



June 29, 2015

Jonathan C. Ball  
Legislative Fiscal Analyst  
State Capitol Complex  
House Building, Suite W310  
Post Office Box 145310  
Salt Lake City, UT 84114

***Re: Annual Financial Report for SB 159 (2005 General Legislative Session): "Assessment Offset for Donations Promoting Occupational Health and Safety"***

Dear Mr. Ball:

Pursuant to SB 159's terms, and its continuation with the 2010 legislation (1HB221, "Sunset Act and Repealers Reauthorization"), please accept this letter as the Rocky Mountain Center for Occupational and Environmental Health's report of qualified donations received, as well as expenditures made, during calendar year 2014.

The purpose of this legislative initiative was to maintain the existence of the Rocky Mountain Center for Occupational and Environmental Health (RMCOEH) at the University of Utah by providing stable funding in the face of tighter state budgets and declining state funding of the University of Utah. This legislative goal has been met.

Two years ago, the RMCOEH underwent a competitive national application for its main training grant from the Centers for Disease Control/National Institute for Occupational Safety and Health. A panel of twenty-nine national experts rated the RMCOEH a highly unusual, perfect score of "10" in this head-to-head competition with Harvard University, Johns Hopkins University, and the University of Michigan. We are pleased to report that this resulted in a successful renewal of the grant – approximately \$7.2 million over the five year period of the grant!

**Application of SB 159 funding support:**

All SB 159 funds are maintained in a separate RMCOEH account to facilitate tracking of receipts and expenditures. All funds are exclusively expended to support: graduate education and training in safety and ergonomics, industrial hygiene, and occupational medicine; continuing education programs for employers designed to promote workplace safety; or reasonable administrative, personnel, equipment, and overhead costs of our center. Receipts have been provided to all donors. Attached is a listing of receipts and expenditures for January through December 2014.

The revenues and sources generated under this funding mechanism, and a summary of the expenditures are shown in Appendix A.

Specific occupational health and safety enhancements and activities as a result of SB 159 in 2014 include:

1. Provide salary support that continues to be critical to the successful operation of the RMCOEH. Without this line of donations and funding, the RMCOEH would not survive.
2. Maintain support for young faculty members.

3. On the basis of this revenue, we applied for three additional extramural grants. We were thus far successful in receiving two of those grants.
4. We now offer the master of science in occupational health (MSOH), master of occupational health (MOH), and PhD in occupational and environmental health degrees. Stable funding through the SB 159 mechanism has helped the university to approve the degree program as a financially viable program. The MSOH/MOH program has already been producing increased numbers of highly trained graduates with much more expertise in the various aspects of occupational safety and health. The PhD in OEH program has a small number of highly trained people who will help replace faculty as well as to provide leadership for programs in industry. Our students are continuing to graduate with well-paid jobs.
5. These SB 159 funds continue to allow faculty some time to participate in the RMCOEH's Outreach efforts, including consultations to reduce Utah worker injuries.

In summary, the RMCOEH has used the SB 159 funds obtained during the tenth year of this initiative to: (1) further strengthen our faculty; (2) provide funding to implement the new certificate in occupational safety and health program; (3) nurture new faculty; (4) initiate new efforts to support businesses; (5) continue two master degree programs and one new PhD program (in addition to pre-existing degrees in mechanical engineering); (6) continue to recruit and enroll well-qualified students.

We note that SB 159 funding was reauthorized by 1HB221, 2010 G.S. to sunset December 31, 2020. We are grateful for this confidence in the RMCOEH.

#### **Rocky Mountain Center for Occupational and Environmental Health Background:**

The Rocky Mountain Center for Occupational and Environmental Health (RMCOEH) is one of the eighteen national Education and Research Centers sponsored by the National Institute for Occupational Safety and Health (NIOSH). It was established at the University of Utah in 1977 and has been funded continuously by major NIOSH grants since 1978. Its mission is "*Protecting the worker and the environment through interdisciplinary education, research, and service.*"

Through training graduate students in occupational safety and health disciplines, providing short courses to enable these professionals to maintain and advance their capabilities, and research, the RMCOEH helps provide Utah with a healthy and safer workforce that makes Utah businesses more competitive through reductions in workplace injuries and diseases that otherwise would cost businesses higher workers' compensation costs. For example, our graduates directly work to address the nation's occupationally related illnesses and injuries that cost more than \$240 billion annually, equal to the cost of heart disease or cancer. Each *day*, 9,000 of the nation's workers sustain disabling injuries on the job and 137 people die from work-related illnesses. Thankfully these numbers are slowly trending down. The efforts of professionals who have completed RMCOEH programs help prevent the daily toll of such illnesses and injuries in Utah's workers.

The Rocky Mountain Center trains graduate students (masters and PhD) in industrial hygiene, hazardous substances, occupational injury prevention, occupational medicine, and ergonomics and safety. There have been 563 graduates since the inception of the center, and surveys of our graduates demonstrate that all our former graduates rate our programs as "excellent" or "very good" in preparing them for their careers. We also conduct over 180 Continuing Education Courses and other outreach activities annually with over 5,000 participants to update and improve the existing OSH programs managed by these professionals in Utah's businesses.

The RMCOEH additionally contributes to Utah's knowledge-based economy through major research projects that develop new and innovative methods to reduce the burden of occupational injuries. Current involvement in such research projects is approximately \$2 million a year. These projects include major investigations of truck drivers health and risk of crashes, common musculoskeletal disorders (carpal tunnel syndrome, low back pain, shoulder tendinitis, etc), and particulate air exposures. Additionally, we have major expertise in chemical/biological/nuclear terrorism preparedness, and our faculty has worked with the Department of Health to lead the development of the state's Medical Surge Capacity Plan, and another plan for a Regional Homeland Defense Medical Center for such untoward events.

The RMCOE is involved in extensive outreach efforts to businesses that include assistance to over 1,100 Utah businesses and government agencies annually. This assistance includes consultations to provide education to healthcare.

We would welcome an invitation to appear before a legislative committee to present this report or answer any questions legislators may have about RMCOEH or occupational health and safety issues in Utah. If you have any additional questions, please contact me or the financial administrator for the RMCOEH, Ms. Rachel Hester at 801.581.3532.

Sincerely,

A handwritten signature in black ink, appearing to read "Kurt Hegmann". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Kurt T. Hegmann, MD, MPH  
Center Director and Professor  
Dr. Paul S. Richards Endowed Chair in  
Occupational Safety and Health  
801.587.3333  
kurt.hegmann@hsc.utah.edu

cc: Sherrie Hayashi, Utah Labor Commissioner

## Appendix A

### SB 159 Expenses and Revenues

**2014 Revenues:**

American Liberty Insurance Co., Inc.	01/10/2014	\$5,000
Workers Donor (chooses anonymity)	03/24/2014	\$4,676
Brigham Young University	03/24/2014	\$837
Workers Compensation Fund	06/27/2014	\$200,000
Workers Compensation Fund	12/10/2014	\$10,000

**Total Revenue**

**\$220,513.00\***

**2014 Expenditures:**

Faculty Salaries / Benefits:	\$32,765	Wood, Blosswick, Merryweather
Staff Salaries/Benefits:	\$86,670	Bradakis, Clegg, Chambers, Effiong, Ott, Keough
Travel	\$1,910	Administration
Telephone	\$6,480	Telephone monthly charges / Long distance Installation / Repair/ Network access
Membership Dues	\$4,000	AUPOHS annual membership (professional organization of the 17 NIOSH Education and Research Centers)
ABET	\$1,350	Industrial Hygiene Accreditation Dues
Chairs	\$22,841	Chairs for faculty, staff and classroom
Office Supplies	\$724	Administration/IH
Computer Services	\$192	Health Science Center IT Support
Printing/Photocopying	\$1,061	Administration
Software Licensing	\$841	Administration
Other Services	\$369	Shredding, keys, university fees
Advertising	\$720	Faculty Recruitment
Postage/Shipping	\$84	Postage and Fed Ex charges

**Total Expenditures:**

**\$160,007.00\***

**\*Revenues and expenditures for this annual report are based on a calendar year, January through December 2014. The university financial reporting is based on a fiscal year, July 1, 2014 – June 30, 2015. The balance of the funds will be expensed in the coming fiscal year with the hire of new OM and IH faculty and supporting staff in 2015.**