has implemented many best practices in controlling these costs. We are requesting that the state fund $4.6 million, or 60%, of these mandatory cost increases.

The mandatory costs to continue operations at the current level of activity, which were described above, total $50.5 million and result in a composite increase of 5.5% of the university's operations fund budget. We are requesting that the state fund in total $30.3 million of these costs.

III. COST EXPLANATION

Mandatory Adjustment to the Core Budget:	Total Cost	University Cost	State Cost
Mandatory Increase on Salaries & Wages - 4.0%	$22,770,000	$9,108,000	$13,662,000
Mandatory Increase on Employee Benefits			
Fixed Cost Increase on Non FICA Benefits - 4.1%	4,900,000	1,960,000	2,940,000
Variable Benefits on Salary Adjustment - 14.0%	3,280,000	1,312,000	1,968,000
Total Employee Benefits Increase	8,180,000	3,272,000	4,908,000
Maintenance & Repair up from 1% to 1.5% of Replacement Value	11,800,000	4,720,000	7,080,000
Increases in other Mandatory Costs	7,700,000	3,080,000	4,620,000
Total Mandatory Cost Increases	$50,450,000	$20,180,000	$30,270,000

IV. EVALUATION OF OUTCOMES

An adjustment to the University's core budget to cover mandatory cost increases will permit the continuation of educational, research, and outreach programs benefiting all citizens of Missouri at current levels.

NEW DECISION ITEM REQUEST

UNRESTRICTED EDUCATIONAL AND GENERAL
FORM 5

Department: **Higher Education-Unrestricted**
Level 2 **University of Missouri System**
Level 3 **All Programs**
Decision Item Name: **UM-Rolla Cooperative Engineering Program with Missouri State University: $500,000 recurring, $500,000 one-time**
Decision Item Rank: **2 of 6**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

The University of Missouri and Missouri State University have signed a memorandum of understanding to cooperatively establish degree programs in electrical and civil engineering where significant coursework can occur on the campus of Missouri State University. Engineering firms and other employers of engineers in the Springfield, Missouri area have articulated the need for more qualified engineers, particularly for civil and electrical engineers who have graduated from an institution that is accredited by the Accreditation Board for Engineering and Technology. The University of Missouri-Rolla (UMR), located within 100 miles of Springfield, Missouri offers premier and accredited programs in civil and electrical engineering. Missouri State University (MSU) already offers a pre-engineering curriculum required by UMR and MSU faculty offer some of the engineering-based courses. However, the instructional costs to develop and deliver degree programs in electrical and civil engineering are high. UMR and MSU are committed to develop programs in electrical and civil engineering designed to leverage the resources and faculty of both institutions to meet the regional needs for electrical and civil engineering in a cost-efficient manner in the Springfield, Missouri area. However, there are costs associated with meeting this need, both recurring costs and one-time costs. The University of Missouri and Missouri State University are both requesting new state funds to meet the engineering needs identified in the Springfield, Missouri area.

II. DESCRIPTION

Both the University of Missouri and Missouri State University are committed to developing a cooperative engineering program in civil and electrical engineering between UMR and MSU, and making it a success to meet the needs of the state and its citizenry. In that regard, UMR and MSU have reached agreement on the items described below.

- The degrees in civil and electrical engineering will be offered by UMR and will be the same degree programs as are already offered on the Rolla campus. The diplomas will read “in cooperation with Missouri State University.”

- The programs in civil and electrical engineering offered on the MSU campus or such other locations as approved by UMR will be designed to meet Accreditation Board for Engineering and Technology accreditation standards. UMR will have responsibility for implementation of

standards used to identify faculty, curriculum, facilities, pedagogy and graduation requirements in the design and the delivery of learning objectives, coursework, and educational outcomes in electrical and civil engineering.

- It is the intent of both UMR and MSU to deliver on the MSU campus all courses offered during the first two years of the program and as many of the major courses in the third and fourth years of the engineering curricula as resources and accreditation standards permit. Some engineering major courses will be taught at MSU by UMR faculty with the use of the Internet and face-to-face, and some will be taught by MSU faculty. Nonetheless, some laboratory-based courses will need to be delivered at UMR.

- MSU will nominate faculty who could teach major courses in the curricula of civil and electrical engineering at MSU. The UMR Provost, together with the department chairs of electrical and civil engineering at UMR, will review the credentials of MSU faculty in the context of (Accreditation Board for Engineering and Technology) standards and approve teaching assignments. Such MSU faculty will be granted the status of an adjunct faculty member at UMR with all privileges associated with such appointments in their respective departments. UMR representatives will serve on search committees formed to hire new MSU faculty who may be nominated by MSU to teach in the cooperative program. The purpose of the involvement of the UMR representatives in the search is to provide feedback concerning the expertise of the new faculty candidates who may participate in the cooperative engineering programs.

- Student support services will be provided by MSU, and UMR will provide as necessary an on-site director for advising and coordination for those students who have been formally admitted into the engineering programs.

- All entering students into the civil or electrical engineering programs must first satisfy the admission requirements as described in the MSU Course Catalog. The admission into either engineering program will be made by UMR, in consultation with MSU, according to the admission criteria described in the UMR Course Catalog. UMR and MSU will consult with and then notify each other regarding any change in admission requirements.

- The tuition of the pre-engineering and elective courses currently offered by MSU will be set at MSU rates. The list of major courses for degrees in civil and electrical engineering will be determined by UMR, and the tuition rate for these courses will be set at UMR rates. MSU will collect tuition and fees from all the students enrolled in the pre-engineering, civil and electrical engineering programs offered by MSU. MSU will retain the fees for the pre-engineering and elective courses, and distribute to UMR the tuition and fee revenue collected for the major courses. UMR and MSU will develop annually an agreement about teaching assignments and reimbursement to the campus for any MSU faculty who teach the engineering major courses.

- The department chairs of the civil and electrical engineering programs at UMR will provide administrative oversight of the respective programs. The department chairs will form coordinating committees comprised of appropriate faculty and administrators from both universities, along with the on-site program director. The MSU on-site program coordinator and engineering faculty hired by MSU will also have appropriate reporting lines within the MSU system. The coordinating committees will meet regularly via face-to-face meetings and/or conference calls. These committees, which will be chaired by the department chairs and a liaison from the MSU central administration, will develop procedures and processes to administer the cooperative programs. The coordinating committee for a specific program will also be charged to mediate disputes that may arise in the operation of the engineering program. In the event that the coordinating committee fails to resolve a dispute, the disputed matter should be forwarded to the Provosts of UMR and MSU for resolution.

- To ensure continued viability of the program, UMR and MSU will jointly review the program every three years and will include the relevant information resulting from that review in the departmental self-studies required for Accreditation Board for Engineering and Technology accreditation. The Chancellor of UMR and the President of MSU shall designate representatives from their respective institutions to be responsible for the review. Review of the cooperative program should include information regarding student enrollment, student persistence, the number of degrees granted, the average number of years required to complete the degrees, assessment of learning outcomes and graduation degree requirements, as well as any additional evidence that can be used to determine program improvement or program viability.

- Neither UMR nor MSU can predict the future, and circumstances may arise in which it would be in the best interest of either UMR or MSU to discontinue its participation in the cooperative engineering programs in civil and electrical engineering. If either party to this Memorandum of Understanding desires to terminate its involvement, both MSU and UMR will commit to provide access over a reasonable time period not to exceed two (2) academic years, to permit currently enrolled students to complete a degree in civil or electrical engineering.

III. COST EXPLANATION

UMR and MSU both acknowledge that the completion of the programmatic design for a cooperative program in civil and electrical engineering is conditioned upon the receipt of planning funds to:

- assess the projected mix of full-time and part-time students in the programs,
- to develop the appropriate distance education technology to deliver laboratory based courses in civil and electrical engineering, and
- to appraise and begin appropriate renovations of existing laboratories at MSU to accommodate the delivery of other laboratory-based courses in civil or electrical engineering.

Moreover, the mutual commitment of MSU and UMR to cooperatively deliver civil and electrical engineering programs is conditioned on the receipt of ongoing state funding allocated specifically to cover the additional programmatic costs to deliver the programs. In this regard, the University of Missouri is requesting $500,000 in one-time funds and $500,000 in recurring funds to support the cooperative degree program in civil and electrical engineering between the University of Missouri – Rolla and Missouri State University.

RECURRING FUNDS

PCS	FTE	Compensation	E&E	Total
Instruction		$400,000	$100,000	$500,000
Research				
Public Service				
Academic Support				
Total Improvements		**$400,000**	**$100,000**	**$500,000**

From State Appropriations: **$500,000**

ONE-TIME FUNDS

PCS	FTE	Compensation	E&E	Total
Instruction			$500,000	$500,000
Research				
Public Service				
Academic Support				
Total Improvements			**$500,000**	**$500,000**

From One-Time State Appropriations: **$500,000**

IV. EVALUATION OF OUTCOMES

Degrees from the cooperative programs will be conferred within five years of the initiation of the program.

NEW DECISION ITEM REQUEST

UNRESTRICTED EDUCATIONAL AND GENERAL
FORM 5

Department: **Higher Education-Unrestricted**
Level 2 **University of Missouri System**
Level 3 **All Programs**
Decision Item Name: **Preparing the Next Generation of Health Care Professionals: $20 million**
Decision Item Rank: **3 of 6**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

The University of Missouri has the responsibility to the State of providing access to exceptional educational experiences for Missouri's future health care professionals. Changes brought about by managed care, Medicare, revisions in Medicaid, and an ever increasing number of aging individuals in the population have dramatically increased the need for health professionals. The historical under funding of the University of Missouri's health education programs has severely impacted our health profession educational programs and our ability to provide access to the next generation of Missouri's health care professionals. It is increasingly difficult for the University of Missouri to provide access to the number of students needed in Missouri to meet the state's growing health care needs. These funding shortages also threaten the quality of existing programs and result in an inability to offer competitive compensation to faculty in these areas of instruction.

To meet the state's growing needs for health professionals and assist in providing access to quality health professional education at a reasonable cost, the University of Missouri requests funding for our health professional education programs at the University of Missouri-Columbia (UMC), at the University of Missouri-Kansas City (UMKC), and at the University of Missouri-St. Louis (UMSL). These programs educate our future physicians, nurses, dentists, optometrists, pharmacists, and allied health professionals.

Nurse Education

The education and training of Missouri's nurses has not kept pace with the state's need. A recent report from the Missouri Hospital Association (MHA) indicated an emerging need for nurses in Missouri. The vacancy rate for RNs in Missouri is almost 10% with a project need of 19% by 2010 with an annual projected vacancy of 2,000 jobs per year. As the state's population ages over the next two decades, the current nursing shortage is projected to worsen. The state and nation face a serious shortage of registered nurses and experts predict a crisis of significant proportions. The University of Missouri is requesting additional state funds to actively expand enrollments in nurse education and provide the resources needed to support these students at UMC, UMKC, and UMSL.

Physician Education

To continue providing quality physician education, meet critical accreditation requirements, and provide affordable medical education for Missourians, the University of Missouri is requesting additional state funds. Additional state support would also enable the University of Missouri to stabilize its funding base by reducing its reliance on revenue streams that have become increasingly at risk and volatile and have created financial instability in our

two medical schools. Revenues from physician practice plans and from affiliated teaching hospitals that support physician education at Columbia and Kansas City are subject to fluctuations beyond the control of either campus. An increase in state support will reduce the two campus' dependence upon clinical revenue and transfer payments for operations and thus bring much needed stability to its revenue base allowing our clinical faculty to spend a larger proportion of their time and efforts on training the next generation of Missouri's physicians.

Dentist Education

Missouri is currently experiencing a shortage of dentists. This shortage will continue to grow as an increasing number of practicing dentists reach retirement age and the patient population ages. In addition, already under-served rural and urban populations will find it increasingly difficult to obtain dental services. This shortage requires expanding the educational and training capacity. To meet this need the University of Missouri has responded by expanding the number of dental students by 25%. The University of Missouri is requesting additional resources to accommodate this increase in enrollment and to expand clinical learning experiences for students.

Pharmacist Education

Missouri has had a significant shortage of pharmacists since the turn of the century. Based on MERIC data, the projected number of graduates from both UMKC, the state's only publicly funded school of pharmacy, and the St. Louis College of Pharmacy, a private institution, will not meet the demand for pharmacists over the next five years. The shortage continues to grow larger and will reach approximately 700 open pharmacy positions by 2012 despite the projected increases in enrollment for both institutions. The underserved rural & urban populations of the state are hardest hit by this shortage.

The need for pharmacists in the coming years will outstrip the supply, according to the Pharmacy Manpower Project (PMP) Report. In April 2006, Missouri had a pharmacist demand rating of 4.2 out of 5, which 5 being the highest demand and 1 representing ample supply. Kansas City and rural Missouri were cited specifically as shortage areas by respondents to the National Association of Chain Drug Stores Foundation Chain Pharmacy Employment Survey (January 2004). This increased demand comes from the aging population and the trends for increased prescription use as well as increased demand for pharmacy care services.

Missouri is one of the older states, ranked 14th nationally with approximately 14 percent of Missourians over age 65. The percentage of older adults is expected to accelerate rapidly beginning in 2011 when the first baby boomers reach age 65. Pharmacists play a central role in the therapy and care of senior patients, which will be even more critical as the state's population continues to age. Pharmacists are community based and are the most accessible health care professionals for seniors, who are at high risk for developing drug-related problems. Access to safe, effective medications is the single most important factor in preventing death and reducing disability among the elderly, and pharmacists are on the front line thus representing the last line of defense for prevention of medication errors. The UMKC School of Pharmacy, which is the only ACPE-accredited, publicly funded pharmacy education program in the state has increased its enrollment significantly over the past two years in an attempt to meet the projected shortfall of approximately 700 pharmacists by the year 2012.

Optometrist Education

The University of Missouri is continually challenged to provide high quality financially affordable access to optometry education at our St. Louis campus. Of the 17 schools and colleges of optometry in the U.S., nine are public institutions. Among the nine public institutions, students attending UMSL pay the highest student fees. Although there have been constant efforts to control costs, the problem of high fees is exacerbated by the relatively low state funding for the program, compared to other public institutions. The University of Missouri is requesting additional state funds to improve the affordability of its optometry education program for Missouri students.

Health Professions Education

The School of Health Professions includes the following disciplines: physical therapy, occupational therapy, speech language pathology, health psychology, respiratory therapy, medical technology, radiological science, diagnostic medical ultrasound and nuclear medicine. There is a critical shortage of these allied health professionals serving the citizens of Missouri. This challenge differs from workforce shortages of the past because it is a prelude to long-term demographic and epidemiological conditions. The aging workforce, aging population, and higher demand for therapeutic services will result in inadequate and poor quality of care for Missourians. State and national demand, coupled with retirement, compound faculty shortage issues. Remedies must be twofold: they must meet immediate employment needs and provide long-term solutions to these problems. The University of Missouri is requesting additional state funds to 1) create an interdisciplinary PhD program in health and rehabilitative sciences and 2) establish the Allied Health Scholars program in allied health professions.

II. DESCRIPTION

Nurse Education

The state of Missouri is facing a dire shortage of nurses. The American Association of Colleges of Nursing (AACN) reported a 14 percent increase in enrollment in entry-level baccalaureate nursing programs in 2004 over the previous year. Yet this increase is still not sufficient to meet the demands for nurses. In 2003, schools of nursing across the country turned away more than 11,000 qualified applicants due to the shortage of capacity. Nurses are at the front lines of health care in Missouri. The AACN report that more than 30,000 qualified applicants were turned away from nursing schools last year due to a number of factors that impact the school's ability to increase enrollments.

For the academic year 2005-2006, the three Schools of Nursing enrolled over 750 students in entry-level nursing programs. Current data from the Missouri State Board of Nursing indicates that by the year 2012 we will be short approximately 2,000 BSN prepared nursing need to meet patient care needs. To expand the pipeline of new nurses entering the profession, the University of Missouri nursing schools are seeking to increase enrollment and capacity. Our three nursing schools will increase their student populations by a combined total of 250 annually. To support this increase in student population the University of Missouri is requesting $5,356,609 for FY2008.

Physician Education

The University of Missouri has the state's two public medical schools at its Columbia and Kansas City campuses. In 2004, both schools rank among the bottom seven out of 74 public medical schools in state support. Medical education is expensive, but the products produced are of extraordinary value to society. In 2004, the estimated annual cost of medical education per student on average nationally is about $200,000. At the University of Missouri, state appropriated funds provide about $32,000/year per student. This has an impact on the ability of both schools to sustain a quality medical education program at an affordable cost. What is needed now is a sufficient funding base to support education of our next generation of Missouri's physicians. There is a need for funding to finance additional faculty, scholarships, educational programs and equipment.

The University of Missouri-Kansas City School of Medicine received the highest accreditation (eight-years) possible from the Liaison Committee on Medical Education (LCME) in October of 2003. However, the LCME report cited the School of Medicine for a lack of basic science faculty. The LCME has required the School provide an annual progress report on meeting the basic science faculty standard to maintain accreditation. UMKC School of Medicine ranks below the 10th percentile in the number of basic science faculty compared to other public medical schools.

The UMKC School of Medicine also needs equipment to address an LCME requirement for clinical learning models. Clinical simulation is becoming the standard for health professions education including physicians. To address the changing requirements, medical schools across the nation have begun to add clinical simulation centers. To establish such a center, the UMKC School of Medicine needs the latest in human patient simulation equipment.

The simulators would allow instructors to select patient profiles, scenarios, and control clinical learning experiences. The scenarios would provide a safe learning environment while students learn to manage shock, coma, heart failure, code blues, and other crisis events.

The UMKC School of Medicine needs additional scholarship opportunities to provide access to medical education for qualified low-income and minority applicants. The School was cited in the LCME report because "the school remains under-financed with a heavy dependence on tuition income and the discretionary funds available to the dean for support of education and scholarly activity are limited." Some of the best applicants to the School of Medicine decline to attend UMKC because of the high tuition rate and the limited availability of need-based scholarships. In addition, the number one reason why qualified minority applicants do not attend UMKC is the lack of availability for need-based scholarships. High tuition costs and limited funds for need-based scholarships are leading to an average student loan debt of $118,000 for recent UMKC School of Medicine graduates.

The UMC School of Medicine has been cited by the national accreditation body (LCME) recently because of concern that the low level of funding provided to the MU School of Medicine will result in substandard quality of education. We must address this concern or risk loss of accreditation of the School. The requested increase in State funding would provide funding for clinical faculty in order to increase the amount of time educating students and assuring continued success of the outstanding problem based learning (PBL) curriculum. Currently, physician educators are expected to cover all or most of their salaries from seeing patients, regardless of teaching needs or time spent in teaching. The funding would decrease the pressure to choose between patient care and teaching, decrease faculty turnover, and assure that our education program for medical students is up to standard.

The UMC School of Medicine also needs funding to expand their Rural Track program to enhance their visibility in rural Missouri, increase rural practice opportunities for our medical students, and increase the availability of health care in rural parts of the State. Students recruited from rural areas are more likely to return to practice in those areas. In order to be successful, the students often require financial support and assistance in adjusting to the rigors of medical school. In addition, our Rural Track Program provides a creative initiative to do training rotations in rural communities coordinated by Area Health Education Centers (AHEC).

The UMC School of Medicine also requests funding to develop an Instructional Design Center to support student success and retention. The reality of medical school often exceeds the level of preparedness of many students. The volume of information and the rapid changes in knowledge, skills, and technology create an environment where each student's learning style and learning strategy are extended far beyond past experiences. Students must enhance current learning styles and develop new strategies. This entails an assessment of learning styles, strengths, and weaknesses. Desired personnel in the center include an educational psychologist specializing in learning difficulties, an evaluation specialist skilled in individual, group, and programmatic assessment, and a reference librarian. In addition, there would be a link to the proposed clinical skills lab for the assessment of technical skills.

To meet the accreditation needs, quality issues and provide a more stable funding base for our two Medical Schools the University of Missouri is requesting $9,209,375 for FY2008.

Dentist Education

Missouri is experiencing a growing oral healthcare crisis as a result of a serious shortage of oral health practitioners – particularly in the urban cores of St. Louis and Kansas City, as well as in rural Missouri. Analysis of the data collected by the Bi-State Task Force on Oral Health Workforce Issues revealed an aging population of dental professionals, with fewer dentists entering the profession than retiring (even though the state's population has increased). In 2004, this catastrophic formula has produced only 41.8 dentists per 100,000 Missourians – below the national average of 48.4/100,000.

To solve the shortage, the task force in 2000 recommended that the School of Dentistry increase its number of dental graduates, with the goal of achieving one dentist per 2,000 Missourians by 2020 (or 50/100,000). Adopting the recommendation, the School of Dentistry increased its 2001 DDS class size from 80 to 100 students.

To address the shortage of dentists in the rural and urban areas in Missouri, the School of Dentistry is developing new partnerships with the Missouri Area Health Education Centers and the PRIMO program to recruit students from the rural and minority communities.

To meet these needs, the University of Missouri is requesting $690,000 for FY2008.

Pharmacist Education

The UMKC School of Pharmacy has attempted to address the critical shortage of pharmacists by increasing class size over the last two years, and additional resources are requested to solidify this increase and support an additional 40 percent increase in an attempt to address the critical shortage that is currently projected. Plans are already underway to complete this transition to a larger class sizes, but funding is critical to insure the viability and success of this program.

The professional degree program, the Doctor of Pharmacy (Pharm.D.), currently attracts approximately 600 applicants annually, but close to 500 of those are being turned away. Enrollment management plans that are already in place have increased class size by approximately 25 percent, but there is capacity to increase that figure by over 40 percent with adequate funding to support further growth. These funds will be used to place clinical faculty in key sites for program expansion, develop further distance education technology that will enhance the UM-Columbia Satellite Pharm.D. program, and begin initial program planning for other offsite programs that will increase opportunities for Missouri residents to purse the Pharm.D. degree. They will also be used to address the uneven distribution of pharmacists by developing rural opportunities for experiential rotations, and funding scholarships that are tied to a loan forgiveness program to reward graduates who elect to practice in the state's shortage areas, thus redistributing pharmacy services to where they are most needed.

In an effort to continue development of this plan to maximize class size, the School of Pharmacy is requesting $1.486 million for FY2008.

Optometrist Education

The high cost of an optometric education combined with aging and marginally adequate facilities that house the College of Optometry at UM-St Louis are well-documented and long-standing challenges. Student fees at the UM-St Louis College of Optometry, the only program in the state of Missouri, continue to be the highest among the seventeen U.S.-located schools and colleges of optometry, both public and private. Student fees in the College of Optometry at UMSL for Missouri residents for the 2005-06 academic year -- the most recent year that comparator data are available -- were 22% higher ($17,408 versus $14,317) than the average of the nine university-located optometric programs.

The negative impact of charging the highest fees among all of the schools and colleges of optometry is substantial. Many highly qualified prospective students conclude that the cost of education is not balanced by the design and condition of our campus facility. With high educational costs and marginally adequate academic, patient care and administrative areas, outstanding applicants frequently select another institution for their optometric education. Well-qualified Missouri residents can attend any one of five other optometry schools as non-residents at a similar cost as required to attend their own state university. Furthermore, high fees are limiting access to the profession of optometry for many moderate and low-income students throughout the region. The average indebtedness of 2005 graduates of the UMSL College of Optometry was 8% higher ($113,058 versus $104,248) than that of graduates from each of the 17 schools and college of optometry eight of which are private institutions, and exceed that of other health professions including medicine.

Located within a diverse metropolitan community, the UMSL College of Optometry has the potential to increase the ethnic and minority diversity within the optometric profession which is currently well below that found in the general population. The lack of minority health care providers has a negative impact on the utilization of preventative and therapeutic eye and vision care services by minority citizens. The UM-St. Louis College of Optometry should be the institution of choice for the select highly qualified pre-health professional prepared African-American and Hispanic students throughout the region. To enhance access to this program for potential students of moderate or low income the University of Missouri is requesting $1,157,236 for FY2008.

Health Professions Education

There are a limited number of allied health professionals to provide care for Missourians. The Missouri Hospital Association in 2004 indicated the shortages are severe enough to potentially warrant the closure of some departments or services at hospitals throughout Missouri and cost them an additional $26.8 million on temporary agency personnel to meet workforce shortages. In the years between 2002 and 2012, it is estimated we will need 30 percent more occupational therapists, 28 percent more physical therapists and 25 percent more speech-language pathologists. Specific to the disciplines within the School of Health Professions, the Bureau of Labor Statistics predicts employment will grow at a faster than average rate when compared to all occupations.

Educating and training allied health professionals is made more challenging by faculty shortages limiting student capacity and output. Faculty shortages in allied health are the highest among all health professions, ranging from 9.3 to 15.4 percent across the disciplines. Faculty vacancy rates are expected to double over the next five years.

The MU School of Health Professions is the University of Missouri system's only school of health professions. It offers the nation's only master's level program in diagnostic medical ultrasound. Missouri's only doctoral level program in speech-language pathology is in the school. The School of Health Professions is the only public allied health doctoral-granting institution in Missouri. Recent departmental surveys of the school's graduates showed that approximately 86 percent of them remain in the state to practice, with an even distribution of rural verses urban employment placement.

To meet the immediate need for faculty, the MU School of Health Professions proposes an interdisciplinary PhD program in health and rehabilitation sciences. This interdisciplinary program will enroll an additional 29 doctoral students per year after four years. To begin this program, the school requests funding for eight new doctoral faculty positions. Recruitment of doctoral faculty within the allied health professions is extremely competitive; therefore, start-up packages are included.

Education and training, combined with recruitment and retention, are key to solving the workforce shortage. To guarantee Missouri's allied health workforce needs are met, the school requests support for the Allied Health Scholars program. This program would provide up to three years' scholarship funding annually to 15 new students in exchange for three years of employment service within the state. A recruiter to assist in identification and matriculation of students is included.

The total request is $2,100,000 and is detailed in the attached budget.

III. COST EXPLANATION

Cost Summary

Program/Discipline	PCS	FTE	Compensation	E&E	Total
Nurse Education	Instruction	44	$4,306,388	$749,000	$5,055,388
	Scholarships			301,221	301,221
Total Nurse Education			$4,306,388	$1,050,221	$5,356,609
Physician/Medical Education	Instruction	31	$7,491,250	$626,250	$8,117,500
	Clinical Simulation			65,625	65,625
	Scholarships			1,026,250	1,026,250
Total Physician/Medical Education			$7,491,250	$1,718,125	$9,209,375
Dentist Education	Instruction	10	$200,000	$240,000	$440,000
	Scholarships			250,000	250,000
Total Dentist Education			$200,000	$490,000	$690,000
Pharmacist Education	Instruction	13	$1,253,040	$173,740	$1,426,780
	Scholarships			60,000	60,000
Total Pharmacist Education			$1,253,040	$233,740	$1,486,780
Optometrist Education	Scholarships			$1,157,236	$1,157,236
Total Optometrist Education				$1,157,236	$1,157,236
Health Professions Education	Instruction	8	$913,500	$185,000	$1,098,500
	Scholarships			1,001,500	1,001,500
Total Health Professions Education			$913,500	$1,186,500	$2,100,000
Total Recurring State Funds Request		**106**	**$14,164,178**	**$5,835,822**	**$20,000,000**
Summary by Program:					
	Instruction		$14,164,178	$1,973,990	$16,138,168
	Clinical Simulation			65,625	65,625
	Scholarships			3,796,207	3,796,207
	Total		**$14,164,178**	**$5,835,822**	**$20,000,000**

IV. EVALUATION OF OUTCOMES

Nurse Education
Sustain an increase of 250 students annually between our three nursing schools.

Physician Education
Increase the proportion of physician graduates entering practice in rural Missouri.
Increase the proportion of students passing part II of their National Board exams including the clinical skills component.
Decrease the rate of faculty turnover.
Maintain LCME accreditation.

Dentist Education
Sustain the training of 100 dentists/per year. The dental class size was increased from 80 to 100 with the class entering in 2001.
Increase the number of our graduates that practice in underserved rural or urban areas.

Pharmacist Education
Increase the pharmacy class size by 25% to meet the needs of the state.
Increased the number of graduates practicing in either the urban core or rural Missouri.

Optometrist Education
Improve program access for moderate and low income students.
Increase ethnic diversity of students and graduates.
Reduce student loan indebtedness upon graduation.
Increase need based scholarships.
Enhance credentials of applicants.
Increase retention of highly qualified Missouri resident applicants.

Health Professions Education
Increase undergraduate and graduate student capacity by 20 percent.
Increase program access through the use of scholarships and assistantships.
Increase the number of students remaining in Missouri to practice.

NEW DECISION ITEM REQUEST

UNRESTRICTED EDUCATIONAL AND GENERAL
FORM 5

Department: **Higher Education-Unrestricted**
Level 2 **University of Missouri System**
Level 3 **All Programs**
Decision Item Name: **Cost of Operating New and Renovated Facilities: $4,678,118**
Decision Item Rank: **4 of 6**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

In FY2008, the University of Missouri-Columbia will be occupying 247,945 square feet of new and renovated space to support its instruction, research and public service missions. To effectively operate these facilities, the University of Missouri-Columbia will need additional funds of $3,310,968 to pay for the ongoing operations and maintenance of these buildings and increased utility costs. The University of Missouri-Kansas City Health Sciences Building (HSB) is a 227,649 gross square foot research and education building currently being designed for the Hospital Hill campus. The building will co-locate the schools of Nursing and Pharmacy into state-of-the-art research and education space at the heart of the University's Life Science community. The facility will be completed and ready for occupancy in July 2007. To effectively operate these facilities, the University of Missouri-Kansas City will need additional funds of $1,367,150 to pay for the ongoing operations and maintenance as well as institutional support of these buildings. Inclusion of operating funds will fully support the capital investment already made by the state, campus, federal and private sources.

II. DESCRIPTION

The University of Missouri-Columbia plans to open six new buildings and multiple renovations. Buildings included in this year's request are Animal Resource Center with 17,450 GSF opening in November 2007, Clinical Support & Education Building with 69,485 GSF opening in January 2008, Regional Biocontainment Facility with 29,291 GSF opening in July 2007, Life Science Technology Incubator with 33,000 GSF opening in May 2008, Journalism Institute (Connector) with 19,732 GSF opening in June 2007, and Schweitzer Addition - Biochemistry with 24,000 GSF opening in October 2007. An additional 54,987 GSF of renovated space will be added from various renovations.

The University of Missouri-Kansas City plans to open the Health Sciences Building with 227,649 GSF in July 2007.

III. COST EXPLANATION

RECURRING FUNDS

PCS	FTE	Compensation	E&E	Total
Operation & Maintenance of Plant-UMC	5.0	$180,911	$3,130,057	$3,310,968
Operation & Maintenance of Plant-UMKC	10.0	378,114	830,836	1,208,950
Institutional Support-UMKC	4.0	148,200	10,000	158,200
Total Improvements	**19.0**	**$707,225**	**$3,970,893**	**$4,678,118**

From State Appropriations **$4,678,118**

IV. EVALUATION OF OUTCOMES

These facilities will provide an additional 475,594 gross square feet of usable space, which will enhance the support of the University of Missouri's primary programs of instruction, research, and public service.

NEW DECISION ITEM REQUEST

UNRESTRICTED EDUCATIONAL AND GENERAL
FORM 5

Department: **Higher Education-Unrestricted**
Level 2 **University of Missouri System**
Level 3 **All Programs**
Decision Item Name: **Student Access – Missouri Endowed Scholarships Program: $4 million**
Decision Item Rank: **5 of 6**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

Funds are requested for an endowed scholarship program that will leverage state resources with private donations to establish need-based scholarships for the state's neediest students. This request supports the University of Missouri's strategic goal to ensure access and affordability. Because of the decline in state support, the proportion of the cost of a public education that Missouri students and their families pay has grown. The result has been an erosion in access to a University of Missouri education for students from low income families in spite of the fact that financial aid awarded to University of Missouri students has continued to grow. The Missouri Endowed Scholarships program would keep the doors open to the University of Missouri to qualified Missouri students from our neediest families by providing additional scholarship (grant) aid. A recent study of financial aid published by the Lumina Foundation revealed that an increase in grant aid had the greatest impact in enrolling students with high need.

II. DESCRIPTION

The Missouri Endowed Scholarships program requires two funding sources: a $15,000 gift from a private donor and a $15,000 match from the University's state appropriations. Initially, each $30,000 endowment would generate a scholarship of approximately $1,500. Because the endowments would grow over time, the amount of each scholarship would also grow over time. Four million dollars ($4.0 million) in state appropriations leveraged with $10 million in private giving would permanently add and fund 266 new endowed scholarships annually.

Over the past five years, although the total number of needy students attending the University of Missouri has increased, the number of those with family incomes below $40,000 has decreased. This has occurred in spite of the fact that total financial aid awarded to University of Missouri students has increased twenty-five percent (25%) over the past five years. Currently, there are more than 4,800 Missouri full-time undergraduates who attend the University of Missouri whose families have adjusted gross incomes less than or equal to $40,000 and who have total documented unmet need in excess of $28 million. While these students receive the largest amount of scholarship aid, they also have the largest loan obligation and the largest amount of unmet need.

An investment in a college education has economic benefits that pay off over a lifetime. Median annual earnings for full time employees with bachelor's degrees are about 69 percent higher than for those with only high school diplomas. On average a college graduate can expect to earn twice as much as a high school graduate with the lifetime gap in earnings exceeding $1.0 million. And, not only do individuals benefit but so does the State of

Missouri as a whole. Based on a U.S. Census Bureau study, for every one percentage point increase in the proportion of Missourians with at least a bachelor's degree, $2.5 billion for the state as a whole is generated.

The University is very committed to this program. The President and Board of Curators set aside $4 million from our FY2005 state appropriation to jump-start this scholarship program for our neediest students. This $4 million has been matched with $4 million raised by the campuses from private donors specifically for need-based scholarship endowment funds for Missouri resident undergraduate students. These funds have permanently funded 259 endowed scholarships for high need students, with each being funded at a minimum of $30,000.

III. COST EXPLANATION

RECURRING FUNDS

PCS	FTE	Compensation	E&E	Total
Scholarships & Fellowships			$4,000,000	$4,000,000
Total Improvements			**$4,000,000**	**$4,000,000**

From State Appropriations: **$4,000,000**

IV. EVALUATION OF OUTCOMES

- A $4 million recurring appropriation would generate $4 million in donor gifts annually to create 266 endowed scholarships each year with an initial value of $30,000.
- 266 endowed scholarships of $1,500 each would generate $400,000 annually in scholarship aid to Missouri's neediest undergraduate students.
- Each endowed scholarship would grow over time, as the University's endowment investments grow with the market.

NEW DECISION ITEM REQUEST

UNRESTRICTED EDUCATIONAL AND GENERAL
FORM 5

Department: **Higher Education-Unrestricted**
Level 2 **University of Missouri System**
Level 3 **All Programs**
Decision Item Name: **Missouri Endowed Chair Program: $2 million**
Decision Item Rank: **6 of 6**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

Funding for the Missouri Endowed Chair Program would leverage State and University resources in order to attract funding from external sources for the purpose of elevating the stature of selected academic and research programs consistent with the University's strategic goals. The program requires three funding sources: a gift from a private donor, a match from the University of Missouri's state appropriations, and a funded faculty position from the participating campus of the University of Missouri. The program would be established to attract to the State of Missouri and the University of Missouri distinguished teachers and researchers who would promote academic excellence, perform cutting edge research, and contribute to the State's economic development initiatives.

II. DESCRIPTION

In 1995, the University, with the help of the State, established an endowed chairs and professorships program. The program goal was to strengthen the University's research capacity and instructional programs by hiring leading faculty teacher/researchers. The program used University and State of Missouri resources to leverage gifts from donors. The General Assembly appropriated $16 million in one-time funds from FY 1995-1998. In 1999, the $4.0 million was added permanently to the University's core funding. The funding was intended to provide a match for the annual distribution on $90 million of endowed chairs and professorships established by donors with gifts of $1.1 million and $0.55 million respectively. The campuses were responsible for providing the base funding for each position.

Clearly the program has had a significant impact on the University's research capacity and the state's economic development. Since 1995, the $16 million in one time funding and the annual funding of $4.0 million has been used to attract $90.2 million in permanent funding from donors: 44 endowed chairs and 76 endowed professorships. Currently, 108 of the 120 positions are filled. Over the past five years, these faculty have generated almost $99 million in external research funding. For an annual investment of $4.0 million during each of those years, the return on investment is over 440%. The impact is even greater when one factors in the further economic impact coming from the multiplier effect of each of those dollars in the state's economy.

In FY 2005 The University of Missouri used $1 million of its recurring base to start a new Endowed Chair program. To date, these funds have matched 9 new endowed chairs. Searches are currently underway for these positions.

III. COST EXPLANATION

Funding the Program

The University has a goal of 20 new endowed chairs. The following describes the funding:

Private Donations:	$30 million to permanently endow 20 chairs at $1.5 million per chair
State Support:	$2 million recurring funds to match annual payout on 20 chairs and to develop a permanent endowment to support the payout
University:	Base salary and benefits for 20 full professor positions among the four campuses.

How the Match of a Position Will Work

For each endowed chair approved for this program, the campus must allocate annually an amount equal to the salary and benefits of a full-time, full professor faculty position. The money available from the endowment and state match is intended to enhance the salary of the position in addition to providing extra funds for other research and instructional related expenses. This allows the University to attract and retain the top researchers. The endowment and state match is not intended to pay the base salary and benefits.

Who Will Hold the Position

The campus will conduct a search for the best candidate for the position. Someone who is already a faculty member for any University of Missouri campus may apply. A faculty member cannot hold a state-matched position under both the old and new programs.

RECURRING FUNDS

PCS	FTE	Compensation	E&E	Total
Instruction		$250,000	$250,000	$500,000
Research		750,000	750,000	1,500,000
Public Service				
Academic Support				
Total Improvements		**$1,000,000**	**$1,000,000**	**$2,000,000**

From State Appropriations: $2,000,000

IV. EVALUATION OF OUTCOMES

- A $2 million recurring appropriation leveraged to generate $30 million in donor gifts to the University of Missouri endowment and a $3 million payout on the endowments annually to support University research .

- 20 new endowed chairs who will generate an estimated $9 million annually in external research funding.

Other Programs

FY 2007-2008 APPROPRIATIONS REQUEST FOR OPERATIONS

SUMMARY OF OTHER PROGRAM REQUESTS

UNIVERSITY OF MISSOURI SYSTEM

	STATE APPROPRIATED FUNDS	NON-STATE FUNDS	TOTAL FUNDS
University of Missouri Hospitals and Clinics	$13,910,258	$538,255,373	$552,165,631
Missouri Rehabilitation Center	$10,973,784	$28,049,986	$39,023,770
Missouri Institute of Mental Health	$1,917,155	$216,383	$2,133,538
Missouri Kidney Program	$4,185,479		$4,185,479
Missouri Research and Education Network (MOREnet)	$12,875,306	$7,409,224	$20,284,530
Alzheimer's Program	$421,520		$421,520
Spinal Cord Injury Fund	$400,000		$400,000
State Seminary Fund	$2,725,000		$2,725,000
State Historical Society of Missouri	$1,277,097		$1,277,097

PROGRAM EXPENDITURES AND REVENUE SUMMARY

FORM 1

UNIVERSITY OF MISSOURI - COLUMBIA HOSPITALS AND CLINICS INCLUDING ELLIS FISCHEL CANCER CENTER

	FY2005 Actual	FY2006 Estimated	FY2007 Planned & FY2008 Core	Mandatory Adjustments	FY2008 Request
EXPENDITURES:					
Personal Services	$166,937,448	$198,758,481	$208,144,610	$8,875,141	$217,019,751
Medical Supplies & Drugs	84,086,421	92,371,874	103,797,030	7,999,126	111,796,156
Adm and Support Svcs	50,131,243	43,855,396	47,663,974	3,673,228	51,337,202
Interest	10,104,061	9,293,752	8,496,229	654,762	9,150,991
FRA	20,793,385	25,390,992	24,656,466	1,900,152	26,556,618
Residents	14,644,805	15,353,295	16,373,640	1,261,836	17,635,476
Clinics	9,214,507	9,025,325	6,099,870	470,087	6,569,957
Other	46,693,117	49,033,108	51,275,555	3,951,554	55,227,109
Transfers	57,880,052	53,008,147	56,872,371	0	56,872,371
Total Expenditures	$460,485,039	$496,090,370	$523,379,745	$28,785,886	$552,165,631
FTE Employees	3,244.1	3,524.7	3,719.7		3,719.7
SOURCES OF FUNDS:					
State Appropriations	$11,945,044	$12,741,393	$13,185,079	$725,179	$13,910,258
Non-State Revenues					
Patient Service Revenue	$434,224,347	$465,991,749	$494,780,565	$27,212,931	$521,993,496
Cafeteria Sales	1,886,529	1,909,250	1,924,542	105,850	2,030,392
Auxiliary Sales & Other Revenue	12,429,119	15,447,978	13,489,559	741,926	14,231,485
Total Non-State Revenues	$448,539,995	$483,348,977	$510,194,666	$28,060,707	$538,255,373
Total Sources	$460,485,039	$496,090,370	$523,379,745	$28,785,886	$552,165,631

PERSONAL SERVICES AND EXPENSE AND EQUIPMENT DETAIL

FORM 3

UNIVERSITY OF MISSOURI - COLUMBIA HOSPITALS AND CLINICS INCLUDING ELLIS FISCHEL CANCER CENTER

	FY2006 Estimated		FY2007 Planned & FY2008 Core		Mandatory Adjustments	FY2008 Request	
	FTE	Amount	FTE	Amount	Amount	FTE	Amount
PERSONAL SERVICES:							
Teaching and Research	11.3	$606,079	15.3	$812,742	$32,510	15.3	$845,252
Exec., Admin., Managerial	448.3	21,295,783	473.5	22,296,427	891,857	473.5	23,188,284
Professional	1,649.9	72,759,851	1,722.2	75,380,593	3,015,224	1,722.2	78,395,818
Technical	646.1	31,143,966	705.6	32,286,010	1,291,440	705.6	33,577,450
Office	387.4	16,901,735	405.4	16,395,633	655,825	405.4	17,051,458
Crafts and Trades	103.6	3,808,002	110.5	4,014,783	160,591	110.5	4,175,374
Service	278.1	10,859,625	287.2	11,178,648	447,146	287.2	11,625,794
Staff Benefits		41,383,441		45,779,775	2,380,548		48,160,323
Total Personal Services	3,524.7	$198,758,481	3,719.7	$208,144,610	$8,875,141	3,719.7	$217,019,752
EXPENSE AND EQUIPMENT:							
Fuel and Utilities		$6,962,536		$6,599,220	$416,817		$7,016,037
Library Acquisitions		0		0	0		0
Equipment		7,665,616		6,924,351	437,353		7,361,704
All Other		282,703,737		301,711,563	19,056,575		320,768,138
Total Expense & Equipment		$297,331,889		$315,235,134	$19,910,745		$335,145,879
Grand Total	3,524.7	$496,090,370	3,719.7	$523,379,745	$28,785,886	3,719.7	$552,165,632

CORE BUDGET REQUEST ANALYSIS

FORM 4

UNIVERSITY OF MISSOURI HOSPITALS AND CLINICS

I. MISSION STATEMENT

As part of a land-grant university, University of Missouri Health Care's core mission is to enhance the health of all people, especially Missourians. Through exceptional clinical service, University of Missouri Health Care supports the education and research missions of the University of Missouri. Our vision: Through discovery and innovation, University of Missouri Health Care will be the health system people choose for exceptional service and exemplary health care.

II. PROGRAM DESCRIPTION

University Hospital, University of Missouri Health Care's flagship hospital, is a major quaternary-care referral center that operates 280 beds. It offers total medical and surgical care for infants, children and adults and is the only facility in the primary service area with a burn unit, organ transplant services and genetic counseling services. The hospital offers the only Level I trauma center in mid-Missouri. The emergency services program includes central Missouri's only air ambulance service accredited to provide emergency medical care at accident scenes and in the air, and a ground ambulance service that also offers a dedicated vehicle equipped to transport neonates and children.

The University of Missouri purchased Columbia Regional Hospital (CRH) in 1999 from the Tenet Corporation. Prior to the purchase CRH had operated as a for-profit hospital since it opened in 1974. The 210-bed, acute-care hospital is consistently rated as one of the nation's best orthopedic hospitals. The 200 physicians on its medical staff include both private physicians and University Physicians. The Institute for Outpatient Surgery located on its campus is operated as a University and private physician partnership.

All of University of Missouri Health Care's inpatient and outpatient obstetrics and gynecology services are located on the CRH campus. All outpatient clinics were integrated in 2002 and reopened as Missouri OB/GYN Associates. In November 2003 all inpatient services were moved into the CRH Family Birth Center which is experiencing a record number of deliveries.

In 1990, the state transferred Ellis Fischel Cancer Center to the University Hospital. The center opened in 1940 as the first state cancer hospital west of the Mississippi River and the nation's only cancer center designed for patients who could not pay for their care. Its inclusion as a member of University of Missouri Health Care is paving the way for Ellis Fischel to become one of the country's outstanding cancer centers. It was designated as Missouri's official state cancer center in 2004. Ellis Fischel is a statewide referral center that provides inpatient and outpatient cancer services unavailable in many communities.

In November 2000, the inpatient unit at Ellis Fischel moved to University Hospital to provide patients with improved access to state-of-the-art ICUs and specialists and sub specialists not readily available on the Ellis Fischel campus. The Ellis Fischel campus retained all adult outpatient oncology services and the cancer-screening program.

In the early 1990s, University Hospital and MU School of Medicine administrators decided to develop a children's center within the hospital. In 1993, the center was renamed Children's Hospital to represent its full scope of pediatric services. This 55-bed "virtual hospital" is mid-Missouri's largest and most comprehensive pediatric health-care facility. It has a dedicated pediatrics unit, adolescent unit and a pediatric intensive care unit within University Hospital. The only other full-service children's hospitals in the state are located in Kansas City and St. Louis. Children's Hospital also provides services within Columbia Regional Hospital, including a Level III Newborn Intensive Care Unit and the newborn nursery, which is located within the Family Birth Center.

The continued affiliation with nearby Harry S. Truman Veterans' Hospital and Mid-Missouri Mental Health Center reinforce the leadership role that the University of Missouri Hospitals and Clinics plays in providing health care services to the region.

UNIVERSTIY OF MISSOURI HOSPITALS AND CLINICS INCLUDING ELLIS FISCHEL CANCER CENTER

III. PERFORMANCE AND ACTIVITY MEASURES

	FY2006	FY2007	FY2008
A. Students Participating in Hospital Activities: *			
Medical Students	367	370	375
Nursing Students	329	365	365
Graduate Nursing Students	30	20	20
Interns and Residents	353	377	390
Total	1,079	1,132	1,150
B. Hospital Fiscal Data:			
Net Operating Revenue	$483,348,977	$510,194,666	$538,255,373
State Revenue (Percent of Total)	2.64%	2.58%	2.45%
C. Inpatient Admissions By Service:			
Medicine	5,573	6,097	6,097
Surgery	8,349	9,133	9,133
Ophthalmology	24	26	26
Neurology	593	649	649
Newborn	1,244	1,361	1,361
Obstetrics	1,703	1,863	1,863
Child Health	1,645	1,800	1,800
Family Practice	1,658	1,814	1,814
OB/Gyn	425	465	465
Other	50	55	55
Radiology	1	1	1
	0	0	0
Total	21,265	23,263	23,263
D. Inpatient Admissions By Responsibility:			
Medicaid	5,538	6,058	6,062
Indigent	1,418	1,551	1,552
All Other	14,309	15,653	15,648
Total	21,265	23,263	23,263

III. PERFORMANCE AND ACTIVITY MEASURES-UNIVERSITY HOSPITALS & CLINICS INCLUDING ELLIS FISCHEL CANCER CENTER (Continued)

	FY2006	FY2007	FY2008
E. Inpatient Days:			
Adult and Pediatric	104,814	109,667	109,667
Newborn	2,866	2,890	2,890
Total	107,680	112,557	112,557
F. Outpatient Visits**	580,308	528,050	528,050
G. Emergency Room Visits	39,366	39,875	39,875
H. Hospital Statistical Data:			
Number of Beds (Adult & Pediatric)	465	485	485
Percent Occupancy	61.76%	61.95%	61.95%
Number of Short Stay Arrived Patients	10,429	9,552	9,552
Number of Observation Arrived Patients	2,586	2,925	2,925
Number of Operations (Inpatient and Outpatient)	17,204	20,001	20,001
I. Size of Physical Plant:			
Number of Gross Square Feet	2,188,584	2,188,584	2,188,584
Number of Net Assignable Feet	1,332,146	1,332,146	1,332,146
J. Book Value of Equipment Inventory:			
At June 30, 2004	$154 million		
At June 30, 2005	$172 million		
At June 30, 2006	$180 million		

* Includes students participating in all locations.

** Due to system limitations we are unable to report the number of outpatient visits for lab and radiology.

PROGRAM DESCRIPTION

Department of Higher Education
University of Missouri Hospitals and Clinics
Program is found in the following core budget(s): University of Missouri Hospitals and Clinics

1. What does this program do?

This program funds the University of Missouri Hospitals and Clinics which provides a wide range of specialized health delivery programs.

University Hospitals, including Children's Hospital operates 465 beds. It offers total medical and surgical care for infants, children and adults and is the only facility in the primary service area with a burn unit, organ transplant services and genetic counseling services. The hospital is Mid-Missouri's only Level I Trauma Center. The emergency services program includes an air ambulance service and a ground ambulance service that offers a dedicated vehicle equipped to transport neonates and children.

Children's Hospital 55 bed "hospital within a hospital" offers a full scope of pediatric services including a dedicated pediatrics unit, a Level III neonatal intensive-care unit and a pediatric intensive-care unit.

Ellis Fischel Cancer Center provides diagnosis and treatment, detection, information, clinical research through modern diagnosis and treatment modalities, and education to health care professionals and Missouri residents regarding all aspects of cancer. These services are provided to inpatients and outpatients. Ellis Fischel Cancer Center is a statewide referral center that provides cancer services unavailable in many communities.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.

RSMo 172.810-172.830

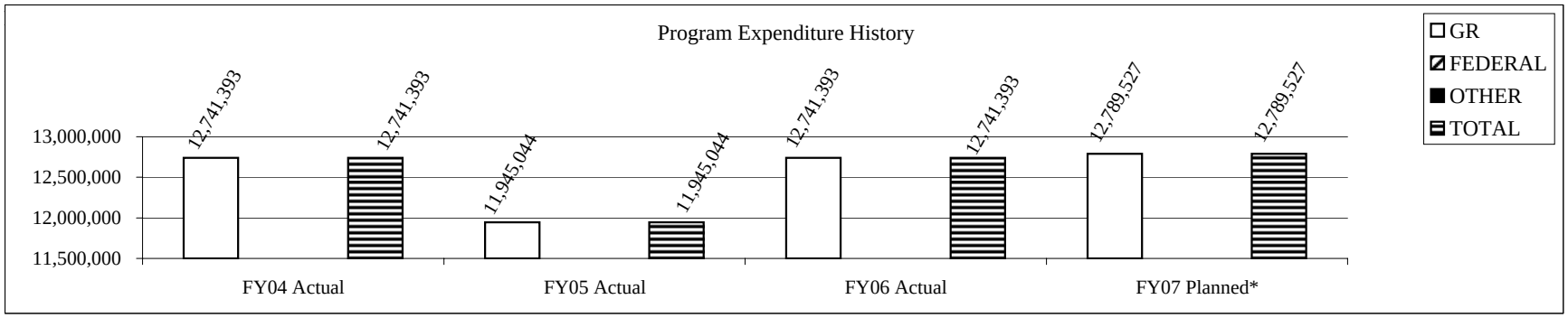
3. Are there federal matching requirements? If yes, please explain.

No

4. Is this a federally mandated program? If yes, please explain.

No

5.



*Net of Governor's 3% Withholding

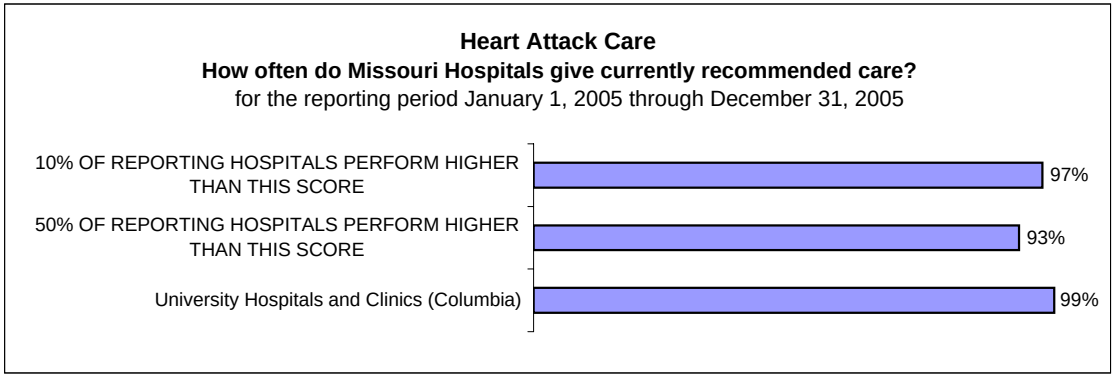
Department of Higher Education
University of Missouri Hospitals and Clinics
Program is found in the following core budget(s): University of Missouri Hospitals and Clinics

6. What are the sources of the "Other " funds?

All appropriated funds are from General Revenue. However, the Hospital generates substantial revenue from patients and 3rd party payors. See Form 1 for detail of nonstate revenues.

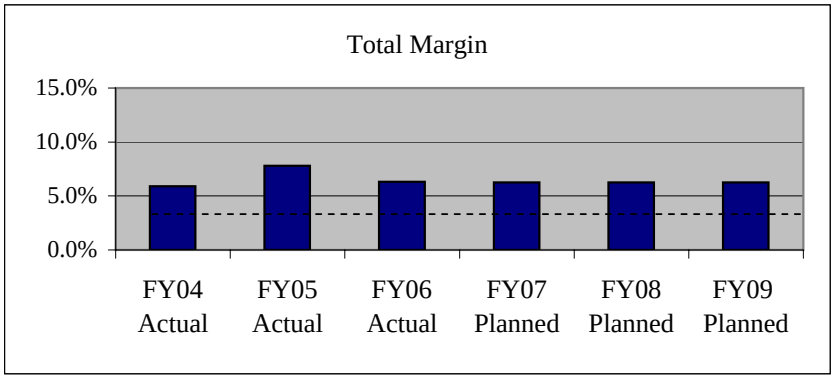
7a. Provide an effectiveness measure.

The leading cause of death in Missouri is heart disease (CDC/NCHS, National Vital Statistics System). The accompanying graph, provided by the Missouri Hospital Association, shows the percentage of times hospitals gave currently recommended care for patients with heart attacks from January 1, 2005 through December 31, 2005. A higher percentage indicates hospitals provided the recommended care more often. University Hospitals and Clinics was tied with one other hospital for the highest rating in Missouri.



7b. Provide an efficiency measure.

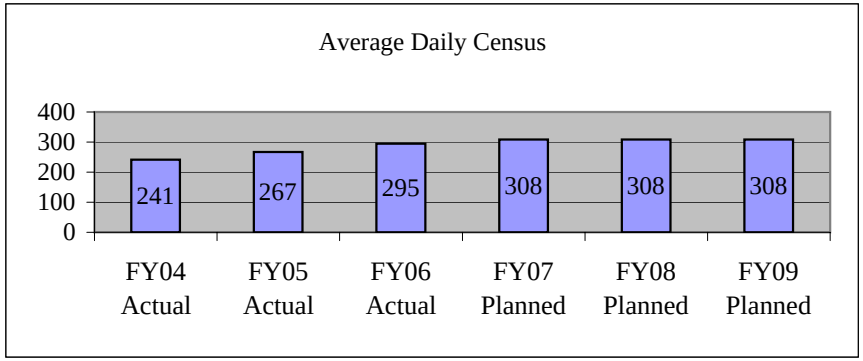
The efficiency of University Hospitals and Clinics is best measured by its Total Margin, which is the percentage relationship between Net Income and Net Operating Revenues before appropriation and before one-time adjustments. A national benchmark for Total Margin is the average of A-rated hospitals using national bond rating agency data. At the current time, the A-rated average (the dashed line on the accompanying graph) is 4.2%.



Department of Higher Education
University of Missouri Hospitals and Clinics
Program is found in the following core budget(s): University of Missouri Hospitals and Clinics

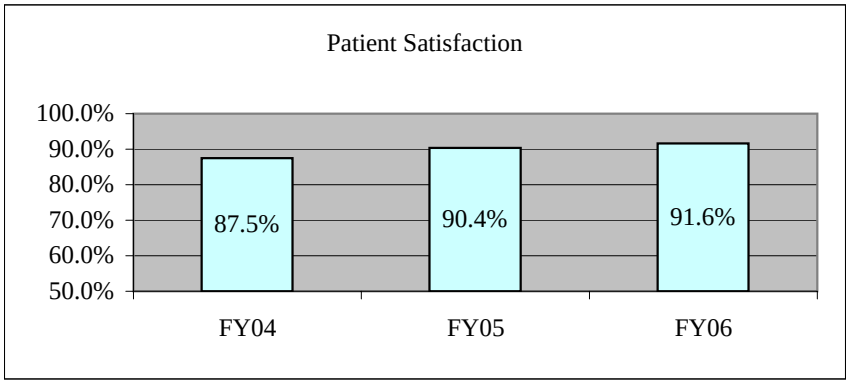
7c. Provide the number of clients/individuals served, if applicable

The accompanying graph depicts the historical and projected average daily inpatient census for University of Missouri Hospitals and Columbia Regional Hospital.



7d. Provide a customer satisfaction measure, if available.

The overall patient satisfaction can be judged by using the overall percentage good and very good as reported by Press, Ganey Associates INC. These numbers are derived by an overall composite of all questions on all survey instruments for all services at University Hospitals and Clinics and Columbia Regional Hospital and Clinics.



NEW DECISION ITEM REQUEST

UNIVERSITY OF MISSOURI HOSPITALS & CLINICS
FORM 5

Department: **Higher Education-Unrestricted**
Level 2 **University of Missouri-Other Programs**
Level 3 **University Hospitals and Clinics**
Decision Item Name: **Mandatory Adjustments to Core Budget**
Decision Item Rank: **1 of 1**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

The core mission of University of Missouri Hospitals and Clinics as part of University of Missouri Health Care is to provide education, research and service to the residents of Missouri with an emphasis on the needs of rural Missouri. University Hospital (including Ellis Fischel Cancer Center) has had its state appropriations reduced in recent years. The current level of appropriations approximate FY1997 appropriation levels on a nominal basis. When adjusted for inflation the funding situation becomes even more problematic. Adding to the funding issue, the University of Missouri Hospitals have not had their request for increases due to mandatory costs approved since FY2001. To continue its operations, including its Tier 1 Safety Net Hospital, at current levels the University of Missouri Hospitals and Clinics will require increases in state support to cover mandatory increases in staff compensation, hospital operations, and equipment.

II. DESCRIPTION

The University of Missouri Hospitals and Clinics have aggressively controlled costs and enhanced revenues. However, the cost to deliver its services to the public continues to rise. One example is significant increases in the cost of staff benefits and insurance. There are also fixed cost increases associated with utilities, medical equipment, pharmaceuticals, and supplies and services. The hospital has undergone difficult but necessary reorganizations and streamlining to become solvent. Lack of additional funding removes the ability of the University Hospitals and Clinics to continue to provide the same level of services for the citizens of Missouri as currently provided.

The University of Missouri Hospitals and Clinics will require funds to offset the rising costs of healthcare. An adjustment of 5.5% on the state appropriation base is requested to help offset non-discretionary increases in the University Hospitals and Clinics budget. The personnel policies are the same for these programs as for the general operations of the University.

III. COST EXPLANATION

Salaries @ 4.0% plus Related Benefits	$ 8,875,141
Expense and Equipment	19,910,745
Total Mandatory Cost Increases @ 5.5%	$28,785,886
State Appropriations @ 5.5%	$ 725,179
From Non-State Sources	28,060,707
	$28,785,886

PROGRAM EXPENDITURES AND REVENUE SUMMARY

FORM 1

Missouri Rehabilitation Center

	FY2005 Actual	FY2006 Estimated	FY2007 Planned & FY2008 Core	Mandatory Adjustment	FY2008 Request
EXPENDITURES:					
Personal Services	$25,527,736	$26,097,042	$25,404,959	$1,083,061	$26,488,020
Medical Supplies & Drugs	2,966,840	2,804,334	2,733,139	261,271	2,994,410
Adm and Support Svcs	756,989	610,033	808,672	77,304	885,976
Interest	0	0	0	0	0
FRA	1,242,099	1,549,239	1,501,851	143,567	1,645,418
Other	4,500,861	4,575,602	4,908,397	469,212	5,377,609
Transfers	782,183	2,197,650	1,632,337	0	1,632,337
Total Expenditures	$35,776,708	$37,833,900	$36,989,355	$2,034,415	$39,023,770
FTE Employees	503.5	504.6	489.8		489.8
SOURCES OF FUNDS:					
State Appropriations	$9,199,866	$9,813,190	$10,401,691	$572,093	$10,973,784
Non-State Revenues					
Patient Revenues	$25,543,554	$27,055,913	$25,551,052	$1,405,308	$26,956,360
Other	1,033,288	964,797	1,036,612	57,014	1,093,626
Total Non-State Revenues	$26,576,842	$28,020,710	$26,587,664	$1,462,322	$28,049,986
Total Sources	$35,776,708	$37,833,900	$36,989,355	$2,034,415	$39,023,770

PERSONAL SERVICES AND EXPENSE AND EQUIPMENT DETAIL

FORM 3

Missouri Rehabilitation Center

	FY2006 Estimated		FY2007 Planned & FY2008 Core		Mandatory Adjustment	FY2008 Request	
	FTE	Amount	FTE	Amount	Amount	FTE	Amount
PERSONAL SERVICES:							
Teaching and Research	0.3	$11,190	0.2	$8,191	$328	0.2	$8,519
Exec., Admin., Managerial	76.5	3,108,210	70.6	2,859,197	114,368	70.6	2,973,565
Professional	215.5	8,751,300	228.6	9,256,970	370,279	228.6	9,627,249
Technical	117.2	4,758,427	96.1	3,892,130	155,685	96.1	4,047,815
Office	32.4	1,314,852	32.4	1,310,352	52,414	32.4	1,362,766
Crafts and Trades	19.6	797,315	21.7	878,524	35,141	21.7	913,665
Service	43.1	1,748,738	40.2	1,627,722	65,109	40.2	1,692,831
Staff Benefits		5,607,010		5,571,874	289,737		5,861,611
Total Personal Services	504.6	$26,097,042	489.8	$25,404,959	$1,083,061	489.8	$26,488,020
EXPENSE AND EQUIPMENT:							
Fuel and Utilities		$1,139,244		$1,153,696	$94,746		$1,248,442
Library Acquisitions		0		0	0		0
Equipment		517,207		777,790	63,875		841,665
All Other		10,080,407		9,652,910	792,733		10,445,643
Total Expense & Equipment		$11,736,858		$11,584,396	$951,354		$12,535,750
Grand Total	504.6	$37,833,900	489.8	$36,989,355	$2,034,415	489.8	$39,023,770

CORE BUDGET REQUEST ANALYSIS

FORM 4

MISSOURI REHABILITATION CENTER

I. MISSION STATEMENT

As part of a land-grant university, University of Missouri Health Care's core mission is to advance the health of all people, especially Missourians. Through exceptional clinical service, University of Missouri Health Care supports the education and research missions of the University of Missouri. Our vision: Through discovery and innovation, University of Missouri Health care will be the health system that people will choose for exceptional service and exemplary health care.

II. DESCRIPTION

Missouri Rehabilitation Center (MRC) is a 124-bed rehabilitation hospital committed to providing compassionate rehabilitation services. It is recognized throughout the Midwest as a leading long-term acute care center for physical medicine and rehabilitation. Located 30 miles from Springfield and Joplin in Mount Vernon, the hospital houses an array of experts and programs for patients recovering from serious illness or injury. Comprehensive services include both inpatient and outpatient programs and specialized treatment for traumatic brain injuries, strokes, spinal cord injuries and orthopaedic injuries as well as tuberculosis and other pulmonary conditions.

Long-term (sub-acute) rehabilitation care is labor-intensive and time consuming. Very few facilities in the state provide such care, especially for head injury patients, and particularly for indigent or Medicaid patients. Approximately 41 percent of the center's patients have limited or no financial resources.

Founded in 1907 as a state tuberculosis hospital, MRC's services have greatly expanded throughout the years, first to a broad range of pulmonary treatments and then to a center for comprehensive physical rehabilitation. A transitional living program consisting of dormitory living and a progression to residential living is provided. Extensive efforts are made to help patients reach their fullest physical potential and to develop self-help/care skills. A state-of-the-art intensive care unit was opened in the summer of 2001. The ICU has two distinct benefits: It provides expanded space that allows the center to accept more acute rehabilitation patients, and it allows medical staff to start rehabilitation efforts sooner.

MRC houses the largest traumatic brain injury program in Missouri, offering a full continuum of services ranging from inpatient intensive care to outpatient day rehabilitation. MRC has one of the highest success rates for weaning patients from ventilator dependence. As a leader in pulmonary rehabilitation, MRC has earned the distinction of being a regional treatment center for drug-resistant tuberculosis cases. Center research led to a computer program allowing quadriplegics and others with disabilities to operate computers with their eyes.

In 1996, state legislation transferred responsibility of the state-run hospital — the last to be operated by the Missouri Department of Health — to University of Missouri Health Care.

Missouri Rehabilitation Center

III. PERFORMANCE AND ACTIVITY MEASURES

	FY2006	FY2007	FY2008
A. Hospital Fiscal Data:			
Net Operating Revenue	$35,776,708	$37,833,900	$36,989,355
State Revenue (Percent of Total)	25.71%	25.94%	28.12%
B. Inpatient Admissions:	497	520	520
C. Inpatient Admissions By Responsibility:			
Medicaid	206	216	216
Indigent	16	17	17
All Other	273	286	286
Total	497	520	520
D. Inpatient Days	23,099	22,447	22,447
E. Outpatient Visits			
Transitional Living	1,875	9,535	9,535
OP Clinic and Rehab	20,450	12,910	12,910
CSTAR	2,720	3,048	3,048
VA Patients, Lab, and X-Ray	33,300	36,899	36,899
Total	58,345	62,392	62,392
F. Hospital Statistical Data:			
Number of Beds (Adult & Pediatric)	124	124	124
Percent Occupancy	51.04%	49.60%	49.60%
G. Size of Physical Plant:			
Number of Gross Square Feet	425,873	425,873	425,873
Number of Net Assignable Feet	285,834	285,834	285,834
H. Book Value of Equipment Inventory:			
At June 30, 2004	$6.2 million		
At June 30, 2005	$7.2 million		
At June 30, 2006	$7.4 million		

PROGRAM DESCRIPTION

Department of Higher Education
Missouri Rehabilitation Center
Program is found in the following core budget(s): University of Missouri - Missouri Rehabilitation Center

1. What does this program do?

The Missouri Rehabilitation Center (MRC) is a 124-bed rehabilitation hospital recognized as a leading hospital for physical medicine and rehabilitation throughout the Midwest. Comprehensive services include both inpatient and outpatient programs and specialized treatment for traumatic brain injuries, strokes, spinal cord injuries, comprehensive physical rehabilitation, cardiac rehabilitation, substance abuse rehabilitation, and orthopedic injuries as well as tuberculosis and other pulmonary conditions.

Extensive efforts are made to help patients reach their fullest physical potential and to develop self-help/care skills. A Transitional Living Program consisting of dormitory living and a progression to residential living is provided. Approximately 85% of the Center's patients have limited or no financial resources to pay for these services.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.

In 1996, state legislation transferred responsibility of the state-run hospital to the University of Missouri Health Care. The statutory purpose can be found in RSMO 199.010-199.270.

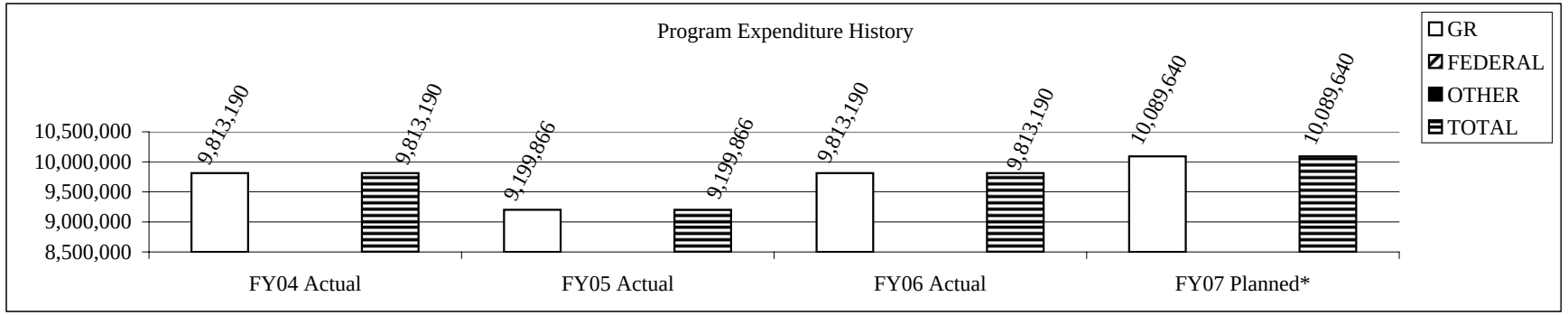
3. Are there federal matching requirements? If yes, please explain.

No

4. Is this a federally mandated program? If yes, please explain.

No

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year



*Net of Governor's 3% Withholding

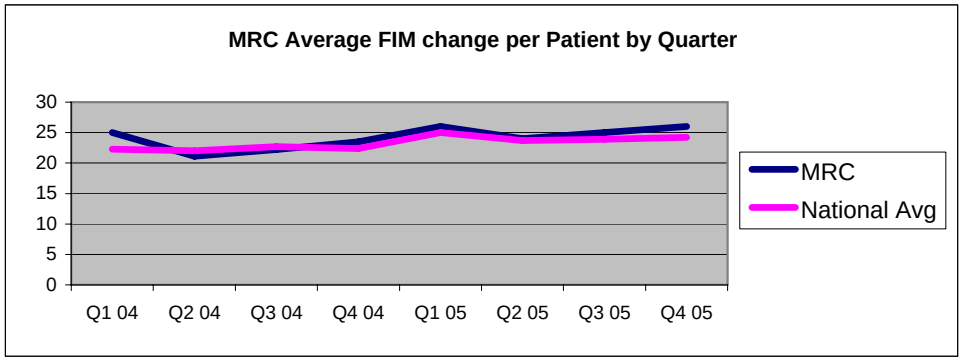
Department of Higher Education
Missouri Rehabilitation Center
Program is found in the following core budget(s): University of Missouri - Missouri Rehabilitation Center

6. What are the sources of the "Other " funds?

All appropriated funds are from General Revenue. However, the Rehabilitation Center generates substantial revenue from patients and 3rd party payors. See Form 1 for detail of nonstate revenues.

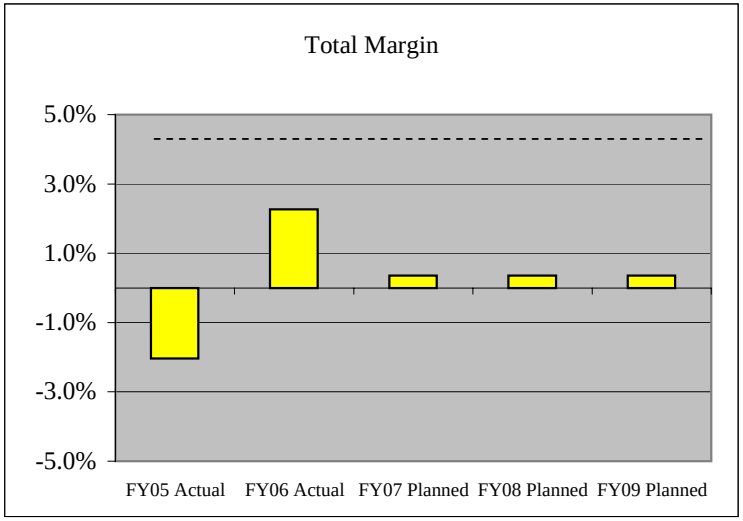
7a. Provide an effectiveness measure.

The clinical effectiveness of rehabilitation units like MRC may be best measured by using a standard Functional Individual Movements (FIM) score. The FIM score measures the patient's ability to perform activities of daily living. The accompanying graph depicts the average change in FIM score from admission to discharge, compared to the current national benchmark of 26.7.



7b. Provide an efficiency measure.

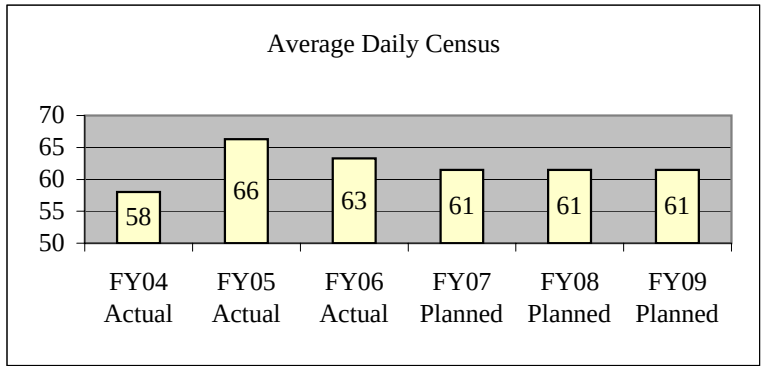
The efficiency of MRC is best measured by its Total Margin, which is the percentage relationship between Net Income and Net Operating Revenues before appropriation and before one-time adjustments. A national benchmark for Total Margin is the average of A-rated hospitals using national bond rating agency data. At the current time, the A-rated average (the dashed line on the accompanying graph) is 4.2%.



Department of Higher Education
Missouri Rehabilitation Center
Program is found in the following core budget(s): University of Missouri - Missouri Rehabilitation Center

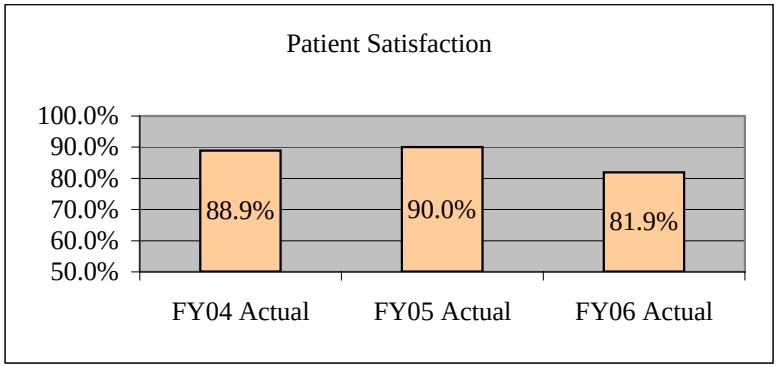
7c. Provide the number of clients/individuals served, if applicable

The accompanying graph depicts the historical and projected average daily inpatient census for Missouri Rehabilitation Center.



7d. Provide a customer satisfaction measure, if available.

The overall patient satisfaction can be judged by using the overall percentage good and very good as reported by Missouri Rehabilitation Center's patient satisfaction survey process. The percentages are a composite of all questions on the survey tool.



NEW DECISION ITEM REQUEST

MISSOURI REHABILITATION CENTER
FORM 5

Department: **Higher Education-Unrestricted**
Level 2 **University of Missouri-Other Programs**
Level 3 **Missouri Rehabilitation Center**
Decision Item Name: **Mandatory Adjustments to Core Budget**
Decision Item Rank: **1 of 1**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

The Missouri Rehabilitation Center (MRC) is a 124 bed rehabilitation hospital that provides needed rehabilitation services to its community. It has both inpatient and outpatient programs. MRC has had its state appropriations reduced since FY2002. Current levels of appropriations are at approximately FY1997 levels on a nominal basis, when adjusted for inflation, the funding problem becomes much more problematic. Adding to the funding issue, Missouri Rehabilitation Center has not had its mandatory cost increase request funded since FY2001. Because adjustments in state support are needed to offset mandatory increases in the cost of the goods and services that Missouri Rehabilitation Center must buy to provide patient services and fulfill its mission, failure to fund these increases results in an internal core reduction. To continue at the current level of operations in 2008 the Missouri Rehabilitation Center will require adjustments in state support to cover mandatory cost increases.

II. DESCRIPTION

The Missouri Rehabilitation Center continues to incur higher costs to deliver its services to the public. One example is significant increases in the cost of staff benefits. There are also fixed cost increases associated with utilities, insurance, medical equipment, pharmaceuticals, and supplies and services. Lack of additional funding removes the ability of the Missouri Rehabilitation Center to continue to provide the same level of services for the citizens of Missouri as currently provided.

The Missouri Rehabilitation Center will require funds to offset the effects of rising health care costs. An adjustment of 5.5% on the state appropriation base is requested. The personnel policies are the same for these programs as for the general operations of the University.

III. COST EXPLANATION

Salaries @ 4.0% plus Related Benefits	$1,083,061
Expense and Equipment	951,354
Total Mandatory Cost Increases @ 5.5%	$2,034,415
State Appropriations @ 5.5%	$ 572,093
From Non-State Sources	1,462,322
	$2,034,415

PROGRAM EXPENDITURES AND REVENUE SUMMARY

FORM 1

MISSOURI INSTITUTE OF MENTAL HEALTH

	FY2005 Actual	FY2006 Estimated	FY2007 Planned & FY2008 Core	Mandatory Adjustment	FY2008 Request
EXPENDITURES:					
Program Operations	$2,299,850	$1,813,783	$2,047,541	$85,997	$2,133,538
Total Expenditures	$2,299,850	$1,813,783	$2,047,541	$85,997	$2,133,538
FTE Employees	34.0	25.0	28.6		28.6
SOURCES OF FUNDS:					
State Appropriations	$2,091,427	$1,784,683	$1,839,880	$77,275	$1,917,155
Non-State Revenues	31,415	29,100	207,661	8,722	216,383
Total Sources	$2,122,842	$1,813,783	$2,047,541	$85,997	$2,133,538

PERSONAL SERVICES AND EXPENSE AND EQUIPMENT DETAIL

FORM 3

MISSOURI INSTITUTE OF MENTAL HEALTH

	FY2006 Estimated		FY2007 Planned & FY2008 Core		Mandatory Adjustment	FY2008 Request	
	FTE	Amount	FTE	Amount	Amount	FTE	Amount
PERSONAL SERVICES:							
Teaching and Research	5.0	$514,183	5.9	$562,422	$22,497	5.9	$584,919
Exec., Admin., Managerial	2.6	89,489	1.4	85,012	3,400	1.4	88,412
Professional	5.4	221,050	7.2	279,178	11,167	7.2	290,345
Technical	2.5	71,318	3.1	90,502	3,620	3.1	94,122
Office	9.5	257,215	11.0	282,241	11,014	11.0	293,255
Staff Benefits		296,152		364,265	18,942	0.0	383,207
Total Personal Services	25.0	$1,449,407	28.6	$1,663,620	$70,640	28.6	$1,734,260
EXPENSE AND EQUIPMENT:							
Fuel and Utilities							
Library Acquisitions							
Equipment		$12,412		$11,500	$460		$11,960
All Other		351,965		372,421	14,897		387,318
Total Expense and Equipment		$364,377		$383,921	$15,357		$399,278
Grand Total	25.0	$1,813,783	28.6	$2,047,541	$85,997	28.6	$2,133,538

CORE BUDGET REQUEST ANALYSIS

FORM 4

MISSOURI INSTITUTE OF MENTAL HEALTH

I. MISSION STATEMENT

The Missouri Institute of Mental Health (MIMH) was established by a special act of the Missouri legislature for the purpose of conducting research aimed at improving services for persons served by the Department of Mental Health (DMH), and for fostering excellence in mental health services through employee training and the study of mental health policy and ethics.

II. PROGRAM DESCRIPTION

MIMH is a mental health research and training institute operated by the School of Medicine of the University of Missouri – Columbia. Most faculty and staff of the Institute have offices on the grounds of St. Louis Psychiatric Rehabilitation Center, and provide evaluation, research and training support to the DMH. The Hospital provides space and support services for the Institute. In addition, an important component of the training and research activity of the Institute is carried out on the Columbia campus of the University of Missouri in the Department of Psychiatry and Neurology, where both space and administrative support services are provided by the University. This joint endeavor between the Department of Mental Health and the University of Missouri has resulted in an organizational structure that ensures academic participation in research and education for the public mental health delivery system in Missouri.

To accomplish its statutory mission, the St. Louis component of MIMH is internally organized according to function: clinical and systems research; continuing education for DMH and other public-sector mental health professionals; evaluation, policy and ethics; child and families; professional library support; and administration. Student internships and practica are offered in systems research; children and family research; and evaluation, policy and ethics. Responsibility for residency training programs in psychiatry and clinical research into psychiatric illness rests with the Department of Psychiatry in Columbia.

MIMH is an active collaborative enterprise between the University of Missouri – Columbia and the Department of Mental Health. This productive collaboration has resulted in a proud history of, and commitment to, leadership in public mental health policy, research and training.

III. PERFORMANCE AND ACTIVITY MEASURES- MISSOURI INSTITUTE OF MENTAL HEALTH

	FY2006	FY2007	FY2008
A. Scientific and Professional Publications	49	52	55
Technical Reports	26	28	30
B. Scientific and Professional Presentations	147	150	155
C. Research Grants:			
Number of Applications for External Funding	40	51	57
Number Approved/Pending	22/14	22/15	23/16
Number Projects in Progress	62	56	57
Total Awards-Primary Investigator	$2,300,128	$2,400,000	$2,500,000
Total Awards-Secondary	$2,020,886	$2,100,000	$2,200,000
Letters of Intent	5	6	7
D. Students:			
Graduate and Medical Students Taught	210	210	210
Undergraduate Students Taught	110	110	110
Resident Physicians Trained - Pri Psych	22	22	22
Resident Physicians Trained - Sec Psych	10	10	10
E. Continuing Education:			
Number of Workshops Planned/Participated	95	100	120
Number of Visiting Speakers/Seminars	23	23	23
Total Participant Contacts in Missouri	3,335	3,900	4,320
Online CE Hours Completed	72	150	350
F. Consultation:			
Hours in Clinical, Programmatic, or Research Consultation to Mo Dept. of Mental Health	7,545	8,000	8,250
Hours With Other State & Civic Agencies	7,277	7,450	7,750
Consultation Contracts	20	21	22
Consultation Contract Awards	$1,590,353	$1,610,000	$1,630,888

III. PERFORMANCE AND ACTIVITY MEASURES-MISSOURI INSTITUTE OF MENTAL HEALTH (Continued)

	FY2006	FY2007	FY2008
G. Library Services:			
Number of Literature Searches	548	575	600
Current Awareness Requests	4,572	5,000	5,050
Articles/Books Borrowed	1,608	1,625	1,700
Articles/Books Loaned	9,004	10,000	10,100
Articles Photocopied	9,925	10,000	10,400
Circulation	1,641	1,700	1,750
H. Free Service for State Agencies ****			
(Number of consultations, affiliations, etc.)			
Service to DMH	7	10	15
Service to University	12	15	20
Service to Professional Organizations	31	35	40
Service to International, National, Federal, & Other State & Local Agencies	57	60	65
I. MIMH Policy Information Exchange *(PIE Online: http://mimh.edu)*			
Visitor Sessions	66,462	75,000	100,000
Repeat Visitors	4,034	5,000	8,000

**** Incomplete ability to track these figures exists**

PROGRAM DESCRIPTION

Department of Higher Education
Division of Four-year Colleges and Universities
Program is found in the following core budget(s): University of Missouri - Missouri Institute of Mental Health

1. What does this program do?

The MIMH is a mental health research and training institute operated by the School of Medicine of the University of Missouri – Columbia. Most faculty and staff of the Institute have offices on the grounds of St. Louis Psychiatric Rehabilitation Center (SLPRC), and provide evaluation, research and training support for the Department of Mental Health (DMH). SLPRC provides space and support services for the Institute. In addition, an important component of the training and research activity of the Institute is carried out on the Columbia campus of the University of Missouri in the Department of Psychiatry, where both space and administrative support services are provided by the University. This joint endeavor between the DMH and the University of Missouri has resulted in an organizational structure that ensures academic participation in research and education for the public mental health delivery system in Missouri.

To accomplish its statutory mission, the St. Louis component of MIMH is internally organized according to function: behavioral health research; continuing education for DMH and other public-sector mental health professionals; evaluation, policy and ethics; child and families; professional library support; and administration. Postdoctoral fellowships, internships and practica are offered for graduate students in psychology, social work and public health programs. Responsibility for residency training programs in psychiatry and clinical research into psychiatric illness rests with the Department of Psychiatry in Columbia.

MIMH is an active collaborative enterprise between the University of Missouri – Columbia and the DMH. This productive collaboration has resulted in a proud history of, and commitment to, leadership in public mental health policy, research and training.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.

Section 630.003, RSMo.

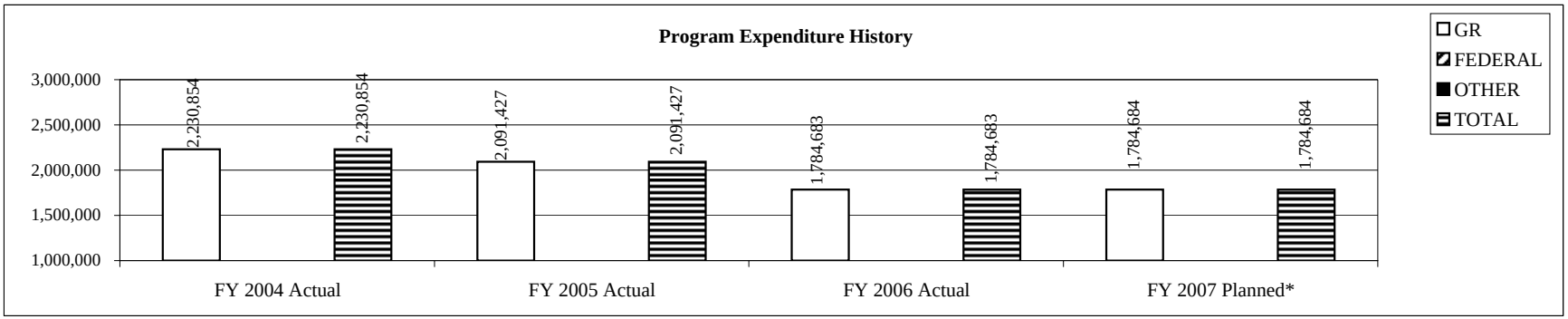
3. Are there federal matching requirements? If yes, please explain.

No

4. Is this a federally mandated program? If yes, please explain.

No

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year



* Net of 3% Governor's Withholding

PROGRAM DESCRIPTION

Department of Higher Education
Division of Four-year Colleges and Universities
Program is found in the following core budget(s): University of Missouri - Missouri Institute of Mental Health

6. What are the sources of the "Other " funds?

N/A

7a. Provide an effectiveness measure.

One important measure of effectiveness is the total number of **new dollars** MIMH brings to the University, the Department of Mental Health, and the state of Missouri each year. MIMH faculty wrote grants or provided technical assistance for state agencies and/or community groups in Missouri. Grants/contracts are normally awarded cyclically and multi-annually.

FY04	FY05	FY06	FY07 Projected	FY08 Projected	FY09 Projected
$23,000,000	$38,984,314	$4,400,000	$16,000,000	$12,000,000	$15,000,000

7b. Provide an efficiency measure.

One measure of efficiency is the total number of dollars awarded through grants and/or contracts to the Institute relative to the total number of state dollars provided each year by the taxpayers of Missouri. The table below indicates the number of dollars awarded to the Institute for each state dollar provided to the Institute.

FY04	FY05	FY06	FY07 Planned	FY08 Projected	FY09 Projected
$1.864	$2.560	$3.290	$3.300	$3.500	$3.750

7c. Provide the number of clients/individuals served, if applicable

The Institute is not a patient service organization. It does, however provide continuing professional education to all levels of Mental Health professionals. The table below contains a count of the Mental Health professionals that receive training conducted by the Institute each year.

FY04	FY05	FY06	FY07 Planned	FY08 Projected	FY09 Projected
3,138	1,730	2,085	2,600	3,020	3,500

7d. Provide a customer satisfaction measure, if available.

We collect detailed evaluations on all speakers who participate in our continuing education activities. The satisfaction of agencies who seek us out for technical assistance with grant applications is evident in the high return rate for these groups (and the high number of successful grants written at the Institute). One measure of the satisfaction of the academic community with the work of the Institute is found in the number of articles accepted in peer reviewed scholarly journals (MIMH faculty have published more than 1,000 scholarly papers since the Institute was founded).

NEW DECISION ITEM REQUEST

MISSOURI INSTITUTE OF MENTAL HEALTH
FORM 5

Department: **Higher Education-Unrestricted**
Level 2 **University of Missouri-Other Programs**
Level 3 **Missouri Institute of Mental Health**
Decision Item Name: **Mandatory Adjustments to Core Budget**
Decision Item Rank: **1 of 1**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

The Missouri Institute of Mental Health (MIMH) is a collaborative enterprise between the University of Missouri-Columbia School of Medicine and the Missouri Department of Mental Health (DMH). Its purpose is to conduct research and provide training aimed at improving services for persons served by DMH. Since 2002 the Missouri Institute of Mental Health has had its core state appropriation reduced. Current levels of appropriations are below those of the early 1990s on a nominal basis. When adjusted for inflation, the funding level becomes much more problematic. To add to the funding issue, MIMH has not had its request for mandatory cost increases approved since FY2001. Because mandatory cost increase adjustments are used to offset increases in the cost of the goods and services MIMH must buy to fulfill its mission, failure to fund these increases results in an internal core reduction. Failure to fund these increases will put MIMH's activities at risk and could result in a decline in its level of operations.

II. DESCRIPTION

The Missouri Institute of Mental Health continues to incur higher costs, to deliver its services to the public. One example is significant increases in the cost of staff benefits. There are also fixed cost increases associated with utilities, insurance, medical equipment, and supplies and services. The lack of additional funding removes the ability of the Missouri Institute of Mental Health to continue to provide the same level of services for the citizens of Missouri as currently provided.

The Missouri Institute of Mental Health will require funds to offset the effects of increased costs of operation. An adjustment of 4.2% on the state appropriation base is requested. The personnel policies are the same for these programs as for the general operations of the University.

III. COST EXPLANATION

Salaries @ 4.0% plus Related Benefits	$70,640
Expense and Equipment	15,357
Total Mandatory Cost Increases @ 4.2 %	$85,997
State Appropriations @ 4.2%	$77,275
From Non-State Sources	8,722
	$85,997

PROGRAM EXPENDITURES AND REVENUE SUMMARY

FORM 1

MISSOURI KIDNEY PROGRAM

	FY2005 Actual	FY2006 Estimated	FY2007 Planned & FY2008 Core	Mandatory Adjustment	FY2008 Request
EXPENDITURES:					
Program Operations	$3,896,271	$3,896,271	$4,016,774	$168,705	$4,185,479
Total Expenditures	$3,896,271	$3,896,271	$4,016,774	$168,705	$4,185,479
FTE Employees	10.25	10.25	9.85		9.85
SOURCES OF FUNDS:					
State Appropriations	$3,896,271	$3,896,271	$4,016,774	$168,705	$4,185,479
Non-State Revenues	0	0	0	0	0
Total Sources	$3,896,271	$3,896,271	$4,016,774	$168,705	$4,185,479

PERSONAL SERVICES AND EXPENSE AND EQUIPMENT DETAIL

FORM 3

MISSOURI KIDNEY PROGRAM

	FY2006 Actual		FY2007 Planned & FY2008 Core		Mandatory Adjustment	FY2008 Request	
	FTE	Amount	FTE	Amount	Amount	FTE	Amount
PERSONAL SERVICES:							
Teaching and Research							
Exec., Admin., Managerial	2.60	$160,075	2.6	$163,277	$6,531	2.60	$169,808
Professional	5.50	218,793	5.5	223,016	8,921	5.50	231,937
Technical					0	0.00	0
Office	1.60	43,093	1.6	44,626	1,785	1.60	46,411
Student	0.55	9,235	0.15	1,893	76	0.15	1,969
Staff Benefits		99,266		103,656	5,390	0.00	109,046
Total Personal Services	10.25	$530,462	9.85	$536,468	$22,703	9.85	$559,171
EXPENSE AND EQUIPMENT:							
Fuel and Utilities							
Equipment							
All Other							
Administrative Operations		$37,278		$52,292	$2,194		$54,486
Statewide Renal Education (Operations)		78,288		103,360	4,336		107,696
Maintenance & Antirejection Drugs		410,410		565,714	23,732		589,446
Dialysis Treatment		(6,462)		0	0		0
Transportation Assistance*		799,472		792,322	33,239		825,561
Insurance Premium Assistance		641,416		642,827	26,967		669,794
Emergency Medications		10,777		14,949	627		15,576
Patient/Staff Education		68,226		100,080	4,198		104,278
Transplant/Donor Assistance		16,300		50,000	2,098		52,098
Nutritional Supplements Program		52,985		59,798	2,509		62,307
Medicaid MAWD		3,990		0	0		0
Medicaid Spenddown		1,009,780		936,747	39,297		976,044
Cost Containment Research & Demonstration		243,349		162,217	6,805		169,022
Total Expense and Equipment		$3,365,809		$3,480,306	$146,002		$3,626,308
Grand Total	10.25	$3,896,271	9.85	$4,016,774	$168,705	9.85	$4,185,479

* Net after HCFA matching funds

CORE BUDGET REQUEST ANALYSIS

FORM 4

MISSOURI KIDNEY (RENAL DISEASE) PROGRAM

I. MISSION STATEMENT

The mission of the Missouri Kidney Program (MoKP) is to assist eligible Missouri residents who have chronic renal insufficiency or renal transplant to meet their medical, educational and psychosocial needs. In order to accomplish the above mission, the Missouri Kidney Program is committed to the following goals:

- To help assure that no Missourian is denied treatment for end stage renal disease (ESRD) because of financial or social status.
- To help assure that treatment is of high quality and provided at a reasonable cost.
- To encourage home dialysis and transplantation when medically feasible.
- To encourage donations of kidneys for transplantation.
- To encourage and support research, demonstration and prevention efforts designed to reduce the cost of care and/or delay the onset of ESRD.
- To maintain, in collaboration with other agencies, a data bank to aid in the planning and evaluation of ESRD services.
- To foster the exchange of medical, technical and administrative information among ESRD facilities.
- To encourage and support continuing education experiences for ESRD facility staff.
- To encourage and support education experiences for ESRD patients.
- To actively cooperate and collaborate with other organizations interested in the prevention and treatment of ESRD.

II. PROGRAM DESCRIPTION:

A. Functions

The MoKP carries out four basic functions or programs to accomplish the mission and goals stated above: (1) provision of funds to dialysis and transplant facilities to assist patients with direct medical expenses after other funding sources (Medicare, private insurance, etc.) have been exhausted; (2) provision of funds to assist eligible patients with other expenses related to their care (transportation, take-home drugs, insurance premiums, etc.); (3) sponsorship of cost containment research and demonstration projects in an effort to enhance the cost effectiveness of dialysis treatment modalities and transplantation techniques; and (4) provision of patient and continuing professional education programs.

B. Eligibility

To receive MoKP assistance, ESRD patients must be United States citizens residing permanently in Missouri, or aliens lawfully admitted for permanent residence in the state. For most benefits and assistance, patients must meet an income eligibility requirement.

C. Administration

The MoKP is administratively located within University of Missouri Health Care (MUHealth Care), and is managed by a director who reports directly to the Dean of the School of Medicine. A statewide advisory council appointed by the Dean of the School of Medicine provides general policy oversight. Although a unique function of the University and MU Health Care, the mission of the MoKP is clearly compatible with the overall mission of the University in terms of education, service and research.

III. PROGRAM JUSTIFICATION

A. High Cost of Kidney Replacement Therapy

As stated above, the mission of the MoKP is to assist Missouri residents suffering the tragedy of total kidney failure to meet their medical, psychosocial and educational needs. ESRD disproportionately strikes minority and low-income individuals and families. The expense of treatment is staggering: $50,000 annually for kidney dialysis; a kidney transplant operation costs from $75,000 to $100,000. Anti-rejection drugs cost $12,000 to $15,000 a year. Although most ESRD patients qualify for automatic Medicare benefits, coverage does not apply during the first 90 days following kidney failure and provides only an 80% benefit thereafter. State kidney programs such as the MoKP are necessary to fill this void in coverage, as well as to provide assistance with transportation, prescription drugs and deductibles not covered by Medicare.

B. Increased Number of Patients Needing Assistance

Missouri is somewhat unique with regard to renal disease. Missourians are experiencing kidney failure at a higher rate than the national average. This may be attributed to a number of factors including the general aging of the population and the tendency of renal disease to be slanted toward the last trimester of life. The highest rate of increase is in the population over 60 years old, with a disproportionate tendency toward non-Caucasians and persons with diabetes or hypertension. It is unlikely this trend will change in the foreseeable future and the number of Missourians experiencing ESRD will increase. Of the 7,000+ ESRD patients in Missouri, MoKP is able to provide assistance to only approximately 40% of ESRD patients. If the MoKP funding levels are maintained at current levels while the universe of ESRD patient grows then the percentage of Missouri citizens able to obtain help from the program will decrease. Residents of nearly every Missouri county and every legislative district need and receive MoKP assistance.

C. Summary

The MoKP is a unique resource in Missouri. The funding needs of the MoKP should be evaluated on their own merits, separate from the funding needs of the University of Missouri – Columbia. The continuing and substantial increase in the incidence of chronic kidney failure, the implications of which are delineated above and below, justify the request for increased state funding.

IV. PERFORMANCE AND ACTIVITY MEASURES

	FY2006	FY2007	FY2008
A. CERTIFIED and PARTICIPATING RENAL FACILITIES	131	133	137

B. MISSOURI ESRD PATIENTS - Calendar Year data	**CY2004**	**CY2005**	**CY2006**
1. Dialysis Census *	5,932	6,228	6,539
2. Transplant Census **	1,200	1,200 (est)	1,200 (est)
Total Census	7,132	7,428	7,739

* Provided from Network 12 data CY2004

** The CY2004 data is actual transplants provided to us from the various transplant centers in MO for CY2002. During FY2003 it became clear that HIPAA regulations barred us from collecting patient sensitive personal information on patients other than ones MoKP provides services for. MoKP served 461 transplant patients as of 6/30/2006. This is an unfortunate example of government regulation preventing us from knowing and understanding our patient population.

	FY2006	FY2007	FY2008
ESRD PATIENTS RECEIVING ASSISTANCE	2,673	2,807	2,947

C. PATIENT GROWTH AND UNIT COST PROJECTIONS

The average dollar value of assistance (unit cost) provided to MoKP eligible patients continued to fall during FY06. The average dollar value in FY95 was $1,251, in FY01 $1,073 and in FY06 - $1,099. There continues to be consistent and significant growth in ESRD patients. Erosion of benefits has been mitigated somewhat by the concerted efforts of the MoKP staff to increasingly share treatment and other expenses with Medicare, Medicaid and commercial insurance. Efforts with the centralized drug program, which provides maintenance and anti-rejection drugs, have been especially successful due to our recent contract with a new vendor. Due to improvements in our database and changes to the transportation program, patients who were previously approved for service, but was inactive was removed from the program.

Following is an analysis of actual and projected dollar value of assistance (unit cost) for FY08, assuming 5% annual patient growth from FY06 and FY07.

	FY2006 ACTUAL		**FY2008 PROJECTED**	
Type of Assistance	Number of Patients	Unit Cost $	Number of Patients	Unit Cost $
Maintenance & Anti-rejection Drugs	1,755	234	1,843	307
Dialysis Treatment	0	-	0	-
Transportation	1,486	538	1,560	508
Insurance Premiums	573	1,119	602	1,068
Emergency Medications	32	337	34	440
Transplant Donor Assistance	16	1,019	17	2,941
Nutritional Supplements	311	170	327	183
Medicaid Spenddown	1,131	893	1,188	789
Medicaid MAWD	65	61	0	-
Unduplicated Patients Served/Average Unit Cost	2,673	1,099	2,947	1,039

Missouri Kidney Program FY2006 Patient Assistance (by county)

*This chart does not include Centralized Drug Program, $410,410 (1755), Medicaid Spenddown $1,009,780 (1131), or Medicaid MAWD $3,900 (65) or Non-Emergency Medical Transportation $480,000 (noted above in county totals)

Dollars (Patients)

PROGRAM DESCRIPTION

Department of Higher Education
Missouri Kidney Program
Program is found in the following core budget(s): University of Missouri - Missouri Kidney Program

1. What does this program do?

The MoKP carries out four basic functions: (1) provision of funds to dialysis and transplant facilities to assist patients with direct medical expenses after other funding sources (Medicare, Medicaid, private insurance, etc.) have been exhausted; (2) provision of funds to assist eligible patients with other expenses related to their care (transportation, take-home drugs, insurance premiums, etc.); (3) sponsorship of cost containment research and demonstration projects in an effort to enhance the cost effectiveness of dialysis treatment modalities and transplantation techniques; and (4) provision of patient and continuing professional education programs.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

CHAPTER 172.875 RSMo.
SECTION 3.205 of HB1003 (2006)

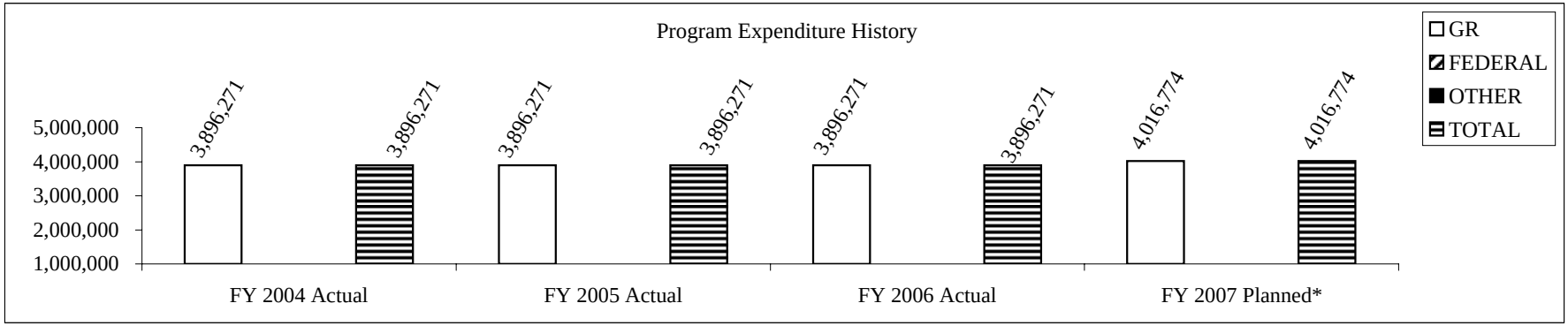
3. Are there federal matching requirements? If yes, please explain.

No

4. Is this a federally mandated program? If yes, please explain.

No

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



* Net of Governor's 3% Withholding

Department of Higher Education
Missouri Kidney Program
Program is found in the following core budget(s): University of Missouri - Missouri Kidney Program

6. What are the sources of the "Other " funds?

None

7a. Provide an effectiveness measure.

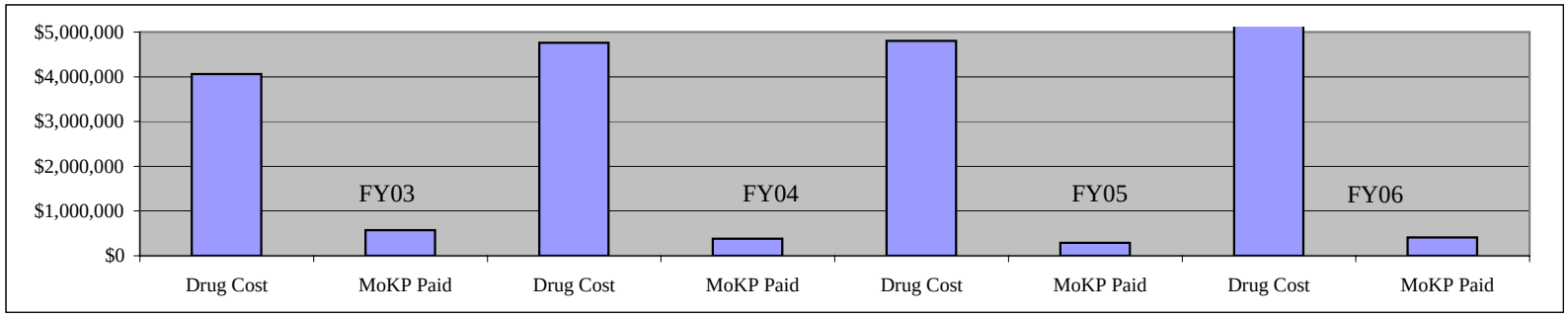
MoKP effectiveness is measured by the number of dollars of the appropriation going to reimburse patient care, education and research activities. MoKP expends in excess of 85% of its appropriation for patient care related activities.

FY 04		FY 05		Proj FY 06		Proj FY 07		Proj FY 08		Proj FY 09	
Patient Exp	Total Exp	Patient Exp	Total Exp	Patient Exp	Total Exp	Patient Exp	Total Exp	Patient Exp	Total Exp	Patient Exp	Total Exp
$3,342,770	$3,896,271	$3,327,956	$3,896,271	$3,328,531	$3,896,271	$3,428,014	$4,016,774	$3,557,657	$4,185,479	$3,707,079	$4,361,269

7b. Provide an efficiency measure.

MoKP's single largest expense is the Centralized Drug Program which supplies needed pharmaceuticals to patients statewide via mail-order. Kilgore Medical Pharmacy was awarded the contract to provide this service, including the billing of 3rd party payors. MoKP assumes the role of payor of last resort for patients whose treatment is not covered by Medicare/Medicaid or private health insurance. The data below summarizes actual expenditures for the past four years. We have chosen not to attempt to project expenditures for FY07-FY08 because Medicare part D just became effective in the second half of FY06 and the impact of this federal program is as yet unknown.

FY 03		FY 04		FY 05		FY 06	
Drug Cost	MoKP Paid	Drug Cost	MoKP Paid	Drug Cost	MoKP Paid	Drug Cost	MoKP Paid
$4,061,655	$570,846	$4,763,191	$383,708	$4,803,913	$291,754	$5,224,906	$406,661



Department of Higher Education
Missouri Kidney Program
Program is found in the following core budget(s): University of Missouri - Missouri Kidney Program

7c. Provide the number of clients/individuals served, if applicable.

The table below lists the number of clients served or projected to be served in one or more of our programmatic entities. In the past three years we have sustained approximately $433,000 in cuts to our base budget as part of statewide budget cuts. We have maximized our patient service delivery capabilities by micromanaging our heavy expense categories. Due to improvements in our database and changes to the transportation program, patients who were previously approved, but were inactive were removed from the program.

FY04	FY05	FY06	Proj FY07	Proj FY08	Proj FY09
2,732	2,842	2,673	2,806	2,946	3093

7d. Provide a customer satisfaction measure, if available.

MoKP has conducted a Patient Satisfaction Analysis program for 7 years. Each month a list of patients to be renewed for benefits is submitted to the Director, who randomly picks 20 to 30 patients to receive the questionnaire. The questionnaire is mailed to the patient along with a stamped, self addressed envelope to a P.O. Box here in Columbia rented by MoKP under the name Customer Satisfaction Research Branch. The patient submits responses anonymously without signing the response form. We received a 100% favorable customer satisfaction rating. We have chosen not to attempt to project patient responses for the current or outlying years because we have no accurate predictive model for patient responses to questionnaires.

	FY03	FY04	FY05	FY06
Questionnaires Received	48	92	94	47

NEW DECISION ITEM REQUEST

MISSOURI KIDNEY PROGRAM
FORM 5

Department: **Higher Education-Unrestricted**
Level 2 **University of Missouri-Other Programs**
Level 3 **Missouri Kidney Program**
Decision Item Name: **Mandatory Adjustments to Core Budget**
Decision Item Rank: **1 of 1**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

The Missouri Kidney Program's (MoKP) mission is to assist eligible Missouri residents who have chronic renal insufficiency or renal transplant to meet their medical, educational and psychosocial needs. The number of Missouri residents who qualify for assistance increases each year. The cost of treatment continues to rise. The Missouri Kidney Program has had its state appropriations reduced since FY2002. Current appropriations levels approximate those of FY1996 and when adjusted for inflation are substantially below historic levels. To add to the funding issue, the Missouri Kidney Program has not had its request for mandatory cost increases approved since FY2001. Because mandatory cost increase adjustments are used to offset increases in the cost of the goods and services the Kidney Program must buy to provide patient services and fulfill its mission, failure to fund these increases results in an internal core reduction. As a result, the average dollar value of assistance to MoKP eligible patients continues to decline.

II. DESCRIPTION

The Missouri Kidney Program continues to incur higher costs, to deliver its services to the public. One example is significant increases in the cost of staff benefits. There are also fixed cost increases associated with insurance, medical equipment and services, pharmaceuticals, information technology, and supplies and services. Lack of additional funding removes the ability of the Missouri Kidney Program to continue to provide the same level of services for the citizens of Missouri as currently provided.

The Missouri Kidney Program will require funds to offset the effects of increased costs of operation. An adjustment of 4.2% on the state appropriation base is requested. The personnel policies are the same for these programs as for the general operations of the University.

III. COST EXPLANATION

Salaries @ 4.0% plus Related Benefits	$22,703
Expense and Equipment	146,002
Total Mandatory Cost Increases @ 4.2%	$168,705
State Appropriations 4.2%	$168,705

PROGRAM EXPENDITURES AND REVENUE SUMMARY

FORM 1

MISSOURI RESEARCH AND EDUCATION NETWORK (MORENET)

	FY2005 Actual	FY2006 Estimated	FY2007 Planned & FY2008 Core	Mandatory Adjustment	Increase Requested	FY2008 Request
EXPENDITURES:						
Program Operations						
Shared Network	$9,813,456	$9,531,721	$10,682,052	$448,646	$1,660,000	$12,790,698
Advanced Networking Research, and Video and Distance Learning	1,848,412	1,337,874	1,276,005	53,592		1,329,597
Higher Education Connections	1,728,460	994,963	660,062	27,723	70,000	757,785
Public Schools TNP Connections	4,568,839	4,269,043	4,747,073	199,377	460,000	5,406,450
Total Expenditures	$17,959,167	$16,133,601	$17,365,192	$729,338	$2,190,000	$20,284,530
FTE Employees	66.4	61.3	63.7		0.0	63.7
SOURCES OF FUNDS:						
State Appropriations						
Recurring	$13,189,939	$9,848,489	$10,254,612	$430,694	$870,000	$11,555,306
One-Time					1,320,000	1,320,000
Total	$13,189,939	$9,848,489	$10,254,612	$430,694	$2,190,000	$12,875,306
Other	$4,769,228	$6,285,112	$7,110,580	$298,644		$7,409,224
Total Sources	$17,959,167	$16,133,601	$17,365,192	$729,338	$2,190,000	$20,284,530

PERSONAL SERVICES AND EXPENSE AND EQUIPMENT DETAIL

FORM 3

MISSOURI RESEARCH AND EDUCATION NETWORK (MORENET)

	FY2006 Estimated		FY2007 Planned & FY2008 Core		Mandatory Adjustment	Increase Requested		FY2008 Request	
	FTE	Amount	FTE	Amount	Amount	FTE	Amount	FTE	Amount
PERSONAL SERVICES:									
Teaching & Research									
Exec., Admin., Managerial									
Professional	61.3	$3,495,804	63.7	$3,638,833	$145,553	0.0	0	63.7	$3,784,386
Technical					0			0	0
Office					0			0	0
Other					0			0	0
Staff Benefits		882,341		1,105,477	57,485		0	0	1,162,962
Total Personal Services	61.3	$4,378,145	63.7	$4,744,310	$203,038	0.0	$0	63.7	$4,947,348
EXPENSE AND EQUIPMENT:									
Fuel and Utilities									
Library Acquisitions									
Equipment							$1,320,000		$1,320,000
All Other		$11,755,456		$12,620,882	$526,300		870,000		14,017,182
Total Expense & Equipment		$11,755,456		$12,620,882	$526,300		$2,190,000		$15,337,182
Grand Total	61.3	$16,133,601	63.7	$17,365,192	$729,338	0.0	$2,190,000	63.7	$20,284,530

CORE BUDGET REQUEST ANALYSIS

FORM 4

MISSOURI RESEARCH AND EDUCATION NETWORK (MORENET)

I. MISSION STATEMENT

MOREnet's Vision

We will lead Missouri and the nation in the innovative application of technology for the benefit of the public.

MOREnet's Core Purpose

MOREnet works with its members to set and support Missouri's information technology goals and directions. We explore and deliver new ways to enhance learning opportunities to create a better quality of life for all Missourians.

II. DESCRIPTION

The Shared Network

The Shared Network enables the delivery of important public services throughout the state. With this network, members of the education community interact with each other via data and video services, public sector business applications are built and conducted on it, and Missouri citizens interact with their state government through it. Because the intra-state network's design connects several major population centers in the state, MOREnet can provide increased network security, reliability and quality of service, qualities essential for electronic collaboration by Missourians, including video and distance learning, MOBIUS, the Missouri Telehealth Network, and online resources from EBSCO and NewsBank.

Member Connections

MOREnet manages nearly 1,000 member connections statewide. Member connections link each MOREnet member to the Shared Network. These connections are the essential paths needed to get data to the Shared Network and connect students, parents, teachers and citizens to the rest of the state and the world. HB3 partially funds public higher education and K-12 school district member connections, and the single high-speed connection to the Shared Network used by the legislature and all state agencies. Public library member connections are funded by HB12.

Shared Network Capacity and Procurement

MOREnet aggressively seeks new bids for Network Backbone circuits and pursues other cost savings options with Internet service providers on a recurring basis. The demand for Internet access and Backbone services continues to grow at a rapid pace. Although there are fewer new sites being added to the network, additional workstations and greater use of electronic resources and communications by students, faculty and staff continue to push bandwidth demand higher. In addition, the citizens of Missouri are continuing to interact with state government via electronic transactions and communications. MOREnet is continually seeking new ways to manage the growth in demand without adversely affecting education and government. MOREnet is aggressively pushing the telecommunications providers for reasonably priced bandwidth and services. As noted in the Form 5, trending analysis of usage data indicates that if the use of video and data transfer over the existing network backbone continues to grow at the same pace, the backbone will approach saturation by the end of FY08. As a result, capacity will need to be added by FY08 in order to maintain a robust, reliable and secure network. This transition will require significant one-time equipment costs but will then provide capacity to meet demand growth for several years into the future.

III. PERFORMANCE AND ACTIVITY MEASURES

	FY 2005	FY 2006	FY 2007	FY 2008
Member Connections (Total MOREnet)	966	978	990	1002
Total Access to Missouri Backbone from Member Connections (Mb)	2,589	3,525	4,405	5,505
Network Backbone Capacity Minimum hub-to-hub capacity (Mb)	622	1,000	1,000	1,000
Internet Access Capacity (Mb)	1,990	2,488	2,488	2,600
Video Events (Note 1)	5,147	15,435	16,052	16,694

Note 1 – The increase in video usage in FY06 was primarily due to the transition of two K-12 consortiums with their events to MOREnet's video bridging service, and the enabling of member controlled video event scheduling.

PROGRAM DESCRIPTION

Department of Higher Education
Program Name: Missouri Research and Education Network (MOREnet)
Program is found in the following core budget(s): MOREnet

1. What does this program do?

Established in 1991, MOREnet is a collaborative effort of the University of Missouri System, the Department of Higher Education, the Department of Elementary and Secondary Education, the Secretary of State, and the Office of Administration. MOREnet provides Internet connectivity, access to the national advanced research network (Internet2), network consulting, security and technical support, videoconferencing services and training to Missouri's elementary, secondary, and higher education communities, public libraries, health care, state government and other affiliated non-profit organizations.

The MOREnet network (the Shared Network) is the foundation infrastructure that enables delivery of numerous public services throughout the state. Members of the education community interact with each other via data and video services, public sector business applications are built and conducted on it, and Missouri citizens interact with their state government through it. An important feature of the Internet connectivity provided by MOREnet is the high speed intra-state network consisting of six leased circuits connecting several major population centers in the state. This intra-state network provides a responsiveness, robustness, level of security, and reliability of service that is essential to the quality of service necessary to promote e-government and electronic collaboration for Missourians, including video and other distance learning, the shared catalog for state academic libraries, a network of clinics providing high quality specialty medical care in rural or other underserved communities, and the sharing of online databases of information, among other initiatives.

Member connections link each MOREnet member to the shared network and the Internet. MOREnet manages nearly 1,000 member connections statewide, with House Bill 3 partially funding public higher education and public K-12 school district connections. Public library connections are funded through House Bill 12. The House Bill 3 appropriation also supports video distance learning production services, which enables Missouri's colleges, universities, schools and libraries to make their educational and training programs readily accessible to citizens and students throughout the state. MOREnet coordinates event schedules and provides technical support during the weekdays, evenings and weekends.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.

MOREnet operates as a separate unit within the University of Missouri System which is authorized by both the state Constitution (Article IX, Section 9) and state statute (RSMO Chapter 172). The MOREnet Council, consisting of representatives from the Secretary of State, Department of Higher Education, Department of Elementary and Secondary Education, the University of Missouri, the Office of Administration, local schools, libraries, and higher education, was formed in 2003 to direct and oversee planning and budgeting for the Shared Network infrastructure.

3. Are there federal matching requirements? If yes, please explain.

MOREnet is able to leverage federal reimbursements through the Universal Service Fund for Schools and Libraries, also known as the E-rate Program. This federal program provides discounts on telecommunication services, Internet access, and internal connections for all K-12 schools and libraries.

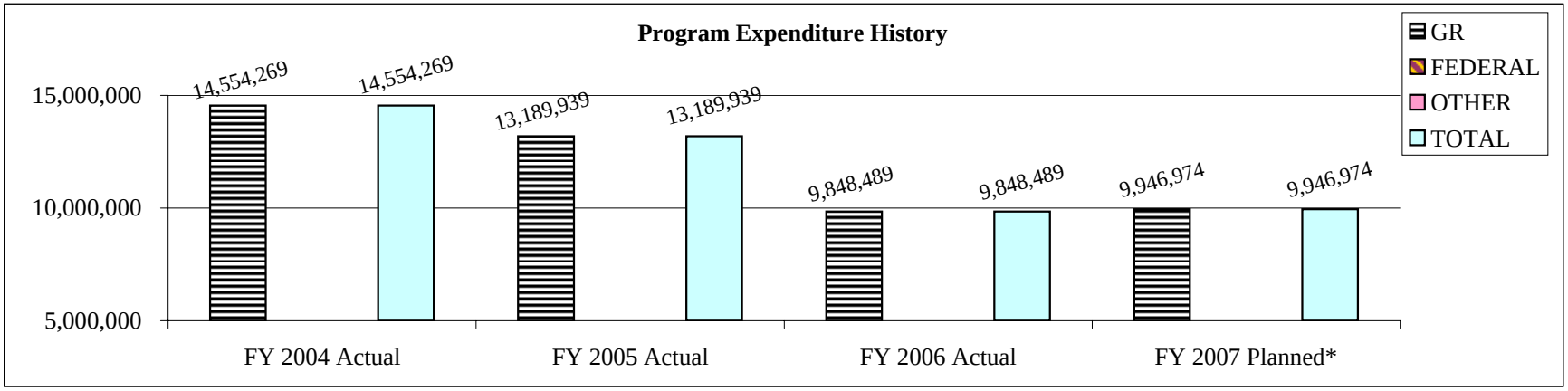
4. Is this a federally mandated program? If yes, please explain.

No.

PROGRAM DESCRIPTION

Department of Higher Education
Program Name: Missouri Research and Education Network (MOREnet)
Program is found in the following core budget(s): MOREnet

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year



*The standard three percent Governor's reserve was assumed for the FY 2007 appropriation.

6. What are the sources of the "Other " funds?

Not applicable.

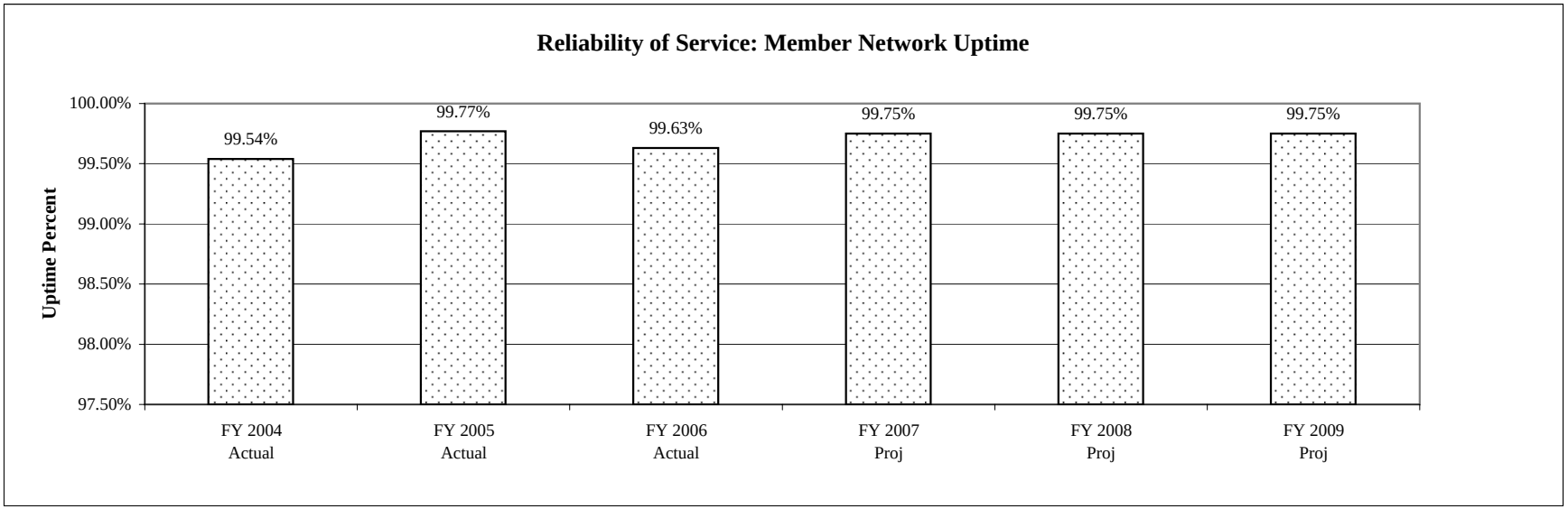
Department of Higher Education
Program Name: Missouri Research and Education Network (MOREnet)
Program is found in the following core budget(s): MOREnet

7a. Provide an effectiveness measure.

Reliability of Service: Member Network Uptime

This measurement provides information on the members' access to service, how often their connection to the Internet is up and running, and is based on average member connection uptime, adjusted for an estimate of planned outages. These uptimes are lower than actual performance because they include lag time related to updating information in the utilization reporting system when a member connection is upgraded, and they have not been adjusted to account for times connections might be unresponsive due to high member utilization or disconnection of equipment by the member.

	FY 2004 Actual	FY 2005 Proj.	FY 2005 Actual	FY 2006 Proj.	FY 2006 Actual	FY 2007 Proj.	FY 2008 Target	FY 2009 Target
Member Network Uptime	99.54%	99.50%	99.77%	99.75%	99.63%	99.75%	99.75%	99.75%

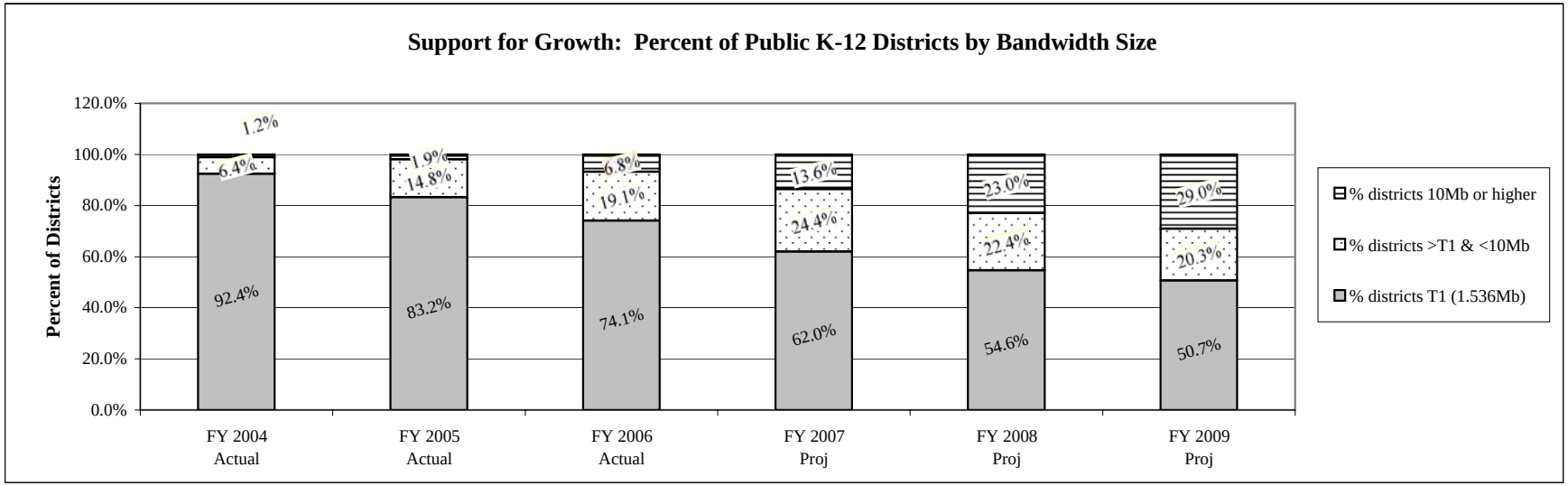


Department of Higher Education
Program Name: Missouri Research and Education Network (MOREnet)
Program is found in the following core budget(s): MOREnet

Serving the Needs of Schools, Access for All and Support for Growth: Percent of Public K-12 Districts by Bandwidth Size

In the 2002 – 2006 Education Technology Goals and Objectives document, approved by the State Board of Education, DESE has stated that "all school administrators, teachers, staff, and students will have equitable access to education technologies that promote student performance and academic achievement". This goal is supported through MOREnet by the provision of a minimum of one T1 (1.536 Mb) connection to the shared network to each district, with incremental bandwidth increases up to 45 Mbps for districts that have over 70 percent utilization, as established in Department of Elementary and Secondary Education's education technology strategic plan. The result is that all districts and students benefit. Students in small districts, that otherwise might be unable to afford this level and quality of service, have the same robust, reliable and secure access to educational resources available on the Internet, as students in districts with more resources. And districts with growth in demand for connectivity -- as they add additional computers to their networks, access web based resources to supplement library holdings and enhanced curriculum, interact with parents and students, and conduct business with the state -- receive the bandwidth they need.

	FY 2004 Actual	FY 2005 Proj.	FY 2005 Actual	FY 2006 Proj.	FY 2006 Actual	FY 2007 Proj.	FY 2008 Target	FY 2009 Target
Percent of districts with T1	92.4%	not avail	83.2%	75.4%	74.1%	62.0%	54.6%	50.7%
Percent of districts > T1 & < 10Mb	6.4%	not avail	14.8%	19.3%	19.1%	24.4%	22.4%	20.3%
Percent of districts with 10Mb or greater	1.2%	not avail	1.9%	5.3%	6.8%	13.6%	23.0%	29.0%



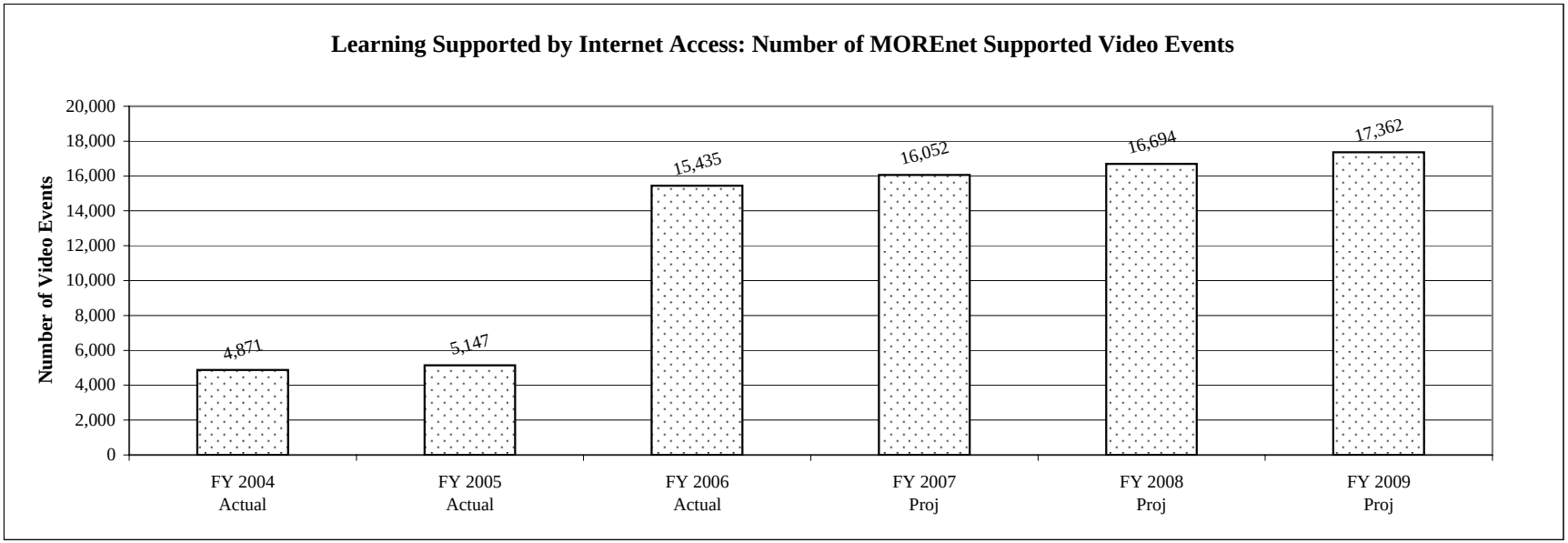
Department of Higher Education
Program Name: Missouri Research and Education Network (MOREnet)
Program is found in the following core budget(s): MOREnet

Learning Supported by Internet Access: Number of MOREnet Supported Video Sites and Events

The reliability and security of the MOREnet network has enabled the growth in classes and courses supported by Internet access in Missouri, improving and increasing educational opportunities throughout the state. These courses include many types of delivery methods such as video classes enabled by MOREnet. Currently there is no single, consistent source of information on the number and type of courses enabled by the shared network.

	FY 2004 Actual	FY 2005 Proj.	FY 2005 Actual	FY 2006 Proj.	FY 2006 Actual	FY 2007 Proj.	FY 2008 Target	FY 2009 Target
Video Events	4,871	4,960	5,147	5,250	15,435	16,052	16,694	17,362
Video Sites*	16,923	17,300	18,908	20,000	51,334	55,441	59,876	64,666

*The average video event includes participation between several sites.



Note: The increase in video usage in FY06 was primarily due to the transition of two K-12 consortiums with their events to MOREnet's video bridging service, and the enabling of member controlled video event scheduling.

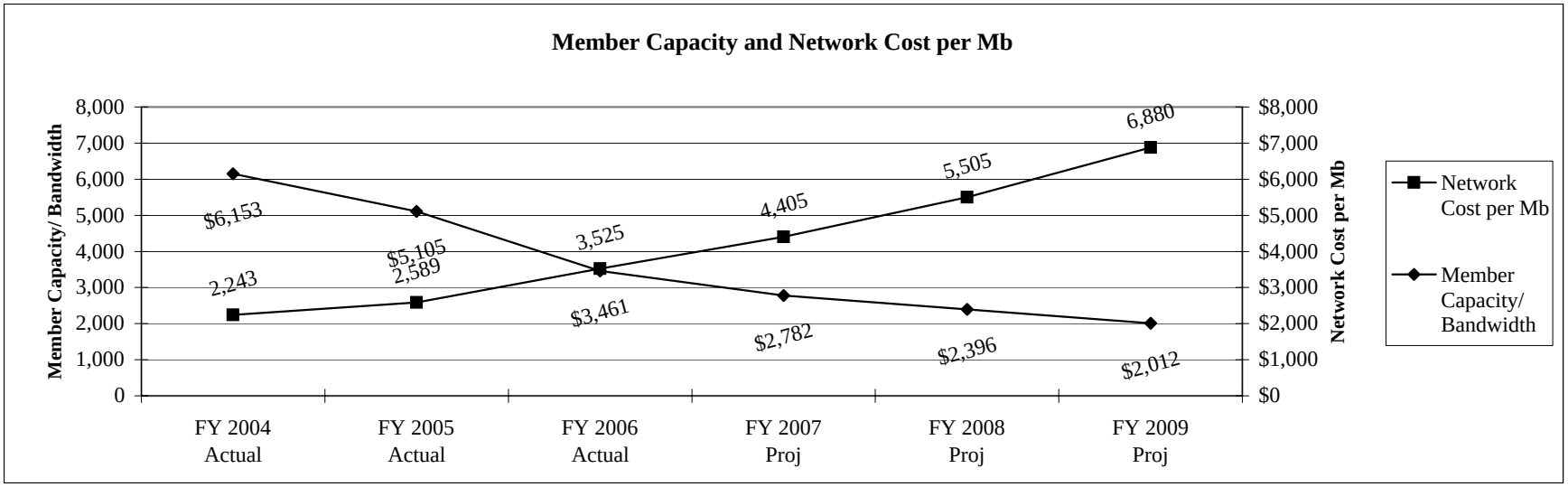
Department of Higher Education
Program Name: Missouri Research and Education Network (MOREnet)
Program is found in the following core budget(s): MOREnet

7b. Provide an efficiency measure.

Demand Growth and Cost Efficiency: Capacity and Cost per Mb

The demand for Internet access continues to grow at a rapid pace. Although there are fewer new sites being added to the network, additional workstations and greater use of electronic resources and communications by students, faculty, and staff continues to push bandwidth demand higher. In addition, the citizens of Missouri are increasing their interaction with state government via electronic transactions and communications that run across MOREnet's network. MOREnet continually seeks new ways to manage the growth in demand without adversely affecting education and government, including aggressively seeking new bids for all telecommunications circuits.

	FY 2004 Actual	FY 2005 Proj.	FY 2005 Actual	FY 2006 Proj.	FY 2006 Actual	FY 2007 Proj.	FY 2008 Target	FY 2009 Target
Member Capacity in Mb	2,243	2,500	2,589	2,950	3,525	4,405	5,505	6,880
Network Cost per Member Mb	$6,153	$5,988	$5,105	$4,458	$3,461	$2,782	$2,396	$2,012



PROGRAM DESCRIPTION

Department of Higher Education
Program Name: Missouri Research and Education Network (MOREnet)
Program is found in the following core budget(s): MOREnet

7c. Provide the number of clients/individuals served, if applicable

MOREnet provides Internet connections to 100% of public higher education institutions, 96% of four-year private not-for-profit higher education institutions, 98% of public elementary and secondary districts, and 87% of eligible public libraries in the state, as well as state government, the Missouri Telehealth Network, and the University of Missouri Extension offices. Citizens accessing the websites of any of these institutions do so via services provided by MOREnet.

	FY 2004		FY 2005		FY 2006		FY 2007	FY 2008	FY 2009
Program	**Proj.***	**Actual**	**Proj.**	**Actual**	**Proj.**	**Actual**	**Proj.**	**Target**	**Target**
Public K-12 Districts	not avail	514	513	513	513	513	513	513	513
Public K-12 Students[1]	not avail	888,675	847,848	859,407	859,407	858,674	858,674	858,674	858,674
Colleges and Universities	not avail	64	65	65	66	67	67	67	67
Postsecondary Students[2]	not avail	315,374	315,374	317,670	317,670	324,235	324,235	324,235	324,235
Public	not avail	216,220	216,220	214,574	214,574	217,625	217,625	217,625	217,625
Private Not-For-Profit	not avail	99,154	99,154	103,096	103,096	106,610	106,610	106,610	106,610
Library Branches	not avail	225	226	230	230	231	231	231	231
Total Members	not avail	746	746	732	733	737	737	737	737
Total Students	not avail	1,204,049	1,163,222	1,177,077	1,177,077	1,182,909	1,182,909	1,182,909	1,182,909

*No projections exist for FY 2004 because this form was introduced for the first time for the FY06 state appropriations cycle.

[1] Student count does not include Missouri School for the Deaf or Missouri School for the Blind.

[2] Student count does not include private for-profit colleges or universities, and is based on headcount enrollment.

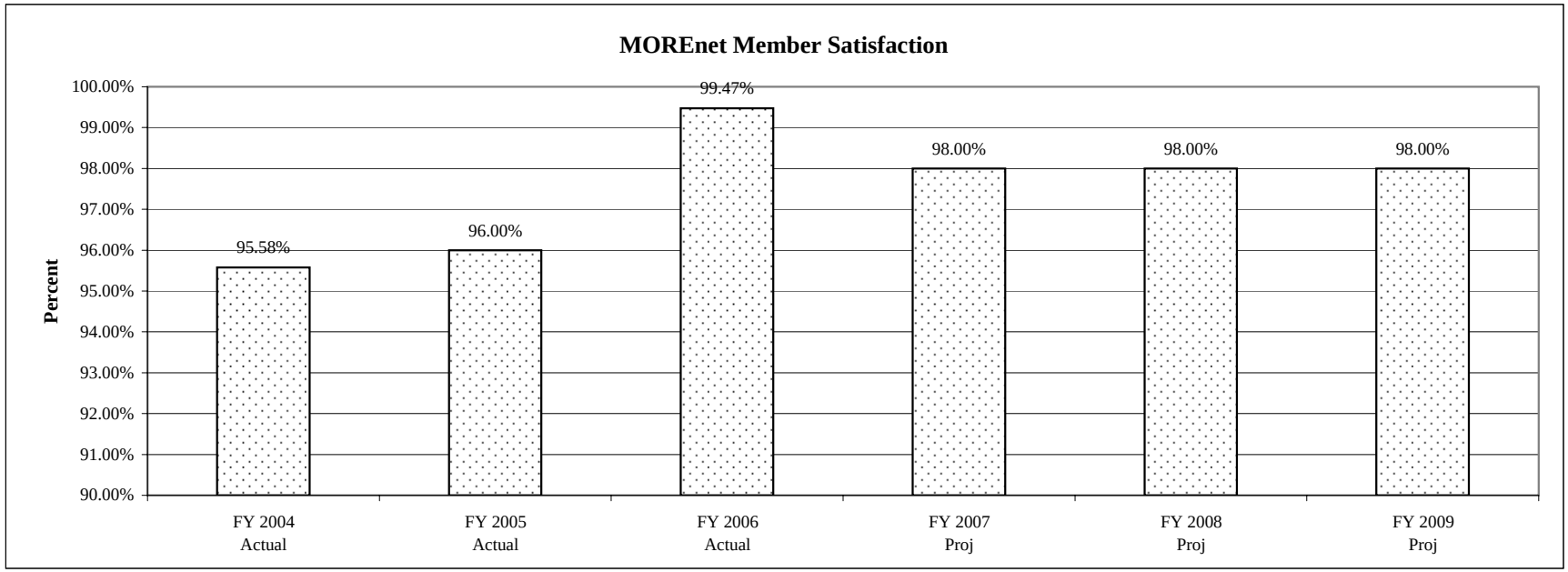
Department of Higher Education
Program Name: Missouri Research and Education Network (MOREnet)
Program is found in the following core budget(s): MOREnet

7d. Provide a customer satisfaction measure, if available.

All members contacting MOREnet technical support for assistance receive an electronic satisfaction survey following the resolution of their issues. This survey asks the member to rate MOREnet performance in five areas: staff knowledge, effectiveness of solution, timeliness of resolution, staff communication skills, and courteous service. The data shown below is averaged across all members, types of assistance, and areas of performance.

In addition to this survey data, in FY 2005 MOREnet completed a broader member satisfaction survey in which respondents rated MOREnet 9.1 on a scale of zero to 10. While satisfaction ratings were consistently high across areas of service, type of member, and size of organization, the areas in which members displayed the highest satisfaction were Internet connection reliability, technical support, security services, and general member service.

	FY 2004 Actual	FY 2005 Proj.	FY 2005 Actual	FY 2006 Proj.	FY 2006 Actual	FY 2007 Proj.	FY 2008 Target	FY 2009 Target
Help Desk Member Satisfaction Survey	95.58%	95.58%	96.00%	96.00%	99.47%	98.00%	98.00%	98.00%



NEW DECISION ITEM REQUEST

MISSOURI RESEARCH AND EDUCATION NETWORK (MORENET)
FORM 5

Department: **Higher Education-Unrestricted**
Level 2 **University of Missouri-Other Programs**
Level 3 **Missouri Research and Education Network (MOREnet)**
Decision Item Name: **Mandatory Adjustments to Core Budget**
Decision Item Rank: **1 of 3**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

Missouri Research and Educational Network (MOREnet) provides Internet access and telecommunications services to elementary, secondary, and higher education communities, public libraries, and state government. MOREnet has worked hard to contain costs through administrative efficiencies, competitive bidding and innovative methods. However, since FY2002 it has had its state appropriations reduced. To add to the funding challenge, MOREnet has not had its request for mandatory cost increases approved since FY2001. Because mandatory cost increase adjustments are used to offset increases in the cost of the goods and services MOREnet must buy to provide its network services and fulfill its mission, failure to fund these increases results in internal core reductions and increased customer fees.

II. DESCRIPTION

MOREnet continues to incur higher costs to deliver its services to the public including cost increases in staff benefits, utilities, telecommunications, and information technology equipment. The personnel policies for MOREnet are based on the same as those for the general operations of the University.

One of the greatest areas of cost pressure is related to the demand from public K-12 school districts and public higher education institutions for additional local telecommunication connections capacity. Demand for capacity has grown steadily as schools have begun to depend on Internet connectivity to enhance and facilitate classes and other services. Adequate connectivity is necessary to continue to support the significant educational advancements enabled by educational resources/tools such as class delivery by video, on-line information resources, web resources and research tools, and virtual field trips. These educational tools are particularly important for K-12 students who may not have access to classes or facilities due to illness, disabilities, rural locations, under-resourced school districts, etc., and for working adults who would not be able to pursue higher educational opportunities without courses and degree programs enabled by the Internet.

This request is based on an adjustment of 4.2% of the state appropriations base to offset the effects of increased costs of operation.

III. COST EXPLANATION

State Appropriations @ 4.2%	$430,694
From Non State Sources	298,644
Total Mandatory Adjustments to Core Budget	$729,338

NEW DECISION ITEM REQUEST

UNRESTRICTED EDUCATIONAL AND GENERAL
FORM 5

Department:	**Higher Education Unrestricted**
Level 2	**University of Missouri System**
Level 3	**Missouri Research and Education Network (MOREnet)**
Decision Item Name:	**Increased Capacity for Public Higher Education and K-12 Connections and Internet Access: $870,000**
Decision Item Rank:	**2 of 3**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

Analysis of network usage identifies two areas of significant concern that threaten the services delivered by MOREnet. The first area is the demand from public higher education institutions and K-12 school districts for additional capacity for telecommunication connections that connect participating higher education institutions and school districts to the network backbone and Internet (local connections). The cost of meeting this demand has an estimated cost increase of $70,000 for higher education and $460,000 for K-12 school districts. The second area is the increased demand for Internet access. Current estimates indicate that it will cost an additional $340,000 to provide adequate Internet access capacity in FY08. Increases in expenses of this magnitude can not be absorbed with existing resources. Failure to supply adequate access would degrade the quality of the state's shared network, threatening the services and public benefits provided to Missouri students, library patrons, and citizens accessing state e-government initiatives.

II. DESCRIPTION

2.a. Increased Demand for Public Higher Education and K-12 Connection Capacity

The core appropriation in HB 3 funds local telecommunication connections to the network backbone and Internet for all public colleges and universities and over 500 public school districts. Network usage data shows the demand for capacity grew by 44% for public K-12 schools and 30% for colleges and universities in FY06. This increased capacity is directly related to institutions and schools who have expanded use of high-speed local connectivity for student instruction, teacher development, parent communications, and business operations. Aggressive contract negotiations and migration to new telecommunications technologies have generated savings to cover much, but not all, of the increase in demand for capacity. Due to the increasing growth in demand, the cost of local telecommunications connections for public higher education institutions and K-12 school districts is projected to increase by $70,000 and $460,000, respectively in FY08.

Adequate capacity is necessary to continue to support the significant educational advancements enabled by educational resources/tools such as class delivery by video, online information resources, web resources and research tools, and virtual field trips. These educational tools are particularly important for K-12 students who may not have access to classes or facilities due to illness, disabilities, rural locations, or under-resourced school districts.

2.b. Increased Internet Access Capacity

Through FY07, MOREnet will provide 2,488 megabit per second (Mb) capacity of Internet access in order to meet projected demand. Internet access capacity is driven by the growing demand by all members. In FY06, member utilization of existing tail circuit capacities increased by 36%. Projections for FY08 indicate a need for the purchase of additional Internet access capacity to ensure that the network maintains adequate performance and reliability. In addition, as passed in the 2006 legislative session, SB 912 – Establishment of a Virtual School, has the potential to place greater demands on the network as the virtual school is to provide instruction in a virtual setting using technology, intranet, and/or Internet methods of communication. Recurring costs of $340,000 are for additional Internet bandwidth capacity to bring total Internet access capacity to 2,600 Mb.

III. COST EXPLANATION

Increased cost of meeting the capacity demands of public higher education and K-12 local connections - $530,000 ongoing funding, State General Revenue.

Projected additional access capacity times average monthly price per Mb - Public Higher Education: (220 Mb x $25 x 12 months) = approximately $70,000:

Public School Districts: (505 Mb x $75 x 12 months) = approximately $460,000.

Note: The average monthly price per Mb for member connections continues to drop due to buying larger capacity connections. Under currently negotiated telecommunications contracts, the average cost per Mb is lower for larger capacity connections. It is these larger capacity connections that are expected to generate most of the future growth.

Increased Internet access capacity - $340,000 ongoing funding, State General Revenue.

Currently MOREnet has four OC-12 internet access circuits in place for a total capacity of 2,488 Mb. Growth beyond this capacity will require higher initial per Mb cost.

FY07 Internet access capacity times average estimated increase in monthly price per Mb plus FY08 growth in capacity times new monthly price per Mb (2,488 Mb x ($70-62) x 12 months) + ((2,600-2,488 Mb) x $70 x 12 months) = $238,848 + $94,080 = approximately $340,000

RECURRING FUNDS

PCS	FTE	Compensation	E&E	Total
Instruction				
Research				
Public Service			$870,000	$870,000
Academic Support				
Student Services				
Institutional Support				
Operation & Maintenance of Plant				
Scholarships & Fellowships				
Total Improvements			$870,000	$870,000

From State Appropriations **$870,000**

IV. EVALUATION OF OUTCOMES

Increased Demand for Public Higher Education and K-12 Connection Capacity

- Increased connection capacity allows for the use of applications and tools to bring learning resources from around the world to the student, regardless of where they may reside in the state and to assist in the delivering of quality education both within and outside the traditional classroom environment.

Increased Internet Access Capacity

- Increased Internet capacity enables the delivery and assures the quality of distance learning courses that help meet local K-12 graduation requirements and Missouri college/university entrance requirements. These educational resources are particularly important for students who may not have access to classes or facilities any other way due to illness, disabilities, rural locations, under-resourced school districts, etc.
- Adequate Internet capacity will allow members access to the basic needs of the education community for routine research and access to content information to supplement traditional textbooks and information resources.
- Increased Internet capacity allows for access by Missouri citizens to employment and educational opportunities, health care or general research needs through technology tools and the commodity Internet.
- Adequate Internet capacity will help minimize network congestion while accessing the commodity Internet.

NEW DECISION ITEM REQUEST

UNRESTRICTED EDUCATIONAL AND GENERAL
FORM 5

Department:	**Higher Education Unrestricted**
Level 2	**University of Missouri System**
Level 3	**Missouri Research and Education Network (MOREnet)**
Decision Item Name:	**One-Time Network Equipment Replacements: $1,320,000**
Decision Item Rank:	**3 of 3**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

An important differentiator in the connectivity MOREnet provides is related to the intra-state connectivity, or network backbone. The network backbone functions like an interstate highway system, with pathways similar to I-70 and I-44. All MOREnet members use the network backbone every day when connecting with each other and the outside world. A robust, reliable, and secure network is essential to maintain a high-speed, high-quality channel for data and video traffic including, video distance learning, and remote medical services (Telehealth). The backbone also consolidates bandwidth to contain costs.

Trending analysis of usage data indicates that if the use of video and data transfer over the existing network backbone continues to grow at the same pace, the backbone will approach saturation by the end of FY08. As a result, capacity will need to be added in FY08 in order to maintain a robust, reliable and secure network. This transition will require significant one-time equipment costs but will then provide capacity to meet demand growth for the foreseeable future.

II. DESCRIPTION

Current projections based on an analysis of backbone usage data indicate the existing backbone circuit structure has sufficient capacity to sustain growth through FY08. Growth projections beyond FY08 indicate that maintaining the current 622 megabit per second (Mb) backbone will not be sufficient. Renewing contracts for these circuits, which expire during FY08, at the current capacity, is not feasible. The estimated one-time cost of the equipment necessary to upgrade and increase the capacity of the current backbone is a one-time cost of $1,320,000. Migrating to this alternative technology will provide sufficient capacity for the foreseeable future.

MOREnet has continuing discussions with the Office of Administration and the Department of Transportation regarding use of existing fiber optic networks; however, it is not possible to predict the outcome or timeframe of any decision from these discussions. In the meantime, additional capacity is needed to continue to provide high-quality service to schools, libraries, public higher education and state agencies.

III. COST EXPLANATION

Network Equipment Replacements - $1,320,000 one-time funding, State General Revenue.
One-time equipment costs of $1,320,000 include backbone equipment upgrades for circuit cards and three new routers.

ONE-TIME FUNDS

PCS	FTE	Compensation	E&E	Total
Instruction				
Research				
Public Service			$1,320,000	$1,320,000
Academic Support				
Student Services				
Institutional Support				
Operation & Maintenance of Plant				
Scholarships & Fellowships				
Total Improvements			$1,320,000	$1,320,000

From State Appropriations **$1,320,000**

IV. EVALUATION OF OUTCOMES

- Adequate capacity will minimize network congestion, eliminating slowness or degradation of quality. This affects everyone from a high school student in a classroom trying to obtain information for a report, to a life sciences researcher trying to collaborate with a colleague in another university, to a Department of Health staff member accessing information on bioterrorism from the Centers for Disease Control, to an out-of-work Missourian trying to build his or her resume and search for employment at the local public library.
- Increased capacity enables the delivery of distance learning courses to meet local K-12 graduation requirements and Missouri college/university entrance requirements with high-quality, high-speed and flexibility. These educational tools are particularly important for students who may not have access to classes or facilities any other way due to illness, disabilities, rural locations, under-resourced school districts, etc., and for working adults who would not be able to pursue higher educational opportunities without courses and degree programs enabled by the Internet.
- The full participation of Missouri higher education campuses in the rapidly growing field of life sciences research and applications will continue to be supported.
- Increased capacity allows for access by Missouri citizens to employment and educational opportunities, health care or general research needs through technology tools and the commodity Internet.
- A higher demand for electronic government services, such as electronic election monitoring, by Missouri citizens will be supported.
- Capacity would be available to continue providing quantity video classes which may be needed for courses necessary to graduate from high school, gain entrance into higher education, or complete a higher education degree.
- Full redundancy of the network backbone will be in place. This will eliminate disruption of service if there is an outage.

NEW DECISION ITEM REQUEST

ALZHEIMER'S PROGRAM
FORM 5

Department: **Higher Education-Unrestricted**
Level 2 **University of Missouri System**
Level 3 **Other Curator Programs**
Decision Item Name: **Alzheimer's Program**
Decision Item Rank: **1 of 1**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

Alzheimer's disease and other diseases result from significant destruction of brain tissues and are characterized by a decline of memory and other intellectual functions. Alzheimer's disease is a particular problem in Missouri, a state with one of the largest elderly populations in the country. The purpose of this request is to fund research that will advance knowledge concerning Alzheimer's disease and related disorders.

II. DESCRIPTION

An advisory board will make research awards, consistent with the legislation, to investigators in public or private educational, health care, and research institutions and other voluntary health associations.

III. REQUESTED AMOUNT

Senate Bill 200, passed in 1987, stipulates that the Board of Curators shall request annually an appropriation for Alzheimer's research of not less than $200,000 adjusted for inflation. In addition, the request is to include administrative costs not to exceed 10% of the appropriation for research.

The request for FY2008 is $421,520 based on $200,000 and a projected Consumer Price Index of 191.6. The request for research funds is $383,200 and the request for administrative funds is $38,320, 10% of the research amount.

IV. EVALUATION OF OUTCOMES

The University will require reports from funded investigators and will evaluate, annually, the extent to which this program achieves its programmatic objectives.

PROGRAM DESCRIPTION

Department of Higher Education
University of Missouri Alzheimer's Program
Program is found in the following core budget(s): University of Missouri - Alzheimer's Program

1. What does this program do?

The purpose of this program is to fund research that will advance knowledge concerning Alzheimer's Disease and related disorders. Alzheimer's Disease and other diseases result from significant destruction of brain tissues and are characterized by a decline of memory and other intellectual functions. Alzheimer's Disease is a particular problem in Missouri, a state with one of the largest elderly populations in the country.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.

CHAPTER 172.800 of RSMo. 84th general Assembly Senate Bill No 200

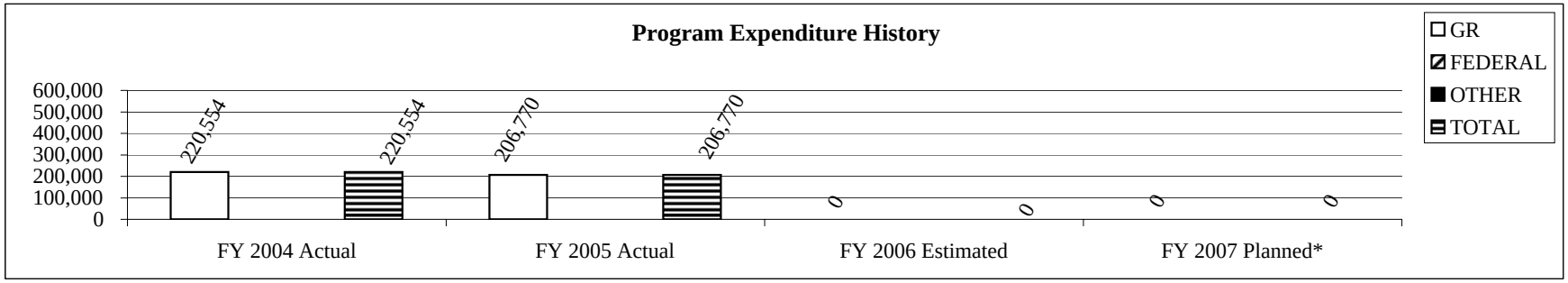
3. Are there federal matching requirements? If yes, please explain.

No

4. Is this a federally mandated program? If yes, please explain.

No

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year



*Reflects HB3 reduction for FY06

6. What are the sources of the "Other " funds?

N/A

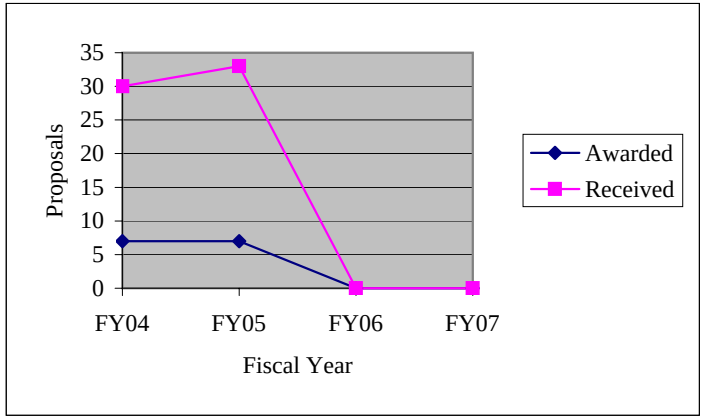
PROGRAM DESCRIPTION

Department of Higher Education
University of Missouri Alzheimer's Program
Program is found in the following core budget(s): University of Missouri - Alzheimer's Program

7a. Provide an effectiveness measure.

Proposals received vs proposals awarded

FY 04		FY 05		FY 06		FY 07	
Received	Awarded	Received	Awarded	Proj Rec'd	Proj Award	Proj Rec'd	Proj Award
30	7	33	7	0	0	0	0



7b. Provide an efficiency measure.

Average award per proposal

FY 04		FY 05		FY 06		FY 07	
Total Award Amount	Avg Award Amount	Total Award Amount	Avg Award Amount	Total Award Amount	Avg Award Amount	Total Award Amount	Avg Award Amount
$198,482	$28,355	$205,000	$29,000	$0	$0	$0	$0

NOTE: The amount awarded is the appropriated funds less 10% which is used (per statute) for program administration.

7c. Provide the number of clients/individuals served, if applicable
N/A

7d. Provide a customer satisfaction measure, if available.
N/A

NEW DECISION ITEM REQUEST

SPINAL CORD INJURY FUND
FORM 5

Department: **Higher Education-Unrestricted**
Level 2 **University of Missouri System**
Level 3 **Other Curator Programs**
Decision Item Name: **Spinal Cord Injuries and Congenital or Acquired Disease Processes Research Program**
Decision Item Rank: **1 of 1**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

The Spinal Cord Injury Fund, established by HB 302, passed in 2001, provides support for a program of research projects in Missouri that promote and advance knowledge in the areas of spinal cord injuries and congenital or acquired disease processes.

"Congenital" spinal cord abnormalities include birth defects affecting the spinal cord such as spina bifida. In addition to traumatic injuries to the spinal cord that lead to paralysis, "acquired" abnormalities could include Friedreich's ataxia, which manifests itself in teenage years and appears to run in families, and paralysis due to multiple sclerosis, polio, etc.

According to the National Spinal Cord Injury Association, 250,000 to 400,000 individuals are living with Spinal Cord injury or dysfunction, with approximately 7800 new cases each year. Most experts agree this number is understated as instantaneous death, or death soon after injury, cases with little or no remaining neurological deficit, or individuals who have neurological problems secondary to trauma are not included. The majority (82%) of SCI victims are males. Most of the injuries result from motor vehicle accidents (44%), violence (24%), falls (22%), or sports injuries (8%).

II. DESCRIPTION

An advisory board will make research awards, consistent with the legislation, to investigators affiliated with a public or private educational, health care, voluntary health association or research institution.

III. REQUESTED AMOUNT

House Bill 218, passed in 2001, stipulates that the Board of Curators shall request annually an appropriation for research awards from the Spinal Cord Injury Fund. The request for FY2008 is $400,000. The request is comprised of $360,000 for research funds $40,000 for administrative funds.

IV EVALUATION OF OUTCOMES

The University will require reports from funded investigators and will evaluate, annually, the extent to which this program achieves its programmatic objectives.

PROGRAM DESCRIPTION

Department of Higher Education
Spinal Cord Injury
Program is found in the following core budget(s): University of Missouri - Spinal Cord Injury

1. What does this program do?

This program performs research that promotes and advances knowledge in the areas of spinal cord injuries and congenital or aquired disease processes.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

CHAPTER 304.027, RSMo.

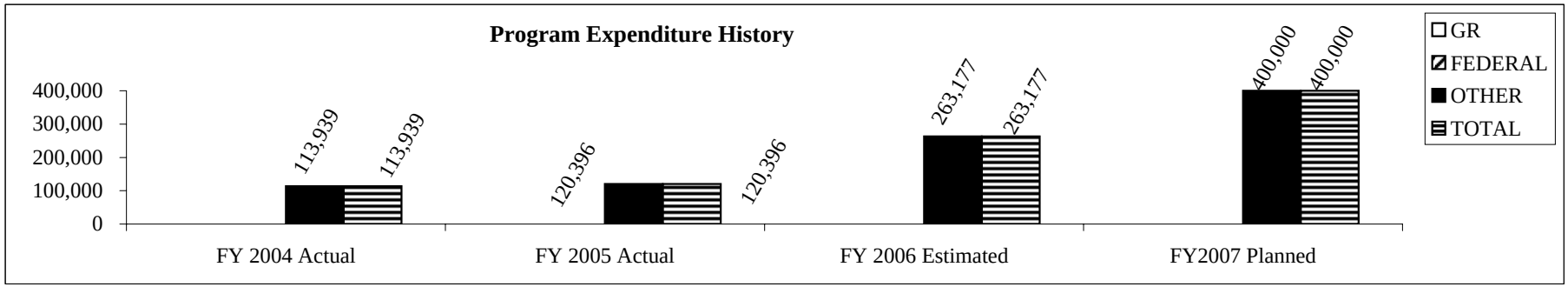
3. Are there federal matching requirements? If yes, please explain.

No

4. Is this a federally mandated program? If yes, please explain.

No

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



6. What are the sources of the "Other " funds?

Spinal Cord Injury Fund (0578)

Department of Higher Education
Spinal Cord Injury
Program is found in the following core budget(s): University of Missouri - Spinal Cord Injury

7a. Provide an effectiveness measure.

The Spinal Cord Injury Fund Program (SCI) was established in FY02. During FY02 potential members of an SCI Advisory Board were identified, nominated and approved by the University of Missouri Board of Curators. In FY03 the Advisory Board developed a list of organizations and institutions conducting spinal cord injury and treatment research. The Board then released a Call for Proposal and developed a web page to assist applicants in preparing proposals. The program's success will depend on the number of proposals that are awarded each year.

Proposals received vs proposals awarded

FY 04		FY 05		FY 06		FY 07		FY 08	
Received	Awarded	Received	Awarded	Received	Awarded	Proj Rec'd	Proj Award	Proj Rec'd	Proj Award
2	2	3	3	5	4	10	7	12	7

7b. Provide an efficiency measure.

The program did not award any research funds until FY04. In FY04 the Board reviewed and awarded 2 projects. Project amounts may not exceed $50,000 per year.

Average award per proposal

FY 04		FY 05		FY 06		FY 07		FY 08	
Total Award Amount	Avg Award Amount	Total Award * Amount	Avg Award Amount	Total Award * Amount	Avg Award Amount	Total Award Amount	Avg Award Amount	Total Award Amount	Avg Award Amount
$100,000	$50,000	$150,000	$50,000	$200,000	$50,000	$350,000	$50,000	$350,000	$50,000

* One of the awards made in FY2005 was actually paid in FY2006 from the FY2006 state appropriation.

7c. Provide the number of clients/individuals served, if applicable.

N/A

7d. Provide a customer satisfaction measure, if available.

N/A

NEW DECISION ITEM REQUEST

STATE SEMINARY FUND
FORM 5

Department: **Higher Education-Unrestricted**
Level 2 **University of Missouri System**
Level 3 **Other Curator Programs**
Decision Item Name: **Seminary Fund**
Decision Item Rank: **1 of 1**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

The Seminary Fund is a fund created and established for the support of the University of Missouri's College of Agriculture and the School of Mines and Metallurgy. This fund consists of proceeds of the sale of land donated to the State of Missouri, proceeds from the direct tax received from the United States, the James S. Rollins Scholarship Funds, etc.

The Board of Curators is the commissioner of the Seminary Fund and all money and funds held in or received by it, with the exception of interest, shall be invested by the Commissioner in registered bonds of the United States or the State of Missouri, bonds of school districts of the State of Missouri or other securities on which the United States fully guarantees payment, of not less than par value.

The State Treasurer is the custodian of the Seminary Fund and is not authorized to disburse any of these funds except upon a warrant drawn by the State Commissioner of Administration in accordance with the requisition made by the Board of Curators. The State Treasurer is empowered to collect the interest on bonds when due, place to the credit of the Seminary Fund, and pay to the Board of Curators the annual income received in the Seminary Funds upon requisition by the Board of Curators.

For FY2008 the University is requesting $2,500,000 in principal that will need to be reinvested during the fiscal year in Government Securities held in the Seminary Fund and $225,000 in earnings from principal held in the Seminary Fund.

	FY2007 Planned	FY2008 Request
To Cover Investment in Government Securities	$2,500,000	$2,500,000
To Cover Investment Earnings from Principal Held in the Seminary Fund	$175,000	$225,000

PROGRAM DESCRIPTION

Department of Higher Education
Division of Four-year Colleges and Universities
Program is found in the following core budget(s): University of Missouri - State Seminary Fund

1. What does this program do?

This program provides income for the general operation of University of Missouri College of Agriculture and School of Mines and Metallurgy and for three scholarships that the Curators added to the Seminary Fund in 1909. Funding for the investments that distribute to Agriculture and Mines & Metallurgy were derived from four sources - the First and Second Morrill Acts of 1862 which granted acreage to fund "at least one college to teach agriculture and mechanical arts", US Congressional reimbursement to the state of Missouri for subsisting troops during the Civil War, and fees from the sale or lease of railway equipment in 1895. Funding for the scholarships was from gifts/bequests to the University and per Board of Curators decision these were added to the Seminary Fund. Per state statute the Seminary monies belong to the University but the state must hold the securities.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.)

Section 172.610, RSMo.

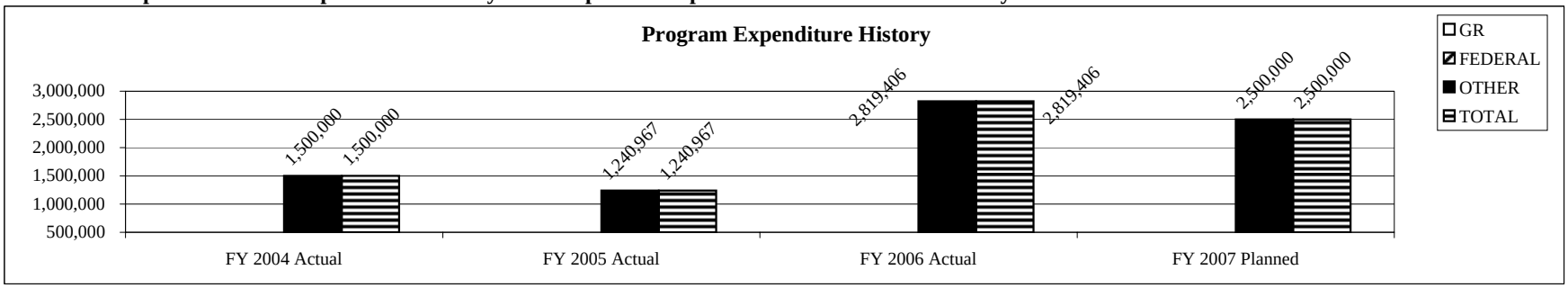
3. Are there federal matching requirements? If yes, please explain.

No

4. Is this a federally mandated program? If yes, please explain.

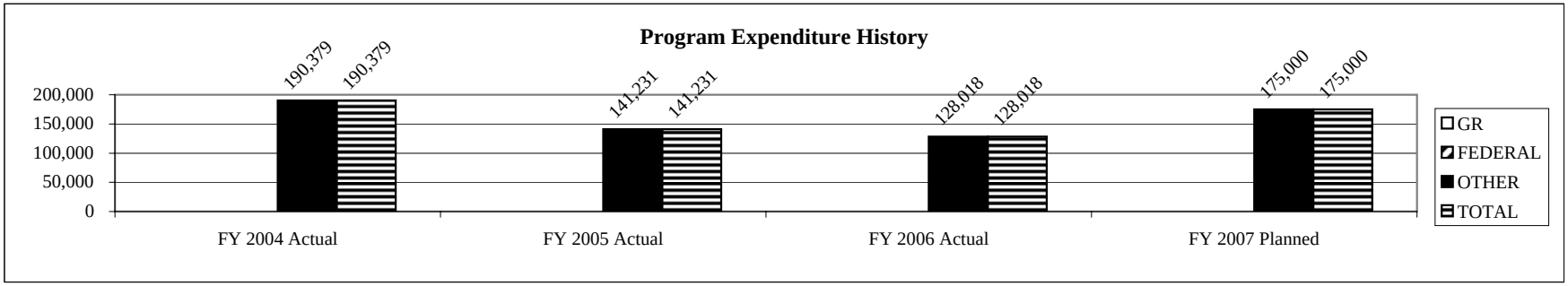
No

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



The expenditures in the graph above represent investments made by the University. As the investment instruments mature the University requisitions funds appropriated by the General Assembly for re-investment of investment instruments.

Department of Higher Education
Division of Four-year Colleges and Universities
Program is found in the following core budget(s): University of Missouri - State Seminary Fund



The expenditures in the graph above represent interest from investments made by the University. The interest is used to fund operations at UMC and UMR campuses and to fund some scholarships.

6. What are the sources of the "Other " funds?

State Seminary Fund (0872); State Seminary Money Fund (0623)

7a. Provide an effectiveness measure.

7b. Provide an efficiency measure.

7c. Provide the number of clients/individuals served, if applicable.

Provided $27,432 for scholarship awards and $432,196 for operations at Columbia and Rolla campuses from FY04 through FY06.

7d. Provide a customer satisfaction measure, if available.

STATE HISTORICAL SOCIETY OF MISSOURI

BUDGET MESSAGE

Founded in 1898 by the Missouri Press Association, the Society has been a trustee for the state since 1901. Supported by state appropriations, the Society is directed by statute to collect, preserve, make accessible, and publish materials pertaining to the history of Missouri, the Middle West, and the West.

The Society operates a specialized library containing more than 461,000 books, pamphlets, serials and official state publications, plus a map collection totaling more than 4,300 items. Its state newspaper library, which has newspapers dating from 1808 to the present, is the largest in the nation with over 1,250 bound volumes and some 42.2 million pages of Missouri newspapers on microfilm. In addition, the Society receives approximately 300 current newspapers from every Missouri county. Approximately 700,000 pages of these and older newspapers are microfilmed each year. The Society, in combination with the University of Missouri, operates a manuscript library with over 16,000 linear feet of manuscripts, 6,300 reels of microfilmed manuscripts, and an oral history program. The Society also owns the nation's largest public collection of paintings by Missouri artist George Caleb Bingham, and paintings and drawings by Thomas Hart Benton. Since its founding, the Society has published over 100 volumes of historical material. One hundred volumes of the *Missouri Historical Review*, which has been published since 1906, contain the nation's most extensive collection of articles and documents on Missouri history. The Society also maintains an illustrative library of over 100,000 items. A center for research into every aspect of Missouri's society and government, no serious scholarship pertaining to the history of the state and its people can be completed without using the collections of the State Historical Society. As a service institution, it is highly utilized by the citizens of our state and the nation, including students, scholars, governmental agencies, businesses, professional, civic and fraternal organizations, and the public. In FY 2006, the staff assisted over 14,230 researchers and visitors in the Society's quarters and had over 21,000 contacts via letters, e-mail, telephone, and fax. The home page of the Society's Web site totaled over 43,600 visits.

A state appropriation is included in the Society's base appropriation to partially fund National History Day in Missouri, a program and contest to help Missouri's young students learn to integrate the materials and methods of social studies, art, literature, language, and music into historical research. Since its beginning in 1980, Missouri's History Day has attracted thousands of students each year who participate in local, regional, and the state contests. Missouri students also have won awards at National History Day contests. At this time, monies from the Society's Membership Trust Fund, added to the current state appropriation, support this program.

The compensation improvements and inflationary adjustments in this request have been arrived at by the University of Missouri, as the Society's employees are expected to meet University professional job qualifications and to operate on University salary matrix levels. However, the University does not contribute to the Society's financial support.

Since 1898, the membership fees of the Society have been placed in a Membership Trust Fund controlled by an Executive Committee composed of officers and trustees. These designated funds are used to conduct the Society's meetings and affairs, and to purchase art properties, books and equipment to supplement library program expenditures. The Society has, since 1918, invested surplus funds and gifts from the Membership Trust Fund in government securities, savings and temporary cash investments. As of July 1, 2006, the Society has $842,923 invested in government-insured securities, savings and temporary cash investments. Included in this figure are: the James C. and Vera Olson History Day Travel Fund, $78,247; the Floyd C. Shoemaker Award, $8,845; the Richard S. Brownlee Award Fund, $288,595; the New Building Fund, $213,462; the Eagleton/Waters Book Award Fund, $23,784; the James W. Goodrich Fund, $52,920, the Sidney Larson Fund, $55,075, and the Joseph Webber History Day Teacher Award, $15,565. Under the present membership fee structure, the Society received $74,728 in 2005-2006. In addition the Society received $149,719 in donations, $28,875 in interest, and $2,020 in miscellaneous income. During FY06, $480,870 from the Membership Trust Fund was used to supplement the state appropriations. Projected expenditures from this fund, estimated at $410,949, are planned for special projects during FY 2007. Also during FY 2006, in a specially designated fund administered by the University of Missouri, money was expended to purchase books and other items for the Society’s collections. It is estimated that $4,500 will be received in this special fund and utilized for book purchases and collections development during FY 2007.

PROGRAM EXPENDITURES AND REVENUE SUMMARY

FORM 1

State Historical Society of Missouri

	FY2005 Actual	FY2006 Estimated	FY2007 Planned & FY2008 Core	Mandatory Adjustment	Increase Requested	FY2008 Request
EXPENDITURES:						
Program Operations	$871,990	$805,431	$1,019,561	$42,822	$214,714	$1,277,097
Total Expenditures	$871,990	$805,431	$1,019,561	$42,822	$214,714	$1,277,097
FTE Employees	21.5	19.5	21.5		3.0	24.5
SOURCES OF FUNDS:						
State Appropriations	$838,990	$805,431	$1,019,561	$42,822	$214,714	$1,277,097
Membership Trust Fund	33,000					
Total Sources	$871,990	$805,431	$1,019,561	$42,822	$214,714	$1,277,097

PERSONAL SERVICES AND EXPENSE AND EQUIPMENT DETAIL

FORM 3

State Historical Society of Missouri

	FY2006 Estimated		FY2007 Planned & FY2008 Core		Mandatory Adjustment	Increase Requested		FY2008 Request	
	FTE	Amount	FTE	Amount	Amount	FTE	Amount	FTE	Amount
PERSONAL SERVICES:									
Teaching and Research	4.0	$111,338	4.0	$150,000	$6,000		$11,250	4.0	$167,250
Exec., Admin., Managerial	1.0	61,316	1.0	63,977	2,559		4,700	1.0	71,236
Professional	10.0	302,033	12.0	372,448	14,898	3.0	139,505	15.0	526,851
Technical					0			0.0	0
Office	4.0	104,372	4.0	107,286	4,291		8,130	4.0	119,707
Student	0.5	8,013	0.5	10,000	400			0.5	10,400
Staff Benefits		167,038		211,514	8,461		51,129		271,104
Total Personal Services	19.5	$754,110	21.5	$915,225	$36,609	3.0	$214,714	24.5	$1,166,548
EXPENSE AND EQUIPMENT:									
Library Acquisitions									$0
Withholding Reserve				$30,587					30,587
All Other		$51,321		73,749	$6,213		$0		79,962
Total Expense & Equip.		$51,321		$104,336	$6,213		$0		$110,549
Grand Total	19.5	$805,431	21.5	$1,019,561	$42,822	3.0	$214,714	24.5	$1,277,097

CORE BUDGET REQUEST ANALYSIS

FORM 4

STATE HISTORICAL SOCIETY OF MISSOURI

I. MISSION STATEMENT

The State Historical Society of Missouri is directed by statute to collect, preserve, make accessible, and publish materials pertaining to the history of the state, the Middle West, and the West.

II. DESCRIPTION

The Society's facilities comprise a reference library; a newspaper library; art, map, and photograph collections; and the Western Historical Manuscript Collection, a joint repository of the Society and the University of Missouri, with branches on all four campuses. Users include students from elementary school through graduate school, academicians, historians, genealogists, journalists, lawyers, government staff, writers, and members of the public researching a variety of topics.

III. PERFORMANCE AND ACTIVITY MEASURES

	FY2006	FY2007	FY2008
Patrons Assisted in Society Quarters	14,239	14,381	14,525
Web Site Visitors	43,634	44,070	44,511
Research Contacts (letters, fax, e-mail, phone)	7,190	7,262	7,335
Administrative & Business Contacts (letters, fax, e-mail, phone)	13,986	14,126	14,267
In-house Tours Given	107	108	109
Books Used	58,319	58,902	59,491
Indexes and Printed Newspapers Used	6,596	6,662	6,729
Newspaper and Census Microfilm Used	58,065	58,646	59,232

III. PERFORMANCE AND ACTIVITY MEASURES (Continued)

	FY2006	FY2007	FY2008
Miscellaneous Microfilm Used	1,654	1,671	1,688
Photographic Requests Filled for Patrons	513	518	523
Interlibrary Loan Requests Filled	1,568	1,584	1,600
Reels of Microfilm Sent on Interlibrary Loan	2,385	2,409	2,433
Copy Requests Filled for Patrons	16,200	16,362	16,526
Acquisitions:			
Newspaper Microfilm Reels	697	700	704
Books	1,190	1,196	1,202
Art Works	7	8	9
Missouri Official Publications	1,613	1,621	1,629
Serial Publications & Microfilm	3,588	3,606	3,624
Maps/Atlases	28	29	30
Miscellaneous	363	365	367
Books Catalogued	3,021	3,051	3,082
Copies of *Missouri Historical Review* Printed	23,180	23,412	23,646
Copies of *Missouri Times* Printed	29,893	30,192	30,494
Exhibits and Displays Produced	10	11	12
Workshops & Public Programs	20	21	22
Membership Records Maintained	5,462	5,517	5,572
Presentations and Outreach by Society Personnel	69	70	71

PROGRAM DESCRIPTION

Department of Higher Education
Division of Four-year Colleges and Universities
Program is found in the following core budget(s): University of Missouri - State Historical Society

1. What does this program do?

The State Historical Society of Missouri collects, preserves, makes accessible, and publishes materials pertaining to the history of Missouri, the Middle West, and the West.

The Society's quarters include a reference library, a newspaper and census library, photograph and map collections, an art collection and gallery, and the Western Historical Manuscript Collection, which is a joint repository of the Society and the University of Missouri. Use of these facilities is free and open to the public. In addition to these research facilities, the Society publishes a scholarly quarterly journal, the *Missouri Historical Review* , and a quarterly newsletter. The Society is a co-sponsor with the Western Historical Manuscript Collection - Columbia for National History Day in Missouri. The program annually attracts thousands of Missouri students in grades 6-12 to research historical topics based on an annual theme and prepare papers, performances, exhibits, or documentaries based upon their research. The Society also provides public programming for adults interested in historical research and Missouri history.

2. What is the authorization for this program, i.e., federal or state statute, etc.? (Include the federal program number, if applicable.

Chapter 183, RSMo.

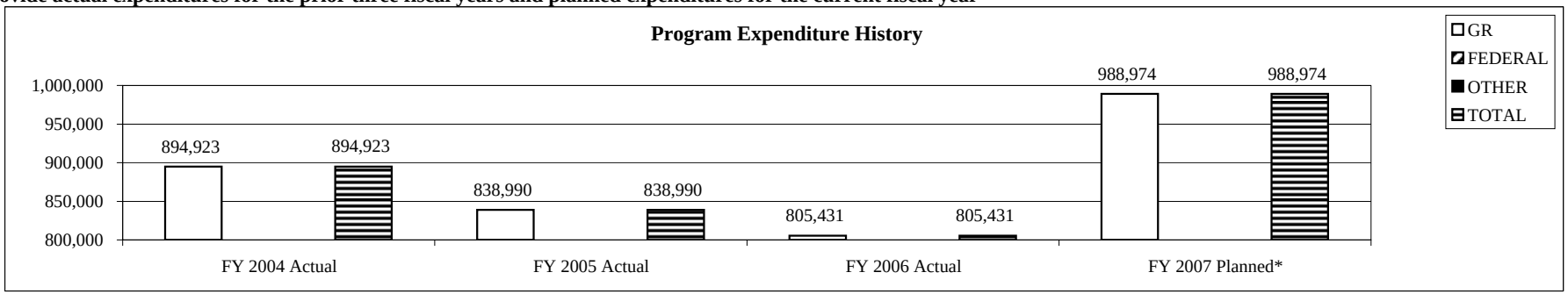
3. Are there federal matching requirements? If yes, please explain.

No

4. Is this a federally mandated program? If yes, please explain.

No

5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year



*Net of Governor's 3% Withholding

6. What are the sources of the "Other " funds?

The Society has a Membership Trust Fund that helps to support its mission.

PROGRAM DESCRIPTION

Department of Higher Education
Division of Four-year Colleges and Universities
Program is found in the following core budget(s): University of Missouri - State Historical Society

7a. Provide an effectiveness measure.

How many individuals use Society resources on-site?

FY2004 Projected	FY2004 Actual	FY2005 Projected	FY2005 Actual	FY2006 Projected	FY2006 Actual	FY2007 Projected	FY2008 Target	FY2009 Target
23,661	19,395	19,589	17,269	17,442	14,239	14,381	14,525	14,670

How many contacts does Society staff have via phone, letters, e-mail, and fax?

FY2004 Projected	FY2004 Actual	FY2005 Projected	FY2005 Actual	FY2006 Projected	FY2006 Actual	FY2007 Projected	FY2008 Target	FY2009 Target
19,514	21,219	21,431	33,030	33,360	21,176	21,388	21,602	21,818

7b. Provide an efficiency measure.

What is the average number of on-site researchers and visitors assisted by each member of the reference staff?

FY2004 Projected	FY2004 Actual	FY2005 Projected	FY2005 Actual	FY2006 Projected	FY2006 Actual	FY2007 Projected	FY2008 Target	FY2008 Target
2,629	2,155	2,177	1,919	1,938	1,582	1,598	1,614	1,630

What is the average number of on-site researchers and visitors and off-site contacts handled by each full-time staff member?

FY2004 Projected	FY2004 Actual	FY2005 Projected	FY2005 Actual	FY2006 Projected	FY2006 Actual	FY2007 Projected	FY2008 Target	FY2009 Target
2,698	4,475	4,254	5,463	5,690	4,941	4,990	5,040	5,090

7c. Provide the number of clients/individuals served, if applicable

How many individuals does the Society assist and have contact with?

FY2004* Projected	FY2004 Actual	FY2005 Projected	FY2005 Actual	FY2006 Projected	FY2006 Actual	FY2007 Projected	FY2008 Target	FY2009 Target
43,175	71,603	72,319	91,276	92,189	79,049	79,839	80,637	81,443

*All numbers except the FY2004 Projection include visitors to the Society's website.

NEW DECISION ITEM REQUEST

STATE HISTORICAL SOCIETY OF MISSOURI
FORM 5

Department: **Higher Education-Unrestricted**
Level 2 **University of Missouri-Other Programs**
Level 3 **State Historical Society of Missouri**
Decision Item Name: **Mandatory Adjustments to Core Budget**
Decision Item Rank: **1 of 5**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

State Historical Society of Missouri is directed by statute to collect, preserve, make accessible, and publish materials pertaining to the history of Missouri and western America. The Society has worked hard to contain costs and reduce expenses through administrative efficiencies and innovation. However, state appropriations have been reduced since FY2002. When adjusted for inflation, current funding levels are substantially below historic funding levels. Because mandatory cost increase adjustments are used to offset increases in the cost of goods and services that the State Historical Society needs to fulfill its mission, failure to fund these increases results in an internal core reduction. To continue its operations at current levels in 2008 the State Historical Society of Missouri will require increases in state support to cover mandatory increases.

II. DESCRIPTION

State Historical Society of Missouri continues to incur higher costs, to deliver its services to the public. One example is significant increases in the cost of staff benefits. There are also fixed cost increases associated with insurance, library materials, information technology equipment, and supplies and services. Lack of additional funding removes the ability of the State Historical Society of Missouri to continue to provide the same level of services for the citizens of Missouri as currently provided.

State Historical Society of Missouri will require funds to offset the effects of increased costs of operation. An adjustment of 4.2% on the state appropriation base is requested. The personnel policies are the same for these programs as for the general operations of the University.

III. COST EXPLANATION

Salaries @ 4.0% plus Related Benefits	$36,609
Expense and Equipment	6,213
Total Mandatory Cost Increases @ 4.2%	$42,822
State Appropriations @ 4.2%	$42,822

NEW DECISION ITEM REQUEST

UNRESTRICTED EDUCATIONAL AND GENERAL
FORM 5

Department: **Higher Education Unrestricted**
Level 2 **University of Missouri – Other Programs**
Level 3 **State Historical Society of Missouri**
Decision Item Name: **Salary Equity Increase for SHS Employees**
Decision Item Rank: **2 of 5**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

This amount is needed to increase the core of salary and benefits for State Historical Society employees. This is the first year of a three-year plan.

II. DESCRIPTION

These funds will raise State Historical Society employees' salaries to the level of University of Missouri or state government salaries with the same job descriptions.

III. COST EXPLANATION

Cost of increase to salaries and related benefits	$68,250
Total cost	$68,250
From State Appropriations	$68,250

IV. EVALUATION OF OUTCOMES

These funds will become a permanent part of the core for staff of the State Historical Society. Society staff members' salaries will be equitable to those persons holding similar positions in the University of Missouri or in state government.

NEW DECISION ITEM REQUEST

UNRESTRICTED EDUCATIONAL AND GENERAL
FORM 5

Department: **Higher Education Unrestricted**
Level 2 **University of Missouri – Other Programs**
Level 3 **State Historical Society of Missouri**
Decision Item Name: **Assistant Editor**
Decision Item Rank: **3 of 5**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

The creation of this position will allow the Society to hire a well-trained, full-time assistant editor.

II. DESCRIPTION

This person will assist with the compiling, editing, proofreading, and design of all Society publications. In addition, this person will maintain contact with authors, write articles for the Society's newsletter, and fact check articles to be published in the Society's scholarly journal.

III. COST EXPLANATION

Cost of salary and related benefits	$51,855
Total Cost	$51,855
State Appropriations	$51,855

IV. EVALUATION OF OUTCOMES

This individual will become a permanent member of the staff and will assist with all publication projects. Adding an assistant editor to the staff will allow the Society to enhance its publication program, including publishing a series of volumes of articles reprinted from the *Missouri Historical Review*, each with a different focus.

NEW DECISION ITEM REQUEST

UNRESTRICTED EDUCATIONAL AND GENERAL
FORM 5

Department: **Higher Education Unrestricted**
Level 2 **University of Missouri – Other Programs**
Level 3 **State Historical Society of Missouri**
Decision Item Name: **Webmaster/Electronic Archivist**

Decision Item Rank: **4 of 5**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

This person will develop and manage the Society's Web site. This person will also be responsible for ensuring effective acquisition, preservation, management, future migration, access to, and security of electronic records.

II. DESCRIPTION

The Webmaster/Electronic Archivist will maintain and expand the Society's Web site and assist in the appraisal and selection of electronic material from donors and vendors. He or she will help set electronic policy including data description, capturing, handling and accessing methods, data warehousing, digital security and encryption, all based on sound archival and information management principles.

III. COST EXPLANATION

Cost of salary and related benefits	$58,671
Total Cost	$58,671
From State Appropriations	$58,671

IV. EVALUATION OF OUTCOMES

This individual will become a permanent member of the staff and will assist the Society in making records and services available to the public in a digital format. The Society's Web site will become a richer resource for researchers and the public seeking information about the Society's holdings or topics in Missouri history.

NEW DECISION ITEM REQUEST

UNRESTRICTED EDUCATIONAL AND GENERAL
FORM 5

Department: **Higher Education Unrestricted**
Level 2 **University of Missouri – Other Programs**
Level 3 **State Historical Society of Missouri**
Decision Item Name: **Oral Historian**
Decision Item Rank: **5 of 5**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

This person will 1) interview former and longtime legislators and other governmental officials, 2) add to the Society's collection of personal papers, 3) fill in gaps in existing collections, 4) create documentation of an issue or movement by interviewing participants who hold different points of view or are involved from different perspectives.

II. DESCRIPTION

This oral historian will plan, focus, research, conduct interviews, and prepare transcriptions for approval by the interviewee and for use by researchers.

III. COST EXPLANATION

Cost of salary and related benefits	$35,938
Total Cost	$35,938
From State Appropriations	$35,938

IV. EVALUATION OF OUTCOMES

The oral history interviews will significantly enhance the Society's collections by creating records where none exist and by augmenting the available written record. This individual will become a permanent member of the staff and will strengthen the Society's oral history program through interviews with public figures. Transcriptions of the interviews will be available for use by scholars, students, and the public.