

The University of Texas Health Science Center at Houston

**Compact with The University of Texas System
Fiscal Years 2005-2006**

I. Introduction: Institutional Mission and Goals

As the most comprehensive health science center in the southwest region of the United States, The University of Texas Health Science Center at Houston (UTHSC-H) is uniquely positioned to serve the health needs of the State of Texas.

Mission

Teaching, Searching, Serving

The University of Texas Health Science Center at Houston is a comprehensive health science university composed of six schools, an institute of molecular medicine and a psychiatric center. UTHSC-H's mission is to treat, cure and prevent disease now and in the future by educating health science professionals; discovering and translating advances in social and biomedical sciences; and modeling the best practices in clinical care.

To fulfill its mission, UTHSC-H:

1. Educates health professionals and scientists in a diverse interdisciplinary academic community.
2. Creates and evaluates new knowledge—through basic science and applied research—as it relates to disease prevention, treatment and cure.
3. Provides leadership and advances scholarship in biomedical sciences, health professions, health promotion, public health policy and health care delivery.
4. Models appropriate and compassionate clinical care.
5. Addresses the health needs of the community at large through public health expertise, information, outreach and service.
6. Develops the expanding field of health information science.

As mentioned above, one of UTHSC-H's primary goals is to educate health professionals and scientists in a diverse interdisciplinary academic community. Fall 2003 enrollment demographics include 61.6 percent (2,106) female and 38.4 percent (1,311) male. Of these 3,417 students, 56.7 percent are Caucasian, 13 percent are Asian, 12.5 percent are Hispanic and 5.6 percent are African American. The university's 1,215 faculty are 71.6 percent Caucasian, 17.1 percent Asian, 6.3 percent Hispanic and 4.4 percent African American.

Also as part of its mission, UTHSC-H provides an average of \$100 million in un-reimbursed clinical care, most of which benefits the underserved of Southeast Texas.

Vision

"Excellence above all" in the quest to be an acknowledged leader in the collaboration to treat, cure and prevent the most common diseases of our time through education, research and clinical practice

The University of Texas Health Science Center at Houston aspires to be a leader in the collaboration to treat, prevent, and cure the most common diseases of our time by:

1. Utilizing the distinctive capabilities of its schools, clinics, institutes and centers;
2. Collaborating with colleagues in the University of Texas System, the Texas Medical Center and throughout the world;
3. Being an academic health science center that is nationally and internationally recognized in teaching, research and service;
4. Serving as a home for the visionaries and scholars who will lead the way in defining and creating the future of the health sciences; and
5. Providing a diverse work environment that is ethically-based, service-oriented and community-sensitive.

Of the university's six schools, two (Nursing and Public Health) are nationally ranked within the top 10 percent of their peer groups. The Dental Branch is the oldest dental school in the state. The Graduate School of Biomedical Sciences is a successful collaboration between UTHSC-H and UT M.D. Anderson Cancer Center. The School of Public Health, with four regional campuses in addition to the main campus in Houston, is the only school of its kind within the University of Texas System. Moreover, UTHSC-H is strategically located in the Texas Medical Center, the largest medical center in the world. This location provides the opportunity for collaboration with six major hospitals, two of whom have Level 1 trauma centers, two schools of nursing (Texas Woman's University and Prairie View A&M University) and one medical school (Baylor College of Medicine).

II.A. Major Ongoing Priorities and Initiatives: Short Term Goals and Priorities

UTHSC-H has identified three short term priorities: (1) develop facilities for education, research and clinical practice; (2) increase the scope of the university's research enterprise; and (3) enhance educational excellence.

Priority: Develop facilities for education, research and clinical practice

Objective: *Equip the Center for Nursing Research (CNR) in the new School of Nursing and Student Community Center building*

Strategies

1. Achieve fund raising target
2. Equip the Nursing Research Laboratory

Resources

1. Center for Nursing Research
Philanthropy: \$1 million (\$950,000 raised to date)
Reallocation of indirect cost recoveries: only if fund raising target not met

Progress Measures

1. Amount of grant support generated by August 31, 2006

Major Obstacles

1. None anticipated

Objective: *Complete the Medical School recovery plan on schedule and within budget*

Strategies

1. Complete the Surgical and Clinical Skills Center
2. Complete flood mitigation project to elevate Medical School switchgear and vault
3. Complete basement level Vivarium support
4. Complete Tropical Storm Allison recovery project: basement mechanical, electrical, and plumbing (MEP) infrastructure

Resources

1. Surgical and Clinical Skills Center (\$14 million est. Total Project Cost [TPC])
Insurance: \$500,000
Tuition Revenue Bonds: \$3.5 million
Philanthropy: \$10 million
2. Medical School switchgear and vault (\$4,251,000 est. TPC)
Insurance: \$750,000
FEMA: \$2,250,750
Tuition Revenue Bonds: \$1,250,250
3. Medical School basement level Vivarium support (\$267,000 est. TPC)
Insurance: \$267,000

4. Medical School basement mechanical, electrical, and plumbing (MEP) infrastructure (\$4,950,000 est. TPC)
Insurance: \$3,372,000
Tuition Revenue Bonds: \$1,578,000

Progress Measures

1. Percent of projects completed both on time and within budget

Major Obstacles

1. Ability to achieve fund raising goal

Objective: *Complete construction of the Brown Foundation Institute of Molecular Medicine*

Strategies

1. Oversee work of architects and contractors
2. Review funding sources for maintenance and operation costs of the building

Resources

1. IMM building (\$120 million est. TPC)
Tuition Revenue Bonds: \$15 million
PUF: \$50 million
Philanthropy: \$55 million

Progress Measures

1. Percent of projects completed both on time and within budget

Major obstacles

None at this time

Objective: *Complete the purchase and assume management control of the Hermann Professional Building (HPB) and parking garage*

Strategies

1. Secure Letter of Intent
2. Perform all due diligence activities in a timely manner
3. Establish baseline data on deferred maintenance and the building's energy profile
4. Secure final approval for use of \$19.5 million in tuition revenue bonds to purchase the building
5. Assume maintenance and operation of the building in a seamless process that will not adversely affect current tenants

Resources

1. HPB and garage purchase (\$30.95 million est. TPC)
Tuition Revenue Bonds: \$19.5 million
Revenue Financing System: \$11.45 million

Progress Measures

1. Meet or exceed revenue targets from office rentals and parking garage

Major obstacles

None at this time

Objective: *Upgrade teaching laboratories and patient care operatories at the Dental Branch by September 2005*

Strategies

1. Replace equipment and upgrade Preclinical lab B-54
2. Complete replacement of clinic dental chairs/delivery systems as required
3. Expand technology in preclinical labs
4. Replace small clinical equipment
5. Develop/purchase cost effective computerized patient simulators
6. Perform due diligence on environmental health and safety issues
7. Use institution's project management process to support the necessary infrastructure changes

8. Complete projects both on time and within budget

Resources

1. Teaching laboratories/patient care operatories (\$3 million est. TPC)
Available Dental Branch funds: \$375,000
FEMA: \$35,000
Reallocation of existing resources: amount TBD
Philanthropy: amount TBD

Progress Measures

1. Percent of fund raising target realized

Major obstacles

1. Raising funds as needed
2. Adapting new equipment to an antiquated building

Objective: *Finance and plan for a new Dental Branch building*

Strategies

1. Continue the work of the school's Building Working Group in developing building designs and plans
2. Identify and secure resources; prepare legislative request for Tuition Revenue Bond authority
3. Identify potential philanthropic partners: major corporations and foundations
4. Involve Dental Branch alumni
5. Complete plans

Resources

1. Dental Branch Building (\$80 million est. TPC)
Tuition Revenue Bonds: \$45 million
Philanthropy: \$35 million

Progress Measures

1. Achieving fund raising goals

Major Obstacles

1. Receipt of Tuition Revenue Bond authority in the upcoming Legislative session.
2. Raising \$35 million

Priority: Increase the scope of the institution's research enterprise

Objective: *Develop an ongoing, university-wide Bridging Grants Fund program that will provide temporary support for investigators who experience a hiatus in funded research*

Strategies

1. Establish guidelines by September 1, 2004 that define the eligibility of investigators for support under the bridging grant program.
2. Appoint peer review panels by January 2005 that will review and prioritize bridging grant applications.
3. Establish a fund of approximately \$600,000 by September 1, 2005 to support bridging grant proposals. This fund will be supported by revenues generated by increased indirect cost recovery for non-federal and federal research grant awards.

Resources

1. Bridging Grants program
Reallocation of current indirect cost recoveries and a proposed increase in the indirect cost rate from clinical services agreements: \$600,000

Progress Measures

1. Percent of successful NIH competitive renewal grant applications
2. Total number and dollar amount of renewal awards

Major Obstacles

1. Demand for bridging grants is likely to exceed available funds

Major Obstacles

1. Training large numbers of faculty and support staff in both electronic research management systems
2. Making changes to the PeopleSoft system that will reduce impediments to the conduct of research and lessen the burden in terms of time and resources allocated by research personnel to the operation of the system
3. Reallocating \$750,000 from existing funds in order to fund this required upgrade if PUF funds do not materialize

Priority: Enhance educational excellence

Enhancement of educational excellence at UTHSC-H is an important priority for the institution. UTHSC-H is a comprehensive health science center with a reputation for fine academic programs in medicine, dentistry, public health, nursing, health informatics, and graduate biomedical sciences. Our academic programs involve a faculty of over 1,200 and a student body of over 3,400.

Objective: *Implement a plan for the recruitment and retention of a diverse student body*

Strategies

1. Receive approval from U.T. System on a proposal submitted April 29, 2004 to use race and ethnicity as one of many factors in the recruitment and financial aid processes
2. Continue the efforts of the new Diversity Council in implementing the Institutional Diversity Plan
3. Continue to monitor and update the university's Uniform Recruitment and Retention Plan in light of the State's *Closing the Gaps* initiative
4. Support current recruitment efforts including summer enrichment and research programs for high school and college students and visitations to high school and college campuses
5. Support current retention efforts including pre-entry programs providing introduction to the professional school curriculum, alternate pathway in the Medical School which allows certain students to take two years to complete the first-year curriculum, tutorial programs, and mentoring and counseling programs directed by the various Associate Deans for Student Affairs
6. Embark on a new fund raising effort targeted at student scholarships

Resources

1. School-based recruitment and retention efforts
State funds: approx. \$575,000 (formal programs in 2003)
2. Enhanced scholarship funds
Philanthropy: \$1-2 million goal

Progress Measures

1. Metrics of entering students, including GPA and standardized test scores
2. Increases in underrepresented minorities in the student body
3. Student graduation rates
4. Performance on national board type examinations at or above the national average
5. Progress in fundraising for student scholarships

Major Obstacles

1. The limited pool of underrepresented minorities for entry into the student body of our professional schools
2. Difficulties in identifying and recruiting qualified women and minorities for faculty positions as role models for students
3. Freeing up resources for educational initiatives requires re-budgeting within available funds unless the next Legislature chooses to fully fund the formula, a proposal UTHSC-H fully supports

Objective: *Recruit and retain an exemplary and diverse faculty, staff, and student body*

Strategies

1. Develop a strategic marketing plan for UTHSC-H in order to enhance and promote the reputation of UTHSC-H with the expectation of improved recruitment of students, faculty and staff
2. Request special item funding for recruiting nationally and internationally recognized faculty and researchers
3. Support the new Diversity Council in its efforts to oversee attention to diversity in the recruitment and retention processes as well as cultural adjustments to foster diversity in the institution

Resources

1. Recruitment and retention
Special Item funding request: \$16 million over the FY 2006-2007 biennium for UTHSC-H's World's Best Scientists initiative

Progress Measures

1. Recruit 10 to 20 new faculty for the World's Best Scientists initiative
2. Increase in number of women and underrepresented minority faculty and staff

Major Obstacles

1. If additional general revenue and special item funding is not obtained from the next Legislature, UTHSC-H will need to re-budget within existing funds in order to free up resources for this objective

Objective: *Identify and emulate best practices in educational excellence*

Strategies

1. The UTHSC-H Academic Council will identify best practices among our schools for faculty development as educators. These include mentoring programs, teaching awards, an educational scholars fellowship program involving educational collaboration between UTHSC-H and Baylor, and a Master Teachers Program at the Medical School in which funds have been allocated to pay a portion of the salaries of 25 faculty engaged in innovative teaching and curriculum development activities
2. The Academic Council also is conducting an ongoing curriculum review to assess progress in meeting educational objectives, opportunities for interdisciplinary education, collaborative teaching programs, and integration of new programs and new content to build the desired skills and attributes in our students and to ensure that each program becomes linked to competency-based and outcomes-oriented objectives

Resources

1. Master Teacher Program
State funds (Medical School): \$480,000
2. Innovative Teaching faculty grants
State funds (Academic Affairs): \$40,000

Progress Measures

1. Number of program participants
2. Transferability of best practices to other UTHSC-H schools and departments

Major Obstacles

None at this time

Objective: *Enhance support for academic information technology*

Strategies

1. Enhance educational efforts through the use of instructional technology for interactive and distance education. These efforts include expanded use of the Internet2, Blackboard online course management system, videoconferencing capabilities, and The University of Texas TeleCampus
2. Train faculty and staff in the use of this technology

Resources

1. Instructional technology
State funds (in FY 2005 budget): \$249,315

Progress Measures

1. Increased use of educational software and distance learning courses

Major Obstacles

None at this time

II.B. Major Ongoing Priorities and Initiatives: Longer Term Goals and Priorities

UTHSC-H has established the following four longer term priorities: (1) provide facilities to support academic excellence; (2) recruit and retain outstanding educators, researchers, clinical practitioners, students, administrators and staff; (3) increase the scope of the institutions' research enterprise; and (4) launch an integrated marketing initiative to increase visibility and support for the university.

Priority: Provide facilities to support academic excellence

Objective: *Demolish John Freeman Building & construct a new Research and Vivarium Facility*

Strategies

1. Build a mitigated facility designed to withstand the effects of flooding and other natural disasters
2. Deliver an expansion of research space
3. Restore the Vivarium using NIH grant support

Resources

1. Research and Vivarium Facility (\$55.53 million est. TPC)
Tuition Revenue Bonds: \$23.6 million
Insurance: \$16.6 million
Philanthropy: \$9.33 million
NIH Grants: \$6 million

Progress Measures

1. Completing project both on-time and within budget
2. Percent increase in research activity upon building's completion
3. Draw down of Vivarium-related NIH grants (2 grants at \$3 million each)
4. Meet established milestones

Major Obstacles

1. Meeting construction deadlines imposed by FEMA and NIH grants

Objective: *Finance and plan for a new Mental Sciences Institute building*

Strategies

1. Confirm that funds are available
2. Confirm site and all necessary approvals
3. Complete plans

Resources

1. Mental Sciences Institute (\$16.5 million est. TPC)
UTMDACC: \$15 million
TDMHMR: \$1.5 million

Progress Measures

1. Patient satisfaction

Major Obstacles

1. Securing site
2. Securing funding

Objective: *Establish the Institute for Health Policy*

Strategies

1. Commence plans for the establishment of an interdisciplinary Institute for Health Policy as a resource to translate research and new knowledge into practices and policies that can improve health care and public health programs

Resources

1. Institute for Health Policy
Special Item funding request: \$1.5 million over the FY 2006-2007 biennium for core infrastructure

Progress Measures

Progress in the establishment of the Institute for Health Policy

Major Obstacles

1. Receipt of special item funding during the upcoming Legislative session

Objective: *Begin plans to expand the School of Public Health building to house the Institute for Health Policy*

Strategies

1. Identify and secure resources
2. Involve School of Public Health alumni
3. Complete plans

Resources

1. Institute for Health Policy (\$40 million est. TPC)
Tuition Revenue Bonds: \$15 million
Philanthropy: \$25 million

Progress Measures

1. Increase in interdisciplinary activities

Major Obstacles

1. Receipt of Tuition Revenue Bond authority in the upcoming Legislative session
2. Raising \$25 million

Objective: *Begin construction on the Public Health building at the School of Public Health regional campus in Brownsville*

Strategies

1. Identify and secure resources
2. Complete plans and begin construction

Resources

1. School of Public Health Regional Campus in Brownsville (\$4 million est. TPC)
Tuition Revenue Bonds: \$2 million
Philanthropy: \$2 million

Progress Measures

1. Student satisfaction

Major Obstacles

1. Receipt of Tuition Revenue Bond authority in the upcoming Legislative session
2. Raising \$2 million

Objective: *Assist in the development of the Advanced Imaging Center at the UT Research Park*

Strategies

1. Successfully partner with UTMDACC in the design and construction of the Center
2. Continue work on attracting potential tenants to the Research Park

Resources

1. Texas Enterprise Fund: \$25 million

Progress Measures

1. Completion of plans both on-time and within budget
2. Number of viable potential tenants reached

Major Obstacles

1. Achieving the job requirements attached to the Texas Enterprise Fund

Objective: *Establish a long-term plan for new parking facilities*

Strategies

1. Identify need
2. Identify space deficit

Resources

None needed for planning stage

Progress Measures

1. Develop a deliverable plan

Major Obstacles

1. Texas Medical Center space constraints

Objective: *Establish a long-term plan for deferred maintenance*

Strategies

1. Study UTHSC-H's current indirect cost recovery formula allocation relative to deferred maintenance needs
2. Increase visibility for deferred maintenance needs
3. Increase focus on scheduled maintenance in order to contain the growth of deferred maintenance projects

Resources

None needed for planning stage

Progress Measures

1. Develop a deliverable plan

Major Obstacles

1. Reallocating funds to cover identified deferred maintenance needs

Priority: Recruit and retain outstanding educators, researchers, clinical practitioners, students, administrators and staff

Continued progress in advancement of UTHSC-H is inextricably linked to progress in the recruitment and retention of faculty. This is an overarching priority since success of the institution is largely based on the productivity and achievement of the faculty. Faculty success in turn is linked to recruitment and retention of excellent administrators, staff and students.

Objective: *Recruit leaders in biomedical research to key academic and research leadership positions*

Strategies

1. Hire a permanent Dean for the Dental Branch
2. Hire a permanent Dean for the School of Public Health
3. Hire a permanent Dean for the School of Health Information Sciences

Resources

1. Recruitment of leaders
Reallocate existing funds: amount TBD

Special Item funding request: \$16 million over the FY 2006-2007 biennium for UTHSC-H's World's Best Scientists initiative

Progress Measures

1. Appointment of outstanding individuals to key leadership positions at UTHSC-H
2. Improvement in faculty and staff retention and turnover rates
3. Progress in faculty promotion and tenure as measured by the number of faculty advancing in rank and gaining tenure
4. Increase in number of faculty, staff and administrators

Major Obstacles

1. Acquisition of additional funds is a major obstacle to faculty retention and recruitment. UTHSC-H supports having U.T. System make full formula funding and funding for faculty salary increases and salary increases for classified staff and A&P personnel a major priority in the next Legislative session. Also, UTHSC-H seeks U.T. System support in obtaining additional general revenue and/or special item funding for recruitment of additional outstanding scientists in order to expand the faculty at UTHSC-H. Locally, UTHSC-H will vigorously pursue philanthropic support for faculty growth and development.

Objective: *Recruit and retain new faculty with expertise in research (related to objective on page 14: increase start-up funds for research)*

Strategies

1. Continue to support and promote programs designed to enhance faculty retention: mentoring programs, annual reviews that foster mutual agreement between the chair and faculty member regarding progress and expectations, and an Academic Leadership Development Program that is aimed at equipping selected faculty with the knowledge and skills to foster advancement
2. Fill faculty vacancies within the existing budget in order to enhance the institution's academic programs

Resources

1. Recruit and retain new faculty
Reallocate existing funds: amount TBD
Special Item funding request: \$16 million over the FY 2006-2007 biennium for UTHSC-H's World's Best Scientists initiative.

Progress Measures

1. Faculty participation in and satisfaction with current retention programs
2. Percent of faculty vacancies filled within budget
3. Percentage of candidates who accept faculty positions

Major Obstacles

1. Acquisition of additional funds is a major obstacle to faculty retention and recruitment. UTHSC-H supports having U.T. System make full formula funding and funding for faculty salary increases and salary increases for classified staff and A&P personnel a major priority in the next Legislature session. Also, UTHSC-H seeks U.T. System support in obtaining additional general revenue and/or special item funding for recruitment of additional outstanding scientists in order to expand the faculty at UTHSC-H. Locally, UTHSC-H will vigorously pursue philanthropic support for faculty growth and development.

Objective: *Establish a merit pool for faculty and staff*

Strategies

1. Develop mechanisms for annual increases in faculty salaries in order to promote recruitment and retention

2. Develop a similar program for classified staff and administrative and professional (A&P) managers as they are vital to the success of the faculty

Resources

1. Recruit and retain new faculty
Reallocate existing funds: amount TBD
Special Item funding request: \$16 million over the FY 2006-2007 biennium for UTHSC-H's World's Best Scientists initiative.

Progress Measures

1. Improve faculty and staff retention and turnover rates

Major Obstacles

1. Acquisition of additional funds is a major obstacle to faculty and staff retention and recruitment. UTHSC-H supports having U.T. System make funding for faculty salary increases and salary increases for classified staff and A&P personnel a major priority in the next Legislative session. Also, UTHSC-H seeks U.T. System support in obtaining additional general revenue and/or special item funding for recruitment of additional outstanding scientists in order to expand the faculty at UTHSC-H. Locally, UTHSC-H will vigorously pursue philanthropic support for faculty growth and development.

Objective: *Increase start-up funds for research*

Strategies

1. Obtain additional funds to support measured growth in numbers of faculty. The average salary and benefits for a junior faculty member is approximately \$150,000, requiring a recurrent funding source, while an average start-up package for a new researcher is in the range of \$600,000.

Resources

1. Research start-up funds
Special Item funding request: \$16 million over the FY 2006-2007 biennium for UTHSC-H's World's Best Scientists initiative

Progress Measures

1. Increase in leveraged start-up funds for extramural grant awards

Major Obstacles

1. Receipt of special item funding during the upcoming Legislative session

Priority: Increase the scope of the institution's research enterprise

Objective: *Sustain the growth of the research enterprise at a level that matches or exceeds the growth in federal biomedical research support (related to objective above: increase start-up funds for research)*

Strategies

1. Recruit new research scientists to UTHSC-H
2. Implement training programs to support the research career development of "new" investigators
3. Improve the research infrastructure through the development of new resources to support biomedical, clinical and community-based research programs
4. Develop new interdisciplinary and inter-institutional research programs
5. Introduce new research initiatives in areas of biodefense, biotechnology and nanobiology

Resources

1. Sustain research growth
Reallocation of existing funds: amount TBD
University Research Fund: amount TBD

Progress Measures

1. Growth of research expenditures at a rate that either matches or exceeds the rate of growth in federal expenditures in support of biomedical research
2. Maintenance of a rate of publications in peer - reviewed journals by the institutional faculty that matches or exceeds the rate of publications in 1998-2003

Major Obstacles

1. Allocating institutional resources to the research enterprise in ways that have the greatest impact on the growth of research

Objective: *Enhance research productivity through improvements in resources for research management*

Strategies

1. Implement a system for electronic grants preparation and submission
2. Operate of an electronic IRB management system
3. Implement an electronic system for the management of chemical, biologic and radiation safety reporting

Resources

1. Enhance research productivity
Reallocation of existing information technology resources: amount TBD

Progress Measures

1. Time of transition to electronic grants, IRB and safety management systems

Major Obstacles

1. Supporting while at the same minimizing the burden of compliance with federal state and institutional requirements that regulate the conduct of research
2. Using automated systems for the pre-award processing of sponsored research projects to assure compliance with regulations while simplifying the procedures

Priority: Launch an integrated marketing initiative to enhance the image and reputation of, and increase support for, the UT Health Science Center at Houston

Objective: *Launch the integrated marketing initiative in FY 2005 with full implementation by the end of FY 2006*

Strategies

1. Support the "Best Places to Work" initiative proposed by the Work-Life Program to empower employees and develop brand champions
2. Market the university practice plans to UT Health Science Center employees
3. Produce a four color magazine to complement **Distinctions**; mail to 30,000 addresses, including all alumni, donors and friends
4. Develop an institutional speaker's bureau. Focus on placing speakers that will enhance the image of the health science center and increase patient volumes at the medical, nursing and dental practice plans
5. Expand internal communications to include **Insight**, an employee information service, that will complement **UT Leader** and **News on the Go**
6. Produce signature special events that will enhance image and reputation
7. Be visible in at least ten community events each year
8. Produce a broadcast news release series that focuses on research and clinical achievements
9. Expand **Health Leader** as the portal to the UT Health Science Center at Houston Health Information Network
10. Expand marketing services available to schools, institutes and centers
11. Support the Dental Branch in its Centennial celebration
12. Support the "Making Health Happen" campaign in the School of Public Health

Resources

1. \$388,000 from the Public Affairs budget
2. Contributed funds from the academic units for specific events and activities

Progress Measures

1. Publication of the new university publication; responses from readers
2. Monthly reports on placement of institutional speakers; responses from audiences
3. Web page activity reports
4. Reader responses to **Health Leader** articles
5. Monthly reports on placement of news stories with the media
6. Employee satisfaction studies

Major Obstacles

1. 2% institutional budget reduction for FY 2005
2. Reallocation of funds to underwrite the publication of an institutional magazine

III. Future Initiatives of High Strategic Importance

UTHSC-H has identified the following two future initiatives of high strategic importance: completing the Institute of Molecular Medicine and developing the University of Texas Research Park.

Future Initiative: Complete the development of the Brown Foundation Institute of Molecular Medicine for the Prevention of Human Diseases (IMM)

The University of Texas created the Institute of Molecular Medicine for the Prevention of Human Diseases in 1995 under the leadership of Dr. James T. Willerson and Dr. Hans Muller-Eberhard to address the diseases of our time. Following Dr. Muller-Eberhard's untimely death in 1998, Ferid Murad, M.D., Ph.D., who was later named a Nobel Laureate, became director of the institute. Today, the institute consists of six key research centers; Cardiovascular Diseases, Cell Signaling, Human Genetics, Immunology & Autoimmune Diseases, Protein Chemistry, and Vascular Biology.

In 2001 UTHSC-H launched a \$200 million campaign to build and equip a state-of-the-art home for the IMM, to recruit and retain the world's best molecular and genetic scientists, and to provide them with the resources they need to excel. As evidence of its support for this important project, the Board of Regents committed \$50 million in Permanent University Funds toward the cost of the building, releasing those funds when the campaign reached \$70 million in gifts and grants. To date the campaign has raised \$157 million toward its goal. In recognition of the Brown Foundation's significant contribution of \$20 million, the Regents also approved the addition of the Brown Foundation's name to the IMM.

With the vision of Dr. Willerson, and the leadership of Dr. Murad, UTHSC-H will embark on its second phase. As a part of this phase, the IMM will expand its current exploration into the genetic and molecular aspects of disease and enhance its current efforts aimed at disease prevention and cure. The Institute will also add the efforts of biomedical engineering and biotechnology to provide translational support to all of the IMM research centers. Once fully established, the IMM will lead the way in Texas to new discoveries, higher levels of education, increased collaboration among our sister Texas Medical Center institutions, more effective patient care, and ultimately, prevention of common human diseases.

Measurable outcomes for this initiative include:

1. number of faculty members hired
2. number of faculty awards and honors
3. number and dollar amount of new and renewed contracts and grants

Future Initiative: Develop the University of Texas Research Park

UTHSC-H will partner with UT M.D. Anderson Cancer Center, and collaborate with other Texas Medical Center entities, in the development of a research center designed to foster the growth of the life sciences industry in Texas through new business formation, expansion of existing businesses, technology transfer,

and education of a highly skilled technology workforce. When developed, the park will contain more than 1.2 million square feet of modern, well-equipped research, laboratory, office and support space for public-private partnerships and not-for-profit research and will bring together a critical mass of technological interests in the basic, translational and clinical sciences available in Houston.

Supported by funding from a multitude of private and governmental sources, the park will boast state-of-the-art laboratories, offices, training centers and conference or business resource/support facilities to assist new companies in testing the viability of their ideas.

UT M. D. Anderson projects already open or under construction include:

1. The R. E. "Bob" Smith Research Building, focused on cancer biology, metastasis and pediatrics
2. A recently opened facility for immunology and hematological malignancies, and a facility under construction for molecular therapeutics, gastrointestinal oncology and molecular pathology.
3. A \$125 million Proton Therapy Center, a public-private partnership under construction, will bring the most advanced radiation technology in the world to the park. When it opens in 2006, it will exemplify the type of academic and commercial collaborations envisioned for the park. Participants include M.D. Anderson, Hitachi and General Electric. Investors include the Houston Police and Fire Departments' retirement funds.

The City of Houston and Harris County have committed \$40 million toward the UT Research Park infrastructure, and the Texas Legislature is providing an additional \$20 million for infrastructure. The General Land Office has been working with a group of venture capital and merchant banking firms and their client companies. This working group, together with Bio-Houston, has developed a strategy that could position Houston and the State of Texas as a viable contender for the next significant biotechnology cluster in the United States.

Measurable outcomes for this initiative include:

1. Number and dollar amount (indirect and direct) of contracts and grants
2. Number and dollar amount of technology transfer that result from new discoveries
3. Number of partnerships or collaborations with participating private companies

IV.A. Other Critical Issues Related to Institutional Priorities: Impact of Initiatives

1. Enrollment Management

Please refer to the section on page 7 regarding recruitment and retention.

2. Diversity of Faculty and Staff

Please refer to pages 7-8.

3. Community and Institutional Relations Maintaining cordial relationships with the community and other institutions is a vital factor in managing UTHSC-H's image and reputation, as well as cultivating support from those sources. In support of both short term and long term goals, the institution provides the following offices that perform community and institutional relations activities:

- a. The Office of Development
 - Donor Relations
 - Capital Campaigns
 - Endowment Campaigns
- b. The Office of Governmental Relations
 - Federal Relations
 - State Relations
- c. The Office of Public Affairs

Media Relations
Community Services
Health Information Services
Publications

- d. The Office of Community and Educational Outreach
 - K-12 partnerships and collaborations
 - Career education
- e. The Office of International Programs
 - International affiliations
 - International education

4. **Finances (tuition and market issues)**

In addition to revenue sources identified elsewhere in this document to support meeting our institutional priorities, UTHSC-H has already earmarked new revenue generated from increasing tuition beginning with the 2004-2005 academic year (6.8 percent overall increase over FY 2003) to enhance the quality of our educational programs and the recruitment and retention of excellent faculty. All of the new tuition revenue (estimated at \$1.3 million) will go directly to the schools and will be used to support faculty recruitment and retention efforts, improve the quality of teaching, provide basic student services and ensure that the infrastructure is in place to support our academic programs and the development of outreach efforts through distance education. This new revenue will facilitate our efforts to ensure that our academic programs remain competitive and further our ability to attract the best faculty and students.

5. **Facilities**

Please refer to pages 3-5 and 10-12.

6. **Other Infrastructure Issues**

Not applicable

IV.B. Other Critical Issues Related to Institutional Priorities: Unexpected Opportunities or Crises

In FY 2003, UTHSC-H faced the dual challenge of major administrative restructuring in order to improve efficiency and reduce expenditures coupled with a reduction in general revenue appropriations. While these measures have been implemented, they have left the institution in a state of significantly constrained finances.

V. System and State Priorities

1. **Increasing Student Access and Success** In accordance with the State's Uniform Recruitment and Retention Strategy and *Closing the Gaps* initiative, UTHSC-H has several programs in place to attract, enroll, retain, educate, and graduate students who reflect the socio-cultural and ethnic composition of Texas. Select programs include:
 - a. InterCon (*Inter-University and Public School Connections for the Advancement of Education and Research in the Health Professions, Health Sciences and Biotechnology*)
 - b. Medical Assured and Dental Early Acceptance Programs
 - c. Medical School and Dental Branch Summer Enrichment Programs.
 - d. Medical School Alternate Pathway Program
 - e. Medical School Pre-Entry Program

2. **Collaborations among U.T. System Institutions** Collaboration among UTHSC-H faculty, both within and without the university, is a critical factor in helping advance the health of the people of the State of Texas. UTHSC-H has several collaborative efforts in place with other U.T. System components; a brief listing of those (as included in the U. T. System Collaboration Survey) is as follows:
 - a. The University of Texas Graduate School of Biomedical Sciences at Houston joint program with the University of Texas M. D. Anderson Cancer Center
 - b. The Center for Academic and Reading Skills (CARS)
 - c. The Gulf Coast Consortia
 - d. Support of Human Subjects Protection Program at UTHSC-H and Regional Consortium of IRBs
 - e. Programs in Biotechnology
 - f. Hispanic Health Research Center (HHRC) (Lower Rio Grande Valley)
 - g. Collaborative Doctoral Degree in Nursing program with UT El Paso
 - h. Collaborative Master of Public Health Degree Program with UTEP

3. **Increasing External Research Funding**

UTHSC-H at Houston's FY 2003 research expenditures totaled \$149.6 million, a one-year increase of 8.9 percent. In the past five years, research expenditures rose 39.8 percent and while the past decade has seen a 112.5 percent increase. Over the next five years, we anticipate a 3 percent to 4 percent increase in federal research expenditures each year.

As the NIH decreases funds allocated to research, growth in research expenditures will likely follow the downward trend. However, recruitment efforts are underway for the Brown Foundation Institute of Molecular Medicine for the Prevention of Human Diseases and school-based research programs. As new faculty come on line, growth in research expenditures will likely follow.

4. **Increasing Tangible Marks of Academic and Health Care Excellence**
 - a. UTHSC-H National Institutional Rankings Summary
 - #83 in FY 2001 science and engineering expenditures (NSF, 2003)
 - In top 26-50 of public research universities (Lombardi Center, 2003)
 - b. UTHSC-H National School Rankings Summary
 - School of Nursing – top 10 percent of graduate programs (*U.S. News*, 2003)
 - School of Public Health – in top 12 nationally (*U.S. News*, 2002)
 - c. UTHSC-H Faculty Strength
 - 1 Nobel Prize laureate
 - 1 Prince Mahidol Award for Medicine winner
 - 4 Institute of Medicine members
 - 1 National Academy of Science member

3 Academy of Arts and Sciences Fellows
13 American Academy of Nursing Fellows
2 American College of Medical Informatics Fellows
6 American Association for the Advancement of Science Fellows
8 American Society for Clinical Investigation members
19 faculty members named as *America's Top Doctors*

5. **Development and Alumni Relations**

With respect to Development activities, the past two years have been the most productive in the University's history. In the past two fiscal years alone, more than \$110 million has been philanthropically committed, and more than \$65 million in cash gifts (not counting new pledges) during that same period of time. Prior to FY 2002, the most ever raised in total commitments during a given year was \$28 million and the biggest cash year produced \$22 million.

Most, though not all, of the dramatic increase in fund raising can be attributed to the success to date of the New Frontiers Campaign, began in 2001, to raise \$200 million for the Brown Foundation Institute of Molecular Medicine for the Prevention of Human Disease (IMM). Less than three years into the effort, the campaign total stands at close to \$160 million. The campaign has produced the five largest gifts in University history, including the \$20 million pledge that led to the naming of the IMM, plus four others ranging from two \$10 million pledges to \$3 million.

Though the New Frontiers Campaign continues in high gear, the University development operation is also now helping to focus on the priority needs of the various schools. One example is the \$10-million effort to help fund the new Surgical and Clinical Skills Center at the University of Texas Medical School at Houston and another is the \$1 million campaign to purchase equipment for the Center for Nursing Research at the University of Texas School of Nursing. Within each of the six schools, endowments for student scholarships and faculty are among the most important fund raising priorities.

VI. Compact Development Process

Within the past year UTHSC-H has seen many changes in Executive-level positions. A new Senior Executive Vice President and Chief Operating Officer, as well as new Executive Presidents for Academic Affairs, Research, Clinical Affairs, and Finance are providing the university with fresh perspective and opportunity. Recognizing that strategic planning is essential during such a time of change, UTHSC-H leaders welcomed the chance to create a Compact with The U. T. System that could also serve as a springboard to the university's re-energized strategic planning process. UTHSC-H President Willerson initiated the university's compact development process by appointing a seven member executive-level steering team. Rather than create the Compact amongst them, the team strove to create an inclusive process and enlisted the help and support of each dean, executive vice president and vice president on their respective short- and long-term priorities. The team then formulated a matrix of these priorities and made presentations to university constituencies, including the Executive Council and the faculty, student and staff governance organizations. Input received from these constituencies allowed the team to develop the priority lists contained in this Compact.

When the draft compact was complete, the Steering Team assigned "owners" to each objective. Each owner is to take the lead in accomplishing his or her objective. Under the direction of the Senior Executive Vice President and Chief Executive Officer, owners must also prepare a quarterly report to the university's Executive Council on the status of their objective(s). The first of these quarterly meetings was held on May 26, 2004, with a follow-up scheduled for June 24, 2004. During the May meeting, owners reiterated the stated objective, strategy, funding, etc. If the objective appeared on track, they so

stated. At this point, other Executive Council members were asked to bring forth any questions or concerns about the objective. If there was no discussion, the Council moved on to the next objective. If concerns or recommendations were made, the Council discussed them, modified the write-up if required, made decisions to address concerns, or set follow-up meetings as necessary. The next quarterly meeting is scheduled for September 2004.

In addition to the priorities listed in this Compact document, there are others that fall outside the Compact's FY 2005-2006 period. For this reason, UTHSC-H plans to create and maintain a longer-term planning document that will allow the development of a more strategic process to include:

1. the creation of a mechanism to tie planning to budgeting;
2. the use of metrics to include not only the measures, but also responsible parties; and
3. implementation of quarterly and/or annual reports as appropriate

UTHSC-H leadership views this as a dynamic process that will evolve over time and contribute to the university's long term strength and stability.

VII. System Contributions

1. Legislative funding (Governmental Relations)
2. Capital building (Facilities Planning and Construction)
3. Salaries for faculty (Governmental Relations; External Relations and Development)
4. Marketing health science by the entire U.T. System (Health Affairs; Public Affairs)

Appendices

Appendix 1: Budget Summary

**The University of Texas Health Science Center at Houston
Operating Budget
Fiscal Year Ending August 31, 2004**

	FY 2003 Adjusted Budget	FY 2004 Operating Budget	Budget Increases (Decreases) From 2003 to 2004	
			Amount	Percent
Operating Revenues:				
Tuition and Fees	\$ 12,623,083	14,585,501	1,962,418	15.5%
Federal Sponsored Programs	100,841,187	118,200,108	17,358,921	17.2%
State Sponsored Programs	31,742,977	25,475,673	(6,267,304)	-19.7%
Local and Private Sponsored Programs	100,111,487	111,035,109	10,923,622	10.9%
Net Sales and Services of Educational Activities	13,626,113	13,539,247	(86,866)	-0.6%
Net Sales and Services of Hospital and Clinics	8,000,000	8,790,350	790,350	9.9%
Net Professional Fees	98,510,257	99,895,626	1,385,369	1.4%
Net Auxiliary Enterprises	17,069,442	13,767,770	(3,301,672)	-19.3%
Other Operating Revenues	7,698,801	5,891,025	(1,807,776)	-23.5%
Total Operating Revenues	390,223,347	411,180,409	20,957,062	5.4%
Operating Expenses:				
Instruction	224,564,164	237,175,049	12,610,885	5.6%
Academic Support	20,453,174	22,492,473	2,039,299	10.0%
Research	112,764,601	120,529,511	7,764,910	6.9%
Public Service	12,846,502	13,284,167	437,665	3.4%
Hospitals and Clinics	77,274,079	69,400,966	(7,873,113)	-10.2%
Institutional Support	58,415,807	54,168,118	(4,247,689)	-7.3%
Student Services	3,203,124	4,602,680	1,399,556	43.7%
Operations and Maintenance of Plant	23,030,647	20,077,523	(2,953,124)	-12.8%
Scholarships and Fellowships	1,838,272	2,207,789	369,517	20.1%
Auxiliary Enterprises	24,288,925	14,401,061	(9,887,864)	-40.7%
Total Operating Expenses	558,679,295	558,339,337	(339,958)	-0.1%
Operating Surplus/Deficit	(168,455,948)	(147,158,928)	21,297,020	-12.6%
Nonoperating Revenues (Expenses):				
State Appropriations & HEAF	150,719,860	137,753,540	(12,966,320)	-8.6%
Gifts in Support of Operations	4,728,767	5,368,278	639,511	13.5%
Net Investment Income	9,366,922	5,262,936	(4,103,986)	-43.8%
Other Non-Operating Revenue	3,806,660	4,287,655	480,995	12.6%
Other Non-Operating (Expenses)	-	-	-	-
Net Non-Operating Revenue/(Expenses)	168,622,209	152,672,409	(15,949,800)	-9.5%
Transfers and Other:				
Transfers From Endowments	-	-	-	-
Transfers (To) Endowments	-	-	-	-
AUF Transfers Received	-	-	-	-
AUF Transfers (Made)	-	-	-	-
Transfers From (To) Unexpended Plant	-	-	-	-
Transfers for Debt Service	(6,409,180)	(8,391,593)	(1,982,413)	30.9%
Other Additions and Transfers	3,797,660	4,080,823	283,163	7.5%
Other Deductions and Transfers	(5,558,159)	(4,432,912)	1,125,247	-20.2%
Total Transfers and Other	(8,169,679)	(8,743,682)	(574,003)	7.0%
Surplus/(Deficit)	\$ (8,003,418)	(3,230,201)	4,773,217	-59.6%
Total Revenues	\$ 558,845,556	563,852,818	5,007,262	0.9%
Total Expenses and Debt Service Transfers	(565,088,475)	(566,730,930)	(1,642,455)	0.3%
Surplus (Deficit)	\$ (6,242,919)	(2,878,112)	3,364,807	

Appendix 2: UTHSC-H Statistical Profile

	1999	2000	2001	2002	2003
Fall UG headcount enrollment					
Dental	76	78	74	78	
Nursing	186	186	258	281	
Fall Grad/professional headcount enrollment					
Biomedical Sciences	424	416	443	465	
Dental branch	325	330	370	362	
Health Info. Sciences	36	45	64	62	
Medical School	831	817	830	825	
Nursing	392	395	390	402	
Public Health	922	910	890	885	
Total enrollment	3,192	3,177	3,319	3,360	3,405
	year of matriculation				
	1999	2000	2001	2002	
Undergrad degrees awarded					
Dental	31	35	39	34	
Baccalaureate awards					
Nursing	91	91	97	116	
Grad/Professional degrees awarded					
Nursing	113	122	135	92	
Health Information Sciences	0	3	15	12	
Dental	111	111	104	122	
Biomedical Science	98	74	67	75	
Public Health	151	142	147	154	
Medical	195	201	186	214	
Total	668	653	654	669	
Accredited GME resident programs	51				53
Residents in GME accredited programs	698				761
	1999	2000	2001	2002	2003
Federal research expenditures	\$72,684,141	\$82,991,431	\$91,267,003	\$101,738,767	\$111,170,193
	1999	2000	2001	2002	2003
Faculty fall headcount	1,085	1,080	1,187	1,270	
Staff fall headcount					
Classified	2,893	3,016	2,972	2,941	3,622
Non-Classified	279	293	283	1,602	1,140
Hospital admissions, hospital days, clinic visits					
Hospital admissions	5,263	5,186	5,700	6,135	
Hospital days	276,273	248,045	221,127	243,315	
Clinic visits	1,100,253	838,448	553,976	671,891	
Un-sponsored charity care	\$56,869,784	\$82,152,677	\$90,024,051	\$103,279,853	
Endowment total value	\$77,088,000				\$99,139,000

5-year enrollment trends

School	Fall '99	Fall '00	Fall '01	Fall '02	Fall '03
Dental Branch	379	374	414	413	410
Graduate School	424	415	443	465	490
Health Info Sci	36	45	64	62	74
Medical School	831	818	830	825	837
Nursing	578	581	646	683	698
Public Health	922	910	890	887	908
UTHSC-H Total	3,170	3,416	3,287	3,335	3,417
Student FTEs	2,668.32	2,638.57	2,734.46	2,823.74	2,891.69

Retention & Graduation Rates

School - Program	Matric 98	Matric 99	Matric 00	Matric 01
Dental Branch - DDS	85%	85%	95%	--
Dental Branch - Hygiene	88%	95%	95%	87%
Health Info Sci - MS	58%	50%	23%	--
Health Info Sci - PhD	--	--	--	--
Medical School - MD	78%	87%	86%	
Nursing - BSN	91%	89%	91%	91%
Nursing - MSN	96%	90%	96%	
Nursing - DSN	67%	--	--	--
Public Health - MPH	50%	48%	43%	36%
Public Health - MS	44%	65%	50%	25%
Public Health - DrPH	42%	9%	20%	13%
Public Health - PhD	87%	67%	67%	--

Faculty & Staff FTEs

Employees	Fall '99	Fall '00	Fall '01	Fall '02	Fall '03
Faculty	1,040.49	1,036.19	1,090.07	1,083.76	1,186.91
Staff (Class., A&P)	3,178.97	3,171.11	3,194.38	3,214.20	3,169.47
UTHSC-H Total	4,219.46	4,207.30	4,284.45	4,297.96	4,356.38

FTE Student/FTE Faculty Ratio

	Fall '99	Fall '00	Fall '01	Fall '02	Fall '03
Ratio	1:0.39	1:0.39	1:0.40	1:0.38	1:0.41

Degrees/Faculty FTE Ratio

	Fall '99	Fall '00	Fall '01	Fall '02	Fall '03
Degrees Conferred	789	779	790	819	805
Ratio	1:1.32	1:1.33	1:1.38	1:1.32	1:1.47

Instructional Expenditures/FTE Student Ratio

	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003
Instruct'l Exp.	\$188,384,819	\$194,417,699	\$197,066,378	\$210,931,085	\$224,179,029
Ratio	\$70,601:1	\$73,683:1	\$72,068:1	\$74,699:1	\$77,525:1

Endowment Total Value

	FY 1999	FY 2000	FY 2001	FY 2002	FY 2003
Book Value	\$27,218,275	\$33,147,882	\$41,986,448	\$46,068,781	\$56,048,814

Appendix 3: Institution-specific Information

Peer Analysis

UTHSC-H is looking at ways to benchmark progress against a set of comparative and aspirational peer institutions. Comparative peer institutions are likely to include UT Southwestern Medical Center, UTMB-Galveston, UTHSC-San Antonio, University of North Carolina-Chapel Hill and the University of Michigan. Aspirational peer institutions could include University of Washington-Seattle, University of California San Diego, University of California San Francisco, University of California Los Angeles, Johns Hopkins University, Stanford University, Harvard University, Yale University and Washington University St. Louis.

Appendix 4: Links to Web Resources

UTHSC-H *Fact Book 2004*

www.uth.tmc.edu/factbook/2004/index.html

U. T. System Accountability and Performance Report

www.utsystem.edu/cha/Accountability.htm