

# **Appropriations Request for Operations**

**University of Missouri System**

**Fiscal Year 2007**



**UNIVERSITY OF MISSOURI SYSTEM**

**FY2007 APPROPRIATIONS REQUEST FOR OPERATIONS**

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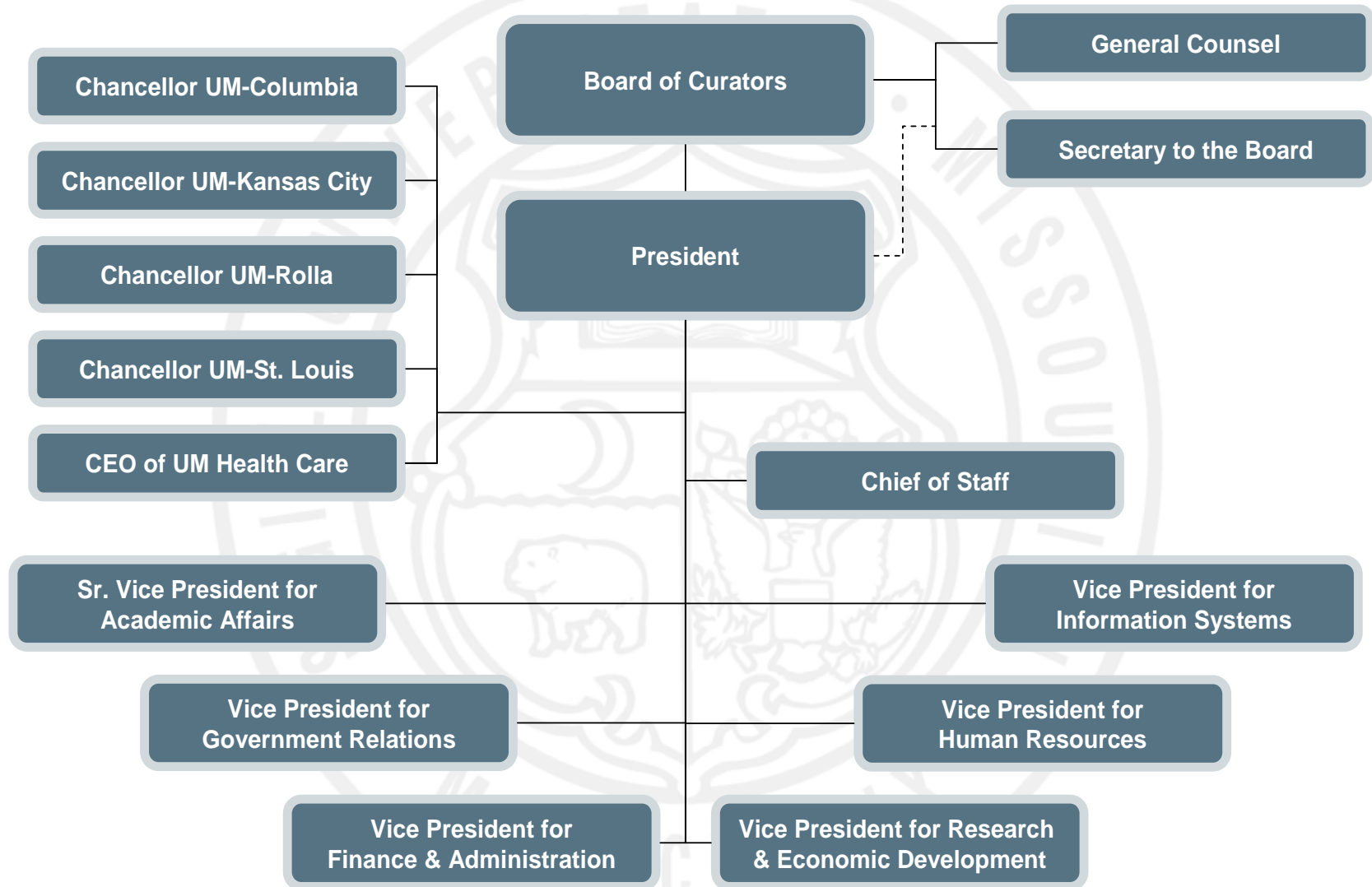
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# Summaries



# University of Missouri Organizational Structure



**FY2006-2007 APPROPRIATIONS REQUEST FOR OPERATIONS**

**UNRESTRICTED FUNDS SUMMARY**

**UNIVERSITY OF MISSOURI SYSTEM**

	<u>DECISION ITEM NUMBER</u>	<u>STATE APPROPRIATED FUNDS</u>	<u>NON-STATE FUNDS</u>	<u>TOTAL FUNDS</u>
<b>FY2005-2006 EXPENDITURE BASE (Core)</b>		\$401,819,361	\$633,244,366	\$1,035,063,727
<b>RECURRING INCREASE REQUESTED:</b>				
Mandatory Adjustment to the Core Budget	1			
Mandatory Increase on Salaries @ 4.0%		\$13,060,000	\$8,700,000	\$21,760,000
Mandatory Increase on Staff Benefits				
Fixed Cost Increase on NonFICA Benefits @ 14.9%		9,500,000	6,330,000	15,830,000
Variable Benefits Increase on Salary Adjustment		2,010,000	1,350,000	3,360,000
Total Staff Benefits Increase		11,510,000	7,680,000	19,190,000
Maintenance & Repair up from 1% to 1.5% of Replacement Value		6,810,000	4,540,000	11,350,000
Increases in other Mandatory Costs (e.g. fuel, utilities, IT, insurance)		3,900,000	2,600,000	6,500,000
Total Mandatory Cost Increases		\$35,280,000	\$23,520,000	\$58,800,000
Preparing the Next Generation of Health Care Professionals	2	20,000,000		20,000,000
Cost of Operating New and Renovated Facilities	3	3,382,135		3,382,135
Student Access - Missouri Endowed Scholarships Program	4	4,000,000		4,000,000
Missouri Endowed Chair Program	5	2,000,000		2,000,000
Total Recurring Increase Requested		\$64,662,135	\$23,520,000	\$88,182,135
<b>TOTAL RECURRING REQUEST FY2006-2007</b>		<u>\$466,481,496</u>	<u>\$656,764,366</u>	<u>\$1,123,245,862</u>



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

EDUCATION AND GENERAL EXPENDITURES (EXCLUDE EXPENDITURES ON AUXILIARIES)	Final Unrestricted Expenditures FY 2004	Final Restricted Expenditures FY 2004	FY 2005 Estimated Unrestricted Education and General Operating Funds		Estimated Unrestricted Expenditures FY 2005	Estimated Restricted Expenditures FY 2005	FY 2006 Projected Unrestricted Education and General Operating Funds		Projected Unrestricted Expenditures FY 2006	Projected Restricted Expenditures FY 2006
			Personal Service	Expense & Equip.			Personal Service	Expense & Equip.		
1 GENERAL INSTRUCTION										
1.1 On-campus instruction for credit			341,699,881	24,212,215	365,912,096		369,820,043	44,816,735	414,636,778	
1.3 Community Education			8,143,600	6,371,137	14,514,737		8,417,810	6,373,692	14,791,502	
1.4 Off-campus instruction for credit			6,591,082	2,456,438	9,047,520		6,299,330	3,421,849	9,721,179	
TOTAL INSTRUCTION	370,853,442	35,653,158	356,434,563	33,039,790	389,474,353	37,774,780	384,537,183	54,612,276	439,149,459	39,611,552
2 RESEARCH										
2.1 Institutes and Research Centers			21,748,892	6,424,424	28,173,316		21,820,717	5,829,984	27,650,701	
2.2 Individual or Project Research			19,300,370	13,934,679	33,235,049		20,054,058	14,463,950	34,518,008	
TOTAL RESEARCH	55,071,643	137,438,365	41,049,262	20,359,103	61,408,365	139,364,237	41,874,775	20,293,934	62,168,709	134,874,986
3 PUBLIC SERVICE										
3.2 Community Services			20,517,072	7,649,729	28,166,801		21,139,033	10,790,848	31,929,881	
3.3 Cooperative Extension Services			29,385,522	4,784,719	34,170,241		30,795,660	6,451,134	37,246,794	
TOTAL PUBLIC SERVICE	62,965,616	74,314,677	49,902,594	12,434,448	62,337,042	79,097,642	51,934,693	17,241,982	69,176,675	55,987,494
4 ACADEMIC SUPPORT										
4.1 Libraries			16,338,001	16,672,349	33,010,350		17,599,277	17,697,509	35,296,786	
4.2 Museums and Galleries			470,559	88,726	559,285		427,681	56,828	484,509	
4.3 Educational Media Services			4,301,518	2,094,946	6,396,464		5,084,092	2,496,222	7,580,314	
4.5 Ancillary Support			18,922,376	(7,808,880)	11,113,496		17,653,433	4,598,005	22,251,438	
4.6 Academic Admin. & Personnel Development			37,397,083	9,253,420	46,650,503		37,376,270	13,109,600	50,485,870	
TOTAL ACADEMIC SUPPORT	95,121,344	4,988,409	77,429,537	20,300,561	97,730,098	7,229,263	78,140,753	37,958,164	116,098,917	14,893,803
5 STUDENT SERVICE										
5.1 Student Service Administration			9,397,821	4,087,763	13,485,584		10,033,968	3,362,402	13,396,370	
5.2 Social and Cultural Development			6,723,537	6,282,526	13,006,063		7,749,760	6,104,022	13,853,782	
5.3 Counseling and Career Guidance			5,696,059	692,268	6,388,327		5,532,413	688,905	6,221,318	
5.4 Financial Aid Administration			3,397,772	845,161	4,242,933		3,350,788	575,422	3,926,210	
5.5 Student Health Services			4,062,118	1,002,833	5,064,951		4,396,875	869,116	5,265,991	
5.6 Intercollegiate Athletics			862,944	326,867	1,189,811		980,698	415,038	1,395,736	
5.7 Student Admissions and Records			10,769,916	3,383,227	14,153,143		10,573,009	2,898,480	13,471,489	
TOTAL STUDENT SERVICE	55,049,486	1,919,087	40,910,167	16,620,645	57,530,812	1,969,853	42,617,511	14,913,385	57,530,896	1,749,699
6 INSTITUTIONAL SUPPORT										
6.1 Executive Management			13,501,051	1,665,429	15,166,480		14,143,367	1,025,548	15,168,915	
6.2 Fiscal Operations			10,247,907	5,222,533	15,470,440		9,455,166	4,693,318	14,148,484	
6.3 General Admin. & Logistical Services			54,896,394	(26,527,246)	28,369,148		55,570,415	(29,243,405)	26,327,010	
6.5 Public Relations and Development			21,028,733	11,094,831	32,123,564		20,456,318	7,751,885	28,208,203	
TOTAL INSTITUTIONAL SUPPORT	79,476,462	2,968,145	99,674,085	(8,544,453)	91,129,632	3,638,656	99,625,266	(15,772,654)	83,852,612	3,665,103
7 OPERATION AND MAINTENANCE OF PLANT										
7.1 General Physical Plant			17,171,258	782,678	17,953,936		19,070,355	1,167,796	20,238,151	
7.2 Fuel and Utilities			1,893,582	28,892,894	30,786,476		2,012,522	32,514,967	34,527,489	
7.3 Maintenance and Repair			17,354,976	6,870,882	24,225,858		19,515,152	9,243,643	28,758,795	
TOTAL OPERATION AND MAINTENANCE OF PLANT	72,390,019	134,221	36,419,816	36,546,454	72,966,270	305,227	40,598,029	42,926,406	83,524,435	197,020
8 SCHOLARSHIPS AND FELLOWSHIPS										
8.1 Scholarships				71,924,972	71,924,972		0	73,530,012	73,530,012	
8.2 Fellowships				32,899,710	32,899,710			32,833,950	32,833,950	
TOTAL SCHOLARSHIPS/FELLOWSHIPS	93,834,605	53,281,510	0	104,824,682	104,824,682	55,343,913	0	106,363,962	106,363,962	81,388,703
9 TRANSFERS										
Internal Transfers				990,282	990,282			(4,353,256)	(4,353,256)	
9.1 Mandatory Transfers (decrease)/increase				4,670,455	4,670,455			6,917,155	6,917,155	
9.2 Nonmandatory Transfers (decrease)/increase				32,666,926	32,666,926			14,634,163	14,634,163	
TOTAL TRANSFERS	18,159,362	7,130,492	0	38,327,663	38,327,663	10,876,802	0	17,198,062	17,198,062	(253,496)
TOTAL E&G EXPENDITURES AND TRANSFERS	902,921,979	317,828,064	701,820,024	273,908,893	975,728,917	335,600,373	739,328,210	295,735,517	1,035,063,727	332,114,864

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

<b>No.</b>	<b>INSTRUCTIONAL COST CENTER (EXCLUDE EXPEND. ON AUXILIARIES)</b>	<b>Final Unrestricted Expenditures FY 2004</b>	<b>Estimated Unrestricted Expenditures FY 2005</b>	<b>Projected Unrestricted Expenditures FY 2006</b>
1	Arts & Sciences	110,459,748	118,040,043	113,269,032
2	Agriculture, Food & Natural Resources	9,576,740	9,767,596	11,671,341
3	Biology/Life Sciences	5,788,281	5,268,576	5,427,202
4	Business & Public Administration	21,341,677	22,520,304	23,846,343
5	Conservatory of Music	4,723,444	4,844,965	4,917,584
6	Dentistry	11,907,348	13,623,358	15,758,452
7	Education	23,103,355	23,591,778	24,830,076
8	Engineering	31,946,181	32,364,967	33,270,455
9	Evening College	1,332,772	1,215,054	0
10	Extension and Extended Learning	962,738	1,112,519	885,488
11	Fine Arts & Communications	4,997,541	5,076,096	4,455,490
12	Graduate School	3,357,093	3,820,689	3,960,380
13	Health Professions & Related Sciences	3,792,776	3,576,411	4,533,919
14	Human Environmental Sciences	5,959,046	5,855,101	6,873,274
15	Interdisciplinary Computing and Engineering	4,598,687	4,270,510	4,600,973
16	Journalism	6,214,880	6,958,553	6,445,533
17	Law	9,785,209	9,446,961	10,455,361
18	Medicine	41,163,178	39,218,463	63,149,909
19	Management & Information Systems	1,649,586	2,012,723	2,595,132
20	Mines & Metallurgy	4,834,880	4,849,780	5,157,613
21	Nursing	10,824,713	10,083,784	12,113,595
22	Optometry	4,325,713	4,202,982	4,416,500
23	Pharmacy	4,216,473	3,238,724	3,723,100
24	Pierre Laclède Honors College	793,929	849,723	826,475
25	Veterinary Medicine	9,992,985	13,241,883	12,755,037
26	Miscellaneous Instruction	11,501,532	16,860,553	34,698,514
27				
	<b>TOTAL</b>	<b>\$349,150,505</b>	<b>\$365,912,096</b>	<b>\$414,636,778</b>

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

<b>EDUCATION AND GENERAL RESTRICTED AND UNRESTRICTED REVENUES (EXCLUDE EXPENDITURES ON AUXILIARIES)</b>	<b>Final Unrestricted Revenue FY 2004</b>	<b>Final Restricted Revenue FY 2004</b>	<b>Estimated Unrestricted Revenue FY 2005</b>	<b>Estimated Restricted Revenue FY 2005</b>	<b>Projected Unrestricted Revenue FY 2006</b>	<b>Projected Restricted Revenue FY 2006</b>
Student Education Fees (Excluding Off-Campus Credit)	415,229,672	130,826	470,506,310	186,340	473,473,317	0
Student Education Fees (Off-Campus Credit)	12,830,487		15,509,223		14,643,505	
<b>SUBTOTAL OF TUITION AND FEES</b>	<b>428,060,159</b>	<b>130,826</b>	<b>486,015,533</b>	<b>186,340</b>	<b>488,116,822</b>	<b>0</b>
Federal Appropriations	14,601,965		15,776,010		14,801,854	
Federal Grants and Contracts		170,249,153		196,803,484		200,796,396
Federal Vocational Reimbursement						
<b>SUBTOTAL OF FEDERAL SOURCES</b>	<b>14,601,965</b>	<b>170,249,153</b>	<b>15,776,010</b>	<b>196,803,484</b>	<b>14,801,854</b>	<b>200,796,396</b>
State Grants and Contracts		35,433,765		42,016,939		37,708,941
State Vocational Reimbursement						
<b>SUBTOTAL OF STATE GRANTS/REIMBURSEMENT</b>	<b>0</b>	<b>35,433,765</b>	<b>0</b>	<b>42,016,939</b>	<b>0</b>	<b>37,708,941</b>
Local Tax Revenue						
Local Grants and Contracts						
Recovery of Indirect Costs	38,962,478		40,036,890		42,890,740	
Other Grants and Contracts		53,115,951		58,393,233		60,863,263
Private Gifts	535,745	82,762,635	367,475	53,434,590	250,870	26,875,384
Investment Income	456,893	2,384,781	17,015,449	2,198,344	15,085,088	1,986,051
Endowment Income	-1,086,352	28,665,226	-1,295,980	28,253,872	-1,798,765	27,553,623
Sales & Services of Educational Activities	29,242,693		35,846,404		36,438,766	
Intercollegiate Athletic Income						
Other Sources	40,172,243	-31,986,616	50,303,800	-35,033,028	37,458,991	-40,306,729
<b>SUBTOTAL OF TOTAL LOCAL REVENUES/OTHER TRANSFERS FROM OTHER FUNDS</b>	<b>108,283,700</b>	<b>134,941,977</b>	<b>142,274,038</b>	<b>107,247,011</b>	<b>130,325,690</b>	<b>76,971,592</b>
State Appropriations for RTEC Distributions						
State Appropriations (Education & General Operating)	377,076,764	21,802,589	388,794,776	20,187,049	401,819,361	16,637,935
<b>SUBTOTAL STATE APPROPRIATIONS</b>	<b>377,076,764</b>	<b>21,802,589</b>	<b>388,794,776</b>	<b>20,187,049</b>	<b>401,819,361</b>	<b>16,637,935</b>
<b>TOTAL EDUCATION &amp; GENERAL REVENUE</b>	<b>\$928,022,588</b>	<b>\$362,558,310</b>	<b>\$1,032,860,357</b>	<b>\$366,440,823</b>	<b>\$1,035,063,727</b>	<b>\$332,114,864</b>

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

<b>TOTAL</b>	<b>Final</b>		<b>Estimated</b>		<b>Projected</b>	
<b>PERSONAL SERVICE CATEGORIES</b>	<b>Unrestricted</b>		<b>Unrestricted</b>		<b>Unrestricted</b>	
<b>(EXCLUDE EXPEND. ON AUXILIARIES)</b>	<b>Expenditures</b>	<b>FTE</b>	<b>Expenditures</b>	<b>FTE</b>	<b>Expenditures</b>	<b>FTE</b>
	<b>FY 2004</b>		<b>FY 2005</b>		<b>FY 2006</b>	
Professors	72,728,021	725.2	78,465,536	752.7	82,243,044	769.7
Associate Professors	56,574,188	793.1	58,326,217	798.2	63,293,701	841.0
Assistant Professors	49,858,386	854.4	54,376,109	903.9	63,398,360	1,023.4
Instructors	9,557,146	215.8	9,482,263	205.8	9,585,250	204.3
Lecturers	0	0.0	0	0.0	0	0.0
Other Faculty	86,717,202	2,516.6	92,852,683	2,497.0	89,617,812	2,383.6
Executive/Administrative/Managerial	73,966,372	1,053.7	77,617,553	1,048.5	76,884,956	1,015.5
Other professional	82,108,603	2,030.3	73,739,721	1,702.8	69,680,364	1,578.5
Technical and paraprofessionals	16,587,351	601.3	25,298,648	831.2	25,977,041	841.8
Clerical and secretarial	38,298,616	1,631.9	50,423,766	1,935.1	54,267,493	2,030.2
Skilled Crafts	15,574,026	444.0	16,047,082	448.1	17,073,635	467.1
Service/Maintenance	17,691,366	778.0	18,764,105	817.3	19,790,309	836.5
Students	13,316,743	936.3	14,358,938	960.1	14,515,499	954.4
Summer Session	0	0.0	0	0.0	0	0.0
Staff Benefits	125,142,032	0.0	132,067,403	0.0	153,000,746	0.0
<b>TOTAL PERSONAL SERVICES</b>	<b>658,120,052</b>	<b>12,580.6</b>	<b>701,820,024</b>	<b>12,900.7</b>	<b>739,328,210</b>	<b>12,946.0</b>

Note: The shift in FTE from the Other Professional category to the Technical and Paraprofessional and Clerical and Secretarial categories that occurred in FY2005 and FY2006 is the result of a major review of positions and job titles and the resulting reclassification from FLSA exempt to nonexempt for many positions and job titles.

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

<b>INSTRUCTION</b>	<b>Final Unrestricted Expenditures FY 2004</b>	<b>FTE</b>	<b>Estimated Unrestricted Expenditures FY 2005</b>	<b>FTE</b>	<b>Projected Unrestricted Expenditures FY 2006</b>	<b>FTE</b>
<b>PERSONAL SERVICE CATEGORIES (EXCLUDE EXPEND. ON AUXILIARIES)</b>						
Professors	63,408,095	641.7	68,045,734	668.7	72,508,953	690.8
Associate Professors	51,447,942	726.1	52,342,325	722.7	57,241,270	766.0
Assistant Professors	44,543,324	769.9	49,554,497	833.7	57,608,092	940.0
Instructors	8,390,231	189.7	8,207,231	182.1	8,238,793	179.1
Lecturers	0	0.0	0	0.0	0	0.0
Other Faculty	54,161,084	1,617.1	58,677,085	1,696.1	55,989,862	1,592.5
Executive/Administrative/Managerial	15,294,202	208.2	15,680,151	205.3	15,635,325	200.4
Other professional	14,486,880	358.5	11,369,159	261.1	10,943,538	245.8
Technical and paraprofessionals	2,896,723	94.6	5,283,979	154.2	5,422,218	155.1
Clerical and secretarial	13,690,273	532.9	17,731,185	635.4	19,103,162	665.2
Skilled Crafts	382,539	10.9	351,853	9.9	383,789	10.5
Service/Maintenance	820,121	27.7	654,651	25.3	837,613	27.0
Students	3,703,529	240.6	4,096,553	263.9	4,289,507	273.5
Summer Session						
Staff Benefits	58,735,176		64,440,160		76,335,061	
<b>TOTAL PERSONAL SERVICES</b>	<b>331,960,119</b>	<b>5,417.9</b>	<b>356,434,563</b>	<b>5,658.4</b>	<b>384,537,183</b>	<b>5,745.9</b>

Note: The shift in FTE from the Other Professional category to the Technical and Paraprofessional and Clerical and Secretarial categories that occurred in FY2005 and FY2006 is the result of a major review of positions and job titles and the resulting reclassification from FLSA exempt to nonexempt for many positions and job titles.

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

<b>RESEARCH</b>	<b>Final Unrestricted Expenditures FY 2004</b>	<b>FTE</b>	<b>Estimated Unrestricted Expenditures FY 2005</b>	<b>FTE</b>	<b>Projected Unrestricted Expenditures FY 2006</b>	<b>FTE</b>
<b>PERSONAL SERVICE CATEGORIES (EXCLUDE EXPEND. ON AUXILIARIES)</b>						
Professors	5,521,250	48.2	6,138,298	48.3	5,596,716	43.2
Associate Professors	2,930,677	38.6	3,024,737	39.7	3,132,270	40.0
Assistant Professors	2,353,425	38.9	2,247,888	35.2	2,741,154	42.1
Instructors	296,524	5.4	206,965	3.0	233,609	3.4
Lecturers	0	0.0	0	0.0	0	0.0
Other Faculty	7,529,353	204.3	7,981,392	213.8	7,643,424	200.4
Executive/Administrative/Managerial	2,419,068	38.0	2,682,096	40.5	2,309,687	34.1
Other professional	4,445,508	120.1	4,132,399	103.5	4,469,403	109.6
Technical and paraprofessionals	2,478,296	72.5	2,787,194	76.0	2,941,778	78.6
Clerical and secretarial	1,762,341	71.2	2,429,182	87.4	2,565,652	90.5
Skilled Crafts	310,868	9.0	248,640	6.5	252,422	6.6
Service/Maintenance	627,645	26.9	609,942	24.7	648,224	25.7
Students	966,031	60.0	1,206,834	74.2	1,369,806	83.0
Summer Session						
Staff Benefits	6,879,251		7,353,695		7,970,630	
<b>TOTAL PERSONAL SERVICES</b>	<b>38,520,237</b>	<b>733.1</b>	<b>41,049,262</b>	<b>752.8</b>	<b>41,874,775</b>	<b>757.2</b>

Note: The shift in FTE from the Other Professional category to the Technical and Paraprofessional and Clerical and Secretarial categories that occurred in FY2005 and FY2006 is the result of a major review of positions and job titles and the resulting reclassification from FLSA exempt to nonexempt for many positions and job titles.

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

<b>PUBLIC SERVICE</b>	<b>Final Unrestricted Expenditures FY 2004</b>	<b>FTE</b>	<b>Estimated Unrestricted Expenditures FY 2005</b>	<b>FTE</b>	<b>Projected Unrestricted Expenditures FY 2006</b>	<b>FTE</b>
<b>PERSONAL SERVICE CATEGORIES (EXCLUDE EXPEND. ON AUXILIARIES)</b>						
Professors	2,467,751	24.6	2,760,463	23.8	2,787,395	24.3
Associate Professors	1,603,391	21.2	2,044,685	25.0	1,873,738	23.0
Assistant Professors	2,257,033	33.6	1,852,924	24.5	2,307,703	30.4
Instructors	433,569	8.9	683,212	12.2	710,837	12.9
Lecturers	0	0.0	0	0.0	0	0.0
Other Faculty	16,776,413	459.1	17,172,047	345.5	16,578,741	347.5
Executive/Administrative/Managerial	3,922,339	60.1	3,670,785	47.8	3,834,730	52.4
Other professional	7,958,309	191.9	4,271,377	89.2	4,233,270	88.0
Technical and paraprofessionals	1,058,120	45.1	2,732,751	107.8	2,583,254	106.3
Clerical and secretarial	2,466,613	105.5	3,947,422	136.1	4,025,369	137.9
Skilled Crafts	0	0.0	0	0.0	0	0.0
Service/Maintenance	578,159	21.4	819,080	26.3	875,910	29.6
Students	336,848	22.7	447,259	27.0	534,619	33.6
Summer Session						
Staff Benefits	9,981,483		9,500,589		11,589,127	
<b>TOTAL PERSONAL SERVICES</b>	<b>49,840,028</b>	<b>994.1</b>	<b>49,902,594</b>	<b>865.2</b>	<b>51,934,693</b>	<b>885.9</b>

Note: The shift in FTE from the Other Professional category to the Technical and Paraprofessional and Clerical and Secretarial categories that occurred in FY2005 and FY2006 is the result of a major review of positions and job titles and the resulting reclassification from FLSA exempt to nonexempt for many positions and job titles.

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

<b>ACADEMIC SUPPORT</b>	<b>Final Unrestricted Expenditures FY 2004</b>	<b>FTE</b>	<b>Estimated Unrestricted Expenditures FY 2005</b>	<b>FTE</b>	<b>Projected Unrestricted Expenditures FY 2006</b>	<b>FTE</b>
<b>PERSONAL SERVICE CATEGORIES (EXCLUDE EXPEND. ON AUXILIARIES)</b>						
Professors	976,475	7.6	1,219,242	9.0	926,550	6.7
Associate Professors	531,047	6.0	891,282	10.4	896,103	10.2
Assistant Professors	573,498	10.0	515,317	8.3	567,188	8.9
Instructors	323,952	7.3	274,870	5.7	258,346	5.3
Lecturers	0	0.0	0	0.0	0	0.0
Other Faculty	6,336,791	161.8	6,850,123	164.3	7,487,456	175.5
Executive/Administrative/Managerial	18,392,953	230.5	18,707,288	220.1	18,750,885	215.9
Other professional	18,157,804	461.5	14,345,262	335.7	12,608,042	289.1
Technical and paraprofessionals	5,051,986	207.5	7,761,215	276.4	7,428,601	258.8
Clerical and secretarial	5,186,771	231.4	7,680,071	295.3	8,662,154	325.0
Skilled Crafts	90,997	3.8	73,298	2.8	133,706	5.0
Service/Maintenance	481,244	23.0	569,404	26.3	665,726	30.1
Students	3,286,561	245.3	3,353,528	240.3	2,899,729	204.7
Summer Session						
Staff Benefits	17,113,991		15,188,637		16,856,267	
<b>TOTAL PERSONAL SERVICES</b>	<b>76,504,070</b>	<b>1,595.7</b>	<b>77,429,537</b>	<b>1,594.6</b>	<b>78,140,753</b>	<b>1,535.2</b>

Note: The shift in FTE from the Other Professional category to the Technical and Paraprofessional and Clerical and Secretarial categories that occurred in FY2005 and FY2006 is the result of a major review of positions and job titles and the resulting reclassification from FLSA exempt to nonexempt for many positions and job titles.



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

<b>STUDENT SERVICES</b>	<b>Final Unrestricted Expenditures FY 2004</b>	<b>FTE</b>	<b>Estimated Unrestricted Expenditures FY 2005</b>	<b>FTE</b>	<b>Projected Unrestricted Expenditures FY 2006</b>	<b>FTE</b>
<b>PERSONAL SERVICE CATEGORIES (EXCLUDE EXPEND. ON AUXILIARIES)</b>						
Professors	66,361	0.5	41,090	0.4	25,452	0.3
Associate Professors	55,956	1.1	23,188	0.4	46,977	0.8
Assistant Professors	89,759	1.3	204,119	2.2	171,181	1.9
Instructors	89,579	3.5	109,985	2.8	143,665	3.6
Lecturers	0	0.0	0	0.0	0	0.0
Other Faculty	1,632,386	64.7	1,805,950	67.7	1,647,990	60.5
Executive/Administrative/Managerial	7,219,207	129.2	8,197,544	134.0	8,569,730	137.1
Other professional	9,337,642	261.5	11,719,192	301.1	11,381,955	288.8
Technical and paraprofessionals	730,851	32.7	907,534	30.8	898,871	29.9
Clerical and secretarial	4,409,082	218.5	5,556,301	239.4	6,290,966	265.5
Skilled Crafts	29,805	1.0	31,860	1.0	31,209	1.0
Service/Maintenance	342,934	14.8	225,473	11.3	400,097	17.3
Students	3,671,869	266.8	3,909,599	256.8	3,920,384	255.8
Summer Session						
Staff Benefits	6,820,931		8,178,332		9,089,034	
<b>TOTAL PERSONAL SERVICES</b>	<b>34,496,362</b>	<b>995.6</b>	<b>40,910,167</b>	<b>1,047.9</b>	<b>42,617,511</b>	<b>1,062.5</b>

Note: The shift in FTE from the Other Professional category to the Technical and Paraprofessional and Clerical and Secretarial categories that occurred in FY2005 and FY2006 is the result of a major review of positions and job titles and the resulting reclassification from FLSA exempt to nonexempt for many positions and job titles.

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

<b>INSTITUTIONAL SUPPORT</b>	<b>Final Unrestricted Expenditures FY 2004</b>	<b>FTE</b>	<b>Estimated Unrestricted Expenditures FY 2005</b>	<b>FTE</b>	<b>Projected Unrestricted Expenditures FY 2006</b>	<b>FTE</b>
<b>PERSONAL SERVICE CATEGORIES (EXCLUDE EXPEND. ON AUXILIARIES)</b>						
Professors	288,089	2.6	260,709	2.5	397,978	4.4
Associate Professors	5,175	0.1	0	0.0	103,343	1.0
Assistant Professors	41,347	0.7	1,364	0.0	3,042	0.1
Instructors	23,291	1.0	0	0.0	0	0.0
Lecturers	0	0.0	0	0.0	0	0.0
Other Faculty	281,175	9.6	366,086	9.6	247,528	6.2
Executive/Administrative/Managerial	23,050,015	314.5	25,140,098	333.0	23,838,690	311.3
Other professional	23,476,258	550.0	23,797,081	533.9	22,167,902	491.9
Technical and paraprofessionals	3,508,250	124.3	4,865,751	160.0	5,481,574	182.1
Clerical and secretarial	9,559,603	422.3	11,593,826	485.7	11,966,284	488.2
Skilled Crafts	5,320,606	155.6	6,099,136	177.4	6,227,114	179.9
Service/Maintenance	5,838,496	245.5	6,518,213	280.7	6,044,624	253.0
Students	1,178,509	89.2	1,113,132	82.4	1,099,347	77.2
Summer Session						
Staff Benefits	18,148,238		19,918,689		22,047,840	
<b>TOTAL PERSONAL SERVICES</b>	<b>90,719,052</b>	<b>1,915.4</b>	<b>99,674,085</b>	<b>2,065.2</b>	<b>99,625,266</b>	<b>1,995.3</b>

Note: The shift in FTE from the Other Professional category to the Technical and Paraprofessional and Clerical and Secretarial categories that occurred in FY2005 and FY2006 is the result of a major review of positions and job titles and the resulting reclassification from FLSA exempt to nonexempt for many positions and job titles.

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

<b>PHYSICAL PLANT</b>	<b>Final Unrestricted Expenditures FY 2004</b>	<b>FTE</b>	<b>Estimated Unrestricted Expenditures FY 2005</b>	<b>FTE</b>	<b>Projected Unrestricted Expenditures FY 2006</b>	<b>FTE</b>
<b>PERSONAL SERVICE CATEGORIES (EXCLUDE EXPEND. ON AUXILIARIES)</b>						
Professors	0	0.0	0	0.0	0	0.0
Associate Professors	0	0.0	0	0.0	0	0.0
Assistant Professors	0	0.0	0	0.0	0	0.0
Instructors	0	0.0	0	0.0	0	0.0
Lecturers	0	0.0	0	0.0	0	0.0
Other Faculty	0	0.0	0	0.0	22,811	1.0
Executive/Administrative/Managerial	3,668,588	73.2	3,539,591	67.8	3,945,909	64.3
Other professional	4,246,202	86.8	4,105,251	78.3	3,876,254	65.3
Technical and paraprofessionals	863,125	24.6	960,224	26.0	1,220,745	31.0
Clerical and secretarial	1,223,933	50.1	1,485,779	55.8	1,653,906	57.9
Skilled Crafts	9,439,211	263.7	9,242,295	250.5	10,045,395	264.1
Service/Maintenance	9,002,767	418.7	9,367,342	422.7	10,318,115	453.8
Students	173,396	11.7	232,033	15.5	402,107	26.6
Summer Session						
Staff Benefits	7,462,962		7,487,301		9,112,787	
<b>TOTAL PERSONAL SERVICES</b>	<b>36,080,184</b>	<b>928.8</b>	<b>36,419,816</b>	<b>916.6</b>	<b>40,598,029</b>	<b>964.0</b>

Note: The shift in FTE from the Other Professional category to the Technical and Paraprofessional and Clerical and Secretarial categories that occurred in FY2005 and FY2006 is the result of a major review of positions and job titles and the resulting reclassification from FLSA exempt to nonexempt for many positions and job titles.



# **Core Programs**



## UNRESTRICTED EDUCATIONAL AND GENERAL

### CORE BUDGET REQUEST ANALYSIS FORM 4

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

#### MISSION STATEMENT

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

##### **University of Missouri**

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

##### **University of Missouri-Columbia**

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

##### **University of Missouri-Kansas City**

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

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

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

### **University of Missouri-Rolla**

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

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

### **University of Missouri-St. Louis**

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

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

## **II. DESCRIPTION**

The University of Missouri was founded in 1839 as the first state university west of the Mississippi River. With passage of the Morrill Act by Congress in 1862, the University became a land-grant institution. The University includes four campuses 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 20 schools and colleges. In fall 2004, the total enrollment was 27,003 with 6,120 of this number enrolled in graduate and professional programs. At that time, the full-time teaching and research staff numbered 2,718. In 2004-05 the campus granted 6,128 degrees. The Kansas City campus offers academic programs through 12 schools and colleges. Its fall 2004 total enrollment was 14,256, which included 4,863 graduate and professional students. The campus employed 1,094 full-time teaching and research staff. In 2004-05, the campus awarded 2,672 degrees. The Rolla campus offers academic programs through 4 schools and colleges. In fall 2004, its total enrollment was 5,404 students, which included 1,285 enrolled in



graduate programs. Full-time teaching and research staff numbered 366. In 2004-05, the campus awarded 1,316 degrees. The St. Louis campus offers academic programs through 9 schools and colleges, and had a fall 2004 total enrollment of 15,498, which included 2,926 graduate and professional students. The campus employed 489 full-time teaching and research staff and awarded 2,864 degrees in 2004-05.

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

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

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

<b>Total On-Campus FTE Enrollment</b>	<b>FY 2005</b>	<b>FY 2006 Proj.</b>	<b>FY 2007 Proj.</b>
a. Percentage Out-of-State Enrollment	20.00%	20.00%	20.00%
Numerical Out-of-State Enrollment	8,773	8,800	9,200
<b>NUMERICAL TOTAL ENROLLMENT</b>	<b>43,866</b>	<b>44,002</b>	<b>46,002</b>

<b>Total Off-campus FTE Enrollment</b>	<b>FY 2005</b>	<b>FY 2006 Proj.</b>	<b>FY 2007 Proj.</b>
Numerical Enrollment at Off-campus Sites	2,497	2,531	2,568

<b>Number of Degrees/Certificates</b>	<b>FY 2005</b>	<b>FY 2006 Proj.</b>	<b>FY 2007 Proj.</b>
Bachelor	8,280	8,306	8,684
First Professional	711	713	745
Graduate	3,989	4,001	4,183
<b>TOTAL</b>	<b>12,980</b>	<b>13,020</b>	<b>13,612</b>

<b>Total Credit Hour Production</b>	<b>FY 2005</b>	<b>FY 2006 Proj.</b>	<b>FY 2007 Proj.</b>
	680,766	681,737	696,733

<b>Institutional Scholarships/Fellowships:</b>	<b>FY 2005</b>	<b>FY 2006 Proj.</b>	<b>FY 2007 Proj.</b>
a. Number of Merit-based Scholarships awarded	15,917	15,966	16,692
Dollar amount awarded	55,069,522	55,240,238	57,753,669
b. Number of Need-based Scholarships awarded	4,696	4,711	4,925
Dollar amount awarded	8,991,261	9,019,134	9,429,505
c. Number of Athletic Scholarships awarded	1,070	1,073	1,122
Dollar amount awarded	8,130,669	8,155,874	8,526,966
d. Number of Tuition and Fee Remissions or Waivers	9,789	9,819	10,266
Dollar amount of Tuition and Fee Remissions or Waivers	40,316,100	40,441,080	42,281,149
e. Number of Other Awards	3,787	3,799	3,972
Dollar amount of Other Awards	6,667,547	6,688,216	6,992,530
<b>Total Number of Scholarships Awarded</b>	<b>35,259</b>	<b>35,368</b>	<b>36,977</b>
<b>Total Dollar Amount of Scholarships Awarded</b>	<b>119,175,099</b>	<b>119,544,542</b>	<b>124,983,819</b>

**IV. GROSS SQUARE FOOTAGE (Physical Plant)**

Indicate the total nonauxiliary gross square footage to be maintained by your institution during FY 2005.

**Square feet** 13,263,893\*

\* This is an estimated number

List all new construction or razing of buildings that is to be completed in FY 2006 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 FY 2006. If no changes occur, indicate "No change."

	<b>Gross Sq ft Increase or Decrease</b>	<b>Number of Months in Effect in FY 2006</b>	<b>Annualized Gross sq. ft. Increase or Decrease</b>
1 <b>Type of Project or Space Modification</b>			
1 Regional Biocontainment Facility	25,000	6	12,500
2 Swine Research & Resource Center	19,550	5	8,146
3 Life Science Technology Incubator	33,000	9	24,750
4 Journalism Institute	19,807	3	4,952
5 Modular Nursing Facility	10,615	11	9,730
6 Health Sciences Building	227,649	2	37,941
<b>TOTAL</b>	<b>335,621</b>		<b>98,019</b>

**V. SALARY INCREASE COMPARISONS**

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

<b>Occupational Category</b>	<b>FY 2005 over FY 2004 (%)</b>	<b>FY 2006 over FY 2005 (%)</b>
Ranked Faculty	3.81%	2.00%
Other Faculty	3.48%	2.00%
Executive/Administrative/Managerial	3.24%	2.00%
Other Professional	2.64%	2.00%
Technical and paraprofessionals	2.53%	2.00%
Clerical and secretarial	2.91%	2.00%
Skilled Crafts	2.40%	2.00%
Service/Maintenance	2.42%	2.00%
<b>TOTAL</b>	<b>3.06%</b>	<b>2.00%</b>



# **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:** Mandatory Adjustment to Core Budget from State Funds: \$ 35,280,000  
**Decision Item Rank:** 1 of 5

**I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST**

The University of Missouri is the state's premier research university. To sustain excellence and fulfill its missions of teaching, research, public service, and economic development, the University requires an increase in state funding for its on-going operations. Cognizant of the many demands on the state's limited resources, the University of Missouri has worked hard to reduce expenditures through administrative efficiencies and increase revenues from other sources. This request includes the minimum needed from the state to support the recruitment and retention of outstanding faculty and staff, keep increases in student educational fees at the cost of inflation, and cover a portion of the increases in mandatory expenditures. Since FY2002, the University of Missouri has had \$68.3 million in cuts to the core state appropriation and \$80.2 million in extraordinary withholdings. The current level of appropriations adjusted for inflation is equivalent to the support the University received from the state in FY1993. Without an increase in state appropriations to cover a portion of the mandatory increases in costs, program quality and student access will be jeopardized.

**II. DESCRIPTION**

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

The University of Missouri takes its stewardship of resources seriously and has worked hard to control costs in the face of rising enrollments and reduced state support. In spite of increases in mandatory expenditures such as health care benefits, utilities, and insurance, the University's unrestricted expenditures per FTE student have increased only 5.4% in total over the five-year period 2000-2004, or 1.3% per year.

The University of Missouri has also been aggressive in seeking to increase its funding from other sources such as private giving and external research funding. Since 2000, research funding has increased 16.5% and private giving has increased 93.3%. However, these resources are typically restricted

for specific research programs or scholarships and cannot be used to support the on-going operations. In FY2007, the University is requesting funds from the state to offset a portion of the costs to continue that will have to be funded in our operations fund.

Our request includes a 4% increase pool for salaries and wages. The University's state appropriation is the cornerstone of maintaining the University's competitive position, to retain existing faculty, and hire quality replacement faculty. Recently, small UM salary increase budgets, coupled with greater salary increases in the higher education marketplace, has caused UM's market position to erode. For example, Columbia campus faculty salaries increased 2.43% on average from FY 2001 to FY 2005. During this same period of time, average faculty salaries at a subset of the public AAU universities in Iowa, Kansas, Nebraska, Illinois, Texas, Minnesota, Indiana, Colorado, Wisconsin and Michigan increased 8.88%. While we recruit nationally for faculty, we used a contiguous state comparison, as it fairly represents a more regional perspective on the faculty marketplace. In FY 2005, MU ranked 14 out of 14 on average assistant professor salary, 13 out of 14 on average associate professor salary, and 11 out of 14 on full professor salary among the public AAU institutions in these states. We expect to fall even farther behind our peers as our 2% salary pool for FY 2006 is again anticipated to be lower than increases given by our competitors. Similar problems exist with staff salaries, where the University is below market for selected types of employees. It is critical for the state that the University maintain and, if possible, enhance its market position to be fully competitive in its ability to attract and retain quality faculty and staff. The cost of a 4% salary adjustment pool is estimated to be \$21.76 million. We are requesting that the state fund 60% of the increase or \$13.06 million. The remaining \$8.7 million will be funded by a combination of increases in educational and other fees and internal reallocations within the University.

Staff benefit cost increases, which are in the planning phase, are made up of two components. The first is the cost of our Non-FICA benefits which are anticipated to increase 14.9%. This includes all the health and related benefits plus the retirement contribution. In addition, there is a variable benefits increase on the salary adjustment estimated at 15.45%. This would include all salary based benefits, but is primarily the retirement contribution and FICA on the increased payroll. The total increase in staff benefits is estimated to be approximately \$19.19 million or 13.6%. We are requesting that the state fund \$11.51 million, or 60%, of the cost of the staff benefits increase. The remaining \$7.68 million will be funded by a combination of increases in educational and other fees and internal reallocations.

Prior to FY2002 the University had a policy which required that the campuses spend 1.5% of the plant replacement value annually on maintenance and repair of their facilities and equipment. The decline in state support since FY2001 has reduced the level of these expenditures to 1% of plant replacement value. To avoid a growing backlog of deferred maintenance and increase the expenditures back to the 1.5% level would require \$11.35 million. We are requesting that the state fund \$6.81 million, or 60%, of the cost of the maintenance and repair increase. The remaining \$4.54 million will be funded by a combination of fee increases and internal reallocations.

Increases in other mandatory costs such as utilities, insurance, fuel, and technology costs as a result of rate and volume changes is anticipated to be in excess of \$6.5 million or roughly 3% of our expense and equipment budget. We are requesting that the state fund \$3.90 million, or 60%, of these mandatory cost increases. The remaining \$2.60 million will be funded by a combination of increases in fees and internal reallocations within the University.

The mandatory costs to continue operations at the current level of activity, which were described above, total \$58.80 million and result in a composite increase of 6.5% of the university's operations fund budget. We are requesting that the state fund \$35.28 million of these costs.



### III. COST EXPLANATION

	<u>Total Cost</u>	<u>University Cost</u>	<u>State Cost</u>
Mandatory Increase on Salaries @ 4.0%	\$21,760,000	\$ 8,700,000	\$13,060,000
Mandatory Increase on Staff Benefits			
Fixed Cost Increase on NonFICA Benefits @ 14.9%	15,830,000	6,330,000	9,500,000
Variable Benefits Increase on Salary Adjustment	<u>3,360,000</u>	<u>1,350,000</u>	<u>2,010,000</u>
Total Staff Benefits Increase	19,190,000	7,680,000	11,510,000
Maintenance & Repair up from 1% to 1.5% of Replacement Value	11,350,000	4,540,000	6,810,000
Increases in other Mandatory Costs	<u>6,500,000</u>	<u>2,600,000</u>	<u>3,900,000</u>
Total Mandatory Cost Increases	\$58,800,000	\$23,520,000	\$35,280,000

### IV. EVALUATION OF OUTCOMES

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

## NEW DECISION ITEM REQUEST

### UNRESTRICTED EDUCATIONAL AND GENERAL FORM 5

**Department:** Higher Education-Unrestricted  
**Level 2** University of Missouri System  
**Level 3** All Programs  
**Decision Item Name:** Preparing the Next Generation of Health Care Professionals: \$20 million  
**Decision Item Rank:** 2 of 5

#### I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

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

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

##### Nurse Education

The education and training of Missouri's nurses has not kept pace with the state's need. The Missouri Hospital Association recently reported an 11% vacancy rate for trained nurses in the state's health care facilities. In St. Louis alone, more than 1,400 vacancies are estimated to exist. The state and nation face a serious shortage of registered nurses and experts predict a crisis of significant proportions. The University of Missouri is requesting additional state funds to actively expand enrollments in nurse education and provide the resources needed to support these students at UMC, UMKC, and UMSL.

##### Physician Education

To continue providing quality physician education, the University of Missouri needs to stabilize its funding base by reducing its reliance on revenue streams that have become increasingly at risk and volatile and have created financial instability in our two medical schools. Revenues from physician practice plans and from affiliated teaching hospitals that support physician education at Columbia and Kansas City are subject to fluctuations beyond the control of either campus. An increase in state support will reduce the two campus' dependence upon clinical revenue and transfer payments for

operations and thus bring much needed stability to its revenue base allowing our clinical faculty to spend a larger proportion of their time and efforts on training the next generation of Missouri's physicians.

#### Dentist Education

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

#### Pharmacist Education

Much like Dentistry, Missouri is currently experiencing a shortage of pharmacists. The shortage will continue to grow larger over the next several years. In addition, under-served rural and urban populations in the state are exceedingly hard hit by this shortage. This shortage requires expanding the educational and training capacity. To meet this need the University of Missouri has responded by expanding the number of pharmacy students enrolled at UMKC by 25%. The University of Missouri is requesting additional resources to accommodate this increase in enrollment.

#### Optometrist Education

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

#### Allied Health Worker Education

There is a critical shortage of allied health professionals serving the citizens of Missouri. This challenge differs from workforce shortages of the past because it is a prelude to long-term demographic and epidemiological conditions. The aging workforce, aging population, and higher demand for therapeutic services will result in inadequate and poor quality of care for Missouri's most vulnerable citizens. Remedies must be twofold: they must meet immediate employment needs and provide long-term solutions to these problems. The University of Missouri is requesting additional state funds to 1) increase access to existing critical need programs including radiology, diagnostic medical ultrasound, nuclear medicine, and respiratory therapy, 2) reinstate the high-need programs in medical technology and radiation therapy, and 3) establish the Missouri Health Scholars program in allied health professions.

## **II. DESCRIPTION**

#### Nurse Education

The state of Missouri is facing a dire shortage of nurses. In 2003, schools of nursing across the country turned away more than 11,000 qualified applicants due to the shortage of capacity. Nurses are at the front lines of health care in Missouri. As the state's population ages over the next two decades, the current nursing shortage is projected to worsen. The hospital nurse vacancy rate is at crisis levels already in the Kansas City region (10.7 percent) and the St. Louis region (11 percent), according to the Missouri Hospital Association in 2003. Missouri will face an 18 percent shortage of registered nurses by the year 2015 and a 25 percent shortage by 2020. The registered nurse job growth in Missouri is projected to be at more than 18 percent, with average openings at 1,960 positions annually.

To expand the pipeline of new nurses entering the profession, the University of Missouri nursing schools are seeking to increase enrollment and capacity. Our three nursing schools will increase their student populations by a combined total of 250 annually. To support this increase in student population the University of Missouri is requesting \$5,055,388 for FY2007.

#### Physician Education

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

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

The UMKC School of Medicine also needs equipment to address an LCME requirement for clinical learning models. Clinical simulation is becoming the standard for health professions education including physicians. To address the changing requirements, medical schools across the nation have begun to add clinical simulation centers. To establish such a center, the UMKC School of Medicine needs the latest in human patient simulation equipment. The simulators would allow instructors to select patient profiles, scenarios, and control clinical learning experiences. The scenarios would provide a safe learning environment while students learn to manage shock, coma, heart failure, code blues, and other crisis events.

The UMKC School of Medicine needs additional scholarship opportunities to provide access to medical education for qualified low-income and minority applicants. The School was cited in the LCME report because "the school remains under-financed with a heavy dependence on tuition income and the discretionary funds available to the dean for support of education and scholarly activity are limited." Some of the best applicants to the School of Medicine decline to attend UMKC because of the high tuition rate and the limited availability of need-based scholarships. In addition, the number one reason why qualified minority applicants do not attend UMKC is because of the lack of availability for need-based scholarships. High tuition costs and limited funds for need-based scholarships are leading to an average student loan debt of \$88,000 for recent UMKC School of Medicine graduates.

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

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

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

To meet the accreditation needs, quality issues and provide a more stable funding base for our two Medical Schools the University of Missouri is requesting \$8,750,000 for FY2007.

#### Dentist Education

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

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

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

#### Pharmacist Education

The need for pharmacists in the coming years will outstrip the supply, according to the Pharmacy Manpower Project (PMP) Report. In April 2004, Missouri had a pharmacist demand rating of 4.4 out of 5 with 5 being high demand and 1 being ample supply. Kansas City and rural Missouri were cited specifically as shortage areas by respondents to the National Association of Chain Drug Stores Foundation Chain Pharmacy Employment Survey (January 2004). The increased demand comes from the aging population and trends of increased prescription use as well as increased demand for patient care services.

Missouri is one of the “older” states, ranked 14th nationally with 13.5% of Missourians over age 65. The percentage of older adults is expected to accelerate rapidly beginning in 2011 when the first baby boomers reach age 65. Pharmacists play a central role in the therapy and care for senior patients, which will be critical as the state's population continues to age. Pharmacists are also community-based and are the most accessible health care professionals for seniors who are at risk for drug-related problems. Access to safe, effective medications is the single most important factor in preventing death and reducing disability among the elderly. Pharmacists are on the front line, and are the last line of defense in preventing medication errors.

Through proposed enrollment management plans that will provide a 25% increase in admitted students, UMKC's School of Pharmacy working with the UMC is poised to address Missouri's pharmacist shortage. To support this 25% increase in student population the University of Missouri is requesting \$1,412,600 for FY2007.

### Optometrist Education

The high cost of an optometric education at UM-St Louis relative to peer institutions is a well-documented and long-standing challenge for the College of Optometry. Student fees at the UM-St Louis College of Optometry, the only program in the state of Missouri, continue to be the highest among the seventeen U.S.-located schools and colleges of optometry, both public and private. Student fees in the College of Optometry at UM-St. Louis for Missouri residents for the 2003-04 academic year -- the most recent year that comparator data are available -- were 46% higher (\$17,344 versus \$11,880) than the average of the nine university-located optometric programs.

The negative impact of charging the highest fees among all of the schools and colleges of optometry is substantial. Increasingly a significant number of Missouri residents pursuing an optometric education choose to attend an institution outside of Missouri. Well-qualified Missouri residents can attend any one of five other optometry schools as non-residents at a similar cost as required to attend their own state university. Furthermore, high fees are limiting access to the profession of optometry for many moderate and low-income students throughout the region.

Located within a diverse metropolitan community, the College of Optometry at UM-St Louis has the potential to increase the ethnic and minority diversity within the optometric profession which is currently well below that found in the general population. The lack of minority health care providers has a negative impact on the utilization of preventative and therapeutic eye and vision care services by minority citizens. UM-St. Louis College of Optometry should be the institution of choice for the select highly qualified pre-health professional prepared African-American and Hispanic students throughout the region. To enhance access to this program for potential students of moderate or low income the University of Missouri is requesting \$1,099,512 for FY2007.

### Allied Health Worker Education

There are a limited number of allied health professionals to provide care for Missourians. The Missouri Hospital Association in 2004 indicates the shortages are severe enough to potentially warrant the closure of some departments or services at hospitals throughout Missouri and cost Missouri hospitals an additional \$26.8 million in temporary agency personnel to meet workforce shortages in areas such as radiography, diagnostic medical ultrasound, nuclear medicine, and respiratory therapy. The American Society of Clinical Pathologists estimates that the shortage of medical technologists will be 5,000 positions a year for the next 5 to 10 years. In 1995, 941 new radiation therapy graduates took the national exam. By 1999, that number had shrunk to fewer than 400. Specific to the disciplines within the School of Health Professions, the Bureau of Labor Statistics predicts employment is growing at a faster than average rate when compared to all occupations through 2012. The Bureau estimates that this category of growth will result in a 21 to 35 percent increase in employment demands.

To meet the immediate need for practitioners, the school must expand and strengthen existing critical need programs in radiography, diagnostic medical ultrasound, nuclear medicine, and respiratory therapy. Currently, critical shortages in respiratory therapists are being met through a unique partnership with St. John's Mercy Medical Center in St. Louis to offer an extension respiratory therapy program. This single extension program increases enrollment and output by eight additional students. Extension programs maximize economies of scale and allow the school to rapidly meet pressing workforce demands. The school proposes expansion of extension programs with other rural and urban hospital partners.

Additionally, the school will partner with another Big 12 University to offer programs in medical technology and radiation therapy. Existing accredited programs will provide course work, which will be broadcast through IP video to students at MU. Clinical training will be provided through corporate partners in Missouri enabling students to meet educational and training requirements to receive a degree from MU. Existing relationships with sister institutions and corporate partners maximizes economies of scope and allows us to rapidly meet this workforce demand.

Education and training combined with recruitment and retention are keys to solving the state's manpower issues. The school requests support for the Missouri Health Scholars program. This program would provide scholarship funding in exchange for 3 years employment service within the state. To support an additional 50 students in radiology, ultrasound, nuclear medicine, and respiratory therapy programs and 20 students in medical technology and radiation therapy programs the University of Missouri is requesting \$1,992,500 in FY2007.

### III. COST EXPLANATION

<b>Cost Summary</b>					
Program/Discipline	PCS	FTE	Compensation	E&E	Total
Nurse Education	Instruction	44	\$4,306,388	\$749,000	\$5,055,388
Total Nurse Education			\$4,306,388	\$749,000	\$5,055,388
Physician/Medical Education	Instruction	31	\$7,150,000	\$600,000	\$7,750,000
	Scholarships			1,000,000	1,000,000
Total Physician/Medical Education			\$7,150,000	\$1,600,000	\$8,750,000
Dentist Education	Instruction	10	\$1,200,000	\$240,000	\$1,440,000
	Scholarships			250,000	250,000
Total Dentist Education			\$1,200,000	\$490,000	\$1,690,000
Pharmacist Education	Instruction	12	\$1,177,600	\$235,000	\$1,412,600
Total Pharmacist Education			\$1,177,600	\$235,000	\$1,412,600
Optometrist Education	Scholarships	0		\$1,099,512	\$1,099,512
Total Optometrist Education			\$0	\$1,099,512	\$1,099,512
Allied Health Worker Education	Instruction	12	\$806,000	\$185,000	\$991,000
	Scholarships			1,001,500	1,001,500
Total Allied Health Worker Education			\$806,000	\$1,186,500	\$1,992,500
<b>Total Recurring State Funds Request</b>		<b>109</b>	<b>\$14,639,988</b>	<b>\$5,360,012</b>	<b>\$20,000,000</b>

#### RECURRING FUNDS

PCS	FTE	Compensation	E&E	Total
Instruction	109	\$14,639,988	\$2,009,000	\$16,648,988
Scholarships			3,351,012	3,351,012
<b>Total Improvements</b>	<b>109</b>	<b>\$14,639,988</b>	<b>\$5,360,012</b>	<b>\$20,000,000</b>

From State Appropriations:

**\$20,000,000**

#### **IV. EVALUATION OF OUTCOMES**

##### Nurse Education

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

##### Physician Education

Increase the proportion of physician graduates entering practice in rural Missouri.

Increase the proportion of students passing part II of their National Board exams including the clinical skills component.

Decrease the rate of faculty turnover.

Maintain LCME accreditation.

##### Dentist Education

Sustain the training of 100 dentists/per year. The dental class size was increased from 80 to 100 with the class entering in 2001.

Increase the number of our graduates that practice in underserved rural or urban areas.

##### Pharmacist Education

Increase the pharmacy class size by 25% to meet the needs of the state.

##### Optometrist Education

Improve program access for moderate and low income students.

Increase ethnic diversity of students and graduates.

Reduce student loan indebtedness upon graduation.

Increase need based scholarships.

Enhance credentials of applicants.

Increase retention of highly qualified Missouri resident applicants.

##### Allied Health Worker Education

Increase the number of students in the radiology, ultrasound, nuclear medicine, and respiratory therapy programs by 50.

Increase the number of students in the medical technology and radiation therapy programs by 20.



## NEW DECISION ITEM REQUEST

### UNRESTRICTED EDUCATIONAL AND GENERAL FORM 5

**Department:** Higher Education-Unrestricted  
**Level 2** University of Missouri System  
**Level 3** All Programs  
**Decision Item Name:** Cost of Operating New and Renovated Facilities: \$3,382,135  
**Decision Item Rank:** 3 of 5

#### I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

In FY2007, the University of Missouri-Columbia will be occupying 132,991 square feet of new and renovated space to support its instruction, research and public service missions. To effectively operate these facilities, the University of Missouri-Columbia will need additional funds of \$2,288,563 to pay for the ongoing operations and maintenance of these buildings and increased utility costs. In FY2007, the University of Missouri-Kansas City will be occupying 238,264 square feet of new and renovated space to support its instruction, research, and public service missions. To effectively operate these facilities, the University of Missouri-Kansas City will need additional funds of \$1,093,572 to pay for the ongoing operations and maintenance of these buildings and increased utility costs.

#### II. DESCRIPTION

The University of Missouri-Columbia plans to open the Regional Biocontainment Facility, a 25,000 gross square fee (GSF) facility, in December of 2006, the Swine Research & Resource Center with 19,550 GSF in January 2006, the Life Science Technology Incubator with 33,000 GSF in September 2006, and the Journalism Institute with 19,807 GSF in March 2007. The Univeristy of Missouri-Columbia also plans to conduct renovations that will add 35,634 GSF during the FY2007 budget period. The University of Missouri-Kansas City plans to open the Modular Nursing Facility with 10,615 GSF in July 2006 and the Health Sciences Building with 227,649 GSF will open in April 2007.

**III. COST EXPLANATION**

**RECURRING FUNDS**

<b>PCS</b>	<b>FTE</b>	<b>Compensation</b>	<b>E&amp;E</b>	<b>Total</b>
Operation & Maintenance of Plant	13.0	\$465,365	\$2,916,770	\$3,382,135
<b>Total Improvements</b>	<b>13.0</b>	<b>\$465,365</b>	<b>\$1,698,627</b>	<b>\$3,382,135</b>

**From State Appropriations**

**\$3,382,135**

**IV. EVALUATION OF OUTCOMES**

These facilities will provide an additional 371,255 gross square feet of usable space, which will enhance the support of the University of Missouri's primary programs of instruction, research, and public service.

## NEW DECISION ITEM REQUEST

### UNRESTRICTED EDUCATIONAL AND GENERAL FORM 5

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

#### I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

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

#### II. DESCRIPTION

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

Over the past five years, although the total number of needy students attending the University of Missouri has increased, the number of those with family incomes below \$40,000 has decreased. This has occurred in spite of the fact that total financial aid awarded to University of Missouri students has increased twenty-five percent (25%) over the past five years. Currently, there are more than 4,700 Missouri full-time undergraduates who attend the University of Missouri whose families have adjusted gross incomes less than or equal to \$40,000 and who have total documented unmet need in excess of \$24 million. While these students receive the largest amount of scholarship aid, they also have the largest loan obligation and the largest amount of unmet need.

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

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

The University is very committed to this program. The President and Board of Curators set aside \$4 million from our FY2005 state appropriation to jump-start this scholarship program for our neediest students. This \$4 million has been matched with \$4 million raised by the campuses from private donors specifically for need-based scholarship endowment funds for Missouri resident undergraduate students. These funds have permanently funded 266 endowed scholarships for high need students, with each being funded at a minimum of \$30,000.

**III. COST EXPLANATION**

**RECURRING FUNDS**

<b>PCS</b>	<b>FTE</b>	<b>Compensation</b>	<b>E&amp;E</b>	<b>Total</b>
Scholarships & Fellowships			\$4,000,000	\$4,000,000
<b>Total Improvements</b>			<b>\$4,000,000</b>	<b>\$4,000,000</b>

**From State Appropriations:**

**\$4,000,000**

**IV. EVALUATION OF OUTCOMES**

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

## NEW DECISION ITEM REQUEST

### UNRESTRICTED EDUCATIONAL AND GENERAL FORM 5

**Department:** Higher Education-Unrestricted  
**Level 2** University of Missouri System  
**Level 3** All Programs  
**Decision Item Name:** Missouri Endowed Chair Program: \$2 million  
**Decision Item Rank:** 5 of 5

#### I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

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

#### II. DESCRIPTION

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

Clearly the program has had a significant impact on the University's research capacity and the state's economic development. Since 1995, the \$16 million in one time funding and the annual funding of \$4.0 million has been used to attract \$90.2 million in permanent funding from donors: 44 endowed chairs and 76 endowed professorships. Currently, 96 of the 121 positions are filled. Over the past three years, these faculty have generated approximately \$51 million in external research funding. For an annual investment of \$4.0 million during each of those years, the return on investment is over 400%. The impact is even greater when one factors in the further economic impact coming from the multiplier effect of each of those dollars in the state's economy.

In FY 2005 The University of Missouri used \$1 million of its recurring base to start a new Endowed Chair program. To date, these funds have matched 9 new endowed chairs with the funding for two additional chairs still outstanding.

### III. COST EXPLANATION

#### Funding the Program

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

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

#### How the Match of a Position Will Work

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

#### Who Will Hold the Position?

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

#### RECURRING FUNDS

PCS	FTE	Compensation	E&E	Total
Instruction		\$250,000	\$250,000	\$500,000
Research		750,000	750,000	1,500,000
Public Service				
Academic Support				
<b>Total Improvements</b>		<b>\$1,000,000</b>	<b>\$1,000,000</b>	<b>\$2,000,000</b>

**From State Appropriations:**

**\$2,000,000**

### IV. EVALUATION OF OUTCOMES

- A \$2 million recurring appropriation leveraged to generate \$30 million in donor gifts to the University of Missouri endowment and a \$3 million payout on the endowments annually to support University research .
- 20 new endowed chairs who will generate an estimated \$9 million annually in external research funding.

# **Other Programs**





**FY 2006-2007 APPROPRIATIONS REQUEST FOR OPERATIONS**

**SUMMARY OF OTHER PROGRAM REQUESTS**

**UNIVERSITY OF MISSOURI SYSTEM**

	<b>STATE APPROPRIATED FUNDS</b>	<b>NON-STATE FUNDS</b>	<b>TOTAL FUNDS</b>
<b>University of Missouri Hospitals and Clinics</b>	\$13,989,262	\$478,442,114	\$492,431,376
<b>Missouri Rehabilitation Center</b>	\$10,774,276	\$31,715,590	\$42,489,866
<b>Missouri Institute of Mental Health</b>	\$1,937,394	\$148,190	\$2,085,584
<b>Missouri Kidney Program</b>	\$4,229,663		\$4,229,663
<b>Missouri Research and Education Network (MOREnet)</b>	\$10,691,194	\$5,133,299	\$15,824,493
<b>Alzheimer's Program</b>	\$398,640		\$398,640
<b>Spinal Cord Injury Fund</b>	\$400,000		\$400,000
<b>State Seminary Fund</b>	\$2,675,000		\$2,675,000
<b>State Historical Society of Missouri</b>	\$874,349		\$874,349

**PROGRAM EXPENDITURES AND REVENUE SUMMARY**

**FORM 1**

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

	<u>FY2004 Actual</u>	<u>FY2005 Estimated</u>	<u>FY2006 Planned &amp; FY2007 Core</u>	<u>Cost to Continue</u>	<u>FY2007 Request</u>
<b>EXPENDITURES:</b>					
Personal Services	\$151,674,063	\$168,970,474	\$190,761,800	\$12,797,579	\$203,559,379
Medical Supplies & Drugs	68,374,529	84,025,302	86,890,278	5,647,868	92,538,146
Adm and Support Svcs	36,853,899	51,662,829	38,353,510	2,492,978	40,846,488
Interest	10,208,055	10,104,061	9,983,565	648,932	10,632,497
FRA	19,853,263	20,793,385	20,530,770	1,334,500	21,865,270
Residents	13,843,870	13,599,137	14,071,290	914,634	14,985,924
Clinics	10,108,034	9,447,913	8,647,112	562,062	9,209,174
Other	35,036,092	44,966,554	44,858,838	2,517,762	47,376,600
Transfers	47,368,550	50,373,851	48,279,717	3,138,181	51,417,898
Total Expenditures	<u>\$393,320,355</u>	<u>\$453,943,506</u>	<u>\$462,376,880</u>	<u>\$30,054,496</u>	<u>\$492,431,376</u>
FTE Employees	2,688.3	3,215.5	3,192.0		3,192.0
<b>SOURCES OF FUNDS:</b>					
State Appropriations	\$12,741,393	\$11,945,056	\$13,135,457	\$853,805	\$13,989,262
Non-State Revenues					
Patient Service Revenue	\$370,107,146	\$428,463,547	\$435,855,749	\$28,330,624	\$464,186,373
Cafeteria Sales	1,847,969	1,886,529	1,855,145	120,584	1,975,729
Auxiliary Sales & Other Revenue	8,623,847	11,648,374	11,530,529	749,483	12,280,012
Total Non-State Revenues	<u>\$380,578,962</u>	<u>\$441,998,450</u>	<u>\$449,241,423</u>	<u>\$29,200,691</u>	<u>\$478,442,114</u>
Total Sources	<u>\$393,320,355</u>	<u>\$453,943,506</u>	<u>\$462,376,880</u>	<u>\$30,054,496</u>	<u>\$492,431,376</u>

**PERSONAL SERVICES AND EXPENSE AND EQUIPMENT DETAIL**

**FORM 3**

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

	<u>FY2005 Estimated</u>		<u>FY2006 Planned &amp; FY2007 Core</u>		<u>Cost to Continue</u>	<u>FY2007 Request</u>	
	FTE	Amount	FTE	Amount	Amount	FTE	Amount
<b>PERSONAL SERVICES:</b>							
Teaching and Research	6.2	\$259,627	4.3	\$196,697	\$7,868	4.3	\$204,565
Exec., Admin., Managerial	381.0	15,924,611	390.0	17,835,929	713,437	390.0	18,549,366
Professional	1345.6	56,249,412	1366.1	63,667,886	2,546,715	1366.1	66,214,602
Technical	796.5	33,293,534	783.5	35,827,851	1,433,114	783.5	37,260,965
Office	595.2	24,878,239	555.8	25,417,021	1,016,681	555.8	26,433,702
Crafts and Trades	91.1	3,808,652	92.3	4,219,243	168,770	92.3	4,388,013
Service	0.0	0	0.0	0	0	0.0	0
Staff Benefits		34,556,399		43,597,173	5,929,216		49,526,389
Total Personal Services	3215.5	\$168,970,474	3192.0	\$190,761,800	\$11,815,801	3192.0	\$202,577,602
<b>EXPENSE AND EQUIPMENT:</b>							
Fuel and Utilities		\$6,727,587		\$7,197,173	\$483,283		\$7,680,456
Library Acquisitions		0		0	0		0
Equipment		7,999,540		5,933,738	398,445		6,332,183
All Other		270,245,905		258,484,169	17,356,967		275,841,135
Total Expense & Equipment		\$284,973,032		\$271,615,080	\$18,238,695		\$289,853,774
Grand Total	3,215.5	\$453,943,506	3,192.0	\$462,376,880	\$30,054,496	3,192.0	\$492,431,376

## **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 provide education, research and service to the residents of Missouri with an emphasis on the needs of rural Missouri. Our vision is to offer programs of unsurpassed excellence that will be integrated into a highly efficient, fiscally sound, professionally outstanding, service-oriented health system that is unified in a common purpose to be one of the premier comprehensive academic health systems in the nation.

##### **II. PROGRAM DESCRIPTION**

University Hospital, University of Missouri Health Care's flagship hospital, is a major quaternary-care referral center that operates 260 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 an air ambulance service that flew more than 20,000 missions in its first 20 years 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 222-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's Family Birth Center, which is experiencing a record number of deliveries.

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

In November 2000, the inpatient unit at Ellis Fischel moved to University Hospital to provide patients with improved access to state of the art ICUs and specialists and subspecialists 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 the 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.

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

III. PERFORMANCE AND ACTIVITY MEASURES

	<u>FY2005</u>	<u>FY2006</u>	<u>FY2007</u>
A. Students Participating in Hospital Activities:			
Medical Students	377	374	374
Nursing Students	329	355	380
Graduate Nursing Students	30	27	28
Interns and Residents	365	377	377
Total	<u>1,101</u>	<u>1,133</u>	<u>1,159</u>
B. Hospital Fiscal Data:			
Net Operating Revenue	\$453,943,506	\$462,376,880	\$492,431,376
State Revenue (Percent of Total)	2.63%	2.84%	2.84%
C. Inpatient Admissions By Service:			
Anesthesiology	1	1	1
Medicine	4,285	5,018	5,018
Surgery	8,593	7,230	7,230
Ophthalmology	21	24	24
Neurology	733	611	611
Newborn	1,080	1,340	1,340
Obstetrics	1,986	2,145	2,145
Child Health	1,638	1,580	1,580
Family Practice	1,493	1,519	1,519
Physical Medicine & Rehabilitation	0	0	0
Other	243	1,008	1,008
Radiology	6		
Total	<u>20,079</u>	<u>20,476</u>	<u>20,476</u>
D. Inpatient Admissions By Responsibility:			
Medicaid	5,144	5,246	5,246
Indigent	1,120	1,142	1,142
All Other	13,815	14,088	14,088
Total	<u>20,079</u>	<u>20,476</u>	<u>20,476</u>

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

	<u>FY2005</u>	<u>FY2006</u>	<u>FY2007</u>
E. Inpatient Days:			
Adult and Pediatric	94,911	96,352	96,352
Newborn	2,698	2,800	2,800
Total	<u>97,609</u>	<u>99,152</u>	<u>99,152</u>
F. Outpatient Visits	580,849	543,105	543,105
G. Emergency Room Visits	37,980	38,624	38,624
H. Hospital Statistical Data:			
Number of Beds (Adult & Pediatric)	490	490	490
Percent Occupancy	53.07%	53.87%	53.73%
Number of Short Stay Patients (FY2006 only includes University Hospital)	9,840	9,005	9,005
Number of Observation Patients	3,942	3,962	3,962
Number of Operations (Inpatient and Outpatient)	16,389	18,260	18,260
I. Size of Physical Plant:			
Number of Gross Square Feet	2,030,346	2,030,346	2,030,346
Number of Net Assignable Feet	1,803,492	1,803,492	1,803,492
J. Book Value of Equipment Inventory:			
At June 30, 2003	\$158 million		
At June 30, 2004	\$154 million		
At June 30, 2005	\$180 million		

**PROGRAM DESCRIPTION**

**Department of Higher Education**  
**University of Missouri Hospital 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 490 beds. It offers total medical and surgical care for infants, children and adults and is the only facility in the primary service area with a burn unit, organ transplant services and genetic counseling services. The hospital is Mid-Missouri's only Level I Trauma Center. The emergency services program includes an air ambulance service and a ground ambulance service that offers a dedicated vehicle equipped to transport neonates and children.

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

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

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

RSMo 172.810-172.830

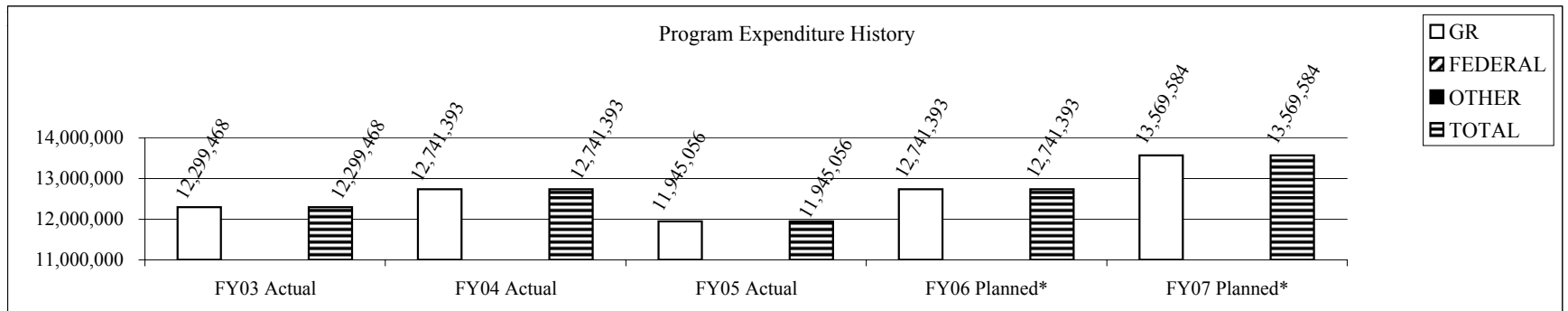
**3. Are there federal matching requirements? If yes, please explain.**

No

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

No

**5.**



\*Net of Governor's 3% Withholding



**PROGRAM DESCRIPTION**

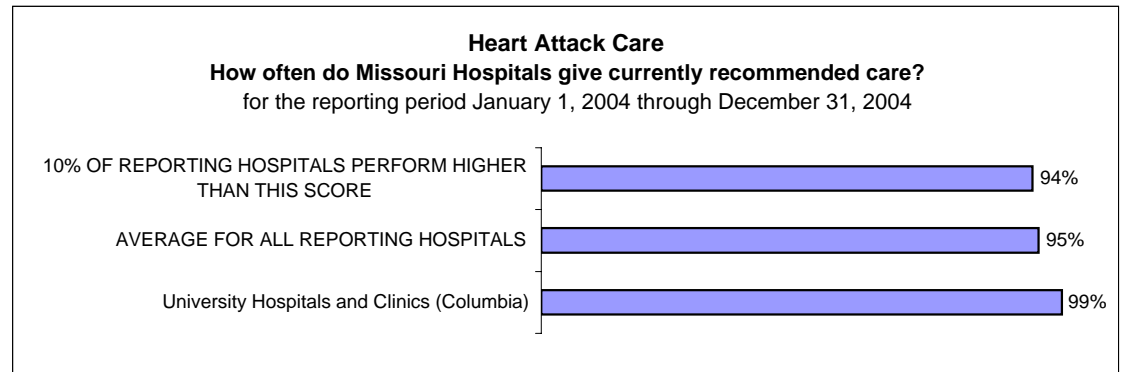
**Department of Higher Education**  
**University of Missouri Hospital and Clinics**  
**Program is found in the following core budget(s): University of Missouri Hospitals and Clinics**

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

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

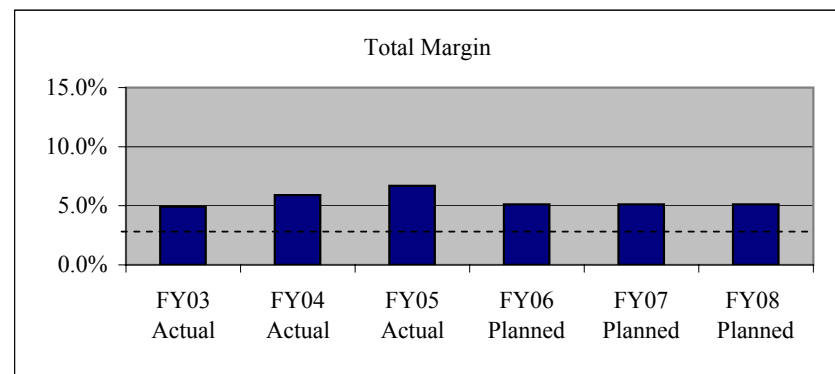
**7a. Provide an effectiveness measure.**

The leading cause of death in Missouri is heart disease (CDC/NCHS, National Vital Statistics System). The accompanying graph, provided by the Missouri Hospital Association, shows the percentage of times hospitals gave currently recommended care for patients with heart attacks from January 1, 2004 through December 31, 2004. A higher percentage indicates hospitals provided the recommended care more often. University Hospitals and Clinics was tied with one other hospital for the highest rating in Missouri.



**7b. Provide an efficiency measure.**

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



**PROGRAM DESCRIPTION**

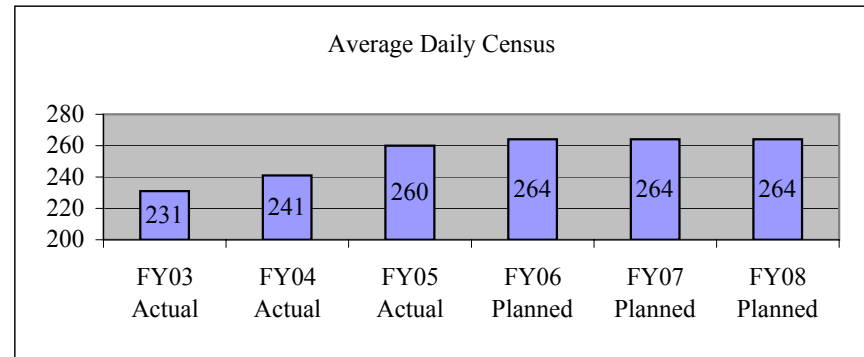
**Department of Higher Education**

**University of Missouri Hospital and Clinics**

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

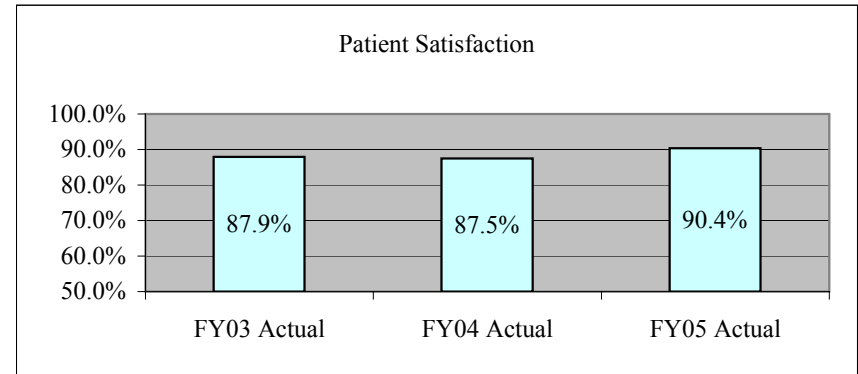
**7c. Provide the number of clients/individuals served, if applicable**

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



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

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



## NEW DECISION ITEM REQUEST

### UNIVERSITY OF MISSOURI HOSPITALS & CLINICS FORM 5

**Department:** Higher Education-Unrestricted  
**Level 2** University of Missouri-Other Programs  
**Level 3** University Hospitals and Clinics  
**Decision Item Name:** Increments for Continuing  
**Decision Item Rank:** 1 of 1

#### I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

The core mission of University of Missouri Hospitals and Clinics as part of University of Missouri Health Care is to provide education, research and service to the residents of Missouri with an emphasis on the needs of rural Missouri. University Hospital (including Ellis Fischel Cancer Center) has had their state appropriations reduced by \$3.5 million in extraordinary withholdings and \$1.1 million in core cuts since FY2002. To add to the funding issue, the University of Missouri Hospitals have not had their cost to continue request approved since FY2001. Cost to continue adjustments are used to offset increases in the cost of the goods and services, and increases in indigent care. To continue its operations, including its Tier 1 Safety Net Hospital, at current levels the University of Missouri Hospitals and Clinics will require cost to continue adjustments.

#### II. DESCRIPTION

The University of Missouri Hospitals and Clinics have aggressively controlled costs and enhanced revenues. However, the cost to deliver its services to the public continues to rise. One example is significant increases in the cost of staff benefits and insurance. Staff benefits are anticipated to increase 13.6%. There are also fixed cost increases associated with utilities, medical equipment, pharmaceuticals, and supplies and services. The hospital has undergone difficult but necessary reorganizations and streamlining to become solvent. Lack of additional funding removes the ability of the University Hospitals and Clinics to continue to provide the same level of services for the citizens of Missouri as currently provided.

The University of Missouri Hospitals and Clinics will require funds to offset the rising costs of healthcare. An adjustment of 6.5% on the state appropriation base is requested to help offset non-discretionary increases in the University Hospitals and Clinics budget. The personnel policies are the same for these programs as for the general operations of the University.

#### III. COST EXPLANATION

Salaries @ 4.0% plus Related Benefits	\$11,815,801
Expense and Equipment	<u>18,238,695</u>
Total Cost to continue @ 6.5%	\$30,054,496
State Appropriations @ 6.5%	\$ 853,805
From Non-State Sources	<u>29,200,691</u>
	\$30,054,496

**PROGRAM EXPENDITURES AND REVENUE SUMMARY**

**FORM 1**

**MISSOURI REHABILITATION CENTER**

	<b>FY2004 Actual</b>	<b>FY2005 Estimated</b>	<b>FY2006 Core Planned &amp; FY2007 Core</b>	<b>Cost to Continue</b>	<b>FY2007 Request</b>
<b>EXPENDITURES:</b>					
Personal Services	\$22,735,314	\$25,594,938	\$27,296,260	\$1,935,363	\$29,231,623
Medical Supplies & Drugs	2,092,957	2,956,831	2,488,344	161,742	2,650,086
Adm and Support Svcs	993,880	759,145	1,304,630	84,801	1,389,431
Interest	0	0	0	0	0
FRA	881,592	1,242,099	1,069,568	69,523	1,139,091
Other	4,292,253	4,477,114	4,946,429	160,412	5,106,841
Transfers	5,348,545	1,307,726	2,791,357	181,437	2,972,794
Total Expenditures	<u>\$36,344,541</u>	<u>\$36,337,853</u>	<u>\$39,896,588</u>	<u>\$2,593,278</u>	<u>\$42,489,866</u>
FTE Employees	500.0	468.6	530.5		530.5
<b>SOURCES OF FUNDS:</b>					
State Appropriations	\$9,813,190	\$9,199,866	\$10,116,691	\$657,585	\$10,774,276
Non-State Revenues					
Patient Revenues	\$24,300,958	\$26,104,699	\$28,689,742	\$1,864,833	\$30,554,575
Other	2,230,393	1,033,288	1,090,155	70,860	1,161,015
Total Non-State Revenues	<u>\$26,531,351</u>	<u>\$27,137,987</u>	<u>\$29,779,897</u>	<u>\$1,935,693</u>	<u>\$31,715,590</u>
Total Sources	<u>\$36,344,541</u>	<u>\$36,337,853</u>	<u>\$39,896,588</u>	<u>\$2,593,278</u>	<u>\$42,489,866</u>

**PERSONAL SERVICES AND EXPENSE AND EQUIPMENT DETAIL**

**FORM 3**

**MISSOURI REHABILITATION CENTER**

	<b>FY2005 Estimated</b>		<b>FY2006 Planned &amp; FY2007 Core</b>		<b>Cost to Continue</b>	<b>FY2007 Request</b>	
	FTE	Amount	FTE	Amount	Amount	FTE	Amount
<b>PERSONAL SERVICES:</b>							
Teaching and Research	0.1	\$5,082	0.0	\$0	0	0	0
Exec., Admin., Managerial	65.1	\$2,824,749	73.0	\$2,900,715	\$116,029	73.0	\$3,016,744
Professional	182.5	7,922,801	227.2	9,023,629	360,945	227.2	9,384,574
Technical	136.9	5,942,263	136.0	5,402,795	216,112	136.0	5,618,907
Office	67.9	2,947,130	74.2	2,945,459	117,818	74.2	3,063,277
Crafts and Trades	16.2	701,343	20.1	798,042	31,922	20.1	829,964
Service	0.0	0	0.0	0	0	0.0	0
Staff Benefits		5,251,570		6,225,620	846,684		7,072,304
<b>Total Personal Services</b>	<b>468.6</b>	<b>\$25,594,938</b>	<b>530.5</b>	<b>\$27,296,260</b>	<b>\$1,689,510</b>	<b>530.5</b>	<b>\$28,985,770</b>
<b>EXPENSE AND EQUIPMENT:</b>							
Fuel and Utilities		\$998,958		\$1,114,472	\$79,936		\$1,194,408
Library Acquisitions		0		0	0		0
Equipment		762,191		761,624	54,628		816,252
All Other		8,981,766		10,724,232	769,204		11,493,436
<b>Total Expense &amp; Equipment</b>		<b>\$10,742,915</b>		<b>\$12,600,328</b>	<b>\$903,768</b>		<b>\$13,504,096</b>
<b>Grand Total</b>	<b>468.6</b>	<b>\$36,337,853</b>	<b>530.5</b>	<b>\$39,896,588</b>	<b>\$2,593,278</b>	<b>530.5</b>	<b>\$42,489,866</b>

## **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 provide education, research and service to the residents of Missouri with an emphasis on the needs of rural Missouri. Our vision is to offer programs of unsurpassed excellence that will be integrated into a highly efficient, fiscally sound, professionally outstanding, service-oriented health system, which is unified in a common purpose to be one of the premier comprehensive academic health systems in the nation.

##### **II. PROGRAM DESCRIPTION**

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

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

Founded in 1907 as a state tuberculosis hospital, its services have greatly expanded, first to a broad range of pulmonary treatments and then to a center for comprehensive physical rehabilitation. A Transitional Living Program consisting of dormitory living and a progression to residential living is provided. Extensive efforts are made to help patients reach their fullest physical potential and to develop self-help/care skills. A state of the art Intensive Care Unit was opened in the summer of 2001. The ICU has two distinct benefits; it provides expanded space that allows the Missouri Rehabilitation 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, which offers a full continuum of services ranging from inpatient intensive care to outpatient day rehabilitation. MRC has one of the highest success rates of weaning patients from ventilator dependence. As a leader in pulmonary rehabilitation, MRC has earned the distinction of being a regional treatment center for drug-resistant tuberculosis cases. Center research led to a computer program allowing quadriplegics and others with disabilities to operate computers with their eyes.

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

# MISSOURI REHABILITATION CENTER

## III. PERFORMANCE AND ACTIVITY MEASURES

	<u>FY2005</u>	<u>FY2006</u>	<u>FY2007</u>
A. Hospital Fiscal Data:			
Net Operating Revenue	\$36,337,853	\$39,896,588	\$42,489,866
State Revenue (Percent of Total)	25.32%	25.36%	25.36%
B. Inpatient Admissions:			
	493	558	558
C. Inpatient Admissions By Responsibility:			
Medicaid	106	120	120
Indigent	85	96	96
All Other	302	342	342
Total	<u>493</u>	<u>558</u>	<u>558</u>
D. Inpatient Days			
	24,201	25,368	25,368
E. Outpatient Visits			
Transitional Living	1,871	1,875	1,875
OP Clinic and Rehab	10,295	20,450	20,450
CSTAR	1,746	2,720	2,720
VA Patients, Lab, and X-Ray	33,251	33,300	33,300
Total	<u>47,163</u>	<u>58,345</u>	<u>58,345</u>
F. Hospital Statistical Data:			
Number of Beds (Adult & Pediatric)	189	189	189
Percent Occupancy	35.08%	36.77%	36.77%
G. Size of Physical Plant:			
Number of Gross Square Feet	354,136	354,136	354,136
Number of Net Assignable Feet	238,930	238,930	238,930
H. Book Value of Equipment Inventory:			
At June 30, 2003	\$5.4 million		
At June 30, 2004	\$6.2 million		
At June 30, 2005	\$7.2 million		

## PROGRAM DESCRIPTION

**Department of Higher Education**

**Missouri Rehabilitation Center**

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

**1. What does this program do?**

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

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

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

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

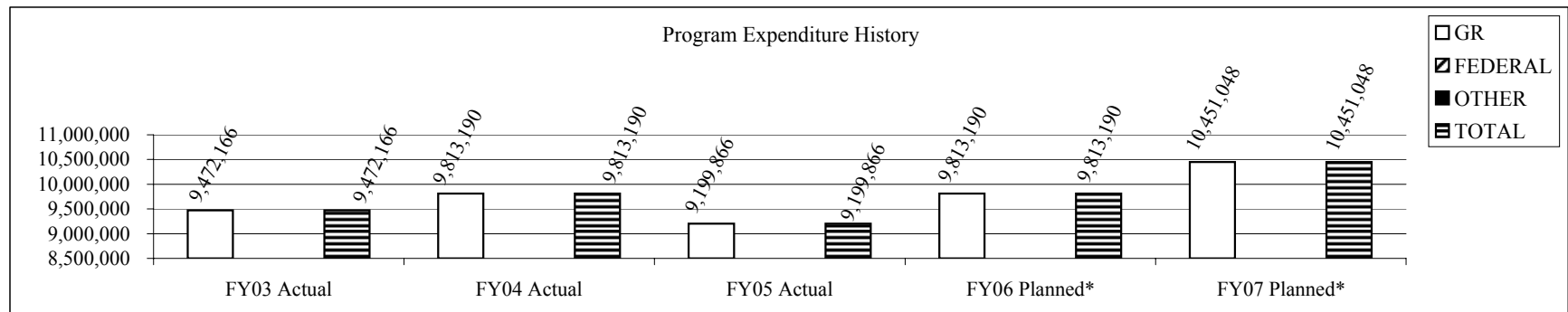
**3. Are there federal matching requirements? If yes, please explain.**

No

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

No

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



\*Net of Governor's 3% Withholding



**PROGRAM DESCRIPTION**

**Department of Higher Education**

**Missouri Rehabilitation Center**

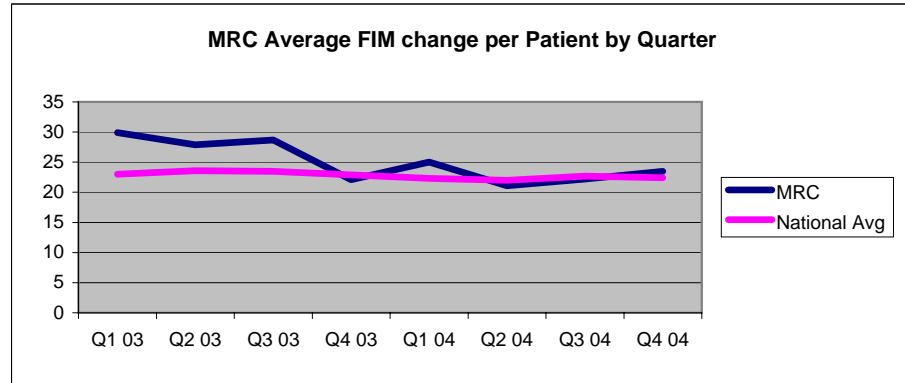
**Program is found in the following core budget(s): University of Missouri - Missouri Rehabilitation Center**

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

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

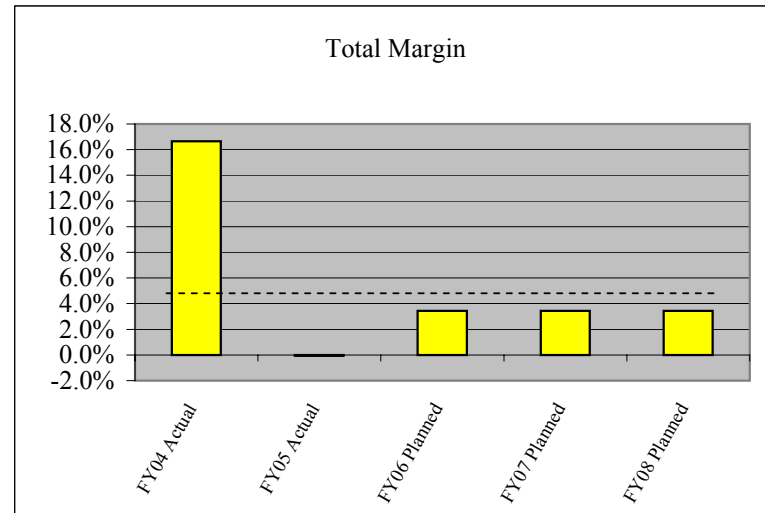
**7a. Provide an effectiveness measure.**

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



**7b. Provide an efficiency measure.**

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



**PROGRAM DESCRIPTION**

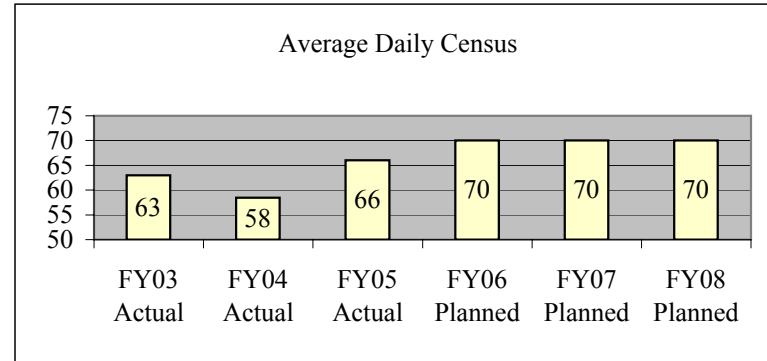
**Department of Higher Education**

**Missouri Rehabilitation Center**

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

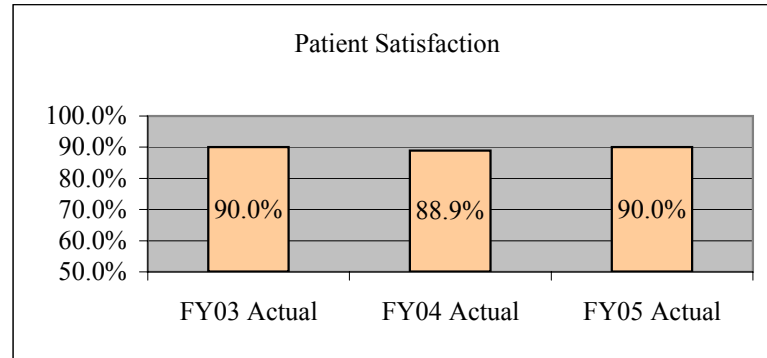
**7c. Provide the number of clients/individuals served, if applicable**

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



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

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



**NEW DECISION ITEM REQUEST**  
**MISSOURI REHABILITATION CENTER**  
**FORM 5**

**Department:** Higher Education-Unrestricted  
**Level 2** University of Missouri-Other Programs  
**Level 3** Missouri Rehabilitation Center  
**Decision Item Name:** Increments for Continuing  
**Decision Item Rank:** 1 of 1

**I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST**

The Missouri Rehabilitation Center (MRC) is a 124 bed rehabilitation hospital that provides needed rehabilitation services to its community. It has both inpatient and outpatient programs. MRC has had its state appropriations reduced by \$2.7 million in extraordinary withholdings and \$0.8 million in core cuts since FY2002. To add to the funding issue, Missouri Rehabilitation Center has not had its cost to continue request approved since FY2001. Because cost to continue adjustments are used to offset increases in the cost of the goods and services Missouri Rehabilitation Center must buy to provide patient services and fulfill its mission, failure to fund these increases results in an internal core reduction. To continue at the current level of operations in 2007 the Missouri Rehabilitation Center will require cost to continue adjustments.

**II. DESCRIPTION**

The Missouri Rehabilitation Center continues to incur higher costs to deliver its services to the public. One example is significant increases in the cost of staff benefits which are anticipated to increase 13.6%. There are also fixed cost increases associated with utilities, insurance, medical equipment, pharmaceuticals, and supplies and services. Lack of additional funding removes the ability of the Missouri Rehabilitation Center to continue to provide the same level of services for the citizens of Missouri as currently provided.

The Missouri Rehabilitation Center will require funds to offset the effects of rising health care costs. An adjustment of 6.5% on the state appropriation base is requested. The personnel policies are the same for these programs as for the general operations of the University.

**III. COST EXPLANATION**

Salaries @ 4.0% plus Related Benefits	\$1,689,510
Expense and Equipment	<u>903,768</u>
Total Cost to continue @ 6.5%	\$2,593,278
State Appropriations @ 6.5%	\$ 657,585
From Non-State Sources	<u>1,935,693</u>
	\$2,593,278

**PROGRAM EXPENDITURES AND REVENUE SUMMARY**

**FORM 1**

**MISSOURI INSTITUTE OF MENTAL HEALTH**

	<u>FY2004 Actual</u>	<u>FY2005 Estimated</u>	<u>FY2006 Planned &amp; FY2007 Core</u>	<u>Cost to Continue</u>	<u>FY2007 Request</u>
<b>EXPENDITURES:</b>					
Program Operations	\$2,254,169	\$2,122,842	\$1,980,611	\$104,973	\$2,085,584
Total Expenditures	<u>\$2,254,169</u>	<u>\$2,122,842</u>	<u>\$1,980,611</u>	<u>\$104,973</u>	<u>\$2,085,584</u>
FTE Employees	34.9	34.0	25.0		25.0
<b>SOURCES OF FUNDS:</b>					
State Appropriations	\$2,230,854	\$2,091,427	\$1,839,880	\$97,514	\$1,937,394
Non-State Revenues	<u>23,315</u>	<u>31,415</u>	<u>140,731</u>	<u>7,459</u>	<u>148,190</u>
Total Sources	<u>\$2,254,169</u>	<u>\$2,122,842</u>	<u>\$1,980,611</u>	<u>\$104,973</u>	<u>\$2,085,584</u>

**PERSONAL SERVICES AND EXPENSE AND EQUIPMENT DETAIL**

**FORM 3**

**MISSOURI INSTITUTE OF MENTAL HEALTH**

	<u>FY2005 Estimated</u>		<u>FY2006 Planned &amp; FY2007 Core</u>		<u>Cost to Continue</u>	<u>FY2007 Request</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
<b>PERSONAL SERVICES:</b>							
Teaching and Research	7.4	\$582,836	5.0	\$537,025	\$21,481	5.0	\$558,506
Exec., Admin., Managerial	2.0	85,348	2.6	148,959	5,958	2.6	154,917
Professional	8.9	380,187	5.4	228,872	9,155	5.4	238,027
Technical	3.0	77,589	2.5	62,067	2,483	2.5	64,550
Office	12.7	232,768	9.5	249,853	9,994	9.5	259,847
Staff Benefits		320,602		352,880	47,992	0.0	400,872
Total Personal Services	34.0	\$1,679,330	25.0	\$1,579,656	\$97,063	25.0	\$1,676,719
<b>EXPENSE AND EQUIPMENT:</b>							
Fuel and Utilities		\$0		\$0	\$0		\$0
Library Acquisitions		0		0	0		0
Equipment		35,890		6,700	201		6,901
All Other		407,622		394,255	7,709		401,964
Total Expense and Equipment		\$443,512		\$400,955	\$7,910		\$408,865
Grand Total	34.0	\$2,122,842	25.0	\$1,980,611	\$104,973	25.0	\$2,085,584

## **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 (SLPRC), and provide evaluation, research and training support for the DMH. SLPRC provides space and support services for the Institute. In addition, an important component of the training mission 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: 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. 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 Missouri Department of Mental Health. This productive collaboration has resulted in a proud history of, and a continuing commitment to, leadership in public mental health policy, research and training.

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

	<u>FY2005</u>	<u>FY2006</u>	<u>FY2007</u>
A. Scientific and Professional Publications	90	72	73
Technical Reports	18	12	14
B. Scientific and Professional Presentations	143	145	147
C. Research Grants:			
Number of Applications for External Funding	49	45	46
Number Approved/Pending	33/29	24/20	20/16
Number Projects in Progress	54	57	60
Total Awards-Primary Investigator	\$2,104,370	\$2,275,000	\$1,550,000
Total Awards-Secondary	\$2,082,929	\$2,220,000	\$2,150,000
Letters of Intent	5	7	9
D. Students:			
Graduate and Medical Students Taught	210	210	210
Undergraduate Students Taught	120	110	110
Resident Physicians Trained - Pri Psych	22	22	22
Resident Physicians Trained - Sec Psych	10	10	10
E. Continuing Education:			
Number of Workshops Planned/Participated	69	65	68
Number of Visiting Speakers/Seminars	23	26	28
Total Participant Contacts in Missouri	3,003	2,800	2,900
Online CE Hours Completed	0	350	1,200
F. Consultation:			
Hours in Clinical, Programmatic, or Research			
Consultation to Mo Dept. of Mental Health	7,127	6,500	6,800
Hours With Other State & Civic Agencies	7,647	7,500	7,600
Consultation Contracts	18	19	21
Consultation Contract Awards	\$1,693,350	\$1,715,649	\$1,750,000

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

	<u>FY2005</u>	<u>FY2006</u>	<u>FY2007</u>
G. Library Services:			
Number of Literature Searches	508	525	550
Current Content Requests	4,935	6,000	6,025
Articles/Books Borrowed	1,743	2,250	2,300
Articles/Books Loaned	10,239	10,500	10,525
Articles Photocopied	11,573	13,000	13,025
Circulation	1,393	1,400	1,425
H. Free Service for State Agencies **			
(Number of consultations, affiliations, etc.)			
Service to DMH	13	10	11
Service to University	15	15	15
Service to Professional Organizations	10	12	14
Service to International, National, Federal, & Other State & Local Agencies	46	42	44
<b>** Incomplete ability to track these figures exists</b>			
I. MIMH Policy Information Exchange ( <i>PIE Online: <a href="http://mimh.edu">http://mimh.edu</a></i> )			
Visitor Sessions	44,119	40,000	42,000
Repeat Visitors	2,425	2,500	2,800



**PROGRAM DESCRIPTION**

**Department of Higher Education**  
**Missouri Institute of Mental Health**  
**Program is found in the following core budget(s): University of Missouri - Missouri Institute of Mental Health**

**1. What does this program do?**

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 DMH. SLPRC provides space and support services for the Institute. In addition, an important component of the training mission 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: 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. 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 Missouri Department of Mental Health. This productive collaboration has resulted in a proud history of, and a continuing 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.)**

State statute 630.003

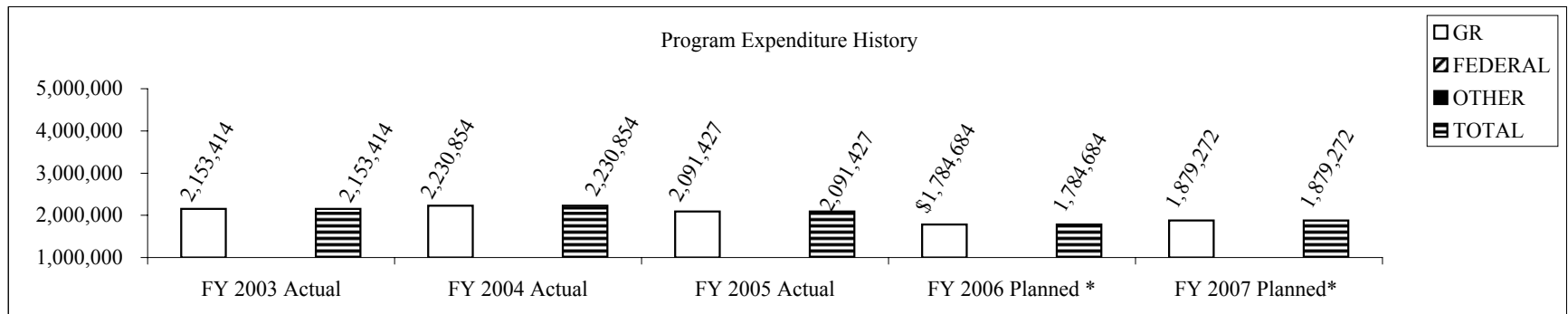
**3. Are there federal matching requirements? If yes, please explain.**

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 Withholding

**PROGRAM DESCRIPTION**

<b>Department of Higher Education</b>					
<b>Missouri Institute of Mental Health</b>					
<b>Program is found in the following core budget(s): University of Missouri - Missouri Institute of Mental Health</b>					
<b>6. What are the sources of the "Other " funds?</b>					
All appropriated funds are from General Revenue. However, the Mental Health Institute generates some revenue from operations. See Form 1 for details.					
<b>7a. Provide an effectiveness measure.</b>					
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 many grants and provided technical assistance for several state agencies and/or community groups in Missouri. Grants/Contracts are normally awarded cyclically and multi-annually.					
<u>FY03</u> not tracked	<u>FY04</u> \$23,000,000	<u>FY05</u> \$38,984,314	<u>FY06 Projected</u> \$32,000,000	<u>FY07 Projected</u> \$33,500,000	<u>FY08 Projected</u> \$34,000,000
<b>7b. Provide an efficiency measure.</b>					
One measure of efficiency is the total number of dollars awarded through grants and/or contracts to the Institute relative to the total number of state dollars provided each year by the taxpayers of Missouri. The table below indicates the number of dollars awarded to the Institute for each state dollar provided to the Institute.					
<u>FY03</u> \$1.959	<u>FY04</u> \$1.864	<u>FY05</u> \$2.560	<u>FY06 Projected</u> \$2.750	<u>FY07 Projected</u> \$3.000	<u>FY08 Projected</u> \$3.250
<b>7c. Provide the number of clients/individuals served, if applicable</b>					
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 who receive training conducted by the Institute each year.					
<u>FY03</u> 3,461	<u>FY04</u> 3,138	<u>FY05</u> 1,730	<u>FY06 Projected</u> 2,750	<u>FY07 Projected</u> 3,600	<u>FY08 Projected</u> 4,000
<b>7d. Provide a customer satisfaction measure, if available</b>					
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 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:** Increments for Continuing  
**Decision Item Rank:** 1 of 1

#### I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

The Missouri Institute of Mental Health (MIMH) is a collaborative enterprise between the University of Missouri-Columbia School of Medicine and the Missouri Department of Mental Health (DMH). Its purpose is to conduct research and provide training aimed at improving services for persons served by DMH. Since 2002 the Missouri Institute of Mental Health has received \$622 thousand in extraordinary withholdings and had its core state appropriation reduced by \$716 thousand. To add to the funding issue, MIMH has not had its cost to continue request approved since FY2001. Because cost to continue 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 a cost to continue adjustment will put MIMH's activities at risk and could result in a decline in its level of operations.

#### II. DESCRIPTION

The Missouri Institute of Mental Health continues to incur higher costs, to deliver its services to the public. One example is significant increases in the cost of staff benefits, which are anticipated to increase 13.6%. There are also fixed cost increases associated with utilities, insurance, medical equipment, and supplies and services. The lack of additional funding removes the ability of the Missouri Institute of Mental Health to continue to provide the same level of services for the citizens of Missouri as currently provided.

The Missouri Institute of Mental Health will require funds to offset the effects of increased costs of operation. An adjustment of 5.3% on the state appropriation base is requested. The personnel policies are the same for these programs as for the general operations of the University.

#### III. COST EXPLANATION

Salaries @ 4.0% plus Related Benefits	\$97,063
Expense and Equipment	<u>7,910</u>
Total Cost to continue @ 5.3 %	\$104,973
State Appropriations @ 5.3%	\$97,514
From Non-State Sources	<u>7,459</u>
	\$104,973

**PROGRAM EXPENDITURES AND REVENUE SUMMARY**

**FORM 1**

**MISSOURI KIDNEY PROGRAM**

	<u>FY2004 Actual</u>	<u>FY2005 Estimated</u>	<u>FY2006 Planned &amp; FY2007 Core</u>	<u>Cost to Continue</u>	<u>FY2007 Request</u>
<b>EXPENDITURES:</b>					
Program Operations	\$3,896,271	\$3,896,271	\$4,016,774	\$212,889	\$4,229,663
Total Expenditures	<u>\$3,896,271</u>	<u>\$3,896,271</u>	<u>\$4,016,774</u>	<u>\$212,889</u>	<u>\$4,229,663</u>
FTE Employees	9.8	10.3	10.3		10.3
<b>SOURCES OF FUNDS:</b>					
State Appropriations	\$3,896,271	\$3,896,271	\$4,016,774	\$212,889	\$4,229,663
Non-State Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Sources	<u>\$3,896,271</u>	<u>\$3,896,271</u>	<u>\$4,016,774</u>	<u>\$212,889</u>	<u>\$4,229,663</u>

**PERSONAL SERVICES AND EXPENSE AND EQUIPMENT DETAIL**

**FORM 3**

**MISSOURI KIDNEY PROGRAM**

	<u>FY2005 Actual</u>		<u>FY2006 Planned &amp; FY2007 Core</u>		<u>Cost to Continue</u>	<u>FY2007 Request</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
<b>PERSONAL SERVICES:</b>							
Teaching and Research							
Exec., Admin., Managerial	2.6	\$157,063	2.6	\$160,075	\$6,403	2.6	\$166,478
Professional	5.5	213,799	5.5	218,638	8,746	5.5	227,384
Technical	0.0	0	0.0	0	0	0.0	0
Office	1.6	42,405	1.6	43,752	1,750	1.6	45,502
Student	0.6	5,705	0.6	5,800	232	0.6	6,032
Staff Benefits		91,985		103,173	14,032	0.0	117,205
Total Personal Services	10.3	\$510,957	10.3	\$531,438	\$31,163	10.3	\$562,601
<b>EXPENSE AND EQUIPMENT:</b>							
Fuel and Utilities							
Library Acquisitions							
Equipment							
All Other							
Administrative Operations		\$57,359		\$43,153	\$2,250		\$45,403
Statewide Renal Education (Operations)		95,567		94,912	4,949		99,861
Maintenance & Antirejection Drugs		613,063		466,337	24,315		490,652
Dialysis Treatment		(32,286)		0	0		0
Transportation Assistance*		524,873		754,661	39,348		794,009
Insurance Premium Assistance		555,664		802,831	41,860		844,691
Emergency Medications		15,074		16,057	837		16,894
Patient/Staff Education		100,032		116,112	6,054		122,166
Transplant/Donor Assistance		43,550		50,000	2,607		52,607
Nutritional Supplements Program		45,982		64,226	3,349		67,575
Medicaid Spenddown		898,351		900,000	46,926		946,926
Medicaid MAWD		47,633		0	0		0
Cost Containment Research & Demonstration		420,453		177,047	9,231		186,278
Total Expense and Equipment		\$3,385,314		\$3,485,336	\$181,726		\$3,667,062
Grand Total	10.3	\$3,896,271	10.3	\$4,016,774	\$212,889	10.3	\$4,229,663

\* Net after HCFA matching funds

## **CORE BUDGET REQUEST ANALYSIS**

### **FORM 4**

#### **MISSOURI KIDNEY (RENAL DISEASE) PROGRAM**

##### **I. MISSION STATEMENT**

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

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

##### **II. PROGRAM DESCRIPTION**

###### **A. Functions**

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

###### **B. Eligibility**

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

### **C. Administration**

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

## **III. PROGRAM JUSTIFICATION**

### **A. High Cost of Kidney Replacement Therapy**

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

### **B. Increased Number of Patients Needing Assistance**

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

**III. PERFORMANCE AND ACTIVITY MEASURES**

	<u>FY2005</u>	<u>FY2006</u>	<u>FY2007</u>
A. CERTIFIED and PARTICIPATING RENAL FACILITIES	129	131	134
B. MISSOURI ESRD PATIENTS - Calendar Year data	<u>CY2003</u>	<u>CY2004</u>	<u>CY2005</u>
1. Dialysis Census *	5,891	6,186	6,495
2. Transplant Census **	1,200	1200(est)	1200(est)
Total Census	<u>7,091</u>	<u>7,386</u>	<u>7,695</u>

\* Provided from Network 12 data CY2003

\*\* The CY2003 data is actual transplants provided to us from the various transplant centers in MO for CY2002.

During FY2003 it became clear that HIPAA regulations barred us from collecting patient sensitive personal information on patients other than ones MoKP provides services for. MoKP served 449 transplant patients as of 6/30/2005. This is an unfortunate example of government regulation preventing us from knowing and understanding our patient population.

	<u>FY2005</u>	<u>FY2006</u>	<u>FY2007</u>
<b>ESRD PATIENTS RECEIVING ASSISTANCE</b>	2,842	2,984	3,133

**C. PATIENT GROWTH AND UNIT COST PROJECTIONS**

The average dollar value of assistance (unit cost) provided to MoKP eligible patients continued to fall during FY05. The average dollar value in FY95 was \$1,251, in FY01 \$1,073 and now in FY05 - \$954. Only a minimal increase is projected for FY07 - \$975. There continues to be consistent and significant growth in ESRD patients. Erosion of benefits has been mitigated somewhat by the concerted efforts of the MoKP staff to increasingly share treatment and other expenses with Medicare, Medicaid and commercial insurance. Efforts with the centralized drug program, which provides maintenance and anti-rejection drugs, have been especially successful due to our recent contract with a new vendor.

Following is an analysis of actual and projected dollar value of assistance (unit cost) for FY07, assuming 5% annual patient growth from FY05 and FY06.

<u>Type of Assistance</u>	<u>FY2005 ACTUAL</u>		<u>FY2007 PROJECTED</u>	
	<u>Number of Patients</u>	<u>Unit Cost \$</u>	<u>Number of Patients</u>	<u>Unit Cost \$</u>
Maintenance & Anti-rejection Drugs	1,655	370	1,738	268
Dialysis Treatment	71	(455)	0	-
Transportation	1,773	296	1,862	405
Insurance Premiums	545	1,020	572	1,403
Emergency Medications	46	328	48	335
Transplant Donor Assistance	37	1,177	39	1,282
Nutritional Supplements	249	185	261	246
Medicaid MAWD	59	808	0	-
Medicaid Spenddown	842	1,067	884	1,018
<b>Unduplicated Patients Served/Average Unit Cost</b>	<b>2,842</b>	<b>954</b>	<b>3,133</b>	<b>975</b>



# Missouri Kidney Program FY2005 Patient Assistance (by county)



\*This chart does not include Centralized Drug Program, \$613,063 (1655), Medicaid Spenddown \$898,351 (842), or Medicaid MAWD (Medical Assistance for Workers with Disabilities) \$47,633 (59).

Dollars  
(Patients)

## PROGRAM DESCRIPTION

**Department of Higher Education**

**Missouri Kidney Program**

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

**1. What does this program do?**

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

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

CHAPTER 172.875 RSMo.

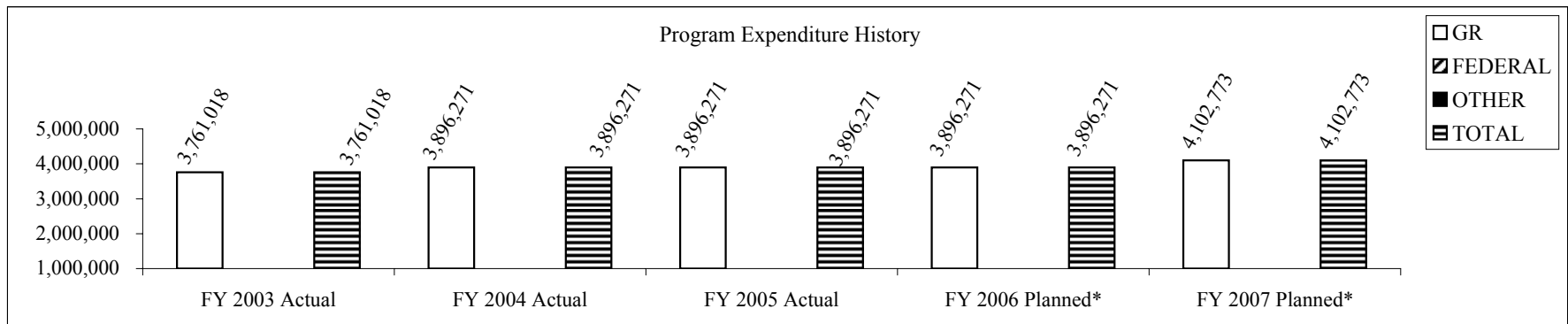
**3. Are there federal matching requirements? If yes, please explain.**

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**

**Missouri Kidney Program**

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

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

None

**7a. Provide an effectiveness measure.**

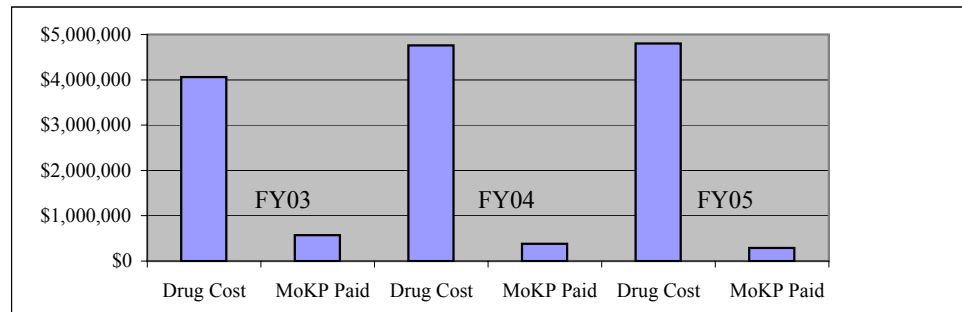
MoKP effectiveness is measured by the number of dollars of the appropriation going to reimburse patient care, education and research activities. MoKP expends in excess of 85% of its appropriation for patient care related activities.

FY 03		FY 04		FY 05		Proj FY 06		Proj FY 07		Proj FY 08	
<u>Patient Exp</u>	<u>Total Exp</u>	<u>Patient Exp</u>	<u>Total Exp</u>	<u>Patient Exp</u>	<u>Total Exp</u>	<u>Patient Exp</u>	<u>Total Exp</u>	<u>Patient Exp</u>	<u>Total Exp</u>	<u>Patient Exp</u>	<u>Total Exp</u>
\$3,324,343	\$3,761,018	\$3,342,770	\$3,896,271	\$3,327,956	\$3,896,271	\$3,311,830	\$3,896,271	\$3,487,357	\$4,102,773	\$3,591,978	\$4,225,856

**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 expenditure for the past three years. We have chosen not to attempt to project expenditures for FY06-FY08 because Medicare part D will become effective in the second half of FY06 and the impact of this federal program is as yet unknown.

FY 03		FY 04		FY 05	
<u>Drug Cost</u>	<u>MoKP Paid</u>	<u>Drug Cost</u>	<u>MoKP Paid</u>	<u>Drug Cost</u>	<u>MoKP Paid</u>
\$4,061,655	\$570,846	\$4,763,191	\$383,708	\$4,803,913	\$291,754



**PROGRAM DESCRIPTION**

**Department of Higher Education**

**Missouri Kidney Program**

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

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

The table below lists the number of clients served or projected to be served in one or more of our programmatic entities. In the past three years we have sustained approximately \$433,000 in cuts to our base budget as part of statewide budget cuts. Yet, due primarily to the efficiencies noted in paragraph 7b of this report, we have not reduced the number of patients served nor eliminated program capabilities. We have maximized our patient service delivery capabilities by micromanaging our heavy expense categories.

FY03	FY04	FY05	Proj FY06	Proj FY07	Proj FY08
2,692	2,732	2,842	2,984	3,133	3290

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

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

	FY03	FY04	FY05
Questionnaires Received	48	92	94

## 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:** Increments for Continuing  
**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 by \$843 thousand in extraordinary withholdings and \$446 thousand in core cuts since FY2002. To add to the funding issue, the Missouri Kidney Program has not had its cost to continue request approved since FY2001. Because cost to continue adjustments are used to offset increases in the cost of the goods and services the Kidney Program must buy to provide patient services and fulfill its mission, failure to fund these increases results in an internal core reduction. As a result, the average dollar value of assistance to MoKP eligible patients continues to decline.

#### II. DESCRIPTION

The Missouri Kidney Program continues to incur higher costs, to deliver its services to the public. One example is significant increases in the cost of staff benefits, which are anticipated to increase 13.6%. There are also fixed cost increases associated with insurance, medical equipment and services, pharmaceuticals, information technology, and supplies and services. Lack of additional funding removes the ability of the Missouri Kidney Program to continue to provide the same level of services for the citizens of Missouri as currently provided.

The Missouri Kidney Program will require funds to offset the effects of cost to continue. An adjustment of 5.3% on the state appropriation base is requested. The personnel policies are the same for these programs as for the general operations of the University.

#### III. COST EXPLANATION

Salaries @ 4.0% plus Related Benefits	\$ 31,163
Expense and Equipment	<u>181,726</u>
Total Cost to continue @ 5.3%	\$212,889
State Appropriations @ 5.3%	\$212,889

**PROGRAM EXPENDITURES AND REVENUE SUMMARY**

**FORM 1**

**MISSOURI RESEARCH AND EDUCATION NETWORK (MORENET)**

	<u>FY2004 Actual</u>	<u>FY2005 Estimated</u>	<u>FY2006 Planned &amp; FY2007 Core</u>	<u>Cost to Continue</u>	<u>FY2007 Request</u>
<b>EXPENDITURES:</b>					
Program Operations					
Internet Access	\$2,679,548	\$2,396,847	\$2,336,362	\$123,827	\$2,460,189
Telecommunication State Backbone	6,016,046	4,218,438	4,861,491	257,659	5,119,150
Advanced Networking, Research, Video & Distance Learning	1,677,493	2,622,571	1,830,835	97,034	1,927,869
Higher Education Connections	1,431,671	1,735,081	1,275,652	67,610	1,343,262
Public K-12 School Connections	<u>4,644,195</u>	<u>4,707,796</u>	<u>4,723,668</u>	<u>250,355</u>	<u>4,974,023</u>
Total Expenditures	<u>\$16,448,953</u>	<u>\$15,680,733</u>	<u>\$15,028,008</u>	<u>\$796,485</u>	<u>\$15,824,493</u>
 FTE Employees	28.2	33.7	30.8		30.8
 <b>SOURCES OF FUNDS:</b>					
State Appropriations	\$14,554,269	\$13,189,939	\$10,153,081	\$538,113	\$10,691,194
Other	<u>1,894,684</u>	<u>2,490,794</u>	<u>4,874,927</u>	<u>258,372</u>	<u>5,133,299</u>
Total Sources	<u>\$16,448,953</u>	<u>\$15,680,733</u>	<u>\$15,028,008</u>	<u>\$796,485</u>	<u>\$15,824,493</u>

**PERSONAL SERVICES AND EXPENSE AND EQUIPMENT DETAIL**

**FORM 3**

**MISSOURI RESEARCH AND EDUCATION NETWORK (MORENET)**

	<b>FY2005 Estimated</b>		<b>FY2006 Planned &amp; FY2007 Core</b>		<b>Costs to Continue</b>	<b>FY2007 Request</b>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
<b>PERSONAL SERVICES:</b>							
Teaching & Research Exec., Admin., Managerial Professional	33.7	\$1,824,386	30.8	\$1,780,875	\$71,235	30.8	\$1,852,110
Technical Office Other							
Staff Benefits		497,692		534,262	72,660		606,922
Total Personal Services	<u>33.7</u>	<u>\$2,322,078</u>	<u>30.8</u>	<u>\$2,315,137</u>	<u>\$143,895</u>	<u>30.8</u>	<u>\$2,459,032</u>
<b>EXPENSE AND EQUIPMENT:</b>							
Fuel and Utilities Library Acquisitions Equipment and All Other		\$13,358,655		\$12,712,871	\$652,590		\$13,365,461
Total Expense & Equipment		<u>\$13,358,655</u>		<u>\$12,712,871</u>	<u>\$652,590</u>		<u>\$13,365,461</u>
Grand Total	<u>33.7</u>	<u>\$15,680,733</u>	<u>30.8</u>	<u>\$15,028,008</u>	<u>\$796,485</u>	<u>30.8</u>	<u>\$15,824,493</u>

## **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 customers 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**

MOREnet links Missouri to a world of knowledge through a statewide research and education network. Schools, public libraries, academic institutions, and state agencies linked to the network have access to a secure broadband Internet connection, staff training, technical support and electronic resources, making equitable access possible across Missouri.

MOREnet is a 15-year collaborative effort that operates as a separate unit within the University of Missouri System. MOREnet receives planning and budgetary oversight from the MOREnet Council consisting of representatives from the Department of Elementary and Secondary Education, the Secretary of State's Office, the Department of Higher Education, the State Office of Information Technology, higher education institutions, K-12 school districts, and public libraries.

###### **The Shared Network**

The network backbone functions like an Interstate highway system, with pathways similar to I-70 and I-44. All MOREnet customers use the network backbone every day when connecting with each other and Missouri citizens. A reliable network backbone is essential to maintain quality of service for data traffic and video distance learning. This backbone also consolidates bandwidth to contain costs. The Internet access points are like the bridges and highways ushering traffic in and out of the state, connecting our state to the rest of the world. HB3 funds a portion of the Shared Network for all MOREnet customers.



## **Customer Connections**

MOREnet manages nearly 1,000 customer connections statewide. Customer connections are like local roads carrying traffic between interstate highways and individual sites, such as K-12 schools, public libraries, university and college campuses, and others served by MOREnet. These connections are the essential paths needed to get data to the network backbone where it travels around the state or is delivered to an internet access point.

HB3 funds a portion of public higher education and K-12 school district customer connections. HB3 also funds the single high-speed connection to the Shared Network used by all state agencies. Public library customer connections are funded by HB12.

Specifically, this appropriation in FY2007 will partially support:

- Provide 10 – 45 Mbps connectivity to public higher education institutions
- Provide 1.5 – 45 Mbps connectivity to public K-12 school districts
- Provide 50 Mbps connectivity to state government
- Provide Missouri's state backbone with hub-to-hub capacity of 622 Mbps
- Provide Internet access up to 2,488 Mbps
- Support approximately 5,350 video events

MOREnet aggressively seeks new bids for Network Backbone circuits and pursues other cost savings options with Internet service providers on a recurring basis. The demand for Internet access and backbone services continues to grow at a rapid pace. Although there are fewer new sites being added to the network, additional workstations and greater use of electronic resources and communications by students, faculty, and staff continue to push bandwidth demand higher. In addition, the citizens of Missouri are continuing to interact with state government via electronic transactions and communications. MOREnet is continually seeking new ways to manage the growth in demand without adversely affecting education and government.

## **Video Distance Learning Production Services**

The HB3 appropriation also provides 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 throughout the state. MOREnet coordinates event schedules and provides technical support on evenings and weekends, in addition to its current 7:30 a.m. – 5:30 p.m. weekday offering.

### III. Performance and Activity Measures

	<u>FY 2004</u>	<u>FY 2005</u>	<u>FY 2006</u>	<u>FY 2007</u>
Customer Connections (Total MOREnet) (See Note 1)	1,050	966	1,000	1,020
Total Access to Missouri Backbone from Local Connections	2,243	2,589	2,950	3,200
Network Backbone Capacity Minimum hub-to-hub capacity	622	622	622	622
Internet Access Capacity	1,400	1,990	2,488	2,488
Video Events	4,871	5,147	5,250	5,350

Note 1 – The performance and activity measures for FY2007 are based on expected demand for bandwidth from existing customers for current services.

## PROGRAM DESCRIPTION

### Department of Higher Education

**Program Name:** Missouri Research and Education Network (MOREnet)

**Program is found in the following core budget(s):** MOREnet

#### 1. What does this program do?

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

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

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

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

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

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

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

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

No.

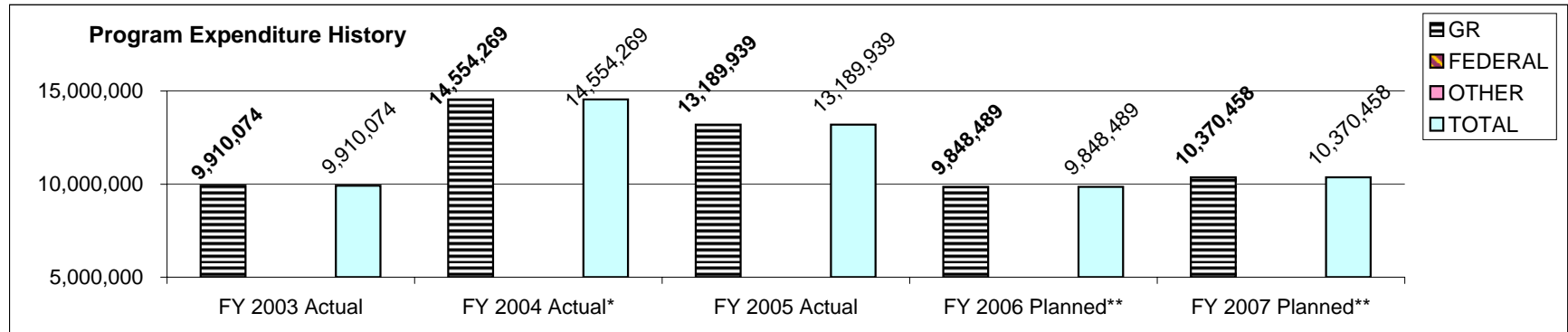
**PROGRAM DESCRIPTION**

**Department of Higher Education**

**Program Name:** Missouri Research and Education Network (MOREnet)

**Program is found in the following core budget(s):** MOREnet

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



\*The appropriations for K-12 schools was moved from House Bill 2 to House Bill 3 in FY 2004. Expenditures after FY 2003 reflect the combined appropriations as a result of the transfer, and do not represent any net increase in state funding compared to FY 2003.

\*\*The standard three percent Governor's reserve was applied to FY 2006 appropriation.

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

Not applicable.

## PROGRAM DESCRIPTION

### Department of Higher Education

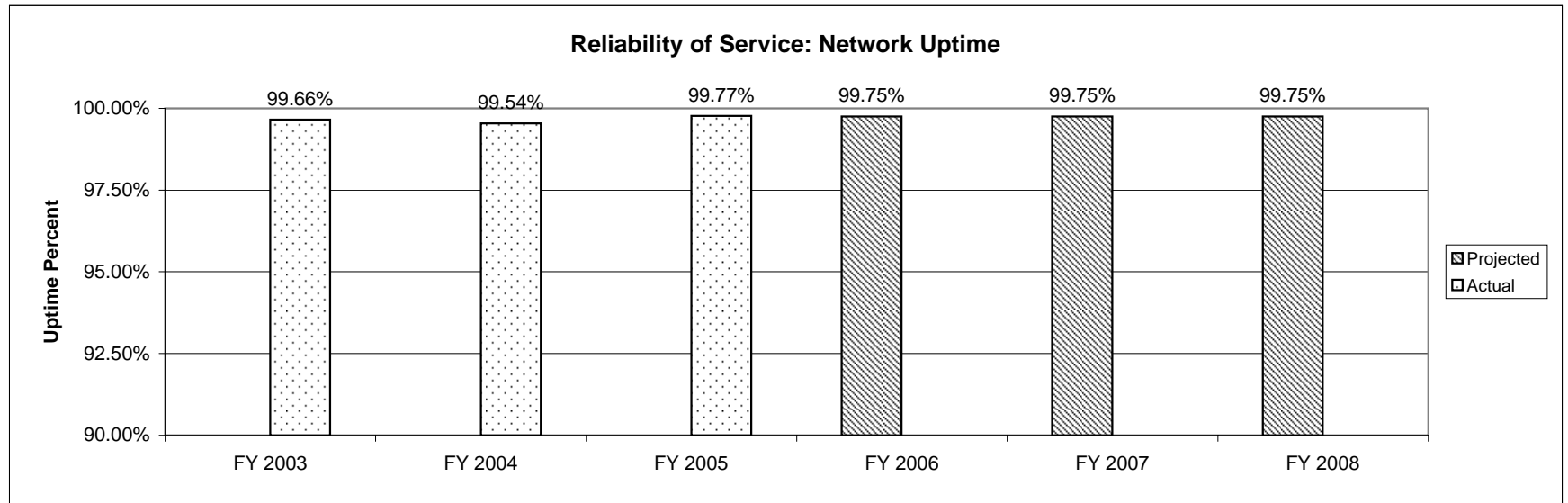
**Program Name:** Missouri Research and Education Network (MOREnet)

**Program is found in the following core budget(s):** MOREnet

**7a. Provide an effectiveness measure.**

**Reliability of Service: Network Uptime**

This measurement provides information on the customers' access to service, how often their connection to the internet is up and running, and is based on average customer 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 customer connection is upgraded, and they have not been adjusted to account for times connections might be unresponsive due to high customer utilization or disconnection of equipment by the customer.



## PROGRAM DESCRIPTION

### Department of Higher Education

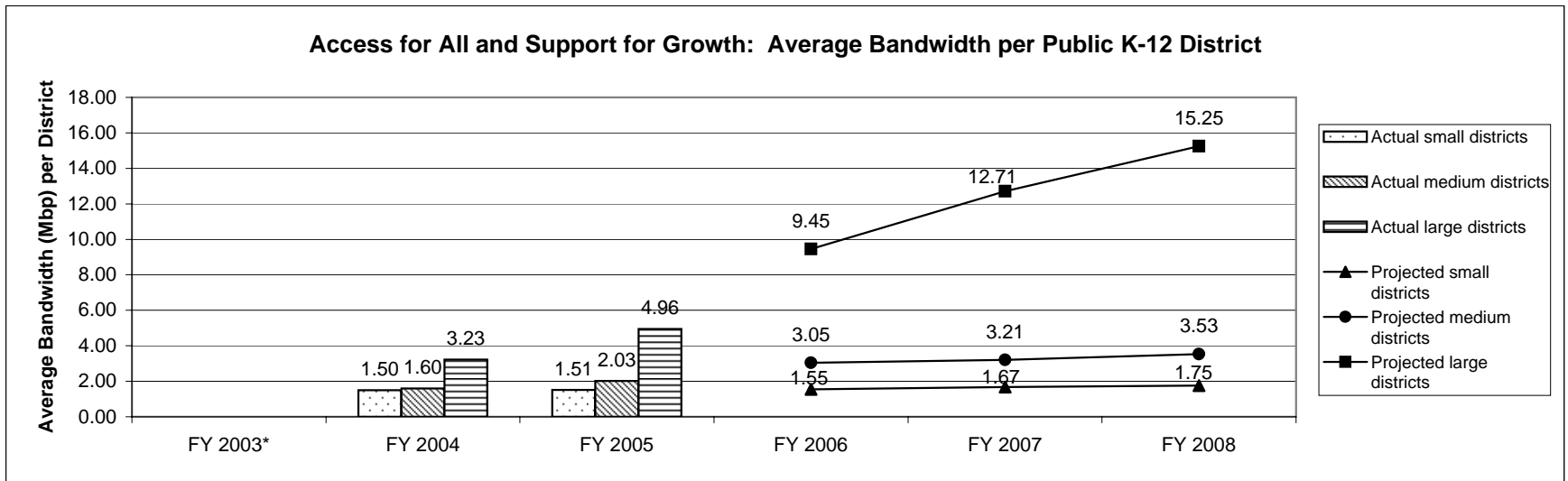
**Program Name:** Missouri Research and Education Network (MOREnet)

**Program is found in the following core budget(s):** MOREnet

#### Serving the Needs of Schools, Access for All and Support for Growth: Average Bandwidth per Public K-12 District

Each participating school district receives a minimum of one T1 (1.536 Mbp) connection to the shared network, and districts that utilize their current bandwidth may have their bandwidth incrementally increased up to 45 Mbps. This means that students in small districts, that otherwise might be unable to afford this level and quality of service, have the same access to the educational resources available on the Internet (including online resources provided by the state), as students in districts with more resources. This support is especially important because 82% of Missouri school districts are located in lower income or less populated areas.

In addition to providing equal access to districts with fewer resources, MOREnet's policy of expanding bandwidth based on a maximum of 70 percent utilization - from the Department of Elementary and Secondary Education's education technology strategic plan - means that districts experiencing growth in demand for connectivity receive the access they need.



\* Data was not maintained at this level for FY 2003.

Note: Small districts are defined as having fewer than 1,000 students, medium districts are defined as having between 1,000 and 2,499 students, and large districts are defined as having 2,500 or more students. For FY 2006 there are 333 small districts, 199 medium districts, and 79 large districts, totaling 511 school districts. Student data was not available for two participating districts.

**PROGRAM DESCRIPTION**

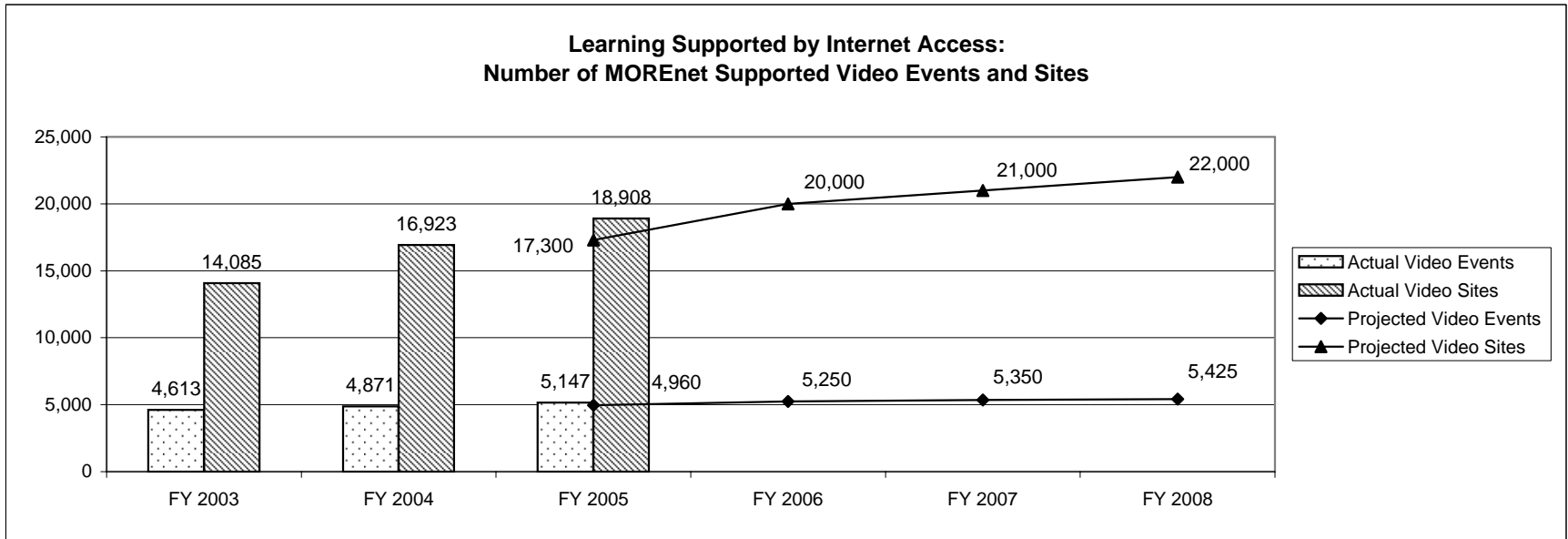
**Department of Higher Education**

**Program Name:** Missouri Research and Education Network (MOREnet)

**Program is found in the following core budget(s):** MOREnet

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

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



Note: The average video event includes participation between several sites.

**PROGRAM DESCRIPTION**

**Department of Higher Education**

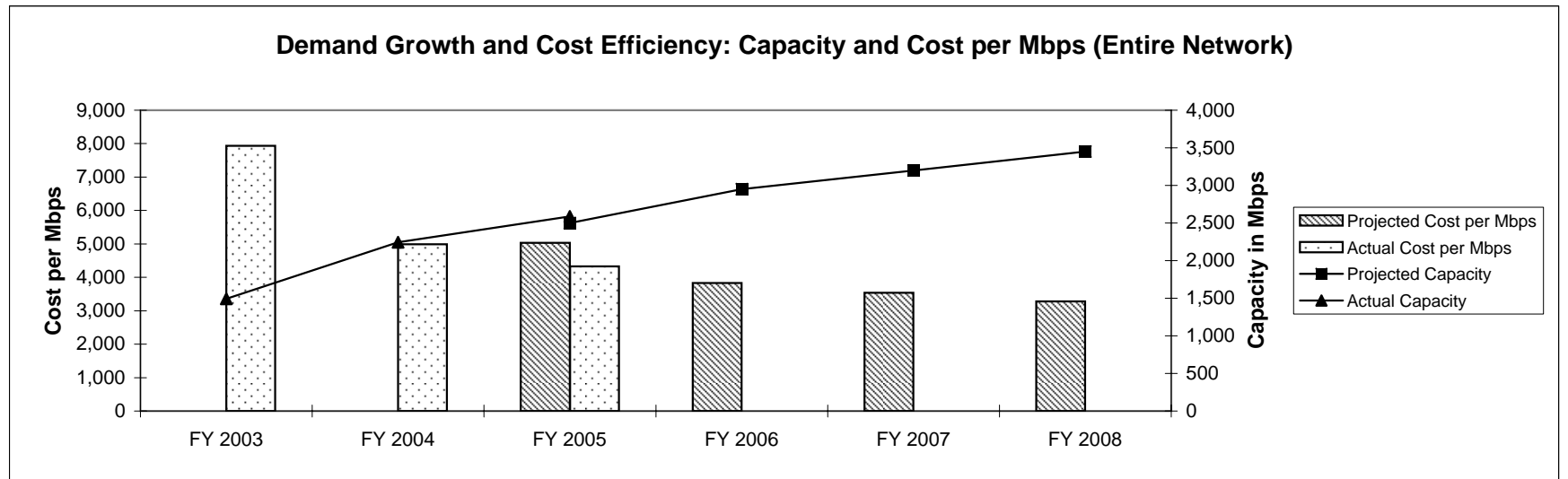
**Program Name:** Missouri Research and Education Network (MOREnet)

**Program is found in the following core budget(s):** MOREnet

**7b. Provide an efficiency measure.**

**Demand Growth and Cost Efficiency: Capacity and Cost per Mbps**

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.





**PROGRAM DESCRIPTION**

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

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

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

Program	FY 2003		FY 2004		FY 2005		FY 2006	FY 2007	FY 2008
	Proj.	Actual	Proj.	Actual	Proj.	Actual	Proj.	Target	Target
Public K-12 Districts		513		514	513	513	513	513	513
Public K-12 Students <sup>1</sup>		889,154		888,675	847,848	859,407	859,407	859,407	859,407
Colleges and Universities		64		64	65	65	66	66	66
Postsecondary Students <sup>2</sup>		306,248		315,374	315,374	317,670	317,670	317,670	317,670
Public		214,409		216,220	216,220	214,574	214,574	214,574	214,574
Private Not-For-Profit		91,839		99,154	99,154	103,096	103,096	103,096	103,096
Library Branches		227		225	226	230	230	230	230
Total Customers		744		746	746	732	733	733	733
Total Students		1,195,402		1,204,049	1,163,222	1,177,077	1,177,077	1,177,077	1,177,077

<sup>1</sup> Student count does not include Missouri School for the Deaf or Missouri School for the Blind.

<sup>2</sup> Student count does not include private for-profit colleges or universities, and is based on headcount enrollment.

## PROGRAM DESCRIPTION

### Department of Higher Education

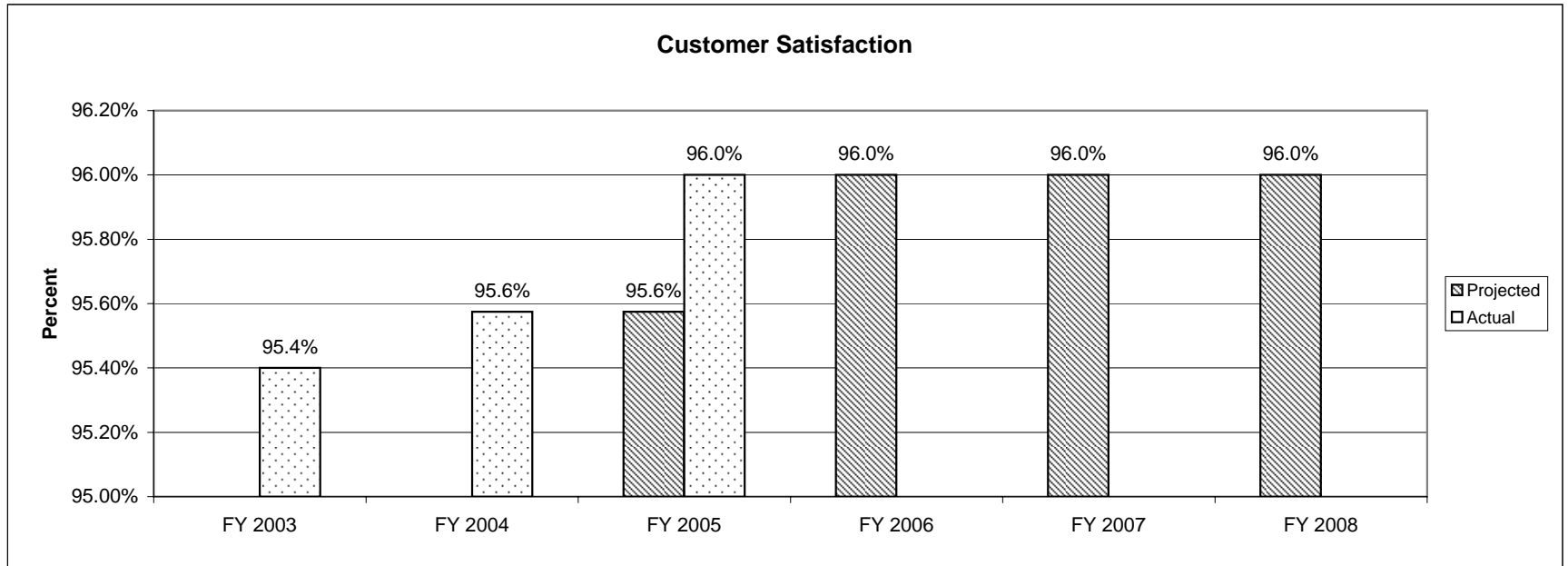
**Program Name:** Missouri Research and Education Network (MOREnet)

**Program is found in the following core budget(s):** MOREnet

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

All customers contacting MOREnet technical support for assistance receive an electronic customer satisfaction survey following the resolution of their issues. This survey asks the customer 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 customers, types of assistance, and areas of performance.

In addition to this survey data, MOREnet recently completed a broader customer 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 customer, and size of organization, the areas in which customers displayed the highest satisfaction were internet connection reliability, technical support, security services, and general customer service.



## 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:** Increments for Continuing  
**Decision Item Rank:** 1 of 1

#### I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

Missouri Research and Educational Network (MOREnet) provides Internet access and telecommunications services to elementary, secondary, and higher education communities, public libraries, and state government. MOREnet has worked hard to contain costs through administrative efficiencies, competitive bidding and innovative methods. However, since FY2002 it has had its state appropriations reduced by \$9.2 million in core cuts, or 48%. To add to the funding challenge, MOREnet has not had its cost to continue request approved since FY2001. Because cost to continue adjustments are used to offset increases in the cost of the goods and services MOREnet must buy to provide its network services and fulfill its mission, failure to fund these increases results in internal core reductions and increased customer fees.

#### II. DESCRIPTION

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

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

This request is based on an adjustment of 5.3% to offset the effects of costs to continue.

#### III. COST EXPLANATION

State Appropriations @ 5.3%	\$538,113
Less Expected 3% Reserve	-16,143
From Non State Sources	<u>274,515</u>
	\$796,485

## NEW DECISION ITEM REQUEST

### ALZHEIMER'S PROGRAM FORM 5

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

#### **I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST**

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

#### **II. DESCRIPTION**

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

#### **III. REQUESTED AMOUNT**

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

The request for FY2007 is \$398,640 based on \$200,000 and a projected Consumer Price Index of 181.2. The request for research funds is \$362,400 and the request for administrative funds is \$36,240, 10% of the research amount.

#### **IV. EVALUATION OF OUTCOMES**

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

**PROGRAM DESCRIPTION**

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

**1. What does this program do?**

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

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

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

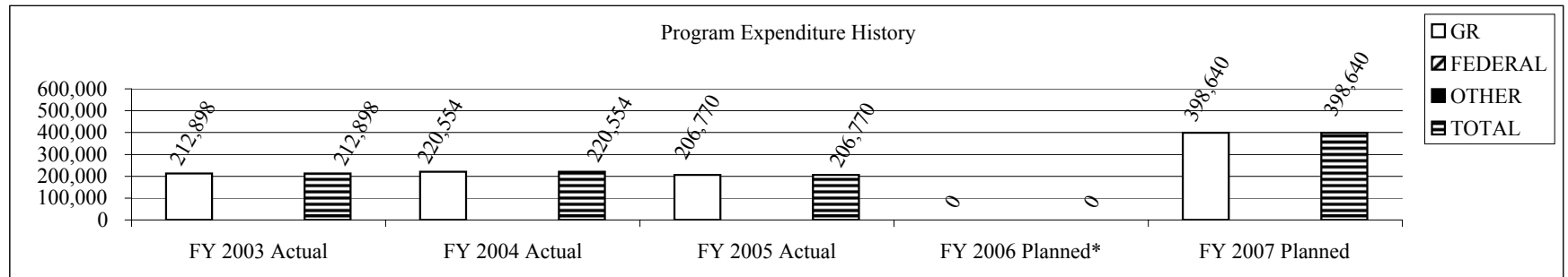
**3. Are there federal matching requirements? If yes, please explain.**

No

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

No

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



\*Reflects HB3 reduction for FY06

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

N/A

## NEW DECISION ITEM REQUEST

### SPINAL CORD INJURY FUND FORM 5

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

#### I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

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

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

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

#### II. DESCRIPTION

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

#### III. REQUESTED AMOUNT

House Bill 218, passed in 2001, stipulates that the Board of Curators shall request annually an appropriation for research awards from the Spinal Cord Injury Fund. The request for FY2007 is \$400,000. The request is comprised of \$360,000 for research funds \$40,000 for administrative funds.

#### IV. EVALUATION OF OUTCOMES

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

**PROGRAM DESCRIPTION**

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

**1. What does this program do?**

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

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

CHAPTER 304.027, RSMo.

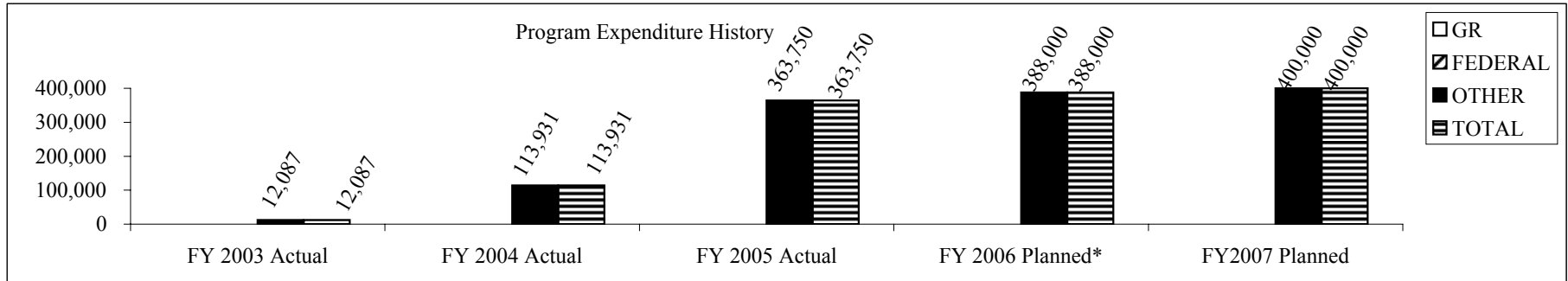
**3. Are there federal matching requirements? If yes, please explain.**

No

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

No

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



\*Net of Governor's 3% Withholding

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

Spinal Cord Injury Fund (0578)

**PROGRAM DESCRIPTION**

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

**7a. Provide an effectiveness measure.**

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

**Proposals received vs proposals awarded**

FY 03		FY 04		FY 05		FY 06		FY 07		FY 08	
<u>Received</u>	<u>Awarded</u>	<u>Received</u>	<u>Awarded</u>	<u>Received</u>	<u>Awarded</u>	<u>Proj Rec'd</u>	<u>Proj Award</u>	<u>Proj Rec'd</u>	<u>Proj Award</u>	<u>Proj Rec'd</u>	<u>Proj Award</u>
N/A	N/A	2	2	3	3	8	7	10	7	12	8

**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 03		FY 04		FY 05		FY 06		FY 07		FY 08	
<u>Total Award</u>	<u>Avg Award</u>	<u>Total Award</u>	<u>Avg Award</u>	<u>Total Award</u>	<u>Avg Award</u>	<u>Total Award</u>	<u>Avg Award</u>	<u>Total Award</u>	<u>Avg Award</u>	<u>Total Award</u>	<u>Avg Award</u>
<u>Amount</u>	<u>Amount</u>	<u>Amount</u>	<u>Amount</u>	<u>Amount</u>	<u>Amount</u>	<u>Amount</u>	<u>Amount</u>	<u>Amount</u>	<u>Amount</u>	<u>Amount</u>	<u>Amount</u>
\$0	\$0	\$100,000	\$50,000	\$150,000	\$50,000	\$350,000	\$50,000	\$350,000	\$50,000	\$400,000	\$50,000

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

N/A

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

N/A



**NEW DECISION ITEM REQUEST**

**STATE SEMINARY FUND  
FORM 5**

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

**I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST**

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

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

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

For FY2007 the University is requesting \$2,500,000 in principal that will need to be reinvested during the fiscal year in Government Securities held in the Seminary Fund and \$175,000 in earnings from principal held in the Seminary Fund.

	<u>FY2006 Planned</u>	<u>FY2007 Request</u>
To Cover Investment in Government Securities	\$2,750,000	\$2,500,000
To Cover Investment Earnings from Principal Held in the Seminary Fund	\$250,000	\$175,000

## PROGRAM DESCRIPTION

**Department of Higher Education**

**Division of Four-year Colleges and Universities**

**Program is found in the following core budget(s): University of Missouri - State Seminary Fund**

**1. What does this program do?**

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

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

Section 172.610, RSMo.

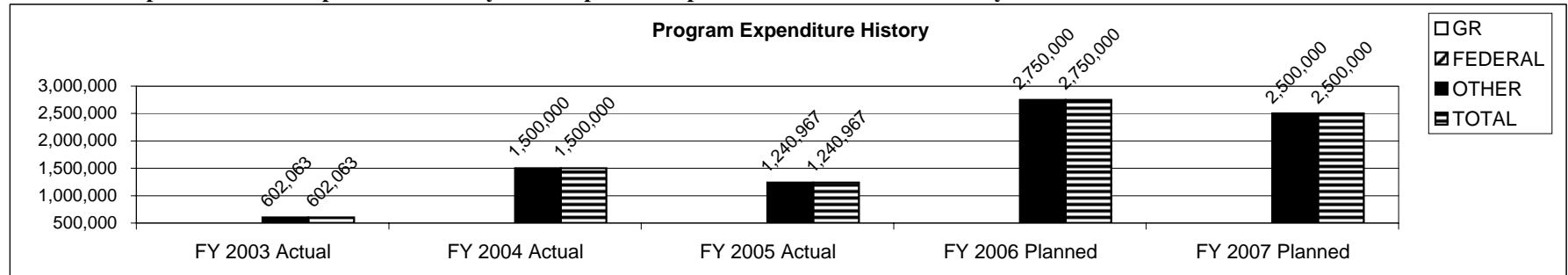
**3. Are there federal matching requirements? If yes, please explain.**

No

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

No

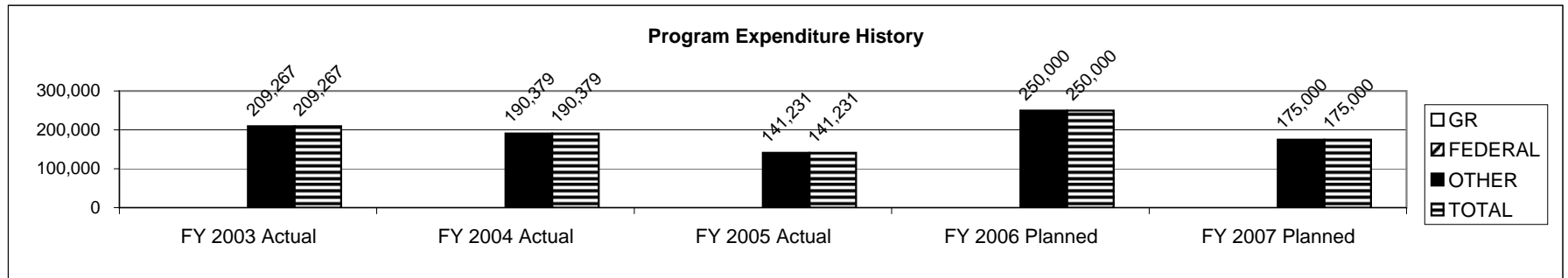
**5. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year.**



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

**PROGRAM DESCRIPTION**

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



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

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

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

**7a. Provide an effectiveness measure.**

**7b. Provide an efficiency measure.**

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

Provided \$46,212 for scholarship awards and \$680,283 for operations at Columbia and Rolla campuses from FY02 through FY04.

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

## STATE HISTORICAL SOCIETY OF MISSOURI

### BUDGET MESSAGE

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

The Society operates the second-largest specialized library in Missouri comprising more than 461,000 books, pamphlets, serials and official state publications, and a map collection totaling more than 4,300 items. Its state newspaper library has newspapers dating from 1808 to the present, is the largest in the nation with over 1,250 bound volumes and some 42.2 million pages of Missouri newspapers on microfilm. In addition, we receive approximately 300 current newspapers from every Missouri county. Approximately 700,000 pages of these and older newspapers are microfilmed each year. The Society in combination with the University of Missouri operates a manuscript library of over 16,000 linear feet of manuscripts, 6,300 reels of microfilmed manuscripts, and an oral history program. The Society also owns the largest public collection in the nation of paintings by Missouri artist George Caleb Bingham, and paintings and drawings by Thomas Hart Benton. Since its founding, the Society has published over 100 volumes of historical material. Ninety-nine volumes of the *Missouri Historical Review*, which has been published since 1906, contain the nation's most extensive collection of articles and documents on Missouri history. The Society also maintains an illustrative library of over 100,000 items. A center for research into every aspect of Missouri's society and government, no serious scholarship pertaining to the history of the state and its people can be completed without using the collections of the State Historical Society. As a service institution, it is highly utilized by the citizens of our state and the nation, including students, scholars, governmental agencies, businesses, professional, civic and fraternal organizations, and the public. In FY 2005, the staff assisted over 17,200 researchers and visitors in the Society's quarters and had over 33,000 contacts via letters, e-mail, telephone, and fax. The home page of the Society's Web site totaled over 39,000 visits.

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

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

Since 1898, the membership fees of the Society have been placed in a Membership Trust Fund controlled by an Executive Committee composed of officers and trustees. These designated funds are used to conduct the Society's meetings and affairs, and to purchase art properties, books and equipment to supplement library program expenditures. The Society has, since 1918, invested surplus funds and gifts from the Membership Trust Fund in government securities, savings and temporary cash investments. As of July 1, 2005, the Society has \$943,616 invested in government-

insured securities, savings and temporary cash investments. Included in this figure are: the James C. and Vera Olson History Day Travel Fund, \$78,714; the Floyd C. Shoemaker Award, \$8,704; the Richard S. Brownlee Award Fund, \$286,291; the New Building Fund, \$206,508; the Eagleton/Waters Book Award Fund, \$23,027; the James W. Goodrich Fund, \$51,339, the Sidney Larson Fund, \$52,671, and the Joseph Webber History Day Teacher Award, \$15,416. Under the present membership fee structure, the Society received \$74,353 in 2004-05. In addition the Society received \$128,867 in donations, \$26,004 in interest, and \$4,224 in miscellaneous income. During FY05, \$246,871 from the Membership Trust Fund was used to supplement the state appropriations. Projected expenditures from this fund, estimated at \$424,140, are planned for special projects during FY06. Also during FY05, in a specially designated fund administered by the University of Missouri, money was expended to purchase books and other items for the Society's collections. It is estimated that \$4500 will be received in this special fund and utilized for book purchases and collections development during FY06.

**PROGRAM EXPENDITURES AND REVENUE SUMMARY**

**FORM 1**

**STATE HISTORICAL SOCIETY OF MISSOURI**

	<u>FY2004 Actual</u>	<u>FY2005 Estimated</u>	<u>FY2006 Planned &amp; FY2007 Core</u>	<u>Cost to Continue</u>	<u>FY2007 Request</u>
<b>EXPENDITURES:</b>					
Program Operations	\$894,923	\$871,990	\$830,341	\$44,008	\$874,349
Total Expenditures	<u>\$894,923</u>	<u>\$871,990</u>	<u>\$830,341</u>	<u>\$44,008</u>	<u>\$874,349</u>
FTE Employees	20.5	19.0	19.0		19.0
 <b>SOURCES OF FUNDS:</b>					
State Appropriations	\$894,923	\$838,990	\$830,341	\$44,008	\$874,349
Membership Trust Fund		33,000			
Total Sources	<u>\$894,923</u>	<u>\$871,990</u>	<u>\$830,341</u>	<u>\$44,008</u>	<u>\$874,349</u>

**PERSONAL SERVICES AND EXPENSE AND EQUIPMENT DETAIL**

**FORM 3**

**STATE HISTORICAL SOCIETY OF MISSOURI**

	<u>FY2005 Estimated</u>		<u>FY2006 Planned &amp; FY2007 Core</u>		<u>Cost to Continue</u>	<u>FY2007 Request</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
<b>PERSONAL SERVICES:</b>							
Teaching and Research	4.0	\$128,370	4.0	\$143,747	\$5,750	4.0	\$149,497
Exec., Admin., Managerial	1.0	62,997	1.0	61,518	2,461	1.0	63,979
Professional	10.0	291,247	10.0	284,247	11,370	10.0	295,617
Technical					0	0.0	0
Office	4.0	95,708	4.0	96,848	3,874	4.0	100,722
Other-students		13,163		10,000	0	0.0	10,000
Staff Benefits		154,570		173,272	23,553		196,825
Total Personal Services	19.0	\$746,055	19.0	\$769,632	\$47,008	19.0	\$816,640
<b>EXPENSE AND EQUIPMENT:</b>							
Fuel and Utilities							
Library Acquisitions		\$3,151					
All Other		122,784		\$60,709	(\$3,000)		\$57,709
Total Expense & Equip.		\$125,935		\$60,709	(\$3,000)		\$57,709
Grand Total	19.0	\$871,990	19.0	\$830,341	\$44,008	19.0	\$874,349

## CORE BUDGET REQUEST ANALYSIS

### FORM 4

#### STATE HISTORICAL SOCIETY OF MISSOURI

##### I. MISSION STATEMENT

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

##### II. DESCRIPTION

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

##### III. PERFORMANCE AND ACTIVITY MEASURES

	<u>FY2005</u>	<u>FY2006</u>	<u>FY2007</u>
Patrons Assisted in Society Quarters	17,269	17,442	17,616
Web Site Visitors (to home page only)	39,840	40,238	40,640
Research Contacts (letters, fax, e-mail, phone)	9,115	9,206	9,298
Administrative & Business Contacts (letters, fax, e-mail, phone)	23,915	24,154	24,396
In-house Tours Given	105	106	107
Books Used	63,189	63,821	64,459
Indexes and Printed Newspapers Used	22,857	23,086	23,317
Newspaper and Census Microfilm Used	49,391	49,885	50,384



**III. PERFORMANCE AND ACTIVITY MEASURES (Continued)**

	<u>FY2005</u>	<u>FY2006</u>	<u>FY2007</u>
Miscellaneous Microfilm Used	1,436	1,450	1,465
Photographic Requests Filled for Patrons	447	451	456
Interlibrary Loan Requests Filled	1,137	1,148	1,159
Reels of Microfilm Sent on Interlibrary Loan	2,299	2,322	2,345
Copy Requests Filled for Patrons	17,850	18,028	18,208
Acquisitions:			
Newspaper Microfilm Reels	596	599	602
Books	1,030	1,035	1,040
Art Works	7	8	9
Missouri Official Publications	1,835	1,844	1,853
Serial Publications & Microfilm	3,746	3,765	3,784
Maps/Atlases	1,431	77	78
Miscellaneous	323	325	327
Books Catalogued	1,931	1,950	1,970
Copies of <i>Missouri Historical Review</i> Printed	23,000	23,230	23,462
Copies of <i>Newsletter</i> Printed	26,325	26,588	26,854
Exhibits and Displays Produced	11	12	12
Workshops	14	15	16
Membership Records Maintained	5,600	5,656	5,713
Presentations and Outreach by Society Personnel	79	80	81

**PROGRAM DESCRIPTION**

**Department of Higher Education**

**Division of Four-year Colleges and Universities**

**Program is found in the following core budget(s): University of Missouri - State Historical Society**

**1. What does this program do?**

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

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

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

Chapter 183, RSMo.

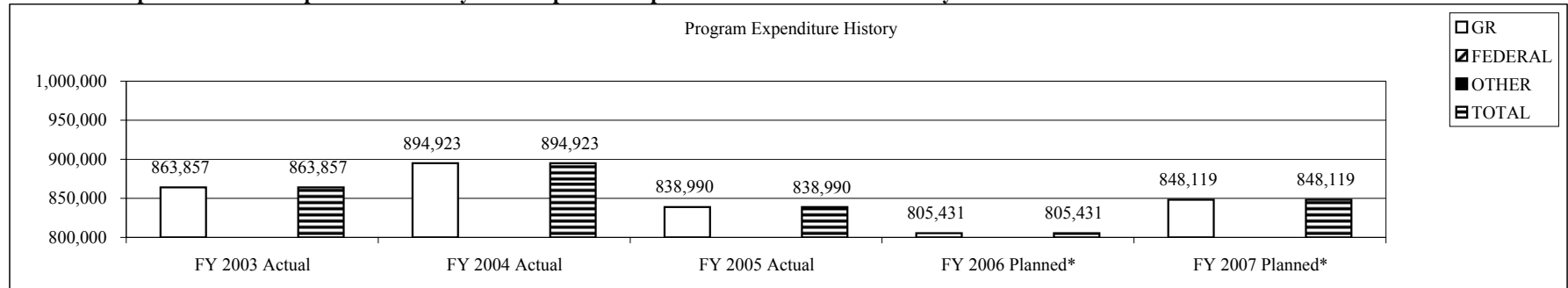
**3. Are there federal matching requirements? If yes, please explain.**

No

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

No

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



\*Net of Governor's 3% Withholding

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

Society's Membership Trust Fund

**PROGRAM DESCRIPTION**

**Department of Higher Education**

**Division of Four-year Colleges and Universities**

**Program is found in the following core budget(s): University of Missouri - State Historical Society**

**7a. Provide an effectiveness measure.**

How many individuals use Society resources on-site?

FY2003	FY2003	FY2004	FY2004	FY2005	FY2005	FY2006	FY2007	FY2008
Projected	Actual	Projected	Actual	Projected	Actual	Projected	Target	Target
23,661	23,660	23,661	19,395	19,589	17,269	17,442	17,616	17,792

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

FY2003	FY2003	FY2004	FY2004	FY2005	FY2005	FY2006	FY2007	FY2008
Projected	Actual	Projected	Actual	Projected	Actual	Projected	Target	Target
19,514	19,512	19,514	21,219	21,431	33,030	33,360	33,694	34,031

**7b. Provide an efficiency measure.**

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

FY2003	FY2003	FY2004	FY2004	FY2005	FY2005	FY2006	FY2007	FY2008
Projected	Actual	Projected	Actual	Projected	Actual	Projected	Target	Target
2,629	2,629	2,629	2,155	2,177	1,919	1,938	1,957	1,977

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

FY2003	FY2003	FY2004	FY2004*	FY2005*	FY2005*	FY2006*	FY2007*	FY2008*
Projected	Actual	Projected	Actual	Projected	Actual	Projected	Target	Target
2,540	2,540	2,698	4,475	4,254	5,463	5,690	5,747	5,804

\*FY04 averages include the number of website visitor's to the Society's website. Projections for FY05-07 include projections for website visitors.

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

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

FY2003	FY2003	FY2004	FY2004*	FY2005**	FY2005*	FY2006**	FY2007**	FY2008**
Projected	Actual	Projected	Actual	Projected	Actual	Projected	Target	Target
43,175	43,172	43,175	71,603	72,319	91,276	92,189	93,111	94,042

\* This includes the number of visitors (30,989) visiting the Society's website. This number was not projected for FY04.

\*\*These projections include the number of visitors visiting the Society's website.

The number of individuals above does not include those persons viewing two traveling exhibits prepared by the Society relative to the Lewis and Clark Bicentennial commemoration. The two exhibits, which began touring in February and March 2004, have been borrowed by schools, libraries, historical societies, and conservation areas throughout Missouri and have been displayed at venues in Nebraska and Iowa. Currently, the exhibits have been reserved for display at a variety of venues through May 31, 2005, and September 30, 2005.

## 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:** Increments for Continuing  
**Decision Item Rank:** 1 of 1

#### I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

State Historical Society of Missouri is directed by statute to collect, preserve, make accessible, and publish materials pertaining to the history of Missouri and western America. The Society has worked hard to contain costs and reduce expenses through administrative efficiencies and innovation. However, state appropriations have been reduced by \$480,525 thousand in extraordinary withholdings and \$219,681 thousand in core cuts since FY2002. To add to the funding issue, the State Historical Society of Missouri has not had its cost to continue request approved since FY2001. Because cost to continue adjustments are used to offset increases in the cost of goods and services that the State Historical Society needs to fulfill its mission, failure to fund these increases results in an internal core reduction. To continue its operations at current levels in 2007 the State Historical Society of Missouri will require cost to continue adjustments.

#### II. DESCRIPTION

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

State Historical Society of Missouri will require funds to offset the effects of cost to continue. An adjustment of 5.3% on the state appropriation base is requested. The personnel policies are the same for these programs as for the general operations of the University.

#### III. COST EXPLANATION

Salaries @ 4.0% plus Related Benefits	\$47,009
Expense and Equipment	<u>(3,000)</u>
Total Cost to continue @ 5.3%	\$44,009
State Appropriations @ 5.3%	\$44,009