

UNIVERSITY OF MISSOURI SYSTEM

Fiscal Year 2003

Appropriations Request for Operations

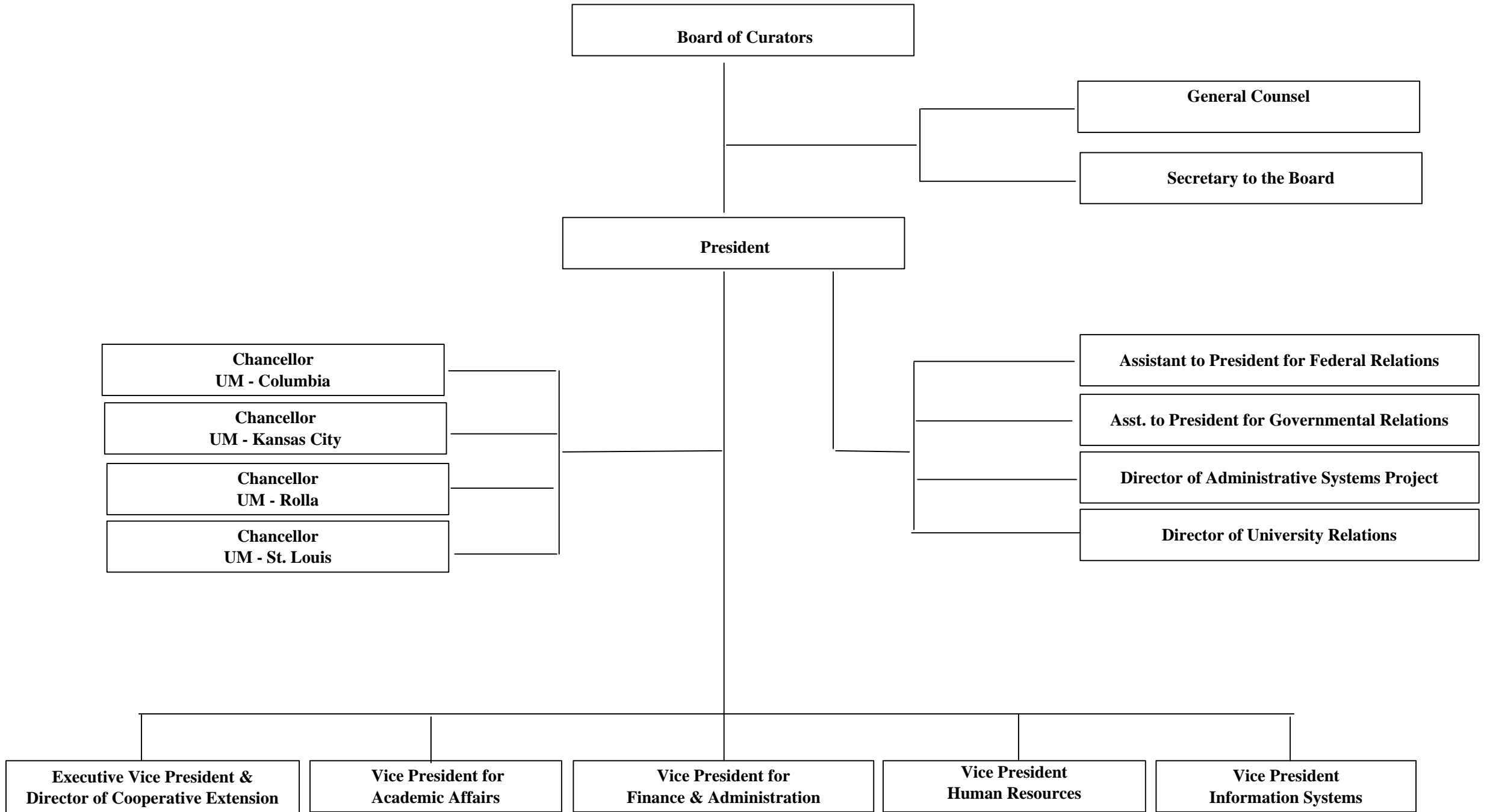
Appropriations Request for Operations

University of Missouri System

Fiscal Year 2003

Summaries

University of Missouri System



FY2002-2003 APPROPRIATIONS REQUEST FOR OPERATIONS

UNRESTRICTED FUNDS SUMMARY

University of Missouri System

	<u>DECISION ITEM NUMBER</u>	<u>STATE APPROPRIATED FUNDS</u>	<u>NON-STATE FUNDS</u>	<u>TOTAL FUNDS</u>
FY2001-2002 EXPENDITURE BASE (Core)		\$457,052,843	\$531,008,172	\$988,061,015
RECURRING INCREASE REQUESTED:				
Inflation	1	\$24,615,632	\$16,410,422	\$41,026,054
New Buildings	2	3,429,680	0	3,429,680
Core Decision Items	3	<u>22,400,000</u>	<u>0</u>	<u>22,400,000</u>
Total Recurring Increase Requested		<u>\$50,445,312</u>	<u>\$16,410,422</u>	<u>\$66,855,734</u>
TOTAL RECURRING FY2002-2003		<u><u>\$507,498,155</u></u>	<u><u>\$547,418,594</u></u>	<u><u>\$1,054,916,749</u></u>

University of Missouri System

Form 1 Expenditures

RESTRICTED AND UNRESTRICTED EXPENDITURES (EXCLUDE EXPENDITURES ON AUXILIARIES)	Total Audited Unrestricted Expenditures	Total Audited Restricted Expenditures	FY 2001 Estimated Unrestricted Education and General Operating Funds		Total Estimated Unrestricted Expenditures	Total Estimated Restricted Expenditures	FY 2002 Projected Unrestricted Education and General Operating Funds		Total Projected Unrestricted Expenditures	Total Projected Restricted Expenditures
	FY 2000	FY 2000	Personal Service	Expense & Equip.	FY 2001	FY 2001	Personal Service	Expense & Equip.	FY 2002	FY 2002
1 GENERAL INSTRUCTION										
1.1 On-campus instruction for credit			\$318,016,121	\$34,393,829	\$352,409,950		\$351,800,555	\$58,574,400	\$410,374,955	
1.3 Community Education			8,605,632	10,549,312	19,154,944		9,540,527	9,458,617	18,999,144	
1.4 Off-campus instruction for credit			5,049,606	2,849,937	7,899,543		4,150,652	5,164,172	9,314,824	
TOTAL INSTRUCTION	\$368,007,072	\$33,384,111	\$331,671,359	\$47,793,078	\$379,464,437	\$38,146,190	\$365,491,734	\$73,197,189	\$438,688,923	\$37,684,105
2 RESEARCH										
2.1 Institutes and Research Centers			\$26,366,194	\$9,966,897	\$36,333,091		\$27,359,777	\$12,043,961	\$39,403,738	
2.2 Individual or Project Research			20,669,873	12,461,743	33,131,616		23,351,271	16,713,686	40,064,957	
TOTAL RESEARCH	\$68,983,851	\$90,535,286	\$47,036,067	\$22,428,640	\$69,464,707	\$97,603,904	\$50,711,048	\$28,757,647	\$79,468,695	\$103,307,643
3 PUBLIC SERVICE										
3.2 Community Services			\$14,160,591	\$9,558,091	\$23,718,682		\$15,459,783	\$10,004,109	\$25,463,892	
3.3 Cooperative Extension Services			31,114,667	6,153,247	37,267,914		25,176,175	7,483,570	32,659,745	
TOTAL PUBLIC SERVICE	\$56,958,531	\$87,060,318	\$45,275,258	\$15,711,338	\$60,986,596	\$94,311,834	\$40,635,958	\$17,487,679	\$58,123,637	\$93,686,301
4 ACADEMIC SUPPORT										
4.1 Libraries			\$14,471,571	\$14,632,411	\$29,103,982		\$15,876,615	\$16,747,932	\$32,624,547	
4.2 Museums and Galleries			473,958	70,744	544,702		537,485	51,807	589,292	
4.3 Educational Media Services			2,703,113	594,770	3,297,883		2,984,000	886,043	3,870,043	
4.5 Ancillary Support			33,513,248	(2,932,210)	30,581,038		33,403,718	1,034,084	34,437,802	
4.6 Academic Admin. & Personnel Development			26,888,639	7,817,942	34,706,581		28,646,538	8,261,079	36,907,617	
TOTAL ACADEMIC SUPPORT	\$94,226,046	\$4,371,416	\$78,050,529	\$20,183,657	\$98,234,186	\$4,887,391	\$81,448,356	\$26,980,945	\$108,429,301	\$5,614,308
5 STUDENT SERVICE										
5.1 Student Service Administration			\$3,867,109	\$2,769,212	\$6,636,321		\$4,767,519	\$2,113,300	\$6,880,819	
5.2 Social and Cultural Development			6,871,866	7,991,761	14,863,627		7,110,082	7,730,322	14,840,404	
5.3 Counseling and Career Guidance			3,876,063	940,786	4,816,849		4,133,262	654,582	4,787,844	
5.4 Financial Aid Administration			2,959,319	970,966	3,930,285		3,232,328	955,256	4,187,584	
5.5 Student Health Services			3,200,690	1,510,276	4,710,966		3,428,761	741,639	4,170,400	
5.6 Intercollegiate Athletics			890,424	4,841,770	5,732,194		778,925	1,793,385	2,572,310	
5.7 Student Admissions and Records			7,838,679	5,238,106	13,076,785		8,259,868	4,370,827	12,630,695	
TOTAL STUDENT SERVICE	\$51,543,711	\$2,132,371	\$29,504,150	\$24,262,877	\$53,767,027	\$2,737,457	\$31,710,745	\$18,359,311	\$50,070,056	\$1,609,502
6 INSTITUTIONAL SUPPORT										
6.1 Executive Management			\$11,695,721	(\$138,290)	\$11,557,431		\$12,727,684	\$1,168,241	\$13,895,925	
6.2 Fiscal Operations			6,686,917	(489,907)	6,197,010		7,094,556	569,831	7,664,387	
6.3 General Admin. & Logistical Services			52,339,163	(13,472,254)	38,866,909		61,921,148	(8,026,033)	53,895,115	
6.5 Public Relations and Development			12,940,833	5,585,684	18,526,517		12,474,370	4,519,185	16,993,555	
TOTAL INSTITUTIONAL SUPPORT	\$59,509,754	\$2,585,568	\$83,662,634	(\$8,514,767)	\$75,147,867	\$3,714,943	\$94,217,758	(\$1,768,776)	\$92,448,982	\$2,312,350

University of Missouri System

Form 1 Expenditures

EDUCATION AND GENERAL AND UNRESTRICTED EXPENDITURES (EXCLUDE EXPENDITURES ON AUXILIARIES)	Total Audited Unrestricted Expenditures FY 2000	Total Audited Restricted Expenditures FY2000	FY 2001 Estimated Unrestricted Education and General Operating Funds		Unrestricted Expenditures FY 2001	Restricted Expenditures FY 2001	FY 2002 Budgeted Unrestricted Education and General Operating Funds		Budgeted Unrestricted Expenditures FY 2002	Budgeted Restricted Expenditures FY 2002
			Personal Service	Expense & Equip.			Personal Service	Expense & Equip.		
7 OPERATION AND MAINTENANCE OF PLANT										
7.1 General Physical Plant			\$17,937,033	(\$249,635)	\$17,687,398		\$17,794,063	\$6,768,893	\$24,562,956	
7.2 Fuel and Utilities			3,070,763	24,103,161	27,173,924		3,313,963	24,709,931	28,023,894	
7.3 Maintenance and Repair			16,977,534	8,100,755	25,078,289		19,978,906	12,654,430	32,633,336	
TOTAL OPERATION AND MAINTENANCE OF PLANT	\$68,667,276	\$68,869	\$37,985,330	\$31,954,281	\$69,939,611	\$977,373	\$41,086,932	\$44,133,254	\$85,220,186	\$691,666
8 SCHOLARSHIPS AND FELLOWSHIPS					0					
8.1 Scholarships			\$0	\$52,588,444	\$52,588,444		\$0	\$54,555,734	\$54,555,734	
8.2 Fellowships			0	23,078,183	23,078,183		0	20,555,501	20,555,501	
TOTAL SCHOLARSHIPS/FELLOWSHIPS	\$70,827,394	\$27,301,609	\$0	\$75,666,627	\$75,666,627	\$29,272,559	\$0	\$75,111,235	\$75,111,235	\$35,872,681
9 TRANSFERS										
9.1 Mandatory Transfers (decrease)/increase			\$0	\$5,038,081	\$5,038,081		\$0	\$500,000	\$500,000	
9.2 Nonmandatory Transfers (decrease)/increase			0	29,965,949	29,965,949		0	0	0	
TOTAL TRANSFERS	\$37,452,859	\$3,257,329	\$0	\$35,004,030	\$35,004,030		\$0	\$500,000	\$500,000	\$249,000
TOTAL EDUCATION AND GENERAL EXPENDITURES AND TRANSFERS	\$876,176,493	\$250,696,877	\$653,185,327	\$264,489,761	\$917,675,088	\$271,651,651	\$705,302,531	\$282,758,484	\$988,061,015	\$281,027,556

Form 1-A: Expenditures on Instruction

**UNRESTRICTED EDUCATION AND GENERAL EXPENDITURES ON ACADEMIC PROGRAMS
BY INSTRUCTIONAL COST CENTER**

Instructional Cost Center (Please identify all instructional cost centers and indicate the amount of total expenditures for each. Exclude expenditures on Auxiliaries)	FY 2000 Actual Unrestricted	FY 2001 Estimated Unrestricted	FY 2002 Budgeted Unrestricted
Arts & Sciences	\$102,071,199	\$104,296,809	\$97,978,426
Agriculture, Food & Natural Resources	6,868,504	7,661,981	8,665,474
Biology/Life Sciences	4,660,095	4,729,783	4,829,250
Business & Public Administration	18,453,901	18,724,811	17,465,760
Computer Science Telecommunications	3,103,386	3,103,386	13,712
Conservatory of Music	4,350,331	4,350,331	4,039,074
Dentistry	11,986,017	12,062,457	12,555,415
Education	19,765,786	19,821,429	21,154,906
Engineering	30,852,351	29,526,210	28,604,829
Evening College	1,486,163	1,497,029	903,327
Extension	1,318,601	1,224,557	1,159,919
Graduate School	999,184	1,917,525	1,728,072
Health Professions & Related Sciences	0	2,724,529	2,423,644
Human Environmental Sciences	5,281,714	5,574,664	5,500,361
Interdisciplinary Computing and Engineering			3,317,970
Journalism	4,820,167	5,229,939	6,012,950
Law	8,826,127	9,521,945	9,566,560
Medicine	91,088,114	73,424,881	88,521,647
Mines & Metallurgy	5,675,120	5,447,384	5,741,775
Nursing	6,680,023	7,446,272	8,359,693
Optometry	3,148,760	3,363,783	6,811,834
Pharmacy	3,671,982	4,418,672	4,167,895
Pierre Laclède Honors College	490,350	627,986	557,758
Veterinary Medicine	10,865,698	10,083,546	12,348,354
Miscellaneous Instruction	12,192,471	15,630,041	57,946,350
TOTAL	\$358,656,044	\$352,409,950	\$410,374,955

FORM 2: FOUR-YEAR INSTITUTIONS AND LINN STATE - REVENUES

EDUCATION AND GENERAL	Audited Unrestricted Revenue FY 2000	Audited Restricted Revenue FY 2000	Estimated Unrestricted Revenue FY 2001	Estimated Restricted Revenue FY 2001	Budgeted Unrestricted Revenue FY 2002	Budgeted Restricted Revenue FY 2002	Budgeted Unrestricted Revenue FY 2003	Budgeted Restricted Revenue FY 2003
Student Education Fees (All Sources but Off-Campus Credit Instruction)	\$287,071,079		\$300,357,854		\$314,131,930		\$324,632,345	
Student Education Fees (Off-Campus Credit Instruction)	11,125,752		12,245,981		9,314,823		9,500,000	
SUBTOTAL OF TUITION AND FEES	\$298,196,831	\$0	\$312,603,835	\$0	\$323,446,753	\$0	\$334,132,345	\$0
Federal Appropriations	15,260,922		15,175,814		15,085,282		14,500,000	
Federal Grants and Contracts	0	92,140,162		102,508,289		107,882,064		112,000,000
Federal Vocational Reimbursement	0							
SUBTOTAL OF FEDERAL SOURCES	\$15,260,922	\$92,140,162	\$15,175,814	\$102,508,289	\$15,085,282	\$107,882,064	\$14,500,000	\$112,000,000
State Grants and Contracts	0	39,456,100		40,692,065		41,149,407		42,000,000
State Vocational Reimbursement	0							
SUBTOTAL OF STATE GRANTS/REIMBURSEMENT	\$0	\$39,456,100	\$0	\$40,692,065	\$0	\$41,149,407	\$0	\$42,000,000
Local Tax Revenue	0							
Local Grants and Contracts	0							
Recovery of Indirect Costs	24,152,459		24,720,974		27,509,000		28,689,500	
Private Gifts, Grants and Contracts	313,841	77,935,240	1,401,515	83,826,537	661,629	85,858,523	700,000	89,000,000
Investment Income	16,126,666		32,176,428		12,933,667		13,300,000	
Endowment Income	2,459,526	19,201,004	2,590,608	22,447,332	3,503,954	25,784,525	3,710,000	26,500,000
Sales & Services of Educational Activities	105,754,947		101,753,861		116,974,003		120,300,000	
Sales & Services of Auxilliary Enterprises								
Sales & Services of Hospitals & Clinics								
Intercollegiate Athletic Income								
Other Sources	28,835,438		35,727,137		30,893,884		32,086,749	
SUBTOTAL OF TOTAL LOCAL REVENUES	\$177,642,876	\$97,136,244	\$198,370,523	\$106,273,869	\$192,476,137	\$111,643,048	\$198,786,249	\$115,500,000
TRANSFERS FROM OTHER FUNDS								
State Appropriations for RTEC Distributions								
State Appropriations (Education & General Operating)	407,294,219	18,707,041	428,767,008	22,177,150	457,052,843	20,353,037	507,498,155	24,661,000
SUBTOTAL STATE APPROPRIATIONS	\$407,294,219	\$18,707,041	\$428,767,008	\$22,177,150	\$457,052,843	\$20,353,037	\$507,498,155	\$24,661,000
TOTAL EDUCATION & GENERAL REVENUE	\$898,394,848	\$247,439,548	\$954,917,180	\$271,651,373	\$988,061,015	\$281,027,556	\$1,054,916,749	\$294,161,000

UNIVERSITY OF MISSOURI SYSTEM

PERSONAL SERVICE DETAIL

FORM 3

PERSONAL SERVICE CATEGORIES (EXCLUDE EXPENDITURES ON AUXILIARIES)	UNRESTRICTED PERSONAL SERVICE - TOTAL				PROJECTED	
	AUDITED FY 2000 EXPENDITURES	FTE	ESTIMATED FY 2001 EXPENDITURES	FTE	FY 2002 EXPENDITURES	FTE
Professors	84,443,577	729.0	79,683,209	656.7	94,075,230	661.6
Associate Professors	63,790,455	715.2	65,726,099	709.5	73,555,120	721.8
Assistant Professors	55,484,856	720.7	60,392,497	774.8	57,401,504	819.8
Instructors	9,784,408	198.4	10,467,642	204.2	10,033,533	205.2
Lecturers	-	-	-	-	-	-
Other Faculty	69,270,643	2,052.5	71,887,949	2,079.2	81,245,835	2,071.9
Executive/Administrative/Managerial	66,258,996	994.7	72,288,300	1,035.2	89,829,237	1,048.5
Other professional	79,162,136	2,246.2	84,903,799	2,157.5	83,101,941	2,168.0
Technical and paraprofessionals	21,942,629	932.6	22,658,587	923.3	19,728,969	927.3
Clerical and secretarial	44,633,842	2,239.4	47,453,530	2,227.5	48,704,532	2,228.1
Skilled Crafts	15,738,860	523.3	16,324,976	502.1	10,491,826	505.1
Service/Maintenance	19,077,873	956.1	20,240,217	991.9	23,155,903	992.9
Students	-	-	-	-	-	-
Summer Session	-	-	-	-	-	-
Staff Benefits	98,684,546	-	101,158,522	-	113,978,901	-
TOTAL PERSONAL SERVICES	628,272,821	12,308.1	653,185,327	12,261.9	705,302,531	12,350.2

UNIVERSITY OF MISSOURI SYSTEM

PERSONAL SERVICE DETAIL

FORM 3

PERSONAL SERVICE CATEGORIES (EXCLUDE EXPENDITURES ON AUXILIARIES)	UNRESTRICTED PERSONAL SERVICE - INSTRUCTION					
	AUDITED FY 2000 EXPENDITURES	FTE	ESTIMATED FY 2001 EXPENDITURES	FTE	PROJECTED FY 2002 EXPENDITURES	FTE
Professors	75,200,878	646.3	70,439,779	578.5	83,273,640	583.4
Associate Professors	57,105,070	636.4	59,479,252	638.5	67,221,691	649.8
Assistant Professors	49,290,822	626.8	54,311,616	680.7	51,582,282	701.7
Instructors	8,455,656	168.0	8,936,889	169.4	8,448,878	170.4
Other Faculty	33,617,126	1,012.9	35,739,488	1,060.3	43,031,849	1,049.7
Executive/Administrative/Managerial	12,625,913	171.0	13,663,081	184.3	14,716,060	187.3
Other professional	16,689,497	465.4	17,607,743	460.9	17,869,465	463.9
Technical and paraprofessionals	6,473,259	278.1	6,160,200	265.1	7,233,922	265.1
Clerical and secretarial	15,233,620	701.3	16,093,323	705.4	16,646,080	709.9
Skilled Crafts	439,463	14.8	375,399	12.4	486,346	12.4
Service/Maintenance	1,138,359	67.1	1,299,963	74.1	1,315,015	74.1
Students						
Summer Session						
Staff Benefits	46,649,703		47,564,626		53,666,506	
TOTAL PERSONAL SERVICES	322,919,366	4,788.1	331,671,359	4,829.6	365,491,734	4,867.7

UNIVERSITY OF MISSOURI SYSTEM

PERSONAL SERVICE DETAIL

FORM 3

PERSONAL SERVICE CATEGORIES (EXCLUDE EXPENDITURES ON AUXILIARIES)	UNRESTRICTED PERSONAL SERVICE - RESEARCH					
	AUDITED FY 2000 EXPENDITURES	FTE	ESTIMATED FY 2001 EXPENDITURES	FTE	PROJECTED FY 2002 EXPENDITURES	FTE
Professors	6,210,447	57.3	6,348,124	53.7	7,768,250	53.7
Associate Professors	4,101,478	55.4	3,900,303	49.8	4,611,051	49.8
Assistant Professors	2,740,292	44.0	2,970,312	46.9	3,246,517	70.9
Instructors	321,778	6.7	557,497	12.9	657,038	12.9
Other Faculty	8,531,512	266.3	8,879,936	275.6	8,465,562	278.9
Executive/Administrative/Managerial	3,428,056	52.6	4,283,413	62.2	4,740,597	62.2
Other professional	5,532,545	163.3	6,002,270	176.3	5,490,409	176.3
Technical and paraprofessionals	3,399,366	130.5	3,526,168	126.7	2,900,598	127.7
Clerical and secretarial	2,152,551	106.2	2,429,825	111.3	2,586,216	112.3
Skilled Crafts	387,835	12.7	364,152	11.7	464,226	11.7
Service/Maintenance	723,618	37.6	720,383	34.1	874,509	34.1
Students						
Summer Session						
Staff Benefits	6,708,016		7,053,684		8,906,075	
TOTAL PERSONAL SERVICES	44,237,494	932.6	47,036,067	961.2	50,711,048	990.5

UNIVERSITY OF MISSOURI SYSTEM

PERSONAL SERVICE DETAIL

FORM 3

PERSONAL SERVICE CATEGORIES (EXCLUDE EXPENDITURES ON AUXILIARIES)	UNRESTRICTED PERSONAL SERVICE - PUBLIC SERVICE					
	AUDITED FY 2000 EXPENDITURES	FTE	ESTIMATED FY 2001 EXPENDITURES	FTE	PROJECTED FY 2002 EXPENDITURES	FTE
Professors	1,978,660	18.5	1,826,357	17.4	1,875,943	17.4
Associate Professors	1,380,641	16.5	1,356,331	15.3	1,086,131	15.3
Assistant Professors	1,924,856	35.0	2,015,153	34.2	1,864,246	34.2
Instructors	663,254	13.7	552,144	11.9	534,766	11.9
Other Faculty	18,174,225	499.0	17,874,407	481.4	18,406,003	483.4
Executive/Administrative/Managerial	3,538,827	58.4	3,711,082	59.1	2,896,366	59.6
Other professional	4,065,960	114.3	5,463,510	138.7	3,316,152	138.7
Technical and paraprofessionals	1,274,496	58.5	1,433,717	60.6	478,323	60.6
Clerical and secretarial	2,472,294	119.3	2,672,654	121.4	2,084,045	121.4
Skilled Crafts	46,946	2.0	66,119	2.6	2,468	2.6
Service/Maintenance	279,178	14.8	341,573	16.4	82,331	16.4
Students						
Summer Session						
Staff Benefits	7,710,799		7,962,211		8,009,184	
TOTAL PERSONAL SERVICES	43,510,136	950.0	45,275,258	959.0	40,635,958	961.5

UNIVERSITY OF MISSOURI SYSTEM

PERSONAL SERVICE DETAIL

FORM 3

PERSONAL SERVICE CATEGORIES (EXCLUDE EXPENDITURES ON AUXILIARIES)	UNRESTRICTED PERSONAL SERVICE - ACADEMIC SUPPORT					
	AUDITED FY 2000 EXPENDITURES	FTE	ESTIMATED FY 2001 EXPENDITURES	FTE	PROJECTED FY 2002 EXPENDITURES	FTE
Professors	689,378	5.4	843,515	5.6	836,654	5.6
Associate Professors	709,763	3.8	742,694	4.5	481,684	5.5
Assistant Professors	1,019,467	10.2	828,532	9.7	614,175	9.7
Instructors	307,985	8.3	272,461	6.8	255,202	6.8
Other Faculty	6,214,966	181.2	6,481,122	168.9	9,034,265	166.9
Executive/Administrative/Managerial	15,217,416	200.8	16,905,546	203.8	22,528,940	205.8
Other professional	23,270,743	583.4	23,242,400	552.2	18,307,618	556.2
Technical and paraprofessionals	7,078,644	309.6	7,633,614	319.9	6,637,316	322.9
Clerical and secretarial	6,840,388	375.1	7,423,870	370.4	8,577,639	370.6
Skilled Crafts	89,158	3.7	81,906	3.2	72,590	3.2
Service/Maintenance	1,009,627	70.0	1,103,427	72.3	864,100	72.3
Students						
Summer Session						
Staff Benefits	12,409,618		12,491,442		13,238,173	
TOTAL PERSONAL SERVICES	74,857,153	1,751.5	78,050,529	1,717.3	81,448,356	1,725.5

UNIVERSITY OF MISSOURI SYSTEM

PERSONAL SERVICE DETAIL

FORM 3

PERSONAL SERVICE CATEGORIES (EXCLUDE EXPENDITURES ON AUXILIARIES)	UNRESTRICTED PERSONAL SERVICE - STUDENT SERVICES					
	AUDITED FY 2000 EXPENDITURES	FTE	ESTIMATED FY 2001 EXPENDITURES	FTE	PROJECTED FY 2002 EXPENDITURES	FTE
Professors	14,906	0.1	41,072	0.3	60,845	0.3
Associate Professors	88,295	0.9	87,173	1.0	107,266	1.0
Assistant Professors	147,116	2.5	159,947	2.4	85,897	2.4
Instructors	32,686	1.1	144,557	3.1	137,649	3.1
Other Faculty	2,273,450	84.9	2,518,374	86.7	1,966,098	86.7
Executive/Administrative/Managerial	6,139,199	113.3	6,599,759	117.9	8,143,899	119.9
Other professional	8,087,103	247.7	8,656,407	248.1	9,410,863	248.6
Technical and paraprofessionals	719,561	30.2	649,054	29.1	261,147	29.1
Clerical and secretarial	4,549,306	239.7	4,517,530	230.3	5,322,484	231.3
Skilled Crafts	4,588	-	468	-	484	-
Service/Maintenance	1,321,959	86.3	1,501,231	101.0	674,595	101.0
Students						
Summer Session						
Staff Benefits	4,532,378		4,628,578		5,539,518	
TOTAL PERSONAL SERVICES	27,910,547	806.7	29,504,150	819.9	31,710,745	823.4

UNIVERSITY OF MISSOURI SYSTEM

PERSONAL SERVICE DETAIL

FORM 3

PERSONAL SERVICE CATEGORIES (EXCLUDE EXPENDITURES ON AUXILIARIES)	UNRESTRICTED PERSONAL SERVICE - INSTITUTIONAL SUPPORT					
	AUDITED FY 2000 EXPENDITURES	FTE	ESTIMATED FY 2001 EXPENDITURES	FTE	PROJECTED FY 2002 EXPENDITURES	FTE
Professors	349,308	1.4	184,362	1.2	259,898	1.2
Associate Professors	399,058	2.2	156,355	0.4	47,297	0.4
Assistant Professors	362,303	2.2	106,937	0.9	8,387	0.9
Instructors	2,540	0.6	4,094	0.1	-	0.1
Other Faculty	449,964	7.7	388,528	5.6	332,999	5.6
Executive/Administrative/Managerial	21,582,428	316.1	23,188,545	326.0	31,951,033	331.8
Other professional	17,438,912	580.1	19,148,402	479.0	25,170,434	482.0
Technical and paraprofessionals	1,891,149	88.2	2,105,303	85.4	864,090	85.4
Clerical and secretarial	12,114,819	639.5	12,905,899	627.5	12,068,934	621.4
Skilled Crafts	4,540,530	175.0	4,865,716	164.2	7,859	164.2
Service/Maintenance	5,955,486	244.5	6,303,800	256.9	6,889,390	256.9
Students						
Summer Session						
Staff Benefits	13,831,591		14,304,693		16,617,437	
TOTAL PERSONAL SERVICES	78,918,088	2,057.5	83,662,634	1,947.2	94,217,758	1,949.9

UNIVERSITY OF MISSOURI SYSTEM

PERSONAL SERVICE DETAIL

FORM 3

PERSONAL SERVICE CATEGORIES (EXCLUDE EXPENDITURES ON AUXILIARIES)	UNRESTRICTED PERSONAL SERVICE - PHYSICAL PLANT					
	AUDITED FY 2000 EXPENDITURES	FTE	ESTIMATED FY 2001 EXPENDITURES	FTE	PROJECTED FY 2002 EXPENDITURES	FTE
Professors						
Associate Professors	6,150		3,991			
Assistant Professors						
Instructors	509					
Other Faculty	9,400	0.5	6,094	0.7	9,059	0.7
Executive/Administrative/Managerial	3,727,157	82.5	3,936,874	81.9	4,852,342	81.9
Other professional	4,077,376	92.0	4,783,067	102.3	3,537,000	102.3
Technical and paraprofessionals	1,106,154	37.5	1,150,531	36.5	1,353,573	36.5
Clerical and secretarial	1,270,864	58.3	1,410,429	61.2	1,419,134	61.2
Skilled Crafts	10,230,340	315.1	10,571,216	308.0	9,457,853	311.0
Service/Maintenance	8,649,646	435.8	8,969,840	437.1	12,455,963	438.1
Students						
Summer Session						
Staff Benefits	6,842,441		7,153,288		8,002,008	
TOTAL PERSONAL SERVICES	35,920,037	1,021.7	37,985,330	1,027.7	41,086,932	1,031.7

Core Programs

**UNRESTRICTED EDUCATIONAL AND GENERAL
CORE BUDGET REQUEST ANALYSIS
FORM 4**

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

I. MISSION STATEMENT

(Approved by the University of Missouri Board of Curators in July, 1997)

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, apply, and preserve knowledge. It thereby stimulates learning by its students, and lifelong learning by Missouri citizens, and advances the health and well-being and the intellectual, cultural, social, and economic interests of the people of Missouri, the nation, and the world.

The University of Missouri consists of five major organizational component units, including the University of Missouri-Columbia, the University of Missouri-Kansas City, the University of Missouri-Rolla, the University of Missouri-St. Louis, and University Outreach and Extension. The specific missions of each of these components are as follows:

University of Missouri-Columbia

As the state's original and largest land-grant university, the University of Missouri-Columbia has as its mission creativity and the discovery, preservation, application and dissemination of knowledge on behalf of the people of Missouri, the nation, and the world.

The comprehensive nature of the campus, coupled with a faculty committed to teaching and research, generates a unique synergy that involves undergraduate, graduate and professional school students in a learning community and scholarly processes, thus preparing them for success in a global environment.

Faculty interact with students at all levels, in and out of the classroom, to mentor and exemplify learning, the pursuit of inquiry, and responsible service for the common good, all of which contribute to a productive and educated citizenry. Focused activities include strengthening health and agricultural productivity through the life sciences; research on economic, educational and social issues; and applying research and new technologies to Missouri's needs.

University of Missouri-Kansas City

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

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

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

University of Missouri-Rolla

The University of Missouri-Rolla has a major responsibility for meeting Missouri's needs for engineering education. UMR offers residential programs with an emphasis on leadership development that include a full range of engineering and science degrees and complementary liberal arts degrees and programs.

UMR conducts research to advance knowledge, to provide essential support for graduate education, and to enhance undergraduate education. There is special emphasis on research in materials, manufacturing, infrastructure, geotechnical, and environmental engineering and science.

UMR assists in the economic development of the state and nation with the transfer of the technology developed through its research programs.

University of Missouri-St. Louis

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

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

University Outreach and Extension

The mission of University Outreach and Extension, in partnership with UM campuses, Lincoln University, the people of Missouri through county extension councils, and the Cooperative Research, Education, and Extension Service of the U.S. Department of Agriculture, is to serve Missouri by extending the research-based knowledge and problem-solving resources of the University of Missouri and Lincoln University to focus on high priority needs of people throughout the state. This effort is integral to the land-grant university mission.

II. DESCRIPTION

The University of Missouri was founded in 1839 as the first state university west of the Mississippi River. With passage of the Morrill Act by Congress in 1862, the University became a land-grant institution. The University includes four campuses, University Outreach and Extension, 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 Outreach and Extension disseminates information regarding the outcomes of instruction and research to the general public. The campuses are headed by Chancellors, who report to the President. The President is responsible to the Board of Curators, which is the University's governing body appointed by the Governor and confirmed by the Senate.

The Columbia campus offers academic programs through 18 schools and colleges. In fall 2000, the total enrollment was 23,309, with 5,251 of this number enrolled in graduate and professional programs. At that time, the full-time teaching and research staff numbered 2,480. In 2000-01 the campus granted 5,534 degrees. The Kansas City campus offers academic programs through 12 schools and colleges. Its fall 2000 total enrollment was 12,698, which included 4,607 graduate and professional students. The campus employed 826 full-time teaching and research staff. In 2000-01, the campus awarded 2,265 degrees. The Rolla campus offers academic programs through 3 schools and colleges. In fall 2000, its total enrollment was 4,626 students, which included 928 enrolled in graduate programs. Full-time teaching and research staff numbered 347. In 2000-01, the campus awarded 1,083 degrees. The St. Louis campus offers academic programs through 8 schools and colleges, and had a fall 2000 total enrollment of 15,396, which included 2,660 graduate and professional students. The campus employed 505 full-time teaching and research staff and awarded 2,278 degrees in 2000-01.

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

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

The University has the responsibility to bring its unique educational programs and problem-solving capabilities to Missouri citizens throughout the state. University Outreach and 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.

FORM 4: SUPPLEMENTAL DATA, FY 2002

Performance & Activity Measures

Total On-Campus FTE Enrollment	FY 2001 ESTIMATED	FY 2002 PROJECTED	FY 2003 PROJECTED
a. Percentage Out-of-State Enrollment	19.00%	19.00%	19.00%
Numerical Out-of-State Enrollment	7,483	7,578	7,722
NUMERICAL TOTAL	39,176	39,676	40,428

Total Off-campus FTE Enrollment	FY 2001 ESTIMATED	FY 2002 PROJECTED	FY 2003 PROJECTED
Numerical Enrollment at Off-campus Sites	1807	1800	1800

Number of Degrees/Certificates	FY 2001 ESTIMATED	FY 2002 PROJECTED	FY 2003 PROJECTED
One-year Certificates			
Two-year Certificates			
Associate			
Bachelor	7,259	7,351	7,491
First Professional	704	713	726
Graduate	3219	3,260	3,322
TOTAL	11,182	11,324	11,539

Total Credit Hour Production	FY 2001 ESTIMATED	FY 2002 PROJECTED	FY 2003 PROJECTED
	602,743	607,868	619,690

Institutional Scholarships/Fellowships:	FY 2001 ESTIMATED	FY 2002 PROJECTED	FY 2003 PROJECTED
a. Number of Merit-based Scholarships awarded	13,233	13,401	13,656
Dollar amount awarded	45,600,000	46,179,120	47,056,523
b. Number of Need-based Scholarships awarded	3,813	3,861	3,935
Dollar amount awarded	5,540,000	5,610,358	5,716,955
c. Number of Athletic Scholarships awarded	950	962	980
Dollar amount awarded	5,860,000	5,934,422	6,047,176
d. Number of Tuition/Fee Remission/Waivers/Other awarded	10,305	10,436	10,634
Dollar amount awarded	33,700,000	34,127,990	34,776,422
Total Number of Scholarships Awarded	28,301	28,660	29,205
Total Dollar Amount of Scholarships Awarded	90,700,000	91,851,890	93,597,076

GROSS SQUARE FOOTAGE (Physical Plant)

Indicate the total nonauxiliary gross square footage to be maintained by your institution during FY 2002.

Square feet

List all new construction or razing of buildings that is to be completed in FY 2003 that will change the gross square footage data provided above. Indicate whether the change is an increase or decrease in square footage, the type of space modifications, the resulting change in nonauxiliary gross square feet, and the number of months the square footage will be in effect during FY 2003. If no changes occur, indicate "No change."

Type of Project or Space Modification	Gross Sq ft Increase or Decrease	Number of Months in Effect in FY 2002	Annualized Gross sq. ft. Increase or Decrease
Cornell Hall	153,423	6	153,423
Student Health Center	19,230	4	19,230
Va Ave Garage for Police/Landscaping	23,300	12	23,300
Civil Engineering Phase II & III	68,615	2	68,615
Performing Arts Center	126,000	6	126,000
Easrt Garage	23,000	6	23,000
TOTAL	413,568		413,568

SALARY INCREASE COMPARISONS

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

Occupational Category	FY 2001 over FY 2000 (%) Actual	FY 2002 over FY 2001 (%) Estimated
All Faculty	4.62%	4.00%
Ranked Faculty	5.03%	4.00%
Executive/Administrative/Managerial	4.50%	4.00%
Other Professional	4.22%	4.00%
Technical	3.90%	4.00%
Office	4.20%	4.00%
Crafts/Trades	4.08%	4.00%
Service/Maintenance	4.15%	4.00%
Total	4.38%	4.00%

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: Inflation Adjustment to Core Budget from State Funds: \$ 24,615,632
Decision Item Rank: 1

PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

The University of Missouri will require inflationary adjustments for each of its several programs in order to continue its operations in 2002-2003 at the same level of service as in 2001-2002.

I. DESCRIPTION

The request includes a total increase of 4.2% to offset the effects of inflation on the University's core budget. The increase amount of \$41,026,054 consists of a 4.0% adjustment in salary, 7.8% in related benefit costs, and 3.0% in expense and equipment. The total inflationary request for state funds is 60% of the total, or \$24,615,632.

II. COST EXPLANATION

Inflation on Salaries @ 4.0% + Related Benefits @ 7.8%	\$32,543,299
Inflation on Expense and Equipment @ 3.0%	<u>8,482,755</u>
Total Inflation	\$41,026,054
From State Appropriations	\$24,615,632
From Non-State Sources	\$16,410,422

III. EVALUATION OF OUTCOMES

Inflationary adjustment to the University's core budget will permit the continuation of educational, research, and outreach programs at current service levels.

NEW DECISION ITEM REQUEST
UNRESTRICTED EDUCATIONAL AND GENERAL
FORM 5

Department: Higher Education-Unrestricted
Level 2 University of Missouri System
Level 3 All Programs
Decision Item Name: Cost of Operating New and Renovated Facilities: \$3,429,680
Decision Item Rank: 2

IV. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

In fiscal year 2002-2003, the University will be occupying approximately 404,268 square feet of new and renovated space to support its instruction, research, and public service missions. To effectively operate these facilities, the University will need additional funds of \$3,429,680 to pay for the ongoing operations and maintenance of these buildings.

V. DESCRIPTION

The University of Missouri will be opening several new and renovated buildings.

The University of Missouri-Columbia request includes Cornell Hall, Virginia Garage (Night Lighting), Virginia Garage (Police & Landscape), and Ambulatory 4th Floor (Student Health). The FY03 request includes 195,953 square feet, as these facilities are placed in service \$179,633 will be needed for operation and maintenance. Cornell Hall will be the new home of the School of Business. The facility will open in January, 2002. Virginia Avenue garage utilities costs represent the electrical cost for lighting the facility during the evening and early morning hours to meet safety requirements. The garage includes 14,000 GSF of finished space which will be the new home of the MU Police Department. The Virginia Avenue garage is expected to open in July, 2002. The OBGYN department located on the fourth floor of Ambulatory Care will be relocating to Columbia Regional Hospital in the spring of 2002. Student Health will relocate from the Student Health Building into this space once it is vacated occupying 19,230 GSF of the fourth floor. This will place student health services adjacent to and more accessible to the Hospital and Clinics.

The University of Missouri-Rolla is opening Phase II & III of the Civil Engineering Project. The purpose of this request is to provide \$99,047 toward the fuel & utility operating costs for the opening of 68,615 square feet from the completion of Phase II & III of the Civil Engineering Project. In

addition, the fuel & utility costs of the renovated space, (43,230 square feet), will increase due to the change in space utilization (including the addition of fume hoods) and the implementation of modern building codes.

The University of Missouri-St. Louis is opening the Performing Arts Center building and will require \$1,441,000 in recurring additional funding. The physical plant space within the second East Side Drive Parking Garage will require \$170,000 in recurring additional funding. In FY2003, UM-St. Louis plans to occupy approximately 149,000 gross square feet of new space to support its instruction and research missions. To operate these facilities effectively, UM-St. Louis will need additional funds in the amount of \$1,611,000 to pay for the ongoing operations and maintenance of these facilities.

VI. COST EXPLANATION

RECURRING COSTS

PCS	FTE	Compensation	E&E	Total
Operation & Maintenance of Plant	20.5	\$664,892	\$2,764,788	\$3,429,680
Total Improvements	20.5	\$664,892	\$2,764,788	\$3,429,680

From State Appropriation:

\$3,429,680

VII. EVALUATION OF OUTCOMES

These facilities will provide approximately 404,268 square feet of new and renovated space, which will enhance the University of Missouri's primary programs of instruction, research, and public service.

Program Improvement Item: New Buildings

	Instruction		Research		Public Service		Operation & Maint. Of Plant		Total	
	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount	FTE	Amount
<u>Personal Service</u>										
Professor									0.0	\$0
Associate Professor									0.0	0
Assistant Professor									0.0	0
Instructor									0.0	0
Miscellaneous Instruction									0.0	0
Exec., Admin & Managerial									0.0	0
Professional									0.0	0
Technical									0.0	0
Office									0.0	0
Crafts & Trades									0.0	0
Service								20.5	498,669	20.5 498,669
Subtotal Salaries & Wages	0.0	\$0	0.0	\$0	0.0	\$0	20.5	\$498,669	20.5	\$498,669
Staff Benefits									\$166,223	\$166,223
Total Personal Service	<u>0.0</u>	<u>\$0</u>	<u>0.0</u>	<u>\$0</u>	<u>0.0</u>	<u>\$0</u>	<u>20.5</u>	<u>\$664,892</u>	<u>20.5</u>	<u>\$664,892</u>
<u>Expense and Equipment</u>										
Fuel and Utilities		\$0		\$0		\$0		\$162,588		\$162,588
Maintenance and Repair		0		0		0		1,208,000		1,208,000
Library Acquisitions		0		0		0				0
Equipment		0		0		0				0
Other		0		0		0		1,394,200		1,394,200
Total Expense and Equipment		<u>\$0</u>		<u>\$0</u>		<u>\$0</u>		<u>\$2,764,788</u>		<u>\$2,764,788</u>
Grand Total	<u>0.0</u>	<u>\$0</u>	<u>0.0</u>	<u>\$0</u>	<u>0.0</u>	<u>\$0</u>	<u>20.5</u>	<u>\$3,429,680</u>	<u>20.5</u>	<u>\$3,429,680</u>

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: Life Science Initiative \$7.6 million
Decision Item Rank: 3

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

The purpose of this request is to build on the mission enhancement investment in the Life Sciences to better position the University of Missouri to participate in the future economic development in the state. This request will expand world-class basic and applied research that enhances agriculture, improves health care, and protects the environment. It will develop new and expand existing academic programs that will provide a well-trained work force for a growing biotechnology-driven economy. The developing research enterprise and biotechnology workforce will attract fast-growing entrepreneurial firms working in partnership with the University of Missouri to develop and commercialize products of biotechnology research.

II. DESCRIPTION

The 21st Century is the age of biology. Great advances in science and technology place the world on the brink of breakthrough discoveries in the life sciences that will result in dramatic improvements in our food, our health, and our environment. The University of Missouri is uniquely positioned – geographically, intellectually, and as a public land-grant university – to support the Governor’s agenda to make Missouri a global player in the life sciences for the benefit of all citizens of the state.

As an emerging industry, the life sciences focus on three primary areas of human concern: the supply and quality of food; the pathobiology of disease processes and the means to address them; and the protection and enhancement of the environment. The University of Missouri is prepared to work with the State to develop new solutions in the life sciences for a global society.

Researchers at the University of Missouri have been making groundbreaking discoveries in the plant sciences for more than a century. The College of Agriculture, Food and Natural Resources has some of the world’s leading scientists in wheat, corn, and soybean research. The genetic mapping of plants at the College and in St. Louis will increase yields and develop better ways to protect the environment.

The University of Missouri Health Care, the School of Medicine in Kansas City, the School of Dentistry, the School of Pharmacy, and the School of Optometry provide opportunities for research and treatment in many areas, including heart disease and cancer. For example, because of its reactor, the University is a world leader in the development and production of radiopharmaceuticals used to treat liver and bone cancer, with new discoveries just

around the corner. The College of Veterinary Medicine is a pioneer in research related to the connections between exercise and cardiovascular health in both animals and humans.

The collective and collaborative power of researchers from many disciplines on the four UM campuses will promote discovery and application of the life sciences, and spur economic development. Missouri already is an international center of plant and human-genome research, health-care advances, environmental protection, and agricultural development. According to the Department of Economic Development, Missouri is home to more than 100 life science companies ranking it among the top third of all U.S. states in the number of such enterprises. The state can boast a growing list of examples, from the Donald W. Danforth Plant Science Center in St. Louis to the Stowers Institute of Medical Research in Kansas City. Indeed, the state is well on the way to establishing the life sciences corridor of Kansas City, St. Louis, and Columbia. The University of Missouri is positioned throughout this corridor, and across the state, to unite the effort through its role as a land-grant university that delivers the benefits of research to citizens.

III. COST EXPLANATION

RECURRING COSTS

PCS	FTE	Compensation	E&E	Total
Instruction	35	\$2,760,000	\$4,840,000	\$7,600,000
Research				
Public Service				
Academic Support				
Student Services				
Institutional Support				
Operation & Maintenance of Plant				
Scholarships & Fellowships				
Total Improvements	35	\$2,760,000	\$4,840,000	\$7,600,000

From State Appropriations:

\$7,600,000

IV. EVALUATION OF OUTCOMES

1. The total research funding, from both federal and private sources, will increase.
2. The annual number of patent applications, patents issued, and licensed technology will increase.
3. The national ranking and prestige of Life Sciences programs at the University of Missouri will improve.

Program Improvement Item: University of Missouri--Life Science

	<u>Instruction</u>		<u>Research</u>		<u>Public Service</u>		<u>Total</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
<u>Personal Service</u>								
Professor							0.0	\$0
Associate Professor	35.0	2,300,000					35.0	2,300,000
Assistant Professor							0.0	0
Instructor							0.0	0
Miscellaneous Instruction							0.0	0
Exec., Admin & Managerial							0.0	0
Professional							0.0	0
Technical							0.0	0
Office							0.0	0
Crafts & Trades							0.0	0
Service							0.0	0
Subtotal Salaries & Wages	35.0	\$2,300,000	0.0	\$0	0.0	\$0	35.0	\$2,300,000
Staff Benefits		\$460,000						\$460,000
Total Personal Service	<u>35.0</u>	<u>\$2,760,000</u>	<u>0.0</u>	<u>\$0</u>	<u>0.0</u>	<u>\$0</u>	<u>35.0</u>	<u>\$2,760,000</u>
<u>Expense and Equipment</u>								
Fuel and Utilities								\$0
Maintenance and Repair								0
Library Acquisitions								0
Equipment								0
Other		\$4,840,000						4,840,000
Total Expense and Equipment		<u>\$4,840,000</u>	<u>0.0</u>	<u>\$0</u>		<u>\$0</u>		<u>\$4,840,000</u>
Grand Total	<u>35.0</u>	<u>\$7,600,000</u>	<u>0.0</u>	<u>\$0</u>	<u>0.0</u>	<u>\$0</u>	<u>35.0</u>	<u>\$7,600,000</u>

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: Health Science Education: \$10.5 million
Decision Item Rank: 4

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

The University of Missouri has the unique responsibility in the state to provide access to quality health education. Changes brought about by managed care, Medicare, and revisions in Medicaid, and historical underfunding have severely impacted several health science programs. The funding shortages threaten the quality of the programs and result in an inability to offer competitive compensation to potential educators and provide adequate research support. Furthermore, program access is quickly becoming an issue as student fees are becoming a more significant source of operating revenue for these programs and are quickly replacing clinical income as a major funding stream.

To assist in providing access to quality health science education at affordable prices, the University of Missouri requests funding for specific health science programs at the University of Missouri-Columbia (UMC), at the University of Missouri-Kansas City (UMKC), and the University of Missouri-St. Louis (UMSL). These programs include medicine, dentistry, optometry, nursing, and pharmacy.

Medical Education

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

Dentistry and Pharmacy Education

Health care shortages in dentistry and pharmacy and the growing demand for improved health care for the underserved and for an aging population necessitate expanding the education and training of health care professionals in these two fields. To respond to this shortage, the entering classes in dentistry and pharmacy will be increased by twenty-five and thirteen percent respectively. The University of Missouri is requesting additional resources to accommodate this increase in enrollment and to provide expanding clinical learning experiences for students.

Optometry Education

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

Nursing Education

The decline in trained nursing professionals is well documented. The Missouri Hospital Association reported an 11 percent vacancy rate for trained nurses in the state's health care facilities. In St. Louis alone, 1400 vacancies are estimated to exist. As a result of enrollment declines and accelerating nursing retirements, the state and the nation face a serious shortage of registered nurses and experts predict a crisis of significant proportions. The University of Missouri is requesting additional state funds to actively expand enrollments in nursing education and provide the needed resources to support these students as well as enhance graduate nursing education at Columbia, Kansas City, and St. Louis.

II. DESCRIPTION

Medical Education

The University of Missouri–Columbia School of Medicine is responsible for the medical education of 384 professional students that are pursuing the MD degree each year. The School's faculty also teaches and trains more than 100 Ph.D. and Masters candidates in the biomedical sciences, 350 graduate resident physicians and clinical fellows, and 40 post-doctoral fellows in the basic sciences.

Several major factors contribute to the School's financial distress. Financial cross-subsidization has emerged as a common funding strategy of nearly all academic health centers in the U.S. Part of that subsidization comes from patient care, which not only provides the clinical teaching and training environment for physicians, but also provides a major revenue stream that supports the mission of medical schools. Over the years, revenue from patient care has become an increasing source of funding for medical education nationally and at UMC. In fact, UMC's School of Medicine has for a number of years been more dependent on clinical revenue than most similar schools of medicine.

In more recent years, patient care revenue has become particularly vulnerable as managed care has become an integral part of the U.S. health care system and as Congress has enacted changes in the federal Medicare program. These two initiatives have focused on reducing health care costs to patients and insulating them and taxpayers in general from rising costs of medical care. Both of these initiatives have significant financial impact on medical education. Furthermore, Medicare, which has been traditionally an important source of revenue to cover the cost of training medical students, interns, and residents, has squarely targeted its subsidy to medical education as a key component in its cost reduction efforts. Medical schools and teaching hospitals throughout the country are experiencing the severity of Medicare support reductions, including UMC's School of Medicine. Furthermore, Medicare is exacting reductions in payments to the very physician specialties that generate a significant amount of UMC's School of Medicine's patient care income.

Despite the successful efforts of managed care to hold down the medical costs to patients, the costs of delivering the care have not gone down. The additional staff needed to complete paperwork, seek pre-admission certification or to follow up on third-party reimbursement add to the expense of care, and the School of Medicine absorbs much of the costs. Furthermore, medical faculty time that would otherwise be spent in academic pursuits, such as research, is now used to assure compliance with regulations that are continually changing.

The Liaison Committee on Medical Education, the accrediting body for U.S. medical schools, in its last accreditation review in 1994 noted: The heavy dependence of the medical school on clinical practice income and hospital transfers of funds, and the lack of strong financial support from the State of Missouri has created a degree of financial instability in the school that deserves close attention in the future. Since that report, the School of Medicine has become more, not less, dependent on clinical practice income and transfers of funds from University Hospital.

Funding from the UMC School of Medicine will be used to stabilize financial support for existing faculty and staff and reduce transfer payments from the MU Health Care, which has historically supported a portion of the medical education enterprise.

The UMKC School of Medicine provides a six-year, baccalaureate-M.D. curriculum that is focused on developing a well-rounded physician trained in an environment that integrates patient care with basic sciences and liberal arts. Student applicants to the program are admitted directly after graduation from high school and enroll in course work delivered by the schools of Medicine, Biological Sciences, and the College of Arts and Sciences.

The School of Medicine has nine affiliated teaching hospitals and collaborates with a major physician's group, including Truman Medical Center, Hospital Hill Health Services Corporation, Children's Mercy Hospital, the Western Missouri Mental Health Center, Saint Luke's Hospital, Baptist Medical Center, Menorah Medical Center, Research Medical Center, and Trinity Lutheran Hospital, to obtain clinical training for medical students. The University contracts with these organizations for clinical teaching faculties in the various medical specialties.

UMKC's Medical School has three primary sources of funding: (1) affiliated partners (hospitals and the physician practice plan); (2) student fees; and (3) state appropriations. Unfortunately, changes in affiliated partners have resulted in serious under-funding of the School. Historically the bulk of revenues have come from medical practice plan earnings and from hospital affiliates (approximately 65%). This high dependency on hospital and practice revenues, in turn, places the medical school at extreme financial risk. Further changes in health care markets and health care financing will continue to decrease the flow of revenue from affiliates and thus pose further threats to the financial integrity of the medical school. Practice plan revenues alone are projected to decline eight percent. The high dependency on patient-based income and the lack of state funding has been noted by the Liaison Committee on Medical Education (the accrediting body for medical education) as a condition that demands prompt attention, if the quality and financial accessibility of the program is to be maintained.

Furthermore, the Liaison Committee noted that the medical school is extraordinarily dependent on student fees. Approximately 13% of the medical school's total operating revenues is derived from student fees, compared to 3% for other public medical schools. Currently, fees for resident students are approximately \$11,000 above the average for medical schools in the region. This fee is abnormally high and has led to student indebtedness that averages approximately \$80,000, exceeding the national average for both public and private medical schools.

The University is requesting an increase in state appropriations for the UMKC School of Medicine to provide support for clinical teaching contracts with Hospital Hill Health Services Corporation and other affiliated hospitals, to strengthen the basic medical sciences, and to improve financial access to medical education.

The University of Missouri's total resource need for medical education is approximately \$37 million, and the request for FY2003 is \$8.6 million.

Dental and Pharmacy Education

Dental and pharmacy education programs, which are offered at the University of Missouri-Kansas City, enrolled 320 and 176 students respectively in the fall of 2000. Enrollments in both programs have been relatively stable for the past several years, as has the number of graduates, which average about 75 in dentistry and 55 in pharmacy. Current workforce projections for both dentistry and pharmacy indicate a potential shortage of trained professionals in these fields. According to dental certifying boards, an appropriate ratio of trained dentists to total population is 50 per 100,000 population. To adequately meet this need in Missouri and in other states for which UMKC trains dentists, will require increasing the entering class of first-year dental students by approximately 25%. In order to train these additional students and maintain the highest standard of dental education as well as superior quality patient care, additional resources will be required. The University is requesting funds to support additional faculty, clinical staff, and basic dental equipment. The total resource need for dental education is \$1,680,000, of which \$390,000 is requested for FY2003.

To meet the increasing demand for trained pharmacists, enrollments will be increased for the entering class by thirteen percent and additional clinical experiences will be provided. In addition, a community-based pharmacy practice will be established to serve the needs of patients, provide improved learning opportunities for students, and enhance the attractiveness of the program to potential students. The total resource needs for pharmacy education is \$365 thousand, and the request for FY2003 is \$85,000.

Optometry Education

The School of Optometry at the University of Missouri-St. Louis one of nine optometry schools affiliated with a public university. The School enrolls approximately 170 students annually and graduates each year about 40 students with professional degrees in optometry. The School of Optometry is the primary source for trained optometrists in the State of Missouri.

In the past several years, the issue of financial access to optometry education at UMSL has been a recurring challenge for the campus. Since its inception, the School of Optometry has relied significantly on student fee revenue as a major source of operating income. Currently, the revenue mix is overly dependent on student fees and this places the future financial stability of the School of Optometry at risk. Today, student fees for optometry education are approximately twice the mean rate charged at other public institutions.

The total resource need for optometry education is \$1,020,000 and University is requesting state funding of \$256,000 thousand for FY2003. The increase in state support will permit the University to reduce student fees to approximately the mean of other state supported university schools of optometry. The added state assistance will likewise reduce the average debt load and improve the financial accessibility of the program to Missourians.

Nursing Education

Nursing education is provided on three of the University of Missouri campuses: UMC, UMKC, and UMSL. The University graduates annually approximately 450 nursing students, with approximately 160 receiving graduate degrees. As a result of enrollment declines and accelerating nurse retirements, the state and the nation face a serious shortage of registered nurses that experts predict will worsen over the decade. In addition, the Bureau of Health Profession's Division of Nursing urges that at least two-thirds of the basic nurse workforce hold baccalaureate or higher degrees by 2010. Nationally, only 32 percent of the RNs employed hold baccalaureate degrees, while in Missouri the number is 28 percent. Vacancies for nursing

positions in Missouri have now exceeded the 10% critical level and many health care facilities are facing curtailment of selected medical services. Clearly, there is a pressing need to increase the number of students entering the nursing profession, particularly as the population ages and enhanced health care for the elderly grows in importance.

Maintaining financial access to nursing education is also a challenge facing the University. Escalating costs and the need to expand clinical practices contributes to the growing financial stress experienced by the University's three nursing programs. Student fees must be maintained at a reasonable level in order to attract students to nursing education and at the same time adequate funding must be available to support the quality of education expected by citizens and health care providers.

The total funding needs for nursing education is slightly over \$5.0 million, and the University is requesting \$1,169,000 for FY2003.

III. COST EXPLANATION

RECURRING COSTS

PCS	FTE	Compensation	E&E	Total
Instruction	29	\$6,000,000	\$4,500,000	\$10,500,000
Research				
Public Service				
Academic Support				
Student Services				
Institutional Support				
Operation & Maintenance of Plant				
Scholarships & Fellowships				
Total Improvements	29	\$6,000,000	\$4,500,000	\$10,500,000

From State Appropriations:

\$10,500,000

IV. EVALUATION OF OUTCOMES

Medical Education funding results:

1. Full accreditation by the Liaison Committee on Medical Education without an expression of concern about the heavy dependence of the medical school on clinical practice income and hospital transfers of funds and the lack of support from the State of Missouri.
2. Reduced dependence on hospital and patient care revenue for operating support.
3. Discontinue the practice of drawing on capital fund balances to cover current operating expenses of academic programs.
4. Reduce faculty turnover in the lower academic ranks.
5. Improved success in recruiting outstanding, capable department chairs and faculty in competitive medical sub-specialties.

6. Increased interest in participation in the medical curriculum by tenured and tenure track faculty.
7. Enable the School to develop “mission based management” as an approach to establishing funding priorities and holding individuals and operating units accountable for their success and failure.
8. Increase in need-based scholarships.
9. Improved quality of instruction.
10. Continuation of purchased teaching contracts at equitable rates for services provided.

Dental and Pharmacy Education funding results:

1. Increased enrollments and graduates.
2. Expanded clinical services.

Optometry Education funding results:

1. Reduction in indebtedness of optometry graduates.
2. Increase in credentials of applicants.
3. Greater retention of qualified Missouri residents.

Nursing Education funding results:

1. Increased enrollments of full-time students in nursing.
2. Increase in the quality of applicants as measured by admission GPA and ACT scores.
3. Increased graduation of undergraduate and graduate students.
4. Shorten time to degree completion.

Program Improvement Item: University of Missouri--Health Education

	<u>Instruction</u>		<u>Research</u>		<u>Public Service</u>		<u>Total</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
<u>Personal Service</u>								
Professor							0.0	\$0
Associate Professor	29.0	4,500,000					29.0	4,500,000
Assistant Professor							0.0	0
Instructor							0.0	0
Miscellaneous Instruction							0.0	0
Exec., Admin & Managerial							0.0	0
Professional							0.0	0
Technical							0.0	0
Office							0.0	0
Crafts & Trades							0.0	0
Service							0.0	0
Subtotal Salaries & Wages	29.0	\$4,500,000	0.0	\$0	0.0	\$0	29.0	\$4,500,000
Staff Benefits		\$1,500,000		\$0				\$1,500,000
Total Personal Service	<u>29.0</u>	<u>\$6,000,000</u>	<u>0.0</u>	<u>\$0</u>	<u>0.0</u>	<u>\$0</u>	<u>29.0</u>	<u>\$6,000,000</u>
<u>Expense and Equipment</u>								
Fuel and Utilities								\$0
Maintenance and Repair								0
Library Acquisitions								0
Equipment								0
Other		\$4,500,000				0		4,500,000
Total Expense and Equipment		<u>\$4,500,000</u>		<u>\$0</u>	<u>0.0</u>	<u>\$0</u>		<u>\$4,500,000</u>
Grand Total	<u>29.0</u>	<u>\$10,500,000</u>	<u>0.0</u>	<u>\$0</u>	<u>0.0</u>	<u>\$0</u>	<u>29.0</u>	<u>\$10,500,000</u>

NEW DECISION REQUEST

UNRESTRICTED EDUCATIONAL AND GENERAL FORM 5

Department: Higher Education-Unrestricted
Level 2 University of Missouri System
Level 3 All Programs
Decision Item Name: E-Learning : \$4.3 million
Decision Item Rank: 5

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

The University of Missouri requests funding to enhance the capacity of the campuses to better serve students by providing more learner-centered environments through the e-learning initiative. Specifically, the funding will be used to provide full student services to on-line and distance students, increase cost efficiency, lower development costs, and remove duplication of efforts across the University. Through a coordinated effort across the four campuses, the initiative will capitalize on the uniqueness of our graduate and professional programs, leverage the expertise of faculty, and fully utilize the diverse knowledge of staff in technology and student services across the four campuses. Potential program offerings include engineering, computer science, information science, informatics, biotechnology, business, nursing, social work, education, and health related professions. Additional potential program offerings in continuing professional education include medicine, optometry, dentistry, pharmacy, veterinary medicine, and law.

II. DESCRIPTION

The University of Missouri e-learning initiative will provide a single entry point to all on-line courses and student services provided by the four campuses of the University of Missouri. This initiative will:

- Develop a full-service portal for students across the University System, including application for admission, advising, registration, financial aid, technical support (24 hours a day, 7 days a week), library access and support, and career counseling
- Increase and simplify access by the citizens of the state through effective marketing of on-line programs
- Equip faculty with standard tools in new technologies to further develop a more learner-centered environment for students
- Provide faculty with support in instructional design and courseware development
- Standardize technologies that will provide a common “look and feel” for different courses and programs, which will simplify its use by students and lower the cost of maintenance and support.

III. COST EXPLANATION

RECURRING COSTS

PCS	FTE	Compensation	E&E	Total
Instruction	14	\$1,030,000	\$3,270,000	\$4,300,000
Research				
Public Service				
Academic Support				
Student Services				
Institutional Support				
Operation & Maintenance of Plant				
Scholarships & Fellowships				
Total Improvements	14	\$1,030,000	\$3,270,000	\$4,300,000

From State Appropriations:

\$4,300,000

IV. EVALUATION OF OUTCOMES

- Student satisfaction with distance and on-line courses will increase
- Student retention in distance and on-line courses will increase
- Enrollment in distance and on-line courses will increase
- Faculty will gain expertise in the use of new technologies that can enhance student learning
- The University of Missouri will realize increased cost efficiencies for on-line and distance education

Program Improvement Item: University of Missouri--E-Learning

	<u>Instruction</u>		<u>Research</u>		<u>Public Service</u>		<u>Total</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
<u>Personal Service</u>								
Professor							0.0	\$0
Associate Professor	14.0	860,000					14.0	860,000
Assistant Professor							0.0	0
Instructor							0.0	0
Miscellaneous Instruction							0.0	0
Exec., Admin & Managerial							0.0	0
Professional							0.0	0
Technical							0.0	0
Office							0.0	0
Crafts & Trades							0.0	0
Service							0.0	0
Subtotal Salaries & Wages	14.0	\$860,000	0.0	\$0	0.0	\$0	14.0	\$860,000
Staff Benefits		\$170,000		\$0			0.0	\$170,000
Total Personal Service	<u>14.0</u>	<u>\$1,030,000</u>	<u>0.0</u>	<u>\$0</u>	<u>0.0</u>	<u>\$0</u>	<u>14.0</u>	<u>\$1,030,000</u>
<u>Expense and Equipment</u>								
Fuel and Utilities								\$0
Maintenance and Repair								0
Library Acquisitions								0
Equipment								0
Other		3,270,000						3,270,000
Total Expense and Equipment		<u>\$3,270,000</u>		<u>\$0</u>	<u>0.0</u>	<u>\$0</u>		<u>\$3,270,000</u>
Grand Total	<u>14.0</u>	<u>\$4,300,000</u>	<u>0.0</u>	<u>\$0</u>	<u>0.0</u>	<u>\$0</u>	<u>14.0</u>	<u>\$4,300,000</u>

Other Programs

FY 2002-2003 APPROPRIATIONS REQUEST FOR OPERATIONS

SUMMARY OF OTHER PROGRAM REQUESTS

University of Missouri System

	STATE APPROPRIATED FUNDS	NON-STATE FUNDS	TOTAL FUNDS
University of Missouri-Columbia Hospital and Clinics	\$31,586,180	\$236,842,333	\$268,428,513
Ellis Fischel Cancer Center	\$4,774,428	\$29,567,165	\$34,341,593
Missouri Rehabilitation Center	\$11,365,547	\$20,313,049	\$31,678,596
Missouri Institute of Mental Health	\$2,662,715	\$54,184	\$2,716,899
Missouri Kidney Program	\$4,650,531		\$4,650,531
Missouri Research and Education Network (MOREnet)	\$16,110,796 *		\$16,110,796
Alzheimer's Program	\$371,580		\$371,580
State Seminary Fund	\$2,050,000		\$2,050,000
State Historical Society of Missouri	\$1,068,167		\$1,068,167

* Includes \$509,000 in one-time funds

PROGRAM EXPENDITURES AND REVENUE SUMMARY

FORM 1

UNIVERSITY OF MISSOURI - COLUMBIA HOSPITALS AND CLINICS

	FY2000 Actual	FY2001 Estimated	FY2002 Planned & FY2003 Core	Cost to Continue	Increase Requested	FY2003 Request
EXPENDITURES:						
Personal Services	\$86,725,496	\$79,946,895	\$73,892,811	\$3,103,498		\$76,996,309
Medical Supplies & Drugs	44,168,496	39,977,734	38,300,163	1,608,607		39,908,770
Adm and Support Svcs	35,614,857	34,709,188	40,118,682	1,684,985		41,803,667
Interest	6,306,697	7,402,162	7,527,411	316,151		7,843,562
FRA	11,171,502	13,183,755	13,377,020	561,835		13,938,855
Residents	13,680,325	14,104,248	14,313,193	601,154		14,914,347
Clinics	13,262,978	10,946,642	13,966,192	586,580		14,552,772
Other	21,315,309	18,355,684	13,932,981	585,185	\$21,500,000	36,018,166
Transfers	(3,250,872)	3,305,199	21,547,087	904,978		22,452,065
Total Expenditures	\$228,994,788	\$221,931,507	\$236,975,540	\$9,952,973	\$21,500,000	\$268,428,513
FTE Employees	2,237.6	1,896.1	1,762.2			1,762.2
SOURCES OF FUNDS:						
State Appropriations	\$9,205,142	\$9,389,246	\$9,679,635	\$406,545	\$21,500,000	\$31,586,180
Non-State Revenues						
Patient Service Revenue	\$203,891,109	\$194,392,896	\$209,103,084	\$8,782,330		\$217,885,414
Cafeteria Sales	2,022,522	1,646,958	2,047,695	86,003		2,133,698
Auxiliary Sales & Other Revenue	13,876,015	16,502,407	16,145,126	678,095		16,823,221
Total Non-State Revenues	\$219,789,646	\$212,542,261	\$227,295,905	\$9,546,428	\$0	\$236,842,333
Total Sources	\$228,994,788	\$221,931,507	\$236,975,540	\$9,952,973	\$21,500,000	\$268,428,513

PERSONAL SERVICES AND EXPENSE AND EQUIPMENT DETAIL

FORM 3

UNIVERSITY OF MISSOURI - COLUMBIA HOSPITAL AND CLINICS

	FY2001 Estimated		FY2002 Planned & FY2003 Core		Cost to Continue	Increase Requested	FY2003 Request	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>Amount</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
PERSONAL SERVICES:								
Teaching and Research								
Exec., Admin., Managerial	126.8	\$7,428,776	117.8	\$6,837,860	\$273,514		117.8	\$7,111,374
Professional	295.0	16,981,851	274.2	15,630,191	625,208		274.2	16,255,399
Technical	724.1	22,835,194	673.0	21,016,237	840,649		673.0	21,856,886
Office	415.9	10,049,598	386.5	9,249,893	369,996		386.5	9,619,889
Crafts and Trades	28.0	2,153,873	26.0	1,981,987	79,279		26.0	2,061,266
Service	306.3	6,355,687	284.7	5,849,736	233,989		284.7	6,083,725
Staff Benefits		14,141,916		13,263,825	1,034,578			14,298,403
Total Personal Services	1,896.1	\$79,946,895	1,762.2	\$73,829,729	\$3,457,213		1762.2	\$77,286,942
EXPENSE AND EQUIPMENT:								
Fuel and Utilities		\$4,092,172		\$4,100,258	\$163,255			\$4,263,513
Library Acquisitions		0		0	0			0
Equipment		3,305,199		21,519,215	856,802			22,376,017
All Other		134,587,241		137,526,338	5,475,703	\$21,500,000		164,502,041
Total Expense & Equipment		\$141,984,612		\$163,145,811	\$6,495,760	\$21,500,000		\$191,141,571
Grand Total	1896.1	\$221,931,507	1762.2	\$236,975,540	\$9,952,973	\$21,500,000	1762.2	\$268,428,513

CORE BUDGET REQUEST ANALYSIS

FORM 4

UNIVERSITY OF MISSOURI-COLUMBIA HOSPITAL AND CLINICS

I. MISSION STATEMENT

As part of a land-grant university, University of Missouri Health Care's core mission is to provide education, research and service to the residents of Missouri with an emphasis on the needs of rural Missouri. Our vision is to offer programs of unsurpassed excellence that will be integrated into a highly efficient, fiscally sound, professionally outstanding, service-oriented health system that is unified in a common purpose to be one of the premiere comprehensive academic health systems in the nation.

II. DESCRIPTION

University Hospital, including Children's Hospital, is a major quaternary-care referral center that operates 341 beds. It offers total medical and surgical care for infants, children and adults and is the only facility in the primary service area with a burn unit, organ transplant services and genetic counseling services. The hospital is a Level I Trauma Center. The emergency services program includes an air ambulance service and a ground ambulance service that offers a dedicated vehicle equipped to transport neonates and children.

In the early 1990s, University Hospital and medical school administrators decided to develop a children's center within the hospital. In 1993, the center was renamed Children's Hospital to represent its full scope of pediatric services. This 115 bed "hospital within a hospital" is Mid-Missouri's largest and most comprehensive pediatric health-care facility. It has a dedicated pediatrics unit, a Level III neonatal intensive-care unit and a pediatric intensive-care unit. The only other full-service children's hospitals in the state are located in Kansas City and St. Louis.

Continued affiliation with the Harry S. Truman Memorial Veterans Administration Hospital and the Mid-Missouri Mental Health Center reinforce the leadership role that the University of Missouri-Columbia Hospital and Clinics play in providing health care services.

UNIVERSITY OF MISSOURI HOSPITALS AND CLINICS

III. PERFORMANCE AND ACTIVITY MEASURES

	<u>FY2001</u>	<u>FY2002</u>	<u>FY2003</u>
A. Students Participating in Hospital Activities:	*		
Medical Students	377	377	377
Nursing Students	304	304	304
Graduate Nursing Students	53	53	53
Interns and Residents	340	340	340
Total	<u>1,074</u>	<u>1,074</u>	<u>1,074</u>
B. Hospital Fiscal Data:			
Net Operating Revenue	\$221,931,507	\$236,975,540	\$268,428,513
State Revenue (Percent of Total)	4.23%	4.08%	11.77%
C. Inpatient Admissions By Service:			
Medicine	3,116	3,546	3,546
Surgery	4,122	4,648	4,648
Ophthalmology	14	14	14
Neurology	339	332	332
Obstetrics	1,373	1,343	1,343
Child Health	1,237	1,211	1,211
Family Practice	963	943	943
Physical Medicine & Rehabilitation	2		
Other	18	18	18
Radiology	3	3	3
Newborn	1,024	1,003	1,003
Total	<u>12,211</u>	<u>13,061</u>	<u>13,061</u>
D. Inpatient Admissions By Responsibility:			
Medicaid	1,832	1,959	1,959
Indigent	610	653	653
All Other	9,769	10,449	10,449
Total	<u>12,211</u>	<u>13,061</u>	<u>13,061</u>

III. PERFORMANCE AND ACTIVITY MEASURES-UNIVERSITY HOSPITAL (Continued)

		<u>FY2001</u>	<u>FY2002</u>	<u>FY2003</u>
E. Inpatient Days:				
Adult and Pediatric		60,473	67,895	67,895
Newborn		1,950	1,882	1,882
Total		<u>62,423</u>	<u>69,777</u>	<u>69,777</u>
F. Outpatient Visits	**	416,443	412,441	412,441
G. Emergency Room Visits		28,662	28,130	28,130
H. Hospital Statistical Data:				
Number of Beds (Adult & Pediatric)	***	340/322	322	322
Percent Occupancy		52.00%	59.00%	59.00%
Number of Short Stay Patients		6,712	6,389	6,389
Number of Observation Patients		5,453	4,632	4,632
Number of Helicopter Transports		1,122	1,404	1,404
Number of Operations		9,716	10,057	10,057
I. Size of Physical Plant:				
Number of Gross Square Feet		1,577,463	1,577,463	1,577,463
Number of Net Assignable Feet		963,003	963,003	963,003
J. Book Value of Equipment Inventory:				
At June 30, 1999		\$76.1 Million		
At June 30, 2000		\$109.2 Million		
At June 30, 2001		\$113.1 Million		

* Includes students participating in all locations.

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

*** 340 beds until Ellis Inpatient move on 11/22/00. 18 beds designated for Ellis bringing the total to 322. Additional beds can be used either for Ellis or UH patients as needed.

NEW DECISION ITEM REQUEST

FORM 5

UNIVERSITY OF MISSOURI - COLUMBIA HOSPITAL AND CLINICS

Decision Item Name: Increments for Continuing

Decision Item Rank: 1 of 2

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

To continue its operations in 2002-2003 at the same levels as in 2001-2002, the University of Missouri – Columbia Hospital and Clinics will require inflationary adjustments.

II. DESCRIPTION

The University of Missouri - Columbia Hospital and Clinics will require funds to offset the effects of inflation. An inflationary adjustment on state appropriations of 4.2% is requested. The personnel policies are the same for these programs as for the general operations at the University.

III. COST EXPLANATION

Salaries @ 4.0% plus Related Benefits	\$3,457,213
Expense and Equipment	<u>6,495,760</u>
Total Inflation @ 4.2 %	\$9,952,973
State Appropriations @ 4.2%	\$ 406,545
From Non-State Sources	\$9,546,428

NEW DECISION ITEM REQUEST

FORM 5

UNIVERSITY OF MISSOURI-COLUMBIA HOSPITALS AND CLINICS

Decision Item Name: Indigent Care
Decision Item Rank: 2 of 2

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

The University of Missouri is requesting an increase of \$21,500,000 in state funding for University Hospitals to cover the cost of providing medical care to the citizens of the state who do not have the ability to pay for health care services. This request is being made because of the increasing demands being placed upon University Hospitals and University Physicians to provide uncompensated care, while at the same time there is a significant decline in funding by the federal government for Medicare patients.

II. DESCRIPTION

The primary responsibility of University Hospitals and University Physicians is to support the School of Medicine's educational programs. To accomplish this, an adequate flow of patients is needed with paying patients being a significant portion of that flow to assure financial solvency.

Last fiscal year, approximately 14,900 patients were admitted to University Hospitals. Some 11,700 major and minor operations were performed, about 28,130 patients were treated in its Emergency Center, and 574,345 patients were seen in its outpatient clinics. Approximately 384 medical students, as part of their clinical rotation, were involved in some aspect of patient care and 350 resident and fellow physicians received advanced training in 37 medical and surgical specialties and subspecialties. The University Hospital is the primary training site for 330 students in the School of Health Related Professions and 666 students in the School of Nursing.

Provision of Indigent Care

Since its inception, University Hospitals' rules and bylaws governing its operation has contained references to the provision of care for indigent patients. The current collected Rules and Regulations of the University of Missouri (sections 11.0107.1-11.0107.26), which were adopted in February 1986, provide that University Hospitals will not discriminate against a patient either as to admission or to the provision of care, because of race, creed, color, national origin, religion, sex, handicap, ancestry, status as a Vietnam veteran, age or the ability to pay.

From a review of the University's archives, it is clear that the institution has maintained a moral and ethical responsibility to treat patients who are unable to pay for their care. This commitment has continued throughout the history of the University Hospitals' operation, despite the absence of a mandated legal obligation to provide such services.

In Fiscal Year 2000, University Hospitals and University Physicians provided \$52,501,286 of uncompensated care. While most of these patients come from mid-Missouri counties, University Hospitals and University Physicians provided care to persons in every one of Missouri's 114 counties and from the city of St. Louis.

Many practicing physicians in the region routinely refer the medically uninsured patients to the University Hospitals and Clinics for care. In some cases, patients are referred to University Hospitals only after their health insurance benefits are exhausted. Thus, the University Hospitals are placed in a position of providing continuing medical care for these patients, although they are unable to recover the cost of these services.

The State of Missouri, through its Department of Corrections and Mental Health Department, relies on the University Hospitals and University Physicians to provide care for prisoners and mental health patients incarcerated in state facilities. While the Department of Corrections now compensates University Hospitals and University Physicians for the care of prisoner patients, much of the care of the mental health patients continues to be unreimbursed. In addition, outlying counties in the region routinely transport county prisoners to University Hospitals for medical attention, which is often uncompensated.

Financial Support for Indigent Care

The chart below shows the recent history of state appropriations to University Hospitals, against the cost of providing uncompensated care. The data clearly shows the growing discrepancy between state funding and uncompensated care costs incurred by University Hospitals and University Physicians.

All dollars in millions

	State Appropriations	University Hospitals	University Physicians	Totals	Difference
1995-1996	12,328	17,561	5,511	23,072	10,744
1996-1997*	22,379	30,918	4,270	35,188	12,809
1997-1998	22,827	38,589	3,956	42,545	19,718
1998-1999	23,466	42,113	4,842	46,955	23,489
2000-2001	23,935	48,298	4,203	52,501	28,566
		Five year totals			95,326

*Missouri Rehabilitation Center included beginning July 1, 1996

Historically, the federal and state governments have funded indigent care costs through increased payments for Medicare (federal government) and Medicaid (state government) patient services. With the passage of the Balanced Budget Act of 1997 both programs have identified methods to decrease costs. Both programs lowered the health care expenditures of their respective programs by utilizing managed care. Managed care forces health care organizations to lower costs in order to retain patients. The definition of recoverable costs does not allow for any payments for uncompensated care. Thus, many academic medical centers are being forced to look to their state governments for funding of uncompensated care.

The following table compares the University Hospitals with the state university owned teaching hospitals in several surrounding states. Displayed for each state is the payor mix (proportion of insured, Medicare, Medicaid and self pay patients) treated at the principal university hospital plus the hospitals' state appropriation in millions of dollars and as a percentage of net patient revenue for fiscal year 1997. Though the payor mix varies in these states, the data clearly shows the relative low financial support the State of Missouri provides to the University Hospitals.

	Percentage of Net Patient Revenues				Appropriation Amount	Appropriation Percentage
	Insurance	Medicare	Medicaid	Self		
Illinois	30%	29%	28%	13%	\$47 million	15%
Iowa	50%	31%	12%	7%	\$47 million	9%
Missouri	46%	29%	19%	6%	\$13 million	5%

Operating Needs for Maintenance and Repair

Since the late 1980s, there have been no capital funds, including maintenance and repair dollars, appropriated to University Hospitals. To provide adequate funds for basic building replacement, repair and maintenance, the hospital utilizes multiple sources including monies generated from operating margins and revenue bonds. In 1994, the State of Missouri began funding maintenance and repair needs of public four-year colleges and universities as part of their normal operating budgets. However, the University Hospitals were excluded for such funding. Because the University Hospitals are an integral part of the mission of the University of Missouri-Columbia's School of Medicine, funding of a portion of the ongoing maintenance and repairs needs of these facilities should be seriously considered in the future.

III. COST EXPLANATION

To address the growing financial problem related to uncompensated care, the University of Missouri is requesting \$21,500,000 in additional state appropriations in FY2003 for the University Hospitals. These funds will help offset the difference in the cost of uncompensated care and the actual reimbursement for these services

RECURRING FUNDS

PCS	FTE	Compensation	E&E	Total
Instruction				
Research				
Public Service			\$21,500,000	\$21,500,000
Academic Support				
Student Services				
Institutional Support				
Operation & Maintenance of Plant				
Scholarships & Fellowships				
Total Improvements			\$21,500,000	\$21,500,000

From State Appropriations

\$21,500,000

IV. EVALUATION OF OUTCOMES

Summary

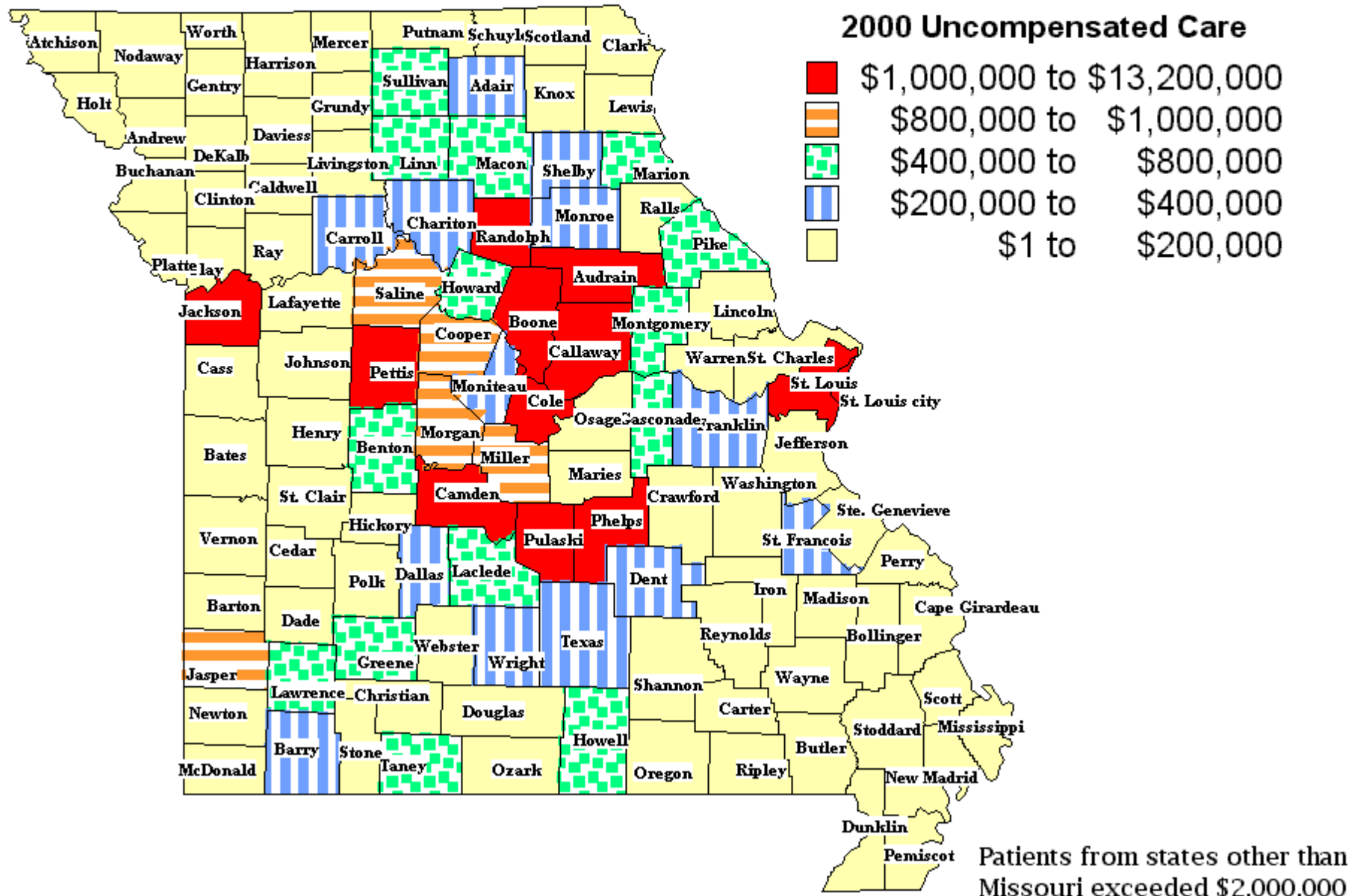
The financial health of University Hospitals and University Physicians has a direct impact on the School of Medicine. In fact, the School of Medicine has an unusually high dependency on patient care revenues, with approximately 61% of its total revenue coming from this source compared to a national average of 47%. Furthermore, teaching physicians are working harder to comply with the ever increasing rules and regulations that threaten the clinical income they depend upon to cover the more than 70% of their incomes. Thus, physicians have to redirect their time away from the core activities of teaching and research.

In summary, several major points need to be emphasized:

1. University Hospitals has become the primary referral facility for indigent patients from private physicians, private hospitals and state agencies in mid-Missouri. As a result, a significant portion of the University Hospitals patient load is associated with individuals with inadequate health insurance or no financial means to cover the cost of hospitalization or physician services.
2. State support to University Hospitals for uncompensated care has not kept pace with inflation or with the demands for services. Compared to similar hospitals in surrounding states, the University Hospital is substantially under funded.
3. The University of Missouri-Columbia School of Medicine's unusually high dependency on patient revenues from University Hospital and University Physicians place it in a position of adverse financial risk relative to other public medical schools. This risk is only heightened as University Hospitals and University Physicians incur larger volumes of uncompensated care.

To address the growing financial problem related to uncompensated care, the University of Missouri is requesting \$21,500,000 in additional state appropriations in FY2003 for the University Hospitals. These funds will help offset the difference in the cost of uncompensated care and the actual reimbursement for these services.

University of Missouri Health Care 2000 Uncompensated Care



PROGRAM EXPENDITURES AND REVENUE SUMMARY

FORM 1

ELLIS FISCHER CANCER CENTER

	FY2000 Actual	FY2001 Estimated	FY2002 Planned & FY2003 Core	Cost to Continue	FY2003 Request
EXPENDITURES:					
Personal Services	\$16,940,000	\$17,082,814	\$15,892,953	\$667,504	\$16,560,457
Medical Supplies & Drugs	7,193,000	7,253,641	6,968,464	292,675	7,261,139
Adm and Support Svcs	3,833,000	3,865,314	4,495,108	188,795	4,683,903
Interest	0	0	0	0	0
FRA	0	0	0	0	0
Residents	0	0	0	0	0
Clinics	0	0	0	0	0
Other	3,831,000	3,863,298	2,957,409	124,211	3,081,620
Transfers	(734,000)	(877,648)	2,643,449	111,025	2,754,474
Total Expenditures	\$31,063,000	\$31,187,419	\$32,957,383	\$1,384,210	\$34,341,593
FTE Employees	402.5	410.5	380.8		380.8
SOURCES OF FUNDS:					
State Appropriations	\$4,357,378	4,444,525	\$4,581,985	\$192,443	\$4,774,428
Non-State Revenues					
Patient Service Revenue	\$25,135,000	\$25,863,138	\$27,802,873	\$1,167,720	\$28,970,593
Cafeteria Sales	255,423	125,213	12,250	515	12,765
Auxiliary Sales & Other Revenue	1,315,199	754,543	560,275	23,532	583,807
Total Non-State Revenues	\$26,705,622	\$26,742,894	\$28,375,398	\$1,191,767	\$29,567,165
Total Sources	\$31,063,000	\$31,187,419	\$32,957,383	\$1,384,210	\$34,341,593

PERSONAL SERVICES AND EXPENSE AND EQUIPMENT DETAIL

FORM 3

ELLIS FISCHER CANCER CENTER

	FY2001 Estimated		FY2002 Planned & FY2003 Core		Cost to Continue	FY2003 Request	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
PERSONAL SERVICES:							
Teaching and Research							
Exec., Admin., Managerial	18.4	\$1,074,177	16.1	\$988,243	\$39,530	16.1	\$1,027,773
Professional	55.3	3,271,929	51.4	3,010,175	120,407	51.4	3,130,582
Technical	176.4	5,741,806	164.1	5,282,462	211,298	164.1	5,493,760
Office	79.3	1,758,033	73.7	1,617,390	64,696	73.7	1,682,086
Crafts and Trades	29.9	845,961	27.8	778,284	31,131	27.8	809,415
Service	51.2	1,295,065	47.6	1,191,460	47,658	47.6	1,239,118
Staff Benefits		3,095,843		2,848,176	222,158		3,070,334
Total Personal Services	410.5	\$17,082,814	380.8	\$15,716,190	\$736,878	380.8	\$16,453,068
EXPENSE AND EQUIPMENT:							
Fuel and Utilities		\$756,248		\$756,500	\$28,403		\$784,903
Library Acquisitions		0		0	0		0
Equipment		(877,648)		2,643,449	99,250		2,742,699
All Other		14,226,005		13,841,244	519,679		14,360,923
Total Expense & Equipment		\$14,104,605		\$17,241,193	\$647,332		\$17,888,525
Grand Total	410.5	\$31,187,419	380.8	\$32,957,383	\$1,384,210	380.8	\$34,341,593

CORE BUDGET REQUEST ANALYSIS

FORM 4

ELLIS FISCHEL CANCER CENTER

I. MISSION STATEMENT

As part of a land-grant university, University of Missouri Health Care's core mission is to provide education, research and service to the residents of Missouri with an emphasis on the needs of rural Missouri. Our vision is to offer programs of unsurpassed excellence that will be integrated into a highly efficient, fiscally sound, professionally outstanding service-oriented health system, which is unified in a common purpose to be one of the premiere comprehensive academic health systems in the nation.

II. DESCRIPTION

The Ellis Fischel Cancer Center's team of physician specialists and other trained professionals work together with a common goal: to provide the latest cancer treatments and improved quality of life for thousands of people each year. In 1990, Ellis Fischel became a partner with the University of Missouri Health Sciences Center. The merger is paving the way for Ellis Fischel to become one of the country's outstanding cancer centers.

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

In February 2000, the inpatient unit at Ellis Fischel was moved to University Hospital as part of health system redesign efforts. This move improved patient care by providing access to specialists and subspecialists not readily available on the Ellis Fischel campus and state-of-the-art ICUs with highly skilled staffs. The Ellis Fischel campus retained all adult outpatient oncology services and the cancer screening program. The space formerly occupied by the inpatient unit will be used to expand the ambulatory care area and create 55,000 square feet of research space in support of the effort to earn designation as a Comprehensive Cancer Center.

ELLIS FISCHER CANCER CENTER

III. PERFORMANCE AND ACTIVITY MEASURES

	<u>FY2001</u>	<u>FY2002</u>	<u>FY2003</u>
A. Students Participating in Hospital Activities: *			
B. Hospital Fiscal Data:			
Net Operating Revenue	\$31,187,419	\$32,957,383	\$34,341,593
State Revenue (Percent of Total)	14.25%	13.90%	13.90%
C. Inpatient Admissions By Service:			
Medicine	507	605	605
Surgery	627	749	749
Other			
Total	1,134	1,354	1,354
D. Inpatient Admissions By Responsibility:			
Medicaid	190	230	230
Indigent	21	27	27
All Other	923	1,097	1,097
Total	1,134	1,354	1,354
E. Inpatient Days:	6,127	6,699	6,699
F. Outpatient Visits	41,987	41,299	41,299
G. Emergency Room Visits	N/A	N/A	N/A
H. Hospital Statistical Data:			
Number of Beds (Adult & Pediatric)	**49/18	18	18
Percent Occupancy	1	1	1
Number of Short Stay Patients	6,720	7,315	7,315
Number of Observation Patients	52	156	156
Number of Operations	1,636	1,637	1,637

* Data is reported under University of Missouri - Columbia Hospital and Clinics Performance Measures

III. PERFORMANCE AND ACTIVITY MEASURES-ELLIS FISCHER (Continued)

	<u>FY2001</u>	<u>FY2002</u>	<u>FY2003</u>
I. Size of Physical Plant:			
Number of Gross Square Feet	277,490	277,490	277,490
Number of Net Assignable Feet	156,967	156,967	156,967
J. Book Value of Equipment Inventory:			
At June 30, 1999	\$13 Million		
At June 30, 2000	\$17 Million		
At June 30, 2001	\$16 Million		

** There were 49 Ellis beds until the Ellis Inpatient move to University on 11/22/00. University now has 18 designated Ellis beds. Additional beds can be used for Ellis or UH as needed.

NEW DECISION ITEM REQUEST

FORM 5

ELLIS FISCHEL CANCER CENTER

Decision Item Name: Increments for Continuing

Decision Item Rank: 1 of 1

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

To continue its operations in 2002-2003 at the same levels as in 2001-2002, the Ellis Fischel Cancer Center will require inflationary adjustments.

II. DESCRIPTION

The Ellis Fischel Cancer Center will require funds to offset the effects of inflation. An inflationary adjustment for state appropriations of 4.2% is requested. The personnel policies are the same for these programs as for the general operations at the University.

III. COST EXPLANATION

Salaries @ 4.0% plus Related Benefits	\$ 736,878
Expense and Equipment	<u>647,332</u>
Total Inflation @ 4.2 %	\$1,384,210
State Appropriations @ 4.2%	\$ 192,443
From Non-State Sources	\$1,191,767

PROGRAM EXPENDITURES AND REVENUE SUMMARY

FORM 1

Missouri Rehabilitation Center

	FY2000 Actual	FY2001 Estimated	FY2002 Planned & FY2003 Core	Cost to Continue	FY2003 Request
EXPENDITURES:					
Personal Services	\$16,933,742	\$18,102,981	\$20,210,442	\$848,839	\$21,059,281
Medical Supplies & Drugs	1,856,529	1,890,020	1,782,841	74,879	1,857,720
Adm and Support Svcs	513,407	710,243	1,088,174	45,703	1,133,877
Interest	0	0	0	0	0
FRA	600,873	570,458	593,293	24,918	618,211
Other	2,895,266	3,449,971	3,456,011	145,154	3,601,165
Transfers	1,127,401	3,655,000	3,270,962	137,380	3,408,342
Total Expenditures	<u>\$23,927,218</u>	<u>\$28,378,673</u>	<u>\$30,401,723</u>	<u>\$1,276,873</u>	<u>\$31,678,596</u>
FTE Employees	453.4	444.0	474.9		474.9
SOURCES OF FUNDS:					
State Appropriations	\$10,372,724	\$10,580,212	\$10,907,435	\$458,112	\$11,365,547
Non-State Revenues					
Patient Revenues	\$11,595,524	\$15,496,964	\$17,175,560	\$721,374	\$17,896,934
Other	1,958,970	2,301,497	2,318,728	97,387	2,416,115
Total Non-State Revenues	<u>\$13,554,494</u>	<u>\$17,798,461</u>	<u>\$19,494,288</u>	<u>\$818,761</u>	<u>\$20,313,049</u>
Total Sources	<u>\$23,927,218</u>	<u>\$28,378,673</u>	<u>\$30,401,723</u>	<u>\$1,276,873</u>	<u>\$31,678,596</u>

PERSONAL SERVICES AND EXPENSE AND EQUIPMENT DETAIL

FORM 3

Missouri Rehabilitation Center

	<u>FY2001 Estimated</u>		<u>FY2002 Planned & FY2003 Core</u>		<u>Cost to Continue</u>	<u>FY2003 Request</u>	
	FTE	Amount	FTE	Amount	Amount	FTE	Amount
PERSONAL SERVICES:							
Teaching and Research							
Exec., Admin., Managerial	28.2	\$1,711,316	29.2	\$1,855,570	\$74,223	29.2	\$1,929,793
Professional	90.2	5,218,332	103.2	5,658,227	226,329	103.2	5,884,556
Technical	161.5	4,117,688	172.3	4,464,784	178,591	172.3	4,643,375
Office	64.3	1,383,806	66.7	1,500,452	60,018	66.7	1,560,470
Crafts and Trades	23.5	670,190	25.6	726,683	29,067	25.6	755,750
Service	76.3	1,369,335	77.9	1,484,762	59,390	77.9	1,544,152
Staff Benefits		3,632,314		3,939,879	307,311		4,247,190
Total Personal Services	444.0	\$18,102,981	474.9	\$19,630,356	\$934,929	474.9	\$20,565,285
EXPENSE AND EQUIPMENT:							
Fuel and Utilities		\$833,299		\$850,000	\$26,984		\$876,984
Library Acquisitions		0		0	0		0
Equipment		3,655,000		3,270,962	103,839		3,374,801
All Other		5,787,393		6,650,405	211,121		6,861,526
Total Expense & Equipment		\$10,275,692		\$10,771,367	\$341,944		\$11,113,311
Grand Total	444.0	\$28,378,673	474.9	\$30,401,723	\$1,276,873	474.9	\$31,678,596

CORE BUDGET REQUEST ANALYSIS

FORM 4

MISSOURI REHABILITATION CENTER

I. MISSION STATEMENT

As part of a land-grant university, University of Missouri Health Care's core mission is to provide education, research and service to the residents of Missouri with an emphasis on the needs of rural Missouri. Our vision is to offer programs of unsurpassed excellence that will be integrated into a highly efficient, fiscally sound, professionally outstanding, service-oriented health system, which is unified in a common purpose to be one of the premiere comprehensive academic health systems in the nation.

II. DESCRIPTION

Missouri Rehabilitation Center (MRC) is a 136-bed rehabilitation hospital committed to providing compassionate rehabilitation services. It is 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 and orthopedic injuries as well as tuberculosis and other pulmonary conditions.

Long-term (subacute) rehabilitation care is labor-intensive and time consuming. Very few facilities in the state provide such care, especially for head injured patients, and particularly for indigent or Medicaid patients. Founded in 1907 as a state tuberculosis hospital, its services have greatly expanded, first to a broad range of pulmonary treatments and then to a center for comprehensive physical rehabilitation. A Transitional Living Program consisting of dormitory living and a progression to residential living is provided. Extensive efforts are made to help patients reach their fullest physical potential and to develop self-help/care skills. Approximately 85% of the Center's patients have limited or no financial resources.

MRC houses the largest traumatic brain injury program in Missouri, which offers a full continuum of services ranging from inpatient intensive care to outpatient day rehabilitation. MRC has one of the highest success rates of weaning patients from ventilator dependence. As a leader in pulmonary rehabilitation, MRC has earned the distinction of being a regional treatment center for drug-resistant tuberculosis cases.

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

Missouri Rehabilitation Center

III. PERFORMANCE AND ACTIVITY MEASURES

	<u>FY2001</u>	<u>FY2002</u>	<u>FY2003</u>
A. Hospital Fiscal Data:			
Net Operating Revenue	\$28,378,673	\$30,401,723	\$31,678,596
State Revenue (Percent of Total)	37.28%	35.88%	34.43%
B. Inpatient Admissions:	461	535	535
C. Inpatient Admissions By Responsibility:			
Medicaid	151	177	177
Indigent	15	16	16
All Other	295	342	342
Total	<u>461</u>	<u>535</u>	<u>535</u>
D. Inpatient Days	21,908	25,550	25,550
E. Outpatient Visits			
Transitional Living	2,354	2,288	2,288
Substance Abuse	566	572	572
Outpatient	22,781	22,308	22,308
V.A.	19,146	18,304	18,304
Multiple Series	13,977	13,728	13,728
Total	<u>58,824</u>	<u>57,200</u>	<u>57,200</u>
F. Hospital Statistical Data:			
Number of Beds (Adult & Pediatric)	136	136	136
Percent Occupancy	44.00%	51.00%	51.00%
G. Size of Physical Plant:			
Number of Gross Square Feet	425,873	425,873	425,873
Number of Net Assignable Feet	257,173	257,173	257,173
H. Book Value of Equipment Inventory:			
At June 30, 1999	\$5 million		
At June 30, 2000	\$6 million		
At June 30, 2001	\$5 million		

NEW DECISION ITEM REQUEST

FORM 5

MISSOURI REHABILITATION CENTER

Decision Item Name: Increments for Continuing

Decision Item Rank: 1 of 1

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

To continue its operations in 2002-2003 at the same levels as in 2001-2002, the Missouri Rehabilitation Center will require inflationary adjustments.

II. DESCRIPTION

The Missouri Rehabilitation Center will require funds to offset the effects of inflation. An inflationary adjustment for state appropriations of 4.2% is requested. The personnel policies are the same for these programs as for the general operations at the University.

III. COST EXPLANATION

Salaries @ 4.0% plus Related Benefits	\$934,929
Expense and Equipment	<u>341,944</u>
Total Inflation @ 4.2%	\$1,276,873
State Appropriations @ 4.2%	\$458,112
From Non-State Sources	\$818,761

PROGRAM EXPENDITURES AND REVENUE SUMMARY

FORM 1

MISSOURI INSTITUTE OF MENTAL HEALTH

	<u>FY2000 Actual</u>	<u>FY2001 Estimated</u>	<u>FY2002 Planned & FY2003 Core</u>	<u>Cost to Continue</u>	<u>FY2003 Request</u>
EXPENDITURES:					
Program Operations	\$2,437,841	\$2,504,844	\$2,607,389	\$109,510	\$2,716,899
Total Expenditures	<u>\$2,437,841</u>	<u>\$2,504,844</u>	<u>\$2,607,389</u>	<u>\$109,510</u>	<u>\$2,716,899</u>
FTE Employees	53.4	45.0	44.0		44.0
SOURCES OF FUNDS:					
State Appropriations	\$2,430,125	\$2,478,727	\$2,555,389	\$107,326	\$2,662,715
Non-State Revenues	<u>7,716</u>	<u>26,117</u>	<u>52,000</u>	<u>2,184</u>	<u>54,184</u>
Total Sources	<u>\$2,437,841</u>	<u>\$2,504,844</u>	<u>\$2,607,389</u>	<u>\$109,510</u>	<u>\$2,716,899</u>

PERSONAL SERVICES AND EXPENSE AND EQUIPMENT DETAIL

FORM 3

MISSOURI INSTITUTE OF MENTAL HEALTH

	<u>FY2001 Estimated</u>		<u>FY2002 Planned & FY2003 Core</u>		<u>Cost to Continue</u>	<u>FY2003 Request</u>	
	FTE	Amount	FTE	Amount	Amount	FTE	Amount
PERSONAL SERVICES:							
Teaching and Research	12.2	\$822,584	11.3	\$863,363	\$34,535	11.3	\$897,898
Exec., Admin., Managerial	1.7	97,636	1.8	92,465	3,699	1.8	96,164
Professional	11.1	393,384	10.2	408,925	16,357	10.2	425,282
Technical	4.8	78,630	5.0	119,710	4,788	5.0	124,498
Office	15.2	261,518	15.7	358,064	14,323	15.7	372,387
Staff Benefits		311,025		368,506	28,743	0.0	397,249
Total Personal Services	45.0	\$1,964,777	44.0	\$2,211,033	\$102,445	44.0	\$2,313,478
EXPENSE AND EQUIPMENT:							
Fuel and Utilities							
Library Acquisitions				\$150	\$3		\$153
Equipment		\$91,899		48,337	862		49,199
All Other		448,168		347,869	6,200		354,069
Total Expense and Equipment		\$540,067		\$396,356	\$7,065		\$403,421
Grand Total	45.0	\$2,504,844	44.0	\$2,607,389	\$109,510	44.0	\$2,716,899

CORE BUDGET REQUEST ANALYSIS

FORM 4

MISSOURI INSTITUTE OF MENTAL HEALTH

I. MISSION STATEMENT

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

II. PROGRAM DESCRIPTION

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

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

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

III. PERFORMANCE AND ACTIVITY MEASURES-MENTAL HEALTH

	<u>FY2001</u>	<u>FY2002</u>	<u>FY2003</u>
A. Scientific and Professional Publications	90	83	86
B. Scientific and Professional Presentations	114	111	113
C. Research Grants:			
Number of Applications for External Funding	24	26	31
Number Approved/Pending	20	21	23
Number Projects in Progress	14	15	17
Total Awards-Primary Investigator	\$2,369,904	\$2,595,564	\$2,695,564
Total Awards-Secondary	\$357,734	\$371,124	\$391,124
D. Students:			
Graduate and Medical Students Taught	298	300	300
Undergraduate Students Taught	115	110	110
Professional Continuing Education	140		
Resident Physicians Trained - Pri Psych	22	22	22
Resident Physicians Trained - Sec Psych	9	8	7
E. Continuing Education:			
Number of Workshops Planned/Participated	93	98	97
Number of Visiting Speakers/Seminars	15	26	29
Total Participant Contacts in Missouri	3,688	4,792	5,300
*** Online CE Hours Completed	0	1,000	2,000
F. Consultation:			
Hours in Clinical, Programmatic, or Research	3,300	4,100	4,100
Consultation to Mo Dept. of Mental Health	6,429	7,399	8,502
Hours With Other State & Civic Agencies	8,083	9,623	9,994
Consultation Contracts	24	19	19
Consultation Contract Awards	\$2,733,514	\$2,521,576	\$2,600,000

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

	<u>FY2000</u>	<u>FY2001</u>	<u>FY2002</u>
G. Library Services:			
Staff Visits to DMH Facilities	0	3	3
Total Presentation Contacts in Missouri	0	2	2
Number of Literature Searches	956	1,214	1,542
Current Content Requests	3,975	4,611	5,348
Articles/Books Borrowed	3,410	3,614	3,831
Articles/Books Loaned	7,686	8,301	8,965
Articles Photocopied	15,345	15,959	16,597
Circulation	2,271	2,400	2,500
H. Free Service for State Agencies **			
(Number of consultations, affiliations, etc.)	17	25	37
Service to DMH	7	8	9
Service to University	33	40	50
Service to Professional Organizations	38	40	45
** Incomplete ability to track these figures exists			
I. MIMH Policy Information Exchange (<i>PIE Online: http://mimh.edu</i>)			
Hits	180,000	250,000	400,000
Repeat Visitors	1,500	3,000	8,000

NEW DECISION ITEM REQUEST

FORM 5

MISSOURI INSTITUTE OF MENTAL HEALTH

Decision Item Name: Increments for Continuing

Decision Item Rank: 1 of 1

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

To continue its operations in 2002-2003 at the same levels as in 2001-2002, the Missouri Institute of Mental Health will require inflationary adjustments.

II. DESCRIPTION

The Missouri Institute of Mental Health will require funds to offset the effects of inflation. An inflationary adjustment for state appropriations of 4.2% is requested. The personnel policies are the same for these programs as for the general operations at the University.

III. COST EXPLANATION

Salaries @ 4.0% plus Related Benefits	\$ 102,445
Expense and Equipment	<u>7,065</u>
Total Inflation @ 4.2 %	\$109,510
State Appropriations @ 4.2%	\$ 107,326
From Non-State Sources	\$ 2,184

PROGRAM EXPENDITURES AND REVENUE SUMMARY

FORM 1

Missouri Kidney Program

	<u>FY2000 Actual</u>	<u>FY2001 Actual</u>	<u>FY2002 Planned & FY2003 Core</u>	<u>Cost to Continue</u>	<u>FY2003 Request</u>
EXPENDITURES:					
Program Operations	\$4,244,304	\$4,329,190	\$4,463,082	\$187,449	\$4,650,531
Total Expenditures	<u>\$4,244,304</u>	<u>\$4,329,190</u>	<u>\$4,463,082</u>	<u>\$187,449</u>	<u>\$4,650,531</u>
FTE Employees	11.4	9.9	9.6		9.6
SOURCES OF FUNDS:					
State Appropriations	\$4,244,304	\$4,329,190	\$4,463,082	\$187,449	\$4,650,531
Non-State Revenues	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Total Sources	<u>\$4,244,304</u>	<u>\$4,329,190</u>	<u>\$4,463,082</u>	<u>\$187,449</u>	<u>\$4,650,531</u>

PERSONAL SERVICES AND EXPENSE AND EQUIPMENT DETAIL

FORM 3

MISSOURI KIDNEY PROGRAM

	<u>FY2001 Actual</u>		<u>FY2002 Planned & FY2003 Core</u>		<u>Cost to Continue</u>	<u>FY2003 Request</u>	
	FTE	Amount	FTE	Amount	Amount	FTE	Amount
PERSONAL SERVICES:							
Teaching and Research							
Exec., Admin., Managerial	2.0	\$145,834	2.0	\$151,667	\$6,067	2.0	\$157,734
Professional	5.8	210,014	5.5	218,414	8,736	5.5	227,150
Technical	0.5	2,516	0.3	2,616	105	0.3	2,721
Office	1.6	39,257	1.8	40,827	1,633	1.8	42,460
Staff Benefits		73,953		82,705	6,450	0.0	89,155
Total Personal Services	9.9	\$471,574	9.6	\$496,231	\$22,991	9.6	\$519,222
EXPENSE AND EQUIPMENT:							
Fuel and Utilities		\$4,438		\$4,438	\$184		\$4,622
Library Acquisitions		0		0	0		0
Equipment		0		0	0		0
All Other							
Administrative Operations		122,580		124,411	5,158		129,569
Statewide Renal Education (Operations)		81,105		89,215	3,699		92,914
Maintenance & Antirejection Drugs		1,565,903		1,565,903	64,919		1,630,822
Dialysis Treatment		115,213		55,000	2,280		57,280
Transportation Assistance*		985,529		982,635	40,738		1,023,373
Insurance Premium Assistance		590,057		708,069	29,356		737,425
Emergency Medications		25,767		30,920	1,282		32,202
Patient/Staff Education		112,064		134,476	5,575		140,051
Transplant/Donor Assistance		45,262		50,000	2,073		52,073
Cost Containment Research & Demonstration		171,713		180,000	7,462		187,462
Nutritional Supplements Pilot Project		37,987		41,785	1,732		43,517
Total Expense and Equipment		\$3,857,616		\$3,966,852	\$164,458		\$4,131,310
Grand Total	9.9	\$4,329,190	9.6	\$4,463,082	\$187,449	9.6	\$4,650,531

* Net after HCFA matching funds

CORE BUDGET REQUEST ANALYSIS

FORM 4

MISSOURI KIDNEY (RENAL DISEASE) PROGRAM

I. MISSION STATEMENT

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

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

II. PROGRAM DESCRIPTION:

A. Functions

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

B. Eligibility

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

C. Administration

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

III. PROGRAM JUSTIFICATION

A. High Cost of Kidney Replacement Therapy

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

B. Increased Number of Patients Needing Assistance

During FY01, about 50% of the ESRD patients in Missouri needed and received MoKP assistance. It is anticipated that this proportion will grow during FY02 and FY03 due to the increasing aging and debilitation of the kidney disease population. Missouri is somewhat unique with regard to renal disease. Missourians are experiencing kidney failure at a higher rate than the national average. This may be attributed to a number of factors including the general aging of the population and the tendency of renal disease to be slanted toward the last trimester of life. The highest rate of increase is in the population over 60 years old, with a disproportionate tendency toward non-Caucasians and persons with diabetes or hypertension. It is unlikely this trend will change in the foreseeable future. Residents of nearly every Missouri county and every legislative district need and receive MoKP assistance.

C. Summary

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

III. PERFORMANCE AND ACTIVITY MEASURES

	<u>FY2001</u>	<u>FY2002</u>	<u>FY2003</u>
A. CERTIFIED and PARTICIPATING RENAL FACILITIES	110	117	120
B. MISSOURI ESRD PATIENTS - Calendar Year data	<u>CY1999</u>	<u>CY2000</u>	<u>CY2001</u>
1. Dialysis Census *	5,065	5,369	5,691
2. Transplant Census *	2,104	2,125	2,146
Total Census	<u>7,169</u>	<u>7,494</u>	<u>7,837</u>

* Estimated from Network 12 data CY2000 data will not be available until September 2001.

	<u>FY2001</u>	<u>FY2002</u>	<u>FY2003</u>
ESRD PATIENTS RECEIVING ASSISTANCE	3,136	3,324	3,524

C. PATIENT GROWTH AND UNIT COST PROJECTIONS

During FY01, the average dollar value of assistance (unit cost) provided to MoKP eligible patient was \$1,073 down from \$1,251 in FY95. If projections hold, and there is no increase in state funding, the average dollar value of assistance (unit cost) provided to MoKP eligible patients in FY03 will be \$975 per patient. This is the inevitable result of consistent and significant growth in ESRD patients and no funding increases. In recent years, the erosion of benefits has been mitigated somewhat by the concerted efforts of the MoKP staff to increasingly share treatment and other expenses with Medicaid and commercial insurance. Efforts with the centralized drug program, which provides maintenance and anti-rejection drugs, have been especially successful in recovering dollars that would previously have been lost.

Following is an analysis of actual and projected dollar value of assistance (unit cost) for FY03, assuming 6% annual patient growth from FY01 and FY02, no increase in funding -- other than inflation:

<u>Type of Assistance</u>	<u>FY2001 ACTUAL</u>		<u>FY2003 PROJECTED</u>	
	<u>Number of Patients</u>	<u>Unit Cost \$</u>	<u>Number of Patients</u>	<u>Unit Cost \$</u>
Maintenance & Anti-rejection Drugs	2,270	690	3,144	498
Dialysis Treatment	167	690	295	186
Transportation	1,676	588	2,028	485
Insurance Premiums	649	909	801	884
Emergency Medications	82	314	122	253
Transplant Donor Assistance	30	1,509	36	1,389
Nutritional Supplements	204	186	228	183
Unduplicated Patients Served/Average Unit Cost	3,136	1,073	3,524	975

NEW DECISION ITEM REQUEST

FORM 5

MISSOURI KIDNEY PROGRAM

Decision Item Name: Increments for Continuing

Decision Item Rank: 1 of 1

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

To continue its operations in 2002-2003 at the same levels as in 2001-2002, the Missouri Kidney Program will require inflationary adjustments.

II. DESCRIPTION

The Missouri Kidney Program will require funds to offset the effects of inflation. An inflationary adjustment for state appropriations of 4.20% is requested. The personnel policies are the same for these programs as for the general operations at the University.

III. COST EXPLANATION

Salaries @ 4.0% plus Related Benefits	\$ 22,991
Expense and Equipment	<u>164,458</u>
Total Inflation @ 4.20 %	\$187,449
State Appropriations @ 4.20%	\$187,449

PROGRAM EXPENDITURES AND REVENUE SUMMARY

FORM 1

MISSOURI RESEARCH AND EDUCATION NETWORK (MORENET)

	<u>FY 2001 Estimated</u>	<u>FY2002 Planned</u>	<u>FY2003 Core</u>	<u>Cost to Continue</u>	<u>Increase Requested</u>	<u>FY2003 Request</u>
EXPENDITURES:						
Program Operations						
Internet Access	\$2,892,726	\$4,084,651	\$3,608,901	\$151,574	\$710,000	\$4,470,475
Telecommunication State Backbone	10,865,104	7,776,022	6,822,870	286,561	2,086,000	9,195,431
Local Connection to State Backbone	<u>1,913,756</u>	<u>1,706,229</u>	<u>1,706,229</u>	<u>71,662</u>	<u>667,000</u>	<u>2,444,891</u>
Total Expenditures	\$15,671,587	\$13,566,902	\$12,138,000	\$509,796	\$3,463,000	\$16,110,796
FTE Employees	30.5	34.2	34.2			34.2
SOURCES OF FUNDS:						
State Appropriations						
Recurring	\$15,671,587	\$12,736,277	\$12,138,000	\$509,796	\$2,954,000	\$15,601,796
One-Time	<u>0</u>	<u>830,625</u>	<u>0</u>	<u>0</u>	<u>509,000</u>	<u>509,000</u>
Total	\$15,671,587	\$13,566,902	\$12,138,000	\$509,796	\$3,463,000	\$16,110,796
Other						
Total Sources	<u>\$15,671,587</u>	<u>\$13,566,902</u>	<u>\$12,138,000</u>	<u>\$509,796</u>	<u>\$3,463,000</u>	<u>\$16,110,796</u>

PERSONAL SERVICES AND EXPENSE AND EQUIPMENT DETAIL

FORM 3

MISSOURI RESEARCH AND EDUCATION NETWORK (MORENET)

	FY2001 Estimated		FY2002 Planned		FY2003 Core		Costs to Continue	Increase Requested	FY2003 Request	
	FTE	Amount	FTE	Amount	FTE	Amount	Amount	Amount	FTE	Amount
PERSONAL SERVICES:										
Teaching & Research										
Exec., Admin., Managerial	0.5	\$11,626								
Professional	26.5	1,249,672	30.3	\$1,501,880	30.3	\$1,501,880	\$60,075		30.3	\$1,561,955
Technical							0		-	0
Office	2.5	61,458	3.3	80,834	3.3	80,834	3,233		3.3	84,067
Other	1.0	22,564	0.6	14,701	0.6	14,701	588		0.6	15,289
Staff Benefits		293,808		399,354		399,354	31,150		-	430,504
Total Personal Services	30.5	\$1,639,128	34.2	\$1,996,769	34.2	\$1,996,769	\$95,046	\$0	34.2	\$2,091,815
EXPENSE AND EQUIPMENT:										
Fuel and Utilities										
Library Acquisitions										
Equipment		\$1,007,056						\$212,000		\$212,000
All Other		13,025,403		\$11,570,133		\$10,141,231	\$414,750	3,251,000		13,806,981
Total Expense & Equipment		\$14,032,459		\$11,570,133		\$10,141,231	\$414,750	\$3,463,000		\$14,018,981
Grand Total	30.5	\$15,671,587	34.2	\$13,566,902	34.2	\$12,138,000	\$509,796	\$3,463,000	34.2	\$16,110,796

CORE BUDGET REQUEST ANALYSIS

FORM 4

MISSOURI RESEARCH AND EDUCATION NETWORK (MORENET)

I. MISSION STATEMENT

MOREnet's Vision

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

MOREnet's Core Purpose

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

II. DESCRIPTION

MOREnet (Missouri Research and Education Network) is Missouri's telecommunications-based delivery system serving higher education, elementary and secondary education, public libraries, state agencies, Missouri communities and other organizations. MOREnet's mission is complementary to that of the University of Missouri and the state Department of Higher Education. MOREnet is the foundation and a catalyst for the development, maintenance and use of information sharing for the benefit of all Missourians.

Since FY2001, MOREnet receives an annual appropriation of \$12.138 million from the Missouri General Assembly to maintain the state backbone and Internet access for higher education, school districts, public libraries, community networks and state government. This appropriation also supports high-speed connections to the state's public higher education institutions and provides for statewide video distance learning. Specifically, this appropriation:

- Provides 10Mbps connectivity to each public higher education institution
- Provides Missouri's state backbone with capacity of 930 Mbps
- Provides Internet access up to 930 Mbps
- Provides 187 video ports for distance learning activities
- Supports up to 1,300 video events during the school year.

In FY2000, all public higher education sites were migrated to their new, high-speed 10 Mbps circuits. Connections from the state's public higher education institutions to the MOREnet backbone allow them to communicate within the state (via the MOREnet backbone) or world (via the MOREnet backbone to the Internet).

MOREnet staff operate the Missouri backbone, a high-speed state network for use by the state higher education, elementary and secondary education and library community through five aggregation points, or hubs (Columbia, Jefferson City, Kansas City, Springfield and St. Louis). All network traffic that does not leave Missouri

runs on this network. In addition, all network traffic destined for sites outside of the state moves through the backbone. This seamless, integrated network ensures robust and reliable access to Missouri's education, library and research community.

The appropriation also funded a Multimedia Network Operations Center to implement video distance learning production services, which allow Missouri's colleges and universities to make their programs readily accessible to citizens throughout the state. MOREnet coordinates event schedules and provides technical support on evenings and weekends, in addition to its current 7:30 a.m. – 5:30 p.m. weekday offering.

As part of MOREnet's support services, Network Services provides 24-hour, 7-day-a-week monitoring of MOREnet's connections to the Internet and all local connections. These ongoing services include hardware maintenance, data usage analysis and upgrades to the network to ensure adequate bandwidth for users. Usage levels and network traffic are monitored to ensure efficient use of current network resources and to accurately plan for enhancements as required by future demands.

The services described above are ongoing services requiring staff support. A continuation of this appropriation is requested to fund these recurring services for FY02 that are required to provide a reliable and robust network and provide efficient and effective service to the MOREnet community. As MOREnet grows to meet evolving technology demands, it is committed to delivering the superior-quality service and support the education, research and library communities have come to expect from Missouri's telecommunications –based delivery system.

In FY2002, MOREnet received an \$830,625 one-time appropriation from the Missouri General Assembly to deploy new to market hardware and software to public higher education institutions and MOREnet in order to more effectively manage bandwidth capacity. In addition, this appropriation will be used to sustain Missouri's commitment to advanced networking research, including support for advanced video services and the Internet2 K-20 Initiative. These services will not require ongoing support.

III. Performance and Activity Measures

	<u>FY 2000</u>	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>
Local Connections	945 sites	1,045 sites	1,145 sites	1,245 sites
Total Access to Missouri Backbone from Local Connections	1,492 Mbps	2,000 Mbps	2,350 Mbps	2,700 Mbps
Missouri Backbone Capacity				
Minimum hub-to-hub capacity	155 Mbps	155 Mbps	155 Mbps	155 Mbps
Total backbone capacity	890 Mbps	930 Mbps	930 Mbps	1,085 Mbps
Internet2 Research Backbone Capacity	45 Mbps	155 Mbps	310 Mbps	310 Mbps
Internet Capacity	270 Mbps	620 Mbps	930 Mbps	930 Mbps
Multipoint Control Units (MCUs)	8	9	9	9
Video Events (average number of events/week during academic year)	41	72	100	125

NEW DECISION ITEM REQUEST

FORM 5

MISSOURI RESEARCH AND EDUCATION NETWORK (MORENET)

Decision Item Name: Increments for Continuing

Decision Item Rank: 1 of 2

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

To continue its operations in 2002-2003 at the same levels as in 2001-2002, the Missouri Research and Education Network (MOREnet) will require inflationary adjustments.

II. DESCRIPTION

The Missouri Research and Education Network (MOREnet) will require funds to offset the effects of inflation. An inflationary adjustment for state appropriations of 4.2% is requested. The personnel policies are the same for these programs as for the general operations at the University.

III. COST EXPLANATION

Salaries @ 4.0% plus Related Benefits	\$ 95,046
Expense and Equipment	<u>414,750</u>
Total Inflation @ 4.2 %	\$509,796
State Appropriations @ 4.2%	\$509,796

NEW DECISION ITEM REQUEST

FORM 5

MISSOURI RESEARCH AND EDUCATION NETWORK (MOREnet)

Decision Item Name: Continuation of the Telecommunications-based Delivery System

Decision Item Rank: 2 of 2

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

The Missouri Research and Education Network is Missouri's telecommunications-based delivery system serving higher education, elementary and secondary education, public libraries, state agencies, Missouri communities, and other organizations and government agencies. MOREnet's mission is complementary to that of the University of Missouri and the state Department of Higher Education. MOREnet strives to be a catalyst and the foundation for the development, maintenance and use of information sharing in the state.

MOREnet received a \$12.138 million appropriation from the Missouri General Assembly for FY02 for the following:

- MOREnet State Backbone
- Internet Access from MOREnet backbone
- Higher Education Connections Program, which provides high-speed connections to the state's public higher education institutions
- Multimedia Network Operations Center
- Advanced Networking Research Support by offering institutions a gateway to national advanced research networks such as Internet2.

This additional \$3.463 million request continues programs and services recommended by the Missouri Coordinating Board for Higher Education's Committee on Technology and Instruction. This appropriation will fund the following in FY03:

- MOREnet Internet Access, Network Backbone, and Enhanced Higher Education Connections Program
- Increase Advanced Networking Research Connections
- Distance Learning Centers and Video Cluster Connections

MOREnet manages a stable state network and provides reliable Internet access for Missouri's education, research and library communities. Some institutions use today's most advanced research and distance learning applications, which require substantial and sufficient infrastructures to operate. As MOREnet grows to meet evolving technology demands, it is committed to delivering the superior-quality service and support the education, research, and library communities have come to expect from Missouri's telecommunications-based delivery system.

II. DESCRIPTION

MOREnet Internet Access, Network Backbone, and Enhanced Higher Education Connections Program: \$1,786,000

Increases in traffic on the MOREnet network requires continued network infrastructure enhancements in FY03 to sustain growth.

- Continue providing network bandwidth to meet the increasing capacity demands of the MOREnet community. Increases in traffic on the MOREnet network backbone require additional capacity. Development of interactive video capabilities and videoconferencing for distance learning, as well as more widespread use of advanced applications such as multimedia-based tools, drive capacity demands upward.

The MOREnet backbone will also require additional bandwidth to carry the extensive loads of the Internet circuits. Access to the Internet will grow to 1.089 Gbps in FY03 (from 933 Mbps in FY02) and continue to grow to 1.244 Gbps in FY04. These bandwidth increases, required to sustain growth, are based upon increasing bandwidth needs observed in the last three years.

- Continue bandwidth increases to public higher education institutions that demonstrate a need for additional bandwidth. Currently, five public higher education institutions have connections greater than 10 Mbps as part of the MOREnet appropriation; others receive 10 Mbps connections. A limited amount of bandwidth capacity is available for distribution to institutions that demonstrate additional bandwidth needs. This capacity must increase to sustain the growth of institutions with demonstrated bandwidth needs. Applications used for advanced research, Internet-based video and traditional interactive television use existing bandwidth and drive the need for additional capacity.

Anticipated site upgrades: 6 – 10

Increase Advanced Networking Research Connections: \$1,160,000

Increase the capacity to carry higher education institutions' advanced networking research. Currently, all four University of Missouri campuses share a 45 Mbps connection to the Internet2 Abilene Network; other higher education institutions may join as well. This request provides 155 Mbps capacity to be shared by the research community.

Construct diverse advanced networking research access by developing a St. Louis connection to enhance reliability for Missouri's higher education research community. In addition to diversity, this request provides Missouri higher education institutions the opportunity to collaborate with private higher education institutions, corporations, and federal research initiatives.

Access to these advanced research networks is a prerequisite for Missouri's research institutions to compete for an estimated \$2 billion in federal agency research grants.

Distance Learning Centers and Video Cluster Connections: \$517,000

Continue program of providing connections to state-funded higher education distance-learning sites and gateways for existing video clusters using the MOREnet network to communicate with the online community. Distance learning centers bring together multiple institutions that provide instruction via interactive World Wide Web applications, Internet-based video or interactive television. This service also will enable existing legacy-based video clusters to access the non-proprietary, multipoint, interactive videoconferencing capabilities available throughout the MOREnet community. These facilities complement the state's efforts to promote distance education.

Anticipated number of new connections: 19

III. COST EXPLANATION

RECURRING FUNDS

PCS	FTE	Compensation	E&E	Total
Instruction				
Research				
Public Service			\$2,954,000	\$2,954,000
Academic Support				
Student Services				
Institutional Support				
Operation & Maintenance of Plant				
Scholarships & Fellowships				
I. Total Improvements			\$2,954,000	\$2,954,000

Amount From State Appropriations

\$2,954,000

ONE-TIME FUNDS

PCS	FTE	Compensation	E&E	Total
Instruction				
Research				
Public Service			\$509,000	\$509,000
Academic Support				
Student Services				
Institutional Support				
Operation & Maintenance of Plant				
Scholarships & Fellowships				
II. Total Improvements			\$509,000	\$509,000

Amount From State Appropriations

\$509,000

IV. EVALUATION OF OUTCOMES

1. **Consistent with the University mission:** MOREnet provides services that have broad outreach to the citizens of Missouri, providing educational and electronic resources for use closer to home.
2. **Promotes research:** Increases in network capacity to support meritorious research efforts and connection to the Internet2 program, ensuring Missouri's place among the nation's premier Research-I institutions.
3. **Distance learning initiatives:** Increases in MOREnet backbone and Internet capacity and ensuring stable and adequate connections to the Internet are a given in higher education today. Providing high-speed connections to new distance learning centers creates an environment where technology eliminates physical or geographic boundaries to learning and information sharing.
4. **Seamless, integrated educational network:** Provides access to Missouri's educational resources for elementary and secondary school students, adults and youths of the state. Expanding connections to and bringing existing networks into one integrated state network provides access to the state's resources for citizens of all ages.

NEW DECISION ITEM REQUEST

FORM 5

ALZHEIMER'S PROGRAM

Decision Item Name: Alzheimer's Program

Decision Item Rank: 1 of 1

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

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

II. DESCRIPTION

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

III. REQUESTED AMOUNT

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

The request for research funds for FY2003 is in the amount of \$337,800 based on \$200,000 and a projected Consumer Price Index of 168.9. The request for administrative funds is \$33,780, 10% of the research amount, for a total request of \$371,580.

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.

NEW DECISION ITEM REQUEST

FORM 5

STATE SEMINARY FUND

Decision Item Name: State Seminary Fund

Decision Item Rank: 1 of 1

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

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

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

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

	<u>FY2001</u>	<u>FY2002</u>	<u>Budget Year Request</u>
To Cover Investment in Government Securities	\$1,750,000	\$1,500,000	\$1,800,000
To Cover Investment Earnings from Principal Held in State Seminary Fund	275,000	250,000	250,000

STATE HISTORICAL SOCIETY OF MISSOURI

BUDGET MESSAGE

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

The Society operates the second largest specialized library in Missouri comprising more than 450,000 books, pamphlets, serials and official state publications, and a map collection totaling more than 2,500 items. Its state newspaper library, dating from 1808 to the present, is the largest in the nation with over 1250 bound volumes and some 39.4 million pages of Missouri newspapers on microfilm. In addition, approximately 300 current newspapers from every Missouri county arrive weekly. Over 700,000 pages of these and older newspapers are microfilmed each year. The Society in combination with the University of Missouri operates a manuscript library of over 15,000 linear feet of manuscripts and 6,300 reels of microfilmed manuscripts. The Society also houses the largest public collections in the nation of paintings by Missouri artist George Caleb Bingham, and paintings and drawings by Thomas H. Benton. In the past ninety-seven years the Society has published over 100 volumes of historical material. Ninety-five volumes of the Missouri Historical Review, which has been published since 1906, contain the nation's most extensive collection of articles and documents on Missouri history. The Society also maintains an illustrative library of over 100,000 items. A center for research into every aspect of Missouri's society and government; no serious scholarship pertaining to the history of the state and its people can be completed without using the collections of the State Historical Society. As a service institution, it is highly utilized by the citizens of our state and the nation. More than 50,000 patrons have used the Society's collections each year since 1990.

The Society continues to examine every aspect of its operation to provide better services to its clientele. The staff annually answers some 50,000 research requests from its patrons - students, scholars, governmental agencies, businesses, professional, civic and fraternal organizations, and the public.

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

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

Since 1898, the membership fees of the Society have been placed in a Membership Trust Fund controlled by an Executive Committee composed of officers and trustees. These designated funds are used to conduct the Society's meetings and affairs, purchase art properties, books and equipment to supplement library program expenditures. The Society has, since 1918, invested surplus funds and gifts from the Membership Trust Fund in government securities, savings and temporary cash investments. As of July 1, 2001, the Society has \$761,791 invested in government-insured securities, savings and temporary cash investments. Included in this figure are: the James C. and Vera Olson History Day Travel Fund, \$70,064; the Floyd C. Shoemaker Award, \$6,472; the Richard S. Brownlee Award Fund, \$261,911; the McKee Project Fund, \$112,925; the Francis M. Barnes Memorial Fund, \$59,789; and the Joseph Webber History Day Teacher Award, \$14,459. Under the present membership fee structure, the Society received \$61,390 in 2000-01. In addition the Society received \$6,217 in donations, \$16,835 in interest, and \$3,921 in miscellaneous income. One hundred eighteen thousand three hundred twenty-eight dollars (\$118,328) was spent from the Membership Trust Fund to supplement the state appropriation during that period. Projected expenditures from this fund, estimated at \$115,824, are planned for special projects during FY02. Also during FY01, \$7,203 in special designated funds administered by the University of Missouri was expended to purchase books and other items for the Society's collections. It is estimated that \$4,300 will be received in these special funds and utilized for book purchases and collections development during FY02.

PROGRAM EXPENDITURES AND REVENUE SUMMARY

FORM 1

STATE HISTORICAL SOCIETY OF MISSOURI

	<u>FY2000 Actual</u>	<u>FY2001 Estimated</u>	<u>FY2002 Planned & FY2003 Core</u>	<u>Cost to Continue</u>	<u>FY2003 Request</u>
EXPENDITURES:					
Program Operations	\$974,862	\$994,359	\$1,025,112	\$43,055	\$1,068,167
Total Expenditures	<u>\$974,862</u>	<u>\$994,359</u>	<u>\$1,025,112</u>	<u>\$43,055</u>	<u>\$1,068,167</u>
FTE Employees	29.5	31.5	31.5		31.5
SOURCES OF FUNDS:					
State Appropriations	\$974,862	\$994,359	\$1,025,112	\$43,055	\$1,068,167
Total Sources	<u>\$974,862</u>	<u>\$994,359</u>	<u>\$1,025,112</u>	<u>\$43,055</u>	<u>\$1,068,167</u>

PERSONAL SERVICES AND EXPENSE AND EQUIPMENT DETAIL

FORM 3

STATE HISTORICAL SOCIETY OF MISSOURI

	<u>FY2001 Estimated</u>		<u>FY2002 Planned & FY2003 Core</u>		<u>Cost to Continue</u>	<u>FY2003 Request</u>	
	<u>FTE</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>	<u>Amount</u>	<u>FTE</u>	<u>Amount</u>
PERSONAL SERVICES:							
Teaching and Research	3.0	\$73,272	3.0	\$73,272	\$2,931	3.0	\$76,203
Exec., Admin., Managerial	3.0	141,915	3.0	141,915	5,677	3.0	147,592
Professional	11.5	283,079	11.5	283,079	11,323	11.5	294,402
Technical					0	0.0	0
Office	14.0	154,676	14.0	157,964	6,319	14.0	164,283
Other					0	0.0	0
Staff Benefits		146,879		150,000	11,700		161,700
Total Personal Services	<u>31.5</u>	<u>\$799,821</u>	<u>31.5</u>	<u>\$806,230</u>	<u>\$37,950</u>	<u>31.5</u>	<u>\$844,180</u>
EXPENSE AND EQUIPMENT:							
Fuel and Utilities							
Library Acquisitions		\$3,841		\$4,000	\$93		\$4,093
Equipment				5,000	117		5,117
All Other		190,697		209,882	4,895		214,777
Total Expense & Equip.		<u>\$194,538</u>		<u>\$218,882</u>	<u>\$5,105</u>		<u>\$223,987</u>
Grand Total	<u>31.5</u>	<u>\$994,359</u>	<u>31.5</u>	<u>\$1,025,112</u>	<u>\$43,055</u>	<u>31.5</u>	<u>\$1,068,167</u>

CORE BUDGET REQUEST ANALYSIS

FORM 4

STATE HISTORICAL SOCIETY OF MISSOURI

I. MISSION STATEMENT

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

II. DESCRIPTION

The Society is the second largest specialized research library in the state and its resources are available for use by the public.

III. PERFORMANCE AND ACTIVITY MEASURES

	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY2003</u>
Patrons Assisted in Society Quarters	23,659	23,660	23,661
Acquisitions, Research, and Business Letters	14,018	14,019	14,020
Telephone Research Requests	5,492	5,493	5,494
Circulation of Books	84,708	84,709	84,710
Printed Indexes and Newspapers Used	64,477	64,478	64,479
Newspapers and Census Microfilm Used	101,005	101,006	101,007
Misc. Microfilm Used	2,437	2,438	2,439
Interlibrary Loans	4,008	4,009	4,010
Copy Requests Filled for Patrons	18,338	18,339	18,340

III. PERFORMANCE AND ACTIVITY MEASURES (Continued)

	<u>FY 2001</u>	<u>FY 2002</u>	<u>FY 2003</u>
Acquisitions:			
Books	1,382	1,383	1,384
Art Works	42	43	44
Missouri Official Publications	2,431	2,432	2,433
Serial Publications	4,024	4,025	4,026
Maps/Atlase	9	10	11
Misc.	330	331	332
Books Catalogued	1,120	1,121	1,122
Photographic Material Supplied	706	707	708
Editions of Missouri Historical Review	28,400	28,400	28,400
Membership Records Maintained	6,624	6,625	6,626
State Historical Society Slide Show Presentations	3	3	3
Addresses and Presentations by Society Personnel	10	10	10
Articles Published by Society Personnel	0	1	1
Workshops	2	2	2

NEW DECISION ITEM REQUEST

FORM 5

STATE HISTORICAL SOCIETY OF MISSOURI

Decision Item Name: Increments for Continuing

Decision Item Rank: 1 of 1

I. PURPOSE AND CRITERIA FOR INCLUSION IN REQUEST

To continue its operations in 2002-2003 at the same levels as in 2001-2002, the State Historical Society will require inflationary adjustments.

II. DESCRIPTION

The State Historical Society will require funds to offset the effects of inflation. An inflationary adjustment of 4.2% is requested. The personnel policies are the same for these programs as for the general operations at the University.

III. COST EXPLANATION

Salaries @ 4.0% plus Related Benefits	\$37,950
Expense and Equipment	<u>5,105</u>
Total Inflation @ 4.2%	\$43,055
 State Appropriations @ 4.2%	 \$43,055