

**PROGRAM DESCRIPTION**

**Department: Economic Development**

**HB Section(s): 7.025**

**Program Name: Missouri Technology Corporation (MTC)**

**Program is found in the following core budget(s): Missouri Technology Corporation**

**1a. What strategic priority does this program address?**

MTC drives economic development through the promotion of entrepreneurship and fostering the growth of new and emerging high-tech companies.

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

- MTC assists early-stage businesses to raise the private capital necessary to commercialize new technologies and grow their businesses by providing (1) co-investment capital to early-stage ventures through the MTC IDEA (Innovation, Development & Entrepreneurship Advancement) Fund; (2) grants to non-profit organizations, higher education institutions, Innovation Centers, and other research institutions that help entrepreneurs raise capital and develop promising new technologies through the MOBEC (Missouri Building Entrepreneurial Capacity) Grant program; and (3) direct funding to the State's Innovation Centers.
- MTC provides the State match for the federal Manufacturing Extension Partnership (MEP) program, which enables small and medium-sized manufacturers to adopt new technologies and innovative practices to increase their competitiveness in the global marketplace.

**2a. Provide an activity measure(s) for the program.**

	FY2018		FY2019		FY2020		FY2021	FY2022	FY2023
	Projected	Actual	Projected	Actual	Projected	Actual	Projected	Projected	Projected
<b>IDEA Fund Co-Investments Approved</b>	36	31	9	10	15	7	10	13	13
<b>IDEA Fund Co-Investments Allocated</b>	N/A	\$6,005,463	\$2,000,000	\$1,474,132	\$2,500,000	\$1,100,000	\$1,500,000	\$2,000,000	\$2,000,000
<b>Number of MOBEC Grants Approved</b>	N/A	13	N/A	9	10	8	6	10	10
<b>Amount of MOBEC Grant Funds Allocated</b>	N/A	\$2,740,000	N/A	\$1,950,000	\$1,000,000	\$901,022	\$1,000,000	\$2,000,000	\$2,000,000

Note 1: MTC's Board of Directors approves MOBEC Grant and IDEA Fund co-investment allocations within a fiscal year based upon the annual budget. However, the disbursement of actual funds may span multiple fiscal years. Therefore, shown are the allocations approved per fiscal year for each program.

Note 2: The entire FY2020 budget was restricted; therefore, allocated program expenses for IDEA Fund and MOBEC Grants were lower than initially projected. Additionally, the entire FY2021 budget has been withheld, therefore allocated program expenses for IDEA Fund and MOBEC Grants are lower than historical allocations.

**2b. Provide a measure(s) of the program's quality.**

	FY2018	FY2019	FY2020		FY2021	FY2022	FY2023
	Actual	Actual	Projected	Actual	Projected	Projected	Projected
<b>Customer Service Experience</b>	N/A	86%	86%	82%	88%	90%	90%

Note 1: Percentage of customers who rated their experience as "very" or "somewhat" positive.

Note 2: FY2020 results based on September 2020 survey that included 28 respondents. FY2019 results were based on a survey that included 22 respondents.

Note 3: MTC's drop in customer experience scores compared to FY2019 may be influenced by FY2020 budget restrictions and withholds combined with announced FY2021 withholds.

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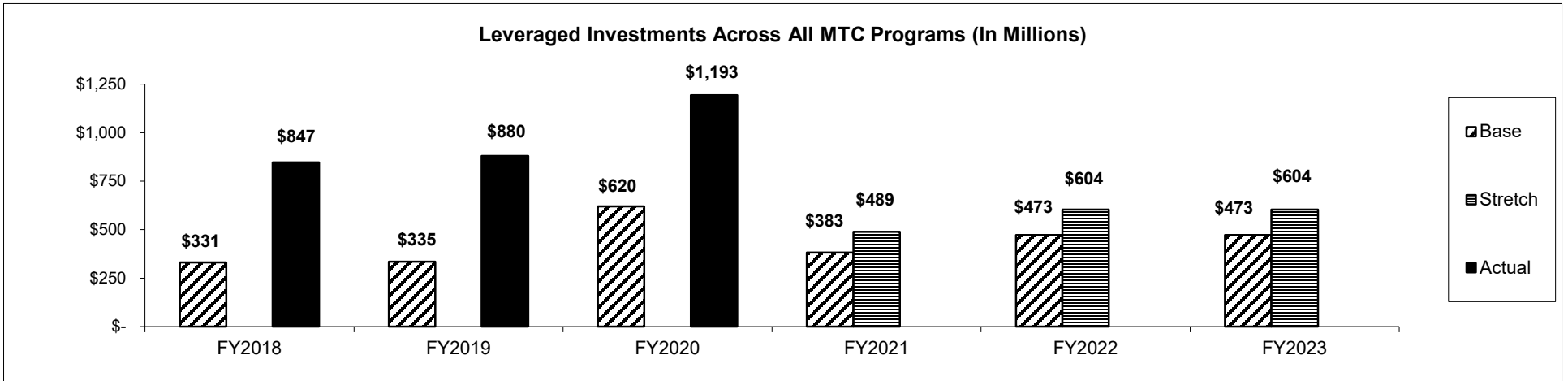
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**2c. Provide a measure(s) of the program's impact.**



Note 1: Leveraged investments for the IDEA Fund program represents the total amount of new funding raised from private investors and grant funding awarded to companies over the fiscal year. Leveraged investments for the MOBEC Grant program, Innovation Centers, and the Manufacturing Extension Partnership (MEP) program represents capital raised from private investors and grant funding awarded to the grantee's clients.

Note 2: COVID-19 had a significant negative impact on invested capital from private sources during Q4 of FY2020 and is expected to have an impact for FY2021; therefore, base and stretch goals for FY2021 are lower than historical projections.

Note 3: Due to significant budget cuts since FY2017 and budget restrictions and withholds for FY2020 and FY2021, fewer co-investments and MOBEC grants have been allocated; therefore, Base and Stretch projections for FY2022 and FY2023 leveraged investments are lower than FY2020's base projection.

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**2c. Provide a measure(s) of the program's impact. (continued)**

**Clients Served and Full-Time Jobs Created Across All MTC Programs**

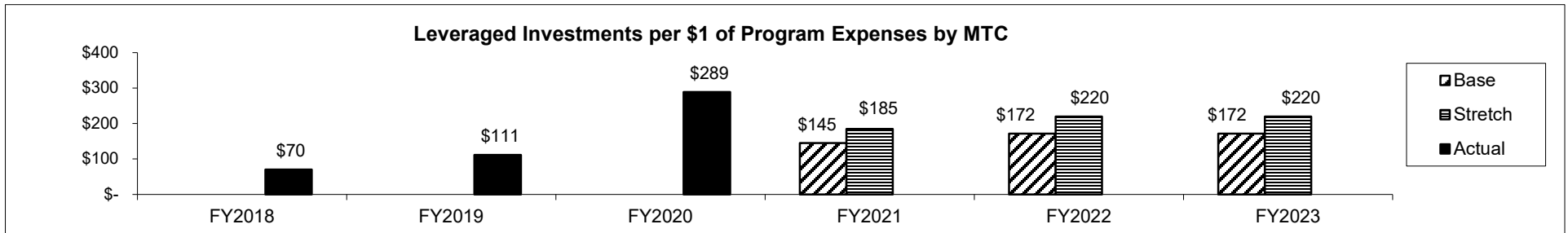
	<b>FY2018 Actual</b>	<b>FY2019 Actual</b>	<b>FY2020 Actual</b>	<b>FY2021 Projected</b>	<b>FY2022 Projected</b>	<b>FY2023 Projected</b>
<b>Clients Served</b>	4,201	3,087	6,540	4,000	4,500	4,500
<b>Full-Time Jobs Created</b>	2,231	3,460	2,590	1,500	1,750	2,000

Note 1: Clients served represents the number of clients served by MOBEC Grant recipients, Innovation Centers, and the Missouri Manufacturing Extension Partnership (MEP).

Note 2: Full-Time jobs created represents the number jobs created by clients served by MOBEC Grant recipients, Innovation Centers, and the MEP program as well as the jobs created by the IDEA Fund portfolio companies.

Note 3: Due to the impact of COVID-19, the full-time job creation projections for FY2021 and beyond are lower than the historical job created numbers for FY2018-FY2020. However, the number of clients served increased dramatically in FY2020. Most likely due to the stakeholders that MTC supports providing vital information and resources to the State's entrepreneurs in their time of economic crisis.

**2d. Provide a measure(s) of the program's efficiency.**



Note 1: The data in this chart shows the leveraged investments (2c.) per dollar in program expenses within a fiscal year. It should be interpreted as for every dollar MTC spent on a program expense in FY2020, \$286 in leveraged investments are generated.

Note 2: COVID-19 had a significant negative impact on invested capital from private sources during Q4 of FY2020 and is expected to have an impact for FY2021; therefore, base and stretch goals for FY2021 are lower than FY2020's actual figure.

Note 3: This is a new efficiency measure, therefore Base and Stretch goals are not available for FY2018-FY2020.

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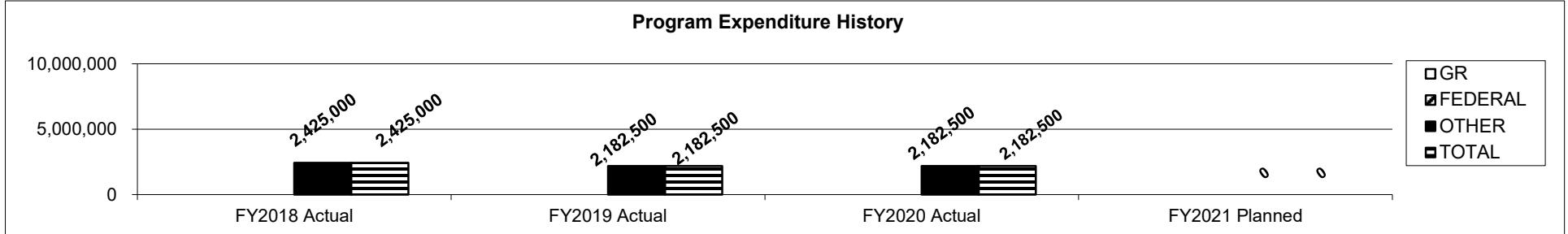
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**3. Provide actual expenditures for the prior three fiscal years and planned expenditures for the current fiscal year. (Note: Amounts do not include fringe benefit costs.)**



Note: Planned Expenditures for GR includes 3% Governor's Reserve and Restriction from GR transfer.

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

Missouri Technology Investment Fund (0172), requires a General Revenue transfer.

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

MTC authorization in Section 348.251-348.275, RSMo; Innovation Center authorization in Section 348.271, RSMo; and MEP authorization is in 15 USC 278K Title 15 Commerce and Foreign Trade, Chapter 11 National Institute of Standards and Technology, Part 290.

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

Yes, the MEP program requires a federal match, which is provided by the U.S. Department of Commerce. The program is designed to form a federal/state/private partnership that results in leveraging public funding sources on a two to one basis.

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

No.