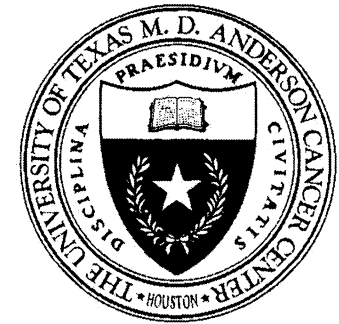

LEGISLATIVE APPROPRIATIONS REQUEST
FISCAL YEARS 2018 AND 2019

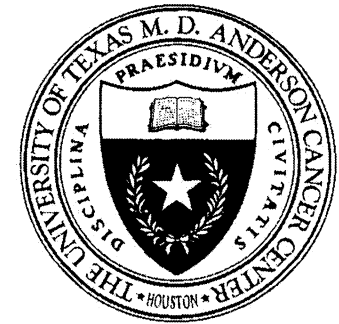


Submitted to the Governor's Office
and the Legislative Budget Board

THE UNIVERSITY OF TEXAS
M. D. ANDERSON CANCER CENTER

October 2016

LEGISLATIVE APPROPRIATIONS REQUEST
FISCAL YEARS 2018 AND 2019



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<p>For the schedules identified below, the U. T. M. D. Anderson Cancer Center either has no information to report or the schedule is not applicable. Accordingly, these schedules have been excluded from the U. T. M. D. Anderson Cancer Center Legislative Appropriations Request for the 2016-17 biennium.</p>				
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506 The University of Texas M.D. Anderson Cancer Center

The University of Texas MD Anderson Cancer Center was created by the Texas Legislature in 1941 as a component of The University of Texas System. MD Anderson is one of the nation's original three Comprehensive Cancer Centers designated by the National Cancer Act of 1971 and is one of 45 Comprehensive Cancer Centers today. U.S. News & World Report's "America's Best Hospitals" survey ranked MD Anderson as the top hospital in the nation for cancer care in 2016. The institution has achieved this highest ranking 9 times in the past 10 years, ranking as one of the top two hospitals for cancer care since the magazine began its annual survey in 1990. MD Anderson's mission is to eliminate cancer in Texas, the nation and the world through outstanding programs that integrate patient care, research and prevention and through education for undergraduate and graduate students, trainees, professionals, employees and the public.

Magnitude of the Cancer Problem

Cancer is the second most common cause of death in the United States. While cancer strikes at any age, 86% of all cancers occur in people age 50 and older. The total projected cancer incidence will increase approximately 45% from 2010 to 2030, reaching 2.3 million and will be primarily driven by older adults and minority populations. Over 116,000 Texans are estimated to be newly diagnosed with cancer in 2016 and more than 39,450 Texans are estimated to die of the disease this year. Nearly 14.5 million Americans are living with a history of surviving cancer for five or more years and about 1.6 million new diagnosed cases of cancer are expected in 2016. The five-year survival rate for all forms of cancer combined has risen to 69%, up from 49% in the 1970's, meaning more Americans are living with a history of cancer and require medical follow-up. Those not cured are living longer as a result of earlier detection and improved therapies and require more medical resources.

MISSION OVERVIEW

Patient Care

Since 1944, one million patients have turned to MD Anderson for cancer care in the form of targeted therapy, surgery, chemotherapy, radiation therapy, immunotherapy or combinations of these and other treatments. MD Anderson pioneered the multidisciplinary approach to treating cancer, bringing together teams of experts across disciplines to collaborate on the best treatment plan for patients. Its experts focus solely on cancer and are renowned for treating all types, including rare or uncommon diseases.

In FY 2015, more than 135,000 patients sought care at MD Anderson and over 39,000 of them were new patients. Approximately one-third of these patients came from outside Texas seeking the research-based care that has made MD Anderson so widely respected. Nearly 9,400 registrants participated in therapeutic clinical research exploring novel treatments, the largest such cancer program in the nation.

The institution is accredited by the Joint Commission, an organization that ensures patients receive the best and safest health care possible. The nursing program holds Magnet Nursing Services Recognition status from the American Nurses Credentialing Center. First received in 2001, this designation recognizes exceptional professional nursing staff and the ways their practice translates into excellent patient care and clinical quality outcomes.

A significant challenge for MD Anderson is managing growth amid increasing patient demand. The institution must balance the number of patients with the resources available to care for them while accounting for the rising costs of health care. As with all healthcare institutions, MD Anderson faces strong pressures as reimbursements from state and federal programs decline, commercial and managed care carriers negotiate coverage limits for certain services and payment rates. In 2015, MD Anderson provided more than \$186 million in residual uncompensated care to uninsured and underinsured patients.

Health care reform continues to present opportunities and challenges as the landscape for health care coverage and reimbursement changes. The positive aspects of the Affordable Care Act (ACA) on cancer patients include: prohibiting coverage exclusions based on pre-existing conditions; removal of annual and lifetime benefit caps; coverage of clinical trials; coverage of prevention services; and steps to contain costs and establish a value-based reimbursement system. However, potential risks remain, including reductions in reimbursement by Medicare and private insurers and more patients in under-funded Medicare and Medicaid programs. MD Anderson's Institute for Cancer Care Innovation is leading development of cancer care models through research that determines the best methods to deliver safe, efficient, cost-effective and patient-centered care.

Notably, a recent challenge for MD Anderson and its patients is the institution's exclusion from insurance plans offered on the federal health care exchange. When the ACA launched in 2013, 41% of marketplace plans offered coverage for patients seeking care at MD Anderson. In 2016, MD Anderson was excluded from any Texas marketplace plan offerings as an in-network provider. The institution worked with patients to mitigate any cancer care disruptions as best as possible, but network adequacy and ensuring access to high-quality cancer care on the exchange remains a significant concern.

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In addition, the Texas Health and Human Services Commission's (HHSC) implementation of the Texas Healthcare Transformation and Quality Improvement Program 1115 Medicaid Waiver has the potential for changing the way health care is provided. MD Anderson is an active participant with seven approved projects ranging from innovative smoking prevention/cessation efforts and an expansion of mobile mammography services to working with local health care providers on improving colorectal cancer screening rates. Waiver renewal efforts are underway and MD Anderson seeks to increase projects if the renewal is successful and new projects are permitted. The legislature provides funding to support the institution's primary mission of patient care. It established the Cancer Center Operations Formula designed to support growth in patient care the same way that the current Instruction and Operations (I&O) Formula supports student growth for Health-Related Institutions (HRIs). Based on Texas cancer patients served each year, the maximum increase in the Operations Formula cannot exceed the average increase in the I&O Formula for all HRIs. Sustaining this critical support which recognizes MD Anderson's unique mission is the institution's highest budget priority.

Research

Important scientific knowledge gained in the laboratory is rapidly translated into clinical care at MD Anderson. Its research program is considered one of the most productive in the world aimed solely at cancer. In 2015, the institution invested more than \$780 million in research, a 25% increase over the last five years. Research support comes from a variety of sources: General Revenue (GR) and tobacco funds (\$24 M); pharmaceutical companies (\$81 M); philanthropy (\$172 M); institutional funds (\$310 M); federal grants and contracts (\$161 M); and the CPRIT (\$32 M).

MD Anderson continues to be a leader among its peers in the number of grants awarded and total amount of grant funding from the National Cancer Institute (NCI). The institution holds the highest number of Specialized Programs of Research Excellence grants (SPORES) in the nation with eight programs in myeloma, leukemia, ovarian, uterine, bladder, brain, melanoma and prostate cancers. It shares two SPORES for lung and thyroid cancers with other institutions. A leader in accelerating progress and increasing access to novel agents for patients, MD Anderson topped all institutions nationwide in revenue derived from IP-related agreements and corporate strategic research alliances. As the largest cancer clinical trials engine in the world, the institution has led clinical trials that have resulted in one in three new FDA approvals for new cancer drugs in the U.S.

The Institute for Applied Cancer Science (IACS) has expanded research and drug development capabilities. The IACS conducts stringent validation of new cancer targets, generates lead clinical compounds against those targets, and converts this deep scientific knowledge and sophisticated drug development activities into innovative clinical trials. The goal is to overcome an astounding 95% failure rate in cancer drug development. The IACS has a steady stream of novel drugs entering into clinical testing for major unmet needs in cancer. Its inaugural efforts have led to collaboration with GlaxoSmithKline to conduct preclinical research on new therapeutic antibodies that promote an immune system attack against cancer. The IACS recently signed an exclusive agreement with TESARO, Inc., an oncology-focused biopharmaceutical company, fast-tracking new immune-modulating therapies for cancer patients by discovering and developing small molecule product candidates against immuno-oncology.

The new Sheikh Khalifa Bin Zayed Al Nahyan Institute for Personalized Cancer Therapy is an international center of clinical excellence focusing on using the latest advances in genetic information to develop safer, more effective treatments for patients on a case-by-case basis, commonly called precision medicine.

The McCombs Institute for the Early Detection and Treatment of Cancer comprises seven translational research centers focused on genomics, proteomics, screening, diagnostic imaging and RNAi-based drug development.

In the Institute for Basic Science, laboratory researchers are working to understand the genetic basis of cancer genesis, progression, and recurrence, define the molecular and biological basis of primary and metastatic cancers, probe the biochemical basis of cancer metabolism and other hallmarks of cancer, and illuminate how cancer cells acquire stem cell like properties, among many other laboratory activities.

To ensure better quality of life for patients under treatment, ongoing programs seek to better understand the makeup of healthy human cells, how they function under normal conditions and what happens when under cancer treatment. These laboratory efforts feed directly into clinical research and impact the entire cancer continuum from prevention, early detection, prognostication through treatment and survivorship.

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Significant Research Accomplishments

Since 2014, the FDA has approved more than a dozen drugs we help test for patients with lung, breast and pancreatic cancers, as well as leukemia, myeloma, lymphoma and others. We continue offering tomorrow's medicines today through over 1,000 clinical trials.

Dr. Jim Allison's breakthroughs in immune checkpoint blockade have launched over 140 new clinical trials in a variety of cancers, bringing hope to countless patients. This new class of drug takes the brakes off the immune system allowing it to attack cancer, enabling patients to live longer. His prestigious honors continue to multiply, including the 2015 Lasker-DeBakey Award, the nation's highest honor for clinical medical research. In 2016, he was named to the President's National Cancer Moon Shot Blue-Ribbon Panel of leading cancer experts, scientists, and patient advocates to help advise the administration on this exciting initiative.

This innovative treatment approach is foundational to our cancer moonshot program and is opening doors for treating many types of cancer. For example, we have led trials demonstrating that a new immune checkpoint drug, nivolumab, is extending survival for patients with advanced kidney cancer who have limited treatment options. In the surgical arena, an algorithm developed in our ovarian cancer moonshot program is dramatically increasing success for ovarian cancer patients. The personalized Anderson Algorithm increases the frequency of complete removal of all visible tumor – a milestone strongly tied to improved survival.

Exciting advances in breast cancer include vaccine research and development of a novel staging system using tumor biology. Vaccines that stimulate an immune response in breast cancer patients are in clinical trials. The vaccine furthest along in testing, NeuVax, was developed here and trials show reduced recurrence in women with a tumor protein found in nearly 80% of breast cancers. We also developed the Neo-Bioscore staging system, allowing for more precise insight into the benefits of additional therapy.

Cancer Moon Shots Initiative

In 2012, MD Anderson embarked on a comprehensive effort to dramatically accelerate conversion scientific discoveries into clinical advances and significantly reduce cancer related mortality and suffering over the next decade. Cancer science has reached a point of conceptual and technological maturity, positioning the field to accelerate and systemize this effort. This initiative brings together teams of researchers and clinicians to mount comprehensive attacks on major cancers in twelve Cancer Moon Shots teams: acute myeloid leukemia and myelodysplastic syndrome, chronic lymphocytic leukemia, melanoma, lung, prostate, B-cell lymphoma, colorectal, glioblastoma, high-risk multiple myeloma, human papillomavirus-associated cancers, pancreas, and triple-negative breast and high-grade serous ovarian cancers. The program has received \$342 million in private philanthropic commitments and has attracted new grants and contracts in excess of \$300 million. The ultimate goal is for all cancers to become moon shot efforts.

To aid the Cancer Moon Shots Program, the APOLLO (Adaptive Patient-Oriented Longitudinal Learning and Optimization) program was created, which will combine more than 230,000 patients' medical histories and data, research data and clinical knowledge to help learn from every patient and to determine the best treatment decisions for each patient.

MD Anderson is also developing the Oncology Expert Advisor™, powered by IBM Watson. The OEA is a powerful analytic tool that can rank treatment options based on up-to-date evidence and learn from MD Anderson experts. Most cancer patients can't travel to MD Anderson for the expert care that comes from 75 years of expertise fighting the disease. In the short term, the fastest way to improve patient outcomes on a global level is to elevate and standardize cancer care in communities served by MD Anderson's network of partners throughout the U.S. and around the world. The OEA platform will extend the reach of MD Anderson care beyond Texas and the nation by capturing its oncology expertise and delivering it to patients globally.

In turn, the rising level of patient data, which is increasingly more representative of the world's population, informs OEA to continuously supply patients and providers with the best treatment options and improve outcomes. MD Anderson envisions the ability to share up-to-date knowledge about treatment plans, clinical trials and potential complications with oncologists worldwide in an infinitely scalable manner. As it serves as a virtual advisor, OEA will collect data from a larger and more diverse patient population. Given the 7-year adoption gap of community oncologists for new standards of care, the development and dissemination of OEA is central to the success of our cancer moonshot program.

Education

In FY 2015, more than 6,600 trainees took part in educational programs, including physicians, scientists, nurses and many health professionals. MD Anderson offers bachelor's degrees in ten allied health disciplines as well as a Master of Science degree in Molecular Diagnostic Genetics. Notably, 75% of surveyed graduates stay to

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work in Texas hospitals. This is a critical need area as the demand for allied health professionals increases. Employment of radiologic technologists and therapists is expected to increase by 17% between 2008 and 2018 while medical and clinical laboratory technologists are expected to see a 12% increase over the same period. While MD Anderson is proud to fulfill its education mission, the institution must rely on institutionally generated funds and grants to cover most of the costs of its education programs because of the small number of students that qualify for support under the HRI formulas.

Over 1,500 clinical residents and fellows come to MD Anderson each year for specialized training in the investigation and treatment of cancer. More than 350 graduate students are working on advanced degrees at the Graduate School of Biomedical Sciences, which MD Anderson operates jointly with UT Health. Almost 1,900 research trainees are taught in MD Anderson's laboratories. Accreditation by the Commission on Colleges of the Southern Association of Colleges and Schools affirms MD Anderson as a major teaching institution, recognizing the faculty for their influential role in educating graduate and undergraduate students.

Prevention

MD Anderson continues to set the standard in cancer prevention research and the translation of new knowledge into innovative, multidisciplinary care for patients, survivors and people at average or elevated risk of developing cancer. In the Cancer Moon Shots effort, the institution is increasingly focused on cancer prevention and control programs in policy, education (public and professional) and services in the community through the Cancer Prevention and Control Platform.

The Division of Cancer Prevention and Population Sciences is dedicated to eradicating cancer through pioneering research in the roles that biologic, genetic, environmental, behavioral and social factors play in cancer development and investigations of behavioral, surgical, medical and social interventions to prevent or reduce cancer risk.

The Cancer Control Platform is keenly focused on developing and implementing evidence-based interventions in cancer prevention, screening, early detection and survivorship, to achieve a measurable and lasting reduction in the cancer burden. A significant focus is the impact of tobacco related illnesses. Tobacco use is one of the greatest public health menaces of our time, driving approximately 30% of all cancer deaths in the United States. This year, almost 600,000 Americans and 6 million people worldwide will die from tobacco related illnesses. In the next half-century, tobacco use will result in hundreds of millions of premature deaths worldwide, mostly in low- and middle-income countries.

Motivated by the daily suffering by patients and their families, a cross-functional team delivered a comprehensive program, called EndTobacco, that recommends strategic and tactical actions in the areas of policy, education and community-based services that MD Anderson can take to address the tobacco burden within the institution and beyond in organizations and communities across the state, the nation, and the world. EndTobacco is founded on best practices in tobacco control as established by the Centers for Disease Control and Prevention and the World Health Organization.

MD Anderson has embarked on comprehensive efforts to address sun safety for children. The institution served as the primary scientific and clinical resource for skin cancer prevention legislation during the last two sessions, which acted to protect youth from the harmful effects of artificial UV exposure by raising the age limit for access to tanning facilities and clarified the law on the possession and use of sunscreen in schools.

Human Resources and Facilities

MD Anderson employs 21,000 people, including more than 1,700 faculty. A volunteer corps of about 3,100 contributed over 145,000 hours of service in FY 2015. MD Anderson's commitment to those who have served our nation's military earned it a spot on the 2015 Best for Vets employer list. The institution was acknowledged once again by the CEO Roundtable on Cancer for helping reduce cancer risks in the workplace.

With employees working in more than 50 buildings in the greater Houston area and in central Texas, MD Anderson is the largest freestanding cancer center in the world. Facilities in the Texas Medical Center cover more than 15 million square feet and feature the latest equipment and infrastructure to support growing needs in outpatient and inpatient care, research, prevention and education.

New construction: the Zayed Building for Personalized Cancer Care, a \$361 million, 12-floor, 626,000-square-foot, research and development facility, which was supported by Tuition Revenue Bond funding during the 84th Legislative Session; the Pavilion, providing much-needed expansion of space for clinical, diagnostic and support services in the Main Building, a \$198 million project.

Research campuses in Bastrop County, Texas: The Virginia Harris Cockrell Cancer Center Research Center, Science Park – Research Division and the Michale E.

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Keeling Center for Comparative Medicine and Research in Bastrop. Near Smithville in the midst of Buescher State Park, the Virginia Harris Cockrell Cancer Research Center, Science Park - Research Division is a unique component. A part of the Central Texas community since 1977, the Science Park - Research Division provides an ideal setting for scientific research, education, conferences and workshops. Since its inception, this campus has developed steadily in size and is now recognized as a world leader in research on carcinogenesis (the origins of cancer) and cancer prevention.

The Michale E. Keeling Center for Comparative Medicine and Research, located on 375 acres near Bastrop, houses chimpanzees, rhesus monkeys, sheep, cattle, swine, chickens and rodents, and has an international reputation for innovation in breeding and managing many species vital to biomedical research at MD Anderson and all over the U. S. More than 100 people, including veterinarians, animal handlers, research technicians and administrative staff conduct research in cancer, HIV, hepatitis, obesity and vaccine development. The campus has earned an international reputation for laboratory animal science and comparative medicine as well as housing, care and re-socializing of chimpanzees.

MD Anderson has developed local, national and international locations. Its regional care centers deliver high quality cancer care in communities throughout the greater Houston area. Extension agreements incorporate the multidisciplinary care model beyond Texas through robust and clinically integrated relationships with organizations in Arizona, New Mexico, New Jersey and Istanbul, Turkey and provide guidance and quality tools for affiliations in Florida, Oklahoma and Spain.

Regional care centers

Greater Houston: Bay Area, Katy, Sugar Land, The Woodlands

Cancer Network

Affiliates

MD Anderson Radiation Treatment Center at American Hospital (Istanbul, Turkey); MD Anderson Radiation Treatment Center at Presbyterian Kaseman Hospital (Albuquerque, NM)

Associate Members

Hospital Israelita Albert Einstein (Sao Paulo, Brazil); MD Anderson Cancer Center Madrid (Spain)

Partner Members

Banner MD Anderson Cancer Center (Gilbert, AZ); MD Anderson Cancer Center at Cooper (Camden, NJ); Baptist MD Anderson Cancer Center (Jacksonville, FL); MD Anderson Cancer Center at Summit Medical Group (Berkeley Heights, NJ); Our Lady of Lourdes Memorial Hospital (Binghamton, NY)

As noted above, MD Anderson is also developing cognitive computing capabilities, OEA powered by IBM Watson. Through the MD Anderson Cancer Network, this technology platform will extend the reach of MD Anderson by capturing its oncology expertise and delivering it to patients beyond Houston. Our goal is to translate discovery and insights, including new therapies, possible side effects and respective treatments, into clinical decision support systems that enables the democratization of MD Anderson expertise to patients throughout the U.S. and the world.

FURTHER SIGNIFICANT ACHIEVEMENTS

MD Anderson faculty includes 9 Institute of Medicine (now National Academy of Medicine) members, 3 National Academy of Sciences members and 4 Academy of Arts and Sciences fellows. This excellence is notable given that MD Anderson had only two NAM members five years ago.

The HUB & Federal Small Business Program was recognized for supplier diversity excellence in DiversityComm Inc. and its four diversity magazines named it to their Best of the Best list of "Top Hospitals for 2014." The State Comptroller's newsletter, The Texas Economy, featured MD Anderson's Mentor-Protégé program in its 20th anniversary edition in April 2014. Our HUB Program Director was recognized with Womens Enterprise Texas' Top 50 Supplier Diversity Leaders in 2014. The Program was presented with the Cutting Edge Award from the Women's Business Enterprise Alliance in November 2014. In Fiscal Year 2015, the Program was nominated for the 2015 Houston Minority Supplier Development Council Innovation award.

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STATE SUPPORT

General Revenue

The GR appropriation, \$185.2 million in FY 2016, accounted for 6.7% of the total operating budget, providing critical support for patient care, education, research and infrastructure. MD Anderson maximizes its leveraging of state funding. The institution generates: \$22.8 additional dollars for cancer patient care, education and research for each \$1 of GR; and \$34 in research support for every \$1 of GR from the state for research, illustrating a sound investment for Texas.

Tobacco Settlement Funds

MD Anderson received a permanent \$100 million endowment from the legislature in 1999, providing \$6.1 million in FY 2016 for tobacco-related research programs. A separate endowment for all HRIs provided \$2.4 million for these purposes. The following programs received settlement funds in FY 2015: Tobacco Outreach Education Program in Behavioral Science: \$1.1 million; Epidemiology – Mexican-American Cohort: \$1 million; Molecular Mechanisms Tobacco Carcinogenesis: \$.9 million; Fund for Innovative Research: \$3.4 million; Research Equipment: \$2.1 million.

4% and 10% GR Reduction Option

To meet a 4% and 10% GR reduction for FY 2018-2019, special item funding will be reduced given that formula funding appropriations are not included in the LAR per LBB instructions. A 4% reduction is a loss of \$260,053 in the Institutional Enhancement special item; the possible 10% reduction will result in a \$650,130 loss in the same strategy. A reduction in this special item would impact the institution's ability to attract new candidates for the Physician Scientist Program, an initiative to train clinicians to be independent researchers and better position them to compete for external grant funding.

Formula Funding Recommendations

The Texas Higher Education Coordinating Board's HRI formula funding recommendations emphasize increases to account for program growth and inflation - a strategy benefiting all institutions. The total recommended increase is \$288 million, which includes support for MD Anderson's Operations Formula.

Required Statement on Criminal History

MD Anderson's policy is to obtain state criminal history information on non-faculty finalists considered for appointment to a security sensitive position and national data on faculty candidates, as allowed by Government Code Sec. 411.094 and Education Code Sec. 51.215. All positions are designated as security sensitive. Criminal background information may not be released or disclosed to any unauthorized person, except on court order.

EXCEPTIONAL ITEMS

1) Restoration of the 4% Non-formula Reduction

The request restores the 4% GR reduction from the Institutional Enhancement special item and reallocates these funds to the Rare and Aggressive Breast Cancer Research Program. Moreover, to the extent GR formula funding is reduced below FY 2017 levels in the introduced version of the FY 2018 – 2019 General Appropriations Act, this request is to fully restore that reduction.

2) Restoration and Increase for the Rare and Aggressive Breast Cancer Research Program

Program funding was reduced in the FY 2012 – 2013 biennium. This request restores funding and provides a modest increase for the Inflammatory Breast Cancer (IBC) Research Program and Clinic. IBC is an aggressive, often fatal, type of breast cancer that is commonly misdiagnosed. Through the legislature's investment, more patients with IBC are seen at MD Anderson than any other center in the world. State funding provided for: development of the world's largest bio-repository of tissue and serum samples from our IBC patients; and partnership with other centers around the world to expand the repository, accelerate development of new therapies, and ultimately improve the well-being of all women who suffer from this commonly misdiagnosed disease.

3) Restoration and increase for Umbilical Cord Blood Bank Research Program

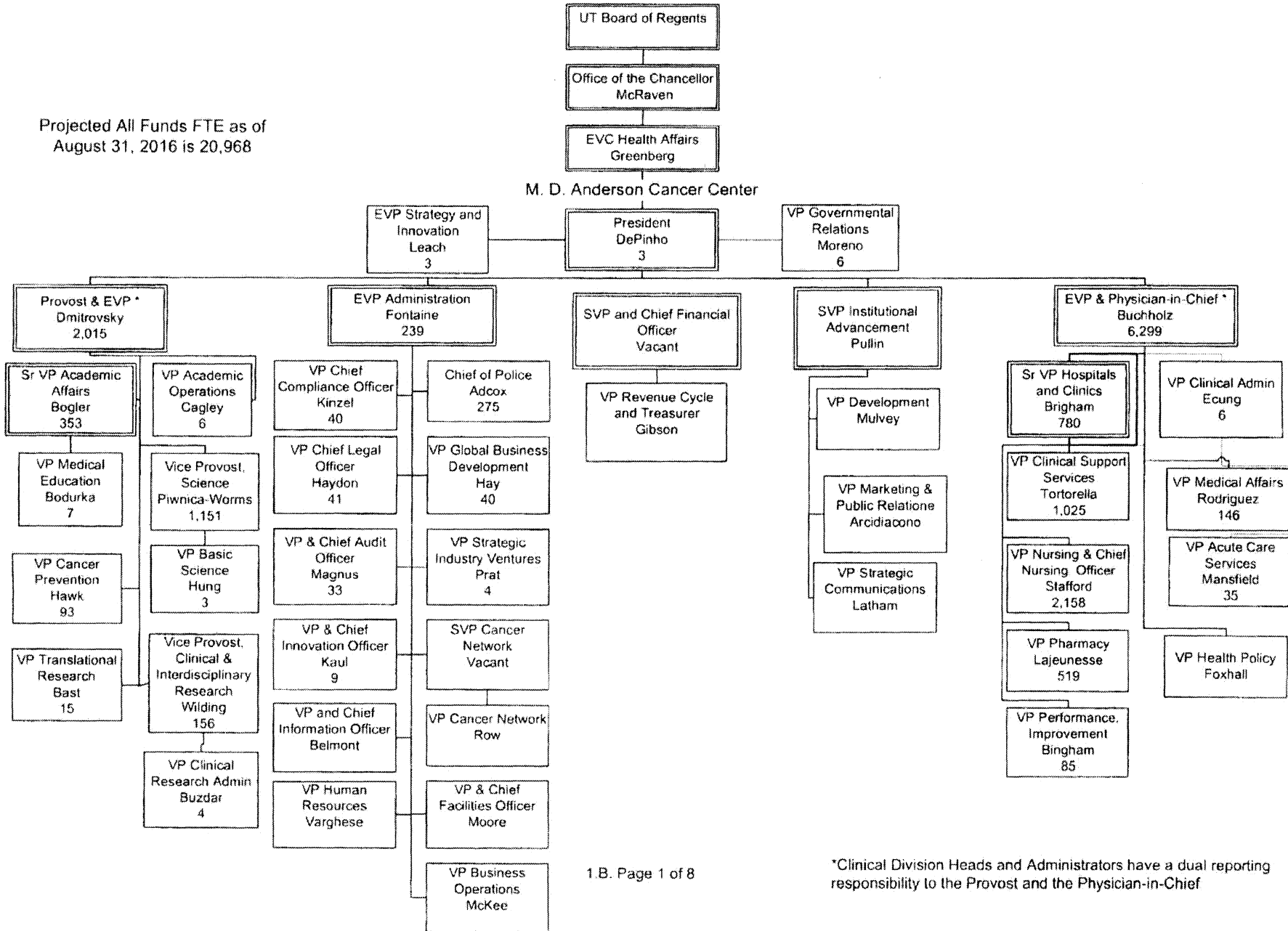
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MD Anderson is the world leader in stem cell transplantation. Prior to the budget reductions for FY 2012 - 2013, the MD Anderson Cord Blood Bank received funding from the legislature through HHSC. GR support was instrumental in advancing the field of cord blood transplantation and these funds were leveraged to generate in excess of \$12 million external funding for the program. Funding restoration for this vital program would support: development and management of clinical research protocols for cord blood transplantation; selection of cord blood units for transplantation; and aid in the collection, freezing, banking, and release of cord blood units for laboratory research protocols. Cord blood provides a source of stem cells for transplant for minority patients who often have no registered donors. MD Anderson serves an unmet need as 75% of the cord blood units in the bank are of Hispanic origin and the institution finds units for patients that otherwise would not have donors.

1.B. ORGANIZATIONAL CHART

The University of Texas System

Projected All Funds FTE as of August 31, 2016 is 20,968



*Clinical Division Heads and Administrators have a dual reporting responsibility to the Provost and the Physician-in-Chief

THE UNIVERSITY OF TEXAS MD ANDERSON CANCER CENTER

ORGANIZATIONAL CHART POSITION DESCRIPTIONS

President is the Chief Executive Officer responsible for overseeing MD Anderson's management team and implementing new priorities for integrated programs in patient care, research, education and cancer prevention. The president has recruited a visionary management team and in 2013 launched the "Moon Shots" program, an ambitious and comprehensive action plan to rapidly and dramatically reduce mortality and suffering in cancer by targeting advancement in cancers. MD Anderson has been named the top cancer hospital in the nation eleven out of the past fourteen years in U.S. News & World Report's "America's Best Hospitals" survey.

Executive VP for Strategy and Innovation oversees MD Anderson's strategic planning and integration of business opportunities.

VP for Governmental Relations evaluates legislative and regulatory issues affecting MD Anderson at all levels of government and makes recommendations about courses of action that are in the best interests of the institution and the patients we serve.

INSTRUCTION AND RESEARCH

Provost and EVP has primary authority for directing MD Anderson's academic and educational missions and oversight of the research and cancer prevention strategic agendas across the institution. The responsibilities include approving recommendations on faculty appointments for the final approval of the President and the Board of Regents of the UT system; overseeing recruitment, onboarding and monitoring career development of all faculty, and overseeing the education and mentoring of trainees and students. This role also oversees clinical research in conjunction with the EVP and Physician-in-Chief as well as providing direct oversight of Basic Science departments, the Cancer Prevention Division and Translational Research.

VP for Academic Operations is responsible for advancing the works across the institution to ensure better alignment of our mission areas by improving research integration. This position also leads efforts to improve research operations and efficiency. This position reports primarily to the provost and executive vice president, but has a secondary reporting line to the senior vice president and chief financial officer.

Senior VP for Academic Affairs provides executive leadership for our academic programs as well as the appointment and onboarding of faculty and trainees. Academic programs include undergraduate education, graduate research and medical education; post-graduate education; continuing medical education; and the student and faculty appointments, records and policies. The SVP is also responsible for the institutional accreditations for undergraduate, graduate and post-graduate education; our academic support service departments; and our extramural local, national and international affiliations, program agreements and sister institution relationships.

VP for Cancer Prevention is responsible for advancing the science and application of cancer through multidisciplinary programs in research, clinical service and education, as well as eliminating the unequal burden of cancer in minority and underserved populations. These goals are achieved through the efforts of four departments within Cancer Prevention and Population Sciences (Behavioral Sciences, Clinical Cancer Prevention, Epidemiology and Health Disparities Research) as well as the Cancer Prevention Center, the Behavioral Research and Treatment Center and the Center for Research in Minority Health.

Vice Provost, Clinical and Interdisciplinary Research works closely with the provost and executive vice president to impact the strategic planning, conduct, approval, and regulation of all MD Anderson clinical research as well as its global operations. This position drives the scientific vision for clinical research program, with enabling resources and decision-making authority and provides the primary oversight, direction, strategic planning and management of the development and delivery of academic relationships and programs at locations external to the institution. The Vice Provost also provides strategic oversight and academic leadership for our six multidisciplinary Institutes.

Vice Provost, Science works closely with the provost and executive vice president to set the strategic vision for basic and laboratory research and oversee the infrastructure for research. This position plays an important role in the strategic planning, conduct, approval and regulation of all basic and laboratory research; provides senior leadership in all basic and laboratory research operations; and is instrumental in the recruitment, retention and development of research faculty.

VP for Translational Research facilitates the movement of new strategies and agents from the laboratory to the clinic and of patient materials, images and information from the clinic to the laboratory. This office coordinates the Physician Scientist and Clinician-Investigator career development programs, the NCI Cancer Center Support (CORE) Grant, which supports multiple shared resources, the allocation of seed funding for multi-investigator grants, the distribution of funds from selected philanthropic grants to translational and clinical research projects, the disclosure and in-house development of inventions by faculty members and the establishment of collaborative alliances with major pharmaceutical companies.

VP, Clinical Education reports to the Senior VP for Academic Affairs and directs the institutional activities related to the Accreditation Council for Graduate Medical Education, which provides accreditation of medical training programs. This role develops policies related to medical education aids in the recruitment, retention and development of clinical faculty with education activity, and develops quality metrics and strategic approaches for evaluating these programs. Serves as the Designated Institutional Official for the Accreditation Council for Graduate Medical Education.

VP, Clinical Research Administration reports to the vice provost of clinical and interdisciplinary research and oversees the institutional infrastructure for clinical research. This position maximizes opportunities to advance the quality of the clinical research while adhering to the highest standards of clinical research compliance. The VP serves as advocate for clinical investigators with regard to policies and processes governing the performance of clinical research.

VP for Basic Science reports to and supports the Vice Provost, Science in the strategic planning, conduct, approval and regulation of the basic science research conducted at MD Anderson, which includes providing senior leadership in research operations, including space allocation and

maintenance of databases supporting research infrastructure. The VP also plays an instrumental role in the recruitment, retention and development of basic science research faculty.

PATIENT CARE

Executive VP and Physician-in-Chief is responsible for oversight and strategic planning related to our medical staff. This position ensures that our physicians and mid-level providers are able to work effectively, efficiently and with appropriate support so they can deliver the research-driven, multidisciplinary, patient-centered clinical care for which the institution is known.

VP for Health Policy is responsible for executive oversight of Physician Relations serving as the institutional liaison with community referring physicians and as a resource to facilitate development of community professional relationships. This position leads institutional efforts supporting charity care services and related policy development. The VP also oversees collaborative cancer control and health service policy initiatives in collaboration with organized medical groups, voluntary health related organizations and governmental agencies.

VP for Clinical Administration oversees strategic clinical administrative, financial and operational activities, and directs all personnel who support the physician-in-chief's office. This position is involved in budget and space planning, internal controls and compliance, and development and evaluation of policies and procedures. The VP also partners with the Vice President for Academic Operations to facilitate Academic Program Management. *(think that this is trying to describe Buzdar's role in PIC org but confusing as there is a description also under the Provost and EVP org)*

VP for Medical Affairs oversees the activities of the Medical Staff Office, Patient Advocacy, Clinical Ethics, Physician Assistant Administrative Programs and Physician Relations departments.

VP for Acute Care Services leads the Nocturnal Program, Emergency Services and Infusion Therapy, which serve as institutional resources for the acute care of patients, regardless of their cancer diagnosis. This position is charged with ensuring that care delivered in the Emergency Center is fully integrated with the rest of the institution, enhancing the after-hours care of our patients, and expanding the services we offer to them.

Senior VP for Hospitals and Clinics is responsible for all inpatient and outpatient clinical operations through oversight of the clinical administrative directors, division administrators, medical operations, diagnostic imaging, radiology, pharmacy, patient access, performance improvement and all clinical support services. The SVP collaborates with division heads and other vice presidents in support of these operations, as well as clinical research.

Chief Nursing Officer and Head, Division of Nursing (*ad-interim*) reports to the SVP Hospital and Clinics and is responsible for MD Anderson's nursing professional practice. This position also is responsible for the creation and implementation of a visionary, strategic agenda for nursing that links clinical practice, education and research. The role oversees all patient care in inpatient settings, and is directly responsible for all inpatient and research nursing administration and operations, including the strategic, financial and educational aspects.

VP for Performance Improvement reports to the SVP Hospital and Clinics and is responsible for all clinical quality and performance improvement activities at MD Anderson, in collaboration with the Physician-in-Chief, the Provost, members of the Senior Operations Team and the clinical division heads. Provides and facilitates strategic planning for quality improvement and patient safety for Clinical Operations.

VP for Clinical Support Services reports to the SVP Hospital and Clinics and provides strategic oversight to an interdisciplinary team of health care service providers, including Case Management, Chaplaincy and Pastoral Education, Clinical Nutrition, Dining Services, Health Information Management, Patient Access Services, Patient Resources, Rehabilitation Services and Social Work.

VP for Pharmacy is responsible for pharmacy programs and activities, including patient care services, research, academic training and business affairs.

ADMINISTRATION

Executive Vice President for Administration provides executive oversight for Human Resources, Facilities, Information Services, Innovation, business development (Global Business Development, Strategic Industry Ventures, Physicians Network and MD Anderson Services Corp.), and regulatory affairs (Legal, Compliance, Internal Audit, Information Security and Police).

Senior VP MD Anderson Cancer Network provides leadership for a team focused on engaging community hospitals and health care systems across the nation and around the world with the goal of improving the quality of cancer care in those communities. This role works to ensure MD Anderson-quality care is delivered by our partner, certified and specialty members and by the outpatient centers located in regional communities around Houston.

VP Operations – MD Anderson National Cancer Network reports to the SVP of the MD Anderson Cancer Network, and is responsible for all clinical operations provided to partners at a network of national locations. The position is responsible for assisting the MD Anderson National Cancer Network (MDA NCN) team with the development, implementation and communication of strategic plans for clinical operations outside of Houston at various locations within the United States.

VP and Chief Compliance Officer leads MD Anderson's activities in safeguarding our commitment to conduct business with integrity and in compliance with the spirit of local, state and federal laws, rules and guidelines. As Chief Compliance Officer and Chief Privacy Officer, the VP provides guidance and legal counsel regarding compliance matters; enforces MD Anderson's Institutional Code of Conduct; oversees Institutional Compliance; directs privacy-related as well as fraud and abuse-related activities and investigations; and interacts with federal, state and local regulatory agencies, legislative bodies and governing boards regarding compliance initiatives.

VP and Chief Legal Officer provides leadership for our legal services team, which provides guidance and counsel on institutional issues including business transactions, purchasing, intellectual property, managed care contracting, hospital and clinic operations, patient care, claims and risk management, litigation, human resources and employment matters and education and trainee issues.

VP and Chief Audit Officer leads the internal audit activity which provides independent, object assurance and consulting services designed to improve the organization's operations and ensure that proper controls are in place at all levels of operations. This is accomplished by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of our risk management, control and governance processes. These activities are overseen and supported by the institutional audit committee.

VP and Chief Information Officer directs operations of Information Services (IS) and is responsible for promoting effective use of information technology at MD Anderson. The VP has administrative oversight for IS departments and supports the information technology needs of clinical, academic, research and administrative functions.

VP and Chief Facilities Officer is responsible for providing leadership in development of the programs, policies and processes needed to manage facilities operations and support services at MD Anderson. This includes financial and operational master planning, analyzing and recommending the optimal use and development of our capital assets. The VP supervises several departments, which include administrative facilities and Campus Operations, Capital Planning and Management, Patient Care and Prevention Facilities and Research and Education Facilities.

VP for Human Resources sets the strategic direction of Human Resources based on the institution's vision. The VP is responsible for the overall management and direction of human resources programs including Organization Development, Benefits, Compensation, Recruitment, Talent Development, the Generalist organization, EEO, Employee Health and Well-being, Wellness and Recognition, Payroll, Diversity and the HR Service Center (*myHR*). The VP also guides the development of short and long term strategies to hire, develop and train a highly qualified workforce.

VP for Business Operations serves as chief of staff for the Offices of Administration including Facilities Management, Information Services, Human Resources and Finance. The VP oversees the annual operating budget and works with several multidisciplinary teams to ensure that our infrastructure strategies best support our people and our mission. This role also works closely with MD Anderson's Board of Visitors, coordinates submissions to the UT System Board of Regents and serves as the MD Anderson representative on the boards of directors of South Main Alliance and Greater Houston Healthconnect.

Chief of Police is responsible for providing law enforcement, security and community services to the MD Anderson Cancer Center and UT Health Science Center at Houston institutions. Both institutions are located within the Texas Medical Center with additional locations throughout the Houston metropolitan area.

VP for Strategic Industry Ventures focuses on helping faculty and researchers develop partnerships with industries such as pharmaceuticals, biotech, diagnostics, imaging and laboratory medicine.

VP for Global Business Development focuses on business transactions and infrastructure for the Center for Global Oncology. He oversees the promotion of expertise in cancer center management, construction of facilities, clinical processes, technology use, cancer center organization, market analysis and financial reviews.

VP and Chief Innovation Officer works closely with Information Services, Hospital and Clinic Operations, Strategic Industry Ventures, faculty and leadership to identify and advocate for more creative and effective approaches for delivering our services while continuously researching external best practices for us to consider in our own operations. Advances some of our standards and processes to our organizational partners to improve cancer care for patients we cannot directly help and create new sources of revenue to support our mission.

FINANCE

Senior VP and Chief Financial Officer provides leadership for the institution's long-term and short-term financial planning, internal and external financial reporting, accounting, treasury and cash management, supply chain services, and research finance functions. This position plays a vital role in carrying out the institution's strategy by leading key sustainability initiatives.

VP, Revenue Cycle and Treasurer leads MD Anderson's revenue cycle, coding, billing, collections, managed care contracting, treasury management functions. The VP is responsible for our Financial Clearance Center, and sponsored institutional systems to ensure accurate coding, revenue collection and support operations.

INSTITUTIONAL ADVANCEMENT

Senior VP of Institutional Advancement oversees the Marketing and Public Relations Office, Strategic Communications Office, the Development Office, Volunteer Services and Merchandizing and the Children's Art Project. These functions enhance MD Anderson's impact by increasing national awareness and preference, securing our reputation, empowering more people with knowledge and cancer prevention tips, and expanding our abilities to raise funds for critical research. This position also oversees the President's Office.

VP for Development provides executive leadership for MD Anderson's fundraising efforts to secure philanthropic support for our priority programs as established by the institution's senior management. In partnership with the administration, faculty and staff, he fosters a national and international network of people and organizations dedicated to advancing our mission. The VP's responsibilities include donor identification and research, strategy formulation and implementation, major gifts acquisition, annual fund, planned giving, stewardship, gift receipt and acknowledgment, board and community relations, special events and targeted communications.

VP for Marketing & Public Relations provides executive leadership for MD Anderson's brand and reputation via creative strategies in marketing, advertising, brand management, consumer research, reputation management and public relations. The VP leads effort to position MD Anderson, its services and talent, along with its national and global network as the world's most impactful center for cancer care and research. This position is responsible for promoting the institution to all stakeholders and exploring creative way to reach those stakeholders, including national sponsorships. The VP also leads public relations efforts to promote the institution through media as well as protect MD Anderson during issues.

VP for Strategic Communications provides executive leadership for MD Anderson's internal communications, integrated media, creative communications and community relations. The VP serves as the content development engine for the institution – responsible for production of

written, video, audio and interactive content across traditional and emerging channels of distribution, customized for relevance and placed for intuitive accessibility for all internal and external stakeholder groups. The department also leads the development and ongoing oversight of the institution's digital experience, website properties and all social media channels.

Budget Overview - Biennial Amounts
85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

506 The University of Texas M.D. Anderson Cancer Center
 Appropriation Years: 2018-19

	GENERAL REVENUE FUNDS		GR DEDICATED		FEDERAL FUNDS		OTHER FUNDS		ALL FUNDS		EXCEPTIONAL ITEM FUNDS
	2016-17	2018-19	2016-17	2018-19	2016-17	2018-19	2016-17	2018-19	2016-17	2018-19	2018-19
Goal: 1. Provide Instructional and Operations Support											
1.1.1. Allied Health Professions Training	6,718,995		252,542						6,971,537		
1.1.2. Graduate Medical Education	1,691,694								1,691,694		
1.2.1. Cancer Center Operations	264,801,714								264,801,714		
1.3.1. Staff Group Insurance Premiums			64,146	69,967					64,146	69,967	
1.4.1. Texas Public Education Grants			175,483	182,572					175,483	182,572	
Total, Goal	273,212,403		492,171	252,539					273,704,574	252,539	
Goal: 2. Provide Research Support											
2.1.1. Research Enhancement	20,972,336								20,972,336		
Total, Goal	20,972,336								20,972,336		
Goal: 3. Provide Infrastructure Support											
3.1.1. E&G Space Support	57,814,806		1,367,098						59,181,904		
3.2.1. Tuition Revenue Bond Retirement	17,237,949	22,655,898							17,237,949	22,655,898	
Total, Goal	75,052,755	22,655,898	1,367,098						76,419,853	22,655,898	
Goal: 5. Provide Special Item Support											
5.1.1. Research Support	2,317,714	2,317,714							2,317,714	2,317,714	
5.1.2. Breast Cancer Research Program	3,200,000	3,200,000							3,200,000	3,200,000	3,060,053
5.2.1. Institutional Enhancement	983,596	723,543					6,853	4,328	990,449	727,871	
5.3.1. Exceptional Item Request											2,000,000
Total, Goal	6,501,310	6,241,257					6,853	4,328	6,508,163	6,245,585	5,060,053
Goal: 7. Tobacco Funds											
7.1.1. Tobacco Earnings - Ut Md Anderson							14,819,501	12,240,000	14,819,501	12,240,000	
7.1.2. Tobacco - Permanent Health Fund							6,491,360	5,039,356	6,491,360	5,039,356	
Total, Goal							21,310,861	17,279,356	21,310,861	17,279,356	
Total, Agency	375,738,804	28,897,155	1,859,269	252,539			21,317,714	17,283,684	398,915,787	46,433,378	5,060,053
Total FTEs									797.7	797.7	5.0

2.A. Summary of Base Request by Strategy

10/14/2016 2:29:21PM

85th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

506 The University of Texas M.D. Anderson Cancer Center

Goal / Objective / STRATEGY	Exp 2015	Est 2016	Bud 2017	Req 2018	Req 2019
1 Provide Instructional and Operations Support					
1 Instructional Programs					
1 ALLIED HEALTH PROFESSIONS TRAINING (1)	3,550,660	3,485,769	3,485,768	0	0
2 GRADUATE MEDICAL EDUCATION (1)	665,844	845,847	845,847	0	0
2 Cancer Center Operations					
1 CANCER CENTER OPERATIONS (1)	123,767,972	132,400,857	132,400,857	0	0
3 Operations - Staff Benefits					
1 STAFF GROUP INSURANCE PREMIUMS	31,263	29,928	34,218	34,716	35,251
4 Operations - Statutory Funds					
1 TEXAS PUBLIC EDUCATION GRANTS	83,053	86,873	88,610	90,382	92,190
TOTAL, GOAL 1	\$128,098,792	\$136,849,274	\$136,855,300	\$125,098	\$127,441

2 Provide Research Support

1 Research Activities

(1) - Formula funded strategies are not requested in 2018-19 because amounts are not determined by institutions.

2.A. Summary of Base Request by Strategy

10/14/2016 2:29:21PM

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Automated Budget and Evaluation System of Texas (ABEST)

506 The University of Texas M.D. Anderson Cancer Center

Goal / Objective / STRATEGY	Exp 2015	Est 2016	Bud 2017	Req 2018	Req 2019
1 RESEARCH ENHANCEMENT (1)	9,294,727	10,486,168	10,486,168	0	0
TOTAL, GOAL 2	\$9,294,727	\$10,486,168	\$10,486,168	\$0	\$0
3 Provide Infrastructure Support					
1 Operations and Maintenance					
1 E&G SPACE SUPPORT (1)	26,419,094	29,582,185	29,599,719	0	0
2 Infrastructure Support					
1 TUITION REVENUE BOND RETIREMENT	5,912,800	5,910,000	11,327,949	11,327,949	11,327,949
TOTAL, GOAL 3	\$32,331,894	\$35,492,185	\$40,927,668	\$11,327,949	\$11,327,949
5 Provide Special Item Support					
1 Research Special Items					
1 RESEARCH SUPPORT	1,158,857	1,158,857	1,158,857	1,158,857	1,158,857
2 BREAST CANCER RESEARCH PROGRAM	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000
2 Institutional Support Special Items					

(1) - Formula funded strategies are not requested in 2018-19 because amounts are not determined by institutions.

2.A. Summary of Base Request by Strategy

10/14/2016 2:29:21PM

85th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

506 The University of Texas M.D. Anderson Cancer Center

Goal / Objective / STRATEGY	Exp 2015	Est 2016	Bud 2017	Req 2018	Req 2019
1 INSTITUTIONAL ENHANCEMENT	500,487	496,487	493,962	363,935	363,936
<u>3</u> <i>Exceptional Item Request</i>					
1 EXCEPTIONAL ITEM REQUEST	0	0	0	0	0
TOTAL, GOAL 5	\$3,259,344	\$3,255,344	\$3,252,819	\$3,122,792	\$3,122,793
<u>7</u> Tobacco Funds					
<u>1</u> <i>Tobacco Earnings for Research</i>					
1 TOBACCO EARNINGS - UT MD ANDERSON	7,170,633	7,171,301	7,648,200	6,120,000	6,120,000
2 TOBACCO - PERMANENT HEALTH FUND	3,000,417	3,139,682	3,351,678	2,519,678	2,519,678
TOTAL, GOAL 7	\$10,171,050	\$10,310,983	\$10,999,878	\$8,639,678	\$8,639,678
TOTAL, AGENCY STRATEGY REQUEST	\$183,155,807	\$196,393,954	\$202,521,833	\$23,215,517	\$23,217,861
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST*				\$0	\$0
GRAND TOTAL, AGENCY REQUEST	\$183,155,807	\$196,393,954	\$202,521,833	\$23,215,517	\$23,217,861

2.A. Summary of Base Request by Strategy

10/14/2016 2:29:21PM

85th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

506 The University of Texas M.D. Anderson Cancer Center

Goal / Objective / STRATEGY	Exp 2015	Est 2016	Bud 2017	Req 2018	Req 2019
<u>METHOD OF FINANCING:</u>					
General Revenue Funds:					
1 General Revenue Fund	171,679,513	185,159,472	190,579,332	14,448,577	14,448,578
SUBTOTAL	\$171,679,513	\$185,159,472	\$190,579,332	\$14,448,577	\$14,448,578
General Revenue Dedicated Funds:					
770 Est Oth Educ & Gen Inco	1,296,555	918,810	940,459	125,098	127,441
SUBTOTAL	\$1,296,555	\$918,810	\$940,459	\$125,098	\$127,441
Other Funds:					
802 License Plate Trust Fund No. 0802	8,689	4,689	2,164	2,164	2,164
810 Permanent Health Fund Higher Ed	3,000,417	3,139,682	3,351,678	2,519,678	2,519,678
812 Permanent Endowment FD UTMD AND	7,170,633	7,171,301	7,648,200	6,120,000	6,120,000
SUBTOTAL	\$10,179,739	\$10,315,672	\$11,002,042	\$8,641,842	\$8,641,842
TOTAL, METHOD OF FINANCING	\$183,155,807	\$196,393,954	\$202,521,833	\$23,215,517	\$23,217,861

*Rider appropriations for the historical years are included in the strategy amounts.

2.B. Summary of Base Request by Method of Finance
85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

10/14/2016 2:29:21PM

Agency code: **506** Agency name: **The University of Texas M.D. Anderson Cancer Center**

METHOD OF FINANCING	Exp 2015	Est 2016	Bud 2017	Req 2018	Req 2019
<u>GENERAL REVENUE</u>					
<u>1</u> General Revenue Fund					
<i>REGULAR APPROPRIATIONS</i>					
Regular Appropriations from MOF Table (2014-15 GAA)	\$171,679,513	\$0	\$0	\$0	\$0
Regular Appropriations from MOF Table (2016-17 GAA)	\$0	\$185,159,472	\$185,165,133	\$14,448,577	\$14,448,578
<i>TRANSFERS</i>					
THECB Rider 71, HB 100 Tuition Revenue Bond Debt Service	\$0	\$0	\$5,414,199	\$0	\$0
TOTAL, General Revenue Fund	\$171,679,513	\$185,159,472	\$190,579,332	\$14,448,577	\$14,448,578
TOTAL, ALL GENERAL REVENUE	\$171,679,513	\$185,159,472	\$190,579,332	\$14,448,577	\$14,448,578

GENERAL REVENUE FUND - DEDICATED

770 GR Dedicated - Estimated Other Educational and General Income Account No. 770
REGULAR APPROPRIATIONS

Regular Appropriations from MOF Table (2014-15 GAA)

2.B. Summary of Base Request by Method of Finance
85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

10/14/2016 2:29:21PM

Agency code: 506		Agency name: The University of Texas M.D. Anderson Cancer Center				
METHOD OF FINANCING	Exp 2015	Est 2016	Bud 2017	Req 2018	Req 2019	
<u>GENERAL REVENUE FUND - DEDICATED</u>						
	\$813,696	\$0	\$0	\$0	\$0	
Regular Appropriations from MOF Table (2016-17 GAA)	\$0	\$833,795	\$833,796	\$125,098	\$127,441	
Reg Approp from MOF Table (2014-15 GAA)Rev. Receipts Adj. to Expend	\$489,732	\$0	\$0	\$0	\$0	
<i>BASE ADJUSTMENT</i>						
Revised Receipts	\$(6,873)	\$85,015	\$106,663	\$0	\$0	
TOTAL, GR Dedicated - Estimated Other Educational and General Income Account No. 770	\$1,296,555	\$918,810	\$940,459	\$125,098	\$127,441	
TOTAL GENERAL REVENUE FUND - DEDICATED - 704, 708 & 770	\$1,296,555	\$918,810	\$940,459	\$125,098	\$127,441	
TOTAL, ALL GENERAL REVENUE FUND - DEDICATED	\$1,296,555	\$918,810	\$940,459	\$125,098	\$127,441	
TOTAL, GR & GR-DEDICATED FUNDS	\$172,976,068	\$186,078,282	\$191,519,791	\$14,573,675	\$14,576,019	

2.B. Summary of Base Request by Method of Finance
85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

10/14/2016 2:29:21PM

Agency code: **506** Agency name: **The University of Texas M.D. Anderson Cancer Center**

METHOD OF FINANCING	Exp 2015	Est 2016	Bud 2017	Req 2018	Req 2019
<u>OTHER FUNDS</u>					
<u>802</u> License Plate Trust Fund Account No. 0802					
<i>REGULAR APPROPRIATIONS</i>					
Regular Appropriations from MOF Table (2014-15 GAA)	\$0	\$0	\$0	\$0	\$0
Regular Appropriations from MOF Table (2016-17 GAA)	\$0	\$0	\$0	\$2,164	\$2,164
<i>RIDER APPROPRIATION</i>					
Rider Approp. Art.III, Sec. 60 from MOF Table (2016-17 GAA)	\$0	\$2,164	\$2,164	\$0	\$0
<i>BASE ADJUSTMENT</i>					
Revised Receipts	\$8,689	\$2,525	\$0	\$0	\$0
TOTAL, License Plate Trust Fund Account No. 0802	\$8,689	\$4,689	\$2,164	\$2,164	\$2,164

810 Permanent Health Fund for Higher Education
REGULAR APPROPRIATIONS

2.B. Summary of Base Request by Method of Finance
85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

10/14/2016 2:29:21PM

Agency code: **506** Agency name: **The University of Texas M.D. Anderson Cancer Center**

METHOD OF FINANCING	Exp 2015	Est 2016	Bud 2017	Req 2018	Req 2019
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OTHER FUNDS

Regular Appropriations from MOF Table (2014-15 GAA)

	\$2,615,937	\$0	\$0	\$0	\$0
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Regular Appropriations from MOF Table (2016-17 GAA)

	\$0	\$2,393,907	\$2,393,907	\$0	\$0
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Regular Appropriations from MOF Table (2018-19 GAA)

	\$0	\$0	\$0	\$2,519,678	\$2,519,678
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RIDER APPROPRIATION

M. D. Anderson, Art. III, Rider 5, pg. III-180, UB Authority

	\$2,026,885	\$0	\$0	\$0	\$0
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M. D. Anderson, Art. III, Rider 5, pg. III-184, UB Authority

	\$0	\$1,400,000	\$800,000	\$0	\$0
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M. D. Anderson, Art. III, Rider 5, pg. III-184, UB Authority

	\$(1,400,000)	\$0	\$0	\$0	\$0
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M. D. Anderson, Art. III, Rider 5, pg. III-184, UB Authority

2.B. Summary of Base Request by Method of Finance
85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

10/14/2016 2:29:21PM

Agency code: 506		Agency name: The University of Texas M.D. Anderson Cancer Center			
METHOD OF FINANCING	Exp 2015	Est 2016	Bud 2017	Req 2018	Req 2019
<u>OTHER FUNDS</u>					
	\$0	\$(800,000)	\$0	\$0	\$0
<i>BASE ADJUSTMENT</i>					
Revised Receipts	\$(264,661)	\$0	\$0	\$0	\$0
Revised Receipts	\$0	\$101,069	\$125,771	\$0	\$0
Revised Receipts - Interest Income	\$22,256	\$44,706	\$32,000	\$0	\$0
TOTAL, Permanent Health Fund for Higher Education	\$3,000,417	\$3,139,682	\$3,351,678	\$2,519,678	\$2,519,678
<u>812</u> Permanent Endowment Fund, UT MD Anderson Cancer Center					
<i>REGULAR APPROPRIATIONS</i>					
Regular Appropriations from MOF Table (2014-15 GAA)	\$5,730,000	\$0	\$0	\$0	\$0
Regular Appropriations from MOF Table (2016-17 GAA)					

2.B. Summary of Base Request by Method of Finance
85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

10/14/2016 2:29:21PM

Agency code: **506** Agency name: **The University of Texas M.D. Anderson Cancer Center**

METHOD OF FINANCING	Exp 2015	Est 2016	Bud 2017	Req 2018	Req 2019
<u>OTHER FUNDS</u>					
	\$0	\$5,970,000	\$5,970,000	\$0	\$0
Regular Appropriations from MOF Table (2018-19 GAA)	\$0	\$0	\$0	\$6,120,000	\$6,120,000
<i>RIDER APPROPRIATION</i>					
M. D. Anderson, Art. III, Rider 5.b., pg. III-180, UB Authority	\$3,794,027	\$0	\$0	\$0	\$0
M. D. Anderson, Art. III, Rider 5.b., pg. III-184, UB Authority	\$0	\$2,600,000	\$1,510,000	\$0	\$0
M. D. Anderson, Art. III, Rider 5.b., pg. III-184, UB Authority	\$(2,600,000)	\$0	\$0	\$0	\$0
M. D. Anderson, Art. III, Rider 5.b., pg. III-184, UB Authority	\$0	\$(1,510,000)	\$0	\$0	\$0
<i>BASE ADJUSTMENT</i>					
Revised Receipts					

2.B. Summary of Base Request by Method of Finance
85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

10/14/2016 2:29:21PM

Agency code: **506**

Agency name: **The University of Texas M.D. Anderson Cancer Center**

METHOD OF FINANCING	Exp 2015	Est 2016	Bud 2017	Req 2018	Req 2019
<u>OTHER FUNDS</u>	\$240,000	\$0	\$0	\$0	\$0
Revised Receipts	\$0	\$90,000	\$150,000	\$0	\$0
Revised Receipts - Interest Income	\$6,606	\$21,301	\$18,200	\$0	\$0
TOTAL, Permanent Endowment Fund, UT MD Anderson Cancer Center	\$7,170,633	\$7,171,301	\$7,648,200	\$6,120,000	\$6,120,000
TOTAL, ALL OTHER FUNDS	\$10,179,739	\$10,315,672	\$11,002,042	\$8,641,842	\$8,641,842
GRAND TOTAL	\$183,155,807	\$196,393,954	\$202,521,833	\$23,215,517	\$23,217,861

2.B. Summary of Base Request by Method of Finance
85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

10/14/2016 2:29:21PM

Agency code: **506** Agency name: **The University of Texas M.D. Anderson Cancer Center**

METHOD OF FINANCING	Exp 2015	Est 2016	Bud 2017	Req 2018	Req 2019
FULL-TIME-EQUIVALENT POSITIONS					
REGULAR APPROPRIATIONS					
Regular Appropriations from MOF Table (2014-15 GAA)	747.7	0.0	0.0	0.0	0.0
Regular Appropriations from MOF Table (2016-17 GAA)	0.0	747.7	747.7	747.7	747.7
RIDER APPROPRIATION					
Art IX, Sec 6.10(a)(2), Board or Administrator FTE Adjustment (2016-17 GAA)	0.0	50.0	50.0	50.0	50.0
UNAUTHORIZED NUMBER OVER (BELOW) CAP					
Unauthorized Number Over (Below) Cap	0.0	55.1	0.0	0.0	0.0
TOTAL, ADJUSTED FTES	747.7	852.8	797.7	797.7	797.7

NUMBER OF 100% FEDERALLY FUNDED FTES

2.C. Summary of Base Request by Object of Expense
85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

10/14/2016 2:29:23PM

506 The University of Texas M.D. Anderson Cancer Center

OBJECT OF EXPENSE	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
1001 SALARIES AND WAGES	\$147,791,663	\$159,190,276	\$159,479,941	\$5,236,548	\$5,236,549
1002 OTHER PERSONNEL COSTS	\$2,851,037	\$3,009,586	\$3,054,807	\$570,548	\$571,083
1005 FACULTY SALARIES	\$23,099,883	\$24,541,848	\$24,675,911	\$3,049,093	\$3,049,093
2001 PROFESSIONAL FEES AND SERVICES	\$187,518	\$194,873	\$209,021	\$158,650	\$158,650
2003 CONSUMABLE SUPPLIES	\$166,454	\$172,983	\$185,542	\$140,829	\$140,829
2004 UTILITIES	\$8,881	\$9,229	\$9,899	\$7,513	\$7,513
2005 TRAVEL	\$85,407	\$88,757	\$95,201	\$72,259	\$72,259
2007 RENT - MACHINE AND OTHER	\$6,385	\$6,636	\$7,117	\$5,402	\$5,402
2008 DEBT SERVICE	\$5,912,800	\$5,910,000	\$11,327,949	\$11,327,949	\$11,327,949
2009 OTHER OPERATING EXPENSE	\$2,001,216	\$2,166,433	\$2,316,394	\$1,766,874	\$1,766,874
4000 GRANTS	\$91,742	\$91,562	\$90,774	\$92,546	\$94,354
5000 CAPITAL EXPENDITURES	\$952,821	\$1,011,771	\$1,069,277	\$787,306	\$787,306
OOE Total (Excluding Riders)	\$183,155,807	\$196,393,954	\$202,521,833	\$23,215,517	\$23,217,861
OOE Total (Riders)					
Grand Total	\$183,155,807	\$196,393,954	\$202,521,833	\$23,215,517	\$23,217,861

2.D. Summary of Base Request Objective Outcomes
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation system of Texas (ABEST)

10/17/2016 7:21:32AM

506 The University of Texas M.D. Anderson Cancer Center

Goal/ Objective / Outcome	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
1 Provide Instructional and Operations Support					
1 Instructional Programs					
KEY 14 Percent Allied Health Grads Passing Certif/Licensure Exam First Try	90.00%	90.00%	90.00%	90.00%	90.00%
KEY 15 Percent Allied Health Graduates Licensed or Certified in Texas	100.00%	90.00%	90.00%	90.00%	90.00%
2 Cancer Center Operations					
KEY 1 Percent of Medical Residency Completers Practicing in Texas	32.00%	33.00%	35.00%	36.00%	36.00%
KEY 2 Total Uncompensated Care Provided by Faculty	65,221,977.00	73,425,489.00	74,500,207.00	74,621,093.00	74,305,845.00
KEY 4 Administrative (Instit Support) Cost As % of Total Expenditures	3.10%	2.87%	3.50%	3.50%	3.50%
KEY 5 Total Uncompensated Care Provided in State-owned Facilities	106,306,319.00	213,856,290.00	213,933,191.00	211,291,756.00	207,463,322.00
2 Provide Research Support					
1 Research Activities					
KEY 1 Total External Research Expenditures	446,709,441.00	451,384,835.00	433,756,635.00	440,262,985.00	446,866,929.00
2 External Research Expend As % of State Appropriations for Research	3,251.91%	3,598.02%	3,457.50%	3,509.36%	3,562.00%

2.E. Summary of Exceptional Items Request
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/14/2016
 TIME : 2:29:24PM

Agency code: 506

Agency name: The University of Texas M.D. Anderson Cancer Center

Priority	Item	2018			2019			Biennium	
		GR and GR/GR Dedicated	All Funds	FTEs	GR and GR Dedicated	All Funds	FTEs	GR and GR Dedicated	All Funds
1	Restoration of the 4% Reduction	\$130,026	\$130,026		\$130,027	\$130,027		\$260,053	\$260,053
2	Umbilical Cord Blood Bank Research	\$1,000,000	\$1,000,000	5.0	\$1,000,000	\$1,000,000	5.0	\$2,000,000	\$2,000,000
3	Breast Cancer Research Program	\$1,400,000	\$1,400,000	0.0	\$1,400,000	\$1,400,000	0.0	\$2,800,000	\$2,800,000
Total, Exceptional Items Request		\$2,530,026	\$2,530,026	5.0	\$2,530,027	\$2,530,027	5.0	\$5,060,053	\$5,060,053

Method of Financing

General Revenue	\$2,530,026	\$2,530,026		\$2,530,027	\$2,530,027		\$5,060,053	\$5,060,053
General Revenue - Dedicated								
Federal Funds								
Other Funds								
	\$2,530,026	\$2,530,026		\$2,530,027	\$2,530,027		\$5,060,053	\$5,060,053

Full Time Equivalent Positions

5.0

5.0

Number of 100% Federally Funded FTEs

2.F. Summary of Total Request by Strategy
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE : 10/14/2016
 TIME : 2:29:24PM

Agency code: 506	Agency name: The University of Texas M.D. Anderson Cancer Center					
Goal/Objective/STRATEGY	Base 2018	Base 2019	Exceptional 2018	Exceptional 2019	Total Request 2018	Total Request 2019
1 Provide Instructional and Operations Support						
<i>1 Instructional Programs</i>						
1 ALLIED HEALTH PROFESSIONS TRAINING	\$0	\$0	\$0	\$0	\$0	\$0
2 GRADUATE MEDICAL EDUCATION	0	0	0	0	0	0
<i>2 Cancer Center Operations</i>						
1 CANCER CENTER OPERATIONS	0	0	0	0	0	0
<i>3 Operations - Staff Benefits</i>						
1 STAFF GROUP INSURANCE PREMIUMS	34,716	35,251	0	0	34,716	35,251
<i>4 Operations - Statutory Funds</i>						
1 TEXAS PUBLIC EDUCATION GRANTS	90,382	92,190	0	0	90,382	92,190
TOTAL, GOAL 1	\$125,098	\$127,441	\$0	\$0	\$125,098	\$127,441
2 Provide Research Support						
<i>1 Research Activities</i>						
1 RESEARCH ENHANCEMENT	0	0	0	0	0	0
TOTAL, GOAL 2	\$0	\$0	\$0	\$0	\$0	\$0
3 Provide Infrastructure Support						
<i>1 Operations and Maintenance</i>						
1 E&G SPACE SUPPORT	0	0	0	0	0	0
<i>2 Infrastructure Support</i>						
1 TUITION REVENUE BOND RETIREMENT	11,327,949	11,327,949	0	0	11,327,949	11,327,949
TOTAL, GOAL 3	\$11,327,949	\$11,327,949	\$0	\$0	\$11,327,949	\$11,327,949

2.F. Summary of Total Request by Strategy
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE : 10/14/2016
 TIME : 2:29:24PM

Agency code: 506	Agency name: The University of Texas M.D. Anderson Cancer Center					
Goal/Objective/STRATEGY	Base 2018	Base 2019	Exceptional 2018	Exceptional 2019	Total Request 2018	Total Request 2019
5 Provide Special Item Support						
1 Research Special Items						
1 RESEARCH SUPPORT	\$1,158,857	\$1,158,857	\$0	\$0	\$1,158,857	\$1,158,857
2 BREAST CANCER RESEARCH PROGRAM	1,600,000	1,600,000	1,530,026	1,530,027	3,130,026	3,130,027
2 Institutional Support Special Items						
1 INSTITUTIONAL ENHANCEMENT	363,935	363,936	0	0	363,935	363,936
3 Exceptional Item Request						
1 EXCEPTIONAL ITEM REQUEST	0	0	1,000,000	1,000,000	1,000,000	1,000,000
TOTAL, GOAL 5	\$3,122,792	\$3,122,793	\$2,530,026	\$2,530,027	\$5,652,818	\$5,652,820
7 Tobacco Funds						
1 Tobacco Earnings for Research						
1 TOBACCO EARNINGS - UT MD ANDERSON	6,120,000	6,120,000	0	0	6,120,000	6,120,000
2 TOBACCO - PERMANENT HEALTH FUND	2,519,678	2,519,678	0	0	2,519,678	2,519,678
TOTAL, GOAL 7	\$8,639,678	\$8,639,678	\$0	\$0	\$8,639,678	\$8,639,678
TOTAL, AGENCY STRATEGY REQUEST	\$23,215,517	\$23,217,861	\$2,530,026	\$2,530,027	\$25,745,543	\$25,747,888
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST						
GRAND TOTAL, AGENCY REQUEST	\$23,215,517	\$23,217,861	\$2,530,026	\$2,530,027	\$25,745,543	\$25,747,888

2.F. Summary of Total Request by Strategy
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE : 10/14/2016
 TIME : 2:29:24PM

Agency code: 506		Agency name: The University of Texas M.D. Anderson Cancer Center				
Goal/Objective/STRATEGY	Base 2018	Base 2019	Exceptional 2018	Exceptional 2019	Total Request 2018	Total Request 2019
General Revenue Funds:						
1 General Revenue Fund	\$14,448,577	\$14,448,578	\$2,530,026	\$2,530,027	\$16,978,603	\$16,978,605
	\$14,448,577	\$14,448,578	\$2,530,026	\$2,530,027	\$16,978,603	\$16,978,605
General Revenue Dedicated Funds:						
770 Est Oth Educ & Gen Inco	125,098	127,441	0	0	125,098	127,441
	\$125,098	\$127,441	\$0	\$0	\$125,098	\$127,441
Other Funds:						
802 License Plate Trust Fund No. 0802	2,164	2,164	0	0	2,164	2,164
810 Permanent Health Fund Higher Ed	2,519,678	2,519,678	0	0	2,519,678	2,519,678
812 Permanent Endowment FD UTMD AND	6,120,000	6,120,000	0	0	6,120,000	6,120,000
	\$8,641,842	\$8,641,842	\$0	\$0	\$8,641,842	\$8,641,842
TOTAL, METHOD OF FINANCING	\$23,215,517	\$23,217,861	\$2,530,026	\$2,530,027	\$25,745,543	\$25,747,888
FULL TIME EQUIVALENT POSITIONS	797.7	797.7	5.0	5.0	802.7	802.7

2.G. Summary of Total Request Objective Outcomes
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation system of Texas (ABEST)

Date : 10/14/2016
 Time: 2:29:25PM

Agency code: 506 Agency name: The University of Texas M.D. Anderson Cancer Center

Goal/ Objective / Outcome

	BL 2018	BL 2019	Excp 2018	Excp 2019	Total Request 2018	Total Request 2019
1 Provide Instructional and Operations Support						
1 <i>Instructional Programs</i>						
KEY 14 Percent Allied Health Grads Passing Certif/Licensure Exam First Try	90.00%	90.00%			90.00%	90.00%
KEY 15 Percent Allied Health Graduates Licensed or Certified in Texas	90.00%	90.00%			90.00%	90.00%
2 <i>Cancer Center Operations</i>						
KEY 1 Percent of Medical Residency Completers Practicing in Texas	36.00%	36.00%			36.00%	36.00%
KEY 2 Total Uncompensated Care Provided by Faculty	72,231,059.00	71,925,908.00			72,231,059.00	71,925,908.00
KEY 4 Administrative (Instit Support) Cost As % of Total Expenditures	3.50%	3.50%			3.50%	3.50%
KEY 5 Total Uncompensated Care Provided in State-owned Facilities	113,542,232.00	111,484,940.00			113,542,232.00	111,484,940.00
2 Provide Research Support						
1 <i>Research Activities</i>						
KEY 1 Total External Research Expenditures	440,262,985.00	446,866,929.00			440,262,985.00	446,866,929.00

2.G. Summary of Total Request Objective Outcomes
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation system of Texas (ABEST)

Date : 10/14/2016
 Time: 2:29:25PM

Agency code: 506 Agency name: The University of Texas M.D. Anderson Cancer Center

Goal/ Objective / Outcome	BL 2018	BL 2019	Excp 2018	Excp 2019	Total Request 2018	Total Request 2019
2 External Research Expends As % of State Appropriations for Research	3,509.36%	3,562.00%			3,509.36%	3,562.00%

3.A. Strategy Request

10/14/2016 2:29:25PM

85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

506 The University of Texas M.D. Anderson Cancer Center

GOAL: 1 Provide Instructional and Operations Support
OBJECTIVE: 1 Instructional Programs
STRATEGY: 1 Allied Health Professions Training

Service Categories:

Service: 19 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	(1) BL 2018	(1) BL 2019
Efficiency Measures:						
KEY 1	Avg Cost of Resident Undergraduate Tuition and Fees for 15 Sch	1,599.00	1,694.00	1,894.00	1,894.00	1,894.00
Explanatory/Input Measures:						
KEY 1	Minority Admissions As % of Total First-Year Admissions (All Schools)	34.60 %	30.00 %	30.00 %	30.00 %	30.00 %
KEY 4	Average Financial Aid Award per Full-Time Student	10,095.00	10,035.00	10,035.00	10,035.00	10,035.00
KEY 5	Percent of Full-Time Students Receiving Financial Aid	71.00 %	71.00 %	71.00 %	71.00 %	71.00 %
Objects of Expense:						
1001	SALARIES AND WAGES	\$1,644,465	\$1,702,348	\$1,698,232	\$0	\$0
1002	OTHER PERSONNEL COSTS	\$14,585	\$14,319	\$14,319	\$0	\$0
1005	FACULTY SALARIES	\$1,891,610	\$1,769,102	\$1,773,217	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$3,550,660	\$3,485,769	\$3,485,768	\$0	\$0
Method of Financing:						
1	General Revenue Fund	\$3,469,024	\$3,359,329	\$3,359,666	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$3,469,024	\$3,359,329	\$3,359,666	\$0	\$0

Method of Financing:

(1) - Formula funded strategies are not requested in 2018-19 because amounts are not determined by institutions.

506 The University of Texas M.D. Anderson Cancer Center

GOAL: 1 Provide Instructional and Operations Support
 OBJECTIVE: 1 Instructional Programs
 STRATEGY: 1 Allied Health Professions Training

Service Categories:

Service: 19 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018 ⁽¹⁾	BL 2019 ⁽¹⁾
770	Est Oth Educ & Gen Inco	\$81,636	\$126,440	\$126,102	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$81,636	\$126,440	\$126,102	\$0	\$0
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$0	\$0
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$3,550,660	\$3,485,769	\$3,485,768	\$0	\$0
FULL TIME EQUIVALENT POSITIONS:		17.0	17.5	16.3	16.3	16.3

STRATEGY DESCRIPTION AND JUSTIFICATION:

The Instruction and Operations Formula provides funding for faculty salaries, departmental operating expense, library, instructional administration, student services and institutional support. The formula for this strategy is based on weighted allied health student full time equivalent. The rate per weighted student headcount or full time equivalent is established by the Legislature each biennium.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

The clinical experience offered by the School of Health Professions prepares students to enter the job market with a wide range of skills and knowledge, so that they can garner highly sought-after jobs within health care organizations.

(1) - Formula funded strategies are not requested in 2018-19 because amounts are not determined by institutions.

3.A. Strategy Request

10/14/2016 2:29:25PM

85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

506 The University of Texas M.D. Anderson Cancer Center

GOAL: 1 Provide Instructional and Operations Support
OBJECTIVE: 1 Instructional Programs
STRATEGY: 1 Allied Health Professions Training

Service Categories:

Service: 19 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018 ⁽¹⁾	BL 2019 ⁽¹⁾
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EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		BIENNIAL CHANGE	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
Base Spending (Est 2016 + Bud 2017)	Baseline Request (BL 2018 + BL 2019)		\$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
\$6,971,537	\$0	\$(6,971,537)	\$(6,971,537)	Formula Funding
			<u>\$(6,971,537)</u>	Total of Explanation of Biennial Change

(1) - Formula funded strategies are not requested in 2018-19 because amounts are not determined by institutions.

3.A. Strategy Request
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

10/14/2016 2:29:25PM

506 The University of Texas M.D. Anderson Cancer Center

GOAL: 1 Provide Instructional and Operations Support
 OBJECTIVE: 1 Instructional Programs
 STRATEGY: 2 Graduate Medical Education

Service Categories:
 Service: 19 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018 ⁽¹⁾	BL 2019 ⁽¹⁾
Output Measures:						
KEY 1	Total Number of MD or DO Residents	154.00	156.00	154.00	170.00	171.00
Explanatory/Input Measures:						
KEY 1	Minority MD or DO Residents as a Percent of Total MD or DO Residents	5.80 %	9.00 %	10.40 %	10.60 %	11.70 %
Objects of Expense:						
1001	SALARIES AND WAGES	\$640,728	\$813,941	\$813,941	\$0	\$0
1002	OTHER PERSONNEL COSTS	\$25,116	\$31,906	\$31,906	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$665,844	\$845,847	\$845,847	\$0	\$0
Method of Financing:						
1	General Revenue Fund	\$665,844	\$845,847	\$845,847	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$665,844	\$845,847	\$845,847	\$0	\$0
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$0	\$0
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$665,844	\$845,847	\$845,847	\$0	\$0
FULL TIME EQUIVALENT POSITIONS:		2.8	3.7	3.4	3.4	3.4

(1) - Formula funded strategies are not requested in 2018-19 because amounts are not determined by institutions.

506 The University of Texas M.D. Anderson Cancer Center

GOAL: 1 Provide Instructional and Operations Support
 OBJECTIVE: 1 Instructional Programs
 STRATEGY: 2 Graduate Medical Education

Service Categories:

Service: 19 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018 ⁽¹⁾	BL 2019 ⁽¹⁾
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STRATEGY DESCRIPTION AND JUSTIFICATION:

The Graduate Medical Education (GME) formula allocates funding based on the number of medical residents in accredited programs. These funds shall be used to increase the number of resident slots in the State of Texas as well as faculty costs relating to GME.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

Successful GME programs require adequate resources to retain and recruit talented faculty and support staff, provide state-of-the-art facilities and maintain quality training programs. MDACC is committed to enhancing and identifying new sources of funding for these critical elements of its instruction mission.

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
Base Spending (Est 2016 + Bud 2017)	Baseline Request (BL 2018 + BL 2019)	CHANGE	\$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
\$1,691,694	\$0	\$(1,691,694)	\$(1,691,694)	Formula Funding
			<u>\$(1,691,694)</u>	Total of Explanation of Biennial Change

(1) - Formula funded strategies are not requested in 2018-19 because amounts are not determined by institutions.

3.A. Strategy Request
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

10/14/2016 2:29:25PM

506 The University of Texas M.D. Anderson Cancer Center

GOAL: 1 Provide Instructional and Operations Support

OBJECTIVE: 2 Cancer Center Operations

Service Categories:

STRATEGY: 1 Cancer Center Operations

Service: 22

Income: A.2

Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018 ⁽¹⁾	BL 2019 ⁽¹⁾
Output Measures:						
KEY 1	Total Number of Outpatient Visits	1,440,684.00	1,404,329.00	1,593,328.00	1,656,734.00	1,725,667.00
KEY 2	Total Number of Inpatient Days	202,483.00	198,080.00	211,913.00	215,099.00	218,585.00
Efficiency Measures:						
2	Net Revenue Per Equivalent Patient Day	4,780.58	4,689.28	4,824.86	4,978.93	5,124.82
Objects of Expense:						
1001	SALARIES AND WAGES	\$109,301,434	\$116,925,270	\$116,925,270	\$0	\$0
1002	OTHER PERSONNEL COSTS	\$2,089,741	\$2,235,501	\$2,235,501	\$0	\$0
1005	FACULTY SALARIES	\$12,376,797	\$13,240,086	\$13,240,086	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$123,767,972	\$132,400,857	\$132,400,857	\$0	\$0
Method of Financing:						
1	General Revenue Fund	\$123,767,972	\$132,400,857	\$132,400,857	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$123,767,972	\$132,400,857	\$132,400,857	\$0	\$0

(1) - Formula funded strategies are not requested in 2018-19 because amounts are not determined by institutions.

506 The University of Texas M.D. Anderson Cancer Center

GOAL: 1 Provide Instructional and Operations Support
 OBJECTIVE: 2 Cancer Center Operations
 STRATEGY: 1 Cancer Center Operations

Service Categories:

Service: 22 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018 ⁽¹⁾	BL 2019 ⁽¹⁾
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$0	\$0
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$123,767,972	\$132,400,857	\$132,400,857	\$0	\$0
FULL TIME EQUIVALENT POSITIONS:		528.2	600.8	560.5	560.5	560.5

STRATEGY DESCRIPTION AND JUSTIFICATION:

The Cancer Center Operations Formula provides funding for faculty salaries, departmental operating expense, and institutional support. The formula for this strategy is based on the total number of Texas cancer patients served at The University of Texas M. D. Anderson Cancer Center. The rate per Texas cancer patient served is established by the Legislature each biennium. The amount of growth in total funding from one biennium to another may not exceed the average growth in funding for Health Related Institutions in the Instruction and Operations formula for the current biennium.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

Efficient patient care programs require adequate resources to recruit and retain talented faculty and support staff and provide state-of-the-art facilities.

(1) - Formula funded strategies are not requested in 2018-19 because amounts are not determined by institutions.

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506 The University of Texas M.D. Anderson Cancer Center

GOAL: 1 Provide Instructional and Operations Support
OBJECTIVE: 2 Cancer Center Operations
STRATEGY: 1 Cancer Center Operations

Service Categories:

Service: 22 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018 ⁽¹⁾	BL 2019 ⁽¹⁾
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EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

STRATEGY BIENNIAL TOTAL - ALL FUNDS		BIENNIAL CHANGE	EXPLANATION OF BIENNIAL CHANGE	
Base Spending (Est 2016 + Bud 2017)	Baseline Request (BL 2018 + BL 2019)		\$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
\$264,801,714	\$0	\$(264,801,714)	\$(264,801,714)	Formula Funding
			<u>\$(264,801,714)</u>	Total of Explanation of Biennial Change

(1) - Formula funded strategies are not requested in 2018-19 because amounts are not determined by institutions.

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506 The University of Texas M.D. Anderson Cancer Center

GOAL: 1 Provide Instructional and Operations Support
OBJECTIVE: 3 Operations - Staff Benefits
STRATEGY: 1 Staff Group Insurance Premiums

Service Categories:

Service: 06 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
Objects of Expense:						
1002	OTHER PERSONNEL COSTS	\$31,263	\$29,928	\$34,218	\$34,716	\$35,251
TOTAL, OBJECT OF EXPENSE		\$31,263	\$29,928	\$34,218	\$34,716	\$35,251
Method of Financing:						
770	Est Oth Educ & Gen Inco	\$31,263	\$29,928	\$34,218	\$34,716	\$35,251
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$31,263	\$29,928	\$34,218	\$34,716	\$35,251
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$34,716	\$35,251
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$31,263	\$29,928	\$34,218	\$34,716	\$35,251

FULL TIME EQUIVALENT POSITIONS:

STRATEGY DESCRIPTION AND JUSTIFICATION:

This strategy is to provide proportional share of staff group insurance premiums paid from HRI Patient Income and Other Educational and General funds.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

Staff Group Insurance Premium rates are set through U. T. System.

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506 The University of Texas M.D. Anderson Cancer Center

GOAL: 1 Provide Instructional and Operations Support
 OBJECTIVE: 3 Operations - Staff Benefits
 STRATEGY: 1 Staff Group Insurance Premiums

Service Categories:

Service: 06 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
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EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL CHANGE</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2016 + Bud 2017)</u>	<u>Baseline Request (BL 2018 + BL 2019)</u>		<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$64,146	\$69,967	\$5,821	\$5,821	Change in Proportionality %
			<u>\$5,821</u>	Total of Explanation of Biennial Change

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506 The University of Texas M.D. Anderson Cancer Center

GOAL: 1 Provide Instructional and Operations Support
 OBJECTIVE: 4 Operations - Statutory Funds
 STRATEGY: 1 Texas Public Education Grants

Service Categories:

Service: 20 Income: A.1 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
Objects of Expense:						
4000	GRANTS	\$83,053	\$86,873	\$88,610	\$90,382	\$92,190
TOTAL, OBJECT OF EXPENSE		\$83,053	\$86,873	\$88,610	\$90,382	\$92,190
Method of Financing:						
770	Est Oth Educ & Gen Inco	\$83,053	\$86,873	\$88,610	\$90,382	\$92,190
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$83,053	\$86,873	\$88,610	\$90,382	\$92,190
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$90,382	\$92,190
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$83,053	\$86,873	\$88,610	\$90,382	\$92,190

FULL TIME EQUIVALENT POSITIONS:

STRATEGY DESCRIPTION AND JUSTIFICATION:

This strategy represents tuition set aside for the Texas Public Education Grants program as required by Section 56.033 of the Texas Education Code.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

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506 The University of Texas M.D. Anderson Cancer Center

GOAL: 1 Provide Instructional and Operations Support
 OBJECTIVE: 4 Operations - Statutory Funds
 STRATEGY: 1 Texas Public Education Grants

Service Categories:

Service: 20 Income: A.1 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
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EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

STRATEGY BIENNIAL TOTAL - ALL FUNDS		BIENNIAL CHANGE	EXPLANATION OF BIENNIAL CHANGE	
Base Spending (Est 2016 + Bud 2017)	Baseline Request (BL 2018 + BL 2019)		\$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
\$175,483	\$182,572	\$7,089	\$7,089	Change in growth of resident and non-resident tuition between biennia.
			<u>\$7,089</u>	Total of Explanation of Biennial Change

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506 The University of Texas M.D. Anderson Cancer Center

GOAL: 2 Provide Research Support
 OBJECTIVE: 1 Research Activities
 STRATEGY: 1 Research Enhancement

Service Categories:

Service: 21 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018 ⁽¹⁾	BL 2019 ⁽¹⁾
Objects of Expense:						
1001	SALARIES AND WAGES	\$3,775,813	\$4,259,814	\$4,259,814	\$0	\$0
1002	OTHER PERSONNEL COSTS	\$19,174	\$21,632	\$21,632	\$0	\$0
1005	FACULTY SALARIES	\$5,499,740	\$6,204,722	\$6,204,722	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$9,294,727	\$10,486,168	\$10,486,168	\$0	\$0
Method of Financing:						
1	General Revenue Fund	\$9,294,727	\$10,486,168	\$10,486,168	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$9,294,727	\$10,486,168	\$10,486,168	\$0	\$0
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$0	\$0
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$9,294,727	\$10,486,168	\$10,486,168	\$0	\$0
FULL TIME EQUIVALENT POSITIONS:		45.1	53.6	50.0	50.0	50.0

STRATEGY DESCRIPTION AND JUSTIFICATION:

The Research Enhancement formula allocates a base amount of \$1,412,500 to each institution in addition to a percentage of the total research expenditures as reported to the Texas Higher Education Coordinating Board. The percent of additional funding above the base is established by the Legislature each biennium. These funds are used to support the research activities of the institution.

(1) - Formula funded strategies are not requested in 2018-19 because amounts are not determined by institutions.

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506 The University of Texas M.D. Anderson Cancer Center

GOAL: 2 Provide Research Support
 OBJECTIVE: 1 Research Activities Service Categories:
 STRATEGY: 1 Research Enhancement Service: 21 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018 ⁽¹⁾	BL 2019 ⁽¹⁾
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EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

Successful research programs require adequate resources to recruit and retain talented faculty and support staff, provide state-of-the-art facilities and maintain quality training programs. MDACC is committed to enhancing and identifying new sources of funding for these critical elements of its research mission.

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL CHANGE</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2016 + Bud 2017)</u>	<u>Baseline Request (BL 2018 + BL 2019)</u>		<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$20,972,336	\$0	\$(20,972,336)	\$(20,972,336)	Formula Funding
			<u>\$(20,972,336)</u>	Total of Explanation of Biennial Change

(1) - Formula funded strategies are not requested in 2018-19 because amounts are not determined by institutions.

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506 The University of Texas M.D. Anderson Cancer Center

GOAL: 3 Provide Infrastructure Support
OBJECTIVE: 1 Operations and Maintenance
STRATEGY: 1 E&G Space Support

Service Categories:

Service: 10 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018 ⁽¹⁾	BL 2019 ⁽¹⁾
Objects of Expense:						
1001	SALARIES AND WAGES	\$26,373,237	\$29,529,990	\$29,547,524	\$0	\$0
1002	OTHER PERSONNEL COSTS	\$45,857	\$52,195	\$52,195	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$26,419,094	\$29,582,185	\$29,599,719	\$0	\$0
Method of Financing:						
1	General Revenue Fund	\$25,318,491	\$28,906,616	\$28,908,190	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$25,318,491	\$28,906,616	\$28,908,190	\$0	\$0
Method of Financing:						
770	Est Oth Educ & Gen Inco	\$1,100,603	\$675,569	\$691,529	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$1,100,603	\$675,569	\$691,529	\$0	\$0
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$0	\$0
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$26,419,094	\$29,582,185	\$29,599,719	\$0	\$0
FULL TIME EQUIVALENT POSITIONS:		111.5	132.1	123.8	123.8	123.8

(1) - Formula funded strategies are not requested in 2018-19 because amounts are not determined by institutions.

506 The University of Texas M.D. Anderson Cancer Center

GOAL: 3 Provide Infrastructure Support
 OBJECTIVE: 1 Operations and Maintenance
 STRATEGY: 1 E&G Space Support

Service Categories:

Service: 10 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018 ⁽¹⁾	BL 2019 ⁽¹⁾
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STRATEGY DESCRIPTION AND JUSTIFICATION:

The Infrastructure Support formula distributes funding associated with plant support and utilities. This formula is driven by the predicted square feet for health related institutions produced by the Texas Higher Education Coordinating Board's Space Projection Model.

Because the Space Projection Model does not account for hospital space, separate infrastructure funding for hospital space at the University of Texas M. D. Anderson Cancer Center shall be included in the total funding for the Cancer Center Operations formula.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

Continuing expansion of MDACC to meet patient care and research demands may impact the strategy. Conversion of obsolete clinic and laboratory areas to provide adequate office space for MDACC faculty and staff may also affect the strategy.

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

STRATEGY BIENNIAL TOTAL - ALL FUNDS		BIENNIAL CHANGE	EXPLANATION OF BIENNIAL CHANGE	
Base Spending (Est 2016 + Bud 2017)	Baseline Request (BL 2018 + BL 2019)		\$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
\$59,181,904	\$0	\$(59,181,904)	\$(59,181,904)	Formula Funding
			<u>\$(59,181,904)</u>	Total of Explanation of Biennial Change

(1) - Formula funded strategies are not requested in 2018-19 because amounts are not determined by institutions.

506 The University of Texas M.D. Anderson Cancer Center

GOAL: 3 Provide Infrastructure Support
 OBJECTIVE: 2 Infrastructure Support
 STRATEGY: 1 Tuition Revenue Bond Retirement

Service Categories:

Service: 10 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
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Objects of Expense:

2008	DEBT SERVICE	\$5,912,800	\$5,910,000	\$11,327,949	\$11,327,949	\$11,327,949
TOTAL, OBJECT OF EXPENSE		\$5,912,800	\$5,910,000	\$11,327,949	\$11,327,949	\$11,327,949

Method of Financing:

1	General Revenue Fund	\$5,912,800	\$5,910,000	\$11,327,949	\$11,327,949	\$11,327,949
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$5,912,800	\$5,910,000	\$11,327,949	\$11,327,949	\$11,327,949

TOTAL, METHOD OF FINANCE (INCLUDING RIDERS) \$11,327,949 \$11,327,949

TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS) \$5,912,800 \$5,910,000 \$11,327,949 \$11,327,949 \$11,327,949

FULL TIME EQUIVALENT POSITIONS:

STRATEGY DESCRIPTION AND JUSTIFICATION:

506 The University of Texas M.D. Anderson Cancer Center

GOAL: 3 Provide Infrastructure Support
 OBJECTIVE: 2 Infrastructure Support Service Categories:
 STRATEGY: 1 Tuition Revenue Bond Retirement Service: 10 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
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The Tuition Revenue Bond Retirement strategy is for the debt service on three Tuition Revenue bond projects.
 The first was funding of \$20,000,000 toward the total project cost of \$221,900,000 for the George and Cynthia Mitchell Basic Science Research Building (BSRBI). The facility is approximately 486,000 square feet, dedicated to research and the Graduate School of Biological Sciences. Research professions under one roof continue to transfer promising research from laboratory spaces to direct patient care treatments.
 The second project was the funding of \$20,000,000 toward infrastructure improvements for the development of the UT Research Park near the Texas Medical Center. The mission of the Research Park is to create medical and economic benefit from the incubation of life science research and technology through collaboration and partnership.
 The third project was funding of \$40,000,000 toward the Center for Targeted Therapy Research Building located on the UT Research Park. The facility provides space for the expanding experimental and molecular therapy research programs, which enable the discovery and development of novel drugs that block genetic and molecular changes to treat and prevent cancers.
 Debt service for outstanding TRBs has been requested based on actual, known TRB debt service requirements for FY 2016 and 2017.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
Base Spending (Est 2016 + Bud 2017)	Baseline Request (BL 2018 + BL 2019)	CHANGE	\$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
\$17,237,949	\$22,655,898	\$5,417,949	\$5,417,949	HB11 Debt Service in 2017 only.
			\$5,417,949	Total of Explanation of Biennial Change

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506 The University of Texas M.D. Anderson Cancer Center

GOAL: 5 Provide Special Item Support
 OBJECTIVE: 1 Research Special Items
 STRATEGY: 1 Research Support

Service Categories:

Service: 21 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
Objects of Expense:						
1001	SALARIES AND WAGES	\$1,153,889	\$1,153,889	\$1,153,889	\$1,153,889	\$1,153,889
1002	OTHER PERSONNEL COSTS	\$4,968	\$4,968	\$4,968	\$4,968	\$4,968
TOTAL, OBJECT OF EXPENSE		\$1,158,857	\$1,158,857	\$1,158,857	\$1,158,857	\$1,158,857
Method of Financing:						
1	General Revenue Fund	\$1,158,857	\$1,158,857	\$1,158,857	\$1,158,857	\$1,158,857
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$1,158,857	\$1,158,857	\$1,158,857	\$1,158,857	\$1,158,857
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$1,158,857	\$1,158,857
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$1,158,857	\$1,158,857	\$1,158,857	\$1,158,857	\$1,158,857
FULL TIME EQUIVALENT POSITIONS:		5.0	5.2	4.9	4.9	4.9
STRATEGY DESCRIPTION AND JUSTIFICATION:						

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506 The University of Texas M.D. Anderson Cancer Center

GOAL: 5 Provide Special Item Support

OBJECTIVE: 1 Research Special Items

Service Categories:

STRATEGY: 1 Research Support

Service: 21 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
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The Research Support strategy funds the Faculty Excellence Program that attracts and supports the research activities of world-renowned cancer scientists, focused on genome-based cancer research. The institution is committed to enhancing current research efforts to carry out the most innovative investigations of the cause, diagnosis, treatment and prevention of cancer. Science has identified many new potential targets for cancer treatment and prevention. These resources will allow for the expansion of knowledge about the molecular pathways that regulate cell proliferation, providing scientists a better understanding of the ways that the body's natural response to cancer can be enhanced.

Additional information for this strategy is available in Schedule 9, Special Item Information.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

M. D. Anderson Cancer Center is committed to enhancing and identifying new sources of funding for these critical elements of its research mission.

Additional information for this strategy is available in Schedule 9, Special Item Information.

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL CHANGE</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2016 + Bud 2017)</u>	<u>Baseline Request (BL 2018 + BL 2019)</u>		<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$2,317,714	\$2,317,714	\$0	\$0	Not applicable.
			\$0	Total of Explanation of Biennial Change

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506 The University of Texas M.D. Anderson Cancer Center

GOAL: 5 Provide Special Item Support
 OBJECTIVE: 1 Research Special Items
 STRATEGY: 2 Breast Cancer Research Program

Service Categories:

Service: 21 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
Objects of Expense:						
1001	SALARIES AND WAGES	\$199,975	\$199,975	\$199,975	\$199,975	\$199,975
1002	OTHER PERSONNEL COSTS	\$7,761	\$7,761	\$7,761	\$7,761	\$7,761
1005	FACULTY SALARIES	\$1,392,264	\$1,392,264	\$1,392,264	\$1,392,264	\$1,392,264
2009	OTHER OPERATING EXPENSE	\$0	\$0	\$0	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$1,600,000	\$1,600,000	\$1,600,000	\$1,600,000	\$1,600,000
Method of Financing:						
1	General Revenue Fund	\$1,600,000	\$1,600,000	\$1,600,000	\$1,600,000	\$1,600,000
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$1,600,000	\$1,600,000	\$1,600,000	\$1,600,000	\$1,600,000
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$1,600,000	\$1,600,000
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$1,600,000	\$1,600,000	\$1,600,000	\$1,600,000	\$1,600,000
FULL TIME EQUIVALENT POSITIONS:		8.1	8.6	7.7	7.7	7.7
STRATEGY DESCRIPTION AND JUSTIFICATION:						

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506 The University of Texas M.D. Anderson Cancer Center

GOAL: 5 Provide Special Item Support

OBJECTIVE: 1 Research Special Items

Service Categories:

STRATEGY: 2 Breast Cancer Research Program

Service: 21

Income: A.2

Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
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The Breast Cancer Research Program strategy funds the Inflammatory Breast Cancer (IBC) Research Program, a rare and often lethal type of breast cancer. The program provides an understanding why this disease is so different, why it is so resistant to treatment and accelerates the development of new therapies that improve the well-being of all women who suffer from IBC.

Additional information for this strategy is available in Schedule 9, Special Item Information.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

M. D. Anderson Cancer Center is committed to enhancing and identifying new sources of funding for these critical elements of its research mission.

Additional information for this strategy is available in Schedule 9, Special Item Information.

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL CHANGE</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2016 + Bud 2017)</u>	<u>Baseline Request (BL 2018 + BL 2019)</u>		<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$3,200,000	\$3,200,000	\$0	\$0	Not Applicable
			<u>\$0</u>	Total of Explanation of Biennial Change

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506 The University of Texas M.D. Anderson Cancer Center

GOAL: 5 Provide Special Item Support
 OBJECTIVE: 2 Institutional Support Special Items
 STRATEGY: 1 Institutional Enhancement

Service Categories:

Service: 21 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
Objects of Expense:						
1001	SALARIES AND WAGES	\$490,125	\$490,125	\$490,125	\$360,540	\$360,541
1002	OTHER PERSONNEL COSTS	\$1,673	\$1,673	\$1,673	\$1,231	\$1,231
4000	GRANTS	\$8,689	\$4,689	\$2,164	\$2,164	\$2,164
TOTAL, OBJECT OF EXPENSE		\$500,487	\$496,487	\$493,962	\$363,935	\$363,936
Method of Financing:						
1	General Revenue Fund	\$491,798	\$491,798	\$491,798	\$361,771	\$361,772
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$491,798	\$491,798	\$491,798	\$361,771	\$361,772
Method of Financing:						
802	License Plate Trust Fund No. 0802	\$8,689	\$4,689	\$2,164	\$2,164	\$2,164
SUBTOTAL, MOF (OTHER FUNDS)		\$8,689	\$4,689	\$2,164	\$2,164	\$2,164
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$363,935	\$363,936
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$500,487	\$496,487	\$493,962	\$363,935	\$363,936
FULL TIME EQUIVALENT POSITIONS:		2.1	2.1	2.0	2.0	2.0

3.A. Strategy Request

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Automated Budget and Evaluation System of Texas (ABEST)

506 The University of Texas M.D. Anderson Cancer Center

GOAL: 5 Provide Special Item Support
 OBJECTIVE: 2 Institutional Support Special Items Service Categories:
 STRATEGY: 1 Institutional Enhancement Service: 21 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
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STRATEGY DESCRIPTION AND JUSTIFICATION:

The Institutional Enhancement strategy funds two critical research initiatives, the Physician Scientist Program and the Cancer Genomics Core Program.

The Physician Scientist Program provides a structured environment to train dedicated clinicians to become independent researchers, able to successfully compete for external grant funding, while maintaining patient care responsibilities.

Additional information for this strategy is available in Schedule 9, Special Item Information.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

MDACC is committed to enhancing and identifying new sources of funding for these critical elements of its research mission.

Additional information for this strategy is available in Schedule 9, Special Item Information.

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL CHANGE</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2016 + Bud 2017)</u>	<u>Baseline Request (BL 2018 + BL 2019)</u>		<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$990,449	\$727,871	\$(262,578)	\$(262,578)	4% reduction of \$260,053 taken in this special item.
			\$(262,578)	Total of Explanation of Biennial Change

506 The University of Texas M.D. Anderson Cancer Center

GOAL: 5 Provide Special Item Support
 OBJECTIVE: 3 Exceptional Item Request
 STRATEGY: 1 Exceptional Item Request

Service Categories:

Service: 19 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
Objects of Expense:						
1001	SALARIES AND WAGES	\$0	\$0	\$0	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$0	\$0	\$0	\$0	\$0
Method of Financing:						
1	General Revenue Fund	\$0	\$0	\$0	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$0	\$0	\$0	\$0	\$0
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$0	\$0
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)					\$0	\$0
FULL TIME EQUIVALENT POSITIONS:		0.0	0.0	0.0	0.0	0.0

STRATEGY DESCRIPTION AND JUSTIFICATION:

The UT MD Anderson Cancer Center Cord Blood Bank would support the development and management of clinical research protocols for cord blood transplantation and the selection of cord blood units for transplantation, as well as aid in the collection, freezing, banking, and release of cord blood units for laboratory research protocols.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

3.A. Strategy Request

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85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

506 The University of Texas M.D. Anderson Cancer Center

GOAL: 5 Provide Special Item Support
OBJECTIVE: 3 Exceptional Item Request
STRATEGY: 1 Exceptional Item Request

Service Categories:

Service: 19 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
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The cord blood provides a source of stem cells for transplant for minority patients that often have no registered donors. MD Anderson serves an unmet need as 75% of the cord blood units in our cord blood bank are of Hispanic origin and the institution finds units for patients that otherwise would not have donors.

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL CHANGE</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2016 + Bud 2017)</u>	<u>Baseline Request (BL 2018 + BL 2019)</u>		<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$0	\$0	\$0	\$0	Not Applicable, New Exceptional Item Request for Umbilical Cord Bloos
			\$0	Total of Explanation of Biennial Change

3.A. Strategy Request

10/14/2016 2:29:25PM

85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

506 The University of Texas M.D. Anderson Cancer Center

GOAL: 7 Tobacco Funds
 OBJECTIVE: 1 Tobacco Earnings for Research Service Categories:
 STRATEGY: 1 Tobacco Earnings for The University of Texas MD Anderson Cancer Center Service: 21 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
Objects of Expense:						
1001	SALARIES AND WAGES	\$4,211,997	\$4,114,924	\$4,391,171	\$3,522,144	\$3,522,144
1002	OTHER PERSONNEL COSTS	\$610,899	\$609,703	\$650,634	\$521,872	\$521,872
1005	FACULTY SALARIES	\$1,939,472	\$1,935,674	\$2,065,622	\$1,656,829	\$1,656,829
2009	OTHER OPERATING EXPENSE	\$408,265	\$511,000	\$540,773	\$419,155	\$419,155
TOTAL, OBJECT OF EXPENSE		\$7,170,633	\$7,171,301	\$7,648,200	\$6,120,000	\$6,120,000
Method of Financing:						
812	Permanent Endowment FD UTMD AND	\$7,170,633	\$7,171,301	\$7,648,200	\$6,120,000	\$6,120,000
SUBTOTAL, MOF (OTHER FUNDS)		\$7,170,633	\$7,171,301	\$7,648,200	\$6,120,000	\$6,120,000
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$6,120,000	\$6,120,000
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$7,170,633	\$7,171,301	\$7,648,200	\$6,120,000	\$6,120,000
FULL TIME EQUIVALENT POSITIONS:		27.9	29.2	29.1	29.1	29.1

STRATEGY DESCRIPTION AND JUSTIFICATION:

Funding for this strategy is derived from annual distributions of Permanent Health Funds established Section 63.101 of the Texas Education Code. These are appropriated for research and other programs that are conducted by the institution and that benefit the public health.

506 The University of Texas M.D. Anderson Cancer Center

GOAL: 7 Tobacco Funds
 OBJECTIVE: 1 Tobacco Earnings for Research Service Categories:
 STRATEGY: 1 Tobacco Earnings for The University of Texas MD Anderson Cancer Center Service: 21 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
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EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

MDACC is committed to leveraging the tobacco funds to enhance and identify new sources of funding for these critical elements of its research mission.

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL CHANGE</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2016 + Bud 2017)</u>	<u>Baseline Request (BL 2018 + BL 2019)</u>		<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$14,819,501	\$12,240,000	\$(2,579,501)	\$(2,579,501)	Prior biennium represented prior year balances, interest income, and current year distributions.
			<u>\$(2,579,501)</u>	Total of Explanation of Biennial Change

3.A. Strategy Request
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

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506 The University of Texas M.D. Anderson Cancer Center

GOAL: 7 Tobacco Funds
 OBJECTIVE: 1 Tobacco Earnings for Research Service Categories:
 STRATEGY: 2 Tobacco Earnings from the Permanent Health Fund for Higher Ed. No. 810 Service: 21 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
Objects of Expense:						
2001	PROFESSIONAL FEES AND SERVICES	\$187,518	\$194,873	\$209,021	\$158,650	\$158,650
2003	CONSUMABLE SUPPLIES	\$166,454	\$172,983	\$185,542	\$140,829	\$140,829
2004	UTILITIES	\$8,881	\$9,229	\$9,899	\$7,513	\$7,513
2005	TRAVEL	\$85,407	\$88,757	\$95,201	\$72,259	\$72,259
2007	RENT - MACHINE AND OTHER	\$6,385	\$6,636	\$7,117	\$5,402	\$5,402
2009	OTHER OPERATING EXPENSE	\$1,592,951	\$1,655,433	\$1,775,621	\$1,347,719	\$1,347,719
5000	CAPITAL EXPENDITURES	\$952,821	\$1,011,771	\$1,069,277	\$787,306	\$787,306
TOTAL, OBJECT OF EXPENSE		\$3,000,417	\$3,139,682	\$3,351,678	\$2,519,678	\$2,519,678
Method of Financing:						
810	Permanent Health Fund Higher Ed	\$3,000,417	\$3,139,682	\$3,351,678	\$2,519,678	\$2,519,678
SUBTOTAL, MOF (OTHER FUNDS)		\$3,000,417	\$3,139,682	\$3,351,678	\$2,519,678	\$2,519,678
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$2,519,678	\$2,519,678
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$3,000,417	\$3,139,682	\$3,351,678	\$2,519,678	\$2,519,678
FULL TIME EQUIVALENT POSITIONS:						

506 The University of Texas M.D. Anderson Cancer Center

GOAL: 7 Tobacco Funds
 OBJECTIVE: 1 Tobacco Earnings for Research Service Categories:
 STRATEGY: 2 Tobacco Earnings from the Permanent Health Fund for Higher Ed. No. 810 Service: 21 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2015	Est 2016	Bud 2017	BL 2018	BL 2019
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STRATEGY DESCRIPTION AND JUSTIFICATION:

This strategy includes the institution's allocation of the Permanent Health Fund for Higher Education. The purpose of these funds includes medical research, health education or treatment programs.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

MDACC is committed to leveraging the tobacco funds to enhance and identify new sources of funding for these critical elements of its research mission.

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL CHANGE</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2016 + Bud 2017)</u>	<u>Baseline Request (BL 2018 + BL 2019)</u>		<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$6,491,360	\$5,039,356	\$(1,452,004)	\$(1,452,004)	Prior biennia expenditures represented prior year balances, interest income, and current year distribution of earnings.
			<u>\$(1,452,004)</u>	Total of Explanation of Biennial Change

3.A. Strategy Request

10/14/2016 2:29:25PM

85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

SUMMARY TOTALS:

OBJECTS OF EXPENSE:	\$183,155,807	\$196,393,954	\$202,521,833	\$23,215,517	\$23,217,861
METHODS OF FINANCE (INCLUDING RIDERS):				\$23,215,517	\$23,217,861
METHODS OF FINANCE (EXCLUDING RIDERS):	\$183,155,807	\$196,393,954	\$202,521,833	\$23,215,517	\$23,217,861
FULL TIME EQUIVALENT POSITIONS:	747.7	852.8	797.7	797.7	797.7

3.A.1. PROGRAM-LEVEL REQUEST SCHEDULE
85th Regular Session, Agency Submission, Version 1

Agency Code: 506		Agency: The University of Texas M. D. Anderson Cancer Center				Prepared By: Hugh R Ferguson					
Date: 10-14-2016						16-17	Requested	Requested	Biennial Total	Biennial Difference	
Goal	Goal Name	Strategy	Strategy Name	Program	Program Name	Base	2018	2019	18-19	\$	%
A	Provide Instruction and Operations	A.1.1.	Allied Health Professions Training		Allied Health Professions Training	\$6,971,537	\$0	\$0	\$0	(6,971,537)	-100.0%
A	Provide Instruction and Operations	A.1.2.	Graduate Medical Training		Graduate Medical Training	\$1,691,694	\$0	\$0	\$0	(1,691,694)	-100.0%
A	Provide Instruction and Operations	A.2.1.	Cancer Center Operations		Cancer Center Operations	\$264,801,714	\$0	\$0	\$0	(264,801,714)	-100.0%
A	Provide Instruction and Operations	A.3.1.	Staff Group Insurance Premiums		Staff Group Insurance Premiums	\$64,146	\$34,716	\$35,251	\$69,967	5,821	9.1%
A	Provide Instruction and Operations	A.4.1.	Texas Public Education Grants		Texas Public Education Grants	\$175,483	\$90,382	\$92,190	\$182,572	7,089	4.0%
B	Provide Research Support	B.1.1.	Research Enhancement		Research Enhancement	\$20,972,336	\$0	\$0	\$0	(20,972,336)	-100.0%
C	Provide Infrastructure Support	C.1.1.	E&G Space Support		E&G Space Support	\$59,181,904	\$0	\$0	\$0	(59,181,904)	-100.0%
C	Provide Infrastructure Support	C.2.1.	Tuition Revenue Bond Retirement		Tuition Revenue Bond Retirement	\$17,237,949	\$11,327,949	\$11,327,949	\$22,655,898	5,417,949	31.4%
D	Provide Special Item Support	D.1.1.	Research Support		Research Support	\$2,317,714	\$1,158,857	\$1,158,857	\$2,317,714	-	0.0%
D	Provide Special Item Support	D.1.2.	Breast Cancer Research Program		Breast Cancer Research Program	\$3,200,000	\$1,600,000	\$1,600,000	\$3,200,000	-	0.0%
D	Provide Special Item Support	D.1.3.	Institutional Enhancement		Institutional Enhancement	\$990,449	\$363,935	\$363,936	\$727,871	(262,578)	-26.5%
E	Tobacco Funds	E.1.1.	Tobacco Earnings - MD Anderson		Tobacco Earnings - MD Anderson	\$14,819,501	\$6,120,000	\$6,120,000	\$12,240,000	(2,579,501)	-17.4%
E	Tobacco Funds	E.1.2.	Tobacco Earnings - Permanent Health Fund		Tobacco Earnings - Permanent Health Fund	\$6,491,360	\$2,519,678	\$2,519,678	\$5,039,356	(1,452,004)	-22.4%

3.B. Rider Revisions and Additions Request

Agency Code: 506	Agency Name: The University of Texas M. D. Anderson Cancer Center	Prepared By: Hugh Ferguson	Date: 08/05/2016	Request Level:
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Current Rider Number	Page Number in 2016-17 GAA	Proposed Rider Language
5	III-184	<p>5. Estimated Appropriation and Unexpended Balance. Included in the amounts appropriated above are: (1) estimated appropriations of amounts available for distribution or investment returns out of the Permanent Endowment Fund for The University of Texas M.D. Anderson Cancer Center No. 812 and (2) estimated appropriations of the institution's estimated allocation of amounts available for distribution out of the Permanent Health Fund for Higher Education No. 810.</p> <p>a. Amounts available for distribution or investment returns in excess of the amounts estimated above are also appropriated to the institution. In the event that amounts available for distribution or investment returns are less than the amounts estimated above, this Act may not be construed as appropriating funds to make-up the difference.</p> <p>b. All balances of estimated appropriations from the Permanent Endowment Fund for The University of Texas M.D. Anderson Cancer Center No. 812 and of the institution's allocation from the amounts available for distribution out of the Permanent Health Fund for Higher Education No. 810, except for any General Revenue, at the close of the fiscal year ending August 31, 2015 2017, and the income to said fund during the fiscal years beginning September 1, 2015 2017, are hereby appropriated. Any unexpended appropriations made above as of August 31, 2016 2018, are hereby appropriated to the institution for the same purposes for fiscal year 2017 2019</p>
8	III-184	<p>8. Rare and Aggressive Breast Cancer Research Program. Of the amounts appropriated above in Strategy D.1.2, Breast Cancer Research Program, \$1,600,000 in fiscal year 2016 2018 and \$1,600,000 in fiscal year 2017 2019 in General Revenue is for the rare and aggressive breast cancer research program. Its efforts will contribute to improving the diagnostics in patients with breast cancer.</p>

4.A. Exceptional Item Request Schedule
85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **10/14/2016**
 TIME: **2:29:44PM**

Agency code: **506**

Agency name:

The University of Texas M.D. Anderson Cancer Center

CODE	DESCRIPTION	Excp 2018	Excp 2019
	<p align="center">Item Name: Restoration of the 4% Non-Formula Reduction Item Priority: 1 IT Component: No Anticipated Out-year Costs: Yes Involve Contracts > \$50,000: No</p> <p>Includes Funding for the Following Strategy or Strategies: 05-01-02 Breast Cancer Research Program</p>		
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	130,026	130,027
	TOTAL, OBJECT OF EXPENSE	\$130,026	\$130,027
METHOD OF FINANCING:			
1	General Revenue Fund	130,026	130,027
	TOTAL, METHOD OF FINANCING	\$130,026	\$130,027

DESCRIPTION / JUSTIFICATION:

Restoration of the 4% non-formula reduction: The request restores the 4% GR reduction from the Institutional Enhancement special item and reallocates these funds to the Rare and Aggressive Breast Cancer Research Program. Moreover, to the extent GR formula funding is reduced below FY 2017 levels in the introduced version of the FY 2018 – 2019 General Appropriations Act, this request is to fully restore that reduction.

EXTERNAL/INTERNAL FACTORS:

IBC is an extremely aggressive cancer that strikes younger women from age 20 to 55. The 5-year survival rate is only 30%, compared to 89% of women with other forms of breast cancer. To date, there are no therapeutic treatments specifically for IBC. Early diagnosis, coordinated treatments and evidence-based development of new therapeutics is a primary goal to increase survival for these women. Since the establishment of the clinic, more patients with IBC are seen at MD Anderson than any other center in the world. In 2015, an IBC Multi-Team Clinic was launched, where in just one appointment and one place, patients meet their radiation, surgical and medical oncologists, delivering a personalized treatment plan. State funding has allowed the institution to develop the world's largest bio-repository of tissue and serum samples from our own IBC patients and to partner with other centers around the world to expand the repository. Historically, research has been hampered by the lack of IBC cell lines and animal models to study the disease. Only two cell lines and one animal model are commercially available. The bio-repository has allowed our investigators to develop six new cell lines. To effectively treat IBC, researchers must identify the specific cellular and molecular signatures of the disease. Analysis of new cell lines and the cancer micro-environment will provide answers needed to develop new targeted therapies. Four new classes of drugs, already in use in other cancers, have been identified by our laboratories as promising therapies in the IBC cells. MD Anderson has six ongoing clinical trials, including trials which are the first for drugs and vaccine targeted specifically for IBC. MD Anderson is aggressively looking for potential causes of IBC. To that end, the institution is performing the first whole genome analysis on IBC tissue, which may identify the genes driving the cancer's aggressiveness.

4.A. Exceptional Item Request Schedule
85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/14/2016
TIME: 2:29:44PM

Agency code: 506

Agency name:

The University of Texas M.D. Anderson Cancer Center

CODE DESCRIPTION

Excp 2018

Excp 2019

DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

Anticipate the continuation of the special item funding in future years.

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

<u>2020</u>	<u>2021</u>	<u>2022</u>
\$130,026	\$130,027	\$130,026

4.A. Exceptional Item Request Schedule
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/14/2016
 TIME: 2:29:44PM

Agency code: 506

Agency name:

The University of Texas M.D. Anderson Cancer Center

CODE	DESCRIPTION	Excp 2018	Excp 2019
	<p align="center">Item Name: Umbilical Cord Blood Bank Research Item Priority: 2 IT Component: No Anticipated Out-year Costs: Yes Involve Contracts > \$50,000: No</p> <p>Includes Funding for the Following Strategy or Strategies: 05-03-01 Exceptional Item Request</p>		
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	1,000,000	1,000,000
	TOTAL, OBJECT OF EXPENSE	\$1,000,000	\$1,000,000
METHOD OF FINANCING:			
1	General Revenue Fund	1,000,000	1,000,000
	TOTAL, METHOD OF FINANCING	\$1,000,000	\$1,000,000
FULL-TIME EQUIVALENT POSITIONS (FTE):		5.00	5.00

DESCRIPTION / JUSTIFICATION:

Funding for the Cord Blood Bank would support the development and management of clinical research protocols for cord blood transplantation and the selection of cord blood units for transplantation as well as aid in the collection, freezing, banking, and release of cord blood unit for laboratory research protocols.

EXTERNAL/INTERNAL FACTORS:

The University of Texas MD Anderson Cancer Center Cord Blood Bank is a public facility that collects, processes and stores umbilical cord blood to provide a life-saving product from something that is normally discarded. Cord blood is the blood that remains in the placenta and umbilical cord after the baby is born. This blood is an important source of stem cells that can be used as an alternative to bone marrow to treat patients with many life-threatening diseases, including cancer. Prior to the budget reductions for FY 2012 - 2013, the institution's Cord Blood Bank received funding from the legislature via an appropriation to the Texas Health and Human Services Commission. General revenue support was instrumental in advancing the field of cord blood transplantation and these funds were leveraged to generate in excess of \$12 million external funding for the program. The resultant expanded research efforts in the use of cord blood for reconstitution of blood cellular components was significant. Restoration of these funds would help support a number of current activities curtailed by the reduction, such as the development and management of clinical research protocols for cord blood transplantation and the selection of cord blood units for transplantation. These funds would assist with conducting cord expansion trials by supporting the good manufacturing process laboratory costs of the ex vivo expansion of cord blood on protocols. Cutting edge research such as this has developed changes to help patients recover more quickly and additional funding will help research efforts to reduce disease relapse and infection for patients. Funding would also aid in the collection, freezing, banking, and release of cord blood unit for laboratory research protocols.

DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

Anticipate the continuation of the special item funding in future years.

4.A. Exceptional Item Request Schedule
85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/14/2016
TIME: 2:29:44PM

Agency code: 506

Agency name:

The University of Texas M.D. Anderson Cancer Center

CODE DESCRIPTION

Excp 2018

Excp 2019

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

	<u>2020</u>	<u>2021</u>	<u>2022</u>
	\$1,000,000	\$1,000,000	\$1,000,000

4.A. Exceptional Item Request Schedule
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/14/2016
 TIME: 2:29:44PM

Agency code: 506

Agency name:

The University of Texas M.D. Anderson Cancer Center

CODE	DESCRIPTION	Excp 2018	Excp 2019
	<p align="center">Item Name: Rare and Aggressive Breast Cancer Research Program Item Priority: 3 IT Component: No Anticipated Out-year Costs: Yes Involve Contracts > \$50,000: No</p> <p>Includes Funding for the Following Strategy or Strategies: 05-01-02 Breast Cancer Research Program</p>		

OBJECTS OF EXPENSE:

2009	OTHER OPERATING EXPENSE	1,400,000	1,400,000
	TOTAL, OBJECT OF EXPENSE	\$1,400,000	\$1,400,000

METHOD OF FINANCING:

1	General Revenue Fund	1,400,000	1,400,000
	TOTAL, METHOD OF FINANCING	\$1,400,000	\$1,400,000

DESCRIPTION / JUSTIFICATION:

Funding restoration and increase for MD Anderson Inflammatory Breast Cancer (IBC) Research Program and Clinic bringing the total request to \$3 million annually. IBC is an aggressive, often fatal, type of breast cancer that is commonly misdiagnosed. With support from the state, the IBC Program and Clinic has accelerated the development of new therapies, ultimately improving the well-being of all women who suffer from the disease.

EXTERNAL/INTERNAL FACTORS:

IBC is an extremely aggressive cancer that strikes younger women from age 20 to 55. The 5-year survival rate is only 30%, compared to 89% of women with other forms of breast cancer. To date, there are no therapeutic treatments specifically for IBC. Early diagnosis, coordinated treatments and evidence-based development of new therapeutics is a primary goal to increase survival for these women. Since the establishment of the clinic, more patients with IBC are seen at MD Anderson than any other center in the world. In 2015, an IBC Multi-Team Clinic was launched, where in just one appointment and one place, patients meet their radiation, surgical and medical oncologists, delivering a personalized treatment plan. State funding has allowed the institution to develop the world's largest bio-repository of tissue and serum samples from our own IBC patients and to partner with other centers around the world to expand the repository. Historically, research has been hampered by the lack of IBC cell lines and animal models to study the disease. Only two cell lines and one animal model are commercially available. The bio-repository has allowed our investigators to develop six new cell lines. To effectively treat IBC, researchers must identify the specific cellular and molecular signatures of the disease. Analysis of new cell lines and the cancer micro-environment will provide answers needed to develop new targeted therapies. Four new classes of drugs, already in use in other cancers, have been identified by our laboratories as promising therapies in the IBC cells. MD Anderson has six ongoing clinical trials, including trials which are the first for drugs and vaccine targeted specifically for IBC. MD Anderson is aggressively looking for potential causes of IBC. To that end, the institution is performing the first whole genome analysis on IBC tissue, which may identify the genes driving the cancer's aggressiveness.

4.A. Exceptional Item Request Schedule
85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/14/2016
TIME: 2:29:44PM

Agency code: 506

Agency name:

The University of Texas M.D. Anderson Cancer Center

CODE DESCRIPTION

Excp 2018

Excp 2019

DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

Anticipate the continuation of the special item funding in future years.

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

<u>2020</u>	<u>2021</u>	<u>2022</u>
\$1,400,000	\$1,400,000	\$1,400,000

4.B. Exceptional Items Strategy Allocation Schedule
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/14/2016

TIME: 2:29:45PM

Agency code: 506

Agency name: The University of Texas M.D. Anderson Cancer Center

Code	Description	Excp 2018	Excp 2019
Item Name: Restoration of the 4% Non-Formula Reduction			
Allocation to Strategy: 5-1-2 Breast Cancer Research Program			
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	130,026	130,027
TOTAL, OBJECT OF EXPENSE		\$130,026	\$130,027
METHOD OF FINANCING:			
1	General Revenue Fund	130,026	130,027
TOTAL, METHOD OF FINANCING		\$130,026	\$130,027

4.B. Exceptional Items Strategy Allocation Schedule
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/14/2016
 TIME: 2:29:45PM

Agency code: 506 Agency name: The University of Texas M.D. Anderson Cancer Center

Code	Description	Excp 2018	Excp 2019
Item Name: Umbilical Cord Blood Bank Research			
Allocation to Strategy: 5-3-1 Exceptional Item Request			
OBJECTS OF EXPENSE:			
1001	SALARIES AND WAGES	1,000,000	1,000,000
TOTAL, OBJECT OF EXPENSE		\$1,000,000	\$1,000,000
METHOD OF FINANCING:			
1	General Revenue Fund	1,000,000	1,000,000
TOTAL, METHOD OF FINANCING		\$1,000,000	\$1,000,000
FULL-TIME EQUIVALENT POSITIONS (FTE):		5.0	5.0

4.B. Exceptional Items Strategy Allocation Schedule
85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/14/2016
TIME: 2:29:45PM

Agency code: **506** Agency name: **The University of Texas M.D. Anderson Cancer Center**

Code	Description	Excp 2018	Excp 2019
Item Name: Rare and Aggressive Breast Cancer Research Program			
Allocation to Strategy: 5-1-2 Breast Cancer Research Program			
OBJECTS OF EXPENSE:			
2009	OTHER OPERATING EXPENSE	1,400,000	1,400,000
TOTAL, OBJECT OF EXPENSE		\$1,400,000	\$1,400,000
METHOD OF FINANCING:			
1	General Revenue Fund	1,400,000	1,400,000
TOTAL, METHOD OF FINANCING		\$1,400,000	\$1,400,000
FULL-TIME EQUIVALENT POSITIONS (FTE):		0.0	0.0

4.C. Exceptional Items Strategy Request
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/14/2016
TIME: 2:29:46PM

Agency Code: **506** Agency name: **The University of Texas M.D. Anderson Cancer Center**

GOAL: 5 Provide Special Item Support

OBJECTIVE: 1 Research Special Items

STRATEGY: 2 Breast Cancer Research Program

Service Categories:

Service: 21 Income: A.2 Age: B.3

CODE DESCRIPTION	Excp 2018	Excp 2019
-------------------------	------------------	------------------

OBJECTS OF EXPENSE:

1001 SALARIES AND WAGES	130,026	130,027
2009 OTHER OPERATING EXPENSE	1,400,000	1,400,000
Total, Objects of Expense	\$1,530,026	\$1,530,027

METHOD OF FINANCING:

1 General Revenue Fund	1,530,026	1,530,027
Total, Method of Finance	\$1,530,026	\$1,530,027

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Restoration of the 4% Non-Formula Reduction

Rare and Aggressive Breast Cancer Research Program

4.C. Exceptional Items Strategy Request
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/14/2016
TIME: 2:29:46PM

Agency Code: **506** Agency name: **The University of Texas M.D. Anderson Cancer Center**

GOAL: 5 Provide Special Item Support

OBJECTIVE: 3 Exceptional Item Request

STRATEGY: 1 Exceptional Item Request

Service Categories:

Service: 19 Income: A.2 Age: B.3

CODE DESCRIPTION	Excp 2018	Excp 2019
-------------------------	------------------	------------------

OBJECTS OF EXPENSE:

1001 SALARIES AND WAGES	1,000,000	1,000,000
Total, Objects of Expense	\$1,000,000	\$1,000,000

METHOD OF FINANCING:

1 General Revenue Fund	1,000,000	1,000,000
Total, Method of Finance	\$1,000,000	\$1,000,000

FULL-TIME EQUIVALENT POSITIONS (FTE): 5.0 5.0

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Umbilical Cord Blood Bank Research

6.A. Historically Underutilized Business Supporting Schedule
 85th Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

Date: 10/14/2016
 Time: 2:29:46PM

Agency Code: 506 Agency: The University of Texas M.D. Anderson Cancer Center

COMPARISON TO STATEWIDE HUB PROCUREMENT GOALS

A. Fiscal Year 2014 - 2015 HUB Expenditure Information

Statewide HUB Goals	Procurement Category	% Goal	HUB Expenditures FY 2014			Total Expenditures FY 2014		HUB Expenditures FY 2015			Total Expenditures FY 2015
			% Actual	Diff	Actual \$	% Goal	% Actual	Diff	Actual \$		
11.2%	Heavy Construction	11.2 %	0.0%	-11.2%	\$0	\$0	0.0 %	0.0%	0.0%	\$0	\$0
21.1%	Building Construction	21.1 %	18.1%	-3.0%	\$13,197,754	\$72,923,850	21.1 %	9.9%	-11.2%	\$5,569,898	\$56,155,463
32.9%	Special Trade	32.7 %	9.9%	-22.8%	\$8,705,935	\$88,224,603	32.7 %	14.0%	-18.7%	\$8,842,597	\$63,070,168
23.7%	Professional Services	23.6 %	26.6%	3.0%	\$1,788,900	\$6,731,357	23.6 %	47.2%	23.6%	\$2,524,067	\$5,352,816
26.0%	Other Services	24.6 %	9.6%	-15.0%	\$21,799,857	\$227,602,362	24.6 %	9.9%	-14.7%	\$23,634,424	\$239,078,279
21.1%	Commodities	21.0 %	2.7%	-18.3%	\$24,294,488	\$896,305,065	21.0 %	2.0%	-19.0%	\$18,720,357	\$959,737,227
	Total Expenditures		5.4%		\$69,786,934	\$1,291,787,237		4.5%		\$59,291,343	\$1,323,393,953

B. Assessment of Fiscal Year 2014 - 2015 Efforts to Meet HUB Procurement Goals

Attainment:

Less than agency goal attainment in FY14 for all categories. However, in FY15 exceeded agency goal in two categories while matching the agency goal in two of the remaining three categories.

Applicability:

The "Heavy Construction" category was not applicable to agency operations in either FY2014 or FY2015.

Factors Affecting Attainment:

In fiscal years 2014 and 2015, the continued hold and rescheduling of construction projects, coupled with increases in specialized IT Projects and Pharmaceutical expenditures with limited HUB availability resulted in an adverse impact on the agency's ability to meet HUB objectives. The specialty/acute care academic medical facility status of the agency as a dedicated cancer center poses challenges to achieving HUB objectives. Purchases are specialized for clinical and research applications with limited (non-HUB) manufacturers or distributors. Additionally, many purchases are made through our group purchasing organization, Premier Inc., to maximize the value of the funds entrusted to the agency. Specific areas of impact include specialized medical diagnostic equipment, pharmaceuticals and professional health services.

"Good-Faith" Efforts:

The agency made the following good faith efforts to comply with statewide HUB procurement goals per 1TAC Section 111.13 (c):
 Sponsored mentor protégé relationships for 10 HUB protégés; Reviewed over 1,251 HUB Plans for compliance; Monitored average of 175 subcontract plans monthly; Attended 120 Pre-proposal Meetings; Distributed bid request information on a monthly basis to 10 community supplier groups; Hosted annual Supplier EXPO for 80 HUB and SBC firms; Sourcing and HFSB staff participated in over 47 various networking events; Provided RFP Training Courses to 120 HUB and SBC firms;

6.A. Historically Underutilized Business Supporting Schedule
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Agency Code: 506 Agency: The University of Texas M.D. Anderson Cancer Center

Recognized in DiversityComm, Inc. for supplier diversity excellence and named to Best of the Best list of “Top Hospitals for 2014”; Comptroller’s newsletter The Texas Economy, featured agency’s Mentor-Protégé program in 20th anniversary edition; Program Associate Director recognized in WE Texas’ “Top 50 Supplier Diversity Leaders”; received 2014 ‘Cutting Edge Award’ from WBEA; Nominated for 2015 ‘Advocacy Award’ from DMARS; Nominated for 2015 ‘Innovation Award’ from HMSDC.

University of Texas M. D. Anderson Cancer Center
Estimated Funds Outside the Institution's Bill Pattern
2016-17 and 2018-19 Biennia

	2016 - 2017 Biennium				2018 - 2019 Biennium			
	FY 2016 Revenue	FY 2017 Revenue	Biennium Total	Percent of Total	FY 2018 Revenue	FY 2019 Revenue	Biennium Total	Percent of Total
APPROPRIATED SOURCES INSIDE THE BILL PATTERN								
State Appropriations (excluding HEGI & State Paid Fringes)	\$ 185,159,472	\$ 187,871,753	\$ 373,031,225		\$ 186,515,613	\$ 186,515,612	\$ 373,031,225	
Tuition and Fees (net of Discounts and Allowances)	908,053	943,066	1,851,119		965,111	984,413	1,949,524	
Endowment and Interest Income	-	-	-		-	-	-	
Sales and Services of Educational Activities (net)	-	-	-		-	-	-	
Other Income	4,689	2,164	6,853		2,164	2,164	4,328	
Total	186,072,214	188,816,983	374,889,197	4.0%	187,482,888	187,502,189	374,985,077	3.6%
APPROPRIATED SOURCES OUTSIDE THE BILL PATTERN								
State Appropriations (HEGI & State Paid Fringes)	\$ 15,709,890	\$ 15,709,890	\$ 31,419,780		\$ 15,709,890	\$ 15,709,890	\$ 31,419,780	
Higher Education Assistance Funds	-	-	-		-	-	-	
Available University Fund	-	-	-		-	-	-	
Sales and Services of Hospitals (net)	3,123,949,088	3,558,454,318	6,682,403,406		3,789,753,849	4,036,087,849	7,825,841,698	
Other Income	17,487,561	11,261,337	28,748,898		11,712,032	11,642,860	23,354,892	
Endowment and Interest Income	28,970,428	15,265,549	44,235,977		15,508,491	24,669,819	\$ 40,178,310	
Total	3,186,116,967	3,600,691,094	6,786,808,061	72.2%	3,832,684,262	4,088,110,418	7,920,794,680	75.7%
NON-APPROPRIATED SOURCES								
Tuition and Fees (net of Discounts and Allowances)	565,485	468,838	1,034,323		471,182	473,538	944,720	
Federal Grants and Contracts	153,459,205	156,453,861	309,913,066		155,593,365	154,737,601	310,330,966	
State Grants and Contracts	38,583,703	35,526,443	74,110,146		36,077,236	37,159,553	73,236,789	
Local Government Grants and Contracts	113,382,505	116,731,823	230,114,328		120,817,437	125,046,047	245,863,484	
Private Gifts and Grants	128,307,224	124,005,647	252,312,871		100,000	100,000	200,000	
Endowment and Interest Income	93,104,407	154,043,266	247,147,673		140,986,284	134,172,377	275,158,661	
Sales and Services of Educational Activities (net)	1,785,433	1,755,830	3,541,263		1,782,167	1,808,900	3,591,067	
Sales and Services of Hospitals (net)	-	-	-		-	-	-	
Professional Fees (net)	403,153,197	445,820,485	848,973,682		465,882,407	489,176,527	955,058,934	
Auxiliary Enterprises (net)	42,462,462	48,675,048	91,137,510		50,135,299	51,639,358	101,774,657	
Other Income	91,729,778	93,493,122	185,222,900		97,234,856	101,661,903	198,896,759	
Total	1,066,533,399	1,176,974,363	2,243,507,762	23.9%	1,069,080,233	1,095,975,804	2,165,056,037	20.7%
TOTAL SOURCES	\$ 4,438,722,580	\$ 4,966,482,440	\$ 9,405,205,020	100.0%	\$ 5,089,247,383	\$ 5,371,588,411	\$ 10,460,835,794	100.0%

6.I. Percent Biennial Base Reduction Options
10 % REDUCTION
85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Date: 10/14/2016
Time: 2:33:00PM

Agency code: 506 Agency name: The University of Texas M.D. Anderson Cancer Center

Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2018	2019	Biennial Total	2018	2019	Biennial Total	

1 5% General Revenue Reduction in Special Items

Category: Across the Board Reductions

Item Comment: The reduction in General Revenue for Institutional Enhancement will reduce the special item funding that supports the Physician Scientist Program and the Genomics Core Lab. These funds are important in developing exceptional Physician Scientists who make major contributions to cancer research. The Core Laboratory provides key research support internally which would be hindered. Without funding of the program, the institution may lose key personnel who have multiple years of experience in providing genomic support and informatics analysis to multiple groups at MD Anderson.

If continuing support from General Revenue is not provided, these program needs would require a shift in funding from non-general revenue sources, which currently support growth in the education, research and patient care missions of the institution.

Strategy: 5-2-1 Institutional Enhancement

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$156,031	\$156,032	\$312,063
General Revenue Funds Total	\$0	\$0	\$0	\$156,031	\$156,032	\$312,063
Item Total	\$0	\$0	\$0	\$156,031	\$156,032	\$312,063

FTE Reductions (From FY 2018 and FY 2019 Base Request)

2 5% General Revenue Reduction in Special Items

Category: Across the Board Reductions

Item Comment: The reduction in General Revenue for Institutional Enhancement will reduce the special item funding that supports the Physician Scientist Program and the Genomics Core Lab. These funds are important in developing exceptional Physician Scientists who make major contributions to cancer research. The Core Laboratory provides key research support internally which would be hindered. Without funding of the program, the institution may lose key personnel who have multiple years of experience in providing genomic support and informatics analysis to multiple groups at MD Anderson.

If continuing support from General Revenue is not provided, these program needs would require a shift in funding from non-general revenue sources, which currently support growth in the education, research and patient care missions of the institution.

Strategy: 5-2-1 Institutional Enhancement

6.I. Percent Biennial Base Reduction Options

10 % REDUCTION

85th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Date: 10/14/2016

Time: 2:33:00PM

Agency code: 506 Agency name: The University of Texas M.D. Anderson Cancer Center

Item Priority and Name/ Method of Financing	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2018	2019	Biennial Total	2018	2019	Biennial Total	
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$156,031	\$156,032	\$312,063	
General Revenue Funds Total	\$0	\$0	\$0	\$156,031	\$156,032	\$312,063	
Item Total	\$0	\$0	\$0	\$156,031	\$156,032	\$312,063	
FTE Reductions (From FY 2018 and FY 2019 Base Request)							
AGENCY TOTALS							
General Revenue Total				\$312,062	\$312,064	\$624,126	\$624,126
Agency Grand Total	\$0	\$0	\$0	\$312,062	\$312,064	\$624,126	\$624,126
Difference, Options Total Less Target							
Agency FTE Reductions (From FY 2018 and FY 2019 Base Request)							

Schedule 1A: Other Educational and General Income

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Automated Budget and Evaluation System of Texas (ABEST)

506 The University of Texas M.D. Anderson Cancer Center

	Act 2015	Act 2016	Bud 2017	Est 2018	Est 2019
Gross Tuition					
Gross Resident Tuition	486,029	489,350	499,137	509,120	519,302
Gross Non-Resident Tuition	438,678	666,250	679,575	693,167	707,030
Gross Tuition	924,707	1,155,600	1,178,712	1,202,287	1,226,332
Less: Resident Waivers and Exemptions (excludes Hazlewood)	(2,627)	(5,150)	(5,253)	(5,358)	(5,465)
Less: Non-Resident Waivers and Exemptions	(87,242)	(191,490)	(195,320)	(199,226)	(203,211)
Less: Hazlewood Exemptions	0	0	0	0	0
Less: Board Authorized Tuition Increases (TX. Educ. Code Ann. Sec. 54.008)	0	0	0	0	0
Less: Tuition increases charged to doctoral students with hours in excess of 100 (TX. Educ. Code Ann. Sec. 54.012)	0	0	0	0	0
Less: Tuition increases charged to undergraduate students with excessive hours above degree requirements. (TX. Educ. Code Ann. Sec. 61.0595)	0	0	0	0	0
Less: Tuition rebates for certain undergraduates (TX. Educ. Code Ann. Sec. 54.0065)	0	0	0	0	0
Plus: Tuition waived for Students 55 Years or Older (TX. Educ. Code Ann. Sec. 54.013)	0	0	0	0	0
Less: Tuition for repeated or excessive hours (TX. Educ. Code Ann. Sec. 54.014)	0	0	0	0	0
Plus: Tuition waived for Texas Grant Recipients (TX. Educ. Code Ann. Sec. 56.307)	0	0	0	0	0
Subtotal	834,838	958,960	978,139	997,703	1,017,656
Less: Transfer of funds for Texas Public Education Grants Program (Tex. Educ. Code Ann. Sec. 56c) and for Emergency Loans (Tex. Educ. Code Ann. Sec. 56d)	(83,053)	(86,873)	(88,610)	(90,382)	(92,190)
Less: Transfer of Funds (2%) for Physician/Dental Loans (Medical Schools)	0	0	0	0	0
Less: Statutory Tuition (Tx. Educ. Code Ann. Sec. 54.051) Set Aside for Doctoral Incentive Loan Repayment Program (Tx. Educ. Code Ann. Sec. 56.095)	0	0	0	0	0
Less: Other Authorized Deduction					
Net Tuition	751,785	872,087	889,529	907,321	925,466

Schedule 1A: Other Educational and General Income

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	Act 2015	Act 2016	Bud 2017	Est 2018	Est 2019
Student Teaching Fees	0	0	0	0	0
Special Course Fees	0	0	0	0	0
Laboratory Fees	38,443	0	0	0	0
Subtotal, Tuition and Fees (Formula Amounts for Health-Related Institutions)	790,228	872,087	889,529	907,321	925,466
OTHER INCOME					
Interest on General Funds:					
Local Funds in State Treasury	1,470	2,501	1,250	1,270	1,288
Funds in Local Depositories, e.g., local amounts	0	0	0	0	0
Other Income (Itemize)					
Subtotal, Other Income	1,470	2,501	1,250	1,270	1,288
Subtotal, Other Educational and General Income	791,698	874,588	890,779	908,591	926,754
Less: O.A.S.I. Applicable to Educational and General Local Funds Payrolls	(18,638)	(21,544)	(19,711)	(19,919)	(20,114)
Less: Teachers Retirement System and ORP Proportionality for Educational and General Funds	(17,801)	(21,107)	(19,219)	(19,421)	(19,612)
Less: Staff Group Insurance Premiums	(31,263)	(29,928)	(34,218)	(34,716)	(35,251)
Total, Other Educational and General Income (Formula Amounts for General Academic Institutions)	723,996	802,009	817,631	834,535	851,777
Reconciliation to Summary of Request for FY 2015-2017:					
Plus: Transfer of Funds for Texas Public Education Grants Program and Physician Loans	83,053	86,873	88,610	90,382	92,190
Plus: Transfer of Funds 2% for Physician/Dental Loans (Medical Schools)	0	0	0	0	0
Plus: Transfer of Funds for Cancellation of Student Loans of Physicians	0	0	0	0	0
Plus: Organized Activities	0	0	0	0	0
Plus: Staff Group Insurance Premiums	31,263	29,928	34,218	34,716	35,251
Plus: Board-authorized Tuition Income	0	0	0	0	0
Plus: Tuition Increases Charged to Doctoral Students with Hours in Excess of 100	0	0	0	0	0

Schedule 1A: Other Educational and General Income

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	Act 2015	Act 2016	Bud 2017	Est 2018	Est 2019
Plus: Tuition Increases Charged to Undergraduate Students with Excessive Hours above Degree Requirements (TX. Educ. Code Ann. Sec. 61.0595)	0	0	0	0	0
Plus: Tuition rebates for certain undergraduates (TX Educ.Code Ann. Sec. 54.0065)	0	0	0	0	0
Plus: Tuition for repeated or excessive hours (TX. Educ. Code Ann. Sec. 54.014)	0	0	0	0	0
Less: Tuition Waived for Students 55 Years or Older	0	0	0	0	0
Less: Tuition Waived for Texas Grant Recipients	0	0	0	0	0
Total, Other Educational and General Income Reported on Summary of Request	838,312	918,810	940,459	959,633	979,218

Schedule 1B: Health-related Institutions Patient Income

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506 The University of Texas M.D. Anderson Cancer Center

	Act 2015	Act 2016	Bud 2017	Est 2018	Est 2019
Health-related Institutions Patient Income:					
Medical Patient Income	3,231,692,341	3,123,949,087	3,558,454,318	3,789,750,000	4,036,090,000
Dental Patient Income	0	0	0	0	0
Interest on Funds in Local Depositories	24,422,757	28,970,428	15,265,549	17,864,000	18,578,560
Other (Itemize)					
Other Operating Revenue	7,640,959	17,487,561	11,261,337	12,936,000	13,453,440
Less: OASI Applicable to Other Funds Payroll	(77,085,213)	(78,572,912)	(83,031,142)	(87,403,206)	(92,096,958)
Less: Teachers Retirement System and ORP Proportionality for Other Funds	(73,625,482)	(76,977,019)	(80,956,289)	(85,219,099)	(89,795,559)
Less: Staff Group Insurance Premiums Applicable to Other Funds	(129,157,673)	(135,037,548)	(140,457,956)	(145,375,467)	(150,465,050)
Total, Health-related Institutions Patient Related Income	2,983,887,689	2,879,819,597	3,280,535,817	3,502,552,228	3,735,764,433
Health-related Institutions Patient-Related FTEs	13,608.0	14,201.4	14,542.6	14,992.6	15,442.7

Schedule 2: Selected Educational, General and Other Funds

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	Act 2015	Act 2016	Bud 2017	Est 2018	Est 2019
General Revenue Transfers					
Transfer from Coordinating Board for Advanced Research Program	0	0	0	0	0
Transfer from Coordinating Board for Texas College Work Study Program (2015, 2016, 2017)	0	0	0	0	0
Transfer from Coordinating Board for Professional Nursing Shortage Reduction Program	0	0	0	0	0
Transfer of GR Group Insurance Premium from Comptroller (UT and TAMU Components only)	6,325,359	6,653,048	7,130,071	8,413,499	8,707,972
Less: Transfer to Other Institutions	0	0	0	0	0
Less: Transfer to Department of Health, Disproportionate Share - State-Owned Hospitals (2015, 2016, 2017)	0	0	0	0	0
Other (Itemize)					
Other: Fifth Year Accounting Scholarship	0	0	0	0	0
Texas Grants	0	0	0	0	0
B-on-Time Program	0	0	0	0	0
Less: Transfer to System Administration	0	0	0	0	0
Subtotal, General Revenue Transfers	6,325,359	6,653,048	7,130,071	8,413,499	8,707,972
General Revenue HEF for Operating Expenses	0	0	0	0	0
Transfer from Available University Funds (UT, A&M and Prairie View A&M Only)	0	0	0	0	0
Other Additions (Itemize)					
Increase Capital Projects - Educational and General Funds	0	0	0	0	0
Transfer from Department of Health, Disproportionate Share - State-owned Hospitals (2015, 2016, 2017)	0	0	0	0	0
Transfers from Other Funds, e.g., Designated funds transferred for educational and general activities (Itemize)	0	0	0	0	0
Transfer from Coordinating Board for Incentive Funding	0	0	0	0	0
Other (Itemize)					
Gross Designated Tuition (Sec. 54.0513)	427,203	473,418	475,838	478,215	487,779
Indirect Cost Recovery (Sec. 145.001(d))	71,587,088	69,897,248	67,200,000	68,544,000	69,914,880
Correctional Managed Care Contracts	0	0	0	0	0

Schedule 3B: Staff Group Insurance Data Elements (UT/A&M)
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506 The University of Texas M.D. Anderson Cancer Center

	E&G Enrollment	GR Enrollment	GR-D/OEGI Enrollment	Total E&G (Check)	Local Non-E&G
GR & GR-D Percentages					
GR %	5.67%				
GR-D/Other %	94.33%				
Total Percentage	100.00%				
FULL TIME ACTIVES					
1a Employee Only	7,746	439	7,307	7,746	3,217
2a Employee and Children	2,568	146	2,422	2,568	830
3a Employee and Spouse	1,280	73	1,207	1,280	495
4a Employee and Family	2,494	141	2,353	2,494	1,234
5a Eligible, Opt Out	153	9	144	153	52
6a Eligible, Not Enrolled	29	2	27	29	23
Total for This Section	14,270	810	13,460	14,270	5,851
PART TIME ACTIVES					
1b Employee Only	121	7	114	121	214
2b Employee and Children	17	1	16	17	16
3b Employee and Spouse	5	0	5	5	13
4b Employee and Family	15	1	14	15	17
5b Eligible, Opt Out	25	1	24	25	22
6b Eligible, Not Enrolled	10	1	9	10	18
Total for This Section	193	11	182	193	300
Total Active Enrollment	14,463	821	13,642	14,463	6,151

Schedule 3B: Staff Group Insurance Data Elements (UT/A&M)
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 Automated Budget and Evaluation System of Texas (ABEST)

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506 The University of Texas M.D. Anderson Cancer Center

	E&G Enrollment	GR Enrollment	GR-D/OEGI Enrollment	Total E&G (Check)	Local Non-E&G
FULL TIME RETIREES by ERS					
1c Employee Only	2,162	123	2,039	2,162	541
2c Employee and Children	84	5	79	84	21
3c Employee and Spouse	858	49	809	858	215
4c Employee and Family	106	6	100	106	26
5c Eligible, Opt Out	37	2	35	37	10
6c Eligible, Not Enrolled	30	2	28	30	8
Total for This Section	3,277	187	3,090	3,277	821
PART TIME RETIREES by ERS					
1d Employee Only	0	0	0	0	0
2d Employee and Children	0	0	0	0	0
3d Employee and Spouse	0	0	0	0	0
4d Employee and Family	0	0	0	0	0
5d Eligible, Opt Out	0	0	0	0	0
6d Eligible, Not Enrolled	0	0	0	0	0
Total for This Section	0	0	0	0	0
Total Retirees Enrollment	3,277	187	3,090	3,277	821
TOTAL FULL TIME ENROLLMENT					
1e Employee Only	9,908	562	9,346	9,908	3,758
2e Employee and Children	2,652	151	2,501	2,652	851
3e Employee and Spouse	2,138	122	2,016	2,138	710
4e Employee and Family	2,600	147	2,453	2,600	1,260
5e Eligible, Opt Out	190	11	179	190	62
6e Eligible, Not Enrolled	59	4	55	59	31
Total for This Section	17,547	997	16,550	17,547	6,672

Schedule 3B: Staff Group Insurance Data Elements (UT/A&M)
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	E&G Enrollment	GR Enrollment	GR-D/OEGI Enrollment	Total E&G (Check)	Local Non-E&G
TOTAL ENROLLMENT					
1f Employee Only	10,029	569	9,460	10,029	3,972
2f Employee and Children	2,669	152	2,517	2,669	867
3f Employee and Spouse	2,143	122	2,021	2,143	723
4f Employee and Family	2,615	148	2,467	2,615	1,277
5f Eligible, Opt Out	215	12	203	215	84
6f Eligible, Not Enrolled	69	5	64	69	49
Total for This Section	17,740	1,008	16,732	17,740	6,972

Schedule 4: Computation of OASI
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Proportionality Percentage Based on Comptroller Accounting Policy Statement #011, Exhibit 2	2015		2016		2017		2018		2019	
	<u>% to Total</u>	<u>Allocation of OASI</u>	<u>% to Total</u>	<u>Allocation of OASI</u>	<u>% to Total</u>	<u>Allocation of OASI</u>	<u>% to Total</u>	<u>Allocation of OASI</u>	<u>% to Total</u>	<u>Allocation of OASI</u>
General Revenue (% to Total)	5.2643	\$4,284,528	5.8800	\$4,910,066	5.2000	\$4,555,532	5.2000	\$4,795,361	5.2000	\$5,052,835
Other Educational and General Funds (% to Total)	0.0229	\$18,638	0.0258	\$21,544	0.0225	\$19,711	0.0216	\$19,919	0.0207	\$20,114
Health-Related Institutions Patient Income (% to Total)	94.7128	\$77,085,213	94.0942	\$78,572,912	94.7775	\$83,031,142	94.7784	\$87,403,206	94.7793	\$92,096,958
Grand Total, OASI (100%)	100.0000	\$81,388,379	100.0000	\$83,504,522	100.0000	\$87,606,385	100.0000	\$92,218,486	100.0000	\$97,169,907

Schedule 5: Calculation of Retirement Proportionality and ORP Differential

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Description	Act 2015	Act 2016	Bud 2017	Est 2018	Est 2019
Proportionality Amounts					
Gross Educational and General Payroll - Subject To TRS Retirement	970,042,574	1,030,500,618	1,076,448,242	1,133,118,634	1,193,958,352
Employer Contribution to TRS Retirement Programs	65,962,895	70,074,042	73,198,481	77,052,067	81,189,168
Gross Educational and General Payroll - Subject To ORP Retirement	178,373,015	177,794,258	185,132,132	194,878,547	205,342,019
Employer Contribution to ORP Retirement Programs	11,772,619	11,734,421	12,218,721	12,861,984	13,552,573
Proportionality Percentage					
General Revenue	5.2643 %	5.8800 %	5.2000 %	5.2000 %	5.2000 %
Other Educational and General Income	0.0229 %	0.0258 %	0.0225 %	0.0216 %	0.0207 %
Health-related Institutions Patient Income	94.7128 %	94.0942 %	94.7775 %	94.7784 %	94.7793 %
Proportional Contribution					
Other Educational and General Proportional Contribution (Other E&G percentage x Total Employer Contribution to Retirement Programs)	17,801	21,107	19,219	19,421	19,612
HRI Patient Income Proportional Contribution (HRI Patient Income percentage x Total Employer Contribution To Retirement Programs)	73,625,482	76,977,019	80,956,289	85,219,099	89,795,559
Differential					
Differential Percentage	1.9100 %	1.9100 %	1.9100 %	1.9100 %	1.9100 %
Gross Payroll Subject to Differential - Optional Retirement Program	65,081,145	65,126,221	67,321,233	67,583,455	67,243,899
Total Differential	1,243,050	1,243,911	1,285,836	1,290,844	1,284,358

Schedule 6: Constitutional Capital Funding
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Activity	Act 2015	Act 2016	Bud 2017	Est 2018	Est 2019
A. PUF Bond Proceeds Allocation	7,130,749	13,498,751	10,200,000	10,000,000	10,000,000
Project Allocation					
Library Acquisitions	0	0	0	0	0
Construction, Repairs and Renovations	2,000,000	5,748,751	2,200,000	2,000,000	2,000,000
Furnishings & Equipment	0	0	0	0	0
Computer Equipment & Infrastructure	0	0	0	0	0
Reserve for Future Consideration	0	0	0	0	0
Other (Itemize)					
PUF Bond Proceeds					
STARS & STARS+	5,130,749	7,750,000	8,000,000	8,000,000	8,000,000
B. HEF General Revenue Allocation	0	0	0	0	0
Project Allocation					
Library Acquisitions	0	0	0	0	0
Construction, Repairs and Renovations	0	0	0	0	0
Furnishings & Equipment	0	0	0	0	0
Computer Equipment & Infrastructure	0	0	0	0	0
Reserve for Future Consideration	0	0	0	0	0
HEF for Debt Service	0	0	0	0	0
Other (Itemize)					

Schedule 7: Personnel
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Agency code: **506** Agency name: **UT MD Anderson Cancer Ctr**

	Actual 2015	Actual 2016	Budgeted 2017	Estimated 2018	Estimated 2019
Part A.					
FTE Postions					
Directly Appropriated Funds (Bill Pattern)					
Educational and General Funds Faculty Employees	119.6	136.4	127.6	127.6	127.6
Educational and General Funds Non-Faculty Employees	628.1	716.4	670.1	670.1	670.1
Subtotal, Directly Appropriated Funds	747.7	852.8	797.7	797.7	797.7
Other Appropriated Funds					
Other (Itemize)	13,615.8	14,199.0	14,542.6	14,992.6	15,442.7
Subtotal, Other Appropriated Funds	13,615.8	14,199.0	14,542.6	14,992.6	15,442.7
Subtotal, All Appropriated	14,363.5	15,051.8	15,340.3	15,790.3	16,240.4
Non Appropriated Funds Employees	5,631.5	5,916.2	6,134.5	6,329.5	6,524.5
Subtotal, Other Funds & Non-Appropriated	5,631.5	5,916.2	6,134.5	6,329.5	6,524.5
GRAND TOTAL	19,995.0	20,968.0	21,474.8	22,119.8	22,764.9

Schedule 7: Personnel
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Agency code: **506** Agency name: **UT MD Anderson Cancer Ctr**

	Actual 2015	Actual 2016	Budgeted 2017	Estimated 2018	Estimated 2019
Part B.					
Personnel Headcount					
Directly Appropriated Funds (Bill Pattern)					
Educational and General Funds Faculty Employees	136.0	148.0	134.0	134.0	134.0
Educational and General Funds Non-Faculty Employees	658.0	744.0	692.0	692.0	692.0
Subtotal, Directly Appropriated Funds	794.0	892.0	826.0	826.0	826.0
Other Appropriated Funds					
Other (Itemize)	14,160.0	14,649.0	14,887.0	15,353.0	15,823.0
Subtotal, Other Appropriated Funds	14,160.0	14,649.0	14,887.0	15,353.0	15,823.0
Subtotal, All Appropriated	14,954.0	15,541.0	15,713.0	16,179.0	16,649.0
Non Appropriated Funds Employees	6,018.0	6,223.0	6,442.0	6,630.0	6,825.0
Subtotal, Non-Appropriated	6,018.0	6,223.0	6,442.0	6,630.0	6,825.0
GRAND TOTAL	20,972.0	21,764.0	22,155.0	22,809.0	23,474.0

Schedule 7: Personnel
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Agency code: **506** Agency name: **UT MD Anderson Cancer Ctr**

	Actual 2015	Actual 2016	Budgeted 2017	Estimated 2018	Estimated 2019
PART C.					
Salaries					
Directly Appropriated Funds (Bill Pattern)					
Educational and General Funds Faculty Employees	\$25,688,157	\$29,410,729	\$28,394,775	\$29,304,531	\$30,243,435
Educational and General Funds Non-Faculty Employees	\$45,195,604	\$50,301,098	\$48,077,539	\$48,962,726	\$49,864,211
Subtotal, Directly Appropriated Funds	\$70,883,761	\$79,711,827	\$76,472,314	\$78,267,257	\$80,107,646
Other Appropriated Funds					
Other (Itemize)	\$1,109,854,162	\$1,222,890,387	\$1,289,028,615	\$1,359,121,451	\$1,434,457,732
Subtotal, Other Appropriated Funds	\$1,109,854,162	\$1,222,890,387	\$1,289,028,615	\$1,359,121,451	\$1,434,457,732
Subtotal, All Appropriated	\$1,180,737,923	\$1,302,602,214	\$1,365,500,929	\$1,437,388,708	\$1,514,565,378
Non Appropriated Funds Employees	\$595,676,866	\$627,571,530	\$658,314,381	\$693,418,557	\$731,146,090
Subtotal, Non-Appropriated	\$595,676,866	\$627,571,530	\$658,314,381	\$693,418,557	\$731,146,090
GRAND TOTAL	\$1,776,414,789	\$1,930,173,744	\$2,023,815,310	\$2,130,807,265	\$2,245,711,468

Schedule 8B: Tuition Revenue Bond Issuance History

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Authorization Date	Authorization Amount	Issuance Date	Issuance Amount	Authorized Amount Outstanding as of 08/31/2016	Proposed Issuance Date for Outstanding Authorization	Proposed Issuance Amount for Outstanding Authorization
2001	\$20,000,000	Jan 23 2001	\$20,000,000			
		<i>Subtotal</i>	\$20,000,000	\$0		
2003	\$20,000,000	Nov 4 2003	\$20,000,000			
		<i>Subtotal</i>	\$20,000,000	\$0		
2006	\$40,000,000	Feb 15 2008	\$1,036,000			
		Feb 24 2008	\$1,036,000			
		Aug 15 2008	\$1,417,000			
		Jan 6 2009	\$23,480,000			
		Feb 18 2009	\$1,520,000			
		Aug 3 2009	\$2,813,000			
		Mar 25 2010	\$8,698,000			
		<i>Subtotal</i>	\$40,000,000	\$0		
2015	\$70,000,000	May 10 2015	\$35,000,000			
		Jul 1 2016	\$15,000,000			
		Aug 22 2016	\$20,000,000			
		<i>Subtotal</i>	\$70,000,000	\$0		

Schedule 8D: Tuition Revenue Bonds Request by Project
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Agency Code: **506**

Agency Name: **The University of Texas M.D. Anderson Cancer Center**

Project Name	Authorization Year	Estimated Final Payment Date	Requested Amount 2018	Requested Amount 2019
Mitchell Basic Science Research Building	2001	8/15/2023	\$ 1,548,650.00	\$ 1,550,650.00
Infrastructure Improvements	2003	8/15/2023	\$ 1,219,800.00	\$ 1,377,550.00
Center for Targeted Therapy	2006	8/15/2024	\$ 3,142,125.00	\$ 2,979,000.00
Building for Personalized Cancer Care	2015	8/15/2027	\$ 5,417,374.00	\$ 5,420,749.00
			\$ 11,327,949.00	\$ 11,327,949.00

Schedule 9: Special Item Information
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506 The University of Texas M.D. Anderson Cancer Center

Special Item: 1 Research Support

(1) Year Special Item: 2002
Original Appropriations: \$2,000,000

(2) Mission of Special Item:

Research

(3) (a) Major Accomplishments to Date:

Research Support has been leveraged with external and internal funding sources to assist with recruitments and provide start-up funding for basic science and clinical research, supporting cancer scientists in the Center for Advanced Biomedical Imaging Research and new scientists in the Center for Cancer Immunology Research. Partial start-up support for 170 basic and clinical research faculty and department chairs has been provided in the following areas: Surgery, Cancer Medicine, Pathology, Laboratory Medicine, Basic Sciences, Internal Medicine, Radiation Oncology, Pediatrics, Diagnostic Imaging, Cancer Prevention, and Anesthesiology.

(3) (b) Major Accomplishments Expected During the Next 2 Years:

M. D. Anderson will continue to build on the successes achieved in the recruitment of new faculty and provision of start-up funding for basic science and clinical research. These funds, along with internal and external recruitment funding, will be important as M. D. Anderson embarks on the Cancer Moon Shots program over the coming years and continues to attract top talent to the institution and the State of Texas.

(4) Funding Source Prior to Receiving Special Item Funding:

HRI Patient Income

(5) Formula Funding:

N

(6) Startup Funding:

N

(7) Transition Funding:

N

(8) Non-general Revenue Sources of Funding:

HRI Patient Income

(9) Consequences of Not Funding:

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Eliminating support for this special item would impact the institution's ability to attract new cancer scientists and require the institution to identify other internal or external sources of funding to enhance faculty recruitment efforts. It may result in an inability to purchase technologically advanced research equipment, make it more difficult to fund basic science start-up projects, and shift the burden of funding to other sources that are already under budgetary constraints.

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Special Item: 2 Institutional Enhancement

(1) Year Special Item: 2000
Original Appropriations: \$1,000,000

(2) Mission of Special Item:

Research

(3) (a) Major Accomplishments to Date:

The Physician Scientist program has supported 44 individuals across seven clinical divisions. Five physicians currently participate in the program. Fourteen point three percent of the 3,277 peer-reviewed publications (725 while participating in the program) by graduates are in high impact journals. Eighty-one percent of graduates are PIs or Project Leaders on grants. Physician Scientists generated \$25.2 million in external awards.

(3) (b) Major Accomplishments Expected During the Next 2 Years:

The Physician Scientist program has been very successful and MD Anderson will continue to select talented and promising candidates from within its faculty ranks and provide mentoring and structured environments for these research oriented and dedicated physicians. The program will also serve as a vehicle to recruit nationally recognized talent from outside the institution. The scientists involved in this program are often engaged in promising research. Over the next two years, current research could yield new insights into novel therapeutic targets in small cell lung cancer and reduce toxicity and cranial irradiation induced cognitive dysfunction. Opportunities exist to further expand the program as MD Anderson embarks on its Cancer Moon Shots initiative.

(4) Funding Source Prior to Receiving Special Item Funding:

HRI Patient Income

(5) Formula Funding:

N

(6) Startup Funding:

N

(7) Transition Funding:

N

(8) Non-general Revenue Sources of Funding:

HRI Patient Income

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(9) Consequences of Not Funding:

Eliminating funding for the Physician Scientist program could reduce the number of participants by one or two each year. These funds are important in developing exceptional Physician Scientists who make major contributions to cancer research. The funding may take on added emphasis as MD Anderson embarks on its Cancer Moon Shots program over the coming years and continues to work on attracting top talent to the institution and Texas.

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Special Item: 3 **Breast Cancer Research Program**

(1) Year Special Item: 2008
Original Appropriations: \$2,000,000

(2) Mission of Special Item:

Research

(3) (a) Major Accomplishments to Date:

Since establishment of the program, more patients with Inflammatory Breast Cancer (IBC) are seen in this clinic than any other center in the world. State funding has allowed the center to develop the worlds' largest bio-repository of tissue and serum samples from me patients and to partner with other centers around the world to expand the repository. Following are the highlights of our accomplishments over the past four years: Establishment of an epidemiological database, a retrospective clinical database, tissue microarray and gene expression profiles and patient-derived xenograft models; identification of novel targets related to microenvironment of IBC, inflammation, and signal transduction relevant to IBC; initiation of 10 new clinical trials specific to IBC; improvement of overall survival of IBC patients without metastatic disease, that is, 50% of supposedly incurable IBC patients are still alive 5 years after diagnosis; over 60 publications related to IBC research.

(3) (b) Major Accomplishments Expected During the Next 2 Years:

MD Anderson has the largest clinical and biomarker database of IBC patient information in the world, providing extensive insight into epidemiological and molecular characteristics of IBC patients. This comprehensive database is used by multiple collaborators to support ongoing research into prevention strategies and pre-clinical investigations.

The program has identified the major biological changes that may contribute to the difference between IBC and more common forms of breast cancer. MD Anderson is now at the stage of confirming these findings to determine whether this can be developed as a therapy for patients. Further, the center has found that certain anti-inflammatory drugs may reduce the recurrence of IBC. These drugs may reduce the cancer stem cells, which are considered to be the driver of cancer aggressiveness.

Clinically, the program now offers the largest portfolio of clinical trials to target mc for both newly diagnosed and the recurrent population, establishing the center as the most comprehensive IBC program in the world. As the center continues to develop translational research, the program expects a pipeline of therapies to be available for newly diagnosed, previously treated and metastatic IBC patients.

(4) Funding Source Prior to Receiving Special Item Funding:

HRI Patient Income

(5) Formula Funding:

N

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(6) Startup Funding:

N

(7) Transition Funding:

N

(8) Non-general Revenue Sources of Funding:

HRI Patient Income

(9) Consequences of Not Funding:

The impact of not providing funds to support the IBC Research Program and Clinic would be far reaching across patients, the general public and the state employees.

IBC represents 10% of all breast cancer deaths which is disproportionate when compared to the number of patients diagnosed with IBC (2-4% of breast cancers). The over 5-year survival for IBC patients is 30-40% compared to 89% for all breast cancers combined. Since IBC and metastatic breast are orphan diseases, there is generally insufficient funding and support through collaborations with the pharmaceutical industry or other grant mechanisms.

If state funding for this program is discontinued, the center's ability to conduct research would be limited, delaying important discoveries and therapies, and resulting in a significant reduction in clinical trials available for these patients.

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Special Item: 4 Umbilical Cord Blood Bank Research

(1) Year Special Item: 2018
Original Appropriations: \$1,000,000

(2) Mission of Special Item:

Research

(3) (a) Major Accomplishments to Date:

Funding for the Cord Blood Bank supports the continued development and management of clinical research protocols for cord blood transplantation and the selection of cord blood units for transplantation as well as aid in the collection, freezing, banking, and release of cord blood unit for laboratory research protocols.

(3) (b) Major Accomplishments Expected During the Next 2 Years:

The University of Texas MD Anderson Cancer Center Cord Blood Bank is a public facility that collects, processes and stores umbilical cord blood to provide a life-saving product from something that is normally discarded. Cord blood is the blood that remains in the placenta and umbilical cord after the baby is born. This blood is an important source of stem cells that can be used as an alternative to bone marrow to treat patients with many life-threatening diseases, including cancer. Prior to the budget reductions for FY 2012 - 2013, the institution's Cord Blood Bank received funding from the legislature via an appropriation to the Texas Health and Human Services Commission. General revenue support was instrumental in advancing the field of cord blood transplantation and these funds were leveraged to generate in excess of \$12 million external funding for the program. The resultant expanded research efforts in the use of cord blood for reconstitution of blood cellular components was significant. Restoration of these funds would help support a number of current activities curtailed by the reduction, such as the development and management of clinical research protocols for cord blood transplantation and the selection of cord blood units for transplantation. These funds would assist with conducting cord expansion trials by supporting the good manufacturing process laboratory costs of the ex vivo expansion of cord blood on protocols.

(4) Funding Source Prior to Receiving Special Item Funding:

GR through the Texas Higher Education Coordinating Board

(5) Formula Funding:

N

(6) Startup Funding:

N

(7) Transition Funding:

N

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(8) Non-general Revenue Sources of Funding:

HRI Patient Income

(9) Consequences of Not Funding:

The cord blood provides a source of stem cells for transplant for minority patients that often have no registered donors. MD Anderson serves an unmet need as 75% of the cord blood units in our bank are of Hispanic origin and the institution finds units for patient that otherwise would not have donors.
