UNIVERSITY OF MISSOURI SYSTEM

Fiscal Year 2009

Appropriations Request for Operations

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University of Missouri System

Fiscal Year 2009

UNIVERSITY OF MISSOURI SYSTEM

FY 2009 APPROPRIATIONS REQUEST FOR OPERATIONS

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Summaries

The University of Missouri: Working for Our State

Thousands of graduates receive their diplomas from the University of Missouri each year, symbolizing the start of a promising journey. The granting of these diplomas also signifies that the University remains focused on serving our state and changing lives for the better—just as we have for the past 168 years.

My own appreciation of the University's role has grown enormously since I became interim president in April. The University educates tomorrow's leaders, conducts groundbreaking research, reaches out to every community via Extension, provides state-of-the-art health care and plays a direct role in stimulating economic development. We are an irreplaceable resource.

This year alone, some 12,000 students will receive degrees ranging from agriculture to aerospace engineering, from music to medicine. Ours is the only public institution in Missouri that trains doctors, nurses, dentists, pharmacists, optometrists, veterinarians and lawyers. These professionals, like all of our graduates, are essential elements of an educated workforce that helps Missouri attract and retain business and industry while contributing to a better quality of life.

As a result, the University periodically evaluates and adjusts its academic offerings to meet our state's needs. We have expanded the existing pharmacy program on our Kansas City campus and created a joint program with the Columbia campus to soon graduate more pharmacists every year, helping alleviate the shortage.

Another primary mission of the University is research that yields practical, real-world benefits. Missouri farmers have reaped millions in additional income thanks to improved crop varieties like pest-resistant soybeans developed by the College of Agriculture, Food and Natural Resources in Columbia.

Service is our third mission. Extension brings University expertise directly to Missouri families, youths, business owners, first responders and community leaders. This source of knowledge is an irreplaceable benefit to Missourians.

The University also plays a direct role in economic development with its research and technology parks in St. Louis, St. Charles County, Columbia and Ft. Leonard Wood. We help strengthen Missouri's economy every day – including, most recently, when Express Scripts, Inc., a Fortune 500 company, decided to build its headquarters in our new St. Louis park.

While the University of Missouri may be in a period of transition in presidential leadership, our enduring commitment to the University's vital mission is not. Most of our accomplishments rely on funding provided by state appropriations, and we are always mindful of the responsibility taxpayers entrust to us through their dollars. We will continue to be good stewards of these funds and remain committed to ensuring the University continues to work for the state of Missouri. Without your support, we would not be the state's public educational institution of choice.

Sincerely,

Gordon H. Lamb, Ph.D
University of Missouri Interim President

Statistical Highlights

Campuses Columbia, Kansas City, Rolla and St. Louis

Enrollment, Fall 2006

UM-Columbia:	28,184
UM-Kansas City:	14,213
UM-Rolla:	5,858
UM-St. Louis:	15,528
Total enrollment:	63,783

(75 percent undergraduate, 25 percent graduate and first professional students)

Total degrees granted, FY 2007: 13,877

Total faculty, Fall 2006: 7,478
(67 percent full-time, 33 percent part-time)

Total staff, Fall 2006: 16,457
(74 percent full-time, 26 percent part-time)

Total student financial aid: $587,705,678
(in grants, loans, work programs, scholarships, fellowships and other aid awarded to 51,341 students in fiscal year 2006)

Net book value of capital assets: $1.9 billion
(as of June 30, 2006)

Land holdings: 19,517 acres

Grants and contracts expenditures, FY 2006

Federal:	$199.4 million
Other:	$ 87.6 million

(includes state, industry, not-for-profit organizations and other)

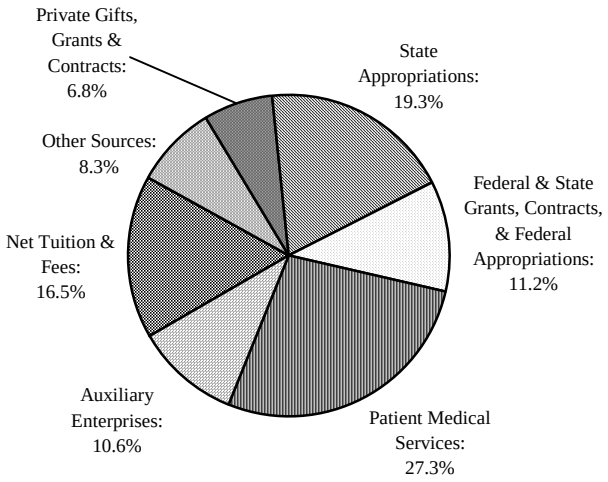
Total grants and contracts: $287 million

Total gifts, FY 2006: $107.2 million
(includes unrestricted private gifts, capital gifts and private gifts for endowment)

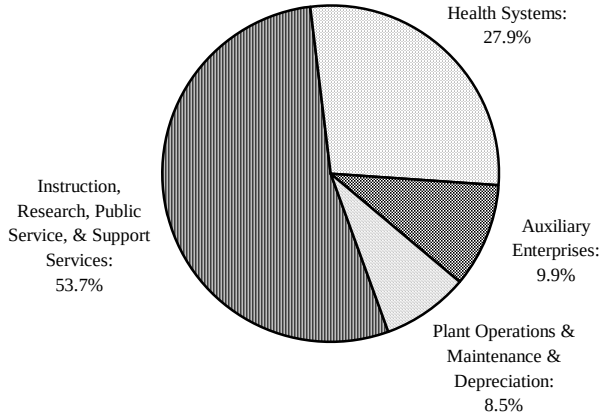
Endowment & similar funds
(stated at market as of June 30, 2006)

Market value:	$893,419,000
Endowment per student:	$14,007

TOTAL REVENUES, FY 2006: $2.3 BILLION



TOTAL OPERATING EXPENSES, FY 2006: $2.0 BILLION



Economic Development Highlights

- With $2.3 billion in total revenues and more than 23,000 employees, UM is the 21st largest publicly-held company in the state.
- 40 percent of Missouri's academic science and technology research expenditures were conducted at the University.
- In 2006, the University held 172 patents and licenses and more than $2.4 million in licensing income.
- UM research is an economic engine; the University conducts five dollars of research for every dollar directly invested by the state.
- UM earned 51 percent of total funding awarded by the National Science Foundation in Missouri in 2006.
- The University's federal grant funding increased 13.4 percent in 2005 to $193 million.

UM Statewide Impact

Students from Missouri, 2006:	53,331
Alumni in Missouri, 2006:	202,302
Selected school alumni:	
Medicine:	3,169
Nursing:	7,061
Health Professions:	2,764
Veterinary Medicine:	1,361
Dentistry:	2,232
Pharmacy:	1,426
Engineering:	21,159
Optometry:	380
Agriculture:	10,841
Law:	7,301
Teachers:	13,365
Employees living in Missouri, 2006:	25,913
($940 million in employee salary returning to the state)	
Tax revenue generated in Missouri by University employees:	$126 million
Construction projects & contracts awarded in Missouri in 2006:	129 projects for $146 million

Executive Summary

The University of Missouri's foremost priority in the FY 2009 request for operations is the funding of its FY 2008 core state appropriation of $431 million. In addition, the University's Appropriations Request for Operations encompasses a total new investment plan of $84 million that includes $60 million of new state funding. This increase, when combined with the core, will sustain the high level of quality and competitiveness that currently exists and better position the University to contribute to the future economy of Missouri and the welfare of its citizens. These investments support the University's strategic goal of being one of the top universities in the country.

The investments will be funded through a partnership with the state, the University and its students. The request from the state for an additional $34 million for Sustaining Quality and Competitiveness and $26 million for Enhancing Missouri's Future would be coupled with $11.9 million from University resources, including an internal efficiency reallocation and $12.5 million from students through an inflationary increase in tuition and fees. These investments are:

Sustaining Quality and Competitiveness

Increase to Core Budget for Sustaining Quality and Competitiveness: $45.53 million; State Request $21.10 million

The University is a people-driven institution. Three-fourths of the annual budget is devoted to compensation. Recently, small UM salary increase budgets coupled with greater salary increases in the higher education marketplace have caused UM's market position to erode. This request is for:

- a general salary increase of 4 percent plus related benefits ($13.84 million),
- on-going costs of basic operations ($3.71 million),
- and a market adjustment for ranked faculty ($3.55 million). The University has identified the need for an investment in competitive market compensation for ranked faculty totaling $21.6 million in addition to the annual merit pool. Rankings of faculty salaries at public AAU universities support the need for this additional investment. The state is being asked to fund one half of this need over three years.

Protecting the University's Infrastructure: State Request $12.6 million

The University is requesting state investment to protect the University's facilities and infrastructure through increased expenditures for maintenance and repair. This investment will match the University's current investment on a 2-to-1 basis.

Enhancing Missouri's Future

Preparing to Care for Missouri's Citizens: State Request $23.2 million

Health policy experts across the country have long recognized that the United States is experiencing a shortage of health care workers that will worsen over the next few years. Considerable shortages exist in many professions, and the aging population will increase the demand for health care services. The University of Missouri, the state's other four-year public institutions and community colleges are collaborating to request additional state funding to assist in increasing the number of graduates in health professions and access to quality health professional education at a reasonable cost. This investment is needed to graduate more physicians, nurses, pharmacists, dentists, optometrists, and allied health professionals. In addition, the University of Missouri - Rolla will collaborate with partners including K-12 school systems and community colleges to launch a health literacy initiative. Nearly half of American adults have low health literacy which hinders them from obtaining appropriate health care and making good decisions.

St. Louis Equity Adjustment: State Request $5.2 million over two years ($2.6 million in FY 2009) According to a 2002 Coordinating Board for Higher Education study that evaluated FTE funding relative to the mean and median of the appropriate classification peer group, the University of Missouri-St. Louis was identified as having a significant funding gap of $10.8 million in state appropriations. In the last four years, more than half of this identified need has been addressed. The remaining $5.2 million is being requested as additional appropriations for this purpose over a two-year period beginning with FY 2009.

University of Missouri-Rolla Cooperative Engineering Program with Missouri State University: $500,000 one-time The University of Missouri and Missouri State University are committed to developing a cooperative engineering program in civil and electrical engineering to meet the needs of the state and its citizenry. This request is for the one-time state funds needed to cover the costs involved in the additional distance education facilities and equipment, as well as curriculum modifications for distance.

FY 2009 Budget Request for Operations

	STATE APPROPRIATIONS	UNIVERSITY SOURCES Including Efficiencies & Reallocations	TUITION	TOTAL INVESTMENT
RECURRING INCREASE REQUESTED:				
Sustaining Quality and Competitiveness				
Increase to Core Budget for Sustaining Quality and Competitiveness	$21.1 M	$11.9 M	$12.5 M	$45.5 M
Protecting the University's Infrastructure	$12.6 M			$12.6 M
Enhancing Missouri's Future				
Preparing to Care for Missouri's Citizens	$23.2 M			$23.2 M
St. Louis Equity Adjustment	$ 2.6 M			$ 2.6 M
Total Recurring Increase Requested	**$59.5 M**	**$11.9 M**	**$12.5 M**	**$83.9 M**
ONE-TIME FUNDS REQUEST:				
UM-Rolla Cooperative Engineering Program with MSU	$ 0.5 M			$ 0.5 M
TOTAL NEW INVESTMENT	**$60.0 M**	**$11.9 M**	**$12.5 M**	**$84.4 M**

University of Missouri Health Care

Sustaining Quality and Service

Sustaining Quality and Service: State Request $1.0 million
University Hospital and Clinics request their core appropriation be increased by 4.2 percent to offset the growing burden of uncompensated care and to ensure the resources to provide health care services to Missouri citizens are available.

Preparing to Care for Missouri's Citizens

Children's Specialty Programs: State Request $5.0 million
This recurring investment is needed to assist with recruitment and retention of specialty physicians, pediatric research and teaching, and the expansion of pediatric specialty programs, such as critical care, endocrinology, and neurosurgery, that are critical to providing a comprehensive range of clinical services for children, as well as supporting the teaching mission of the MU School of Medicine.

Missouri Rehabilitation Center: State Request $3.0 million
The Missouri Rehabilitation Center (MRC) is a long-term acute care hospital that provides an array of experts and programs for patients recovering from serious illnesses and injuries. The MRC experienced operating losses in 2006 and is projecting a loss in 2007. To sustain MRC at its current operational levels and to continue to provide care to Missourians who are primarily Medicaid recipients or indigent, an adjustment of $3.0 million to MRC's base funding level is required.

FY 2009 Budget University of Missouri Health Care	
	STATE APPROPRIATIONS
Sustaining Quality and Service	
Increase to Core Budget for Sustaining Quality and Service	$1.0 M
Preparing to Care for Missouri's Citizens	
Children's Hospital Specialty Programs	$5.0 M
Missouri Rehabilitation Center	$3.0 M
TOTAL NEW INVESTMENT	**$9.0 M**

Other Curator Programs

Sustaining Quality and Service

Sustaining Quality and Service: State Request $.9 million
The Missouri Institute of Mental Health, the Missouri Kidney Program, Missouri Telehealth Network, MOREnet, and the State Historical Society of Missouri, request their core budgets be increased by 4.2 percent to support a 4 percent salary and wage merit pool and the associated increase in benefits and inflationary increases in other expenses incurred in providing services to Missouri citizens.

Enhancing Missouri's Future

Missouri Telehealth Network – Increase to Core Funding: State Request $420,000
The Missouri Telehealth Network exists to increase access to health care for Missourians, provide continuing educational opportunities for health care providers, further homeland security efforts related to disaster, bioterrorism, and pandemic preparedness and response, and provide a mechanism for clinical research. This increase is the remaining half of the funding necessary to support the program and will be used with the core funding received for the first time in Fiscal Year 2008.

MOREnet – Increased Capacity for Public Higher Education and K-12 Connections and Internet Access: State Request $2.5 million
MOREnet is requesting $2.5 million in ongoing funds to support connectivity for public education, higher education, and the associated increase in demand on the Shared Network. Adequate capacity is necessary to continue to support the significant educational advancements enabled by educational resources/tools such as delivery of instruction by video, online information resources, Web resources, research tools, and virtual field trips.

MOBIUS Software: State Request $0.5 million recurring; $2.0 million one-time
This request is to fund the purchase, implementation, and maintenance new library software, which will provide users simpler Internet searching for delivering a richer array of content and interactive capabilities to locate and acquire resources owned by the MOBIUS libraries.

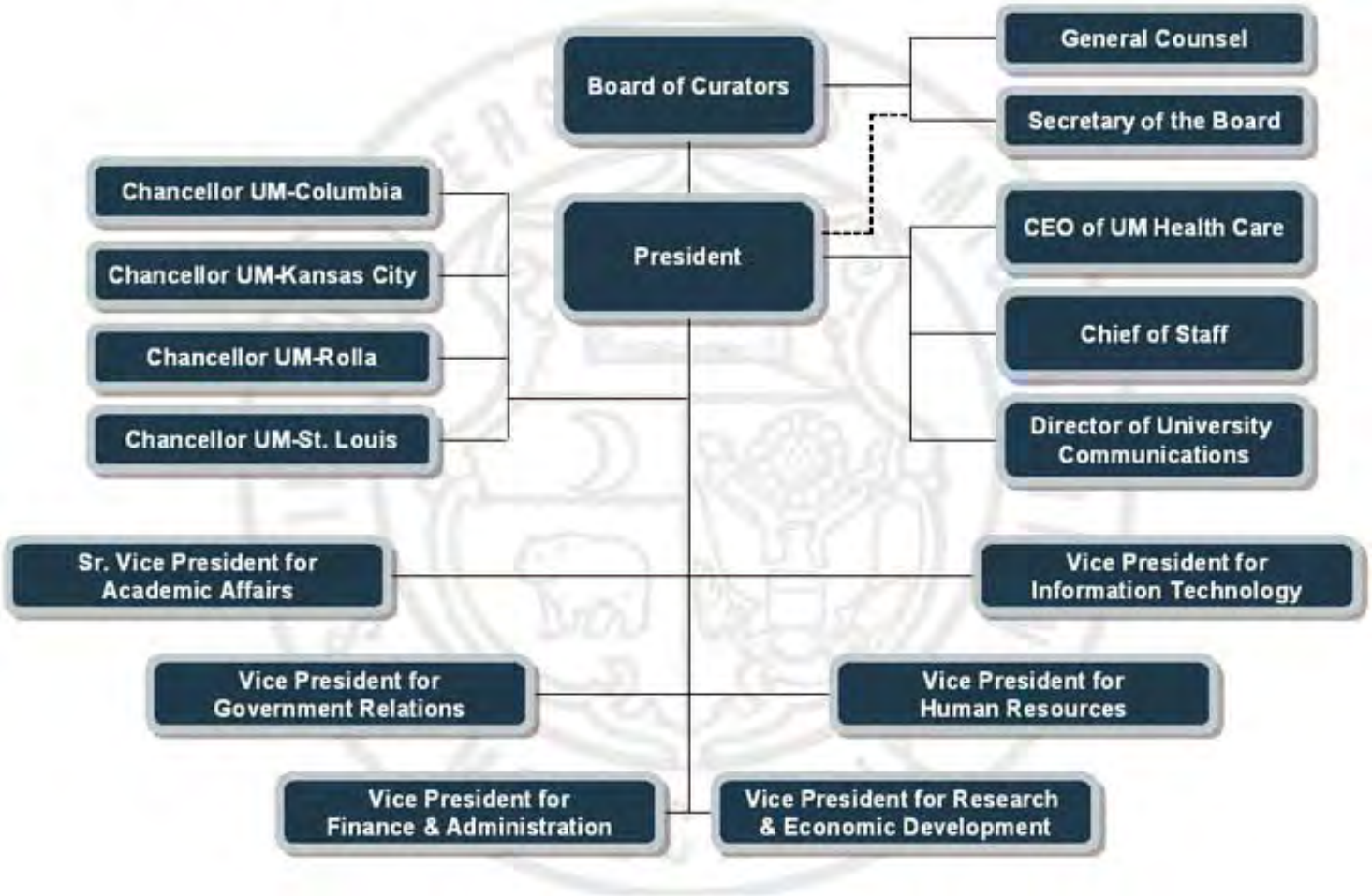
State Historical Society of Missouri: State Request $0.4 million
The Society has worked hard to contain costs and reduce expenses through administrative efficiencies and innovation; however, the Society struggles to overcome historical under-funding. Salaries of Society staff are significantly below market, and staffing levels are not appropriate to service their customers and adequately fulfill its statutory mission. This request is comprised of several components and is designed to provide appropriate compensation adjustments, hire additional staff in targeted areas, fund travel and equipment needs, and allow the Society to better serve its customers and accomplish its mission.

Requests in Accordance with Legislative Requirements: State Request $3.9 million
Requests are made for the Alzheimer's Research Fund, Spinal Cord Injury Research Fund, and Seminary Fund in accordance with legislative requirements.

FY 2009 Budget Other Curator Programs	
	STATE APPROPRIATIONS
Sustaining Quality and Service	
Increase to Core Budget for Sustaining Quality and Service	$0.9 M
Enhancing Missouri's Future	
Missouri Telehealth Network Core Funding Increase	$0.4 M
MOREnet - Increase Capacity for Network	$2.5 M
MOBIUS - Common Library Platform Software	$0.5 M
State Historical Society Funding Increase	$0.4 M
Total Other Programs Recurring Requests	$4.7 M
One-Time Requests	
MOBIUS - Common Library Platform Software	$2.0 M
TOTAL NEW INVESTMENT	**$6.7 M**

FY 2009 Budget One-time Requests in Accordance with Legislative Requirements	
	STATE APPROPRIATIONS
Alzheimer's Research	$0.4 M
Spinal Cord Injury Research	$0.4 M
Seminary Fund	$3.1 M
TOTAL NEW INVESTMENT	**$3.9 M**

University of Missouri Organizational Structure



UNIVERSITY OF MISSOURI SYSTEM
SUMMARY OF FY 2009 APPROPRIATIONS REQUEST FOR OPERATIONS

	DECISION ITEM NUMBER	STATE APPROPRIATIONS	UNIVERSITY SOURCES Including Efficiencies & Reallocations	TUITION	TOTAL INVESTMENT
FY 2007-2008 EXPENDITURE BASE (Core)		$430,936,819	$153,221,564	$553,774,599	$1,137,932,982
RECURRING INCREASE REQUESTED:					
Adjustment to the Core Budget for Sustaining Quality and Competitiveness:	1				
Annual Merit Increase on Salaries & Wages - 4.0%		$10,712,000	$5,108,000	$7,640,000	$23,460,000
Employee Benefits		3,128,000	1,492,000	2,230,000	6,850,000
Total Merit and Employee Benefits Increase		13,840,000	6,600,000	9,870,000	$30,310,000
Competitive Ranked Faculty Compensation including Benefits		3,550,000	3,550,000	0	7,100,000
Increases for Technology, Infrastructure and On-Going Costs		3,710,000	1,760,000	2,650,000	8,120,000
Required Investment for Sustaining Quality and Competitiveness		$21,100,000	$11,910,000	$12,520,000	$45,530,000
Percent Increase Requested for Sustaining Quality and Competitiveness		4.9%			
Preparing to Care for Missouri's Citizens	2	$23,234,524			$23,234,524
Sustaining Quality and Competitiveness Through Protecting the University's Infrastructure	3	12,600,000			12,600,000
St. Louis Equity Adjustment	5	2,600,000			2,600,000
Total Recurring Increase Requested		$59,534,524	$11,910,000	$12,520,000	$83,964,524
TOTAL RECURRING REQUEST FY 2008-2009		$490,471,343	$165,131,564	$566,294,599	$1,221,897,506
ONE-TIME FUNDS REQUEST					
UM-Rolla Cooperative Engineering Program with Missouri State University	4	$500,000			$500,000
Total One-time Request for Operations		$500,000	$0	$0	$500,000
TOTAL REQUEST FY 2008-2009		$490,971,343	$165,131,564	$566,294,599	$1,222,397,506

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

	EDUCATION AND GENERAL EXPENDITURES (Excludes Expenditures on Auxiliary Enterprises)	Actual Unrestricted Expenditures FY 2006	Actual Restricted Expenditures FY 2006	FY 2007 Estimated Unrestricted Education and General Operating Funds		Estimated Unrestricted Expenditures FY 2007	Estimated Restricted Expenditures FY 2007	FY 2008 Projected Unrestricted Education and General Operating Funds		Projected Unrestricted Expenditures FY 2008	Projected Restricted Expenditures FY 2008
				Personal Service	Expense & Equip.			Personal Service	Expense & Equip.		
1.0	GENERAL INSTRUCTION										
1.1	On-campus Instruction for Credit			$383,101,575	$26,311,665	$409,413,240		$401,485,670	$46,389,840	$447,875,510	
1.3	Community Education			8,630,504	6,909,909	15,540,413		8,775,127	6,757,872	15,532,999	
1.4	Off-campus Instruction for Credit			7,997,342	2,885,417	10,882,759		7,910,964	3,352,339	11,263,303	
	TOTAL INSTRUCTION	$417,177,882	$44,901,908	$399,729,421	$36,106,991	$435,836,412	$44,571,684	$418,171,761	$56,500,051	$474,671,812	$43,765,647
2.0	RESEARCH										
2.1	Institutes and Research Centers			$23,032,895	$6,370,541	$29,403,436		$21,826,632	$5,942,589	$27,769,221	
2.2	Individual or Project Research			24,934,782	13,317,136	38,251,918		22,303,853	16,809,808	39,113,661	
	TOTAL RESEARCH	$64,851,909	$143,540,789	$47,967,677	$19,687,677	$67,655,354	$141,193,738	$44,130,485	$22,752,397	$66,882,882	$161,285,178
3.0	PUBLIC SERVICE										
3.2	Community Services			$20,077,542	$9,484,034	$29,561,576		$21,385,524	$10,699,216	$32,084,740	
3.3	Cooperative Extension Services			32,008,529	5,235,002	37,243,531		33,558,694	5,949,854	39,508,548	
3.4	Public Broadcasting Services			973,227	394,756	1,367,983		858,246	214,332	1,072,578	
	TOTAL PUBLIC SERVICE	$68,126,787	$76,924,328	$53,059,298	$15,113,792	$68,173,090	$83,554,458	$55,802,464	$16,863,402	$72,665,866	$86,167,581
4.0	ACADEMIC SUPPORT										
4.1	Libraries			$17,762,445	$17,657,421	$35,419,866		$19,453,090	$17,687,151	$37,140,241	
4.2	Museums and Galleries			994,695	107,040	1,101,735		937,424	54,653	992,077	
4.3	Educational Media Services			4,743,496	1,863,101	6,606,597		4,817,919	2,139,786	6,957,705	
4.5	Ancillary Support			18,480,225	(1,358,992)	17,121,233		19,292,013	2,998,226	22,290,239	
4.6	Academic Admin. & Personnel Development			41,415,896	11,649,144	53,065,040		42,599,871	13,887,612	56,487,483	
	TOTAL ACADEMIC SUPPORT	$103,902,854	$4,148,068	$83,396,757	$29,917,714	$113,314,471	$4,894,994	$87,100,317	$36,767,428	$123,867,745	$4,602,732
5.0	STUDENT SERVICE										
5.1	Student Service Administration			$8,231,055	$7,913,748	$16,144,803		$11,330,939	$5,320,560	$16,651,499	
5.2	Social and Cultural Development			7,207,691	6,184,644	13,392,335		7,755,768	7,298,215	15,053,983	
5.3	Counseling and Career Guidance			6,294,291	1,027,922	7,322,213		6,650,716	466,587	7,117,303	
5.4	Financial Aid Administration			3,881,623	616,622	4,498,245		4,041,628	186,598	4,228,226	
5.5	Student Health Services			4,648,356	1,076,459	5,724,815		5,260,919	961,052	6,221,971	
5.6	Intercollegiate Athletics			1,052,056	398,397	1,450,453		1,197,438	627,189	1,824,627	
5.7	Student Admissions and Records			11,623,604	3,654,166	15,277,770		11,691,064	3,475,663	15,166,727	
	TOTAL STUDENT SERVICE	$60,651,333	$1,107,624	$42,938,676	$20,871,958	$63,810,634	$1,282,510	$47,928,472	$18,335,864	$66,264,336	$1,179,838
6.0	INSTITUTIONAL SUPPORT										
6.1	Executive Management			$15,396,227	$841,721	$16,237,948		$16,084,539	$965,007	$17,049,546	
6.2	Fiscal Operations			10,122,007	2,776,148	12,898,155		11,285,825	5,763,338	17,049,163	
6.3	General Admin. & Logistical Services			55,767,376	(56,039,242)	(271,866)		60,390,594	(39,338,726)	21,051,868	
6.5	Public Relations and Development			24,591,316	8,334,087	32,925,403		23,532,715	8,214,790	31,747,505	
	TOTAL INSTITUTIONAL SUPPORT	$73,516,789	$4,417,871	$105,876,926	($44,087,286)	$61,789,640	$3,259,430	$111,293,673	($24,395,591)	$86,898,082	$2,633,116
7.0	OPERATION AND MAINTENANCE OF PLANT										
7.1	General Physical Plant			$18,464,545	$2,483,168	$20,947,713		$21,806,019	$203,787	$22,009,806	
7.2	Fuel and Utilities			929,265	34,160,503	35,089,768		1,020,566	39,710,393	40,730,959	
7.3	Maintenance and Repair			21,940,503	5,936,851	27,877,354		22,308,869	9,045,229	31,354,098	
	TOTAL OPERATION AND MAINTENANCE OF PLANT	$82,166,753	$105,207	$41,334,313	$42,580,522	$83,914,835	$185,148	$45,135,454	$48,959,409	$94,094,863	$298,577
8.0	SCHOLARSHIPS AND FELLOWSHIPS										
8.1	Scholarships				$83,165,135	$83,165,135			$81,720,935	$81,720,935	
8.2	Fellowships				36,945,224	36,945,224			38,433,002	38,433,002	
	TOTAL SCHOLARSHIPS/FELLOWSHIPS	$110,901,100	$50,610,070	$0	$120,110,359	$120,110,359	$55,018,163	$0	$120,153,937	$120,153,937	$57,824,306
9.0	TRANSFERS										
	Internal Transfers (within current funds)				$11,899,791	$11,899,791			$5,013,177	$5,013,177	
9.1	Mandatory Transfers (decrease)/increase				7,626,057	7,626,057			7,267,985	7,267,985	
9.2	Nonmandatory Transfers (decrease)/increase				45,412,821	45,412,821			20,152,297	20,152,297	
	TOTAL TRANSFERS	$44,862,233	$11,424,821	$0	$64,938,669	$64,938,669	$25,160,727	$0	$32,433,459	$32,433,459	($3,237,214)
	TOTAL E&G EXPENDITURES AND TRANSFERS	$1,026,157,640	$337,180,686	$774,303,068	$305,240,396	$1,079,543,464	$359,120,852	$809,562,626	$328,370,356	$1,137,932,982	$354,519,761

Note: The large increase in Instruction 1.1 E&E from FY 2007 estimated actual to FY 2008 budget is due primarily to the reserve for state appropriations withholding.

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 2006**	**Estimated Unrestricted Expenditures FY 2007**	**Projected Unrestricted Expenditures FY 2008**
1	Agriculture, Food & Natural Resources	$11,760,413	$12,014,437	$14,304,466
2	Arts & Sciences	126,719,845	133,964,259	125,319,527
3	Biological Sciences	5,096,280	5,358,356	4,810,479
4	Business	25,285,963	28,101,670	28,227,505
5	Computing & Engineering / Mgmt. & Information Systems	6,956,847	8,012,278	8,634,923
6	Conservatory of Music	5,095,657	5,488,673	5,071,277
7	Dentistry	16,289,988	16,043,814	17,709,813
8	Education	23,332,307	24,625,817	25,611,289
9	Engineering	39,600,102	41,714,177	42,746,098
10	Extension	965,260	1,100,341	997,668
11	Fine Arts & Communications	5,742,333	6,204,755	5,716,953
12	Health Professions	4,024,728	4,376,465	4,894,985
13	Human Environmental Sciences	6,565,807	6,241,548	6,931,078
14	Journalism	6,580,533	6,968,776	6,811,362
15	Law	10,806,026	11,104,335	11,676,455
16	Medicine	45,272,195	45,063,478	58,975,727
17	Nursing	9,792,725	11,014,315	12,222,914
18	Optometry	4,315,549	4,091,598	4,321,281
19	Pharmacy	4,206,768	4,483,300	5,778,527
20	Veterinary Medicine	13,644,658	14,167,822	13,892,222
21	Miscellaneous Instruction	17,902,072	19,273,026	43,220,961 *
	TOTAL	$389,956,058	$409,413,240	$447,875,510

* The large increase in Miscellaneous Instruction is composed of the reserve for withholding of approximately $13 million, plus some expenditures, such as instructional computing, that are budgeted here, but the expenditures will be allocated to the specific instructional departments during the year.

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

EDUCATION AND GENERAL RESTRICTED AND UNRESTRICTED REVENUES (Excludes Auxiliary Enterprises)	**Actual Unrestricted Revenue FY 2006**	**Actual Restricted Revenue FY 2006**	**Estimated Unrestricted Revenue FY 2007**	**Estimated Restricted Revenue FY 2007**	**Projected Unrestricted Revenue FY 2008**	**Projected Restricted Revenue FY 2008**
Student Education Fees (Excluding Off-Campus Credit)	$482,303,767	$189,450	$515,873,258	$273,300	$531,445,057	$250,000
Student Education Fees (Off-Campus Credit)	18,853,985	-	21,675,267	9,843	22,329,542	
SUBTOTAL OF TUITION AND FEES	$501,157,752	$189,450	$537,548,525	$283,143	$553,774,599	$250,000
Federal Appropriations	$14,203,415	-	$12,519,971	-	$13,141,988	
Federal Grants and Contracts	-	$199,245,113	-	$164,909,068	-	$197,476,000
Federal Vocational Reimbursement	-	-	-	-	-	
SUBTOTAL OF FEDERAL SOURCES	$14,203,415	$199,245,113	$12,519,971	$164,909,068	$13,141,988	$197,476,000
State Grants and Contracts	-	$39,343,301	-	$43,842,768	-	$39,748,000
State Vocational Reimbursement	-	-	-	-	-	
SUBTOTAL OF STATE GRANTS/REIMBURSEMENT	-	$39,343,301	-	$43,842,768	-	$39,748,000
Local Tax Revenue	-	-	-	-	-	
Local Grants and Contracts	-	$1,911,807	-	$1,860,495	-	$1,850,000
Recovery of Indirect Costs	$40,546,732	(39,980,395)	$42,921,809	(42,303,194)	$43,356,380	(43,356,380)
Private Gifts, Grants and Contracts	539,341	90,073,442	1,307,986	101,543,970	1,096,950	101,557,466
Investment Income	12,165,768	3,034,687	32,965,560	3,451,905	18,389,529	3,021,011
Endowment Income	(1,515,369)	30,792,541	2,691,301	29,945,883	2,956,025	29,577,587
Sales & Services of Educational Activities	30,700,402	108,815	33,382,953	224,512	33,722,259	101,105
Intercollegiate Athletic Income	-	-	-	-	-	-
Other Sources	46,161,830	5,452,276	60,537,867	5,596,181	40,558,433	4,863,706
SUBTOTAL OF TOTAL LOCAL REVENUES/OTHER	$128,598,704	$91,393,173	$173,807,476	$100,319,752	$140,079,576	$97,614,495
TRANSFERS FROM OTHER FUNDS						
State Appropriations for RTEC Distributions	-	-	-	-	-	
State Appropriations (Education & General Operating)	$389,764,780	$16,573,232	$401,798,979	$16,177,285	$430,936,819	$19,431,266
SUBTOTAL STATE APPROPRIATIONS	$389,764,780	$16,573,232	$401,798,979	$16,177,285	$430,936,819	$19,431,266
TOTAL EDUCATION & GENERAL REVENUE	$1,033,724,651	$346,744,269	$1,125,674,951	$325,532,016	$1,137,932,982	$354,519,761

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 2006**	**FTE**	**Estimated Unrestricted Expenditures FY 2007**	**FTE**	**Projected Unrestricted Expenditures FY 2008**	**Projected FTE**
Professors	$84,668,904	762.3	$91,191,671	799.4	$94,882,382	800.0
Associate Professors	63,359,338	802.0	68,301,247	850.6	71,090,637	800.0
Assistant Professors	59,699,669	917.9	61,559,169	941.2	64,513,086	946.6
Instructors	8,474,352	200.9	9,653,723	230.4	10,113,842	232.0
Lecturers	-	-	-	-	-	-
Other Faculty	75,522,208	2,477.7	81,203,942	2,665.4	84,401,380	2,679.8
Executive/Administrative/Managerial	85,536,022	998.5	88,170,457	1,008.1	91,642,205	1,016.3
Other Professional	77,262,952	1,585.3	79,351,197	1,607.1	83,085,683	1,629.0
Technical and Paraprofessionals	28,681,474	860.3	28,030,293	828.5	29,033,997	830.0
Clerical and Secretarial	57,377,733	1,981.7	59,940,362	2,002.0	61,950,538	2,000.2
Skilled Crafts	19,235,752	458.2	19,485,010	456.7	20,072,240	454.9
Service/Maintenance	21,105,177	852.3	20,830,310	823.0	21,560,512	823.5
Students	6,420,692	950.8	7,440,268	1,067.9	7,033,232	982.6
Summer Session	-	-		-		-
Staff Benefits	142,374,836	-	159,145,419	-	170,182,892	-
TOTAL PERSONAL SERVICES	$729,719,109	12,847.9	$774,303,068	13,280.3	$809,562,626	13,246.5

Note: FTE is based on October 31 census dates and is estimated for unrestricted, non-auxiliary appointments.

Core Programs

UNRESTRICTED EDUCATIONAL AND GENERAL

CORE BUDGET REQUEST ANALYSIS
FORM 4

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

MISSION STATEMENT

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 (Becomes Missouri University of Science and Technology effective January 1, 2008.)

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 Health 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 2006, the total enrollment was 28,184 with 6,700 of this number enrolled in graduate and professional programs. At that time, the full-time teaching and research staff numbered 2,907. In 2006-07, the campus granted 6,772 degrees. The Kansas City campus offers academic programs through 12 schools and colleges. Its fall 2006 total enrollment was 14,213, which included 4,830 graduate and professional students. The campus employed 1,142 full-time teaching and research staff, and awarded 2,764 degrees in 2006-07. The Rolla campus offers academic programs through four schools and colleges. In fall 2006, its total enrollment was 5,858 students, which included 1,343 enrolled in

graduate programs. Full-time teaching and research staff numbered 370. In 2006-07, the campus awarded 1,378 degrees. The St. Louis campus offers academic programs through eight schools and colleges, and had a fall 2006 total enrollment of 15,528, which included 3,069 graduate and professional students. The campus employed 556 full-time teaching and research staff and awarded 2,963 degrees in 2006-07.

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 has the unique responsibility to the State of providing access to quality educational experiences for Missouri's future health care providers. In addition, 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. Their vision: Through discovery and innovation, University of Missouri Health Care will be the health system people choose for exceptional service and exemplary health care.

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 & Activity Measures

	FY 2006 Actual	FY 2007	FY 2008 PROJ.	FY 2009 PROJ.
Total Off-campus FTE Enrollment (Fall Semester)	2,498	2,530	2,547	2,616

Total On-campus FTE Enrollment (Fall semester)	**FY 2006 Actual**	**FY 2007**	**FY 2008 PROJ.**	**FY 2009 PROJ.**
Undergraduates	36,124	36,609	36,620	36,751
Graduates	6,400	6,550	6,610	6,667
First Professional	2,730	2,751	2,783	2,857
Total FTE Enrollment	**45,254**	**45,900**	**46,013**	**46,275**

Total Credit Hour Activity for Academic Programs (12-month instructional activity)	**FY 2006 Actual**	**FY 2007 est.**	**FY 2008 PROJ.**	**FY 2009 PROJ.**
Undergraduate programs	1,153,574	1,160,163	1,160,512	1,164,663
Graduate programs	202,828	205,822	207,707	209,498
First Professional	109,216	108,736	110,001	112,926
Total Credit Hours	**1,465,618**	**1,474,721**	**1,478,220**	**1,487,087**

Institutional Scholarships/Fellowships/Grants:	**FY 2006 Actual**	**FY 2007 est.**	**FY 2008 PROJ.**	**FY 2009 PROJ.**
Undergraduate				
a. Number of Need-based Scholarships awarded	5,945	6,025	6,027	6,048
Dollar amount awarded	$12,109,268	$12,271,847	$12,275,534	$12,319,447
b. Number of Merit-based Scholarships awarded	13,473	13,654	13,658	13,707
Dollar amount awarded	$44,742,392	$45,343,102	$45,356,727	$45,518,980
c. Number of Athletic Scholarships awarded	1,083	1,098	1,098	1,102
Dollar amount awarded	$8,895,938	$9,015,375	$9,018,084	$9,050,344
d. Number of Tuition and Fee Remissions or Waivers	2,843	2,881	2,882	2,892
Dollar amount awarded	$7,020,009	$7,114,259	$7,116,397	$7,141,854
e. Number of Other Scholarships awarded	2,102	2,130	2,131	2,138
Dollar amount awarded	$2,921,605	$2,960,830	$2,961,720	$2,972,315
Subtotal Undergraduate Scholarship/Grants - Number of Awards	**25,446**	**25,788**	**25,795**	**25,888**
Subtotal Undergraduate Scholarship/Grants - Dollar Amount Awarded	**$75,689,212**	**$76,705,414**	**$76,728,462**	**$77,002,941**
Graduate				
a. Number of Need-based Scholarships awarded	457	468	472	476
Dollar amount awarded	$925,285	$946,971	$955,646	$963,887
b. Number of Merit-based Scholarships awarded	3,825	3,915	3,951	3,985
Dollar amount awarded	$14,802,412	$15,149,344	$15,288,116	$15,419,950
c. Number of Athletic Scholarships awarded	43	44	44	45
Dollar amount awarded	$411,884	$421,538	$425,399	$429,067
d. Number of Tuition and Fee Remissions or Waivers	6,166	6,311	6,368	6,423
Dollar amount awarded	$39,736,685	$40,668,014	$41,040,545	$41,394,450
e. Number of Other Scholarships awarded	1,068	1,093	1,103	1,113
Dollar amount awarded	$1,732,818	$1,773,431	$1,789,676	$1,805,109
Subtotal Graduate Scholarship/Grants - Number of Awards	**11,559**	**11,830**	**11,938**	**12,041**
Subtotal Graduate Scholarship/Grants - Dollar Amount Awarded	**$57,609,084**	**$58,959,297**	**$59,499,382**	**$60,012,463**
Total Number of Scholarships Awarded (Undergraduate and Graduate)	**37,005**	**37,618**	**37,734**	**37,929**
Total Dollar Amount of Scholarships Awarded (Undergraduate and Graduate)	**$133,298,296**	**$135,664,711**	**$136,227,844**	**$137,015,404**

III. Performance & Activity Measures (con't.)

Number of Degrees/Certificates	FY 2006 Actual	FY 2007 est.	FY 2008 PROJ.	FY 2009 PROJ.
Bachelor	8,535	9,034	9,037	9,069
Masters and Graduate Certificates	3,577	3,593	3,626	3,657
Doctoral	470	479	483	487
First Professional Degrees	741	771	780	801
TOTAL	13,323	13,877	13,926	14,014

IV. GROSS SQUARE FOOTAGE (Physical Plant)

Total Non Auxiliary Gross Square Footage to be Maintained in FY 2008 13,770,816 *

* this is an estimated number

New and Renovated Educational and General Space to be Maintained in FY 2009

Type of Project or Space Modification	Gross Sq ft Increase or Decrease	Number of Months in Effect in FY 2009	Annualized Gross sq. ft. Increase or Decrease
Regional Biocontainment Facility	31,146	9	23,360
Clinical Support & Education Building	70,445	6	35,223
Mechanical and Aerospace Eng (Toomey)	77,446	12	77,446
TOTAL	179,037		136,028

V. SALARY COMPARISONS

Approximate percentage salary increases provided or anticipated for employees.		
Occupational Category	FY 2007 over FY 2006 (%)	FY 2008 over FY 2007 (%)
Ranked Faculty	3.57%	3.00%
All Faculty	3.64%	3.00%
Executive/Administrative/Managerial	3.59%	3.00%
Other Professional	3.17%	3.00%
Technical and paraprofessionals	3.84%	3.00%
Clerical and secretarial	3.38%	3.00%
Skilled Crafts	2.36%	3.00%
Service/Maintenance	3.11%	3.00%

V. SALARY COMPARISONS (con't.)

Full-time Instructional Staff on 9/10 month Contracts by Gender and Academic Rank for FY 2007 *			
Gender and Academic Rank	**Number**	**Salary Outlays**	**Average Salary**
Men			
Professors	447	44,896,501	100,440
Associate Professors	381	26,905,765	70,619
Assistant Professors	342	20,627,568	60,315
Instructors	24	1,036,411	43,184
Lecturers	56	2,571,266	45,915
No Academic Rank	11	536,438	48,767
Total Men	1,261	96,573,949	76,585
Women			
Professors	110	9,792,025	89,018
Associate Professors	200	12,784,943	63,925
Assistant Professors	271	14,729,077	54,351
Instructors	48	2,061,089	42,939
Lecturers	66	2,595,999	39,333
No Academic Rank	7	268,657	38,380
Total Women	702	42,231,790	60,159
Total (Men & Women)	1,963	138,805,739	70,711
Total from prior year	1,888	129,930,145	68,819

* Per IPEDS

Full-time Instructional Staff on 11/12 month Contracts by Gender and Academic Rank for FY 2007 *			
Gender and Academic Rank	**Number**	**Salary Outlays**	**Average Salary**
Men			
Professors	123	15,208,579	123,647
Associate Professors	110	9,720,982	88,373
Assistant Professors	83	5,974,270	71,979
Instructors	27	1,316,073	48,743
Lecturers	62	3,030,064	48,872
No Academic Rank	34	1,397,600	41,106
Total Men	439	36,647,568	83,480
Women			
Professors	34	3,603,586	105,988
Associate Professors	61	4,811,495	78,877
Assistant Professors	89	6,111,881	68,673
Instructors	72	3,052,016	42,389
Lecturers	78	3,267,857	41,896
No Academic Rank	29	1,108,074	38,209
Total Women	363	21,954,909	60,482
Total (Men & Women)	802	58,602,477	73,070
Total from prior year	792	56,238,318	80,686

* Per IPEDS

Core Decision Items

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: **Increase to Core Budget for Sustaining Quality and Competitiveness: State Request $21,100,000**
Decision Item Rank: **1 of 5**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

The University of Missouri is the state's premier research university with the strategic positioning goal of being one of the top universities in the country. To sustain quality and competitiveness and fulfill its missions of teaching, research, public service, and economic development, the University requires an increase in state funding for an annual merit increase in compensation of 4%, additional resources to bring faculty salaries to the comparator groups' mean base salary, and funding for technology, infrastructure and on-going costs. The University's request encompasses a total investment plan of $45.53 million that will sustain the high level of quality and competitiveness that currently exists, as well as better position the University to contribute to the future economy of Missouri.

As the state's only land-grant, doctoral-granting research institution, the university is obligated to recruit and retain top-notch faculty and staff, as well as provide faculty and students state-of-the art technology and infrastructure. These investments will be funded through a partnership with the state, the University, and the students. The request from the state for an additional $21.10 million would be coupled with $11.91 million from University resources, and $12.52 million from students.

This request is based on a 4.2% increase in state appropriations to fund the state's share of the annual merit increase in compensation and the increase for technology, infrastructure, and ongoing costs. An additional 0.8 percent increase in state appropriations is needed to fund the first year of competitive compensation for faculty.

Cognizant of the many demands on the state's limited resources, the University of Missouri has worked to reduce expenditures through administrative efficiencies and increase revenues from other sources. For example, in FY 2007, the University performed a comprehensive review of University administration with a goal of reducing expenses by 10% or $12.4 million. By the end of the review process the University had identified $20 million in administrative reductions for reinvestment in academic and strategic priorities. In FY 2008 the Board of Curators requested a review of academic programs and processes to generate efficiencies equal to 1 percent of the operations budget, approximately $9 million, to fund the University's highest strategic priorities. For FY 2009 the University will fund a portion of its $11.91 million contribution to the plan through additional efficiencies and reallocations.

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.

Annual Merit Increase in Compensation: Total Investment $30.3 million; State Request $13.84 million

The University is a people-driven institution. Three-fourths of the annual budget is devoted to compensation. Recently, small UM salary increase budgets, coupled with greater salary increases in the higher education marketplace, have caused the University's market position to erode. It is critical for the state that the University maintain and, if possible, enhance its market position to be competitive in its ability to attract and retain quality faculty and staff. To compete with other states for economic development and for students to compete for jobs and graduate education, we must recruit and retain faculty and staff who are top in their fields. The University is well below market for selected types of employees and has not maintained general salaries at the level of inflation. This is demonstrated by comparing the salary wage pool for all employees over the last five years of 8 percent total to the inflation using the Consumer Price Index (CPI) for the same time period of 15.8 percent. The total required investment for an annual merit compensation pool plus benefits is $30.3 million, which is based on a merit increase pool equal to 4 percent of base salaries and wages and benefit costs of 29.19 percent. We are asking the state to fund $13.84 million, with the remaining amount funded by the University through efficiencies, reallocations, and other sources and by students through an inflationary increase in tuition.

Competitive Compensation for Faculty: Total Investment - $7.1 million; State request $3.55 million

High-quality faculties are the cornerstone of the University of Missouri. They provide excellence in teaching, mentoring, research, public service, economic development, and patient care. To provide the excellent educational experience our students and the citizens of Missouri expect and deserve, we must retain and recruit excellent faculty.

The University has identified the need for a three-year investment in competitive market compensation for ranked faculty totaling approximately $21.6 million in addition to the annual merit pool. In an analysis of ranked faculty at public AAU universities, the Columbia campus ranked last out of 33 universities in the growth of base faculty salaries from fall 1997 to fall 2006. Additionally, the Columbia campus is 32 out of 33 when ranked according to the current average base salary provided to ranked faculty for fall 2006. The University's faculty compensation is so tenuous, in fact, that from 1997 to 2006, the average ranked faculty salary increases among public Association of American Universities (a group of the nation's most prestigious public and private research institutions) in the surrounding states of Illinois, Iowa, Kansas and Nebraska ranged from 29.2 percent to 47.2 percent. During this same time, faculty salaries at the University of Missouri--Columbia increased an average of 20.4 percent. Similar problems exist with faculty salaries at the other University of Missouri campuses when compared to their peer groups. However, with permanent, increased funding, the average salary for ranked faculty can be improved to current, average salary levels among comparator institutions. This investment will be used to address competitive market pressures for a select group of the University's most stellar educators and researchers. In FY2009, the University's goal is to fund one-third of the $21.6 million, or $7.1 million. The University is requesting the state fund half of the total needed, or $3.55 million of the total $7.1 million The University will fund the remaining $3.55 million through efficiencies, reallocations and other sources.

Technology, Infrastructure and On-Going Costs: Total investment $8.1 million; State request $3.7 million

Technological innovation, educational and research needs, and increasing mandates and regulations require the University to change and adapt. The requested amount represents the required investments in technology infrastructure, security, basic classroom technology and student service tools

necessary to remain at the leading edge of discovery and education and to maintain the on-going costs of facilities and basic operations. Also included are the estimated costs to open the Clinical Support and Education Building and the Regional Biocontainment Facility on the Columbia campus and the addition and renovation of Toomey Hall for Mechanical and Aerospace Engineering on the Rolla campus. The technology, infrastructure and on-going costs request for investment reflects the need to cover true costs that do exist. The total required investment is $8.1 million. The state request is for $3.7 million with the remaining funding contributed by the University from other sources and an inflationary increase in tuition.

In summary, the mandatory cost to sustain quality and competitiveness and continue operations at the current level of activity is $45.53 million. We are requesting that the state fund in total $21.10 million of these costs.

III. COST EXPLANATION

Adjustment to the Core Budget for Sustaining Quality and Competitiveness:

	Total Investment	State Appropriation	University Sources Including Efficiencies & Reallocations	Tuition
Annual Merit Increase on Salaries & Wages - 4.0%	$23,460,000	$10,712,000	$5,108,000	$7,640,000
Employee Benefits	6,850,000	3,128,000	1,492,000	2,230,000
Total Merit and Employee Benefits Increase	30,310,000	13,840,000	6,600,000	9,870,000
Competitive Ranked Faculty Compensation including Benefits	7,100,000	3,550,000	3,550,000	0
Increases for Technology, Infrastructure and On-Going Costs	8,120,000	3,710,000	1,760,000	2,650,000
Required Investment to Sustain Quality and Competitiveness	$45,530,000	$21,100,000	$11,910,000	$12,520,000

IV. EVALUATION OF OUTCOMES

An adjustment to the University's core budget to sustain quality and competitiveness will permit the continuation of educational, research, outreach programs and economic development initiatives benefiting all citizens of Missouri.

The merit compensation increase and the competitive ranked faculty compensation are necessary to attract and retain high-quality faculty and staff, and reduce turnover. The continued investment in compensation will bring ranked faculty salaries to the mean of peer groups over a three-year period. Future compensation analysis will be used to evaluate the outcome.

The new and renovated facilities will provide additional 101,591 gross square feet of usable space in two buildings on the Columbia campus and 77,446 gross square feet in one building on the Rolla campus. This outcome will be evaluated by our ability to support programs of instruction, research, and public service with these facilities.

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 to Care for Missouri's Citizens: $23,234,524**
Decision Item Rank: **2 of 5**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

The University of Missouri has the responsibility to the State for providing access to quality educational experiences for Missouri's future health care providers. Recent funding shortages have severely impacted our health profession educational programs by threatening our ability to provide access to the next generation of Missouri's health care providers. The primary goal for the University of Missouri health care professional schools is to recruit, train, and retain the best students who will graduate to serve the health care needs of all Missourians. We stand ready to produce more health care professionals as that is the best way to specifically address the current and future health care worker shortage. The state's investment will help us make the goal a reality.

The issue is not unique to the University of Missouri; rather, it impacts every other four-year institution and the community colleges currently training health professionals in Missouri. Under the current funding structure, Missouri's higher education institutions are unable to keep pace with the increasing demand for health care professionals, and as a result, the state is experiencing considerable shortages of health care workers. The outlook becomes worse when considering significant retirements among active practitioners, changes in technology and practice, and the fact that our citizens are living longer.

The University of Missouri, the other four-year public institutions, and the State's community colleges are collaborating to receive additional state funding to assist in increasing the number of graduates in health professions and increase access to quality health professional education at a reasonable cost. The goal will be to gradually increase class sizes by an average of about 20% in order to address the state's health professional shortages, which affect a broad range of our citizens, regardless of their socioeconomic status. Specifically, the University of Missouri requests funding for our health professional education programs at the University of Missouri-Columbia (UMC), the University of Missouri-Kansas City (UMKC), and the University of Missouri-St. Louis (UMSL), and for a health literacy program at the University of Missouri-Rolla (UMR). These programs educate our future physicians, nurses, dentists, optometrists, pharmacists and allied health professionals, and promote health literacy.

II. DESCRIPTION

Nurse Education

The state of Missouri is facing a dire shortage of nurses. Schools of nursing are currently working at capacity and are consistently turning away as many qualified applicants are they are able to admit. In 2006, nursing schools across the country turned away more than 43,000 qualified applicants due to a lack of capacity. According to reports from the American Association of Colleges of Nursing (AACN), the primary causes are a shortage of nursing faculty, lack of classroom space, and inadequate budgets. The shortages are already dire in Missouri – to maintain adequate staffing levels for quality patient care, hospitals in Missouri utilize agency and temporary staff at a cost of more than $81 million in 2004. The shortage is projected to become even more severe in upcoming years. According to the Health Resources and Services Administration (HRSA), the nursing workforce will need more than 800,000 registered nurses by 2020 unless drastic steps are taken to reverse this shortfall. In Missouri, demand outpaced supply by 17% in 2005 and by 2020, demand is expected to outpace supply by 22%. The unfortunate result of nursing shortages can be compromised patient care. The U.S. Department of Health and Human Services found a correlation between lower nurse staffing levels and adverse patient outcomes. The University of Missouri educates baccalaureate and higher degree-prepared nurses. The University of Missouri nursing programs will continue to cooperate with the state's community colleges through their RN-to-B.S.N. programs and their accelerated B.S.N. programs to increase the number of baccalaureate-prepared nurses. There is evidence that health care quality and patient outcomes may be affected by the shortage of nurses with a higher level of education. The HRSA recommends baccalaureate degree preparation for at least two-thirds of the nursing workforce as the evidence clearly shows that higher levels of nursing education are linked with lower patient mortality rates, fewer errors and greater job satisfaction among RNs.

The University of Missouri seeks to increase the number of graduates of baccalaureate, master's, and doctoral-level nursing students. The expanded numbers of graduate students in this proposal will facilitate the graduation of nurses who might serve as faculty members for Missouri nursing programs, thereby contributing to reducing the nurse faculty shortage. To expand the pipeline of new nurses entering the profession, the University of Missouri nursing schools in St. Louis, Columbia and Kansas City are seeking to increase enrollment and capacity by a combined total of 87 students annually. To support this increase in student population the University of Missouri is requesting $5,090,400 for FY2009.

Physician Education

The University of Missouri has the state's two public medical schools at its Columbia and Kansas City campuses. In 2005, both schools ranked among the bottom seven out of 74 public medical schools in terms of state support. In 2005, the average national estimated cost of medical education per student was $200,000 annually. At the University of Missouri, state appropriated funds provide about $32,000 a year per student. This has an impact on the ability of the University to sustain a quality medical education program at an affordable cost. Lack of funding also prevents the schools from increasing its class sizes in order to deal with Missouri's physician shortage.

In 2004, 1.7% of U.S. physicians were practicing in Missouri. The state ranked 31st in the nation, reporting a rate of 261 physicians per 100,000 Missourians compared to the national rate of 297. Currently, the Missouri Department of Health and Senior Services estimates that 108 out of 114 Missouri counties are designated as underserved by physicians. Multiple factors contribute to the shortage, including an increasing demand for physician services, an aging population and changing practice patterns. The Association of American Medical Colleges (AAMC) estimates that even if medical school enrollment increases now it would take 10 to 15 years to see increases in the number of practicing physicians due to the length of training required. As a result, the AAMC has called for medical schools to increase enrollments by 30% by 2015. Both of the University of Missouri's Schools of Medicine are eager to address Missouri's shortage by admitting additional students to increase the number of graduates, but under current funding, they are already operating at capacity.

Specifically, the UMKC School of Medicine needs additional funding for faculty recruitment, education facilities and scholarship opportunities to provide access to medical education for qualified students. The School was cited by its accrediting body, the Liaison Committee on Medical Education (LCME), in a 2003 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 No. 1 reason why qualified minority applicants do not attend UMKC is the lack of availability of 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. Additional capacity to train physicians for Missouri cannot be funded through tuition. With additional capacity, UMKC would gain the ability to recruit Missouri students from rural, low income and underrepresented minority families.

The UMC School of Medicine has also been cited recently by the LCME due to concern that the low level of funding will result in substandard quality of education. We must address this concern or risk loss of accreditation. An increase in state funding would allow our clinical faculty to increase the amount of time educating students and, as a result, enable the school to increase its class size and the number of graduates. 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 ensure that our education program for medical students is up to standard. In another effort to address shortages in the state, particularly in rural communities, the UMC School of Medicine would allocate some of the additional funding to expand their Rural Track program. This would enhance 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, these students in particular often require financial support.

The University of Missouri medical schools in Columbia and Kansas City are seeking to increase enrollment and capacity by a combined total of 31 students annually. To support more students and expand scholarship opportunities, the University of Missouri is requesting $11,116,000 for FY 2009.

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 and in rural Missouri. The number of practicing dentists in the state declined between 1990 and 2000. While the rate of decline has appeared to taper off in more recent years, the average age of dentists in Missouri threatens to affect our future supply. In 2005, nearly 74% of our dentists were over 45 years of age. Analysis of the data collected by the Bi-State Task Force on Oral Health Workforce Issues supports this data and found that fewer dentists are entering the profession than retiring. In 2004, this catastrophic formula has produced only 41.8 dentists per 100,000 Missourians – below the national average of 48.4. To address the shortage, the task force 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 dentists per 100,000 Missourians). Adopting the recommendation, the School of Dentistry increased its 2001 DDS class size from 80 to 100 students. Other efforts to recruit and retain dentists include loan repayment for practicing in a Health Professional Shortage Area (HPSA), partnering with Area Health Education Centers (AHEC) and community-based clinics in underserved areas, use of the Primary Care Resource Initiative for Missouri (PRIMO) program, alternative licensure pathways for international dental graduates, and new primary care training programs. While these efforts have been successful, the dental school requires additional funding in order to further increase its number of students. The University of Missouri School of Dentistry seeks to increase enrollment and capacity by 17 students annually. To support this request, the University of Missouri is requesting $2,040,000 for FY 2009.

Pharmacist Education

A significant shortage of pharmacists has been documented since the late 1990s. Current national data indicate that there are more than 8,000 unfilled pharmacy positions – a shortage that is expected to deepen. Long-range predictions forecast a national shortage of 157,000 pharmacists by the year 2020. The UMKC School of Pharmacy has attempted to address the critical shortage of pharmacists by increasing class size during the last four years, from 75 students in 2003 to 123 students per year in the fall of 2007. This represents an increase of 65% in accepted students per year. However, it takes six years for a student to matriculate so the impact of the current increased enrollment is significantly downstream. Missouri Department of Economic Development data projects a shortage of 2,287 pharmacists by 2012, compared to only 1,551 who are projected to remain in the state. This indicates a shortfall of more than 700 pharmacists in the state of Missouri in 2012, despite the increased number of in-state graduates.

The Doctor of Pharmacy (Pharm.D.) program currently attracts approximately 600 applicants annually, but close to 500 of these applicants are being turned away. At UMKC and other out-state campuses, the capacity exists to increase the number of students by 25%, but this increase cannot be implemented without additional funding. Such funding would help hire clinical faculty to train the additional students, develop further distance education technology that will enhance the current UM-Columbia satellite Pharm.D. program and begin initial program planning for other offsite programs that will increase opportunities for Missouri residents to pursue the Pharm.D. degree. Funds also will 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 the plan to maximize class size, the School of Pharmacy seeks to increase enrollment and capacity by 30 students annually. To support this request, the University of Missouri is requesting $2,160,000 for FY 2009.

Optometrist Education

Optometry is the nation's third largest independent health care profession. Data from the Missouri Department of Economic Development indicate that the demand for new optometrists is comparable with that of other primary care providers, with an average of 20 optometrists needed annually through 2012. The high cost of an optometric education combined with aging and marginally adequate facilities that house the College of Optometry at UMSL are well-documented and long-standing challenges. The optometry program at UMSL is the only program in the state of Missouri and just one of 17 in the United States. Student fees at the UMSL College of Optometry continue to be the highest among the17 schools and colleges of optometry. In 2006-2007, tuition and fees were 18% higher than the average of the nine university-located optometric programs. The average professional education debt for graduates in the class of 2006 was $106,140. The negative impact 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 marginally adequate academic, patient care and administrative areas. Thus, nearly one out of three Missourians who began their optometric education in the fall of 2006 did so outside the borders of Missouri. The result is that many of the students who leave Missouri to attend a more affordable school do not return to practice optometry in Missouri, fueling additional shortages with each year the high cost is not addressed.

With additional funding, the UMSL College of Optometry could increase class size and place a concentration on ethnic and minority students due to its location in a diverse metropolitan area. Access for highly qualified Missouri students would be enhanced through an increased number of scholarships and tuition assistance. To help address optometrist shortages, the College of Optometry seeks to increase enrollment and capacity by six students annually. To support this request, the University of Missouri is requesting $720,000 for FY 2009.

Health Professions Education

Through imaging, diagnostic sciences and rehabilitative sciences, allied health professionals are on the front line of disease detection and care. These professionals include occupational therapists, physical therapists, radiologic technicians, respiratory therapists, sonographers, and speech-language pathologists. Nationally, a shortage of up to 2.5 million allied health workers is predicted by 2020. The U.S. Department of Labor reports that allied health workers represent 60% of the American health care workforce. In Missouri health occupations are projected to increase 22.3% or by approximately 47,110 jobs by 2012. In 2004, the Missouri Hospital Association indicated the shortage of these health care professionals is severe enough to potentially warrant the closure of some departments or services at hospitals throughout Missouri. The alternative for hospitals is to hire temporary agency personnel at an extra cost of $26.8 million.

The MU School of Health Professions (SHP) is the University of Missouri system's only school of health professions and the only public allied health doctoral-granting institution in Missouri. It offers the nation's only master's-level program in diagnostic medical ultrasound and Missouri's only doctoral-level program in speech-language pathology. Recent departmental surveys of the school's graduates showed that approximately 86% of them remain in the state to practice, with an even distribution of rural and urban employment placement. Plans also are underway to work cooperatively with several of the state's community colleges to prepare occupational and physical therapy assistants to increase the supply of health professions in the field. The School of Health Professions has received private support to create an integrated education delivery model with out-state community colleges focusing on the development of curricula for physical therapy assistant (PTA) and certified occupational therapy assistant (COTA) programs. This initiative is designed to recruit, educate and retain health workers in their local areas. By creating a unique program that provides future workers with local educational opportunities, predominately in rural areas, this program enhances the probability of "direct hires" and retention of a viable local workforce. The project is on schedule to have full implementation of the program to four Missouri community college sites with the first class entering in fall 2008. This effort could also open the potential to create accelerated programs for various health professions. Education and training, combined with recruitment and retention, are the keys to solving the workforce shortage. Health care will continue to top the national domestic agenda, and major investments in schools like SHP are necessary to respond to societal needs for services, research, and educating the next generation of practitioners. To guarantee Missouri's allied health workforce needs are met, the School of Health Professions seeks to increase enrollment and capacity by 38 students in the important diagnostic and rehabilitative programs it currently offers. To support this request, the University of Missouri is requesting $1,552,624 for FY 2009.

Health Literacy Education

Health literacy involves the ability to understand basic health information needed to make appropriate health decisions (Ratzan and Parker, 2000). It has been estimated that nearly 1/2 of American adults have low health literacy and, therefore, are not able to obtain appropriate health care or make good decisions about their health. In fact, poor health literacy is one of the strongest predictors of poor health outcomes and higher health care costs. The proposed health literacy program will develop and implement collaborative projects to make health care information more accessible and to improve the health literacy of Missourians. The University of Missouri - Rolla will collaborate with the Missouri Foundation for Health who has launched a major health literacy initiative. UMR will also work with community colleges and other universities, and its regional partners to launch its health literacy initiative. The regional partners will include Phelps County Regional Medical Center, the Rolla Chamber of Commerce, health care providers, and the K-12 school systems. UMR will follow the Institute of Medicine's model and recommendations to address health literacy, including community programming, curricula improvement at all levels, health professional training, and product development.

III. COST EXPLANATION

Cost Summary

Program/Discipline	Degrees	Graduates	Additional State Investment
Nurse Education	B.S.N.	18	$698,112
	RN-to-B.S.N.	10	193,920
	Accelerated B.S.N.	14	271,488
	Doctoral	15	2,181,600
	Master's	30	1,745,280
Total Nurse Education		87	$5,090,400
Physician/Medical Education	M.D.	31	$11,160,000
Dentist Education	D.D.S	17	$2,040,000
Pharmacist Education	Pharm.D.	30	$2,160,000
Optometrist Education	O.D.	6	$720,000
Health Professions Education	Communication Science and Disorders B.H.S.	3	$102,624
	Diagnostic Medical Ultrasound and Radiologic Sciences B.H.S.	9	342,000
	Medical Technology B.H.S.	3	114,000
	Respiratory Therapy B.H.S.	3	114,000
	Occupational Therapy Master's	10	440,000
	Physical Therapy D.P.T.	10	440,000
Total Health Professions Education		38	$1,552,624
Health Literacy Education			$511,500
Total New Graduates		**209**	
Total Recurring State Funds Request			**$23,234,524**

IV. EVALUATION OF OUTCOMES

Nurse Education

- Sustain an increase of 87 additional students graduating annually among our three nursing schools.
- Increase the number of graduates that remain in Missouri.
- Continue to work with statewide community colleges to ensure a smooth transition for two-year graduates wanting to complete a bachelor's degree in nursing.

Physician Education

- Sustain an increase of 31 additional students graduating annually among our two medical schools.
- Maintain LCME accreditation.
- Increase the number of graduates that practice in rural or underserved areas.

Dentist Education

- Sustain an increase of 17 additional students graduating annually.
- Increase the number of our graduates that practice in underserved rural or urban areas.

Pharmacist Education

- Sustain an increase of 30 additional students graduating annually.
- Increase the number of graduates that practice in the urban core or rural Missouri.

Optometrist Education

- Sustain an increase of six additional students graduating annually.
- Increase need-based scholarships.
- Increase retention of highly qualified Missouri resident applicants.

Health Professions Education

- Sustain an increase of 38 additional students graduating annually.
- Increase the number of students remaining in Missouri to practice.
- Continue to work with statewide community colleges to ensure a smooth transition for two-year graduates wanting to complete a bachelor's degree.

Health Literacy Education

- Establish a formal memorandum of understanding with health literacy partners, including regional community organizations, that outlines the nature of the partnerships and the scopes of work.
- Establish formal regional health literacy needs assessment.
- Establish a formal plan to develop interventions that address the identified needs.
- Develop and implement formal assessments to assess progress in improving health literacy.

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: **Sustaining Quality and Competitiveness Through Protecting the University's Infrastructure: $12,600,000**
Decision Item Rank: **3 of 5**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

The University of Missouri is the state's premier research university of higher education and is a four-campus system with main campuses in Columbia, Kansas City, Rolla and St. Louis. The University is requesting investment by the state to protect the University's facilities and infrastructure through increased expenditures for maintenance and repair. Because of funding challenges, addressing the maintenance and repair needs of the University has proven difficult and resulted in a backlog of deferred maintenance. The need requires a funded commitment as the first step in a multiyear effort to stop further growth of—and eventually eliminate—maintenance/repair backlogs.

The University is currently investing $25.2 million in ongoing maintenance and repair of facilities and capital equipment, or roughly 1% of the replacement value of the physical plant. In the 1990's the University received approximately $12 million in state appropriations for maintenance and repair to partner on this effort. These funds are matched with $13.1 million in other University funds on an annual basis for maintenance and repair of facilities and capital equipment. Prior to FY 2002 the University had a policy that required the campuses to spend 1.5% of the plant replacement value annually on maintenance and repair of their facilities and equipment. The decline in state support since FY 2001, 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 an additional investment of approximately $12.6 million is required. We are requesting the state appropriate $12.6 million in new state funds to match the University's investment on a 2-to-1 basis.

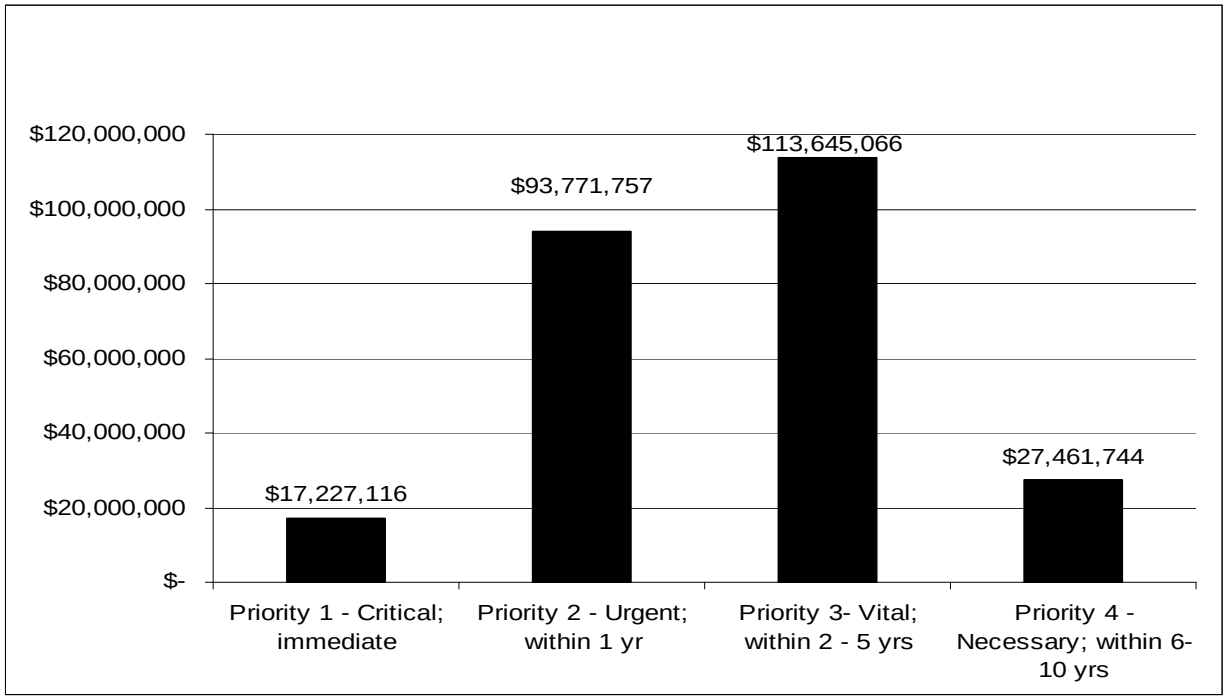
II. DESCRIPTION

Deferred maintenance is defined as the upkeep of buildings and equipment postponed from an entity's normal operating budget cycle due to a lack of funds. Accumulated deferred maintenance results primarily from underfunding routine maintenance and minor repair work, or underfunding building component part replacement needed near the end of useful life, all of which evolves into a more serious condition. If an ongoing investment is not made and deferred maintenance occurs, total costs are ultimately greater.

At this time the combined estimated replacement value of all education and general buildings is $2.4 billion with a total deferred maintenance liability estimated at $252 million. Deferred maintenance items at the University include structure, roofing, exterior cladding, building interior, vertical transportation, plumbing, HVAC, electrical, accessibility, fire protection, special equipment, and site utilities.

All deferred maintenance items are classified into priorities ranging from 1 to 4. Priority 1 items are critical items that should be corrected immediately. Priority 2 items are urgent and should be addressed within the year. Priority 3 items are vital but not yet critical and should be corrected within the next two to five years, and Priority 4 items are necessary and should be corrected within the next six to 10 years. The graph below depicts the priorities by estimated amount.

University of Missouri Deferred Maintenance
Education and General (E&G) Facilities



The primary problem with deferring maintenance is that eventually it will compound the problem, thus increasing the cost. In the long term, deferred maintenance can lead to shortened building life and reduced asset value.

III. COST EXPLANATION

Protecting the University's Infrastructure:	State Appropriations
Maintenance & Repair up from 1% to 1.5% of Replacement Value	$12,600,000
Total Increase from State Appropriation	$12,600,000

IV. EVALUATION OF OUTCOMES

The problems of deferred maintenance will be with us for a very long time unless additional annual investments are made. With additional stable funding we will be able to manage and minimize, although not eliminate, the chance of a major problem having unforeseen consequences on the University's mission and operating budget.

- ***Additional Funds Will Slow Deterioration of the University's Facilities:*** The state and the University have invested heavily in higher education facilities over the years. The value of this asset--many billions of dollars--demands more rapid action. Additional investment will decrease the deferred maintenance backlog and aid in solving this problem.

- ***Responsible Stewardship:*** The state and the University share the responsibility for the existence of today's serious maintenance problems. By augmenting the maintenance budgets, the state can further partner in the University's efforts and underscore its intent that higher education adequately maintain the public's facilities.

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 one-time**
Decision Item Rank: **4 of 5**

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 at Missouri State University (MSU). Engineering firms and other employers of engineers in the Springfield, Missouri area have articulated the need for more qualified engineers, particularly civil and electrical engineers who have graduated from an institution accredited by the Accreditation Board for Engineering and Technology. The University of Missouri-Rolla (UMR), located within 100 miles of Springfield offers premier, accredited programs in civil and electrical engineering. 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 developing 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 area. However, there are both recurring and one-time costs associated with meeting this need. The University of Missouri and Missouri State University will both receive recurring funds for this purpose beginning in FY2008. The one-time state funds needed to cover the costs involved in the program startup still need to be funded.

II. DESCRIPTION

Both the University of Missouri and Missouri State University are committed to developing a cooperative engineering program in civil and electrical engineering 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 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 face to face and via the Internet at MSU by UMR faculty, and some will be taught by MSU faculty. Some laboratory-based courses will need to be delivered at UMR.

- MSU will nominate faculty who could teach major courses in the civil and electrical engineering curricula at MSU. The UMR Provost, with the UMR electrical and civil engineering department chairs will approve teaching assignments and review MSU faculty credentials in the context of standards set by the Accreditation Board for Engineering and Technology. 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 in an effort 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 students who have been formally admitted into the engineering programs.

- All entering students in the civil or electrical engineering programs must first satisfy the admission requirements as described in the MSU Course Catalog. 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 notify each other regarding any change in admission requirements.

- Pre-engineering tuition 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 pre-engineering, civil and electrical engineering programs offered by MSU, and 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 civil and electrical engineering department chairs at UMR will provide administrative oversight of the respective programs. They will form coordinating committees composed 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 also will 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 also will 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 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 civil and electrical engineering programs. 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 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
- develop the appropriate distance education technology to deliver courses in civil and electrical engineering
- 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 on-going state funding allocated specifically to cover the additional programmatic costs to deliver the programs. In this regard, the University of Missouri has received $500,000 in recurring funds and is requesting $500,000 in one-time funds to support the cooperative degree program in civil and electrical engineering between the University of Missouri – Rolla and Missouri State University.

The $500,000 one-time funds will be allocated as follows:

- Support of five half-time graduate student teaching assistants who will adapt course structure and delivery for distance education, as well as modify lecture and laboratory course pedagogy: $100,000
- Support of technicians for laboratory modification: $60,000
- Creation of additional distance education facilities, which are required for a significant portion of the curriculum: $180,000
- Purchase of associated equipment and supplies for delivery of distance education components: $140,000
- Production of videos covering various aspects of lower-level courses for local use at MSU: $20,000

ONE-TIME FUNDS

PCS	FTE	Compensation	E&E	Total
Instruction	3.5	$160,000	$340,000	$500,000
Research				
Public Service				
Academic Support				
Total Improvements		**$160,000**	**$340,000**	**$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 program initiation.

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: **St. Louis Equity Adjustment: $2,600,000**
Decision Item Rank: **5 of 5**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

The University of Missouri—St. Louis (UMSL) suffers from a significant funding gap of $10.8 million in state appropriations, according to a 2002 Coordinating Board for Higher Education study that evaluated FTE funding relative to the mean and median of the appropriate Carnegie classification peer group. In the last four years, more than half of this identified need has been addressed by special allocations totaling $5.6 million to UMSL through reallocations from System administration funding and new targeted funding from the state. The FY 2009 appropriation request of $2.6 million is for an increase in state appropriations to address the remaining $5.2 million gap over two years. The remaining $2.6 million would be requested in FY 2010.

II. DESCRIPTION

Various analytical studies conducted over the past several years have concluded that each UM campus is underfunded relative to its mission, program scope, level of students served and comparator institutions. When weighted FTE criteria is used to take into account higher costs of educating professional and graduate students and the doctoral and research mission at the University, UMSL's FY 2007 state appropriation per weighted FTE student is the lowest in the state at $3,936 compared to a high of $7,207 at Harris-Stowe. Weighted FTE is used to take into account higher costs of educating first professional and graduate students and the doctoral and research mission at our campuses. This comparison is significant because the other four-year institutions do not have the same doctoral and research mission as UMSL and the other University of Missouri campuses.

The University of Missouri-St. Louis is a premier metropolitan public research university. Its educational and research missions advance the economy and culture of the region and provide leadership at a national and international level.

III. COST EXPLANATION

New Recurring Investment for equity: $2,600,000

From State Appropriations **$2,600,000**

IV. EVALUATION OF OUTCOMES

This investment provides half of the funds needed to correct the equity funding gap in state appropriations identified by the 2002 Coordinating Board for Higher Education study. The remaining $2.6 million will be requested in FY 2010. This investment in the land-grant research institution committed to meeting the diverse needs in the state's largest metropolitan community will provide for continued educational, research and outreach programs benefiting all citizens of Missouri.

Other Programs

FY 2008-2009 APPROPRIATIONS REQUEST FOR OPERATIONS
SUMMARY OF OTHER PROGRAM REQUESTS
UNIVERSITY OF MISSOURI SYSTEM

	STATE APPROPRIATIONS	NON-STATE FUNDS	TOTAL FUNDS
University of Missouri Hospitals and Clinics	$18,738,852	$571,223,676	$589,962,528
Missouri Rehabilitation Center	$15,141,062	$25,043,303	$40,184,365
Missouri Institute of Mental Health	$1,917,155	$397,889	$2,315,044
Missouri Kidney Program	$4,185,479		$4,185,479
Missouri Research and Education Network (MOREnet)	$15,790,306	$5,948,786	$21,739,092
Missouri Telehealth Network	$857,640		$857,640
Alzheimer's Program (legislative directive)	$430,100		$430,100
Spinal Cord Injury Fund (legislative directive)	$400,000		$400,000
State Seminary Fund (legislative directive)	$3,125,000		$3,125,000
MOBIUS			
Recurring	$500,000		$500,000
One-time	$2,000,000		$2,000,000
State Historical Society of Missouri	$1,960,253		$1,960,253

PROGRAM EXPENDITURES AND REVENUE SUMMARY

FORM 1

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

	FY2006 Actual	FY2007 Estimated	FY2008 Planned & FY2009 Core	Increase for Sustaining Quality and Service	Increase for Preparing to Care for Missouri's Citizens *	FY2009 Request
EXPENDITURES:						
Personal Services	$225,826,744	$243,043,451	$252,698,578	$10,107,943	$2,250,673	$265,057,194
Medical Supplies & Drugs	93,465,160	102,643,860	105,505,446	4,431,229	939,690	110,876,365
Adm and Support Svcs	31,141,335	37,524,723	33,077,175	1,389,241	294,604	34,761,020
Interest	9,306,884	8,379,687	8,330,300	349,873	74,194	8,754,367
FRA	23,683,403	24,093,307	27,549,346	1,157,072	245,370	28,951,788
Other	57,110,020	58,223,699	65,725,496	2,760,471	585,388	69,071,355
Transfers	68,649,755	55,407,561	68,498,042	3,382,316	610,081	72,490,439
Total Expenditures	$509,183,301	$529,316,288	$561,384,383	$23,578,145	$5,000,000	$589,962,528
FTE Employees	4,092.4	4,181.6	4,317.7		38.5	4,356.2
SOURCES OF FUNDS:						
State Appropriations	$12,741,393	$12,789,522	$13,185,079	$553,773	$5,000,000	$18,738,852
Non-State Revenues						
Patient Service Revenue	$473,805,698	$487,996,683	$522,575,527	$21,948,173		$544,523,700
Other	22,636,210	28,530,083	25,623,777	1,076,199		26,699,976
Total Non-State Revenues	$496,441,908	$516,526,766	$548,199,304	$23,024,372	$0	$571,223,676
Total Sources	$509,183,301	$529,316,288	$561,384,383	$23,578,145	$5,000,000	$589,962,528

* FTE and expense split is estimated. The actual FTE and expenses may vary depending on the mix of physicians recruited and on the new children's services provided.

PERSONAL SERVICES AND EXPENSE AND EQUIPMENT DETAIL

FORM 3

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

	FY2007 Estimated		FY2008 Planned & FY2009 Core		Increase for Sustaining Quality and Service	Increase for Preparing to Care for Missouri's Citizens *		FY2009 Request	
	FTE	Amount	FTE	Amount	Amount	FTE	Amount	FTE	Amount
PERSONAL SERVICES:									
Teaching and Research	292.8	$13,308,995	311.6	$14,096,583	$563,863	2.8	$125,552	314.4	$14,785,998
Exec., Admin., Managerial	527.5	23,974,611	570.2	25,794,520	1,031,781	5.1	229,740	575.3	27,056,041
Professional	1,915.5	87,057,875	1,933.3	87,458,066	3,498,323	17.2	778,950	1,950.5	91,735,339
Technical	642.2	29,185,963	705.9	31,932,122	1,277,285	6.3	284,405	712.2	33,493,812
Office	457.7	20,802,160	427.3	19,331,731	773,269	3.8	172,179	431.1	20,277,179
Crafts and Trades	86.2	3,915,362	84.3	3,812,909	152,516	0.8	33,960	85.1	3,999,385
Service	259.7	11,802,430	285.1	12,898,312	515,933	2.5	114,879	287.6	13,529,124
Staff Benefits		52,996,055		57,374,335	2,294,973		511,008		60,180,316
Total Personal Services	4,181.6	$243,043,451	4,317.7	$252,698,578	$10,107,943	38.5	2,250,673	4,356.2	$265,057,194
EXPENSE AND EQUIPMENT:									
Fuel and Utilities		$8,775,153		$8,644,429	$363,066		$76,992		$9,084,487
Library Acquisitions		0		0	0		0		0
Equipment		5,992,335		6,550,961	275,140		58,346		6,884,447
All Other		271,505,349		293,490,415	12,831,996		2,613,989		308,936,400
Total Expense & Equipment		$286,272,837		$308,685,805	$13,470,202		$2,749,327		$324,905,334
Grand Total	4,181.6	$529,316,288	4,317.7	$561,384,383	$23,578,145	38.5	$5,000,000	4,356.2	$589,962,528

* FTE and expense split is estimated. The actual FTE and expenses may vary depending on the mix of physicians recruited and on the new children's services provided.

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 312 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 155-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 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 comprehensive 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, as well as 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.

III. PERFORMANCE AND ACTIVITY MEASURES

	FY2007 Estimated	FY2008 Planned	FY2009 Planned
A. Students Participating in Hospital Activities at all locations:			
Medical Students	370	375	381
Nursing Students	374	370	370
Graduate Nursing Students	15	12	12
Interns and Residents	404	414	414
Total	1,163	1,171	1,177
B. Hospital Fiscal Data:			
Net Non-State Revenue	$516,526,766	$548,199,304	$571,223,676
State Revenue (Percent of Total)	2.42%	2.35%	3.18%

III. PERFORMANCE AND ACTIVITY MEASURES-UNIVERSITY HOSPITALS & CLINICS (Continued)

	FY2007 Estimated	FY2008 Planned	FY2009 Planned
C. Inpatient Discharges By Service based on Discharging Attending: (Includes Adult and Newborn)			
Surgery	5,701	6,003	6,003
Medicine	4,945	5,207	5,207
Child Health	3,165	3,333	3,333
Orthopedics (includes Ortho Oncology)	2,998	3,157	3,157
OB/Gyn	2,109	2,221	2,221
Family Practice	1,606	1,691	1,691
Neurology	808	851	851
Otolaryngology	260	274	274
Other	58	61	61
Total	21,650	22,798	22,798
D. Inpatient Discharges By Responsibility: (Includes Adult and Newborn)			
Medicare	7,188	7,683	7,683
Medicaid	4,611	4,924	4,924
Managed/Commercial	7,751	8,070	8,070
Self Pay & Other	2,100	2,120	2,120
Total	21,650	22,798	22,798
E. Inpatient Days:			
Adult and Pediatric	101,310	108,978	108,978
Newborn	3,086	3,036	3,036
Total	104,396	112,014	112,014
F. Outpatient Visits Excluding Lab & Radiology:	495,520	453,700	453,700
G. Emergency Room Visits	41,089	41,555	41,555

III. PERFORMANCE AND ACTIVITY MEASURES-UNIVERSITY HOSPITALS & CLINICS (Continued)

	FY2007 Estimated	FY2008 Planned	FY2009 Planned
H. Hospital Statistical Data:			
Number of Beds (Adult & Pediatric)	483	467	467
Percent Occupancy	57.47%	63.76%	63.93%
Number of Short Stay Arrived Patients	10,332	10,448	10,448
Number of Observation Arrived Patients	2,881	2,559	2,559
Number of Surgery Cases (Inpatient and Outpatient)	17,554	18,612	18,612
Number of Perinatal Surgery Cases (Inpatient and Outpatient)	730	750	750
I. Size of Physical Plant:			
Number of Gross Square Feet	2,188,584	2,253,924	2,253,924
Number of Net Assignable Feet	1,332,146	1,374,306	1,374,306

J. Book Value of Equipment Inventory:

At June 30, 2005	$172 million
At June 30, 2006	$180 million
At June 30, 2007 - Estimated	$188 million

PROGRAM DESCRIPTION

Department of Higher Education
Program Name: 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 467 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.

Section 172.810-172.830, RSMo

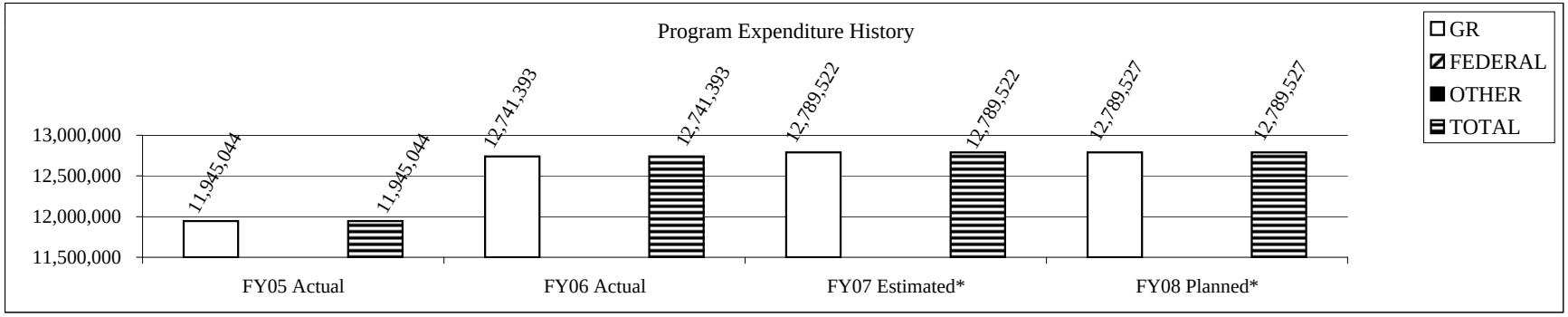
3. Are there federal matching requirements? If yes, please explain.

No

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

No

5.



*Net of Governor's 3% Withholding

PROGRAM DESCRIPTION

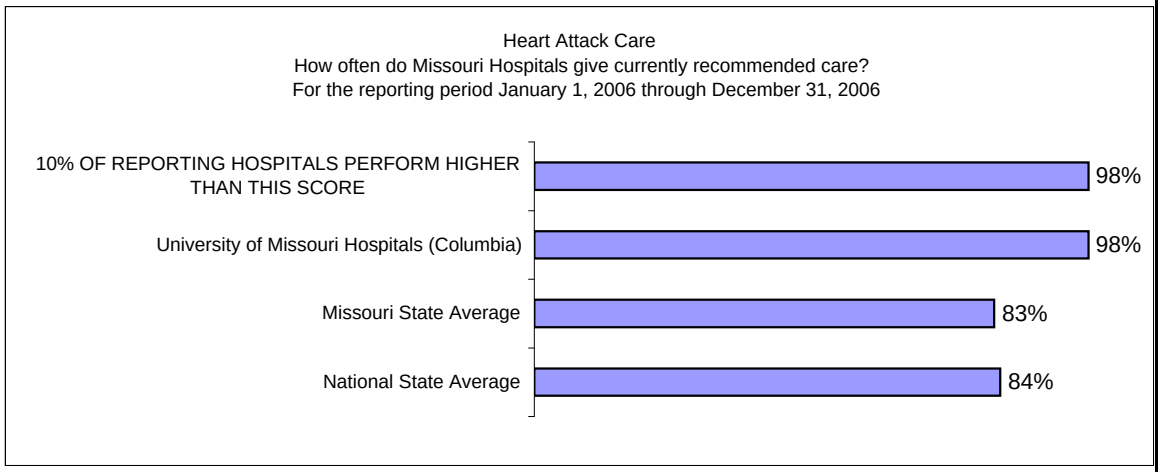
Department of Higher Education
Program Name: University of Missouri Hospitals and Clinics
Program is found in the following core budget(s): University of Missouri Hospitals and Clinics

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.

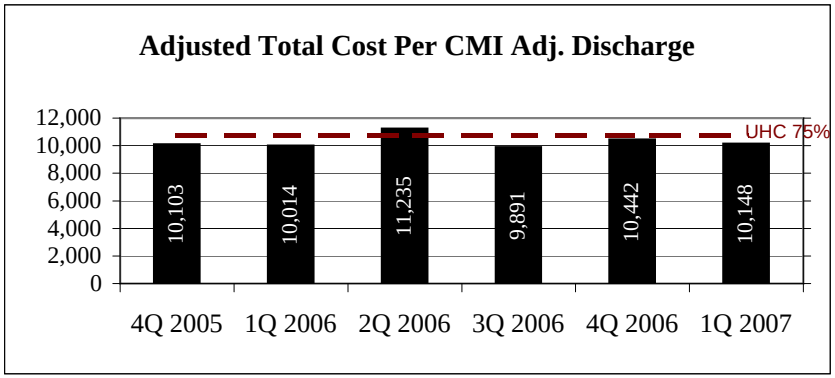
7a. Provide an effectiveness measure.

The accompanying graph, sponsored by the Centers for Medicare and Medicaid through the QualityNet public reporting initiative, represents a composite score for heart attack care. The composite scores in the graphs were calculated as the average rate of seven heart attack indicators. Thus, these rates show an overall percentage of times hospitals gave currently recommend care between January 1, 2006 and December 31, 2006. A higher percentage indicates hospitals provided the recommended care more often. Of all hospitals reporting, University Hospitals and Clinics was among those hospitals in the top 10 % nationally for providing the best heart attack care.



7b. Provide an efficiency measure.

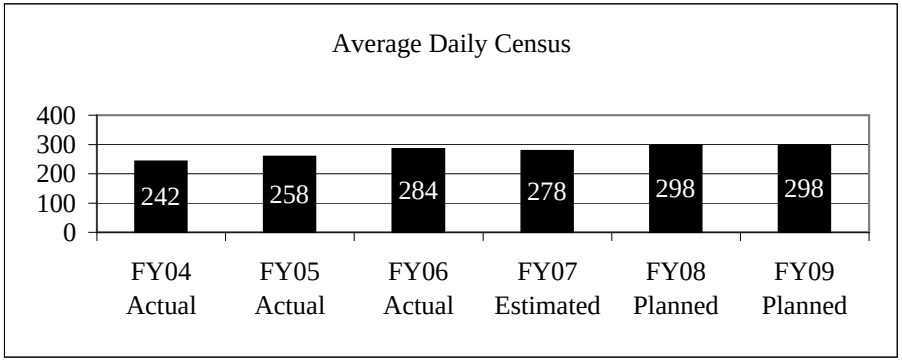
University Hospitals and Clinics benchmarks its overall efficiency with other university teaching hospitals. The best overall indicator of efficency is cost per adjusted discharges. Lower costs, with consistent quality, would indicate higher efficiency. Because of the tertiary nature of the Hospital and Clinics as well as its trauma service, its costs of care are higher than other medical centers, but within the 75th percentile.
*The Adjusted Total Cost per Case Mix Index Adjusted Discharge, at the 75th percentile from the University Hospital Consortium (UHC) compare group of Solucient Benchmarks for the first quarter of Calendar 2007 is $10,737.



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

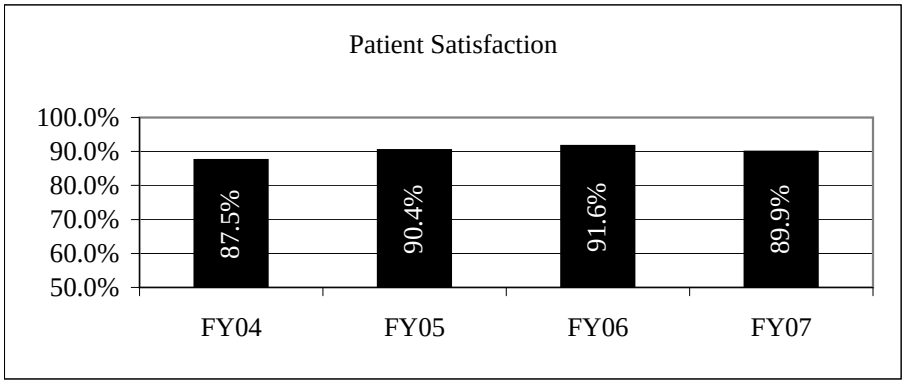
7c. Provide the number of clients/individuals served, if applicable

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: **Increase for Sustaining Quality and Service: $553,773**
Decision Item Rank: **1 of 2**

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 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.

The 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. The funding situation becomes even more problematic when adjusted for inflation. Adding to the funding issue, University of Missouri Hospitals has not had its request for increases to fund mandatory costs approved since FY2001. To continue its operations at current levels, including its Tier 1 Safety Net Hospital, 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 has aggressively controlled costs and enhanced revenues over the past five years. However, the cost to deliver its services to the public continues to rise. There are fixed cost increases associated with utilities, medical equipment, pharmaceuticals, and supplies and services, as well as increased costs associated with staff salaries and benefits. The hospital has undergone difficult but necessary reorganizations and streamlining to become solvent. Lack of additional funding impairs the ability of University Hospitals and Clinics to continue to provide the same level of services for the citizens of Missouri as currently provided.

University of Missouri Hospitals and Clinics will require funds to offset the rising costs of healthcare. An adjustment of 4.2 % 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	$ 10,107,943
Expense and Equipment	13,470,202
Total Increase for Sustaining Quality and Service	$23,578,145
State Appropriations @ 4.2%	$ 553,773
From Non-State Sources	23,024,372
	$23,578,145

NEW DECISION ITEM REQUEST

UNRESTRICTED EDUCATIONAL AND GENERAL
FORM 5

Department: **Higher Education Unrestricted**
Level 2 **University of Missouri – Other Programs**
Level 3 **University of Missouri Health Care's Children's Hospital**
Decision Item Name: **Preparing to Care for Missouri's Citizens Increase to Base Funding for Children's Specialty Programs: $5,000,000**
Decision Item Rank: **2 of 2**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

University of Missouri Health Care's Children's Hospital is the only pediatric hospital between St. Louis and Kansas City offering comprehensive, specialized services including trauma, neonatal transport, child life therapy and a hospital school. As the pediatric teaching hospital for University of Missouri School of Medicine, Children's Hospital supports the education and research missions of the University of Missouri. Children's Hospital has provided service to children from 83 out of 115 Missouri counties. Maintaining pediatric programs is an on-going challenge. Almost half of the Medicaid recipients in mid-Missouri are children, which significantly affects reimbursement. Attracting and retaining the necessary complement of physicians who are in short supply is difficult. However, it is necessary to support the mission of advancing the health of all Missourians and the education and research missions of the University of Missouri.

II. DESCRIPTION

The lack of certain pediatric specialists creates quality issues and threatens the retention of existing specialists and programs. The accreditation and viability of our pediatric training programs are contingent upon recruitment and retention of faculty and staff. A complement of two physicians in each specialty is often necessary for coverage purposes and to recruit and retain physicians. In addition, funds are needed to expand pediatric programs in critical care, endocrinology, gastroenterology, neurosurgery, neurology, otolaryngology and plastic surgery. The expansion of these programs is needed in order to provide a complete complement of services to the children of Missouri.

III. COST EXPLANATION

RECURRING FUNDS

This request is for an additional recurring appropriation of $5,000,000 for Children's Hospital. These funds are needed to assist with recruitment and retention of specialty physicians, pediatric research and teaching, and the expansion of pediatric specialty programs. Initially, there is a need to recruit additional pediatric specialists, including intensivists, anesthesiologists, cardiologists, oncologists, geneticists and neonatologists. The

recruitment of these key pediatric specialists and the expansion of pediatric specialty programs are critical to providing a comprehensive range of clinical services for children as well as supporting the teaching mission of the MU School of Medicine.

IV. EVALUATION OF OUTCOMES

The Children's Hospital Annual Report will outline the progress specific to the expansion of pediatric programs and services. It will also include data regarding the clinical benefits to the children of mid-Missouri as well as the improvements to academics, research and teaching conducted at University of Missouri Health Care Children's Hospital.

PROGRAM EXPENDITURES AND REVENUE SUMMARY

FORM 1

MISSOURI REHABILITATION CENTER

	FY2006 Actual	FY2007 Estimated	FY2008 Planned & FY2009 Core	Increase for Sustaining Quality and Service	Increase for Preparing to Care for Missouri's Citizens	FY2009 Request
EXPENDITURES:						
Personal Services	$25,201,994	$23,636,252	$24,378,629	$975,145		$25,353,774
Medical Supplies & Drugs	2,770,904	2,682,010	2,535,077	106,473		2,641,550
Adm and Support Svcs	1,714,631	2,151,764	2,168,382	91,072		2,259,454
FRA	1,459,982	1,461,219	1,956,219	82,161		2,038,380
Other	4,204,966	4,302,724	3,926,302	164,905		4,091,207
Transfers to Plant for Capital Equipment	4,000,000	3,800,000	3,800,000	0		3,800,000
Total Expenditures and Transfers	$39,352,477	$38,033,969	$38,764,609	$1,419,756	$0	$40,184,365
FTE Employees	512.4	463.3	463.7			463.7
SOURCES OF FUNDS:						
State Appropriations	$9,813,190	$10,089,644	$11,651,691	$489,371	$3,000,000	$15,141,062
Non-State Revenues						
Patient Revenues	$25,138,574	$22,822,704	$23,292,577	$413,335		$23,705,912
Other	961,860	1,471,288	1,337,391	0		1,337,391
Total Non-State Revenues	$26,100,434	$24,293,992	$24,629,968	$413,335	$0	$25,043,303
Total Revenues	$35,913,624	$34,383,636	$36,281,659	$902,706	$3,000,000	$40,184,365
Excess of Exp. & Trf. over Revenues						
Operating Shortfall	$1,033,625	$1,665,649	$617,950	$517,050	($1,135,000)	$0
Capital Funding in Excess of Depreciation	2,405,228	1,984,684	1,865,000	0	(1,865,000)	0
Total Shortfall	$3,438,853	$3,650,333	$2,482,950	$517,050	($3,000,000)	$0

PERSONAL SERVICES AND EXPENSE AND EQUIPMENT DETAIL

FORM 3

MISSOURI REHABILITATION CENTER

	FY2007 Estimated		FY2008 Planned & FY2009 Core		Increase for Sustaining Quality and Service	FY2009 Request	
	FTE	Amount	FTE	Amount	Amount	FTE	Amount
PERSONAL SERVICES:							
Teaching and Research	0.1	$4,980	0.0	$0	$0	0.0	$0
Exec., Admin., Managerial	60.1	2,382,362	57.3	2,331,892	93,276	57.3	2,425,168
Professional	208.2	8,253,277	212.7	8,651,860	346,074	212.7	8,997,934
Technical	106.9	4,237,862	106.7	4,341,683	173,667	106.7	4,515,350
Office	29.5	1,167,798	30.0	1,222,184	48,887	30.0	1,271,071
Crafts and Trades	20.2	801,183	20.6	838,030	33,521	20.6	871,551
Service	38.3	1,518,213	36.3	1,475,867	59,035	36.3	1,534,902
Staff Benefits		5,270,576		5,517,113	220,685		5,737,798
Total Personal Services	463.3	$23,636,252	463.7	$24,378,629	$975,145	463.7	$25,353,774
EXPENSE AND EQUIPMENT:							
Fuel and Utilities		$1,143,166		$1,123,891	$47,203		$1,171,094
Library Acquisitions		0		0	0		0
Equipment		459,446		255,447	10,729		266,176
Transfers for Capital Equipment		3,800,000		3,800,000	0		3,800,000
All Other		8,995,105		9,206,642	386,679		9,593,321
Total Expense & Equipment		$14,397,717		$14,385,980	$444,611		$14,830,591
Grand Total	463.3	$38,033,969	463.7	$38,764,609	$1,419,756	463.7	$40,184,365

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. PROGRAM DESCRIPTION

Missouri Rehabilitation Center (MRC) is a 115-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 35 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. 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 including inpatient intensive care. 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.

III. PERFORMANCE AND ACTIVITY MEASURES

	FY2007 Estimated	FY2008 Planned	FY2009 Planned
A. Hospital Fiscal Data:			
Total Non State Revenues	$24,293,992	$24,629,968	$25,043,303
State Revenue (Percent of Total)	29.34%	32.11%	37.68%
B. Inpatient Discharges:	479	422	422
C. Inpatient Discharges By Responsibility at Admission:			
Medicare	171	151	151
Medicaid	105	92	92
Managed/Commercial	58	51	51
Self Pay	33	29	29
Other Government	112	98	98
Total	479	422	422
D. Inpatient Days	19,295	19,419	19,419
F. Hospital Statistical Data:			
Number of Beds (Adult & Pediatric)	124	115	115
Percent Occupancy	42.63%	46.14%	46.26%
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, 2005	$7.2 million		
At June 30, 2006	$7.4 million		
At June 30, 2007 Estimated	$7.6 million		

PROGRAM DESCRIPTION

Department of Higher Education
Program Name: 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 115-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, and orthopedic injuries as well as tuberculosis and other pulmonary conditions. Approximately 35% 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 statuatory purpose can be found in Sections 199.010-199.270, RSMo.

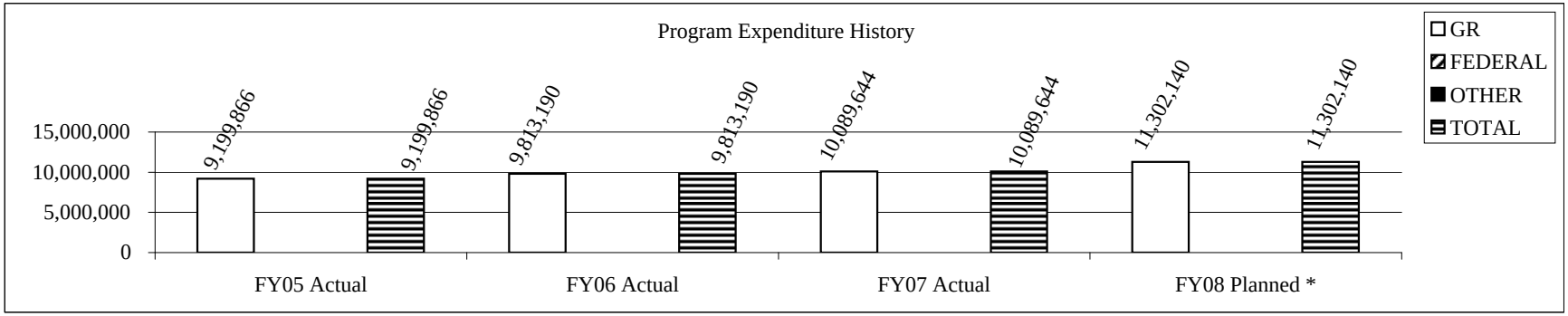
3. Are there federal matching requirements? If yes, please explain.

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

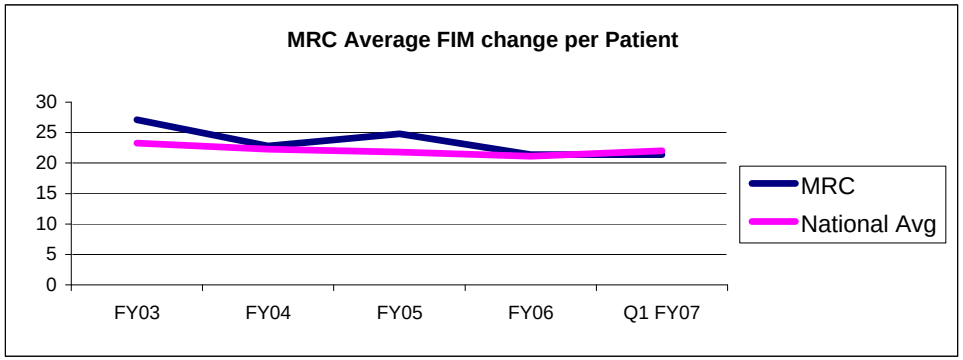
Department of Higher Education
Program Name: Missouri Rehabilitation Center
Program is found in the following core budget(s): University of Missouri - Missouri Rehabilitation Center

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 third party payors. See Form 1 for detail of nonstate revenues.

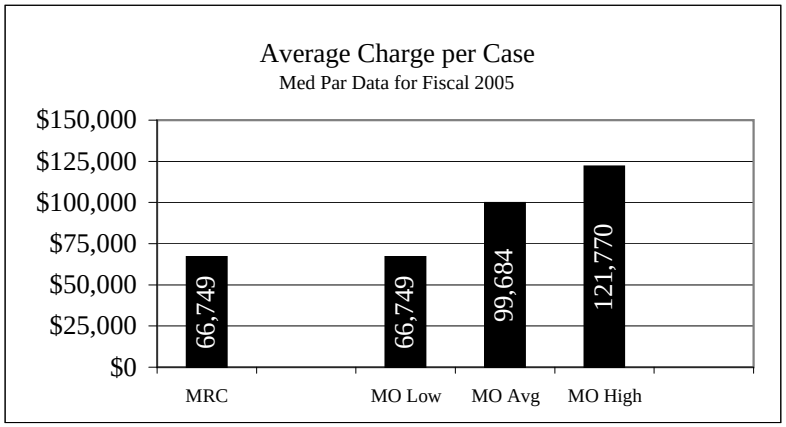
7a. Provide an effectiveness measure.

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 national average.



7b. Provide an efficiency measure.

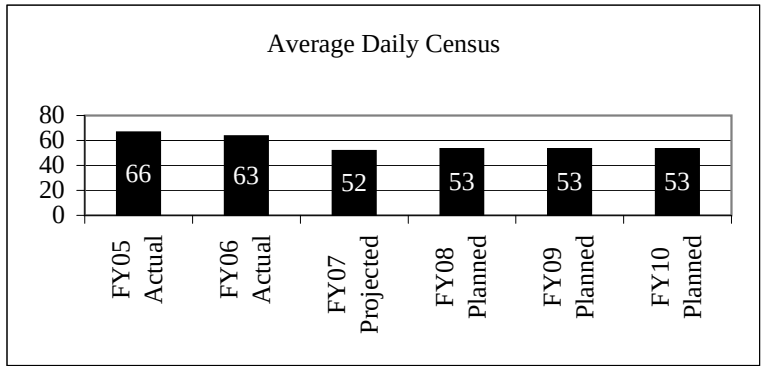
MRC is a long-term acute care hospital, one of relatively few hospitals of this type in the state of Missouri. Based on fiscal year 2005's Med Par data (a data base of Medicare claims), we can compare average charge per case with the other similar hospitals in the state. MRC's average charge per case is the lowest in the state. MRC treated 14.6% of the cases and received 10.8% of the reimbursement. The average length of stay at MRC is 32.6 days vs the State's average of 30.9 days.



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

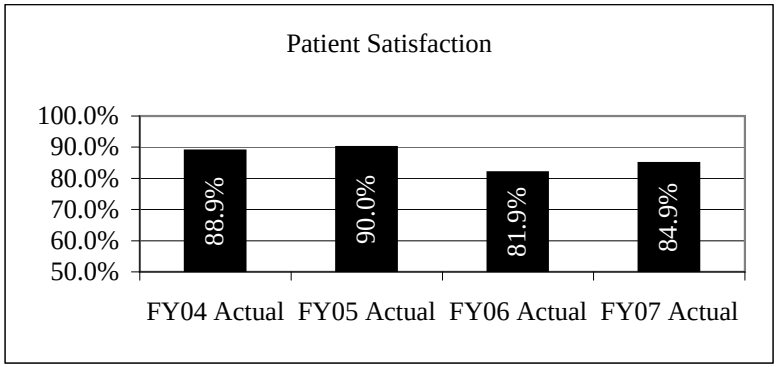
7c. Provide the number of clients/individuals served, if applicable

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: **Increase for Sustaining Quality and Service: $489,371**
Decision Item Rank: **1 of 2**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

The Missouri Rehabilitation Center (MRC) is a 115-bed long-term acute care hospital that provides an array of experts and programs for patients recovering from serious illnesses and injuries. MRC provides inpatient and outpatient services to Missourians, with special programs for traumatically brain-injured, spinal cord-injured or tuberculosis patients. Because many of these patients are Medicaid or indigent clients, MRC experienced operating losses in 2006 and is projecting an operating shortfall of approximately $1.7 million in 2007 and a total shortfall of approximately $3.6 million. These losses have or are projected to occur despite cost-cutting measures taken by MRC in 2006 and 2007 that have reduced operating costs by approximately $500,000 annually. Included in this cost reduction were programmatic cuts to the MRC transitional living and day rehabilitation programs. MRC continues to experience increases in the cost of goods and services at a time when reimbursement for services declines due to serving a disproportionate share of Missouri's Medicaid and indigent clients. To continue at the current level of operations in 2009 the Missouri Rehabilitation Center will require adjustments in state support to cover mandatory cost increases to sustain quality and service.

II. DESCRIPTION

The Missouri Rehabilitation Center continues to incur higher costs to deliver its services to the public. There are fixed cost increases associated with utilities, insurance, medical equipment, pharmaceuticals, and supplies and services, as well as increased costs associated with staff salaries and benefits. With these higher costs and relativity flat non-state revenues, a 4.2% increase in state appropriations is not enough to cover the increasing deficit. Therefore, we have submitted a new decision item request for additional funding. 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 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	$975,145
Expense and Equipment	444,611
Total Increase for Sustaining Quality and Service	$1,419,756

State Appropriations @ 4.2%	$ 489,371
Additional Patient Revenue	413,335
Increase in Operating Shortfall	517,050
Total Increase for Sustaining Quality and Service	$ 1,419,756

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: **Preparing to Care for Missouri's Citizens Increase to Base Funding for On-Going Operations: $3,000,000**
Decision Item Rank: **2 of 2**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

The Missouri Rehabilitation Center (MRC) is a 115-bed long-term acute care hospital that provides an array of experts and programs for patients recovering from serious illnesses and injuries. To sustain MRC at its current operational levels and to continue to provide care to Missourians who are primarily Medicaid recipients or indigent, an adjustment of $3,000,000 to MRC's base funding level is requested.

MRC provides inpatient and outpatient services to Missourians, with special programs for traumatically brain-injured, spinal cord injured or tuberculosis patients. As a result of many of these patients being Medicaid or indigent clients, MRC experienced operating losses in 2006 and is projecting an operating shortfall of approximately $1.7 million in 2007 and a total shortfall of approximately $3.6 million. These losses have or are projected to occur despite cost-cutting measures taken by MRC in 2006 and 2007 that have reduced operating costs by approximately $500,000 annually. Included in this cost reduction were programmatic cuts to MRC's transitional living and day rehabilitation programs. MRC continues to experience increases in the cost of goods and services at a time when reimbursement for services declines due to a disproportionate share of Missouri's Medicaid and indigent clients.

In the near future, additional facilities in Joplin and Springfield will add another 74 long-term acute care beds in the southwest Missouri market. Unlike MRC, these new facilities will be organized as for-profit entities, which will seek patients with Medicare and commercial insurance coverage with minimal resources allocated for Medicaid or indigent patients. This competition stands to further strain MRC's ability to continue operations at its current level as even more Medicaid and indigent patients will seek care at MRC. Therefore, MRC requests on-going additional funding in the amount of $3,000,000 to sustain its current operational levels for the benefit of all Missourians requiring specialized acute care.

II. DESCRIPTION

MRC is a respected leader in pulmonary rehabilitation with one of the highest ventilator-weaning success rates in the country. MRC offers innovative systems and technologies to assist disabled individuals, such as a system to allow quadriplegics and others with disabilities to operate computers using their eyes. In 2004, MRC was an early pioneer in implementing a computerized medication management system that uses real-time, wireless technology.

The complexity of treatment for MRC's most seriously ill patients, combating new, antibiotic-resistant infectious disease and providing the breadth of services needed to return patients to independent lives contribute to the cost of maintaining on-going operations. Fixed costs associated with utilities, insurance, medical equipment, pharmaceuticals, and supplies and services have grown at a rate in excess of the state appropriation. In addition, MRC has seen a significant escalation in the cost of salaries and staff benefits for increasingly difficult-to-recruit positions such as nursing care, pharmacists, and therapists. These increases in the cost of providing health care coupled with declining patient revenues resulting from a greater proportion of Medicaid or indigent patients has resulted in operating losses and the need for additional investment by the state to maintain current service levels.

III. COST EXPLANATION

RECURRING FUNDS
The funding request is based upon a projected total shortfall of $3,000,000 for MRC operations in FY2009. This assumes no change in programs or current operations other than those noted above, i.e.:

Increased market competition for patients with favorable payer sources (e.g., Medicare, commercial payers)
Increased costs for medical equipment, pharmaceuticals and supplies at historical growth rates
Replacement cost of medical equipment, required maintenance and repair, and other fixed costs such as utilities, insurance, etc.
Increased costs for direct patient care staff

Note: Refer to Form 1 for additional information on revenues, expenditures, and shortfalls.

PCS	FTE	Compensation	E&E	Total
Hospital			$3,000,000	$3,000,000
Total Improvements				**$3,000,000**

From State Appropriations **$3,000,000**

IV. EVALUATION OF OUTCOMES

Funding of this new request, along with MRC's base appropriations requests, will allow MRC to continue operations at current levels and sustain its array of programs in ventilator weaning, rehabilitation and tuberculosis care for patients who are principally Medicaid or indigent (35% of patients).

PROGRAM EXPENDITURES AND REVENUE SUMMARY

FORM 1

MISSOURI INSTITUTE OF MENTAL HEALTH

	FY2006 Actual	FY2007 Estimated	FY2008 Planned & FY2009 Core	Increase for Sustaining Quality and Service	FY2009 Request
EXPENDITURES:					
Program Operations	$1,813,785	$1,847,537	$2,229,047	$85,997	$2,315,044
Total Expenditures	$1,813,785	$1,847,537	$2,229,047	$85,997	$2,315,044
FTE Employees	25.0	28.6	32.3		32.3
SOURCES OF FUNDS:					
State Appropriations	$1,784,683	$1,784,694	$1,839,880	$77,275	$1,917,155
Non-State Revenues	29,102	62,843	389,167	8,722	397,889
Total Sources	$1,813,785	$1,847,537	$2,229,047	$85,997	$2,315,044

PERSONAL SERVICES AND EXPENSE AND EQUIPMENT DETAIL

FORM 3

MISSOURI INSTITUTE OF MENTAL HEALTH

	FY2007 Estimated		FY2008 Planned & FY2009 Core		Increase for Sustaining Quality and Service	FY2009 Request	
	FTE	Amount	FTE	Amount	Amount	FTE	Amount
PERSONAL SERVICES:							
Teaching and Research	5.9	$509,388	6.3	$590,049	$21,380	6.3	$611,429
Exec., Admin., Managerial	1.4	85,252	1.4	88,334	3,200	1.4	91,534
Professional	7.2	260,532	8.9	371,592	13,465	8.9	385,057
Technical	3.1	83,486	3.3	95,345	3,455	3.3	98,800
Office	11.0	259,435	12.5	324,835	11,520	12.5	336,355
Staff Benefits		313,810		374,054	17,620	0.0	391,674
Total Personal Services	28.6	$1,511,903	32.3	$1,844,209	$70,640	32.3	$1,914,849
EXPENSE AND EQUIPMENT:							
Fuel and Utilities Library Acquisitions Equipment All Other		$335,634		$384,838	$15,357		$400,195
Total Expense and Equipment		$335,634		$384,838	$15,357		$400,195
Grand Total	28.6	$1,847,537	32.3	$2,229,047	$85,997	32.3	$2,315,044

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, 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

	FY2007	FY2008	FY2009
A. Scientific and Professional Publications	65	65	70
Technical Reports	25	27	30
B. Scientific and Professional Presentations	158	165	175
C. Research Grants:			
Number of Applications for External Funding	53	60	62
Number Approved/Pending	34 / 20	35 / 21	36 / 32
Number Projects in Progress	55	56	57
Total Awards-Primary Investigator	$924,127	$1,500,000	$2,000,000
Total Awards-Secondary	$3,370,182	$3,500,000	$4,000,000
Letters of Intent	5	6	7
D. Students:			
Graduate and Medical Students Taught	752	710	710
Undergraduate Students Taught	279	210	210
Resident Physicians Trained - Pri Psych	22	22	22
Resident Physicians Trained - Sec Psych	10	10	10
E. Continuing Education:			
Number of Workshops Planned/Participated	90	100	125
Number of Visiting Speakers/Seminars	23	23	23
Total Participant Contacts in Missouri	3,049	4,150	4,800
Online CE Hours Completed	6	45	100
F. Consultation:			
Hours in Clinical, Programmatic, or Research	4,500	4,500	4,500
Consultation to Mo Dept. of Mental Health	2,700	2,800	3,000
Hours With Other State & Civic Agencies	7,121	7,150	7,250
Consultation Contracts	20	21	22
Consultation Contract Awards	$1,521,031	$1,750,000	$2,250,000

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

	FY2007	FY2008	FY2009
G. Library Services:			
Number of Literature Searches	496	460	430
Current Awareness Requests	2,859	2,845	2,830
Articles/Books Borrowed	1,329	1,250	1,200
Articles/Books Loaned	6,239	6,250	6,300
Articles Photocopied	7,538	6,500	5,500
Circulation	1,390	1,400	1,450
H. Free Service for State Agencies **			
(Number of consultations, affiliations, etc.)			
Service to DMH	25	12	14
Service to University	25	33	35
Service to Professional Organizations	11	12	13
Service to International, National, Federal, & Other State & Local Agencies	48	50	52

**** 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

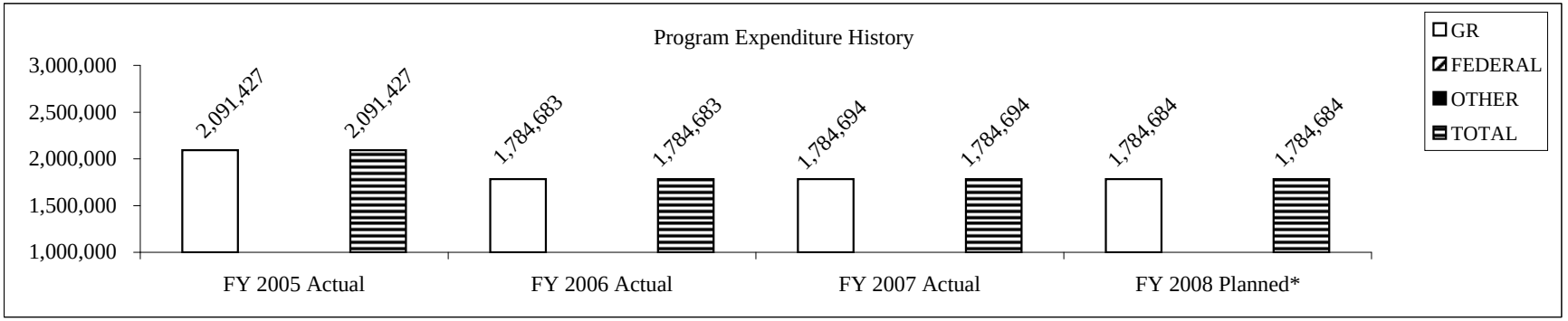
3. Are there federal matching requirements? If yes, please explain.

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.

FY05	FY06	FY07	FY08 Projected	FY09 Projected	FY10 Projected
$38,984,314	$4,400,000	$25,594,350	$26,000,000	$26,500,000	$27,000,000

7b. Provide an efficiency measure.

One measure of efficiency is the expenditures from grants and/or contracts by the Institute relative to the total number of state dollars provided each year by the taxpayers of Missouri. The table below indicates the expenditures by the Institute for each state dollar provided to the Institute. (i.e., FY07= Total grants, contracts & consultation expenditures divided by MIMH available state funds)

FY05	FY06	FY07	FY08 Projected	FY09 Projected	FY10 Projected
$2.563	$3.287	$3.738	$4.112	$4.523	$4.975

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.

FY05	FY06	FY07	FY08 Projected	FY09 Projected	FY10 Projected
1,730	2,085	1,749	2,850	3,500	3,700

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: **Increase for Sustaining Quality and Service: $85,997**
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 to improve services for persons served by DMH. Since 2002 the Missouri Institute of Mental Health has had its core state appropriation reduced twice. Current levels of appropriations are below 1979 appropriations on a nominal basis, and 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 an increase to sustain quality and service 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. Examples are fixed cost increases associated with utilities, insurance, medical equipment, supplies and services, as well as increased costs associated with staff salaries and benefits. The lack of additional funding removes the ability of the Missouri Institute of Mental Health to sustain quality and provide the same level of services for the citizens of Missouri.

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 Increase for Sustaining Quality and Service	$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

	FY2006 Actual	FY2007 Estimated	FY2008 Planned & FY2009 Core	Increase for Sustaining Quality and Service	FY2009 Request
EXPENDITURES:					
Program Operations	$3,896,271	$3,896,268	$4,016,774	$168,705	$4,185,479
Total Expenditures	$3,896,271	$3,896,268	$4,016,774	$168,705	$4,185,479
FTE Employees	10.3	11.2	11.2		11.2
SOURCES OF FUNDS:					
State Appropriations	$3,896,271	$3,896,268	$4,016,774	$168,705	$4,185,479
Non-State Revenues	0	0	0	0	0
Total Sources	$3,896,271	$3,896,268	$4,016,774	$168,705	$4,185,479

PERSONAL SERVICES AND EXPENSE AND EQUIPMENT DETAIL

FORM 3

MISSOURI KIDNEY PROGRAM

	FY2006 Actual		FY2007 Estimated		FY2008 Planned & FY2009 Core		Increase for Sustaining Quality and Service	FY2009 Request	
	FTE	Amount	FTE	Amount	FTE	Amount	Amount	FTE	Amount
PERSONAL SERVICES:									
Teaching and Research									
Exec., Admin., Managerial	2.6	$160,075	2.6	$163,276	2.6	$167,906	$6,716	2.6	$174,622
Professional	5.5	218,793	7.0	241,499	7.0	258,121	10,325	7.0	268,446
Technical							0	0.0	0
Office	1.6	43,093	1.6	40,197	1.6	39,718	1,589	1.6	41,307
Student	0.6	9,235		0		0	0	0.0	0
Staff Benefits		99,266		105,071		115,508	6,006	0.0	121,514
Total Personal Services	10.3	$530,462	11.2	$550,043	11.2	$581,253	$24,636	11.2	$605,889
EXPENSE AND EQUIPMENT:									
Fuel and Utilities									
Library Acquisitions									
Equipment									
All Other									
Administrative Operations		$37,278		$50,295		$46,587	$1,954		$48,541
Statewide Renal Education (Operations)		78,288		107,431		105,363	4,418		109,781
Maintenance & Antirejection Drugs		410,410		529,367		554,041	23,234		577,275
Dialysis Treatment		(6,462)		0		0	0		0
Transportation Assistance*		799,472		601,731		587,813	24,650		612,463
Insurance Premium Assistance		641,416		710,748		697,173	29,236		726,409
Emergency Medications		10,777		9,036		13,670	573		14,243
Patient/Staff Education		68,226		109,639		102,768	4,310		107,078
Transplant/Donor Assistance		16,300		21,760		50,000	2,097		52,097
Nutritional Supplements Program		52,985		64,899		68,350	2,866		71,216
Medicaid Spenddown		1,013,770		925,778		900,000	37,741		937,741
Cost Containment Research & Demonstration		243,349		215,541		309,756	12,990		322,746
Total Expense and Equipment		$3,365,809		$3,346,225		$3,435,521	$144,069		$3,579,590
Grand Total	10.3	$3,896,271	11.2	$3,896,268	11.2	$4,016,774	$168,705	11.2	$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 (MU Health 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

	FY2007	FY2008	FY2009
A. CERTIFIED and PARTICIPATING RENAL FACILITIES	139	141	146

B. MISSOURI ESRD PATIENTS - Calendar Year data	**CY2005**	**CY2006**	**CY2007**
1. Dialysis Census *	6,143	6,450	6,772
2. Estimated Transplant Census **	1,200	1,200	1,200
Total Census	7,343	7,650	7,972

* Provided from Network 12 data CY2005

** The data is estimated based on 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 informaton on patients other than ones MoKP provides services for. MoKP served 431 transplant patients as of June 30, 2007. This is an unfortunate example of government regulation preventing us from knowing and understanding our patient population.

	FY2007	FY2008	FY2009
ESRD PATIENTS RECEIVING ASSISTANCE	2,539	2,666	2,799

C. PATIENT GROWTH AND UNIT COST PROJECTIONS

The average dollar value of assistance (unit cost) provided to MoKP eligible patients during FY2007 was $1,128. This is compared to the average dollar value in FY1995 of $1,251. 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 were inactive were removed from the program.

Following is an analysis of actual and projected dollar value of assistance (unit cost) for FY2007 and for FY2009 respectively, assuming 5% annual patient growth from FY2007 and FY2008.

	FY2007 ACTUAL		FY2009 PROJECTED	
Type of Assistance	Number of Patients	Unit Cost $	Number of Patients	Unit Cost $
Maintenance & Anti-rejection Drugs	1,776	298	1,865	298
Dialysis Treatment	0	-	0	-
Transportation	969	621	1,017	578
Insurance Premiums	650	1,093	683	1,021
Emergency Medications	25	361	26	526
Transplant Donor Assistance	24	907	25	2,000
Nutritional Supplements	315	206	331	207
Medicaid Spenddown	939	986	986	913
Unduplicated Patients Served/Average Unit Cost	2,539	1,128	2,799	1,026

Missouri Kidney Program FY2007 Patient Assistance (by county)

*This chart does not include Centralized Drug Program, $529,367 (1776) or Medicaid Spenddown $925,778 (939).

Dollars (Patients)

PROGRAM DESCRIPTION

Department of Higher Education
Program Name: 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.)

Section 172.875, RSMo

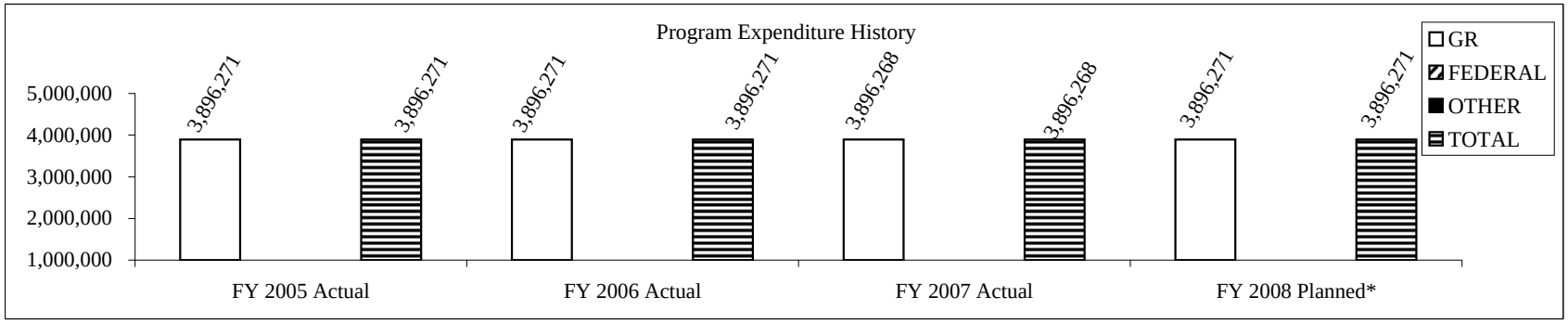
3. Are there federal matching requirements? If yes, please explain.

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

Department of Higher Education
Program Name: 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.

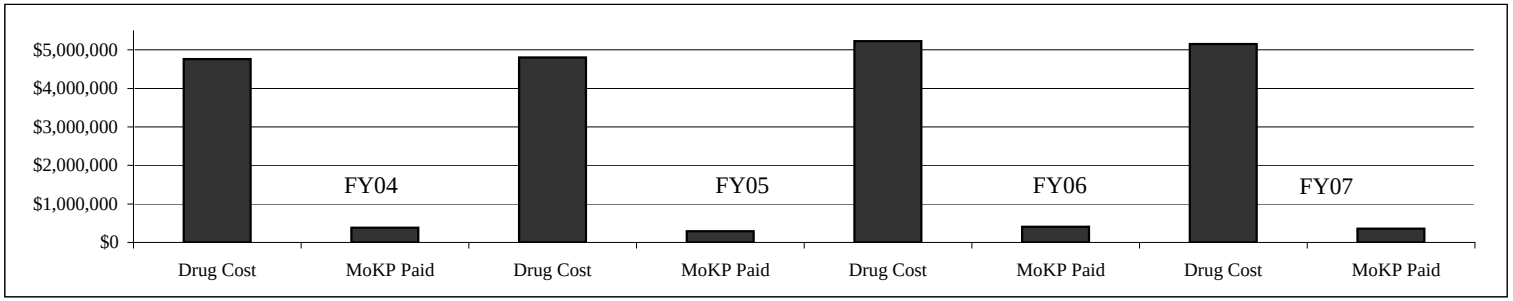
MoKP effectiveness is measured by the number of dollars of the appropriation going to reimburse patient care, education and research activities. MoKP expends about 85% of its appropriation for patient care related activities.

FY 05		FY 06		FY 07 Est.		Proj FY 08		Proj FY 09		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
$3,327,956	$3,896,271	$3,328,531	$3,896,271	$3,295,933	$3,896,268	$3,388,934	$4,016,774	$3,557,657	$4,185,479	$3,664,387	$4,311,043

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.

FY 04		FY 05		FY 06		FY 07	
Drug Cost	MoKP Paid	Drug Cost	MoKP Paid	Drug Cost	MoKP Paid	Drug Cost	MoKP Paid
$4,763,191	$383,708	$4,803,913	$291,754	$5,224,906	$406,661	$5,148,883	$353,695



PROGRAM DESCRIPTION

Department of Higher Education
Program Name: 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. We have maximized our patient service delivery capabilities by micromanaging our heavy expense categories. Due to improvements in our database, patients who were previously approved, but were inactive were removed from the program.

FY04	FY05	FY06	FY07	Proj FY08	Proj FY09	Proj FY10
2,732	2,842	2,673	2,539	2,666	2,799	2,800

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

MoKP has conducted a Patient Satisfaction Analysis program for eight 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.

	FY04	FY05	FY06	FY07
Questionnaires Received	92	94	47	100

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: **Increase for Sustaining Quality and Service: $168,705**
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 in nominal terms, and when adjusted for inflation they are substantially below historic levels. To add to the funding issue, the Missouri Kidney Program has not had an increase for mandatory cost adjustments 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, including fixed cost increases associated with insurance, medical equipment and services, pharmaceuticals, information technology, and supplies and services, as well as increased costs associated with staff salaries and benefits. Lack of additional funding removes the ability of the Missouri Kidney Program to sustain the quality and the level of services for the citizens of Missouri as currently provided.

In order to sustain quality and service at current levels 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	$24,636
Expense and Equipment	144,069
Total Increase for Sustaining Quality and Service	$168,705
State Appropriations 4.2%	$168,705

PROGRAM EXPENDITURES AND REVENUE SUMMARY

FORM 1

MISSOURI RESEARCH AND EDUCATION NETWORK (MORENET)

	FY2006 Actual	FY2007 Estimated	FY2008 Planned & FY2009 Core	Increase for Sustaining Quality and Service	Increase for Enhancing Missouri's Future		FY2009 Request
EXPENDITURES:							
Program Operations							
Shared Network, Research, Video	$8,411,710	$11,326,776	$11,821,910	$496,520	$1,600,703	*	$13,919,133
Higher Education Connections	1,054,963	687,773	821,032	34,483	111,169	*	966,684
Public Schools TNP Connections	4,249,230	4,736,098	5,820,678	244,468	788,128	*	6,853,274
Total Expenditures	$13,715,903	$16,750,647	$18,463,620	$775,472	$2,500,000	*	$21,739,092
FTE Employees	56.6	64.6	66.6				66.6
SOURCES OF FUNDS:							
State Appropriations	$9,848,489	$9,946,968	$12,754,612	$535,694	$2,500,000		$15,790,306
Other	3,867,414	6,803,679	5,709,008	239,778			5,948,786
Total Sources	$13,715,903	$16,750,647	$18,463,620	$775,472	$2,500,000		$21,739,092

* Actual expenditures by primary program operations area will depend on the most cost effective technical solutions determined and the areas of greatest need.

PERSONAL SERVICES AND EXPENSE AND EQUIPMENT DETAIL

FORM 3

MISSOURI RESEARCH AND EDUCATION NETWORK (MORENET)

	FY2006 Actual		FY2007 Estimated		FY2008 Planned & FY2009 Core		Increase for Sustaining Quality and Service	Increase for Enhancing Missouri's Future	FY2009 Request	
	FTE	Amount	FTE	Amount	FTE	Amount	Amount	Amount	FTE	Amount
PERSONAL SERVICES:										
Teaching & Research										
Exec., Admin., Managerial										
Professional	56.6	$1,756,441	64.6	$3,498,201	66.6	$3,966,364	$158,655	$0	66.6	$4,125,019
Technical										
Office										
Other										
Staff Benefits		497,937		1,049,460		1,204,982				1,204,982
Total Personal Services	56.6	$2,254,378	64.6	$4,547,661	66.6	$5,171,346	$158,655	$0	66.6	$5,330,001
EXPENSE AND EQUIPMENT:										
Fuel and Utilities										
Library Acquisitions										
Equipment										
All Other		$11,461,525		$12,202,986		$13,292,274	$616,817	$2,500,000		$16,409,091
Total Expense & Equipment		$11,461,525		$12,202,986		$13,292,274	$616,817	$2,500,000		$16,409,091
Grand Total	56.6	$13,715,903	64.6	$16,750,647	66.6	$18,463,620	$775,472	$2,500,000	66.6	$21,739,092

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. PROGRAM 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 funded through HB 12 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 Shared Network circuits and pursues other cost savings options with Internet service providers on a recurring basis. The demand for Internet access and Shared Network 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.

III. PERFORMANCE AND ACTIVITY MEASURES

	FY 2006	FY 2007	FY 2008	FY 2009
Member Connections (Total MOREnet)	978	992	995	1,000
Total Access to Missouri Backbone from Member Connections (Mb)	3,525	4,721	6,137	7,978
Network Backbone Capacity Minimum hub-to-hub capacity (Gb)	1.000	1.000	2.500	10.000
Internet Access Capacity (Gb)	2.488	2.488	3.260	4.250
Video Events	15,435	15,735	16,000	16,000

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 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 (Section 172 RSMo). 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 eligible K-12 schools and libraries.

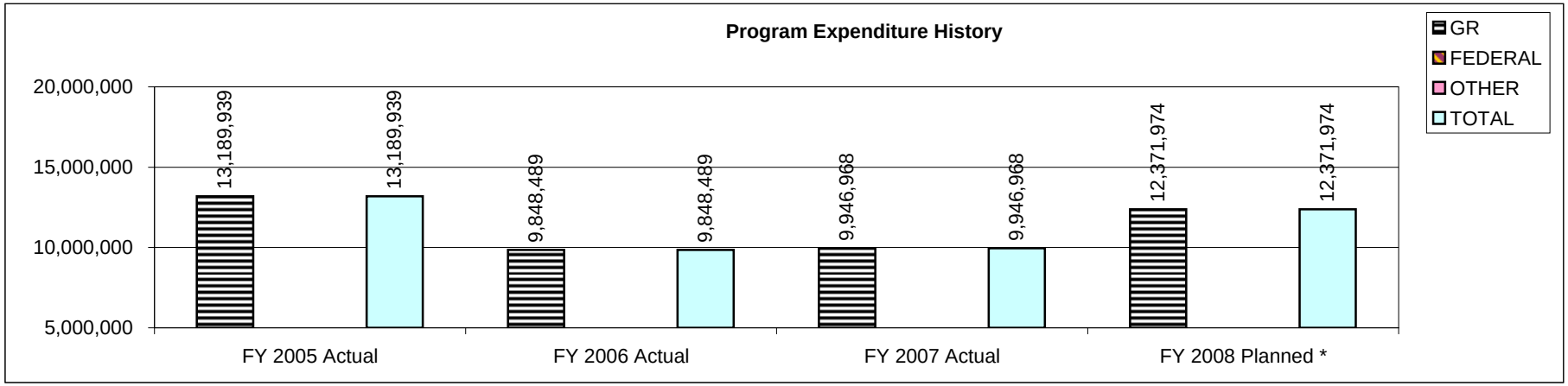
4. Is this a federally mandated program? If yes, please explain.

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.



* Net of 3% Governor's Withholding

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

N/A

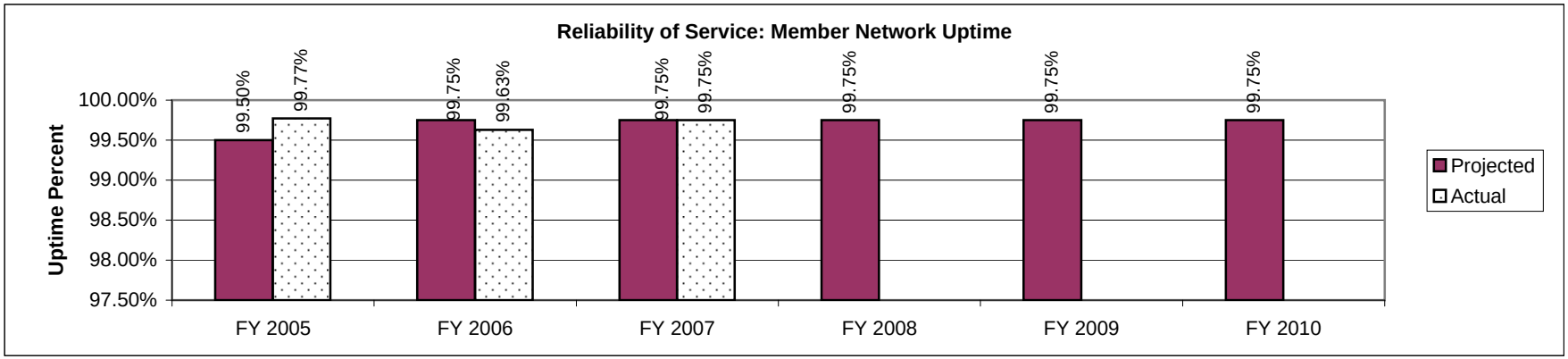
Department of Higher Education
Program Name: Missouri Research and Education Network (MOREnet)
Program is found in the following core budget(s): MOREnet

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 2005 Proj.	FY 2005 Actual	FY 2006 Proj.	FY 2006 Actual	FY 2007 Proj.	FY 2007 Actual	FY 2008 Proj.	FY 2009 Target	FY 2010 Target
Member Network Uptime	99.50%	99.77%	99.75%	99.63%	99.75%	99.75%	99.75%	99.75%	99.75%



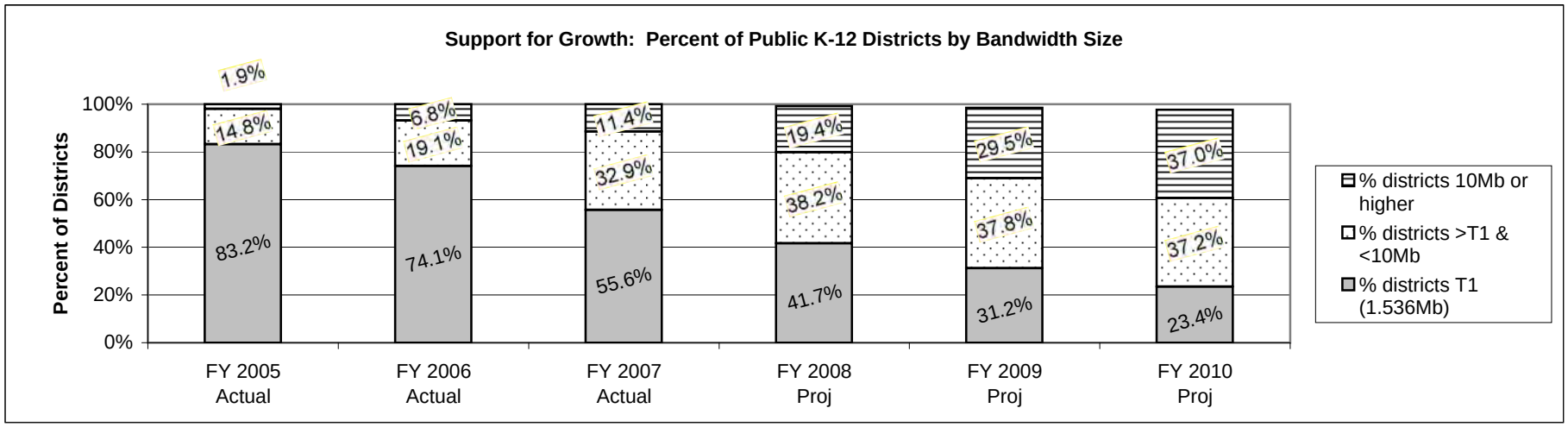
PROGRAM DESCRIPTION

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 100 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 2005 Actual	FY 2006 Proj.	FY 2006 Actual	FY 2007 Proj.	FY 2007 Actual	FY 2008 Target	FY 2009 Target	FY 2010 Target
Pct with T1	83.2%	75.4%	74.1%	62.0%	55.6%	41.7%	31.2%	23.4%
Pct > T1 & < 10Mb	14.8%	19.3%	19.1%	24.4%	32.9%	38.2%	37.8%	37.2%
Pct 10Mb+	1.9%	5.3%	6.8%	13.6%	11.4%	19.4%	29.5%	37.0%



PROGRAM DESCRIPTION

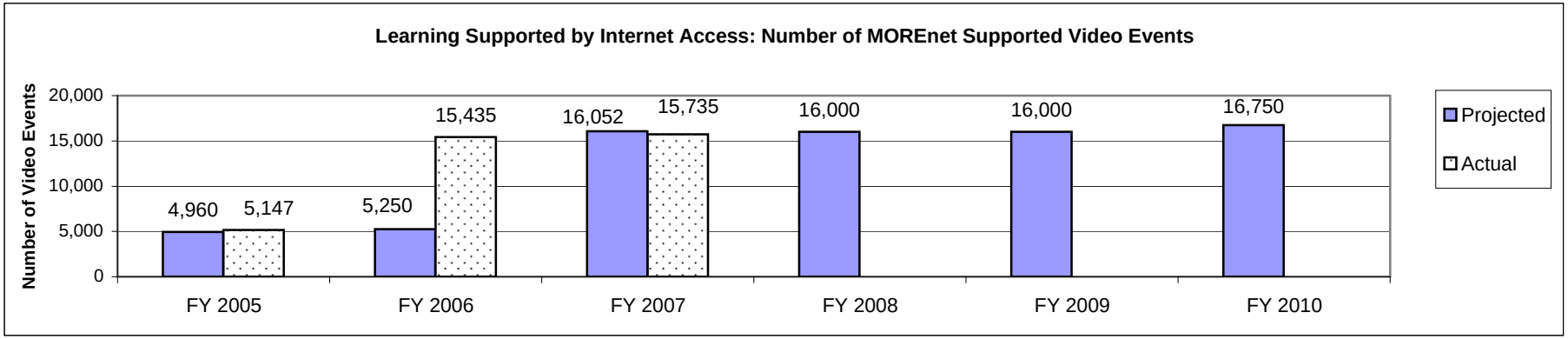
Department of Higher Education
Program Name: Missouri Research and Education Network (MOREnet)
Program is found in the following core budget(s): MOREnet

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 2005 Proj.	FY 2005 Actual	FY 2006 Proj.	FY 2006 Actual	FY 2007 Proj.	FY 2007 Actual	FY 2008 Target	FY 2009 Target	FY 2010 Target
Video Events	4,960	5,147	5,250	15,435	16,052	15,735	16,000	16,000	16,750
Video Sites*	17,300	18,908	20,000	51,334	55,441	53,553	53,553	53,553	53,553

*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.

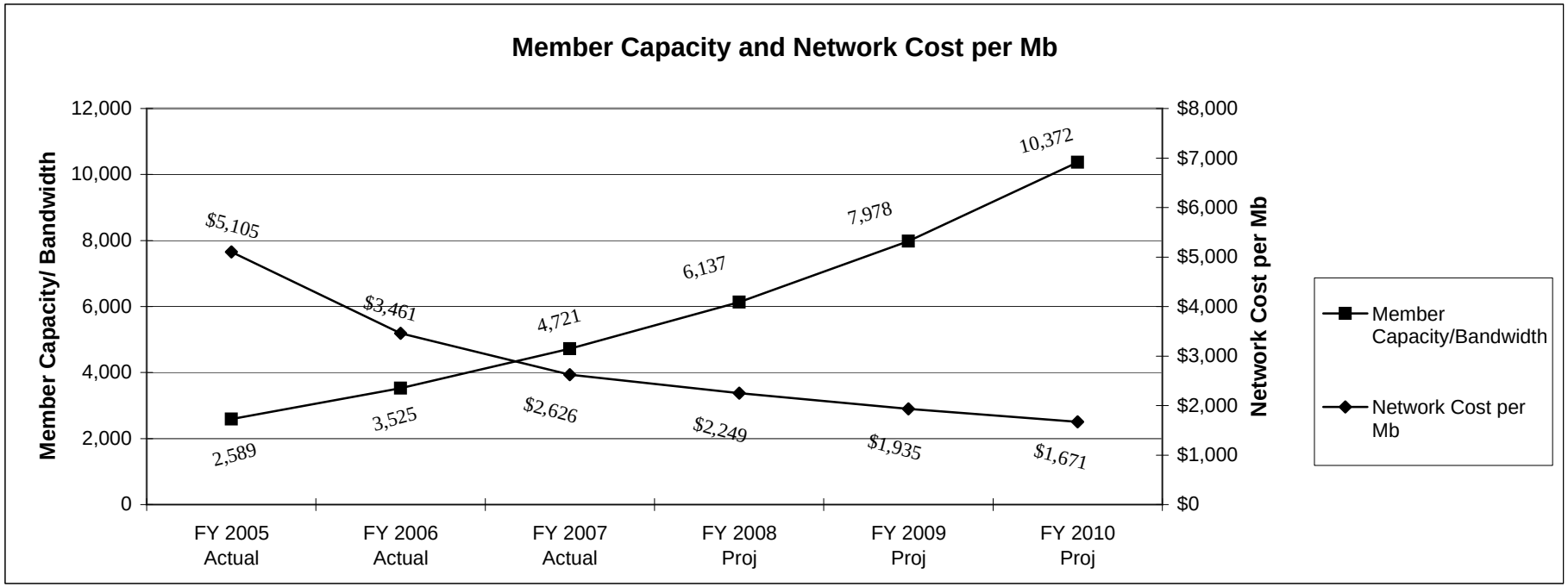
Department of Higher Education
Program Name: Missouri Research and Education Network (MOREnet)
Program is found in the following core budget(s): MOREnet

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 2005 Proj.	FY 2005 Actual	FY 2006 Proj.	FY 2006 Actual	FY 2007 Proj.	FY 2007 Actual	FY 2008 Target	FY 2009 Target	FY 2010 Target
Member Capacity in Mb	2,500	2,589	2,950	3,525	4,405	4,721	6,137	7,978	10,372
Network Cost per Mb	$5,988	$5,105	$4,458	$3,461	$2,782	$2,626	$2,249	$1,935	$1,671



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, 95% 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 2005		FY 2006		FY 2007		FY 2008	FY 2009	FY 2010
Program	**Proj.**	**Actual**	**Proj.**	**Actual**	**Proj.**	**Actual**	**Target**	**Target**	**Target**
Public K-12 Districts	513	513	513	513	513	516	516	516	516
Public K-12 Students[1]	847,848	859,407	859,407	858,674	858,674	869,440	869,440	869,440	869,440
Colleges and Universities	65	65	66	67	67	67	67	67	67
Postsecondary Students[2]	315,374	317,670	317,670	324,235	324,235	326,726	326,726	326,726	326,726
Public	216,220	214,574	214,574	217,625	217,625	218,278	218,278	218,278	218,278
Private Not-For-Profit	99,154	103,096	103,096	106,610	106,610	108,448	108,448	108,448	108,448
Libraries/Library Branches	226	230	230	231	231	239	239	239	239
Total Members3	746	732	733	737	737	743	743	743	743
Total Students	1,163,222	1,177,077	1,177,077	1,182,909	1,182,909	1,196,166	1,196,166	1,196,166	1,196,166

[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.

[3] Total member count includes non-profit affiliate members and counts multiple affiliated library branches as a single library member.

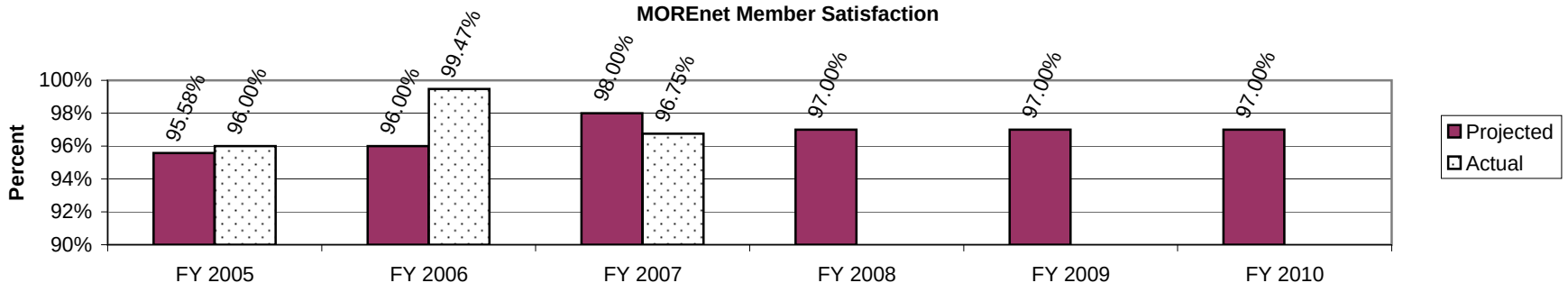
Department of Higher Education
Program Name: Missouri Research and Education Network (MOREnet)
Program is found in the following core budget(s): MOREnet

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 2005 Proj.	FY 2005 Actual	FY 2006 Proj.	FY 2006 Actual	FY 2007 Proj.	FY 2007 Actual	FY 2008 Target	FY 2009 Target	FY 2010 Target
Help Desk Satisfaction	95.58%	96.00%	96.00%	99.47%	98.00%	96.75%	97.00%	97.00%	97.00%



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: **Increase for Sustaining Quality and Service: $535,694**
Decision Item Rank: **1 of 2**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

Missouri Research and Education Network (MOREnet) provides Internet access and telecommunications services to elementary, secondary, and higher education communities, public libraries, and state government. MOREnet has worked to contain costs through administrative efficiencies, competitive bidding and innovative technological solutions. However increases in the cost of the goods and services MOREnet must buy to provide its network services and fulfill its mission do occur. Failure to fund these increases makes it impossible for MOREnet to sustain quality and service and results in internal core reductions and increased member fees.

II. DESCRIPTION

MOREnet continues to incur higher costs to deliver its services to the public, including cost increases in utilities, telecommunications, information technology equipment, and staff salaries and benefits. 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, 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, 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.

III. COST EXPLANATION

This request is based on an adjustment of 4.2% of the state appropriations base to offset the effects of increased costs of operation. Included is a 4% compensation pool plus associated employee benefits.

State Appropriations @ 4.2%	$535,694

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 and Shared Network: $2,500,000**
Decision Item Rank:	**2 of 2**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

The increasing use of educational and administrative services delivered over the MOREnet network, including video, student information systems, online curriculum and testing tools, is causing a dramatic increase in network capacity demand, particularly demand from public schools and higher education. In FY2007 the capacity of local member connections grew by 34%, with the trend continuing into FY2008. Growth for public schools alone was 40% in FY2007.

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 to the Shared Network and Internet access. The second area is the increased demand for Shared Network and Internet access being driven by increased member capacity demand. The projected cost increases necessary to meet member demand growth can not be supported with existing fund sources. 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

Increased Demand for Public Higher Education and K-12 Capacity

The core appropriation in HB 3 funds local telecommunication connections to the network backbone and Internet for all public colleges and universities and more than 500 public school districts. Network usage data shows the demand for capacity has grown steadily as institutions and schools have continued to expand their use of high-speed connectivity for student instruction, teacher development, parent communications, and business operations. Aggressive contract negotiations and migration to new telecommunications technologies in addition to increased member fees have, in the past, covered much of the cost of increased capacity.

Unfortunately, future costs to meet this demand are projected to be substantial. While competition in metropolitan areas continues to increase capacity availability and decrease unit costs, available capacity and competition in non-metro areas has remained fairly stagnant. MOREnet members in some

areas of the state are facing a shortage in the availability of higher capacity and, even when higher levels are available, the costs are often prohibitively expensive. This problem will only worsen as more small-to-medium size schools outside major metropolitan areas seek to access the same education and administrative resources being used by large urban schools.

Increased Shared Network Capacity

Member demand growth not only impacts local connection cost but also impacts the capacity and cost of the entire network. Increased network capacity is needed to connect members with each other for collaborative educational initiatives, to MOREnet for centralized services, and to education and research communities in Missouri and beyond.

Adequate capacity is necessary to continue to support the significant educational advancements enabled by educational resources -- tools such as delivery of instruction by video, online information resources, Web resources, 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.

III. COST EXPLANATION

MOREnet is requesting $2.5 million in ongoing funds to support connectivity for public education, higher education, and the associated increase in demand on the Shared Network. A variety of approaches to meet this demand will be used depending on specific needs and the cost-effectiveness, efficiency, and availability of telecommunication alternatives in particular communities.

RECURRING FUNDS

PCS	FTE	Compensation	E&E	Total
Instruction				
Research				
Public Service			$2,500,000	$2,500,000
Academic Support				
Student Services				
Institutional Support				
Operation & Maintenance of Plant				
Scholarships & Fellowships				
Total Improvements			$2,500,000	$2,500,000

From State Appropriations **$2,500,000**

ONE-TIME FUNDS – None Requested

IV. EVALUATION OF OUTCOMES

Increased Demand for Public Higher Education and K-12 Capacity

Positive Results

- Increased connection capacity for institutions and schools is a reflection of the improved methods of delivering quality education both within and outside the traditional classroom environment. Increased capacity allows 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.
- Adequate local capacity will allow members, students, and faculty access to the basic needs of the education community for routine research and access to content information to supplement outdated textbooks.
- Adequate local capacity enables the delivery and ensures 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.

Increased Shared Network and Internet Access Capacity

Positive Results

- Adequate Internet capacity will help minimize network congestion while accessing the commodity Internet. Adequate Internet capacity will allow members, students, and faculty access to the basic needs of the education community for routine research and access to content information to supplement outdated textbooks.
- Increased Shared Network and 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.

PROGRAM EXPENDITURES AND REVENUE SUMMARY

FORM 1

MISSOURI TELEHEALTH NETWORK

	FY2006 Actual *	FY2007 Estimated *	FY2008 Planned & FY2009 Core	Increase for Sustaining Quality & Service	Increase to Enhance Missouri's Future	FY2009 Request
EXPENDITURES:						
Program Operations			$420,000	$17,640	$420,000	$857,640
Total Expenditures	$0	$0	$420,000	$17,640	$420,000	$857,640
FTE Employees	0.0	0.0	4.4		2.1	6.5
SOURCES OF FUNDS:						
State Appropriations						
Recurring			$420,000	$17,640	$420,000	$857,640
One-Time						
Total	$0	$0	$420,000	$17,640	$420,000	$857,640
Other	0	0	0	0		0
Total Sources	$0	$0	$420,000	$17,640	$420,000	$857,640

* FY08 was the first year of recurring funding from General Revenue appropriations.

PERSONAL SERVICES AND EXPENSE AND EQUIPMENT DETAIL

FORM 3

MISSOURI TELEHEALTH NETWORK

	FY2007 Estimated *		FY2008 Planned & FY2009 Core		Increase for Sustaining Quality & Service	Increase to Enhance Missouri's Future		FY2009 Request	
	FTE	Amount	FTE	Amount	Amount	FTE	Amount	FTE	Amount
PERSONAL SERVICES:									
Teaching & Research			0.2	$47,516	$1,901	0.0	$3,103	0.2	$52,520
Exec., Admin., Managerial			1.0	67,530	2,701	0.6	31,824	1.6	102,055
Professional			2.0	59,537	2,381	0.4	19,700	2.4	81,618
Technical			0.3	10,126	405	0.6	17,854	0.9	28,385
Office			0.9	28,873	1,155	0.5	17,896	1.4	47,924
Other					0				0
Staff Benefits		0		49,467	2,572		24,969		77,008
Total Personal Services	-	$0	4.4	$263,049	$11,115	2.1	$115,346	6.5	$389,510
EXPENSE AND EQUIPMENT:									
Fuel and Utilities				$0	$0		$0		$0
Library Acquisitions				0	0		0		0
Equipment				118,841	4,941		148,540		272,322
All Other		0		38,110	1,584		156,114		195,808
Total Expense & Equipment		$0		$156,951	$6,525		$304,654		$468,130
Grand Total	0.0	$0	4.4	$420,000	$17,640	2.1	$420,000	6.5	$857,640

* FY08 was the first year of recurring funding from General Revenue appropriations.

CORE BUDGET REQUEST ANALYSIS

FORM 4

MISSOURI TELEHEALTH NETWORK

I. MISSION STATEMENT

The Missouri Telehealth Network (MTN) exists to enhance access to care in underserved areas of Missouri, to provide educational opportunities for healthcare providers, to further homeland security efforts related to disaster preparedness and to be available in the event of a disaster and to provide research opportunities to clinicians wanting to study telehealth.

II. PROGRAM DESCRIPTION

MTN began in 1994 as one of the nation's first public-private partnerships in telehealth. A 9-site network was initially developed with federal support coming from the Health Resources and Services Administration's Office and private support coming from telecommunication companies, as well as each telehealth site. More recently, funding for the Missouri Telehealth Network has been provided from the University of Missouri Health Care and the State of Missouri. Also, the Missouri Telehealth Network site network charges have been funded through grants with the Missouri Department of Health and Senior Services and the Missouri Primary Care Association.

The project has four major objectives: 1) to provide high quality specialty care in rural or other underserved communities through the use of digital telecommunications technology; 2) to be available for biological attack preparedness and response; 3) to provide continuing medical education (CME) required for medical licensure to participating physicians, which is especially important for those who practice in underserved communities; and (4) to serve as a resource for healthcare institutions and clinicians wanting to study telehealth.

Telehealth sites may be equipped with interactive videoconferencing equipment, teleradiology equipment or both. Sites with interactive video are typically equipped with document cameras, video scope systems and electronic stethoscopes as needed. Even though the physicians and patients are geographically separated, these interactive technologies allow for a sufficient examination of the patient in real time. Not to mention that keeping services local helps the rural economy through greater utilization of pharmacies, laboratories, radiology departments, etc.

Continuing education is critically important to doctors in rural and underserved communities. First and foremost, they are required to have 25 hours of Category 1 CME credit per year in order to maintain their medical license. These requirements mean that doctors have to leave the communities, where they are needed on a daily basis, in order to attend programs that will grant them CME hours. If these doctors have access to continuing education through telehealth, they can receive additional training about issues or topics relative to their communities without leaving the community, or the patients in need. This is particularly important because often they are the only healthcare providers in the area.

The Missouri Telehealth Network currently has 144 sites statewide in 43 counties and the City of St. Louis. In 2007, University of Missouri Health Care providers conducted more than 2,300 clinical encounters in 19 medical specialties via telehealth. Missouri Telehealth Network sites include hospitals, federally qualified health centers, community mental health clinics, a state habilitation center, an army hospital, two schools of medicine, a school of nursing, the Missouri Department of Health and Senior Services and many other types of health care facilities.

Below are some notable examples of how telehealth is improving the lives of Missourians who live in areas that are medically underserved:

* A six-week-old baby in Northern Missouri with a serious heart problem (heart rate of 260 beats per minute) that was co-managed via telehealth by a very good, but nervous rural physician until medical air transportation arrived.

* A little girl in Southeast Missouri with a rare nail disease who had her nails examined in the same day by five pediatric dermatologists scattered throughout the United States

* An elderly woman in Northern Missouri who had surgery at the University of Missouri hospital but told her surgeon she could not return for follow-up due to economic reasons as well as having no reliable access to transportation. The telehealth network was then used to follow her post-surgical condition at her local hospital.

* Many patients who were treated unsuccessfully over a period of months or years were successfully treated in one telehealth visit with a dermatologist. This speaks not only to the cost of the failed attempts, but the patient's quality of life during the unsuccessful treatment period because they had no access to a dermatologist.

* Telehealth allowed access to health care for a frail elderly woman in a nursing home whose health severely limited her ability to be transported. She was able to see her doctor in a room down the hall instead of taking a four-hour ride to another facility and possibly returning to the nursing home with other problems brought on by the stress of the travel.

III. PERFORMANCE AND ACTIVITY MEASURES

The following are examples of cost saving measures for MTN:

Under a pilot program with Medicaid between September 2004 and June 2005 it is estimated that MTN saved the Medicaid program $29,000 in transportation charges on 116 cases in 20 Missouri counties. This is calculated by using the rounded average cost of transportation ($250) per Medicaid patient multiplied by the 116 cases. A proportionally larger recurring savings potential exists with the full implementation of Medicaid's expansion of eligible services.

A study with Phelps Regional Homecare, the University of Missouri- Columbia School of Medicine and Health Management and Informatics showed a cost savings associated with providing services using telemedicine monitoring versus standard delivery of home health services of $116,750 for six months, with 47 telehomecare clients. Cost reductions came from personnel, travel, and hospitalization, with the vast majority associated with hospitalization of clients. Telemedicine clients had fewer hospital admissions (18 vs 23 admissions) and shorter length of stays (6.1 vs 7.6 days) Also, telehealth clients required fewer re-hospitalizations during their enrollment with home health, 11 re-hospitalizations for telehealth clients and 16 re-hospitalizations for non-telehealth clients.

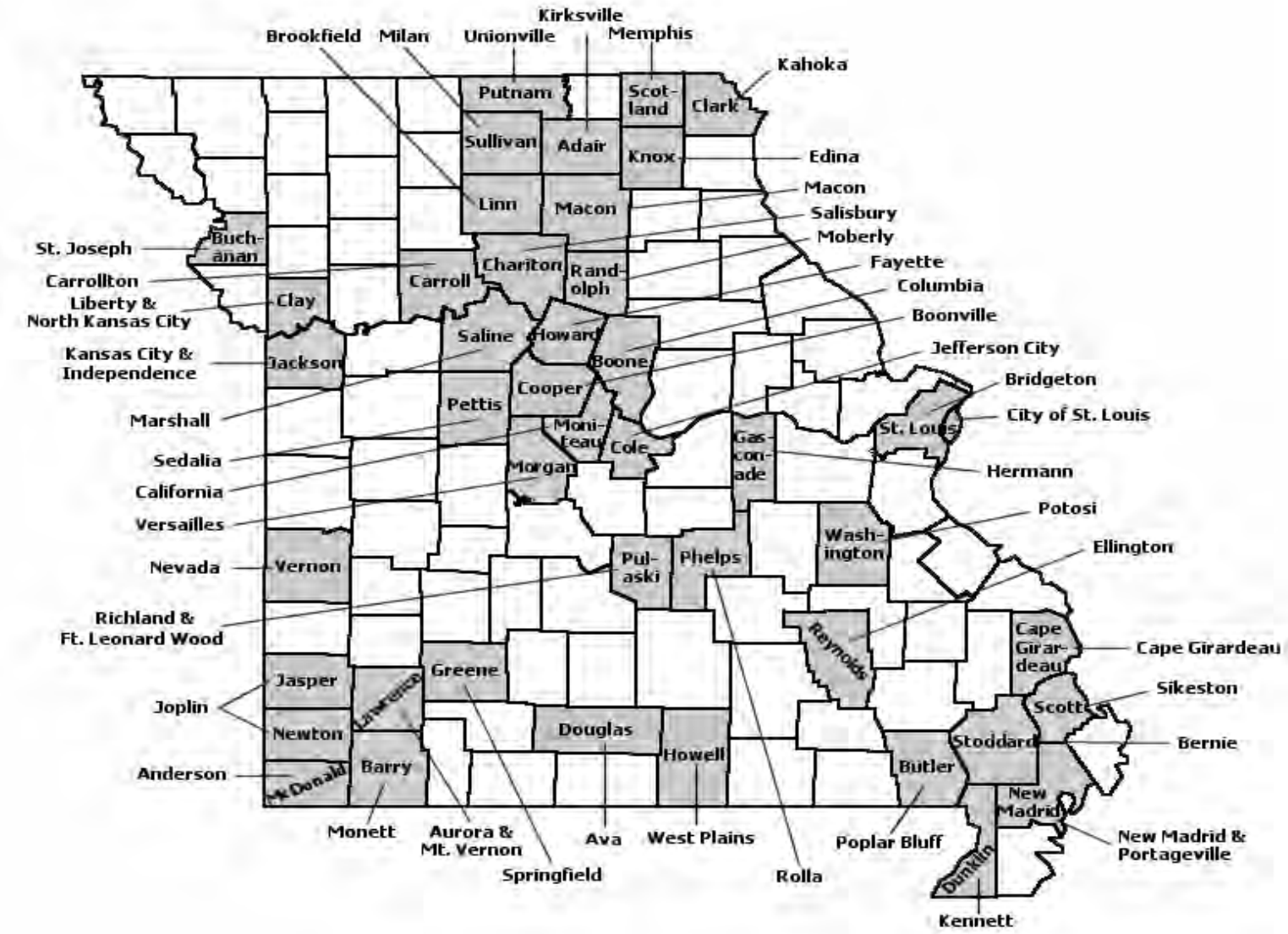
Telehealth is reducing staff and transportation costs at the Marshall Habilitation Center in Marshall, MO. It is estimated that each transport to UMHC from Marshall costs the state funded habilitation center more than $300 per patient. Telehealth equipment was placed at Marshall Habilitation Center in 2004 and to date over 479 trips have been avoided, resulting in approximately $60,000 annual savings to Missouri taxpayers. The savings are significant, but equally important is the improved quality of care as a result of the direct contact between the UMHC physician and the patient's on-site care providers at the time of the visit. Similar potential for savings exists at other state funded sites.

The Missouri Department of Health and Senior Services provided four different educational seminars to all telehealth sites in the state of Missouri since January 2007. The subjects ranged from Radiation Exposure to Recognition and Management of Bioterrorism Related Diseases.

In 2006, over 600 hours of Continuing Medical Education were provided over the network. Clinicians from any telehealth site, such as federally qualified health centers and critical access hospitals, can sign up for Grand Rounds or request customized educational CME.

The map on the following page shows the counties and cities that currently have telehealth sites.

Missouri Telehealth Network Site Map



PROGRAM DESCRIPTION

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

1. What does this program do?

The Missouri Telehealth Network exists:
1. to increase access to health care for underserved Missourians;
2. to provide specialty care to Missourians in state facilities, ie. Marshall Habilitation Center;
3. to further homeland security efforts related to bioterrorism, disaster, and pandemic preparedness and response;
4. to serve as a resource (consultant) for health care institutions and providers who are embarking upon their own telehealth program;
5. to provide a mechanism for clinical research; and
6. to provide continuing educational opportunities for health care providers.

The Missouri Telehealth Network currently has 144 sites statewide in 43 counties and the City of St. Louis. In 2007, University of Missouri Health Care providers conducted more than 2,300 clinical encounters in 19 medical specialties via telehealth. Missouri Telehealth Network sites include hospitals, federally qualified health centers, community mental health clinics, a state habilitation center, an army hospital, two schools of medicine, a school of nursing, the Missouri Department of Health and Senior Services and many other types of health care facilities.

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

MTN is a component of the University of Missouri Healthcare and falls under these statutes - Section 172.810 - 172.830, RSMo.

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

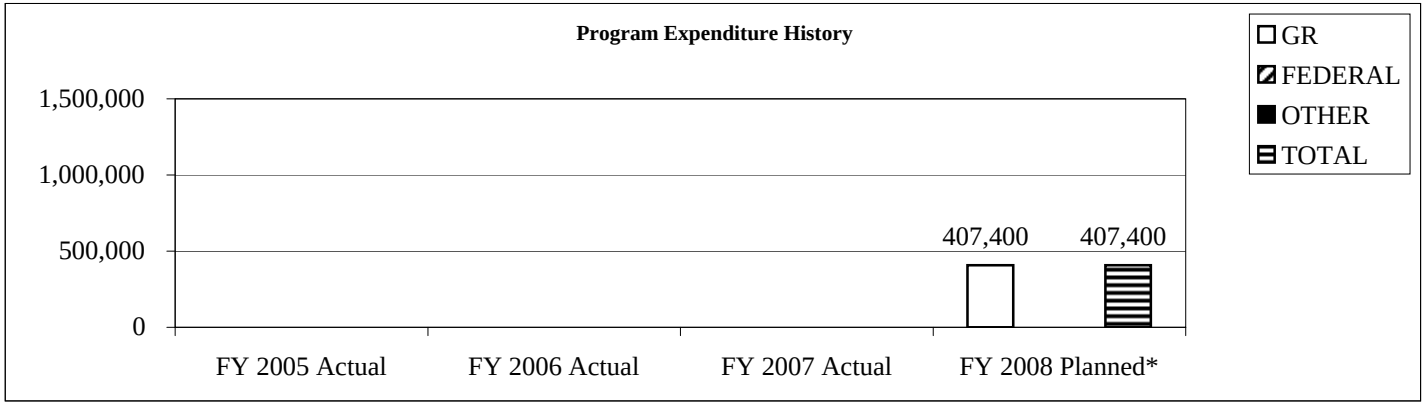
No federal matching requirements.

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

This is not a federally mandated program.

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

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



* Net of Governor's 3% Withholding
FY2008 is the first year of recurring General Revenue base funding. Appropriations in prior years were one-time in nature.

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

All appropriated funds are from General Revenue. However, other funds to support the Telehealth mission are provided by University Healthcare, and federal, state, and other agency grants.

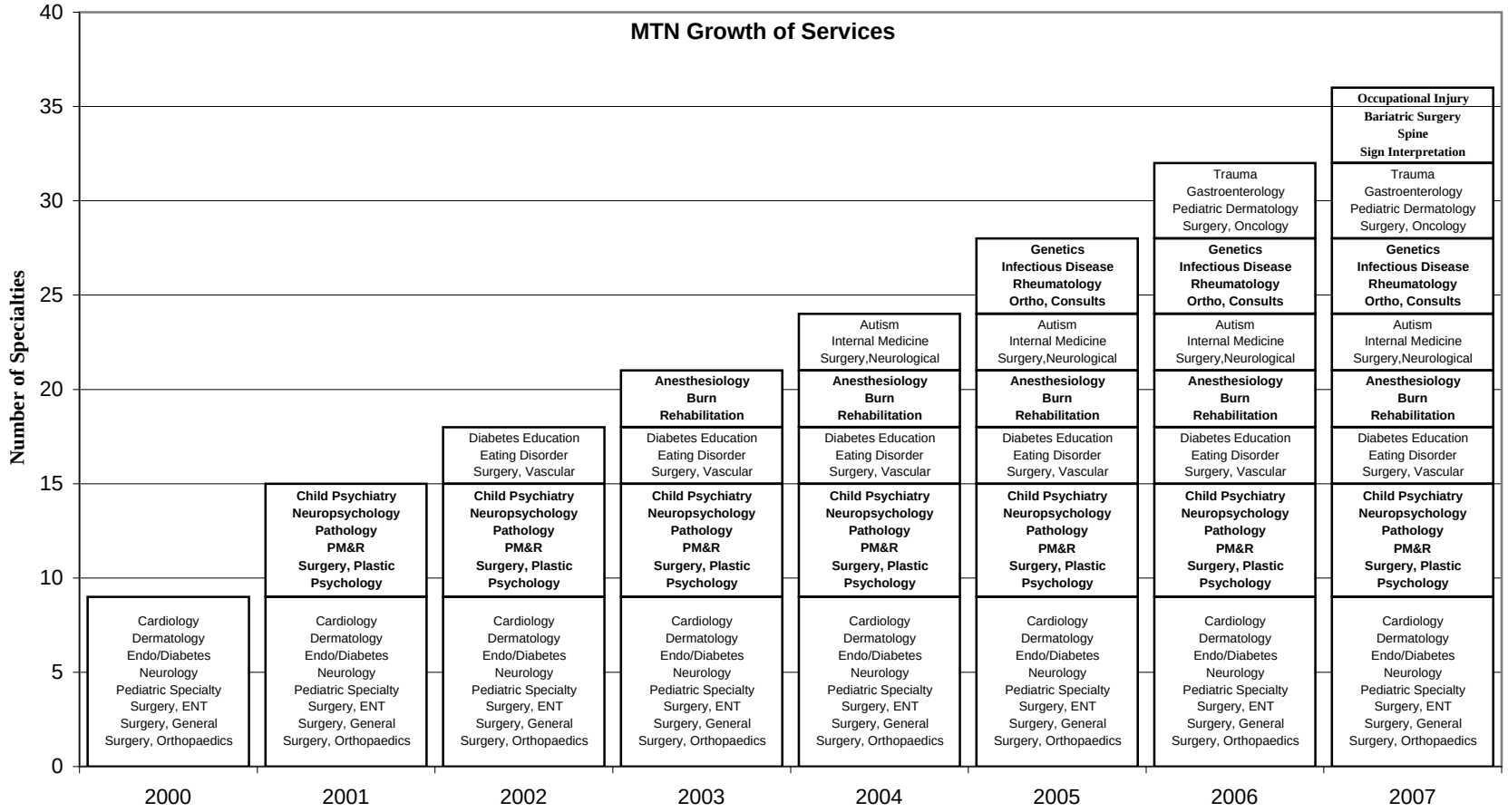
7a. Provide an effectiveness measure.

Data from payor sources and county will be collected as of July 1, 2007. This will show how patients from these areas have saved travel costs and time by utilizing the Missouri Telehealth Network. Medicaid recipients receive reimbursements for travel to medical appointments. The use of telemedicine in these cases eliminates these costs.

The following chart shows growth in specialty services provided by the Missouri Telehealth Network prior to receiving recurring appropriations in FY2008. The growth in specialty services is important to meet the needs of rural and underserved Missouri citizens who do not have access to these services through conventional delivery systems.

PROGRAM DESCRIPTION

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

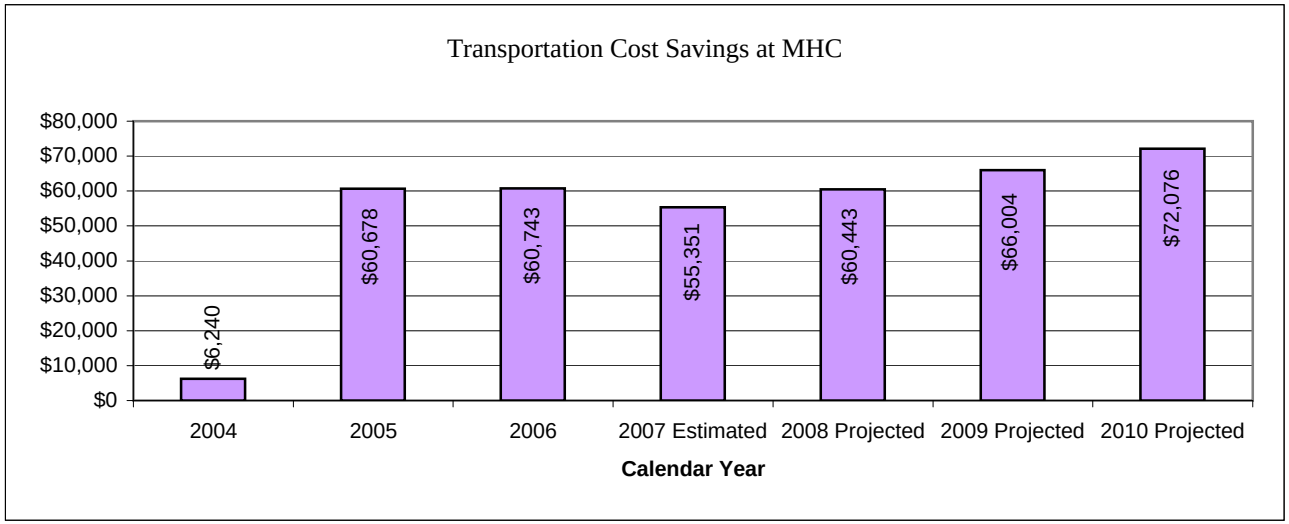


Department of Higher Education
Program Name: Division of Four-year Colleges and Universities
Program is found in the following core budget(s): University of Missouri - Missouri Telehealth Network

7b. Provide an efficiency measure.

Telehealth reduces the need to travel for patients in state facilities.

When telehealth is used, rural labs, radiology departments and pharmacies benefit because the specialists at the University utilize those services at the patient's location. Patient and family members also benefit through reduced travel costs and time away from work or school. Such efficiencies keep monies in the local (rural) area**.** One example is the reduced staff and transportation costs at the Missouri Habilitation Center (MHC) in Marshall, Missouri. It is estimated that each transport to MU from MHC costs the state funded MHC more than $300 per patient. Equipment was placed at MHC in 2004, and through July 2007, 479 trips have been avoided, resulting in approximately $60,000 annual savings to Missouri taxpayers. Savings are significant, but equally important is the improved the quality of care as a result of the direct contact between the physician and the patient's care providers at the time of the visit. Similar potential for savings exists at other state funded sites.



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

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

Number of clients receiving telehealth services

Year	Number
2007 Estimated	2,300
2008 Projected	2,600
2009 Projected	2,800
2010 Projected	3,000

Number of clients receiving teleradiology services

Year	Number
2007 Estimated	16,000
2008 Projected	17,000
2009 Projected	18,000
2010 Projected	20,000

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

Satisfaction data will be collected as of July 1, 2007 from Continuing Medical Education (CME) participants conducted over the Missouri Telehealth Network. Likert scale feedback will be collected from participants. Results for FY2008 will be included in the Program Description next year.

NEW DECISION ITEM REQUEST

UNRESTRICTED EDUCATIONAL AND GENERAL
FORM 5

Department: **Higher Education-Unrestricted**
Level 2 **University of Missouri-Other Programs**
Level 3 **Missouri Telehealth Network**
Decision Item Name: **Increase for Sustaining Quality and Service: $17,640**
Decision Item Rank: **1 of 2**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

The Missouri Telehealth Network (MTN) plays a vital role in Missouri's health care system. It increases access to health care for underserved Missourians; provides specialty care to Missourians in state facilities, i.e. Marshall Habilitation Center; furthers homeland security efforts related to bioterrorism, disaster, and pandemic preparedness and response; serves as a resource (consultant) for health care institutions and providers who are embarking upon their own telehealth program; provides a mechanism for clinical research and provides continuing educational opportunities for health care providers.

Permanent core funding is included in HB 3 for FY2008 in the amount of $420,000, to sustain this very important program.

II. DESCRIPTION

The Missouri Telehealth Network currently has 144 sites statewide in 43 counties and the City of St. Louis. In 2007, University of Missouri Health Care providers conducted more than 2,300 clinical encounters in 19 medical specialties via telehealth. Missouri Telehealth Network sites include hospitals, federally qualified health centers, community mental health clinics, a state habilitation center, an army hospital, two schools of medicine, a school of nursing, the Missouri Department of Health and Senior Services and many other types of health care facilities.

MTN will use this core funding for vital staffing, necessary equipment upgrades and replacement, and network transmission costs associated with the network. MTN provides ongoing technical support, training, troubleshooting, maintenance and software upgrades for telehealth sites.

In order to sustain quality and service at current levels the MTN will require funds to offset the effects of increased operation costs. An adjustment of 4.2% on the state appropriation base is requested.

III. COST EXPLANATION

Total Increase for Sustaining Quality and Service	$17,640
State Appropriations @ 4.2%	$17,640

NEW DECISION ITEM REQUEST

UNRESTRICTED EDUCATIONAL AND GENERAL
FORM 5

Department: **Higher Education-Unrestricted**
Level 2 **University of Missouri-Other Programs**
Level 3 **Missouri Telehealth Network**
Decision Item Name: **Increase to Enhance Missouri's Future - Missouri Telehealth Network: $420,000**
Decision Item Rank: **2 of 2**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

The Missouri Telehealth Network (MTN) plays a vital role in Missouri's health care system. It increases access to health care for underserved Missourians; provides specialty care to Missourians in state facilities, i.e. Marshall Habilitation Center; furthers homeland security efforts related to bioterrorism, disaster, and pandemic preparedness and response; serves as a resource (consultant) for health care institutions and providers who are embarking upon their own telehealth program; provides a mechanism for clinical research and provides continuing educational opportunities for health care providers.

MTN was provided permanent core funding in HB 3 for FY2008 in the amount of $420,000. At that time, the total requested amount to sustain the program was $840,000. MTN provides a statewide service that is invaluable to the constituents of Missouri and requires the full funding of $840,000 to ensure the ongoing existence of the network. MTN requests an additional $420,000 to fully fund the program in addition to the inflationary adjustment to the core requested for sustaining quality and service.

II. DESCRIPTION

The Missouri Telehealth Network currently has 144 sites statewide in 43 counties and the City of St. Louis. In 2007, University of Missouri Health Care providers conducted more than 2,300 clinical encounters in 19 medical specialties via telehealth. Missouri Telehealth Network sites include hospitals, federally qualified health centers, community mental health clinics, a state habilitation center, an army hospital, two schools of medicine, a school of nursing, the Missouri Department of Health and Senior Services and many other types of health care facilities.

This increase in funding can help to ensure that the Missouri Telehealth Network continues to:

- Provide cost saving services for federally qualified health centers and other health care facilities;
- Expand telehealth services to rural Missourians by recruiting more specialists. In 2006, more than 40 University of Missouri Health Care clinicians saw their patients using video technology;
- Provide much needed outcomes research involving medicine and telehealth;
- Allow for expansion to new telehealth sites.

MTN will use this increase to its core funding for necessary equipment upgrades and replacement, vital staffing, network transmission costs associated with the network and continuation of expansion activities that benefit underserved Missourians. MTN provides ongoing technical support, training, troubleshooting, maintenance, and software upgrades for telehealth sites.

III. COST EXPLANATION

Salaries plus Related Benefits	$115,346
Expense and Equipment	304,654
Total Core Funding Increase	$420,000
State Appropriations Core Increase	$420,000

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: $430,100**
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 relating to 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 FY2009 is $430,100 based on $200,000 and a projected Consumer Price Index of 195.5. The request for research funds is $391,000, and the request for administrative funds is $39,100, 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
Program Name: 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.

Section 172.800 - 172.807, RSMo

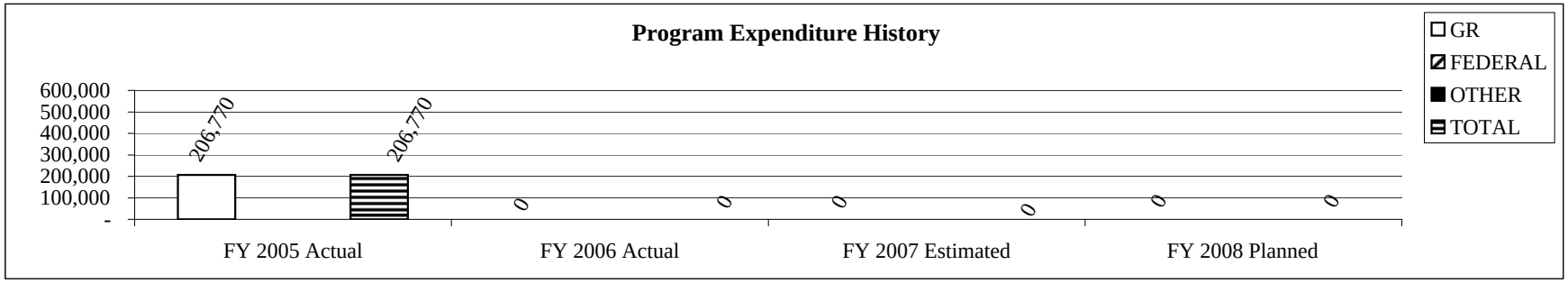
3. Are there federal matching requirements? If yes, please explain.

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?

N/A

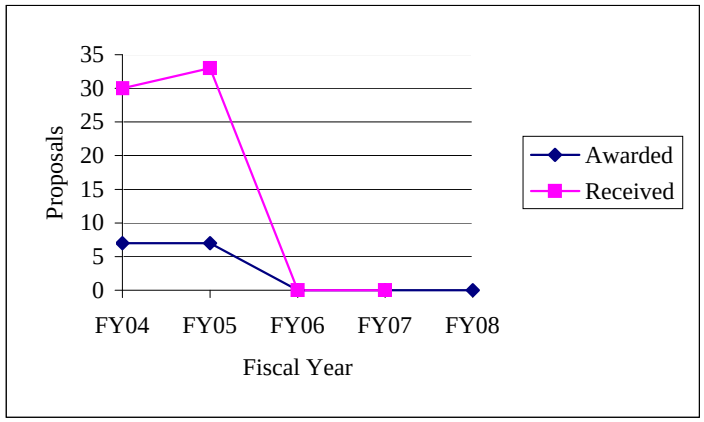
PROGRAM DESCRIPTION

Department of Higher Education
Program Name: 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		FY 08	
Received	Awarded	Received	Awarded	Received	Awarded	Received	Awarded	Proj Rec'd	Proj Award
30	7	33	7	0	0	0	0	0	0



7b. Provide an efficiency measure.

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
$198,482	$28,355	$205,000	$29,000	$0	$0	$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: $400,000**
Decision Item Rank: **1 of 1**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

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

Congenital spinal cord abnormalities, such as spina bifida, include birth defects affecting the spinal cord. 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, as well as 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 11,000 new cases each year. Most experts agree this number is understated as cases involving instantaneous death, or death soon after injury, as well as those with little or no remaining neurological deficit or neurological problems secondary to trauma is 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 FY2009 is $400,000. The request is composed of $360,000 for research funds and $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
Program Name: 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 provides support for research projects in Missouri that promote and advance 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.)

Section 304.027, RSMo

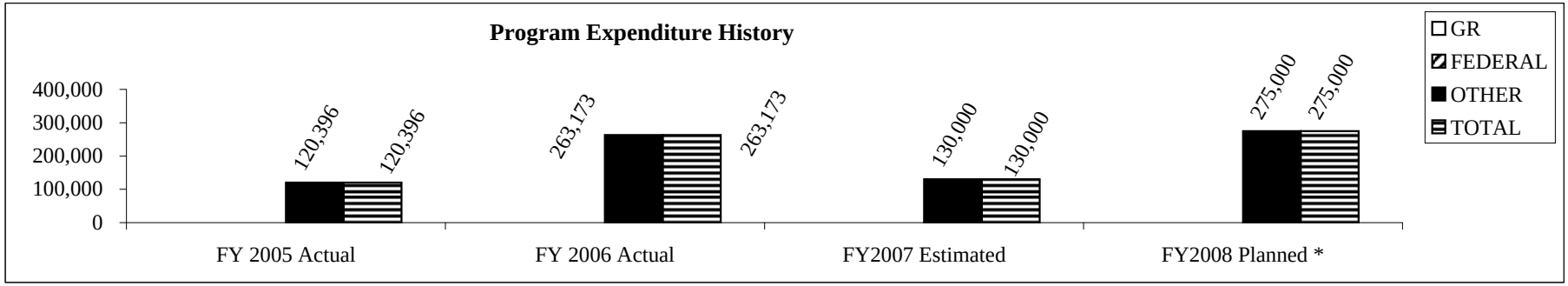
3. Are there federal matching requirements? If yes, please explain.

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.



* Net of 3% Governor's Withholding

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

Spinal Cord Injury Fund (0578)

PROGRAM DESCRIPTION

Department of Higher Education
Program Name: 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 05		FY 06		FY 07		FY 08		FY 09		FY 10	
Received	Awarded	Received	Awarded	Received	Awarded	Proj Rec'd	Proj Award	Proj Rec'd	Proj Award	Proj Rec'd	Proj Award
3	3	5	4	4	3	7	5	7	5	7	5

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 05		FY 06		FY 07		FY 08		FY 09		FY 10	
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	Total Award Amount	Avg Award Amount
$150,000	$50,000	$200,000	$50,000	$150,000	$50,000	$250,000	$50,000	$250,000	$50,000	$250,000	$50,000

* One of the awards made in FY2005 was actually paid in FY2006 from the FY2006 state appropriation.
** Due to a Prinicipal Investigator leaving a partial award of $25,701 had to be returned from FY2007 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: $3,125,000**
Decision Item Rank: **1 of 1**

PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

The Seminary Fund was created for the support of the University of Missouri's College of Agriculture and the School of Mines and Metallurgy. This fund consists of proceeds from 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, credit the Seminary Fund and pay the Board of Curators the annual income received in the Seminary Funds upon requisition by the Board of Curators.

For FY2009 the University is requesting $2,900,000 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	FY2009 Request
To Cover Investment in Government Securities	$1,066,000	$1,500,000	$2,900,000
To Cover Investment Earnings from Principal Held in the Seminary Fund	$163,498	$225,000	$225,000

PROGRAM DESCRIPTION

Department of Higher Education
Program Name: 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

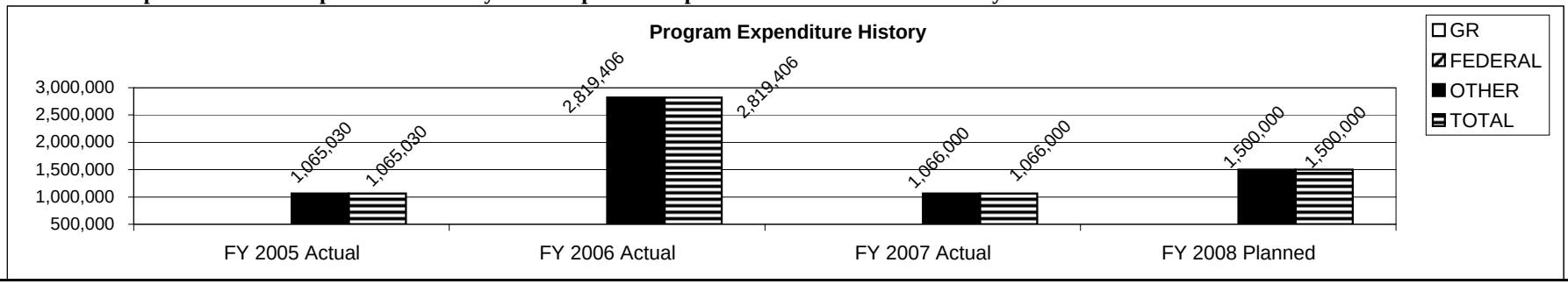
3. Are there federal matching requirements? If yes, please explain.

No

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

No

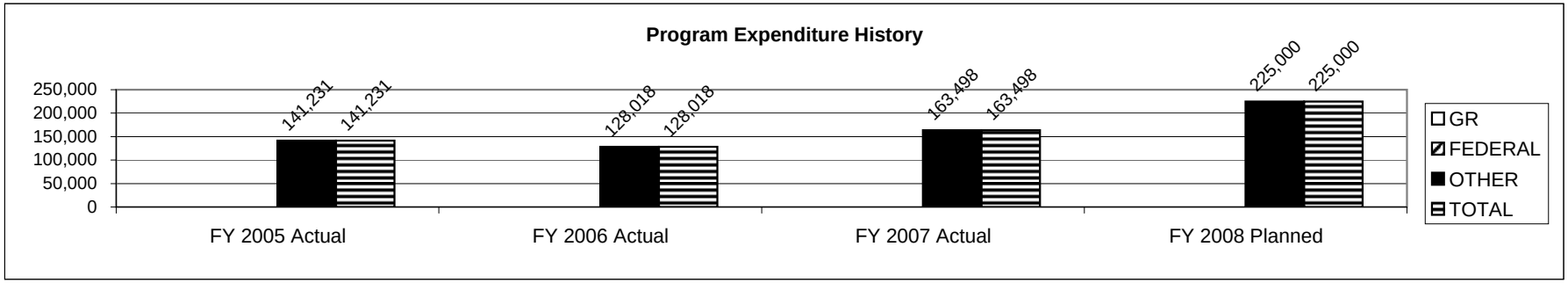
5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



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.

PROGRAM DESCRIPTION

Department of Higher Education
Program Name: 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 $25,827 for scholarship awards and $406,920 for operations at Columbia and Rolla campuses from FY05 through FY07.

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

NEW DECISION ITEM REQUEST

UNRESTRICTED EDUCATIONAL AND GENERAL
FORM 5

Department: **Higher Education Unrestricted**
Level 2 **University of Missouri System**
Level 3 **MOBIUS**
Decision Item Name: Software Purchase and Ongoing Maintenance: Recurring $500,000; One-time $2,000,000
Decision Item Rank: **1 of 1**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

MOBIUS was founded in 1998 with the primary mission to develop and manage a single-innovative, cost-effective statewide library system for Missouri colleges and universities, including public and private two- and four-year institutions. Initially, the creation and some on-going operations of MOBIUS were funded by the state.

At its inception MOBIUS allowed 50 Missouri public and private colleges and universities to combine their library catalogs into one 10 million-item online catalog. The MOBIUS catalog has since grown to include records of more than 20 million books, journals, videos, DVD's and state documents from 62 institutions, including the State Library, that serve more than 750,000 students and faculty, as well as thousands of citizens across Missouri every day.

MOBIUS enables our patrons to search a vast catalog of invaluable materials and request delivery of needed items using any personal computer from any location with Internet access. MOBIUS also contracts for a courier service to deliver requested materials, usually within 48 hours. MOBIUS negotiates and manages contracts for electronic journals and books, databases, and print materials. All these services are currently supported entirely by member fees.

MOBIUS now faces new issues. First, today's students are accustomed to easy Internet searching, and they expect to find scholarly material just as easily as they find less authoritative information. New library software has been developed to provide simpler Internet searching for delivering a richer array of content and interactive capabilities that engage today's students. MOBIUS needs to make these enhanced capabilities available to Missouri's students and faculty. Second, the MOBIUS software configuration for individual library catalogs that make up the MOBIUS catalog has become unbalanced. When state funding stopped during the fiscal crisis of 2005, some individual institutions paid for additional software for their institutions as local resources allowed, leaving students at less well funded institutions with fewer capabilities.

II. DESCRIPTION

This budget request for the purchase, implementation, and maintenance of software will alleviate the current imbalance among MOBIUS member libraries and provide new searching software to enhance all users' abilities to mine the scholarly resources of MOBIUS libraries.

Perhaps most important, the renewed appropriation in support of MOBIUS will restore the historic partnership between the state and its libraries – a partnership that has had such positive impacts on both higher education and economic development in Missouri.

III. COST EXPLANATION

RECURRING FUNDS

PCS	FTE	Compensation	E&E	Total
Instruction				
Research				
Public Service			$500,000	$500,000
Academic Support				
Student Services				
Institutional Support				
Operation & Maintenance of Plant				
Scholarships & Fellowships				
Total Improvements				**$500,000**

From State Appropriations **$500,000**

ONE-TIME FUNDS

PCS	FTE	Compensation	E&E	Total
Instruction				
Research				
Public Service			$2,000,000	$2,000,000
Academic Support				
Student Services				
Institutional Support				
Operation & Maintenance of Plant				
Scholarships & Fellowships				
Total Improvements				**$**2,000,000

From State Appropriations **$2,000,000**

IV. EVALUATION OF OUTCOMES

MOBIUS is a successful innovation in statewide cooperation, saving money for every college and university member and delivering services to millions of Missouri citizens every year. MOBIUS continues to attract interest and attention. Twelve more colleges or universities have joined the original 50 members. The success and advantages of MOBIUS for the citizens of Missouri have drawn several large Missouri public libraries to become MOBIUS affiliates, and further expansion would dramatically deepen the resources available through MOBIUS. In today's fast moving world even the most successful operation cannot remain complacent. Accordingly, MOBIUS is designing formal metrics for assessing the effectiveness of MOBIUS services and the impact on MOBIUS for the citizens and the economy of the state of Missouri.

PROGRAM EXPENDITURES AND REVENUE SUMMARY

FORM 1

State Historical Society of Missouri

	FY2006 Actual	FY2007 Actual	FY2008 Planned & FY2009 Core	Increase for Sustaining Quality & Service	Increase for Enhancing Missouri's Future *	FY2009 Request
EXPENDITURES:						
Program Operations	$805,431	$988,969	$1,519,561	$68,745	$371,947	$1,960,253
Total Expenditures	$805,431	$988,969	$1,519,561	$68,745	$371,947	$1,960,253
FTE Employees	19.5	21.5	25.0		4.0	29.0
SOURCES OF FUNDS:						
State Appropriations	$805,431	$988,969	$1,519,561	$68,745	$371,947	$1,960,253
Total Sources	$805,431	$988,969	$1,519,561	$68,745	$371,947	$1,960,253

* This request for new funding is comprised of multiple Form 5's.

PERSONAL SERVICES AND EXPENSE AND EQUIPMENT DETAIL

FORM 3

State Historical Society of Missouri

	FY2006 Actual		FY2007 Estimated		FY2008 Planned & FY2009 Core		Increase for Sustaining Quality & Service	Increase for Enhancing Missouri's Future *		FY2009 Request	
	FTE	Amount	FTE	Amount	FTE	Amount	Amount	FTE	Amount	FTE	Amount
PERSONAL SERVICES:											
Teaching and Research	1.0	$111,339	1.0	$73,906	1.0	$164,029	$6,561			1.0	$170,590
Exec., Admin., Managerial	1.0	61,316	1.0	63,568	1.0	68,978	2,759			1.0	71,737
Professional	11.0	302,033	15.0	386,966	20.0	572,762	22,910	5.0	203,747	25.0	799,419
Technical							0			0.0	0
Office	4.0	104,371	4.0	106,792	4.0	112,412	4,496			4.0	116,908
Student	0.5	8,013	0.5	11,771	0.5	20,000	800			0.5	20,800
Staff Benefits		167,038		187,457		280,473	11,219		61,900		353,592
Total Personal Services	17.5	$754,110	21.5	$830,460	26.5	$1,218,654	$48,745	5.0	$265,647	31.5	$1,533,046
EXPENSE AND EQUIPMENT:											
Library Acquisitions											$0
Withholding Reserve						$45,587			50,000		95,587
All Other		51,321		158,509		255,320	20,000		56,300		331,620
Total Expense & Equip.		$51,321		$158,509		$300,907	$20,000		$106,300		$427,207
Grand Total	17.5	$805,431	21.5	$988,969	26.5	$1,519,561	$68,745	5.0	$371,947	31.5	$1,960,253

* This request for new funding is comprised of multiple Form 5's.

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. PROGRAM 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. In addition to assisting researchers, the Society provides public programming on historical and genealogical topics through art exhibitions, workshops, tours, lectures, and a speakers' bureau.

III. PERFORMANCE AND ACTIVITY MEASURES

	FY2007	FY2008	FY2009
Patrons Assisted in Society Quarters	11,536	11,651	11,768
Research Contacts (letters, fax, e-mail, phone)	9,604	9,700	9,797
Administrative & Business Contacts (letters, fax, e-mail, phone)	8,964	9,054	9,145
In-house Tours Given	148	149	150
Web Site Visitors	161,542	163,157	164,789
Staff Outreach Events (off-site)	71	72	73
Staff Outreach Audience (off-site)	2,786	2,814	2,842
Speakers' Bureau Presentations	30	60	90

III. PERFORMANCE AND ACTIVITY MEASURES (Continued)

	FY2007	FY2008	FY2009
Speakers' Bureau Audience	862	1,724	2,586
Students Participating in History Day program	3,111	3,142	3,173
Books Used	48,024	48,504	48,989
Indexes and Printed Newspapers Used	3,681	3,718	3,755
Microfilm Used	51,524	52,039	52,559
Photographic Requests Filled for Patrons	528	533	538
Interlibrary Loan Requests Filled	1,777	1,795	1,813
Reels of Microfilm Sent on Interlibrary Loan	2,248	2,270	2,293
Acquisitions:			
Newspaper Microfilm Reels	590	593	596
Books	547	550	553
Artworks	21	22	23
Missouri Official Publications	1,082	1,087	1,092
Serial Publications & Microfilm	3,022	3,037	3,052
Maps/Atlases	24	25	26
Miscellaneous	406	408	410
Books Catalogued	2,651	2,678	2,705
Copies of *Missouri Historical Review* Printed	22,350	22,574	22,800
Copies of *Missouri Times* Printed	26,940	27,209	27,481
Exhibits and Displays Produced	12	13	14
Workshops & Public Programs	31	32	33
Membership Records Maintained	5,134	5,185	5,237

PROGRAM DESCRIPTION

Department of Higher Education
Program Name: 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 through art exhibitions, workshops, tours, lectures, and a speakers' bureau.

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

Section 183.010 - 183.030, RSMo

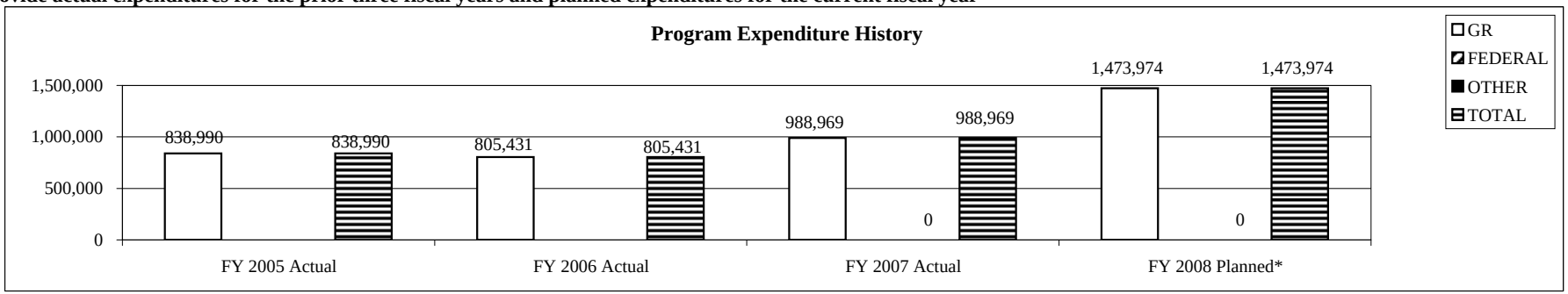
3. Are there federal matching requirements? If yes, please explain.

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?

All of the Society's appropriations are from General Revenue. However, the Society has a Membership Trust Fund that helps to support its mission.

PROGRAM DESCRIPTION

Department of Higher Education
Program Name: 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?

FY2005 Projected	FY2005 Actual	FY2006 Projected	FY2006 Actual	FY2007 Projected	FY2007 Actual	FY2008 Projected	FY2009 Target	FY2010 Target
19,589	17,269	17,442	14,239	14,381	11,536	11,651	11,768	11,886

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

FY2005 Projected	FY2005 Actual	FY2006 Projected	FY2006 Actual	FY2007 Projected	FY2007 Actual	FY2008 Projected	FY2009 Target	FY2010 Target
21,431	33,030	33,360	21,176	21,388	18,568	18,754	18,942	19,131

7b. Provide an efficiency measure.

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

FY2005 Projected	FY2005 Actual	FY2006 Projected	FY2006 Actual	FY2007 Projected	FY2007 Actual	FY2008 Projected	FY2009 Target	FY2010 Target
2,177	1,919	1,938	1,582	1,598	1,442	1,295	1,308	1,321

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

FY2005 Projected	FY2005 Actual	FY2006 Projected	FY2006 Actual	FY2007 Projected	FY2007 Actual	FY2008 Projected	FY2009 Target	FY2010 Target
4,254	5,463	5,690	4,941	4,990	11,437	9,819	9,917	10,016

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

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

FY2005 Projected	FY2005 Actual	FY2006 Projected	FY2006 Actual	FY2007 Projected	FY2007 Actual	FY2008 Projected	FY2009 Target	FY2010 Target
72,319	91,276	92,189	79,049	79,839	198,405	200,389	202,393	204,417

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: **Increase for Sustaining Quality and Service: $68,745**
Decision Item Rank: **1 of 11**

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 diligently to contain costs and reduce expenses through administrative efficiencies and innovation. However, even with a significant addition to its core budget in FY 2008, the Society struggles to overcome historical underfunding. Salaries of Society staff members remain significantly below that of similarly trained individuals in similar jobs at the University of Missouri and state government. Likewise, the number of staff positions available to the Society remains below the number needed for the Society to adequately fulfill its statutory mission. In addition, travel and postage costs continue to increase, hindering the ability of staff to effectively meet the overall mission of the society.

II. DESCRIPTION

State Historical Society of Missouri continues to incur higher costs to deliver its services to the public in spite of efforts to be more efficient and control costs. There also are fixed cost increases associated with library materials, information technology equipment, and supplies and services. Lack of additional funding hinders the ability of the State Historical Society of Missouri to sustain the quality and level of its services, much less expand its services for the citizens of Missouri.

State Historical Society of Missouri will require funds to offset the effects of increased costs of operation to maintain a highly skilled and professional staff and to respond to the growing demand for patron services. The personnel policies are the same for these programs as for the general operations of the University.

Historical underfunding of the Society has resulted in a reduction of travel for outreach purposes. This threatens the Society's ability to fulfill its mission. The request of $10,000 for travel funds will allow SHS staff members to travel more extensively throughout the state, taking programs and services to local historical and genealogical groups, as well as schools and other not-for-profit organizations.

The $10,000 request for postage will cover recent increases in postage rates, as well as the costs related to dramatic increases in the volume of mail sent by the Society.

III. COST EXPLANATION

Salaries @ 4.0% plus Related Benefits	$ 48,745
Travel Allocation Increase	10,000
Postage	10,000
Total from State Appropriations	$68,745

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 for SHS Employees: $68,250**
Decision Item Rank:	**2 of 11**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

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

II. DESCRIPTION

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

III. COST EXPLANATION

Salary	$ 52,347
Benefits	15,903
Total 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. At the end of the third year of this effort, Society staff members' salaries will be competitive with those persons holding similar positions at 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:	**History Day Coordinator: $44,722**
Decision Item Rank:	**3 of 11**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

The creation of this position will allow the Society to hire a well-trained, full-time History Day Coordinator.

II. DESCRIPTION

This person will coordinate and administer The National History Day program in Missouri. The program involves more than 3,000 Missouri students in grades 6-12 from more than 100 schools. Coordination and administration of this program is a year-round activity that involves regional workshops with students and teachers, the development of curriculum materials, and the planning of local, regional and statewide competitions.

III. COST EXPLANATION

This request funds the salary, benefits, and expense and equipment needs of the position.

Salary	$ 32,000
Benefits	9,722
Expense and Equipment	3,000
Total from State Appropriations	$44,722

IV. EVALUATION OF OUTCOMES

This individual will become a permanent member of the State Historical Society of Missouri staff.

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:	**History Day Increase: $10,000**
Decision Item Rank:	**4 of 11**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

This amount is needed to fund five regional National History Day workshops in different parts of the state.

II. DESCRIPTION

These funds will help the Society host regional workshops in five different parts of the state. Teachers and students from grades 6-12 will be invited to these workshops where strategies for conceptualizing and completing National History Day projects will be discussed.

III. COST EXPLANATION

The cost of travel and honoraria for presenters and duplication of curricular materials will be $2,000 per workshop. The total cost of presenting five workshops is estimated at $10,000.

Cost of Workshops	$ 10,000
Total from State Appropriations	$ 10,000

IV. EVALUATION OF OUTCOMES

These funds will become a permanent part of the core budget of the State Historical Society. Workshops will be scheduled annually in five different regions of the state.

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:	**Preservation Filming of Art Work: $15,000**
Decision Item Rank:	**5 of 11**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

This amount is needed to begin the systematic preservation filming of the more than 4,000 pieces of artwork in the Society's art collection.

II. DESCRIPTION

These funds will allow for the preservation filming of approximately 50 pieces of artwork held in the Society's collection.

III. COST EXPLANATION

Preservation filming of approximately 50 pieces of artwork at $300 per item.

Total cost	$ 15,000
Total from State Appropriations	$ 15,000

IV. EVALUATION OF OUTCOMES

These funds will become a permanent part of the core of the State Historical Society's annual budget.

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: **Library Clerk: $31,684**
Decision Item Rank: **6 of 11**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

The creation of this position will allow the Society to hire a transcriptionist to transcribe interviews for the Society's Politics in Missouri Oral History Project.

II. DESCRIPTION

This person will transcribe tape-recorded interviews with Missouri political leaders in a project established through the Society by the Missouri General Assembly in 1993.

III. COST EXPLANATION

This request funds the salary, benefits, and expense and equipment needs of the position.

Salary	$22,000
Benefits	6,684
Expense and Equipment	3,000
Total from State Appropriations	$31,684

IV. EVALUATION OF OUTCOMES

This individual will become a permanent member of the staff and will assist with the Politics in Missouri Oral History Project.

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: **Educational Outreach: $43,679**
Decision Item Rank: **7 of 11**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

The creation of this position will allow the Society to hire a full-time educational outreach staff person.

II. DESCRIPTION

This person will assist with the development and administration of an outreach program that includes workshops, electronic teaching aids, a speakers' bureau lecture series, and curricular materials on Missouri history for children and adults.

III. COST EXPLANATION

This request funds the salary, benefits, and expense and equipment needed for this position.

Salary	$31,200
Benefits	9,479
Expense and Equipment	3,000
Total from State Appropriations	$ 43,679

IV. EVALUATION OF OUTCOMES

This individual will become a permanent member of the staff and will coordinate all Society educational outreach activities.

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:	**Research Collections: $50,000**
Decision Item Rank:	**8 of 11**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

This amount is needed to acquire new collections of primary material to add to existing collections held by the Society.

II. DESCRIPTION

These funds will be used to purchase copies of primary-source collections pertaining to Missouri history held by the National Archives and other such repositories.

III. COST EXPLANATION

Expense and Equipment	$ 50,000
Total from State Appropriations	$ 50,000

IV. EVALUATION OF OUTCOMES

These funds will become a permanent part of the core of the State Historical Society and will be used to purchase microfilmed collections of Missouri history research materials.

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:	**Equipment Purchases & Upgrades: $16,300**
Decision Item Rank:	**9 of 11**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

This amount is needed to purchase and upgrade Society equipment.

II. DESCRIPTION

These funds will be used to create a fund to purchase new microfilm reader/printers, computers, printers, scanners and cameras on a three-year cycle.

III. COST EXPLANATION

Eight new computers for upgrades to all employees	$ 8,000
One scanner for publication department	2,600
One microfilm reader for newspaper library	5,700
Total from State Appropriations	$ 16,300

IV. EVALUATION OF OUTCOMES

These funds will become a permanent part of the core of the State Historical Society budget, allowing the Society to maintain an inventory of state-of-the-art equipment.

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:	**Manuscript Specialist: $43,679**
Decision Item Rank:	**10 of 11**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

The creation of this position will enable the Society to employ a full-time manuscript specialist.

II. DESCRIPTION

The Society has a large backlog of unprocessed manuscripts that are not available to researchers. Hiring a manuscript specialist will allow the Society to begin processing these collections so they can be made available to the public.

III. COST EXPLANATION

This request funds the salary, benefits, and expense and equipment needs of the position.

Salary	$ 31,200
Benefits	9,479
Expense and Equipment	3,000
Total from State Appropriations	$ 43,679

IV. EVALUATION OF OUTCOMES

This individual will become a permanent member of the staff and will assist with processing manuscript collections.

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:	**Center for Missouri Studies Fellow: $48,633**
Decision Item Rank:	**11 of 11**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

The creation of this position will allow the Society to employ a full-time Missouri history scholar.

II. DESCRIPTION

The Center for Missouri Studies fellow will devote him/herself to researching Missouri history topics and making public presentations on Missouri history.

III. COST EXPLANATION

This request funds the salary, benefits, and expense and equipment needs of the position.

Salary	$35,000
Benefits	10,633
Expense and Equipment	3,000
Total from State Appropriations	$48,633

IV. EVALUATION OF OUTCOMES

This individual will become a permanent member of the staff of the State Historical Society of Missouri.