



The MISSOURI BUDGET PROJECT  
Shaping Policy...  
Creating Opportunities

June 28, 2010

## Fiscal Year 2011 belt-tightening has broad and deep impact

*Almost \$900 million in cuts to services that affect all Missourians*

Governor Nixon asked the General Assembly to cut \$520 million from the budget he presented to them in January 2010. They complied with his request. In June, the Governor announced an additional \$301 million in withholds (cuts) in order to balance the budget. The table below highlights cuts in human services. When possible, details about the amount of original appropriation and cuts are included.

<b>Deep service and program cuts made in FY2011 budget have broad impact</b>			
Service or program	Reductions made by General Assembly in the budget process (compared to FY2010)*	Amount appropriated by the General Assembly*	Amount withheld by Governor in June/percent reduction *
<b><i>“Global” changes that affect all Departments</i></b>			
All “Expense and Equipment” line items were reduced by 10%			
In-state travel was reduced by 10%			
Out –of-state travel was reduced by 20%			
Professional development funds were reduced by 10%			
Mileage reimbursement was reduced by 5 cents to 37 cents/mile			
<b><i>Elementary &amp; Secondary Education</i></b>			
Foundation formula for elementary and secondary education	\$105 million <sup>1</sup>	3,004 million <sup>2</sup>	0
Transportation (school bus)	3.0 million	152.8 mil	70 million/46%
Parents as Teachers	17.8 million	13 million	0
Character Education	675,000	100,000	100,000/100%
Virtual Schools	340,000	700,000	300,000/49%
<b><i>Higher Education</i></b>			
Access Missouri scholarships <sup>3</sup>		82.8 million	50.0 million <sup>4</sup> /60%
Bright Flight scholarships <sup>5</sup>		16.4 million	4.1 million/25%
MOREnet	5.9 million	6.8 million	6.8 million/100%

<sup>1</sup> This is the planned increase in the foundation formula. The legislature’s appropriation represents flat funding compared to FY2010.

<sup>2</sup> These moneys are not from general revenue, but from special funds: the outstanding Schools Trust Fund, State School Moneys Fund, Lottery Proceeds Fund and the Classroom Trust Fund. \$247 million is from the federal budget stabilization fund.

<sup>3</sup> These are need-based scholarships for students from low and moderate income families

<sup>4</sup> \$30 million may be replaced by new loans from the Missouri Higher Education Loan Authority

<sup>5</sup> These are awarded based on academic achievement

<b>Transportation</b>			
Kansas City transit	This is a new decision item	6.0 million	6.0 million/100%
<b>Mental Health</b>			
“Global” changes made by the legislature included a reduction of 33% in estimated cost of caseload growth and a 50% reduction in estimated increased costs for medications			
Dept. of Mental Health facilities		214.0 million	3.6 mil million/2%
Regional Offices		13.0`million	600,000/5%
Services for individuals with a mental illness, substance abuse problem or developmental disability that are not eligible for Medicaid	These services were eliminated in the budget sent to the Governor		
<b>Health &amp; Senior Services</b>			
AAA (Area Agencies on Aging)	1.4 million	9.5 million	1.4 million/15%
Alternatives to Abortion		1.8 million	176,000/10%
Core public health		9.0 million	1.4 million/15%
Child Care Improvement		729,000	707,000/97%
Home and Community Based care reimbursement rates		N/A	Reimbursement rates were cut by 2 percent
Home and community based services for non-Medicaid eligible persons	\$3.0 million		
<b>Social Services</b>			
The Governor made a 5% reduction in professional services such as contracted services, program consulting services, IT consulting, educational services, freight& express, etc.			
Home visitation programs		1.4 million <sup>6</sup>	210,000/15% <sup>7</sup>
Family Reunification		1.5 million <sup>8</sup>	750,000/50%
Missouri Mentoring		\$1.4 million	90,000/15%
Adolescent boys’ programs		230,000	35,000/15%
Grants to domestic violence shelters		4.6 million	712,000/15%
MARCH mediation program (child custody cases)			92,000/15%
Subsidized child care	\$3.0 million	\$62.7 million	
Durable medical equipment <sup>9</sup>			1.8 million
Chronic Care Improvement program		9.3 million	7.8 million/84%
Federally qualified health centers	1.4 million	7.8 million	780,000/10%
Grants to expand rural health clinics	700,000	0	
Income maintenance staff			1.1 million
Subsidized child care	3.0 million		
Total full time positions cut		544 <sup>10</sup>	255

<sup>6</sup> This is only general revenue

<sup>7</sup> All the reduction percentages in Social Services are the percent of general revenue cut

<sup>8</sup> This is a reduction in general revenue. It will also trigger a loss of federal funds

<sup>9</sup> This is a rate reduction to 80 percent of Medicare rates

<sup>10</sup> Estimate based on Governor’s proposed budget 1/10. A total of about 2,500 full time equivalent positions have been cut in fiscal year 2010 and to date in FY2011.