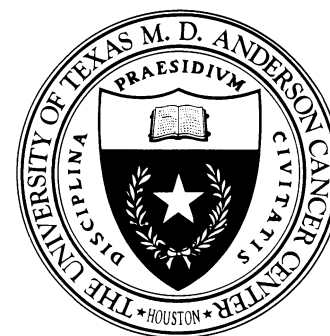


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# LEGISLATIVE APPROPRIATIONS REQUEST

## FISCAL YEARS 2016 AND 2017



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 2014

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

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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 41 Comprehensive Cancer Centers today.

U.S. News & World Report's "America's Best Hospitals" survey ranked MD Anderson as the top hospital in the nation for cancer care in 2013. The institution has achieved this highest ranking ten times in the past 13 years and has ranked as one of the top two hospitals for cancer care since the magazine began its annual survey in 1990.

MD Anderson's mission is to eliminate cancer in Texas, the nation and the world through outstanding programs that integrate patient care, research and prevention and through education for undergraduate and graduate students, trainees, professionals, employees and the public.

#### Magnitude of the Cancer Problem

Cancer is the second most common cause of death in the United States. While cancer strikes at any age, more than 75% of all cancers occur in people age 55 and older. The total projected cancer incidence will increase approximately 45% from 2010 to 2030, reaching 2.3 million and will be primarily driven by older adults and minority populations. Over 115,000 Texans are estimated to be newly diagnosed with cancer in 2014 and more than 37,800 Texans are estimated to die of the disease this year.

Nearly 14 million Americans are living with a history of surviving cancer for five or more years and about 1.6 million new diagnosed cases of cancer are expected in 2014. The five-year survival rate for all forms of cancer combined has risen to 67%, up from 49% in the 1970's, meaning more Americans are living with a history of cancer and require medical follow-up. Those not cured are living longer as a result of earlier detection and improved therapies and require more medical resources.

#### MISSION OVERVIEW

##### Patient Care

Since 1944, almost 940,000 patients have turned to MD Anderson for cancer care in the form of targeted therapy, surgery, chemotherapy, radiation therapy, immunotherapy or combinations of these and other treatments. MD Anderson pioneered the multidisciplinary approach to treating cancer, bringing together teams of experts across disciplines to collaborate on the best treatment plan for patients. Its experts focus solely on cancer and are renowned for treating all types, including rare or uncommon diseases.

In FY2013, more than 121,000 patients sought care at MD Anderson and over 37,000 of them were new patients. Approximately one-third of these patients came from outside Texas seeking the research-based care that has made MD Anderson so widely respected. Nearly 7,600 registrants participated in therapeutic clinical research exploring novel treatments, the largest such cancer program in the nation.

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

A significant challenge for MD Anderson is managing growth amid increasing patient demand. The institution must balance the number of patients with the resources available to care for them while accounting for the rising costs of health care. As with all healthcare institutions, MD Anderson faces strong pressures as reimbursements from state and federal programs decline, commercial and managed care carriers negotiate coverage limits for certain services and payment rates and growing numbers of un and underinsured seek care. In 2013, MD Anderson provided more than \$225 million in residual uncompensated care to un and underinsured patients.

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

In addition, the Texas Health and Human Services Commission's (HHSC) implementation of the Texas Healthcare Transformation and Quality Improvement Program 1115 Medicaid Waiver has the potential for changing the way health care is provided. MD Anderson is an active participant with six approved projects ranging from innovative smoking prevention/cessation efforts and an expansion of mobile mammography services to working with local health care providers on improving colorectal cancer screening rates. Waiver renewal efforts are underway and MD Anderson is a participant with intent to increase projects if the waiver is renewed.

The legislature provides funding to support the institution's primary mission of patient care. It established the Cancer Center Operations Formula designed to support the institution's growth in patient care the same way that the current Instruction and Operations (I&O) Formula supports student growth for Health-Related Institutions (HRIs). Based on Texas cancer patients served each year, the maximum increase in the Operations Formula cannot exceed the average increase in the I&O Formula for all HRIs. Sustaining this critical support which recognizes MD Anderson's unique mission is the institution's highest budget priority.

**Research**

Important scientific knowledge gained in the laboratory is rapidly translated into clinical care at MD Anderson. Its research program is considered one of the most productive efforts in the world aimed solely at cancer. In 2013, the institution spent nearly \$671 million in research, a 31% increase over the last five years. Research support comes from a variety of sources: General Revenue (GR) and tobacco funds (\$18 M); pharmaceutical companies (\$66 M); philanthropy (\$102 M); institutional funds (\$278 M); federal grants and contracts (\$183 M); and \$24 million from the Cancer Prevention and Research Institute of Texas.

MD Anderson ranks first in the number of grants awarded and total amount of grant funding from the National Cancer Institute (NCI). The institution holds 12 prestigious NCI Specialized Programs of Research Excellence grants: bladder, brain, head and neck, leukemia, lung, lymphoma, melanoma, myeloma, ovarian, prostate, pancreatic and uterine.

The Institute for Applied Cancer Science has expanded research and development capabilities. The institute conducts stringent validation of new cancer targets, generates lead clinical compounds against those targets, and converts this deep scientific knowledge and sophisticated drug development activities into innovative clinical trials. The goal is to overcome an astounding 95% failure rate in cancer drug development. The Institute has a steady stream of novel drugs entering into clinical testing for major unmet needs in cancer. Its inaugural efforts have led to collaboration with GlaxoSmithKline to conduct preclinical research on new therapeutic antibodies that promote an immune system attack against cancer. The institute is also working with Agilent Technologies Inc. to identify biomarkers for early detection of pancreatic cancer together with novel therapeutic targets, among many significant collaborations with biopharma and other cancer institutions.

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

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



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

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

#### Significant Research Accomplishments

Every five years, external experts rigorously evaluate MD Anderson's research programs and facilities. Through a 3,000-page grant application to the NCI and site visit presentations, the institution demonstrated sustained waves of fundamental discoveries and significant clinical discoveries that have changed cancer care. This included leading trials that contributed to FDA approval of 22 of the 71 cancer drugs in the last five years. MD Anderson is among a handful of cancer centers to receive the highest possible score of "exceptional," garnering top NCI support of \$46.7 million over five years.

Cancer immunology, which targets the immune system not the tumor, was heralded as the 2013 breakthrough of the year by the journal Science, acknowledging the pioneering discoveries of Jim Allison, Ph.D., the first to reveal how tumors sideline the immune system that would otherwise attack tumor cells. His discovery of a T cell checkpoint blockade led to a new class of medicine that extends survival for patients with late stage-melanoma and even cures the disease in some. His discovery shows promise in working against many types of cancer.

MD Anderson continues breakthrough treatments for leukemia patients. Those with chronic lymphocytic leukemia (CLL) have new hope thanks to work of Susan O'Brien, M.D., and Jan Burger, M.D., Ph.D. Dr. O'Brien, was instrumental in bringing the drug ibrutinib to clinical trial, producing long-lasting responses in patients after other treatments had failed them. In further tests by Dr. Burger, the response rate is even higher when the drug is combined with the antibody rituximab. This work is part of the CLL Cancer Moon Shot effort.

#### Cancer Moon Shots Initiative

In 2012, MD Anderson embarked on a comprehensive effort to dramatically accelerate the pace of converting scientific discoveries into clinical advances and significantly reduce cancer related mortality and suffering over the next decade. Cancer science has reached a point of conceptual and technological maturity, positioning the field to accelerate and systemize this effort. This initiative brings together teams of researchers and clinicians to mount comprehensive attacks on eight cancers initially. They work as part of six Cancer Moon Shots teams: acute myeloid leukemia and myelodysplastic syndrome, chronic lymphocytic leukemia, melanoma, lung cancer, prostate cancer, and triple-negative breast and high-grade serous ovarian cancers, which are linked at the molecular level. The program has received \$260 million in private philanthropic commitments. The ultimate goal is for all cancers to become moon shot efforts.

To aid the Cancer Moon Shots Program, the APOLLO (Adaptive Patient-Oriented Longitudinal Learning and Optimization) program was created, which combines more than 1 million patients' medical histories and data, research data and clinical knowledge to help determine the best treatment decisions for each patient.

MD Anderson is also developing the Oncology Expert Advisor™, powered by IBM Watson. The OEA is a powerful analytic tool that can rank treatment options based on up-to-date evidence and learn from MD Anderson experts. Most cancer patients can't travel to MD Anderson for the expert care that comes from more than 70 years of expertise fighting the disease. In the short term, the fastest way to improve patient outcomes on a global level is to elevate and standardize cancer care in communities served by MD Anderson's network of partners throughout the U.S. and around the world. The OEA platform will extend the reach of MD Anderson care beyond Houston, the state and the U.S. by capturing its oncology expertise and delivering it to patients globally.

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In turn, that rising level of patient data, which is increasingly more representative of the world's population, informs OEA to continuously supply patients and providers with the best treatment options and improve outcomes. MD Anderson envisions the ability to share up-to-date knowledge about treatment plans, clinical trials and potential complications with oncologists worldwide. Global access to MD Anderson's expertise can raise the standard of cancer care for all. As it serves as a virtual advisor, OEA will collect data from a larger and more diverse patient population.

**Education**

In FY 2013, more than 6,400 trainees took part in educational programs, including physicians, scientists, nurses and many health professionals. MD Anderson offers bachelor's degrees in nine allied health disciplines as well as a Master of Science degree in Molecular Diagnostic Genetics. Notably, 75% of surveyed graduates stay to work in Texas hospitals. This is a critical need area as the demand for allied health professionals increases. Employment of radiologic technologists and therapists is expected to increase by 17% between 2008 and 2018 while medical and clinical laboratory technologists are expected to see a 12% increase over the same period.

While 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 1,200 clinical residents and fellows come to MD Anderson each year to receive specialized training in the investigation and treatment of cancer. More than 450 graduate students are working on advanced degrees at the Graduate School of Biomedical Sciences, which MD Anderson operates jointly with UT Health. Greater than 1,700 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, recognizing the faculty for their influential role in educating graduate and undergraduate students.

**Prevention**

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

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

As part of the Cancer Moon Shots Program, the institution is keenly focused on developing and implementing evidence-based interventions in cancer prevention, screening, early detection and survivorship, to achieve a measurable and lasting reduction in the cancer burden. A significant focus is the impact of tobacco related illnesses. The use of tobacco is one of the greatest public health menaces of our time, driving 30% of all cancer deaths in the United States. This year, 480,000 Americans and 6 million people worldwide will die from tobacco related illnesses. In the next half-century, tobacco use will result in 500 million premature deaths worldwide, mostly in low- and middle-income countries.

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

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MD Anderson has embarked on comprehensive efforts to address sun safety and the obesity epidemic in children. MD Anderson served as the primary scientific and clinical resource for skin cancer prevention legislation in the 83rd Texas Legislature, which acted to protect youth from the harmful effects of artificial UV exposure by raising the age limit for access to tanning facilities.

**Human Resources and Facilities**

MD Anderson employs nearly 20,000 people, including more than 1,600 faculty. A volunteer corps of about 1,200 contributed over 193,000 hours of service in FY2013. MD Anderson's commitment to those who have served the nation's military earned it a spot on the 2013 Best for Vets employer list. For the seventh consecutive year, the American Association of Retired Persons selected the institution as one of the Best Employers for Workers over 50, placing it at No. 4 and by the CEO Roundtable on Cancer for helping reduce cancer risks in the workplace.

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

New construction: the Zayed Building for Personalized Cancer Care, a \$361 million, 12-floor, 626,000-square-foot, research and development facility; the Pavilion, providing much-needed expansion of space for clinical, diagnostic and support services in the Main Building, a \$198 million project.

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

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

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

**Regional care centers**

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

**Affiliates**

MD Anderson Cancer Center (Madrid, Spain)

MD Anderson Radiation Treatment Center at American Hospital (Istanbul, Turkey)

MD Anderson Radiation Treatment Center at Presbyterian Kaseman Hospital (Albuquerque, NM)

St. John Medical Center (Tulsa, OK)

**Partner Members**

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Banner MD Anderson Cancer Center (Gilbert, AZ)  
MD Anderson Cancer Center at Cooper (Camden, NJ)

**FURTHER SIGNIFICANT ACHIEVEMENTS**

MD Anderson faculty includes 7 Institute of Medicine members, 2 National Academy of Sciences members and 4 Academy of Arts and Sciences fellows. Additional faculty accolades - for breakthrough achievements in immunotherapy, James Allison, Ph.D., chair of Immunology, received the Economist's 2013 Innovation Award for Bioscience; the Breakthrough Prize in Life Sciences, which recognizes researchers whose work extends human life; the 2014 Canada Gairdner International Award, Canada's top award given for seminal medical discoveries; the 2014 Szent-Györgyi Prize for Progress in Cancer Research from the National Foundation for Cancer Research; the inaugural AACR-CRI Lloyd J. Old Award in Cancer Immunology from the American Association for Cancer Research (AACR) and the Cancer Research Institute; and the 2014 Tang Prize for Biopharmaceutical Science, considered the Taiwan Nobel. Gordon Mills, M.D., Ph.D., professor and chair, Systems Biology and co-director of the Institute for Personalized Cancer Therapy, the 2013 Brinker Award for Scientific Distinction in Basic Sciences. Susan G. Komen's highest honor for research recognizes Mills' extensive contributions to understanding the molecular biology and pathology of breast cancer.

In 2013, MD Anderson received the Accountability Champion Award in recognition of its commitment to minority business development evidenced by consistent reports of dollars spent with Minority Business Enterprises, presented by the Houston Minority Supplier Development Council. MD Anderson also received the 2012 Corporate Advocate of the Year awards from the Women's Business Enterprise Alliance for its exceptional support of minority and women owned businesses.

**STATE SUPPORT**

**General Revenue**

The GR appropriation, \$171 million in FY 2014, accounted for 4% of the total operating budget, providing critical support for patient care, education, research and infrastructure. MD Anderson maximizes its leveraging of state funding. The institution generates: \$19 additional dollars for cancer patient care, education and research for each \$1 of GR; and \$38 in research support for every \$1 of GR from the state for research, illustrating a sound investment for Texas.

**Tobacco Settlement Funds**

MD Anderson received a permanent \$100 million endowment from the legislature in 1999. The fund provided \$5.7 million in FY 2014 for tobacco-related research programs. A separate endowment for all HRIs provided \$2.3 million for these purposes. The following programs received settlement funds in FY 2013: Tobacco Outreach Education Program in Behavioral Science: \$2.6 million; Epidemiology – Mexican-American Cohort: \$2 million; Molecular Mechanisms Tobacco Carcinogenesis: \$.6 million; Fund for Innovative Research: \$1.8 million; Research Equipment: \$2.3 million.

**10% GR-Related Reduction Option**

To meet a 10% GR reduction request for FY2016-2017, special item funding would be reduced. Reductions would occur in the Institutional Enhancement and Research Support special item strategies, with no impact on patient care. These special items provide support three areas: Faculty Excellence Program, the Physician Scientist Program and the Genomics Core Program.

**Formula Funding Recommendations**

The Texas Higher Education Coordinating Board's Health-Related Institution's Advisory Committee formula funding recommendations for HRIs emphasize restoring the formula funding rates to FY 2000-2011 levels - a strategy benefiting all institutions. The total recommended formula funding increase is approximately \$482 million, which includes an increase in MD Anderson's Operations Formula. Notably, the committee recommendation is higher than the final THECB recommendation of \$319.6 million for the biennium.

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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) Children's Cancer Genome Project

Understanding the role of genomic alterations in patients whose cancers have either progressed while on therapy after a period of response, or were resistant to initial treatment, is critical in developing additional treatment strategies for childhood cancers. This project will provide detailed insight into those genomic and biological changes that are present in the cancer cells and contribute to relapse and disease progression. This is in contrast to the more traditional model of taking a diagnostic sample as a fixed point of knowledge about the genomic characteristics of a patient's tumor. With this proposed model, progressive changes specific to an individual patient's cancer, from diagnosis to relapse, or metastasis, will be identified. This will provide a refined portrait of the molecular changes within the patient's cancer over time and as a result of therapy.

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

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

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

MD Anderson is the world leader in stem cell transplantation. Prior to the budget reductions for FY 2012 - 2013, the MD Anderson Cord Blood Bank received funding from the legislature through HHSC. GR support was instrumental in advancing the field of cord blood transplantation and these funds were leveraged to generate in excess of \$12 million external funding for the program.

Funding restoration for this vital program would support: development and management of clinical research protocols for cord blood transplantation; selection of cord blood units for transplantation; and aid in the collection, freezing, banking, and release of cord blood unit for laboratory research protocols. Cord blood provides a source of stem cells for transplant for minority patients who often have no registered donors. MD Anderson serves an unmet need as 75% of the cord blood units in the bank are of Hispanic origin and the institution finds units for patients that otherwise would not have donors.

4) Tuition Revenue Bond Request - Zayed Building for Personalized Cancer Care

The project will meet new and evolving medical research laboratory requirements and anticipated growth in the world's leading cancer research institution. It will house the Institute for Personalized Cancer Care which will co-locate preclinical investigation in drug development, a pharmaceutical center that can produce and test drugs according to federal standards, state of the art biostatistics and informatics and the country's largest clinical research program testing new cancer treatments. The facility will include a new Pancreatic Cancer Research Center. Three principal reasons for construction: 1) deficient state of existing research facilities which must be decommissioned, 2) consolidation of disparate functions and 3) accommodating the demands of continually changing technology and research program growth and related recruitment of outstanding scientists for the Cancer Moon Shots Program. MD Anderson seeks \$70 million in bond authority and \$6.1 million in GR each year of

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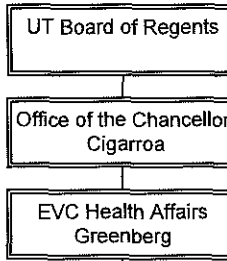
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the next biennium for debt service on the bonds.

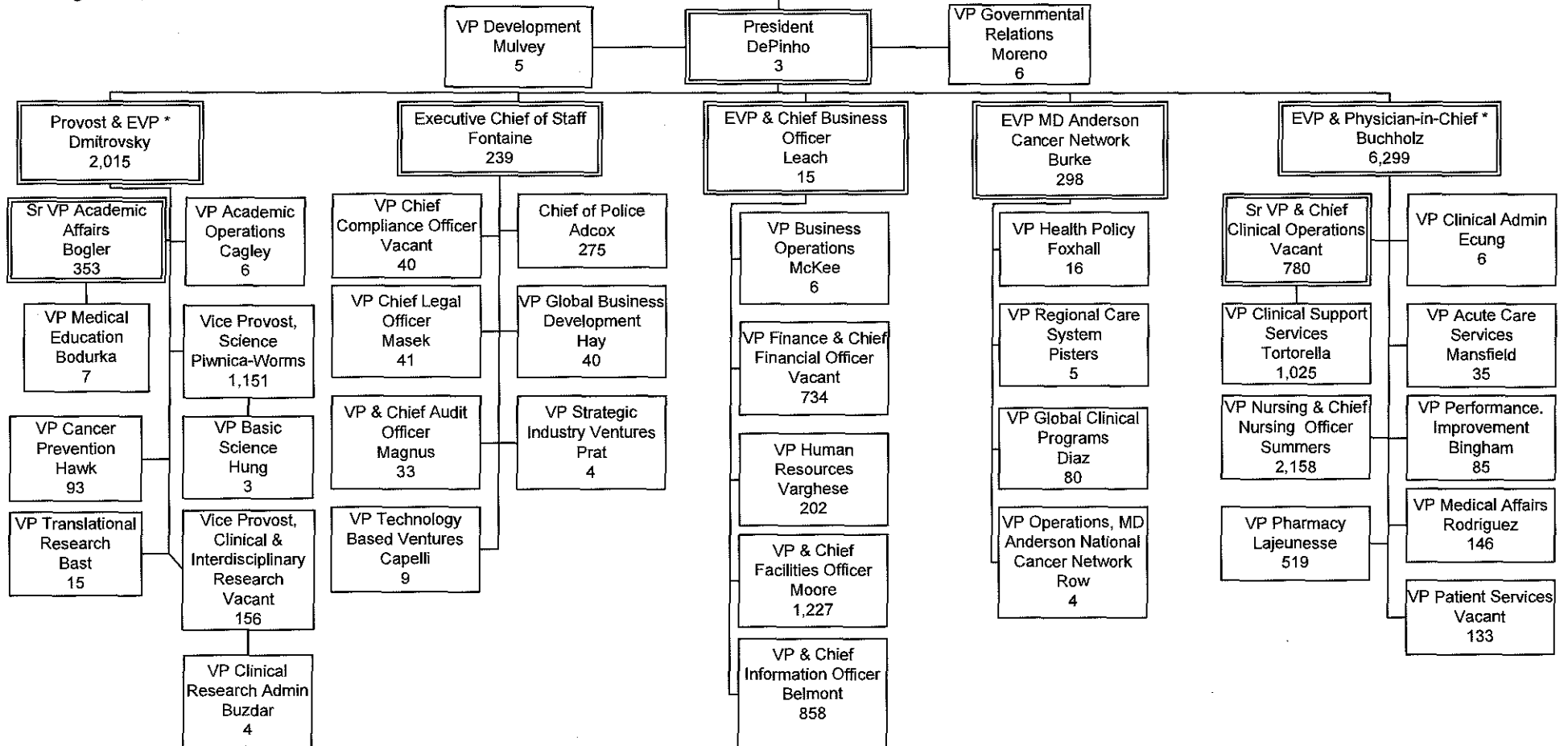
1.B. ORGANIZATIONAL CHART

The University of Texas System



Projected All Funds FTE as of August 31, 2014 is 19,129

M. D. Anderson Cancer Center



\*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 ten out of the past thirteen years in U.S. News & World Report's "America's Best Hospitals" survey.

**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 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.

**Executive Chief of Staff** reports to the President and leads the Institutional Advancement division, which includes the Children's Art Project, Communications, Corporate Alliances, Development, Marketing, Physician Relations, Public Education and Volunteer Services. He also oversees Technology-Based Ventures and Strategic Industry Ventures, as well as business development for areas such as the MD Anderson Cancer Network and Moon Shots Program external business opportunities. He also provides oversight for the institution's regulatory components, including Compliance, Legal Services, Internal Audit, Information Security and UT Police.

**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.

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

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

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

## **PATIENT CARE**

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

**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 Administration** oversees strategic clinical administrative, financial and operational activities, and directs all personnel who support the physician-in-chief's office. She is involved in budget and space planning, internal controls and compliance, and development and evaluation of policies and procedures. She also partners with the Vice President for Academic Operations to facilitate Academic Program Management.

**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 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 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.

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

## **MD ANDERSON CANCER NETWORK**

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

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

**VP 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 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 Regional Care Systems** oversees the expansion of our regional operations, the geographic extension of our clinical centers and the reach of disease-specific programs.

## **BUSINESS 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.

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

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

**VP, Finance 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.

## **INSTRUCTION AND RESEARCH**

**Provost and EVP** has primary authority for directing MD Anderson's academic and educational missions and oversight of research agendas across the institution. The responsibilities include approving recommendations on faculty appointments for the final approval of the President and the Board of Regents of the UT system; overseeing recruitment of and monitoring career development of all faculty, and overseeing the education and mentoring of trainees and students; managing and assigning research space; managing all research support services; and receiving, organizing and maintaining all information needed to support the institution's strategic agenda for research.

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

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

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

**VP for Basic Science** reports to and supports the Vice Provost, Science in the strategic planning, conduct, approval and regulation of the basic science research conducted at MD Anderson, which includes providing senior leadership in research operations, including space allocation and maintenance of databases supporting research infrastructure. The VP also plays an instrumental role in the recruitment, retention and development of basic science research faculty.

**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 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.

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

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

2.A. Summary of Base Request by Strategy

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84th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

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

Goal / Objective / STRATEGY	Exp 2013	Est 2014	Bud 2015	Req 2016	Req 2017
<b>1</b> Provide Instructional and Operations Support					
<b>1</b> <i>Instructional Programs</i>					
<b>1</b> ALLIED HEALTH PROFESSIONS TRAINING (1)	3,245,762	3,550,660	3,550,660	0	0
<b>2</b> GRADUATE MEDICAL EDUCATION (1)	575,907	665,844	665,844	0	0
<b>2</b> <i>Cancer Center Operations</i>					
<b>1</b> CANCER CENTER OPERATIONS (1)	106,225,271	123,767,972	123,767,972	0	0
<b>3</b> <i>Operations - Staff Benefits</i>					
<b>1</b> STAFF GROUP INSURANCE PREMIUMS	112,855,692	39,019	45,317	47,220	48,080
<b>2</b> WORKERS' COMPENSATION INSURANCE	40,181,435	0	0	0	0
<b>3</b> UNEMPLOYMENT INSURANCE	1,846,918	0	0	0	0
<b>4</b> <i>Operations - Statutory Funds</i>					
<b>1</b> TEXAS PUBLIC EDUCATION GRANTS	77,148	91,333	100,466	110,513	121,564
<b>TOTAL, GOAL</b> <b>1</b>	<b>\$265,008,133</b>	<b>\$128,114,828</b>	<b>\$128,130,259</b>	<b>\$157,733</b>	<b>\$169,644</b>

(1) - Formula funded strategies are not requested in 2016-17 because amounts are not determined by institutions.

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Goal / Objective / STRATEGY	Exp 2013	Est 2014	Bud 2015	Req 2016	Req 2017
<b>2</b> Provide Research Support					
<b>1</b> <i>Research Activities</i>					
<b>1</b> RESEARCH ENHANCEMENT (1)	7,534,459	9,294,727	9,294,727	0	0
<b>2</b> SCIENCE PARK OPERATIONS	12,775,338	0	0	0	0
<b>TOTAL, GOAL</b> <b>2</b>	<b>\$20,309,797</b>	<b>\$9,294,727</b>	<b>\$9,294,727</b>	<b>\$0</b>	<b>\$0</b>
<b>3</b> Provide Infrastructure Support					
<b>1</b> <i>Operations and Maintenance</i>					
<b>1</b> E&G SPACE SUPPORT (1)	247,674,888	25,947,298	25,987,132	0	0
<b>2</b> <i>Infrastructure Support</i>					
<b>1</b> TUITION REVENUE BOND RETIREMENT	5,915,150	5,914,275	5,912,800	5,910,000	5,913,750
<b>2</b> LONG-TERM CAPITAL PROGRAM	40,000,000	0	0	0	0
<b>3</b> LONG-TERM CAPITAL EQUIPMENT	35,000,000	0	0	0	0
<b>TOTAL, GOAL</b> <b>3</b>	<b>\$328,590,038</b>	<b>\$31,861,573</b>	<b>\$31,899,932</b>	<b>\$5,910,000</b>	<b>\$5,913,750</b>

(1) - Formula funded strategies are not requested in 2016-17 because amounts are not determined by institutions.

2.A. Summary of Base Request by Strategy

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Goal / Objective / STRATEGY	Exp 2013	Est 2014	Bud 2015	Req 2016	Req 2017
<b>4</b> Provide Health Care Support					
<b>1</b> Hospital Care					
<b>1</b> PATIENT CARE ACTIVITIES	2,300,276,895	0	0	0	0
<b>TOTAL, GOAL</b> <b>4</b>	<b>\$2,300,276,895</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>5</b> Provide Special Item Support					
<b>1</b> Research Special Items					
<b>1</b> RESEARCH SUPPORT	1,158,857	1,158,857	1,158,857	1,158,857	1,158,857
<b>2</b> BREAST CANCER RESEARCH PROGRAM	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000
<b>2</b> Institutional Support Special Items					
<b>1</b> INSTITUTIONAL ENHANCEMENT	491,798	491,798	491,798	491,798	491,798
<b>3</b> Exceptional Item Request					
<b>1</b> EXCEPTIONAL ITEM REQUEST	0	0	0	0	0
<b>TOTAL, GOAL</b> <b>5</b>	<b>\$3,250,655</b>	<b>\$3,250,655</b>	<b>\$3,250,655</b>	<b>\$3,250,655</b>	<b>\$3,250,655</b>



2.A. Summary of Base Request by Strategy

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Goal / Objective / STRATEGY	Exp 2013	Est 2014	Bud 2015	Req 2016	Req 2017
<u>7</u> Tobacco Funds					
<u>1</u> Tobacco Earnings for Research					
1 TOBACCO EARNINGS - UT MD ANDERSON	5,961,560	7,807,594	6,820,000	5,970,000	5,970,000
2 TOBACCO - PERMANENT HEALTH FUND	5,934,102	4,041,665	2,954,714	2,504,714	2,504,714
TOTAL, GOAL           7	<u>\$11,895,662</u>	<u>\$11,849,259</u>	<u>\$9,774,714</u>	<u>\$8,474,714</u>	<u>\$8,474,714</u>
TOTAL, AGENCY STRATEGY REQUEST	\$2,929,331,180	\$184,371,042	\$182,350,287	\$17,793,102	\$17,808,763
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST*				\$0	\$0
GRAND TOTAL, AGENCY REQUEST	<u>\$2,929,331,180</u>	<u>\$184,371,042</u>	<u>\$182,350,287</u>	<u>\$17,793,102</u>	<u>\$17,808,763</u>

2.A. Summary of Base Request by Strategy

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Goal / Objective / STRATEGY	Exp 2013	Est 2014	Bud 2015	Req 2016	Req 2017
<u>METHOD OF FINANCING:</u>					
<b>General Revenue Funds:</b>					
1 General Revenue Fund	149,172,384	171,688,168	171,679,513	9,160,655	9,164,405
SUBTOTAL	<b>\$149,172,384</b>	<b>\$171,688,168</b>	<b>\$171,679,513</b>	<b>\$9,160,655</b>	<b>\$9,164,405</b>
<b>General Revenue Dedicated Funds:</b>					
770 Est Oth Educ & Gen Inco	21,300,354	833,615	896,060	157,733	169,644
SUBTOTAL	<b>\$21,300,354</b>	<b>\$833,615</b>	<b>\$896,060</b>	<b>\$157,733</b>	<b>\$169,644</b>
<b>Other Funds:</b>					
810 Permanent Health Fund Higher Ed	5,934,102	4,041,665	2,954,714	2,504,714	2,504,714
812 Permanent Endowment FD UTMD AND	5,961,560	7,807,594	6,820,000	5,970,000	5,970,000
8040 HRI Patient Income	2,746,962,780	0	0	0	0
SUBTOTAL	<b>\$2,758,858,442</b>	<b>\$11,849,259</b>	<b>\$9,774,714</b>	<b>\$8,474,714</b>	<b>\$8,474,714</b>
<b>TOTAL, METHOD OF FINANCING</b>	<b>\$2,929,331,180</b>	<b>\$184,371,042</b>	<b>\$182,350,287</b>	<b>\$17,793,102</b>	<b>\$17,808,763</b>

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

**2.B. Summary of Base Request by Method of Finance**  
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Agency code: **506** Agency name: **The University of Texas M.D. Anderson Cancer Center**

METHOD OF FINANCING	Exp 2013	Est 2014	Bud 2015	Req 2016	Req 2017
<b><u>GENERAL REVENUE</u></b>					
<b><u>1</u> General Revenue Fund</b>					
<i>REGULAR APPROPRIATIONS</i>					
Regular Appropriations from MOF Table (2012-13 GAA)	\$140,480,437	\$0	\$0	\$0	\$0
Regular Appropriations from MOF Table (2014-15 GAA)	\$0	\$171,688,168	\$171,679,513	\$9,160,655	\$9,164,405
<i>UNEXPENDED BALANCES AUTHORITY</i>					
HB 4, 82nd Leg, Regular Session, Sec 1(a) General Revenue.	\$8,691,947	\$0	\$0	\$0	\$0
<b>TOTAL, General Revenue Fund</b>	<b>\$149,172,384</b>	<b>\$171,688,168</b>	<b>\$171,679,513</b>	<b>\$9,160,655</b>	<b>\$9,164,405</b>
<b>TOTAL, ALL GENERAL REVENUE</b>	<b>\$149,172,384</b>	<b>\$171,688,168</b>	<b>\$171,679,513</b>	<b>\$9,160,655</b>	<b>\$9,164,405</b>

**GENERAL REVENUE FUND - DEDICATED**

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

*REGULAR APPROPRIATIONS*

Regular Appropriations from MOF Table (2012-13 GAA)

2.B. Summary of Base Request by Method of Finance  
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Agency code: 506 Agency name: The University of Texas M.D. Anderson Cancer Center

METHOD OF FINANCING Exp 2013 Est 2014 Bud 2015 Req 2016 Req 2017

**GENERAL REVENUE FUND - DEDICATED**

\$29,022,141 \$0 \$0 \$0 \$0

Regular Appropriations from MOF Table (2014-15 GAA)

\$0 \$813,695 \$813,696 \$157,733 \$169,644

*UNEXPENDED BALANCES AUTHORITY*

Art III,Special Provisions,Section 2, Local Funds Appropriated for the UB Authority

\$0 \$0 \$0 \$0 \$0

Art III,Special Provisions,Section 2, Local Funds Appropriated for the UB Authority

\$0 \$0 \$0 \$0 \$0

*BASE ADJUSTMENT*

Revised Receipts

\$(7,721,787) \$19,920 \$82,364 \$0 \$0

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

**\$21,300,354 \$833,615 \$896,060 \$157,733 \$169,644**

**TOTAL GENERAL REVENUE FUND - DEDICATED - 704, 708 & 770**

**\$21,300,354 \$833,615 \$896,060 \$157,733 \$169,644**

2.B. Summary of Base Request by Method of Finance  
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Agency code: **506** Agency name: **The University of Texas M.D. Anderson Cancer Center**

METHOD OF FINANCING	Exp 2013	Est 2014	Bud 2015	Req 2016	Req 2017
<b>TOTAL, ALL GENERAL REVENUE FUND - DEDICATED</b>	<b>\$21,300,354</b>	<b>\$833,615</b>	<b>\$896,060</b>	<b>\$157,733</b>	<b>\$169,644</b>
<b>TOTAL, GR &amp; GR-DEDICATED FUNDS</b>	<b>\$170,472,738</b>	<b>\$172,521,783</b>	<b>\$172,575,573</b>	<b>\$9,318,388</b>	<b>\$9,334,049</b>

**OTHER FUNDS**

**810** Permanent Health Fund for Higher Education

*REGULAR APPROPRIATIONS*

Regular Appropriations from MOF Table (2012-13 GAA)

\$2,541,044 \$0 \$0 \$0 \$0

Regular Appropriations from MOF Table (2014-15 GAA)

\$0 \$2,615,937 \$2,615,937 \$2,504,714 \$2,504,714

*UNEXPENDED BALANCES AUTHORITY*

Rider 5, Estimated Appropriation and UB

\$5,355,462 \$2,037,297 \$450,000 \$0 \$0

Rider 5, Estimated Appropriation and UB

\$(2,037,297) \$(450,000) \$0 \$0 \$0

*BASE ADJUSTMENT*

2.B. Summary of Base Request by Method of Finance  
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 Automated Budget and Evaluation System of Texas (ABEST)

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Agency code: 506		Agency name: The University of Texas M.D. Anderson Cancer Center				
METHOD OF FINANCING		Exp 2013	Est 2014	Bud 2015	Req 2016	Req 2017
<b><u>OTHER FUNDS</u></b>						
	Revised Receipts	\$74,893	\$0	\$0	\$0	\$0
	Revised Receipts	\$0	\$(161,569)	\$(111,223)	\$0	\$0
<b>TOTAL,</b>	<b>Permanent Health Fund for Higher Education</b>	<b>\$5,934,102</b>	<b>\$4,041,665</b>	<b>\$2,954,714</b>	<b>\$2,504,714</b>	<b>\$2,504,714</b>
<b>812</b>	<b>Permanent Endowment Fund, UT MD Anderson Cancer Center</b>					
	<i>REGULAR APPROPRIATIONS</i>					
	Regular Appropriations from MOF Table (2012-13 GAA)	\$5,950,000	\$0	\$0	\$0	\$0
	Regular Appropriations from MOF Table (2014-15 GAA)	\$0	\$5,730,000	\$5,730,000	\$5,970,000	\$5,970,000
	<i>UNEXPENDED BALANCES AUTHORITY</i>					
	Rider 5, Estimated Appropriation and UB	\$3,039,154	\$2,807,594	\$850,000	\$0	\$0

2.B. Summary of Base Request by Method of Finance  
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Agency code: **506** Agency name: **The University of Texas M.D. Anderson Cancer Center**

METHOD OF FINANCING	Exp 2013	Est 2014	Bud 2015	Req 2016	Req 2017
<b><u>OTHER FUNDS</u></b>					
Rider 5, Estimated Appropriation and UB	\$(2,807,594)	\$(850,000)	\$0	\$0	\$0
<i>BASE ADJUSTMENT</i>					
Revised Receipts	\$(220,000)	\$0	\$0	\$0	\$0
Revised Receipts	\$0	\$120,000	\$240,000	\$0	\$0
<b>TOTAL, Permanent Endowment Fund, UT MD Anderson Cancer Center</b>	<b>\$5,961,560</b>	<b>\$7,807,594</b>	<b>\$6,820,000</b>	<b>\$5,970,000</b>	<b>\$5,970,000</b>
<b><u>8040 Health-Related Institutions Patient Income</u></b>					
<i>REGULAR APPROPRIATIONS</i>					
Regular Appropriations from MOF Table (2012-13 GAA)	\$2,383,662,560	\$0	\$0	\$0	\$0
<i>UNEXPENDED BALANCES AUTHORITY</i>					
Article III, Special Provisions, Section 2, Local Funds Appropriated for the UB Authority	\$87,693,540	\$0	\$0	\$0	\$0
<i>BASE ADJUSTMENT</i>					

2.B. Summary of Base Request by Method of Finance  
 84th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

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

METHOD OF FINANCING	Exp 2013	Est 2014	Bud 2015	Req 2016	Req 2017
<b><u>OTHER FUNDS</u></b>					
Revised Receipts	\$275,606,680	\$0	\$0	\$0	\$0
<b>TOTAL, Health-Related Institutions Patient Income</b>	<b>\$2,746,962,780</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL, ALL OTHER FUNDS</b>	<b>\$2,758,858,442</b>	<b>\$11,849,259</b>	<b>\$9,774,714</b>	<b>\$8,474,714</b>	<b>\$8,474,714</b>
<b>GRAND TOTAL</b>	<b>\$2,929,331,180</b>	<b>\$184,371,042</b>	<b>\$182,350,287</b>	<b>\$17,793,102</b>	<b>\$17,808,763</b>

**FULL-TIME-EQUIVALENT POSITIONS**

REGULAR APPROPRIATIONS

Regular Appropriations from MOF Table (2012-13 GAA) 12,565.1 0.0 0.0 0.0 0.0

Regular Appropriations from MOF Table (2014-15 GAA) 0.0 747.7 747.7 747.7 747.7

UNAUTHORIZED NUMBER OVER (BELOW) CAP

Art IX, Sec 6.10(a), FTE Request to Exceed (2012-13 GAA) 1,208.0 0.0 0.0 0.0 0.0

**TOTAL, ADJUSTED FTES 13,773.1 747.7 747.7 747.7 747.7**



**2.B. Summary of Base Request by Method of Finance**  
84th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

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Agency code: **506**

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

**METHOD OF FINANCING**

**Exp 2013**

**Est 2014**

**Bud 2015**

**Req 2016**

**Req 2017**

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**NUMBER OF 100% FEDERALLY  
FUNDED FTEs**

2.C. Summary of Base Request by Object of Expense  
 84th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

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

OBJECT OF EXPENSE	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
1001 SALARIES AND WAGES	\$932,915,391	\$74,176,303	\$73,679,987	\$5,659,584	\$5,622,828
1002 OTHER PERSONNEL COSTS	\$501,497,190	\$10,717,125	\$10,639,835	\$601,914	\$602,774
1005 FACULTY SALARIES	\$176,742,673	\$86,185,081	\$85,944,334	\$2,542,482	\$2,579,238
2001 PROFESSIONAL FEES AND SERVICES	\$143,928,498	\$83,302	\$45,570	\$38,249	\$38,249
2003 CONSUMABLE SUPPLIES	\$419,411,494	\$59,079	\$35,331	\$29,655	\$29,655
2004 UTILITIES	\$53,988,025	\$2,558	\$1,842	\$1,546	\$1,546
2005 TRAVEL	\$3,213,412	\$11,360	\$8,309	\$7,001	\$7,001
2006 RENT - BUILDING	\$41,252,734	\$0	\$0	\$0	\$0
2007 RENT - MACHINE AND OTHER	\$1,332	\$873	\$629	\$528	\$528
2008 DEBT SERVICE	\$5,915,150	\$5,914,275	\$5,912,800	\$5,910,000	\$5,913,750
2009 OTHER OPERATING EXPENSE	\$496,129,869	\$4,238,288	\$3,914,330	\$1,003,359	\$1,003,359
4000 GRANTS	\$77,148	\$91,333	\$100,466	\$110,513	\$121,564
5000 CAPITAL EXPENDITURES	\$154,258,264	\$2,891,465	\$2,066,854	\$1,888,271	\$1,888,271
<b>OOE Total (Excluding Riders)</b>	<b>\$2,929,331,180</b>	<b>\$184,371,042</b>	<b>\$182,350,287</b>	<b>\$17,793,102</b>	<b>\$17,808,763</b>
<b>OOE Total (Riders)</b>					
<b>Grand Total</b>	<b>\$2,929,331,180</b>	<b>\$184,371,042</b>	<b>\$182,350,287</b>	<b>\$17,793,102</b>	<b>\$17,808,763</b>

**2.D. Summary of Base Request Objective Outcomes**  
 84th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation system of Texas (ABEST)

10/13/2014 1:26:40PM

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

<i>Goal/ Objective / Outcome</i>	<b>Exp 2013</b>	<b>Est 2014</b>	<b>Bud 2015</b>	<b>BL 2016</b>	<b>BL 2017</b>
<b>1 Provide Instructional and Operations Support</b>					
<i>1 Instructional Programs</i>					
<b>KEY 14 Percent Allied Health Grads Passing Certif/Licensure Exam First Try</b>	92.00%	94.00%	94.00%	95.00%	95.00%
<b>KEY 15 Percent Allied Health Graduates Licensed or Certified in Texas</b>	84.00%	83.00%	83.00%	85.00%	85.00%
<i>2 Cancer Center Operations</i>					
<b>KEY 1 Percent of Medical Residency Completers Practicing in Texas</b>	49.10%	43.20%	40.00%	42.00%	45.00%
<b>KEY 2 Total Uncompensated Care Provided by Faculty</b>	67,465,106.00	66,666,187.00	77,240,800.00	66,881,955.00	67,860,896.00
<b>3 Total Net Patient Revenue by Faculty</b>	380,116,352.00	389,991,483.00	419,300,000.00	430,411,450.00	452,362,434.00
<b>KEY 4 Administrative (Instfit Support) Cost As % of Total Expenditures</b>	7.56%	7.51%	7.50%	7.40%	7.40%
<b>KEY 5 Total Uncompensated Care Provided in State-owned Facilities</b>	164,279,970.00	130,077,190.00	188,084,137.00	169,421,746.00	169,482,670.00
<b>6 Total Net Patient Revenue in State-owned Facilities</b>	2,798,748,658.00	2,945,692,117.00	3,200,400,000.00	3,333,216,600.00	3,553,208,896.00
<b>7 State General Revenue Support for Uncomp. Care as a % of Uncomp. Care</b>	0.00	0.00	0.00	0.00	0.00

**2.D. Summary of Base Request Objective Outcomes**  
 84th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation system of Texas (ABEST)

10/13/2014 1:26:40PM

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

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Goal/ Objective / Outcome	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
2 Provide Research Support					
1 Research Activities					
<b>KEY</b> 1 Total External Research Expenditures	373,522,114.00	411,895,776.00	413,955,255.00	418,094,808.00	422,275,756.00
2 External Research Expends As % of Total State Appropriations	15.30%	16.03%	15.14%	14.30%	13.46%
3 External Research Expends As % of State Appropriations for Research	3,463.31%	3,283.25%	3,299.66%	3,332.66%	3,365.99%

**2.E. Summary of Exceptional Items Request**  
 84th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/13/2014  
 TIME : 1:26:40PM

Agency code: 506

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

Priority	Item	2016			2017			Biennium	
		GR and GR/Dedicated	All Funds	FTEs	GR and GR/Dedicated	All Funds	FTEs	GR and GR/Dedicated	All Funds
1	Childhood Cancer Genome Project	\$1,000,000	\$1,000,000	5.0	\$1,000,000	\$1,000,000	5.0	\$2,000,000	\$2,000,000
2	Umbilical Cord Blood Bank Research	\$1,000,000	\$1,000,000	5.0	\$1,000,000	\$1,000,000	5.0	\$2,000,000	\$2,000,000
3	Breast Cancer Research Program	\$1,400,000	\$1,400,000		\$1,400,000	\$1,400,000		\$2,800,000	\$2,800,000
4	TRB Support for Zayed Research Bldg	\$6,105,000	\$6,105,000		\$6,105,000	\$6,105,000		\$12,210,000	\$12,210,000
<b>Total, Exceptional Items Request</b>		<b>\$9,505,000</b>	<b>\$9,505,000</b>	<b>10.0</b>	<b>\$9,505,000</b>	<b>\$9,505,000</b>	<b>10.0</b>	<b>\$19,010,000</b>	<b>\$19,010,000</b>

**Method of Financing**

General Revenue	\$9,505,000	\$9,505,000		\$9,505,000	\$9,505,000		\$19,010,000	\$19,010,000
General Revenue - Dedicated								
Federal Funds								
Other Funds								
	<b>\$9,505,000</b>	<b>\$9,505,000</b>		<b>\$9,505,000</b>	<b>\$9,505,000</b>		<b>\$19,010,000</b>	<b>\$19,010,000</b>

**Full Time Equivalent Positions**

10.0

10.0

**Number of 100% Federally Funded FTEs**

**2.F. Summary of Total Request by Strategy**  
 84th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

DATE : 10/13/2014  
 TIME : 1:26:40PM

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

<i>Goal/Objective/STRATEGY</i>	Base 2016	Base 2017	Exceptional 2016	Exceptional 2017	Total Request 2016	Total Request 2017
<b>1</b> Provide Instructional and Operations Support						
<i>1 Instructional Programs</i>						
<b>1</b> ALLIED HEALTH PROFESSIONS TRAINING	\$0	\$0	\$0	\$0	\$0	\$0
<b>2</b> GRADUATE MEDICAL EDUCATION	0	0	0	0	0	0
<i>2 Cancer Center Operations</i>						
<b>1</b> CANCER CENTER OPERATIONS	0	0	0	0	0	0
<i>3 Operations - Staff Benefits</i>						
<b>1</b> STAFF GROUP INSURANCE PREMIUMS	47,220	48,080	0	0	47,220	48,080
<b>2</b> WORKERS' COMPENSATION INSURANCE	0	0	0	0	0	0
<b>3</b> UNEMPLOYMENT INSURANCE	0	0	0	0	0	0
<i>4 Operations - Statutory Funds</i>						
<b>1</b> TEXAS PUBLIC EDUCATION GRANTS	110,513	121,564	0	0	110,513	121,564
<b>TOTAL, GOAL 1</b>	<b>\$157,733</b>	<b>\$169,644</b>	<b>\$0</b>	<b>\$0</b>	<b>\$157,733</b>	<b>\$169,644</b>
<b>2</b> Provide Research Support						
<i>1 Research Activities</i>						
<b>1</b> RESEARCH ENHANCEMENT	0	0	0	0	0	0
<b>2</b> SCIENCE PARK OPERATIONS	0	0	0	0	0	0
<b>TOTAL, GOAL 2</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**2.F. Summary of Total Request by Strategy**  
 84th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

DATE : 10/13/2014  
 TIME : 1:26:40PM

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

<u>Goal/Objective/STRATEGY</u>	<u>Base 2016</u>	<u>Base 2017</u>	<u>Exceptional 2016</u>	<u>Exceptional 2017</u>	<u>Total Request 2016</u>	<u>Total Request 2017</u>
<b>3 Provide Infrastructure Support</b>						
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	5,910,000	5,913,750	6,105,000	6,105,000	12,015,000	12,018,750
2 LONG-TERM CAPITAL PROGRAM	0	0	0	0	0	0
3 LONG-TERM CAPITAL EQUIPMENT	0	0	0	0	0	0
<b>TOTAL, GOAL 3</b>	<b>\$5,910,000</b>	<b>\$5,913,750</b>	<b>\$6,105,000</b>	<b>\$6,105,000</b>	<b>\$12,015,000</b>	<b>\$12,018,750</b>
<b>4 Provide Health Care Support</b>						
1 <i>Hospital Care</i>						
1 PATIENT CARE ACTIVITIES	0	0	0	0	0	0
<b>TOTAL, GOAL 4</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>5 Provide Special Item Support</b>						
1 <i>Research Special Items</i>						
1 RESEARCH SUPPORT	1,158,857	1,158,857	0	0	1,158,857	1,158,857
2 BREAST CANCER RESEARCH PROGRAM	1,600,000	1,600,000	1,400,000	1,400,000	3,000,000	3,000,000
2 <i>Institutional Support Special Items</i>						
1 INSTITUTIONAL ENHANCEMENT	491,798	491,798	0	0	491,798	491,798
3 <i>Exceptional Item Request</i>						
1 EXCEPTIONAL ITEM REQUEST	0	0	2,000,000	2,000,000	2,000,000	2,000,000
<b>TOTAL, GOAL 5</b>	<b>\$3,250,655</b>	<b>\$3,250,655</b>	<b>\$3,400,000</b>	<b>\$3,400,000</b>	<b>\$6,650,655</b>	<b>\$6,650,655</b>

**2.F. Summary of Total Request by Strategy**  
 84th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

DATE : 10/13/2014  
 TIME : 1:26:40PM

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

<i>Goal/Objective/STRATEGY</i>	<b>Base 2016</b>	<b>Base 2017</b>	<b>Exceptional 2016</b>	<b>Exceptional 2017</b>	<b>Total Request 2016</b>	<b>Total Request 2017</b>
7 Tobacco Funds						
1 Tobacco Earnings for Research						
1 TOBACCO EARNINGS - UT MD ANDERSON	\$5,970,000	\$5,970,000	\$0	\$0	\$5,970,000	\$5,970,000
2 TOBACCO - PERMANENT HEALTH FUND	2,504,714	2,504,714	0	0	2,504,714	2,504,714
<b>TOTAL, GOAL 7</b>	<b>\$8,474,714</b>	<b>\$8,474,714</b>	<b>\$0</b>	<b>\$0</b>	<b>\$8,474,714</b>	<b>\$8,474,714</b>
<b>TOTAL, AGENCY STRATEGY REQUEST</b>	<b>\$17,793,102</b>	<b>\$17,808,763</b>	<b>\$9,505,000</b>	<b>\$9,505,000</b>	<b>\$27,298,102</b>	<b>\$27,313,763</b>
<b>TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST</b>						
<b>GRAND TOTAL, AGENCY REQUEST</b>	<b>\$17,793,102</b>	<b>\$17,808,763</b>	<b>\$9,505,000</b>	<b>\$9,505,000</b>	<b>\$27,298,102</b>	<b>\$27,313,763</b>



**2.F. Summary of Total Request by Strategy**  
 84th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

DATE : 10/13/2014  
 TIME : 1:26:40PM

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

<b>Goal/Objective/STRATEGY</b>	<b>Base 2016</b>	<b>Base 2017</b>	<b>Exceptional 2016</b>	<b>Exceptional 2017</b>	<b>Total Request 2016</b>	<b>Total Request 2017</b>
<b>General Revenue Funds:</b>						
1 General Revenue Fund	\$9,160,655	\$9,164,405	\$9,505,000	\$9,505,000	\$18,665,655	\$18,669,405
	<b>\$9,160,655</b>	<b>\$9,164,405</b>	<b>\$9,505,000</b>	<b>\$9,505,000</b>	<b>\$18,665,655</b>	<b>\$18,669,405</b>
<b>General Revenue Dedicated Funds:</b>						
770 Est Oth Educ & Gen Inco	157,733	169,644	0	0	157,733	169,644
	<b>\$157,733</b>	<b>\$169,644</b>	<b>\$0</b>	<b>\$0</b>	<b>\$157,733</b>	<b>\$169,644</b>
<b>Other Funds:</b>						
810 Permanent Health Fund Higher Ed	2,504,714	2,504,714	0	0	2,504,714	2,504,714
812 Permanent Endowment FD UTMD AND	5,970,000	5,970,000	0	0	5,970,000	5,970,000
8040 HRI Patient Income	0	0	0	0	0	0
	<b>\$8,474,714</b>	<b>\$8,474,714</b>	<b>\$0</b>	<b>\$0</b>	<b>\$8,474,714</b>	<b>\$8,474,714</b>
<b>TOTAL, METHOD OF FINANCING</b>	<b>\$17,793,102</b>	<b>\$17,808,763</b>	<b>\$9,505,000</b>	<b>\$9,505,000</b>	<b>\$27,298,102</b>	<b>\$27,313,763</b>
<b>FULL TIME EQUIVALENT POSITIONS</b>	<b>747.7</b>	<b>747.7</b>	<b>10.0</b>	<b>10.0</b>	<b>757.7</b>	<b>757.7</b>

**2.G. Summary of Total Request Objective Outcomes**  
 84th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation system of Texas (ABEST)

Date : 10/13/2014  
 Time: 1:26:40PM

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

Goal/ Objective / Outcome

	BL 2016	BL 2017	Excp 2016	Excp 2017	Total Request 2016	Total Request 2017
1 Provide Instructional and Operations Support						
1 <i>Instructional Programs</i>						
<b>KEY 14 Percent Allied Health Grads Passing Certif/Licensure Exam First Try</b>	95.00%	95.00%			95.00%	95.00%
<b>KEY 15 Percent Allied Health Graduates Licensed or Certified in Texas</b>	85.00%	85.00%			85.00%	85.00%
2 <i>Cancer Center Operations</i>						
<b>KEY 1 Percent of Medical Residency Completers Practicing in Texas</b>	42.00%	45.00%			42.00%	45.00%
<b>KEY 2 Total Uncompensated Care Provided by Faculty</b>	66,881,955.00	67,860,896.00			66,881,955.00	67,860,896.00
<b>3 Total Net Patient Revenue by Faculty</b>	430,411,450.00	452,362,434.00			430,411,450.00	452,362,434.00
<b>KEY 4 Administrative (Insttit Support) Cost As % of Total Expenditures</b>	7.40%	7.40%			7.40%	7.40%
<b>KEY 5 Total Uncompensated Care Provided in State-owned Facilities</b>	169,421,746.00	169,482,670.00			169,421,746.00	169,482,670.00
<b>6 Total Net Patient Revenue in State-owned Facilities</b>	3,333,216,600.00	3,553,208,896.00			3,333,216,600.00	3,553,208,896.00

**2.G. Summary of Total Request Objective Outcomes**  
 84th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation system of Texas (ABEST)

Date : 10/13/2014  
 Time: 1:26:40PM

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

Goal/ Objective / Outcome

	BL 2016	BL 2017	Excp 2016	Excp 2017	Total Request 2016	Total Request 2017
<b>7 State General Revenue Support for Uncomp. Care as a % of Uncomp. Care</b>						
	0.00	0.00			0.00	0.00
2 Provide Research Support						
1 <i>Research Activities</i>						
<b>KEY 1 Total External Research Expenditures</b>						
	418,094,808.00	422,275,756.00			418,094,808.00	422,275,756.00
<b>2 External Research Expends As % of Total State Appropriations</b>						
	14.30%	13.46%			14.30%	13.46%
<b>3 External Research Expends As % of State Appropriations for Research</b>						
	3,332.66%	3,365.99%			3,332.66%	3,365.99%

**3.A. Strategy Request**  
 84th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

10/13/2014 1:26:41PM

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

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

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	(1) BL 2016	(1) BL 2017
<b>Explanatory/Input Measures:</b>						
KEY 1	Minority Admissions As % of Total First-Year Admissions (All Schools)	32.00 %	30.00 %	30.00 %	30.00 %	30.00 %
<b>Objects of Expense:</b>						
1002	OTHER PERSONNEL COSTS	\$230,774	\$261,319	\$269,552	\$0	\$0
1005	FACULTY SALARIES	\$2,547,280	\$3,208,571	\$3,199,472	\$0	\$0
2009	OTHER OPERATING EXPENSE	\$467,708	\$80,770	\$81,636	\$0	\$0
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$3,245,762</b>	<b>\$3,550,660</b>	<b>\$3,550,660</b>	<b>\$0</b>	<b>\$0</b>
<b>Method of Financing:</b>						
1	General Revenue Fund	\$2,778,054	\$3,469,890	\$3,469,024	\$0	\$0
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS)</b>		<b>\$2,778,054</b>	<b>\$3,469,890</b>	<b>\$3,469,024</b>	<b>\$0</b>	<b>\$0</b>
<b>Method of Financing:</b>						
770	Est Oth Educ & Gen Inco	\$467,708	\$80,770	\$81,636	\$0	\$0
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)</b>		<b>\$467,708</b>	<b>\$80,770</b>	<b>\$81,636</b>	<b>\$0</b>	<b>\$0</b>

(1) - Formula funded strategies are not requested in 2016-17 because amounts are not determined by institutions.

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

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

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016 <sup>(1)</sup>	BL 2017 <sup>(1)</sup>
<b>TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)</b>					\$0	\$0
<b>TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)</b>		\$3,245,762	\$3,550,660	\$3,550,660	\$0	\$0
<b>FULL TIME EQUIVALENT POSITIONS:</b>		9.2	11.1	10.7	10.9	10.8

**STRATEGY DESCRIPTION AND JUSTIFICATION:**

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

**EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:**

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

(1) - Formula funded strategies are not requested in 2016-17 because amounts are not determined by institutions.

**3.A. Strategy Request**  
 84th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

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

GOAL: 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 2013	Est 2014	Bud 2015	BL 2016 <sup>(1)</sup>	BL 2017 <sup>(1)</sup>
<b>Output Measures:</b>						
KEY 1	Total Number of MD or DO Residents	168.00	162.00	167.00	172.00	175.00
<b>Explanatory/Input Measures:</b>						
KEY 1	Minority MD or DO Residents as a Percent of Total MD or DO Residents	10.12 %	3.70 %	10.00 %	10.00 %	10.00 %
<b>Objects of Expense:</b>						
1005	FACULTY SALARIES	\$575,907	\$665,844	\$665,844	\$0	\$0
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$575,907</b>	<b>\$665,844</b>	<b>\$665,844</b>	<b>\$0</b>	<b>\$0</b>
<b>Method of Financing:</b>						
1	General Revenue Fund	\$575,907	\$665,844	\$665,844	\$0	\$0
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS)</b>		<b>\$575,907</b>	<b>\$665,844</b>	<b>\$665,844</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)</b>					<b>\$0</b>	<b>\$0</b>
<b>TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)</b>					<b>\$0</b>	<b>\$0</b>
<b>FULL TIME EQUIVALENT POSITIONS:</b>		<b>2.1</b>	<b>2.3</b>	<b>2.2</b>	<b>2.0</b>	<b>2.0</b>

(1) - Formula funded strategies are not requested in 2016-17 because amounts are not determined by institutions.



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

GOAL: 1 Provide Instructional and Operations Support Statewide Goal/Benchmark: 2 0  
 OBJECTIVE: 2 Cancer Center Operations Service Categories:  
 STRATEGY: 1 Cancer Center Operations Service: 22 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016 <sup>(1)</sup>	BL 2017 <sup>(1)</sup>
<b>Output Measures:</b>						
KEY 1	Total Number of Outpatient Visits	1,338,706.00	1,365,554.00	1,436,445.00	1,465,174.00	1,531,107.00
KEY 2	Total Number of Inpatient Days	207,555.00	108,424.00	213,218.00	213,218.00	218,548.00
<b>Efficiency Measures:</b>						
1	Net Revenue As a Percent of Gross Revenues	52.49	52.18	51.95	52.28	51.84
2	Net Revenue Per Equivalent Patient Day	4,280.80	4,336.24	4,421.19	4,750.82	4,874.64
3	Operating Expenses Per Equivalent Patient Day	3,735.14	3,742.43	3,776.05	4,168.61	4,305.35
4	Personnel Expenses As a Percent of Operating Expenses	58.15	57.49	58.08	58.62	58.73
<b>Objects of Expense:</b>						
1001	SALARIES AND WAGES	\$39,317,666	\$45,805,081	\$45,805,081	\$0	\$0
1002	OTHER PERSONNEL COSTS	\$2,359,424	\$2,764,260	\$2,764,260	\$0	\$0
1005	FACULTY SALARIES	\$64,548,181	\$75,198,631	\$75,198,631	\$0	\$0
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$106,225,271</b>	<b>\$123,767,972</b>	<b>\$123,767,972</b>	<b>\$0</b>	<b>\$0</b>
<b>Method of Financing:</b>						
1	General Revenue Fund	\$106,225,271	\$123,767,972	\$123,767,972	\$0	\$0
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS)</b>		<b>\$106,225,271</b>	<b>\$123,767,972</b>	<b>\$123,767,972</b>	<b>\$0</b>	<b>\$0</b>

(1) - Formula funded strategies are not requested in 2016-17 because amounts are not determined by institutions.



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

GOAL: 1 Provide Instructional and Operations Support Statewide Goal/Benchmark: 2 0  
 OBJECTIVE: 2 Cancer Center Operations Service Categories:  
 STRATEGY: 1 Cancer Center Operations Service: 22 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016 <sup>(1)</sup>	BL 2017 <sup>(1)</sup>
<b>TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)</b>					\$0	\$0
<b>TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)</b>		\$106,225,271	\$123,767,972	\$123,767,972	\$0	\$0
<b>FULL TIME EQUIVALENT POSITIONS:</b>		786.4	536.9	559.0	559.4	561.4

**STRATEGY DESCRIPTION AND JUSTIFICATION:**

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

**EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:**

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

(1) - Formula funded strategies are not requested in 2016-17 because amounts are not determined by institutions.

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

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

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
<b>Objects of Expense:</b>						
1002	OTHER PERSONNEL COSTS	\$112,855,692	\$39,019	\$45,317	\$47,220	\$48,080
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$112,855,692</b>	<b>\$39,019</b>	<b>\$45,317</b>	<b>\$47,220</b>	<b>\$48,080</b>
<b>Method of Financing:</b>						
770	Est Oth Educ & Gen Inco	\$896,792	\$39,019	\$45,317	\$47,220	\$48,080
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)</b>		<b>\$896,792</b>	<b>\$39,019</b>	<b>\$45,317</b>	<b>\$47,220</b>	<b>\$48,080</b>
<b>Method of Financing:</b>						
8040	HRI Patient Income	\$111,958,900	\$0	\$0	\$0	\$0
<b>SUBTOTAL, MOF (OTHER FUNDS)</b>		<b>\$111,958,900</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)</b>					<b>\$47,220</b>	<b>\$48,080</b>
<b>TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)</b>		<b>\$112,855,692</b>	<b>\$39,019</b>	<b>\$45,317</b>	<b>\$47,220</b>	<b>\$48,080</b>

**FULL TIME EQUIVALENT POSITIONS:**

**STRATEGY DESCRIPTION AND JUSTIFICATION:**

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



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

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
<b>Objects of Expense:</b>						
1002	OTHER PERSONNEL COSTS	\$40,181,435	\$0	\$0	\$0	\$0
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$40,181,435</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Method of Financing:</b>						
8040	HRI Patient Income	\$40,181,435	\$0	\$0	\$0	\$0
<b>SUBTOTAL, MOF (OTHER FUNDS)</b>		<b>\$40,181,435</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)</b>					<b>\$0</b>	<b>\$0</b>
<b>TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)</b>		<b>\$40,181,435</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**FULL TIME EQUIVALENT POSITIONS:**

**STRATEGY DESCRIPTION AND JUSTIFICATION:**

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

**EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:**

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

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

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

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
<b>Objects of Expense:</b>						
1002	OTHER PERSONNEL COSTS	\$1,846,918	\$0	\$0	\$0	\$0
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$1,846,918</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Method of Financing:</b>						
770	Est Oth Educ & Gen Inco	\$0	\$0	\$0	\$0	\$0
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Method of Financing:</b>						
8040	HRI Patient Income	\$1,846,918	\$0	\$0	\$0	\$0
<b>SUBTOTAL, MOF (OTHER FUNDS)</b>		<b>\$1,846,918</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)</b>					<b>\$0</b>	<b>\$0</b>
<b>TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)</b>		<b>\$1,846,918</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**FULL TIME EQUIVALENT POSITIONS:**

**STRATEGY DESCRIPTION AND JUSTIFICATION:**

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



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

GOAL: 1 Provide Instructional and Operations Support Statewide Goal/Benchmark: 2 0  
 OBJECTIVE: 4 Operations - Statutory Funds Service Categories:  
 STRATEGY: 1 Texas Public Education Grants Service: 20 Income: A.1 Age: B.3

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
<b>Objects of Expense:</b>						
4000	GRANTS	\$77,148	\$91,333	\$100,466	\$110,513	\$121,564
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$77,148</b>	<b>\$91,333</b>	<b>\$100,466</b>	<b>\$110,513</b>	<b>\$121,564</b>
<b>Method of Financing:</b>						
770	Est Oth Educ & Gen Inco	\$77,148	\$91,333	\$100,466	\$110,513	\$121,564
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)</b>		<b>\$77,148</b>	<b>\$91,333</b>	<b>\$100,466</b>	<b>\$110,513</b>	<b>\$121,564</b>
<b>TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)</b>					<b>\$110,513</b>	<b>\$121,564</b>
<b>TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)</b>		<b>\$77,148</b>	<b>\$91,333</b>	<b>\$100,466</b>	<b>\$110,513</b>	<b>\$121,564</b>

**FULL TIME EQUIVALENT POSITIONS:**

**STRATEGY DESCRIPTION AND JUSTIFICATION:**

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

**EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:**

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

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

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
<b>Objects of Expense:</b>						
1001	SALARIES AND WAGES	\$2,106,245	\$2,590,681	\$2,590,681	\$0	\$0
1002	OTHER PERSONNEL COSTS	\$588,644	\$724,032	\$724,032	\$0	\$0
1005	FACULTY SALARIES	\$3,367,548	\$4,142,084	\$4,142,084	\$0	\$0
2009	OTHER OPERATING EXPENSE	\$1,472,022	\$1,837,930	\$1,837,930	\$0	\$0
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$7,534,459</b>	<b>\$9,294,727</b>	<b>\$9,294,727</b>	<b>\$0</b>	<b>\$0</b>
<b>Method of Financing:</b>						
1	General Revenue Fund	\$7,534,459	\$9,294,727	\$9,294,727	\$0	\$0
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS)</b>		<b>\$7,534,459</b>	<b>\$9,294,727</b>	<b>\$9,294,727</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)</b>					<b>\$0</b>	<b>\$0</b>
<b>TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)</b>		<b>\$7,534,459</b>	<b>\$9,294,727</b>	<b>\$9,294,727</b>	<b>\$0</b>	<b>\$0</b>
<b>FULL TIME EQUIVALENT POSITIONS:</b>		<b>41.8</b>	<b>49.4</b>	<b>37.5</b>	<b>38.0</b>	<b>37.8</b>
<b>STRATEGY DESCRIPTION AND JUSTIFICATION:</b>						

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

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

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016 <sup>(1)</sup>	BL 2017 <sup>(1)</sup>
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The Research Enhancement formula allocates a base amount of \$1,412,500 to each institution in addition to a percentage of the total research expenditures as reported to the Texas Higher Education Coordinating Board. The percent of additional funding above the base is established by the Legislature each biennium. These funds are used to support the research activities of the institution.

**EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:**

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

(1) - Formula funded strategies are not requested in 2016-17 because amounts are not determined by institutions.

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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 2013	Est 2014	Bud 2015	BL 2016	BL 2017
<b>Objects of Expense:</b>						
1001	SALARIES AND WAGES	\$2,098,365	\$0	\$0	\$0	\$0
1002	OTHER PERSONNEL COSTS	\$15,996	\$0	\$0	\$0	\$0
1005	FACULTY SALARIES	\$3,801,276	\$0	\$0	\$0	\$0
2009	OTHER OPERATING EXPENSE	\$6,810,927	\$0	\$0	\$0	\$0
5000	CAPITAL EXPENDITURES	\$48,774	\$0	\$0	\$0	\$0
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$12,775,338</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Method of Financing:</b>						
8040	HRI Patient Income	\$12,775,338	\$0	\$0	\$0	\$0
<b>SUBTOTAL, MOF (OTHER FUNDS)</b>		<b>\$12,775,338</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)</b>					<b>\$0</b>	<b>\$0</b>
<b>TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)</b>		<b>\$12,775,338</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>FULL TIME EQUIVALENT POSITIONS:</b>		<b>43.3</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

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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 2013	Est 2014	Bud 2015	BL 2016	BL 2017
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**STRATEGY DESCRIPTION AND JUSTIFICATION:**

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

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

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

**EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:**

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

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

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

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016 <sup>(1)</sup>	BL 2017 <sup>(1)</sup>
<b>Objects of Expense:</b>						
1001	SALARIES AND WAGES	\$57,114,949	\$19,121,742	\$19,115,488	\$0	\$0
1002	OTHER PERSONNEL COSTS	\$18,528,050	\$6,203,063	\$6,203,003	\$0	\$0
2003	CONSUMABLE SUPPLIES	\$1,559	\$0	\$0	\$0	\$0
2004	UTILITIES	\$1,046,673	\$0	\$0	\$0	\$0
2009	OTHER OPERATING EXPENSE	\$170,983,657	\$622,493	\$668,641	\$0	\$0
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$247,674,888</b>	<b>\$25,947,298</b>	<b>\$25,987,132</b>	<b>\$0</b>	<b>\$0</b>
<b>Method of Financing:</b>						
1	General Revenue Fund	\$22,892,888	\$25,324,805	\$25,318,491	\$0	\$0
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS)</b>		<b>\$22,892,888</b>	<b>\$25,324,805</b>	<b>\$25,318,491</b>	<b>\$0</b>	<b>\$0</b>
<b>Method of Financing:</b>						
770	Est Oth Educ & Gen Inco	\$0	\$622,493	\$668,641	\$0	\$0
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)</b>		<b>\$0</b>	<b>\$622,493</b>	<b>\$668,641</b>	<b>\$0</b>	<b>\$0</b>
<b>Method of Financing:</b>						
8040	HRI Patient Income	\$224,782,000	\$0	\$0	\$0	\$0

(1) - Formula funded strategies are not requested in 2016-17 because amounts are not determined by institutions.

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

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

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016 <sup>(1)</sup>	BL 2017 <sup>(1)</sup>
<b>SUBTOTAL, MOF (OTHER FUNDS)</b>		\$224,782,000	\$0	\$0	\$0	\$0
<b>TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)</b>					\$0	\$0
<b>TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)</b>		\$247,674,888	\$25,947,298	\$25,987,132	\$0	\$0
<b>FULL TIME EQUIVALENT POSITIONS:</b>		804.1	52.4	48.8	48.5	48.2

**STRATEGY DESCRIPTION AND JUSTIFICATION:**

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

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

**EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:**

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

(1) - Formula funded strategies are not requested in 2016-17 because amounts are not determined by institutions.

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

GOAL: 3 Provide Infrastructure Support 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 2013	Est 2014	Bud 2015	BL 2016	BL 2017
<b>Objects of Expense:</b>						
2008	DEBT SERVICE	\$5,915,150	\$5,914,275	\$5,912,800	\$5,910,000	\$5,913,750
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$5,915,150</b>	<b>\$5,914,275</b>	<b>\$5,912,800</b>	<b>\$5,910,000</b>	<b>\$5,913,750</b>
<b>Method of Financing:</b>						
1	General Revenue Fund	\$5,915,150	\$5,914,275	\$5,912,800	\$5,910,000	\$5,913,750
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS)</b>		<b>\$5,915,150</b>	<b>\$5,914,275</b>	<b>\$5,912,800</b>	<b>\$5,910,000</b>	<b>\$5,913,750</b>
<b>TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)</b>					<b>\$5,910,000</b>	<b>\$5,913,750</b>
<b>TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)</b>		<b>\$5,915,150</b>	<b>\$5,914,275</b>	<b>\$5,912,800</b>	<b>\$5,910,000</b>	<b>\$5,913,750</b>
<b>FULL TIME EQUIVALENT POSITIONS:</b>						
<b>STRATEGY DESCRIPTION AND JUSTIFICATION:</b>						

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

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

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
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The Tuition Revenue Bond Retirement strategy is for the debt service on three Tuition Revenue bond projects.

The first was funding of \$20,000,000 toward the total project cost of \$221,900,000 for the George and Cynthia Mitchell Basic Science Research Building (BSRBL). The facility is approximately 486,000 square feet, dedicated to research and the Graduate School of Biological Sciences. Research professions under one roof continue to transfer promising research from laboratory spaces to direct patient care treatments.

The second project was the funding of \$20,000,000 toward infrastructure improvements for the development of the UT Research Park near the Texas Medical Center. The mission of the Research Park is to create medical and economic benefit from the incubation of life science research and technology through collaboration and partnership.

The third project was funding of \$40,000,000 toward the Center for Targeted Therapy Research Building located on the UT Research Park. The facility provides space for the expanding experimental and molecular therapy research programs, which enable the discovery and development of novel drugs that block genetic and molecular changes to treat and prevent cancers.

Debt service for outstanding TRBs has been requested based on actual, known TRB debt service requirements for FY 2016 and 2017.

**EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:**

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

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

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
<b>Objects of Expense:</b>						
5000	CAPITAL EXPENDITURES	\$40,000,000	\$0	\$0	\$0	\$0
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$40,000,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Method of Financing:</b>						
8040	HRI Patient Income	\$40,000,000	\$0	\$0	\$0	\$0
<b>SUBTOTAL, MOF (OTHER FUNDS)</b>		<b>\$40,000,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)</b>					<b>\$0</b>	<b>\$0</b>
<b>TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)</b>		<b>\$40,000,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**FULL TIME EQUIVALENT POSITIONS:**

**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.



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

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

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CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
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**EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:**

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

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

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
<b>Objects of Expense:</b>						
5000	CAPITAL EXPENDITURES	\$35,000,000	\$0	\$0	\$0	\$0
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$35,000,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Method of Financing:</b>						
8040	HRI Patient Income	\$35,000,000	\$0	\$0	\$0	\$0
<b>SUBTOTAL, MOF (OTHER FUNDS)</b>		<b>\$35,000,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)</b>					<b>\$0</b>	<b>\$0</b>
<b>TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)</b>		<b>\$35,000,000</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**FULL TIME EQUIVALENT POSITIONS:**

**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:**

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

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

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
<b>Objects of Expense:</b>						
1001	SALARIES AND WAGES	\$826,615,831	\$0	\$0	\$0	\$0
1002	OTHER PERSONNEL COSTS	\$324,336,347	\$0	\$0	\$0	\$0
1005	FACULTY SALARIES	\$99,467,133	\$0	\$0	\$0	\$0
2001	PROFESSIONAL FEES AND SERVICES	\$143,831,965	\$0	\$0	\$0	\$0
2003	CONSUMABLE SUPPLIES	\$419,335,092	\$0	\$0	\$0	\$0
2004	UTILITIES	\$52,937,451	\$0	\$0	\$0	\$0
2005	TRAVEL	\$3,196,736	\$0	\$0	\$0	\$0
2006	RENT - BUILDING	\$41,252,734	\$0	\$0	\$0	\$0
2009	OTHER OPERATING EXPENSE	\$314,472,452	\$0	\$0	\$0	\$0
5000	CAPITAL EXPENDITURES	\$74,831,154	\$0	\$0	\$0	\$0
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$2,300,276,895</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Method of Financing:</b>						
770	Est Oth Educ & Gen Inco	\$19,858,706	\$0	\$0	\$0	\$0
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)</b>		<b>\$19,858,706</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Method of Financing:</b>						
8040	HRI Patient Income	\$2,280,418,189	\$0	\$0	\$0	\$0

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

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

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
<b>SUBTOTAL, MOF (OTHER FUNDS)</b>		<b>\$2,280,418,189</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)</b>					<b>\$0</b>	<b>\$0</b>
<b>TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)</b>		<b>\$2,300,276,895</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>FULL TIME EQUIVALENT POSITIONS:</b>		<b>11,996.4</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**STRATEGY DESCRIPTION AND JUSTIFICATION:**

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

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

**EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:**

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

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

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

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
<b>Objects of Expense:</b>						
1001	SALARIES AND WAGES	\$863,773	\$851,970	\$836,625	\$823,736	\$810,331
1005	FACULTY SALARIES	\$295,084	\$306,887	\$322,232	\$335,121	\$348,526
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$1,158,857</b>	<b>\$1,158,857</b>	<b>\$1,158,857</b>	<b>\$1,158,857</b>	<b>\$1,158,857</b>
<b>Method of Financing:</b>						
1	General Revenue Fund	\$1,158,857	\$1,158,857	\$1,158,857	\$1,158,857	\$1,158,857
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS)</b>		<b>\$1,158,857</b>	<b>\$1,158,857</b>	<b>\$1,158,857</b>	<b>\$1,158,857</b>	<b>\$1,158,857</b>
<b>TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)</b>					<b>\$1,158,857</b>	<b>\$1,158,857</b>
<b>TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)</b>		<b>\$1,158,857</b>	<b>\$1,158,857</b>	<b>\$1,158,857</b>	<b>\$1,158,857</b>	<b>\$1,158,857</b>
<b>FULL TIME EQUIVALENT POSITIONS:</b>		<b>13.2</b>	<b>12.6</b>	<b>12.0</b>	<b>12.8</b>	<b>12.5</b>
<b>STRATEGY DESCRIPTION AND JUSTIFICATION:</b>						

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

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

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
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The Research Support strategy funds the Faculty Excellence Program that attracts and supports the research activities of world-renowned cancer scientists, focused on genome-based cancer research. The institution is committed to enhancing current research efforts to carry out the most innovative investigations of the cause, diagnosis, treatment and prevention of cancer. Science has identified many new potential targets for cancer treatment and prevention. These resources will allow for the expansion of knowledge about the molecular pathways that regulate cell proliferation, providing scientists a better understanding of the ways that the body's natural response to cancer can be enhanced.

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

**EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:**

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

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

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

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

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
<b>Objects of Expense:</b>						
1001	SALARIES AND WAGES	\$983,639	\$962,880	\$1,038,673	\$1,016,220	\$992,869
1005	FACULTY SALARIES	\$518,978	\$539,737	\$561,327	\$583,780	\$607,131
2009	OTHER OPERATING EXPENSE	\$97,383	\$97,383	\$0	\$0	\$0
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$1,600,000</b>	<b>\$1,600,000</b>	<b>\$1,600,000</b>	<b>\$1,600,000</b>	<b>\$1,600,000</b>
<b>Method of Financing:</b>						
1	General Revenue Fund	\$1,600,000	\$1,600,000	\$1,600,000	\$1,600,000	\$1,600,000
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS)</b>		<b>\$1,600,000</b>	<b>\$1,600,000</b>	<b>\$1,600,000</b>	<b>\$1,600,000</b>	<b>\$1,600,000</b>
<b>TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)</b>					<b>\$1,600,000</b>	<b>\$1,600,000</b>
<b>TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)</b>		<b>\$1,600,000</b>	<b>\$1,600,000</b>	<b>\$1,600,000</b>	<b>\$1,600,000</b>	<b>\$1,600,000</b>
<b>FULL TIME EQUIVALENT POSITIONS:</b>		<b>15.7</b>	<b>14.9</b>	<b>15.4</b>	<b>14.9</b>	<b>15.0</b>

STRATEGY DESCRIPTION AND JUSTIFICATION:

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

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
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The Breast Cancer Research Program strategy funds the Inflammatory Breast Cancer (IBC) Research Program, a rare and often lethal type of breast cancer. The program provides an understanding why this disease is so different, why it is so resistant to treatment and accelerates the development of new therapies that improve the well-being of all women who suffer from IBC.

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

**EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:**

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

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



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

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
<b>Objects of Expense:</b>						
1001	SALARIES AND WAGES	\$491,798	\$491,798	\$491,798	\$491,798	\$491,798
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$491,798</b>	<b>\$491,798</b>	<b>\$491,798</b>	<b>\$491,798</b>	<b>\$491,798</b>
<b>Method of Financing:</b>						
1	General Revenue Fund	\$491,798	\$491,798	\$491,798	\$491,798	\$491,798
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS)</b>		<b>\$491,798</b>	<b>\$491,798</b>	<b>\$491,798</b>	<b>\$491,798</b>	<b>\$491,798</b>
<b>TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)</b>					<b>\$491,798</b>	<b>\$491,798</b>
<b>TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)</b>		<b>\$491,798</b>	<b>\$491,798</b>	<b>\$491,798</b>	<b>\$491,798</b>	<b>\$491,798</b>
<b>FULL TIME EQUIVALENT POSITIONS:</b>		<b>8.3</b>	<b>6.7</b>	<b>6.4</b>	<b>6.2</b>	<b>6.0</b>
<b>STRATEGY DESCRIPTION AND JUSTIFICATION:</b>						

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

<b>CODE</b>	<b>DESCRIPTION</b>	<b>Exp 2013</b>	<b>Est 2014</b>	<b>Bud 2015</b>	<b>BL 2016</b>	<b>BL 2017</b>
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The Institutional Enhancement strategy funds two critical research initiatives, the Physician Scientist Program and the Cancer Genomics Core Program.

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

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

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

**EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:**

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

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

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GOAL:	5	Provide Special Item Support	Statewide Goal/Benchmark:	2	0
OBJECTIVE:	3	Exceptional Item Request	Service Categories:		
STRATEGY:	1	Exceptional Item Request	Service: 19	Income: A.2	Age: B.3

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
<b>Objects of Expense:</b>						
1001	SALARIES AND WAGES	\$0	\$0	\$0	\$0	\$0
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Method of Financing:</b>						
1	General Revenue Fund	\$0	\$0	\$0	\$0	\$0
<b>SUBTOTAL, MOF (GENERAL REVENUE FUNDS)</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)</b>					<b>\$0</b>	<b>\$0</b>
<b>TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>FULL TIME EQUIVALENT POSITIONS:</b>		<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**STRATEGY DESCRIPTION AND JUSTIFICATION:**

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

GOAL:	5	Provide Special Item Support	Statewide Goal/Benchmark:	2	0
OBJECTIVE:	3	Exceptional Item Request	Service Categories:		
STRATEGY:	1	Exceptional Item Request	Service: 19	Income: A.2	Age: B.3

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
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The MD Anderson Cancer Center Childhood Cancer Genome Project would provide insight into genomic and biological changes present in cancer cells, those factors that contribute to relapse and disease progression, and assist in developing additional treatment strategies for childhood cancers.

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

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

**EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:**

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

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GOAL: 7 Tobacco Funds Statewide Goal/Benchmark: 3 0  
 OBJECTIVE: 1 Tobacco Earnings for Research Service Categories:  
 STRATEGY: 1 Tobacco Earnings for The University of Texas MD Anderson Cancer Center Service: 21 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
<b>Objects of Expense:</b>						
1001	SALARIES AND WAGES	\$3,323,125	\$4,352,151	\$3,801,641	\$3,327,830	\$3,327,830
1002	OTHER PERSONNEL COSTS	\$553,910	\$725,432	\$633,671	\$554,694	\$554,694
1005	FACULTY SALARIES	\$1,621,286	\$2,123,327	\$1,854,744	\$1,623,581	\$1,623,581
2005	TRAVEL	\$650	\$851	\$744	\$651	\$651
2009	OTHER OPERATING EXPENSE	\$462,589	\$605,833	\$529,200	\$463,244	\$463,244
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$5,961,560</b>	<b>\$7,807,594</b>	<b>\$6,820,000</b>	<b>\$5,970,000</b>	<b>\$5,970,000</b>
<b>Method of Financing:</b>						
812	Permanent Endowment FD UTMD AND	\$5,961,560	\$7,807,594	\$6,820,000	\$5,970,000	\$5,970,000
<b>SUBTOTAL, MOF (OTHER FUNDS)</b>		<b>\$5,961,560</b>	<b>\$7,807,594</b>	<b>\$6,820,000</b>	<b>\$5,970,000</b>	<b>\$5,970,000</b>
<b>TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)</b>					<b>\$5,970,000</b>	<b>\$5,970,000</b>
<b>TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)</b>		<b>\$5,961,560</b>	<b>\$7,807,594</b>	<b>\$6,820,000</b>	<b>\$5,970,000</b>	<b>\$5,970,000</b>
<b>FULL TIME EQUIVALENT POSITIONS:</b>		<b>52.6</b>	<b>61.4</b>	<b>55.7</b>	<b>55.0</b>	<b>54.0</b>

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

GOAL:	7	Tobacco Funds	Statewide Goal/Benchmark:	3	0
OBJECTIVE:	1	Tobacco Earnings for Research	Service Categories:		
STRATEGY:	1	Tobacco Earnings for The University of Texas MD Anderson Cancer Center	Service:	21	Income: A.2      Age: B.3

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
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**STRATEGY DESCRIPTION AND JUSTIFICATION:**

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

**EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:**

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

**3.A. Strategy Request**  
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**506 The University of Texas M.D. Anderson Cancer Center**

GOAL: 7 Tobacco Funds Statewide Goal/Benchmark: 2 0  
 OBJECTIVE: 1 Tobacco Earnings for Research Service Categories:  
 STRATEGY: 2 Tobacco Earnings from the Permanent Health Fund for Higher Ed. No. 810 Service: 21 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
<b>Objects of Expense:</b>						
2001	PROFESSIONAL FEES AND SERVICES	\$96,533	\$83,302	\$45,570	\$38,249	\$38,249
2003	CONSUMABLE SUPPLIES	\$74,843	\$59,079	\$35,331	\$29,655	\$29,655
2004	UTILITIES	\$3,901	\$2,558	\$1,842	\$1,546	\$1,546
2005	TRAVEL	\$16,026	\$10,509	\$7,565	\$6,350	\$6,350
2007	RENT - MACHINE AND OTHER	\$1,332	\$873	\$629	\$528	\$528
2009	OTHER OPERATING EXPENSE	\$1,363,131	\$993,879	\$796,923	\$540,115	\$540,115
5000	CAPITAL EXPENDITURES	\$4,378,336	\$2,891,465	\$2,066,854	\$1,888,271	\$1,888,271
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$5,934,102</b>	<b>\$4,041,665</b>	<b>\$2,954,714</b>	<b>\$2,504,714</b>	<b>\$2,504,714</b>
<b>Method of Financing:</b>						
810	Permanent Health Fund Higher Ed	\$5,934,102	\$4,041,665	\$2,954,714	\$2,504,714	\$2,504,714
<b>SUBTOTAL, MOF (OTHER FUNDS)</b>		<b>\$5,934,102</b>	<b>\$4,041,665</b>	<b>\$2,954,714</b>	<b>\$2,504,714</b>	<b>\$2,504,714</b>
<b>TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)</b>					<b>\$2,504,714</b>	<b>\$2,504,714</b>
<b>TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)</b>		<b>\$5,934,102</b>	<b>\$4,041,665</b>	<b>\$2,954,714</b>	<b>\$2,504,714</b>	<b>\$2,504,714</b>
<b>FULL TIME EQUIVALENT POSITIONS:</b>						





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**SUMMARY TOTALS:**

<b>OBJECTS OF EXPENSE:</b>	<b>\$2,929,331,180</b>	<b>\$184,371,042</b>	<b>\$182,350,287</b>	<b>\$17,793,102</b>	<b>\$17,808,763</b>
<b>METHODS OF FINANCE (INCLUDING RIDERS):</b>				<b>\$17,793,102</b>	<b>\$17,808,763</b>
<b>METHODS OF FINANCE (EXCLUDING RIDERS):</b>	<b>\$2,929,331,180</b>	<b>\$184,371,042</b>	<b>\$182,350,287</b>	<b>\$17,793,102</b>	<b>\$17,808,763</b>
<b>FULL TIME EQUIVALENT POSITIONS:</b>	<b>13,773.1</b>	<b>747.7</b>	<b>747.7</b>	<b>747.7</b>	<b>747.7</b>

### 3.B. Rider Revisions and Additions Request

<b>Agency Code:</b> 506	<b>Agency Name:</b> The University of Texas M. D. Anderson Cancer Center	<b>Prepared By:</b> Hugh Ferguson	<b>Date:</b> 07/21/2014	<b>Request Level:</b>
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Current Rider Number	Page Number in 2014-15 GAA	Proposed Rider Language
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5	III-180	<p><b>5. Estimated Appropriation and Unexpended Balance.</b> Included in the amounts appropriated above are: (1) estimated appropriations of amounts available for distribution or investment returns out of the Permanent Endowment Fund for The University of Texas M.D. Anderson Cancer Center No. 812 and (2) estimated appropriations of the institution's estimated allocation of amounts available for distribution out of the Permanent Health Fund for Higher Education No. 810.</p> <p>a. Amounts available for distribution or investment returns in excess of the amounts estimated above are also appropriated to the institution. In the event that amounts available for distribution or investment returns are less than the amounts estimated above, this Act may not be construed as appropriating funds to make-up the difference.</p> <p>b. All balances of estimated appropriations from the Permanent Endowment Fund for The University of Texas M.D. Anderson Cancer Center No. 812 and of the institution's allocation from the amounts available for distribution out of the Permanent Health Fund for Higher Education No. 810, except for any General Revenue, at the close of the fiscal year ending August 31, <del>2013</del> 2015, and the income to said fund during the fiscal years beginning September 1, <del>2013</del> 2015, are hereby appropriated. Any unexpended appropriations made above as of August 31, <del>2014</del> 2016, are hereby appropriated to the institution for the same purposes for fiscal year <del>2015</del> 2017</p>
8	III-180	<p><b>8. Rare and Aggressive Breast Cancer Research Program.</b> Of the amounts appropriated above in Strategy D.1.2, Breast Cancer Research Program, \$1,600,000 in fiscal year <del>2014</del> 2016 and \$1,600,000 in fiscal year <del>2015</del> 2017 in General Revenue is for the rare and aggressive breast cancer research program. Its efforts will contribute to improving the diagnostics in patients with breast cancer.</p>

**4.A. Exceptional Item Request Schedule**  
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DATE: 10/13/2014  
 TIME: 11:33:08AM

Agency code: 506

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

CODE	DESCRIPTION	Excp 2016	Excp 2017
	<b>Item Name:</b> Childhood Cancer Genome Project <b>Item Priority:</b> 1 <b>Includes Funding for the Following Strategy or Strategies:</b> 05-03-01 Exceptional Item Request		
<b>OBJECTS OF EXPENSE:</b>			
1001	SALARIES AND WAGES	1,000,000	1,000,000
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$1,000,000</b>	<b>\$1,000,000</b>
<b>METHOD OF FINANCING:</b>			
1	General Revenue Fund	1,000,000	1,000,000
<b>TOTAL, METHOD OF FINANCING</b>		<b>\$1,000,000</b>	<b>\$1,000,000</b>
<b>FULL-TIME EQUIVALENT POSITIONS (FTE):</b>		5.00	5.00

**DESCRIPTION / JUSTIFICATION:**

Understanding the role of genomic alterations in patients whose cancers have either progressed while on therapy after a period of response, or were resistant to initial treatment, is critical in developing additional treatment strategies for childhood cancers. The University of Texas MD Anderson Cancer Center proposes focusing the majority of its genetic testing effort on the relapse/refractory cases, performing deep sequencing at the whole exome and transcriptomic levels.

This will provide the detailed insight into those genomic and biological changes that are present in the cancer cells and contribute to relapse and disease progression. This is in contrast to the more traditional model of taking a diagnostic sample as a fixed point of knowledge about the genomic characteristics of a patient's tumor. With this proposed model, progressive changes specific to an individual patient's cancer, from diagnosis to relapse/metastasis will be identified. This will provide a highly detailed portrait of the molecular changes within the patient's cancer over time and as a result of therapy.

MD Anderson will leverage this effort into the Adaptive Patient Oriented Longitudinal Learning and Optimization Sarcoma Initiative. The APOLLO platform can provide standardization of longitudinal collection of clinical data, tumor samples and processing, and leverage next-generation analytical tools to gain translatable insights. MD Anderson is engaged in a large-scale institutional initiative to pull all clinical data into a centralized, longitudinal database. This will be combined with already implemented pipelines for merging genomic data sets into this same infrastructure. This will empower unprecedented longitudinal integrated analyses of the interplay of genomic and clinical data.

**EXTERNAL/INTERNAL FACTORS:**

Over the next two years, The University of Texas MD Anderson Cancer Center proposes focusing the majority of its genetic testing effort on the relapse/refractory cases, performing deep sequencing at the whole exome and transcriptomic levels. This special item has never had general revenue funding, is not subject to formula funding and is currently funded through patient income margins.

If state funding for this program is not forthcoming, the ability to conduct research would be limited, delaying important discoveries and therapies, and resulting in a significant reduction in clinical trials available for these patients.

**4.A. Exceptional Item Request Schedule**  
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DATE: 10/13/2014  
 TIME: 11:33:08AM

Agency code: 506

Agency name:

The University of Texas M.D. Anderson Cancer Center

CODE	DESCRIPTION	Excp 2016	Excp 2017
	Item Name: Umbilical Cord Blood Bank Research		
	Item Priority: 2		
	Includes Funding for the Following Strategy or Strategies: 05-03-01 Exceptional Item Request		
<b>OBJECTS OF EXPENSE:</b>			
1001	SALARIES AND WAGES	1,000,000	1,000,000
	<b>TOTAL, OBJECT OF EXPENSE</b>	<b>\$1,000,000</b>	<b>\$1,000,000</b>
<b>METHOD OF FINANCING:</b>			
1	General Revenue Fund	1,000,000	1,000,000
	<b>TOTAL, METHOD OF FINANCING</b>	<b>\$1,000,000</b>	<b>\$1,000,000</b>
<b>FULL-TIME EQUIVALENT POSITIONS (FTE):</b>		5.00	5.00

**DESCRIPTION / JUSTIFICATION:**

The MD Anderson Cord Blood Bank is a public facility that collects, processes and stores umbilical cord blood to provide a life-saving product from something normally discarded. Cord blood remains in the placenta and umbilical cord after child birth. It is an important source of stem cells that can be used as an alternative to bone marrow to treat many life-threatening diseases, including cancer. Prior to FY 2012 - 2013 budget reductions, the institution received state funding via an appropriation to the Texas Health and Human Services Commission. This support was key in advancing the field of cord blood transplantation and was leveraged to generate over \$12 million in external funding. The resultant expanded research effort in the use of cord blood for reconstitution of blood cellular components was significant. Restoration of these funds would help support a number of activities, such as the development of clinical research protocols for cord blood transplantation and the selection of cord blood units for transplantation. Innovative research has helped patients recover more quickly and funding will help research efforts to reduce disease relapse and infection for patients. Funding would also aid in the collection, freezing, banking, and release of cord blood unit for laboratory research. Notably, cord blood provides a source of stem cells for transplant in minority patients who often have no registered donors. MD Anderson clearly serves an unmet need as 75% of the cord blood units in the bank are of Hispanic origin and the institution finds units for patients that otherwise would not have had donors.

**EXTERNAL/INTERNAL FACTORS:**

Over the next two years, M. D. Anderson would help support a number of current activities such as the development and management of clinical research protocols for cord blood transplantation and the selection of cord blood units for transplantation. These funds would assist with conducting cord expansion trials by supporting the good manufacturing process laboratory costs of the ex vivo expansion of cord blood on protocols. This blood is an important source of stem cells that can be used as an alternative to bone marrow to treat patients with many life-threatening diseases, including cancer. Prior to the budget reductions for FY 2012 - 2013, the institution's Cord Blood Bank received funding from the legislature via an appropriation to the Texas Health and Human Services Commission, \$1,000,000 per biennium. General revenue support was instrumental in advancing the field of cord blood transplantation and these funds were leveraged to generate in excess of \$12 million external funding for the program. Currently patient income margins are used to support the cord blood bank's budget. If state funding for this program is not forthcoming, the ability to conduct research would be limited, delaying important discoveries and therapies, and resulting in a significant reduction in clinical trials available for these patients.

**4.A. Exceptional Item Request Schedule**  
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DATE: 10/13/2014  
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Agency code: 506

Agency name:

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

CODE	DESCRIPTION	Excp 2016	Excp 2017
	<b>Item Name:</b> Rare and Aggressive Breast Cancer Research Program		
	<b>Item Priority:</b> 3		
	<b>Includes Funding for the Following Strategy or Strategies:</b> 05-01-02 Breast Cancer Research Program		
<b>OBJECTS OF EXPENSE:</b>			
2009	OTHER OPERATING EXPENSE	1,400,000	1,400,000
	<b>TOTAL, OBJECT OF EXPENSE</b>	<b>\$1,400,000</b>	<b>\$1,400,000</b>
<b>METHOD OF FINANCING:</b>			
1	General Revenue Fund	1,400,000	1,400,000
	<b>TOTAL, METHOD OF FINANCING</b>	<b>\$1,400,000</b>	<b>\$1,400,000</b>

**DESCRIPTION / JUSTIFICATION:**

IBC is an extremely aggressive cancer that strikes younger women from age 20 to 55. The 5-year survival rate is only 30%, compared to 89% of women with other forms of breast cancer. To date, there are no therapeutic treatments specifically for IBC. Early diagnosis, coordinated treatments with chemotherapy, surgery and radiation, and evidence-based development of new therapeutics is a primary goal to increase survival. Since establishment of the clinic, more IBC patients are seen at MD Anderson than any other center in the world. State funding has helped develop the world's largest bio-repository of tissue and serum samples from our IBC patients and to partner with other centers around the world to expand the repository. Historically, research has been hampered by the lack of IBC cell lines and animal models to study the disease. Only two cell lines and one animal model are commercially available. The bio-repository allowed investigators to develop six new cell lines. To effectively treat IBC, researchers must identify specific cellular signatures of the disease and analysis of new cell lines will provide answers to develop new targeted therapies. Four new classes of drugs in current use for other cancers have been identified in these laboratories as promising therapies in the IBC cells. MD Anderson has two ongoing clinical trials with at least two of these agents, which are the first for drugs specifically tested in IBC. To that end, the institution is performing the first whole genome analysis on IBC tissue, which may identify the genes driving the cancer's aggressiveness. The program is investigating possible viral and auto-immune causes and has joined with the National Cancer Institute (NCI) to analyze patient samples. State funds support the development and conduct of clinical trials and competitive grant proposals. Success can be measured by the \$7.5 million American Airlines/Komen for the Cure Promise grant in 2007 and a \$2.4 million grant from the NCI.

**EXTERNAL/INTERNAL FACTORS:**

Over the next two years, M. D. Anderson will aggressively look for potential causes of IBC. The IBC Program and Clinic has accelerated the development of new therapies, ultimately improving the well-being of all women who suffer from the disease. To that end, the institution is performing the first whole genome analysis on IBC tissue, which may identify the genes driving the cancer's aggressiveness. The program and clinic is also investigating possible viral and auto-immune causes and have joined with the National Cancer Institute (NCI) to analyze patient samples. This special item was first funded in 2008 with an original appropriation of \$2,000,000. Currently patient income margins are used to support the center's budget above its general revenue funding. If state funding for this program is not forthcoming, the ability to conduct research would be limited, delaying important discoveries and therapies, and resulting in a significant reduction in clinical trials available for these patients.

**4.A. Exceptional Item Request Schedule**  
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DATE: 10/13/2014  
 TIME: 11:33:08AM

Agency code: 506

Agency name:

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

CODE	DESCRIPTION	Excp 2016	Excp 2017
	Item Name: TRB Support for the Sheikh Zayed Bin Sultan Al Nahyan Building for Personalized Cancer Care		
	Item Priority: 4		
	Includes Funding for the Following Strategy or Strategies: 03-02-01 Tuition Revenue Bond Retirement		
<b>OBJECTS OF EXPENSE:</b>			
2008	DEBT SERVICE	6,105,000	6,105,000
	<b>TOTAL, OBJECT OF EXPENSE</b>	<b>\$6,105,000</b>	<b>\$6,105,000</b>
<b>METHOD OF FINANCING:</b>			
1	General Revenue Fund	6,105,000	6,105,000
	<b>TOTAL, METHOD OF FINANCING</b>	<b>\$6,105,000</b>	<b>\$6,105,000</b>

**DESCRIPTION / JUSTIFICATION:**

The Zayed facility will provide necessary space to accommodate the expanding research mission of MD Anderson and related academic programs. The new state of the art space will enhance the capacity for the institution to sustain its national rankings and achievements as a leading research-driven patient care institution focused on developing and advancing the most innovative therapeutics, diagnostics, early detection and prevention techniques to combat cancer. The initial plan was for the Zayed building to replace aging and deficient buildings currently in use. However, the initiation of MD Anderson's Cancer Moon Shot program, aimed at significantly reducing cancer mortality in 8 specific disease sites over a 10 year period, has resulted in rapid expansion in research and development programs and significant recruitments of faculty and staff in related areas. The Zayed building will be the location of many of these research initiatives to maximize collaboration and progress with these efforts.

**EXTERNAL/INTERNAL FACTORS:**

The Zayed facility will provide necessary space to accommodate the expanding research mission of MD Anderson and related academic programs. The new state of the art space will enhance the capacity for the institution to sustain its national rankings and achievements as a leading research-driven patient care institution focused on developing and advancing the most innovative therapeutics, diagnostics, early detection and prevention techniques to combat cancer. The project is not subject to formula funding. If state support is not available, there will be substantial space that will have to await available funding for build-out.

4.B. Exceptional Items Strategy Allocation Schedule  
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Agency code: 506 Agency name: The University of Texas M.D. Anderson Cancer Center

Code	Description	Excp 2016	Excp 2017
<b>Item Name:</b> Childhood Cancer Genome Project			
<b>Allocation to Strategy:</b> 5-3-1 Exceptional Item Request			
<b>OBJECTS OF EXPENSE:</b>			
1001	SALARIES AND WAGES	1,000,000	1,000,000
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$1,000,000</b>	<b>\$1,000,000</b>
<b>METHOD OF FINANCING:</b>			
1	General Revenue Fund	1,000,000	1,000,000
<b>TOTAL, METHOD OF FINANCING</b>		<b>\$1,000,000</b>	<b>\$1,000,000</b>
<b>FULL-TIME EQUIVALENT POSITIONS (FTE):</b>		5.0	5.0

4.B. Exceptional Items Strategy Allocation Schedule  
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DATE: 10/13/2014  
 TIME: 11:33:09AM

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

Code	Description	Excp 2016	Excp 2017
<b>Item Name:</b> Umbilical Cord Blood Bank Research			
<b>Allocation to Strategy:</b> 5-3-1 Exceptional Item Request			
<b>OBJECTS OF EXPENSE:</b>			
1001	SALARIES AND WAGES	1,000,000	1,000,000
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$1,000,000</b>	<b>\$1,000,000</b>
<b>METHOD OF FINANCING:</b>			
1	General Revenue Fund	1,000,000	1,000,000
<b>TOTAL, METHOD OF FINANCING</b>		<b>\$1,000,000</b>	<b>\$1,000,000</b>
<b>FULL-TIME EQUIVALENT POSITIONS (FTE):</b>		5.0	5.0



4.B. Exceptional Items Strategy Allocation Schedule  
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DATE: 10/13/2014  
 TIME: 11:33:09AM

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

Code	Description	Excp 2016	Excp 2017
<b>Item Name:</b> Rare and Aggressive Breast Cancer Research Program			
<b>Allocation to Strategy:</b> 5-1-2 Breast Cancer Research Program			
<b>OBJECTS OF EXPENSE:</b>			
2009	OTHER OPERATING EXPENSE	1,400,000	1,400,000
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$1,400,000</b>	<b>\$1,400,000</b>
<b>METHOD OF FINANCING:</b>			
1	General Revenue Fund	1,400,000	1,400,000
<b>TOTAL, METHOD OF FINANCING</b>		<b>\$1,400,000</b>	<b>\$1,400,000</b>

**4.B. Exceptional Items Strategy Allocation Schedule**  
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Agency code: **506**                      Agency name: **The University of Texas M.D. Anderson Cancer Center**

Code	Description	Excp 2016	Excp 2017
<b>Item Name:</b> TRB Support for the Sheikh Zayed Bin Sultan Al Nahyan Building for Personalized Cancer Care			
<b>Allocation to Strategy:</b> 3-2-1 Tuition Revenue Bond Retirement			
<b>OBJECTS OF EXPENSE:</b>			
2008	DEBT SERVICE	6,105,000	6,105,000
<b>TOTAL, OBJECT OF EXPENSE</b>		<b>\$6,105,000</b>	<b>\$6,105,000</b>
<b>METHOD OF FINANCING:</b>			
1	General Revenue Fund	6,105,000	6,105,000
<b>TOTAL, METHOD OF FINANCING</b>		<b>\$6,105,000</b>	<b>\$6,105,000</b>

**4.C. Exceptional Items Strategy Request**  
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**TIME:** 11:33:10AM

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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

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<b>CODE DESCRIPTION</b>	<b>Excp 2016</b>	<b>Excp 2017</b>
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**OBJECTS OF EXPENSE:**

2008 DEBT SERVICE	6,105,000	6,105,000
<b>Total, Objects of Expense</b>	<b>\$6,105,000</b>	<b>\$6,105,000</b>

**METHOD OF FINANCING:**

1 General Revenue Fund	6,105,000	6,105,000
<b>Total, Method of Finance</b>	<b>\$6,105,000</b>	<b>\$6,105,000</b>

**EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:**

TRB Support for the Sheikh Zayed Bin Sultan Al Nahyan Building for Personalized Cancer Care

**4.C. Exceptional Items Strategy Request**  
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**DATE:** 10/13/2014  
**TIME:** 11:33:10AM

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

CODE DESCRIPTION	Excp 2016	Excp 2017
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**OBJECTS OF EXPENSE:**

2009 OTHER OPERATING EXPENSE	1,400,000	1,400,000
<b>Total, Objects of Expense</b>	<b>\$1,400,000</b>	<b>\$1,400,000</b>

**METHOD OF FINANCING:**

1 General Revenue Fund	1,400,000	1,400,000
<b>Total, Method of Finance</b>	<b>\$1,400,000</b>	<b>\$1,400,000</b>

**EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:**

Rare and Aggressive Breast Cancer Research Program

**4.C. Exceptional Items Strategy Request**  
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**TIME:** 11:33:10AM

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

GOAL: 5 Provide Special Item Support Statewide Goal/Benchmark: 2 - 0

OBJECTIVE: 3 Exceptional Item Request Service Categories:

STRATEGY: 1 Exceptional Item Request Service: 19 Income: A.2 Age: B.3

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<b>CODE DESCRIPTION</b>	<b>Excp 2016</b>	<b>Excp 2017</b>
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**OBJECTS OF EXPENSE:**

1001 SALARIES AND WAGES	2,000,000	2,000,000
<b>Total, Objects of Expense</b>	<b>\$2,000,000</b>	<b>\$2,000,000</b>

**METHOD OF FINANCING:**

1 General Revenue Fund	2,000,000	2,000,000
<b>Total, Method of Finance</b>	<b>\$2,000,000</b>	<b>\$2,000,000</b>

<b>FULL-TIME EQUIVALENT POSITIONS (FTE):</b>	10.0	10.0
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**EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:**

Childhood Cancer Genome Project  
 Umbilical Cord Blood Bank Research

**6.A. Historically Underutilized Business Supporting Schedule**  
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Date: 10/13/2014  
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Agency Code: 506 Agency: The University of Texas M.D. Anderson Cancer Center

COMPARISON TO STATEWIDE HUB PROCUREMENT GOALS

**A. Fiscal Year 2012 - 2013 HUB Expenditure Information**

Statewide HUB Goals	Procurement Category	% Goal	<u>HUB Expenditures FY 2012</u>			Total Expenditures FY 2012		<u>HUB Expenditures FY 2013</u>			Total Expenditures FY 2013	
			% Actual	Diff	Actual \$	% Goal	% Actual	Diff	Actual \$	FY 2013		
21.1%	Building Construction	27.7 %	27.7%	0.0%	\$13,250,511	\$47,763,393	16.1 %	16.1%	0.0%	\$25,144,857	\$156,154,971	
32.7%	Special Trade Construction	15.1 %	15.1%	0.0%	\$8,688,694	\$57,665,960	13.4 %	13.4%	0.0%	\$11,172,145	\$83,549,295	
23.6%	Professional Services	55.8 %	55.7%	0.0%	\$8,747,240	\$15,690,790	37.3 %	37.3%	0.0%	\$4,365,148	\$11,702,566	
24.6%	Other Services	13.0 %	13.0%	0.0%	\$30,500,335	\$235,205,592	12.1 %	12.1%	0.0%	\$27,894,796	\$231,221,207	
21.0%	Commodities	3.9 %	3.9%	0.0%	\$29,575,639	\$758,549,086	3.9 %	3.9%	0.0%	\$31,355,680	\$812,840,208	
	<b>Total Expenditures</b>		<b>8.1%</b>		<b>\$90,762,419</b>	<b>\$1,114,874,821</b>		<b>7.7%</b>		<b>\$99,932,626</b>	<b>\$1,295,468,247</b>	

**B. Assessment of Fiscal Year 2012 - 2013 Efforts to Meet HUB Procurement Goals**

**Attainment:**

- Heavy Construction: See "Applicability"
- Building Construction: Exceeded FY12 HUB spend \$ increase less than total increase %
- Special Trade: Year over year HUB spend % less than total increase
- Professional Services: Mix of services shift to non-HUB capacity
- Other Services & Commodities: HUB spend & % consistent year over year

**Applicability:**

The Heavy Construction category was not applicable to agency operations in either FY12 or FY13.

**Factors Affecting Attainment:**

The specialty/acute care status of the agency in cancer research and treatment challenges the agency's ability to meet HUB objectives. Purchases are specialized for clinical and research applications with limited (non-HUB) manufacturers or distributors. Additionally, many purchases are made through our group purchasing organization, Premier Inc., to maximize the value of the funds entrusted to the agency. Specific areas of impact include specialized medical diagnostic equipment, pharmaceuticals and professional health services.

**"Good-Faith" Efforts:**

The agency made the following good faith efforts to comply with statewide HUB procurement goals per ITAC Section 111.13 (c):

Sponsored mentor protégé relationships for 9 HUB protégés; Reviewed over 1,690 HUB Plans for compliance; Monitored average of 150 subcontract plans monthly; Attended 167 Pre-proposal Meetings; Distributed bid request information on a monthly basis to 10 community supplier groups; Hosted annual Supplier EXPO for 80

**6.A. Historically Underutilized Business Supporting Schedule**  
84th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

Date: **10/13/2014**  
Time: **11:33:11AM**

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

HUB and SBC firms; Sourcing and HUB staff participated in over 24 various networking events; Provided RFP Training Courses to 167 HUB and SBC firms; Received HMSDC awards for Corporate Advocate, Advocate of Year, Corporate Accountability Champion, and Program Innovation; Received WBEA Corporation of the Year Award; Received D-Mars Supplier Diversity Champion Award for FY12 and FY13; Received ISM's Supplier Diversity Advocate, and Capacity Building awards. MD Anderson made significant contract awards to HUB companies valued at more than \$53 million dollars over the life of the contracts.

**University of Texas M. D. Anderson Cancer Center**  
**Estimated Funds Outside the Institution's Bill Pattern**  
**2014-15 and 2016-17 Biennia**

	2014 - 2015 Biennium				2016 - 2017 Biennium			
	FY 2014 Revenue	FY 2015 Revenue	Biennium Total	Percent of Total	FY 2016 Revenue	FY 2017 Revenue	Biennium Total	Percent of Total
<b>APPROPRIATED SOURCES INSIDE THE BILL PATTERN</b>								
State Appropriations (excluding HEGI & State Paid Fringes)	\$ 171,688,168	\$ 171,679,513	\$ 343,367,681		\$ 165,770,303	\$ 165,770,303	\$ 331,540,606	
Tuition and Fees (net of Discounts and Allowances)	833,615	896,060	1,729,675		986,489	1,087,528	2,074,017	
Endowment and Interest Income	7,100,611	8,340,199	15,440,810		8,474,714	8,474,714	16,949,428	
Sales and Services of Educational Activities (net)	-	-	-		-	-	-	
Other Income	-	-	-		-	-	-	
<b>Total</b>	<b>179,622,394</b>	<b>180,915,772</b>	<b>360,538,166</b>	<b>4.2%</b>	<b>175,231,506</b>	<b>175,332,545</b>	<b>350,564,051</b>	<b>3.7%</b>
<b>APPROPRIATED SOURCES OUTSIDE THE BILL PATTERN</b>								
State Appropriations (HEGI & State Paid Fringes)	\$ 14,093,375	\$ 13,720,487	\$ 27,813,862		\$ 13,200,000	\$ 13,200,000	\$ 26,400,000	
Higher Education Assistance Funds	-	-	-		-	-	-	
Available University Fund	-	-	-		-	-	-	
Sales and Services of Hospitals (net)	2,945,692,117	3,176,331,158	6,122,023,275		3,333,216,600	3,553,208,896	6,886,425,496	
Other Income	29,038,027	36,107,698	65,145,725		39,815,878	43,896,337	83,712,215	
State Grants and Contracts	-	-	-		-	-	\$ -	
<b>Total</b>	<b>2,988,823,519</b>	<b>3,226,159,343</b>	<b>6,214,982,862</b>	<b>71.8%</b>	<b>3,386,232,478</b>	<b>3,610,305,233</b>	<b>6,996,537,711</b>	<b>73.8%</b>
<b>NON-APPROPRIATED SOURCES</b>								
Tuition and Fees (net of Discounts and Allowances)	660,682	640,998	1,301,680		644,203	647,424	1,291,627	
Federal Grants and Contracts	158,622,769	136,425,000	295,047,769		129,603,750	123,123,563	252,727,313	
State Grants and Contracts	25,020,669	33,150,000	58,170,669		34,807,500	36,547,875	71,355,375	
Local Government Grants and Contracts	110,420,783	85,425,000	195,845,783		81,153,750	77,096,063	158,249,813	
Private Gifts and Grants	127,142,467	87,800,000	214,942,467		94,000,000	101,000,000	195,000,000	
Endowment and Interest Income	81,610,700	103,000,000	184,610,700		103,515,000	104,032,575	207,547,575	
Sales and Services of Educational Activities (net)	3,150,000	3,250,000	6,400,000		3,380,000	3,549,000	6,929,000	
Sales and Services of Hospitals (net)	-	-	-		-	-	-	
Professional Fees (net)	389,990,317	419,300,000	809,290,317		430,411,450	452,362,434	882,773,884	
Auxiliary Enterprises (net)	41,502,690	43,500,000	85,002,690		43,734,010	45,950,711	89,684,721	
Other Income	111,292,653	120,750,000	232,042,653		126,018,175	136,302,720	262,320,895	
<b>Total</b>	<b>1,049,413,730</b>	<b>1,033,240,998</b>	<b>2,082,654,728</b>	<b>24.1%</b>	<b>1,047,267,838</b>	<b>1,080,612,365</b>	<b>2,127,880,203</b>	<b>22.5%</b>
<b>TOTAL SOURCES</b>	<b>\$ 4,217,859,643</b>	<b>\$ 4,440,316,113</b>	<b>\$ 8,658,175,756</b>	<b>100.0%</b>	<b>\$ 4,608,731,822</b>	<b>\$ 4,866,250,143</b>	<b>\$ 9,474,981,965</b>	<b>100.0%</b>



**6.I. Percent Biennial Base Reduction Options**

**10 % REDUCTION**

84th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

Date: 10/13/2014  
Time: 11:35:19AM

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
	2016	2017	Biennial Total	2016	2017	Biennial Total	

**1 5% General Revenue Reduction in Special Items**

**Category:** Across the Board Reductions

**Item Comment:** Implementation of the 2nd 5% increment of the 10% reduction will result in substantial reductions in the three special items resulting in operational and service delivery constraints in many programs supported by these programs.

The reduction in General Revenue funding for Research Support will impact 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.

A reduction in General Revenue support to the Rare and Aggressive Breast Cancer research program would delay the development of new therapies and reduce the improvements to the well-being of all women who suffer from this disease. Patient income used to support the long term capital program will be used to fund the reduction in general revenue that supports this vital research program.

The reduction in General Revenue for Institutional Enhancement will reduce the special item funding that supports the physician scientist program and the genomics core lab. Patient income used to support the long term capital program will be used to fund the reduction in general revenue that supports this vital research program.

Strategy: 5-1-1 Research Support

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$57,943	\$57,943	\$115,886
<b>General Revenue Funds Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$57,943</b>	<b>\$57,943</b>	<b>\$115,886</b>

Strategy: 5-1-2 Breast Cancer Research Program

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$80,000	\$80,000	\$160,000
<b>General Revenue Funds Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$80,000</b>	<b>\$80,000</b>	<b>\$160,000</b>

Strategy: 5-2-1 Institutional Enhancement

**6.I. Percent Biennial Base Reduction Options**  
**10 % REDUCTION**  
84th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

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Time: 11:35:19AM

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
	2016	2017	Biennial Total	2016	2017	Biennial Total	
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$24,590	\$24,590	\$49,180	
<b>General Revenue Funds Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$24,590</b>	<b>\$24,590</b>	<b>\$49,180</b>	
<b>Item Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$162,533</b>	<b>\$162,533</b>	<b>\$325,066</b>	

**FTE Reductions (From FY 2016 and FY 2017 Base Request)**

**2 5% General Revenue Reduction in Special Items**

**Category:** Programs - Service Reductions (Contracted)

**Item Comment:** M. D. Anderson Cancer Center has reduced each of its 2016 and 2017 special items by 5% to lessen the fiscal impact on individual strategies. The resulting reductions translate into operational and service delivery constraints in many programs supported by these special items.

The reduction in General Revenue funding for Research Support will impact 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.

A reduction in General Revenue support to the Rare and Aggressive Breast Cancer research program would delay the development of new therapies and reduce the improvements to the well-being of all women who suffer from this disease. Patient income used to support the long term capital program will be used to fund the reduction in general revenue that supports this vital research program.

The reduction in General Revenue for Institutional Enhancement will reduce the special item funding that supports the physician scientist program and the genomics core lab. Patient income used to support the long term capital program will be used to fund the reduction in general revenue that supports this vital research program.

Strategy: 5-1-1 Research Support

<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$57,943	\$57,942	\$115,885	
<b>General Revenue Funds Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$57,943</b>	<b>\$57,942</b>	<b>\$115,885</b>	

**6.I. Percent Biennial Base Reduction Options**  
**10 % REDUCTION**  
84th Regular Session, Agency Submission, Version 1  
Automated Budget and Evaluation System of Texas (ABEST)

Date: 10/13/2014  
Time: 11:35:19AM

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
	2016	2017	Biennial Total	2016	2017	Biennial Total	
Strategy: 5-1-2 Breast Cancer Research Program							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$80,000	\$80,000	\$160,000	
<b>General Revenue Funds Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$80,000</b>	<b>\$80,000</b>	<b>\$160,000</b>	
Strategy: 5-2-1 Institutional Enhancement							
<u>General Revenue Funds</u>							
1 General Revenue Fund	\$0	\$0	\$0	\$24,590	\$24,590	\$49,180	
<b>General Revenue Funds Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$24,590</b>	<b>\$24,590</b>	<b>\$49,180</b>	
<b>Item Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$162,533</b>	<b>\$162,532</b>	<b>\$325,065</b>	
<b>FTE Reductions (From FY 2016 and FY 2017 Base Request)</b>							
<b>AGENCY TOTALS</b>							
<b>General Revenue Total</b>				<b>\$325,066</b>	<b>\$325,065</b>	<b>\$650,131</b>	<b>\$650,131</b>
<b>Agency Grand Total</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$325,066</b>	<b>\$325,065</b>	<b>\$650,131</b>	
<b>Difference, Options Total Less Target</b>							
<b>Agency FTE Reductions (From FY 2016 and FY 2017 Base Request)</b>							

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	Est 2014	Bud 2015	BL 2016	BL 2017	Excp 2016	Excp 2017
<i>Item: 1 Data Collection and Analysis</i>						
<b>Objects of Expense</b>						
<b>Strategy: 4-1-1 PATIENT CARE ACTIVITIES</b>						
1001 SALARIES AND WAGES	\$0	\$0	\$0	\$0	\$0	\$0
<b>SUBTOTAL, Strategy 4-1-1</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL, Objects of Expense</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>Method of Financing</b>						
<b>OTHER FUNDS</b>						
<b>Strategy: 4-1-1 PATIENT CARE ACTIVITIES</b>						
8040 HRI Patient Income	\$0	\$0	\$0	\$0	\$0	\$0
<b>SUBTOTAL, Strategy 4-1-1</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>SUBTOTAL, OTHER FUNDS</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>TOTAL, Method of Financing</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

**LEGAL AUTHORITY/STATUTORY REFERENCE FOR ITEM:**

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

**DESCRIPTION/KEY ASSUMPTIONS:**

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

**CONCERNS:**

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

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Est 2014	Bud 2015	BL 2016	BL 2017	Excp 2016	Excp 2017
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The funding of FTE's is critical to meeting the requirements set out in the legislation for the collection, analysis and management of data collection and reporting. Organizations that do not report the metrics will be financially penalized.

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	Est 2014	Bud 2015	BL 2016	BL 2017	Excp 2016	Excp 2017
<i>Item: 2 Health Care Workforce</i>						
<b>Objects of Expense</b>						
Strategy: 4-1-1 PATIENT CARE ACTIVITIES						
1001 SALARIES AND WAGES	\$0	\$0	\$0	\$0	\$0	\$0
SUBTOTAL, Strategy 4-1-1	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL, Objects of Expense	\$0	\$0	\$0	\$0	\$0	\$0
<b>Method of Financing</b>						
<b>OTHER FUNDS</b>						
Strategy: 4-1-1 PATIENT CARE ACTIVITIES						
8040 HRI Patient Income	\$0	\$0	\$0	\$0	\$0	\$0
SUBTOTAL, Strategy 4-1-1	\$0	\$0	\$0	\$0	\$0	\$0
SUBTOTAL, OTHER FUNDS	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL, Method of Financing	\$0	\$0	\$0	\$0	\$0	\$0

**LEGAL AUTHORITY/STATUTORY REFERENCE FOR ITEM:**

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

**DESCRIPTION/KEY ASSUMPTIONS:**

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

	<b>Est 2014</b>	<b>Bud 2015</b>	<b>BL 2016</b>	<b>BL 2017</b>	<b>Excp 2016</b>	<b>Excp 2017</b>
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Currently, there are shortages of allied health care professionals across Texas and the nation placing a strain on health care providers as they struggle to deliver quality health care services to the people in their communities. Additional patient coverage related to federal health care reform will exacerbate this situation. Many of the critical shortages in allied health professionals are in the state's hospital and clinical laboratories, which supply at least 70% of the data used for clinical decision support. According to the U.S. Bureau of Labor Statistics, employment of medical laboratory technologist and technicians is projected to grow 22% from 2012 to 2022, much faster than the average for all occupations. The educational programs are unable to match this demand. The University of Texas MD Anderson Cancer School of Health Professions is a valued educational resources for the most critical of these laboratory technologists and is currently producing 85 graduates annually in five specialty areas. Over 90% of all graduates are employed six months after graduation and 75% in Texas health care facilities. MD Anderson is unique in having the only baccalaureate program in Texas in the following areas: Cytogenetic Technology, Cytotechnology, Histotechnology, and Molecular Genetic Technology. In order to address the shortfall of these critical laboratory professionals in the state, the UTMDACC School of Health Professions needs to increase its capacity to train professionals in these critical laboratory science specialties by 50%.

**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.

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

MOF RECAP

Est 2014      Bud 2015      BL 2016      BL 2017      Excp 2016      Excp 2017

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**OTHER FUNDS**

8040 HRI Patient Income

\$0              \$0              \$0              \$0              \$0              \$0

**SUBTOTAL, OTHER FUNDS**

**\$0              \$0              \$0              \$0              \$0              \$0**

**TOTAL, ALL ITEMS**

**\$0              \$0              \$0              \$0              \$0              \$0**



**6.J Part B Summary of Budgetary Impacts Related to Federal Health Care Reform Schedule**  
 84th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/13/2014  
 TIME: 11:33:13AM

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

ITEM	ITEM NAME	Est 2014	Bud 2015	BL 2016	BL 2017	Excp 2016	Excp 2017	Total Request 2016	Total Request 2017
1	Data Collection and Analysis	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	Health Care Workforce	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total, Cost Related to Health Care Reform</b>		<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>
<b>METHOD OF FINANCING</b>									
	OTHER FUNDS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
	<b>TOTAL</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## 6.K. Budgetary Impacts Related to the Federal Budget Control Act-Sequestration

Agency Code: 506

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

CFDA Number and Program	Exp 2012	Exp 2013	Est 2014	Bud 2015	BL 2016	BL 2017
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### Impact on Program

There is an unknown impact on the State's General Revenue Research formula from the Federal Budget Control Act - Sequestration.

### Assumptions and Methodology

The number of grants available and the rate of success in federal grant applications to the National Institutes of Health (NIH), National Cancer Institute (NCI) and other federal research granting agencies continues to decline. The impact on total research expenditures due to sequestration impacts the primary metric used to calculate the research enhancement formula. This decline could result in reduced funding of general revenue in support of research.



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	Act 2013	Act 2014	Bud 2015	Est 2016	Est 2017
<b>Gross Tuition</b>					
Gross Resident Tuition	459,940	552,783	608,061	668,867	735,754
Gross Non-Resident Tuition	271,890	280,528	308,581	339,439	373,383
<b>Gross Tuition</b>	<b>731,830</b>	<b>833,311</b>	<b>916,642</b>	<b>1,008,306</b>	<b>1,109,137</b>
Less: Resident Waivers and Exemptions (excludes Hazlewood)	(3,120)	(2,530)	(3,440)	(3,612)	(3,792)
Less: Non-Resident Waivers and Exemptions	0	0	0	0	0
Less: Hazlewood Exemptions	0	0	0	0	0
Less: Board Authorized Tuition Increases (TX. Educ. Code Ann. Sec. 54.008)	0	0	0	0	0
Less: Tuition increases charged to doctoral students with hours in excess of 100 (TX. Educ. Code Ann. Sec. 54.012)	0	0	0	0	0
Less: Tuition increases charged to undergraduate students with excessive hours above degree requirements. (TX. Educ. Code Ann. Sec. 61.0595)	0	0	0	0	0
Less: Tuition rebates for certain undergraduates (TX. Educ. Code Ann. Sec. 54.0065)	0	0	0	0	0
Plus: Tuition waived for Students 55 Years or Older (TX. Educ. Code Ann. Sec. 54.013)	0	0	0	0	0
Less: Tuition for repeated or excessive hours (TX. Educ. Code Ann. Sec. 54.014)	0	0	0	0	0
Plus: Tuition waived for Texas Grant Recipients (TX. Educ. Code Ann. Sec. 56.307)	0	0	0	0	0
<b>Subtotal</b>	<b>728,710</b>	<b>830,781</b>	<b>913,202</b>	<b>1,004,694</b>	<b>1,105,345</b>
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)	(77,148)	(91,333)	(100,466)	(110,513)	(121,564)
Less: Transfer of Funds (2%) for Physician Loans (Medical Schools)	0	0	0	0	0
Less: Statutory Tuition (Tx. Educ. Code Ann. Sec. 54.051) Set Aside for Doctoral Incentive Loan Repayment Program (Tx. Educ. Code Ann. Sec. 56.095)	0	0	0	0	0
Less: Other Authorized Deduction					
<b>Net Tuition</b>	<b>651,562</b>	<b>739,448</b>	<b>812,736</b>	<b>894,181</b>	<b>983,781</b>

Schedule 1A: Other Educational and General Income

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<b>506 The University of Texas M.D. Anderson Cancer Center</b>					
	<b>Act 2013</b>	<b>Act 2014</b>	<b>Bud 2015</b>	<b>Est 2016</b>	<b>Est 2017</b>
Student Teaching Fees	0	0	0	0	0
Special Course Fees	0	0	0	0	0
Laboratory Fees	28,705	45,261	32,744	33,562	34,401
<b>Subtotal, Tuition and Fees (Formula Amounts for Health-Related Institutions)</b>	<b>680,267</b>	<b>784,709</b>	<b>845,480</b>	<b>927,743</b>	<b>1,018,182</b>
<b>OTHER INCOME</b>					
<b>Interest on General Funds:</b>					
Local Funds in State Treasury	4,400	4,800	5,000	5,500	6,050
Funds in Local Depositories, e.g., local amounts	21,626,278	0	0	0	0
Other Income (Itemize)					
<b>Subtotal, Other Income</b>	<b>21,630,678</b>	<b>4,800</b>	<b>5,000</b>	<b>5,500</b>	<b>6,050</b>
<b>Subtotal, Other Educational and General Income</b>	<b>22,310,945</b>	<b>789,509</b>	<b>850,480</b>	<b>933,243</b>	<b>1,024,232</b>
Less: O.A.S.I. Applicable to Educational and General Local Funds Payrolls	(559,544)	(24,294)	(28,234)	(29,459)	(29,974)
Less: Teachers Retirement System and ORP Proportionality for Educational and General Funds	(528,195)	(22,933)	(26,652)	(27,808)	(28,294)
Less: Staff Group Insurance Premiums	(896,792)	(39,019)	(45,317)	(47,220)	(48,080)
<b>Total, Other Educational and General Income (Formula Amounts for General Academic Institutions)</b>	<b>20,326,414</b>	<b>703,263</b>	<b>750,277</b>	<b>828,756</b>	<b>917,884</b>
<b>Reconciliation to Summary of Request for FY 2013-2015:</b>					
Plus: Transfer of Funds for Texas Public Education Grants Program and Physician Loans	77,148	91,333	100,466	110,513	121,564
Plus: Transfer of Funds 2% for Physician Loans (Medical Schools)	0	0	0	0	0
Plus: Transfer of Funds for Cancellation of Student Loans of Physicians	0	0	0	0	0
Plus: Organized Activities	0	0	0	0	0
Plus: Staff Group Insurance Premiums	896,792	39,019	45,317	47,220	48,080
Plus: Board-authorized Tuition Income	0	0	0	0	0
Plus: Tuition Increases Charged to Doctoral Students with Hours in Excess of 100	0	0	0	0	0

Schedule 1A: Other Educational and General Income

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	Act 2013	Act 2014	Bud 2015	Est 2016	Est 2017
Plus: Tuition Increases Charged to Undergraduate Students with Excessive Hours above Degree Requirements (TX. Educ. Code Ann. Sec. 61.0595)	0	0	0	0	0
Plus: Tuition rebates for certain undergraduates (TX Educ.Code Ann. Sec. 54.0065)	0	0	0	0	0
Plus: Tuition for repeated or excessive hours (TX. Educ. Code Ann. Sec. 54.014)	0	0	0	0	0
Less: Tuition Waived for Students 55 Years or Older	0	0	0	0	0
Less: Tuition Waived for Texas Grant Recipients	0	0	0	0	0
<b>Total, Other Educational and General Income Reported on Summary of Request</b>	<b>21,300,354</b>	<b>833,615</b>	<b>896,060</b>	<b>986,489</b>	<b>1,087,528</b>

Schedule 1B: Health-related Institutions Patient Income

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	Act 2013	Act 2014	Bud 2015	Est 2016	Est 2017
<b>Health-related Institutions Patient Income:</b>					
Medical Patient Income	2,795,078,641	2,945,692,117	3,176,331,158	3,333,216,600	3,553,208,896
Dental Patient Income	0	0	0	0	0
Other (Itemize)					
Interest on Funds in Local Depositories	0	14,537,546	20,907,698	24,215,878	28,096,337
Other Operating Revenue	0	14,500,481	15,200,000	15,600,000	15,800,000
<b>Subtotal, Health-related Institutions Patient Related Income</b>	<b>2,795,078,641</b>	<b>2,974,730,144</b>	<b>3,212,438,856</b>	<b>3,373,032,478</b>	<b>3,597,105,233</b>
Less: OASI Applicable to Other Funds Payroll	(69,861,707)	(73,171,792)	(79,266,230)	(85,442,449)	(91,407,687)
Less: Teachers Retirement System and ORP Proportionality for Other Funds	(65,947,694)	(69,072,331)	(74,825,327)	(80,655,523)	(86,286,556)
Less: Staff Group Insurance Premiums Applicable to Other Funds	(111,958,900)	(117,263,504)	(127,030,330)	(136,928,184)	(146,488,025)
<b>Total, Health-related Institutions Patient Related Income</b>	<b>2,547,310,340</b>	<b>2,715,222,517</b>	<b>2,931,316,969</b>	<b>3,070,006,322</b>	<b>3,272,922,965</b>
Health-related Institutions Patient-Related FTEs	11,996.4	12,015.9	12,291.8	12,585.5	12,902.2

## Schedule 2: Selected Educational, General and Other Funds

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	Act 2013	Act 2014	Bud 2015	Est 2016	Est 2017
<b>General Revenue Transfers</b>					
Transfer from Coordinating Board for Advanced Research Program	0	0	0	0	0
Transfer from Coordinating Board for Texas College Work Study Program (2011, 2012, 2013)	0	0	0	0	0
Transfer from Coordinating Board for Professional Nursing Shortage Reduction Program	0	0	0	0	0
Transfer of GR Group Insurance Premium from Comptroller (UT and TAMU Components only)	5,952,129	5,893,375	6,325,359	6,641,627	6,973,708
Less: Transfer to Other Institutions	0	0	0	0	0
Less: Transfer to Department of Health, Disproportionate Share - State-Owned Hospitals (2011, 2012, 2013)	0	0	0	0	0
Other (Itemize)					
Other: Fifth Year Accounting Scholarship	0	0	0	0	0
Texas Grants	0	0	0	0	0
B-on-Time Program	0	0	0	0	0
Less: Transfer to System Administration	0	0	0	0	0
<b>Subtotal, General Revenue Transfers</b>	<b>5,952,129</b>	<b>5,893,375</b>	<b>6,325,359</b>	<b>6,641,627</b>	<b>6,973,708</b>
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
<b>Other Additions (Itemize)</b>					
Increase Capital Projects - Educational and General Funds	0	0	0	0	0
Transfer from Department of Health, Disproportionate Share - State-owned Hospitals (2011, 2012, 2013)	0	0	0	0	0
Transfers from Other Funds, e.g., Designated funds transferred for educational and general activities (Itemize)	0	0	0	0	0
Transfer from Coordinating Board for Incentive Funding	0	0	0	0	0
Other (Itemize)					
<b>Gross Designated Tuition (Sec. 54.0513)</b>	<b>409,820</b>	<b>467,115</b>	<b>478,703</b>	<b>481,638</b>	<b>505,720</b>
<b>Indirect Cost Recovery (Sec. 145.001(d))</b>	<b>73,297,245</b>	<b>74,416,830</b>	<b>75,160,998</b>	<b>75,912,608</b>	<b>76,671,734</b>
<b>Correctional Managed Care Contracts</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



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

	<b>E&amp;G Enrollment</b>	<b>GR Enrollment</b>	<b>GR-D/OEGI Enrollment</b>	<b>Total E&amp;G (Check)</b>	<b>Local Non-E&amp;G</b>
<b>GR &amp; GR-D Percentages</b>					
GR %	5.70%				
GR-D %	94.30%				
<b>Total Percentage</b>	<b>100.00%</b>				
<b>FULL TIME ACTIVES</b>					
1a Employee Only	6,459	368	6,091	6,459	2,845
2a Employee and Children	2,266	129	2,137	2,266	852
3a Employee and Spouse	1,141	65	1,076	1,141	479
4a Employee and Family	1,978	113	1,865	1,978	1,100
5a Eligible, Opt Out	102	6	96	102	43
6a Eligible, Not Enrolled	33	2	31	33	22
<b>Total for This Section</b>	<b>11,979</b>	<b>683</b>	<b>11,296</b>	<b>11,979</b>	<b>5,341</b>
<b>PART TIME ACTIVES</b>					
1b Employee Only	836	48	788	836	300
2b Employee and Children	207	12	195	207	17
3b Employee and Spouse	79	5	74	79	26
4b Employee and Family	327	19	308	327	29
5b Eligible, Opt Out	52	3	49	52	23
6b Eligible, Not Enrolled	28	2	26	28	28
<b>Total for This Section</b>	<b>1,529</b>	<b>89</b>	<b>1,440</b>	<b>1,529</b>	<b>423</b>
<b>Total Active Enrollment</b>	<b>13,508</b>	<b>772</b>	<b>12,736</b>	<b>13,508</b>	<b>5,764</b>

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

	<b>E&amp;G Enrollment</b>	<b>GR Enrollment</b>	<b>GR-D/OEGI Enrollment</b>	<b>Total E&amp;G (Check)</b>	<b>Local Non-E&amp;G</b>
<b>FULL TIME RETIREES by ERS</b>					
1c Employee Only	1,838	105	1,733	1,838	291
2c Employee and Children	82	5	77	82	12
3c Employee and Spouse	699	40	659	699	122
4c Employee and Family	117	7	110	117	18
5c Eligible, Opt Out	41	2	39	41	4
6c Eligible, Not Enrolled	25	1	24	25	6
<b>Total for This Section</b>	<b>2,802</b>	<b>160</b>	<b>2,642</b>	<b>2,802</b>	<b>453</b>
<b>PART TIME RETIREES by ERS</b>					
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
<b>Total for This Section</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Retirees Enrollment</b>	<b>2,802</b>	<b>160</b>	<b>2,642</b>	<b>2,802</b>	<b>453</b>
<b>TOTAL FULL TIME ENROLLMENT</b>					
1e Employee Only	8,297	473	7,824	8,297	3,136
2e Employee and Children	2,348	134	2,214	2,348	864
3e Employee and Spouse	1,840	105	1,735	1,840	601
4e Employee and Family	2,095	120	1,975	2,095	1,118
5e Eligible, Opt Out	143	8	135	143	47
6e Eligible, Not Enrolled	58	3	55	58	28
<b>Total for This Section</b>	<b>14,781</b>	<b>843</b>	<b>13,938</b>	<b>14,781</b>	<b>5,794</b>

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

	<b>E&amp;G Enrollment</b>	<b>GR Enrollment</b>	<b>GR-D/OEGI Enrollment</b>	<b>Total E&amp;G (Check)</b>	<b>Local Non-E&amp;G</b>
<b>TOTAL ENROLLMENT</b>					
1f Employee Only	9,133	521	8,612	9,133	3,436
2f Employee and Children	2,555	146	2,409	2,555	881
3f Employee and Spouse	1,919	110	1,809	1,919	627
4f Employee and Family	2,422	139	2,283	2,422	1,147
5f Eligible, Opt Out	195	11	184	195	70
6f Eligible, Not Enrolled	86	5	81	86	56
<b>Total for This Section</b>	<b>16,310</b>	<b>932</b>	<b>15,378</b>	<b>16,310</b>	<b>6,217</b>

**Schedule 4: Computation of OASI**  
 84th Regular Session, Agency Submission, Version 1  
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**Agency 506 The University of Texas M.D. Anderson Cancer Center**

Proportionality Percentage Based on Comptroller Accounting Policy Statement #011, Exhibit 2	2013		2014		2015		2016		2017	
	<b>% to Total</b>	<b>Allocation of OASI</b>	<b>% to Total</b>	<b>Allocation of OASI</b>	<b>% to Total</b>	<b>Allocation of OASI</b>	<b>% to Total</b>	<b>Allocation of OASI</b>	<b>% to Total</b>	<b>Allocation of OASI</b>
General Revenue (% to Total)	5.4955	\$4,095,052	5.6949	\$4,420,173	5.3528	\$4,484,526	5.1235	\$4,615,640	4.8212	\$4,631,701
Other Educational and General Funds (% to Total)	0.7509	\$559,544	0.0313	\$24,294	0.0337	\$28,234	0.0327	\$29,459	0.0312	\$29,974
Health-Related Institutions Patient Income (% to Total)	93.7534	\$69,861,707	94.2737	\$73,171,792	94.6134	\$79,266,230	94.8437	\$85,442,449	95.1475	\$91,407,687
<b>Grand Total, OASI (100%)</b>	<b>99.9998</b>	<b>\$74,516,452</b>	<b>99.9999</b>	<b>\$77,616,336</b>	<b>99.9999</b>	<b>\$83,779,074</b>	<b>99.9999</b>	<b>\$90,087,638</b>	<b>99.9999</b>	<b>\$96,069,457</b>

Schedule 5: Calculation of Retirement Proportionality and ORP Differential

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Description	Act 2013	Act 2014	Bud 2015	Est 2016	Est 2017
<b>Proportionality Amounts</b>					
Gross Educational and General Payroll - Subject To TRS Retirement	893,298,750	875,727,038	988,887,139	1,063,350,340	1,133,956,803
Employer Contribution to TRS Retirement Programs	57,171,120	59,549,439	64,277,664	69,117,772	73,707,192
Gross Educational and General Payroll - Subject To ORP Retirement	219,508,935	207,855,006	224,358,694	241,252,903	257,272,096
Employer Contribution to ORP Retirement Programs	13,170,536	13,718,430	14,807,674	15,922,692	16,979,958
<b>Proportionality Percentage</b>					
General Revenue	5.4955 %	5.6949 %	5.3528 %	5.1235 %	4.8212 %
Other Educational and General Income	0.7509 %	0.0313 %	0.0337 %	0.0327 %	0.0312 %
Health-related Institutions Patient Income	93.7534 %	94.2737 %	94.6134 %	94.8437 %	95.1475 %
<b>Proportional Contribution</b>					
Other Educational and General Proportional Contribution (Other E&G percentage x Total Employer Contribution to Retirement Programs)	528,195	22,933	26,652	27,808	28,294
HRI Patient Income Proportional Contribution (HRI Patient Income percentage x Total Employer Contribution To Retirement Programs)	65,947,694	69,072,331	74,825,327	80,655,523	86,286,556
<b>Differential</b>					
Gross Payroll Subject to Differential - Optional Retirement Program	51,682,300	41,571,001	44,871,739	48,250,581	51,454,419
<b>Total Differential</b>	1,292,058	789,849	852,563	916,761	977,634

**Schedule 6: Constitutional Capital Funding**  
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**506 The University of Texas M.D. Anderson Cancer Center**

Activity	Act 2013	Act 2014	Bud 2015	Est 2016	Est 2017
A. PUF Bond Proceeds Allocation	10,308,534	9,829,194	9,800,000	9,800,000	9,800,000
Project Allocation					
Library Acquisitions	0	0	0	0	0
Construction, Repairs and Renovations	1,750,000	1,829,194	1,800,000	1,800,000	1,800,000
Furnishings & Equipment	0	0	0	0	0
Computer Equipment & Infrastructure	0	0	0	0	0
Reserve for Future Consideration	0	0	0	0	0
Other (Itemize)					
PUF Bond Proceeds					
STARS & STARS +	8,558,534	8,000,000	8,000,000	8,000,000	8,000,000
B. HEF General Revenue Allocation	0	0	0	0	0
Project Allocation					
Library Acquisitions	0	0	0	0	0
Construction, Repairs and Renovations	0	0	0	0	0
Furnishings & Equipment	0	0	0	0	0
Computer Equipment & Infrastructure	0	0	0	0	0
Reserve for Future Consideration	0	0	0	0	0
HEF for Debt Service	0	0	0	0	0
Other (Itemize)					

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

	Actual 2013	Actual 2014	Budgeted 2015	Estimated 2016	Estimated 2017
<b>Part A.</b>					
<b>FTE Postions</b>					
<b>Directly Appropriated Funds (Bill Pattern)</b>					
Educational and General Funds Faculty Employees	637.5	294.1	286.6	282.5	280.6
Educational and General Funds Non-Faculty Employees	13,135.6	453.6	461.1	465.2	467.1
<b>Subtotal, Directly Appropriated Funds</b>	<b>13,773.1</b>	<b>747.7</b>	<b>747.7</b>	<b>747.7</b>	<b>747.7</b>
<b>Other Appropriated Funds</b>					
Other (Itemize)	0.0	13,048.8	13,324.7	13,618.4	13,893.3
<b>Subtotal, Other Appropriated Funds</b>	<b>0.0</b>	<b>13,048.8</b>	<b>13,324.7</b>	<b>13,618.4</b>	<b>13,893.3</b>
<b>Subtotal, All Appropriated</b>	<b>13,773.1</b>	<b>13,796.5</b>	<b>14,072.4</b>	<b>14,366.1</b>	<b>14,641.0</b>
Non Appropriated Funds Employees	5,190.1	5,332.4	5,439.1	5,547.9	5,658.8
<b>Subtotal, Other Funds &amp; Non-Appropriated</b>	<b>5,190.1</b>	<b>5,332.4</b>	<b>5,439.1</b>	<b>5,547.9</b>	<b>5,658.8</b>
<b>GRAND TOTAL</b>	<b>18,963.2</b>	<b>19,128.9</b>	<b>19,511.5</b>	<b>19,914.0</b>	<b>20,299.8</b>

**Schedule 7: Personnel**

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

	Actual 2013	Actual 2014	Budgeted 2015	Estimated 2016	Estimated 2017
<b>Part B.</b>					
<b>Personnel Headcount</b>					
<b>Directly Appropriated Funds (Bill Pattern)</b>					
Educational and General Funds Faculty Employees	763.0	287.0	295.0	294.0	288.0
Educational and General Funds Non-Faculty Employees	13,291.0	480.0	476.0	471.0	473.0
<b>Subtotal, Directly Appropriated Funds</b>	<b>14,054.0</b>	<b>767.0</b>	<b>771.0</b>	<b>765.0</b>	<b>761.0</b>
<b>Other Appropriated Funds</b>					
Other (Itemize)	0.0	13,383.0	13,737.0	14,040.0	14,414.0
<b>Subtotal, Other Appropriated Funds</b>	<b>0.0</b>	<b>13,383.0</b>	<b>13,737.0</b>	<b>14,040.0</b>	<b>14,414.0</b>
<b>Subtotal, All Appropriated</b>	<b>14,054.0</b>	<b>14,150.0</b>	<b>14,508.0</b>	<b>14,805.0</b>	<b>15,175.0</b>
Non Appropriated Funds Employees	5,296.0	5,469.0	5,607.0	5,719.0	5,864.0
<b>Subtotal, Non-Appropriated</b>	<b>5,296.0</b>	<b>5,469.0</b>	<b>5,607.0</b>	<b>5,719.0</b>	<b>5,864.0</b>
<b>GRAND TOTAL</b>	<b>19,350.0</b>	<b>19,619.0</b>	<b>20,115.0</b>	<b>20,524.0</b>	<b>21,039.0</b>



**Schedule 7: Personnel**  
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	Actual 2013	Actual 2014	Budgeted 2015	Estimated 2016	Estimated 2017
<b>PART C.</b>					
<b>Salaries</b>					
<b>Directly Appropriated Funds (Bill Pattern)</b>					
Educational and General Funds Faculty Employees	\$175,479,856	\$84,787,186	\$85,944,334	\$91,100,994	\$94,745,034
Educational and General Funds Non-Faculty Employees	\$932,915,391	\$74,176,303	\$73,679,987	\$78,100,786	\$81,224,818
<b>Subtotal, Directly Appropriated Funds</b>	<b>\$1,108,395,247</b>	<b>\$158,963,489</b>	<b>\$159,624,321</b>	<b>\$169,201,780</b>	<b>\$175,969,852</b>
<b>Other Appropriated Funds</b>					
Other (Itemize)	\$0	\$939,922,280	\$977,519,172	\$1,046,387,386	\$1,087,914,799
<b>Subtotal, Other Appropriated Funds</b>	<b>\$0</b>	<b>\$939,922,280</b>	<b>\$977,519,172</b>	<b>\$1,046,387,386</b>	<b>\$1,087,914,799</b>
<b>Subtotal, All Appropriated</b>	<b>\$1,108,395,247</b>	<b>\$1,098,885,769</b>	<b>\$1,137,143,493</b>	<b>\$1,215,589,166</b>	<b>\$1,263,884,651</b>
Non Appropriated Funds Employees	\$533,537,291	\$548,771,848	\$570,722,722	\$593,551,631	\$617,293,696
<b>Subtotal, Non-Appropriated</b>	<b>\$533,537,291</b>	<b>\$548,771,848</b>	<b>\$570,722,722</b>	<b>\$593,551,631</b>	<b>\$617,293,696</b>
<b>GRAND TOTAL</b>	<b>\$1,641,932,538</b>	<b>\$1,647,657,617</b>	<b>\$1,707,866,215</b>	<b>\$1,809,140,797</b>	<b>\$1,881,178,347</b>

**Schedule 8A: Tuition Revenue Bond Projects**  
 84th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/13/2014  
 TIME: 11:33:15AM

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

<b>Project Priority:</b>	<b>Project Code:</b>	<b>Tuition Revenue Bond Request</b>	<b>Total Project Cost</b>	<b>Cost Per Total Gross Square Feet</b>
1	1	\$ 70,000,000	\$ 361,000,000	\$ 568
<b>Name of Proposed Facility:</b>	<b>Project Type:</b>			
Zayed Building for Personalized Cancer Care	New Construction			
<b>Location of Facility:</b>	<b>Type of Facility:</b>			
On-campus	Research			
<b>Project Start Date:</b>	<b>Project Completion Date:</b>			
07/09/2014	09/01/2015			
<b>Gross Square Feet:</b>	<b>Net Assignable Square Feet in Project</b>			
636,404	410,650			

**Project Description**

The Zayed facility will provide necessary space to accommodate the expanding research mission of MD Anderson and related academic programs. The new state of the art space will enhance the capacity for the institution to sustain its national rankings and achievements as a leading research-driven patient care institution focused on developing and advancing the most innovative therapeutics, diagnostics, early detection and prevention techniques to combat cancer. The initial plan was for the Zayed building to replace aging and deficient buildings currently in use. However, the initiation of MD Anderson's Cancer Moon Shot program, aimed at significantly reducing cancer mortality in 8 specific disease sites over a 10 year period, has resulted in rapid expansion in research and development programs and significant recruitments of faculty and staff in related areas. The Zayed building will be the location of many of these research initiatives. The TRB request is \$70M at 6% for 20 years.

Schedule 8B: Tuition Revenue Bond Issuance History

10/13/2014 11:33:15AM

84th Regular Session, Agency Submission, Version 1  
 Automated Budget and Evaluation System of Texas (ABEST)

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

Authorization Date	Authorization Amount	Issuance Date	Issuance Amount	Authorized Amount Outstanding as of 08/31/2014	Proposed Issuance Date for Outstanding Authorization	Proposed Issuance Amount for Outstanding Authorization
2001	\$20,000,000	Jan 23 2023	\$20,000,000			
		<i>Subtotal</i>	\$20,000,000	\$0		
2003	\$20,000,000	Nov 4 2012	\$20,000,000			
		<i>Subtotal</i>	\$20,000,000	\$0		
2006	\$40,000,000	Feb 15 2008	\$1,036,000			
		Feb 24 2008	\$1,036,000			
		Aug 15 2008	\$1,417,000			
		Jan 6 2009	\$23,480,000			
		Feb 18 2009	\$1,520,000			
		Aug 3 2009	\$2,813,000			
		Mar 25 2010	\$8,698,000			
		<i>Subtotal</i>	\$40,000,000	\$0		

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

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**Special Item:**     1     **Research Support**

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

**(2) Mission of Special Item:**

Research

**(3) (a) Major Accomplishments to Date:**

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

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

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

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

HRI Patient Income

**(5) Formula Funding:**

N

**(6) Non-general Revenue Sources of Funding:**

HRI Patient Income

**(7) Consequences of Not Funding:**

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

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

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**Special Item:     2           Institutional Enhancement**

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

**(2) Mission of Special Item:**

Research

**(3) (a) Major Accomplishments to Date:**

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

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

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

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

In the next two years, the Genomics Core Laboratory will continue to provide critical support to MD Anderson investigators in transcriptome and genome research. The lab will leverage its key role in The Cancer Genome Atlas program and provide integrated support not only in generation of genomic data but informatics analysis. The program has coauthored the recent Nature papers in colorectal cancer and the upcoming Nature paper in breast cancer (in press) as well as kidney and endometrial cancer papers submitted to Nature.

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

HRI Patient Income

**(5) Formula Funding:**

N

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

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**(6) Non-general Revenue Sources of Funding:**

HRI Patient Income

**(7) Consequences of Not Funding:**

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

The Core Laboratory provides key research support internally which would be hindered. Without funding of the program, the institution may lose key personnel who have multiple years of experience in providing genomic support and informatics analysis to multiple groups at MD Anderson. The institution may also risk losing ground in securing major funding from NCI and NHGRI.

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

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

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

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

**(2) Mission of Special Item:**

Research

**(3) (a) Major Accomplishments to Date:**

Since establishment of the program, more patients with Inflammatory Breast Cancer (IBC) are seen in this clinic than any other center in the world. State funding has allowed the center to develop the worlds' largest bio-repository of tissue and serum samples from IBC patients and to partner with other centers around the world to expand the repository. The program is aggressively researching potential causes of IBC such as identifying the genetic mutations that allow IBC to develop and performing the first whole genome analysis on IBC tissue. The center is investigating possible viral and auto-immune causes and has partnered with the National Cancer Institute to analyze patient samples.

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

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

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

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

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

HRI Patient Income

**(5) Formula Funding:**

N

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

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**(6) Non-general Revenue Sources of Funding:**

HRI Patient Income

**(7) Consequences of Not Funding:**

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

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

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

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