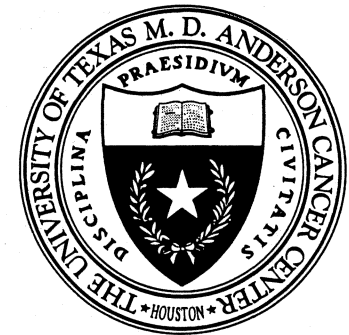

LEGISLATIVE APPROPRIATIONS REQUEST
FISCAL YEARS 2012 AND 2013

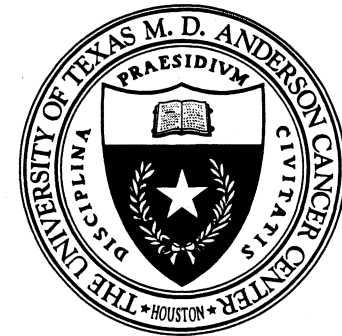


Submitted to the Governor's Office of Budget, Planning
and Policy and the Legislative Budget Board

THE UNIVERSITY OF TEXAS
M. D. ANDERSON CANCER CENTER

Revised - October 2010

**LEGISLATIVE APPROPRIATIONS REQUEST
FISCAL YEARS 2012 AND 2013**



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and Policy and the Legislative Budget Board

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M. D. ANDERSON CANCER CENTER**

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TABLE OF CONTENTS

ADMINISTRATOR'S STATEMENT **1.A. Pages 1 - 6**

ORGANIZATIONAL CHART **1.B. Pages 1-6**

SUMMARY OF BASE REQUEST BY STRATEGY **2.A. Pages 1-4**

SUMMARY OF BASE REQUEST BY METHOD OF FINANCE **2.B. Pages 1-7**

SUMMARY OF BASE REQUEST BY OBJECT OF EXPENSE **2.C.**

SUMMARY OF BASE REQUEST OBJECTIVE OUTCOMES **2.D. Pages 1-2**

SUMMARY OF EXCEPTIONAL ITEMS REQUEST **2.E.**

SUMMARY OF TOTAL REQUEST BY STRATEGY **2.F. Pages 1-4**

SUMMARY OF TOTAL REQUEST OBJECTIVE OUTCOMES **2.G. Pages 1-2**

STRATEGY REQUESTS: **3.A. Pages 1-30**

 Allied Health Professions Training 1-2

 Graduate Medical Education 3-4

 Staff Group Insurance 5

 Worker's Compensation Insurance 6

 Unemployment Insurance 7

 Texas Public Education Grants 8

 Cancer Center Operations 9

 Research Enhancement 10

 Science Park Operations 11-12

E&G Space Support	13
Tuition Revenue Bond Retirement	14
Long-term Capital Program	15
STRATEGY REQUESTS (continued):	
Long-term Capital Equipment	16
Patient Care Activities	17-18
Natural Disaster Reimbursement	19
Natural Disaster Reimbursement – Uncompensated Care.....	20
Research Support	21
Breast Cancer Research Program	22
Institutional Enhancement	23-24
Exceptional Item Request.....	25
Tobacco Earnings for the UT M. D. Anderson Cancer Center.....	26-27
Tobacco Earnings from the Permanent Health Fund for Higher Education No. 810.....	28-29
Strategy Request Summary Totals	30
RIDER REVISIONS AND ADDITIONS REQUEST	3.B. Pages 1-2
RIDER APPROPRIATIONS AND UNEXPENDED BALANCES REQUEST.....	3.C. Pages 1-2
EXCEPTIONAL ITEMS	
EXCEPTIONAL ITEM REQUEST SCHEDULES:	4.A. Pages 1-3
DNA and RNA Sequencing Technology.....	1

MRI Student Training Unit	2
Basic Science Research Building Two – TRB Request	3
EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULES:	4.B. Pages 1-3
DNA and RNA Sequencing Technology.....	1
MRI Student Training Unit	2
Basic Science Research Building Two – TRB Request	3
EXCEPTIONAL ITEMS STRATEGY REQUEST:	4.C.
Exceptional Item Request (Summary)	1
 SUPPORTING SCHEDULES:	
Historically Underutilized Business Supporting Schedule	6.A.
Current Biennium One-time Expenditure Schedule	6.B.
Advisory Committee Supporting Schedule – Part A	6.F.a. Pages 1-2
Advisory Committee Supporting Schedule – Part B	6.F.b.
Homeland Security Funding Schedule – Part A Terrorism.....	6.G. Pages 1-3
Homeland Security Funding Schedule – Part B Natural or Man-Made Disasters.....	6.G. Pages 4-6
Estimated Funds Outside the GAA	6.H.
10 Percent Biennial Base Reduction Options	6.I. Pages 1-2
Part A Budgetary Impacts Related to Federal Health Care Reform Schedule	6.J. Pages 1-4
Part B Summary of Budgetary Impacts Related to Federal Health Care Reform Schedule	6.J.

HIGHER EDUCATION SUPPORTING SCHEDULES:

Schedule 1A - Other Educational and General Income 1-3

Schedule 1b - Health-related Institutions Patient Income 1

Schedule 2 - Grand Total Educational, General, and Other Funds 1-3

Schedule 3B - Staff Group Insurance Data Elements (UT/A&M) 1-3

Schedule 4 - Computations of OASI 1

Schedule 5 - Calculation of Retirement Proportionality and ORP Differential 1

Schedule 6 - Capital Funding 1-2

HIGHER EDUCATION SUPPORTING SCHEDULES (continued):

Schedule 7 - Current and Local Fund (General) Balances 1

Schedule 8 - Personnel 1-2

Schedule 10A - Tuition Revenue Bond Projects 1

Schedule 10B - Tuition Revenue Issuance History 1

Schedule 11 - Special Item Information Pages 1-7

 Special Item 1 – Research Support 1

 Special Item 2 – Institutional Enhancement 2-3

 Special Item 3 – Breast Cancer Research 4

 Special Item 4 – DNA and RNA Sequencing Technology 5

 Special Item 5 – MRI Student Training Unit 6

 Special Item 6 – TRB Debt Service – Basic Sciences Research Building II 7

ADMINISTRATOR'S STATEMENT
82nd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **10/15/2010**
TIME: **12:37:33PM**
PAGE: **1 of 5**

Agency code: **506**

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

The University of Texas MD Anderson Cancer Center was created by the Texas Legislature in 1941 as a component of The University of Texas System. MD Anderson is one of the nation's original three Comprehensive Cancer Centers designated by the National Cancer Act of 1971 and is one of 40 Comprehensive Cancer Centers. MD Anderson has ranked among the nation's top two cancer hospitals in U.S. News & World Report's "America's Best Hospitals" survey since the survey's inception in 1990. MD Anderson has ranked number one seven times in the last nine years.

Mission: The mission of The University of Texas MD 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. There are an estimated 40 million Americans age 65 and older; by 2030 that number is expected to increase to 72 million Americans. The total projected cancer incidence will increase approximately 45% from 2010 to 2030, reaching 2.3 million and will be primarily driven by older adults and minority populations. Over 100,000 Texans will be newly diagnosed with cancer in 2010, and more than 36,500 Texans will die of the disease this year.

More than 11.4 million Americans are living today with a history of surviving cancer for five or more years, and about 1.5 million new diagnosed cases of cancer are expected in 2010. The five-year survival rate for all forms of cancer combined has risen to 68%, up from 50% in 1975. Most of these patients are cured. 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 828,000 patients have turned to MD Anderson for cancer care in the form of surgery, chemotherapy, radiation therapy, immunotherapy or combinations of these and other treatments. This multidisciplinary approach to treating cancer was pioneered at MD Anderson. Because they focus only on cancer, experts here are renowned for their ability to treat all types of cancer, including rare or uncommon diseases.

In FY 2009, more than 98,000 patients sought cancer care at MD Anderson, and about 33,000 of them were new patients. Approximately one-third of these patients came from outside Texas seeking the research-based care that has made MD Anderson so widely respected. More than 11,000 registrants participated in therapeutic clinical research exploring novel treatments in 2009, the largest such program in the nation.

MD Anderson is accredited by The Joint Commission, the organization that ensures patients receive the best and safest health care possible. The institution's nursing program holds Magnet Recognition Program status from the American Nurses Credentialing Center. MD Anderson, earning its first award in 2001, is among approximately 360 facilities nationwide to earn recognition for exceptional professional nursing staff and the ways their practice translates into excellent patient care and clinical quality outcomes.

A significant challenge for MD Anderson is managing growth amid increasing patient volume. The institution must balance the number of patients with resources available to care for them. MD Anderson faces substantial pressures as health care reimbursements from state and federal programs continue to decline, growing numbers of uninsured and under-insured seek care, and commercial and managed care carriers continue to clamp down on coverage of certain services and payment rates. This challenge is exacerbated by the rising costs of health care, driven by rapid changes in technology and increasing costs of pharmaceuticals, and levels of uncompensated care. In 2009, MD Anderson provided more than \$206 million in residual uncompensated care costs to uninsured and underinsured patients using the reporting requirement established by the Health and Human Services Commission.

ADMINISTRATOR'S STATEMENT
82nd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **10/15/2010**
TIME: **12:37:51PM**
PAGE: **2 of 5**

Agency code: **506**

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

In addition, 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 reform law on cancer patients include prohibiting coverage exclusions based on pre-existing conditions, 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 Medicaid programs. MD Anderson is working to identify and address these and other issues affecting patients and the institution as the new law is implemented.

The legislature provides funding each biennium to support the institution's primary mission of patient care. Last session, the legislature increased funding through the recently established 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. The maximum increase to MD Anderson's Operations Formula cannot exceed the average increase given to the Health-Related Institutions (HRI) in the I&O Formula. Sustaining this critical state support which recognizes MD Anderson's unique mission is the institution's highest budget priority.

Research

Important scientific knowledge gained in the laboratory is rapidly translated into clinical care at MD Anderson. In 2009, the institution invested \$510 million in research, an increase of approximately 49% in the last five years. Research support comes from a variety of sources, including: GR and tobacco funds (\$22M); pharmaceutical companies (\$44M); philanthropy (\$83M); institutional funds (\$167M); and federal grants and contracts (\$195 M). MD Anderson ranks first in the number of grants awarded and total amount of grants given by the National Cancer Institute (NCI). The institution holds a record 12 NCI Specialized Programs of Research Excellence grants: brain, breast, genitourinary, head and neck, leukemia, lung, lymphoma, melanoma, ovarian, pancreatic, prostate, and uterine. The research program is considered one of the most productive efforts in the world aimed solely at cancer. MD Anderson also received approximately \$33 million in grant funding from the Cancer Prevention and Research Institute of Texas during that agency's first fully operational year in FY 2010.

Within the last few years, the Red and Charline McCombs Institute for the Early Detection and Treatment of Cancer opened at MD Anderson. The most aggressive expansion of research in MD Anderson's history, the institute is comprised of six unique centers of excellence, located about 1.5 miles south of the main campus, on the 116-acre University of Texas Research Park. The McCombs Institute will house approximately 25% of MD Anderson's research activities. The six centers are: Cancer Metastasis Research Center; Center for Cancer Immunology Research; Kleberg Center for Molecular Markers; Proton Therapy Center; Center for Advanced Biomedical Imaging Research (with UT Health); and the Center for Targeted Therapy.

Significant Research Accomplishments:

Lung cancer kills more people than any other type of cancer. New drugs that target molecular pathways help a small percentage of lung cancer patients, but currently there is no way to determine who those patients are before treatment. MD Anderson's BATTLE trial is the first lung cancer clinical trial to guide targeted therapies to patients based on molecular signatures in tumor biopsies. The promising results are a step toward personalized care and more effective, efficient clinical trials for new drugs.

MD Anderson researchers are at the forefront of cancer vaccine development. In a randomized Phase III clinical trial, a vaccine for one of the most lethal cancers, advanced melanoma, has shown improved response rates and progression-free survival for patients when combined with the immunotherapy drug, Interleukin-2.

A study at MD Anderson found that contra-lateral prophylactic mastectomy, a procedure to remove the unaffected breast in patients with disease in one breast, may offer a survival benefit to only a select group of patients (those younger than 50 who have early-stage disease and are estrogen receptor negative). This is the first study to find

Agency code: **506**

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

an association between the procedure and survival in any group of patients.

Education

In FY 2009, more than 6,300 trainees took part in educational programs, including physicians, scientists, nurses and many health professionals. MD Anderson offers bachelor's degrees in seven allied health disciplines. Notably, 87% of these graduates stay to work in Texas hospitals. This is a critical need area as allied health professionals make up approximately 60% of the health care workforce, and the industry faces a predicted national shortage of 1.6 to 2.5 million workers by 2020.

While MD Anderson is proud to fulfill its education mission, the institution must rely on institutionally generated funds and grants to cover most of the costs of its education programs because of the small number of students that qualify for support under the HRI formulas.

Over 1,100 clinical residents and fellows come to MD Anderson each year to receive specialized training in the investigation and treatment of cancer. More than 560 graduate students are working on advanced degrees at the Graduate School of Biomedical Sciences, which MD Anderson operates jointly with UT Health. More than 1,400 research fellows are trained in MD Anderson's laboratories. Accreditation by the Commission on Colleges of the Southern Association of Colleges and Schools affirms MD Anderson as a major teaching institution and recognizes the faculty for their influential role in educating graduate and undergraduate students.

Prevention

MD Anderson is a world leader in prevention, which is the best way to eliminate the threat of cancer. Expanded research in epidemiology and behavioral sciences complements achievements made in the clinical cancer prevention program. Laboratory activities support developmental and practical applications of cancer prevention. We also address the disparities, death and illness due to cancer among ethnic minorities and medically underserved populations.

The Cancer Prevention Center provides cancer risk assessments, screening exams based on genetics, age and gender, personalized risk-reduction strategies, chemoprevention and nutrition counseling. The Behavioral Research Treatment Center provides a comprehensive tobacco cessation program through customized treatment plans that include counseling and nicotine replacement therapy. Tobacco cessation is available at no cost to all employees and patients.

Human Resources and Facilities:

MD Anderson employs approximately 17,000 people and enjoys more than 1,300 volunteers whose 200,000 hours of service each year are equal to another 100 full-time employees. Faculty, staff and volunteers are dedicated to the core values of Caring, Integrity and Discovery.

The main building complex includes an in-patient pavilion with 571 beds, two research buildings, outpatient clinic buildings, plus two faculty office buildings and a patient-family hotel nearby. From 2005 to present, the George and Cynthia Mitchell Basic Sciences Research Building, the Mays Clinic (Ambulatory Clinical Building), the Cancer Prevention Center, and the Proton Therapy Center opened. Construction projects include the addition of eight patient care floors that can accommodate more than 300 new inpatient beds in Alkek Hospital on the North Campus; two new research buildings on the South Campus that will house the Center for Advanced Biomedical Imaging Research and Center for Targeted Therapy as part of the McCombs Institute; and MD Anderson's first facility on its Mid Campus, a 25-story building to support current office space and future growth needs. In addition to its main campus in the Texas Medical Center, MD Anderson operates and oversees two research campuses in Bastrop County, and has developed a number of local, national and international affiliations.

OTHER SIGNIFICANT ACHIEVEMENTS

MD Anderson received the 2009 Professional Services Development Award from the Houston Minority Supplier Development Council acknowledging outstanding commitment to expanding business opportunities and support for minority-owned professional service firms. MD Anderson also received the Cutting Edge Award in

ADMINISTRATOR'S STATEMENT
82nd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **10/15/2010**
TIME: **12:37:51PM**
PAGE: **4 of 5**

Agency code: **506**

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

November 2009 from the Women's Business Enterprise Alliance (WBEA) for outstanding growth and utilization of women-owned business entities. In addition, the director received the 2009 WBEA Corporate Advocate of the Year for exceptional support to women business development in May 2010. MD Anderson ranks in multiple Best Places to Work surveys, including those by Texas Monthly magazine and the Houston Business Journal. The institution was also awarded the CEO Cancer Gold Standard Accreditation, recognizing organizations that promote workplace wellness.

STATE SUPPORT

General Revenue

The General Revenue (GR) appropriation of \$165 million in FY 2009 accounted for 6% of the total operating budget. This has declined from 17% of the institution's budget in 1998. GR provides critical support for patient care, education, research and infrastructure. Insufficient state support, failing to keep pace with institutional growth, could negatively impact MD Anderson's ability to develop leading-edge cancer therapy programs and the breadth of education and training programs in oncology.

MD Anderson maximizes its leveraging of state funding. The institution generates \$16 additional dollars for cancer patient care, education and research for each \$1 of GR. The institution generates more than \$27 in research support for every \$1 of GR from the state for research, which illustrates a sound investment for Texas.

Tobacco Settlement Funds

MD Anderson received a permanent \$100 million endowment from the legislature in 1999. The fund provided \$5.3 million a year for support of tobacco-related research programs. A separate endowment established for all HRIs provided an additional \$2 million for these purposes. The following programs received settlement funds in FY 2009: Tobacco Outreach Education Program in Behavioral Science: \$2,118,751; Epidemiology – Mexican-American Cohort: \$1,584,572; Molecular Mechanisms Tobacco Carcinogenesis: \$600,000; Fund for Innovative Research: \$838,953; Research Equipment: \$1,821,376.

Requested Spending Reductions

In order to meet the 5% GR reduction request for FY 2010-2011, MD Anderson reduced its long-term capital plan by \$15.8 million, using a method of finance swap. The 10% base reduction options for FY 2012-2013 also includes reductions in long-term capital plan funds using a method of finance swap.

MD Anderson spending reductions did not directly affect patient care. However, these reductions affect the institution's ability to construct and renovate facilities, acquire land and equipment, acquire and develop information technology systems, as well as address the on-going maintenance on existing facilities. These areas could impact MD Anderson's ability to meet patient care demand and to provide adequate infrastructure for growth in the institution's research mission.

MD Anderson appreciates the state's revenue challenges and looks forward to working with the legislature on solutions to meet all of the state's needs.

American Recovery and Reinvestment Act Funding:

For the 2010-11 biennium, the Legislature appropriated \$51 million in federal stimulus dollars to provide funding for the HRI formulas and this funding was allocated to the I&O and GME formulas. We request that the Legislature replace the federal stimulus funds with GR.

Formula Funding Recommendations

The Texas Higher Education Coordinating Board's formula funding recommendations for HRIs emphasized retaining the formula funding rates at FY 2010-2011 levels plus growth, a strategy benefiting all the institutions. The total recommended increase in formula funding is approximately \$152 million, which including an increase in MD Anderson's Operations Formula.

Over the last several biennia, the Infrastructure Formula rate has been adjusted downward for MD Anderson and HSC-Tyler at a greater percentage than the decline for all other HRIs. MD Anderson request restoration of the GR portion of the Infrastructure Formula rate to the GR level of the other HRIs. The rate should recognize MD

ADMINISTRATOR'S STATEMENT
82nd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2010
TIME: 4:31:18PM
PAGE: 5 of 5

Agency code: 506

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

Anderson's contribution of GR Dedicated (tuition & Fees), as well as the GR portion of the rate.

Required Statement on Criminal History

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

EXCEPTIONAL ITEMS

1) DNA & RNA Sequencing Equipment

Knowledge about the genetic causes of cancer and the human genome, combined with the development of new research technologies, has created powerful new and high throughput approaches to the development of new diagnostic tests and treatments for cancer. MD Anderson is considered a world leader in this important field and the institution aspires to increase its productivity and secure its position as the leading treatment and research center for cancer and accelerate efforts to deliver more personalized, targeted therapies. This equipment is for the next-generation sequencing of patient tumor DNA and RNA. The units would be used in conjunction with personalized medicine clinical trials to study the individual genetic and transcriptional effects on the response of molecularly targeted therapies.

2) MRI Student Training Unit

Since the inception of the School of Health Professions' baccalaureate degree program in Magnetic Resonance Imaging in Academic Year 2002, the School has utilized MD Anderson's MRI patient diagnostic facility for student clinical training. At the present time, this patient service area at the institution has 12 MRI diagnostic units. Due to increased diagnostic demands, the MRI units are in clinical service from 6 a.m. to midnight, five days a week and from 6 a.m. to 5 p.m. on weekends. As student enrollment in the MRI program grows, it has become problematic to schedule required student instrumentation training during the available weekend evenings. Although the clinical MRI units are located in adequate space for their diagnostic function, their room size limits the number of students who can physically be present for instructional purposes.

There is a critical need for an MRI Student Training Unit in the School of Health Professions. The training unit is a fully functioning MRI unit without an energized magnet. It can be located in a classroom setting and eliminate the need for students to return to the institution on weekend evenings for instrumentation training. This equipment would allow the institution to address a critical need for training future MRI technicians in this growing field.

3) Tuition Revenue Bond Request - Basic Sciences Research Building II (BSRB II)

The BSRB II project constructs a new research facility designed to meet new and evolving medical research laboratory requirements and anticipated growth in research. The Institute for Personalized Cancer Therapy 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. MD Anderson will pursue \$50,000,000 in bond authority and GR support for debt service funding on the bonds, a request of \$4,360,000 million annually over the next biennium.

THE UNIVERSITY OF TEXAS SYSTEM BOARD OF REGENTS

The University of Texas System is governed by a board of 10 regents appointed by the governor. The membership, hometowns, and terms of office are as follows: Colleen McHugh (Chairman), Corpus Christi, 2-1-11; Paul Foster (Vice Chairman), El Paso, 2-1-13; Janiece Longoria (Vice Chairman), Houston, 2-1-11; Brenda Pejovich, Dallas, 2-1-11; R. Steven "Steve" Hicks, Austin, 2-1-15; Wm. Eugene "Gene" Powell, San Antonio, 2-1-15; Robert Stillwell, Houston, 2-1-15; James D. Dannenbaum, Houston, 2-1-13; Printice L. Gary, Dallas, 2-1-13; Kyle J Kalkwarf, San Antonio, 5-31-2011

1.B. ORGANIZATIONAL CHART

The University of Texas System

Projected All Funds FTE as of August 31, 2010 is 16,900.1

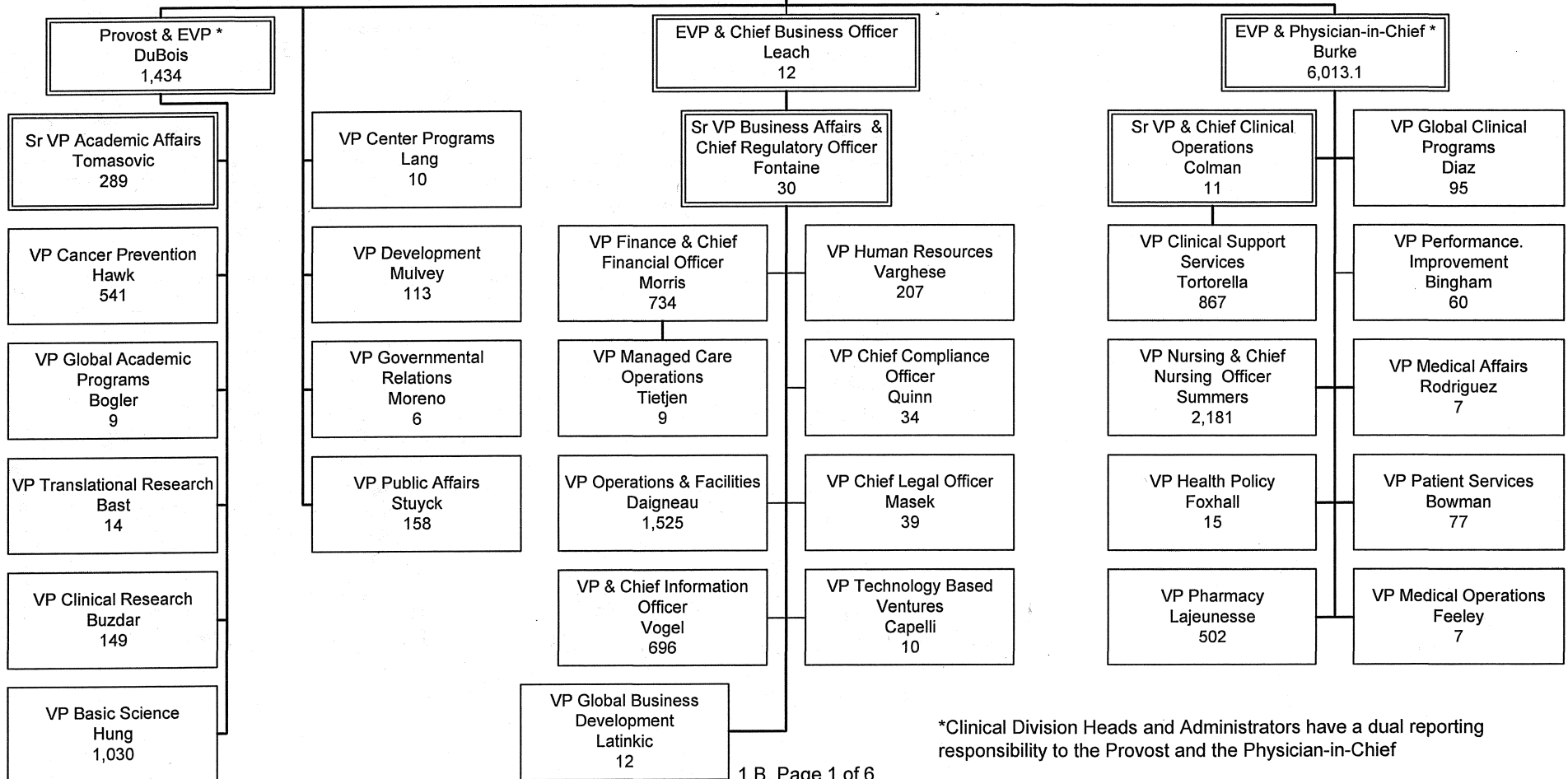
UT Board of Regents

Office of the Chancellor
Cigarroa

EVC Health Affairs
Shine

MD Anderson Cancer Center

President
Mendelsohn
4



*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 seven out of the past nine 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, Research and Education Facilities and UT Police.

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
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2010
 TIME: 2:53:24PM

Agency code: 506

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

Goal / Objective / STRATEGY	Exp 2009	Est 2010	Bud 2011	Req 2012	Req 2013
1 Provide Instructional and Operations Support					
1 Instructional Programs					
1 ALLIED HEALTH PROFESSIONS TRAINING	2,337,535	2,913,237	2,909,731	0	0
2 GRADUATE MEDICAL EDUCATION	602,841	844,963	844,963	0	0
2 Operations - Staff Benefits					
1 STAFF GROUP INSURANCE PREMIUMS	76,076,255	79,593,406	93,793,225	102,369,320	111,329,088
2 WORKERS' COMPENSATION INSURANCE	587,475	596,721	667,140	722,575	779,892
3 UNEMPLOYMENT INSURANCE	724,319	735,718	822,541	890,889	961,556
3 Operations - Statutory Funds					
1 TEXAS PUBLIC EDUCATION GRANTS	70,919	72,416	87,206	109,051	115,561
4 Cancer Center Operations					
1 CANCER CENTER OPERATIONS	109,933,864	117,698,642	101,875,053	0	0
TOTAL, GOAL 1	\$190,333,208	\$202,455,103	\$200,999,859	\$104,091,835	\$113,186,097
2 Provide Research Support					
1 Research Activities					
1 RESEARCH ENHANCEMENT	7,685,992	8,654,145	8,654,145	0	0
2 SCIENCE PARK OPERATIONS	4,923,662	4,503,689	4,503,688	4,503,688	4,503,688
TOTAL, GOAL 2	\$12,609,654	\$13,157,834	\$13,157,833	\$4,503,688	\$4,503,688
3 Provide Infrastructure Support					

2.A. SUMMARY OF BASE REQUEST BY STRATEGY
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2010
 TIME: 2:53:24PM

Agency code: 506

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

Goal / Objective / STRATEGY	Exp 2009	Est 2010	Bud 2011	Req 2012	Req 2013
<u>1</u> <i>Operations and Maintenance</i>					
1 E&G SPACE SUPPORT	21,352,682	24,206,494	24,175,016	0	0
<u>2</u> <i>Infrastructure Support</i>					
1 TUITION REVENUE BOND RETIREMENT	6,530,970	5,856,510	5,685,113	5,916,588	5,915,150
2 LONG-TERM CAPITAL PROGRAM	279,005,910	324,054,117	400,458,985	410,000,000	413,000,000
3 LONG-TERM CAPITAL EQUIPMENT	88,300,000	63,139,000	84,719,005	76,000,000	78,000,000
TOTAL, GOAL 3	\$395,189,562	\$417,256,121	\$515,038,119	\$491,916,588	\$496,915,150
<u>4</u> <i>Provide Health Care Support</i>					
<u>1</u> <i>Hospital Care</i>					
1 PATIENT CARE ACTIVITIES	1,499,353,306	1,532,691,180	1,687,249,641	1,740,529,855	1,853,994,916
TOTAL, GOAL 4	\$1,499,353,306	\$1,532,691,180	\$1,687,249,641	\$1,740,529,855	\$1,853,994,916
<u>5</u> <i>Provide Special Item Support</i>					
<u>1</u> <i>Natural Disaster Reimbursement</i>					
1 NATURAL DISASTER REIMBURSEMENT	1,725,995	0	0	0	0
2 UNCOMPENSATED CARE	2,000,000	0	0	0	0
<u>2</u> <i>Research Special Items</i>					
1 RESEARCH SUPPORT	1,662,500	1,662,500	1,662,500	1,448,571	1,448,571
2 BREAST CANCER RESEARCH PROGRAM	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
<u>3</u> <i>Institutional Support Special Items</i>					
1 INSTITUTIONAL ENHANCEMENT	614,747	614,747	614,747	614,747	614,747

2.A. SUMMARY OF BASE REQUEST BY STRATEGY
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2010
 TIME: 2:53:24PM

Agency code: 506

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

Goal / Objective / STRATEGY	Exp 2009	Est 2010	Bud 2011	Req 2012	Req 2013
4 <i>Exceptional Item Request</i>					
1 EXCEPTIONAL ITEM REQUEST	0	0	0	0	0
TOTAL, GOAL 5	\$8,003,242	\$4,277,247	\$4,277,247	\$4,063,318	\$4,063,318
6 <i>Tobacco Funds</i>					
1 <i>Tobacco Earnings for Research</i>					
1 TOBACCO EARNINGS - UT MD ANDERSON	5,447,608	5,829,965	6,092,800	5,727,633	5,700,000
2 TOBACCO - PERMANENT HEALTH FUND	2,663,546	4,385,543	3,118,719	2,476,032	2,411,044
TOTAL, GOAL 6	\$8,111,154	\$10,215,508	\$9,211,519	\$8,203,665	\$8,111,044
TOTAL, AGENCY STRATEGY REQUEST	\$2,113,600,126	\$2,180,052,993	\$2,429,934,218	\$2,353,308,949	\$2,480,774,213
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST*				\$0	\$0
GRAND TOTAL, AGENCY REQUEST	\$2,113,600,126	\$2,180,052,993	\$2,429,934,218	\$2,353,308,949	\$2,480,774,213

2.A. SUMMARY OF BASE REQUEST BY STRATEGY
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2010
 TIME: 2:53:24PM

Agency code: 506

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

Goal / Objective / STRATEGY	Exp 2009	Est 2010	Bud 2011	Req 2012	Req 2013
METHOD OF FINANCING:					
General Revenue Funds:					
1 General Revenue Fund	156,447,126	163,817,032	148,421,268	9,979,906	9,978,468
SUBTOTAL	\$156,447,126	\$163,817,032	\$148,421,268	\$9,979,906	\$9,978,468
General Revenue Dedicated Funds:					
770 Est Oth Educ & Gen Inco	15,855,218	23,578,751	25,018,320	26,454,044	29,022,141
SUBTOTAL	\$15,855,218	\$23,578,751	\$25,018,320	\$26,454,044	\$29,022,141
Federal Funds:					
369 Fed Recovery & Reinvestment Fund	0	634,206	0	0	0
SUBTOTAL	\$0	\$634,206	\$0	\$0	\$0
Other Funds:					
810 Permanent Health Fund Higher Ed	2,663,546	4,385,543	3,118,719	2,476,032	2,411,044
812 Permanent Endowment FD UTMD AND	5,447,608	5,829,965	6,092,800	5,727,633	5,700,000
8040 HRI Patient Income	1,933,186,628	1,981,807,496	2,247,283,111	2,308,671,334	2,433,662,560
SUBTOTAL	\$1,941,297,782	\$1,992,023,004	\$2,256,494,630	\$2,316,874,999	\$2,441,773,604
TOTAL, METHOD OF FINANCING	\$2,113,600,126	\$2,180,052,993	\$2,429,934,218	\$2,353,308,949	\$2,480,774,213

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

2.B. SUMMARY OF BASE REQUEST BY METHOD OF FINANCE
 82nd Regular Session, Agency Submission, Version I
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **10/15/2010**
 TIME: **2:53:37PM**

Agency code: **506**

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

METHOD OF FINANCING	Exp 2009	Est 2010	Bud 2011	Req 2012	Req 2013
<u>GENERAL REVENUE</u>					
1 General Revenue Fund					
<i>REGULAR APPROPRIATIONS</i>					
2012-2013 Appropriation	\$0	\$0	\$0	\$9,979,906	\$9,978,468
Art XII, Sec 30, GR Reductions	\$0	\$(634,206)	\$0	\$0	\$0
Regular Appropriations from MOF Table (2008-09 GAA)	\$152,721,131	\$0	\$0	\$0	\$0
Regular Appropriations from MOF Table (2010-11 GAA)	\$0	\$164,926,404	\$164,903,651	\$0	\$0
<i>TRANSFERS</i>					
Art. IX Sec. 12.04 Lost Property	\$0	\$(140)	\$0	\$0	\$0
<i>SUPPLEMENTAL, SPECIAL OR EMERGENCY APPROPRIATIONS</i>					
HB 4586, 81st Legislature, Regular Session	\$2,000,000	\$0	\$0	\$0	\$0
HB 4586, Sec 55, Natural Disasters	\$1,725,995	\$0	\$0	\$0	\$0
<i>LAPSED APPROPRIATIONS</i>					

2.B. SUMMARY OF BASE REQUEST BY METHOD OF FINANCE
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2010
 TIME: 2:53:44PM

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

METHOD OF FINANCING	Exp 2009	Est 2010	Bud 2011	Req 2012	Req 2013
<u>GENERAL REVENUE</u>					
Five Percent Reduction (2010-11 Biennium)	\$0	\$0	\$(15,826,148)	\$0	\$0
TRB Lapsed Appropriation	\$0	\$(475,026)	\$(656,235)	\$0	\$0
TOTAL, General Revenue Fund	\$156,447,126	\$163,817,032	\$148,421,268	\$9,979,906	\$9,978,468
TOTAL, ALL GENERAL REVENUE	\$156,447,126	\$163,817,032	\$148,421,268	\$9,979,906	\$9,978,468

GENERAL REVENUE FUND - DEDICATED

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

REGULAR APPROPRIATIONS

Regular Appropriations from MOF Table (2008-09 GAA)	\$17,168,727	\$0	\$0	\$0	\$0
Regular Appropriations from MOF Table (2010-11 GAA)	\$0	\$31,741,762	\$32,334,909	\$26,454,044	\$29,022,141
Revised Receipts	\$(1,313,509)	\$(8,163,011)	\$(7,316,589)	\$0	\$0
TOTAL, GR Dedicated - Estimated Other Educational and General Income Account No. 770	\$15,855,218	\$23,578,751	\$25,018,320	\$26,454,044	\$29,022,141

2.B. SUMMARY OF BASE REQUEST BY METHOD OF FINANCE
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2010
 TIME: 2:53:44PM

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

METHOD OF FINANCING	Exp 2009	Est 2010	Bud 2011	Req 2012	Req 2013
TOTAL GENERAL REVENUE FUND - DEDICATED - 704, 708 & 770	\$15,855,218	\$23,578,751	\$25,018,320	\$26,454,044	\$29,022,141
TOTAL, ALL GENERAL REVENUE FUND - DEDICATED	\$15,855,218	\$23,578,751	\$25,018,320	\$26,454,044	\$29,022,141
TOTAL, GR & GR-DEDICATED FUNDS	\$172,302,344	\$187,395,783	\$173,439,588	\$36,433,950	\$39,000,609
<u>FEDERAL FUNDS</u>					
<u>369</u> Federal American Recovery and Reinvestment Fund					
<i>REGULAR APPROPRIATIONS</i>					
Regular Appropriations, Art XII (2010-11 GAA)					
	\$0	\$634,206	\$0	\$0	\$0
TOTAL, Federal American Recovery and Reinvestment Fund	\$0	\$634,206	\$0	\$0	\$0
TOTAL, ALL FEDERAL FUNDS	\$0	\$634,206	\$0	\$0	\$0
<u>OTHER FUNDS</u>					
<u>810</u> Permanent Health Fund for Higher Education					
<i>REGULAR APPROPRIATIONS</i>					
Regular Appropriations from MOF Table (2008-09 GAA)					
	\$1,656,270	\$0	\$0	\$0	\$0

2.B. SUMMARY OF BASE REQUEST BY METHOD OF FINANCE
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **10/15/2010**
 TIME: **2:53:44PM**

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

METHOD OF FINANCING	Exp 2009	Est 2010	Bud 2011	Req 2012	Req 2013
<u>OTHER FUNDS</u>					
Regular Appropriations from MOF Table (2010-11 GAA)	\$0	\$1,656,270	\$1,656,270	\$2,291,044	\$2,291,044
Revised Receipts	\$349,233	\$398,611	\$565,774	\$0	\$0
Revised Receipts - Interest Earned on Balances	\$161,687	\$140,000	\$85,000	\$0	\$0
<i>UNEXPENDED BALANCES AUTHORITY</i>					
Article III, Permanent Health Fund for Higher Education	\$3,933,681	\$3,437,325	\$1,246,663	\$434,988	\$250,000
Article III, Permanent Health Fund for Higher Education	\$(3,437,325)	\$(1,246,663)	\$(434,988)	\$(250,000)	\$(130,000)
TOTAL, Permanent Health Fund for Higher Education	\$2,663,546	\$4,385,543	\$3,118,719	\$2,476,032	\$2,411,044
812 Permanent Endowment Fund, UT MD Anderson Cancer Center					
<i>REGULAR APPROPRIATIONS</i>					
Regular Appropriations from MOF Table (2008-09 GAA)	\$4,500,000	\$0	\$0	\$0	\$0
Regular Appropriations from MOF Table (2010-11 GAA)	\$0	\$4,500,000	\$4,500,000	\$5,550,000	\$5,550,000

2.B. SUMMARY OF BASE REQUEST BY METHOD OF FINANCE
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **10/15/2010**
 TIME: **2:53:44PM**

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

METHOD OF FINANCING	Exp 2009	Est 2010	Bud 2011	Req 2012	Req 2013
<u>OTHER FUNDS</u>					
Revised Receipts	\$780,000	\$910,000	\$1,040,000	\$0	\$0
Revised Receipts - Interest Earned on Balances	\$40,000	\$16,000	\$10,000	\$0	\$0
<i>UNEXPENDED BALANCES AUTHORITY</i>					
Article III, Permanent Endowment Fund, UT M. D. Anderson Cancer Center	\$1,652,006	\$1,524,398	\$1,120,433	\$577,633	\$400,000
Article III, Permanent Endowment Fund, UT M. D. Anderson Cancer Center	\$(1,524,398)	\$(1,120,433)	\$(577,633)	\$(400,000)	\$(250,000)
TOTAL, Permanent Endowment Fund, UT MD Anderson Cancer Center	\$5,447,608	\$5,829,965	\$6,092,800	\$5,727,633	\$5,700,000
<u>8040</u> Health-Related Institutions Patient Income					
<i>REGULAR APPROPRIATIONS</i>					
Regular Appropriations from MOF Table (2008-09 GAA)	\$2,175,342,384	\$0	\$0	\$0	\$0
Regular Appropriations from MOF Table (2010-11 GAA)	\$0	\$2,038,586,072	\$2,255,852,890	\$2,289,171,334	\$2,383,662,560
Revised Receipts	\$(253,065,530)	\$18,077,380	\$(66,936,200)	\$0	\$0
<i>UNEXPENDED BALANCES AUTHORITY</i>					

2.B. SUMMARY OF BASE REQUEST BY METHOD OF FINANCE
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2010
 TIME: 2:53:44PM

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

METHOD OF FINANCING	Exp 2009	Est 2010	Bud 2011	Req 2012	Req 2013
<u>OTHER FUNDS</u>					
Unexpended Balance					
	\$463,920,239	\$453,010,465	\$527,866,421	\$469,500,000	\$450,000,000
Unexpended Balance					
	\$(453,010,465)	\$(527,866,421)	\$(469,500,000)	\$(450,000,000)	\$(400,000,000)
TOTAL, Health-Related Institutions Patient Income	\$1,933,186,628	\$1,981,807,496	\$2,247,283,111	\$2,308,671,334	\$2,433,662,560
TOTAL, ALL OTHER FUNDS	\$1,941,297,782	\$1,992,023,004	\$2,256,494,630	\$2,316,874,999	\$2,441,773,604
GRAND TOTAL	\$2,113,600,126	\$2,180,052,993	\$2,429,934,218	\$2,353,308,949	\$2,480,774,213

FULL-TIME-EQUIVALENT POSITIONS

REGULAR APPROPRIATIONS					
Regular Appropriations from MOF Table (2008-09 GAA)	11,947.2	0.0	0.0	0.0	0.0
Regular Appropriations from MOF Table (2010-11 GAA)	0.0	13,081.9	13,081.9	0.0	0.0
2012-2013	0.0	0.0	0.0	13,991.9	14,492.0
UNAUTHORIZED NUMBER OVER (BELOW) CAP					
Request to Exceed the FTE Cap	1,023.5	0.0	330.6	0.0	0.0
FTE Over (Under) the Cap	0.0	(516.8)	0.0	0.0	0.0
TOTAL, ADJUSTED FTES	12,970.7	12,565.1	13,412.5	13,991.9	14,492.0

2.B. SUMMARY OF BASE REQUEST BY METHOD OF FINANCE
82nd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **10/15/2010**
TIME: **2:53:44PM**

Agency code: **506**

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

METHOD OF FINANCING	Exp 2009	Est 2010	Bud 2011	Req 2012	Req 2013
NUMBER OF 100% FEDERALLY FUNDED FTEs	0.0	0.0	0.0	0.0	0.0

2.C. SUMMARY OF BASE REQUEST BY OBJECT OF EXPENSE
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **10/15/2010**
 TIME: **2:54:50PM**

Agency code: **506**

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

OBJECT OF EXPENSE	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
1001 SALARIES AND WAGES	\$782,739,658	\$783,553,961	\$867,084,488	\$931,621,219	\$997,432,960
1002 OTHER PERSONNEL COSTS	\$15,714,079	\$15,721,987	\$17,471,601	\$19,160,815	\$20,451,901
1005 FACULTY SALARIES	\$166,829,367	\$180,958,935	\$211,251,844	\$236,318,273	\$263,150,010
2001 PROFESSIONAL FEES AND SERVICES	\$82,055,701	\$64,832,372	\$71,333,610	\$73,386,236	\$75,163,859
2003 CONSUMABLE SUPPLIES	\$425,933,412	\$450,322,095	\$458,705,374	\$451,449,809	\$467,293,596
2004 UTILITIES	\$25,929,593	\$32,024,584	\$34,292,333	\$36,006,950	\$37,507,300
2005 TRAVEL	\$3,964,999	\$4,347,960	\$4,508,929	\$4,709,457	\$4,910,449
2008 DEBT SERVICE	\$93,836,880	\$98,049,627	\$102,863,103	\$106,916,588	\$111,915,150
2009 OTHER OPERATING EXPENSE	\$234,316,298	\$251,817,553	\$272,356,192	\$106,880,552	\$116,008,428
4000 GRANTS	\$70,919	\$72,416	\$87,206	\$109,051	\$115,561
5000 CAPITAL EXPENDITURES	\$282,209,220	\$298,351,503	\$389,979,538	\$386,749,999	\$386,824,999
OOE Total (Excluding Riders)	\$2,113,600,126	\$2,180,052,993	\$2,429,934,218	\$2,353,308,949	\$2,480,774,213
OOE Total (Riders)					
Grand Total	\$2,113,600,126	\$2,180,052,993	\$2,429,934,218	\$2,353,308,949	\$2,480,774,213

2.D. SUMMARY OF BASE REQUEST OBJECTIVE OUTCOMES

82nd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation system of Texas (ABEST)

Date : 10/15/2010

Time: 2:53:48PM

Agency code: 506

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

Goal/ Objective / Outcome	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
1 Provide Instructional and Operations Support					
1 Instructional Programs					
KEY 14 Percent Allied Health Grads Passing Certif/Licensure Exam First Try	94.00%	94.00%	94.00%	94.00%	94.00%
KEY 15 Percent Allied Health Graduates Licensed or Certified in Texas	86.00%	86.00%	86.00%	86.00%	86.00%
23 Value of Lost or Stolen Property	34,641.00	75,785.00	200,000.00	225,000.00	250,000.00
24 Percent of Property Lost or Stolen	0.01%	0.04%	0.10%	0.10%	0.10%
2 Provide Research Support					
1 Research Activities					
KEY 1 Total External Research Expenditures	336,815,436.00	346,657,477.00	374,803,691.00	407,201,892.00	444,595,877.00
2 External Research Expends As % of Total State Appropriations	18.47%	17.50%	17.52%	17.52%	18.04%
3 External Research Expends As % of State Appropriations for Research	241.77%	219.23%	225.75%	233.58%	242.89%

2.D. SUMMARY OF BASE REQUEST OBJECTIVE OUTCOMES

82nd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation system of Texas (ABEST)

Date : 10/15/2010

Time: 2:53:53PM

Agency code: 506

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

Goal/ Objective / Outcome	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
4 Provide Health Care Support 1 Hospital Care					
KEY 1 Percent of Medical Residency Completers Practicing in Texas					
	52.24%	42.02%	40.00%	40.00%	40.00%
KEY 2 Total Uncompensated Care Provided by Faculty					
	61,185,971.00	70,060,654.00	73,728,594.00	81,720,793.00	86,970,554.00
3 Total Net Patient Revenue by Faculty					
	293,935,502.00	317,441,308.00	342,980,474.00	352,909,657.00	361,052,379.00
KEY 4 Total Uncompensated Care Provided in State-owned Facilities					
	145,241,448.00	157,968,747.00	170,174,839.00	205,213,331.00	221,310,785.00
5 Total Net Patient Revenue in State-owned Facilities					
	2,044,423,645.00	2,179,175,100.00	2,327,589,204.00	2,439,749,452.00	2,546,489,578.00
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					
	7.62%	7.35%	7.50%	7.50%	7.50%

2.E. SUMMARY OF EXCEPTIONAL ITEMS REQUEST
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2010
 TIME : 2:54:00PM

Agency code: 506

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

Priority	Item	2012			2013			Biennium	
		GR and GR/GR Dedicated	All Funds	FTEs	GR and GR Dedicated	All Funds	FTEs	GR and GR Dedicated	All Funds
1	DNA and RNA Sequencing Technology	\$3,500,000	\$3,500,000		\$3,500,000	\$3,500,000		\$7,000,000	\$7,000,000
2	MRI Student Training Unit	\$362,500	\$362,500		\$362,500	\$362,500		\$725,000	\$725,000
3	Basic Science Research Building Two	\$4,360,000	\$4,360,000		\$4,360,000	\$4,360,000		\$8,720,000	\$8,720,000
Total, Exceptional Items Request		\$8,222,500	\$8,222,500		\$8,222,500	\$8,222,500		\$16,445,000	\$16,445,000
Method of Financing									
	General Revenue	\$8,222,500	\$8,222,500		\$8,222,500	\$8,222,500		\$16,445,000	\$16,445,000
	General Revenue - Dedicated								
	Federal Funds								
	Other Funds								
		\$8,222,500	\$8,222,500		\$8,222,500	\$8,222,500		\$16,445,000	\$16,445,000

Full Time Equivalent Positions

Number of 100% Federally Funded FTEs

0.0

0.0

2.F. SUMMARY OF TOTAL REQUEST BY STRATEGY
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE : 10/15/2010
 TIME : 2:54:13PM

Agency code: 506		Agency name: The University of Texas M.D. Anderson Cancer Center				
Goal/Objective/STRATEGY	Base 2012	Base 2013	Exceptional 2012	Exceptional 2013	Total Request 2012	Total Request 2013
1 Provide Instructional and Operations Support						
1 <i>Instructional Programs</i>						
1 ALLIED HEALTH PROFESSIONS TRAINING	\$0	\$0	\$0	\$0	\$0	\$0
2 GRADUATE MEDICAL EDUCATION	0	0	0	0	0	0
2 <i>Operations - Staff Benefits</i>						
1 STAFF GROUP INSURANCE PREMIUMS	102,369,320	111,329,088	0	0	102,369,320	111,329,088
2 WORKERS' COMPENSATION INSURANCE	722,575	779,892	0	0	722,575	779,892
3 UNEMPLOYMENT INSURANCE	890,889	961,556	0	0	890,889	961,556
3 <i>Operations - Statutory Funds</i>						
1 TEXAS PUBLIC EDUCATION GRANTS	109,051	115,561	0	0	109,051	115,561
4 <i>Cancer Center Operations</i>						
1 CANCER CENTER OPERATIONS	0	0	0	0	0	0
TOTAL, GOAL 1	\$104,091,835	\$113,186,097	\$0	\$0	\$104,091,835	\$113,186,097
2 Provide Research Support						
1 <i>Research Activities</i>						
1 RESEARCH ENHANCEMENT	0	0	0	0	0	0
2 SCIENCE PARK OPERATIONS	4,503,688	4,503,688	0	0	4,503,688	4,503,688
TOTAL, GOAL 2	\$4,503,688	\$4,503,688	\$0	\$0	\$4,503,688	\$4,503,688

2.F. SUMMARY OF TOTAL REQUEST BY STRATEGY
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE : 10/15/2010
 TIME : 2:54:19PM

Agency code: 506

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

Goal/Objective/STRATEGY	Base 2012	Base 2013	Exceptional 2012	Exceptional 2013	Total Request 2012	Total Request 2013
3 Provide Infrastructure Support						
1 <i>Operations and Maintenance</i>						
1 E&G SPACE SUPPORT	\$0	\$0	\$0	\$0	\$0	\$0
2 <i>Infrastructure Support</i>						
1 TUITION REVENUE BOND RETIREMENT	5,916,588	5,915,150	4,360,000	4,360,000	10,276,588	10,275,150
2 LONG-TERM CAPITAL PROGRAM	410,000,000	413,000,000	0	0	410,000,000	413,000,000
3 LONG-TERM CAPITAL EQUIPMENT	76,000,000	78,000,000	0	0	76,000,000	78,000,000
TOTAL, GOAL 3	\$491,916,588	\$496,915,150	\$4,360,000	\$4,360,000	\$496,276,588	\$501,275,150
4 Provide Health Care Support						
1 <i>Hospital Care</i>						
1 PATIENT CARE ACTIVITIES	1,740,529,855	1,853,994,916	0	0	1,740,529,855	1,853,994,916
TOTAL, GOAL 4	\$1,740,529,855	\$1,853,994,916	\$0	\$0	\$1,740,529,855	\$1,853,994,916
5 Provide Special Item Support						
1 <i>Natural Disaster Reimbursement</i>						
1 NATURAL DISASTER REIMBURSEMENT	0	0	0	0	0	0
2 UNCOMPENSATED CARE	0	0	0	0	0	0
2 <i>Research Special Items</i>						
1 RESEARCH SUPPORT	1,448,571	1,448,571	0	0	1,448,571	1,448,571
2 BREAST CANCER RESEARCH PROGRAM	2,000,000	2,000,000	0	0	2,000,000	2,000,000
3 <i>Institutional Support Special Items</i>						
1 INSTITUTIONAL ENHANCEMENT	614,747	614,747	0	0	614,747	614,747
4 <i>Exceptional Item Request</i>						
1 EXCEPTIONAL ITEM REQUEST	0	0	3,862,500	3,862,500	3,862,500	3,862,500
TOTAL, GOAL 5	\$4,063,318	\$4,063,318	\$3,862,500	\$3,862,500	\$7,925,818	\$7,925,818

2.F. SUMMARY OF TOTAL REQUEST BY STRATEGY
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE : 10/15/2010
 TIME : 2:54:19PM

Agency code: 506		Agency name: The University of Texas M.D. Anderson Cancer Center				
Goal/Objective/STRATEGY	Base 2012	Base 2013	Exceptional 2012	Exceptional 2013	Total Request 2012	Total Request 2013
6 Tobacco Funds						
<i>1 Tobacco Earnings for Research</i>						
1 TOBACCO EARNINGS - UT MD ANDERSON	\$5,727,633	\$5,700,000	\$0	\$0	\$5,727,633	\$5,700,000
2 TOBACCO - PERMANENT HEALTH FUND	2,476,032	2,411,044	0	0	2,476,032	2,411,044
TOTAL, GOAL 6	\$8,203,665	\$8,111,044	\$0	\$0	\$8,203,665	\$8,111,044
TOTAL, AGENCY STRATEGY REQUEST	\$2,353,308,949	\$2,480,774,213	\$8,222,500	\$8,222,500	\$2,361,531,449	\$2,488,996,713
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST						
GRAND TOTAL, AGENCY REQUEST	\$2,353,308,949	\$2,480,774,213	\$8,222,500	\$8,222,500	\$2,361,531,449	\$2,488,996,713

2.F. SUMMARY OF TOTAL REQUEST BY STRATEGY
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE : 10/15/2010
 TIME : 2:54:19PM

Agency code: 506	Agency name: The University of Texas M.D. Anderson Cancer Center					
Goal/Objective/STRATEGY	Base 2012	Base 2013	Exceptional 2012	Exceptional 2013	Total Request 2012	Total Request 2013
General Revenue Funds:						
1 General Revenue Fund	\$9,979,906	\$9,978,468	\$8,222,500	\$8,222,500	\$18,202,406	\$18,200,968
	\$9,979,906	\$9,978,468	\$8,222,500	\$8,222,500	\$18,202,406	\$18,200,968
General Revenue Dedicated Funds:						
770 Est Oth Educ & Gen Inco	26,454,044	29,022,141	0	0	26,454,044	29,022,141
	\$26,454,044	\$29,022,141	\$0	\$0	\$26,454,044	\$29,022,141
Federal Funds:						
369 Fed Recovery & Reinvestment Fund	0	0	0	0	0	0
	\$0	\$0	\$0	\$0	\$0	\$0
Other Funds:						
810 Permanent Health Fund Higher Ed	2,476,032	2,411,044	0	0	2,476,032	2,411,044
812 Permanent Endowment FD UTMD AND	5,727,633	5,700,000	0	0	5,727,633	5,700,000
8040 HRI Patient Income	2,308,671,334	2,433,662,560	0	0	2,308,671,334	2,433,662,560
	\$2,316,874,999	\$2,441,773,604	\$0	\$0	\$2,316,874,999	\$2,441,773,604
TOTAL, METHOD OF FINANCING	\$2,353,308,949	\$2,480,774,213	\$8,222,500	\$8,222,500	\$2,361,531,449	\$2,488,996,713
FULL TIME EQUIVALENT POSITIONS	13,991.9	14,492.0	0.0	0.0	13,991.9	14,492.0

2.G. SUMMARY OF TOTAL REQUEST OBJECTIVE OUTCOMES

82nd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation system of Texas (ABEST)

Date : 10/15/2010

Time: 2:54:26PM

Agency code: 506

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

Goal/ Objective / Outcome

	BL 2012	BL 2013	Excp 2012	Excp 2013	Total Request 2012	Total Request 2013
1						
1						
KEY						
Provide Instructional and Operations Support						
1						
<i>Instructional Programs</i>						
KEY						
14 Percent Allied Health Grads Passing Certif/Licensure Exam First Try	94.00%	94.00%			94.00%	94.00%
KEY						
15 Percent Allied Health Graduates Licensed or Certified in Texas	86.00%	86.00%			86.00%	86.00%
23 Value of Lost or Stolen Property						
	225,000.00	250,000.00			225,000.00	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	407,201,892.00	444,595,877.00			407,201,892.00	444,595,877.00
2 External Research Expends As % of Total State Appropriations						
	17.52%	18.04%			17.52%	18.04%
3 External Research Expends As % of State Appropriations for Research						
	233.58%	242.89%			233.58%	242.89%
4						
Provide Health Care Support						
1						
<i>Hospital Care</i>						

2.G. SUMMARY OF TOTAL REQUEST OBJECTIVE OUTCOMES

82nd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation system of Texas (ABEST)

Date : 10/15/2010
Time: 2:54:32PM

Agency code: 506

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

Goal/ Objective / Outcome

	BL 2012	BL 2013	Excp 2012	Excp 2013	Total Request 2012	Total Request 2013
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					
	81,720,793.00	86,970,554.00			81,720,793.00	86,970,554.00
	3 Total Net Patient Revenue by Faculty					
	352,909,657.00	361,052,379.00			352,909,657.00	361,052,379.00
KEY	4 Total Uncompensated Care Provided in State-owned Facilities					
	205,213,331.00	221,310,785.00			205,213,331.00	221,310,785.00
	5 Total Net Patient Revenue in State-owned Facilities					
	2,439,749,452.00	2,546,489,578.00			2,439,749,452.00	2,546,489,578.00
	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%

3.A. STRATEGY REQUEST
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2010
 TIME: 2:54:37PM

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

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

Statewide Goal/Benchmark: 2 0
 Service Categories:
 Service: 19 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
Explanatory/Input Measures:						
KEY 1	Minority Admissions As % of Total First-Year Admissions (All Schools)	56.00 %	56.00 %	56.00 %	56.00 %	56.00 %
Objects of Expense:						
1001	SALARIES AND WAGES	\$1,066,616	\$1,280,324	\$1,280,324	\$0	\$0
1002	OTHER PERSONNEL COSTS	\$22,163	\$26,604	\$26,605	\$0	\$0
1005	FACULTY SALARIES	\$1,248,756	\$1,606,309	\$1,602,802	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$2,337,535	\$2,913,237	\$2,909,731	\$0	\$0
Method of Financing:						
1	General Revenue Fund	\$2,337,535	\$2,703,474	\$2,909,731	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$2,337,535	\$2,703,474	\$2,909,731	\$0	\$0
Method of Financing:						
369	Fed Recovery & Reinvestment Fund					
	84.397.000 Stabilization - Govt Services - Stm	\$0	\$209,763	\$0	\$0	\$0
CFDA Subtotal, Fund	369	\$0	\$209,763	\$0	\$0	\$0
SUBTOTAL, MOF (FEDERAL FUNDS)		\$0	\$209,763	\$0	\$0	\$0
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$0	\$0
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$2,337,535	\$2,913,237	\$2,909,731	\$0	\$0
FULL TIME EQUIVALENT POSITIONS:		22.6	25.4	25.4	0.0	0.0
STRATEGY DESCRIPTION AND JUSTIFICATION:						

3.A. STRATEGY REQUEST

82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2010
 TIME: 2:54:42PM

Agency code: **506** Agency name: **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 2009	Est 2010	Bud 2011	BL 2012	BL 2013
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The University of Texas M. D. Anderson Cancer Center programs in the School of Health Professions offers bachelor of science degrees or certificates within a world class tertiary care center — The University of Texas M. D. Anderson Cancer Center — located in the world's largest medical center. More than five million cytogenetic, histologic and other laboratory tests and more than 200,000 radiation therapy procedures are performed annually on patients who travel to M. D. Anderson from all parts of the United States and abroad. Thus, the education of our students includes the entire spectrum of laboratory testing and patient treatment procedures, from the relatively uncomplicated to the highly specialized.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

The clinical experience offered by the School of Health Sciences 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.

3.A. STRATEGY REQUEST
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2010
 TIME: 2:54:42PM

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

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

Statewide Goal/Benchmark: 2 0
 Service Categories:
 Service: 19 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
Output Measures:						
KEY 1	Total Number of MD or DO Residents	127.00	121.00	134.00	139.00	144.00
Explanatory/Input Measures:						
KEY 1	Minority MD or DO Residents as a Percent of Total MD or DO Residents	7.87 %	7.44 %	8.21 %	7.91 %	7.64 %
Objects of Expense:						
1001	SALARIES AND WAGES	\$161,900	\$226,660	\$226,660	\$0	\$0
1002	OTHER PERSONNEL COSTS	\$3,180	\$4,452	\$4,452	\$0	\$0
1005	FACULTY SALARIES	\$437,761	\$613,851	\$613,851	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$602,841	\$844,963	\$844,963	\$0	\$0
Method of Financing:						
1	General Revenue Fund	\$602,841	\$420,520	\$844,963	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$602,841	\$420,520	\$844,963	\$0	\$0
Method of Financing:						
369	Fed Recovery & Reinvestment Fund					
	84.397.000 Stabilization - Govt Services - Stm	\$0	\$424,443	\$0	\$0	\$0
CFDA Subtotal, Fund	369	\$0	\$424,443	\$0	\$0	\$0
SUBTOTAL, MOF (FEDERAL FUNDS)		\$0	\$424,443	\$0	\$0	\$0
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$0	\$0
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$602,841	\$844,963	\$844,963	\$0	\$0
FULL TIME EQUIVALENT POSITIONS:		4.4	5.9	5.9	0.0	0.0

3.A. STRATEGY REQUEST
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2010
 TIME: 2:54:42PM

Agency code: **506** Agency name: **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 2009	Est 2010	Bud 2011	BL 2012	BL 2013
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STRATEGY DESCRIPTION AND JUSTIFICATION:

Funding distributed through the graduate medical education formula provide support to resident training programs at M. D. Anderson Cancer Center's School of Health Professions. Graduate medical education in Texas remains ceitical to the State's ability to attract and retain doctors. According to the AAMC, 80% of Texas physicians ultimately practice medicine in the state if they both graduate from medical school and complete their residency in Texas. Continued and increased funding for graduate medical education is imperative in order for Texas to improve its doctor per population ratios.

Graduate medical education (GME) is the additional years of medical training required after physicisans complete their doctor of medicine (MD) or doctor of osteopathic medicine (DO) degree, generally ranging from three-to-five years beyond the MD or DO degree.

GME in Texas is a partnership to train resident physicians. For the most part, medical school faculties educate residents; teaching hospitals and clinics provide their clinical training opportunities while the faculty physicians supervise the residents.

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.

3.A. STRATEGY REQUEST
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2010
 TIME: 2:54:42PM

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

GOAL: 1 Provide Instructional and Operations Support
 OBJECTIVE: 2 Operations - Staff Benefits
 STRATEGY: 1 Staff Group Insurance Premiums

Statewide Goal/Benchmark: 2 0
 Service Categories:
 Service: 06 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
Objects of Expense:						
2009	OTHER OPERATING EXPENSE	\$76,076,255	\$79,593,406	\$93,793,225	\$102,369,320	\$111,329,088
TOTAL, OBJECT OF EXPENSE		\$76,076,255	\$79,593,406	\$93,793,225	\$102,369,320	\$111,329,088
Method of Financing:						
770	Est Oth Educ & Gen Inco	\$760,763	\$795,934	\$937,932	\$1,023,693	\$1,113,291
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$760,763	\$795,934	\$937,932	\$1,023,693	\$1,113,291
Method of Financing:						
8040	HRI Patient Income	\$75,315,492	\$78,797,472	\$92,855,293	\$101,345,627	\$110,215,797
SUBTOTAL, MOF (OTHER FUNDS)		\$75,315,492	\$78,797,472	\$92,855,293	\$101,345,627	\$110,215,797
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$102,369,320	\$111,329,088
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$76,076,255	\$79,593,406	\$93,793,225	\$102,369,320	\$111,329,088
FULL TIME EQUIVALENT POSITIONS:					0.0	0.0

STRATEGY DESCRIPTION AND JUSTIFICATION:

Staff Group Insurance Premiums provide eligible employees with group insurance coverage. This employee benefit must be competitive with industry standards in order to recruit and retain qualified professional and technical personnel.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

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

3.A. STRATEGY REQUEST
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2010
 TIME: 2:54:42PM

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

GOAL: 1 Provide Instructional and Operations Support
 OBJECTIVE: 2 Operations - Staff Benefits
 STRATEGY: 2 Workers' Compensation Insurance

Statewide Goal/Benchmark: 2 0
 Service Categories:
 Service: 06 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
Objects of Expense:						
2009	OTHER OPERATING EXPENSE	\$587,475	\$596,721	\$667,140	\$722,575	\$779,892
TOTAL, OBJECT OF EXPENSE		\$587,475	\$596,721	\$667,140	\$722,575	\$779,892
Method of Financing:						
770	Est Oth Educ & Gen Inco	\$5,875	\$5,967	\$6,671	\$7,226	\$7,799
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$5,875	\$5,967	\$6,671	\$7,226	\$7,799
Method of Financing:						
8040	HRI Patient Income	\$581,600	\$590,754	\$660,469	\$715,349	\$772,093
SUBTOTAL, MOF (OTHER FUNDS)		\$581,600	\$590,754	\$660,469	\$715,349	\$772,093
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$722,575	\$779,892
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$587,475	\$596,721	\$667,140	\$722,575	\$779,892
FULL TIME EQUIVALENT POSITIONS:					0.0	0.0

STRATEGY DESCRIPTION AND JUSTIFICATION:

Worker's Compensation Insurance is required by statute.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

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

3.A. STRATEGY REQUEST
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2010
 TIME: 2:54:42PM

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

GOAL: 1 Provide Instructional and Operations Support
 OBJECTIVE: 2 Operations - Staff Benefits
 STRATEGY: 3 Unemployment Insurance

Statewide Goal/Benchmark: 2 0

Service Categories:

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

CODE	DESCRIPTION	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
Objects of Expense:						
2009	OTHER OPERATING EXPENSE	\$724,319	\$735,718	\$822,541	\$890,889	\$961,556
TOTAL, OBJECT OF EXPENSE		\$724,319	\$735,718	\$822,541	\$890,889	\$961,556
Method of Financing:						
770	Est Oth Educ & Gen Inco	\$7,243	\$7,357	\$8,225	\$8,909	\$9,616
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$7,243	\$7,357	\$8,225	\$8,909	\$9,616
Method of Financing:						
8040	HRI Patient Income	\$717,076	\$728,361	\$814,316	\$881,980	\$951,940
SUBTOTAL, MOF (OTHER FUNDS)		\$717,076	\$728,361	\$814,316	\$881,980	\$951,940
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$890,889	\$961,556
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$724,319	\$735,718	\$822,541	\$890,889	\$961,556
FULL TIME EQUIVALENT POSITIONS:					0.0	0.0

STRATEGY DESCRIPTION AND JUSTIFICATION:

Unemployment Insurance is required by statute.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

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

3.A. STRATEGY REQUEST
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2010
 TIME: 2:54:42PM

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

GOAL: 1 Provide Instructional and Operations Support
 OBJECTIVE: 3 Operations - Statutory Funds
 STRATEGY: 1 Texas Public Education Grants

Statewide Goal/Benchmark: 2 0
 Service Categories:
 Service: NA Income: NA Age: NA

CODE	DESCRIPTION	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
Objects of Expense:						
4000	GRANTS	\$70,919	\$72,416	\$87,206	\$109,051	\$115,561
TOTAL, OBJECT OF EXPENSE		\$70,919	\$72,416	\$87,206	\$109,051	\$115,561
Method of Financing:						
770	Est Oth Educ & Gen Inco	\$70,919	\$72,416	\$87,206	\$109,051	\$115,561
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$70,919	\$72,416	\$87,206	\$109,051	\$115,561
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$109,051	\$115,561
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$70,919	\$72,416	\$87,206	\$109,051	\$115,561
FULL TIME EQUIVALENT POSITIONS:					0.0	0.0

STRATEGY DESCRIPTION AND JUSTIFICATION:

Texas Public Educational Grants are tuition set-asides that are available to Texas residents, nonresidents, and foreign students enrolled at public colleges or universities in Texas and are based on financial need.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

3.A. STRATEGY REQUEST
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2010
 TIME: 2:54:42PM

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

GOAL: 1 Provide Instructional and Operations Support
 OBJECTIVE: 4 Cancer Center Operations
 STRATEGY: 1 Cancer Center Operations

Statewide Goal/Benchmark: 2 0
 Service Categories:
 Service: 19 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
Objects of Expense:						
1001	SALARIES AND WAGES	\$89,592,412	\$93,763,881	\$81,574,600	\$0	\$0
1002	OTHER PERSONNEL COSTS	\$1,291,019	\$1,381,390	\$1,202,000	\$0	\$0
1005	FACULTY SALARIES	\$17,438,043	\$20,680,244	\$18,000,000	\$0	\$0
2009	OTHER OPERATING EXPENSE	\$1,612,390	\$1,873,127	\$1,098,453	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$109,933,864	\$117,698,642	\$101,875,053	\$0	\$0
Method of Financing:						
1	General Revenue Fund	\$109,933,864	\$117,698,642	\$101,875,053	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$109,933,864	\$117,698,642	\$101,875,053	\$0	\$0
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$0	\$0
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$109,933,864	\$117,698,642	\$101,875,053	\$0	\$0
FULL TIME EQUIVALENT POSITIONS:		1,547.2	1,572.7	1,321.1	0.0	0.0

STRATEGY DESCRIPTION AND JUSTIFICATION:

Funding for Patient Care Activities supports 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 MDACC business support services, patient business services, nursing, pharmacy, allied health professionals, clerical and support staff, unsponsored charity care for indigent Texans, maintenance and operation expenses, equipment, and information systems necessary for the delivery of care in the hospital and clinics.

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.

3.A. STRATEGY REQUEST
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2010
 TIME: 2:54:42PM

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

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

Statewide Goal/Benchmark: 2 0

Service Categories:

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

CODE	DESCRIPTION	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
Objects of Expense:						
1001	SALARIES AND WAGES	\$4,020,848	\$4,510,185	\$4,510,000	\$0	\$0
1002	OTHER PERSONNEL COSTS	\$83,177	\$93,960	\$94,145	\$0	\$0
1005	FACULTY SALARIES	\$3,581,967	\$4,050,000	\$4,050,000	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$7,685,992	\$8,654,145	\$8,654,145	\$0	\$0
Method of Financing:						
1	General Revenue Fund	\$7,685,992	\$8,654,145	\$8,654,145	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$7,685,992	\$8,654,145	\$8,654,145	\$0	\$0
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$0	\$0
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$7,685,992	\$8,654,145	\$8,654,145	\$0	\$0
FULL TIME EQUIVALENT POSITIONS:		80.6	87.3	87.3	0.0	0.0

STRATEGY DESCRIPTION AND JUSTIFICATION:

MDACC is a comprehensive cancer center designated by the National Cancer Institute (NCI), a unique distinction granted to only 31 cancer centers in the country. As a world leader in translating basic science research discoveries into novel clinical cancer treatments, MDACC is first in the number of research grants awarded by the NCI and the American Cancer Society. The interdisciplinary collaboration between basic science faculty and clinical investigators requires appropriate infrastructure and resources to facilitate translational research. MDACC discoveries have made a significant impact on cancer incidence, morbidity and mortality. State support of MDACC's research mission is crucial to its continued success.

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.

3.A. STRATEGY REQUEST
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2010
 TIME: 2:54:42PM

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

GOAL: 2 Provide Research Support
 OBJECTIVE: 1 Research Activities
 STRATEGY: 2 Science Park Operations

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

CODE	DESCRIPTION	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
Objects of Expense:						
1001	SALARIES AND WAGES	\$2,300,000	\$2,300,000	\$2,300,000	\$2,300,000	\$2,300,000
1002	OTHER PERSONNEL COSTS	\$14,893	\$15,000	\$15,000	\$15,000	\$15,000
2009	OTHER OPERATING EXPENSE	\$2,608,769	\$2,188,689	\$2,188,688	\$2,188,688	\$2,188,688
TOTAL, OBJECT OF EXPENSE		\$4,923,662	\$4,503,689	\$4,503,688	\$4,503,688	\$4,503,688
Method of Financing:						
8040	HRI Patient Income	\$4,923,662	\$4,503,689	\$4,503,688	\$4,503,688	\$4,503,688
SUBTOTAL, MOF (OTHER FUNDS)		\$4,923,662	\$4,503,689	\$4,503,688	\$4,503,688	\$4,503,688
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$4,503,688	\$4,503,688
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$4,923,662	\$4,503,689	\$4,503,688	\$4,503,688	\$4,503,688
FULL TIME EQUIVALENT POSITIONS:		37.9	35.3	33.8	32.1	30.0

STRATEGY DESCRIPTION AND JUSTIFICATION:

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

The Research Division has been operational since 1977, providing Research programs are highly interactive and focused on the elucidation of the cellular and molecular mechanisms of carcinogenesis. The research team consists of 45 doctoral level scientists of whom 32 are permanent staff. Research at Science Park can be categorized into four inter-related areas. These are cellular and molecular mechanisms of carcinogenesis; DNA damage, repair and mutagenesis; molecular and biochemical genetics; and prevention of cancer induction. These studies are performed using a variety of in vivo and in vitro experimental models.

The entire armamentarium of research approaches employed at Science Park are brought to bear on cancers of a number of organ sites, including skin, liver, vagina, mammary gland, colon, kidney and uterus.

Built in 1977, M. D. Anderson's Veterinary Department chimp facility in Bastrop currently houses 150 chimpanzees, 35 of which are maintained as a reserve for future research needs. 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.

3.A. STRATEGY REQUEST
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2010
 TIME: 2:54:42PM

Agency code: **506** Agency name: **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 2009	Est 2010	Bud 2011	BL 2012	BL 2013
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EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

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

3.A. STRATEGY REQUEST
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2010
 TIME: 2:54:42PM

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: 1 Operations and Maintenance

Service Categories:

STRATEGY: 1 E&G Space Support

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

CODE	DESCRIPTION	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
Objects of Expense:						
1001	SALARIES AND WAGES	\$20,958,373	\$23,760,000	\$23,728,600	\$0	\$0
1002	OTHER PERSONNEL COSTS	\$394,309	\$446,494	\$446,416	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$21,352,682	\$24,206,494	\$24,175,016	\$0	\$0
Method of Financing:						
1	General Revenue Fund	\$21,352,682	\$24,206,494	\$24,175,016	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$21,352,682	\$24,206,494	\$24,175,016	\$0	\$0
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$0	\$0
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$21,352,682	\$24,206,494	\$24,175,016	\$0	\$0
FULL TIME EQUIVALENT POSITIONS:		345.7	378.6	378.6	0.0	0.0

STRATEGY DESCRIPTION AND JUSTIFICATION:

E&G Space Support provides funding necessary to properly utilize, manage and maintain MDACC facilities. Planning and implementation of a capital renewal and replacement program provides for systematic repair and replacement of buildings and building components, such as boilers, chillers, roofs, transformers and all other capital improvements. This process extends the life of campus facilities, building components and systems that ordinarily do not appear in the annual operating budget.

Adequate support for facilities management is also necessary to maintain building exteriors and grounds, provide cost effective custodial services to operate facilities without interruption, maintain energy efficiency, and prevent deferred maintenance from exceeding 1% of current physical plant replacement costs.

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.

3.A. STRATEGY REQUEST
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2010
 TIME: 3:00:39PM

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	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
Objects of Expense:						
2008	DEBT SERVICE	\$6,530,970	\$5,856,510	\$5,685,113	\$5,916,588	\$5,915,150
TOTAL, OBJECT OF EXPENSE		\$6,530,970	\$5,856,510	\$5,685,113	\$5,916,588	\$5,915,150
Method of Financing:						
1	General Revenue Fund	\$6,530,970	\$5,856,510	\$5,685,113	\$5,916,588	\$5,915,150
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$6,530,970	\$5,856,510	\$5,685,113	\$5,916,588	\$5,915,150
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$5,916,588	\$5,915,150
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$6,530,970	\$5,856,510	\$5,685,113	\$5,916,588	\$5,915,150
FULL TIME EQUIVALENT POSITIONS:					0.0	0.0

STRATEGY DESCRIPTION AND JUSTIFICATION:

The 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 Gorge 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 2012 and 2013.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

3.A. STRATEGY REQUEST
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2010
 TIME: 2:54:42PM

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

GOAL: 3 Provide Infrastructure Support
 OBJECTIVE: 2 Infrastructure Support
 STRATEGY: 2 Long-term Capital Program

Statewide Goal/Benchmark: 2 0
 Service Categories:
 Service: 10 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
Objects of Expense:						
2008	DEBT SERVICE	\$39,005,910	\$54,054,117	\$62,458,985	\$65,000,000	\$68,000,000
5000	CAPITAL EXPENDITURES	\$240,000,000	\$270,000,000	\$338,000,000	\$345,000,000	\$345,000,000
TOTAL, OBJECT OF EXPENSE		\$279,005,910	\$324,054,117	\$400,458,985	\$410,000,000	\$413,000,000
Method of Financing:						
8040	HRI Patient Income	\$279,005,910	\$324,054,117	\$400,458,985	\$410,000,000	\$413,000,000
SUBTOTAL, MOF (OTHER FUNDS)		\$279,005,910	\$324,054,117	\$400,458,985	\$410,000,000	\$413,000,000
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$410,000,000	\$413,000,000
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$279,005,910	\$324,054,117	\$400,458,985	\$410,000,000	\$413,000,000
FULL TIME EQUIVALENT POSITIONS:					0.0	0.0

STRATEGY DESCRIPTION AND JUSTIFICATION:

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:

3.A. STRATEGY REQUEST
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2010
 TIME: 2:54:42PM

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: 3 Long-term Capital Equipment Service: 22 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
Objects of Expense:						
2008	DEBT SERVICE	\$48,300,000	\$38,139,000	\$34,719,005	\$36,000,000	\$38,000,000
5000	CAPITAL EXPENDITURES	\$40,000,000	\$25,000,000	\$50,000,000	\$40,000,000	\$40,000,000
TOTAL, OBJECT OF EXPENSE		\$88,300,000	\$63,139,000	\$84,719,005	\$76,000,000	\$78,000,000
Method of Financing:						
8040	HRI Patient Income	\$88,300,000	\$63,139,000	\$84,719,005	\$76,000,000	\$78,000,000
SUBTOTAL, MOF (OTHER FUNDS)		\$88,300,000	\$63,139,000	\$84,719,005	\$76,000,000	\$78,000,000
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$76,000,000	\$78,000,000
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$88,300,000	\$63,139,000	\$84,719,005	\$76,000,000	\$78,000,000
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.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

3.A. STRATEGY REQUEST
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2010
 TIME: 2:54:42PM

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

GOAL: 4 Provide Health Care Support
 OBJECTIVE: 1 Hospital Care
 STRATEGY: 1 Patient Care Activities

Statewide Goal/Benchmark: 2 0
 Service Categories:
 Service: 22 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
Output Measures:						
KEY 1	Total Number of Outpatient Visits	1,082,565.00	1,175,577.00	1,269,624.00	1,333,105.00	1,399,760.00
KEY 2	Total Number of Inpatient Days	174,740.00	179,895.00	197,914.00	207,810.00	214,044.00
Efficiency Measures:						
1	Net Revenue As a Percent of Gross Revenues	54.23 %	52.02 %	50.02 %	48.02 %	46.02 %
2	Net Revenue Per Equivalent Patient Day	4,325.05	4,372.48	4,290.28	4,285.98	4,346.29
3	Operating Expenses Per Equivalent Patient Day	3,856.93	4,014.71	4,006.92	0.00	0.00
4	Personnel Expenses As a Percent of Operating Expenses	63.57 %	56.87 %	55.48 %	0.00 %	0.00 %
Objects of Expense:						
1001	SALARIES AND WAGES	\$656,488,358	\$652,136,646	\$747,564,105	\$923,869,192	\$989,961,463
1002	OTHER PERSONNEL COSTS	\$13,129,767	\$13,042,733	\$14,951,282	\$18,473,105	\$19,794,951
1005	FACULTY SALARIES	\$141,989,169	\$151,047,446	\$183,939,103	\$233,282,930	\$260,025,950
2001	PROFESSIONAL FEES AND SERVICES	\$81,697,705	\$64,438,577	\$70,900,435	\$73,010,000	\$74,800,000
2003	CONSUMABLE SUPPLIES	\$425,693,557	\$449,978,250	\$458,327,148	\$451,187,678	\$467,005,252
2004	UTILITIES	\$25,929,593	\$32,024,584	\$34,292,333	\$36,006,950	\$37,507,300
2005	TRAVEL	\$3,957,893	\$4,340,145	\$4,500,332	\$4,700,000	\$4,900,000
2009	OTHER OPERATING EXPENSE	\$150,467,264	\$165,682,799	\$172,774,903	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$1,499,353,306	\$1,532,691,180	\$1,687,249,641	\$1,740,529,855	\$1,853,994,916
Method of Financing:						
770	Est Oth Educ & Gen Inco	\$15,010,418	\$22,697,077	\$23,978,286	\$25,305,165	\$27,775,874
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$15,010,418	\$22,697,077	\$23,978,286	\$25,305,165	\$27,775,874
Method of Financing:						
8040	HRI Patient Income	\$1,484,342,888	\$1,509,994,103	\$1,663,271,355	\$1,715,224,690	\$1,826,219,042

3.A. STRATEGY REQUEST
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2010
 TIME: 2:54:42PM

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

GOAL: 4 Provide Health Care Support
 OBJECTIVE: 1 Hospital Care
 STRATEGY: 1 Patient Care Activities

Statewide Goal/Benchmark: 2 0
 Service Categories:
 Service: 22 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
SUBTOTAL, MOF (OTHER FUNDS)		\$1,484,342,888	\$1,509,994,103	\$1,663,271,355	\$1,715,224,690	\$1,826,219,042
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$1,740,529,855	\$1,853,994,916
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$1,499,353,306	\$1,532,691,180	\$1,687,249,641	\$1,740,529,855	\$1,853,994,916
FULL TIME EQUIVALENT POSITIONS:		10,783.6	10,350.3	11,446.8	13,854.3	14,362.4

STRATEGY DESCRIPTION AND JUSTIFICATION:

Funding for Patient Care Activities supports 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 MDACC business support services, patient business services, nursing, pharmacy, allied health professionals, clerical and support staff, unsponsored charity care for indigent Texans, maintenance and operation expenses, equipment, and information systems necessary for the delivery of care in the hospital and clinics.

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.

3.A. STRATEGY REQUEST
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2010
 TIME: 2:54:42PM

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: 1 Natural Disaster Reimbursement Service Categories:
 STRATEGY: 1 Natural Disaster Reimbursement Service: NA Income: NA Age: NA

CODE	DESCRIPTION	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
Objects of Expense:						
1001	SALARIES AND WAGES	\$1,639,841	\$0	\$0	\$0	\$0
1002	OTHER PERSONNEL COSTS	\$86,154	\$0	\$0	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$1,725,995	\$0	\$0	\$0	\$0
Method of Financing:						
1	General Revenue Fund	\$1,725,995	\$0	\$0	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$1,725,995	\$0	\$0	\$0	\$0
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$0	\$0
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$1,725,995	\$0	\$0	\$0	\$0
FULL TIME EQUIVALENT POSITIONS:		25.0	0.0	0.0	0.0	0.0

STRATEGY DESCRIPTION AND JUSTIFICATION:

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

3.A. STRATEGY REQUEST

82nd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2010
TIME: 2:54:42PM

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

GOAL: 5 Provide Special Item Support
OBJECTIVE: 1 Natural Disaster Reimbursement
STRATEGY: 2 Uncompensated Care

Statewide Goal/Benchmark: 2 0
Service Categories:
Service: NA Income: NA Age: NA

CODE	DESCRIPTION	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
Objects of Expense:						
1001	SALARIES AND WAGES	\$1,874,856	\$0	\$0	\$0	\$0
1002	OTHER PERSONNEL COSTS	\$125,144	\$0	\$0	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$2,000,000	\$0	\$0	\$0	\$0
Method of Financing:						
1	General Revenue Fund	\$2,000,000	\$0	\$0	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$2,000,000	\$0	\$0	\$0	\$0
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$0	\$0
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$2,000,000	\$0	\$0	\$0	\$0
FULL TIME EQUIVALENT POSITIONS:		29.0	0.0	0.0	0.0	0.0

STRATEGY DESCRIPTION AND JUSTIFICATION:

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

3.A. STRATEGY REQUEST
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2010
 TIME: 2:54:42PM

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

GOAL: 5 Provide Special Item Support
 OBJECTIVE: 2 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 2009	Est 2010	Bud 2011	BL 2012	BL 2013
Objects of Expense:						
1001	SALARIES AND WAGES	\$1,223,651	\$1,224,000	\$1,224,000	\$1,010,071	\$1,010,071
1002	OTHER PERSONNEL COSTS	\$13,528	\$13,500	\$13,500	\$13,500	\$13,500
1005	FACULTY SALARIES	\$425,321	\$425,000	\$425,000	\$425,000	\$425,000
TOTAL, OBJECT OF EXPENSE		\$1,662,500	\$1,662,500	\$1,662,500	\$1,448,571	\$1,448,571
Method of Financing:						
1	General Revenue Fund	\$1,662,500	\$1,662,500	\$1,662,500	\$1,448,571	\$1,448,571
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$1,662,500	\$1,662,500	\$1,662,500	\$1,448,571	\$1,448,571
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$1,448,571	\$1,448,571
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$1,662,500	\$1,662,500	\$1,662,500	\$1,448,571	\$1,448,571
FULL TIME EQUIVALENT POSITIONS:		21.9	21.1	20.3	20.3	20.3

STRATEGY DESCRIPTION AND JUSTIFICATION:

Funding for Faculty Excellence provides The University of Texas M. D. Anderson Cancer center the ability to attract and support 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.

3.A. STRATEGY REQUEST
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2010
 TIME: 2:54:42PM

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:	2	Research Special Items	Service Categories:		
STRATEGY:	2	Breast Cancer Research Program	Service:	21	Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
Objects of Expense:						
1001	SALARIES AND WAGES	\$675,193	\$675,200	\$875,200	\$875,200	\$875,200
1002	OTHER PERSONNEL COSTS	\$7,146	\$7,150	\$7,150	\$7,150	\$7,150
1005	FACULTY SALARIES	\$210,870	\$812,000	\$812,000	\$812,000	\$812,000
2009	OTHER OPERATING EXPENSE	\$1,106,791	\$505,650	\$305,650	\$305,650	\$305,650
TOTAL, OBJECT OF EXPENSE		\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000
Method of Financing:						
1	General Revenue Fund	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$2,000,000	\$2,000,000
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000	\$2,000,000
FULL TIME EQUIVALENT POSITIONS:		12.4	13.9	16.4	15.8	15.3

STRATEGY DESCRIPTION AND JUSTIFICATION:

The Inflammatory Breast Cancer (IBC) Research Program is a rare and often lethal type of breast cancer. The program will provide an understanding why this disease is so different, why it is so resistant to treatment and will accelerate the development of new therapies that improve the well-being of all women who suffer from IBC.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

3.A. STRATEGY REQUEST
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2010
 TIME: 2:54:42PM

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

GOAL: 5 Provide Special Item Support
 OBJECTIVE: 3 Institutional Support Special Items
 STRATEGY: 1 Institutional Enhancement

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

CODE	DESCRIPTION	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
Objects of Expense:						
1001	SALARIES AND WAGES	\$0	\$579,950	\$580,000	\$580,000	\$580,000
1002	OTHER PERSONNEL COSTS	\$0	\$10,797	\$10,747	\$10,747	\$10,747
1005	FACULTY SALARIES	\$21,209	\$24,000	\$24,000	\$24,000	\$24,000
2009	OTHER OPERATING EXPENSE	\$593,538	\$0	\$0	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$614,747	\$614,747	\$614,747	\$614,747	\$614,747
Method of Financing:						
1	General Revenue Fund	\$614,747	\$614,747	\$614,747	\$614,747	\$614,747
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$614,747	\$614,747	\$614,747	\$614,747	\$614,747
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$614,747	\$614,747
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$614,747	\$614,747	\$614,747	\$614,747	\$614,747
FULL TIME EQUIVALENT POSITIONS:		0.1	9.3	9.0	8.7	8.4

STRATEGY DESCRIPTION AND JUSTIFICATION:

Institutional Enhancement Funds allocated to MDACC are dedicated toward the support of 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.

3.A. STRATEGY REQUEST
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2010
 TIME: 2:54:42PM

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	Institutional Support Special Items	Service Categories:		
STRATEGY:	1	Institutional Enhancement	Service:	21	Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
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EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

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

3.A. STRATEGY REQUEST
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2010
 TIME: 2:54:42PM

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

GOAL: 5 Provide Special Item Support
 OBJECTIVE: 4 Exceptional Item Request
 STRATEGY: 1 Exceptional Item Request

Statewide Goal/Benchmark: 2 0
 Service Categories:
 Service: NA Income: NA Age: NA

CODE	DESCRIPTION	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
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Objects of Expense:

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
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TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$0	\$0	\$0	\$0	\$0
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FULL TIME EQUIVALENT POSITIONS:

STRATEGY DESCRIPTION AND JUSTIFICATION:

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

3.A. STRATEGY REQUEST
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2010
 TIME: 2:54:42PM

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

GOAL:	6	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 2009	Est 2010	Bud 2011	BL 2012	BL 2013
Objects of Expense:						
1001	SALARIES AND WAGES	\$1,916,327	\$1,858,269	\$2,158,069	\$2,090,729	\$1,894,358
1002	OTHER PERSONNEL COSTS	\$380,519	\$407,944	\$469,204	\$448,919	\$427,387
1005	FACULTY SALARIES	\$1,033,390	\$1,020,051	\$1,196,009	\$1,242,040	\$1,304,142
2001	PROFESSIONAL FEES AND SERVICES	\$250,597	\$236,277	\$290,227	\$263,365	\$254,701
2003	CONSUMABLE SUPPLIES	\$167,889	\$206,295	\$253,399	\$183,479	\$201,827
2004	UTILITIES	\$0	\$0	\$0	\$0	\$0
2005	TRAVEL	\$4,974	\$4,689	\$5,760	\$6,620	\$7,328
2009	OTHER OPERATING EXPENSE	\$377,657	\$384,878	\$472,759	\$282,414	\$310,488
5000	CAPITAL EXPENDITURES	\$1,316,255	\$1,711,562	\$1,247,373	\$1,210,067	\$1,299,769
TOTAL, OBJECT OF EXPENSE		\$5,447,608	\$5,829,965	\$6,092,800	\$5,727,633	\$5,700,000
Method of Financing:						
812	Permanent Endowment FD UTMD AND	\$5,447,608	\$5,829,965	\$6,092,800	\$5,727,633	\$5,700,000
SUBTOTAL, MOF (OTHER FUNDS)		\$5,447,608	\$5,829,965	\$6,092,800	\$5,727,633	\$5,700,000
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$5,727,633	\$5,700,000
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$5,447,608	\$5,829,965	\$6,092,800	\$5,727,633	\$5,700,000
FULL TIME EQUIVALENT POSITIONS:		42.2	39.2	45.5	42.5	38.9
STRATEGY DESCRIPTION AND JUSTIFICATION:						

3.A. STRATEGY REQUEST
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2010
 TIME: 2:54:42PM

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

GOAL:	6	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 2009	Est 2010	Bud 2011	BL 2012	BL 2013
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M. D. Anderson utilizes the earnings from the Tobacco Settlement endowments to wage its multidisciplinary onslaught against tobacco and the cancers it causes.

These funds support Behavioral scientists at M. D. Anderson as they approach prevention and cessation from a variety of vantage points, including pharmacological, emotional, behavioral and cognitive-based interventions. Research funded through this strategy have identified significant inroads into the understanding of how cancer-causing agents, such as tobacco or ultraviolet rays, induce tumors.

The tobacco funds have provided funding for programs evaluating smoking cessation strategies for patients currently undergoing lung cancer treatment, examining various combinations of using the nicotine patch, an antidepressant and counseling to help patients quit smoking and respond better to therapy.

These funds have allowed Cancer Prevention to develop programs studying a variety of cessation aids, including hand-held computers, antidepressants, nicotine replacement methods, mood management and behavioral counseling techniques, noting that different populations encounter a range of unique stressors and influencers that may inhibit quitting or encourage smoking. Their research also includes studies on nicotine psychopharmacology and pharmacogenetics, suggesting that genes may play a role in how some smokers respond to treatment and to nicotine itself.

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
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2010
 TIME: 2:54:42PM

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

GOAL: 6 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 2009	Est 2010	Bud 2011	BL 2012	BL 2013
Objects of Expense:						
1001	SALARIES AND WAGES	\$821,283	\$1,238,846	\$1,062,930	\$896,027	\$811,868
1002	OTHER PERSONNEL COSTS	\$163,080	\$271,963	\$231,100	\$192,394	\$183,166
1005	FACULTY SALARIES	\$442,881	\$680,034	\$589,079	\$532,303	\$558,918
2001	PROFESSIONAL FEES AND SERVICES	\$107,399	\$157,518	\$142,948	\$112,871	\$109,158
2003	CONSUMABLE SUPPLIES	\$71,966	\$137,550	\$124,827	\$78,652	\$86,517
2005	TRAVEL	\$2,132	\$3,126	\$2,837	\$2,837	\$3,121
2009	OTHER OPERATING EXPENSE	\$161,840	\$256,565	\$232,833	\$121,016	\$133,066
5000	CAPITAL EXPENDITURES	\$892,965	\$1,639,941	\$732,165	\$539,932	\$525,230
TOTAL, OBJECT OF EXPENSE		\$2,663,546	\$4,385,543	\$3,118,719	\$2,476,032	\$2,411,044
Method of Financing:						
810	Permanent Health Fund Higher Ed	\$2,663,546	\$4,385,543	\$3,118,719	\$2,476,032	\$2,411,044
SUBTOTAL, MOF (OTHER FUNDS)		\$2,663,546	\$4,385,543	\$3,118,719	\$2,476,032	\$2,411,044
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$2,476,032	\$2,411,044
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)					\$2,476,032	\$2,411,044
FULL TIME EQUIVALENT POSITIONS:		18.1	26.1	22.4	18.2	16.7

STRATEGY DESCRIPTION AND JUSTIFICATION:

3.A. STRATEGY REQUEST
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2010
 TIME: 2:54:42PM

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

GOAL:	6	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 2009	Est 2010	Bud 2011	BL 2012	BL 2013
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M. D. Anderson utilizes the earnings from the Tobacco Settlement endowments to wage its multidisciplinary onslaught against tobacco and the cancers it causes.

These funds support Behavioral scientists at M. D. Anderson as they approach prevention and cessation from a variety of vantage points, including pharmacological, emotional, behavioral and cognitive-based interventions. Research funded through this strategy have identified significant inroads into the understanding of how cancer-causing agents, such as tobacco or ultraviolet rays, induce tumors.

The tobacco funds have provided funding for programs evaluating smoking cessation strategies for patients currently undergoing lung cancer treatment, examining various combinations of using the nicotine patch, an antidepressant and counseling to help patients quit smoking and respond better to therapy.

These funds have allowed Cancer Prevention to develop programs studying a variety of cessation aids, including hand-held computers, antidepressants, nicotine replacement methods, mood management and behavioral counseling techniques, noting that different populations encounter a range of unique stressors and influencers that may inhibit quitting or encourage smoking. Their research also includes studies on nicotine psychopharmacology and pharmacogenetics, suggesting that genes may play a role in how some smokers respond to treatment and to nicotine itself.

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
82nd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2010
TIME: 2:54:42PM

SUMMARY TOTALS:

OBJECTS OF EXPENSE:	\$2,113,600,126	\$2,180,052,993	\$2,429,934,218	\$2,353,308,949	\$2,480,774,213
METHODS OF FINANCE (INCLUDING RIDERS):				\$2,353,308,949	\$2,480,774,213
METHODS OF FINANCE (EXCLUDING RIDERS):	\$2,113,600,126	\$2,180,052,993	\$2,429,934,218	\$2,353,308,949	\$2,480,774,213
FULL TIME EQUIVALENT POSITIONS:	12,970.7	12,565.1	13,412.5	13,991.9	14,492.0

3.B. Rider Revisions and Additions Request

Agency Code: 0506	Agency Name: The University of Texas M. D. Anderson Cancer Center	Prepared By: Hugh Ferguson	Date: 08/01/2010	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 \$xx,xxx,xxx in fiscal year 2010 <u>2012</u> and \$xx,xxx,xxx in fiscal year 2010 <u>2013</u> 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>

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

9	III-160	<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 Medical Branch at Galveston No. 814 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 makeup the difference.b. All balances of estimated appropriations from the Permanent Endowment Fund for The University of Texas Medical Branch at Galveston No. 814 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, 2009 <u>August 31, 2010</u>, and the income to said fund during the fiscal years beginning September 1, 2009 <u>September 2010</u>, are hereby appropriated. Any unexpended appropriations made above as of August 31, 2009 <u>August 31, 2011</u>, are hereby appropriated to the institution for the same purpose for fiscal year 2010 <u>2012</u>.
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3.C. RIDER APPROPRIATIONS AND UNEXPENDED BALANCES REQUEST

DATE: **8/2/2010**
TIME: **1:58:54PM**

Automated Budget and Evaluation System of Texas (ABEST)

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

RIDER STRATEGY

METHOD OF FINANCING:

Total, Method of Financing

Description/Justification for continuation of existing riders or proposed new rider

This schedule is not applicable.

3.C. RIDER APPROPRIATIONS AND UNEXPENDED BALANCES REQUEST

DATE: **8/2/2010**
TIME: **1:58:41PM**

Automated Budget and Evaluation System of Texas (ABEST)

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

RIDER STRATEGY

SUMMARY:

OBJECT OF EXPENSE TOTAL
METHOD OF FINANCING TOTAL

This schedule is not applicable.

4.A. EXCEPTIONAL ITEM REQUEST SCHEDULE
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **10/15/2010**
 TIME: **2:55:01PM**

Agency code: **506**

Agency name:

The University of Texas M.D. Anderson Cancer Center

<u>CODE</u>	<u>DESCRIPTION</u>	<u>Excp 2012</u>	<u>Excp 2013</u>
	Item Name: DNA and RNA Sequencing Technology		
	Item Priority: 1		
	Includes Funding for the Following Strategy or Strategies: 05-04-01 Exceptional Item Request		
OBJECTS OF EXPENSE:			
5000	CAPITAL EXPENDITURES	3,500,000	3,500,000
	TOTAL, OBJECT OF EXPENSE	<u>3,500,000</u>	<u>3,500,000</u>
METHOD OF FINANCING:			
1	General Revenue Fund	3,500,000	3,500,000
	TOTAL, METHOD OF FINANCING	<u>3,500,000</u>	<u>3,500,000</u>

DESCRIPTION / JUSTIFICATION:

The DNA and RNA Sequencing Technology exceptional item is for the purchase of equipment for the next-generation sequencing of patient tumor DNA and RNA. The units would be used in conjunction with personalized medicine clinical trials, such as BATTLE-2, to study individual genetic and transcriptional effects on the response of molecularly targeted therapies.

EXTERNAL/INTERNAL FACTORS:

4.A. EXCEPTIONAL ITEM REQUEST SCHEDULE
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **10/15/2010**
 TIME: **2:55:06PM**

Agency code: **506**

Agency name:

The University of Texas M.D. Anderson Cancer Center

<u>CODE</u>	<u>DESCRIPTION</u>	<u>Excp 2012</u>	<u>Excp 2013</u>
	Item Name: MRI Student Training Unit		
	Item Priority: 2		
	Includes Funding for the Following Strategy or Strategies: 05-04-01 Exceptional Item Request		
OBJECTS OF EXPENSE:			
5000	CAPITAL EXPENDITURES	362,500	362,500
	TOTAL, OBJECT OF EXPENSE	\$362,500	\$362,500
METHOD OF FINANCING:			
1	General Revenue Fund	362,500	362,500
	TOTAL, METHOD OF FINANCING	\$362,500	\$362,500

DESCRIPTION / JUSTIFICATION:

The MRI Student Training Unit non-energized 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.

EXTERNAL/INTERNAL FACTORS:

4.A. EXCEPTIONAL ITEM REQUEST SCHEDULE
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2010
 TIME: 2:55:06PM

Agency code: 506

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

CODE	DESCRIPTION	Excp 2012	Excp 2013
	Item Name: TRB Debt Service - BasicScience Research Building Two		
	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 Basic Sciences Research Building Two (BSRB II) project constructs a new research facility designed to meet new and evolving medical research laboratory requirements. The BSRB II is part of a phasing plan to replace aging and deficient research facilities and there are three principal reasons for the BSRB II: 1) the deficient state of existing research facilities; 2) the desire to consolidate disparate functions; and 3) the need to accomodate the demands of the continually changing technology and research program growth.

Total Project Costs: \$250 million
 TRB Request: \$50 million
 20 Years at 6% interest
 Debt Service: \$4,360,000 annually
 Start Date: August 2013
 Substantial Completion: November 2015

EXTERNAL/INTERNAL FACTORS:

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2010

TIME: 2:55:16PM

Agency code: 506

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

Code Description	Excp 2012	Excp 2013
Item Name: DNA and RNA Sequencing Technology		
Allocation to Strategy: 5-4-1 Exceptional Item Request		
OBJECTS OF EXPENSE:		
5000 CAPITAL EXPENDITURES	3,500,000	3,500,000
TOTAL, OBJECT OF EXPENSE	\$3,500,000	\$3,500,000
METHOD OF FINANCING:		
1 General Revenue Fund	3,500,000	3,500,000
TOTAL, METHOD OF FINANCING	\$3,500,000	\$3,500,000

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2010

TIME: 2:55:21PM

Agency code: 506

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

Code	Description	Excp 2012	Excp 2013
Item Name: MRI Student Training Unit			
Allocation to Strategy: 5-4-1 Exceptional Item Request			
OBJECTS OF EXPENSE:			
5000	CAPITAL EXPENDITURES	362,500	362,500
TOTAL, OBJECT OF EXPENSE		\$362,500	\$362,500
METHOD OF FINANCING:			
1	General Revenue Fund	362,500	362,500
TOTAL, METHOD OF FINANCING		\$362,500	\$362,500

4.B. EXCEPTIONAL ITEMS STRATEGY ALLOCATION SCHEDULE

82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2010

TIME: 2:55:21PM

Agency code: 506

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

Code Description	Excp 2012	Excp 2013
Item Name: TRB Debt Service - BasicScience Research Building Two		
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

4.C. EXCEPTIONAL ITEMS STRATEGY REQUEST
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2010
TIME: 2:55:27PM

Agency Code: 506

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

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

Statewide Goal/Benchmark: 2 - 0
 Service Categories:
 Service: 10 Income: A.2 Age: B.3

CODE DESCRIPTION	Excp 2012	Excp 2013
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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 Debt Service - BasicScience Research Building Two

4.C. EXCEPTIONAL ITEMS STRATEGY REQUEST
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2010
TIME: 2:55:32PM

Agency Code: **506**

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

GOAL: 5 Provide Special Item Support
 OBJECTIVE: 4 Exceptional Item Request
 STRATEGY: 1 Exceptional Item Request

Statewide Goal/Benchmark: 2 - 0
 Service Categories:
 Service: NA Income: NA Age: NA

CODE DESCRIPTION	Exp 2012	Exp 2013
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OBJECTS OF EXPENSE:

5000 CAPITAL EXPENDITURES

3,862,500

3,862,500

Total, Objects of Expense

\$3,862,500

\$3,862,500

METHOD OF FINANCING:

1 General Revenue Fund

3,862,500

3,862,500

Total, Method of Finance

\$3,862,500

\$3,862,500

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

DNA and RNA Sequencing Technology

MRI Student Training Unit

6.A. HISTORICALLY UNDERUTILIZED BUSINESS SUPPORTING SCHEDULE

82nd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Date: 10/15/2010

Time: 2:56:12PM

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

COMPARISON TO STATEWIDE HUB PROCUREMENT GOALS

A. Fiscal Year 2008 - 2009 HUB Expenditure Information

Statewide HUB Goals	Procurement Category	<u>HUB Expenditures FY 2008</u>				Total Expenditures FY 2008		<u>HUB Expenditures FY 2009</u>				Total Expenditures FY 2009	
		% Goal	% Actual	Diff	Actual \$	% Goal	% Actual	Diff	Actual \$				
26.1%	Building Construction	17.7 %	17.7%	0.0%	\$24,302,682	\$137,591,943	16.2 %	16.2%	0.0%	\$45,567,744	\$281,713,336		
57.2%	Special Trade Construction	4.9 %	4.8%	0.0%	\$2,266,858	\$46,760,110	9.2 %	9.2%	0.0%	\$5,756,187	\$62,470,375		
20.0%	Professional Services	39.3 %	39.3%	0.0%	\$6,690,222	\$17,022,157	72.4 %	72.4%	0.0%	\$8,143,662	\$11,244,382		
33.0%	Other Services	9.4 %	9.4%	0.0%	\$20,221,867	\$214,453,915	9.6 %	9.6%	0.0%	\$16,751,770	\$174,992,055		
12.6%	Commodities	4.7 %	4.7%	0.0%	\$25,487,009	\$547,804,443	2.9 %	2.9%	0.0%	\$15,946,848	\$548,321,512		
	Total Expenditures		8.2%		\$78,968,638	\$963,632,568		8.5%		\$92,166,211	\$1,078,741,660		

B. Assessment of Fiscal Year 2008 - 2009 Efforts to Meet HUB Procurement Goals

Attainment:

FY08 MD Anderson exceeded the goal of 20% for professional services by 19.3%. FY09 MD Anderson exceeded the goal of 20% for professional services by 52.4%. Increase in building construction expenditures attributed to increased projects and subcontract reporting. FY09 JOC contracts awarded to 2 HUBs totaling over \$4 million.

Applicability:

The Heavy Construction category was not applicable to agency operations in either FY08 or FY09.

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:

Expenditures with HUBs increased 40.1% from FY07 to FY09; Sponsored mentorship for six HUB protégés; Reviewed over 800 HUB Plans; Tracked over 140 subcontract plans monthly; Hosted annual professional services forums; Implemented bi-annual training classes for HUBs on the RFP Process and short list presentations; Participated in networking events with HMSDC, WBEA, WCA, NAM and Small Business Administration; Award recognitions included Sen. Mario Gallegos Jr. Award for best HUB program in a state institution within TMC, HMSDC award for Prof. Services Development in FY 08 and FY09, HMSDC's Corporate Advocate 2009, WBEA's Corporate Advocate of Year 2008 & 2009 and the Cutting Edge Award 2008 for outstanding growth and utilization of WBEs; Annual training of Supply Chain Staff on HUB subcontracting and Federal contract procedures; Held annual internal UB fair' 35 HUBs, average 500' Attended 12 local HUB and diverse forums; Presented on "How to Do Business: annually' Presented HUB subcontracting review at pre-bids; Bid notices sent weekly to advocacy groups.

6.B. Current Biennium One-time Expenditure Schedule - Strategy Allocation 2012-13 Biennium

Agency Code: 506	Agency Name: The University of Texas M. D. Anderson Cancer Center	Prepared By: Hugh Ferguson	Date 08/01/10
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PROJECT ITEM:

ALLOCATION TO STRATEGY:

Code	Strategy Allocation	Estimated 2010	Budgeted 2011	Requested 2012	Requested 2013
	Objects of Expense:				
	Total, Objects of Expense			\$0	\$0
	Method of Financing:				
	Total, Method of Financing			\$0	\$0

Description of Item for 2012-13

There are no one-time expenditures to report.

6.F.a. ADVISORY COMMITTEE SUPPORTING SCHEDULE ~ PART A

Date: 8/2/2010
Time: 2:01:55PM

Automated Budget and Evaluation System of Texas (ABEST)

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

Statutory Authorization:

Number of Members:

Committee Status:

Date Created:

Date to Be Abolished:

Strategy (Strategies):

Meetings Per Fiscal Year

This schedule is not applicable.

6.F.a. ADVISORY COMMITTEE SUPPORTING SCHEDULE ~ PART A

Date: 8/2/2010
Time: 2:02:04PM

Automated Budget and Evaluation System of Texas (ABEST)

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

Description and Justification for Continuation/Consequences of Abolishing

This schedule is not applicable.

6.F.b. ADVISORY COMMITTEE SUPPORTING SCHEDULE ~ PART B

Date: 8/2/2010
Time: 2:02:17PM

Automated Budget and Evaluation System of Texas (ABEST)

Agency Code: 506 Agency:

The University of Texas M. D. Anderson Cancer Center

ADVISORY COMMITTEES THAT SHOULD BE ABOLISHED/CONSOLIDATED

Reasons for Abolishing

This schedule is not applicable.

6.G HOMELAND SECURITY FUNDING SCHEDULE - PART A TERRORISM

DATE: 10/15/2010
TIME: 2:57:11PM

82nd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **506** Agency name: **UT MD ANDERSON CANCER CTR**

CODE	DESCRIPTION	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
OBJECTS OF EXPENSE						
1001	SALARIES AND WAGES	\$368,000	\$411,400	\$465,620	\$529,820	\$562,518
1002	OTHER PERSONNEL COSTS	\$82,470	\$86,594	\$87,482	\$85,453	\$81,049
2001	PROFESSIONAL FEES AND SERVICES	\$38,760	\$40,698	\$41,115	\$40,162	\$38,092
2003	CONSUMABLE SUPPLIES	\$14,600	\$15,330	\$15,487	\$15,128	\$14,348
2005	TRAVEL	\$3,400	\$3,570	\$3,607	\$3,523	\$3,341
2009	OTHER OPERATING EXPENSE	\$98,000	\$102,900	\$103,955	\$101,544	\$96,312
TOTAL, OBJECTS OF EXPENSE		\$605,230	\$660,492	\$717,266	\$775,630	\$795,660
METHOD OF FINANCING						
8040	HRI Patient Income	\$605,230	\$660,492	\$717,266	\$775,630	\$795,660
	Subtotal, MOF (Other Funds)	\$605,230	\$660,492	\$717,266	\$775,630	\$795,660
TOTAL, METHOD OF FINANCE		\$605,230	\$660,492	\$717,266	\$775,630	\$795,660
FULL-TIME-EQUIVALENT POSITIONS		5.7	6.0	7.0	8.2	9.0

USE OF HOMELAND SECURITY FUNDS

All Homeland Security expenditures are contained within the Patient Care Activities strategy 04-01-01. The strategy includes terrorism training, the purchase of additional radios and suveillance equipment and increases in the number of security personnel.

6.G HOMELAND SECURITY FUNDING SCHEDULE - PART A TERRORISM

DATE: 10/15/2010

Funds Passed through to Local Entities

TIME: 2:57:17PM

82nd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **506** Agency name: **UT MD ANDERSON CANCER CTR**

CODE	DESCRIPTION	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
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6.G HOMELAND SECURITY FUNDING SCHEDULE - PART A TERRORISM
Funds Passed through to State Agencies
82nd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2010
TIME: 2:57:17PM

Agency code: 506 Agency name: UT MD ANDERSON CANCER CTR

CODE	DESCRIPTION	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
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6.G HOMELAND SECURITY FUNDING SCHEDULE - PART B NATURAL OR MAN-MADE DISASTERS

DATE: 10/15/2010
TIME: 2:57:17PM

82nd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **506** Agency name: **UT MD ANDERSON CANCER CTR**

CODE	DESCRIPTION	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
OBJECTS OF EXPENSE						
1001	SALARIES AND WAGES	\$2,860,000	\$3,083,000	\$3,303,906	\$3,538,158	\$3,792,329
1002	OTHER PERSONNEL COSTS	\$522,050	\$548,153	\$566,093	\$580,529	\$592,699
2001	PROFESSIONAL FEES AND SERVICES	\$310,160	\$325,668	\$336,327	\$344,904	\$352,134
2003	CONSUMABLE SUPPLIES	\$83,500	\$87,675	\$90,545	\$92,854	\$94,800
2005	TRAVEL	\$42,320	\$44,436	\$45,890	\$47,061	\$48,047
2009	OTHER OPERATING EXPENSE	\$738,000	\$774,900	\$800,262	\$820,670	\$837,873
TOTAL, OBJECTS OF EXPENSE		\$4,556,030	\$4,863,832	\$5,143,023	\$5,424,176	\$5,717,882
METHOD OF FINANCING						
8040	HRI Patient Income	\$4,556,030	\$4,863,832	\$5,143,023	\$5,424,176	\$5,717,882
	Subtotal, MOF (Other Funds)	\$4,556,030	\$4,863,832	\$5,143,023	\$5,424,176	\$5,717,882
TOTAL, METHOD OF FINANCE		\$4,556,030	\$4,863,832	\$5,143,023	\$5,424,176	\$5,717,882
FULL-TIME-EQUIVALENT POSITIONS		43.8	44.5	46.3	48.4	51.0
USE OF HOMELAND SECURITY FUNDS						

6.G HOMELAND SECURITY FUNDING SCHEDULE - PART B NATURAL OR MAN-MADE DISASTERS

DATE: 10/15/2010

Funds Passed through to Local Entities

TIME: 2:57:17PM

82nd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 506

Agency name: UT MD ANDERSON CANCER CTR

CODE	DESCRIPTION	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
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6.G HOMELAND SECURITY FUNDING SCHEDULE - PART B NATURAL OR MAN-MADE DISASTERS

DATE: 10/15/2010

Funds Passed through to State Agencies

TIME: 2:57:17PM

82nd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency code: **506** Agency name: **UT MD ANDERSON CANCER CTR**

CODE	DESCRIPTION	Exp 2009	Est 2010	Bud 2011	BL 2012	BL 2013
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The University of Texas M. D. Anderson Cancer Center (Agency # 506)

**6.H. Estimated Total of All Funds Outside the GAA
2010-11 and 2012-13 Biennia**

	2010 - 2011 Biennium				2012 - 2013 Biennium			
	FY 2010 Revenue	FY 2011 Revenue	Biennium Total	Percent of Total	FY 2012 Revenue	FY 2013 Revenue	Biennium Total	Percent of Total
APPROPRIATED SOURCES (INSIDE THE GAA)								
State Appropriations	\$ 179,818,473	\$ 149,077,503	\$ 328,895,976	5.05%	\$ 149,077,503	\$ 149,077,503	\$ 298,155,006	4.01%
State Grants and Contracts	-	-	-		-	-	-	
Higher Education Assistance Funds	-	-	-		-	-	-	
Available University Fund	-	-	-		-	-	-	
Tuition and Fees (net of Discounts and Allowances)	605,599	1,037,850	1,643,449	0.03%	1,177,937	1,349,272	2,527,209	0.03%
Federal Grants and Contracts (Article XII ARRA)	634,206	-	634,206	0.01%	-	-	-	
Endowment and Interest Income	10,707,924	12,409,110	23,117,034	0.36%	12,060,000	12,420,000	24,480,000	0.33%
Sales and Services of Educational Activities (net)	-	-	-		-	-	-	
Sales and Services of Hospitals (net)	2,179,175,100	2,399,924,842	4,579,099,942	70.35%	2,555,919,957	2,704,418,908	5,260,338,865	70.76%
Other Income	13,456,983	13,104,000	26,560,983	0.41%	14,950,400	17,292,000	32,242,400	0.43%
Total	2,384,398,285	2,575,553,305	4,959,951,590	76.2%	2,733,185,797	2,884,557,683	5,617,743,480	75.6%
NON-APPROPRIATED SOURCES (OUTSIDE THE GAA)								
State Grants and Contracts	-	-	-		-	-	-	
Tuition and Fees (net of Discounts and Allowances)	326,855	358,517	685,372	0.01%	368,400	386,800	755,200	0.01%
Federal Grants and Contracts	209,725,158	225,616,380	435,341,538	6.69%	242,334,554	263,878,096	506,212,650	6.81%
Endowment and Interest Income	48,650,114	52,590,890	101,241,004	1.56%	54,940,000	56,580,000	111,520,000	1.50%
Local Government Grants and Contracts	-	-	-		-	-	-	
Private Gifts and Grants	95,603,363	111,588,553	207,191,916	3.18%	127,021,250	146,582,522	273,603,772	3.68%
Sales and Services of Educational Activities (net)	-	-	-		-	-	-	
Sales and Services of Hospitals (net)	-	-	-		-	-	-	
Professional Fees (net)	317,441,307	348,390,306	665,831,613	10.23%	360,061,381	377,272,315	737,333,696	9.92%
Auxiliary Enterprises (net)	30,700,522	36,202,216	66,902,738	1.03%	40,088,714	45,001,345	85,090,059	1.14%
Other Income	30,609,340	41,496,000	72,105,340	1.11%	47,342,740	54,756,246	102,098,986	1.37%
Total	733,056,659	816,242,862	1,549,299,521	23.8%	872,157,039	944,457,324	1,816,614,363	24.4%
TOTAL SOURCES	\$ 3,117,454,944	\$ 3,391,796,167	\$ 6,509,251,111	100.0%	\$ 3,605,342,836	\$ 3,829,015,007	\$ 7,434,357,843	100.0%

6.I 10 PERCENT BIENNIAL BASE REDUCTION OPTIONS
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

Date: 10/15/2010
 Time: 2:55:47PM

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
	2012	2013	Biennial Total	2012	2013	Biennial Total	
1 Research Support							
Category: Programs - Method Of Finance Swap							
Item Comment: This reduction will reduce almost 25% of the General Revenue special item 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: 5-2-1 Research Support							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$203,166	\$203,166	\$406,332	
General Revenue Funds Total	\$0	\$0	\$0	\$203,166	\$203,166	\$406,332	
Item Total	\$0	\$0	\$0	\$203,166	\$203,166	\$406,332	
FTE Reductions (From FY 2012 and FY 2013 Base Request)							
2 Institutional Enhancement							
Category: Programs - Method Of Finance Swap							
Item Comment: This reduction will reduce almost 66% of 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: 5-3-1 Institutional Enhancement							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$203,166	\$203,166	\$406,332	
General Revenue Funds Total	\$0	\$0	\$0	\$203,166	\$203,166	\$406,332	
Item Total	\$0	\$0	\$0	\$203,166	\$203,166	\$406,332	
FTE Reductions (From FY 2012 and FY 2013 Base Request)							
AGENCY TOTALS							
General Revenue Total				\$406,332	\$406,332	\$812,664	\$812,664

6.I 10 PERCENT BIENNIAL BASE REDUCTION OPTIONS
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

Date: 10/15/2010
 Time: 2:55:55PM

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

<u>Item Priority and Name/ Method of Financing</u>	REVENUE LOSS			REDUCTION AMOUNT			TARGET
	2012	2013	Biennial Total	2012	2013	Biennial Total	
Agency Grand Total	\$0	\$0	\$0	\$406,332	\$406,332	\$812,664	
Difference, Options Total Less Target							
Agency FTE Reductions (From FY 2012 and FY 2013 Base Request)							

6.J PART A BUDGETARY IMPACTS RELATED TO FEDERAL HEALTH CARE REFORM SCHEDULE
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2010
 TIME: 2:56:46PM

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

CODE	DESCRIPTION	Est 2010	Bud 2011	BL 2012	BL 2013	Excp 2012	Excp 2013
Item Number: 1 Item Name: Dependent coverage to age 26							
Includes Funding for the following Strategy or Strategies:							
0001-0002-0001 Staff Group Insurance Premiums							
OBJECTS OF EXPENSE							
2009	OTHER OPERATING EXPENSE	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$0	\$0	\$0	\$0	\$0	\$0
METHOD OF FINANCING							
770	Est Oth Educ & Gen Inco	\$0	\$0	\$0	\$0	\$0	\$0
SUBTOTAL, GR DEDICATED		\$0	\$0	\$0	\$0	\$0	\$0
8040	HRI Patient Income	\$0	\$0	\$0	\$0	\$0	\$0
SUBTOTAL, OTHER FUNDS		\$0	\$0	\$0	\$0	\$0	\$0

LEGAL AUTHORITY/STATUTORY REFERENCE FOR ITEM:

H.R. 3590, Sec. 1001 (adds Sec. 2741 of Public Health Services Act); H.R. 4872, Sec. 2301

DESCRIPTION/KEY ASSUMPTIONS:

Assumes that the age 26 dependent coverage will not be implemented by UT System until 9/1/2011, so there are no additional costs for FY11. Assumption is that only the premium costs are applicable, not claims. Assumed the number of dependents reaching 25 by 8/31/11 would be equal to the age 26 eligible in FY12, with turnover equal. Assumed number of dependents reaching 25 by 8/31/12 would be equal to the age 26 eligible in FY13, with turnover equal. Assumed the FY11 MD Anderson costs of \$820 per age 26 dependent for 2/3 of eligible population. Assumed the FY12 MD Anderson costs of \$900 per age 26 dependent for 2/3 of eligible population. Assumed the FY13 MD Anderson costs of \$992 per age 26 dependent for 2/3 of eligible population. The remaining 1/3 of each population was assumed to be in families with more than one child, therefore no increase in premium change.

CONCERNS:

6.J PART A BUDGETARY IMPACTS RELATED TO FEDERAL HEALTH CARE REFORM SCHEDULE
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2010
 TIME: 2:56:55PM

Agency code: 506

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

CODE	DESCRIPTION	Est 2010	Bud 2011	BL 2012	BL 2013	Excp 2012	Excp 2013
Item Number: 2 Item Name: Data Collection and Analysis Includes Funding for the following Strategy or Strategies: 0004-0001-0001 Patient Care Activities							
OBJECTS OF EXPENSE							
1001	SALARIES AND WAGES	\$26,600	\$104,200	\$107,326	\$110,546	\$0	\$0
	TOTAL, OBJECT OF EXPENSE	\$26,600	\$104,200	\$107,326	\$110,546	\$0	\$0

METHOD OF FINANCING

8040	HRI Patient Income	\$26,600	\$104,200	\$107,326	\$110,546	\$0	\$0
	SUBTOTAL, OTHER FUNDS	\$26,600	\$104,200	\$107,326	\$110,546	\$0	\$0

FULL-TIME-EQUIVALENT POSITIONS (FTE):	0.5	2.0	2.0	2.0	0.0	0.0
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LEGAL AUTHORITY/STATUTORY REFERENCE FOR ITEM:

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

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:

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.

6.J PART A BUDGETARY IMPACTS RELATED TO FEDERAL HEALTH CARE REFORM SCHEDULE

82nd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2010

TIME: 2:56:55PM

Agency code: 506

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

CODE	DESCRIPTION	Est 2010	Bud 2011	BL 2012	BL 2013	Excp 2012	Excp 2013
Item Number: 3 Item Name: Health Care Workforce							
Includes Funding for the following Strategy or Strategies:							
0004-0001-0001 Patient Care Activities							
OBJECTS OF EXPENSE							
1001	SALARIES AND WAGES	\$0	\$1,000,000	\$1,050,000	\$1,102,500	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$0	\$1,000,000	\$1,050,000	\$1,102,500	\$0	\$0
METHOD OF FINANCING							
8040	HRI Patient Income	\$0	\$1,000,000	\$1,050,000	\$1,102,500	\$0	\$0
SUBTOTAL, OTHER FUNDS		\$0	\$1,000,000	\$1,050,000	\$1,102,500	\$0	\$0
FULL-TIME-EQUIVALENT POSITIONS (FTE):		0.0	10.0	10.0	10.0	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:

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.

6.J PART A BUDGETARY IMPACTS RELATED TO FEDERAL HEALTH CARE REFORM SCHEDULE

82nd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **10/15/2010**

TIME: **2:56:55PM**

Agency code: **506**

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

CODE	DESCRIPTION	Est 2010	Bud 2011	BL 2012	BL 2013	Excp 2012	Excp 2013
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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.

6.J PART B SUMMARY OF BUDGETARY IMPACTS RELATED TO FEDERAL HEALTH CARE REFORM SCHEDULE DATE: **10/15/2010**
 82nd Regular Session, Agency Submission, Version 1 TIME: **2:57:00PM**
 Automated Budget and Evaluation System of Texas (ABEST)

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

ITEM	ITEM NAME	Est 2010	Bud 2011	BL 2012	BL 2013	Excp 2012	Excp 2013	Total Request 2012	Total Request 2013
1	Dependent coverage to age 26	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	Data Collection and Analysis	\$26,600	\$104,200	\$107,326	\$110,546	\$0	\$0	\$107,326	\$110,546
3	Health Care Workforce	\$0	\$1,000,000	\$1,050,000	\$1,102,500	\$0	\$0	\$1,050,000	\$1,102,500
Total, Cost Related to Health Care Reform		\$26,600	\$1,104,200	\$1,157,326	\$1,213,046	\$0	\$0	\$1,157,326	\$1,213,046
METHOD OF FINANCING									
GR DEDICATED		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
SUBTOTAL, GR & GR - DEDICATED FUNDS		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OTHER FUNDS		\$26,600	\$1,104,200	\$1,157,326	\$1,213,046	\$0	\$0	\$1,157,326	\$1,213,046
TOTAL		\$26,600	\$1,104,200	\$1,157,326	\$1,213,046	\$0	\$0	\$1,157,326	\$1,213,046
FULL-TIME-EQUIVALENT POSITIONS(FTE):		0.5	12.0	12.0	12.0	0.0	0.0	12.0	12.0

Schedule 1A: Other Educational and General Income
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2010
 TIME: 2:57:28PM
 PAGE: 1 of 3

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

	Act 2009	Act 2010	Bud 2011	Est 2012	Est 2013
Gross Tuition					
Gross Resident Tuition	398,850	403,900	467,250	616,450	643,500
Gross Non-Resident Tuition	369,727	394,362	570,600	552,770	634,527
Gross Tuition	768,577	798,262	1,037,850	1,169,220	1,278,027
Less: Remissions and Exemptions	0	0	0	0	0
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	768,577	798,262	1,037,850	1,169,220	1,278,027
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)	(70,919)	(72,416)	(87,206)	(109,051)	(115,561)
Less: Transfer of Funds (2%) for Emergency Loans (Medical School)	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
Less: Other Authorized Deduction					

Schedule 1A: Other Educational and General Income
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2010
 TIME: 2:57:33PM
 PAGE: 2 of 3

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

	Act 2009	Act 2010	Bud 2011	Est 2012	Est 2013
Net Tuition	697,658	725,846	950,644	1,060,169	1,162,466
Student Teaching Fees	0	0	0	0	0
Special Course Fees	0	0	0	0	0
Laboratory Fees	0	0	0	0	0
Subtotal, Tuition and Fees (Formula Amounts for Health-Related Institutions)	697,658	725,846	950,644	1,060,169	1,162,466
OTHER INCOME					
Interest on General Funds:					
Local Funds in State Treasury	9,604	7,000	8,000	8,000	8,000
Funds in Local Depositories, e.g., local amounts	6,359,656	10,707,924	12,409,110	12,060,000	12,420,000
Other Income (Itemize)					
Other Operating Revenues	9,715,499	13,456,983	13,104,000	14,950,400	17,292,000
Subtotal, Other Income	16,084,759	24,171,907	25,521,110	27,018,400	29,720,000
Subtotal, Other Educational and General Income	16,782,417	24,897,753	26,471,754	28,078,569	30,882,466
Less: O.A.S.I. Applicable to Educational and General Local Funds Payrolls	(544,765)	(767,336)	(849,618)	(956,069)	(1,089,649)
Less: Teachers Retirement System and ORP Proportionality for Educational and General Funds	(453,353)	(624,082)	(691,022)	(777,507)	(886,237)
Less: Staff Group Insurance Premiums	(760,763)	(795,934)	(937,932)	(1,023,693)	(1,113,291)
Total, Other Educational and General Income (Formula Amounts for General Academic Institutions)	15,023,536	22,710,401	23,993,182	25,321,300	27,793,289
Reconciliation to Summary of Request for FY 2009-2011:					
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	70,919	72,416	87,206	109,051	115,561
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	760,763	795,934	937,932	1,023,693	1,113,291
Plus: Board-authorized Tuition Income	0	0	0	0	0
Plus: Tuition Increases Charged to Doctoral Students with Hours in Excess of 100	0	0	0	0	0

Schedule 1A: Other Educational and General Income
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2010
 TIME: 2:57:33PM
 PAGE: 3 of 3

Agency Code: 506

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

	Act 2009	Act 2010	Bud 2011	Est 2012	Est 2013
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 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	15,855,218	23,578,751	25,018,320	26,454,044	29,022,141

Schedule 1b: Health-related Institutions Patient Income
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2010
 TIME: 2:59:43PM
 PAGE: 1 of 1

Agency Code: 506

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

	Act 2009	Act 2010	Bud 2011	Est 2012	Est 2013
Health-related Institutions Patient Income:					
Medical	2,044,712,673	2,179,175,100	2,327,589,204	2,439,749,452	2,546,489,578
Dental	0	0	0	0	0
Other (Itemize)					
Subtotal, Health-related Institutions Patient Income	2,044,712,673	2,179,175,100	2,327,589,204	2,439,749,452	2,546,489,578
Less: OASI Applicable to Other Funds Payroll	(66,824,531)	(67,562,422)	(76,473,855)	(83,044,003)	(89,794,781)
Less: Teachers Retirement System and ORP Proportionality for Other Funds	(55,611,288)	(54,949,226)	(62,198,659)	(67,534,115)	(73,032,237)
Less: Staff Group Insurance Premiums Applicable to Other Funds	(75,315,492)	(78,797,472)	(92,855,293)	(101,345,627)	(110,215,797)
Total, Health-related Institutions Patient Income	1,846,961,362	1,977,865,980	2,096,061,397	2,187,825,707	2,273,446,763
Reconciliation to Summary of Base Request by Method of Financing for FY 2009-2013:					
Plus: Staff Group Insurance Premiums	75,315,492	78,797,472	92,855,293	101,345,627	110,215,797
Total, Health-related Institutions Patient Income Reported on Summary of Base Request by Method of Financing and in Schedule 2, Item 4.	1,922,276,854	2,056,663,452	2,188,916,690	2,289,171,334	2,383,662,560

Schedule 2: Grand Total Educational, General and Other Funds

82nd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2010
TIME: 2:57:38PM
PAGE: 1 of 3

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

	Act 2009	Act 2010	Bud 2011	Est 2012	Est 2013
Balances as of Beginning of Fiscal Year					
Encumbered and Obligated	0	0	0	0	0
Unencumbered and Unobligated	469,505,926	457,972,188	251,453,120	470,512,621	450,650,000
Capital Projects - Legislative Appropriations	0	0	0	0	0
Capital Projects - Other Educational and General Funds	0	0	0	0	0
General Revenue Appropriations					
Direct Appropriations	152,721,131	164,926,404	164,903,651	9,979,906	9,978,468
Transfer from Office of the Governor Deficiency and Emergency Grants	0	0	0	0	0
Less: General Revenue Appropriations Lapsed	0	(475,026)	(16,482,383)	0	0
Plus: Additional General Revenue through Budget Execution	0	0	0	0	0
Less: ARRA Formula Swap	0	(634,206)	0	0	0
Other (Itemize)					
HB 4586, Sec 55, Natural Disasters	1,725,995	0	0	0	0
HB 4586, 81st Legislature, REgular Session	2,000,000	0	0	0	0
Transfer Art. IX Sec. 12.04 Lost Property	0	(140)	0	0	0
Subtotal, General Revenue Appropriations	156,447,126	163,817,032	148,421,268	9,979,906	9,978,468
Other Educational and General Income	15,855,218	23,578,751	25,018,320	26,454,044	29,022,141
Other Appropriated Funds Income					
Health-related Institutions Patient Income (medical, dental, other)	1,922,276,854	2,056,663,452	2,188,916,690	2,289,171,334	2,383,662,560
Interagency contracts	0	0	0	0	0
Tobacco - Related Funds	7,487,190	7,620,881	7,857,044	7,841,044	7,811,044
ARRA Formula Swap	0	634,206	0	0	0
Other (Itemize)					
TOTAL, EDUCATIONAL AND GENERAL APPROPRIATIONS	2,102,066,388	2,252,314,322	2,370,213,322	2,333,446,328	2,430,474,213
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 (2009, 2010, 2011)	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)	0	0	0	0	0
Less: Transfer to Other Institutions	0	0	0	0	0

Schedule 2: Grand Total Educational, General and Other Funds

DATE: 10/15/2010

82nd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

TIME: 2:57:52PM
PAGE: 2 of 3

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

	Act 2009	Act 2010	Bud 2011	Est 2012	Est 2013
Less: Transfer to Department of Health, Disproportionate Share - State-Owned Hospitals (2009, 2010, 2011)	(90,102,505)	(42,952,652)	(42,952,652)	0	0
Other (Itemize)					
Other: Fifth Year Accounting Scholarship	0	0	0	0	0
Texas Grants	0	0	0	0	0
Less: Transfer to System Administration	0	0	0	0	0
B-on-Time Program	0	0	0	0	0
Subtotal, General Revenue Transfers	(90,102,505)	(42,952,652)	(42,952,652)	0	0
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 (2009, 2010, 2011)	90,102,505	42,952,652	42,952,652	0	0
Transfers from Other Funds, e.g., Designated funds transferred for educational and general activities (Itemize)	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
ARRA Article XII Section 25 Special Item Appropriations	0	0	0	0	0
Other (Itemize)					
Other Deductions (Itemize)					
Decrease Capital Projects - Educational and General Funds	0	0	0	0	0
Other (Itemize)					
Total Funds	2,571,572,314	2,710,286,510	2,621,666,442	2,803,958,949	2,881,124,213
Less: Balances as of End of Fiscal Year					
Encumbered and Obligated	0	0	0	0	0
Unencumbered and Unobligated	(457,972,188)	(251,453,120)	(470,512,621)	(450,650,000)	(400,350,000)
Capital Projects - Legislative Appropriations	0	0	0	0	0
Capital Projects - Other Educational and General Funds	0	0	0	0	0
Grand Total, Educational, General and Other Funds	2,113,600,126	2,458,833,390	2,151,153,821	2,353,308,949	2,480,774,213
Designated Tuition (Sec. 54.0513)	272,820	278,520	358,517	405,150	427,650

Schedule 2: Grand Total Educational, General and Other Funds

82nd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2010

TIME: 2:57:52PM

PAGE: 3 of 3

Agency Code: 506

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

	Act 2009	Act 2010	Bud 2011	Est 2012	Est 2013
Indirect Cost Recovery (Sec. 145.001(d))	68,942,456	74,975,467	75,640,297	77,188,858	78,768,391

Schedule 3B: Staff Group Insurance Data Elements (UT/A&M)
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

Date: 10/15/2010
 Time: 2:58:05PM
 Page: 1 of 3

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

	E&G Enrollment	GR Enrollment	GR-D/OEGI Enrollment	Total E&G (Check)	Local Non-E&G
GR & GR-D Percentages					
GR %	7.39%				
GR-D %	92.61%				
Total Percentage	100.00%				
FULL TIME ACTIVES					
1a Employee Only	7,036	520	6,516	7,036	1,575
2a Employee and Children	2,484	184	2,300	2,484	556
3a Employee and Spouse	1,291	95	1,196	1,291	289
4a Employee and Family	2,523	186	2,337	2,523	565
5a Eligible, Opt Out	22	2	20	22	5
6a Eligible, Not Enrolled	178	13	165	178	40
Total for This Section	13,534	1,000	12,534	13,534	3,030
PART TIME ACTIVES					
1b Employee Only	698	52	646	698	156
2b Employee and Children	115	8	107	115	26
3b Employee and Spouse	75	6	69	75	17
4b Employee and Family	163	12	151	163	36
5b Eligible, Opt Out	33	2	31	33	7
6b Eligible, Not Enrolled	141	10	131	141	32
Total for This Section	1,225	90	1,135	1,225	274
Total Active Enrollment	14,759	1,090	13,669	14,759	3,304

Schedule 3B: Staff Group Insurance Data Elements (UT/A&M)
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

Date: 10/15/2010
 Time: 2:58:11PM
 Page: 2 of 3

Agency Code: 506

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

	E&G Enrollment	GR Enrollment	GR-D/OEGI Enrollment	Total E&G (Check)	Local Non-E&G
FULL TIME RETIREES by ERS					
1c Employee Only	1,308	97	1,211	1,308	293
2c Employee and Children	73	5	68	73	16
3c Employee and Spouse	559	41	518	559	125
4c Employee and Family	98	7	91	98	18
5c Eligible, Opt Out	19	1	18	19	4
6c Eligible, Not Enrolled	34	3	31	34	8
Total for This Section	2,091	154	1,937	2,091	464
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	2,091	154	1,937	2,091	464
TOTAL FULL TIME ENROLLMENT					
1e Employee Only	8,344	617	7,727	8,344	1,868
2e Employee and Children	2,557	189	2,368	2,557	572
3e Employee and Spouse	1,850	136	1,714	1,850	414
4e Employee and Family	2,621	193	2,428	2,621	583
5e Eligible, Opt Out	41	3	38	41	9
6e Eligible, Not Enrolled	212	16	196	212	48
Total for This Section	15,625	1,154	14,471	15,625	3,494

Schedule 3B: Staff Group Insurance Data Elements (UT/A&M)
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

Date: 10/15/2010
 Time: 2:58:11PM
 Page: 3 of 3

Agency Code: 506

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

	E&G Enrollment	GR Enrollment	GR-D/OEGI Enrollment	Total E&G (Check)	Local Non-E&G
TOTAL ENROLLMENT					
1f Employee Only	9,042	669	8,373	9,042	2,024
2f Employee and Children	2,672	197	2,475	2,672	598
3f Employee and Spouse	1,925	142	1,783	1,925	431
4f Employee and Family	2,784	205	2,579	2,784	619
5f Eligible, Opt Out	74	5	69	74	16
6f Eligible, Not Enrolled	353	26	327	353	80
Total for This Section	16,850	1,244	15,606	16,850	3,768

SCHEDULE 4: COMPUTATION OF OASI
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

Date: 10/15/2010
 Time: 2:58:16PM
 Page: 1 of 1

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

	<u>Actual Salaries & Wages 2009</u>	<u>Actual Salaries & Wages 2010</u>	<u>Budgeted Salaries & Wages 2011</u>	<u>Estimated Salaries & Wages 2012</u>	<u>Estimated Salaries & Wages 2013</u>
Gross Educational & General Payroll - Subject to OASI	\$949,569,024	\$964,513,176	\$1,078,336,331	\$1,167,939,492	\$1,260,582,970
FTE Employees - Subject to OASI	12,970.6	12,565.1	13,460.7	13,991.9	14,491.9
Average Salary (Gross Payroll / FTE Employees)	\$73,209	\$76,761	\$80,110	\$83,473	\$86,985
Employer OASI Rate 7.65% x Average Salary	\$5,600	\$5,872	\$6,128	\$6,386	\$6,654
x FTE Employees	12,970.6	12,565.1	13,460.7	13,991.9	14,491.9
Grand Total, OASI	\$72,635,360	\$73,782,267	\$82,487,170	\$89,352,273	\$96,429,103

	<u>% to Total</u>	<u>Allocation of OASI</u>	<u>% to Total</u>	<u>Allocation of OASI</u>	<u>% to Total</u>	<u>Allocation of OASI</u>	<u>% to Total</u>	<u>Allocation of OASI</u>	<u>% to Total</u>	<u>Allocation of OASI</u>
Proportionality Percentage Based on Comptroller Accounting Policy Statement #011, Exhibit 2										
General Revenue (% to Total)	0.0725	\$5,266,064	0.0739	\$5,452,510	0.0626	\$5,163,697	0.0599	\$5,352,201	0.0575	\$5,544,673
Other Educational and General Funds (% to Total)	0.0075	544,765	0.0104	767,336	0.0103	849,618	0.0107	956,069	0.0113	1,089,649
Health-related Institutions Patient Income (% to Total)	0.9200	66,824,531	0.9157	67,562,422	0.9271	76,473,855	0.9294	83,044,003	0.9312	89,794,781
Grand Total, OASI (100%)	1.0000	\$72,635,360	1.0000	\$73,782,267	1.0000	\$82,487,170	1.0000	\$89,352,273	1.0000	\$96,429,103

SCHEDULE 5: CALCULATION OF RETIREMENT PROPORTIONALITY AND ORP DIFFERENTIAL

82nd Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

DATE: **10/15/2010**

TIME: **2:58:25PM**

PAGE: **1 of 1**

Agency code: **506**

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

Description	Act 2009	Act 2010	Bud 2011	Est 2012	Est 2013
Proportionality Amounts					
Gross Educational and General Payroll - Subject To Retirement	934,938,075	945,222,913	1,056,769,605	1,144,580,702	1,235,371,310
Employer Contribution to TRS Retirement Programs	48,611,662	48,043,073	53,712,684	58,175,880	62,790,516
Employer Contribution to ORP Retirement Programs	11,835,390	11,964,818	13,376,798	14,488,328	15,637,574
Proportionality Percentage					
General Revenue	7.25 %	7.39 %	6.26 %	5.99 %	5.75 %
Other Educational and General Income	0.75 %	1.04 %	1.03 %	1.07 %	1.13 %
Health-related Institutions Patient Income	92.00 %	91.57 %	92.71 %	92.94 %	93.12 %
Proportional Contribution					
Other Educational and General Proportional Contribution (Other E&G percentage x Total Employer Contribution to Retirement Programs)	453,353	624,082	691,022	777,507	886,237
HRI Patient Income Proportional Contribution (HRI Patient Income percentage x Total Employer Contribution To Retirement Programs)	55,611,288	54,949,226	62,198,659	67,534,115	73,032,237
Differential					
Gross Payroll Subject to Differential - Optional Retirement Program	51,898,759	52,469,674	58,661,672	63,536,099	68,575,919
Total Differential	378,861	477,474	533,821	578,179	624,041

Schedule 6: Capital Funding
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

Date: **10/15/2010**
 Time: **3:56:27PM**
 Page: **1** of **1**

Agency Code: 506	Agency Name: The University of Texas M.D. Anderson Cancer Center				
Activity	Act 2009	Act 2010	Bud 2011	Est 2012	Est 2013
I. Balances as of Beginning of Fiscal Year					
A. PUF Bond Proceeds	22,492,607	18,570,086	1,100,000	1,100,000	1,100,000
B. HEF Bond Proceeds	0	0	0	0	0
C. HEF Annual Allocations	0	0	0	0	0
D. TR Bond Proceeds	38,713,637	2,103,268	0	0	0
II. Additions					
A. PUF Bond Proceeds Allocation	4,875,000	4,639,004	3,000,000	3,000,000	3,000,000
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 (Itemize)					
TR Bond Proceeds					
GR Appropriation for TRB Debt Service	6,530,970	5,856,510	5,685,113	5,916,588	5,915,150
III. Total Funds Available - PUF, HEF, and TRB	\$72,612,214	\$31,168,868	\$9,785,113	\$10,016,588	\$10,015,150
IV. Less: Deductions					
A. Expenditures (Itemize)					
Repair and Rehabilitation Projects	900,599	2,156,340	1,900,000	1,900,000	1,900,000
Center for Targeted Therapy	4,495,417	17,966,199	0	0	0
Library and Equipment	3,401,505	1,986,551	0	0	0
Center for Targeted Therapy Research Building	36,610,369	2,103,268	0	0	0
B. Annual Debt Service on PUF Bonds	0	0	0	0	0
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	6,530,970	5,856,510	5,685,113	5,916,588	5,915,150
E. Other (Itemize)					
Total, Deductions	\$51,938,860	\$30,068,868	\$7,585,113	\$7,816,588	\$7,815,150
V. Balances as of End of Fiscal Year					
A. PUF Bond Proceeds	18,570,086	1,100,000	2,200,000	2,200,000	2,200,000
B. HEF Bond Proceeds	0	0	0	0	0
C. HEF Annual Allocations	0	0	0	0	0
D. TR Bond Proceeds	2,103,268	0	0	0	0
	\$20,673,354	\$1,100,000	\$2,200,000	\$2,200,000	\$2,200,000

SCHEDULE 7: CURRENT AND LOCAL FUND (GENERAL) BALANCES
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2010
 TIME: 2:58:37PM
 PAGE: 1 of 1

Agency code: 506 Agency name: UT MD ANDERSON CANCER CTR

	Actual 2009	Actual 2010	Budgeted 2011	Estimated 2012	Estimated 2013
1. Balance of Current Fund in State Treasury	\$722,674	\$300,000	\$400,000	\$400,000	\$400,000
2. Unobligated Balance in State Treasury	\$722,674	\$300,000	\$400,000	\$400,000	\$400,000
3. Interest Earned in State Treasury	\$9,604	\$6,375	\$8,000	\$8,000	\$8,000
4. Balance of Educational and General Funds in Local Depositories	\$229,024,168	\$120,000,000	\$150,000,000	\$200,000,000	\$250,000,000
5. Unobligated Balance in Local Depositories	\$229,024,168	\$120,000,000	\$150,000,000	\$200,000,000	\$250,000,000
6. Interest Earned in Local Depositories	\$6,359,656	\$10,707,924	\$12,409,110	\$12,060,000	\$12,420,000

Schedule 8: PERSONNEL
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: **10/15/2010**
 TIME: **2:58:47PM**
 PAGE: **1 of 2**

Agency code: **506** Agency name: **UT MD ANDERSON CANCER CTR**

	Actual 2009	Actual 2010	Budgeted 2011	Estimated 2012	Estimated 2013
Part A.					
FTE Postions					
Directly Appropriated Funds (Bill Pattern)					
Educational and General Funds Faculty Employees	665.8	687.8	764.3	814.7	864.0
Educational and General Funds Non-Faculty Employees	12,304.9	11,877.3	12,696.0	13,177.2	13,628.0
Subtotal, Directly Appropriated Funds	12,970.7	12,565.1	13,460.3	13,991.9	14,492.0
Non Appropriated Funds Employees	4,171.8	4,335.0	4,658.9	5,052.6	5,452.7
Subtotal, Non-Appropriated	4,171.8	4,335.0	4,658.9	5,052.6	5,452.7
GRAND TOTAL	17,142.5	16,900.1	18,119.2	19,044.5	19,944.7
Part B.					
Personnel Headcount					
Directly Appropriated Funds (Bill Pattern)					
Educational and General Funds Faculty Employees	682.0	705.0	783.0	835.0	885.0
Educational and General Funds Non-Faculty Employees	12,612.0	12,174.0	13,013.0	13,506.0	13,968.0
Subtotal, Directly Appropriated Funds	13,294.0	12,879.0	13,796.0	14,341.0	14,853.0
Non Appropriated Funds Employees	4,380.0	4,552.0	4,892.0	5,305.0	5,725.0
Subtotal, Non-Appropriated	4,380.0	4,552.0	4,892.0	5,305.0	5,725.0
GRAND TOTAL	17,674.0	17,431.0	18,688.0	19,646.0	20,578.0

Schedule 8: PERSONNEL
 82nd Regular Session, Agency Submission, Version 1
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2010
 TIME: 2:58:51PM
 PAGE: 2 of 2

Agency code: 506 Agency name: UT MD ANDERSON CANCER CTR

	Actual 2009	Actual 2010	Budgeted 2011	Estimated 2012	Estimated 2013
PART C.					
Salaries					
Directly Appropriated Funds (Bill Pattern)					
Educational and General Funds Faculty Employees	\$166,829,367	\$180,959,215	\$211,251,844	\$236,318,273	\$263,150,010
Educational and General Funds Non-Faculty Employees	\$782,739,658	\$783,553,961	\$867,084,488	\$931,621,219	\$997,432,960
Subtotal, Directly Appropriated Funds	\$949,569,025	\$964,513,176	\$1,078,336,332	\$1,167,939,492	\$1,260,582,970
Non Appropriated Funds Employees	\$366,520,836	\$393,941,017	\$433,757,860	\$481,058,296	\$533,025,431
Subtotal, Non-Appropriated	\$366,520,836	\$393,941,017	\$433,757,860	\$481,058,296	\$533,025,431
GRAND TOTAL	\$1,316,089,861	\$1,358,454,193	\$1,512,094,192	\$1,648,997,788	\$1,793,608,401

Schedule 10A: Tuition Revenue Bond Projects
82nd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2010
TIME: 2:59:16PM
PAGE: 1 of 1

Agency code: 506

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

Priority Number: 1	Project Number: 1	Tuition Revenue Bond Request \$ 50,000,000	Total Project Cost \$ 250,000,000	Cost Per Total Gross Square Feet \$ 417
Name of Proposed Facility: Basic Science Research Building Two	Project Type: New Construction			
Location of Facility: Texas Medical Center	Type of Facility: Research building			
Project Start Date: 10/01/2011	Project Completion Date: 05/01/2014			
Gross Square Feet: 600,000	Net Assignable Square Feet in Project 0			

Project Description

The facility will include clinical laboratories, translational and basic 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 10B: TUITION REVENUE BOND ISSUANCE HISTORY

82nd Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Date: 10/20/2010
Time: 11:09:55AM
Page: Page 1 of 1

Agency code: 506		Agency name: The University of Texas M.D. Anderson Cancer Center				
Authorization Date	Authorization Amount	Issuance Date	Issuance Amount	Authorized Amount Outstanding as of 08/31/2010	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 2004	\$20,000,000			
		<i>Subtotal</i>	\$20,000,000	\$0		
2006	\$40,000,000	Feb 14 2008	\$1,036,000			
		Feb 15 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		

SCHEDULE 11: SPECIAL ITEM INFORMATION
82ND REGULAR SESSION
Automated Budget and Evaluation System of Texas (ABEST)

Date: 10/15/2010
Time: 2:59:27PM
Page: 1 of 7

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

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 funding 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. This includes the recruitment of Dr. Juri Gelovani to head the Department of Experimental Diagnostic Imaging and to establish the Imaging Center and Dr. Yong-Jun Liu to establish the Center for Cancer Immunology Research. In addition, partial start-up support for 138 basic and clinical research faculty and department chairs has been provided in the following areas: Surgery, Cancer Medicine, Pathology and Laboratory Medicine, Basic Sciences, Internal Medicine, Radiation Oncology, Pediatrics, Diagnostic Imaging, Cancer Prevention, and Anesthesiology.

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

M. D. Anderson Cancer Center will continue to build on the successes achieved in 2009.

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

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

(5) Non-general Revenue Sources of Funding:

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

(6) Consequences of Not Funding:

Elimination of the support for this special item would impact the institution's ability to attract new cancer scientists and require the institution to identify other internal or external sources of funding to enhance faculty recruitment efforts. If the institution is required to redirect internal sources of funding to support these programs, the ability to meet patient care demand, which is expanding at a rate of 5-8% per year, would be impacted.

SCHEDULE 11: SPECIAL ITEM INFORMATION
82ND REGULAR SESSION
Automated Budget and Evaluation System of Texas (ABEST)

Date: 10/15/2010
Time: 2:59:32PM
Page: 2 of 7

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

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 34 Physician Scientists across 7 clinical Divisions. Fifteen physicians currently participate in the program. Twenty-three percent of 1,067 peer-reviewed publications (590 while participating in the Program) by graduates are in high impact journals. Sixty-four percent are PIs or Project Leaders on 12 grants and 71% share peer-reviewed funding. Current participants hold ACS, R21 (4), K08 (3) awards.

Physician-Scientists received \$5.1 M in start-up funds between 2002-2007. Those same Physician-Scientists generated \$12.8M in external awards for a leverage ratio of 2.5. This Ratio compared favorably to 2.5 for all faculty, 2.6 for faculty with a research appointment and 2.9 for faculty with lab space and a clinical appointment.

The Genomics Core Laboratory has developed and implemented several generations of genomic technologies including production 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 invented a mathematical model for studying a gene regulatory network, which has obtained a US patent. The genomics support from the Core Laboratory has lead to more than 50 publications in premier research journals and 3 books on genomics.

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

M. D. Anderson Cancer Center will continue to build on the successes achieved in 2009.

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

N/A

(5) Non-general Revenue Sources of Funding:

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

(6) Consequences of Not Funding:

SCHEDULE 11: SPECIAL ITEM INFORMATION
82ND REGULAR SESSION
Automated Budget and Evaluation System of Texas (ABEST)

Date: 10/15/2010
Time: 2:59:32PM
Page: 3 of 7

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

Elimination of the support for this special item would impact the institution's ability to attract new candidates for the Physician Scientist program and the development of new independent researchers to better position them to compete for external grant funding. The Core Laboratory provides key research support internally which would be hindered

This may require the institution to identify other internal or external sources of funding to enhance these efforts. If the institution is required to redirect internal sources of funding to support these programs, the ability to meet patient care demand, which is expanding at a rate of 5-8% per year, would be impacted.

SCHEDULE 11: SPECIAL ITEM INFORMATION
82ND REGULAR SESSION
Automated Budget and Evaluation System of Texas (ABEST)

Date: 10/15/2010
Time: 2:59:32PM
Page: 4 of 7

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

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 the establishment of the IBC Clinic, more patients with IBC are seen in our clinic than any other center in the world. State funding has allowed us to develop the nation's largest bio-repository of tissue and serum samples from our own IBC patients and to partner with other centers around the world to expand the repository. In September of 2009, we opened the Inflammatory Breast Cancer Team Science Laboratory. The first of its kind in the country, the facility provides a centralized place for the IBC Bio-repository encourages the exchange of scientific ideas and fosters the collaborative coordination of experiments among five IBC investigators, their trainees and staff. Historically, research has been hampered by the lack of IBC cell lines and animal models in which to study the disease. Only two cell lines and one animal model are commercially available. The bio-repository has allowed our investigators to develop six new cell lines. Four new classes of drugs, already used in other cancers, have been identified by our laboratories as promising therapies in the IBC cells. Preparation is underway to open clinical trials with at least two of these agents this year. These trials will be the first for drugs specifically tested in IBC.

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

We are aggressively researching for potential causes of IBC. Identifying the genetic mutations that allow IBC to develop is one line of research. To that end, we are performing the first whole genome analysis on IBC tissue. We are also investigating possible viral and auto-immune causes and have partnered with the National Cancer Institute to analyze patient samples. Early findings are being published in a special supplement to the journal Cancer and will be distributed in the spring of this year.

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

N/A

(5) Non-general Revenue Sources of Funding:

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

(6) Consequences of Not Funding:

The consequences of not funding the special item could result in a reduction of research and direct patient care related to inflammatory breast cancer (IBC) which is an aggressive, often fatal, type of breast cancer that is commonly misdiagnosed. To maintain current funding levels, elimination of the support for this special item would require the institution to supplant General Revenue with other internal or external sources of funding. If the institution is required to redirect internal sources of funding to support these programs, the ability to meet patient care demand, which is expanding at a rate of 5-8% per year, would be impacted.

SCHEDULE 11: SPECIAL ITEM INFORMATION
82ND REGULAR SESSION
Automated Budget and Evaluation System of Texas (ABEST)

Date: 10/15/2010
Time: 2:59:32PM
Page: 5 of 7

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

Special Item: 4 DNA and RNA Sequencing Technology

(1) Year Special Item: 2012

(2) Mission of Special Item:

The DNA and RNA sequencing technology equipment would be used in conjunction with personalized medicine clinical trials, such as BATTLE-2, to study individual genetic and transcriptional effects on the response of molecularly targeted therapies.

(3) (a) Major Accomplishments to Date:

N/A

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

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

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

(5) Non-general Revenue Sources of Funding:

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

(6) Consequences of Not Funding:

If the request 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.

SCHEDULE 11: SPECIAL ITEM INFORMATION
82ND REGULAR SESSION
Automated Budget and Evaluation System of Texas (ABEST)

Date: 10/15/2010
Time: 2:59:32PM
Page: 6 of 7

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

Special Item: 5 **MRI Student Training Unit**

(1) Year Special Item: 2012

(2) Mission of Special Item:

The MRI Student Training Unit non-energized 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.

(3) (a) Major Accomplishments to Date:

N/A

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

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

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

(5) Non-general Revenue Sources of Funding:

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

(6) Consequences of Not Funding:

If the request 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.

SCHEDULE 11: SPECIAL ITEM INFORMATION
82ND REGULAR SESSION
Automated Budget and Evaluation System of Texas (ABEST)

Date: 10/15/2010
Time: 2:59:32PM
Page: 7 of 7

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

Special Item: 6 TRB Debt Service - Basic Sciences Research Building II

(1) Year Special Item: 2012

(2) Mission of Special Item:

The Basic Sciences Research Building Two (BSRB II) project constructs a new research facility designed to meet new and evolving medical research laboratory requirements. The BSRB II is part of a phasing plan to replace aging and deficient research facilities and there are three principal reasons for the BSRB II: 1) the deficient state of existing research facilities; 2) the desire to consolidate disparate functions; and 3) the need to accommodate the demands of the continually changing technology and research program growth.

(3) (a) Major Accomplishments to Date:

N/A

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

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

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

(5) Non-general Revenue Sources of Funding:

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

(6) Consequences of Not Funding:

If the request 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.
