

Mission Based Budgeting

- Fair distribution of available funds
- Provides transparency in budgeting
- Aligns funding with specific activities
- Drives responsibility and accountability
- Promotes pay for performance
- Demands cultural change and teamwork
- Drives efficient utilization of resources
- Promotes external funding sources

Mission Based Budgeting "CARTS"

- Payment for
 - Clinical practice
 - Service at MCLNO
 - Private practice
 - Administration
 - Research
 - Teaching
 - Medical students
 - Supervising residents
 - Strategic investment

Mission Based Budgeting

- Teaching Medical Students
 - University of Virginia rationale
 - Used LSU curriculum
 - Identified direct student contact hours
 - Allocated 1 faculty FTE salary and benefits for
 - Every 8 hours/week contact time in basic science
 - Every 10 hours/week contact time in clinical science

Mission Based Budgeting

- Resident Supervision and Training
 - Allocated FTE faculty salary based on ACGME recommended ratio of faculty to residents in a program
 - Identified 50th percentile Southern average associate professorship faculty salary in each specialty
 - Provided standard salary regardless of where residents assigned

Mission Based Budgeting

- Research

- Provided 30% of salary and benefits for NIH funded research faculty if the amount of salary on grants is 25% or greater
- Expect departments to cover support personnel and the other 70% of salary from grants

Mission Based Budgeting

- Administration

- Provides 25% and 30% of salary and benefits for all Clinical Chairs and Basic Science Chairs respectively
- Provides 50% of salary and benefits for all Program Directors
- Provides salary and benefits for Section Chiefs of \$5,000 for a minimum of 3 faculty or \$10,000 for 7 faculty or greater
- Full salary and benefits of business manager and department secretary and 1 FTE secretary for every 4 faculty FTE's

- Academic Support

- Academic enhancement funds of \$2,500 for Chairs, Chiefs and Teaching FTE's
- Academic enhancement funds of \$1,500 for Funded Researchers, Program Directors, and Section Chiefs

Mission Based Budgeting

- Clinical
 - MCLNO services paid for at “fair market value rate” regardless of MCLNO payment
 - Private practice paid at “fair market value rate” regardless of Contract payment

Strategic Plan

- Mission-based Budgeting
 - Strategic Investment
 - New recruits
 - Start-up funding
 - Core equipment
 - Interim funding
 - Department development

LSU SCHOOL OF MEDICINE
MISSION BASED BUDGET FUNDING BY FUNCTION FY 2009-2010
\$261 MILLION

