

UT Health Science Center - Houston Compact for FY 09 – FY 10

Mission: As a comprehensive health science university, the mission of the The University of Texas Health Science Center at Houston (UT HSC Houston) is to educate health science professionals, discover and translate advances in the biomedical and sciences, and model the best practices in clinical care and public health.

We pursue this mission in order to advance the quality of human life by enhancing the diagnosis, treatment, and prevention of disease and injury, as well as promoting individual health and community well-being.

Top 5 Priorities for FY 09 – FY 10:

1. Develop and show progress on major fundraising initiatives.
2. Develop and implement programmatic plan associated with new facilities opening in FY 09 & FY 10
3. Increase faculty and student numbers; improve faculty and staff retention, including key leadership positions
4. Enhance opportunities for internal and external collaborative endeavors
5. Continue enhancing financial position.

I. Performance Summary Table and Analysis

Indicator	Past		Current	Goal	Explanation	
	Fall	2003	2006	2007		2009
Enrollment Growth						
Biomedical Sciences		490	544	578	561	Growth represents a planned increase of 5% in the entering class (approximately 5 students each year).
Dental (undergrad + grad)		398	439	452	503	Growth represents a planned increase in total DDS enrollment (from 250 in fall 2005 to 331 in fall 2009).
Health Information Sciences		74	73	80	107	Growth represents a planned increase in degree-seeking students (approximately 11 per year).
Medical		816	912	929	970	Entering class size is 230, plus 50 MS clinical research.
Nursing (undergrad + grad)		698	753	771	800	Growth represents a planned increase in degree-seeking students.
Public Health		908	930	959	1,085	Growth represents an on-target planned increase of approximately 60 students per year, some of which is attributable to the new Austin Regional Campus.
All Sponsored Research Expenditures		\$152,117,064 (2003) \$175,153,808 (2006)	\$191,724,126 (2007)	\$196.4 mil (FY 2010)		Goal aligns with UTHSC-H's six-year forecast; 1% annual growth and stable indirect cost recovery.
Federal Sponsored Research Expenditures		\$111,170,193 (2003) \$122,870,079 (2006)	\$131,879,012 (2007)	\$134.3 mil (FY 2010)		Maintains current proportion of federal expenditures for research (68.4% of total).
Uncompensated Health Care According to the State Definition – physicians only		\$139,031,049 (FY 2004) \$185,910,119 (FY 2006)	\$152,091,939 (FY 2007)	\$166,000,000 (FY 2010)		Based on the LBB definition, goal projects growth at 3% per year in accordance with the UT System strategic plan.
Student diversity (% underrepresented minority)		18.5% (Fall 2003) 18.5% (Fall 2005)	20% (Fall 2006)	26% (Fall 2009)		Goal projects an annual increase of 2 percentage points.
Faculty PIs as a percent of total CBM-008 certified faculty		31% (FY 2004) 33% (FY 2006)	34% (FY 2007)	37% (FY 2010)		Goal projects a conservative annual increase of 1 percentage point.

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Indicator	Past	Current	Goal	Explanation
MSRDP net patient revenues	\$99,820,240 (FY 2004) \$102,923,209 (FY 2006)	\$125,969,236 (FY 2007)	\$141,085,543 (FY 2010)	Goal projects roughly 4% annual growth.
Medical School outpatient visits	834,987 (FY 2004) 840,831 (FY 2006)	980,451 (FY 2007)	1,040,000 (FY 2010)	Goal projects roughly 2% annual growth.
Total Endowments and Similar - other than State	\$66,638,813 (FY 2004) \$87,181,444 (FY 2006)	\$100,097,367 (FY 2007)	\$143,000,000 (FY 2010)	NEED TO VERIFY #s. Actuals reconcile with Annual Financial Report (AFR) schedule B6a. Annual growth initially projected at a conservative 2.5%; will revisit prior to final submission.

II. Update Strategic Initiatives from the 2007 Compact

a. Completed Initiatives

	Impact (Metrics)	Analysis	Goal	Evaluation of initiative success
1. Complete the Medical School Expansion and Vivarium	Recruit new faculty/staff (30/70 respective goals)	Estimated move in date is early spring 2008.	8 new faculty on board in FY 2008	Formally opened new building; Recruited new chair for Department of Integrative Biology & Pharmacology and other departmental faculty
2. Recruit leaders to key academic and research leadership positions	# of vacant/interim positions	Several key positions held by interim leaders: COO, VP Institutional Advancement, MS Dean.	Fill 3 executive-level positions now interim	Hired permanent holders of the key positions noted.

b. Ongoing Initiatives

	Impact (Metrics)	Analysis	Goal	Next Steps
1. Finance and plan for a replacement Dental Branch Building	Gains in faculty and student recruitment	\$90 million committed (TRBs, PUF). Project in final design phase. Project approved by Board of Regents May 08.	Scheduled completion Spring 2011	Complete design of the new building in late summer 2008, with construction to begin fall/winter 08.
2. Finance and plan for the UT Research Park Building complex	Increase research dollars	BREF and Neurosciences building in research park complex currently in construction.	Scheduled completion in fall 2009	Finalize construction, commission the building, and move in by spring 2010.
3. Continue plans to expand the School of Public Health (SPH) building in Houston	Increase space/enrollment/faculty/research	1 SPH division housed in temporary space; addition would consolidate operations and allow for planned growth.	Obtain funding for building by 2010	Develop financing and program plans.
4. Stabilize Medical School leadership and strengthen relationship with the Memorial Hermann Healthcare System and the Harris County Hospital District	Decrease faculty turnover; predictable contract revs	Filled three department chair vacancies as well as the Medical School Dean's position.	Minimize the number of vacant or interim positions	Fill remaining 5 vacant clinical department chairs. Anticipate new affiliation agreement with HCHD and AOA renewal with MHHS shortly.

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	Impact (Metrics)	Analysis	Goal	Next Steps
5. Maintain and sustain financial performance of the physician practice plan	Increase # of outpatient visits; improve 3rd-party reimbursement	One-year growth in outpatient visits surpassed projections; \$4M margin w/out UPL through Apr 08	At least break even w/out UPL payments or PLI rebate	Continue current on-track performance.

III. New Strategic Initiatives

Initiative, Rationale, & Strategy	Expected Impact (Metrics)	Goal	Specific Steps in 08-09, 09-10
1. Develop and show progress on major fund raising initiatives.	\$ committed.	2008-\$40M 2009-\$40M 2010-\$40M	Build development infrastructure for major campaign. Place development officers in each school. Each Dean setting development priorities for philanthropy and alumni.
2. Finance and plan phase 2 of replacement Dental Branch Building	Increase in student enrollment and faculty	Complete replacement Dental Branch Building	Identify funding for phase 2, complete planning and design, and begin construction
3. Expand School of Public Health degree programs	Increase student numbers and make degree programs more accessible throughout the state	MPH program in Healthcare Management; Doctoral program regional campus	Obtain THECB approval; recruit students; schedule courses.

IV. UT System Strategic Plan Initiatives

a. New Clinical Programs/Products

The Strategic Planning Leadership Team will continue to explore cross-cutting priorities with product line potential: clinical and translational research, neurosciences, informatics, and diabetes and obesity. The team will further explore these opportunities as part of the institution's long-range planning process and as they align with the priorities of the health science's center's new President.

b. Financial Management Plan

To be determined, pending receipt of additional information from UT System regarding its expectations of this new plan.

c. Information Security Plan

UTHSC Houston administration recognizes the critical importance of maintaining a secure infrastructure. UTHSC-H's information security team, via the institutional Information Security Program, specifies a series of current and proposed IT initiatives designed to provide and enforce IT Security policies, network security (firewalls, IPS/IDS, VPN, wireless), provide security awareness training, disaster recovery planning and testing, as well as security incident response.

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V. Summary of STARS and Special PUF Investments

a. Summary of investments:

	FY 05	FY 06	FY 07	FY 08	Description/Metrics of Impact
STARS Program	--	\$3,000,000	--	\$1,500,000	Recruitment involves new concepts of drug development for treatment of cardiovascular disease, which involves multi-institutional collaborations.
ENTER Program	--	\$630,428	\$938,307	\$228,368	Increase the number of student learning days, total patient visits, and clinic revenues.

VI. New Faculty Positions Projected to 2011

Field	FY 06	FY 07	FY 08	FY 09	FY 10	FY 11	Total FY 06 – FY 11
STEM	2	5	8	10	5	5	35
Medical/Health	9	15	13	13	18	27	95
Total	11	20	21	23	23	32	130

Comments: Reflects net new faculty (headcount). STEM=School of Health Information Sciences and IMM; Medicine/Health=Medicine, Dentistry, Nursing, and Public Health. The Graduate School of Biomedical Sciences does not have faculty; rather, GSBS faculty are counted in the school of their primary appointment.

VII. Status of Campus Strategic/Long-Range Plan: In the fall of 2007, health science center leadership initiated a review of performance indicators for each school and the HCPC. This review, now complete, resulted in the creation of an institutional "Report Card" against which performance gaps may be assessed and closed through annual budget and planning cycles.

VIII. Campus Consultation to Develop Compact: The HSC-Houston's long-standing Strategic Planning Leadership Team continues to meet quarterly and was instrumental in developing and refining the priorities and metrics found in this Compact. The institutional Compact is published online and offers an area for faculty, staff, and students to provide comments, offer suggestions, and pose questions.

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IX. Budget

The University of Texas Health Science Center at Houston
Operating Budget, Fiscal Year Ending August 31, 2008

	FY 2006 Actual	FY 2007 Adjusted Budget	FY 2008 Operating Budget	Budget	
				Increases (Decreases) From 2007 to 2008	
				Amount	Percent
Operating Revenues:					
Tuition and Fees	\$ 20,414,603	18,557,555	20,613,309	2,055,754	11.1%
Federal Sponsored Programs	138,553,106	141,675,151	148,837,664	7,162,513	5.1%
State Sponsored Programs	18,246,939	10,140,002	10,498,805	358,803	3.5%
Local and Private Sponsored Programs	107,480,678	120,032,562	132,037,719	12,005,157	10.0%
Net Sales and Services of Educational Activities	41,875,489	31,961,217	40,041,100	8,079,883	25.3%
Net Sales and Services of Hospital and Clinics	27,249,098	28,596,631	31,869,150	3,272,519	11.4%
Net Professional Fees	103,849,052	112,601,562	107,427,873	(5,173,689)	-4.6%
Net Auxiliary Enterprises	23,267,044	25,195,436	25,858,156	662,720	2.6%
Other Operating Revenues	9,266,621	6,524,944	5,744,672	(780,272)	-12.0%
Total Operating Revenues	490,202,630	495,285,060	522,928,448	27,643,388	5.6%
Operating Expenses:					
Instruction	263,972,589	292,727,348	305,772,517	13,045,169	4.5%
Academic Support	23,463,114	24,654,379	25,416,076	761,697	3.1%
Research	137,996,201	129,335,649	142,764,980	13,429,331	10.4%
Public Service	17,143,307	19,551,130	24,090,972	4,539,842	23.2%
Hospitals and Clinics	65,075,580	74,144,498	74,538,699	394,201	0.5%
Institutional Support	68,618,481	63,707,664	69,636,111	5,928,447	9.3%
Student Services	4,089,834	5,128,288	5,205,107	76,819	1.5%
Operations and Maintenance of Plant	20,413,873	25,355,960	26,249,350	893,390	3.5%
Scholarships and Fellowships	3,460,815	3,341,582	3,404,232	62,650	1.9%
Auxiliary Enterprises	14,888,263	20,798,841	21,273,044	474,203	2.3%
Depreciation and Amortization	27,473,406	30,135,891	34,655,665	4,519,774	15.0%
Total Operating Expenses	646,595,463	688,881,230	733,006,753	44,125,523	6.4%
Operating Surplus/Deficit	(156,392,833)	(193,596,170)	(210,078,305)	(16,482,135)	8.5%
Budgeted Nonoperating Revenues (Expenses):					
State Appropriations & HEAF	151,960,434	153,793,655	169,289,401	15,495,746	10.1%
Gifts in Support of Operations	21,078,134	12,294,000	11,780,100	(513,900)	-4.2%
Net Investment Income	19,024,746	11,967,815	17,378,944	5,411,129	45.2%
Other Non-Operating Revenue	1,227,347	5,337,655	5,705,255	367,600	6.9%
Other Non-Operating (Expenses)	(646,049)	-	-	-	-
Net Non-Operating Revenue/(Expenses)	192,644,612	183,393,125	204,153,700	20,760,575	11.3%
Transfers and Other:					
AUF Transfers Received	-	-	-	-	-
AUF Transfers (Made)	-	-	-	-	-
Transfers for Debt Service - Interest	(8,846,515)	(7,780,967)	(8,274,927)	(493,960)	6.3%
Total Transfers and Other	(8,846,515)	(7,780,967)	(8,274,927)	(493,960)	6.3%
Budget Margin	27,405,264	(17,984,012)	(14,199,532)	3,784,480	-21.0%
Reconciliation to Change in Net Asset:					
Net Non-Profit Health Corp Activity	-	1,000,000	1,000,000	-	0.0%
Net Inc./(Dec.) in Fair Value of Investments	10,157,494	-	-	-	-
Interest Expense on Capital Asset Financings	-	-	-	-	-
Capital Approp., Gifts and Sponsored Programs	7,642,347	3,000,000	4,000,000	1,000,000	33.3%
Additions to Permanent Endowments	6,398,255	12,500,000	14,000,000	1,500,000	12.0%
Transfers for Debt Service - Principal	(8,072,482)	(6,401,890)	(10,678,579)	(4,276,689)	66.8%
Reverse Transfers for Debt Service (System Only)	-	-	-	-	-
Transfers and Other	14,477,441	55,277,474	25,720,000	(29,557,474)	-53.5%
SRECNA Change in Net Assets	\$ 58,008,319	47,391,572	19,841,889	(27,549,683)	-58.1%
Total Revenues and AUF Transfers	\$ 683,493,291	678,678,185	727,082,148	48,403,963	7.1%
Total Expenses (Including Transfers for Interest)	(656,088,027)	(696,662,197)	(741,281,680)	(44,619,483)	6.4%
Budget Margin	\$ 27,405,264	(17,984,012)	(14,199,532)	3,784,480	
Reconciliation to Use of Prior Year Balances					
Depreciation		30,135,891	34,655,665		
Capital Outlay		(8,140,617)	(6,851,355)		
Transfers for Debt Service - Principal		(6,401,890)	(10,678,579)		
Budgeted Transfers		-	62,382		
Use of Prior Year Balances		(2,390,628)	2,988,581		

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X. Data Summary

<i>fall</i>	2000	2001	2002	2003	2004	2005	2006	2007
Enrollment								
Biomedical Sciences	416	443	465	490	514	539	544	578
Clinical Research			15	21	17	21	41	5
Dental (undergrad + prof)	374	414	413	398	377	390	439	452
Health Information Sciences	45	64	62	74	64	55	73	80
Medical	817	829	822	816	830	848	871	929
Nursing (undergrad + grad)	581	646	683	698	760	809	753	771
Public Health	910	890	886	908	837	925	930	959
Total enrollment	3,143	3,286	3,334	3,405	3,399	3,587	3,651	3,774
<i>fall</i>	2000	2001	2002	2003	2004	2005	2006	2007
Enrollment by ethnicity								
White	1,926	1,948	1,950	1,939	1,882	1,954	1,910	1,909
African American	173	210	196	189	200	230	254	267
Hispanic	322	380	392	425	411	447	447	469
Asian American	425	430	457	448	436	479	471	536
Native American	16	17	11	16	15	11	21	30
International	265	276	279	299	401	405	477	503
Unknown	16	25	49	89	54	61	71	60
Total enrollment	3,143	3,286	3,334	3,405	3,399	3,587	3,651	3,774
<i>academic year</i>	99-00	00-01	01-02	02-03	03-04	04-05	05-06	06-07
Certificates and degrees								
Biomedical Sciences	74	67	75	86	77	84	96	94
Dental	146	143	156	132	149	165	142	148
Health Information Sciences	3	15	12	9	25	18	14	11
Medical	201	186	214	186	194	188	207	218
Nursing	213	232	208	233	249	291	282	307
Public Health	142	147	154	147	213	200	207	180
Total certificates and degrees	779	790	819	793	907	946	948	958
<i>fiscal year</i>	1999	2000	2001	2002	2003	2004	2005	2006
Licensure exam pass rates								
Allied Health	100.0%	97.0%	97.4%	100.0%	100.0%	97.3%	86.5%	100.0%
Dentistry	95.0%	99.0%	96.5%	96.7%	91.3%	94.1%	96.8%	96.7%
Medicine	95.0%	91.0%	91.0%	91.0%	91.0%	90.0%	94.0%	90.6%
Nursing (BSN)	95.0%	91.0%	94.0%	97.0%	94.0%	95.0%	90.3%	92.0%
Nursing (MSN)	55.0%	62.0%	66.0%	73.0%	68.0%	61.0%	72.0%	100.0%
<i>fiscal year</i>	2000	2001	2002	2003	2004	2005	2006	2007
Total research expenditures		\$128,161,248	\$140,827,726	\$152,117,064	\$150,220,206	\$156,519,695	\$175,153,808	\$191,724,126
Federal research expenditures		\$91,267,003	\$101,738,767	\$111,170,193	\$110,438,174	\$116,397,631	\$122,870,079	\$131,879,012
Total NIH awards (\$)	\$79,440,110	\$83,903,275	\$90,452,217	\$89,956,123	\$80,515,380	\$81,548,352	\$88,499,652	\$83,920,969