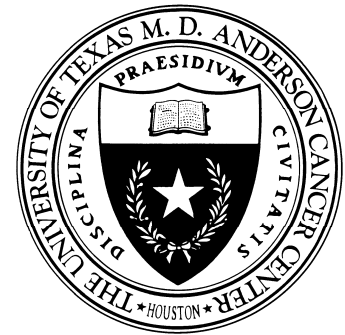

LEGISLATIVE APPROPRIATIONS REQUEST
FISCAL YEARS 2014 AND 2015



Submitted to the Governor's Office of Budget, Planning
and Policy and the Legislative Budget Board

THE UNIVERSITY OF TEXAS
M. D. ANDERSON CANCER CENTER

Revised - October 2012

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Agency Code: 506	Agency Name: The University of Texas M. D. Anderson Cancer Center.	Prepared By: Hugh R Ferguson	Date: August 2012	Request Level: Baseline
<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 2012-13 biennium.</p>				
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The University of Texas M. D. Anderson Cancer Center was created by the Texas Legislature in 1941 as a component of The University of Texas System. M. D. Anderson is one of the nation's three original Comprehensive Cancer Centers designated by the National Cancer Act of 1971 and is one of 41 Comprehensive Cancer Centers today.

U.S. News & World Report's "America's Best Hospitals" survey ranked M. D. Anderson as the top hospital in the nation for cancer care in 2012. The institution has achieved this highest ranking nine times in the past eleven years and has ranked as one of the top two hospitals for cancer care since the magazine began its annual survey in 1990.

In 2011, M.D. Anderson marked its 70th anniversary and welcomed Ronald DePinho, M. D., as the fourth full-time president in the institution's history. Mission: The mission of The University of Texas M. D. Anderson Cancer Center 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.

Vision: We shall be the premier cancer center in the world, based on the excellence of our people, our research-driven patient care and our science. We are Making Cancer History®.

Magnitude of the Cancer Problem:

Cancer is the second most common cause of death in the United States. While cancer strikes at any age, more than three-fourths of all cancers occur in people age 55 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. In Texas, over 110,000 people are estimated to be newly diagnosed with cancer in 2012 and more than 36,800 Texans are estimated to die of the disease this year.

Nationally, nearly 12 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 2012. The five-year survival rate for all forms of cancer combined has risen to 67%, up from 49% from the 1970's. This means that more Americans are living with a history of cancer and require medical follow-up. Others who are 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, almost 900,000 patients have turned to M. D. Anderson for cancer care in the form of targeted therapy, surgery, chemotherapy, radiation therapy, immunotherapy or combinations of these and other treatments. The multidisciplinary approach to treating cancer was pioneered at M. D. Anderson. This brings together teams of experts across disciplines to collaborate on the best treatment plan for patients. M. D. Anderson's experts focus solely on cancer and are renowned for treating all types of cancer, including rare or uncommon diseases.

In FY 2011, more than 108,000 patients sought care at M. D. Anderson and about 34,000 of them were new patients. Approximately one-third of these patients came from outside Texas seeking the research-based care that has made M. D. Anderson so widely respected. Nearly 10,000 registrants participated in therapeutic clinical research exploring novel treatments, the largest such program in the nation.

The Joint Commission, a nonprofit hospital accreditation group that ensures patients receive the best and safest health care possible, reaccredited M. D. Anderson in 2011. In 2010, M. D. Anderson was designated with Magnet Nursing Services Recognition from the American Nurses Credentialing Center, an honor it first received in 2001. The award recognizes exceptional professional nursing staff and the ways their practice translates into excellent patient care and clinical quality outcomes.

A significant challenge for M. D. 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, M. D. Anderson faces strong pressures as health care reimbursements from state and federal programs decline, commercial and managed care carriers negotiate coverage limits for certain services and payment rates and growing numbers of uninsured and underinsured seek care. In 2011, M. D. Anderson provided more than \$215 million in uncompensated care to uninsured and underinsured patients.

Health care reform presents a new set of opportunities and challenges for providers and consumers as the landscape for health care coverage and reimbursement changes. The positive aspects of the Patient Protection and Affordable Care Act on cancer patients include prohibiting coverage exclusions based on pre-existing conditions,

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removal of lifetime benefit caps, coverage of clinical trials, coverage of prevention services and steps to contain costs and establish a value-based reimbursement system. However, there are also potential risks including possible reductions in reimbursement by Medicare and private insurers and more patients in under-funded Medicare and Medicaid programs. M. D. Anderson continues to work to identify and address these and other issues affecting patients and the institution as the law is implemented. In particular, M. D. Anderson's Institute for Cancer Care Excellence is helping the institution lead the way in developing an improved cancer care model through research that determines the best methods to deliver safe, efficient and cost-effective patient-centered care.

In addition, the Health and Human Services Commission's implementation of the Texas Healthcare Transformation and Quality Improvement Program 1115 Waiver has the potential for changing the way health care is provided in the state, but also presents a number of uncertainties. The state-owned hospitals can play a significant role in the success of the waiver, but they must be given an opportunity to benefit from the federal funds generated by the opportunity to improve the access and quality of care provided to Texans.

The legislature provides funding each biennium to support the institution's primary mission of patient care. The legislature established the Cancer Center Operations Formula designed to support the institution's 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 to M. D. Anderson's Operations Formula cannot exceed the average increase given to the HRIs in the I&O Formula. Sustaining this critical state support which recognizes M. D. 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 M. D. Anderson. The institution's research program is considered one of the most productive efforts in the world aimed solely at cancer.

In 2011, the institution spent nearly \$624 million in research, an increase of more than 52% in the last five years. Research support comes from a variety of sources, including: General Revenue and tobacco funds (\$25 M); pharmaceutical companies (\$60 M); philanthropy (\$98 M); institutional funds (\$20.2 M); hospital margins (\$175.4 M); federal grants and contracts (\$236.4 M); and \$9 million from the Cancer Prevention and Research Institute of Texas during that agency's first full funding year.

M. D. Anderson ranks first in the number of grants awarded and total amount of grants given by the National Cancer Institute (NCI). The institution holds 11 NCI Specialized Programs of Research Excellence grants: bladder, brain, head and neck, leukemia, lung, lymphoma, melanoma, myeloma, ovarian, prostate, and uterine. Creation of the Institute for Applied Cancer Science has expanded M. D. Anderson's research and development endeavors. The institute 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 the high rate of failure in cancer drug development which currently stands at 95%.

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 drug development. They include the Cancer Metastasis Research Center, Center for Cancer Immunology Research, Robert J. Kleberg Jr. and Helen C. Kleberg Center for Molecular Markers, Proton Therapy Center, Center for Advanced Biomedical Imaging Research, Center for Targeted Therapy and Center for RNA Interference and Non-Coding RNAs.

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.

In addition, to ensure the quality of life for patients under treatment, we have sought 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 to early detection, prognostication, treatment and survivorship.

Significant Research Accomplishments:

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The form of pancreatic cancer that took Steve Jobs' life has a new treatment thanks to research led by James Yao, M.D. For the last 30 years, patients with pancreatic neuroendocrine tumors (pNET) only had one approved treatment: chemotherapy that produced harsh side effects. But the trials led by Yao showed cancer progression was delayed for more patients taking the pill everolimus, and side effects were more tolerable. The cancer of those using the standard treatment progressed on average in 4.6 months. Those taking the pill didn't progress for an average of 11 months. Some patients on everolimus have gone three years without cancer progression.

A similar feat was accomplished in an enormous unmet medical need, myelofibrosis, a bone marrow cancer that has been treated with supportive care, such as blood transfusions, with limited benefits. For the first time, myelofibrosis patients have a drug to treat their disease thanks to research led by Srdan Verstovsek, M.D., Ph.D. The drug ruxolitinib showed increased survival and improved quality of life for many taking it in a Phase III trial. In addition, the drug provided relief from debilitating symptoms like fatigue, weight loss, abdominal pain, severe itching, night sweats and bone pain. Many patients also have severely swollen spleens. Patients taking ruxolitinib had an average reduction in spleen volume of 31.6%. In contrast, the spleen volumes increased for those not taking the drug: on average, increase in spleen volume was 8.1%.

The National Cancer Institute estimates that 5,430 men and women will be diagnosed with chronic myeloid leukemia (CML) in 2012. In the past, their first treatment upon diagnosis would be imatinib, but research led by Hagop Kantarjian, M.D., shows the drug dasatinib gets more patients to high-quality remission. Patients achieve remission faster and with fewer side effects. Patients given dasatinib also were less likely to have their disease progress to advanced stages.

The Cancer "Moon Shots" Initiative

M. D. Anderson is embarking on a comprehensive effort designed to 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. M. D. Anderson and its global collaborative network have the structure and capabilities to lead that charge. The institution is developing plans for its inaugural full-scale program (or "moon shots") with the highest probabilities of meeting this challenge, given collaborative, comprehensive attention and ample resources.

Education

In FY 2011, more than 6,800 trainees took part in educational programs, including physicians, scientists, nurses and many health professionals. M. D. Anderson offers bachelor's degrees in eight allied health disciplines. Notably, 75% of surveyed graduates stay to 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 M. D. 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 1,100 clinical residents and fellows come to M. D. Anderson each year to receive specialized training in the investigation and treatment of cancer. More than 500 graduate students are working on advanced degrees at the Graduate School of Biomedical Sciences, which M. D. Anderson operates jointly with UT Health. More than 1,600 research fellows are trained in M. D. Anderson's laboratories. Accreditation by the Commission on Colleges of the Southern Association of Colleges and Schools affirms M. D. Anderson as a major teaching institution and recognizes the faculty for their influential role in educating graduate and undergraduate students.

Prevention

M. D. 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. Furthermore, in the context of the cancer moon shot efforts, we are increasingly focused on cancer control in the community through education and possible policy initiatives.

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.

Through the Duncan Family Institute for Cancer Prevention and Risk Assessment, the division is investing in promising new research directions and integrating basic

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research and clinical studies to accelerate their translation from the clinic to the community.

The Cancer Prevention Center provides cancer risk assessments, screening exams based on genetics, age and gender, personalized risk-reduction strategies, including chemoprevention, as well as prevention efforts such as tobacco cessation. Smoking is associated with almost a third of all cancer related deaths. M. D. Anderson offers a number of tobacco cessation programs and studies including the Tobacco Treatment Program for its patients and employees, which is one of the more comprehensive programs of its kind in the country. We are also embarking on comprehensive efforts to address the obesity epidemic in children as well as sun protection.

Human Resources and Facilities:

M. D. Anderson employs more than 18,000 people, including more than 1,500 faculty. A volunteer corps of about 1,100 contributed more than 200,000 hours of service in FY 2011.

Everyone at the institution is committed to MD Anderson's core values of caring, integrity and discovery. Together we work toward fulfilling MD Anderson's mission of eliminating cancer as a major health threat.

M. D. Anderson has been recognized by the American Association of Retired Persons as a top employer for workers 50 and older and 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, M. D. Anderson is the largest freestanding cancer center in the world. M. D. Anderson's facilities in the Texas Medical Center (TMC) cover 15 million square feet and feature the latest equipment and facilities to support growing needs in outpatient and inpatient care, research, prevention and education.

Recently completed construction projects include two new research buildings on M. D. Anderson's South Campus, the addition of nine floors that can accommodate more than 300 new inpatient beds in the Albert B. and Margaret M. Alkek Hospital on the North Campus and a 25-floor building on the Mid Campus to support current office space and future growth needs.

M. D. Anderson broke ground in late 2011 on the Sheikh Zayed Bin Sultan Al Nahyan Building for Personalized Cancer Care. The 12-floor, 615,000-square-foot facility is expected to be completed in August 2014.

In addition to its main campus in the TMC, M. D. Anderson has two research campuses in Bastrop County, Texas: The Virginia Harris Cockrell Cancer Center Research Center, Science Park – Research Division and the Michale E. Keeling Center for Comparative Medicine and Research. Situated near Smithville in the midst of Buescher State Park, the Virginia Harris Cockrell Cancer Research Center, Science Park - Research Division, is a unique component of the institution. 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.

Michale E. Keeling Center for Comparative Medicine and Research is located on about 375 acres near Bastrop, the facility 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 M. D. Anderson and all over the United States. More than 100 people, including veterinarians, animal handlers, research technicians and administrative staff conduct research there in cancer, HIV, hepatitis, obesity and vaccine development. The Bastrop campus has earned an international reputation for laboratory animal science and comparative medicine as well as housing, care and re-socializing of chimpanzees.

M. D. Anderson has also developed a number of local, national and international locations. The institution's regional care centers establish its high quality cancer care outside the Texas Medical Center and in communities throughout the greater Houston area. Extension agreements incorporate M. D. Anderson's multidisciplinary care model beyond Texas through robust and clinically integrated relationships with organizations in Arizona, New Mexico and Istanbul, Turkey and provide guidance and quality tools for affiliations in Florida and Spain.

Regional care centers

Greater Houston area: Bay Area (Nassau Bay), Katy, Sugar Land, The Woodlands

Extensions

Banner M. D. Anderson Cancer Center (Gilbert, Ariz.)

M. D. Anderson Radiation Treatment Center at American Hospital (Istanbul, Turkey)

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M. D. Anderson Radiation Treatment Center at Presbyterian Kaseman Hospital (Albuquerque, N.M.)

Affiliations

M. D. Anderson Cancer Center-Orlando (Fla.)

Centro Oncológico M. D. Anderson International España (Madrid, Spain)

FURTHER SIGNIFICANT ACHIEVEMENTS

M. D. Anderson faculty are among the best in the country and receive a number of accolades over the previous biennium. This calendar year, M. D. Anderson's president was inducted into the National Academy of Science, a private, non-profit society of distinguished scholars engaged in scientific and engineering research, dedicated to the furtherance of science and technology and to their use for the public good. M. D. Anderson's immediate past president was awarded the American Cancer Society Medal of Honor in 2011 – the society's highest honor.

Other notable awards to faculty include the Sergio Lombroso Award in Cancer Research and the American Association of Cancer Research-Minorities in Cancer Research Jane Cooke Wright Lectureship. The Lombroso Award is given once in two years to an internationally distinguished scientist, medical researcher or physician who has made highly significant contributions to the understanding of the causes and mechanisms of cancer or to its diagnostics and therapy. The Wright Lectureship was established in 2006 to recognize to an outstanding scientist who has made meritorious contributions to the field of cancer research and who has, through leadership or by example, furthered the advancement of minority investigators in cancer research.

M. D. Anderson received the 2012 Corporation of the Year Award from the Women's Business Enterprise Alliance (WBEA) which recognizes the entity that made the greatest impact on the WBEA organization and women's business enterprise development. In addition, M. D. Anderson received the 2011 Corporate Advocate of the Year awards from both the WBEA and the Houston Minority Supplier Development Council for its exceptional support of minority and women owned businesses.

M. D. Anderson has ranked in multiple Best Places to Work surveys, including those by Texas Monthly magazine and the Houston Business Journal. M. D. Anderson also ranks among the Top 25 Best Places to Work for postdoctoral fellows, according to a 2011 survey conducted by The Scientist magazine.

STATE SUPPORT

General Revenue

The General Revenue (GR) appropriation of \$149 million in FY 2012 accounted for 5% of the total operating budget. GR provides critical support for patient care, education, research and infrastructure. State support impacts M. D. Anderson's ability to conduct community outreach and education to prevent and manage cancer, develop leading-edge cancer therapy programs, maintain prevention, screening and survivorship programs, and sustain the breadth of education and training programs essential for the much-needed oncology workforce. The institution will continue working diligently to fulfill its mission and earn sustained state support.

M. D. Anderson maximizes its leveraging of state funding. The institution generates almost \$19 additional dollars for cancer patient care, education and research for each \$1 of GR. The institution generates almost \$38 in research support for every \$1 of GR from the state for research, which illustrates a sound investment for Texas.

Tobacco Settlement Funds

M. D. Anderson received a permanent \$100 million endowment from the legislature in 1999. The fund provided \$5.6 million in FY 2012 for support of tobacco-related research programs. A separate endowment established for all HRIs provided an additional \$2.3 million for these purposes.

The following programs received settlement funds in FY 2012: Tobacco Outreach Education Program in Behavioral Science: \$2,592,538; Epidemiology – Mexican-American Cohort: \$2,018,164; Molecular Mechanisms Tobacco Carcinogenesis: \$645,574; Fund for Innovative Research: \$1,834,722; Research Equipment: \$2,330,264.

Requested Spending Reductions

In order to meet a 10% GR reduction request for FY 2014-2015, M. D. Anderson would reduce its special item funding by \$1.45 million. Reductions would occur in the Institutional Enhancement and Research Support special item strategies through a method of finance substitution. M. D. Anderson spending reductions would not directly affect patient care. These special items provide support across three areas: MD Anderson's Faculty Excellence program, the Physician Scientist Program and the Genomics Core Program.

The Faculty Excellence program strengthens the institution's ability to attract and support the research activities of world-renowned cancer scientists who are focused on

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genome-based cancer research. The Physician Scientist program provides a structured environment for outstanding research oriented and dedicated physicians by: (1) establishing and conducting a relevant laboratory research program, and (2) exploring new therapies administering clinical oncology patient care. Finally, the Genomics Core program aims to support genomics research, minimize duplication of expensive resources and enhance collaborations by providing core genomics support to independent research studies at M. D. Anderson.

Formula Funding Recommendations

The Texas Higher Education Coordinating Board (THECB), as the result of its formula advisory committee process, will present a request to the 83rd Texas Legislature for formula funding for the health-related institutions. Recommendations will provide guidance for funding of Instruction & Operations, Infrastructure, Research, Mission-specific (Operations) and Graduate Medical Education formulas. M. D. Anderson supports this request and the institution's highest priority is to sustain support for the Cancer Center Operations Formula, for which increased funding cannot exceed the average growth in the I&O Formula funding for all other institutions.

Required Statement on Criminal History

M. D. 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) School of Health Professions: MRI student training unit, mobile computer cart system and new degree start-up funding A non-energized Magnetic Resonance Imaging machine would be used in the School of Health Professions to provide training and enhance the quality of education for diagnostic imaging students. The unit would increase the program's efficiency, avoid disruption of MRI equipment used for patient care purposes and allow the school to train more students to address both the looming allied health professions shortage and the state's Closing the Gaps goals.

Patient data and software used in instruction must be housed in a secure environment due to privacy and access restrictions. Funds would be used for a mobile computer cart system to support Radiation Oncology (treatment planning) software applications that need to be run on institutional computers at the school. In addition, start-up funding would be provided for two new baccalaureate degrees: a Bachelor of Science in Health Disparities, Diversity and Advocacy and a Bachelor of Science in Diagnostic Medical Sonography.

2) On-site basic science research storage and computational capacity: M. D. Anderson has experienced an 806% increase in storage for basic and translational research since 2006. The total storage for research is now three times more than all clinical and administrative storage combined. Efforts are underway to utilize cloud-based storage along with UT System storage initiatives. However, there will always be a need for storage on-site to handle certain aspects of research.

M. D. Anderson currently has an 8,000 core high-performance computing cluster which is fully utilized for basic science research. Over the past year, there has been a significant increase in utilization for Next Gen Sequencing (NGS) including large memory computing. Efforts are underway to explore cloud-based computation offerings along with UT System Texas Advanced Computing. At present there remains a need to expand the large memory computing to handle the analytics associated with NGS.

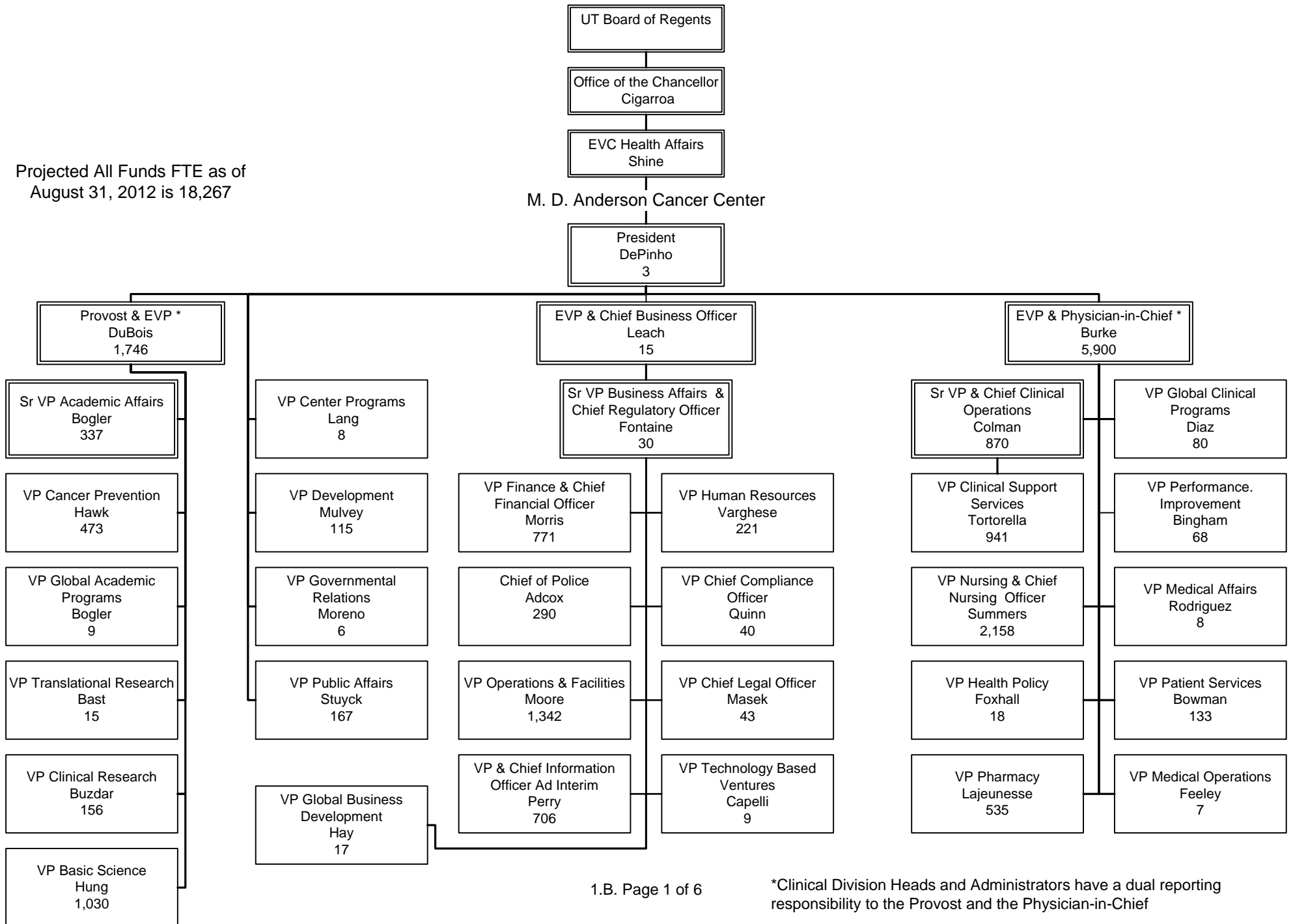
3) Tuition Revenue Bond Request - Basic Sciences Research Building Two (BSRB II): The BSRB II project is a new facility designed to meet new and evolving medical research laboratory requirements and anticipated growth in research. The facility will house the Institute for Personalized Cancer Therapy which will co-locate preclinical investigation in drug development, a pharmaceutical center that can produce and test drugs according to federal standards, state of the art biostatistics and informatics and the country's largest clinical research program testing new cancer treatments. The facility will also be home to a new Pancreatic Cancer Research Center.

In addition, the BSRB II is part of a phasing plan to replace aging and deficient basic science and clinical research facilities. Three principal reasons exist for the construction of BSRB II: 1) the deficient state of existing research facilities which must be decommissioned, 2) the desire to consolidate disparate functions and 3) the need to accommodate the demands of the continually changing technology and research program growth. M. D. Anderson will pursue \$50,000,000 in bond authority and GR support for debt service funding on the bonds, a request of \$4.36 million annually over the next biennium.

1.B. ORGANIZATIONAL CHART

Projected All Funds FTE as of August 31, 2012 is 18,267

The University of Texas System



*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 under his direction, MD Anderson has been named the top cancer hospital in the nation nine out of the past eleven years in U.S. News & World Report's "America's Best Hospitals" survey.

VP for Center Programs serves as chief of staff to MD Anderson's president, managing and analyzing all information provided to him and serving as a liaison and an interface between him and the institution-at-large, its committees, faculty and staff. The VP helps coordinate the president's activities in governmental relations, public affairs and the Board of Visitors. She also organizes and serves on the Management Committee.

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 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.

VP for Public Affairs provides leadership for a variety of allied programs that advance the communication, community service and patient and public education objectives of MD Anderson. His division includes the Children's Art Project, External Communications, Internal Communications, Patient Education, Publications and Creative Services, Public Education and Volunteer Services. He serves as senior public affairs counselor and advocate for the interests and expectations of the public, patients and others whom we serve.

PATIENT CARE

Executive VP and Physician-in-Chief provides leadership for our Clinical Operations and Programs. He is responsible for oversight and strategic planning for patient care delivery throughout the hospital, clinics and outreach programs. He ensures that all clinical operations are efficient, effective and appropriately support the research-driven, multidisciplinary, patient centered clinical mission of the institution.

Senior VP and Chief of Clinical Operations is responsible for all inpatient and outpatient operations through direct oversight of the clinical administrative directors, division administrators, medical operations and the vice president for Clinical Support Services. He collaborates with division heads and other vice presidents in support of inpatient and outpatient operations, as well as clinical research.

VP for Clinical Support Services provides strategic oversight to an interdisciplinary team of health care service providers, including Admissions, Central Business Center, Case Management, Chaplaincy and Pastoral Education, Clinical Nutrition, Dining Services, Health Information Management, Patient Transportation, Rehabilitation Services and Social Work.

VP for Medical Operations provides medical leadership for quality improvement and patient safety, which includes relevant aspects of communication issues, hospital care, Joint Commission preparation, cancer program review processes and analysis of systems problems in clinical care. The VP is responsible for the clinical coordination of our clinical capital equipment budget in conjunction with the Physician-in-Chief.

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. He 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 Patient Services oversees the strategic and budget planning activities of the International Center, Language Assistance, Patient Advocacy, Guest Relations, Patient Affairs and the Welcome Center.

VP for Performance Improvement 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. He provides and facilitates strategic planning for quality improvement and patient safety for Clinical Operations.

VP for Global Clinical Programs is responsible for developing, negotiating and implementing strategic plans for MD Anderson programs beyond the main campus through the Center for Global Oncology.

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

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 and Chief Nursing Officer is responsible for our nursing professional practice. She also is responsible for the creation and implementation of a visionary, strategic agenda for nursing that links clinical practice, education and research. She 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.

BUSINESS AND REGULATORY AFFAIRS

EVP and Chief Business Officer provides executive leadership for the institution's financial, business, administrative and infrastructure activities. The EVP is responsible for our financial planning and represents the institution as chief business officer to the UT System. The areas that the EVP oversees include Global Business Development, Facilities Management, Finance, Human Resources, Information Services, Marketing, and Technology Commercialization. The EVP also serves as chair of the board of directors of MD Anderson Services Corporation, an MD Anderson subsidiary.

Senior VP for Business Affairs and Chief Regulatory Officer serves a dual role in the Office of Business and Regulatory Affairs. With our chief business officer, he provides executive co-leadership for Global Business Development, Facilities Management, Finance, Human Resources, Information Services, Marketing, Technology Commercialization and the subsidiary corporations. Under the direction of the president, the SVP operates as the institution's chief regulatory officer and is responsible for providing executive oversight for regulatory functions including legal, governmental compliance, internal audit and risk management. The SVP also serves as the institution's representative on the MD Anderson International España Board of Directors.

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. In her roles 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 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 Organizational Development, Benefits, Compensation, Recruitment, Employee Development, the Generalist organization, Employee Health and Well-being, WorkLife programs, Employee Programs 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 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 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 for Technology Based Ventures provides executive leadership for the institution's commercialization of products and services, including patenting and licensing, as well as active venture development.

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

VP for Operations and Facilities Management 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.

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 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, business case analysis and the management of assets. He also provides leadership to ensure that we meet all financial regulatory requirements of The University of Texas System and the State of Texas.

VP for Managed Care Operations provides executive leadership for the institution's managed care negotiations and operations and provides and advice and leadership on overall revenue cycle processes.

INSTRUCTION AND RESEARCH

Provost and EVP provides executive leadership for the development of research programs and policies and the allocation of institutional resources such as space and funding. The EVP oversees faculty evaluations, promotions and the tenure review process. The EVP is directly responsible for performance evaluations, leadership development of all institutional faculty leaders, the recruitment of all department chairs and division heads, and oversight of all educational programs.

Senior VP for Academic Affairs provides executive leadership for our academic programs, including 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.

VP for Global Academic Programs works to advance MD Anderson's mission and enhance our position as the world-wide leader in cancer care, research, prevention and education. The VP provides primary oversight, direction, strategic planning and management of the development and delivery of academic relationships and programs at locations external to MD Anderson.

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. His office coordinates the Physician Scientist and Clinician-Investigator career development programs, the NCI Cancer Center Support (CORE) Grant, which supports 26 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 for Basic Science supports the Provost and Executive Vice President 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.

2.A. Summary of Base Request by Strategy

10/17/2012 9:10:35AM

83rd 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 2011	Est 2012	Bud 2013	Req 2014	Req 2015
1 Provide Instructional and Operations Support					
1 <i>Instructional Programs</i>					
1 ALLIED HEALTH PROFESSIONS TRAINING (1)	19,454,747	2,787,921	2,778,054	0	0
2 GRADUATE MEDICAL EDUCATION (1)	6,245,478	575,907	575,907	0	0
2 <i>Cancer Center Operations</i>					
1 CANCER CENTER OPERATIONS (1)	704,071,975	106,222,962	106,225,271	0	0
3 <i>Operations - Staff Benefits</i>					
1 STAFF GROUP INSURANCE PREMIUMS	95,553,124	102,142,845	109,292,844	114,757,486	120,495,361
2 WORKERS' COMPENSATION INSURANCE	2,128,258	2,170,823	2,214,240	2,258,524	2,303,695
3 UNEMPLOYMENT INSURANCE	368,785	376,161	383,684	391,358	399,185
4 <i>Operations - Statutory Funds</i>					
1 TEXAS PUBLIC EDUCATION GRANTS	73,898	107,604	96,643	97,074	97,960
TOTAL, GOAL 1	\$827,896,265	\$214,384,223	\$221,566,643	\$117,504,442	\$123,296,201

(1) - Formula funded strategies are not requested in 2014-15 because amounts are not determined by institutions.

2.A. Summary of Base Request by Strategy

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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 2011	Est 2012	Bud 2013	Req 2014	Req 2015
2 Provide Research Support					
1 <i>Research Activities</i>					
1 RESEARCH ENHANCEMENT (1)	8,681,870	7,534,459	7,534,459	0	0
2 SCIENCE PARK OPERATIONS	4,578,112	4,715,457	4,856,918	5,002,627	5,152,705
TOTAL, GOAL 2	\$13,259,982	\$12,249,916	\$12,391,377	\$5,002,627	\$5,152,705
3 Provide Infrastructure Support					
1 <i>Operations and Maintenance</i>					
1 E&G SPACE SUPPORT (1)	161,257,447	22,974,196	22,892,888	0	0
2 <i>Infrastructure Support</i>					
1 TUITION REVENUE BOND RETIREMENT	5,685,113	5,916,588	5,915,150	5,914,275	5,912,800
2 LONG-TERM CAPITAL PROGRAM	250,565,055	326,841,275	534,051,487	300,000,000	300,000,000
3 LONG-TERM CAPITAL EQUIPMENT	55,089,914	136,119,697	132,293,411	140,000,000	140,000,000
TOTAL, GOAL 3	\$472,597,529	\$491,851,756	\$695,152,936	\$445,914,275	\$445,912,800

(1) - Formula funded strategies are not requested in 2014-15 because amounts are not determined by institutions.

2.A. Summary of Base Request by Strategy

10/17/2012 9:10:35AM

83rd 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 2011	Est 2012	Bud 2013	Req 2014	Req 2015
<u>4</u> Provide Health Care Support					
<u>1</u> Hospital Care					
1 PATIENT CARE ACTIVITIES	1,108,323,879	1,850,993,890	2,007,891,666	2,304,532,933	2,456,972,386
TOTAL, GOAL 4	\$1,108,323,879	\$1,850,993,890	\$2,007,891,666	\$2,304,532,933	\$2,456,972,386
<u>5</u> Provide Special Item Support					
<u>1</u> Research Special Items					
1 RESEARCH SUPPORT	4,641,945	1,158,857	1,158,857	1,158,857	1,158,857
2 BREAST CANCER RESEARCH PROGRAM	2,097,828	1,600,000	1,600,000	1,600,000	1,600,000
<u>2</u> Institutional Support Special Items					
1 INSTITUTIONAL ENHANCEMENT	2,516,875	491,798	491,798	491,798	491,798
<u>3</u> Exceptional Item Request					
1 EXCEPTIONAL ITEM REQUEST	0	0	0	0	0
TOTAL, GOAL 5	\$9,256,648	\$3,250,655	\$3,250,655	\$3,250,655	\$3,250,655

2.A. Summary of Base Request by Strategy

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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 2011	Est 2012	Bud 2013	Req 2014	Req 2015
6 Institutional Operations					
1 Institutional Operations					
1 INSTITUTIONAL OPERATIONS	8,000,000	0	0	4,000,000	4,000,000
TOTAL, GOAL 6	\$8,000,000	\$0	\$0	\$4,000,000	\$4,000,000
7 Tobacco Funds					
1 Tobacco Earnings for Research					
1 TOBACCO EARNINGS - UT MD ANDERSON	5,841,560	7,567,594	6,580,000	5,730,000	5,730,000
2 TOBACCO - PERMANENT HEALTH FUND	5,568,285	3,837,417	3,065,937	2,615,937	2,615,937
TOTAL, GOAL 7	\$11,409,845	\$11,405,011	\$9,645,937	\$8,345,937	\$8,345,937
TOTAL, AGENCY STRATEGY REQUEST	\$2,450,744,148	\$2,584,135,451	\$2,949,899,214	\$2,888,550,869	\$3,046,930,684
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST*				\$0	\$0
GRAND TOTAL, AGENCY REQUEST	\$2,450,744,148	\$2,584,135,451	\$2,949,899,214	\$2,888,550,869	\$3,046,930,684

2.A. Summary of Base Request by Strategy

10/17/2012 9:10:35AM

83rd 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 2011	Est 2012	Bud 2013	Req 2014	Req 2015
<u>METHOD OF FINANCING:</u>					
General Revenue Funds:					
1 General Revenue Fund	152,457,210	149,262,688	149,172,384	13,164,930	13,163,455
SUBTOTAL	\$152,457,210	\$149,262,688	\$149,172,384	\$13,164,930	\$13,163,455
General Revenue Dedicated Funds:					
770 Est Oth Educ & Gen Inco	22,670,210	21,995,908	30,567,636	31,339,006	27,558,687
SUBTOTAL	\$22,670,210	\$21,995,908	\$30,567,636	\$31,339,006	\$27,558,687
Other Funds:					
810 Permanent Health Fund Higher Ed	5,568,285	3,837,417	3,065,937	2,615,937	2,615,937
812 Permanent Endowment FD UTMD AND	5,841,560	7,567,594	6,580,000	5,730,000	5,730,000
8040 HRI Patient Income	2,264,206,883	2,401,471,844	2,760,513,257	2,835,700,996	2,997,862,605
SUBTOTAL	\$2,275,616,728	\$2,412,876,855	\$2,770,159,194	\$2,844,046,933	\$3,006,208,542
TOTAL, METHOD OF FINANCING	\$2,450,744,148	\$2,584,135,451	\$2,949,899,214	\$2,888,550,869	\$3,046,930,684

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

2.B. Summary of Base Request by Method of Finance

10/17/2012 9:10:35AM

83rd Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **506**

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

METHOD OF FINANCING	Exp 2011	Est 2012	Bud 2013	Req 2014	Req 2015
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GENERAL REVENUE

1 General Revenue Fund

REGULAR APPROPRIATIONS

Regular Appropriations from MOF Table (2010-11 GAA)

\$164,903,651	\$0	\$0	\$0	\$0
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Regular Appropriations from MOF Table (2012-13 GAA)

\$0	\$140,570,741	\$140,480,437	\$9,164,930	\$9,163,455
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SUPPLEMENTAL, SPECIAL OR EMERGENCY APPROPRIATIONS

HB 4, 82nd Leg, Regular Session, Sec 1(a) General Revenue Reductions.

\$(19,790,203)	\$0	\$0	\$0	\$0
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HB 4, 82nd Leg, Regular Session, Sec 1(a) General Revenue Reductions -

\$(656,238)	\$0	\$0	\$0	\$0
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HB 4, 82nd Leg, Regular Session, Sec 38 General Revenue Appropriation.

\$8,000,000	\$0	\$0	\$4,000,000	\$4,000,000
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HB 4, 82nd Leg, Regular Session, Sec 49 General Revenue Appropriation.

\$0	\$17,383,894	\$0	\$0	\$0
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2.B. Summary of Base Request by Method of Finance
 83rd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

10/17/2012 9:10:35AM

Agency code: 506		Agency name: The University of Texas M.D. Anderson Cancer Center				
METHOD OF FINANCING		Exp 2011	Est 2012	Bud 2013	Req 2014	Req 2015
<u>GENERAL REVENUE FUND - DEDICATED</u>						
Comments: Receipts						
<i>UNEXPENDED BALANCES AUTHORITY</i>						
Art III, Sec 2, UB Authority for All Balances of Local Funds						
		\$347,900	\$440,642	\$472,600	\$0	\$0
Art III, Sec 2, UB Authority for All Balances of Local Funds						
		\$(440,642)	\$(472,600)	\$0	\$0	\$0
TOTAL,	GR Dedicated - Estimated Other Educational and General Income Account No. 770	\$22,670,210	\$21,995,908	\$30,567,636	\$31,339,006	\$27,558,687
TOTAL GENERAL REVENUE FUND - DEDICATED - 704, 708 & 770						
		\$22,670,210	\$21,995,908	\$30,567,636	\$31,339,006	\$27,558,687
TOTAL, ALL	GENERAL REVENUE FUND - DEDICATED	\$22,670,210	\$21,995,908	\$30,567,636	\$31,339,006	\$27,558,687
TOTAL,	GR & GR-DEDICATED FUNDS	\$175,127,420	\$171,258,596	\$179,740,020	\$44,503,936	\$40,722,142
<u>OTHER FUNDS</u>						
810	Permanent Health Fund for Higher Education					
	<i>REGULAR APPROPRIATIONS</i>					

2.B. Summary of Base Request by Method of Finance
 83rd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

10/17/2012 9:10:35AM

Agency code: 506	Agency name: The University of Texas M.D. Anderson Cancer Center				
METHOD OF FINANCING	Exp 2011	Est 2012	Bud 2013	Req 2014	Req 2015
<u>OTHER FUNDS</u>					
Regular Appropriations from MOF Table (2010-11 GAA)	\$1,656,270	\$0	\$0	\$0	\$0
Revised Receipts	\$593,850	\$0	\$0	\$0	\$0
Comments: Adjust Appropriation to Actual Distribution					
Regular Appropriations from MOF Table (2012-13 GAA)	\$0	\$2,476,032	\$2,541,044	\$2,615,937	\$2,615,937
Revised Receipts	\$0	\$(225,912)	\$74,893	\$0	\$0
<i>UNEXPENDED BALANCES AUTHORITY</i>					
Art III, Permanent Health Fund Higher Ed, UB Authority from MOF Rider	\$5,355,462	\$2,037,297	\$450,000	\$0	\$0
Art III, Permanent Health Fund Higher Ed, UB Authority from MOF Rider	\$(2,037,297)	\$(450,000)	\$0	\$0	\$0

2.B. Summary of Base Request by Method of Finance

10/17/2012 9:10:35AM

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Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 506		Agency name: The University of Texas M.D. Anderson Cancer Center				
METHOD OF FINANCING		Exp 2011	Est 2012	Bud 2013	Req 2014	Req 2015
<u>OTHER FUNDS</u>						
TOTAL,	Permanent Health Fund for Higher Education	\$5,568,285	\$3,837,417	\$3,065,937	\$2,615,937	\$2,615,937
812	Permanent Endowment Fund, UT MD Anderson Cancer Center					
	<i>REGULAR APPROPRIATIONS</i>					
	Regular Appropriations from MOF Table (2012-13 GAA)	\$0	\$5,727,633	\$5,950,000	\$5,730,000	\$5,730,000
	Re4vised Receipts	\$1,110,000	\$(117,633)	\$(220,000)	\$0	\$0
	Comments: Adjust Appropriation to Actual Distribution					
	Regular Appropriations from MOF Table (2010-11 GAA)	\$4,500,000	\$0	\$0	\$0	\$0
	<i>UNEXPENDED BALANCES AUTHORITY</i>					
	Art III, Permanent Fund, UTMD Endowment Anderson, UB Authority from MO	\$3,039,154	\$2,807,594	\$850,000	\$0	\$0
	Art III, Permanent Endowment Fund, UTMD Anderson, UB Authority from MO	\$(2,807,594)	\$(850,000)	\$0	\$0	\$0

2.B. Summary of Base Request by Method of Finance

10/17/2012 9:10:35AM

83rd Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 506		Agency name: The University of Texas M.D. Anderson Cancer Center				
METHOD OF FINANCING		Exp 2011	Est 2012	Bud 2013	Req 2014	Req 2015
<u>OTHER FUNDS</u>						
TOTAL,	Permanent Endowment Fund, UT MD Anderson Cancer Center	\$5,841,560	\$7,567,594	\$6,580,000	\$5,730,000	\$5,730,000
<u>8040</u>	Health-Related Institutions Patient Income					
	<i>REGULAR APPROPRIATIONS</i>					
	Regular Appropriations from MOF Table (2010-11 GAA)	\$2,255,852,890	\$0	\$0	\$0	\$0
	Regular Appropriations from MOF Table (2012-13 GAA)	\$0	\$2,289,171,334	\$2,383,662,560	\$2,835,700,996	\$2,997,862,605
	Revised Receipts	\$(2,579,686)	\$187,156,466	\$(151,015,724)	\$0	\$0
	Comments: Receipts					
	<i>RIDER APPROPRIATION</i>					
	Art IX, Sec 18.15, Refund from DIR (2010-11 GAA)	\$23,905	\$0	\$0	\$0	\$0
	<i>UNEXPENDED BALANCES AUTHORITY</i>					

2.B. Summary of Base Request by Method of Finance

10/17/2012 9:10:35AM

83rd Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 506		Agency name: The University of Texas M.D. Anderson Cancer Center				
METHOD OF FINANCING		Exp 2011	Est 2012	Bud 2013	Req 2014	Req 2015
<u>OTHER FUNDS</u>						
	Art III, Sec 2, UB Authority for All Balances of Local Funds	\$463,920,239	\$453,010,465	\$527,866,421	\$0	\$0
	Art III, Sec 2, UB Authority for All Balances of Local Funds	\$(453,010,465)	\$(527,866,421)	\$0	\$0	\$0
TOTAL,	Health-Related Institutions Patient Income	\$2,264,206,883	\$2,401,471,844	\$2,760,513,257	\$2,835,700,996	\$2,997,862,605
TOTAL, ALL	OTHER FUNDS	\$2,275,616,728	\$2,412,876,855	\$2,770,159,194	\$2,844,046,933	\$3,006,208,542
GRAND TOTAL		\$2,450,744,148	\$2,584,135,451	\$2,949,899,214	\$2,888,550,869	\$3,046,930,684

2.B. Summary of Base Request by Method of Finance
 83rd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

10/17/2012 9:10:35AM

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

METHOD OF FINANCING	Exp 2011	Est 2012	Bud 2013	Req 2014	Req 2015
FULL-TIME-EQUIVALENT POSITIONS					
REGULAR APPROPRIATIONS					
Regular Appropriations from MOF Table (2010-11 GAA)	13,081.9	0.0	0.0	0.0	0.0
Regular Appropriations from MOF Table (2012-13 GAA)	0.0	12,565.1	12,565.1	14,152.7	14,492.7
UNAUTHORIZED NUMBER OVER (BELOW) CAP					
Unauthorized Number Over (Below) Cap	(51.9)	0.0	0.0	0.0	0.0
Art IX, Sec 6.10(a), FTE Request to Exceed (2012-13 GAA)	0.0	862.0	1,212.0	0.0	0.0
TOTAL, ADJUSTED FTES	13,030.0	13,427.1	13,777.1	14,152.7	14,492.7
NUMBER OF 100% FEDERALLY FUNDED FTES	0.0	0.0	0.0	0.0	0.0

Automated Budget and Evaluation System of Texas (ABEST)

Agency Code: Agency:

BASE REQUEST STRATEGY: --

Code Type of Expense

Total, Operating Costs

2.C. Summary of Base Request by Object of Expense

10/17/2012 9:10:36AM

83rd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

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

OBJECT OF EXPENSE	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
1001 SALARIES AND WAGES	\$831,652,920	\$903,912,855	\$946,739,816	\$992,064,015	\$1,037,702,238
1002 OTHER PERSONNEL COSTS	\$163,699,624	\$350,736,400	\$371,014,881	\$384,166,974	\$404,093,488
1005 FACULTY SALARIES	\$141,235,221	\$155,693,156	\$170,473,056	\$185,256,444	\$201,789,659
2001 PROFESSIONAL FEES AND SERVICES	\$716,355	\$65,189,800	\$75,939,577	\$87,100,881	\$95,313,991
2002 FUELS AND LUBRICANTS	\$46	\$0	\$0	\$0	\$0
2003 CONSUMABLE SUPPLIES	\$399,670	\$460,255,320	\$509,563,801	\$552,138,528	\$604,193,440
2004 UTILITIES	\$1,689,637	\$20,726,379	\$35,587,253	\$27,691,673	\$30,302,542
2005 TRAVEL	\$449,961	\$1,495,700	\$2,557,679	\$1,993,005	\$2,179,649
2007 RENT - MACHINE AND OTHER	\$6,310	\$0	\$0	\$0	\$0
2008 DEBT SERVICE	\$91,691,725	\$87,117,918	\$73,058,561	\$67,914,275	\$67,912,800
2009 OTHER OPERATING EXPENSE	\$994,106,049	\$153,775,396	\$163,254,976	\$210,041,516	\$223,258,433
3001 CLIENT SERVICES	\$2,000	\$0	\$0	\$0	\$0
4000 GRANTS	\$73,898	\$107,604	\$96,643	\$97,074	\$97,960
5000 CAPITAL EXPENDITURES	\$225,020,732	\$385,124,923	\$601,612,971	\$380,086,484	\$380,086,484
OOE Total (Excluding Riders)	\$2,450,744,148	\$2,584,135,451	\$2,949,899,214	\$2,888,550,869	\$3,046,930,684
OOE Total (Riders)					
Grand Total	\$2,450,744,148	\$2,584,135,451	\$2,949,899,214	\$2,888,550,869	\$3,046,930,684

2.D. Summary of Base Request Objective Outcomes
 83rd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation system of Texas (ABEST)

10/17/2012 9:10:36AM

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

Goal/ Objective / Outcome	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
1 Provide Instructional and Operations Support 1 Instructional Programs					
KEY 14 Percent Allied Health Grads Passing Certif/Licensure Exam First Try	93.00%	94.00%	92.00%	93.00 %	93.00 %
KEY 15 Percent Allied Health Graduates Licensed or Certified in Texas	89.00%	86.00%	84.00%	83.00 %	83.00 %
23 Value of Lost or Stolen Property					
24 Percent of Property Lost or Stolen	81,667.00	62,370.00	250,000.00	240,000.00	250,000.00
	0.03%	0.02%	0.10%	0.10 %	0.10 %
2 Provide Research Support 1 Research Activities					
KEY 1 Total External Research Expenditures	394,146,854.00	365,707,915.00	393,287,710.00	403,119,903.00	413,197,900.00
2 External Research Expends As % of Total State Appropriations	19.57%	17.47%	16.54%	16.01 %	15.47 %
3 External Research Expends As % of State Appropriations for Research	208.51%	235.00%	245.00%	255.00 %	265.00 %

2.D. Summary of Base Request Objective Outcomes
 83rd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation system of Texas (ABEST)

10/17/2012 9:10:36AM

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

Goal/ Objective / Outcome	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
4 Provide Health Care Support 1 Hospital Care					
KEY 1 Percent of Medical Residency Completers Practicing in Texas					
	40.00%	38.60%	40.00%	40.00%	40.00%
KEY 2 Total Uncompensated Care Provided by Faculty					
	60,413,721.00	63,051,501.00	67,465,106.00	72,187,663.00	77,240,800.00
3 Total Net Patient Revenue by Faculty					
	338,233,029.00	367,022,745.00	383,905,803.00	404,036,748.00	422,511,939.00
KEY 4 Total Uncompensated Care Provided in State-owned Facilities					
	154,233,340.00	96,345,427.00	164,279,970.00	175,779,568.00	188,084,137.00
5 Total Net Patient Revenue in State-owned Facilities					
	2,391,945,718.00	2,601,372,366.00	2,799,484,242.00	2,974,043,614.00	3,143,977,273.00
6 State General Revenue Support for Uncomp. Care as a % of Uncomp. Care					
	0.00%	0.00%	0.00%	0.00%	0.00%
KEY 7 Administrative (Instit Support) Cost As % of Total Expenditures					
	7.43%	7.47%	7.50%	7.50%	7.50%

2.E. Summary of Exceptional Items Request
 83rd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/17/2012
 TIME : 9:10:36AM

Agency code: 506

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

Priority	Item	2014			2015			Biennium		
		GR and GR/GR Dedicated	All Funds	FTEs	GR and GR Dedicated	All Funds	FTEs	GR and GR Dedicated	All Funds	
1	MRI Student Training Unit	\$1,220,000	\$1,220,000	1.0	\$1,220,000	\$1,220,000	1.0	\$2,440,000	\$2,440,000	
2	Basic Science Research Storage	\$1,250,000	\$1,250,000	0.0	\$1,250,000	\$1,250,000	0.0	\$2,500,000	\$2,500,000	
3	Basic Science Research Building II	\$4,360,000	\$4,360,000	0.0	\$4,360,000	\$4,360,000	0.0	\$8,720,000	\$8,720,000	
Total, Exceptional Items Request		\$6,830,000	\$6,830,000	1.0	\$6,830,000	\$6,830,000	1.0	\$13,660,000	\$13,660,000	
Method of Financing										
	General Revenue	\$6,830,000	\$6,830,000		\$6,830,000	\$6,830,000		\$13,660,000	\$13,660,000	
	General Revenue - Dedicated									
	Federal Funds									
	Other Funds									
		\$6,830,000	\$6,830,000		\$6,830,000	\$6,830,000		\$13,660,000	\$13,660,000	
Full Time Equivalent Positions				1.0				1.0		
Number of 100% Federally Funded FTEs				0.0				0.0		

2.F. Summary of Total Request by Strategy
 83rd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE : 10/17/2012

TIME : 9:10:37AM

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

Goal/Objective/STRATEGY	Base 2014	Base 2015	Exceptional 2014	Exceptional 2015	Total Request 2014	Total Request 2015
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	114,757,486	120,495,361	0	0	114,757,486	120,495,361
2 WORKERS' COMPENSATION INSURANCE	2,258,524	2,303,695	0	0	2,258,524	2,303,695
3 UNEMPLOYMENT INSURANCE	391,358	399,185	0	0	391,358	399,185
<i>4 Operations - Statutory Funds</i>						
1 TEXAS PUBLIC EDUCATION GRANTS	97,074	97,960	0	0	97,074	97,960
TOTAL, GOAL 1	\$117,504,442	\$123,296,201	\$0	\$0	\$117,504,442	\$123,296,201
2 Provide Research Support						
<i>1 Research Activities</i>						
1 RESEARCH ENHANCEMENT	0	0	0	0	0	0
2 SCIENCE PARK OPERATIONS	5,002,627	5,152,705	0	0	5,002,627	5,152,705
TOTAL, GOAL 2	\$5,002,627	\$5,152,705	\$0	\$0	\$5,002,627	\$5,152,705

2.F. Summary of Total Request by Strategy
83rd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE : 10/17/2012

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

Goal/Objective/STRATEGY	Base 2014	Base 2015	Exceptional 2014	Exceptional 2015	Total Request 2014	Total Request 2015
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	5,914,275	5,912,800	4,360,000	4,360,000	10,274,275	10,272,800
2 LONG-TERM CAPITAL PROGRAM	300,000,000	300,000,000	0	0	300,000,000	300,000,000
3 LONG-TERM CAPITAL EQUIPMENT	140,000,000	140,000,000	0	0	140,000,000	140,000,000
TOTAL, GOAL 3	\$445,914,275	\$445,912,800	\$4,360,000	\$4,360,000	\$450,274,275	\$450,272,800
4 Provide Health Care Support						
<i>1 Hospital Care</i>						
1 PATIENT CARE ACTIVITIES	2,304,532,933	2,456,972,386	0	0	2,304,532,933	2,456,972,386
TOTAL, GOAL 4	\$2,304,532,933	\$2,456,972,386	\$0	\$0	\$2,304,532,933	\$2,456,972,386
5 Provide Special Item Support						
<i>1 Research Special Items</i>						
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	0	0	1,600,000	1,600,000
<i>2 Institutional Support Special Items</i>						
1 INSTITUTIONAL ENHANCEMENT	491,798	491,798	0	0	491,798	491,798
<i>3 Exceptional Item Request</i>						
1 EXCEPTIONAL ITEM REQUEST	0	0	2,470,000	2,470,000	2,470,000	2,470,000
TOTAL, GOAL 5	\$3,250,655	\$3,250,655	\$2,470,000	\$2,470,000	\$5,720,655	\$5,720,655

2.F. Summary of Total Request by Strategy
 83rd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE : 10/17/2012

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

Goal/Objective/STRATEGY	Base 2014	Base 2015	Exceptional 2014	Exceptional 2015	Total Request 2014	Total Request 2015
6 Institutional Operations						
1 <i>Institutional Operations</i>						
1 INSTITUTIONAL OPERATIONS	\$4,000,000	\$4,000,000	\$0	\$0	\$4,000,000	\$4,000,000
TOTAL, GOAL 6	\$4,000,000	\$4,000,000	\$0	\$0	\$4,000,000	\$4,000,000
7 Tobacco Funds						
1 <i>Tobacco Earnings for Research</i>						
1 TOBACCO EARNINGS - UT MD ANDERSON	5,730,000	5,730,000	0	0	5,730,000	5,730,000
2 TOBACCO - PERMANENT HEALTH FUND	2,615,937	2,615,937	0	0	2,615,937	2,615,937
TOTAL, GOAL 7	\$8,345,937	\$8,345,937	\$0	\$0	\$8,345,937	\$8,345,937
TOTAL, AGENCY STRATEGY REQUEST	\$2,888,550,869	\$3,046,930,684	\$6,830,000	\$6,830,000	\$2,895,380,869	\$3,053,760,684
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST						
GRAND TOTAL, AGENCY REQUEST	\$2,888,550,869	\$3,046,930,684	\$6,830,000	\$6,830,000	\$2,895,380,869	\$3,053,760,684

2.F. Summary of Total Request by Strategy
 83rd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE : 10/17/2012

TIME : 9:10:37AM

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

Goal/Objective/STRATEGY	Base 2014	Base 2015	Exceptional 2014	Exceptional 2015	Total Request 2014	Total Request 2015
General Revenue Funds:						
1 General Revenue Fund	\$13,164,930	\$13,163,455	\$6,830,000	\$6,830,000	\$19,994,930	\$19,993,455
	\$13,164,930	\$13,163,455	\$6,830,000	\$6,830,000	\$19,994,930	\$19,993,455
General Revenue Dedicated Funds:						
770 Est Oth Educ & Gen Inco	31,339,006	27,558,687	0	0	31,339,006	27,558,687
	\$31,339,006	\$27,558,687	\$0	\$0	\$31,339,006	\$27,558,687
Other Funds:						
810 Permanent Health Fund Higher Ed	2,615,937	2,615,937	0	0	2,615,937	2,615,937
812 Permanent Endowment FD UTMD AND	5,730,000	5,730,000	0	0	5,730,000	5,730,000
8040 HRI Patient Income	2,835,700,996	2,997,862,605	0	0	2,835,700,996	2,997,862,605
	\$2,844,046,933	\$3,006,208,542	\$0	\$0	\$2,844,046,933	\$3,006,208,542
TOTAL, METHOD OF FINANCING	\$2,888,550,869	\$3,046,930,684	\$6,830,000	\$6,830,000	\$2,895,380,869	\$3,053,760,684
FULL TIME EQUIVALENT POSITIONS	14,152.7	14,492.7	1.0	1.0	14,153.7	14,493.7

2.G. Summary of Total Request Objective Outcomes
 83rd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation system of Texas (ABEST)

Date : 10/17/2012

Time: 9:10:37AM

Agency code: 506

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

Goal/ Objective / Outcome

	BL 2014	BL 2015	Excp 2014	Excp 2015	Total Request 2014	Total Request 2015
1	Provide Instructional and Operations Support					
1	<i>Instructional Programs</i>					
KEY	14 Percent Allied Health Grads Passing Certif/Licensure Exam First Try					
	93.00%	93.00%			93.00%	93.00 %
KEY	15 Percent Allied Health Graduates Licensed or Certified in Texas					
	83.00%	83.00%			83.00%	83.00 %
	23 Value of Lost or Stolen Property					
	240,000.00	250,000.00			240,000.00	250,000.00
	24 Percent of Property Lost or Stolen					
	0.10%	0.10%			0.10%	0.10 %
2	Provide Research Support					
1	<i>Research Activities</i>					
KEY	1 Total External Research Expenditures					
	403,119,903.00	413,197,900.00			403,119,903.00	413,197,900.00
	2 External Research Expends As % of Total State Appropriations					
	16.01%	15.47%			16.01%	15.47 %
	3 External Research Expends As % of State Appropriations for Research					
	255.00%	265.00%			255.00%	265.00 %
4	Provide Health Care Support					
1	<i>Hospital Care</i>					

2.G. Summary of Total Request Objective Outcomes
 83rd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation system of Texas (ABEST)

Date : 10/17/2012

Time: 9:10:37AM

Agency code: 506

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

Goal/ Objective / Outcome

	BL 2014	BL 2015	Excp 2014	Excp 2015	Total Request 2014	Total Request 2015
KEY	1 Percent of Medical Residency Completers Practicing in Texas					
	40.00%	40.00%			40.00%	40.00 %
KEY	2 Total Uncompensated Care Provided by Faculty					
	72,187,663.00	77,240,800.00			72,187,663.00	77,240,800.00
	3 Total Net Patient Revenue by Faculty					
	404,036,748.00	422,511,939.00			404,036,748.00	422,511,939.00
KEY	4 Total Uncompensated Care Provided in State-owned Facilities					
	175,779,568.00	188,084,137.00			175,779,568.00	188,084,137.00
	5 Total Net Patient Revenue in State-owned Facilities					
	2,974,043,614.00	3,143,977,273.00			2,974,043,614.00	3,143,977,273.00
	6 State General Revenue Support for Uncomp. Care as a % of Uncomp. Care					
	0.00%	0.00%			0.00%	0.00 %
KEY	7 Administrative (Instit Support) Cost As % of Total Expenditures					
	7.50%	7.50%			7.50%	7.50 %

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

GOAL: 1 Provide Instructional and Operations Support Statewide Goal/Benchmark: 2 0
 OBJECTIVE: 1 Instructional Programs Service Categories:
 STRATEGY: 1 Allied Health Professions Training Service: 19 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
Explanatory/Input Measures:						
KEY 1	Minority Admissions As % of Total First-Year Admissions (All Schools)	32.00 %	29.00 %	32.00 %	32.00 %	33.00 %
Objects of Expense:						
1001	SALARIES AND WAGES	\$3,819,881	\$597,915	\$595,799	\$0	\$0
1002	OTHER PERSONNEL COSTS	\$1,063	\$166	\$166	\$0	\$0
1005	FACULTY SALARIES	\$13,990,153	\$2,189,840	\$2,182,089	\$0	\$0
2001	PROFESSIONAL FEES AND SERVICES	\$280,753	\$0	\$0	\$0	\$0
2003	CONSUMABLE SUPPLIES	\$114,972	\$0	\$0	\$0	\$0
2005	TRAVEL	\$9,648	\$0	\$0	\$0	\$0
2007	RENT - MACHINE AND OTHER	\$6,310	\$0	\$0	\$0	\$0
2009	OTHER OPERATING EXPENSE	\$1,229,967	\$0	\$0	\$0	\$0
3001	CLIENT SERVICES	\$2,000	\$0	\$0	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$19,454,747	\$2,787,921	\$2,778,054	\$0	\$0
Method of Financing:						
1	General Revenue Fund	\$2,909,730	\$2,787,921	\$2,778,054	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$2,909,730	\$2,787,921	\$2,778,054	\$0	\$0

(1) - Formula funded strategies are not requested in 2014-15 because amounts are not determined by institutions.

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

GOAL: 1 Provide Instructional and Operations Support Statewide Goal/Benchmark: 2 0
 OBJECTIVE: 1 Instructional Programs Service Categories:
 STRATEGY: 1 Allied Health Professions Training Service: 19 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
Method of Financing:						
8040	HRI Patient Income	\$16,545,017	\$0	\$0	\$0	\$0
SUBTOTAL, MOF (OTHER FUNDS)		\$16,545,017	\$0	\$0	\$0	\$0
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$0	\$0
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$19,454,747	\$2,787,921	\$2,778,054	\$0	\$0
FULL TIME EQUIVALENT POSITIONS:		112.1	16.9	16.3	0.0	0.0

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 2014-15 because amounts are not determined by institutions.

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

GOAL: 1 Provide Instructional and Operations Support Statewide Goal/Benchmark: 2 0
 OBJECTIVE: 1 Instructional Programs Service Categories:
 STRATEGY: 2 Graduate Medical Education Service: 19 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2011	Est 2012	Bud 2013	BL 2014 ⁽¹⁾	BL 2015 ⁽¹⁾
Output Measures:						
KEY 1	Total Number of MD or DO Residents	135.00	149.00	145.00	145.00	150.00
Explanatory/Input Measures:						
KEY 1	Minority MD or DO Residents as a Percent of Total MD or DO Residents	7.40 %	9.40 %	9.66 %	9.66 %	10.00 %
Objects of Expense:						
1001	SALARIES AND WAGES	\$0	\$0	\$0	\$0	\$0
1002	OTHER PERSONNEL COSTS	\$4,283	\$0	\$0	\$0	\$0
2009	OTHER OPERATING EXPENSE	\$6,241,195	\$575,907	\$575,907	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$6,245,478	\$575,907	\$575,907	\$0	\$0
Method of Financing:						
1	General Revenue Fund	\$844,963	\$575,907	\$575,907	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$844,963	\$575,907	\$575,907	\$0	\$0
Method of Financing:						
8040	HRI Patient Income	\$5,400,515	\$0	\$0	\$0	\$0
SUBTOTAL, MOF (OTHER FUNDS)		\$5,400,515	\$0	\$0	\$0	\$0

(1) - Formula funded strategies are not requested in 2014-15 because amounts are not determined by institutions.

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

GOAL: 1 Provide Instructional and Operations Support Statewide Goal/Benchmark: 2 0
 OBJECTIVE: 1 Instructional Programs Service Categories:
 STRATEGY: 2 Graduate Medical Education Service: 19 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
					(1)	(1)
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$0	\$0
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$6,245,478	\$575,907	\$575,907	\$0	\$0
FULL TIME EQUIVALENT POSITIONS:					0.0	0.0

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.

(1) - Formula funded strategies are not requested in 2014-15 because amounts are not determined by institutions.

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

GOAL: 1 Provide Instructional and Operations Support Statewide Goal/Benchmark: 2 0
 OBJECTIVE: 2 Cancer Center Operations Service Categories:
 STRATEGY: 1 Cancer Center Operations Service: 19 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2011	Est 2012	Bud 2013	BL 2014 ⁽¹⁾	BL 2015 ⁽¹⁾
Objects of Expense:						
1001	SALARIES AND WAGES	\$175,003,239	\$73,381,134	\$73,382,729	\$0	\$0
1002	OTHER PERSONNEL COSTS	\$51,307,319	\$20,786,812	\$20,787,264	\$0	\$0
1005	FACULTY SALARIES	\$29,995,532	\$12,055,016	\$12,055,278	\$0	\$0
2004	UTILITIES	\$838,262	\$0	\$0	\$0	\$0
2005	TRAVEL	\$333,787	\$0	\$0	\$0	\$0
2009	OTHER OPERATING EXPENSE	\$446,597,000	\$0	\$0	\$0	\$0
5000	CAPITAL EXPENDITURES	\$(3,164)	\$0	\$0	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$704,071,975	\$106,222,962	\$106,225,271	\$0	\$0
Method of Financing:						
1	General Revenue Fund	\$97,910,996	\$106,222,962	\$106,225,271	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$97,910,996	\$106,222,962	\$106,225,271	\$0	\$0
Method of Financing:						
8040	HRI Patient Income	\$606,160,979	\$0	\$0	\$0	\$0
SUBTOTAL, MOF (OTHER FUNDS)		\$606,160,979	\$0	\$0	\$0	\$0

(1) - Formula funded strategies are not requested in 2014-15 because amounts are not determined by institutions.

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

GOAL: 1 Provide Instructional and Operations Support Statewide Goal/Benchmark: 2 0
 OBJECTIVE: 2 Cancer Center Operations Service Categories:
 STRATEGY: 1 Cancer Center Operations Service: 19 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
					(1)	(1)
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$0	\$0
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$704,071,975	\$106,222,962	\$106,225,271	\$0	\$0
FULL TIME EQUIVALENT POSITIONS:		2,736.7	1,091.5	1,067.2	0.0	0.0

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 2014-15 because amounts are not determined by institutions.

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

GOAL: 1 Provide Instructional and Operations Support Statewide Goal/Benchmark: 2 0
 OBJECTIVE: 3 Operations - Staff Benefits Service Categories:
 STRATEGY: 1 Staff Group Insurance Premiums Service: 06 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
Objects of Expense:						
1002	OTHER PERSONNEL COSTS	\$95,553,124	\$102,142,845	\$109,292,844	\$114,757,486	\$120,495,361
TOTAL, OBJECT OF EXPENSE		\$95,553,124	\$102,142,845	\$109,292,844	\$114,757,486	\$120,495,361
Method of Financing:						
770	Est Oth Educ & Gen Inco	\$1,015,874	\$1,016,454	\$1,277,600	\$1,340,056	\$1,162,787
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$1,015,874	\$1,016,454	\$1,277,600	\$1,340,056	\$1,162,787
Method of Financing:						
8040	HRI Patient Income	\$94,537,250	\$101,126,391	\$108,015,244	\$113,417,430	\$119,332,574
SUBTOTAL, MOF (OTHER FUNDS)		\$94,537,250	\$101,126,391	\$108,015,244	\$113,417,430	\$119,332,574
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$114,757,486	\$120,495,361
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$95,553,124	\$102,142,845	\$109,292,844	\$114,757,486	\$120,495,361
FULL TIME EQUIVALENT POSITIONS:					0.0	0.0

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.

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

GOAL:	1	Provide Instructional and Operations Support	Statewide Goal/Benchmark:	2	0
OBJECTIVE:	3	Operations - Staff Benefits	Service Categories:		
STRATEGY:	1	Staff Group Insurance Premiums	Service: 06	Income: A.2	Age: B.3

CODE	DESCRIPTION	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
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EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

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

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

GOAL: 1 Provide Instructional and Operations Support Statewide Goal/Benchmark: 2 0
 OBJECTIVE: 3 Operations - Staff Benefits Service Categories:
 STRATEGY: 2 Workers' Compensation Insurance Service: 06 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
Objects of Expense:						
1002	OTHER PERSONNEL COSTS	\$2,128,258	\$2,170,823	\$2,214,240	\$2,258,524	\$2,303,695
TOTAL, OBJECT OF EXPENSE		\$2,128,258	\$2,170,823	\$2,214,240	\$2,258,524	\$2,303,695
Method of Financing:						
8040	HRI Patient Income	\$2,128,258	\$2,170,823	\$2,214,240	\$2,258,524	\$2,303,695
SUBTOTAL, MOF (OTHER FUNDS)		\$2,128,258	\$2,170,823	\$2,214,240	\$2,258,524	\$2,303,695
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$2,258,524	\$2,303,695
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$2,128,258	\$2,170,823	\$2,214,240	\$2,258,524	\$2,303,695
FULL TIME EQUIVALENT POSITIONS:					0.0	0.0

STRATEGY DESCRIPTION AND JUSTIFICATION:

The strategy funds the Worker's Compensation payments related to Educational and General funds.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

Worker's Compensation Insurance rates are set by U. T. System.

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

GOAL:	1	Provide Instructional and Operations Support	Statewide Goal/Benchmark:	2	0
OBJECTIVE:	3	Operations - Staff Benefits	Service Categories:		
STRATEGY:	3	Unemployment Insurance	Service: 06	Income: A.2	Age: B.3

CODE	DESCRIPTION	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
Objects of Expense:						
1002	OTHER PERSONNEL COSTS	\$368,785	\$376,161	\$383,684	\$391,358	\$399,185
TOTAL, OBJECT OF EXPENSE		\$368,785	\$376,161	\$383,684	\$391,358	\$399,185
Method of Financing:						
8040	HRI Patient Income	\$368,785	\$376,161	\$383,684	\$391,358	\$399,185
SUBTOTAL, MOF (OTHER FUNDS)		\$368,785	\$376,161	\$383,684	\$391,358	\$399,185
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$391,358	\$399,185
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$368,785	\$376,161	\$383,684	\$391,358	\$399,185
FULL TIME EQUIVALENT POSITIONS:					0.0	0.0

STRATEGY DESCRIPTION AND JUSTIFICATION:

The strategy funds the Unemployment Insurance payments related to Educational and General funds.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

Unemployment Insurance rates are set by U. T. System.

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

GOAL:	1	Provide Instructional and Operations Support	Statewide Goal/Benchmark:	2	0
OBJECTIVE:	4	Operations - Statutory Funds	Service Categories:		
STRATEGY:	1	Texas Public Education Grants	Service: NA	Income: NA	Age: NA

CODE	DESCRIPTION	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
Objects of Expense:						
4000	GRANTS	\$73,898	\$107,604	\$96,643	\$97,074	\$97,960
TOTAL, OBJECT OF EXPENSE		\$73,898	\$107,604	\$96,643	\$97,074	\$97,960
Method of Financing:						
770	Est Oth Educ & Gen Inco	\$73,898	\$107,604	\$96,643	\$97,074	\$97,960
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$73,898	\$107,604	\$96,643	\$97,074	\$97,960
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$97,074	\$97,960
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$73,898	\$107,604	\$96,643	\$97,074	\$97,960
FULL TIME EQUIVALENT POSITIONS:					0.0	0.0

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:

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

GOAL: 2 Provide Research Support Statewide Goal/Benchmark: 2 0
 OBJECTIVE: 1 Research Activities Service Categories:
 STRATEGY: 1 Research Enhancement Service: 21 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2011	Est 2012	Bud 2013	BL 2014 ⁽¹⁾	BL 2015 ⁽¹⁾
Objects of Expense:						
1001	SALARIES AND WAGES	\$8,088,438	\$7,475,240	\$7,475,240	\$0	\$0
1002	OTHER PERSONNEL COSTS	\$64,077	\$59,219	\$59,219	\$0	\$0
2009	OTHER OPERATING EXPENSE	\$529,355	\$0	\$0	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$8,681,870	\$7,534,459	\$7,534,459	\$0	\$0
Method of Financing:						
1	General Revenue Fund	\$8,654,145	\$7,534,459	\$7,534,459	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$8,654,145	\$7,534,459	\$7,534,459	\$0	\$0
Method of Financing:						
770	Est Oth Educ & Gen Inco	\$27,725	\$0	\$0	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$27,725	\$0	\$0	\$0	\$0
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$0	\$0
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$8,681,870	\$7,534,459	\$7,534,459	\$0	\$0
FULL TIME EQUIVALENT POSITIONS:		121.0	106.5	104.2	0.0	0.0

(1) - Formula funded strategies are not requested in 2014-15 because amounts are not determined by institutions.

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

GOAL:	2	Provide Research Support		Statewide Goal/Benchmark:	2	0
OBJECTIVE:	1	Research Activities		Service Categories:		
STRATEGY:	1	Research Enhancement		Service: 21	Income: A.2	Age: B.3
					(1)	(1)
CODE		DESCRIPTION	Exp 2011	Est 2012	Bud 2013	BL 2014
						BL 2015

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.

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.

(1) - Formula funded strategies are not requested in 2014-15 because amounts are not determined by institutions.

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

GOAL:	2	Provide Research Support	Statewide Goal/Benchmark:	2	0
OBJECTIVE:	1	Research Activities	Service Categories:		
STRATEGY:	2	Science Park Operations	Service: 21	Income: A.2	Age: B.3

CODE	DESCRIPTION	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
Objects of Expense:						
1001	SALARIES AND WAGES	\$226,719	\$233,521	\$240,526	\$247,742	\$255,174
1002	OTHER PERSONNEL COSTS	\$29,267	\$30,145	\$31,049	\$31,981	\$32,940
1005	FACULTY SALARIES	\$3,461,151	\$3,564,986	\$3,671,935	\$3,782,093	\$3,895,556
2005	TRAVEL	\$2,188	\$2,254	\$2,321	\$2,391	\$2,463
2009	OTHER OPERATING EXPENSE	\$858,787	\$884,551	\$911,087	\$938,420	\$966,572
TOTAL, OBJECT OF EXPENSE		\$4,578,112	\$4,715,457	\$4,856,918	\$5,002,627	\$5,152,705
Method of Financing:						
8040	HRI Patient Income	\$4,578,112	\$4,715,457	\$4,856,918	\$5,002,627	\$5,152,705
SUBTOTAL, MOF (OTHER FUNDS)		\$4,578,112	\$4,715,457	\$4,856,918	\$5,002,627	\$5,152,705
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$5,002,627	\$5,152,705
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$4,578,112	\$4,715,457	\$4,856,918	\$5,002,627	\$5,152,705
FULL TIME EQUIVALENT POSITIONS:		17.0	16.8	16.7	0.0	0.0

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

GOAL:	2	Provide Research Support	Statewide Goal/Benchmark:	2	0
OBJECTIVE:	1	Research Activities	Service Categories:		
STRATEGY:	2	Science Park Operations	Service:	21	Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
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STRATEGY DESCRIPTION AND JUSTIFICATION:

The Science Park Operations strategy provides HRI Patient Income funding for the Research Division in Smithville and the Veterinary Department in Bastrop.

The Virginia Harris Cockrell Cancer Research Center Department of Molecular Carcinogenesis is a basic science research component located in the Lost Pines region near Smithville, Texas. Our mission is to investigate the molecular biology of cancer and to develop means for cancer prevention and detection. The Research Division has been operational since 1977, providing Research programs that are highly interactive and focused on the elucidation of the cellular and molecular mechanisms of carcinogenesis.

The Keeling Center for Comparative Medicine and Research was established in 1975. The original mission of the center was to provide a wide range of veterinary services and develop specialized animal species to support biomedical research. In accomplishing this mission, the center conducts research aimed at improving the care and management of these resources and research to improve human health. Biomedical investigations currently under way include studies on Hepatitis B and C and HIV. Other investigations include diabetes, hypertension, obesity, vaccine development, aging, cellular immunology and behavior.

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.

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

GOAL: 3 Provide Infrastructure Support Statewide Goal/Benchmark: 2 0
 OBJECTIVE: 1 Operations and Maintenance Service Categories:
 STRATEGY: 1 E&G Space Support Service: 10 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2011	Est 2012	Bud 2013	BL 2014 ⁽¹⁾	BL 2015 ⁽¹⁾
Objects of Expense:						
1001	SALARIES AND WAGES	\$17,833,400	\$13,508,139	\$13,460,332	\$0	\$0
1002	OTHER PERSONNEL COSTS	\$12,497,057	\$9,466,057	\$9,432,556	\$0	\$0
2004	UTILITIES	\$811,314	\$0	\$0	\$0	\$0
2005	TRAVEL	\$22,906	\$0	\$0	\$0	\$0
2009	OTHER OPERATING EXPENSE	\$130,259,638	\$0	\$0	\$0	\$0
5000	CAPITAL EXPENDITURES	\$(166,868)	\$0	\$0	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$161,257,447	\$22,974,196	\$22,892,888	\$0	\$0
Method of Financing:						
1	General Revenue Fund	\$24,175,016	\$22,974,196	\$22,892,888	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$24,175,016	\$22,974,196	\$22,892,888	\$0	\$0
Method of Financing:						
8040	HRI Patient Income	\$137,082,431	\$0	\$0	\$0	\$0
SUBTOTAL, MOF (OTHER FUNDS)		\$137,082,431	\$0	\$0	\$0	\$0

(1) - Formula funded strategies are not requested in 2014-15 because amounts are not determined by institutions.

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

GOAL: 3 Provide Infrastructure Support Statewide Goal/Benchmark: 2 0
 OBJECTIVE: 1 Operations and Maintenance Service Categories:
 STRATEGY: 1 E&G Space Support Service: 10 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
					(1)	(1)
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$0	\$0
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$161,257,447	\$22,974,196	\$22,892,888	\$0	\$0
FULL TIME EQUIVALENT POSITIONS:		266.9	192.5	187.7	0.0	0.0

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 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.

(1) - Formula funded strategies are not requested in 2014-15 because amounts are not determined by institutions.

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

GOAL:	3	Provide Infrastructure Support	Statewide Goal/Benchmark:	2	0
OBJECTIVE:	2	Infrastructure Support	Service Categories:		
STRATEGY:	1	Tuition Revenue Bond Retirement	Service:	10	
			Income:	A.2	
			Age:	B.3	

CODE	DESCRIPTION	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
Objects of Expense:						
2008	DEBT SERVICE	\$5,685,113	\$5,916,588	\$5,915,150	\$5,914,275	\$5,912,800
TOTAL, OBJECT OF EXPENSE		\$5,685,113	\$5,916,588	\$5,915,150	\$5,914,275	\$5,912,800
Method of Financing:						
1	General Revenue Fund	\$5,685,113	\$5,916,588	\$5,915,150	\$5,914,275	\$5,912,800
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$5,685,113	\$5,916,588	\$5,915,150	\$5,914,275	\$5,912,800
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$5,914,275	\$5,912,800
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$5,685,113	\$5,916,588	\$5,915,150	\$5,914,275	\$5,912,800
FULL TIME EQUIVALENT POSITIONS:					0.0	0.0
STRATEGY DESCRIPTION AND JUSTIFICATION:						

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

GOAL:	3	Provide Infrastructure Support	Statewide Goal/Benchmark:	2	0
OBJECTIVE:	2	Infrastructure Support	Service Categories:		
STRATEGY:	1	Tuition Revenue Bond Retirement	Service:	10	Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
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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 2014 and 2015.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

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

GOAL:	3	Provide Infrastructure Support	Statewide Goal/Benchmark:	2	0
OBJECTIVE:	2	Infrastructure Support	Service Categories:		
STRATEGY:	2	Long-term Capital Program	Service:	10	
			Income:	A.2	
			Age:	B.3	

CODE	DESCRIPTION	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
Objects of Expense:						
2008	DEBT SERVICE	\$63,287,607	\$56,062,319	\$62,048,156	\$62,000,000	\$62,000,000
5000	CAPITAL EXPENDITURES	\$187,277,448	\$270,778,956	\$472,003,331	\$238,000,000	\$238,000,000
TOTAL, OBJECT OF EXPENSE		\$250,565,055	\$326,841,275	\$534,051,487	\$300,000,000	\$300,000,000
Method of Financing:						
8040	HRI Patient Income	\$250,565,055	\$326,841,275	\$534,051,487	\$300,000,000	\$300,000,000
SUBTOTAL, MOF (OTHER FUNDS)		\$250,565,055	\$326,841,275	\$534,051,487	\$300,000,000	\$300,000,000
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$300,000,000	\$300,000,000
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$250,565,055	\$326,841,275	\$534,051,487	\$300,000,000	\$300,000,000
FULL TIME EQUIVALENT POSITIONS:					0.0	0.0
STRATEGY DESCRIPTION AND JUSTIFICATION:						

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

GOAL:	3	Provide Infrastructure Support	Statewide Goal/Benchmark:	2	0
OBJECTIVE:	2	Infrastructure Support	Service Categories:		
STRATEGY:	2	Long-term Capital Program	Service: 10	Income: A.2	Age: B.3

CODE	DESCRIPTION	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
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The Long-Term Capital Program strategy supports the construction of facilities and the renovation of space for instruction, patient care, research, and faculty and staff offices.

The strategy also supports the debt service on bonds used to finance the construction of facilities for patient care, research, education, administrative support, plant infrastructure and land acquisition.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

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

GOAL:	3	Provide Infrastructure Support	Statewide Goal/Benchmark:	2	0
OBJECTIVE:	2	Infrastructure Support	Service Categories:		
STRATEGY:	3	Long-term Capital Equipment	Service: 22	Income: A.2	Age: B.3

CODE	DESCRIPTION	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
Objects of Expense:						
2008	DEBT SERVICE	\$22,719,005	\$25,139,011	\$5,095,255	\$0	\$0
5000	CAPITAL EXPENDITURES	\$32,370,909	\$110,980,686	\$127,198,156	\$140,000,000	\$140,000,000
TOTAL, OBJECT OF EXPENSE		\$55,089,914	\$136,119,697	\$132,293,411	\$140,000,000	\$140,000,000
Method of Financing:						
8040	HRI Patient Income	\$55,089,914	\$136,119,697	\$132,293,411	\$140,000,000	\$140,000,000
SUBTOTAL, MOF (OTHER FUNDS)		\$55,089,914	\$136,119,697	\$132,293,411	\$140,000,000	\$140,000,000
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$140,000,000	\$140,000,000
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$55,089,914	\$136,119,697	\$132,293,411	\$140,000,000	\$140,000,000
FULL TIME EQUIVALENT POSITIONS:					0.0	0.0

STRATEGY DESCRIPTION AND JUSTIFICATION:

The Long-Term Capital Equipment strategy funds the acquisition of capital equipment in support of the institution's education, research and patient care programs. The strategy also supports the debt service on bonds used to finance capital equipment for M. D. Anderson's patient care and research mission.

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

GOAL:	3	Provide Infrastructure Support	Statewide Goal/Benchmark:	2	0
OBJECTIVE:	2	Infrastructure Support	Service Categories:		
STRATEGY:	3	Long-term Capital Equipment	Service: 22	Income: A.2	Age: B.3

CODE	DESCRIPTION	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
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EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

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

GOAL: 4 Provide Health Care Support Statewide Goal/Benchmark: 2 0
 OBJECTIVE: 1 Hospital Care Service Categories:
 STRATEGY: 1 Patient Care Activities Service: 22 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
Output Measures:						
KEY 1	Total Number of Outpatient Visits	1,190,568.00	1,281,489.00	1,361,387.00	1,443,070.00	1,536,869.00
KEY 2	Total Number of Inpatient Days	180,354.00	196,180.00	199,441.00	205,425.00	211,587.00
Efficiency Measures:						
1	Net Revenue As a Percent of Gross Revenues	53.85 %	52.39 %	51.04 %	49.36 %	47.41 %
2	Net Revenue Per Equivalent Patient Day	4,143.98	4,173.26	4,276.30	4,323.15	4,333.87
3	Operating Expenses Per Equivalent Patient Day	3,489.46	3,598.85	3,639.10	3,667.35	3,689.87
4	Personnel Expenses As a Percent of Operating Expenses	60.70 %	59.38 %	59.62 %	59.79 %	59.79 %
Objects of Expense:						
1001	SALARIES AND WAGES	\$614,899,713	\$803,621,029	\$846,350,523	\$982,643,296	\$1,028,121,071
1002	OTHER PERSONNEL COSTS	\$(500,000)	\$214,466,104	\$227,549,957	\$265,229,175	\$279,335,375
1005	FACULTY SALARIES	\$92,196,748	\$136,283,447	\$150,894,354	\$179,731,943	\$196,075,035
2001	PROFESSIONAL FEES AND SERVICES	\$0	\$65,189,800	\$75,939,577	\$87,100,881	\$95,313,991
2003	CONSUMABLE SUPPLIES	\$0	\$460,142,472	\$509,448,801	\$552,026,528	\$604,079,440
2004	UTILITIES	\$0	\$20,722,418	\$35,583,153	\$27,687,473	\$30,298,242
2005	TRAVEL	\$0	\$1,480,874	\$2,542,858	\$1,978,614	\$2,165,186
2009	OTHER OPERATING EXPENSE	\$400,251,283	\$149,087,746	\$159,582,443	\$208,135,023	\$221,584,046

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

GOAL:	4	Provide Health Care Support	Statewide Goal/Benchmark:	2	0
OBJECTIVE:	1	Hospital Care	Service Categories:		
STRATEGY:	1	Patient Care Activities	Service: 22	Income: A.2	Age: B.3

CODE	DESCRIPTION	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
5000	CAPITAL EXPENDITURES	\$1,476,135	\$0	\$0	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$1,108,323,879	\$1,850,993,890	\$2,007,891,666	\$2,304,532,933	\$2,456,972,386
Method of Financing:						
770	Est Oth Educ & Gen Inco	\$21,552,713	\$20,871,850	\$29,193,393	\$29,901,876	\$26,297,940
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$21,552,713	\$20,871,850	\$29,193,393	\$29,901,876	\$26,297,940
Method of Financing:						
8040	HRI Patient Income	\$1,086,771,166	\$1,830,122,040	\$1,978,698,273	\$2,274,631,057	\$2,430,674,446
SUBTOTAL, MOF (OTHER FUNDS)		\$1,086,771,166	\$1,830,122,040	\$1,978,698,273	\$2,274,631,057	\$2,430,674,446
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$2,304,532,933	\$2,456,972,386
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$1,108,323,879	\$1,850,993,890	\$2,007,891,666	\$2,304,532,933	\$2,456,972,386
FULL TIME EQUIVALENT POSITIONS:		9,563.8	11,914.1	12,295.3	14,008.0	14,347.9
STRATEGY DESCRIPTION AND JUSTIFICATION:						

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

GOAL:	4	Provide Health Care Support	Statewide Goal/Benchmark:	2	0
OBJECTIVE:	1	Hospital Care	Service Categories:		
STRATEGY:	1	Patient Care Activities	Service: 22	Income: A.2	Age: B.3

CODE	DESCRIPTION	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
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The Patient Care Activities strategy supports the operation of in-patient hospital facilities, ambulatory care center clinics, and related facilities to provide care for cancer patients from Texas, the nation and the world. This strategy includes funding for business support services, patient business services, nursing, pharmacy, allied health professionals, clerical and support staff, unsponsored charity care for indigent Texans, facilities maintenance and operation expenses, equipment, and information systems necessary for the delivery of care in the hospital and clinics.

The strategy also includes support for Instruction, Academic Support and Research that are funded from HRI Patient Income and Other Education and General funds.

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.

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

Statewide Goal/Benchmark: 2 0
 Service Categories:
 Service: 21 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
Objects of Expense:						
1001	SALARIES AND WAGES	\$2,322,134	\$863,037	\$863,037	\$863,037	\$863,037
1002	OTHER PERSONNEL COSTS	\$795,950	\$295,820	\$295,820	\$295,820	\$295,820
2005	TRAVEL	\$65,270	\$0	\$0	\$0	\$0
2009	OTHER OPERATING EXPENSE	\$859,071	\$0	\$0	\$0	\$0
5000	CAPITAL EXPENDITURES	\$599,520	\$0	\$0	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$4,641,945	\$1,158,857	\$1,158,857	\$1,158,857	\$1,158,857
Method of Financing:						
1	General Revenue Fund	\$1,662,500	\$1,158,857	\$1,158,857	\$1,158,857	\$1,158,857
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$1,662,500	\$1,158,857	\$1,158,857	\$1,158,857	\$1,158,857
Method of Financing:						
8040	HRI Patient Income	\$2,979,445	\$0	\$0	\$0	\$0
SUBTOTAL, MOF (OTHER FUNDS)		\$2,979,445	\$0	\$0	\$0	\$0

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

GOAL:	5	Provide Special Item Support	Statewide Goal/Benchmark:	2	0
OBJECTIVE:	1	Research Special Items	Service Categories:		
STRATEGY:	1	Research Support	Service:	21	Income: A.2
					Age: B.3

CODE	DESCRIPTION	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$1,158,857	\$1,158,857
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$4,641,945	\$1,158,857	\$1,158,857	\$1,158,857	\$1,158,857
FULL TIME EQUIVALENT POSITIONS:		34.7	12.3	12.0	11.8	11.5

STRATEGY DESCRIPTION AND JUSTIFICATION:

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.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

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

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

GOAL:	5	Provide Special Item Support	Statewide Goal/Benchmark:	2	0
OBJECTIVE:	1	Research Special Items	Service Categories:		
STRATEGY:	2	Breast Cancer Research Program	Service:	21	Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
Objects of Expense:						
1001	SALARIES AND WAGES	\$1,232,795	\$965,239	\$965,239	\$965,239	\$965,239
1002	OTHER PERSONNEL COSTS	\$543,506	\$425,548	\$425,548	\$425,548	\$425,548
1005	FACULTY SALARIES	\$267,205	\$209,213	\$209,213	\$209,213	\$209,213
2001	PROFESSIONAL FEES AND SERVICES	\$211,468	\$0	\$0	\$0	\$0
2002	FUELS AND LUBRICANTS	\$46	\$0	\$0	\$0	\$0
2003	CONSUMABLE SUPPLIES	\$175,137	\$0	\$0	\$0	\$0
2004	UTILITIES	\$36,216	\$0	\$0	\$0	\$0
2005	TRAVEL	\$3,956	\$0	\$0	\$0	\$0
2009	OTHER OPERATING EXPENSE	\$(372,501)	\$0	\$0	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$2,097,828	\$1,600,000	\$1,600,000	\$1,600,000	\$1,600,000
Method of Financing:						
1	General Revenue Fund	\$2,000,000	\$1,600,000	\$1,600,000	\$1,600,000	\$1,600,000
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$2,000,000	\$1,600,000	\$1,600,000	\$1,600,000	\$1,600,000
Method of Financing:						
8040	HRI Patient Income	\$97,828	\$0	\$0	\$0	\$0

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

GOAL:	5	Provide Special Item Support	Statewide Goal/Benchmark:	2	0
OBJECTIVE:	1	Research Special Items	Service Categories:		
STRATEGY:	2	Breast Cancer Research Program	Service:	21	Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
SUBTOTAL, MOF (OTHER FUNDS)		\$97,828	\$0	\$0	\$0	\$0
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$1,600,000	\$1,600,000
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$2,097,828	\$1,600,000	\$1,600,000	\$1,600,000	\$1,600,000
FULL TIME EQUIVALENT POSITIONS:		19.5	14.6	14.2	13.9	13.6

STRATEGY DESCRIPTION AND JUSTIFICATION:

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.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

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

GOAL:	5	Provide Special Item Support	Statewide Goal/Benchmark:	2	0
OBJECTIVE:	2	Institutional Support Special Items	Service Categories:		
STRATEGY:	1	Institutional Enhancement	Service: 21	Income: A.2	Age: B.3

CODE	DESCRIPTION	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
Objects of Expense:						
1001	SALARIES AND WAGES	\$(2,002,181)	\$491,798	\$491,798	\$491,798	\$491,798
2009	OTHER OPERATING EXPENSE	\$4,519,056	\$0	\$0	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$2,516,875	\$491,798	\$491,798	\$491,798	\$491,798
Method of Financing:						
1	General Revenue Fund	\$614,747	\$491,798	\$491,798	\$491,798	\$491,798
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$614,747	\$491,798	\$491,798	\$491,798	\$491,798
Method of Financing:						
8040	HRI Patient Income	\$1,902,128	\$0	\$0	\$0	\$0
SUBTOTAL, MOF (OTHER FUNDS)		\$1,902,128	\$0	\$0	\$0	\$0
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$491,798	\$491,798
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$2,516,875	\$491,798	\$491,798	\$491,798	\$491,798
FULL TIME EQUIVALENT POSITIONS:		0.0	7.0	6.9	6.7	6.6

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

GOAL:	5	Provide Special Item Support	Statewide Goal/Benchmark:	2	0
OBJECTIVE:	2	Institutional Support Special Items	Service Categories:		
STRATEGY:	1	Institutional Enhancement	Service: 21	Income: A.2	Age: B.3

CODE	DESCRIPTION	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
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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.

The Genomics Core Program supports genomics research, minimizes duplication of expensive resources and enhances collaborations by providing core genomics support to independent research studies at MDACC.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

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

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

GOAL:	5	Provide Special Item Support	Statewide Goal/Benchmark:	2	0
OBJECTIVE:	3	Exceptional Item Request	Service Categories:		
STRATEGY:	1	Exceptional Item Request	Service: NA	Income: NA	Age: NA

CODE	DESCRIPTION	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
Objects of Expense:						
1005	FACULTY SALARIES	\$0	\$0	\$0	\$0	\$0
2009	OTHER OPERATING EXPENSE	\$0	\$0	\$0	\$0	\$0
5000	CAPITAL EXPENDITURES	\$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	\$0	\$0	\$0
FULL TIME EQUIVALENT POSITIONS:		0.0	0.0	0.0	0.0	0.0
STRATEGY DESCRIPTION AND JUSTIFICATION:						

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

GOAL:	5	Provide Special Item Support	Statewide Goal/Benchmark:	2	0
OBJECTIVE:	3	Exceptional Item Request	Service Categories:		
STRATEGY:	1	Exceptional Item Request	Service: NA	Income: NA	Age: NA

CODE	DESCRIPTION	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
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A non-energized Magnetic Resonance Imaging machine would be used in the School of Health Professions to provide training and enhance the quality of education for diagnostic imaging students. Funds would be used for a mobile computer cart system to support Radiation Oncology (treatment planning) software applications that need to be run on institutional computers at the school. In addition, start-up funding would be provided for two new baccalaureate degrees: a Bachelor of Science in Health Disparities, Diversity and Advocacy and a Bachelor of Science in Diagnostic Medical Sonography.

On-site basic science research storage and computational capacity:

M. D. Anderson currently has an 8,000 core high-performance computing cluster which is fully utilized for basic science research. Over the past year, there has been a significant increase in utilization for Next Gen Sequencing (NGS) including large memory computing. Efforts are underway to explore cloud-based computation offerings along with UT System Texas Advanced Computing. At present there remains a need to expand the large memory computing to handle the analytics associated with NGS.

TRB support for Basic Science Research Building II:

The facility will include clinical laboratories, translational and basic science research laboratory space, clinical programs and other supporting space, such as equipment support areas, offices and conferencing facilities to integrate the delivery of basic and clinical research in support of Personalized Cancer Care.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

If the request is not funded with General Revenue the purchase of the equipment or the TRB for the research building may either be delayed or ultimately funded with Non-General Revenue sources of funding that currently support research, education, patient care and uncompensated care for indigent Texans.

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

GOAL:	6	Institutional Operations	Statewide Goal/Benchmark:	2	0
OBJECTIVE:	1	Institutional Operations	Service Categories:		
STRATEGY:	1	Institutional Operations	Service: 19	Income: A.2	Age: B.3

CODE	DESCRIPTION	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
Objects of Expense:						
1001	SALARIES AND WAGES	\$7,585,160	\$0	\$0	\$3,792,580	\$3,792,580
1002	OTHER PERSONNEL COSTS	\$414,840	\$0	\$0	\$207,420	\$207,420
TOTAL, OBJECT OF EXPENSE		\$8,000,000	\$0	\$0	\$4,000,000	\$4,000,000
Method of Financing:						
1	General Revenue Fund	\$8,000,000	\$0	\$0	\$4,000,000	\$4,000,000
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$8,000,000	\$0	\$0	\$4,000,000	\$4,000,000
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$4,000,000	\$4,000,000
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$8,000,000	\$0	\$0	\$4,000,000	\$4,000,000
FULL TIME EQUIVALENT POSITIONS:		113.5	0.0	0.0	51.8	50.7

STRATEGY DESCRIPTION AND JUSTIFICATION:

Funding for the Institutional Operations strategy supports the operation of in-patient hospital facilities, ambulatory care center clinics, and related facilities to provide care for cancer patients from Texas, the nation and the world. This strategy includes funding for business support services, patient business services, nursing, pharmacy, allied health professionals, clerical and support staff, unsponsored charity care for indigent Texans, facilities maintenance and operation expenses, equipment, and information systems necessary for the delivery of care in the hospital and clinics.

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

GOAL:	6	Institutional Operations	Statewide Goal/Benchmark:	2	0
OBJECTIVE:	1	Institutional Operations	Service Categories:		
STRATEGY:	1	Institutional Operations	Service:	19	Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2011	Est 2012	Bud 2013	BL 2014	BL 2015
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EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

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

GOAL:	7	Tobacco Funds	Statewide Goal/Benchmark:	3	0
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 2011	Est 2012	Bud 2013	BL 2014	BL 2015
Objects of Expense:						
1001	SALARIES AND WAGES	\$0	\$1,841,835	\$1,988,197	\$2,101,100	\$2,206,155
1002	OTHER PERSONNEL COSTS	\$0	\$342,847	\$370,091	\$391,108	\$410,663
1005	FACULTY SALARIES	\$0	\$922,744	\$996,070	\$1,052,633	\$1,105,265
2001	PROFESSIONAL FEES AND SERVICES	\$224,134	\$0	\$0	\$0	\$0
2003	CONSUMABLE SUPPLIES	\$109,561	\$74,878	\$78,448	\$76,895	\$78,268
2004	UTILITIES	\$3,845	\$2,628	\$2,797	\$2,884	\$2,952
2005	TRAVEL	\$12,206	\$8,342	\$8,527	\$8,239	\$8,239
2009	OTHER OPERATING EXPENSE	\$2,025,062	\$2,141,347	\$1,490,870	\$664,641	\$485,958
5000	CAPITAL EXPENDITURES	\$3,466,752	\$2,232,973	\$1,645,000	\$1,432,500	\$1,432,500
TOTAL, OBJECT OF EXPENSE		\$5,841,560	\$7,567,594	\$6,580,000	\$5,730,000	\$5,730,000
Method of Financing:						
812	Permanent Endowment FD UTMD AND	\$5,841,560	\$7,567,594	\$6,580,000	\$5,730,000	\$5,730,000
SUBTOTAL, MOF (OTHER FUNDS)		\$5,841,560	\$7,567,594	\$6,580,000	\$5,730,000	\$5,730,000

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

GOAL: 7 Tobacco Funds Statewide Goal/Benchmark: 3 0
 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 2011	Est 2012	Bud 2013	BL 2014	BL 2015
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$5,730,000	\$5,730,000
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$5,841,560	\$7,567,594	\$6,580,000	\$5,730,000	\$5,730,000
FULL TIME EQUIVALENT POSITIONS:		0.0	36.4	38.6	41.5	42.8

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.

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.

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

GOAL:	7	Tobacco Funds	Statewide Goal/Benchmark:	2	0
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 2011	Est 2012	Bud 2013	BL 2014	BL 2015
Objects of Expense:						
1001	SALARIES AND WAGES	\$2,643,622	\$933,968	\$926,396	\$959,223	\$1,007,184
1002	OTHER PERSONNEL COSTS	\$492,095	\$173,853	\$172,443	\$178,554	\$187,481
1005	FACULTY SALARIES	\$1,324,432	\$467,910	\$464,117	\$480,562	\$504,590
2003	CONSUMABLE SUPPLIES	\$0	\$37,970	\$36,552	\$35,105	\$35,732
2004	UTILITIES	\$0	\$1,333	\$1,303	\$1,316	\$1,348
2005	TRAVEL	\$0	\$4,230	\$3,973	\$3,761	\$3,761
2009	OTHER OPERATING EXPENSE	\$1,108,136	\$1,085,845	\$694,669	\$303,432	\$221,857
5000	CAPITAL EXPENDITURES	\$0	\$1,132,308	\$766,484	\$653,984	\$653,984
TOTAL, OBJECT OF EXPENSE		\$5,568,285	\$3,837,417	\$3,065,937	\$2,615,937	\$2,615,937
Method of Financing:						
810	Permanent Health Fund Higher Ed	\$5,568,285	\$3,837,417	\$3,065,937	\$2,615,937	\$2,615,937
SUBTOTAL, MOF (OTHER FUNDS)		\$5,568,285	\$3,837,417	\$3,065,937	\$2,615,937	\$2,615,937

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

GOAL:	7	Tobacco Funds	Statewide Goal/Benchmark:	2	0
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 2011	Est 2012	Bud 2013	BL 2014	BL 2015
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$2,615,937	\$2,615,937
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$5,568,285	\$3,837,417	\$3,065,937	\$2,615,937	\$2,615,937
FULL TIME EQUIVALENT POSITIONS:		44.8	18.5	18.0	19.0	19.6

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.

3.A. Strategy Request

10/17/2012 9:10:38AM

83rd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

SUMMARY TOTALS:

OBJECTS OF EXPENSE:	\$2,450,744,148	\$2,584,135,451	\$2,949,899,214	\$2,888,550,869	\$3,046,930,684
METHODS OF FINANCE (INCLUDING RIDERS):				\$2,888,550,869	\$3,046,930,684
METHODS OF FINANCE (EXCLUDING RIDERS):	\$2,450,744,148	\$2,584,135,451	\$2,949,899,214	\$2,888,550,869	\$3,046,930,684
FULL TIME EQUIVALENT POSITIONS:	13,030.0	13,427.1	13,777.1	14,152.7	14,492.7

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: 08/03/2012	Request Level:
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Current Rider Number	Page Number in 2010-11 GAA	Proposed Rider Language
4	III-169	<p>Transfers of Appropriations – State Owned Hospitals. The University of Texas M. D. Anderson Cancer Center shall transfer from non-Medicaid state appropriated funds \$53,171,605 in fiscal year 2012 and \$53,171,605 in fiscal year 2013 to the Health and Human Services Commission. The timing and form of such transfers shall be determined by the Comptroller of Public Accounts in consultation with the Health and Human Services Commission. The Legislative Budget Board is authorized to adjust the amounts of such transfers as necessary to match available federal funds. The transfers, however, shall be made not less frequently than monthly.</p> <p>Note: This rider provided the basis for the institution to transfer funds to the State as part of the public hospital upper payment limit (UPL) and the disproportionate share hospital (DSH) programs. Because the hospital UPL program no longer exists and HHSC is proposing changes to the DSH program allocation, there is no longer a need for this rider. If necessary, as HHSC proposes a new methodology for the DSH program, a new rider may be offered.</p>

**3.B. Rider Revisions and Additions Request
(continued)**

5	III-170	<p>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> <ul style="list-style-type: none"> 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. 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, 2011 <u>2013</u>, and the income to said fund during the fiscal years beginning September 1, 2011 <u>2013</u>, are hereby appropriated. Any unexpended appropriations made above as of August 31, 2012-2014, are hereby appropriated to the institution for the same purpose for fiscal year 2013 <u>2015</u>.
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8	III-170	<p>Rare and Aggressive Breast Cancer Research Program. Of the amounts appropriated above in Strategy E.1.2, Breast Cancer Research Program, \$1,500,000 \$1,600,000 in fiscal year 2012 <u>2014</u> and \$1,500,000 \$1,600,000 in fiscal year 2013 <u>2015</u> 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>
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4.A. Exceptional Item Request Schedule
 83rd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/17/2012
 TIME: 9:10:38AM

Agency code: 506

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

CODE	DESCRIPTION	Excp 2014	Excp 2015
	Item Name: School of Health Professions: MRI Student Training Unit, Mobile Computer Cart System, New degree start-up funding		
	Item Priority: 1		
	Includes Funding for the Following Strategy or Strategies: 05-03-01 Exceptional Item Request		
 OBJECTS OF EXPENSE:			
1005	FACULTY SALARIES	90,000	92,700
2009	OTHER OPERATING EXPENSE	14,000	11,300
5000	CAPITAL EXPENDITURES	1,116,000	1,116,000
	TOTAL, OBJECT OF EXPENSE	\$1,220,000	\$1,220,000
 METHOD OF FINANCING:			
1	General Revenue Fund	1,220,000	1,220,000
	TOTAL, METHOD OF FINANCING	\$1,220,000	\$1,220,000
 FULL-TIME EQUIVALENT POSITIONS (FTE):		1.00	1.00

DESCRIPTION / JUSTIFICATION:

A non-energized Magnetic Resonance Imaging machine would be used in the School of Health Professions to provide training and enhance the quality of education for diagnostic imaging students. The unit would increase the program's efficiency, avoid disruption of MRI equipment used for patient care purposes, and allow the school to train more students and address both the looming allied health professions shortage and the state's Closing the Gaps goals.

Patient data and software used in instruction must be housed in a secure environment due to privacy and access restrictions. Funds would be used for a mobile computer cart system to support Radiation Oncology (treatment planning) software applications that need to be run on institutional computers at the school. In addition, start-up funding would be provided for two new baccalaureate degrees: a Bachelor of Science in Health Disparities, Diversity, and Advocacy, and a Bachelor of Science in Diagnostic Medical Sonography.

EXTERNAL/INTERNAL FACTORS:

4.A. Exceptional Item Request Schedule
83rd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/17/2012
TIME: 9:10:38AM

Agency code: 506

Agency name:

The University of Texas M.D. Anderson Cancer Center

CODE	DESCRIPTION	Excp 2014	Excp 2015
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Major accomplishments to date and expected over the next two years: The School of Health Professions trains 75 diagnostic imaging students annually. The training unit would increase the number of students trained each year by 15-20 which would help address the allied health professions needs in the state. Moreover, the unit would avoid disruptions of MRI equipment used for patient care purposes, thereby increasing patient care access. The mobile laptop computer cart would avoid costs associated with locating and constructing a computer lab for Radiation Oncology, Medical Dosemetry and Molecular Genetic students and allow for efficient use of existing space and classrooms within the school by permitting students to connect remotely.

Start-up funding for the Bachelor of Science in Health Disparities, Diversity and Advocacy and a Bachelor of Science in Diagnostic Medical Sonography would establish these programs with expected enrollment of 15 students in each program beginning in the 2013 fall semester in an effort to further address the long-term needs in these allied health fields.

Year established and funding source prior to receiving special item funding: First requested in 2014, Estimated Other Educational and General Income, Health-related Institution's Patient Income and philanthropy

Formula funding: There is no formula funding for this exceptional item

Non-general revenue sources of funding: Estimated Other Educational and General Income, Health-related Institution's Patient Income and philanthropy

Consequences of not funding: If the Exceptional Item is not funded with General Revenue the purchase of the equipment may either be delayed or ultimately funded with Non-General Revenue sources of funding that currently support research, education, patient care and uncompensated care for indigent Texans.

4.A. Exceptional Item Request Schedule
 83rd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/17/2012
 TIME: 9:10:38AM

Agency code: 506

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

CODE	DESCRIPTION	Excp 2014	Excp 2015
	Item Name: On-Site Basic Science Research Storage and Computational Capacity Item Priority: 2 Includes Funding for the Following Strategy or Strategies: 05-03-01 Exceptional Item Request		
OBJECTS OF EXPENSE:			
5000	CAPITAL EXPENDITURES	1,250,000	1,250,000
	TOTAL, OBJECT OF EXPENSE	\$1,250,000	\$1,250,000
METHOD OF FINANCING:			
1	General Revenue Fund	1,250,000	1,250,000
	TOTAL, METHOD OF FINANCING	\$1,250,000	\$1,250,000

DESCRIPTION / JUSTIFICATION:

MD Anderson has experienced an 806% increase in storage for basic and translational research since 2006. The total storage for research is now three times more than all clinical and administrative storage combined. Efforts are underway to utilize cloud-based storage along with UT System storage initiatives. However, there will always be a need for storage on-site to handle certain aspects of research.

MD Anderson currently has an 8,000 core high-performance computing cluster (HPCC) which is fully utilized for basic science research. Over the past year, there has been an significant increase in utilization for Next Gen Sequencing (NGS) including large memory computing. Efforts are underway to explore cloud-based computation offerings along with UT System Texas Advanced Computing (TAC). At present there remains a need to expand the large memory computing to handle the analytics associated with NGS.

EXTERNAL/INTERNAL FACTORS:

Major accomplishments to date and expected over the next two years: Over the past seven years, MD Anderson has made a significant investment in research data storage and computational capacity which has resulted in an estimated 6 pb (1 Pedabyte = 1,000 Terabytes) of dedicated research storage and an 8,000 node High Performance Computing Cluster. MD Anderson must continue to invest in these resources considering the rapid changes in medicine, including the role genetic sequencing will play in personalized medicine and targeted drug discovery.

Year established and funding source prior to receiving special item funding: First requested in 2014, Estimated Other Educational and General Income, Health-related Institution's Patient Income and philanthropy

Formula funding: There is no formula funding for this exceptional item

Non-general revenue sources of funding: Estimated Other Educational and General Income, Health-related Institution's Patient Income and philanthropy

Consequences of not funding: If the Exceptional Item is not funded with General Revenue the purchase of the equipment may either be delayed or ultimately funded with

Non-General Revenue sources of funding that currently support research, education, patient care and uncompensated care for indigent Texans.

4.A. Exceptional Item Request Schedule
 83rd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/17/2012
 TIME: 9:10:38AM

Agency code: 506

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

CODE	DESCRIPTION		Excp 2014	Excp 2015
	Item Name:	TRB Support for Basic Science Research Building II		
	Item Priority:	3		
	Includes Funding for the Following Strategy or Strategies:	03-02-01 Tuition Revenue Bond Retirement		
OBJECTS OF EXPENSE:				
2008	DEBT SERVICE		4,360,000	4,360,000
	TOTAL, OBJECT OF EXPENSE		\$4,360,000	\$4,360,000
METHOD OF FINANCING:				
1	General Revenue Fund		4,360,000	4,360,000
	TOTAL, METHOD OF FINANCING		\$4,360,000	\$4,360,000

DESCRIPTION / JUSTIFICATION:

The facility will include clinical laboratories, translational and basic science research laboratory space, clinical programs and other supporting space, such as equipment support areas, offices and conferencing facilities to integrate the delivery of basic and clinical research in support of Personalized Cancer Care. The \$272.8 million is for construction of the shell and core of the facility plus the build-out of some floors and build-out of the remaining floors will occur in future phases. The current project builds-out 74% of the building. Tuition revenue bond support will be leveraged with philanthropic support, which MD Anderson will match with an equal contribution of funding from patient income.

EXTERNAL/INTERNAL FACTORS:

Major accomplishments to date and expected over the next two years: Groundbreaking held on November 16, 2011, and slated for completion in August 2014.

Year established and funding source prior to receiving special item funding: First requested in 2014, Estimated Other Educational and General Income, Health-related Institution's Patient Income and philanthropy

Formula funding: There is no formula funding for this exceptional item

Non-general revenue sources of funding: Estimated Other Educational and General Income, Health-related Institution's Patient Income and philanthropy

Consequences of not funding: If the Exceptional Item is not funded with General Revenue the project may either be delayed or ultimately funded with Non-General Revenue sources of funding that currently support research, education, patient care and uncompensated care for indigent Texans.

4.B. Exceptional Items Strategy Allocation Schedule

83rd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **10/17/2012**

TIME: **9:10:39AM**

Agency code: **506**

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

Code	Description	Excp 2014	Excp 2015
Item Name: School of Health Professions: MRI Student Training Unit, Mobile Computer Cart System, New degree start-up funding			
Allocation to Strategy: 5-3-1 Exceptional Item Request			
OBJECTS OF EXPENSE:			
1005	FACULTY SALARIES	90,000	92,700
2009	OTHER OPERATING EXPENSE	14,000	11,300
5000	CAPITAL EXPENDITURES	1,116,000	1,116,000
TOTAL, OBJECT OF EXPENSE		\$1,220,000	\$1,220,000
METHOD OF FINANCING:			
1	General Revenue Fund	1,220,000	1,220,000
TOTAL, METHOD OF FINANCING		\$1,220,000	\$1,220,000
FULL-TIME EQUIVALENT POSITIONS (FTE):		1.0	1.0

4.B. Exceptional Items Strategy Allocation Schedule
 83rd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **10/17/2012**
 TIME: **9:10:39AM**

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

Code	Description	Excp 2014	Excp 2015
Item Name: On-Site Basic Science Research Storage and Computational Capacity			
Allocation to Strategy: 5-3-1 Exceptional Item Request			
OBJECTS OF EXPENSE:			
5000	CAPITAL EXPENDITURES	1,250,000	1,250,000
TOTAL, OBJECT OF EXPENSE		\$1,250,000	\$1,250,000
METHOD OF FINANCING:			
1	General Revenue Fund	1,250,000	1,250,000
TOTAL, METHOD OF FINANCING		\$1,250,000	\$1,250,000
FULL-TIME EQUIVALENT POSITIONS (FTE):		0.0	0.0

4.B. Exceptional Items Strategy Allocation Schedule
 83rd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **10/17/2012**
 TIME: **9:10:39AM**

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

Code	Description	Excp 2014	Excp 2015
Item Name: TRB Support for Basic Science Research Building II			
Allocation to Strategy: 3-2-1 Tuition Revenue Bond Retirement			
OBJECTS OF EXPENSE:			
2008	DEBT SERVICE	4,360,000	4,360,000
TOTAL, OBJECT OF EXPENSE		\$4,360,000	\$4,360,000
METHOD OF FINANCING:			
1	General Revenue Fund	4,360,000	4,360,000
TOTAL, METHOD OF FINANCING		\$4,360,000	\$4,360,000
FULL-TIME EQUIVALENT POSITIONS (FTE):		0.0	0.0

4.C. Exceptional Items Strategy Request
 83rd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/17/2012
TIME: 9:10:39AM

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

GOAL: 3 Provide Infrastructure Support Statewide Goal/Benchmark: 2 - 0
 OBJECTIVE: 2 Infrastructure Support Service Categories:
 STRATEGY: 1 Tuition Revenue Bond Retirement Service: 10 Income: A.2 Age: B.3

CODE	DESCRIPTION	Excp 2014	Excp 2015
OBJECTS OF EXPENSE:			
2008	DEBT SERVICE	4,360,000	4,360,000
	Total, Objects of Expense	\$4,360,000	\$4,360,000
METHOD OF FINANCING:			
1	General Revenue Fund	4,360,000	4,360,000
	Total, Method of Finance	\$4,360,000	\$4,360,000

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

TRB Support for Basic Science Research Building II

4.C. Exceptional Items Strategy Request
 83rd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/17/2012
TIME: 9:10:39AM

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

GOAL: 5 Provide Special Item Support Statewide Goal/Benchmark: 2 - 0
 OBJECTIVE: 3 Exceptional Item Request Service Categories:
 STRATEGY: 1 Exceptional Item Request Service: NA Income: NA Age: NA

CODE DESCRIPTION	Excp 2014	Excp 2015
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OBJECTS OF EXPENSE:

1005 FACULTY SALARIES	90,000	92,700
2009 OTHER OPERATING EXPENSE	14,000	11,300
5000 CAPITAL EXPENDITURES	2,366,000	2,366,000
Total, Objects of Expense	\$2,470,000	\$2,470,000

METHOD OF FINANCING:

1 General Revenue Fund	2,470,000	2,470,000
Total, Method of Finance	\$2,470,000	\$2,470,000

FULL-TIME EQUIVALENT POSITIONS (FTE):

1.0	1.0
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EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

School of Health Professions: MRI Student Training Unit, Mobile Computer Cart System, New degree start-up funding
 On-Site Basic Science Research Storage and Computational Capacity

6.A. Historically Underutilized Business Supporting Schedule
 83rd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

Date: **10/17/2012**
 Time: **9:10:39AM**

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

COMPARISON TO STATEWIDE HUB PROCUREMENT GOALS

A. Fiscal Year 2010 - 2011 HUB Expenditure Information

Statewide HUB Goals	Procurement Category	% Goal	HUB Expenditures FY 2010			Total Expenditures FY 2010		HUB Expenditures FY 2011			Total Expenditures FY 2011	
			% Actual	Diff	Actual \$	% Goal	% Actual	Diff	Actual \$	% Goal		
11.9%	Heavy Construction	11.9 %	0.0%	-11.9%	\$0	\$0	0.0 %	0.0%	0.0%	\$0	\$0	
26.1%	Building Construction	26.1 %	18.6%	-7.5%	\$47,790,150	\$257,165,303	15.0 %	15.0%	0.0%	\$20,245,937	\$135,147,571	
57.2%	Special Trade Construction	57.2 %	16.0%	-41.2%	\$6,493,560	\$40,591,048	23.0 %	23.0%	0.0%	\$11,887,401	\$51,583,929	
20.0%	Professional Services	20.0 %	56.3%	36.3%	\$4,188,394	\$7,438,013	50.1 %	50.1%	0.0%	\$4,721,785	\$9,425,710	
33.0%	Other Services	33.0 %	12.0%	-21.0%	\$18,757,680	\$156,380,997	11.1 %	11.1%	0.0%	\$22,161,233	\$200,267,633	
12.6%	Commodities	12.6 %	3.0%	-9.6%	\$17,525,972	\$592,604,108	3.8 %	3.8%	0.0%	\$26,017,168	\$687,756,236	
	Total Expenditures		9.0%		\$94,755,756	\$1,054,179,469		7.8%		\$85,033,524	\$1,084,181,079	

B. Assessment of Fiscal Year 2010 - 2011 Efforts to Meet HUB Procurement Goals

Attainment:

FY10 MD Anderson exceeded the goal of 20% for Professional Services by 36.3%
 FY11 MD Anderson exceeded the goal of 20% for Professional Services by 30.1%

Applicability:

The Heavy Construction category was not applicable to agency operations in either FY10 or FY11.

Factors Affecting Attainment:

The specialty/acute care status of the agency in cancer research and treatment challenges the agency's ability to meet 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 mentorship relationships for ten HUB protégés; Reviewed over 950 HUB Plans for compliance; Monitored 130 subcontract plans monthly; Distributed bid request information on a weekly basis to community supplier groups; Hosted annual Supplier EXPO for 80 HUB and SBC firms; Sourcing staff participated in various networking events with more than 400 HUB and SBC firms; Hosted internal training on the RFP process and business presentation for over 200 HUB and SBC firms. MDA received WBEA Cutting Edge Award 2010 for outstanding growth and utilization of WBE's; Professional Services Award 2010 from HMSDC for advancement of Minority Businesses in Professional Services area; Innovation Award 2011 by HMSDC for most innovative approach to expanding business opportunities with

6.A. Historically Underutilized Business Supporting Schedule
83rd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Date: **10/17/2012**
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Agency Code: **506** Agency: **The University of Texas M.D. Anderson Cancer Center**

MBEs; WBEA Corporate Award for 2010 and 2011.

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

Estimated Funds Outside the Institution's Bill Pattern

2012-13 and 2014-15 Biennia

	2012 - 2013 Biennium				2014 - 2015 Biennium			
	FY 2012 Revenue	FY 2013 Revenue	Biennium Total	Percent of Total	FY 2014 Revenue	FY 2015 Revenue	Biennium Total	Percent of Total
APPROPRIATED SOURCES INSIDE THE BILL PATTERN								
State Appropriations (excluding HEGI & State Paid Fringes)	\$ 161,691,072	\$ 140,480,437	\$ 302,171,509		\$ 149,217,536	\$ 149,217,536	\$ 298,435,072	
Tuition and Fees (net of Discounts and Allowances)	769,737	1,049,798	1,819,535		1,070,633	1,080,400	2,151,033	
Endowment and Interest Income	21,053,714	29,606,168	50,659,882		32,000,000	28,000,000	60,000,000	
Sales and Services of Educational Activities (net)	-	-	-		-	-	-	
Sales and Services of Hospitals (net)	2,601,372,366	2,760,513,257	5,361,885,623		2,974,043,614	3,143,977,273	6,118,020,887	
Other Income	-	-	-		-	-	-	
Total	2,784,886,889	2,931,649,660	5,716,536,549	76.1%	3,156,331,783	3,322,275,209	6,478,606,992	77.3%
APPROPRIATED SOURCES OUTSIDE THE BILL PATTERN								
State Appropriations (HEGI & State Paid Fringes)	\$ 17,383,894	\$ -	\$ 17,383,894		\$ -	\$ -	\$ -	
Higher Education Assistance Funds	-	-	-		-	-	-	
Available University Fund	-	-	-		-	-	-	
State Grants and Contracts	-	-	-		-	-	-	
Total	17,383,894	-	17,383,894	0.2%	-	-	-	0.0%
NON-APPROPRIATED SOURCES								
Tuition and Fees (net of Discounts and Allowances)	512,891	507,418	1,020,309		520,000	530,000	1,050,000	
Federal Grants and Contracts	201,196,605	220,681,391	421,877,996		225,095,019	229,596,919	454,691,938	
State Grants and Contracts	11,614,488	41,000,000	52,614,488		41,820,000	42,656,400	84,476,400	
Local Government Grants and Contracts	-	-	-		-	-	-	
Private Gifts and Grants	126,417,178	133,018,172	259,435,350		135,678,535	138,392,106	274,070,642	
Endowment and Interest Income	87,718,560	38,643,832	126,362,392		39,416,709	40,205,043	79,621,751	
Sales and Services of Educational Activities (net)	2,108,048	2,750,000	4,858,048		2,805,000	2,861,100	5,666,100	
Sales and Services of Hospitals (net)	-	-	-		-	-	-	
Professional Fees (net)	357,413,929	387,760,378	745,174,307		395,515,586	403,425,897	798,941,483	
Auxiliary Enterprises (net)	13,804,293	36,599,033	50,403,326		37,331,014	38,077,634	75,408,648	
Other Income	55,000,000	62,000,000	117,000,000		63,240,000	64,504,800	127,744,800	
Total	855,785,992	922,960,224	1,778,746,216	23.7%	941,421,862	960,249,899	1,901,671,761	22.7%
TOTAL SOURCES	\$ 3,658,056,775	\$ 3,854,609,884	\$ 7,512,666,659	100.0%	\$ 4,097,753,645	\$ 4,282,525,108	\$ 8,380,278,753	100.0%

6.I. Percent Biennial Base Reduction Options

10 % REDUCTION

83rd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Date: 10/17/2012

Time: 9:10:40AM

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
	2014	2015	Biennial Total	2014	2015	Biennial Total	

1 Institutional Enhancement

Category: Programs - Method Of Finance Swap

Item Comment: This reduction will reduce the General Revenue special item funding that supports the physician scientist program and the genomics core lab. Patient Income used to support the long term capital program will be used to fund the reduction in general revenue that supports this research program.

Strategy: 5-2-1 Institutional Enhancement

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$362,532	\$362,533	\$725,065
General Revenue Funds Total	\$0	\$0	\$0	\$362,532	\$362,533	\$725,065
Item Total	\$0	\$0	\$0	\$362,532	\$362,533	\$725,065

FTE Reductions (From FY 2014 and FY 2015 Base Request)

2 Institutional Enhancement

Category: Programs - Method Of Finance Swap

Item Comment: This reduction will eliminate the remaining General Revenue special item funding that supports the physician scientist program and the genomics core lab. Patient Income used to support the long term capital program will be used to fund the reduction in general revenue that supports this research program.

Strategy: 5-2-1 Institutional Enhancement

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$129,266	\$129,265	\$258,531
General Revenue Funds Total	\$0	\$0	\$0	\$129,266	\$129,265	\$258,531
Item Total	\$0	\$0	\$0	\$129,266	\$129,265	\$258,531

FTE Reductions (From FY 2014 and FY 2015 Base Request)

3 Research Support

Category: Programs - Method Of Finance Swap

6.I. Percent Biennial Base Reduction Options

10 % REDUCTION

83rd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Date: 10/17/2012
Time: 9:10:40AM

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
	2014	2015	Biennial Total	2014	2015	Biennial Total	
Item Comment: This reduction will reduce the General Revenue funding for faculty excellence used to attract and support the research activities of world-renowned cancer scientists, focused on genome-based cancer research. Patient Income used to support the long term capital program will be used to fund the reduction in general revenue that supports this research program.							
Strategy: 5-1-1 Research Support							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$233,267	\$233,268	\$466,535	
General Revenue Funds Total	\$0	\$0	\$0	\$233,267	\$233,268	\$466,535	
Item Total	\$0	\$0	\$0	\$233,267	\$233,268	\$466,535	
FTE Reductions (From FY 2014 and FY 2015 Base Request)							
AGENCY TOTALS							
General Revenue Total				\$725,065	\$725,066	\$1,450,131	\$1,450,131
Agency Grand Total	\$0	\$0	\$0	\$725,065	\$725,066	\$1,450,131	
Difference, Options Total Less Target							
Agency FTE Reductions (From FY 2014 and FY 2015 Base Request)							

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

	Est 2012	Bud 2013	BL 2014	BL 2015	Excp 2014	Excp 2015
<i>Item: 1 Data Collection and Analysis</i>						
Objects of Expense						
Strategy: 4-1-1 PATIENT CARE ACTIVITIES						
1001 SALARIES AND WAGES	\$0	\$0	\$0	\$0	\$0	\$0
SUBTOTAL, Strategy 4-1-1	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL, Objects of Expense	\$0	\$0	\$0	\$0	\$0	\$0
Method of Financing						
OTHER FUNDS						
Strategy: 4-1-1 PATIENT CARE ACTIVITIES						
8040 HRI Patient Income	\$0	\$0	\$0	\$0	\$0	\$0
SUBTOTAL, Strategy 4-1-1	\$0	\$0	\$0	\$0	\$0	\$0
SUBTOTAL, OTHER FUNDS	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL, Method of Financing	\$0	\$0	\$0	\$0	\$0	\$0

LEGAL AUTHORITY/STATUTORY REFERENCE FOR ITEM:

H.R. 3590, Patient Protection and Affordable Care Act, and H.R. 4872, Health Care and Education Rec

DESCRIPTION/KEY ASSUMPTIONS:

Beginning in fiscal year 2014 cancer hospitals exempt from the prospective payment system (PPS) will be required to submit data to the Secretary of Health and Human Services on quality measures endorsed by the National Quality Forum (NQF). The measures must be agreed upon by 2012 and reflect outcomes, processes of care, structure, efficiency, patients' perceptions of care and costs and the Secretary will establish procedures for making data public on the CMS website. The NQF has a very detailed structure and process for indentifying an endorsing quality measures. Although they currently endorse numerous measures related to cancer care delivery, most of those endorsed relate to processes of care. The NQF will open the process for proposals of cancer metrics in the Spring of 2011.

CONCERNS:

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

Est 2012	Bud 2013	BL 2014	BL 2015	Excp 2014	Excp 2015
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The funding of FTE's is critical to meeting the requirements set out in the legislation for the collection, analysis and management of data collection and reporting. Organizations that do not report the metrics will be financially penalized.

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

	Est 2012	Bud 2013	BL 2014	BL 2015	Excp 2014	Excp 2015
<i>Item: 2 Health Care Workforce</i>						
Objects of Expense						
Strategy: 4-1-1 PATIENT CARE ACTIVITIES						
1001 SALARIES AND WAGES	\$0	\$0	\$0	\$0	\$0	\$0
SUBTOTAL, Strategy 4-1-1	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL, Objects of Expense	\$0	\$0	\$0	\$0	\$0	\$0
Method of Financing						
OTHER FUNDS						
Strategy: 4-1-1 PATIENT CARE ACTIVITIES						
8040 HRI Patient Income	\$0	\$0	\$0	\$0	\$0	\$0
SUBTOTAL, Strategy 4-1-1	\$0	\$0	\$0	\$0	\$0	\$0
SUBTOTAL, OTHER FUNDS	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL, Method of Financing	\$0	\$0	\$0	\$0	\$0	\$0

LEGAL AUTHORITY/STATUTORY REFERENCE FOR ITEM:

H.R. 3590, Patient Protection and Affordable Care Act, and H.R. 4872, Health Care and Education Rec

DESCRIPTION/KEY ASSUMPTIONS:

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

	Est 2012	Bud 2013	BL 2014	BL 2015	Excp 2014	Excp 2015
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Currently, there are shortages of allied health care professionals across Texas and the nation placing a strain on health care providers as they struggle to deliver quality health care services to the people in their communities. Additional patient coverage related to Federal Health Care Reform will exacerbate this situation. Many of the critical shortages in allied health professionals are in the State's hospital and clinical laboratories which supply 70 percent of the data that is used for clinical decision support. The U. S. Department of Health and Human Services reports that by 2012, 138,000 new laboratory health care professionals will be needed, nationwide, but fewer than 50,000 will be trained by the present educational system, The University of Texas M. D. Anderson Cancer Center School of Health Professionals is a valued educational resource for the most critical of these laboratory technologists and is currently producing 74 graduates/annually in five specialty areas. Ninety percent of the School's graduates are employed in Texas health care facilities. The Institution's baccalaureate Program in Cytotechnology is the State's only educational program in this laboratory specialty. Likewise, the Cancer Center's accredited programs in Cytogenetic Technology and Molecular Genetic Technology are one of only six like education al programs in the nation. In order to address the looming shortfall of these critical laboratory professionals in the State, the UTMDACC School of Health Professionals needs to increase their capacity to train professional in these critical laboratory science specialties by fifty percent.

CONCERNS:

The Federal Health Care Reform will place additional service demands on the Texas allied health workforce that is currently understaffed. Additionally, the present workforce in Texas and the nation is a graying population that will present additional attrition needs in the near future. The American Society for Clinical Pathology states that 72 percent of all laboratory Medical Technologists and Technicians are over the age of 40, with 30 percent over the age of 50, and less than 9 percent of these ASCP certified individuals under the age of 30. Unless we increase the numbers of graduates in these patient service fields, we will seriously limit our State's ability to deliver adequate health care.

TOTAL, ALL ITEMS	\$0	\$0	\$0	\$0	\$0	\$0
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506 The University of Texas M.D. Anderson Cancer Center

MOF RECAP

	Est 2012	Bud 2013	BL 2014	BL 2015	Excp 2014	Excp 2015
OTHER FUNDS						
8040 HRI Patient Income	\$0	\$0	\$0	\$0	\$0	\$0
SUBTOTAL, OTHER FUNDS	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL, ALL ITEMS	\$0	\$0	\$0	\$0	\$0	\$0

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Automated Budget and Evaluation System of Texas (ABEST)**506 The University of Texas M.D. Anderson Cancer Center**

	Act 2011	Act 2012	Bud 2013	Est 2014	Est 2015
Gross Tuition					
Gross Resident Tuition	443,146	602,464	509,575	506,914	514,432
Gross Non-Resident Tuition	247,542	415,546	517,278	529,339	534,168
Gross Tuition	690,688	1,018,010	1,026,853	1,036,253	1,048,600
Less: Remissions and Exemptions	(2,679)	(3,500)	(3,800)	(4,080)	(4,280)
Less: Refunds	0	0	0	0	0
Less: Installment Payment Forfeits	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	688,009	1,014,510	1,023,053	1,032,173	1,044,320
Less: Transfer of Tuition to Retirement of Indebtedness: 1) Skiles Act	0	0	0	0	0
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)	(73,898)	(107,604)	(96,643)	(97,074)	(97,960)
Less: Transfer of Funds (2%) for Emergency Loans (Medical Schools)	0	0	0	0	0
Less: Transfer of Funds for Repayment of Student Loans of Physicians (Tx. Educ. Code Ann. Sec. 61.539)	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

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	Act 2011	Act 2012	Bud 2013	Est 2014	Est 2015
Less: Other Authorized Deduction					
Net Tuition	614,111	906,906	926,410	935,099	946,360
Student Teaching Fees	0	0	0	0	0
Special Course Fees	0	0	0	0	0
Laboratory Fees	31,945	31,788	31,258	31,680	31,800
Subtotal, Tuition and Fees	646,056	938,694	957,668	966,779	978,160
OTHER INCOME					
Interest on General Funds:					
Local Funds in State Treasury	4,741	3,306	3,793	3,907	4,024
Funds in Local Depositories, e.g., local amounts	23,343,412	22,235,125	30,587,889	31,905,799	27,902,296
Other Income (Itemize)					
Subtotal, Other Income	23,348,153	22,238,431	30,591,682	31,909,706	27,906,320
Subtotal, Other Educational and General Income	23,994,209	23,177,125	31,549,350	32,876,485	28,884,480
Less: O.A.S.I. Applicable to Educational and General Local Funds Payrolls	(666,021)	(626,038)	(772,525)	(814,164)	(709,165)
Less: Teachers Retirement System and ORP Proportionality for Educational and General Funds	(639,134)	(630,825)	(778,432)	(820,389)	(714,588)
Less: Staff Group Insurance Premiums	(1,015,874)	(1,016,454)	(1,277,600)	(1,340,056)	(1,162,787)
Total, Other Educational and General Income	21,673,180	20,903,808	28,720,793	29,901,876	26,297,940
Reconciliation to Summary of Request for FY 2011-2013:					
Plus: Transfer of Tuition for Retirement of Indebtedness - Skiles Act	0	0	0	0	0
Plus: Transfer of Funds for Texas Public Education Grants Program and Emergency Loans	73,898	107,604	96,643	97,074	97,960
Plus: Transfer of Funds 2% for Emergency 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	1,015,874	1,016,454	1,277,600	1,340,056	1,162,787

Schedule 1A: Other Educational and General Income

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	Act 2011	Act 2012	Bud 2013	Est 2014	Est 2015
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
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	22,762,952	22,027,866	30,095,036	31,339,006	27,558,687

Schedule 1B: Health-related Institutions Patient Income

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	Act 2011	Act 2012	Bud 2013	Est 2014	Est 2015
Health-related Institutions Patient Income:					
Medical	2,391,945,718	2,601,372,366	2,760,513,257	2,974,043,614	3,143,977,273
Dental	0	0	0	0	0
Other (Itemize)					
Subtotal, Health-related Institutions Patient Income	2,391,945,718	2,601,372,366	2,760,513,257	2,974,043,614	3,143,977,273
Less: OASI Applicable to Other Funds Payroll	(61,979,950)	(62,284,156)	(65,313,449)	(68,907,859)	(72,779,083)
Less: Teachers Retirement System and ORP Proportionality for Other Funds	(59,477,817)	(62,760,410)	(65,812,865)	(69,434,759)	(73,335,585)
Less: Staff Group Insurance Premiums Applicable to Other Funds	(94,537,250)	(101,126,391)	(108,015,244)	(113,417,431)	(119,332,574)
Total, Health-related Institutions Patient Income	2,175,950,701	2,375,201,409	2,521,371,699	2,722,283,565	2,878,530,031
Reconciliation to Summary of Base Request by Method of Financing for FY 2011-2015:					
Plus: Staff Group Insurance Premiums	94,537,250	101,126,391	108,015,244	113,417,431	119,332,574
Total, Health-related Institutions Patient Income Reported on Summary of Base Request by Method of Financing and in Schedule 2, Item 4.	2,270,487,951	2,476,327,800	2,629,386,943	2,835,700,996	2,997,862,605

Schedule 2: Selected Educational, General and Other Funds

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	Act 2011	Act 2012	Bud 2013	Est 2014	Est 2015
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 (2011, 2012, 2013)	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)	6,048,536	5,566,514	5,868,137	7,028,459	7,494,040
Less: Transfer to Other Institutions	0	0	0	0	0
Less: Transfer to Department of Health, Disproportionate Share - State-Owned Hospitals (2011, 2012, 2013)	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	6,048,536	5,566,514	5,868,137	7,028,459	7,494,040
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 (2011, 2012, 2013)	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)	368,517	490,435	507,418	520,000	530,000
Indirect Cost Recovery (Sec. 145.001(d))	85,057,927	77,600,000	78,800,000	80,770,000	82,789,250
Correctional Managed Care Contracts	0	0	0	0	0

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	E&G Enrollment	GR Enrollment	GR-D/OEGI Enrollment	Total E&G (Check)	Local Non-E&G
GR & GR-D Percentages					
GR %		5.54%			
GR-D %		94.46%			
Total Percentage		100.00%			
FULL TIME ACTIVES					
1a Employee Only	6,477	359	6,118	6,477	2,630
2a Employee and Children	2,247	124	2,123	2,247	758
3a Employee and Spouse	1,164	64	1,100	1,164	426
4a Employee and Family	1,991	110	1,881	1,991	989
5a Eligible, Opt Out	113	6	107	113	53
6a Eligible, Not Enrolled	27	1	26	27	6
Total for This Section	12,019	664	11,355	12,019	4,862
PART TIME ACTIVES					
1b Employee Only	808	45	763	808	243
2b Employee and Children	85	5	80	85	24
3b Employee and Spouse	217	12	205	217	23
4b Employee and Family	337	19	318	337	41
5b Eligible, Opt Out	62	3	59	62	22
6b Eligible, Not Enrolled	32	2	30	32	22
Total for This Section	1,541	86	1,455	1,541	375
Total Active Enrollment	13,560	750	12,810	13,560	5,237

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	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	1,464	81	1,383	1,464	487
2c Employee and Children	67	4	63	67	22
3c Employee and Spouse	571	32	539	571	190
4c Employee and Family	93	5	88	93	31
5c Eligible, Opt Out	36	2	34	36	12
6c Eligible, Not Enrolled	24	1	23	24	6
Total for This Section	2,255	125	2,130	2,255	748
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	2,255	125	2,130	2,255	748
TOTAL FULL TIME ENROLLMENT					
1e Employee Only	7,941	440	7,501	7,941	3,117
2e Employee and Children	2,314	128	2,186	2,314	780
3e Employee and Spouse	1,735	96	1,639	1,735	616
4e Employee and Family	2,084	115	1,969	2,084	1,020
5e Eligible, Opt Out	149	8	141	149	65
6e Eligible, Not Enrolled	51	3	48	51	12
Total for This Section	14,274	790	13,484	14,274	5,610

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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	8,749	485	8,264	8,749	3,360
2f Employee and Children	2,399	133	2,266	2,399	804
3f Employee and Spouse	1,952	108	1,844	1,952	639
4f Employee and Family	2,421	134	2,287	2,421	1,061
5f Eligible, Opt Out	211	12	199	211	87
6f Eligible, Not Enrolled	83	5	78	83	34
Total for This Section	15,815	877	14,938	15,815	5,985

Schedule 4: Computation of OASI
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Automated Budget and Evaluation System of Texas (ABEST)

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

Proportionality Percentage Based on Comptroller Accounting Policy Statement #011, Exhibit 2	2011		2012		2013		2014		2015	
	% to Total	Allocation of OASI	% to Total	Allocation of OASI	% to Total	Allocation of OASI	% to Total	Allocation of OASI	% to Total	Allocation of OASI
General Revenue (% to Total)	5.94	\$3,956,167	5.54	\$3,689,630	5.90	\$4,143,541	5.80	\$4,292,863	5.70	\$4,442,026
Other Educational and General Funds (% to Total)	1.00	\$666,021	0.94	\$626,038	1.10	\$772,525	1.10	\$814,164	0.91	\$709,165
Health-Related Institutions Patient Income (% to Total)	93.06	\$61,979,950	93.52	\$62,284,156	93.00	\$65,313,449	93.10	\$68,907,859	93.39	\$72,779,083
Grand Total, OASI (100%)	100.00	\$66,602,138	100.00	\$66,599,825	100.00	\$70,229,515	100.00	\$74,014,886	100.00	\$77,930,274

Schedule 5: Calculation of Retirement Proportionality and ORP Differential

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Automated Budget and Evaluation System of Texas (ABEST)

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Description	Act 2011	Act 2012	Bud 2013	Est 2014	Est 2015
Proportionality Amounts					
Gross Educational and General Payroll - Subject To TRS Retirement	807,880,154	848,274,162	894,505,104	942,718,929	992,588,760
Employer Contribution to TRS Retirement Programs	52,512,210	55,137,821	58,142,832	61,276,730	64,518,269
Gross Educational and General Payroll - Subject To ORP Retirement	134,131,729	140,838,315	148,514,004	156,518,908	164,798,759
Employer Contribution to ORP Retirement Programs	11,401,197	11,971,257	12,623,690	13,304,107	14,007,895
Proportionality Percentage					
General Revenue	5.94 %	5.54 %	5.90 %	5.80 %	5.70 %
Other Educational and General Income	1.00 %	0.94 %	1.10 %	1.10 %	0.91 %
Health-related Institutions Patient Income	93.06 %	93.52 %	93.00 %	93.10 %	93.39 %
Proportional Contribution					
Other Educational and General Proportional Contribution (Other E&G percentage x Total Employer Contribution to Retirement Programs)	639,134	630,825	778,432	820,389	714,588
HRI Patient Income Proportional Contribution (HRI Patient Income percentage x Total Employer Contribution To Retirement Programs)	59,477,817	62,760,410	65,812,865	69,434,759	73,335,585
Differential					
Gross Payroll Subject to Differential - Optional Retirement Program	51,682,300	54,266,415	57,223,935	60,308,305	63,498,614
Total Differential	470,309	710,890	749,634	790,039	831,832

Schedule 6: Capital Funding

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Activity	Act 2011	Act 2012	Bud 2013	Est 2014	Est 2015
I. Balances as of Beginning of Fiscal Year					
A. PUF Bond Proceeds	4,127,413	7,726,464	7,855,130	6,675,130	5,225,130
B. HEF Bond Proceeds	0	0	0	0	0
C. HEF Annual Allocations	0	0	0	0	0
D. TR Bond Proceeds	5,685,113	5,916,588	5,915,150	5,914,275	5,912,800
E. Other Debt Proceeds (e.g. Patient Income)	16,289,659	2,269,476	0	0	0
II. Additions					
A. PUF Bond Proceeds Allocation	8,105,373	5,397,958	3,200,000	3,200,000	3,200,000
B. HEF General Revenue Appropriation	0	0	0	0	0
C. HEF Bond Proceeds	0	0	0	0	0
D. TR Bond Proceeds	0	0	0	0	0
E. Investment Income on PUF Bond Proceeds	0	0	0	0	0
F. Investment Income on HEF Bond Proceeds	0	0	0	0	0
G. Investment Income on TR Bond Proceeds	0	0	0	0	0
H. Other Debt Proceeds (e.g. Patient Income)	0	0	0	0	0
I. Other (Itemize)					
III. Total Funds Available - PUF, HEF, and TRB	\$34,207,558	\$21,310,486	\$16,970,280	\$15,789,405	\$14,337,930
IV. Less: Deductions					
A. Expenditures (Itemize)					
B. Annual Debt Service on PUF Bonds	4,506,322	5,269,292	4,380,000	4,650,000	4,400,000
C.1. Annual Debt Service on HEF Bonds - RFS Commercial Paper	0	0	0	0	0
C.2. Annual Debt Service on HEF Bonds - RFS Bonds, Series 2001	0	0	0	0	0
D. Annual Debt Service on TR Bonds	5,685,113	5,916,588	5,915,150	5,914,275	5,912,800
E. Annual Debt Service on Other Bonds (e.g. Patient Income)	14,020,183	2,269,476	0	0	0
F. Other (Itemize)					
Total, Deductions	\$24,211,618	\$13,455,356	\$10,295,150	\$10,564,275	\$10,312,800
V. Balances as of End of Fiscal Year					
A. PUF Bond Proceeds	7,726,464	7,855,130	6,675,130	5,225,130	4,025,130
B. HEF Bond Proceeds	0	0	0	0	0
C. HEF Annual Allocations	0	0	0	0	0
D. TR Bond Proceeds	0	0	0	0	0
E. Other Revenue (e.g. Patient Income)	2,269,476	0	0	0	0
	\$9,995,940	\$7,855,130	\$6,675,130	\$5,225,130	\$4,025,130

Schedule 7: Personnel
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 Automated Budget and Evaluation System of Texas (ABEST)

Date: 10/17/2012
 Time: 9:10:43AM

Agency code: **506** Agency name: **UT MD Anderson Cancer Ctr**

	Actual 2011	Actual 2012	Budgeted 2013	Estimated 2014	Estimated 2015
Part A.					
FTE Postions					
Directly Appropriated Funds (Bill Pattern)					
Educational and General Funds Faculty Employees	554.2	584.6	615.6	641.7	670.5
Educational and General Funds Non-Faculty Employees	12,475.8	12,842.5	13,161.5	13,511.0	13,822.2
Subtotal, Directly Appropriated Funds	13,030.0	13,427.1	13,777.1	14,152.7	14,492.7
Contract Employees (Correctional Managed Care)	0.0	0.0	0.0	0.0	0.0
Non Appropriated Funds Employees	4,723.3	4,840.3	4,934.1	5,014.1	5,094.1
Subtotal, Other Funds & Non-Appropriated	4,723.3	4,840.3	4,934.1	5,014.1	5,094.1
GRAND TOTAL	17,753.3	18,267.4	18,711.2	19,166.8	19,586.8

Part B.
Personnel Headcount

Directly Appropriated Funds (Bill Pattern)

Educational and General Funds Faculty Employees	579.0	579.0	641.0	667.0	696.0
Educational and General Funds Non-Faculty Employees	13,234.0	13,234.0	14,179.0	14,533.0	14,804.0
Subtotal, Directly Appropriated Funds	13,813.0	13,813.0	14,820.0	15,200.0	15,500.0
Contract Employees (Correctional Managed Care)	0.0	0.0	0.0	0.0	0.0
Non Appropriated Funds Employees	5,163.0	5,163.0	5,460.0	5,480.0	5,500.0
Subtotal, Non-Appropriated	5,163.0	5,163.0	5,460.0	5,480.0	5,500.0
GRAND TOTAL	18,976.0	18,976.0	20,280.0	20,680.0	21,000.0

Schedule 7: Personnel
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Date: 10/17/2012
 Time: 9:10:43AM

Agency code: **506** Agency name: **UT MD Anderson Cancer Ctr**

	Actual 2011	Actual 2012	Budgeted 2013	Estimated 2014	Estimated 2015
PART C.					
Salaries					
Directly Appropriated Funds (Bill Pattern)					
Educational and General Funds Faculty Employees	\$141,235,222	\$150,737,516	\$165,340,934	\$179,941,156	\$196,284,248
Educational and General Funds Non-Faculty Employees	\$839,218,081	\$900,903,531	\$943,584,697	\$988,755,950	\$1,034,233,725
Subtotal, Directly Appropriated Funds	\$980,453,303	\$1,051,641,047	\$1,108,925,631	\$1,168,697,106	\$1,230,517,973
Contract Employees (Correctional Managed Care)	\$0	\$0	\$0	\$0	\$0
Non Appropriated Funds Employees	\$411,989,120	\$455,608,214	\$488,604,427	\$522,217,911	\$558,573,252
Subtotal, Non-Appropriated	\$411,989,120	\$455,608,214	\$488,604,427	\$522,217,911	\$558,573,252
GRAND TOTAL	\$1,392,442,423	\$1,507,249,261	\$1,597,530,058	\$1,690,915,017	\$1,789,091,225

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

Project Priority:	Project Code:	Tuition Revenue Bond Request	Total Project Cost	Cost Per Total Gross Square Feet
1	5	\$ 50,000,000	\$ 250,000,000	\$ 417
Name of Proposed Facility:		Project Type:		
Basic Science Research Building Two		New Construction		
Location of Facility:		Type of Facility:		
On-campus		Research		
Project Start Date:		Project Completion Date:		
10/01/2010		05/01/2014		
Gross Square Feet:		Net Assignable Square Feet in Project		
600,000		520,000		

Project Description

The facility will include clinical laboratories, translational and basic science research laboratory space, clinical programs and other supporting space, such as equipment support areas, offices and conferencing facilities to integrate the delivery of basic and clinical research in support of Personalized Cancer Care. The \$250 million is for construction of the shell and core of the facility plus the build-out of some floors and build-out of the remaining floors will occur in future phases. Tuition revenue bond support will be leveraged with philanthropic support, which MD Anderson will match with an equal contribution of funding from patient income.

Schedule 8B: Tuition Revenue Bond Issuance History

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Authorization Date	Authorization Amount	Issuance Date	Issuance Amount	Authorized Amount Outstanding as of 08/31/2012	Proposed Issuance Date for Outstanding Authorization	Proposed Issuance Amount for Outstanding Authorization
2001	\$20,000,000	Jan 23 2003	\$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		

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Special Item: 1 **Research Support**

(1) Year Special Item: 2002

(2) Mission of Special Item:

The University of Texas M. D. Anderson Cancer Center uses the Research Support special item funding to support its Faculty Excellence program. This program strengthens the institution's ability to attract and support the research activities of world-renowned cancer scientists, focused on genome-based cancer research. M. D. Anderson 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.

(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:

MD 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 MD Anderson embarks on the Cancer Moon Shots program over the coming years and continues to attract top talent to the institution and State of Texas.

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

Estimated Other Educational and General Income and Health-related Institution's Patient Income

(5) Formula Funding:

N/A

(6) Non-general Revenue Sources of Funding:

Estimated Other Educational and General Income and Health-related Institution's Patient Income

(7) Consequences of Not Funding:

Schedule 9: Special Item Information

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Eliminating support for this special item could 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.

The appropriation is combined with other funds that are then used to support start-up funding and other research projects. Any reduction in funding would necessarily have a negative effect on MD Anderson's overall research program.

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Special Item: 2 **Institutional Enhancement**

(1) Year Special Item: 2000

(2) Mission of Special Item:

Institutional Enhancement Funds are dedicated toward the support of two critical research initiatives - the Physician Scientist Program and the Cancer Genomics Core Program. The primary goals of the Physician Scientist Program are to provide a structured environment for outstanding research oriented and dedicated physicians by: (1) establishing and conducting a relevant basic science research program, and (2) administering clinical oncology patient care. The program provides salary support and research resources to initiate an independent research program, and mentorship from senior research faculty for a period of three years, which is renewable for up to two additional years. Upon successful completion, the scholar will have established him/herself as an independent researcher who can successfully compete for external grant funding, on a path to becoming one of tomorrow's leaders in oncology research.

The M. D. Anderson Cancer Genomics Core Program aims to support genomics research, minimize duplication of expensive resources and enhance collaborations by providing core genomics support to independent research studies at M. D. Anderson. A core component of the program is the Genomics Core Laboratory. Since the inception in 1999, the Core Laboratory has been in the forefront of genomic research and service.

(3) (a) Major Accomplishments to Date:

The Physician Scientist program has supported 37 individuals across seven clinical divisions. Eight physicians currently participate in the program. Twenty-three percent of the 1,527 peer-reviewed publications (687 while participating in the program) by graduates are in high impact journals. Eighty-seven percent of graduates are PIs or Project Leaders on grants. Physician Scientists generated \$25.2 million in external awards.

The Genomics Core Laboratory has developed and implemented several generations of genomic technologies including production of one of the early in-house microarrays and reverse-phase protein lysate array in the country. Second, the program/laboratory has developed a number of bioinformatics methodologies and more than 60 publications in premier research journals and three books on genomics.

(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.

In the next two years, the Genomics Core Laboratory will continue to provide critical support to MD Anderson investigators in transcriptome and genome research. The lab will leverage its key role in The Cancer Genome Atlas program and provide integrated support not only in generation of genomic data but informatics analysis. The program has coauthored the recent Nature papers in colorectal cancer and the upcoming Nature paper in breast cancer (in press) as well as kidney and endometrial cancer papers submitted to Nature. The program will also contribute to MD Anderson's Cancer Moon Shots programs, which will attempt to significantly reduce mortality and suffering, and ultimately cure several cancers.

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

Estimated Other Educational and General Income and Health-related Institution's Patient Income

(5) Formula Funding:

N/A

(6) Non-general Revenue Sources of Funding:

Estimated Other Educational and General Income and Health-related Institution's Patient Income

(7) 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.

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. The institution may also risk losing ground in securing major funding from NCI and NHGRI.

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.

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

(1) Year Special Item: 2008

(2) Mission of Special Item:

The Rare and Aggressive Breast Cancer Research special item supports The University of Texas M. D. Anderson Inflammatory Breast Cancer Research Program and Clinic. This program and clinic will accelerate the development of new therapies, improving the well-being of all women who suffer from IBC. The IBC Program and Clinic's mission is to increase awareness of Inflammatory Breast Cancer among health care professionals and in the community, apply a translational approach to new treatment options and bring them rapidly to patients, and increase the overall survival rate of patients through earlier diagnosis and novel therapies.

(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 IBC patients and to partner with other centers around the world to expand the repository. The program is aggressively researching potential causes of IBC such as identifying the genetic mutations that allow IBC to develop and performing the first whole genome analysis on IBC tissue. The center is investigating possible viral and auto-immune causes and has partnered with the National Cancer Institute to analyze patient samples.

(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 IBC 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.

The center has developed the IBC Professional Oncology Education series for healthcare professionals to provide a comprehensive course in diagnosis, treatment, and biological features of the disease.

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

Estimated Other Educational and General Income and Health-related Institution's Patient Income

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(5) Formula Funding:

N/A

(6) Non-general Revenue Sources of Funding:

Estimated Other Educational and General Income and Health-related Institution's Patient Income

(7) 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 overall 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 clinical trials available for these patients.

Secondly, a decrease or elimination of support would undermine expanding efforts to educate the general public and other healthcare providers about IBC. The resulting lack of awareness and education would perpetuate inaccurate and/or late diagnosis for patients and improper treatments, both ultimately impacting a patient's chance for survival.
