



UNIVERSITY OF MISSOURI SYSTEM

Fiscal Year 2015

Appropriations Request for Operations

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University of Missouri System

Fiscal Year 2015

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FY2015 APPROPRIATIONS REQUEST FOR OPERATIONS

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The University of Missouri System

The mission of the University of Missouri System, 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. Our four campuses are located across the state with urban campuses in the two largest cities and our flagship and technological campuses in the center. Through the university's patient care and outreach and extension programs, we touch Missouri residents in all 114 counties in the state.

Today, we are educating over 75,000 students, a steady increase for the last decade and a half. We are the public state university of choice, as demonstrated by the fact that 97% of the FTE undergraduate enrollment growth among the state's four year public institutions over the last 10 years occurred at the University of Missouri.

Last year, I initiated a systemwide strategic planning process to position our campuses for the future through the development of clear, compelling and achievable strategies with a supporting financial plan that would attract the necessary resources for education. At the time, each of our individual campuses had existing strategic plans. However, emerging trends in higher education such as disruptive innovations in education, fiscal uncertainty, and the need to differentiate ourselves in order to maintain competitiveness, made it necessary to revisit the plans and sharpen the focus on a systemwide level.

As the plan progresses over the five-year planning horizon, we expect the brand of each campus and the system to strengthen as each unit executes its strategy and strives toward being best in class. Our university has a unique role to play in improving the quality of life for all Missourians through unparalleled excellence in each of our missions: teaching, research, public service, and economic development.

I am excited about what we have accomplished and where we are headed. Our partnership with the state and its financial support are critical to our success. The foremost priority in our FY15 appropriations request for operations is the funding of the FY14 core and funding for performance of \$407.5 million as well as continued performance funding to help us meet our goals. In addition to the core, we are submitting other strategic investments we believe have a high return to the state.

We are committed to serving the state's higher education needs and developing the university in a way that will provide the best possible service to its students and to its community.

Sincerely,

A handwritten signature in black ink, appearing to read 'Tim Wolfe', with a long horizontal line extending to the right.

Timothy M. Wolfe
President

Summaries

Executive Summary

Funding for Core Operations

The University's first priority is to maintain its base level of support in order to ensure we can carry out our mission of teaching, research, public service, and economic development. This theme is made up of five components, totaling **\$434.6 million**:

\$407.5 million Operating Appropriation is comprised of the \$395.0 million core appropriation received in FY14 plus \$12.5 million in new funding based on meeting performance measures. The total contributes 35% of the University's operating fund budget.

\$2.0 million UMKC and MSU Pharmacy Funding for the satellite Doctor of Pharmacy program at Missouri State University. A continuing appropriation since FY12, the funds initially support infrastructure needs, while the sustaining appropriation will support personnel and distance education costs for the program. After accreditation, the first class will enroll in fall 2014.

\$340,000 for Missouri Federal and State Technology Partnership Program (MOFAST) for the partnership between the University and the state Department of Economic Development to fund counseling for Missouri startup and small technology businesses for federal research and development awards. Every state dollar leverages federal and local match.

\$10.0 million for School of Medicine Partnerships is for the MU School of Medicine in Columbia and CoxHealth and Mercy Health Systems in Springfield to address the state's physician shortage. The partnership will allow a 33% expansion in the School's annual class size through the creation of a clinical campus in Springfield.

\$14.8 million for Performance Funding based on Department of Higher Education Metrics is requested. An increase in state support for the University of Missouri is critical to ensure continued accessibility, quality, and cutting edge educational programs to educate the state's leaders of tomorrow. The University has chosen

performance funding measures (Funding Based on Improved Outcomes) to hold itself accountable in key performance areas.

Other Investment Requests

As the state's land grant research university, the University plays a critical role in supporting economic competitiveness by educating students and fostering research and innovation in the STEM disciplines. These two new investments total **\$59.9 million**.

\$50.9 million for STEM Education and Research Capacity

- \$20.2 million to fund faculty, scholarships, loan forgiveness, and youth programs
- \$2.0 million to update and acquire cutting-edge lab equipment
- \$16.4 million to support enrollment growth
- \$24.6 million to invest in facilities and infrastructure

\$9.0 million to Leverage the State's Investment with External Funding

- \$4.0 million for endowed professorships
- \$2.0 million for endowed scholarships
- \$3.0 million for the Missouri College Advising Corps to assist with college planning

University of Missouri Health System

\$10.3 million to fund the Missouri Rehabilitation Center Core. The Missouri Rehabilitation Center (MRC) is a long-term acute care hospital that provides an array of experts and programs for patients recovering from serious illnesses and injuries. MRC needs its state appropriation core because it serves a disproportionate share of Missouri's Medicaid and indigent clients.

Other Curator Programs

The Missouri Kidney Program, Missouri Telehealth Program, MOREnet, the State Historical Society of Missouri, Alzheimer's

Research, Spinal Cord Injury, and Seminary Fund make up the Other Curator Programs.

\$1.75 million Core plus \$1.45 for Core Restoration and Inflation for Missouri Kidney Program. Life-threatening renal (kidney) disease impacts citizens throughout the State of Missouri, and the Missouri Kidney Program (MoKP) eases this chronic disease burden by touching almost every county in the State of Missouri. A request is made for the current core and inflation plus the restoration of the \$1,380,299 core cut in FY2012 from state general revenue funds.

\$8.97 million MOREnet K-12 Circuit and Shared Network Costs. MOREnet has requested this initiative targeted at high cost broadband service areas generally found in rural locations. Implementing these changes will help to create parity in cost for K-12 communities that still lack affordable broadband connectivity options compared to other communities in Missouri.

\$0.2 million MOREnet Higher Education Circuit and Shared Network Costs. MOREnet has requested this initiative targeted at high cost broadband service areas generally found in rural locations. Implementing these changes will help to create parity rates throughout the state for higher education communities that still lack affordable broadband connectivity options compared to other communities in Missouri.

\$0.5 million Core plus \$15,188 for Inflation for Missouri Telehealth Network is requested. The Missouri Telehealth Network (MTN) exists to enhance access to care in underserved areas of Missouri, to provide educational opportunities for healthcare providers, to further homeland security efforts related to disaster preparedness and to be available in the event of a disaster, and to provide research opportunities to clinicians wanting to study telehealth.

\$1.73 million Core plus \$855,670 for Core Restoration and Inflation for State Historical Society is requested. The State Historical Society of Missouri exists to collect, preserve, make accessible, and publish materials pertaining to the history of the state, Middle West, and the West. This request is for state funds to restore specific needs of the core budget and provide an increase for sustaining quality and service.

Requests for Legislative Requirements

Requests are made for the Alzheimer's Research Fund, Spinal Cord Injury Research Fund, Seminary Fund, and Missouri Returning Heroes Act in accordance with legislative requirements. Of these four requests only two, Missouri Returning Heroes and Alzheimer's Research are funded from state general revenue. The others have special fund sources that cannot be used for any other purpose.

\$0.5 million to fund the Alzheimer's Program. Alzheimer's disease is a particular problem in Missouri, a state with one of the largest elderly populations in the country. The purpose of this request is to fund research that will advance knowledge relating to Alzheimer's disease and related disorders.

\$1.5 million Spinal Cord Injury Fund appropriation is needed to make and administer research awards, consistent with the legislation, to investigators affiliated with a public or private educational, health care, voluntary health association or research institution.

\$2.4 million Missouri Returning Heroes Education Act reimbursement. The University of Missouri is requesting additional appropriation equivalent to the tuition waived in FY2009 - FY2013 for the Missouri Returning Heroes Education Act per statute.

Statistical Highlights

Campuses Columbia, Kansas City, Missouri S&T, and St. Louis

Enrollment, Fall 2012

MU:	34,704
UM-Kansas City:	15,990
MO Science & Technology:	7,645
UM-St. Louis:	<u>16,705</u>
Total enrollment:	<u>75,044</u>
<i>(75 percent undergraduate, 25 percent graduate and first professional students)</i>	

Total degrees granted, FY13: 16,867

Total faculty, Fall 2012: 8,079
(66 percent full-time, 34 percent part-time)

Total staff, Fall 2012: 16,202
(77 percent full-time, 23 percent part-time)

Total graduate assistants, Fall 2012: 4,076

Total student financial aid FY12: \$871.2 million
(in grants, loans, work programs, scholarships, fellowships and other aid)

Net book value of capital assets: \$3.0 billion
(as of June 30, 2013)

Land holdings: 20,019 acres

Grants and contracts expenditures, FY13

Federal:	\$184 million
Other:	\$126 million
<i>(includes state, industry, not-for-profit organizations and other)</i>	
Total grants and contracts:	\$310 million

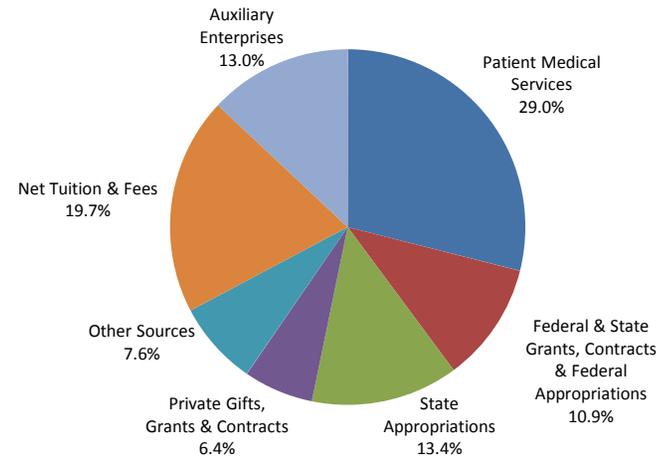
Total gifts, FY13: \$119.5 million
(includes unrestricted private gifts, capital gifts and private gifts for endowment)

Endowment & similar funds

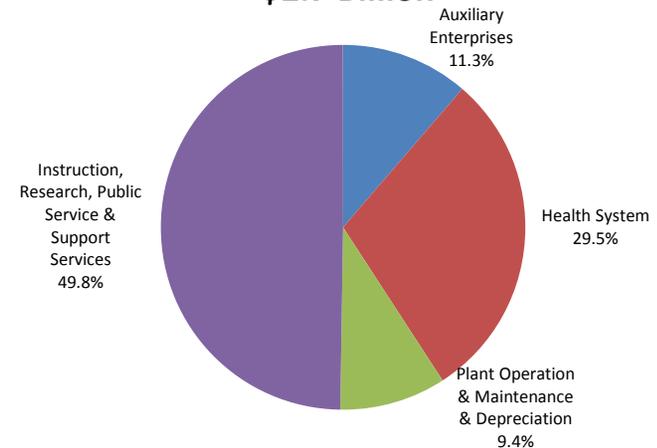
(stated at market as of June 30, 2013)

Market value:	\$1,179,726,417
Endowment per student:	\$20,407

Total Revenues, FY13 \$3.0 billion



Total Operating Expenses, FY13 \$2.7 Billion



FY13 data shown where available, otherwise prior year data reported.

Economic Development: Investing in Missouri

- UM generated \$3.2 billion in total revenues in 2012.
- With more than 31,000 employees in the state, UM was Missouri's 2nd largest employer in 2011.
- UM was issued 34 U.S. patents and filed 69 new U.S. patent applications in 2012.
- Eight business startups were created around UM technologies in 2012 and the university earned \$6.8 million in licensing income.

FY13 data shown where available, otherwise prior year data reported.

UM Statewide Impact

Students from Missouri, 2012: 58,047

Alumni in Missouri, 2012: 234,425

Selected school alumni:

Medicine:	3,689
Nursing:	8,103
Other Health Professions:	3,737
Veterinary Medicine:	1,538
Dentistry:	2,531
Pharmacy:	1,753
Engineering:	24,972
Optometry:	477
Agriculture:	11,978
Law:	8,148

Employees & Retirees living in Missouri, 2012: 38,123

State tax revenue generated in Missouri by University employees & retirees, 2012: \$47.8 million

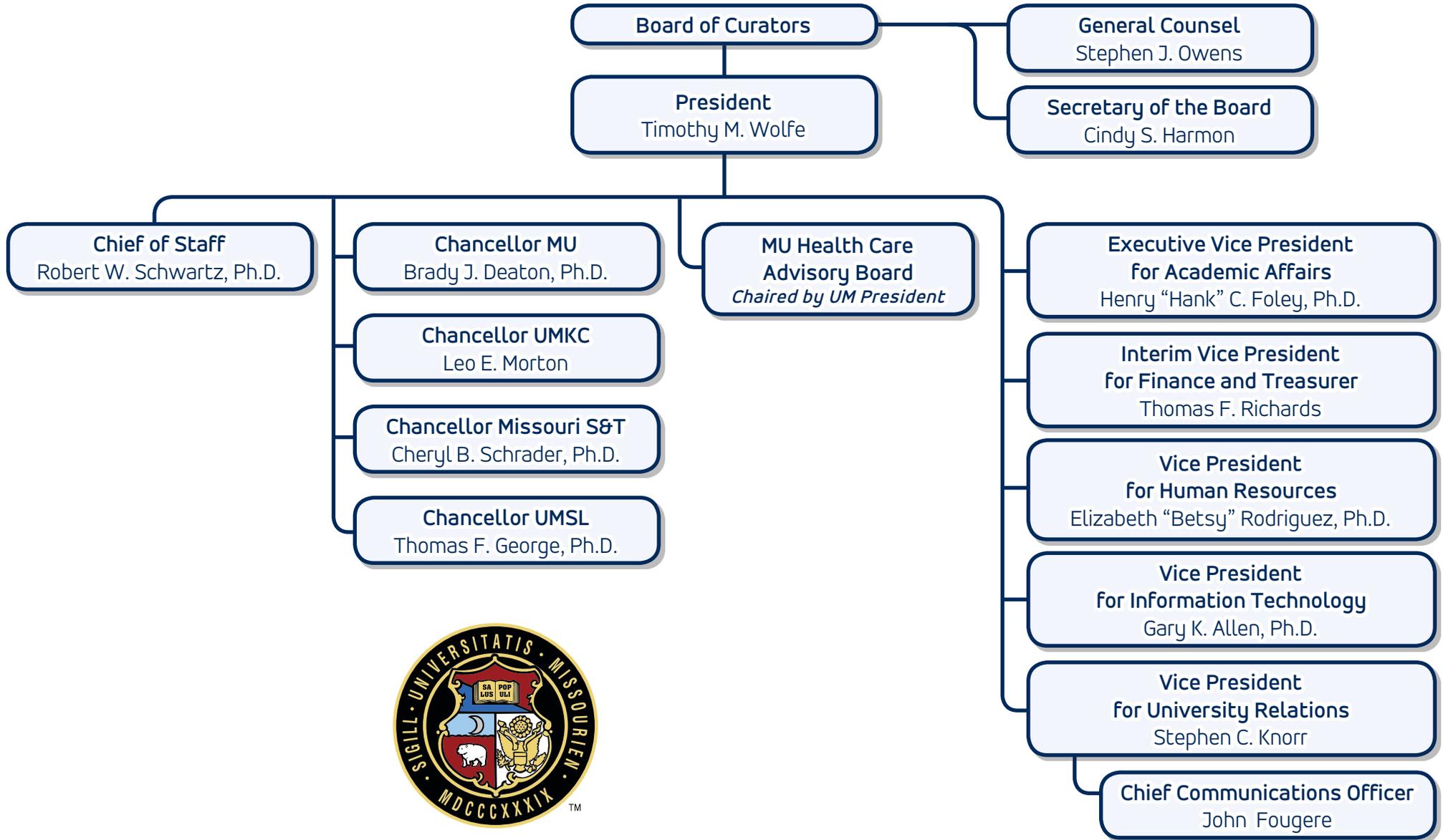
Construction projects & contracts awarded in Missouri in 2013: 374 projects for \$226 million

Extension impact, 2012: 2,183,818 contacts
Served by 113 Extension Centers

MU Health System impact, 2013: 568,675 clinic visits, 126,142 inpatient days of care

MOREnet impact, 2013: 65 higher education institutions & 500 K12 schools served.

University of Missouri System Organizational Chart



**UNIVERSITY OF MISSOURI SYSTEM
SUMMARY OF FY2015 APPROPRIATIONS REQUEST FOR OPERATIONS**

	<u>DECISION ITEM NUMBER</u>	<u>STATE APPROPRIATIONS</u>
FY2015 APPROPRIATION BASE (Core plus Performance Funding) Total		\$407,511,996
FY2015 APPROPRIATION UMKC/MSU Pharmacy Doctorate Program		2,000,000
FY2015 APPROPRIATION MU Medical School Partnerships		10,000,000
FY2015 APPROPRIATION Missouri Federal & State Technical Program		340,000
Total Recurring Appropriation Cores		<u>\$419,851,996</u>
 RECURRING INCREASE REQUESTED:		
Performance Funding for Core Operating Support	1	\$14,800,000
Increasing STEM Education and Research Capacity	2	50,900,000
Leveraging the State's Investment	3	<u>9,000,000</u>
Required Investment for New Decision Items		\$74,700,000
Total Recurring Increase Requested		<u>\$494,551,996</u>
 TOTAL RECURRING REQUEST FY2015		 <u><u>\$494,551,996</u></u>

Current Funds Revenues and Expenditures
University of Missouri System
Actual Revenues & Expenditures
FY2012

	General Operations	Other Unrestricted E&G	Auxiliary Operations	Hospital Operations	Total Unrestricted	Restricted Non-Grants	Grants & Contracts	Total Restricted	Total Current Funds
Revenues									
Tuition and Fees	677,876,405	57,810,817	-	-	735,687,222	-	387,597	387,597	736,074,819
Scholarship Allowance/Expense	(149,528,098)	(4,119,375)	-	-	(153,647,473)	(22,014,634)	(75,516,414)	(97,531,048)	(251,178,521)
Net Student Fees	528,348,307	53,691,442	-	-	582,039,749	(22,014,634)	(75,128,817)	(97,143,451)	484,896,298
State Appropriations	384,734,932	-	-	10,027,734	394,762,666	2,866,389	-	2,866,389	397,629,055
Federal Appropriations	17,761,640	-	-	-	17,761,640	-	-	-	17,761,640
Local Tax Revenue	-	-	-	-	-	-	-	-	-
Federal Grants and Contracts	-	-	-	-	-	-	184,543,699	184,543,699	184,543,699
Federal Pell Grants	-	-	-	-	-	-	62,311,506	62,311,506	62,311,506
State Grants and Contracts	-	-	-	-	-	-	51,027,984	51,027,984	51,027,984
Other Government Grants and Contracts	-	-	-	-	-	-	4,809,309	4,809,309	4,809,309
Other Grants & Contracts	29,450	-	-	-	29,450	52,493	70,940,500	70,992,993	71,022,443
Gift Revenues	1,290,349	-	10,623,865	-	11,914,214	75,998,156	-	75,998,156	87,912,370
Recovery of F & A/Indirect Costs (Administrative Allowance)	53,892,653	-	-	-	53,892,653	9,688	(53,834,542)	(53,824,854)	67,799
Endowment & Investment Income	30,940,596	5,553,786	985,238	3,702,647	41,182,267	37,712,227	(16,758)	37,695,469	78,877,736
Sales & Services/Net Auxiliary Revenue	44,787,348	3,503,417	489,727,287	655,077,557	1,193,095,609	129,264	6,383	135,647	1,193,231,256
Other Income	37,947,733	7,327,861	-	-	45,275,594	5,329,462	1,525,632	6,855,094	52,130,688
Total Revenues	1,099,733,008	70,076,506	501,336,390	668,807,938	2,339,953,842	100,083,045	246,184,896	346,267,941	2,686,221,783
Transfers	(7,384,666)	(53,269,468)	(67,791,579)	(79,822,069)	(208,267,782)	(1,554,908)	(3,649,757)	(5,204,665)	(213,472,447)
Total Revenues and Transfers	1,092,348,342	16,807,038	433,544,811	588,985,869	2,131,686,060	98,528,137	242,535,139	341,063,276	2,472,749,336
Expenditures									
Salaries & Wages	656,030,713	51,143,197	229,983,841	234,833,175	1,171,990,926	24,850,990	121,950,978	146,801,968	1,318,792,894
Benefit Expense	177,015,936	30,230,713	49,522,420	72,896,265	329,665,334	5,841,392	24,025,634	29,867,026	359,532,360
Total Compensation	833,046,649	81,373,910	279,506,261	307,729,440	1,501,656,260	30,692,382	145,976,612	176,668,994	1,678,325,254
Other Expenses	215,427,991	(58,495,421)	186,360,908	293,962,942	637,256,420	30,015,809	96,288,375	126,304,184	763,560,604
Total Expenditures	1,048,474,640	22,878,489	465,867,169	601,692,382	2,138,912,680	60,708,191	242,264,987	302,973,178	2,441,885,858
Change in Net Assets	43,873,702	(6,071,451)	(32,322,358)	(12,706,513)	(7,226,620)	37,819,946	270,152	38,090,098	30,863,478
Expenditures by Program Classification									
Instruction	523,731,386	31,469,367	-	-	555,200,753	31,467,345	17,204,346	48,671,691	603,872,444
Research	60,975,687	2,401,351	-	-	63,377,038	5,675,123	141,372,483	147,047,606	210,424,644
Public Service	50,997,546	4,867,872	-	-	55,865,418	13,102,962	78,109,672	91,212,634	147,078,052
Academic Support	124,149,755	4,884,343	-	-	129,034,098	4,461,752	207,545	4,669,297	133,703,395
Student Services	65,719,336	740,378	-	-	66,459,714	1,493,298	403,099	1,896,397	68,356,111
Institutional Support	121,684,239	(21,281,137)	-	-	100,403,102	2,054,026	(17,425)	2,036,601	102,439,703
Operation & Maintenance of Plant	101,216,691	(203,685)	-	-	101,013,006	208,899	7,926	216,825	101,229,831
Scholarships & Fellowships	-	-	-	-	-	1,647,986	4,912,294	6,560,280	6,560,280
Total E&G Expenditures	1,048,474,640	22,878,489	-	-	1,071,353,129	60,111,391	242,199,940	302,311,331	1,373,664,460
Auxiliaries	-	-	465,867,169	-	465,867,169	-	-	-	465,867,169
Hospitals	-	-	-	601,692,382	601,692,382	596,800	65,047	661,847	602,354,229
Total Expenditures by Program Classification	1,048,474,640	22,878,489	465,867,169	601,692,382	2,138,912,680	60,708,191	242,264,987	302,973,178	2,441,885,858

Current Funds Revenues and Expenditures
University of Missouri System
Actual Revenues & Expenditures (Preliminary)
FY2013

	General Operations	Other Unrestricted E&G	Auxiliary Operations	Hospital Operations	Total Unrestricted	Restricted Non-Grants	Grants & Contracts	Total Restricted	Total Current Funds
Revenues									
Tuition and Fees	723,192,397	67,819,267			791,011,664	6,534	301,165	307,699	791,319,363
Scholarship Allowance/Expense	(160,656,497)	(4,951,032)			(165,607,529)	(21,783,078)	(73,584,668)	(95,367,746)	(260,975,275)
Net Student Fees	562,535,900	62,868,235	-		625,404,135	(21,776,544)	(73,283,503)	(95,060,047)	530,344,088
State Appropriations	388,000,597			10,027,740	398,028,337	3,372,124		3,372,124	401,400,461
Federal Appropriations	18,693,426				18,693,426			-	18,693,426
Local Tax Revenue					-				-
Federal Grants and Contracts					-		183,513,902	183,513,902	183,513,902
Federal Pell Grants					-		59,916,868	59,916,868	59,916,868
State Grants and Contracts	21,854				21,854	2,025	47,474,687	47,476,712	47,498,566
Other Government Grants and Contracts					-		6,799,097	6,799,097	6,799,097
Other Grants & Contracts					-	(180)	71,731,113	71,730,933	71,730,933
Gift Revenues	1,634,227	10,008	12,881,548		14,525,783	41,377,094	50	41,377,144	55,902,927
Recovery of F & A/Indirect Costs (Administrative Allowance)	54,280,584				54,280,584		(54,176,291)	(54,176,291)	104,293
Endowment & Investment Income	2,036,787	2,956,061	573,576	9,345,433	14,911,857	43,378,226	22,133	43,400,359	58,312,216
Sales & Services/Net Auxiliary Revenue	47,797,954	3,239,287	528,373,666	705,446,100	1,284,857,007	234,002	2,527	236,529	1,285,093,536
Other Income	38,294,991	8,087,523			46,382,514	4,772,055	3,120,984	7,893,039	54,275,553
Total Revenues	1,113,296,320	77,161,114	541,828,790	724,819,273	2,457,105,497	71,358,802	245,121,567	316,480,369	2,773,585,866
Transfers	(16,665,151)	(56,493,219)	(67,994,850)	(125,196,590)	(266,349,810)	413,800	(3,909,543)	(3,495,743)	(269,845,553)
Total Revenues and Transfers	1,096,631,169	20,667,895	473,833,940	599,622,683	2,190,755,687	71,772,602	241,212,024	312,984,626	2,503,740,313
Expenditures									
Salaries & Wages	675,148,800	51,927,705	232,580,208	237,301,161	1,196,957,874	26,515,362	120,546,882	147,062,244	1,344,020,118
Benefit Expense	194,655,294	25,829,611	54,580,459	77,094,194	352,159,558	6,600,087	26,959,483	33,559,570	385,719,128
Total Compensation	869,804,094	77,757,316	287,160,667	314,395,355	1,549,117,432	33,115,449	147,506,365	180,621,814	1,729,739,246
Other Expenses	223,432,155	(70,174,564)	194,252,045	313,809,468	661,319,104	32,730,289	89,069,294	121,799,583	783,118,687
Total Expenditures	1,093,236,249	7,582,752	481,412,712	628,204,823	2,210,436,536	65,845,738	236,575,659	302,421,397	2,512,857,933
Change in Net Assets	3,394,920	13,085,143	(7,578,772)	(28,582,140)	(19,680,849)	5,926,864	4,636,365	10,563,229	(9,117,620)
Expenditures by Program Classification									
Instruction	545,798,404	29,310,209			575,108,613	32,779,783	15,786,095	48,565,878	623,674,491
Research	59,575,484	1,653,363			61,228,847	7,001,213	138,671,422	145,672,635	206,901,482
Public Service	50,252,942	3,789,406			54,042,348	14,190,637	80,697,190	94,887,827	148,930,175
Academic Support	129,279,449	5,025,988			134,305,437	4,870,947	172,022	5,042,969	139,348,406
Student Services	67,379,995	607,397			67,987,392	3,560,204	3,692,617	7,252,821	75,240,213
Institutional Support	131,263,769	(30,656,237)			100,607,532	2,257,936	(2,450,188)	(192,252)	100,415,280
Operation & Maintenance of Plant	109,686,206	(2,147,374)			107,538,832	156,086	6,501	162,587	107,701,419
Scholarships & Fellowships	-	-			-			-	-
Total E&G Expenditures	1,093,236,249	7,582,752	-	-	1,100,819,001	64,816,806	236,575,659	301,392,465	1,402,211,466
Auxiliaries			481,412,712		481,412,712			-	481,412,712
Hospitals				628,204,823	628,204,823	1,028,932		1,028,932	629,233,755
Total Expenditures by Program Classification	1,093,236,249	7,582,752	481,412,712	628,204,823	2,210,436,536	65,845,738	236,575,659	302,421,397	2,512,857,933

Current Funds Revenues and Expenditures
University of Missouri System
Budgeted Revenues & Expenditures
FY2014

	General Operations	Other Unrestricted E&G	Auxiliary Operations	Hospital Operations	Total Unrestricted	Restricted Non-Grants	Grants & Contracts	Total Restricted	Total Current Funds
Revenues									
Tuition and Fees	758,004,270	63,712,184		-	821,716,454		300,000	300,000	822,016,454
Scholarship Allowance/Expense	(168,378,288)	(4,332,620)		-	(172,710,908)	(22,948,224)	(71,553,000)	(94,501,224)	(267,212,132)
Net Student Fees	589,625,982	59,379,564	-		649,005,546	(22,948,224)	(71,253,000)	(94,201,224)	554,804,322
State Appropriations	397,346,036			9,614,219	406,960,255	3,722,436		3,722,436	410,682,691
Federal Appropriations	16,585,373				16,585,373			-	16,585,373
Local Tax Revenue					-				-
Federal Grants and Contracts					-		173,110,000	173,110,000	173,110,000
Federal Pell Grants					-		61,370,000	61,370,000	61,370,000
State Grants and Contracts					-		44,907,000	44,907,000	44,907,000
Other Government Grants and Contracts					-		7,166,000	7,166,000	7,166,000
Other Grants & Contracts					-		71,579,000	71,579,000	71,579,000
Gift Revenues	1,369,900	100	13,025,000		14,395,000	37,164,792		37,164,792	51,559,792
Recovery of F & A/Indirect Costs (Administrative Allowance)	52,830,000				52,830,000		(52,830,000)	(52,830,000)	-
Endowment & Investment Income	24,253,983	5,253,390	427,053	5,630,673	35,565,099	45,914,662		45,914,662	81,479,761
Sales & Services/Net Auxiliary Revenue	48,207,669	2,694,892	517,082,837	700,858,909	1,268,844,307	21,233	1,200	22,433	1,268,866,740
Other Income	36,230,968	7,338,398			43,569,366	3,918,555	2,558,800	6,477,355	50,046,721
Total Revenues	1,166,449,911	74,666,344	530,534,890	716,103,801	2,487,754,946	67,793,454	236,609,000	304,402,454	2,792,157,400
Transfers	(18,577,217)	(54,898,518)	(55,466,154)	(68,358,703)	(197,300,592)	(3,535,777)	(3,647,080)	(111,303)	(197,411,895)
Total Revenues and Transfers	1,147,872,694	19,767,826	475,068,736	647,745,098	2,290,454,354	71,329,231	232,961,920	304,291,151	2,594,745,505
Expenditures									
Salaries & Wages	689,341,230	50,810,589	227,659,243	238,770,282	1,206,581,344	25,141,120	123,632,993	148,774,113	1,355,355,457
Benefit Expense	206,638,720	15,789,057	57,882,547	81,718,650	362,028,974	6,929,416	31,477,788	38,407,204	400,436,178
Total Compensation	895,979,950	66,599,646	285,541,790	320,488,932	1,568,610,318	32,070,536	155,110,781	187,181,317	1,755,791,635
Other Expenses	245,732,114	(56,266,105)	186,398,698	324,324,895	700,189,602	29,147,245	76,524,019	105,671,264	805,860,866
Total Expenditures	1,141,712,064	10,333,541	471,940,488	644,813,827	2,268,799,920	61,217,781	231,634,800	292,852,581	2,561,652,501
Change in Net Assets	6,160,630	9,434,285	3,128,248	2,931,271	21,654,434	10,111,450	1,327,120	11,438,570	33,093,004
Expenditures by Program Classification									
Instruction	568,332,192	22,140,802			590,472,994	31,669,044	19,785,358	51,454,402	641,927,396
Research	54,691,993	144,279			54,836,272	6,131,442	131,051,254	137,182,696	192,018,968
Public Service	51,498,592	2,335,488			53,834,080	13,997,161	75,359,126	89,356,287	143,190,367
Academic Support	138,429,095	4,923,155			143,352,250	4,537,732		4,537,732	147,889,982
Student Services	74,763,302	(19,806)			74,743,496	3,127,100	5,439,062	8,566,162	83,309,658
Institutional Support	132,828,598	(17,839,797)			114,988,801	1,432,574		1,432,574	116,421,375
Operation & Maintenance of Plant	121,168,292	(1,350,580)			119,817,712	211,631		211,631	120,029,343
Scholarships & Fellowships		-			-			-	-
Total E&G Expenditures	1,141,712,064	10,333,541	-	-	1,152,045,605	61,106,684	231,634,800	292,741,484	1,444,787,089
Auxiliaries			471,940,488		471,940,488			-	471,940,488
Hospitals				644,813,827	644,813,827	111,097		111,097	644,924,924
Total Expenditures by Program Classification	1,141,712,064	10,333,541	471,940,488	644,813,827	2,268,799,920	61,217,781	231,634,800	292,852,581	2,561,652,501

Core Programs

UNRESTRICTED EDUCATIONAL AND GENERAL

CORE BUDGET REQUEST ANALYSIS

FORM 4

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

CORE

The University of Missouri System's foremost priority in the FY2015 request for operations is the funding of its FY2014 core state appropriation of \$407.5 million. While the University understands the demands on the state budget, it is critically important that the FY2015 core begin at \$407.5 million.

MISSION STATEMENT

University of Missouri

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

University of Missouri-Columbia (MU)

Our distinct mission, as Missouri's only state-supported member of the Association of American Universities, is to provide all Missourians the benefits 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, service and economic development 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 commitment to public service — the obligation to produce and disseminate knowledge that will improve the quality of life in the state, the nation and the world.

University of Missouri-Kansas City (UMKC)

UMKC's mission is to lead in life and health sciences; to deepen and expand strength in the visual and performing arts; to develop a professional workforce and collaborate in urban issues and education; and to create a vibrant learning and campus life experience.

Missouri University of Science and Technology (MO S&T)

Missouri S&T integrates education, research and application to create and convey knowledge that serves our state and helps solve the world's great challenges.

University of Missouri-St. Louis (UMSL)

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

DESCRIPTION

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

Today, the University of Missouri is one of the nation's largest higher education institutions, over 75,000 students on four campuses and an extension program with activities in every county of the state. The university continues to have record enrollments. In fall 2012, the total enrollment was 75,044 with 18,294 of this number enrolled in graduate and professional programs. At that time, the full-time teaching and research staff numbered 5,330. In 2012-13, the campuses granted 16,867 degrees.

The Columbia campus offers academic programs through 15 schools and colleges. In fall 2012, the total enrollment was 34,704 with 7,744 of this number enrolled in graduate and professional programs. At that time, the full-time teaching and research staff numbered 3,136. In 2012-13, the campus granted 8,238 degrees. The Kansas City campus offers academic programs through 12 schools and colleges. Its fall 2012 total enrollment was 15,990, which included 5,376 graduate and professional students. The campus employed 1,303 full-time teaching and research staff. In 2012-2013, the campus awarded 3,338 degrees. The Missouri S&T campus offers academic programs through 4 departments. In fall 2012, its total enrollment was 7,645 students, which included 1,804 enrolled in graduate programs. Full-time teaching and research staff numbered 358. In 2012-2013, the campus awarded 2,227 degrees. The St. Louis campus offers academic programs through 8 schools and colleges, and had a fall 2012 total enrollment of 16,705, which included 3,370 graduate and professional students. The campus employed 531 full-time teaching and research staff and awarded 3,064 degrees in 2012-2013.

The university's primary responsibility is to serve students and citizens of Missouri, although the university enrolls students from other states and countries to contribute to greater world understanding and to provide a richer learning environment for Missouri residents. The university is also the only public institution in the state which emphasizes basic and applied research and doctoral education as major academic missions. This emphasis on advanced education and research attracts faculty at the forefront of knowledge in their disciplines. As part of an international research community, the university engages in research and creative programs to improve the quality of life and to contribute to a higher standard of living throughout the world. The university has the unique responsibility to the state of providing access to quality educational experiences for Missouri's future health care providers. In addition, as part of a land-grant university, University of Missouri Health Care's core mission is to enhance the health of all people, especially Missourians. Through exceptional clinical service, University of Missouri Health Care supports the education and research missions of the

University of Missouri. Their vision: Through discovery and innovation, University of Missouri Health Care will be the health system people choose for exceptional service and exemplary health care.

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

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

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

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

PROGRAM DESCRIPTION

Department of Higher Education

Program Name: University of Missouri

Program is found in the following core budget(s): University of Missouri - UMKC/MSU Doctor of Pharmacy Program

1. What does this program do?

The purpose of this funding is for UMKC to develop a satellite Doctor of Pharmacy program at Missouri State University. Once this infrastructure is solidified, the sustaining appropriation supports the additional personnel and distance education costs for the program. The staffing and distance education costs will be a part of UMKC's budget. The pharmacy students on the MSU campus will be registered at UMKC, will be considered and treated as UMKC students, but will have the opportunity for ancillary services at MSU such as parking, library facilities, and other student activities.

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

UMKC Pharmacy is a component of the University of Missouri and falls under these statutes -Section 172.010 - 172.950.

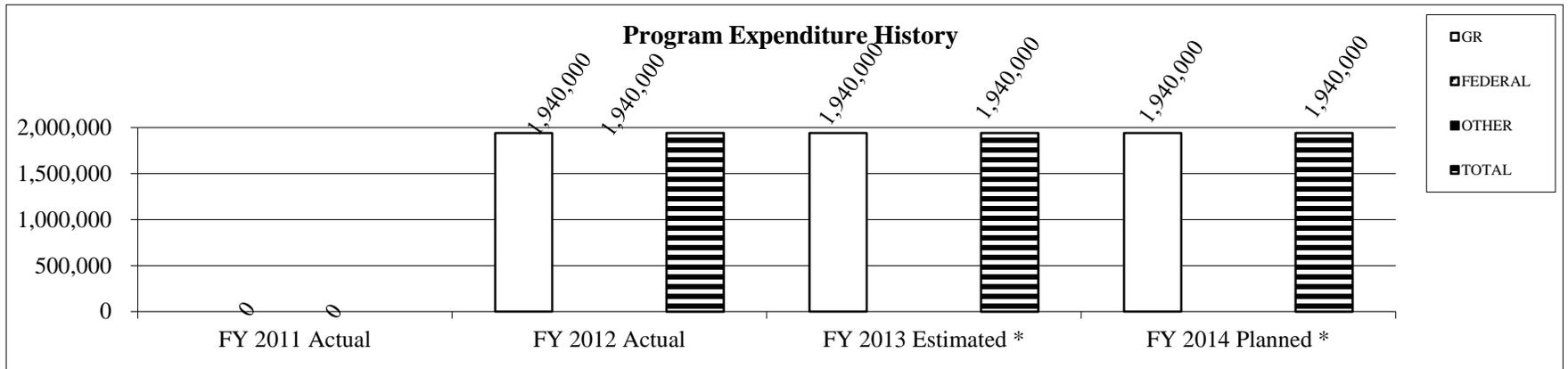
3. Are there federal matching requirements? If yes, please explain.

No

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

No

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



* Net of 3% Governor's withholding

PROGRAM DESCRIPTION

Department of Higher Education Program Name: University of Missouri Program is found in the following core budget(s): University of Missouri - UMKC/MSU Doctor of Pharmacy Program								
6. What are the sources of the "Other " funds? N/A								
7a. Provide an effectiveness measure. Additional students admitted to joint program to increase the number of licensed pharmacists:								
	FY2012 Planned	FY2013 Planned	FY2014 Planned	FY2015 Planned	FY2016 Planned	FY2017 Planned	FY2018 Planned	FY2019 Planned
	0	0	0	30	30	30	30	30
The Accreditation Council for Pharmacy Education (ACPE) will require approximately 2 years for full approval of our expansion prior to enrollment. When approved by ACPE, we will enroll the first class in the Fall of 2014. This will allow time for space renovation for distance education at MSU.								
7b. Provide an efficiency measure. Number of student graduates from joint pharmacy program:								
	FY2016 Planned	FY2017 Planned	FY2018 Planned	FY2019 Planned	FY2020 Planned	FY2021 Planned	FY2022 Planned	
	0	0	30	30	30	30	30	
7c. Provide the number of clients/individuals served, if applicable. N/A								
7d. Provide a customer satisfaction measure, if available. N/A								

PROGRAM DESCRIPTION

Department of Higher Education

Program Name: University of Missouri

Program is found in the following core budget(s): University of Missouri - MU Medical School Partnerships

1. What does this program do?

In response to the shortage of physicians in Missouri, the University of Missouri School of Medicine in Columbia and CoxHealth and Mercy Health Systems in Springfield will increase medical school enrollment at MU by creating a clinical campus in Springfield, Missouri. At the University of Missouri School of Medicine in Columbia and most other medical schools, students complete four years of education to receive a medical degree and become a physician. Students primarily spend the first two years learning foundational aspects of medicine in educational facilities — such as classrooms, labs, libraries and auditoriums — from a variety of biomedical scientists and physician educators. Students spend much of the final two years of medical school in patient-care facilities such as hospitals and clinics. This clinical component of medical student education involves directly interacting with patients under the supervision of physicians practicing in a variety of specialties, such as family and community medicine, internal medicine, pediatrics, surgery, neurology, psychiatry, obstetrics and gynecology.

Each of the past two years, MU received more than 1,500 applicants to medical school, but it only has the capacity to accept 96 new medical students annually. The clinical campus in Springfield and expanded educational facilities in Columbia will allow MU to accept 128 medical students annually, with 30-35 students from each class completing the second two years of their medical education in Springfield. The first expanded medical school class will be admitted 24 months after all funding is secured.

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

MU Medical School is a component of the University of Missouri and falls under these statutes -Section 172.010 - 172.950.

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

No

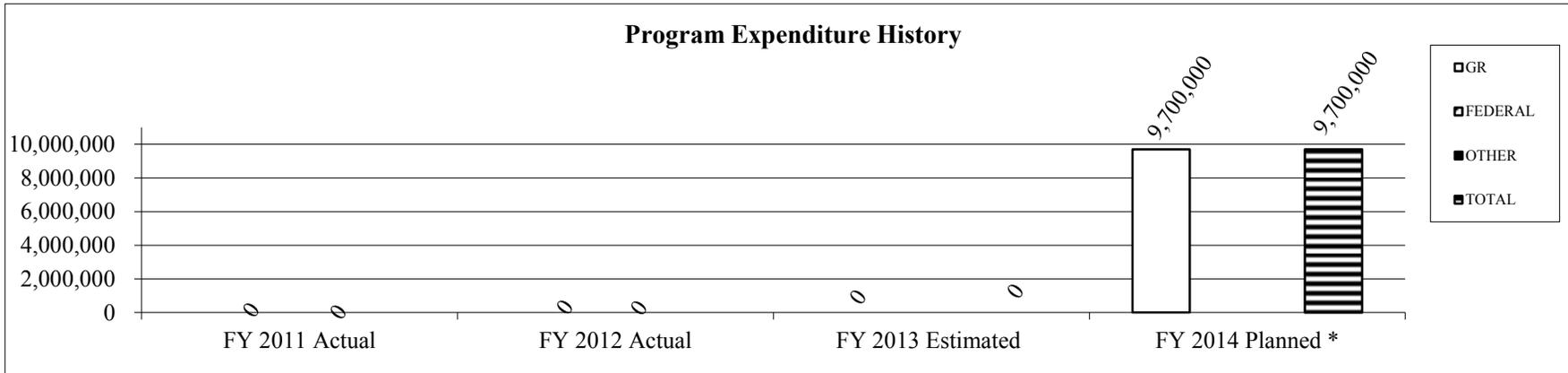
4. Is this a federally mandated program? If yes, please explain.

No

PROGRAM DESCRIPTION

Department of Higher Education
Program Name: University of Missouri
Program is found in the following core budget(s): University of Missouri - MU Medical School Partnerships

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



* Net of 3% Governor's withholding

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

N/A

7a. Provide an effectiveness measure.

Additional students admitted to MU Medical School to increase the number of physicians:

FY2013 Planned	FY2014 Planned	FY2015 Planned	FY2016 Planned	FY2017 Planned	FY2018 Planned	FY2019 Planned
0	0	8	8	32	32	32

The first expanded medical school class will be admitted 24 months after all funding is secured.

PROGRAM DESCRIPTION

Department of Higher Education							
Program Name: University of Missouri							
Program is found in the following core budget(s): University of Missouri - MU Medical School Partnerships							
7b. Provide an efficiency measure.							
Number of student graduates from expanded medical school program:							
	FY2016 Planned	FY2017 Planned	FY2018 Planned	FY2019 Planned	FY2020 Planned	FY2021 Planned	FY2022 Planned
Additional graduates from expansion	0	0	8	8	32	32	32
Total graduates	96	96	104	104	128	128	128
7c. Provide the number of clients/individuals served, if applicable.							
N/A							
7d. Provide a customer satisfaction measure, if available.							
N/A							

PROGRAM DESCRIPTION

Department of Higher Education

Program Name: Missouri Federal and State Technology Partnership Program

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

1. What does this program do?

This item funds several counselors located across the state who provide counseling and educational offerings to early stage and growth businesses, including small technology businesses. The key focus is on identifying markets, developing new products and attracting equity capital to capture the opportunity to create and retain jobs in Missouri. One key focus is on attracting government research and development awards to Missouri small businesses for new product development. These counselors help Missouri small businesses seek out, apply for and win government Small Business Innovative Research (SBIR) awards that will provide grant money to develop and potentially commercialize innovations. The SBIR program was initiated in 1982 and has four goals: (1) stimulate technological innovation; (2) partner with small businesses to meet federal research and development needs; (3) encourage the participation of disadvantaged businesses and minority-owned firms in technological innovation; and (4) increase private sector commercialization derived from federal research and development funding. Awards of SBIR grants to Missouri small businesses help keep the technology and the proceeds from its commercialization in the state. MOFAST helps Missouri companies become aware and understand the process for preparing, pitching and winning seed and angel funding, including federal SBIR grants.

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

Missouri Small Business Development Center Fund established in Section 620.1001.

University of Missouri Extension is a component of the University of Missouri and falls under these statutes -Section 172.010 - 172.950.

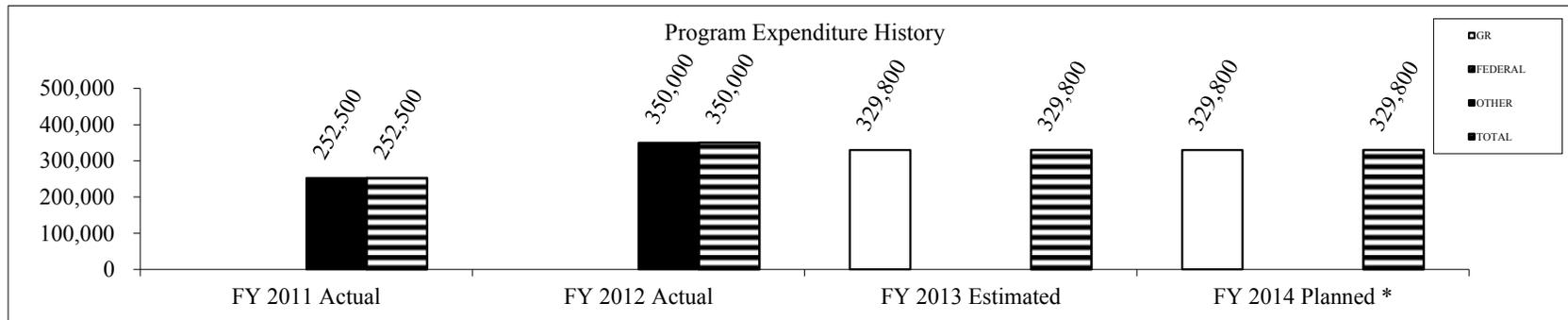
3. Are there federal matching requirements? If yes, please explain.

Yes, state dollars and local match are used to access federal dollars.

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.



Appropriation first received directly at UM in FY 2013.

*Net of 3% Governor's withholding.

PROGRAM DESCRIPTION

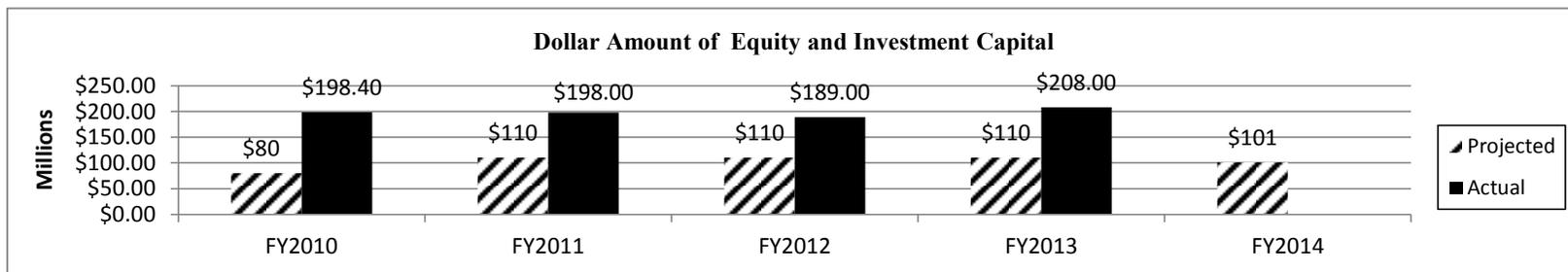
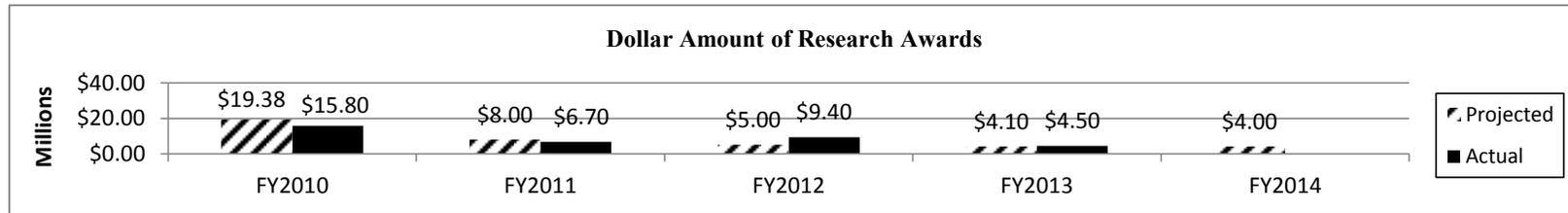
Department of Higher Education
Program Name: Missouri Federal and State Technology Partnership Program
Program is found in the following core budget(s): University of Missouri - MOFAST

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

FY11 and FY12 - Business Extension Service Team Fund (0280)

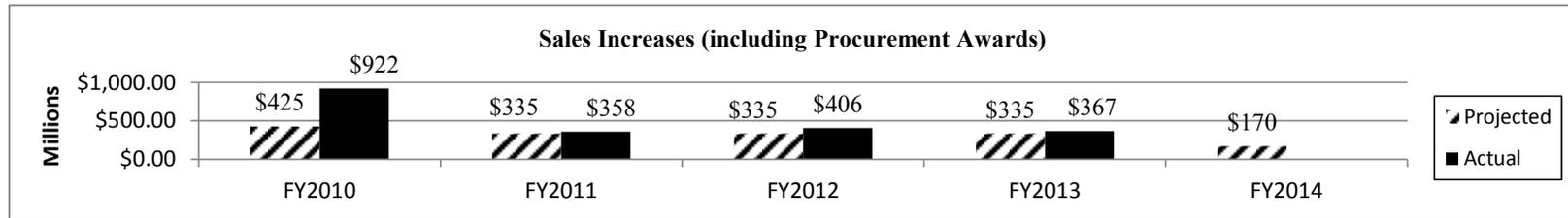
7a. Provide an effectiveness measure.

Note: The three effectiveness charts under 7a. reflect clients of Missouri Federal and State Technology Partnership (MOFAST), Small Business and Technology Development Centers (SBTDC), and Missouri Procurement Technical Assistance Centers (PTAC) System. All of these programs comprise the MU Extension Business Development Program. The programs work together to develop strategy and implement services to Missouri businesses to help them grow and remain globally competitive. With their varying emphases i.e., management, marketing and finance in the Missouri SBTDC; assisting firms in finding local, state and federal government contracts in the Missouri PTAC; and the assistance with technology and commercialization in the MOFAST Partnership, these complementary programs offer a holistic approach to addressing the needs of Missouri firms. The programs work together seamlessly, and it is for that reason that the impact is reported in aggregate.

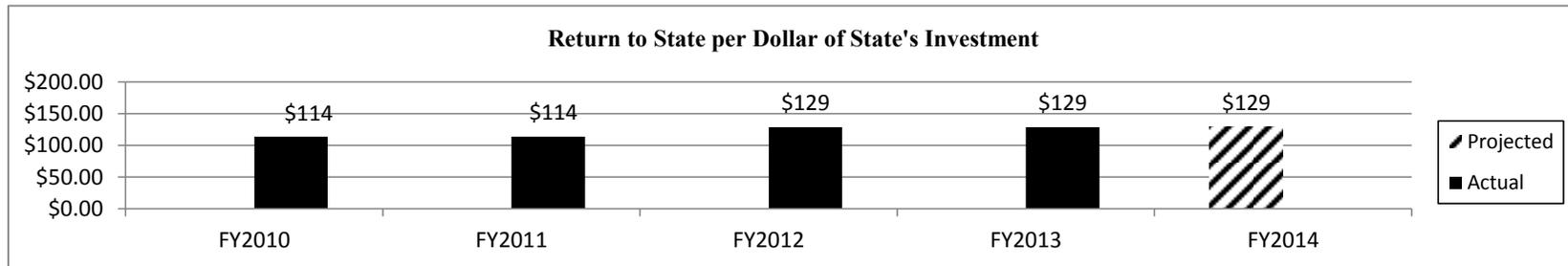


PROGRAM DESCRIPTION

Department of Higher Education
Program Name: Missouri Federal and State Technology Partnership Program
Program is found in the following core budget(s): University of Missouri - MOFAST



7b. Provide an efficiency measure.

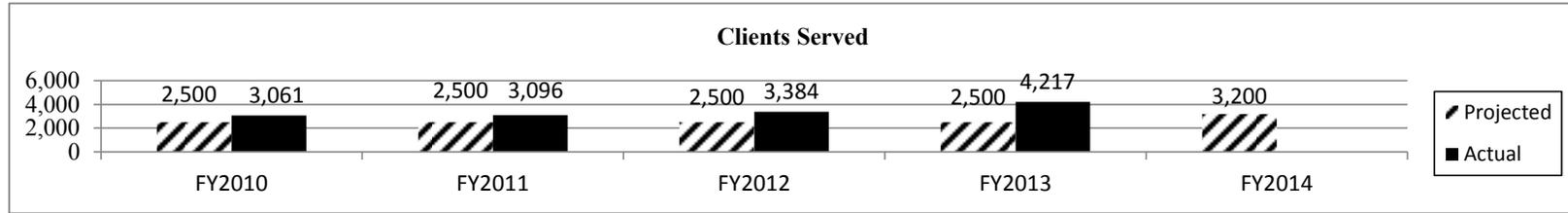


The MO SBTDC/MoFAST/MO PTAC programs use a three-year rolling total to assess program impact and return on investment. The rationale for the three-year measure is that when working with the programs' clients, economic impact may not occur immediately and is often captured in subsequent years as the programs follow up with and continue to assist client companies. The three-year rolling total enables the programs to provide the most accurate assessment of their impact on client firms. For the three years 2009-2011, the average return on investment was \$114 of economic impact returned for every \$1 invested in the programs. Moving on to the three years 2010-2012, the average return on investment increased to \$129 of economic impact returned for every \$1 invested in the program.

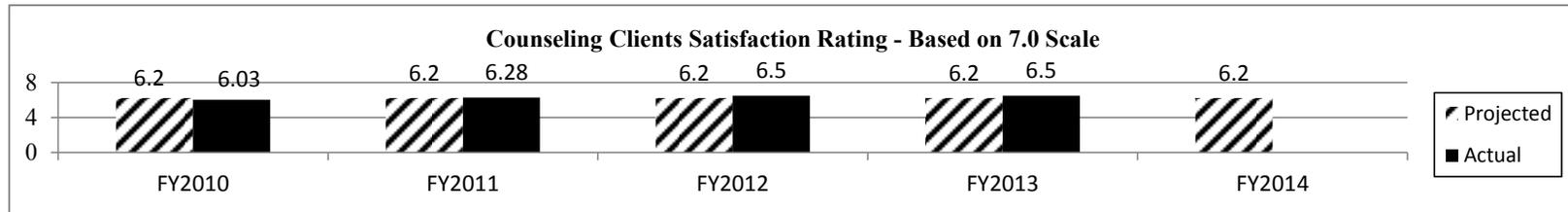
PROGRAM DESCRIPTION

Department of Higher Education
Program Name: Missouri Federal and State Technology Partnership Program
Program is found in the following core budget(s): University of Missouri - MOFAST

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



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



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: Performance Funding for Core Operating Support: State Request \$14,800,000
Decision Item Rank: 1 of 3

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

The University of Missouri System's foremost priority in the FY2015 request for operations is the funding of its FY2014 core state appropriation of \$407.5 million. Following the core, our priority is to ensure quality and competitiveness and fulfill the university's missions of teaching, research, public service, and economic development. An increase in state support for the University of Missouri is critical to ensure continued accessibility, quality, and cutting edge educational programs to educate the state's leaders of tomorrow. The University has chosen performance funding measures (Funding Based on Improved Outcomes) to hold itself accountable in 5 key performance areas:

- Student success and progress
- Increased degree attainment
- Quality of student learning
- Financial responsibility and efficiency
- Improvement in research and development activities

Without increased investment by the state, the ability of the University meets its performance funding goals and to help the state meet its goals is at risk. The University is requesting an increase in core operating appropriations of \$14.8 million. The request from the state would be coupled with University resources and tuition and fees.

Core Operating Support: Total Need: \$42.0 million; State Request \$14.8 million

The University is operating with the same level of state support that it received fourteen years ago even though over that time period its student enrollment has added over 20,000, which translates into growth of 37%.

The significant cost control measures that the University has taken in recent years to succeed with level or decreased funding cannot continue long-term without negatively impacting performance. The requested increase in funding will help the university provide funding for investment in faculty and staff through merit based salary and wage increases, cover a portion of benefit cost increases and provide a small amount for equipment, technology, infrastructure, and other on-going costs including unfunded mandates and compliance.

As the state’s only land-grant, doctoral-granting research institution, the university must recruit and retain faculty capable of doing cutting edge research and highly skilled staff focused on innovation, as well as provide faculty and students state-of-the art technology and infrastructure. These investments will be funded through a partnership between the state, the university, and the students. This request from the state for an additional \$14.8 million would be coupled with \$27.2 million from university resources and student fees.

II. DESCRIPTION

Core Operating Support: Total Need: \$42.0 million; State Request \$14.8 million

The vision for the University of Missouri is to enhance its position as one of the world-class public research universities in the country. In order to estimate our need the following assumptions were made:

Annual Merit Increase in Compensation & Benefit Changes: Total Need: \$36.7 million; State Request: \$12.9 million

University employees are among the largest and highest value workforces in the state. With over 28,000 employees, the University is one of the largest nongovernmental employers in the state. The university is a people-driven institution. Three-fourths of the annual operating budget is devoted to compensation. Minimal salary increases in the last few years, coupled with continued salary increases in the higher education marketplace, have caused UM’s market position to erode. It is critical for the state that the university maintain and, if possible, enhance its market position to be competitive in its ability to attract and retain high quality faculty and staff. The total required investment to fund a 3 percent merit compensation pool for faculty and staff is \$21.0 million. In addition, benefit cost increases of \$15.7 million are anticipated, which are driven by increased costs in health care and retirement and from the merit pool increase. The University is asking the state to fund a portion of this investment in our critical human capital. The remaining amount will be funded by the university through efficiencies, reallocations and other sources including tuition.

Other Mandatory On-Going Costs: Total Need: \$5.3 million; State Request: \$1.9 million

Technological innovation, educational and research needs, as well as increasing mandates and compliance requirements drive the need to change and adapt. This funding represents a small amount for equipment, technology, infrastructure, and other on-going costs including unfunded mandates and compliance. In addition this increase would provide an inflationary increase to the annual budgeted investment for maintenance and repair of educational and general facilities based on the Sightlines review of facilities. The total investment is \$5.3 million with the state funding a portion of the request and the remaining funding contributed by the university from other sources including tuition.

The additional state funding will be allocated in support of the University’s strategic plan. An investment in the University of Missouri will reap returns to the entire State of Missouri.

In summary, we are requesting that the state invest an additional \$14.8 million in increased operating support for the University in FY2015.

III. COST EXPLANATION

	<u>State Appropriations</u>
Core Operating Support	\$14,800,000
Total Increase in State Appropriations	\$14,800,000

IV. EVALUATION OF OUTCOMES

The merit compensation increase is necessary to attract and retain high-quality specialized faculty and staff, and reduce turnover. Competitive compensation is required for the University to meet performance goals.

The University will demonstrate improvement or sustained excellence in the following key performance areas and by denoted measures:

- Student success and progress: Freshman to sophomore retention
- Increased degree Attainment: Six-year cohort graduation rates
- Quality of student learning: Improvements in professional/occupational licensure tests
- Financial Responsibility and Efficiency: Percent of total education and general expenditures expended on the core mission
- Improvement in research and development activities: Rank, percentage share, or increase in federally financed research and development expenditures from National Science Foundation (NSF)

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: Increasing STEM Education and Research Capacity: State Request \$50,900,000
Decision Item Rank: 2 of 3

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

The University of Missouri as the state's land grant research University plays a critical role in supporting the state's economic growth and development and its national and international competitiveness. Economic studies indicate that a state's future prosperity will rest on the extent to which its citizens have access to quality health care, its graduates are educated in the STEM disciplines and it fosters research and innovation in STEM disciplines. Key findings in the 2010 Missouri Gateway-Skills Report include an 11.1% increase in science-intensive jobs, a 4% increase in technology-intensive jobs, a 4.2% increase in engineering intensive jobs and a 3.2% increase in mathematics intensive jobs by 2018.

The University is requesting a \$50.9 million increase in core operating appropriations to fund these important needs and support the Missouri Science, Technology, Engineering and Mathematics Initiative passed recently in SB563.

II. DESCRIPTION

A recent Department of Commerce report indicates that in the last 10 years the number of STEM jobs has increased three times as fast as those in other fields and this growth is expected to continue for the near future.¹ STEM workers earn more and experience less joblessness than their counterparts, and are responsible for driving our nation's innovation and competitiveness. The latest Missouri Economic Research and Information Center (MERIC) data supports this trend and projects an increase in employment in STEM positions in Missouri from 249,264 in 2010 to a total of 272,980 by 2020. Of those jobs, 63% will require a bachelor's degree or higher.² The University of Missouri has a responsibility to the state for producing educated graduates to meet these workforce needs. This involves attracting, educating, and graduating students in science, technology, engineering, and math fields. To be successful in this regard, the best teachers must be recruited and retained in Missouri's high schools and at the University. In addition, to grow the University's contributions to research and development activity, the University must remain on the cutting edge of research by recruiting faculty who will drive new discoveries and innovations. This STEM focus is composed of four initiatives to help us achieve this objective.

¹ <http://www.commerce.gov/news/press-releases/2011/07/14/new-commerce-department-report-shows-fast-growing-stem-jobs-offer-hig>

² <http://www.missourieconomy.org/occupations/stem.stm>

1. Meeting the State’s Workforce Needs in Science, Technology, Engineering, and Mathematics: State Request - \$20.2 million

This request will provide funds for STEM faculty who are focused on student success; provide career enhancement for elementary and secondary teachers in math, science and engineering; support retention efforts for students in STEM disciplines; provide need-based scholarships and work-study funding for students in math, science and engineering and stipends for undergraduate research; provide stipends to STEM education students during the semester of student teaching, and loan forgiveness and stipends as incentives for STEM graduates to teach in elementary and secondary institutions; and support experiential youth programs focused on math, science and engineering. The table below shows three of the University’s four campuses are behind peers on STEM degrees awarded.

<u>Science, Technology, Engineering and Mathematics Degrees & Certificates Granted</u>		
	<u>FY12</u>	<u>Peer Average</u>
1 University of Missouri - Columbia	2,999	3,366
2 University of Missouri - Kansas City	1,297	1,662
3 Missouri University of Science & Technology	1,941	1,026
4 University of Missouri - St. Louis	815	1,354

Source: University of Missouri Accountability Measurement System

This request for state funds includes:

- a) \$5.0 million to hire 50 STEM faculty who are focused on student success.
- b) \$9.68 million for retention efforts including month-long summer program to jumpstart success for 400 incoming freshmen, need-based grants for 800 students, work-study funds to help meet the needs of 800 low-income students, and stipends for 400 freshmen and sophomores to engage in undergraduate research as well as funds to run a center that consolidates services that enhance student success and salary for personnel to direct retention efforts.
- c) \$3.0 million for workshops and stipends for 200 elementary and 400 secondary teachers to help them develop innovative and engaging ways to teach in STEM areas.
- d) \$1.9 million to provide stipends for 200 STEM education students during their semester of student teaching, and for loan forgiveness and stipends as incentives to attract and retain 500 STEM graduates as teachers in elementary and secondary institutions.
- e) \$628,000 for experiential youth programs including summer camps for 160 6th-9th graders, and summer camps and weekend events for 600 10th – 12th graders.

2. Science & Engineering Equipment: State Request - \$2.0 million

Acquisition of cutting-edge science, engineering, and technology-based equipment is needed to update the University’s science and engineering laboratories and to support the education of students enrolled in STEM disciplines. While legislation passed in 1985 recognizes the importance of special equipment in the training of engineers and invites the University to request special appropriations based on the number of undergraduate engineer degrees awarded, the University has not received an appropriation for engineering equipment since 2002. The need for updated equipment in STEM disciplines is ongoing and requires recurring funding. This is such a critical need the University is requesting a \$2.0 million recurring appropriation.

3. Sustain STEM Enrollment Growth: State Request - \$16.4 million

From Fall 2005 to Fall 2012, enrollment in the STEM disciplines accounted for 64% of the enrollment growth at the University. As a result, class sizes and student advising responsibilities have increased to a point that educational quality and faculty research productivity in the STEM disciplines are at risk. This request for \$16.4 million would provide support for enrollment growth in STEM areas and is based on the DHE approved COPHE funding formula.

4. Improve STEM Infrastructure: Total need identified \$24.6 million, 1st year of 2 year request: State Request - \$12.3 million

Protecting our infrastructure is a critical investment especially in STEM related facilities. The total need of the University in additional required investment to meet best practices is \$53.8 million. Of this amount 46 percent is related to facilities and infrastructure which directly support STEM disciplines. In order to educate the growing number of students enrolling in STEM disciplines, the classrooms and laboratories must be renovated to accommodate state of the art teaching. The University is requesting the State provide funding of \$12.3 million, the first year of a two-year request, to meet this critical need.

In summary, the University is requesting that the state participate in funding \$50.9 million for these efforts in FY2015.

III. COST EXPLANATION

	<u>State Appropriations</u>
Increasing STEM Education and Research Capacity	<u>\$50,900,000</u>
Total Increase from State Appropriation	\$50,900,000

IV. EVALUATION OF OUTCOMES

- Sustain increased enrollment in STEM areas to supply Missouri workforce needs
- Provide appropriate equipment and facilities for educating future STEM workers

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: Leveraging the State's Investment: State Request \$9.0 million
Decision Item Rank: 3 of 3

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

The University is requesting a \$9.0 million increase in core operating appropriations for three initiatives to leverage state resources by creating partnerships with donors. State appropriations will be used to leverage private gifts to create an endowed professorship program, create an endowed need-based scholarship program for students, and to provide matching funds for a college advising corps in the state's high schools.

II. DESCRIPTION

Endowed Professorships: State Request \$4.0 million

This program would be established by leveraging state resources in order to attract funding from external sources for the purpose of recruiting and retaining top faculty. 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.

The University previously received state appropriations to match endowed chair/professorship programs with excellent results. For this program, the University has a goal of 50 new endowed faculty positions funded by \$1.5 million in private funds that would produce an initial payout of approximately \$67,500 that would be matched with \$67,500 annually from state support for a total of \$135,000 for each endowed position.

Endowed Scholarships: State Request \$2.0 million

This request for state funds would leverage \$20,000 in donor funds on a 1 to 1 match basis to create 100 \$40,000 endowments to support need-based undergraduate scholarships. This request supports the University's commitment to maintain access and affordability and provides synergy with other initiatives for improved educational opportunities. To date, the University has successfully leveraged \$5.1 million in state funding to raise an additional \$5.1 million from private donors for 322 endowed need-based scholarships. For 2013-14, the University has allocated another \$2.0 million in state funding to raise \$2.0 million in private funds for an additional 100 need-based scholarships.

Missouri College Advising Corps: State Request \$3.0 million

The Missouri College Advising Corps (MCAC) is headquartered at MU. As part of a nationwide consortium of 18 corps, MCAC currently hires, trains and places full-time, near-peer college advisers in 26 partner high schools in Kansas City, rural Missouri, and St. Louis. Partner schools have high proportions of first-generation-to-college, low-income, and underrepresented students. Advisers assist students (and their families) with navigating college planning, admissions, and financing processes. MCAC has demonstrated an average increase of 10.35 percentage points in college-going rates over four years – as compared to a statewide increase of 0.3 percent during this same period, with 4,093 high school seniors going to a “best-fit” college – to include every two- and four-year campus in Missouri.

This funding would scale MCAC from 26 to 48 partner high schools and from serving 26,000 to 45,000 high school students, and yield approximately 3,223 college-going seniors annually. This phase of expansion would add partner schools in three current service regions and create new expansion to southeast, southwest, and central Missouri. Beginning with one external funder, MCAC has attracted financial support from 21 external funders, including some donors that have not previously supported the University of Missouri. These state funds would help MCAC leverage additional and diversified external funding.

In summary, we are requesting that the state participate in funding \$9.0 million for these efforts in FY2015.

III. COST EXPLANATION

Endowed Professorships	\$4,000,000
Endowed Scholarships	2,000,000
Missouri College Advising Corps	<u>3,000,000</u>
Total Increase from State Appropriation	\$9,000,000

Other Programs

FY2015 APPROPRIATIONS REQUEST FOR OPERATIONS

SUMMARY OF OTHER PROGRAM REQUESTS

UNIVERSITY OF MISSOURI SYSTEM

	STATE APPROPRIATED FUNDS	NON-STATE FUNDS	TOTAL FUNDS
Missouri Rehabilitation Center	\$10,337,870	\$21,477,567	\$31,815,437
Missouri Kidney Program	\$3,201,131		\$3,201,131
Missouri Research and Education Network (MOREnet)	\$9,142,330		\$9,142,330
Missouri Telehealth Network	\$453,528		\$453,528
State Historical Society of Missouri	\$2,583,275		\$2,583,275
Alzheimer's Program	\$475,200		\$475,200
Spinal Cord Injury Fund	\$1,500,000		\$1,500,000
State Seminary Fund	\$4,275,000		\$4,275,000
Missouri Returning Heroes Education Act	\$2,400,546		\$2,400,546

**University of Missouri
Missouri Rehabilitation Center
Program Revenues & Expenditures**

	FY12 Actuals	FY13 Estimated	FY14 Budget	FY15 Increase *	FY15 Total Core Request
Revenues					
State Appropriation	\$ 10,027,734	\$ 10,027,734	\$ 10,337,870	-	\$ 10,337,870
Net Patient Revenues	14,628,453	12,786,120	\$ 13,267,177	-	13,267,177
Federal Reimbursement Allowance	7,908,513	9,332,059	\$ 6,317,294	-	6,317,294
Other Revenues	1,780,952	1,746,910	\$ 1,893,096		1,893,096
Total Revenues	\$ 34,345,652	\$ 33,892,823	\$ 31,815,437	\$ -	\$ 31,815,437
Expenditures					
Salaries & Wages	\$ 17,152,930	\$ 15,909,494	\$ 15,875,714		15,875,714
Benefit Expense	5,099,200	5,014,944	\$ 5,477,993		5,477,993
Total Compensation	\$ 22,252,130	\$ 20,924,438	\$ 21,353,707	\$ -	\$ 21,353,707
Other Expenses	12,093,522	12,968,385	\$ 10,461,730		10,461,730
Total Expenditures	\$ 34,345,652	\$ 33,892,823	\$ 31,815,437	\$ -	\$ 31,815,437
Change in Net Assets	\$ -	\$ -	\$ -	\$ -	\$ -

* MRC is requesting core continuance only for FY15.

PROGRAM DESCRIPTION

Department of Higher Education

Program Name: Missouri Rehabilitation Center

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

1. Mission Statement

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

2. Program History

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

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

MRC houses the largest traumatic brain injury program in Missouri, offering a full continuum of services including inpatient intensive care. MRC has one of the highest success rates for weaning patients from ventilator dependence. Center research led to a computer program allowing quadriplegics and others with disabilities to operate computers with their eyes.

Long-term (sub-acute) rehabilitation care is labor-intensive and time consuming. Very few facilities in the state provide such care, especially for head injury patients, and particularly for indigent or Medicaid patients. Almost 88% of MRC's patient charges are with self pay patients or patients with governmental payors (Medicare, Medicaid, Veterans Administration). Recently, competition has increased for patients with commercial resources, due to the opening of long term acute care hospitals in the area.

3. What does this program do?

The Missouri Rehabilitation Center (MRC) is a 63-bed rehabilitation hospital recognized as a leading hospital for physical medicine and rehabilitation throughout the Midwest. Comprehensive services include both inpatient and outpatient programs and specialized treatment for traumatic brain injuries, strokes, spinal cord injuries, comprehensive physical rehabilitation, cardiac rehabilitation, and orthopaedic injuries.

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

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

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

No

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

No

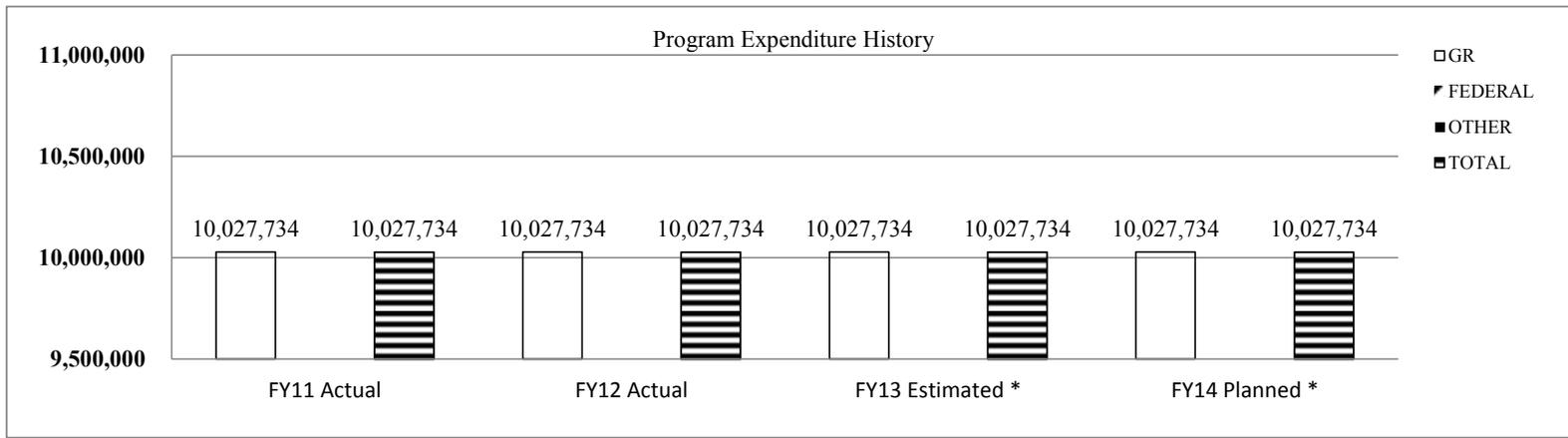
PROGRAM DESCRIPTION

Department of Higher Education

Program Name: Missouri Rehabilitation Center

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

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



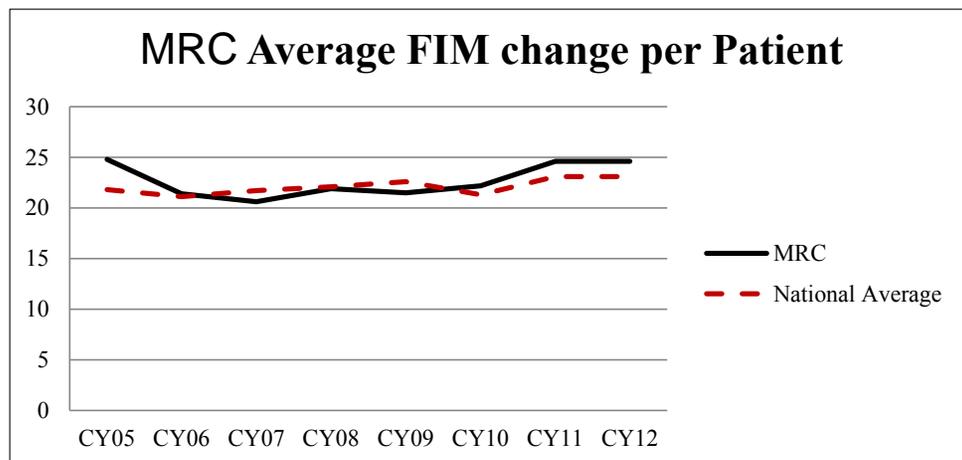
* Net of Governor's 3% Withholding

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

All appropriated funds are from General Revenue. However, the Rehabilitation Center generates substantial revenue from patients and third party payors.

9a. Provide an effectiveness measure.

The clinical effectiveness of rehabilitation units like MRC may be measured by using the Functional Individual Movements (FIM) score. The FIM score measures the patient's ability to perform activities of daily living. The accompanying graph depicts the average change in FIM score from admission to discharge, compared to the national average. MRC's onset to admission average was 49 days for this annual report. The National Average was 18. Research has shown that speed of recovery slows as a patient moves farther from their onset date. Considering the degree of spontaneous recovery and recovery made at Rehab facilities prior to admission to MRC, it would be assumed that speed recovery would be lower than average. However, MRC continues to be at or above in most instances.



PROGRAM DESCRIPTION

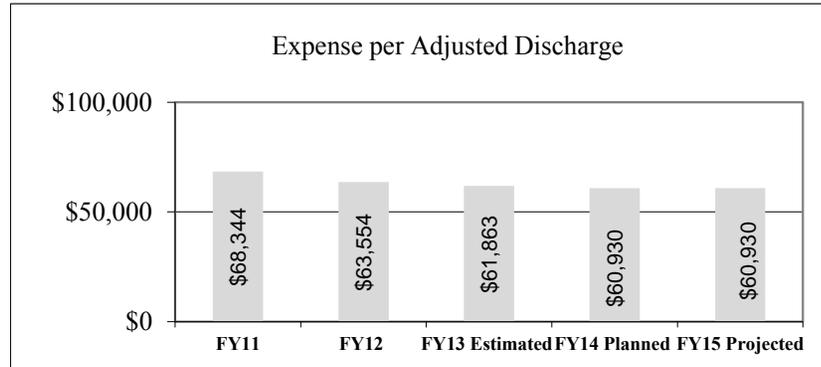
Department of Higher Education

Program Name: Missouri Rehabilitation Center

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

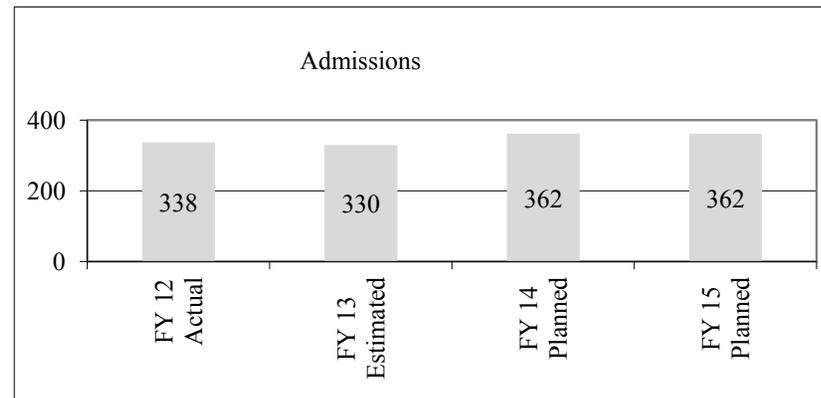
9b. Provide an efficiency measure.

MRC is a long-term acute care hospital, one of relatively few hospitals of this type in the state of Missouri. Benchmarks for this type of activity are not available but MRC's efforts to improve efficiency is demonstrated by its history of lowering cost per adjusted discharge. This measure takes total costs divided by total volume (inpatient & outpatient). Normally costs would increase due to inflation without improvements in efficiency. The accompanying graph depicts the historical and projected cost per adjusted discharge for MRC.



9c. Provide the number of clients/individuals served, if applicable.

The accompanying graph depicts the historical and projected Admissions for Missouri Rehabilitation Center.



PROGRAM DESCRIPTION

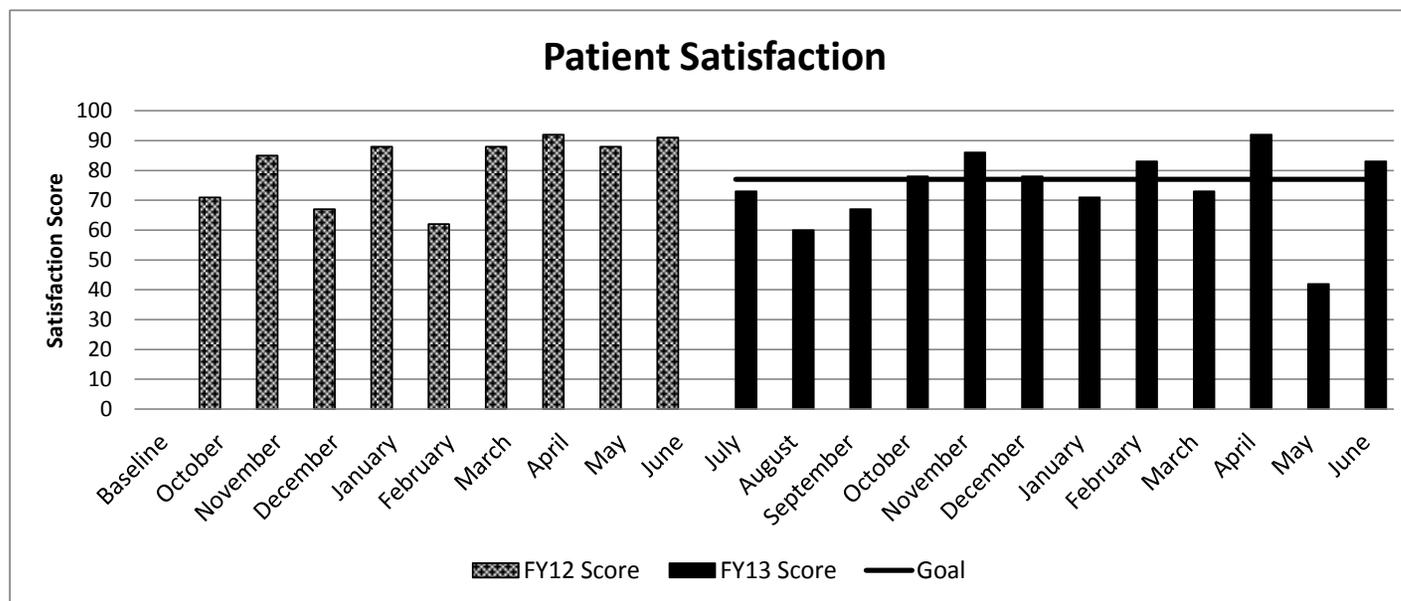
Department of Higher Education

Program Name: Missouri Rehabilitation Center

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

9d. Provide a customer satisfaction measure, if available.

In FY2013 MRC reached the patient satisfaction goal of at least 77% 6 out of 12 months.



**University of Missouri
Missouri Kidney Program
Program Revenues & Expenditures**

	FY12 Actuals	FY13 Estimated	FY14 Budget	FY15 Restoration of Core	FY15 Increase	FY15 Total Core Request
Revenues						
State Appropriation	\$ 1,455,000	\$ 1,455,000	\$ 1,750,000	\$ 1,380,299	\$ 70,832	\$ 3,201,131
Total Revenues	\$ 1,455,000	\$ 1,455,000	\$ 1,750,000	\$ 1,380,299	\$ 70,832	\$ 3,201,131
Expenditures						
Salaries & Wages	\$ 232,181	\$ 215,704	\$ 225,496	\$ 58,240	\$ 8,512	\$ 292,248
Benefit Expense	58,594	63,408	78,844	21,473	7,394	107,711
Total Compensation	\$ 290,775	\$ 279,112	\$ 304,340	\$ 79,713	\$ 15,906	\$ 399,959
Other Expenses	1,164,225	1,175,888	1,445,660	1,300,586	54,926	2,801,172
Total Expenditures	\$ 1,455,000	\$ 1,455,000	\$ 1,750,000	\$ 1,380,299	\$ 70,832	\$ 3,201,131
Change in Net Assets	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Note: Additional Details on Above Expenditures

Compensation	\$ 290,775	\$ 279,112	\$ 304,340	\$ 79,713	\$ 15,906	\$ 399,959
Other Expenses						
Administrative Operations	\$ 23,390	\$ 24,880	\$ 25,128	\$ -	\$ 503	\$ 25,631
Statewide Renal Education (Operations)	25,737	26,417	35,000	100,000	2,700	137,700
Maintenance & Antirejection Drugs	290,680	41,586	360,532	100,000	9,211	469,743
Transportation Assistance*	(48,893)	6,609	300,000	400,000	14,000	714,000
Insurance Premium Assistance	37,446	56,031	75,000	37,500	2,250	114,750
Emergency Medications	82	0	0	5,000	100	5,100
Patient/Staff Education	22,337	0	16,500	30,000	930	47,430
Transplant/Donor Assistance	10,550	15,700	20,000	40,000	1,200	61,200
Nutritional Supplements Program	0	0	0	50,000	1,000	51,000
Medicaid Spenddown	758,341	948,005	552,500	521,586	21,482	1,095,568
Ticket To Work	23,658	34,026	36,000	0	720	36,720
Cost Containment Research & Demonstration	20,897	22,634	25,000	16,500	830	42,330
Total Expenditures	\$ 1,455,000	\$ 1,455,000	\$ 1,750,000	\$ 1,380,299	\$ 70,832	\$ 3,201,131

* Net after Centers for Medicare and Medicaid Services matching funds

PROGRAM DESCRIPTION

Department of Higher Education

Program Name: Missouri Kidney Program

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

1. Mission Statement

The mission of the Missouri Kidney Program (MoKP) is to help meet the educational needs, and to promote the physical and mental well-being of eligible Missouri residents with Chronic Kidney Disease (CKD). In order to accomplish the above mission, the Missouri Kidney Program is committed to the following goals:

- To advocate for policies that ensure no Missourian is denied treatment for kidney failure because of inability to pay.
- To provide financial help to eligible Missourians to defray the in-direct medical expenses related to CKD Stage 5:
 - Benefits range from medications, transportation, and insurance premium assistance depending on our available funding.
- To provide and support the CKD education of Missourians:
 - To promote public awareness and prevention of CKD.
 - To help choose a treatment for kidney failure and to encourage active participation in their medical care.
 - To provide continuing education seminars to the professional disciplines working with the CKD population.
- To increase public awareness of the need for organ donation, and to encourage kidney donations for transplantation.
- To collaborate with other organizations on efforts to prevent kidney disease.
- To promote efforts to delay or avoid the onset of kidney failure for those who have CKD which will reduce associated cost of care.
- To foster the exchange of medical, technical and administrative information among programs and professionals who treat people with CKD.

2. Program Description

A. Functions

The MoKP carries out the following programs to accomplish the mission and goals stated above: (1) provision of funds to assist eligible patients with other expenses related to their care (take-home drugs, insurance premiums, etc.); and (2) provision of patient and continuing professional education programs.

B. Eligibility

To receive MoKP assistance, CKD patients must be United States citizens residing permanently in Missouri, or aliens lawfully admitted for permanent residence in the state. Patients must meet an income/asset eligibility requirement for MoKP benefits, however any Missourian is eligible to attend our education programs.

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.

PROGRAM DESCRIPTION

Department of Higher Education

Program Name: Missouri Kidney Program

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

3. 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. The expense of treatment is staggering. The per person per year Medicare cost is \$87,561 for hemodialysis, \$66,751 for peritoneal dialysis, and \$32,914 for transplant. Although most CKD (stage 5) patients qualify for automatic Medicare benefits, coverage does not apply during the first 90 days following kidney failure and provides only an 80 percent benefit thereafter. State kidney programs such as the MoKP are necessary to fill this void in coverage, as well as to provide assistance with prescription drugs and deductibles not covered by Medicare.

B. Increased Number of Patients Needing Assistance

Missouri is somewhat unique with regard to Chronic Kidney 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 CKD 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, obesity or hypertension. It is unlikely this trend will change in the foreseeable future and the number of Missourians experiencing CKD will increase. Of the 10,993 CKD patients in Missouri, MoKP is able to provide assistance to only approximately 13 percent of CKD patients. 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.

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

Section 172.875, RSMo

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

No

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

No

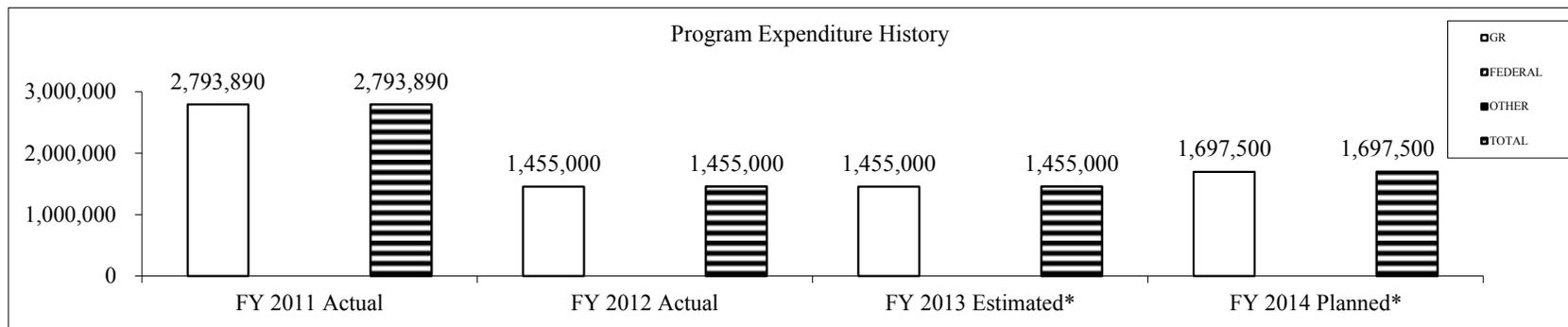
PROGRAM DESCRIPTION

Department of Higher Education

Program Name: Missouri Kidney Program

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

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



* Net of 3% Governor's withholding

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

None

8a. Provide an effectiveness measure.

MoKP effectiveness is measured by the number of dollars of the appropriation going to reimburse patient care and educational activities. MoKP expends about 77% of its appropriation for patient care related activities. The remaining 23% is spent on patient education classes and administrative costs.

FY 10		FY 11		FY 12		FY 13		FY 14 Projected		FY 15 Projected	
<u>Patient Exp</u>	<u>Total Exp</u>										
\$2,098,828	\$2,710,871	\$2,233,813	\$2,793,890	\$1,115,098	\$1,455,000	\$1,124,591	\$1,455,000	\$1,385,532	\$1,697,500	\$1,333,216	\$1,731,450

PROGRAM DESCRIPTION

Department of Higher Education

Program Name: Missouri Kidney Program

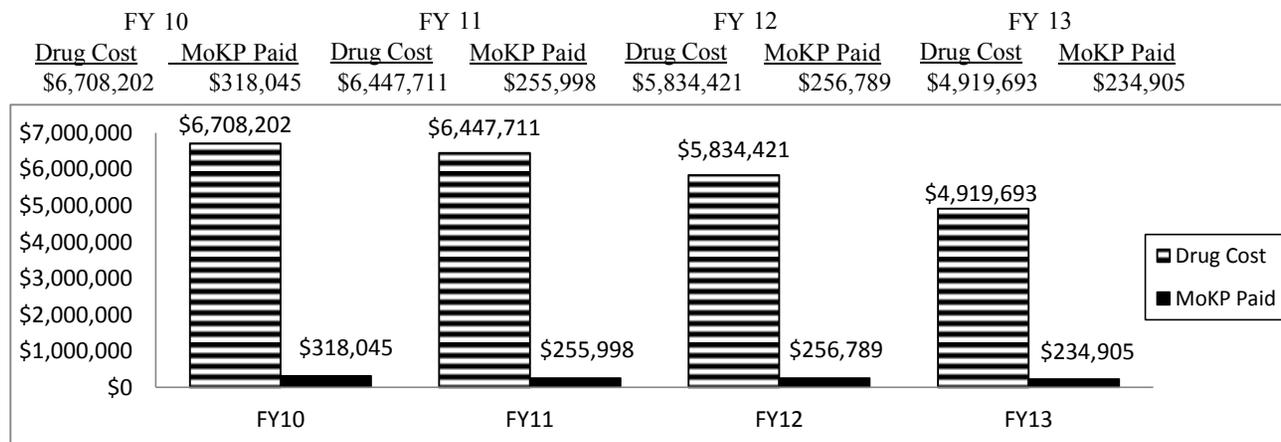
Program is found in the following core budget(s): University of Missouri - Missouri Kidney Program

The average dollar value of assistance (unit cost) provided to MoKP eligible patients during FY2013 was \$916 and is detailed below.

<u>Type of Assistance</u>	<u>Number of Patients</u>	<u>Unit Cost \$</u>
Maintenance & Anti-rejection Drugs	1,393	169
Transportation	30	220
Insurance Premiums	29	1,932
Emergency Medications	0	0
Transplant Donor Assistance	20	785
Nutritional Supplements	0	0
Medicaid Spend Down	740	1,281
Ticket to Work	52	654
Unduplicated Patients Served/Average Unit Cost	1,414	\$916

8b. Provide an efficiency measure.

MoKP's single largest assistance program is the Centralized Drug Program which supplies needed pharmaceuticals to patients statewide via mail-order. Kilgore's 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. MoKP works hard to ensure patients maintain their insurance coverage and finds the best plan for their medication needs. The data below summarizes actual expenditures for the past four years based on dispense date.



PROGRAM DESCRIPTION

Department of Higher Education

Program Name: Missouri Kidney Program

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

8c. Provide the number of clients/individuals served, if applicable.

The table below lists the number of clients served and the projected need in one or more of our direct patient assistance programs. We have maximized our patient service delivery capabilities by micromanaging our current appropriation level. There are 10,993 dialysis and kidney transplant patients in the State of Missouri and over 2,000 patients each year are newly diagnosed with Chronic ESRD in Missouri alone. MoKP can barely assist 13% of this population. The need far exceeds the level of appropriation that has been available. Currently there are 153 certified participating renal facilities contracted with MoKP. Data provided from CY2012 Network 12 and United Network for Organ Sharing.

FY09	FY10	FY11	FY12	FY13	FY14 Proj	FY15 Proj
2,491	2,338	1,895	1,467	1,414	1,484	1,558

8d. Provide a customer satisfaction measure, if available.

MoKP conducts a Patient Satisfaction Analysis program. Each month 30 patients, who are being renewed for benefits are randomly selected to receive the questionnaire. The questionnaire is mailed to the patient along with a stamped, self addressed envelope to a P.O. Box in Columbia rented by MoKP under the name Customer Satisfaction Research Branch. The patient submits responses anonymously without signing the response form. The program continues to receive favorable customer satisfaction rating. A summary of customer satisfaction indicates a high appreciation of the services MoKP provides. The results are reviewed by our Advisory Council yearly. 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.

	FY09	FY10	FY11	FY12	FY13
Questionnaires Received	89	94	52	154	127
Questionnaires Mailed				359	326

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: Restoration of the Core and Increase for Sustaining Quality and Service: \$1,451,131
Decision Item Rank: 1 of 1

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

This request is for state general revenue funds to restore the core budget to appropriate funding levels. It includes restoration of the \$1,380,299 core cut in FY2012 and an increase of \$70,832 for sustaining quality and service.

II. DESCRIPTION

Life-threatening renal (kidney) disease impacts citizens throughout the State of Missouri, and The Missouri Kidney Program (MoKP) eases this chronic disease burden by touching almost every county in the State of Missouri. The MoKP's mission is to assist eligible Missouri residents who have chronic renal insufficiency or renal transplant to meet their medical, educational, and psychosocial needs.

There are 7,379 End-Stage Renal Disease (ESRD) dialysis patients throughout Missouri. There are 3,614 kidney transplant patients in Missouri, totaling 10,993 patients. Unfortunately, due to the FY2012 budget cuts MoKP can only assist 13% of this population compared to 40% in FY2010. With the growing trend in Missouri of diabetes, obesity, hypertension, and the elderly population, renal disease is increasing. In calendar year 2012, there were 1,986 patients in Missouri newly diagnosed with Chronic ESRD. Not only is the patient population increasing dramatically, the cost of kidney treatment and related expenses continue to rise. Further MoKP budget cuts will reduce its ability to assist this growing and chronically ill population.

It is imperative to restore the MoKP budget back to the level of its FY2012 core appropriation so MoKP can fulfill its mission of providing direct patient assistance to chronic ESRD patients, education and research. With the 48% reduction in the FY2012 appropriation, MoKP has had to completely terminate direct patient assistance such as Nutritional Supplements, Medication Co-Pay Assistance and Medicare Premium Assistance. MoKP has also reduced the Private Premium assistance, Transplant Assistance grants, the MO HealthNet Spenddown program, transportation, and the Eligibility Income/Asset guidelines. In addition, MoKP re-directed all MO HealthNet patients to the states Non- Emergency Medical Transportation program, shifting an additional financial burden to the state.

Due to the clarification in 2012 of the MO HealthNet Spend Down policy, our near poor patients have a larger gap of no insurance coverage affecting their access to medications, dialysis, transplant, hospitalization care and transportation to and from life sustaining treatments. A drastic need for transportation to dialysis continues and MoKP plans to allocate limited funds to this cause.

MoKP has completely terminated all cost containment research grants, which has enjoyed a 20+ year tradition of strategizing potential cost reductions in the renal field. They have also had to discontinue outreach screening collaboration and community education with the National Kidney Foundation.

In addition, the 48% reduction of funding in 2012 reduced the program's educational efforts which were geared toward prevention and pre-dialysis patients. These preventive educational strategies focused on informing Missourians on ways to avoid or delay dialysis, or direct them to pre-emptive transplantation.

Without prevention education, the number of ESRD Missourians increases, which puts an additional burden on the individual and family, healthcare community, and state/federal resources (MO HealthNet program, Medicare and Social Security Disability). On an individual level, MoKP's mission is to promote and educate healthy kidney patients, who can remain employed, plus enjoy an active and productive quality of life. Recent budget reductions limit the number of Missourians that can be supported.

III. COST EXPLANATION

Restoration of Core Funding	\$1,380,299
Increase for Sustaining Quality and Service	<u>70,832</u>
Total Increase from State Appropriation	\$1,451,131



Missouri Kidney Program FY2013 Patient Assistance (by county)

Dollars
(Patients)

NEW DECISION ITEM REQUEST

UNRESTRICTED EDUCATIONAL AND GENERAL FORM 5

Department: Higher Education Unrestricted
Level 2 University of Missouri-Other Programs
Level 3 Missouri Research and Education Network (MOREnet)
Decision Item Name: K-12 circuit and shared network costs: \$8,979,437
Decision Item Rank: 1 of 2

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

MOREnet works with its members to set and support Missouri's information technology goals and directions. We explore and deliver new ways to enhance learning opportunities to create a better quality of life for all Missourians. Our role in providing affordable connectivity to Missouri K-12 schools will become even more vital with the increased demand for bandwidth capacity with the implementation of new online testing requirements that will impact schools in the 2014-15 school year.

The Shared Network

The Shared Network is a statewide fiber network managed by MOREnet that enables the delivery of important public services throughout the state. With this network, members of the education community interact with each other via data and video services, public sector business applications are built and conducted on it, and Missouri citizens interact with their state government through it. Because the intra-state network's design connects several major population centers in the state, MOREnet can provide increased network security, reliability and quality of service; qualities essential for electronic collaboration by Missourians, including video and distance learning, MOBIUS, the Missouri Telehealth Network, and access to quality online resources and databases. The purpose for this request is to fund a portion of the Shared Network for K-12 communities that are requiring additional connectivity to support the upcoming online testing requirements.

Member Connections

MOREnet manages nearly 1,000 member connections statewide. Member connections that are publicly procured by MOREnet link each MOREnet member to the Shared Network. These connections are the essential paths needed to get data to the Shared Network and connect students, parents, teachers and citizens to the rest of the state and the world. The purpose of the request is to fund K-12 circuit costs where districts do not presently have sufficient connectivity to meet the upcoming online testing requirements that will add and continue to put increased pressure on their connection. According to a May 2012 report from the State Educational Technology Directors Association (SETDA), it is recommended that by the 2014-15 school year schools have at least 100 megabits per second (100Mbps) of connectivity to the external Internet for every 1,000 students and/or staff members. Currently, 391 MOREnet K-12 members have insufficient bandwidth to meet this minimum recommendation for students in 3rd through 8th and 11th grades.

The funding requested will ensure that costs will not prohibit MOREnet K-12 members from acquiring the connectivity needed to meet online testing requirements. MOREnet has worked to contain costs through administrative efficiency, competitive bidding, and innovative technological solutions.

However, underdeveloped K-12 communities still lack affordable connectivity options. Failure to provide financial assistance to K-12 members that must implement higher bandwidth connections to meet online testing requirements as per SETDA’s recommendation will lead to reduced performance and the online testing will be directly impacted.

II. DESCRIPTION

MOREnet K-12 members that do not have the sufficient infrastructure to adequately implement or sustain online testing connectivity requirements will be covered by the funding. For K-12 sites, the average bandwidth per 1,000 students is currently 24Mbps. There are 391 MOREnet K-12 members that have insufficient bandwidth for students in 3rd through 8th and 11th grades that are impacted by national online testing requirements and 74% of the members that have insufficient bandwidth are located in rural communities. The funding will allow these members to increase their total bandwidth from 17,249Mbps to 37,910Mbps.

III. COST EXPLANATION

Based on May 2013 connections and FY14 preliminary budget for network connectivity costs, the funding would include:

- For 391 K-12 sites, tail circuit connections and shared network costs of \$5,371,860
- Equipment costs of \$469,200
- Early Termination Penalties of \$3,138,377

Compensation	\$1,109,192
Expense and Equipment	<u>7,870,245</u>
Total Recurring Increase from State Appropriation	\$8,979,437

IV. EVALUATION OF OUTCOMES

Affordable connectivity for Missouri’s K-12 communities will allow students and faculty to successfully implement the required online testing in the coming years and to sustain the ever-increasing need for bandwidth growth. Demand for capacity has grown steadily in recent years as schools have begun to depend on Internet connectivity to enhance and facilitate online and distance learning classes and other services. Adequate connectivity is necessary to continue to support the significant educational advancements enabled by online applications and tools such as online testing, course delivery by video, online information resources, Web resources and research tools, and virtual field trips. These educational tools are particularly important for K-12 students who may not have access to classes or facilities due to illness, disabilities, rural locations, under-resourced school districts, etc.

NEW DECISION ITEM REQUEST

UNRESTRICTED EDUCATIONAL AND GENERAL FORM 5

Department: Higher Education Unrestricted
Level 2 University of Missouri-Other Programs
Level 3 Missouri Research and Education Network (MOREnet)
Decision Item Name: Higher Education circuit and shared network costs: \$162,893
Decision Item Rank: 2of 2

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

MOREnet works with its members to set and support Missouri's information technology goals and directions. We explore and deliver new ways to enhance learning opportunities that create a better quality of life for all Missourians. MOREnet has historically used their state appropriation to "level the playing field" for its members, ensuring that students across Missouri get the same opportunities to gain exposure to digital content and learning platforms.

The Shared Network

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

Member Connections

MOREnet manages over 1,000 member connections statewide. Member connections link each MOREnet member to the Shared Network. These connections are the essential paths needed to get data to the Shared Network and connect students, parents, teachers and citizens to the rest of the state and the world. The purpose of the request is to fund higher education circuit costs above MOREnet's megabyte median.

The funding requested will ensure that MOREnet members pay affordable connectivity costs. Implementing these changes will help to create parity in rates throughout the state. MOREnet has worked to contain costs through administrative efficiency, competitive bidding, and innovative technological solutions. However, some rural or underdeveloped higher education communities still lack affordable connectivity options compared to other communities in Missouri. Failure to provide financial assistance to higher education members that experience higher-than-average telecommunications costs will lead to inequality in telecommunication fees and reduced connectivity for those members.

II. DESCRIPTION

MOREnet members who pay more than the cost per megabyte median for their program will be covered by the funding. The cost per megabyte median will be used because it allows for an emphasis on smaller underserved higher education communities to benefit from the funding. For higher education sites, the Shared Network and connections cost median is \$853 per megabyte.

III. COST EXPLANATION

Based on May 2013 circuit cost and FY14 preliminary budget for network connectivity costs, the funding would assist:

- 18 higher education’s sites for a total cost of \$162,893

Compensation	\$ 22,229
Expense and Equipment	<u>140,664</u>
Total Recurring Increase from State Appropriation	\$162,893

IV. EVALUATION OF OUTCOMES

Affordable connectivity for Missouri’s higher education communities will allow member, students, and faculty access to the basic needs of the education community for routine research and access to content to supplement outdated textbooks. Demand for capacity has grown steadily as schools have begun to depend on Internet connectivity to enhance and facilitate classes and other services. Adequate connectivity is necessary to continue to support the significant educational advancements enabled by educational resources -- tools such as class delivery by video, online information resources, Web resources and research tools, and virtual field trips. These educational tools are particularly important for working adults who would not be able to pursue higher educational opportunities without courses and degree programs enabled by the Internet.

**University of Missouri
Missouri Telehealth Network
Program Revenues & Expenditures**

	FY12 Actuals	FY13 Actuals	FY14 Budget	FY15 Increase	FY15 Total Core Request
Revenues					
State Appropriation	\$ 437,640	\$ 437,640	\$ 437,640	\$ 15,888	\$ 453,528
Total Revenues	\$ 437,640	\$ 437,640	\$ 437,640	\$ 15,888	\$ 453,528
Expenditures					
Salaries & Wages	\$ 190,926	\$ 198,857	\$ 233,655	\$ 7,010	\$ 240,665
Benefit Expense	46,423	46,478	64,533	6,089	70,622
Total Compensation	\$ 237,349	\$ 245,335	\$ 298,188	\$ 13,099	\$ 311,287
Other Expenses	200,291	192,305	139,452	2,789	142,241
Total Expenditures	\$ 437,640	\$ 437,640	\$ 437,640	\$ 15,888	\$ 453,528
Change in Net Assets	\$ -	\$ -	\$ -	\$ -	\$ -

PROGRAM DESCRIPTION

Department of Higher Education

Program Name: Division of Four-year Colleges and Universities

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

1. Mission Statement

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

2. Program History

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

3. What does this program do?

The Missouri Telehealth Network (MTN) exists:

1. to increase access to health care for underserved Missourians;
2. to provide specialty care to Missourians in state facilities, i.e.. Marshall Habilitation Center;
3. to serve as a resource (consultant) for health care institutions and providers who are embarking upon their own telehealth program;
5. to provide a mechanism for clinical research; and
6. to provide continuing educational opportunities for health care providers.

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

The Missouri Telehealth Network currently has 206 sites statewide in 67 counties and the City of St. Louis. In 2013, 71 medical professionals in 24 specialties conducted more than 39,123 clinical encounters via telehealth. Missouri Telehealth Network sites include hospitals, federally qualified health centers, rural health clinics, community mental health centers, state facilities, an army hospital, two schools of medicine, a school of nursing, the Missouri Department of Health and Senior Services and many other types of health care facilities.

PROGRAM DESCRIPTION

Department of Higher Education

Program Name: Division of Four-year Colleges and Universities

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

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

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

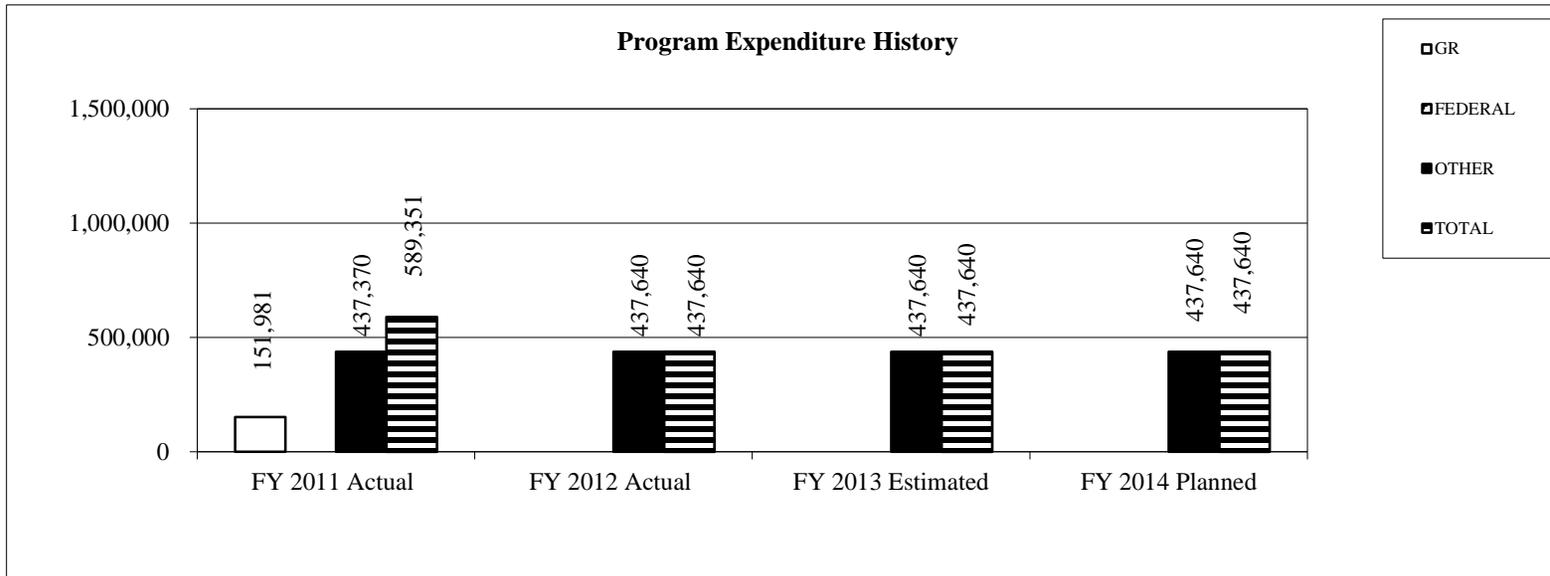
5. Are there federal matching requirements? If yes, please explain.

No federal matching requirements.

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

This is not a federally mandated program.

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



PROGRAM DESCRIPTION

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

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

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

8a. Provide an effectiveness measure.

Between July, 2012, and June, 2013, approximately 1,400 round trips from rural areas of Missouri to University of Missouri specialists' clinics were avoided resulting in saved fuel costs of over \$111,934 and approximately 200,000 miles of travel were avoided. This is the result of the availability of telehealth to these rural communities. (Data from Missouri Telehealth Network Encounters, whose providers are employed by the University of Missouri, was collected to reveal that utilization of telehealth saved Missourians significant travel time and dollars. These calculations use the average of the two federal mileage reimbursement rates - 55.5¢ per mile and 56.5¢ per mile.)

	MO HealthNet Patients	All Encounters
Number of Trips Avoided	1,000	2,000
Number of Miles Avoided	68,637	199,883
Total Dollars Saved	\$38,437	\$111,934

Approximately 34.3% of Telehealth patients are MO Health Net participants in both the managed MO HealthNet and direct MO HealthNet programs.

PROGRAM DESCRIPTION

Department of Higher Education

Program Name: Division of Four-year Colleges and Universities

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

8b. Provide an efficiency measure.

Telehealth has many cost saving implications for providers. Burrell Behavioral Health and Pathways Community Behavioral Health are cost saving examples through the use of telepsychiatry. Pathways reports providing the equivalent of 53 days of telepsychiatry provider time per week. Telehealth provides a reduction in windshield time. This windshield time reflects time that the psychiatrists would lose seeing patients if it weren't for the use of telepsychiatry. The reduction of windshield time from the use of telepsychiatry results in an annual overall savings of approximately \$1,576,607/year to Burrell Behavioral Health and Pathways Community Behavioral Health.

8c. Provide the number of clients/individuals served, if applicable.

Number of telehealth encounters provided to patients

<u>Year</u>	<u>Number</u>
2008 Actual	3,660
2009 Actual	4,104
2010 Actual	6,703
2011 Actual	15,386
2012 Actual	26,577
2013 Actual	39,123
2014 Projected	45,000

Number of Continuing Medical Education credits awarded to health care

<u>Year</u>	<u>Number</u>
2008 Actual	290
2009 Actual	333
2010 Actual	505
2011 Actual	222
2012 Actual	124
2013 Actual	323
2014 Projected	400

Number of teleradiology interpretations provided to patients

<u>Year</u>	<u>Number</u>
2008 Actual	13,130
2009 Actual	8,630
2010 Actual	12,089
2011 Actual	13,168
2012 Actual	17,855
2013 Actual	16,662
2014 Projected	17,000

PROGRAM DESCRIPTION

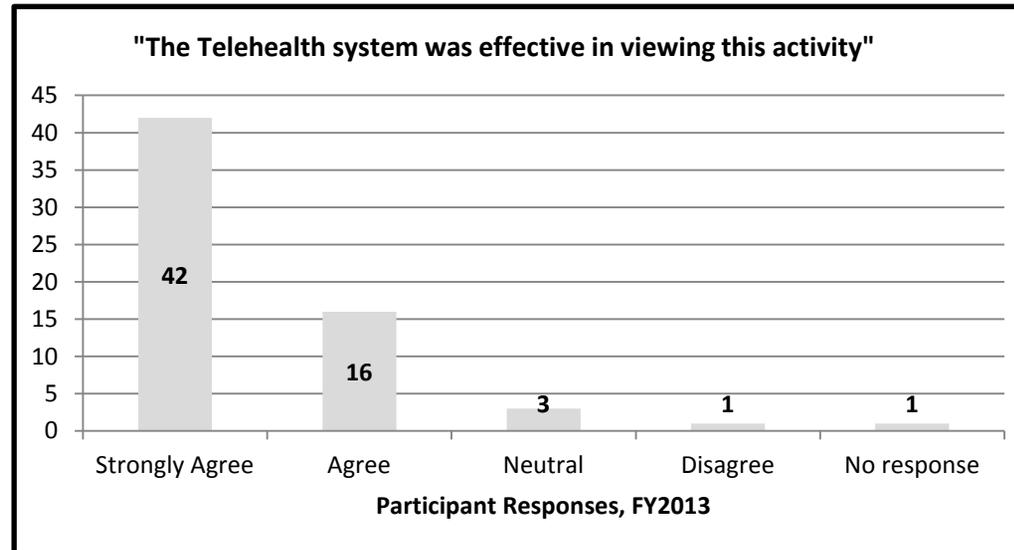
Department of Higher Education

Program Name: Division of Four-year Colleges and Universities

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

8d. Provide a customer satisfaction measure, if available.

Satisfaction data was collected using an evaluation form from the CME presentations during FY2013 of those utilizing the telehealth equipment. The chart below represents the satisfaction of a sample consisting of 65 of the 323 providers who utilized the telehealth equipment.



Comments from rural providers about the telehealth services were favorable, indicating it was advantageous to connect from their clinic, and the information was very useful. Some specific phrases used by rural providers include: "Excellent speaker! Great vocab! Great content!", "Really, really good talk.", "Great lecture.", "Great job.", "Well done.", "Excellent job!", "Very good.", "Very well done.", "An excellent presentation."

NEW DECISION ITEM REQUEST

**UNRESTRICTED EDUCATIONAL AND GENERAL
FORM 5**

Department: Higher Education-Unrestricted
Level 2 University of Missouri-Other Programs
Level 3 Missouri Telehealth Network
Decision Item Name: Increase for Sustaining Quality and Service: \$15,888
Decision Item Rank: 1 of 1

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

This request is for state funds to provide an increase for sustaining growth, quality, and service. An increase of \$15,888 is necessary to continue current service levels, which are critical to support Telehealth in Missouri. The Missouri Telehealth Network (MTN) plays a vital role in Missouri’s health care system and provides an excellent return on investment.

II. DESCRIPTION

The Missouri Telehealth Network (MTN) manages a 2 Gigabyte dedicated health care backbone and 206 endpoint locations in Missouri. MTN provides direct patient care, including more than 39,123 patient encounters last year. MTN also provides educational opportunities for health professionals and students in rural parts of Missouri where access to up-to-date programs is limited. Telehealth sites rely on the expertise and 24x7 management, monitoring, and troubleshooting service of MTN technicians. The MTN backbone is a valuable resource for broadband access and health information exchange as the state moves forward with health care reform.

The core reduction in state appropriation of 49% since FY2009 has impacted the services provided. MTN will use the remaining core funding and this increase for vital staffing, network maintenance costs, necessary equipment upgrades and replacement, and network transmission costs associated with the network. MTN provides ongoing technical support, training, troubleshooting, maintenance and software upgrades for telehealth sites and management of the backbone.

In order to continue service at current levels the MTN will require funds to offset the effects of increased operation costs. An adjustment of \$15,888 for a 3% pay plan and associated benefit changes and 3% estimated increase in expenses on the state appropriation base is requested.

III. COST EXPLANATION

State Appropriations for Telehealth	<u>\$15,888</u>
Total Increase from State Appropriation	\$15,888

**University of Missouri
State Historical Society of Missouri
Program Revenues & Expenditures**

	FY12 Actuals	FY13 Actuals	FY14 Budget	FY15 Restoration & Increase	FY15 Total Core Request
Revenues					
State Appropriation	\$ 1,190,777	\$ 1,384,780	\$ 1,727,605	\$ 855,670	\$ 2,583,275
Governor's Reserve 3%			(51,828)	(25,670)	(77,498)
Other Sources (One-Time)	39,500	11,540	-	-	-
Reserve (One-Time)	258,505	132,008	-	-	-
UM Memo of Understanding *	628,072	528,073	528,073		528,073
Total Revenues	\$ 2,116,854	\$ 2,056,401	\$ 2,203,850	\$ 830,000	\$ 3,033,850
Expenditures					
Salaries & Wages	\$ 1,318,161	\$ 1,458,582	\$ 1,633,533	\$ 452,006	\$ 2,085,539
Benefit Expense	393,803	465,934	542,881	191,158	734,039
Total Compensation	\$ 1,711,964	\$ 1,924,516	\$ 2,176,415	\$ 643,164	\$ 2,819,579
Other Expenses	272,882	128,217	121,770	92,501	214,271
Total Expenditures	\$ 1,984,846	\$ 2,052,732	\$ 2,298,185	\$ 735,665	\$ 3,033,850
Change in Net Assets	\$ 132,008	\$ 3,669	\$ (94,335) **	\$ 94,335	\$ -

* UM Memo of Understanding increase reflects staff transfer associated with additional responsibilities of managing Western Historical Manuscript Collection.

** Additional appropriation is needed to reduce the need for donor and other one-time funding.

PROGRAM DESCRIPTION

Department of Higher Education

Program Name: Division of Four-year Colleges and Universities

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

1. 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 and the Middle West.

2. Program History

Founded in 1898 by the Missouri Press Association and a trustee of the state since 1899, the State Historical Society of Missouri is the premier research center for the study of Missouri state and local history. The Society preserves and provides access to reference materials and historical collections through research centers on each of the four campuses of the University of Missouri system: Columbia, Kansas City, Rolla, and St. Louis, and at Southeast Missouri State University in Cape Girardeau. In addition, the Society provides access to its collections through a cooperative agreement with Missouri State University (Springfield). The Columbia research center also houses a significant art collection with ongoing and varied exhibitions and serves as the administrative headquarters for the Society's other branches.

3. What does this program do?

The State Historical Society of Missouri collects, preserves, makes accessible, and publishes materials pertaining to the history of Missouri; and the Middle West. The Society's facilities comprise reference, newspaper, manuscript, art, map, photograph, and oral history collections. 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*, a quarterly newsletter, and, on average, one book per year on a Missouri history topic. The Society is the sponsor for National History Day in Missouri. This program annually attracts thousands of Missouri students in grades 6-12 to research historical topics based on an annual theme and to prepare papers, performances, exhibits, websites, or documentaries based upon historical research. The Society also provides public programming, in-house and off-site, for adults interested in historical research and Missouri history through art exhibitions, workshops, tours, and lectures. 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.

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

Section 183.010 - 183.030, RSMo

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

No

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

No

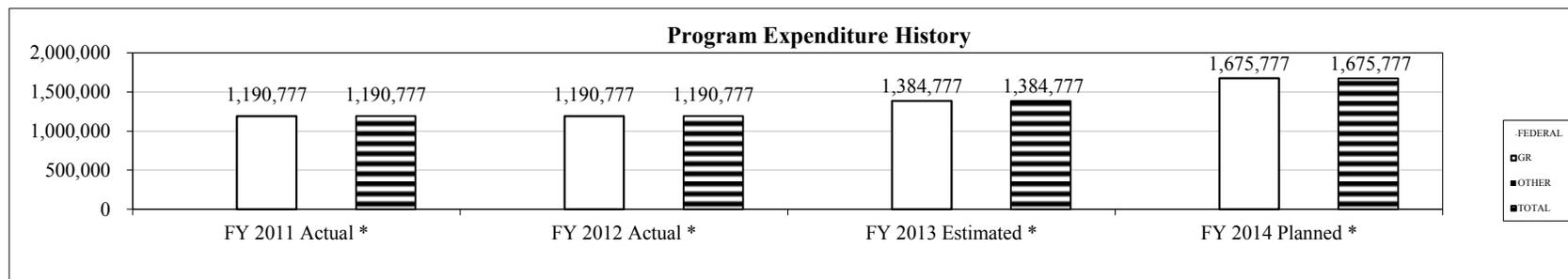
PROGRAM DESCRIPTION

Department of Higher Education

Program Name: Division of Four-year Colleges and Universities

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

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



*Net of Governor's 3% withholding in all years and additional extraordinary withholding in FY2013.

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

All of the Society's appropriations are from General Revenue. However, the Society has a Membership Trust Fund that helps to support its mission and starting in FY2012 there is a memorandum of understanding with funding from the University of Missouri System for the Society's management of what was known previously as the Western Historical Manuscript Collection.

9a. Provide an effectiveness measure.

How many individuals use Society resources on-site and attend Society events?

FY2012 Projected	FY2012 Actual	FY2013 Projected	FY2013 Actual	FY2014 Target	FY2015 Target	FY2016 Target
15,012	17,193	17,537	15,288	15,441	15,595	15,751

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

FY2012 Projected	FY2012 Actual	FY2013 Projected	FY2013 Actual	FY2014 Target	FY2015 Target	FY2016 Target
13,054	13,537	14,078	13,158	13,290	13,423	13,557

PROGRAM DESCRIPTION

Department of Higher Education

Program Name: Division of Four-year Colleges and Universities

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

9b. Provide an efficiency measure.

What is the average number of researchers assisted by each member of the reference staff?

FY2012 Projected	FY2012 Actual	FY2013 Projected	FY2013 Actual	FY2014 Target	FY2015 Target	FY2016 Target
1,041	1,105	1,127	959	969	979	989

9c. Provide the number of clients/individuals served, if applicable.

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

FY2012 Projected	FY2012 Actual	FY2013 Projected	FY2013 Actual	FY2014 Target	FY2015 Target	FY2016 Target
407,531	496,116	520,922	490,571	495,477	500,432	505,436

10. Performance and Other Activity Measures

	<u>FY2012</u>	<u>FY2013</u>	<u>FY2014</u>	<u>FY2015</u>
Researchers On-site	4,060	4,109	4,150	4,192
Art Gallery Attendance	4,244	4,313	4,356	4,400
Tours, Events, Staff Presentations	135	137	139	141
Tours, Events, Staff Presentations Attendance	5,957	4,111	4,152	4,194
Students Participating in National History Day contests	2,501	2,755	2,783	2,811
Web Site Visitors	465,188	475,283	489,541	504,227
Membership	4,864	3,686	3,760	3,835

NEW DECISION ITEM REQUEST

UNRESTRICTED EDUCATIONAL AND GENERAL FORM 5

Department: Higher Education-Unrestricted
Level 2 University of Missouri-Other Programs
Level 3 State Historical Society of Missouri
Decision Item Name: Restoration of Positions and Increase for Sustaining Quality and Service: \$855,670
Decision Item Rank: 1 of 1

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

This request is for state funds to restore some positions lost through budget reductions in previous years, to add a position in a new Research Center opened at Southeast Missouri State University (SEMO) during FY2013, and to provide an increase for sustaining quality and service.

II. DESCRIPTION

The State Historical Society of Missouri exists to collect, preserve, make accessible, and publish materials pertaining to the history of the state, Middle West, and the West. Funding reductions since FY2009 have had a significant impact on the services provided. Despite an increase to the core for FY2014, the Society staff is still down more than 20 percent since FY2009. Meanwhile, the Society has opened a new Research Center at Southeast Missouri State University, in response to increased demand for services from that region of the state. The reduction in staff, combined with an increased demand for Society services, has resulted in a further backlog of preserving, microfilming, digitizing, and making accessible to patrons and researchers the Society's extensive newspaper library, as well as reduced the ability to catalog, process and make available other historical materials, including manuscripts. Reduction in staff size has dramatically increased the workload of remaining staff members.

The funding situation becomes even more problematic when adjusted for inflation. The Society continues to incur higher costs to deliver its services to the public in spite of efforts to be more efficient and control costs. There are fixed cost increases associated with insurance, library materials, information technology equipment, and supplies and services. Lack of additional funding limits the ability of the Society to sustain the quality and level of its services, much less expand its services for the citizens of Missouri.

The State Historical Society of Missouri will require funds to offset the effects of increased costs of operation. The Society is requesting \$203,000 ongoing for four additional FTE, funding of \$200,000 for mandatory pay equity of existing staff, and \$49,006 for a 3 percent merit pay increase for existing staff. Many of the Society's professional staff members are paid below staff in other University positions for similar tasks and with similar training and below the external market. This issue has been documented in a recent University global grading project. The associated benefit costs for all of these salary and wage adjustments is \$191,158 and includes an overall increase in the cost of providing benefits to staff. The personnel policies are

the same for these programs as for the general operations of the university. Other expenses in the request includes \$50,000 for increased costs of preservation microfilming of newspapers, expenses related to additional staff, plus a 2% estimated inflationary increase in expenses to offset the effects of increased operation costs. For the last few years the Society has relied on one-time donor sources. This request includes funding to replace those one-time funds and also estimates the appropriation that will be held as a state reserve.

The State Historical Society of Missouri is requesting the FY2014 state appropriation base plus these additions to maintain a highly skilled and professional staff and to respond to the growing demand for patron services.

III. COST EXPLANATION

Salaries and Wages	\$452,006
Benefit Expense	191,158
Other Expenses	92,501
Funding for 3% Reserve	25,670
Replacement of one-time donations and reserves	<u>94,335</u>
Total State Appropriations	\$855,670
Recurring Request (Increase to core)	\$855,670

PROGRAM DESCRIPTION

Department of Higher Education

Program Name: University of Missouri Alzheimer's Program

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

1. What does this program do?

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

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

Section 172.800 - 172.807, RSMo

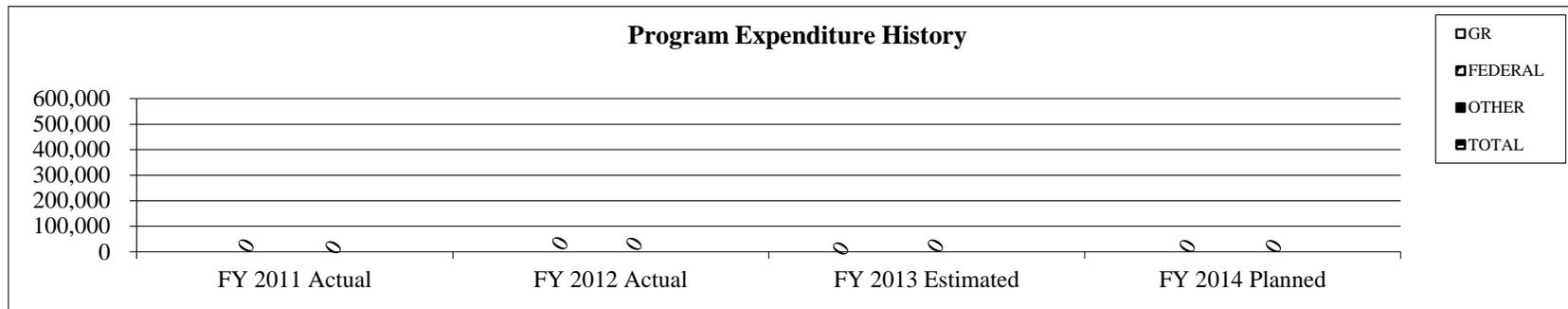
3. Are there federal matching requirements? If yes, please explain.

No

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

No

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



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

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

N/A

PROGRAM DESCRIPTION

Department of Higher Education

Program Name: University of Missouri Alzheimer's Program

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

7a. Provide an effectiveness measure.

This program has not received funding since FY2005. In FY2005, 33 proposals for research were received and 7 were awarded.

7b. Provide an efficiency measure.

This program has not received funding since FY2005. In FY2005, \$205,000 was awarded with an average award amount of \$29,000.

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

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

N/A

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

N/A

NEW DECISION ITEM REQUEST

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: \$475,200
Decision Item Rank: 1 of 1

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

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

II. DESCRIPTION

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

III. COST EXPLANATION

Senate Bill 200, passed in 1987, stipulates that the Board of Curators shall request annually an appropriation for Alzheimer's research of not less than \$200,000 adjusted for inflation. In addition, the request is to include administrative costs not to exceed 10 percent of the appropriation for research. The statutory award per year was increased from \$30,000 to \$50,000 by Senate Bill 563 in 2012.

The request for FY2015 is \$475,200 based on \$200,000 and a projected Consumer Price Index of 216.0. The request for research funds is \$432,000 and the request for administrative funds is \$43,200, which is 10 percent of the research amount.

IV. EVALUATION OF OUTCOMES

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

PROGRAM DESCRIPTION

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

1. What does this program do?

This program provides support for research projects in Missouri that promote and advance knowledge in the areas of spinal cord injuries and congenital or acquired disease processes.

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

Section 304.027, RSMo

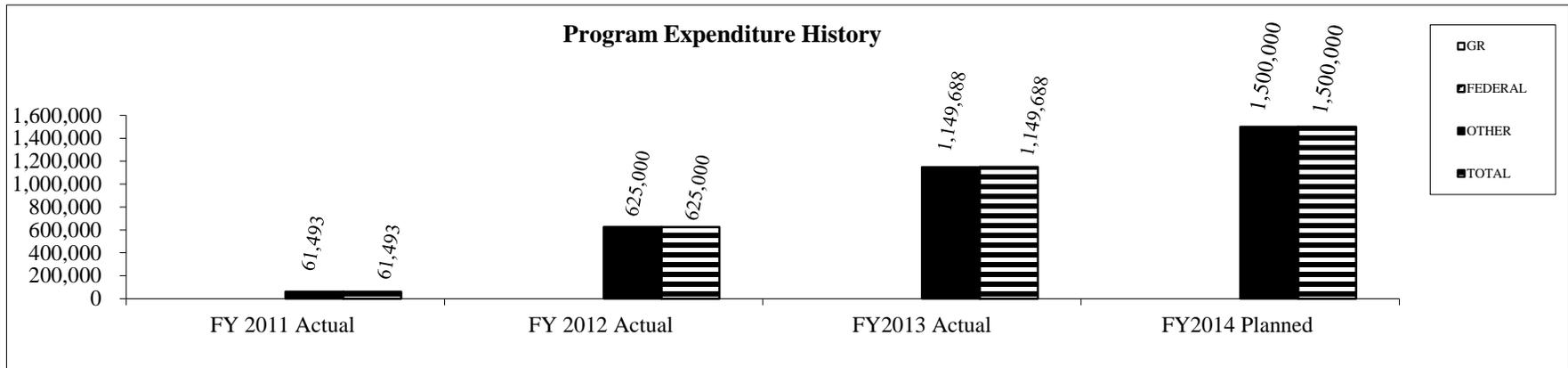
3. Are there federal matching requirements? If yes, please explain.

No

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

No

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



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

Spinal Cord Injury Fund (0578)

PROGRAM DESCRIPTION

Department of Higher Education

Program Name: Spinal Cord Injury

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

7a. Provide an effectiveness measure.

The Spinal Cord Injury Fund Program (SCI) was established in FY02. During FY02 potential members of an SCI Advisory Board were identified, nominated and approved by the University of Missouri Board of Curators. In FY03 the Advisory Board developed a list of organizations and institutions conducting spinal cord injury and treatment research. The Board then released a Call for Proposal and developed a web page to assist applicants in preparing proposals. The program's success will depend on the number of proposals that are awarded each year. Due to the legislative change increasing the allowed award amount, more proposals were received and awards were made beginning in FY2012.

Proposals received vs proposals awarded

FY 11		FY 12		FY 13		FY 14		FY 15		FY 16	
<u>Proj Rec'd</u>	<u>Awarded</u>	<u>Proj Rec'd</u>	<u>Proj Award</u>								
4	1	9	4	17	7*	12	9	12	9	12	9

*One FY12 project award was made from FY13 appropriation due to timing.

7b. Provide an efficiency measure.

Average award per proposal

FY 11		FY 12		FY 13		FY 14		FY 15		FY 16	
<u>Total Award</u>	<u>Avg Award</u>										
<u>Amount</u>	<u>Amount</u>										
\$44,443	\$44,443	\$600,000	\$150,000	\$1,500,000	\$150,000	\$1,500,000	\$150,000	\$1,500,000	\$150,000	\$1,500,000	\$150,000

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

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: \$1,500,000
Decision Item Rank: 1 of 1

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

The Spinal Cord Injury Fund, established by the legislature in 2001, supports research in Missouri in the area of spinal cord injuries and congenital or acquired disease processes.

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

According to the National Spinal Cord Injury Statistical Center, approximately 273,000 persons in the United States are living with a spinal cord injury or dysfunction, with about 12,000 new cases each year. Most experts agree that this number is understated as cases involving instantaneous death, or death soon after injury, as well as those with little or no remaining neurological deficit or neurological problems secondary to trauma are not included. The majority (81 percent) of spinal cord injury victims are males. Most of the injuries result from motor vehicle accidents (37 percent), falls (29 percent), violence (14 percent), or sports injuries (9 percent).

II. DESCRIPTION

The Advisory Board and program director 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. COST EXPLANATION

State statute stipulates that the Board of Curators shall request annually an appropriation for research awards from the Spinal Cord Injury Fund. Senate Bill 987, passed in the 2010 legislative session provided an increase in research awards from the past \$50,000 maximum to \$250,000 per award. The request is composed of \$1,350,000 for research funds and \$150,000 for administrative funds.

IV. EVALUATION OF OUTCOMES

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

PROGRAM DESCRIPTION

Department of Higher Education

Program Name: 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

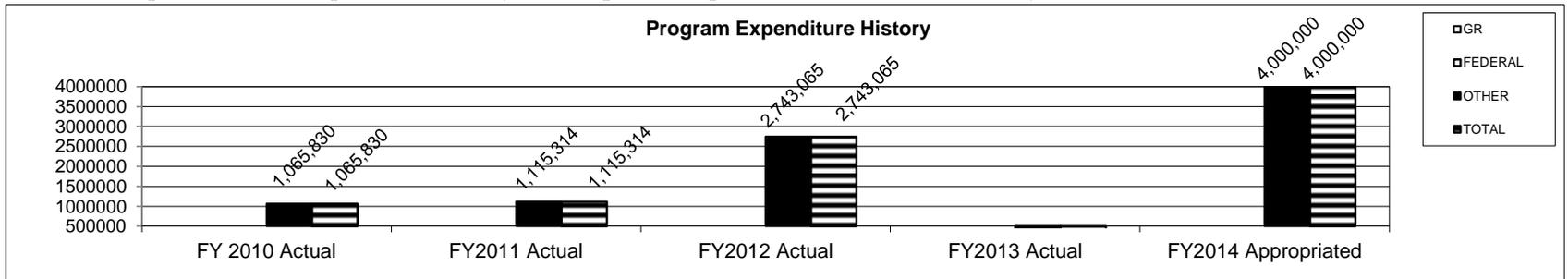
3. Are there federal matching requirements? If yes, please explain.

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.



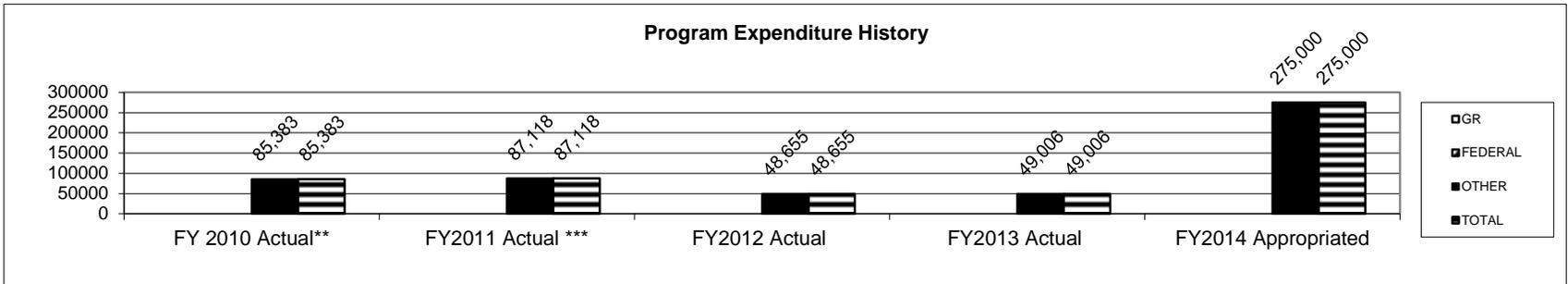
The expenditures in the graph above represent investments made by the university. As the investment instruments mature the university requisitions funds appropriated by the General Assembly for re-investment of investment instruments. There were no maturities in FY2013 but there will be in FY2014.

PROGRAM DESCRIPTION

Department of Higher Education

Program Name: Division of Four-year Colleges and Universities

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



The expenditures in the graph above represent interest from investments made by the university. The interest is used to fund operations at University of Missouri-Columbia (MU) and Missouri University of Science and Technology (MO S&T) campuses and to fund some scholarships.

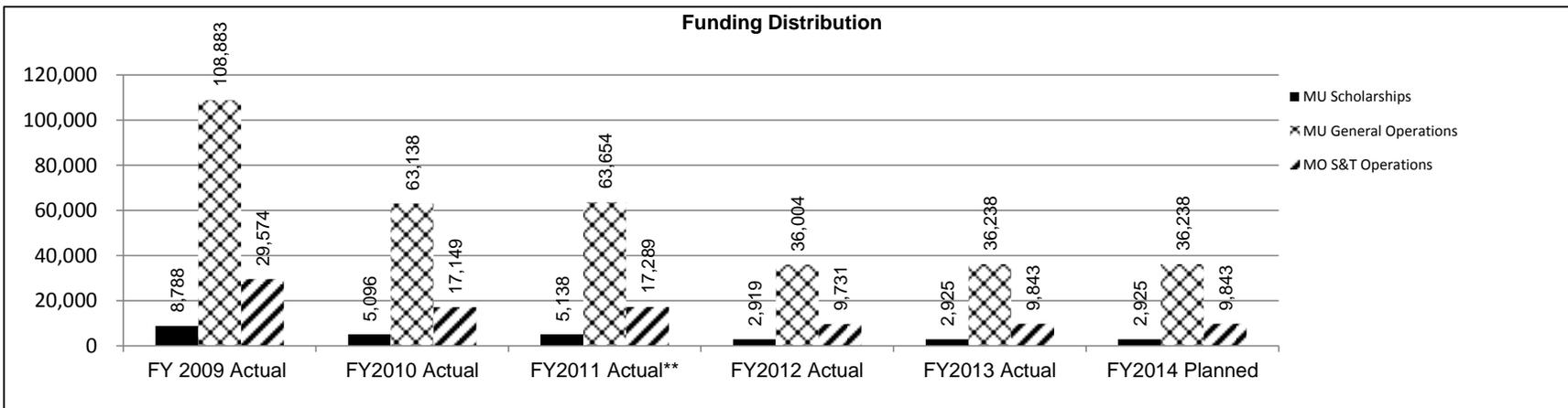
**Does not include \$19,974 of FY2010 earnings received in FY2011

***Includes \$19,974 of FY2010 earnings received in FY2011

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

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

7a. Provide an effectiveness measure.



**Includes \$19,974 of FY2010 earnings distributed in FY2011.

Actual and estimated receipts for FY2010-2013 are down due to market conditions including Treasury Bill rate decline.

PROGRAM DESCRIPTION

Department of Higher Education

Program Name: Division of Four-year Colleges and Universities

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

7b. Provide an efficiency measure.

N/A

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

N/A

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

N/A

NEW DECISION ITEM REQUEST

**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: \$4,275,000
Decision Item Rank: 1 of 1

PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

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

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

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

For FY2015 the university is requesting \$4,000,000 in principal that will need to be reinvested during the fiscal year in Government Securities held in the Seminary Fund and \$275,000 in earnings from principal held in the Seminary Fund.

	<u>FY2014 Appropriation</u>	<u>FY2015 Request</u>
To Cover Investment in Government Securities	\$4,000,000	\$4,000,000
To Cover Investment Earnings from Principal Held in the Seminary Fund	\$275,000	\$275,000

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 Returning Heroes Education Act: State Request \$2,400,546
Decision Item Rank: 1 of 1

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

The University of Missouri is requesting additional appropriation equivalent to the tuition waived in FY2009 - FY2013 for the Missouri Returning Heroes Education Act.

II. DESCRIPTION

The Missouri Returning Heroes Education Act, RSMo Section 173.900, became law on August 28, 2008. This law provides that all public institutions of higher education that receive state appropriated funds shall limit the amount of tuition charged to combat veterans to fifty dollars per credit hour as long as the veteran achieves and maintains a grade point average of 2.5 on a 4.0 scale, is enrolled in a program leading to certification or degree, and is attending in the ten year period following the last discharge from service. The law also provides that institutions may report the amount of tuition waived in a fiscal year and include the amount in the following year's appropriation request.

III. COST EXPLANATION

<u>Campus</u>	<u>Students</u>	<u>Fees Waived</u>
Columbia	443	\$1,098,116
Kansas City	234	648,290
Rolla	30	113,189
St. Louis	<u>292</u>	<u>540,952</u>
Total	999	\$2,400,546

Total Increase from State Appropriation \$2,400,546

The request is for FY2009 - FY2013 actual costs and reflects student headcounts and tuition waived for fall, winter, and summer semesters. The student counts are the individual unduplicated counts for each year.