UNIVERSITY OF MISSOURI SYSTEM

Fiscal Year 2010

Appropriations Request for Operations

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University of Missouri System

Fiscal Year 2010

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FY2010 APPROPRIATIONS REQUEST FOR OPERATIONS

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Summaries

The University of Missouri: Working for Our State

My first few months at the university have allowed me to reflect on my previous knowledge of public higher education as a former student, alumni, parent and informed citizen. At the same time, I have acquired new insight as president of the University of Missouri System and an unquestionable belief that Missouri's students, the state's economy, and our future as citizens are the better because of the work we do at our great university system. Allow me to provide you a few examples.

The university granted nearly 14,000 degrees in 2007—and with these graduates come the realized dreams of their family and friends and the very real potential to make the world a better place. We educate more health care professionals, including doctors, nurses, physical therapists, pharmacists, and dentists, than any other school in the state. This is becoming increasingly more important given Missouri's population demographics.

We are pioneers in research. Examples abound from all of our campuses about ground-breaking research that truly has the potential to change the course of mankind. In fact, our University of Missouri-Columbia campus had two research discoveries that made Discover's list of the top 100 science stories in the world last year. No other university—public or private—in Missouri had a discovery that made the list.

The University of Missouri is a good investment for the state, generating a 5-to-1 return in annual operating revenues for every dollar appropriated. We infused nearly $571 million in the Missouri economy from outside sources, including federal grants, private donations, and out-of-state tuition. This money circulates through the economy, ultimately creating almost $1.1 billion in economic activity and accounting for more than 13,000 jobs.

We serve our state's citizens through our health system, which saw more than 164,000 patients, and our extension mission, which served more than one million Missourians last year.

And lest anyone try to tell you that a college degree is not worth the investment, let me say this: Research shows that those with a bachelor's degree earn about eight hundred thousand dollars more in their lifetime than those without a four-year degree. And the dividends for those who obtain a professional degree are more like a million dollars in additional earnings.

There is work still to be done, however. We must continue to educate the state about the value of higher education, create programs to improve children's preparation for college beginning at a young age, grow our research and economic development efforts, take advantage of opportunities like distance education and our Health Sciences Center, and create a new approach for capital requirements. We'll also pay close attention to our faculty retention and recruitment in light of current faculty salaries.

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,

Gary D. Forsee
University of Missouri President

Statistical Highlights

Campuses Columbia, Kansas City, Rolla and St. Louis

Enrollment, Fall 2007

UM-Columbia:	28,405
UM-Kansas City:	14,442
MO Science & Technology:	6,166
UM-St. Louis:	15,527
Total enrollment:	64,540

(74 percent undergraduate, 26 percent graduate and first professional students)

Total degrees granted, FY2007: 13,880

Total faculty, Fall 2007: 7,608
(67 percent full-time, 33 percent part-time)

Total staff, Fall 2006: 16,405
(75 percent full-time, 25 percent part-time)

Total student financial aid: $615,752,652
(in grants, loans, work programs, scholarships, fellowships and other aid awarded to 51,490 students in fiscal year 2007)

Net book value of capital assets: $2.0 billion
(as of June 30, 2007)

Land holdings: 19,331 acres

Grants and contracts expenditures, FY2007

Federal:	$187.1 million
Other:	$101.3 million

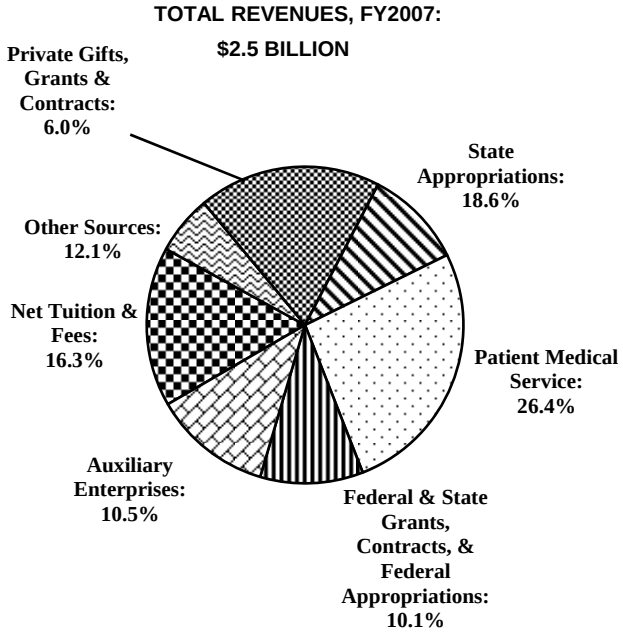
(includes state, industry, not-for-profit organizations and other)

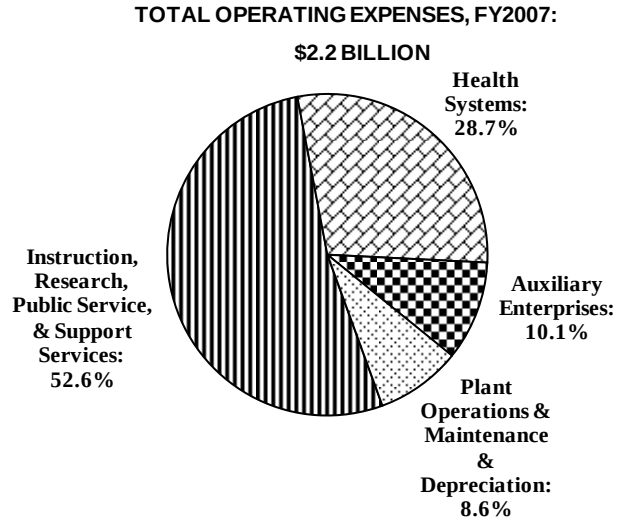
Total grants and contracts: $288.4 million

Total gifts, FY2007: $94.1 million
(includes unrestricted private gifts, capital gifts and private gifts for endowment)

Endowment & similar funds
(stated at market as of June 30, 2007)

Market value:	$1,048,491,000
Endowment per student:	$16,246





Economic Development Highlights

- With $2.2 billion in total revenues and more than 25,000 employees, UM was the 21st largest publicly-held company in the state in 2006.
- 40 percent of Missouri's academic science and technology research expenditures were conducted at the university.
- In 2007, the university held 194 patents and 78 licenses/options and earned more than $4.7 million in licensing income.
- UM earned 51 percent of total funding awarded by the National Science Foundation in Missouri in 2006.
- The university's federal grant funding was $187 million in 2007.

UM Statewide Impact

Students from Missouri, 2007:	51,634
Alumni in Missouri, 2007:	209,133
Selected school alumni:	
Medicine:	3,390
Nursing:	6,517
Health Professions:	2,846
Veterinary Medicine:	1,375
Dentistry:	2,473
Pharmacy:	1,620
Engineering:	22,806
Optometry:	386
Agriculture:	10,897
Law:	8,130
Employees living in Missouri, 2007:	25,942
Tax revenue generated in Missouri by University employees:	$126 million
Construction projects & contracts awarded in Missouri in 2007:	196 projects for $141.6 million
Extension impact, 2007:	950,559 contacts MU Extension Centers operate in 111 of the state's 114 counties.
UM Health Care impact, 2007:	164,221 patients seen with $48.3 million uncompensated care at UMC.
MOREnet impact, 2007:	68 higher education institutions and 518 school districts served.

Executive Summary

The University of Missouri's foremost priority in the FY2010 request for operations is the funding of its FY2009 core state appropriation of $451.5 million. In addition, the University's Appropriations Request for Operations encompasses a total new investment plan of $103.2 million that includes $75.0 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 will enhance the university's position as one of the premiere world-class public research universities in the country.

The university's requests reflect the need to address funding issues resulting from several years of increased enrollment and decreased or minimal increase in state appropriations. We have fallen behind on competitive salaries for faculty, our deferred maintenance and repair has grown, our health care profession programs need to produce more graduates to meet the growing needs of Missourians, and our technology transfer process needs additional resources to be able to move discoveries more quickly to the market place.

The investments will be funded through a partnership with the state, the university, and its students. The request from the state for an additional $75.0 million would be coupled with $14.5 million from university resources, including internal efficiency reallocations and $13.7 million from students through an increase in tuition and fees. These investments are:

Increase to Core Budget for Annual Merit Compensation and Technology, Infrastructure, & Ongoing Costs: Total Investment $43.1 million; State Request $19.0 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. 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. The state's share of this request is equal to a 4.2 percent increase in state appropriations for:

- a general salary increase of 4 percent plus related benefits ($14.1 million), and
- on-going costs of basic operations including increases in utilities ($4.8 million).

Competitive Ranked Faculty Compensation: Total Investment $10.8 million; State Request $7.2 million

The university has identified the need for an investment in competitive market compensation for ranked faculty totaling $21.6 million over three years in addition to the annual merit pool. The state's share is half or $10.8 million. Rankings of faculty salaries at public AAU universities support the need for this additional investment. The university funded both its share and the state's share in the first year to get the initiative started. For 2010, we are asking the state to provide its share of the first two years of the initiative.

St. Louis Equity Adjustment: Total Investment $2.2 million; State Request $1.9 million

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 five years, all except $2.2 million has been funded. The remaining $1.9 million that we are requesting from the state, when added to the reallocation provided by UM System, would reach the $10.8 million target.

Support for FY2001-FY2008 Enrollment Growth: State Request $6.8 million

The university has identified the need for additional funding of $13.6 million to support the extraordinary student enrollment growth on the university's four academic campuses since FY2001. This request does not reflect funding needs for the large expected growth in fall 2008. The request is spread over two years. The request is calculated on growth in enrollment at the university between fall 2000 and fall 2007 during a time in which state appropriations declined or were stagnant. It is imperative to keep the advanced and more specialized classes small especially in the lab intensive disciplines such as life sciences, biology, and engineering. Enrollment increases require additional investment in campus wide enrichment programs as well as programs embedded in colleges and departments to ensure the success of our students. The increase in funding would support the hiring of regular full-time faculty to teach, resulting in smaller classes, increases in the number of students admitted to some high demand programs that are capped, and enhanced student learning. The increased funding would also support the hiring of more academic advisors who play a critical role in helping students maximize their university education and complete a baccalaureate degree in a timely manner. The request is spread over two years.

Protecting the University's Infrastructure Through Increased Maintenance and Repair Investment: State Request $14.5 million

The university is requesting state investment to protect the university's facilities and infrastructure through increased expenditures for maintenance and repair. The university has not received specific additional appropriation for this need since FY1997. There is a growing backlog of documented deferred maintenance which totals $344 million. This investment will match the university's current investment on a 2-to-1 basis.

Caring for Missourians: State Request $24.2 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 Missouri University of Science and Technology 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. This strategic investment in healthcare will benefit the citizens of the state of Missouri.

Growth Engine for Economic Development: State Request $1.5 million

The University of Missouri should be the growth engine of the state in developing a new, dynamic, and long-lasting Missouri economy. The university expended $326 million for research in FY 2007, with $210 million of this amount funded by external sources. In 2007, UM earned $4.7 million in licensing income from 194 U.S. patents and 78 licenses/options. The university is requesting recurring funds of $1.5 million from the state to support the university's fourth mission of economic development and the continued growth in research and technology transfer. This strategic investment benefits the citizens of Missouri through increased economic development.

FY2010 University of Missouri Appropriation Request for Operations - New Investments					
	State Investment	**University Investment**	**Tuition Investment**	**Total Investment**	**Outcome**
	(Dollars in Millions)				
Annual Merit Increase in Compensation - 4% plus benefits	$14.13	$7.84	$10.17	$32.14	Support 13,000 employees, an operating budget payroll of $569 million, and a direct return of $63+ million in tax to the State (2007)
Technology, Infrastructure, and On-Going Costs	4.83	2.69	3.48	11.00	Quality infrastructure to support teaching, research, public service, & economic development
Competitive Ranked Faculty Compensation (Note 2)	7.20	3.60		10.80	Recruit & retain top quality faculty who annually educate over 65,000 students and generate $210 million in external research funding
St. Louis Equity Adjustment	1.86	0.35		2.21	Support the education of over 15,000 students
Support for FY 2001 - 2008 Enrollment Growth (Note 3)	6.80			6.80	Support the education of 7,953 more students annually through smaller classes, enhanced student advising, and additional regular full-time faculty
Protecting the University's Infrastructure (Note 4)	14.50			14.50	Contain the growth in deferred maintenance which currently totals over $344 million
Caring For Missourians	24.20			24.20	Annual increase in the number of health care professionals by 209 doctors, nurses, dentists, optometrists, pharmacists and allied health professionals to meet Missouri's growing health care needs
Growth Engine for Economic Development	1.50			1.50	Increase in economic growth from increase in technology transfer including more patents, licenses, and commercialization of intellectual property
Total New Investment for FY2010 Operations Budget	**$75.02**	**$14.48**	**$13.65**	**$103.15**	

Note 1: The sum of the annual merit increase and technology, infrastructure and on-going costs equals 4.2% or the third year of the program to return state funding to FY2001 levels
Note 2: Total request is $21.6 million over 3 years. Requesting year 1 & 2 in FY2010.
Note 3: Total request is $13.6 million over 2 years. Requesting year 1 in FY2010.
Note 4: Increase state match to 2 to 1 of total required $39.9 million investment in M & R, which is 1.5% of replacement value.
Note 5: These new investments are in addition to the University's first priority of funding the FY2009 core state appropriations for operations of $451.5 million.

University of Missouri Health Care

University Hospitals and Clinics - Sustaining Quality and Service: State Request $0.5 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. Our health care system serves more than 164,000 patients in our state, concentrates on a 25 county service area, and provides $48 million in uncompensated care. Requests for additional appropriation for inflationary or mandatory cost increases have not been funded since FY2001.

Missouri Rehabilitation Center – Sustaining Quality and Service: State Request $0.5 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 started experiencing operating losses in 2006 and is projecting a loss in 2009. 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 4.2 percent to MRC's base funding level is required.

Other Curator Programs

Sustaining Quality and Service: State Request $0.9 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. Additional appropriation requests for inflationary or mandatory cost increases for the Missouri Institute of Mental Health and the Missouri Kidney Program have not been funded since FY2001.

MOREnet – Increased Capacity for Public Higher Education and K-12 Connections and Internet Access: State Request $2.7 million
MOREnet is requesting $2.7 million in ongoing funds for increased costs related to growth of internet access, public higher education, and public school internet connections. Analysis of network usage identifies two areas of significant concern that threaten the services delivered by MOREnet. The first area is the demand from public higher education institutions and K-12 school districts for additional capacity for local telecommunication connections to the shared network. Meeting this demand has an estimated cost increase of $108,000 for higher education and $1.7 million for K-12 school districts. The second area is the increased demand for shared network capacity to support member connectivity growth, including Internet access and aggregation circuits. Current estimates indicate that it will cost an additional $129,000 to provide adequate Internet access capacity and $754,000 in aggregation circuit capacity in FY2010. Increases in expenses of this magnitude cannot be absorbed with existing fund sources. Failure to supply adequate access threatens the services and public benefits provided to Missouri students, library patrons, and citizens accessing state e-government initiatives.

MOREnet – One-Time Network, Video and Public K-12 Equipment Replacement: State Request $3.3 million
For FY2010 MOREnet will incur major one-time equipment costs for the shared network to keep pace with the 35% annual growth in bandwidth from our members, to meet new technology standards,

and to replace aging equipment. In addition, the equipment required at each public K-12 connection location must be upgraded to handle greater demand, to improve performance and features of the equipment (including security features), and to replace equipment no longer supported by the vendor.

In addition, MOREnet manages one of the largest videoconference bridging services found in education, providing the opportunity for all MOREnet members to benefit from the centralized, state-wide service. MOREnet has experienced an astonishing 300 percent increase in video event requests since fall 2004. For FY2010 MOREnet will need to upgrade two of the four multi-point conference units (MCU) to support the growth in video services, to support the demand for enhanced high-definition video services, and to replace aging equipment near end-of-life for vendor support.

MOBIUS Software Purchase and Ongoing Maintenance: State Request $0.5 million recurring; $2.0 million one-time

MOBIUS is requesting new recurring funding of $500,000 and one-time funding of $2.0 million for software purchase and ongoing maintenance. 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. 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.

State Historical Society of Missouri: State Request $0.5 million

The State Historical Society of Missouri is directed by statute to collect, preserve, make accessible, and publish materials pertaining to the history of Missouri and western America. The society has worked hard to contain costs and reduce expenses through administrative efficiencies and innovation; however 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.

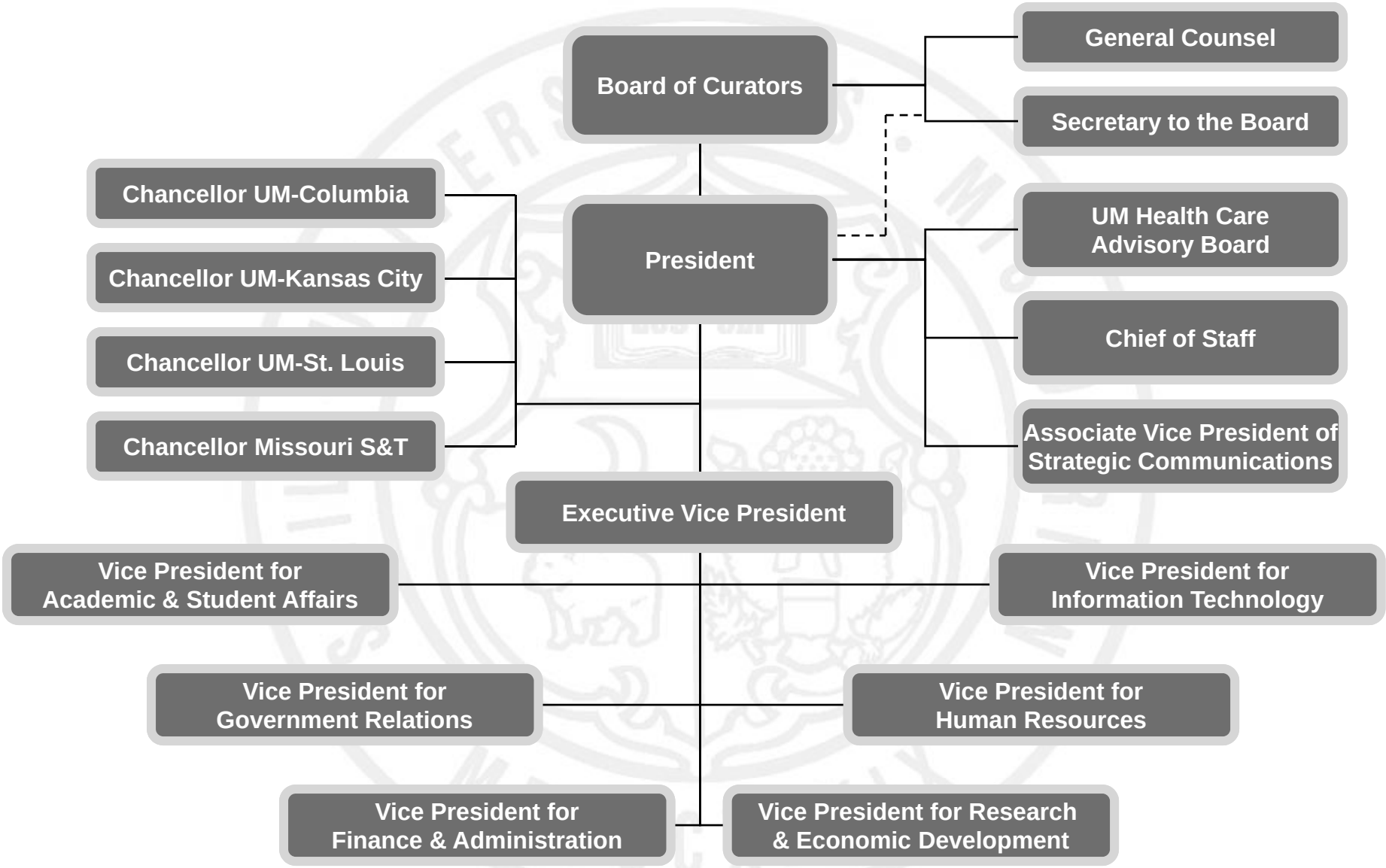
Requests in Accordance with Legislative Requirements: State Request $4.0 million

Requests are made for the Alzheimer's Research Fund, Spinal Cord Injury Research Fund, and Seminary Fund in accordance with legislative requirements.

FY2010 University of Missouri Appropriation Request for Operations

	State Appropriation
University of Missouri Health Care	
University Hospitals and Clinics @ 4.2 percent	$0.5 M
Missouri Rehabilitation Center @ 4.2 percent	$0.5 M
Total UM Health Care Recurring Request	**$1.0 M**
Other Curator Programs	
Missouri Institute of Mental Health, Missouri Kidney Program, Missouri Telehealth Program, MOREnet, and State Historical Society of Missouri	$0.9 M
MOREnet - Increase Capacity for Network	2.7 M
MOBIUS - Software Purchase & Ongoing Maintenance	0.5 M
State Historical Society Funding Increase	0.5 M
Total Other Programs Recurring Requests	**$4.6 M**
One-Time Requests	
MOREnet - Equipment Replacement	$3.3 M
MOBIUS - Common Library Platform Software	2.0 M
One-time Requests in Accordance with Legislative Requirements	
Alzheimer's Research	$0.4 M
Spinal Cord Injury Research	0.4 M
Seminary Fund	3.2 M
Total Other Programs One-Time Requests	**$9.3 M**

University of Missouri System Organizational Structure



UNIVERSITY OF MISSOURI SYSTEM
SUMMARY OF FY2010 APPROPRIATIONS REQUEST FOR OPERATIONS

	DECISION ITEM NUMBER	STATE APPROPRIATIONS	UNIVERSITY SOURCES Including Efficiencies & Reallocations	TUITION	TOTAL INVESTMENT
FY2009 EXPENDITURE BASE (Core)		$451,476,165	$181,563,198	$585,688,731	$1,218,728,094
RECURRING INCREASE REQUESTED:					
Increase to the Core Budget for Core Mission (CM) 1					
Annual Merit Increase on Salaries & Wages - 4.0 percent plus benefits	CM 1	$14,130,000	$7,840,000	$10,170,000	$32,140,000
Increase for Technology, Infrastructure and On-Going Costs	CM 1	4,832,000	2,688,000	3,480,000	11,000,000
Required Investment for Core Mission 1		$18,962,000	$10,528,000	$13,650,000	$43,140,000
Percent Increase in State Investment Requested for CM 1		4.2%			
Increase to the Core Budget for Core Mission (CM) 2					
Competitive Ranked Faculty Compensation including Benefits	CM 2: 1 of 4	7,200,000	3,600,000		10,800,000
St. Louis Equity Adjustment	CM 2: 2 of 4	1,863,729	345,500		2,209,229
Support for FY2001-FY2008 Enrollment Growth	CM 2: 3 of 4	6,800,000			6,800,000
Increased M&R Investment	CM 2: 4 of 4	14,500,000			14,500,000
Required Investment for Core Mission 2		$30,363,729	$3,945,500	$0	$34,309,229
Percent Increase in State Investment Requested for CM 2		6.7%			
Increase to the Core Budget for Strategic Initiatives (SI)					
Caring for Missourians	SI 1	$24,187,266			$24,187,266
Growth Engine for Economic Development	SI 2	1,500,000			1,500,000
Required Investment for Strategic Initiatives		$25,687,266	$0	$0	$25,687,266
Total Recurring Increase Requested		$75,012,995	$14,473,500	$13,650,000	$103,136,495
TOTAL RECURRING REQUEST FY2010		$526,489,160	$196,036,698	$599,338,731	$1,321,864,589

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

	EDUCATION AND GENERAL EXPENDITURES (Excludes Expenditures on Auxiliaries)	Actual Unrestricted Expenditures FY 2007	Actual Restricted Expenditures FY 2007	FY 2008 Estimated Unrestricted Education and General Operating Funds		Estimated Unrestricted Expenditures FY 2008	Estimated Restricted Expenditures FY 2008	FY 2009 Projected Unrestricted Education and General Operating Funds		Projected Unrestricted Expenditures FY 2009	Projected Restricted Expenditures FY 2009
				Personal Service	Expense & Equip.			Personal Service	Expense & Equip.		
1	GENERAL INSTRUCTION										
1.1	On-campus Instruction for Credit			$411,766,914	$40,126,545	$451,893,459		$430,958,514	$44,905,767	$475,864,281	
1.3	Community Education			8,574,642	6,984,847	15,559,489		8,868,746	7,785,706	16,654,452	
1.4	Off-campus Instruction for Credit			8,419,801	4,540,595	12,960,396		9,033,023	5,865,592	14,898,615	
	TOTAL INSTRUCTION	$454,424,259	$44,727,611	$428,761,357	$51,651,987	$480,413,344	$40,971,567	$448,860,283	$58,557,065	$507,417,348	$45,980,590
2	RESEARCH										
2.1	Institutes and Research Centers			$29,554,738	$10,154,282	$39,709,020		$29,297,876	$8,184,824	$37,482,700	
2.2	Individual or Project Research			11,457,241	7,990,162	19,447,403		10,147,835	10,372,440	20,520,275	
	TOTAL RESEARCH	$57,949,420	$140,431,993	$41,011,979	$18,144,444	$59,156,423	$152,309,167	$39,445,711	$18,557,264	$58,002,975	$158,026,645
3	PUBLIC SERVICE										
3.2	Community Services			$21,136,260	$10,864,724	$32,000,984		$24,335,421	$16,659,073	$40,994,494	
3.3	Cooperative Extension Services			34,192,660	5,773,304	39,965,964		36,983,909	7,791,624	44,775,533	
3.4	Public Broadcasting Services			897,118	299,233	1,196,351		928,845	309,275	1,238,120	
	TOTAL PUBLIC SERVICE	$68,796,156	$84,070,514	$56,226,038	$16,937,261	$73,163,299	$91,490,391	$62,248,175	$24,759,972	$87,008,147	$96,771,778
4	ACADEMIC SUPPORT										
4.1	Libraries			$18,833,844	$18,963,819	$37,797,663		$20,183,496	$19,954,184	$40,137,680	
4.2	Museums and Galleries			1,152,321	99,998	1,252,319		1,107,528	68,171	1,175,699	
4.3	Educational Media Services			4,892,198	281,251	5,173,449		5,177,709	795,288	5,972,997	
4.5	Ancillary Support			19,559,122	(1,700,460)	17,858,662		21,440,171	4,035,277	25,475,448	
4.6	Academic Admin. & Personnel Development			42,207,693	10,959,050	53,166,743		43,828,068	11,554,135	55,382,203	
	TOTAL ACADEMIC SUPPORT	$109,258,190	$4,728,585	$86,645,178	$28,603,658	$115,248,836	$5,781,409	$91,736,972	$36,407,055	$128,144,027	$3,878,513
5	STUDENT SERVICE										
5.1	Student Service Administration			$9,449,610	$9,107,275	$18,556,885		$11,640,038	$4,691,611	$16,331,649	
5.2	Social and Cultural Development			6,691,138	6,997,784	13,688,922		6,401,928	6,115,477	12,517,405	
5.3	Counseling and Career Guidance			6,536,491	1,124,624	7,661,115		7,322,537	896,676	8,219,213	
5.4	Financial Aid Administration			3,870,731	617,158	4,487,889		3,892,785	303,661	4,196,446	
5.5	Student Health Services			870,246	263,710	1,133,956		895,824	147,863	1,043,687	
5.6	Intercollegiate Athletics					0				0	
5.7	Student Admissions and Records			11,772,171	4,088,361	15,860,532		12,733,025	3,086,628	15,819,653	
	TOTAL STUDENT SERVICE	$65,699,317	$1,170,471	$39,190,387	$22,198,912	$61,389,299	$1,704,666	$42,886,137	$15,241,916	$58,128,053	$1,037,374
6	INSTITUTIONAL SUPPORT										
6.1	Executive Management			$16,166,714	$1,467,764	$17,634,478		$17,991,593	$581,666	$18,573,259	
6.2	Fiscal Operations			9,493,338	6,317,536	15,810,874		11,924,046	7,680,826	19,604,872	
6.3	General Admin. & Logistical Services			59,936,606	(9,965,683)	49,970,923		65,352,497	(21,955,433)	43,397,064	
6.5	Public Relations and Development			21,641,762	6,088,308	27,730,070		25,128,675	6,711,680	31,840,355	
	TOTAL INSTITUTIONAL SUPPORT	$59,672,959	$2,851,642	$107,238,420	$3,907,925	$111,146,345	$6,411,962	$120,396,811	($6,981,261)	$113,415,550	$891,569
7	OPERATION AND MAINTENANCE OF PLANT										
7.1	General Physical Plant			$19,804,594	$44,705	$19,849,299		$21,478,567	($1,573,292)	$19,905,275	
7.2	Fuel and Utilities			1,055,942	36,780,515	37,836,457		1,134,922	42,532,604	43,667,526	
7.3	Maintenance and Repair			23,154,578	9,828,157	32,982,735		24,693,380	10,965,130	35,658,510	
	TOTAL OPERATION AND MAINTENANCE OF PLANT	$85,698,777	$185,148	$44,015,114	$46,653,377	$90,668,491	$249,612	$47,306,869	$51,924,442	$99,231,311	$406,130
8	SCHOLARSHIPS AND FELLOWSHIPS										
8.1	Scholarships				$83,973,870	$83,973,870			$83,945,385	$83,945,385	
8.2	Fellowships				36,695,932	36,695,932			38,018,434	38,018,434	
	TOTAL SCHOLARSHIPS/FELLOWSHIPS	$120,110,358	$55,018,163	$0	$120,669,802	$120,669,802	$58,700,705	$0	$121,963,819	$121,963,819	$60,357,385
9	TRANSFERS										
	Internal Transfers (within current funds)				$4,108,345	$4,108,345			$8,590,647	$8,590,647	
9.1	Mandatory Transfers (decrease)/increase				6,866,141	6,866,141			7,560,488	7,560,488	
9.2	Nonmandatory Transfers (decrease)/increase				32,470,037	32,470,037			29,265,729	29,265,729	
	TOTAL TRANSFERS	$64,942,616	$22,321,942	$0	$43,444,523	$43,444,523	$15,406,381	$0	$45,416,864	$45,416,864	$2,171,848
	TOTAL E&G EXPENDITURES AND TRANSFERS	$1,086,552,052	$355,506,069	$803,088,473	$352,211,889	$1,155,300,362	$373,025,860	$852,880,958	$365,847,136	$1,218,728,094	$369,521,832

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 Auxiliaries)	**Actual Unrestricted Expenditures FY 2007**	**Estimated Unrestricted Expenditures FY 2008**	**Projected Unrestricted Expenditures FY 2009**
1	Agriculture, Food & Natural Resources	$12,124,466	$14,511,375	$12,358,477
2	Arts & Sciences	132,543,350	138,562,713	131,001,789
3	Biological Sciences	6,841,934	6,739,628	5,744,452
4	Business/Public Affairs	31,678,208	32,716,523	32,920,194
5	Computing & Engineering/ Mgmt. & Info Systems	6,741,045	7,101,616	7,980,954
6	Conservatory of Music	5,488,673	5,498,798	5,451,321
7	Dentistry	16,043,814	17,283,094	18,221,409
8	Education	25,977,968	26,361,214	28,848,967
9	Engineering	42,362,058	43,204,158	42,185,336
10	Extension	1,100,341	1,205,958	1,211,940
11	Fine Arts & Communications	7,017,619	7,544,518	8,649,539
12	Graduate School	3,657,745	4,195,746	4,361,742
13	Health Professions	4,583,071	4,787,980	5,230,220
14	Human Environmental Sciences	6,368,739	6,822,827	7,746,833
15	Journalism	6,981,463	9,822,351	7,431,033
16	Law	11,104,335	11,356,069	11,879,247
17	Medicine	54,749,462	61,422,722	71,364,656
18	Nursing	11,023,988	11,722,238	12,527,230
19	Optometry	4,091,598	4,024,653	4,449,135
20	Pharmacy	4,483,300	5,920,164	6,696,444
21	Veterinary Medicine	14,167,822	14,009,077	15,208,514
22	Instructional Information Access and Technology*	4,775,306	5,635,327	8,377,373
23	Miscellaneous Instruction *	13,843,109	11,444,710	26,017,476
	TOTAL	$427,749,415	$451,893,459	$475,864,281

* The variance between actual expenditures and projected FY2009 expenditures (FY2009 Budget) is a result of funds being budgeted centrally in these areas and distributed to 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 Expenditures on Auxiliaries)	**Actual Unrestricted Revenue FY 2007**	**Actual Restricted Revenue FY 2007**	**Estimated Unrestricted Revenue FY 2008**	**Estimated Restricted Revenue FY 2008**	**Projected Unrestricted Revenue FY 2009**	**Projected Restricted Revenue FY 2009**
Student Tuition & Fees (Excluding Off-Campus Credit)	$515,873,258	$273,300	$533,124,134	$234,365	$561,688,731	$225,000
Student Tuition & Fees (Off-Campus Credit)	21,675,266	9,843	23,737,216	(9,843)	24,000,000	-
SUBTOTAL OF TUITION AND FEES	$537,548,524	$283,143	$556,861,350	$224,522	$585,688,731	$225,000
Federal Appropriations	$14,105,122	-	$14,277,431	-	$15,485,058	-
Federal Grants and Contracts	-	$187,181,959	-	$211,605,899	-	$208,080,000
Federal Vocational Reimbursement	-	-	-	-	-	-
SUBTOTAL OF FEDERAL SOURCES	$14,105,122	$187,181,959	$14,277,431	$211,605,899	$15,485,058	$208,080,000
State Grants and Contracts	-	$44,889,451	-	$52,210,982	-	$47,650,000
State Vocational Reimbursement	-	-	-	-	-	-
SUBTOTAL OF STATE GRANTS/REIMBURSEMENT	-	$44,889,451	-	$52,210,982	-	$47,650,000
Local Tax Revenue	-	-	-	-	-	-
Local Grants and Contracts	-	$2,155,780	-	$2,203,166	-	$2,200,000
Recovery of Indirect Costs	$42,921,809	(42,303,194)	$46,180,487	(45,768,153)	$44,563,967	(44,563,967)
Private Gifts, Grants and Contracts	1,307,985	94,294,596	1,964,112	100,602,430	1,123,495	95,046,403
Investment Income	32,965,560	3,626,607	37,356,890	4,321,558	24,617,708	3,255,690
Endowment Income	2,691,301	29,980,588	4,880,068	33,584,961	2,857,100	32,308,594
Sales & Services of Educational Activities	40,719,008	298,815	39,815,239	100,074	41,290,541	204,722
Intercollegiate Athletic Income	-	-	-	-	-	-
Other Sources	60,773,057	5,596,145	51,574,285	6,512,868	51,625,329	4,746,484
SUBTOTAL OF TOTAL LOCAL REVENUES/OTHER	$181,378,720	$93,649,337	$181,771,081	$101,556,904	$166,078,140	$93,197,926
TRANSFERS FROM OTHER FUNDS						
State Appropriations for RTEC Distributions	-	-	-	-	-	-
State Appropriations (Education & General Operating)	$401,798,979	$16,177,285	$419,114,802	$19,074,366	$451,476,165	$20,368,906
SUBTOTAL STATE APPROPRIATIONS	$401,798,979	$16,177,285	$419,114,802	$19,074,366	$451,476,165	$20,368,906
TOTAL EDUCATION & GENERAL REVENUE	$1,134,831,345	$342,181,175	$1,172,024,664	$384,672,673	$1,218,728,094	$369,521,832

UNIVERSITY OF MISSOURI SYSTEM
UNRESTRICTED EDUCATIONAL AND GENERAL CURRENT FUNDS
FORM3: PERSONAL SERVICE - DETAIL

PERSONAL SERVICE CATEGORIES (Excludes Expenditures on Auxiliaries)	**Actual Unrestricted Expenditures FY 2007**	**FTE**	**Estimated Unrestricted Expenditures FY 2008**	**FTE**	**Projected Unrestricted Expenditures FY 2009**	**FTE**
Professors	$91,192,634	799.4	$93,615,584	820.5	$100,938,120	830.5
Associate Professors	68,301,969	850.6	71,450,846	880.8	77,704,818	895.8
Assistant Professors	61,559,819	941.2	68,241,652	1,007.2	73,586,025	1,022.2
Instructors	9,653,825	230.4	8,793,697	220.7	9,610,631	230.7
Other Faculty	81,204,799	2,665.4	82,012,292	2,606.0	86,713,146	2,646.0
Executive/Administrative/Managerial	88,171,388	1,008.1	91,351,501	1,021.0	95,633,219	1,026.0
Other Professional	79,352,035	1,607.1	82,792,247	1,662.0	87,241,611	1,682.0
Technical and Paraprofessionals	28,030,589	828.5	29,143,820	869.0	30,556,455	874.0
Clerical and Secretarial	59,940,995	2,002.0	61,424,602	2,003.2	64,044,980	2,006.2
Skilled Crafts	19,485,215	456.7	19,614,760	448.5	20,534,724	450.5
Service/Maintenance	20,830,530	823.0	21,244,918	831.8	22,266,272	836.8
Students	7,440,347	1,067.9	8,060,450	1,121.2	8,581,780	1,146.2
Staff Benefits	156,940,367	-	165,342,104	-	175,469,177	-
TOTAL PERSONAL SERVICES	$772,104,512	13,280.3	$803,088,473	13,491.9	$852,880,958	13,646.9

Note: Growth in FTE staff is due to the growth in faculty and staff needed to partially address the significant growth in enrollment, research, compliance, and economic development initiatives.

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 (UMC)
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 (UMKC)
The University of Missouri-Kansas City's mission is to lead in life and health sciences; to deepen and expand strength in the visual and performing arts; to develop a professional workforce and collaborate in urban issues and education; and to create a vibrant learning and campus life experience.

Missouri University of Science and Technology (MO S&T)
Missouri University of Science and Technology integrates education and research to create and convey knowledge to solve problems for our state and the technological world.

University of Missouri-St. Louis (UMSL)
The University of Missouri-St. Louis provides excellent learning experiences and leadership opportunities for a diverse student body. Outstanding faculty and staff, innovative research, and creative partnerships foster synergies that advance the welfare of our stakeholders and benefit the global society.

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 2007, the total enrollment was 28,405 with 6,819 of this number enrolled in graduate and professional programs. At that time, the full-time teaching and research staff numbered 2,983. In 2007-08, the campus granted 6,932 degrees. The Kansas City campus offers academic programs through 12 schools and colleges. Its fall 2007 total enrollment was 14,442, which included 5,348 graduate and professional students. The campus employed 1,159 full-time teaching and research staff. In 2007-08, the campus awarded 2,672 degrees. The Missouri S&T campus offers academic programs through 20 departments. In fall 2007, its total enrollment was 6,166 students, which included 1,414 enrolled in graduate programs. Full-time teaching and research staff numbered 378. In 2007-08, the campus awarded 1,570 degrees. The St. Louis campus offers academic programs through eight schools and colleges, and had a fall 2007 total enrollment of 15,527, which included 3,095 graduate and professional students. The campus employed 566 full-time teaching and research staff and awarded 2,937 degrees in 2007-08.

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

Total Off-campus FTE Enrollment (Fall Semester)	FY 2007 Actual	FY 2008	FY 2009 PROJ.	FY 2010 PROJ.
Enrollment at Off-campus Sites	2,530	2,652	2,725	2,778

Total On-campus FTE Enrollment (Fall semester)	FY 2007 Actual	FY 2008	FY 2009 PROJ.	FY 2010 PROJ.
Undergraduates	36,576	36,849	37,805	38,728
Graduates	6,574	6,722	6,818	6,891
First Professional	2,750	2,772	2,760	2,761
TOTAL FTE Enrollment	**45,900**	**46,343**	**47,383**	**48,380**

Number of Degrees/Certificates	FY 2007 Actual	FY 2008 Est.	FY 2009 PROJ.	FY 2010 PROJ.
Bachelor	9,038	8,997	9,230	9,455
Masters and Graduate Certificates	3,592	3,855	3,910	3,952
Doctoral	479	510	517	523
First Professional Degrees	771	749	746	746
TOTAL	**13,880**	**14,111**	**14,403**	**14,676**

Total Credit Hour Activity for Academic Programs (12-month instructional activity)	FY 2007 Actual	FY 2008 Est.	FY 2009 PROJ.	FY 2010 PROJ.
Undergraduate programs	1,166,209	1,177,233	1,207,774	1,237,262
Graduate programs	107,978	109,885	111,454	112,647
First Professional	206,942	211,258	210,343	210,419
TOTAL Credit Hours	**1,481,129**	**1,498,375**	**1,529,571**	**1,560,328**

Institutional Scholarships/Fellowships/Grants:	FY 2007 Actual	FY 2008 Est.	FY 2009 PROJ.	FY 2010 PROJ.
Undergraduate				
a. Number of Need-based Scholarships awarded	5,305	5,345	5,483	5,617
Dollar amount awarded	$14,173,440	$14,279,229	$14,649,686	$15,007,354
b. Number of Merit-based Scholarships awarded	14,752	14,862	15,248	15,620
Dollar amount awarded	$47,916,931	$48,274,579	$49,527,001	$50,736,191
c. Number of Athletic Scholarships awarded	1,101	1,109	1,138	1,166
Dollar amount awarded	$10,031,286	$10,106,159	$10,368,350	$10,621,491
d. Number of Tuition and Fee Remissions or Waivers	3,122	3,145	3,227	3,306
Dollar amount awarded	$7,741,043	$7,798,821	$8,001,152	$8,196,498
e. Number of Other Scholarships awarded	1,756	1,769	1,815	1,859
Dollar amount awarded	$2,593,834	$2,613,194	$2,680,990	$2,746,446

Performance & Activity Measures (con't.)

Graduate				
a. Number of Need-based Scholarships awarded	499	510	518	523
Dollar amount awarded	$1,042,634	$1,066,107	$1,081,332	$1,092,910
b. Number of Merit-based Scholarships awarded	3,961	4,050	4,108	4,152
Dollar amount awarded	$13,488,212	$13,791,871	$13,988,839	$14,138,617
c. Number of Athletic Scholarships awarded	39	40	40	41
Dollar amount awarded	$323,228	$330,505	$335,225	$338,814
d. Number of Tuition and Fee Remissions or Waivers	6,797	6,950	7,049	7,125
Dollar amount awarded	$45,261,953	$46,280,932	$46,941,892	$47,444,496
e. Number of Other Scholarships awarded	1,376	1,407	1,427	1,442
Dollar amount awarded	$2,128,583	$2,176,504	$2,207,587	$2,231,224
Total Number of Scholarships Awarded (Undergraduate and Graduate)	**38,708**	**39,188**	**40,053**	**40,851**
Total Dollar Amount of Scholarships Awarded (Undergraduate and Graduate)	**$144,701,144**	**$146,717,901**	**$149,782,054**	**$152,554,041**

IV. GROSS SQUARE FOOTAGE (Physical Plant)

Indicate the total nonauxiliary gross square footage to be maintained by your institutuion during FY2009.

Square feet	13,808,175 *

* this is an estimated number

List all new construction or razing of buildings that is to be completed in FY2009 that will change the gross square footage data provided above. Indicate whether the change is an increase or decrease in square footage, the type of space modifications, the resulting change in nonauxiliary gross square feet, and the number of months the square footage will be in effect during FY2010. If no changes occur, indicate "No change."

Type of Project or Space Modification	**Gross Sq ft Increase or Decrease**	**Number of Months in Effect in FY 2010**	**Annualized Gross sq. ft. Increase or Decrease**
Miller Nichols Library - UMKC	15,393	10	12,828
Lafferre Hall - UMC	36,853	12	36,853
Old University Center - UMSL	75,000	6	37,500
TOTAL	**127,246**		**87,181**

V. SALARY COMPARISONS

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

Occupational Category	FY 2008 over FY 2007 (%)	FY 2009 over FY 2008 (%)
Ranked Faculty	4.04%	7.20%
All Faculty	3.98%	6.50%
Executive/Administrative/Managerial	3.75%	4.00%
Other Professional	3.27%	4.00%
Technical and paraprofessionals	2.71%	4.00%
Clerical and secretarial	3.31%	4.00%
Skilled Crafts	2.45%	4.00%
Service/Maintenance	3.38%	4.00%

List the salaries of full-time instructional staff on 9/10-month contracts/teaching periods by gender and academic rank for FY2008.

Gender and Academic Rank	Number	Salary Outlays	Average Salary
Men			
Professors	454	$46,642,320	$102,736
Associate Professors	380	27,779,931	73,105
Assistant Professors	359	21,987,491	61,246
Instructors	17	774,513	45,560
Lecturers	44	2,076,161	47,185
No Academic Rank	14	635,701	45,407
Total Men	**1,268**	**$99,896,117**	**$78,782**
Women			
Professors	118	$10,863,349	$92,062
Associate Professors	239	15,549,662	65,061
Assistant Professors	296	16,578,691	56,009
Instructors	35	1,570,910	44,883
Lecturers	44	1,741,255	39,574
No Academic Rank	6	214,076	35,679
Total Women	**738**	**$46,517,943**	**$63,032**
Total (Men & Women)	**2,006**	**$146,414,060**	**$72,988**
Total from prior year	1,963	$138,805,739	$70,711

V. SALARY COMPARISONS (con't.)

List the salaries of full-time instructional staff on 11/12-month contracts/teaching periods by gender and academic rank for FY2008.

Gender and Academic Rank	Number	Salary Outlays	Average Salary
Men			
Professors	123	$15,351,010	$124,805
Associate Professors	112	10,173,432	90,834
Assistant Professors	90	6,640,381	73,782
Instructors	23	1,174,693	51,074
Lecturers	54	2,532,814	46,904
No Academic Rank	40	1,592,102	39,803
Total Men	**442**	**$37,464,432**	**$84,761**
Women			
Professors	32	$3,712,288	$116,009
Associate Professors	62	5,167,180	83,342
Assistant Professors	102	7,290,079	71,471
Instructors	67	2,912,861	43,476
Lecturers	76	3,199,720	42,102
No Academic Rank	32	1,293,904	40,435
Total Women	**371**	**$23,576,032**	**$63,547**
Total (Men & Women)	**813**	**$61,040,464**	**$75,081**
Total from prior year	802	$58,602,477	$73,070

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 for Annual Merit Compensation & Technology, Infrastructure, & On-Going Costs: State Request $18,962,000**
Decision Item Rank: **Core Mission 1: 1 of 1**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

The University of Missouri is the state's premier research university with the strategic goal of continuing to be 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 a 4 percent pool for annual merit increases in compensation and funding for technology, infrastructure and on-going mandatory costs including utilities. The university's request is part of a total investment plan of $43.14 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 among the state, the university, and the students. The request from the state for an additional $18.96 million would be coupled with $10.53 million from university resources, and $13.65 million from students. The state's share is equal to a 4.2 percent increase in state appropriations over FY2009.

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 FY2007, the university performed a comprehensive review of university administration with a goal of reducing expenses by 10 percent 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 FY2008 the Board of Curators requested a review of academic programs and processes which generated efficiencies equal to 1 percent of the operations budget, approximately $9 million, to fund the university's highest strategic priorities. For FY2009, the university will use a combination of internal reallocations and efficiencies to fund $8.1 million in cost increases and strategic investments.

II. DESCRIPTION

The vision for the University of Missouri is to enhance its position 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 $32.14 million; State Request $14.13 million
University employees are among the largest and highest value workforces in the state. With nearly 26,000 in-state employees, 13,000 of whom are paid through the operating budget, the in-state payroll alone accounts for $940 million annually with a direct return of $126 million in taxes. The university is a people-driven institution. Three-fourths of the annual operating 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. 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. The total required investment to fund a 4 percent merit compensation pool is $32.14 million; we are asking the state to fund $14.13 million. The remaining amount will be funded by the university through efficiencies, reallocations and other sources and by an increase in tuition.

Technology, Infrastructure and On-Going Costs: Total investment $11.0 million; State request $4.83 million
Technological innovation, educational and research needs, as well as increasing mandates and compliance requirements drive the need to change and adapt. This funding represents the required investments in technology infrastructure, security, basic classroom technology, student service tools, and facility maintenance necessary to remain at the leading edge of discovery and education. Also included are the estimated costs to reopen after renovation Lafferre Hall on the Columbia campus, the Miller Nichols Library on the Kansas City campus and the addition and renovation of space on the St. Louis campus. The total required investment is $11.0 million. The state request is for $4.83 million with the remaining funding contributed by the university from other sources and an increase in tuition.

In summary, the mandatory cost to sustain quality and competitiveness and continue operations at the current level of activity is $43.14 million. We are requesting that the state fund in total $18.96 million of these costs.

III. COST EXPLANATION

Increase to Core for Annual Merit Compensation & Technology, Infrastructure, & On-Going Costs:

	Total Investment	State Appropriation	University Sources Including Efficiencies & Reallocations	Tuition
Annual Merit Increase in Compensation - 4.0 percent plus benefits	$32,140,000	$14,130,000	$7,840,000	$10,170,000
Increases for Technology, Infrastructure and On-Going Costs	11,000,000	4,832,000	2,688,000	3,480,000
Required Investment to Sustain Quality and Competitiveness	$43,140,000	$18,962,000	$10,528,000	$13,650,000

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 is necessary to attract and retain high-quality faculty and staff, and reduce turnover.

The new and renovated facilities will provide additional usable space on the Columbia, Kansas City and St. Louis campuses. This outcome will be evaluated by our ability to support programs of instruction, research, and public service with these facilities.

The university has a set of performance measures that it is in the process of expanding in order to heighten accountability and improve transparency. These measures track access and affordability, instructional quality and outcomes, research and scholarship quality and productivity, community-university engagement, innovation and economic development impact, and fiscal and operational stewardship.

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: **Competitive Ranked Faculty Compensation: State Request $7,200,000**
Decision Item Rank: **Core Mission 2: 1 of 4**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

High quality faculty are the cornerstone of the University of Missouri. They provide excellence in teaching, mentoring, research, public service, economic development, and patient care. The university cannot provide the excellent educational experience its students and the citizens of Missouri expect and deserve unless it can retain and recruit excellent faculty. All of the citizens of the state benefit from having a world-class public research university in the state, and competitive compensation is essential to attracting and retaining world-class faculty and staff that are critical to its success.

The university has identified the need for a three-year investment totaling approximately $21.6 million in addition to the annual merit pool to reach the mean pay range for faculty in our comparator groups. This investment will be used to address competitive market pressures for the university's most stellar educators and researchers.

II. DESCRIPTION

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. With permanent, increased funding, the average salary for ranked faculty can be improved to current, average salary levels among comparator institutions.

The university is requesting the state fund one-half of the total need. The state did not invest in the first year of this initiative. Therefore, investment in the second year would total $10.8 million and includes the state's share of the first and second year of the program, or $7.2 million, and the university's share of the second year of $3.6 million. Like the first year, the university's $3.6 million will be funded through efficiencies, reallocations and other

sources. It is critical we continue to fund this competitive compensation pool in addition to the annual merit compensation pool in order to bring our full-time ranked faculty compensation levels to the average of our peers. Increased state support is critical to our ability to provide resources for this purpose.

In summary, we are requesting that the state fund in total $7.2 million of the $10.8 million need in FY2010.

III. COST EXPLANATION

Competitive Ranked Faculty Compensation	State Appropriations
State Share of Funding Year 1 and 2	$7,200,000
Total Increase from State Appropriation	$7,200,000

IV. EVALUATION OF OUTCOMES

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.

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: $1,863,729**
Decision Item Rank: **Core Mission 2: 2 of 4**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

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, the University of Missouri—St. Louis (UMSL) had a significant funding gap of $10.8 million in state appropriations. This has been addressed over the last five years by special funding allocations from System administration and new targeted funding from the state for a total of $8.6 million. The FY 2010 appropriation request of $1.86 million is for an increase in state appropriations which when added to an additional $345,500 reallocation provided by UM System would reach the target of $10.8 million.

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. However, UMSL's FY 2007 state appropriation per weighted FTE student was the lowest in the state at $3,936 compared to a high of $7,207 at Harris-Stowe. Weighted FTE factors in the additional costs of educating first professional and graduate students and the doctoral and research mission unique to the University of Missouri. 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. The campus supports an enrollment of over 15,000 students. Adequate funding is critical to the campuses' ability to deliver teaching, research, public service, and economic development to the citizens of the St. Louis region and the state.

III. COST EXPLANATION

	State Appropriations
New Recurring Investment for St. Louis Equity Adjustment	$1,863,729
Total Increase from State Appropriation	$1,863,729

IV. EVALUATION OF OUTCOMES

This investment provides the funds needed to correct the equity funding gap in state appropriations identified by the 2002 Coordinating Board for Higher Education study. 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.

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:	**Support for FY2001-FY2008 Enrollment Growth: $6,800,000**
Decision Item Rank:	**Core Mission 2: 3 of 4**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

The university has identified the need for additional funding of $13.6 million to support the extraordinary student enrollment growth on the university's four academic campuses since FY2001. The request is calculated on growth in enrollment at the university between fall 2000 and fall 2007 during a time in which state appropriations declined or were stagnant. This request does not reflect funding needs for the large expected growth in fall 2008. The request is spread over two years. The first-year investment requested from the state is $6.8 million.

II. DESCRIPTION

This request has been calculated using the methodology included in the Council on Public Higher Education funding model that has been submitted to the Department of Higher Education for consideration. The COPHE funding model is a multidimensional approach for funding Missouri public four-year universities. A component of the model recognizes institutions with significant absolute growth in enrollment of greater than 1,000 students and recommends a supplemental funding adjustment.

At the university's four campuses, enrollment between fall 2000 and fall 2007 increased by 7,953 students, or 19.7 percent. This is the largest enrollment increase of any public four-year university in our state and represents 72 percent of the total enrollment growth in the public four-year sector during this period. In 2007, the university granted nearly 14,000 degrees contributing significantly to supporting an educated workforce in Missouri. This is a 32 percent increase over a 10-year period. While the university has been educating more and more students, its state appropriations have declined on a per student basis. The decline in funding support per student effectively erodes the level and potential quality of the educational experience for students. The current funding level is significantly below the national average for comparable research universities. To ensure the continued delivery of quality education for all students attending the University of Missouri, a funding adjustment that acknowledges the increase in service volume is necessary.

At the University of Missouri-Columbia, as an example, a US News and World Report analysis of critical measures of higher education institutions indicated declines in several financial resource criteria from the 2004 report to the 2008 report. The growth in enrollment has resulted in an increase in the number of classes with enrollment greater than 50 and a decrease in classes with enrollment of 20 or fewer. It is imperative to keep the advanced and more specialized classes small especially in the lab intensive disciplines such as life sciences, biology and engineering. Enrollment increases also require additional faculty and staff for campus wide enrichment programs, such as the honors college and service learning, as well as for such programs embedded in colleges and departments. The increase in funding would support the hiring of regular full-time faculty to teach, resulting in smaller classes, increases in the number of students admitted to some high demand programs that are capped, and enhanced student learning. The increased funding would also support the hiring of more academic advisors who play a critical role in helping students maximize their university education and complete a baccalaureate degree in a timely manner.

III. COST EXPLANATION

This request was computed on a weighted student FTE basis taking into consideration the level of students and the cost of academic programs externally benchmarked and resulted in a $13,600,000 need to be requested over two fiscal years.

Support for Enrollment Growth for instruction and student services:	State Appropriations
State Share of funding Year 1 of 2-year request	$6,800,000
Total Increase from State Appropriation	$6,800,000

IV. EVALUATION OF OUTCOMES

This investment in the state's only land-grant doctoral-granting research institution will result in equitable funding per FTE student and ensure quality educational experiences and enhance access and affordability for Missouri citizens.

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: **Protecting the University Infrastructure Through Increased Maintenance and Repair Investment: $14,500,000**
Decision Item Rank: **Core Mission 2: 4 of 4**

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 (M&R). Because of funding challenges, addressing the M&R 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 reduce or appropriately manage—M&R backlogs.

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. 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.

The university is currently investing $26.6 million annually in ongoing maintenance and repair of facilities and capital equipment, or roughly 1 percent of the replacement value of the physical plant. In the 1990's the university received approximately $12 million in state appropriations for M&R to partner on this effort. These funds are matched with $14.6 million in other university funds on an annual basis for M&R of facilities and capital equipment. Prior to FY2002 the university had a policy which required the campuses spend 1.5 percent of the plant replacement value annually on M&R of their facilities and equipment. The decline in state support since FY2001, coupled with other budgetary pressures, has reduced the level of these expenditures to 1 percent of plant replacement value. This has resulted in a growing backlog of documented deferred maintenance which totals $344 million. Currently, $34 million of the deferred M&R projects are classified as critical. The remaining $310 million may become critical in 1-5 years. Also, as university resources are engaged more in critical repairs, fewer resources will be available for preventive M&R work and the backlog will

increase. As the normal deterioration of physical assets continues and repairs backlog, we will eventually be unable to keep up with needed repairs. In the long term, deferred maintenance can lead to shortened building life and reduced asset value.

To reverse this trend in deferred maintenance and increase the expenditures back to the 1.5 percent level, an additional investment of approximately $14.5 million is required. We are requesting the state appropriate $14.5 million in new state funds to fund two-thirds of the total $39.9 million required investment.

II. COST EXPLANATION

Protecting the University Infrastructure Through Increased Maintenance and Repair Investment:

	State Appropriations
Maintenance & Repair up from 1 percent to 1.5 percent of Replacement Value	$14,500,000
Total Increase from State Appropriation	$14,500,000

III. 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 these assets--many billions of dollars--demands more rapid action. Additional investment will decrease the deferred maintenance backlog and avoid future increases in deferred maintenance.

- ***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 public facilities for higher education be properly maintained.

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: **Caring for Missourians: $24,187,266**
Decision Item Rank: **Strategic Initiative: 1 of 2**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

The University of Missouri is responsible 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 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, educate, 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.

This issue is not unique to the University of Missouri; rather, it impacts every other four-year institution and 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. 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 increasing life span of our citizens.

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 percent 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 Missouri University of Science and Technology (MO S&T). 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 turning away virtually as many qualified applicants as they are able to admit. In 2007, nursing schools across the country turned away more than 40,200 qualified applicants due to a lack of capacity. For Fall Semester 2007 more than 220 qualified applicants were turned away from the 3 UM Schools of Nursing BSN programs while admitting 242. 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 $49 million in 2005. The shortage is projected to become even more severe in upcoming years. The demand for RNs in the U.S. is expected to grow by 2 percent to 3 percent each year resulting in a shortage of registered nurses that could reach as high as 500,000 by 2025 unless drastic steps are taken to reverse this shortfall. Currently, Missouri is facing a 9.5 percent shortage of nurses resulting in approximately 12,900 unfilled positions. In 2005, the demand for RNs outpaced the supply by 17 percent and by 2020 demand is expected to outpace supply by 22 percent. 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 also evidence that health care quality and patient outcomes may be affected by the shortage of nurses with a higher level of education. The Health Resources and Services Administration 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 $5,299,170 for FY2010.

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 class sizes in order to deal with Missouri's physician shortage.

In 2004, 1.7 percent 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 percent 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 $11,617,560 for FY2010.

Dentist Education

Missouri is experiencing a growing oral health care 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 percent 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 $2,123,640 for FY2010.

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 percent 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. Analysis of Missouri Department of Economic Development data in light of current enrollment projects 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 over 600 applicants annually, but close to 500 of these applicants are being turned away. At UMKC and other out-of-state campuses, the capacity exists to increase the number of students by 25 percent, 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 distance education 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 $2,248,560 for FY2010.

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 18 in the United States. Student fees at the UMSL College of Optometry continue to be the highest among the 18 schools and colleges of optometry. In 2007-2008, tuition and fees were 10 percent higher than the average of the nine university-located optometric programs. The average professional education debt for graduates in the class of 2007 was $99,285. The negative impact of their debt 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, over one out of four Missourians who began their optometric education in the fall of 2007 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 $749,520 for FY2010.

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 technologists, 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 percent of the American health care workforce. In Missouri health occupations are projected to increase 22.3 percent 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 with this array of allied health degree programs, and the only public allied health PhD-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 percent 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 professionals in these fields. The School of Health Professions has received private support to create an integrated education delivery model with out-of-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. This effort also could 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 $1,616,316 for FY2010.

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 Missouri University of Science and Technology will collaborate with the Missouri Foundation for Health who has launched a major health literacy initiative. Missouri S&T 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. Missouri S&T 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. To support this request, the University of Missouri is requesting $532,500 for FY2010.

III. COST EXPLANATION

Cost Summary

Program/Discipline	Degrees	Graduates	Additional State Investment
Nurse Education	B.S.N.	18	$726,768
	RN-to-B.S.N.	10	201,880
	Accelerated B.S.N.	14	282,632
	Doctoral	15	2,271,060
	Master's	30	1,816,830
Total Nurse Education		87	$5,299,170
Physician/Medical Education	M.D.	31	$11,617,560
Dentist Education	D.D.S	17	$2,123,640
Pharmacist Education	Pharm.D.	30	$2,248,560
Optometrist Education	O.D.	6	$749,520
Health Professions Education	Communication Science and Disorders B.H.S.	3	$106,836
	Diagnostic Medical Ultrasound and Radiologic Sciences B.H.S.	9	356,040
	Medical Technology B.H.S.	3	118,680
	Respiratory Therapy B.H.S.	3	118,680
	Occupational Therapy Master's	10	458,040
	Physical Therapy D.P.T.	10	458,040
Total Health Professions Education		38	$1,616,316
Health Literacy Education			$532,500
Total New Graduates		**209**	
Total Recurring State Funds Request			**$24,187,266**

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 Missouri residents accepted into the Doctor of Pharmacy program.
- 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 graduates.

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**
Level 3 **All Programs**
Decision Item Name: **Growth Engine for Economic Development: $1,500,000**
Decision Item Rank: **Strategic Initiative: 2 of 2**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

The university is requesting recurring funds of $1.5 million from the state to support the university's fourth mission of economic development and the continued growth in research and technology transfer.

The University of Missouri is focused on innovative research that leads to licensable technologies, new innovation-based business start-ups and strong research collaborations with industrial partners. During the last several years, the university has made a substantial commitment to its research, technology transfer and economic development activities. It is through this commitment that we are better positioned to bring together the organizations, resources and processes to efficiently and effectively move research results into the marketplace.

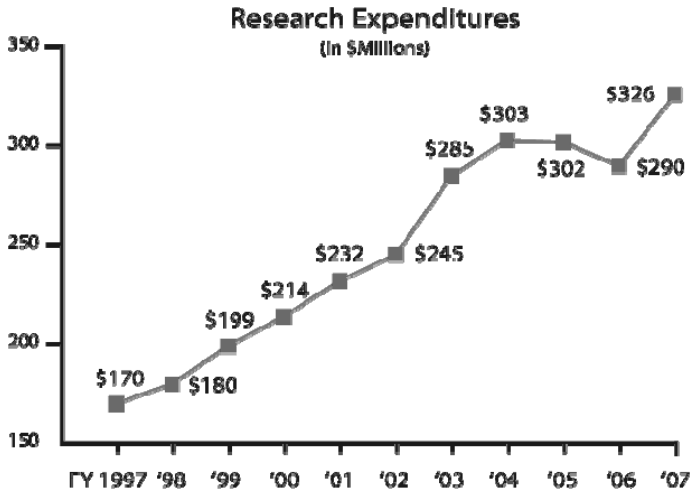
Research is at the heart of the university. University researchers are advancing frontiers of human knowledge, making discoveries that contribute to mankind and giving students the skills they need to succeed in our knowledge-based economy. This research not only advances the public good, but benefits Missouri, as well. The pursuit of scientific discovery through research is critical to furthering the economic development mission of the university, and it provides students the opportunity to participate in cutting-edge research and equips them with the skills they need to one day lead scientific breakthroughs.

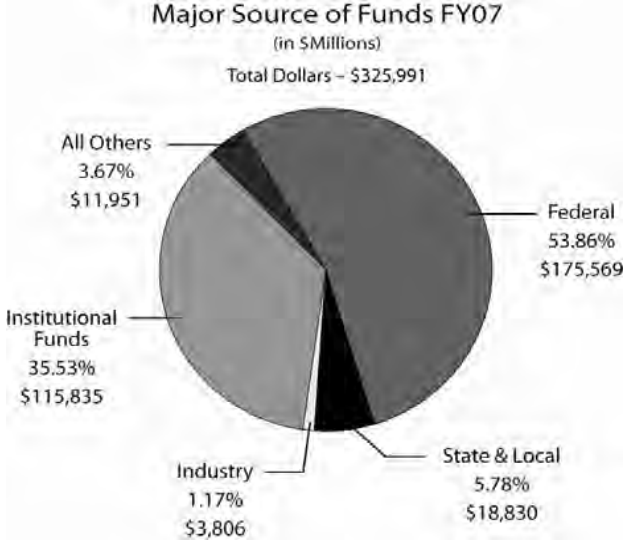
As the world transitions to a knowledge-based economy, intellectual property assets are increasingly recognized as key business assets. It is estimated that greater than 70 percent of the market value of publicly traded companies is attributable to intellectual property. Just as in industry, universities generate intellectual property as a part of their mission to discover, disseminate, preserve and apply knowledge from research findings. But unlike industry, universities have concentrated on "hitting a home run" from a single patent instead of managing the entire portfolio of upwards of 500 patents for most research universities. In a decentralized system, such as what exists at the University of Missouri, these efforts are even more uncoordinated. To deal with these shortcomings a new intellectual property management paradigm is needed across the University of Missouri System that will sustain a repeatable process that spans multiple campuses, can survive employee turnover, manages key variables for multiple types of intellectual property, moves beyond patent prosecution/maintenance tools to address the business-level needs of the inventors/university, continuously tracks and shares information within the university regarding known and emerging technologies, and reaches outside the university to align with organizations and corporations while tracking and managing intellectual property-related opportunities and agreements.

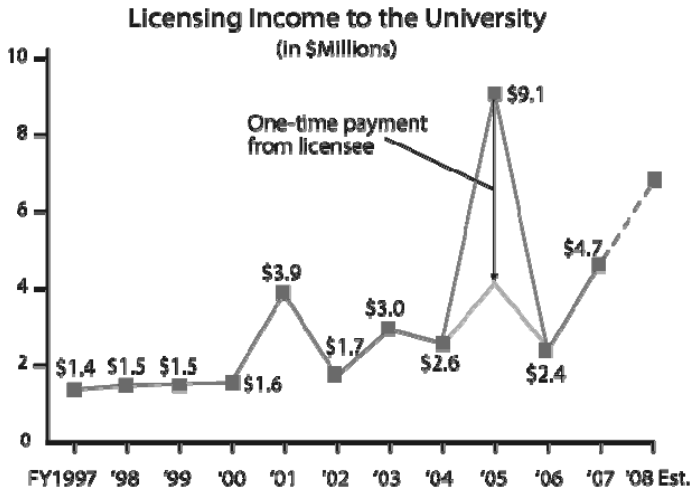
II. DESCRIPTION

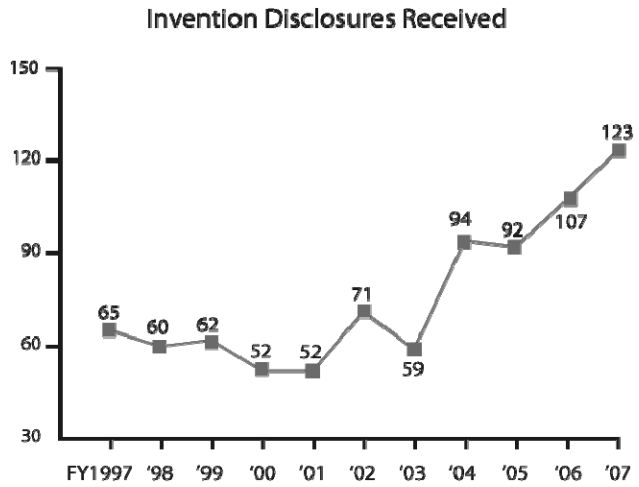
The University of Missouri should be the growth engine of the state in developing a new, dynamic and long-lasting Missouri economy. Since elevating the role of economic development to become the fourth mission of the University of Missouri System and creating the UM Office of Research and Economic Development in 2005, the university has been busy stimulating innovation-based economic growth. Rooted firmly in the belief to discover, disseminate, preserve and apply knowledge, the university continuously champions research at the four campuses and seek ways to market that research through public/private partnerships.

The university expended $326 million for research in FY 2007, with $210 million of this amount funded by external sources. In 2007, UM earned $4.7 million in licensing income from 194 U.S. patents and 78 licenses/options. The university's commitment to research and technology transfer has resulted in increases in research expenditures, and in turn, an increase in the number of inventions disclosed by researchers to the university.

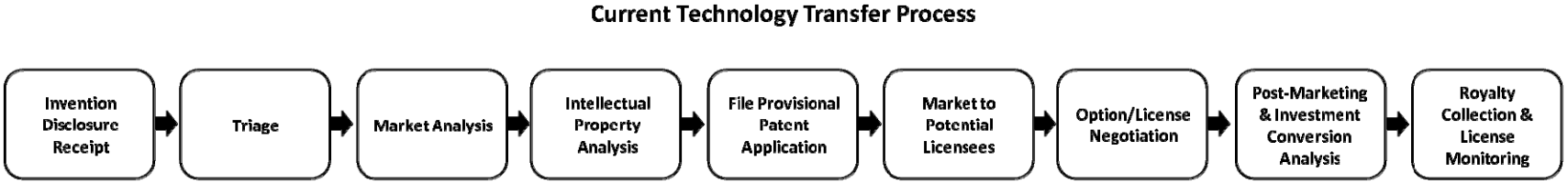








The university has made strides in the growth in research expenditures and yet is below average in the growth of technologies disclosed. The university took a hard look at how the technology transfer process can be scaled so that invention disclosures and licensing could be more productive and efficient. The flowchart below shows the technology transfer process at the university:



Each step in the process requires a different and highly specialized knowledge base including, among other things, science, marketing, intellectual property law, contract law and accounting. With our limited resources, a single licensing professional must assume responsibility for all steps in the

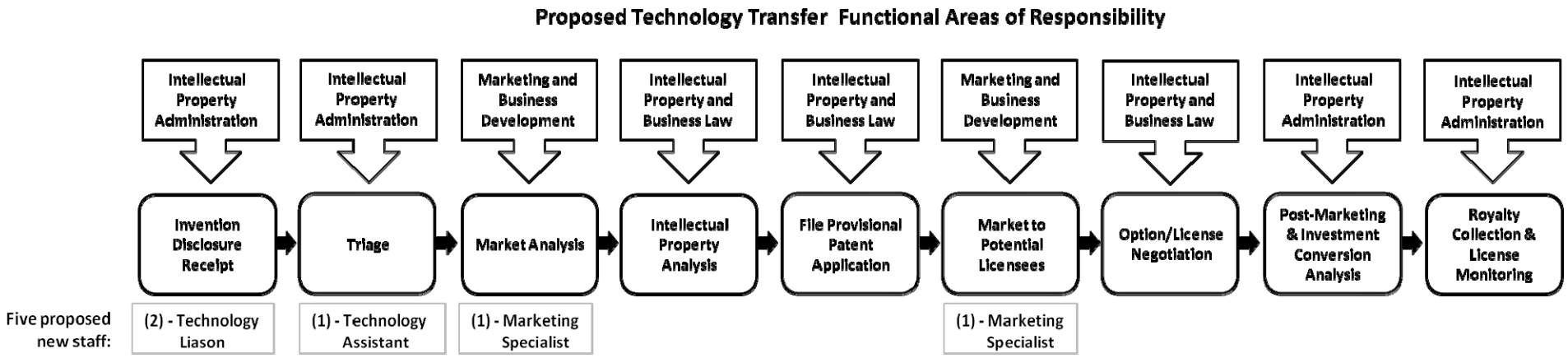
process, known in the industry as “cradle to grave.” As many university technology transfer offices have discovered, finding people with the full breadth of knowledge is virtually impossible. Often times, an office settles for a person with knowledge in one or just a few knowledge areas in the hope the other areas can be learned on the job. While this may work when the workload is light and time is available to develop knowledge in the deficient areas, the weaker areas tend to be given less priority leading to inefficiencies and breakdowns when the workload increases.

Since 2000, the number of inventions disclosed to the university increased 137 percent, from 52 to 123, yet the number of licensing professionals to manage the inventions has remained virtually the same. Having a single person responsible for virtually all steps in the process has resulted in a backlog of disclosures and caused the marketing and licensing steps in the process to receive less attention. To more efficiently and effectively manage current and future technologies, the university seeks to establish a system composed of highly specialized functional areas and to create a fund for investment in research, commercialization and business start-ups.

The $1.5 million in requested funding would be used as follows:

- To create a $500,000 investment fund to provide grants to faculty to accelerate proof of technology demonstrations, market research for identification of early-stage market entry points, and start-up funds for new company formation issues and problem areas that have been identified. This investment fund would be managed by a 501.C.3 system foundation board of directors and provide for investments in research such as incubators, accelerators, research parks and commercialization.
- To invest $1.0 million in funding for the addition of five new staff members in the areas of innovation, commercialization and portfolio management, and legal, marketing and new product support. In addition, funds would be invested in software resources to establish a systemwide pipeline from innovation to portfolio management to commercialization across the state. The results will be greater opportunities from the intellectual property value chain by creation of a portfolio management process that will increase the output of the technology transfer activities across all four campuses.

Utilizing the funds as described above, the university will move from the “cradle to grave” approach to a “deal based” system utilizing specialized business and legal personnel dedicated to research, technology transfer and economic development activities. The chart on the next page shows how the university proposes to apply the specialized functional areas to the technology transfer process.



The university will commit $1.0 million recurring matching funds for the addition of five staff members in addition to those above. These positions will include two technology liasons, two technology assistants and one assistant director.

III. COST EXPLANATION

RECURRING FUNDS

PCS	FTE	Compensation	E&E	Total
Instruction				
Research				
Public Service	5.0	$555,000	$945,000	$1,500,000
Academic Support				
Student Services				
Institutional Support				
Operation & Maintenance of Plant				
Scholarships & Fellowships				
Total Improvements	**5.0**	**$555,000**	**$945,000**	**$1,500,000**

From State Appropriations **$1,500,000**

IV. EVALUATION OF OUTCOMES

The addition of new staff, acquisition/development of new software and the creation of an investment fund will result in an increase in economic growth through an increase in technology transfer activity, including more invention disclosures, patents, licenses and business start-up agreements. The net return on investment will be a greatly improved technology transfer system that aligns with research activities, can accommodate growth in intellectual property activity, and more efficiently manages workflow across the campuses. Once fully established, this new model will be scalable for use across the state.

Other Programs

FY2010 APPROPRIATIONS REQUEST FOR OPERATIONS

SUMMARY OF OTHER PROGRAM REQUESTS

UNIVERSITY OF MISSOURI SYSTEM

	STATE APPROPRIATED FUNDS	NON-STATE FUNDS	TOTAL FUNDS
University of Missouri Hospitals and Clinics	$13,738,852	$591,410,889	$605,149,741
Missouri Rehabilitation Center	$12,141,062	$24,460,052	$36,601,114
Missouri Institute of Mental Health	$1,917,155	$284,722	$2,201,877
Missouri Kidney Program	$4,185,479		$4,185,479
Missouri Research and Education Network (MOREnet)	$19,269,306	$9,344,075	$28,613,381
Missouri Telehealth Network	$893,661		$893,661
Alzheimer's Program	$460,900		$460,900
Spinal Cord Injury Fund	$400,000		$400,000
State Seminary Fund	$3,250,000		$3,250,000
Common Library Platform Software (MOBIUS)	$2,500,000		$2,500,000
State Historical Society of Missouri	$2,162,183		$2,162,183

PROGRAM EXPENDITURES AND REVENUE SUMMARY

FORM 1

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

	FY2007 Actual	FY2008 Estimated	FY2009 Planned & FY2010 Core	Increase for Sustaining Quality and Service	FY2010 Request
EXPENDITURES:					
Personal Services	$243,043,451	$253,106,223	$261,209,060	$10,448,362	$271,657,422
Medical Supplies & Drugs	102,643,860	109,406,991	111,753,303	4,693,639	116,446,942
Purchased Services and Support	37,496,833	36,823,024	38,612,806	1,621,738	40,234,544
Interest	8,379,687	7,915,602	8,149,059	342,260	8,491,319
Federal Reimbursement Allowance	24,093,307	27,446,134	25,938,710	1,089,426	27,028,136
Other Expenditures	58,223,699	63,484,261	68,095,338	2,860,004	70,955,342
MRC Operating Subsidy	0	45,000	1,484,333	(1,484,333)	0
Transfers to Plant for Current Capital	30,000,000	47,600,000	81,900,000	(49,400,000)	32,500,000
Transfer for Future Master Facility Plan Funding	25,435,451	17,553,625	(16,384,700)	54,220,735	37,836,035
Total Expenditures	$529,316,288	$563,380,860	$580,757,909	$24,391,832	$605,149,741
FTE Employees	4,198.4	4,225.2	4,377.3		4,377.3
SOURCES OF FUNDS:					
State Appropriations	$12,789,522	$12,789,528	$13,185,079	$553,773	$13,738,852
Non-State Revenues					
Patient Service Revenue	487,996,683	515,990,442	537,864,825	22,590,323	560,455,148
Other	28,530,083	34,600,890	29,708,005	1,247,736	30,955,741
Total Non-State Revenues	516,526,766	550,591,332	567,572,830	23,838,059	591,410,889
Total Sources	$529,316,288	$563,380,860	$580,757,909	$24,391,832	$605,149,741

PERSONAL SERVICES AND EXPENSE AND EQUIPMENT DETAIL

FORM 3

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

	FY2008 Estimated		FY2009 Planned & FY2010 Core		Increase for Sustaining Quality and Service	FY2010 Request	
	FTE	Amount	FTE	Amount	Amount	FTE	Amount
PERSONAL SERVICES:							
Teaching and Research	436.9	$17,401,722	439.0	$17,656,416	$706,257	439.0	$18,362,673
Exec., Admin., Managerial	455.9	24,863,171	478.4	27,184,101	1,087,364	478.4	28,271,465
Professional	1,732.3	86,465,483	1845.4	90,646,428	3,625,857	1845.4	94,272,285
Technical	756.3	31,001,225	786.2	32,549,937	1,301,997	786.2	33,851,934
Office	453.4	21,474,249	432.0	19,685,586	787,423	432.0	20,473,009
Crafts and Trades	103.1	4,032,818	100.2	3,961,910	158,476	100.2	4,120,386
Service	287.3	12,109,660	295.9	12,573,663	502,947	295.9	13,076,610
Staff Benefits		55,757,895		56,951,019	2,278,041		59,229,060
Total Personal Services	4,225.2	$253,106,223	4,377.3	$261,209,060	$10,448,362	4,377.3	$271,657,422
EXPENSE AND EQUIPMENT:							
Fuel and Utilities		$8,935,332		$7,463,691	$313,475		$7,777,166
Equipment and Equipment Maintenance		16,686,087		15,768,891	662,293		16,431,184
Medical Supplies and Drugs		109,406,991		111,753,303	4,693,639		116,446,942
MRC Operating Subsidy		45,000		1,484,333	(1,484,333)		0
Transfers to Plant for Current Capital		47,600,000		81,900,000	(49,400,000)		32,500,000
Transfe for Future Master Facility Plan Funding		17,553,625		(16,384,700)	54,220,735		37,836,035
All Other		110,047,602		117,563,331	4,937,660		122,500,991
Total Expense & Equipment		310,274,637		319,548,849	13,943,470		333,492,319
Grand Total	4,225.2	$563,380,860	4,377.3	$580,757,909	$24,391,832	4,377.3	$605,149,741

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 307 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.

In 1996, state legislation transferred responsibility of the state-run Missouri Rehabilitation Center (MRC) to University of Missouri Health Care. While normal MRC operations are not included in University of Missouri Columbia Hospitals and Clinics state appropriation documents, University Hospital plans to subsidize MRC's operating costs with approximately $45,000 in FY08 and approximately $1,500,000 in FY09. Additional information is available in Missouri Rehabilitation Center's state appropriation request documents.

The University of Missouri Columbia Hospitals and Clinics has started a multi year $240 million dollar Master Facilities Plan which includes the construction of a new Missouri Orthopedic Institute, the addition of a new patient tower at University Hospital, a replacement facility for Ellis Fischel, and new facilities for Children's Hospital. This plan is being funded from a variety of sources including a special State Appropriation for the Ellis Fischel project, a bond issue, philanthropy, and operations. These projects are expected to continue through FY2013.

III. PERFORMANCE AND ACTIVITY MEASURES

	FY2008 Estimated	FY2009 Planned	FY2010 Planned
A. Students Participating in Hospital Activities at all locations:			
Medical Students	377	385	387
Nursing Students	370	375	375
Graduate Nursing Students	12	12	12
Interns and Residents	413	413	413
Total	1,172	1,185	1,187
B. Hospital Fiscal Data:			
Net Non-State Revenue	$550,591,332	$567,572,830	$591,410,889
State Revenue (Percent of Total)	2.27%	2.27%	2.27%

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

	FY2008 Estimated	FY2009 Planned	FY2010 Planned
C. Inpatient Discharges By Service based on Discharging Attending: (Includes Adult and Newborn)			
Surgery	5,354	5,625	5,625
Medicine	5,704	5,992	5,992
Child Health	3,157	3,317	3,317
Orthopedics (includes Ortho Oncology)	3,021	3,174	3,174
OB/Gyn	1,774	1,864	1,864
Family Practice	1,497	1,573	1,573
Neurology	794	834	834
Otolaryngology	312	328	328
Other	30	32	32
Total	21,645	22,739	22,739
D. Inpatient Discharges By Responsibility: (Includes Adult and Newborn)			
Medicare	6,613	6,947	6,947
Medicaid	5,924	6,224	6,224
Managed/Commercial	7,701	8,091	8,091
Self Pay & Other	1,407	1,478	1,478
Total	21,645	22,739	22,739
E. Inpatient Days:			
Adult and Pediatric	106,540	108,956	108,956
Newborn	3,457	3,293	3,293
Total	109,997	112,249	112,249
F. Clinic Visits	415,412	533,023	533,023
G. Emergency Room Visits	42,699	43,959	43,959

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

	FY2008 Estimated	FY2009 Planned	FY2010 Planned
H. Hospital Statistical Data:			
Number of Beds (Adult & Pediatric)	466	466	466
Percent Occupancy	62.47%	64.06%	64.06%
Number of Short Stay Arrived Patients	10,101	10,433	10,433
Number of Observation Arrived Patients	3,208	3,066	3,066
Number of Surgery Cases (Inpatient and Outpatient)	18,508	18,314	18,314
Number of Perinatal Surgery Cases (Inpatient and Outpatient)	831	1,013	1,013
I. Size of Physical Plant:			
Number of Gross Square Feet	1,928,357	1,928,357	2,044,525
Number of Net Assignable Feet	1,310,190	1,310,190	1,398,545
J. Book Value of Equipment Inventory:			
At June 30, 2006	$180 million		
At June 30, 2007	$188 million		
At June 30, 2008 - Estimated	$198 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 462 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, a 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

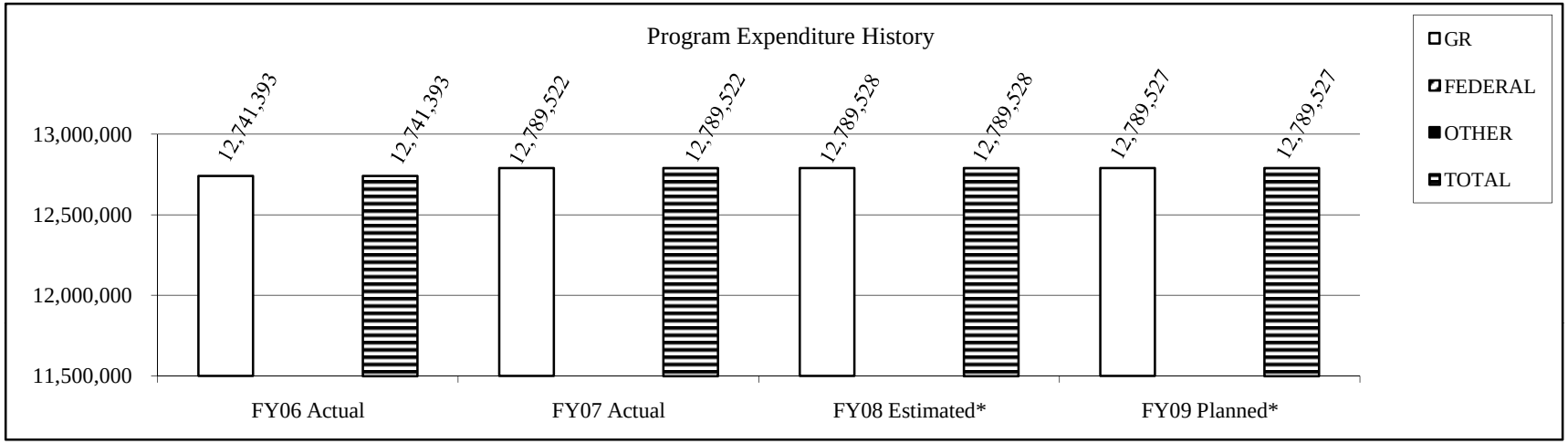
4. Is this a federally mandated program? If yes, please explain.

No

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

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?

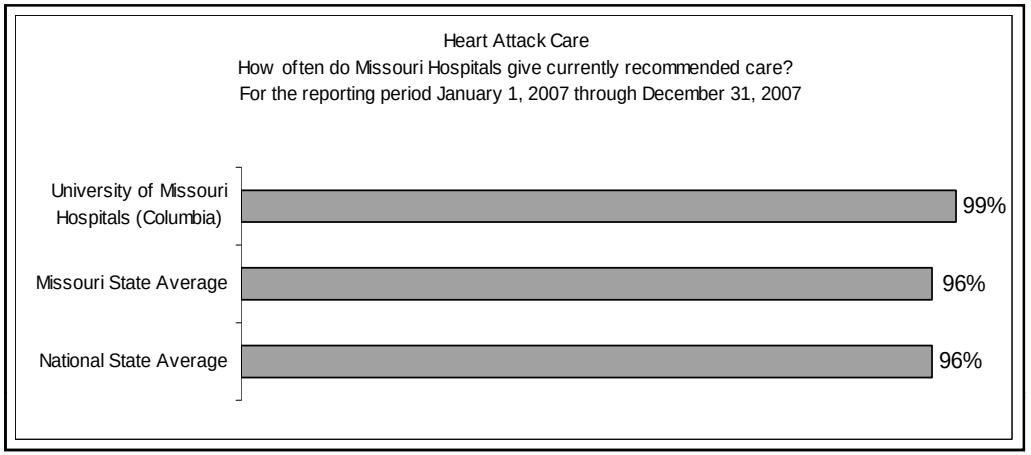
All appropriated funds are from General Revenue. However, the Hospital generates substantial revenue from patients and 3rd party payors. See Form 1 for detail of nonstate revenues.

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

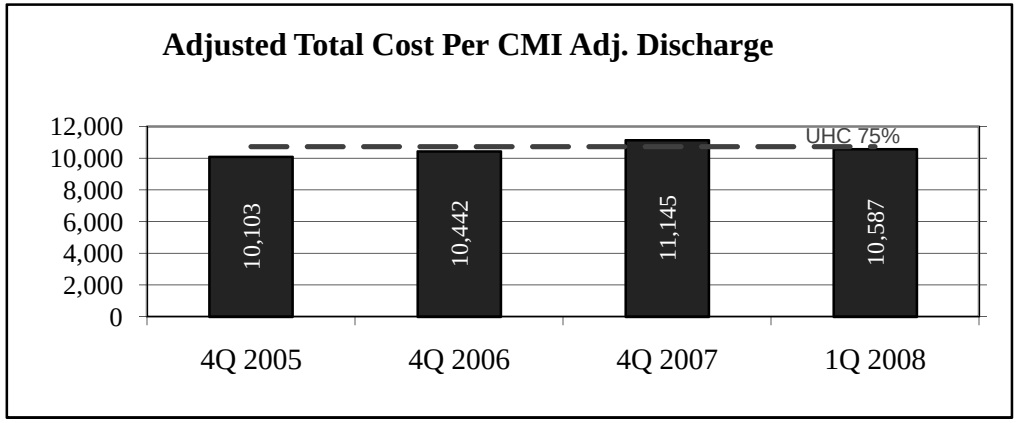
7a. Provide an effectiveness measure.

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, 2007 and December 31, 2007. A higher percentage indicates providing recommended care more often. University Hospitals and Clinics is performing better than the state or nation in the best heart attack care.



7b. Provide an efficiency measure.

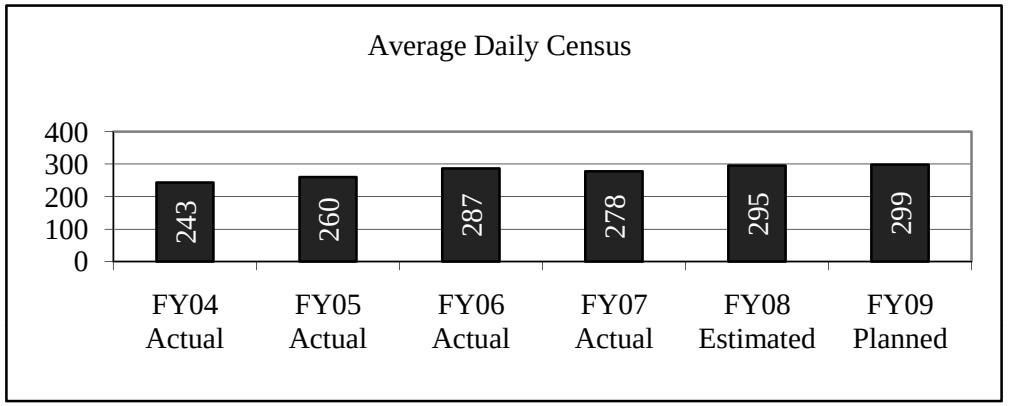
University Hospitals and Clinics benchmarks its overall efficiency with other university teaching hospitals. The best overall indicator of efficiency is cost per adjusted discharges. Lower costs, with consistent quality, would indicate higher efficiency. Because of the Hospital and Clinics small size and depth of services, 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 2008 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

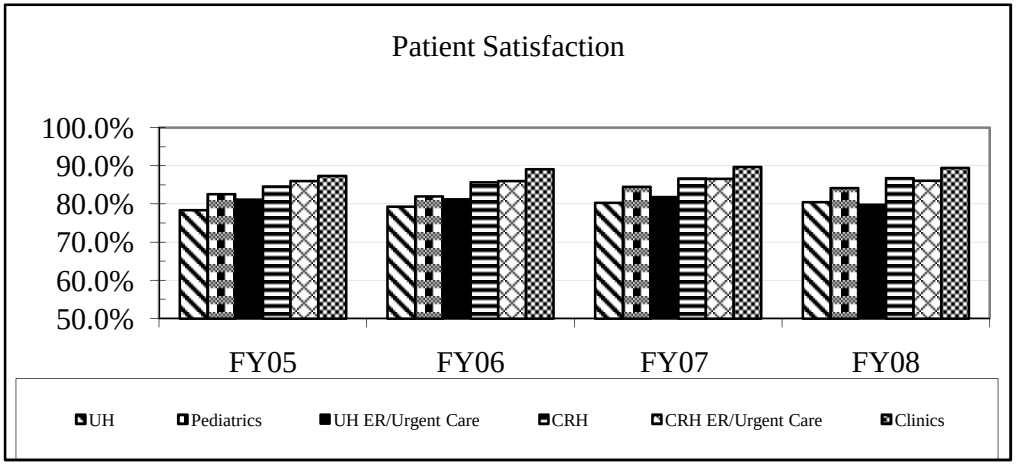
7c. Provide the number of clients/individuals served, if applicable.

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. The closer the score to 100, the closer to Patients rating their satisfaction as "Very Good". 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 1**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

The core mission of University of Missouri Hospitals and Clinics as part of University of Missouri Health Care is to 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) state appropriations have remained relatively flat for several years. The current level of appropriations, $13.2 million, is significantly less than the 2001 appropriation of $14.3 million. 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 compensation. 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 percent 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 Percent Plus Related Benefits	$10,448,362
Expense and Equipment	13,943,470
Total Increase for Sustaining Quality and Service	$24,391,832

State Appropriations @ 4.2 Percent	$ 553,773
From Non-State Sources	23,838,059
Total Increase for Sustaining Quality and Service	$24,391,832

PROGRAM EXPENDITURES AND REVENUE SUMMARY

FORM 1

MISSOURI REHABILITATION CENTER

	FY2007 Actual	FY2008 Estimated	FY2009 Planned & FY2010 Core	Increase for Sustaining Quality and Service	FY2010 Request
EXPENDITURES:					
Personal Services	$23,636,252	$23,852,054	$23,467,006	$938,680	$24,405,686
Medical Supplies & Drugs	2,682,010	2,841,616	2,517,752	105,746	2,623,498
Purchased Services and Support	1,535,725	1,357,572	1,300,386	54,616	1,355,002
Federal Reimbursement Allowance	1,461,219	1,919,064	1,559,166	65,485	1,624,651
Other Expenditures	4,946,653	4,301,399	5,033,918	211,425	5,245,343
Transfers to Plant for Current Capital	3,800,000	3,300,000	3,100,000	(1,753,066)	1,346,934
Total Expenditures and Transfers	$38,061,859	$37,571,705	$36,978,228	($377,114)	$36,601,114
FTE Employees	445.2	424.2	417.9		417.9
SOURCES OF FUNDS:					
State Appropriations	$10,089,644	$11,302,140	$11,651,691	$489,371	$12,141,062
Non-State Revenues					
Patient Revenues	$22,822,704	$21,701,720	$22,157,733	$483,090	$22,640,823
Other Revenues	1,471,289	1,220,429	1,684,471	134,758	1,819,229
Total Non-State Revenues	24,293,993	22,922,149	23,842,204	617,848	24,460,052
Reduction of Reserves	3,678,222	3,302,416	0	0	0
University of Missouri Health Care Subsidy	0	45,000	1,484,333	(1,484,333)	0
Total Sources	$38,061,859	$37,571,705	$36,978,228	($377,114)	$36,601,114

PERSONAL SERVICES AND EXPENSE AND EQUIPMENT DETAIL

FORM 3

MISSOURI REHABILITATION CENTER

	FY2008 Estimated		FY2009 Planned & FY2010 Core		Increase for Sustaining Quality and Service	FY2010 Request	
	FTE	Amount	FTE	Amount	Amount	FTE	Amount
PERSONAL SERVICES:							
Teaching and Research	0.1	$13,333	-	$0	$0	0.0	$0
Exec., Admin., Managerial	56.0	2,214,273	54.0	2,318,309	92,732	54.0	2,411,041
Professional	189.0	9,146,892	194.7	8,745,157	349,806	194.7	9,094,963
Technical	97.1	3,968,753	90.3	3,869,709	154,788	90.3	4,024,497
Office	27.4	1,091,315	24.7	1,058,095	42,324	24.7	1,100,419
Crafts and Trades	18.8	800,239	20.3	869,907	34,796	20.3	904,703
Service	35.7	1,498,216	33.9	1,452,397	58,096	33.9	1,510,493
Staff Benefits		5,119,033		5,153,432	206,138		5,359,570
Total Personal Services	424.2	$23,852,054	417.9	$23,467,006	$938,680	417.9	$24,405,686
EXPENSE AND EQUIPMENT:							
Fuel and Utilities		$988,628		$1,286,730	$54,043		$1,340,773
Equipment and Equipment Maintenance		679,547		955,783	40,143		995,926
Medical Supplies and Drugs		2,841,616		2,517,752	105,746		2,623,498
Transfers to Plant for Current Capital		3,300,000		3,100,000	(1,753,066)		1,346,934
Other Expenditures		5,909,860		5,650,957	237,340		5,888,297
Total Expense & Equipment		$13,719,651		$13,511,222	($1,315,794)		$12,195,428
Grand Total	424.2	$37,571,705	417.9	$36,978,228	($377,114)	417.9	$36,601,114

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 100-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 orthopedic injuries as well as tuberculosis and other pulmonary conditions.

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.

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.

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. Over 90% of MRC's patient charges are with self pay patients or patients with governmental payors (Medicare, Medicaid, Veterans Administration). Recently, competition has increased for patients with commercial resources, due to the opening of long term acute care hospitals in the area.

With increasing competition, lower volumes, and the increasing cost of resources, MRC has been operating at a loss for the past several years, despite cost reduction measures and programmatic cuts. It is projected that MRC's reserves will be completely exhausted in FY2008, and University Hospital will begin subsidizing MRC's operations. While MRC continues to seek cost efficiencies as well as new business opportunities, it will be challenging to succeed with out increasing state support. Receiving the requested 4.2 percent increase in operating appropriation is critical as well as the new decision item for a capital appropriation of $9 million to enable MRC to address the issues within its aging facilities.

III. PERFORMANCE AND ACTIVITY MEASURES

	FY2008 Estimated	FY2009 Planned	FY2010 Planned
A. Hospital Fiscal Data:			
Total Non State Revenues	$22,922,149	$23,842,204	$24,460,052
State Revenue (Percent of Total)	30.08%	31.51%	33.17%
B. Inpatient Discharges:	415	416	416
C. Inpatient Discharges By Responsibility at Admission:			
Medicare	157	159	159
Medicaid	153	155	155
Managed/Commercial	66	62	62
Self Pay & Other	39	40	40
Total	415	416	416
D. Inpatient Days	18,534	17,865	17,865
F. Hospital Statistical Data:			
Number of Beds (Adult & Pediatric)	100	100	100
Percent Occupancy	50.64%	48.95%	48.95%

G. Size of Physical Plant:

Number of Gross Square Feet	325,961	325,961	325,961
Number of Net Assignable Feet	220,907	220,907	220,907

H. Book Value of Equipment Inventory:

At June 30, 2006	$7.4 million
At June 30, 2007	$7.6 million
At June 30, 2008 Estimated	$8.7 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 100-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. Over 90 percent of MRC's patient charges are with self pay patients or patients with governmental payors (Medicare, Medicaid, Veterans Administration).

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

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

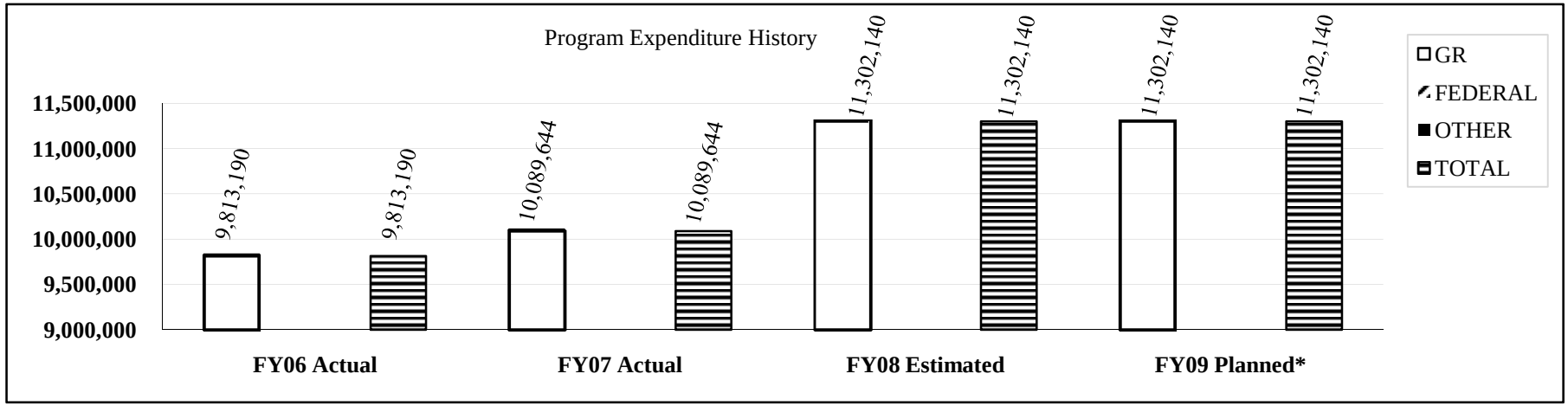
3. Are there federal matching requirements? If yes, please explain.

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

PROGRAM DESCRIPTION

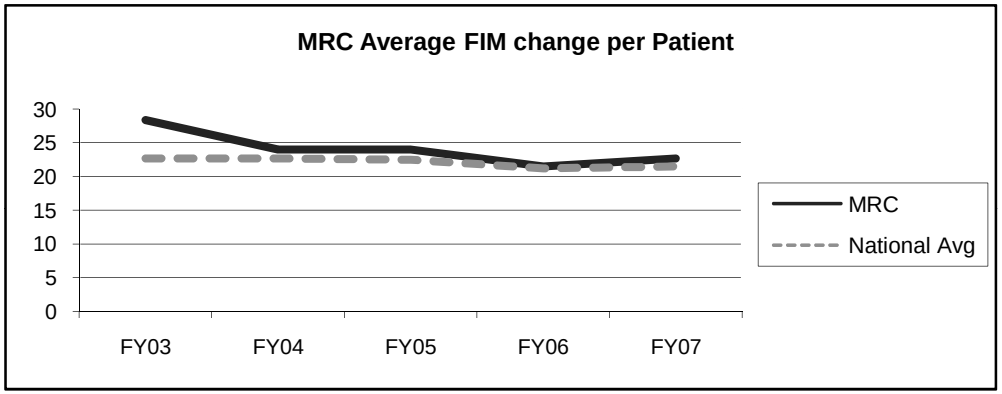
Department of Higher Education
Program Name: Missouri Rehabilitation Center
Program is found in the following core budget(s): University of Missouri - Missouri Rehabilitation Center

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.

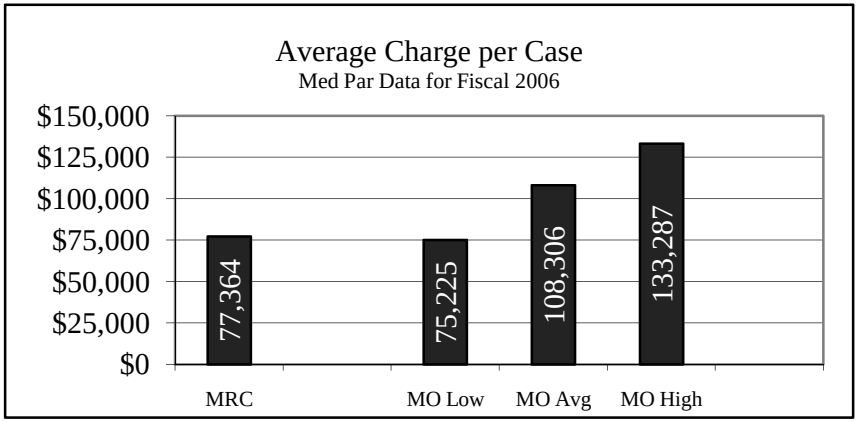
7a. Provide an effectiveness measure.

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 2006'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 one of the lower in the state. MRC treated 8.22% of the cases and received 7.41% of the reimbursement. The average length of stay at MRC is 35.7 days vs the State's average of 30.1 days.

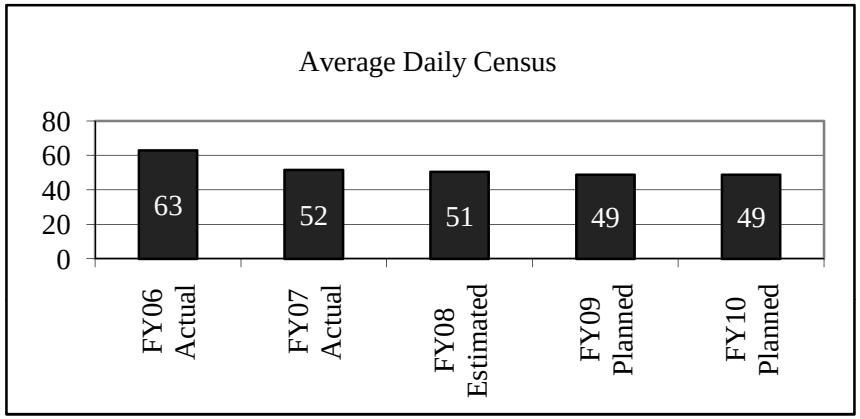


PROGRAM DESCRIPTION

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

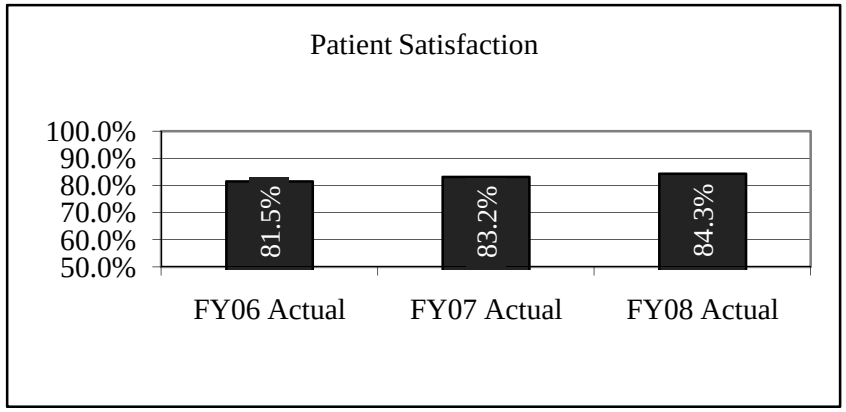
7c. Provide the number of clients/individuals served, if applicable.

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 closer the score to 100, the closer to Patients rating their satisfaction as "Very Good". 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 1**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

The Missouri Rehabilitation Center (MRC) is a 100-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 2007 of $1.1 and $1.7 million respectively. While MRC has implemented cost cutting measures, it is projected to end 2008 with an operating shortfall of approximately $750,000 and the operating budget for 2009 is a $900,000 loss. 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 2010 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 compensation. The personnel policies are the same for these programs as for the general operations of the university. With these higher costs and relativity flat non-state revenues, a 4.2 percent increase in state appropriations is critical to decreasing the deficit. 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.

Since FY2000, Missouri Rehabilitation Center has invested more than $22 million in equipment and facilities without receiving capital appropriations. MRC's reserves were exhausted in FY2008 and University of Missouri Healthcare began subsidizing MRC. Without reserves, it is critical that MRC receives the $9 million capital appropriation requested for FY2010 to address its aging facilities and deteriorating infrastructure.

III. COST EXPLANATION

Salaries @ 4.2 Percent Plus Related Benefits	$ 938,680
Reduction in Transfers to Plant for Current Capital	(1,753,066)
Non Salary Expenses	437,272
Total Increase for Sustaining Quality and Service	$ 377,114
State Appropriations @ 4.2 Percent	$ 489,371
Non-State Revenues	617,848
Reduction in University of Missouri Health Care Subsidy	(1,484,333)
Total Sources	$ 377,114

PROGRAM EXPENDITURES AND REVENUE SUMMARY

FORM 1

MISSOURI INSTITUTE OF MENTAL HEALTH

	FY2007 Actual	FY2008 Estimated	FY2009 Planned & FY2010 Core	Increase for Sustaining Quality and Service	FY2010 Request
EXPENDITURES:					
Program Operations	$1,847,547	$1,907,452	$2,113,193	$88,684	$2,201,877
Total Expenditures	$1,847,547	$1,907,452	$2,113,193	$88,684	$2,201,877
FTE Employees	28.6	32.3	30.0		30.0
SOURCES OF FUNDS:					
State Appropriations	$1,784,695	$1,784,684	1,839,880	$77,275	$1,917,155
Non-State Revenues	62,852	122,768	273,313	11,409	284,722
Total Sources	$1,847,547	$1,907,452	$2,113,193	$88,684	$2,201,877

PERSONAL SERVICES AND EXPENSE AND EQUIPMENT DETAIL

FORM 3

MISSOURI INSTITUTE OF MENTAL HEALTH

	FY2008 Estimated		FY2009 Planned & FY2010 Core		Increase for Sustaining Quality and Service	FY2010 Request	
	FTE	Amount	FTE	Amount	Amount	FTE	Amount
PERSONAL SERVICES:							
Teaching and Research	6.3	$462,943	5.3	$525,571	$21,023	5.3	$546,594
Exec., Admin., Managerial	1.4	94,585	1.7	106,707	4,268	1.7	110,975
Professional	8.9	226,243	5.7	269,106	10,764	5.7	279,870
Technical	3.3	59,797	1.4	50,902	2,036	1.4	52,938
Office	12.5	372,845	15.9	476,298	19,052	15.9	495,350
Staff Benefits		317,911		346,413	13,857	0.0	360,270
Total Personal Services	32.3	$1,534,325	30.0	$1,774,997	$71,000	30.0	$1,845,997
EXPENSE AND EQUIPMENT:							
Fuel and Utilities							
Library Acquisitions							
Equipment		$14,624			$0		
All Other		358,504		$338,196	17,684		$355,880
Total Expense and Equipment		$373,128		$338,196	$17,684		$355,880
Grand Total	32.3	$1,907,452	30.0	$2,113,193	$88,684	30.0	$2,201,877

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

	FY2008	FY2009	FY2010
A. Scientific and Professional Publications	28	31	34
Technical Reports	23	25	28
B. Scientific and Professional Presentations	96	112	122
C. Research Grants:			
Number of Applications for External Funding	51	53	55
Number Approved/Pending	35 / 18	36 / 19	37 / 20
Number Projects in Progress	70	71	72
Total Awards-Primary Investigator	$839,509	$1,000,000	$1,250,000
Total Awards-Secondary	$3,732,738	$4,000,000	$4,250,000
Letters of Intent	1	2	3
D. Students:			
Graduate and Medical Students Taught	633	501	601
Undergraduate Students Taught	110	170	170
Resident Physicians Trained - Pri Psych	23	23	23
Resident Physicians Trained - Sec Psych	11	11	11
E. Continuing Education:			
Number of Workshops Planned/Participated	127	148	168
Number of Visiting Speakers/Seminars	22	28	34
Total Participant Contacts in Missouri	2,836	3,600	4,500
Online CE Hours Completed	71	150	300
F. Consultation:			
Hours in Clinical, Programmatic, or Research	4,032	4,032	4,032
Consultation to Mo Dept. of Mental Health	3,045	3,200	3,450
Hours With Other State & Civic Agencies	2,469	2,768	2,968
Consultation Contracts	28	29	30
Consultation Contract Awards	$1,694,891	$1,750,000	$2,000,000

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

	FY2008	FY2009	FY2010
G. Library Services:			
Number of Literature Searches	530	550	575
Current Awareness Requests	4,564	4,600	4,650
Articles/Books Borrowed	1,292	1,300	1,330
Articles/Books Loaned	7,190	7,300	7,350
Articles Photocopied	8,088	9,000	9,100
Circulation	1,043	1,100	1,200
H. Free Service for State Agencies **			
(Number of consultations, affiliations, etc.)			
Service to DMH	18	20	22
Service to University	9	10	12
Service to Professional Organizations	28	29	32
Service to International, National, Federal, & Other State & Local Agencies	54	55	57

** 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

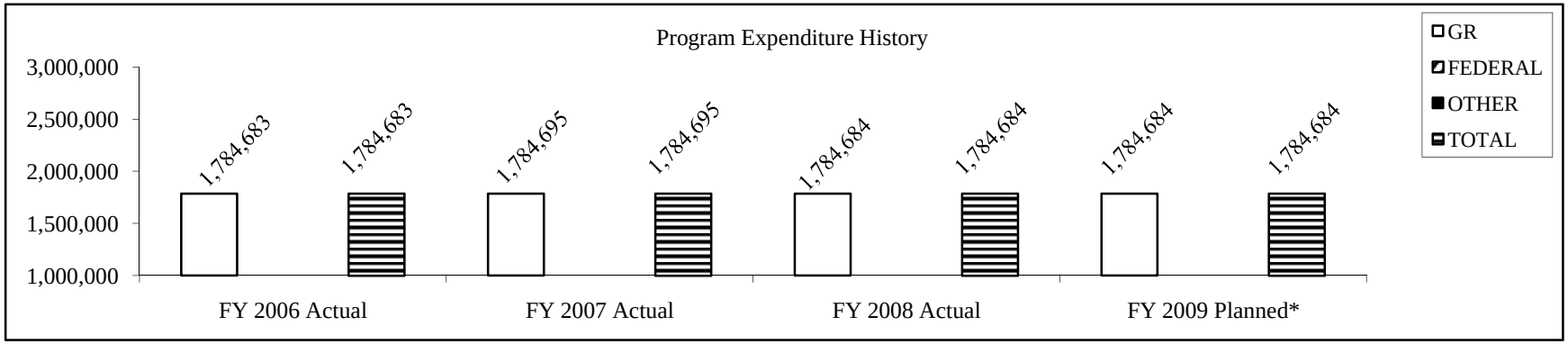
3. Are there federal matching requirements? If yes, please explain.

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

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?

All appropriated funds are from General Revenue. However, MIMH receives externally funded grants and contracts in accordance with its mission of approximately $5 million annually.

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.

FY06	FY07	FY08	FY09 Projected	FY10 Projected	FY11 Projected
$4,400,000	$25,594,350	$23,864,000	$26,500,000	$27,000,000	$27,500,000

7b. Provide an efficiency measure.

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

FY06	FY07	FY08	FY09 Projected	FY10 Projected	FY11 Projected
$3.312	$3.258	$3.512	$3.782	$4.033	$4.033

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.

FY06	FY07	FY08	FY09 Projected	FY10 Projected	FY11 Projected
2,085	1,749	2,836	3,500	3,700	4,000

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: $77,275**
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 compensation. 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 percent 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 Percent plus Related Benefits	$71,000
Expense and Equipment	17,684
Total Increase for Sustaining Quality and Service	$88,684
State Appropriations @ 4.2 Percent	$77,275
From Non-State Sources	11,409
Total Increase for Sustaining Quality and Service	$88,684

PROGRAM EXPENDITURES AND REVENUE SUMMARY

FORM 1

MISSOURI KIDNEY PROGRAM

	FY2007 Actual	FY2008 Estimated	FY2009 Planned & FY2010 Core	Increase for Sustaining Quality and Service	FY2010 Request
EXPENDITURES:					
Program Operations	$3,896,268	$3,896,271	$4,016,774	$168,705	$4,185,479
Total Expenditures	$3,896,268	$3,896,271	$4,016,774	$168,705	$4,185,479
FTE Employees	11.2	10.5	10.5		10.5
SOURCES OF FUNDS:					
State Appropriations	$3,896,268	$3,896,271	$4,016,774	$168,705	$4,185,479
Non-State Revenues	0	0	0	0	0
Total Sources	$3,896,268	$3,896,271	$4,016,774	$168,705	$4,185,479

PERSONAL SERVICES AND EXPENSE AND EQUIPMENT DETAIL

FORM 3

MISSOURI KIDNEY PROGRAM

	FY2007 Actual		FY2008 Estimated		FY2009 Planned & FY2010 Core		Increase for Sustaining Quality and Service	FY2010 Request	
	FTE	Amount	FTE	Amount	FTE	Amount	Amount	FTE	Amount
PERSONAL SERVICES:									
Teaching and Research									
Exec., Admin., Managerial	2.6	$163,276	2.7	$160,794	2.7	$180,807	$7,232	2.7	$188,039
Professional	7.0	241,500	6.2	255,751	6.2	252,709	10,108	6.2	262,817
Technical							0	0.0	0
Office	1.6	40,197	1.6	39,657	1.6	41,233	1,649	1.6	42,882
Student							0	0.0	0
Staff Benefits		105,070		108,048		109,099	4,364	0.0	113,463
Total Personal Services	11.2	$550,043	10.5	$564,250	10.5	$583,848	$23,353	10.5	$607,201
EXPENSE AND EQUIPMENT:									
Fuel and Utilities									
Library Acquisitions									
Equipment									
All Other									
Administrative Operations		$50,970		$52,405		$50,069	$2,119		$52,188
Statewide Renal Education (Operations)		107,430		95,771		97,822	4,142		101,964
Maintenance & Antirejection Drugs		528,670		581,811		605,793	25,650		631,443
Dialysis Treatment		0		0		0	0		0
Transportation Assistance*		601,731		494,638		500,316	21,184		521,500
Insurance Premium Assistance		710,748		740,371		757,235	32,062		789,297
Emergency Medications		9,036		4,387		13,522	573		14,095
Patient/Staff Education		109,639		52,026		103,568	4,385		107,953
Transplant/Donor Assistance		21,760		29,280		50,000	2,117		52,117
Nutritional Supplements Program		64,899		79,983		81,133	3,435		84,568
Medicaid Spenddown		925,778		905,737		900,000	38,106		938,106
Ticket To Work		0		8,755		20,000	847		20,847
Cost Containment Research & Demonstration		215,564		286,857		253,468	10,732		264,200
Total Expense and Equipment		$3,346,225		$3,332,021		$3,432,926	$145,352		$3,578,278
Grand Total	11.2	$3,896,268	10.5	$3,896,271	10.5	$4,016,774	$168,705	10.5	$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 percent 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 percent 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

	FY2008	FY2009	FY2010
A. CERTIFIED and PARTICIPATING RENAL FACILITIES	147	150	155

B. MISSOURI ESRD PATIENTS - Calendar Year data	**CY2006**	**CY2007**	**CY2008**
1. Dialysis Census *	6338*	6,655	6,988
2. Estimated Transplant Census **	1,200 (est)	1,200 (est)	1,200 (est)
Total Census	7,538	7,855	8,188

* Provided from Network 12 data CY2006

** 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 information on patients other than ones MoKP provides services for. MoKP served 440 transplant patients as of June 30, 2008. This is an unfortunate example of government regulation preventing us from knowing and understanding our patient population.

	FY2008	FY2009	FY2010
ESRD PATIENTS RECEIVING ASSISTANCE	2,563	2,691	2,826

C. PATIENT GROWTH AND UNIT COST PROJECTIONS

The average dollar value of assistance (unit cost) provided to MoKP eligible patients during FY2008 was $1,110, 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, MO HealthNet, and commercial insurance. Efforts with the centralized drug program, which provides maintenance and anti-rejection drugs, have been especially successful with the addition of Medicare Part D, MO Rx, and continued success with the contract pharmacy.

Following is an analysis of actual and projected dollar value of assistance (unit cost) for FY2008 and for FY2010 respectively, assuming 5% annual patient growth from FY2008 and FY2009.

	FY2008 ACTUAL		FY2010 PROJECTED	
Type of Assistance	Number of Patients	Unit Cost $	Number of Patients	Unit Cost $
Maintenance & Anti-rejection Drugs	1,773	328	1,862	325
Dialysis Treatment	0	-	0	-
Transportation	1,011	489	1,062	471
Insurance Premiums	627	1,181	658	1,151
Emergency Medications	19	231	20	676
Transplant Donor Assistance	25	1,171	26	1,923
Nutritional Supplements	379	211	398	204
Medicaid Spenddown	883	1,026	927	971
Ticket to Work	21	417	22	909
Unduplicated Patients Served/Average Unit Cost	2,563	1,110	2,825	1,036

Missouri Kidney Program FY2008 Patient Assistance (by county)

*This chart does not include Centralized Drug Program; $581,811 (1773), MO HealthNet Spenddown; $905,737 (883), or MO HealthNet Ticket to Work; $8,755 (21).

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

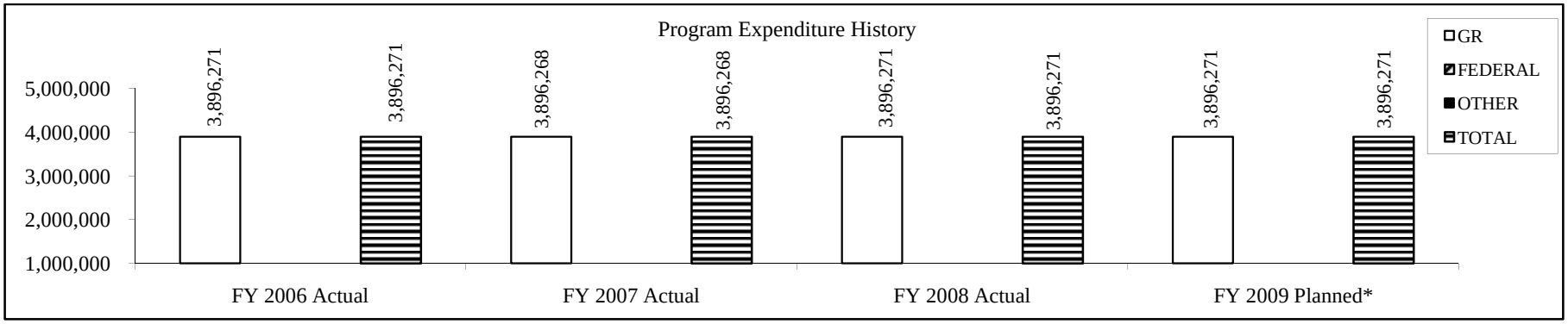
3. Are there federal matching requirements? If yes, please explain.

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

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

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

None

7a. Provide an effectiveness measure.

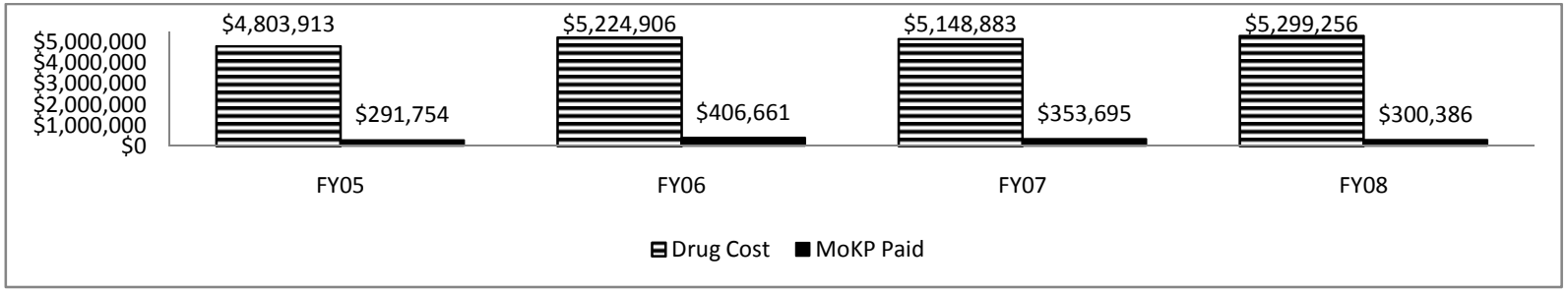
MoKP effectiveness is measured by the number of dollars of the appropriation going to reimburse patient care, education and research activities. MoKP expends about 85% of its appropriation for patient care related activities.

FY 06		FY 07		FY 08 Estimated		FY 09 Projected		FY 10 Projected		FY 11 Projected	
Patient Exp	Total Exp	Patient Exp	Total Exp	Patient Exp	Total Exp	Patient Exp	Total Exp	Patient Exp	Total Exp	Patient Exp	Total Exp
$3,328,531	$3,896,271	$3,295,255	$3,896,268	$3,279,616	$3,896,271	$3,382,857	$4,016,774	$3,516,686	$4,137,277	$3,622,186	$4,261,396

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 05		FY 06		FY 07		FY 08	
Drug Cost	MoKP Paid	Drug Cost	MoKP Paid	Drug Cost	MoKP Paid	Drug Cost	MoKP Paid
$4,803,913	$291,754	$5,224,906	$406,661	$5,148,883	$353,695	$5,299,256	$300,386



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 and the projected need in one or more of our programmatic entities. We have maximized our patient service delivery capabilities by micromanaging our current appropriation level. The need far exceeds the level of appropriation that has been available. The projections listed for FY09, FY10, and FY11 are based on need.

FY04	FY05	FY06	FY07	FY08 Est	FY09 Proj	FY10 Proj	FY11 Proj
2,732	2,842	2,673	2,539	2,563	2,691	2,826	2,967

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	FY08
Questionnaires Received	92	94	47	100	96

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 compensation. 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 percent 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 percent plus Related Benefits	$23,353
Expense and Equipment	145,352
Total Increase for Sustaining Quality and Service	$168,705
State Appropriations 4.2 percent	$168,705

PROGRAM EXPENDITURES AND REVENUE SUMMARY

FORM 1

MISSOURI RESEARCH AND EDUCATION NETWORK (MORENET)

	FY2007 Actual	FY2008 Estimated	FY2009 Planned & FY2010 Core	Increase for Sustaining Quality and Service	One-Time Equipment Replacement	Increased Capacity Education & Network		FY2010 Request
EXPENDITURES:								
Program Operations								
Shared Network, Research, Video	$11,319,241	$12,319,859	$13,685,857	$574,806	$2,557,000	$883,000	*	$17,700,663
Higher Education Connections	687,773	686,404	810,814	34,054		108,000	*	952,868
Public Schools TNP Connections	4,736,098	5,727,420	7,225,384	303,466	730,000	1,701,000	*	9,959,850
Total Expenditures	$16,743,112	$18,733,683	$21,722,055	$912,326	$3,287,000	$2,692,000	*	$28,613,381
FTE Employees	64.6	66.1	67.0					67.0
SOURCES OF FUNDS:								
State Appropriations - Recurring	$9,946,968	$12,446,974	$12,754,612	$535,694		$2,692,000		$15,982,306
State Appropriations - Non-Recurring					$3,287,000			3,287,000
Other	6,796,144	6,286,709	8,967,443	376,632				9,344,075
Total Sources	$16,743,112	$18,733,683	$21,722,055	$912,326	$3,287,000	$2,692,000		$28,613,381

* 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)

	FY2007 Actual		FY2008 Estimated		FY2009 Planned Replacement		Increase for Sustaining Quality and Service	One-Time Equipment Replacements	Increased Capacity Education & Network	FY2010 Request	
	FTE	Amount	FTE	Amount	FTE	Amount	Amount	Amount	Amount	FTE	Amount
PERSONAL SERVICES:											
Teaching & Research											
Exec., Admin., Managerial											
Professional	64.6	$3,512,572	66.1	$3,707,676	67.0	$4,026,428				67.0	$4,026,428
Technical											
Office											
Other											
Staff Benefits		1,035,089		1,094,831		1,198,667					1,198,667
Total Personal Services	64.6	$4,547,661	66.1	$4,802,506	67.0	$5,225,095	$0	$0	$0	67.0	$5,225,095
EXPENSE AND EQUIPMENT:											
Fuel and Utilities											
Library Acquisitions											
Equipment								$3,287,000			$3,287,000
All Other		$12,195,451		$13,931,177		$16,496,960	$912,326		$2,692,000		20,101,286
Total Expense & Equipment		$12,195,451		$13,931,177		$16,496,960	$912,326	$3,287,000	$2,692,000		$23,388,286
Grand Total	64.6	$16,743,112	66.1	$18,733,683	67.0	$21,722,055	$912,326	$3,287,000	$2,692,000	67.0	$28,613,381

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 House Bill 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. House Bill 3 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 House Bill 12.

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

	Actual FY2007	Actual FY2008	Projected FY2009	Projected FY 2010
Member Connections (Total MOREnet)	992	1,025	1,030	1,030
Total Access to Missouri Backbone from Member Connections (Gb)	4.721	6.800	9.500	13.300
Network Backbone Capacity Minimum hub-to-hub capacity (Gb)	1.000	1.000	10.000	10.000
Internet Access Capacity (Gb)	2.488	4.220	6.200	7.000
Video Events	15,735	19,489	19,000	19,000

PROGRAM DESCRIPTION

Department of Higher Education
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 over1,000 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.

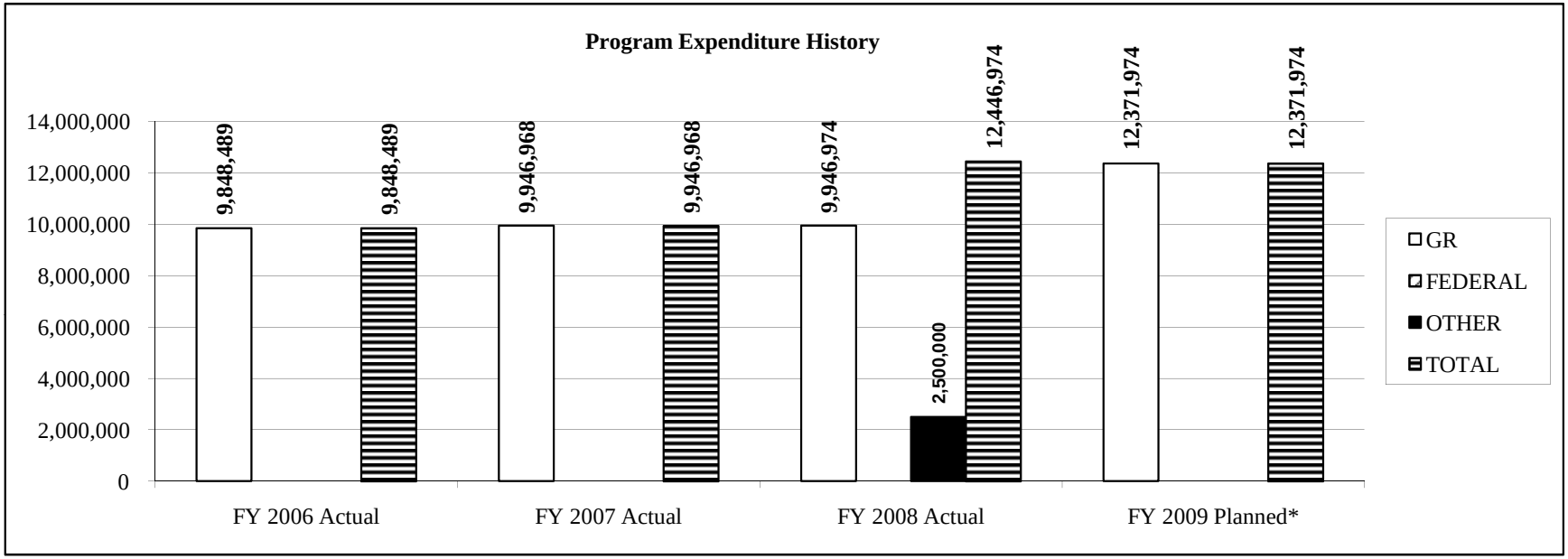
4. Is this a federally mandated program? If yes, please explain.

No

PROGRAM DESCRIPTION

Department of Higher Education
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?

Lottery Proceeds Fund

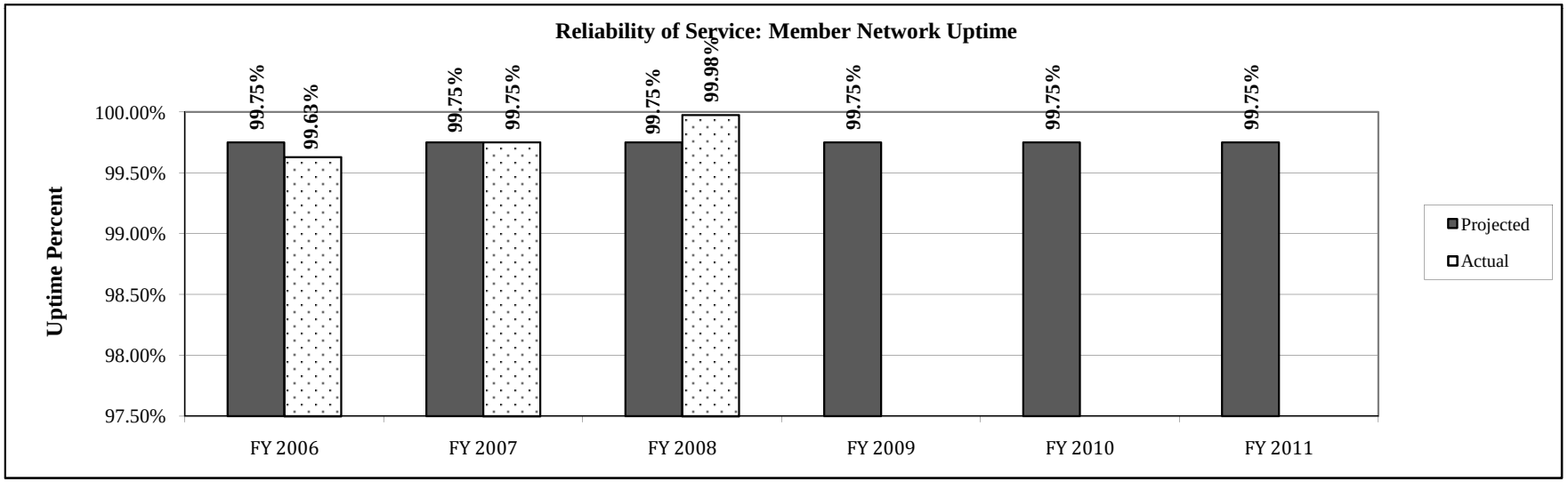
Department of Higher Education
Missouri Research and Education Network (MOREnet)
Program is found in the following core budget(s): MOREnet

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 2006 Projected	FY 2006 Actual	FY 2007 Projected	FY 2007 Actual	FY 2008 Projected	FY 2008 Actual	FY 2009 Projected	FY 2010 Target	FY 2011 Target
Member Network Uptime	99.75%	99.63%	99.75%	99.75%	99.75%	99.98%	99.75%	99.75%	99.75%

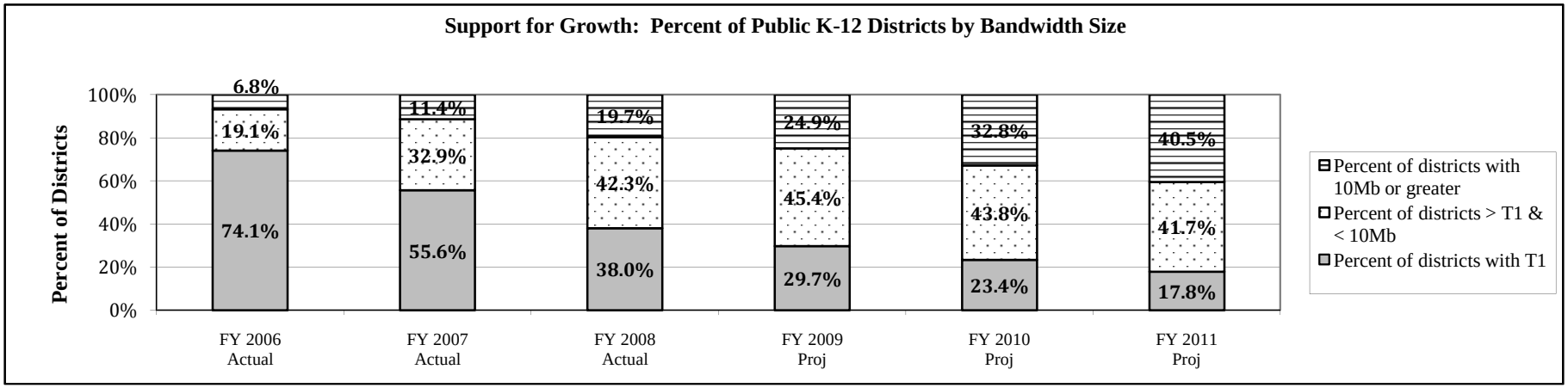


Department of Higher Education
Missouri Research and Education Network (MOREnet)
Program is found in the following core budget(s): MOREnet

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 2006 Projected	FY 2006 Actual	FY 2007 Projected	FY 2007 Actual	FY 2008 Projected	FY 2008 Actual	FY 2009 Target	FY 2010 Target	FY 2011 Target
Pct 10Mb+	5.3%	6.8%	13.6%	11.4%	19.4%	19.7%	24.9%	32.8%	40.5%
Pct > T1 & < 10Mb	19.3%	19.1%	24.4%	32.9%	38.2%	42.3%	45.4%	43.8%	41.7%
Pct with T1	75.4%	74.1%	62.0%	55.6%	41.7%	38.0%	29.7%	23.4%	17.8%



PROGRAM DESCRIPTION

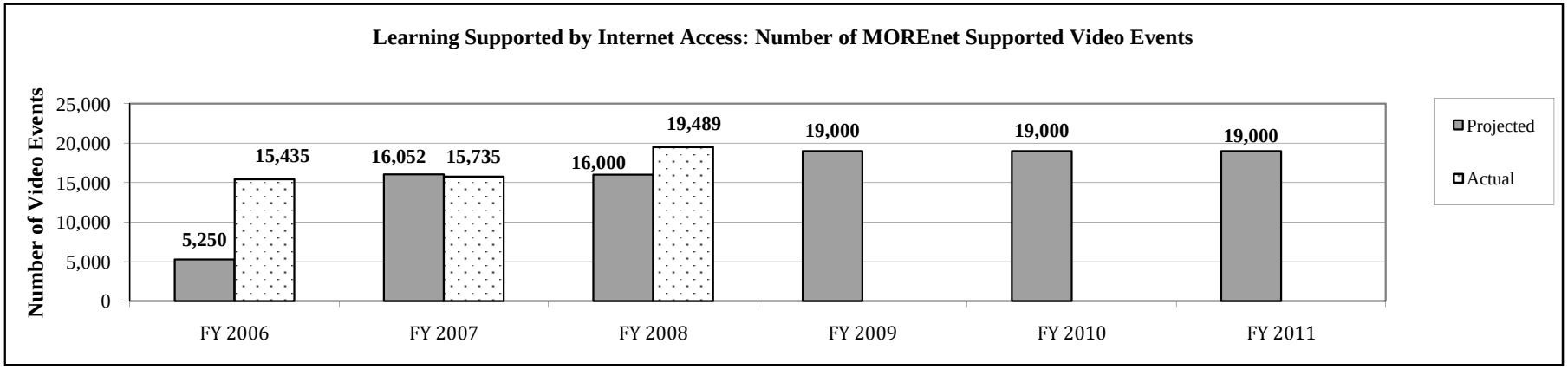
Department of Higher Education
Missouri Research and Education Network (MOREnet)
Program is found in the following core budget(s): MOREnet

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 2006 Projected	FY 2006 Actual	FY 2007 Projected	FY 2007 Actual	FY 2008 Projected	FY 2008 Actual	FY 2009 Target	FY 2010 Target	FY 2011 Target
Video Events	5,250	15,435	16,052	15,735	16,000	19,489	19,000	19,000	19,000
Video Sites*	20,000	51,334	55,441	53,553	53,553	68,112	68,000	68,000	68,000

*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.

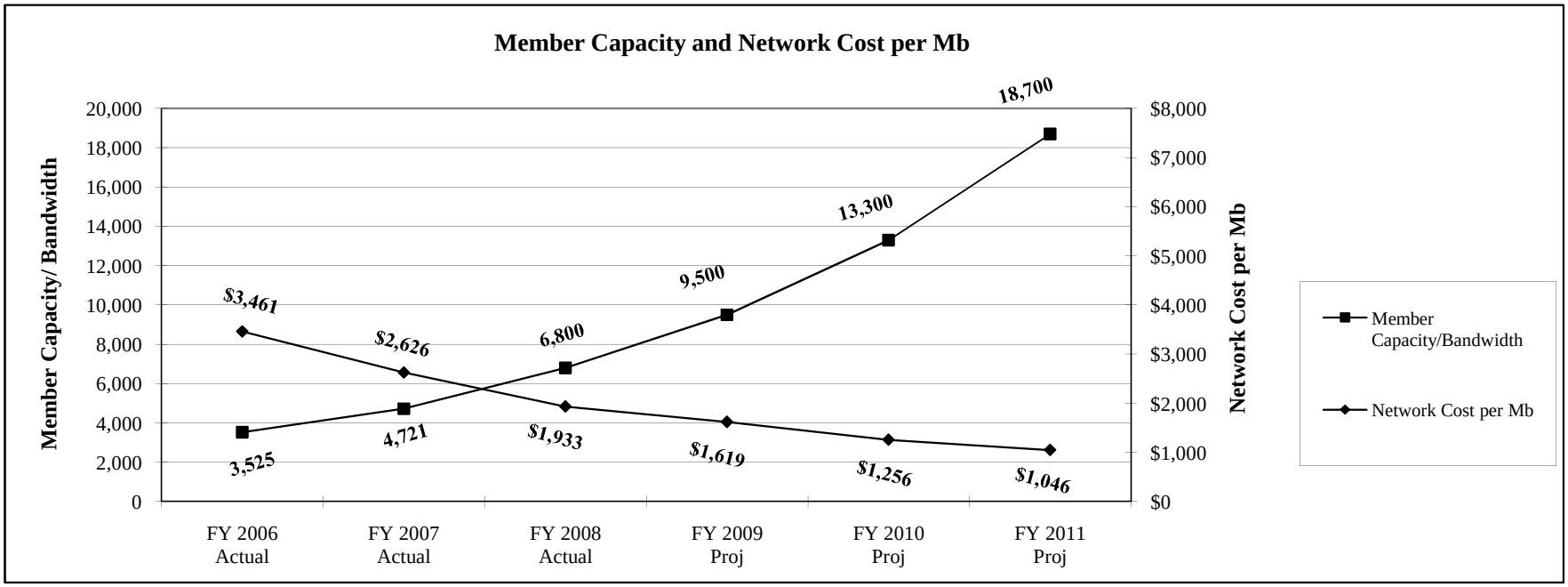
Department of Higher Education
Missouri Research and Education Network (MOREnet)
Program is found in the following core budget(s): MOREnet

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 2006 Projected	FY 2006 Actual	FY 2007 Projected	FY 2007 Actual	FY 2008 Projected	FY 2008 Actual	FY 2009 Target	FY 2010 Target	FY 2011 Target
Member Capacity in Mb	2,950	3,525	4,405	4,721	6,137	6,800	9,500	13,300	18,700
Network Cost per Mb	$4,458	$3,461	$2,782	$2,626	$2,249	$1,933	$1,619	$1,256	$1,046



Department of Higher Education
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.

Program	FY 2006 Projected	FY 2006 Actual	FY 2007 Projected	FY 2007 Actual	FY 2008 Projected	FY 2008 Actual	FY 2009 Target	FY 2010 Target	FY 2011 Target
Public K-12 Districts	513	513	513	516	516	518	519	519	519
Colleges and Universities	66	67	67	67	67	68	66	66	66
Library Districts[1]	132	129	131	131	132	133	134	134	134
Affiliate Members[2]	22	28	26	29	28	38	38	38	38
Total Members	733	737	737	743	743	757	757	757	757

[1] Note: Multiple affiliated library branches are included in member counts as single library district and a single MOREnet member.

[2] Affiliate members include non-profit entities, proprietary higher education institutions (beginning in FY08/FY09), state agencies, and non-degree granting UM entities.

Public	214,574	217,625	217,625	218,278	218,278	223,096	223,096	223,096	223,096
Private Not-For-Profit	103,096	106,610	106,610	108,448	108,448	111,425	111,425	111,425	111,425
Postsecondary Students[3]	317,670	324,235	324,235	326,726	326,726	334,521	334,521	334,521	334,521
Public K-12 Students[4]	859,407	858,674	858,674	869,440	869,440	870,050	870,260	870,260	870,260
Total Students	1,177,077	1,182,909	1,182,909	1,196,166	1,196,166	1,204,571	1,204,781	1,204,781	1,204,781

[3] Student count does not include small specialized non-profit, or for-profit colleges or universities, and is based on headcount enrollment (not full-time equivalent enrollment).

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

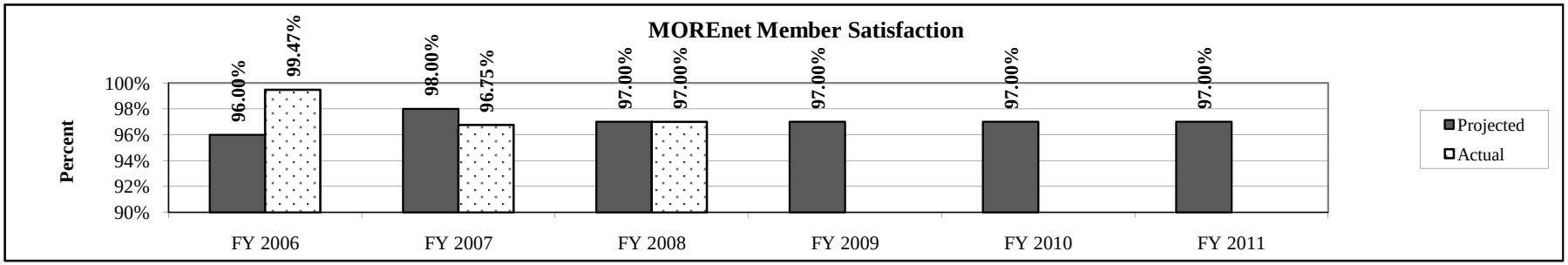
Department of Higher Education
Missouri Research and Education Network (MOREnet)
Program is found in the following core budget(s): MOREnet

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 FY2005 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 2006 Projected	FY 2006 Actual	FY 2007 Projected	FY 2007 Actual	FY 2008 Projected	FY 2008 Actual	FY 2009 Target	FY 2010 Target	FY 2011 Target
Help Desk Satisfaction	96.00%	99.47%	98.00%	96.75%	97.00%	97.00%	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 3**

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 telecommunications, information technology equipment, utilities, and staff compensation. While the personnel policies for MOREnet are the same as those for the general operations of the university, MOREnet does not receive funding from the university for salary increases, or other increasing costs.

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 percent of the state appropriations base to offset the effects of increased costs of operation. Included is a 4 percent compensation pool plus associated employee benefits.

State Appropriations @ 4.2 Percent	$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 & K-12 Connections & Shared Network: $2,692,000**
Decision Item Rank:	**2 of 3**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

Analysis of network usage identifies two areas of significant concern that threaten the services delivered by MOREnet. The first area is the demand from public higher education institutions and K-12 school districts for additional capacity for local telecommunication connections to the shared network. Meeting this demand has an estimated cost increase of $108,000 for higher education and $1,701,000 for K-12 school districts. The second area is the increased demand for shared network capacity to support member connectivity growth, including Internet access and aggregation circuits. Current estimates indicate that it will cost an additional $129,000 to provide adequate Internet access capacity and $754,000 in aggregation circuit capacity in FY2010. Increases in expenses of this magnitude can not be absorbed with existing fund sources. Failure to supply adequate access threatens 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 Connection Capacity

The core appropriation in HB 3 funds local telecommunication connections to the network backbone and Internet for all public colleges and universities and 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. In the past aggressive contract negotiations and migration to new telecommunications technologies in addition to increased member fees have covered much, but not all, of the cost of increased capacity. Reduced market competition in some areas and gaps in telecommunications coverage mean that contract and technology savings are no longer available to offset the costs of growth.

Adequate capacity is necessary to continue to support the significant educational advancements enabled by educational resources/tools such as instructional delivery 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.

Increased Shared Network Capacity

Through FY2009, MOREnet will provide 5,940 megabit per second (Mb) capacity of Internet access in order to meet projected demand. The amount of Internet access needed is determined by member demand, which includes the Office of Administration. Network usage data indicates member usage and demand is continuing to increase. Projections for FY2010 indicate a need to purchase an additional 1,520 Mb of Internet capacity to ensure that the network maintains adequate performance and reliability. In addition, as member capacity grows, additional aggregation circuits are necessary to connect this member capacity to the state network and the Internet.

III. COST EXPLANATION

(Note: cost estimates are best estimates and rounded to thousands.)

Under current telecommunications contracts, the average cost per Mb is lower for larger capacity connections. Because public higher education connections tend to be larger, the average cost per Mb for projected growth is lower.

Increased Cost of Meeting the Capacity Demands of Public Higher Education and K-12 Local Connections - $1,809,000 Ongoing Funding, State Appropriation

Projected additional capacity times average monthly price per Mb:

1) Public Higher Education: (200 Mb x $45 x 12 months) = $108,000 annually
2) Public School Districts: (1,350 Mb x $105 x 12 months) = $1,701,000 annually

Increased Shared Network Capacity - $883,000 Ongoing Funding, State Appropriation

In FY2009 MOREnet will have four Internet access circuits in place with total capacity of 5,940 Mb. Increase in FY2010 Internet access capacity over FY2009 capacity times average monthly price per Mb = (7,460 – 5,940 Mb) x $16 x 12 months, offset by projected contract savings of $13,560 per month = approximately $129,000 annually.

In FY2010 it is projected that several new aggregation circuits will need to be added to support member capacity growth. It is expected that one circuit will be added at $18,330 per month, a second circuit will be added at $14,490 per month, and 10 circuits will be added at $3,000 per month.
Cost = (1 circuit * $18,330/month * 12 months) + (1 circuit * $14,490/month * 12 months) + (10 circuits * $3,000/month * 12 months) = $754,000 annually.

RECURRING FUNDS

PCS	FTE	Compensation	E&E	Total
Instruction				
Research				
Public Service			$2,692,000	$2,692,000
Academic Support				
Student Services				
Institutional Support				
Operation & Maintenance of Plant				
Scholarships & Fellowships				
Total Improvements			**$2,692,000**	**$2,692,000**

From State Appropriations **$2,692,000**

IV. EVALUATION OF OUTCOMES

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

- Increased connection capacity for institutions and schools is driven by 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 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 and 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.

Positive Results - Increased Shared Network Capacity

- Adequate shared network capacity will help minimize network congestion while accessing the shared network and the commodity Internet. Adequate shared network 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 capacity enables the delivery and ensures the quality of distance learning courses that help meet local K-12 graduation requirements and Missouri college and 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.

NEW DECISION ITEM REQUEST

UNRESTRICTED EDUCATIONAL AND GENERAL
FORM 5

Department:	**Higher Education Unrestricted**
Level 2	**University of Missouri System**
Level 3	**Missouri Research and Education Network (MOREnet)**
Decision Item Name:	**One-Time Network, Video and Public K-12 Equipment Replacement: $3,287,000**
Decision Item Rank:	**3 of 3**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

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

There are significant equipment investments necessary for the operation of this shared network. The equipment required includes equipment to aggregate individual member connections as they connect to the network backbone, routing infrastructure to control Internet traffic within and outside the state, equipment to manage Internet traffic coming into and out of the state, and equipment to connect to each member location.

For FY2010 MOREnet will incur major one-time equipment costs for the shared network to keep pace with the 35 percent annual growth in bandwidth from our members, to meet new technology standards, and to replace aging equipment. In addition, the equipment required at each public K-12 connection location must be upgraded to handle greater demand, improve performance and features of the equipment (including security features), and replace equipment no longer supported by the vendor.

In addition, MOREnet manages one of the largest videoconference bridging services found in education, providing the opportunity for all MOREnet members to benefit from the centralized, statewide service. MOREnet has experienced an astonishing 300 percent increase in video event requests since fall 2004. For FY2010 MOREnet will need to upgrade two of the four multi-point conference units (MCU) to support the growth in video services and demand for enhanced high-definition video services, as well as to replace aging equipment near end of life for vendor support.

II. DESCRIPTION

Core Router Technology Refresh -- $2,323,000
The current Cisco 12000 series backbone routers and Cisco 10000 series aggregation routers went into production in 1999. A technology refresh is needed to maintain performance and support the growth in bandwidth, as well as to support the new Internet addressing standards (IPv6). The growth in Internet access, the continued increase of Internet security risks and the need to connect directly with content providers to reduce Internet costs require that we add new network equipment that connects the MOREnet backbone to the Internet.

K-12 Premise Routers -- $730,000
Public school district connections will need router upgrades to support the demand for increased bandwidth and to improve performance and reliability of the member connectivity.

Video Equipment -- $234,000
A video equipment refresh is needed to support the increased use of video services, to support new video standards, including high-definition two-way videoconferencing, and to improve performance and reliability of the video service.

III. COST EXPLANATION

Based on current equipment contract prices, the cost of equipment and first-year maintenance is estimated as follows:

- Backbone routers: 5 routers for a total cost of $1,091,000
- Internet Gateway routers: 2 routers for a total cost of $664,000
- Aggregation routers: 5 routers for a total cost of $568,000
- K-12 premise routers: based on the rate of replacement cost expected for FY08 for a total cost of $730,000
- Video MCUs: 2 for a total cost of $234,000

ONE-TIME FUNDS

PCS	FTE	Compensation	E&E	Total
Instruction				
Research				
Public Service			$3,287,000	$3,287,000
Academic Support				
Student Services				
Institutional Support				
Operation & Maintenance of Plant				
Scholarships & Fellowships				
Total Improvements			**$3,287,000**	**$3,287,000**

From State Appropriations **$3,287,000**

IV. EVALUATION OF OUTCOMES

Positive Results – Core Technology Router Refresh

- Adequate shared network capacity and improved equipment performance and reliability will help minimize network congestion while accessing the shared network and the commodity Internet. Adequate shared network capacity will allow members, students and faculty access to the basic needs of the education community for routine research and access to content to supplement outdated textbooks.
- Increased shared network capacity and improved equipment performance and reliability enables the delivery and ensures the quality of distance learning courses that help meet local K-12 graduation requirements and Missouri college and 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.

Positive Results – K-12 Premise Routers

- 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 reside in the state.
- Adequate and reliable local capacity will allow members, students and faculty access to the basic needs of the education community for routine research, as well as access to content information to supplement outdated textbooks.
- Adequate and reliable local capacity enables the delivery and ensures the quality of distance learning courses that help meet local K-12 graduation requirements and Missouri college and 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.

Positive Results – Video Equipment

- Upgraded video equipment will promote the continued provision of high-quality and reliable video services for the support of a multitude of distance learning, for-credit classes that help Missouri students meet graduation requirements, including college and university entrance requirements.
- A video equipment upgrade will allow MOREnet to offer high-definition video services that allow for a higher-quality video experience and enable new applications of videoconferencing technologies.
- A video equipment upgrade will address redundancy and fail-over needs, enabling a more reliable videoconferencing service.
- An improved video service will continue to support members who use videoconferencing for administrative meetings to avoid travel time and expenses.

PROGRAM EXPENDITURES AND REVENUE SUMMARY

FORM 1

MISSOURI TELEHEALTH NETWORK

	FY2007 Actual *	FY2008 Actual *	FY2009 Planned & FY2010 Core	Increase for Sustaining Quality & Service	FY2010 Request
EXPENDITURES:					
Program Operations		$407,400	$857,640	$36,021	$893,661
Total Expenditures	$0	$407,400	$857,640	$36,021	$893,661
FTE Employees	0.0	4.4	7.7		7.7
SOURCES OF FUNDS:					
State Appropriations					
Recurring - GR		$407,400	$420,000	$17,640	$437,640
Recurring - Healthy Families Trust			437,640	18,381	456,021
Total State Appropriations	$0	$407,400	$857,640	$36,021	$893,661

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

PERSONAL SERVICES AND EXPENSE AND EQUIPMENT DETAIL

FORM 3

MISSOURI TELEHEALTH NETWORK

	FY2008 Actual		FY2009 Planned & FY2010 Core		Increase for Sustaining Quality & Service	FY2010 Request	
	FTE	Amount	FTE	Amount	Amount	FTE	Amount
PERSONAL SERVICES:							
Teaching & Research	0.2	$45,955	0.2	$51,638	$2,066	0.2	$53,704
Exec., Admin., Managerial	1.1	70,058	1.2	81,626	3,265	1.2	84,891
Professional	1.2	59,662	3.0	124,437	4,977	3.0	129,414
Technical	0.4	13,806	1.5	42,919	1,717	1.5	44,636
Office	1.5	41,674	1.8	67,642	2,706	1.8	70,348
Other				30,000	0		30,000
Staff Benefits		53,310		90,962	3,638		94,600
Total Personal Services	4.4	$284,465	7.7	$489,224	$18,369	7.7	$507,593
EXPENSE AND EQUIPMENT:							
Equipment		$73,750		$0	$0		$0
All Other		49,185		368,416	17,652		386,068
Total Expense & Equipment		$122,935		$368,416	$17,652		$386,068
Grand Tot	4.4	$407,400	7.7	$857,640	$36,021	7.7	$893,661

* 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.

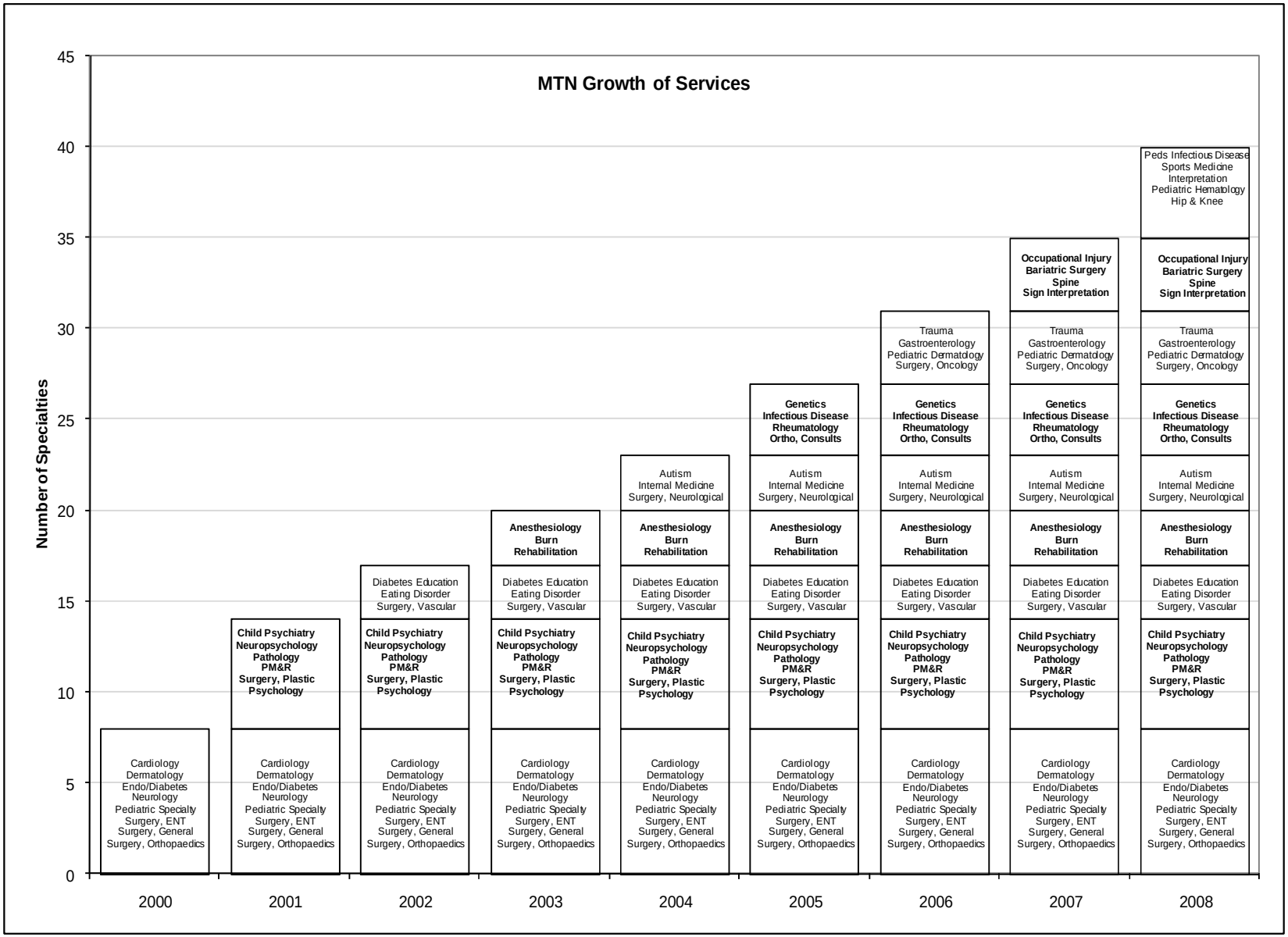
The project has four major objectives: 1) to provide high quality specialty care in rural or other underserved communities through the use of digital telecommunications technology; 2) to be available for biological attack preparedness and response; 3) to provide continuing medical education (CME) required 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. Over 200 health professionals received Continuing Medical Education on the network in FY2008.

The Missouri Telehealth Network currently has 150 sites statewide in 47 counties and the City of St. Louis. In 2008, University of Missouri Health Care providers conducted more than 2,800 clinical encounters in 20 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.

The following chart shows growth in specialty services provided by the Missouri Telehealth Network prior to receiving recurring appropriations in FY2008 and the five new services that were added in FY2008, Pediatric Infectious Disease, Sports Medicine, Interpretive Services, Pediatric Hematology and Hip & Knee specialties. 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.


MTN Growth of Services
Number of Specialties
45
40
35
30
25
20
15
10
5
0
2000
2001
2002
2003
2004
2005
2006
2007
2008
Cardiology
Dermatology
Endo/Diabetes
Neurology
Pediatric Specialty
Surgery, ENT
Surgery, General
Surgery, Orthopaedics
Child Psychiatry
Neuropsychology
Pathology
PM&R
Surgery, Plastic
Psychology
Diabetes Education
Eating Disorder
Surgery, Vascular
Anesthesiology
Burn
Rehabilitation
Autism
Internal Medicine
Surgery, Neurological
Genetics
Infectious Disease
Rheumatology
Ortho, Consults
Trauma
Gastroenterology
Pediatric Dermatology
Surgery, Oncology
Occupational Injury
Bariatric Surgery
Spine
Sign Interpretation
Peds Infectious Disease
Sports Medicine
Interpretation
Pediatric Hematology
Hip & Knee

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:

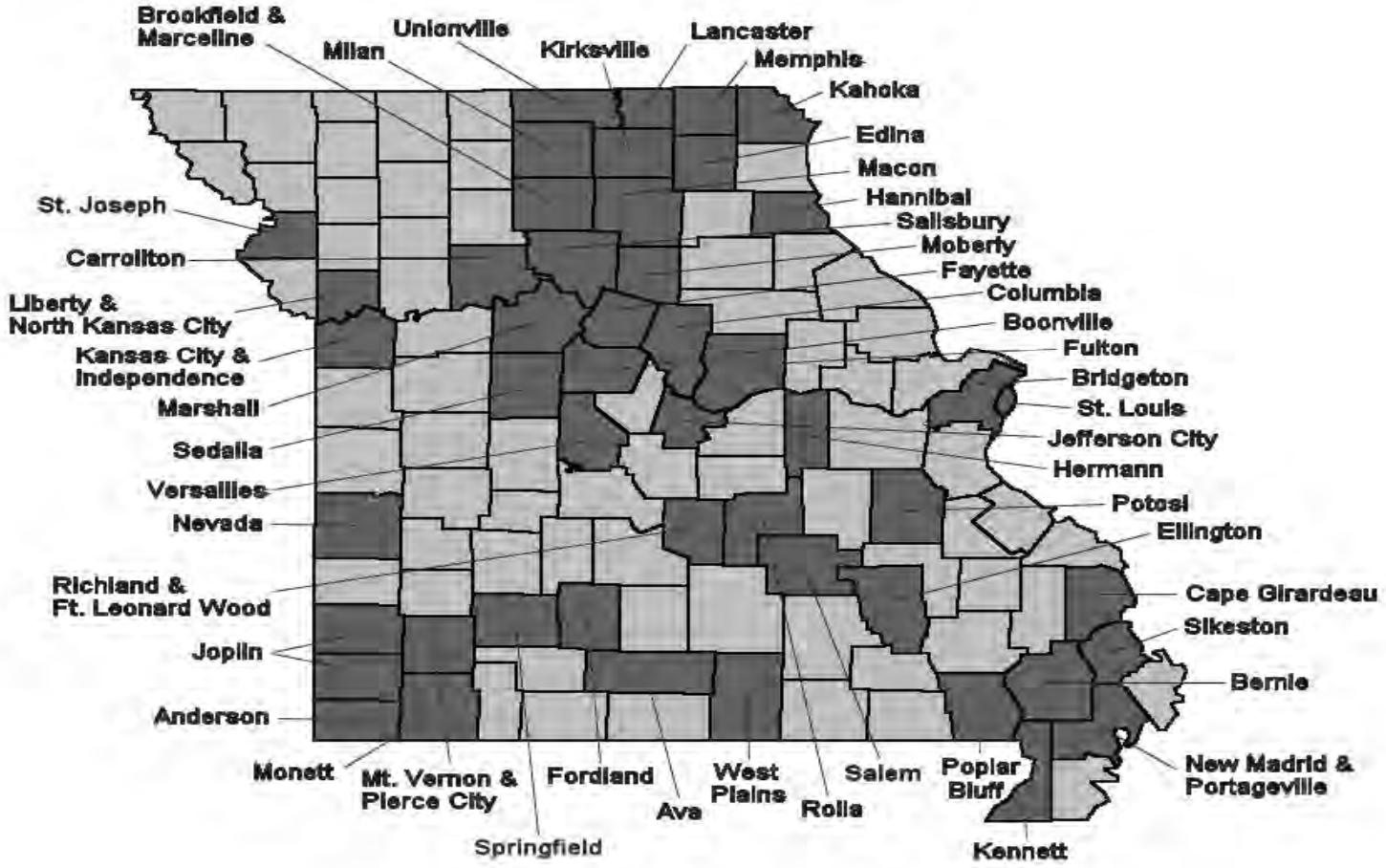
Under a pilot program with Medicaid between September 2004 and June 2005 it is estimated that MTN saved the Medicaid program $29,000 in transportation charges on 116 cases in 20 Missouri counties. This is calculated by using the rounded average cost of transportation ($250) per Medicaid patient multiplied 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.

The Missouri Department of Health and Senior Services provided five different educational seminars in which a total of 67 telehealth sites signed up for participation. The topics included Mass Casualty Management, Psychological Consequences of Terrorism, Dirty Bombs, Pulmonary Agents and ESSENCE.

The map on the following page shows the 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 (MTN) 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 150 sites statewide in 47 counties and the City of St. Louis. In 2008, University of Missouri Health Care providers conducted more than 2,800 clinical encounters in 20 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.

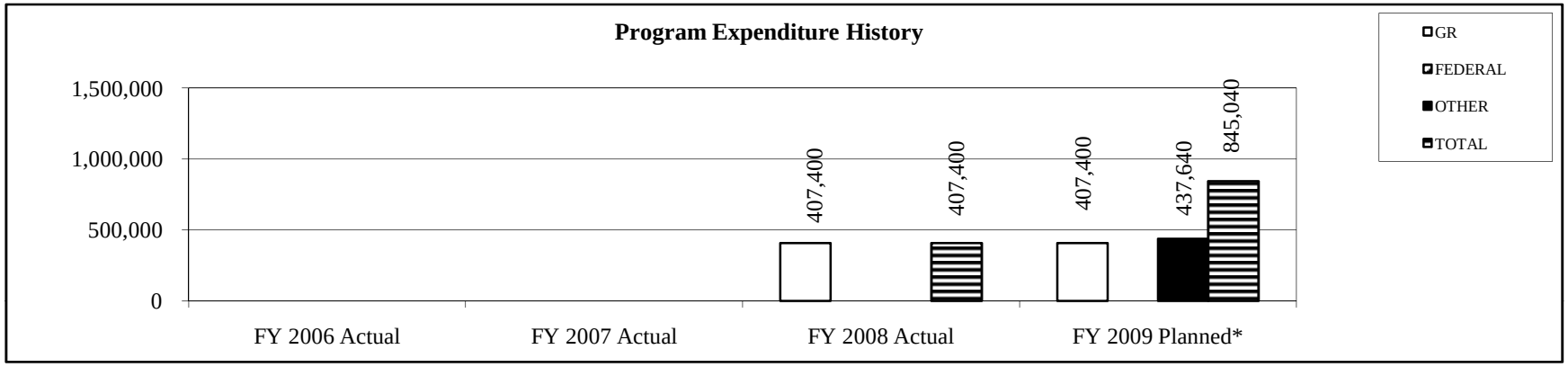
4. Is this a federally mandated program? If yes, please explain.

This is not a federally mandated program.

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

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?

Other appropriated funds are from Healthy Families Trust Fund. In addition, other non-state funds to support the Telehealth mission are provided by University of Missouri Health Care, and federal, state, and other agency grants.

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

7a. Provide an effectiveness measure.

Data from payor sources was collected to reveal that utilization of telehealth saved Missourians significant travel time and dollars. In FY2008, nearly 3,000 round trips from rural areas of Missouri to specialists' clinics in Columbia and Kirksville were avoided resulting in saved fuel costs of over $300,000. The average savings per trip was $116. (These calculations use the federal mileage reimbursement rate of 58.5¢ per mile.) Over 575,000 miles of travel were avoided because of the availability of telehealth to these rural communities.

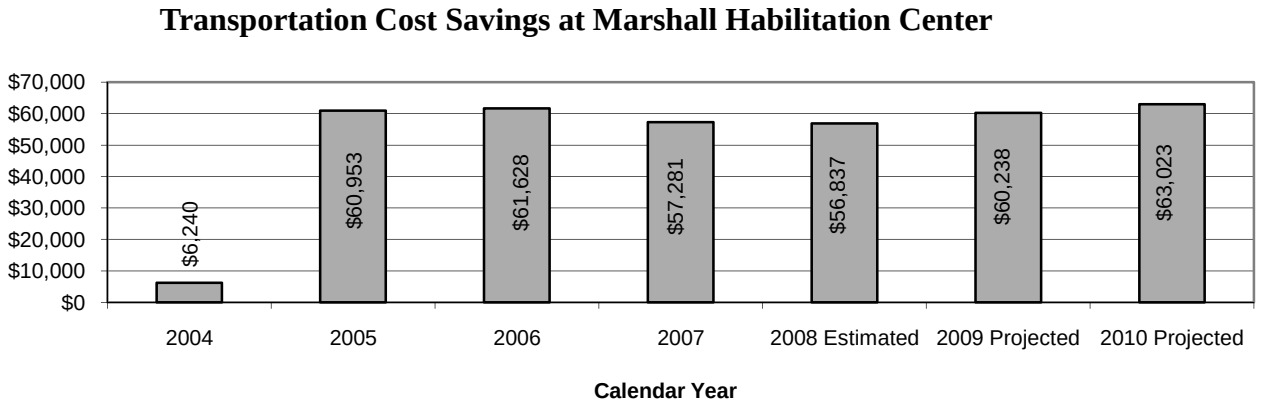
	MO HealthNet Patients	All Patients
Number of Trips	764	2,892
Number of Miles	140,748	577,272
Total Dollars	$82,337	$337,704

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 $500 per patient. Equipment was placed at MHC in 2004, and through July 2007, 582 trips have been avoided, resulting in approximately $60,000 annual savings to Missouri taxpayers. Savings are significant, but equally important is the improved 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.



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

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

Number of clients receiving telehealth services

Year	Number
2007 Actual	2,892
2008 Estimated	3,000
2009 Projected	3,200
2010 Projected	3,400

Number of providers receiving Continuing Medical Education

Year	Number
2007 Actual	175
2008 Estimated	214
2009 Projected	246
2010 Projected	282

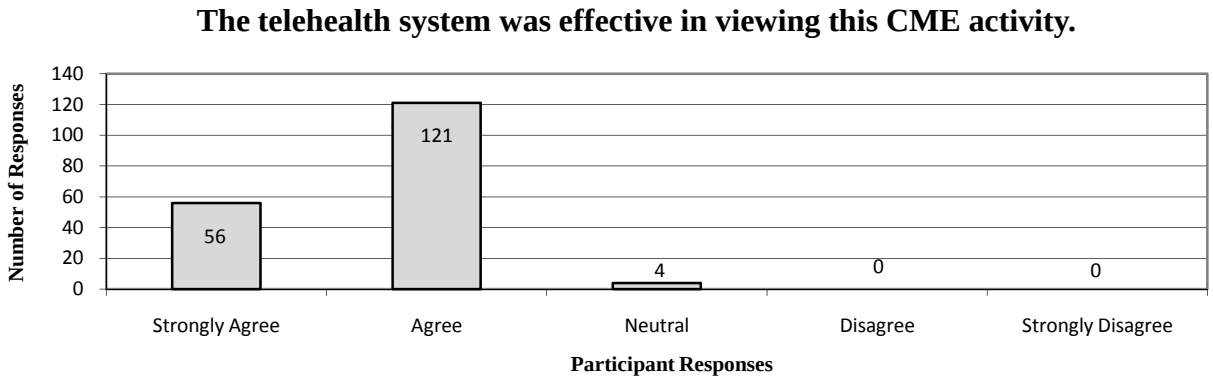
Number of clients receiving teleradiology services

Year	Number
2007 Actual	13,129
2008 Estimated	9,000
2009 Projected	10,000
2010 Projected	11,000

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

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

Satisfaction data was collected on Continuing Medical Education (CME) activities that were viewed utilizing the telehealth equipment. During FY2008, 91 CME activities were broadcast out to 214 professionals, ranging from physicians and nurse practitioners to community support specialists and school counselors. The chart below represents the satisfaction of the professionals who utilized the telehealth equipment to participate in the CME activities.



Comments from rural providers about the video CME presentations were favorable indicating it was a pleasure to tune in from their clinic and it should help with communication about patients with other counties.

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: $36,021**
Decision Item Rank: **1 of 1**

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.

II. DESCRIPTION

The Missouri Telehealth Network currently has 150 sites statewide in 47 counties and the City of St. Louis. In 2008, University of Missouri Health Care providers conducted more than 2,800 clinical encounters in 20 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 percent on the state appropriation base is requested.

III. COST EXPLANATION

Total Increase for Sustaining Quality and Service	$36,021
State Appropriations @ 4.2 percent	$36,021

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: $460,900**
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 percent of the appropriation for research.

The request for FY2010 is $460,900 based on $200,000 and a projected Consumer Price Index of 209.5. The request for research funds is $419,000, and the request for administrative funds is $41,900, 10 percent 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

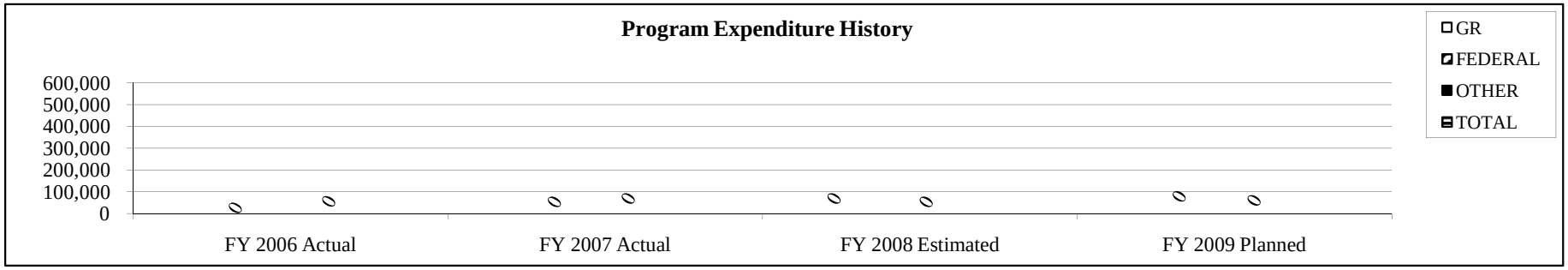
3. Are there federal matching requirements? If yes, please explain.

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.



In FY2005 the program received and expended $206,770 in state appropriations. No appropriations have been provided for this program since FY2005.

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

N/A

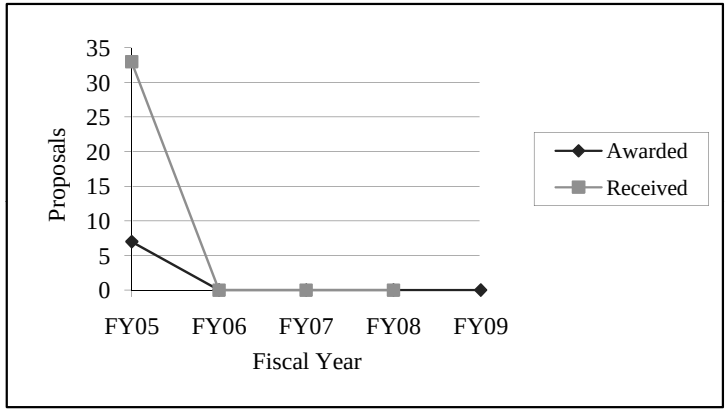
PROGRAM DESCRIPTION

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 05		FY 06		FY 07		FY 08		FY 09	
Received	Awarded	Received	Awarded	Received	Awarded	Received	Awarded	Proj Rec'd	Proj Award
33	7	0	0	0	0	0	0	0	0



7b. Provide an efficiency measure.

Average award per proposal

FY 05		FY 06		FY 07		FY 08		FY 09	
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
$205,000	$29,000	$0	$0	$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 Statistical Center, approximately 256,000 persons in the United States are living with a spinal cord injury or dysfunction, with about 12,000 new cases each year. Most experts agree that 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 are not included. The majority (78 percent) of spinal cord injury victims are males. Most of the injuries result from motor vehicle accidents (42 percent), falls (27 percent), violence (15 percent), or sports injuries (7 percent).

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 FY2010 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 acquired 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

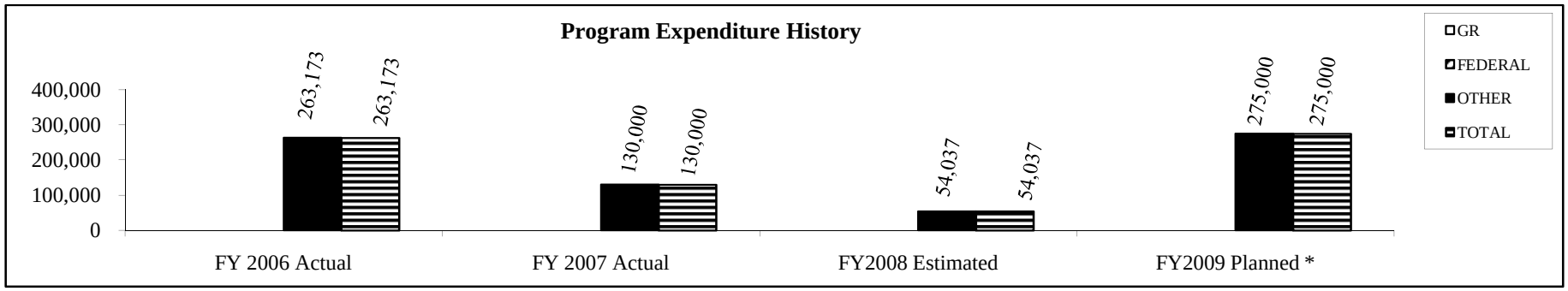
3. Are there federal matching requirements? If yes, please explain.

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 06		FY 07		FY 08		FY 09		FY 10		FY 11	
Received	Awarded	Received	Awarded	Received	Awarded	Proj Rec'd	Proj Award	Proj Rec'd	Proj Award	Proj Rec'd	Proj Award
5	4	4	3	4	1	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 06		FY 07		FY 08		FY 09		FY 10		FY 11	
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
$200,000	$50,000	$150,000	$50,000	$47,318	$47,318	$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 Principal 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: $3,250,000**
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 FY2010 the university is requesting $3,000,000 in principal that will need to be reinvested during the fiscal year in Government Securities held in the Seminary Fund and $250,000 in earnings from principal held in the Seminary Fund.

	FY2008 Appropriation	FY2009 Appropriation	FY2010 Request
To Cover Investment in Government Securities	$3,000,000	$3,000,000	$3,000,000
To Cover Investment Earnings from Principal Held in the Seminary Fund	$250,000	$250,000	$250,000

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

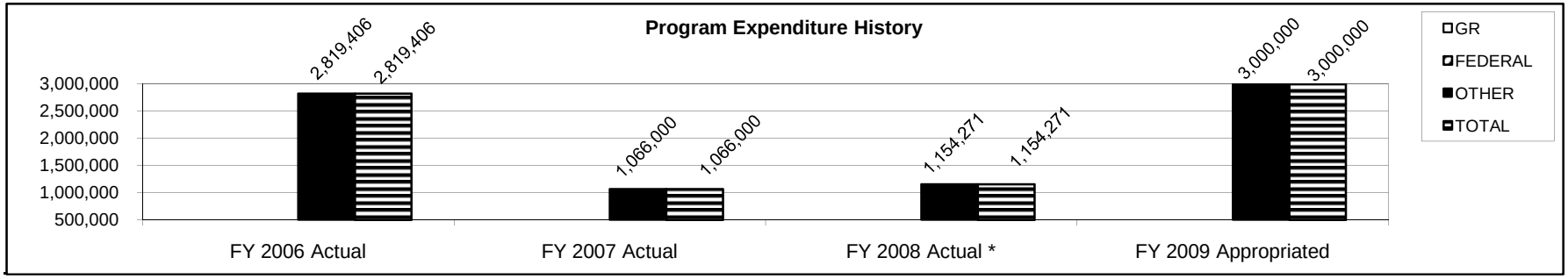
3. Are there federal matching requirements? If yes, please explain.

No

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

No

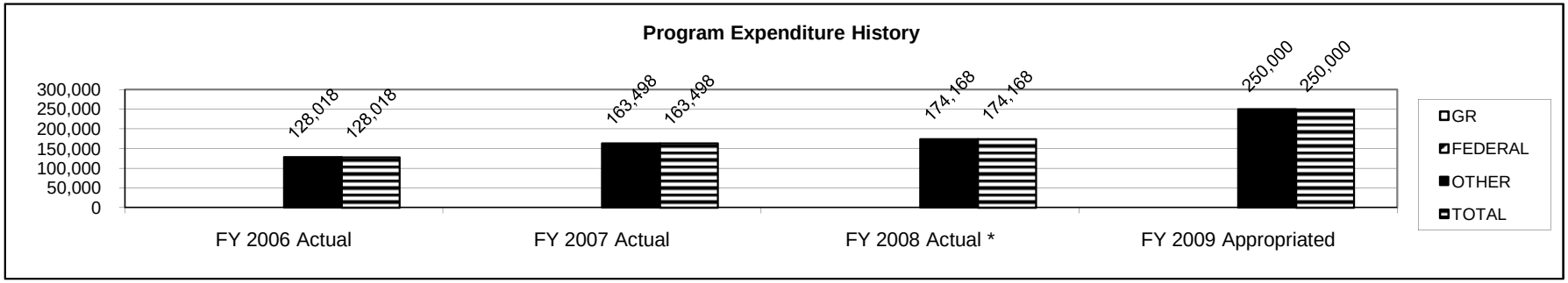
5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.



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.
* The purchase was made in FY2008 but the cash was received in FY2009.

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

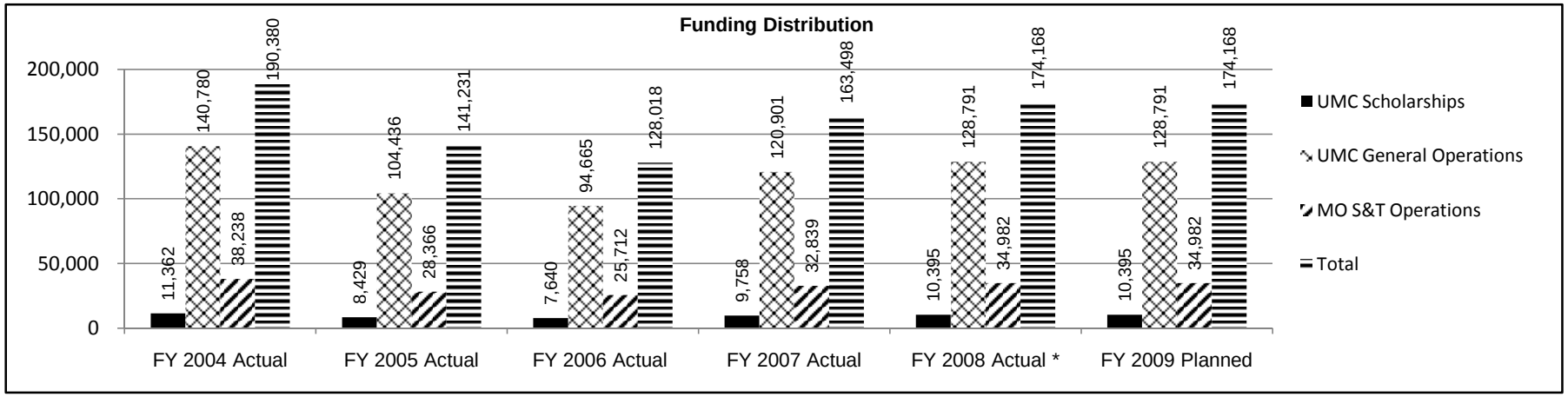


The expenditures in the graph above represent interest from investments made by the university. The interest is used to fund operations at University of Missouri-Columbia (UMC) and Missouri University of Science and Technology (MO S&T) campuses and to fund some scholarships.
* Includes $61,862 of the FY2008 earnings that was received in FY2009.

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

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

7a. Provide an effectiveness measure.



* Includes $61,862 of the FY2008 earnings that was distributed in FY2009.

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

7b. Provide an efficiency measure.
N/A

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

UNRESTRICTED EDUCATIONAL AND GENERAL
FORM 5

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

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

The MOBIUS Consortium Office was founded in 1998 with its primary mission to develop and manage a single statewide library system available for use by all higher education institutions, both public and private institutions, and 2 year and 4 year institutions. This system is known as the Common Library Platform (CLP) and was initially funded by the state.

At its inception the CLP allowed 50 of the state's public and private academic institutions to combine their library catalogs into one catalog containing 10 million items. Over the past 9 years this union catalog has grown to include over 20 million items from 62 institutions serving over 750,000 people from the higher education community and the state's populace.

The CLP creates a virtual collection of the more than 20 million items contained in the libraries of MOBIUS member institutions and creates a single user interface that allows patrons to request library materials using any personal computer in any location with access to the Internet. The MOBIUS Consortium Office also contracts for a delivery courier service to move library materials between member libraries; negotiates and manages contracts for electronic full text journals and books, electronic databases, and print materials. Until FY2006 MOBIUS received a state appropriation. Member fees cannot rise sufficiently to cover new capital investment and maintenance. MOBIUS is now supported entirely by member fees.

As time has passed two issues have emerged. First, as library users across the state and nation have become more conversant with the Internet they expect to find information more easily. Next generation library software has been developed which provides for improved Internet search capabilities, social networking, and the ability to customize interfaces to a richer array of content. We need to make this enhanced access available. Secondly, the software configuration in the individual cluster catalogs, which make up the union catalog, has become unbalanced. With limited central source state funding available, individual institutions paid for additional software for their institution and/or cluster as local resources allowed. This request will help alleviate some of this imbalance by remedying the most glaring software deficits in the system as well as provide new overlay software to enhance all users' abilities to more fully take advantage of the vast resources available in the CLP.

II. DESCRIPTION

This request is for the purchase, implementation, and maintenance of software for the CLP to allow users to more easily locate and acquire resources owned by the MOBIUS Consortium member institutions.

III. COST EXPLANATION

RECURRING FUNDS

PCS	FTE	Compensation	E&E	Total
Instruction				
Research				
Public Service				
Academic Support (Libraries)			$500,000	$500,000
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				
Academic Support (Libraries)			$2,000,000	$2,000,000
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 and has continued to attract interest and attention. Not only has it grown to 62 academic libraries from an original core of 50 but the success and advantages of this program for the citizens of Missouri has been noticed outside of the academic community. Recently Missouri public and non-higher education affiliated research libraries have approached MOBIUS to explore membership opportunities. Needless to say such expansion would substantially enhance the resources of the CLP.

In today's fast moving digital world even a successful operation cannot remain complacent. Accordingly, MOBIUS is currently putting together metrics to allow us to continue to enhance our provision of services and more clearly identify our impact on local communities and academic institutions.

PROGRAM EXPENDITURES AND REVENUE SUMMARY

FORM 1

State Historical Society of Missouri

	FY2007 Actual	FY2008 Actual	FY2009 Planned & FY2010 Core	Increase for Sustaining Quality & Service	Increase for Enhancing Missouri's Future *	FY2010 Request
EXPENDITURES:						
Program Operations	$988,969	$1,473,974	$1,619,561	$68,022	$474,600	$2,162,183
Total Expenditures	$988,969	$1,473,974	$1,619,561	$68,022	$474,600	$2,162,183
FTE Employees	21.2	25.2	26.7		4.0	30.7
SOURCES OF FUNDS:						
State Appropriations	$988,969	$1,473,974	$1,619,561	$68,022	$474,600	$2,162,183
Total Sources	$988,969	$1,473,974	$1,619,561	$68,022	$474,600	$2,162,183

* 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

	FY2007 Actual		FY2008 Actual		FY2009 Planned & FY2010 Core		Increase for Sustaining Quality & Service	Increase for Enhancing Missouri's Future *		FY2010 Request	
	FTE	Amount		Amount	FTE	Amount	Amount	FTE	Amount	FTE	Amount
PERSONAL SERVICES:											
Teaching and Research	0.6	$73,906	0.7	$82,244	0.7	$83,889	$3,356	1.0	$40,233	1.7	$127,478
Exec., Admin., Managerial	1.0	63,568	1.0	68,978	1.0	70,358	2,814			1.0	73,172
Professional	14.0	386,966	18.0	582,681	19.0	694,224	27,769	3.0	230,699	22.0	952,692
Technical											
Office	4.8	106,792	4.0	113,274	4.0	101,755	4,070			4.0	105,825
Service			0.7	16,990	1.0	18,347	734			1.0	19,081
Student	0.8	11,771	0.8	20,474	1.0	25,592	1,024			1.0	26,616
Staff Benefits		187,457		257,416		267,713	10,709		46,668		325,090
Total Personal Services	21.2	$830,460	25.2	$1,142,057	26.7	$1,261,877	$50,476	4.0	$317,600	30.7	$1,629,953
EXPENSE AND EQUIPMENT:											
Library Acquisitions											
Withholding Reserve											
All Other		$158,509		$331,917		$357,684	$17,546		$157,000		$532,230
Total Expense & Equip.		$158,509		$331,917		$357,684	$17,546		$157,000		$532,230
Grand Total	21.2	$988,969	25.2	$1,473,974	26.7	$1,619,561	$68,022	4.0	$474,600	30.7	$2,162,183

* 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

	FY2008	FY2009	FY2010
Patrons Assisted in Society Quarters	10,752	10,860	10,969
Research Contacts (letters, fax, e-mail, phone)	7,990	8,070	8,151
Administrative & Business Contacts (letters, fax, e-mail, phone)	14,413	14,557	14,703
In-house Tours Given	86	87	88
Web Site Visitors	184,576	193,805	203,495
Staff Outreach Events (off-site)	41	42	43
Staff Outreach Audience (off-site)	1,594	1,610	1,626
Speakers' Bureau Presentations	116	128	141

III. PERFORMANCE AND ACTIVITY MEASURES (Continued)

	FY2008	FY2009	FY2010
Speakers' Bureau Audience	3,832	4,215	4,637
Students Participating in History Day program	2,327	2,350	2,374
Books Used	30,375	30,679	30,986
Indexes and Printed Newspapers Used	1,583	1,599	1,615
Microfilm Used	49,778	50,276	50,779
Photographic Requests Filled for Patrons	210	212	214
Interlibrary Loan Requests Filled	1,451	1,466	1,481
Reels of Microfilm Sent on Interlibrary Loan	1,858	1,877	1,896
Acquisitions:			
Newspaper Microfilm Reels	540	543	548
Books	634	637	640
Artworks	93	94	95
Missouri Official Publications	1,182	1,188	1,194
Serial Publications & Microfilm	2,733	2,747	2,761
Maps/Atlases	32	33	34
Miscellaneous	1,017	1,022	1,027
Books Catalogued	3,108	3,139	3,170
Copies of *Missouri Historical Review* Printed	22,780	23,008	23,238
Copies of *Missouri Times* Printed	28,750	28,979	29,269
Exhibits and Displays Produced	15	16	17
Workshops & Public Programs	24	25	26
Membership Records Maintained	5,248	5,300	5,353

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

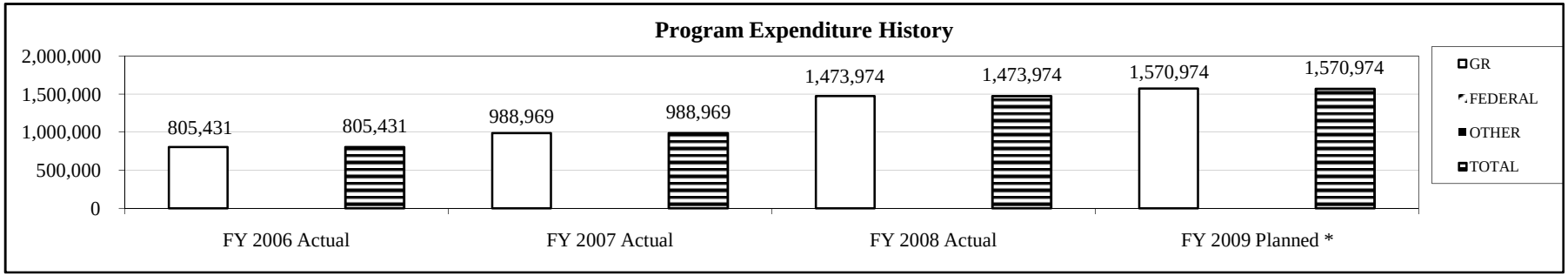
3. Are there federal matching requirements? If yes, please explain.

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?

FY2006 Projected	FY2006 Actual	FY2007 Projected	FY2007 Actual	FY2008 Projected	FY2008 Actual	FY2009 Target	FY2010 Target	FY2011 Target
17,442	14,239	14,381	11,536	11,651	10,752	10,860	10,969	11,079

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

FY2006 Projected	FY2006 Actual	FY2007 Projected	FY2007 Actual	FY2008 Projected	FY2008 Actual	FY2009 Target	FY2010 Target	FY2011 Target
33,360	21,176	21,388	18,568	18,754	22,403	22,627	22,853	23,082

7b. Provide an efficiency measure.

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

FY2006 Projected	FY2006 Actual	FY2007 Projected	FY2007 Actual	FY2008 Projected	FY2008 Actual	FY2009 Target	FY2010 Target	FY2011 Target
1,938	1,582	1,598	1,442	1,295	1,195	1,207	1,219	1,231

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)?

FY2006 Projected	FY2006 Actual	FY2007 Projected	FY2007 Actual	FY2008 Projected	FY2008 Actual	FY2009 Target	FY2010 Target	FY2011 Target
5,690	4,941	4,990	11,437	9,819	11,274	11,838	12,430	13,051

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

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

FY2006 Projected	FY2006 Actual	FY2007 Projected	FY2007 Actual	FY2008 Projected	FY2008 Actual	FY2009 Target	FY2010 Target	FY2011 Target
92,189	79,049	79,839	198,405	200,389	225,484	236,758	248,596	261,026

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: $68,022**
Decision Item Rank: **1 of 3**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

The State Historical Society of Missouri is directed by statute to collect, preserve, make accessible, and publish materials pertaining to the history of Missouri and western America. The society has worked hard to contain costs and reduce expenses through administrative efficiencies and innovation. However, even with a significant addition to its core budget in FY2008 and a slight increase in FY2009, 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, 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 are fixed cost increases associated with insurance, library materials, information technology equipment, and supplies and services. Lack of additional funding limits 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. An adjustment of 4.2 percent on the state appropriation base is requested 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.

III. COST EXPLANATION

Salaries @ 4.0 Percent Plus Related Benefits	$50,476
Expense and Equipment	17,546
Total from State Appropriations	$68,022

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 to Address Historical Underfunding of the State Historical Society: $205,000**
Decision Item Rank: **2 of 3**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

The State Historical Society of Missouri is directed by statute to collect, preserve, make accessible, and publish materials pertaining to the history of Missouri and western America. The society has worked hard to contain costs and reduce expenses through administrative efficiencies and innovation. However, even with a significant addition to its core budget in FY2008 and a slight increase in FY2009, the society struggles to overcome historical underfunding.

II. DESCRIPTION

Staff Salary Equity
Salaries of society staff members remain significantly below that of similarly-trained individuals in similar jobs at the University of Missouri and state government. To address this issue, the society requests $110,000 increase to the core salary and benefits for State Historical Society of Missouri employees. This is the third year of a three-year effort.

History Day Support
The society requests $10,000 to fund five regional National History Day workshops in different parts of the state. Teachers and students from grades 6-12 will be invited to these society-hosted workshops where strategies for conceptualizing and completing National History Day projects will be discussed. 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.

Travel and Postage
Historical underfunding of the society has resulted in a reduction in 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 costs related to dramatic increases in the volume of mail sent by the society.

Preservation Filming of Art Work

An increase is needed to begin the systematic preservation filming of more than 12,000 pieces of artwork in the society's art collection. The preservation filming of approximately 50 pieces of artwork annually at $300 per item requires a $15,000 increase.

Equipment Purchases and Upgrades

Due to historical underfunding and a dramatic increase in staff and patron usage of online indexes and databases, the society needs additional appropriations to purchase and upgrade equipment. This request of $50,000 will be used to create a revolving fund to purchase new microfilm reader/printers, computers, printers, scanners and cameras for society staff and patron use.

III. COST EXPLANATION

Salaries Plus Related Benefits	$110,000
Cost of History Day Workshops	10,000
Travel Allocation Increase	10,000
Postage	10,000
Preservation Filming of Art Work	15,000
Equipment Purchase and Upgrade	50,000
Total from State Appropriations	$205,000

IV. EVALUATION OF OUTCOMES

The salary and benefit funds will become a permanent part of the core for staff of the State Historical Society of Missouri. 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 and/or in state government.

History Day funds will become a permanent part of the core budget of the State Historical Society of Missouri. Workshops for teachers and students will be held annually in five different regions of the state.

The expense and equipment funds will become a permanent part of the core of the State Historical Society of Missouri budget, allowing the society to:

- fund its print communication needs.
- travel to meet the needs of its patrons across the state.
- systematically film the society's artwork for preservation and study.
- maintain an inventory of state-of-the-art equipment for society staff and patrons.
- meet the needs requested by society patrons.

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: **New Staff and Collection Needs: $269,600**
Decision Item Rank: **3 of 3**

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

The State Historical Society of Missouri is directed by statute to collect, preserve, make accessible, and publish materials pertaining to the history of Missouri and western America. The society has worked hard to contain costs and reduce expenses through administrative efficiencies and innovation. 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, funding is needed to expand the society's research collections.

II. DESCRIPTION

History Day Coordinator
The society requests funding to hire a well-trained, full-time history day coordinator. 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.

Registrar for the Art Collection
The society has a world-class, and growing, collection of more than 12,000 artworks, and there is a need for a full-time registrar to manage records, process loan requests, and handle the growing demand of scholars, students and historians to study the artworks.

Educational Outreach Specialist
The society needs a full-time educational outreach person to 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.

Research Collections
Additional funds of $50,000 are needed to purchase copies of primary-source collections pertaining to Missouri history held by the National Archives and other such repositories.

Center for Missouri Studies Fellow

The society needs additional funds for a full-time Missouri history scholar. The Center for Missouri Studies fellow will devote him/herself to researching Missouri history topics and making public presentations and writing articles on Missouri history.

III. COST EXPLANATION

History Day Coordinator Salary Plus Related Benefits	$ 51,900
Registrar Salary Plus Related Benefits	51,900
Educational Outreach Salary Plus Related Benefits	51,900
Expense and Equipment for New Staff @ $3,000 Each	12,000
Research Collections	50,000
Center of Missouri Studies Fellow Salary Plus Related Benefits	51,900
Total from State Appropriations	$ 269,600
Total Compensation	$ 207,600
Total Expense & Equipment	62,000
Total from State Appropriations	$ 269,600
Total FTE	4

IV. EVALUATION OF OUTCOMES

The salary and benefit funds will become a permanent part of the core for the State Historical Society of Missouri and enable the society to address the following growing needs:

- To facilitate and expand student and teacher participation in National History Day activities and competition.
- To establish and maintain an active and up-to-date inventory of society-owned artwork, to identify artwork conservation needs, and to manage paperwork associated with the acquisition and loan of valuable pieces of artwork.
- To expand the society's public programming and develop Missouri history curricular materials for children, youth, and adults.
- To acquire and make available to researchers the most recently available primary resource material on Missourians and their history.
- To foster primary research on Missouri history and culture and to disseminate research results.