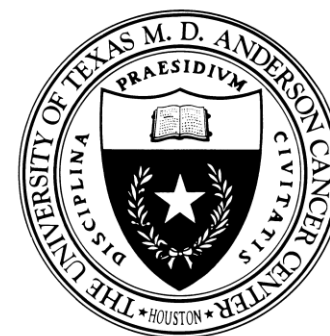

LEGISLATIVE APPROPRIATIONS REQUEST

FISCAL YEARS 2020 AND 2021



Submitted to the Governor's Office
and the Legislative Budget Board

THE UNIVERSITY OF TEXAS
M. D. ANDERSON CANCER CENTER

October 2018

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Agency Code: 506	Agency Name: The University of Texas M. D. Anderson Cancer Center.	Prepared By: Tomas Guajardo	Date: October 2018	Request Level: Baseline
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 2020-21 biennium.				
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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 49 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 2017. The institution has achieved this highest ranking 13 times in the past 16 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, 87% of all cancers occur in people age 50 and older. Cancer was the leading cause of death in 22 states in 2016 and is projected to overtake cardiovascular disease as the leading cause of death by 2020. Over 116,000 Texans are estimated to be newly diagnosed with cancer in 2017 and more than 40,260 Texans are estimated to die of the disease this year.

Nearly 15.5 million Americans are living with a history of surviving cancer and about 1.6 million new diagnosed cases of cancer are expected in 2017. 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 but they require more medical resources.

MISSION OVERVIEW

Patient Care

Since 1944, more than 1.3 million 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. MD Anderson experts focus solely on cancer and are renowned for treating all types, including rare or uncommon diseases.

In FY 2017, more than 137,000 patients sought care at MD Anderson and over 44,000 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 11,000 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

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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, and commercial and managed care carriers negotiate coverage limits for certain services and payment rates. In 2017, MD Anderson provided more than \$179.4 million in residual uncompensated care to uninsured and underinsured patients.

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'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.

Notably, a recent challenge for MD Anderson and its patients is the institution's exclusion from insurance plans offered on the federal health care exchange. When the Affordable Care Act launched in 2013, 41% of marketplace plans offered coverage for patients seeking care at MD Anderson. In 2017, MD Anderson was not included in any Texas marketplace plan offerings as an in-network provider. The institution worked with patients to mitigate any cancer care disruptions as best as possible, but network adequacy and ensuring access to high-quality cancer care on the exchange remains a significant concern.

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 was an active participant in the first version of the waiver with seven 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. MD Anderson continues its work and participation under the new waiver framework.

The legislature provides funding to support one of MD Anderson's primary mission areas 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. Our research program is considered one of the most productive efforts in the world aimed solely at cancer. In 2017, the institution invested more than \$844 million in research, a 26% increase over the last five years. Research support comes from a variety of sources: general revenue (GR) and tobacco funds (\$28 M); pharmaceutical companies (\$128 M); philanthropy (\$191 M); institutional funds (\$277 M); federal grants and contracts (\$167 M); and CPRIT (\$53 M).

MD Anderson continues to be a leader among its peers in the number of grants awarded and total amount of grant funding from the National Cancer Institute (NCI). The institution holds the highest number of Specialized Programs of Research Excellence grants (SPORES) in the nation with its nine programs in bladder, brain, leukemia, lung, multiple myeloma, ovarian, prostate, thyroid, and uterine cancers. It shares two SPORES for lung and thyroid cancers with other institutions. A leader in accelerating progress and increasing access to novel agents for patients, MD Anderson topped all institutions nationwide in revenue derived from IP-related agreements and corporate strategic research alliances. MD Anderson boasts one of the largest and most effective clinical trials programs in the nation, which gives our oncologists years

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of experience with cancer treatments before the Food and Drug Administration approves them.

The Institute for Applied Cancer Science (IACS) has expanded research and drug 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 recently initiated the first clinical study of a novel drug designed to starve cancer cells. The study will enroll patients with acute myeloid leukemia and is supported by a \$3.5 million investment from The Leukemia & Lymphoma Society. IACS is advancing multiple novel drugs toward the clinic, with five new compounds expected to enter clinical trials in 2018.

The 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 RNAi-based drug development.

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 undergoing 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

MD Anderson treats and studies the full spectrum of cancers, including those that are rare and hard-to-treat. Advances in the “hard-to-treat” category are providing new hope for those with certain blood cancers.

For the blood cancer acute myeloid leukemia (AML), MD Anderson led a multi-center trial to test the experimental drug Ivosidenib for patients whose AML had come back and/or hadn’t responded to other treatments. Historically, this group of patients survives less than five months. About 6-10% of AML patients have a mutation in the enzyme isocitrate dehydrogenase 1 (IDH1), which is targeted by Ivosidenib. The treatment induced durable and deep remissions for many and half of the patients in the study were still living at 18 months.

MD Anderson continues to be a leader in development of immunotherapies. Focusing on melanoma skin cancer, two areas of research seek to make the therapy more effective.

One area of research is adapting biopsies to better match patients to effective therapies. A study found that biopsies before treatment – the traditional point in therapy – gave no indication which patients would respond to immunotherapy. However, biopsies taken soon after treatment showed that the number of killer T cells found in the tumors was significantly higher in patients who responded. Such a strategy has the potential to more accurately apply these drugs to patients who will benefit while avoiding the cost and potential side effects for those who would respond better to alternative therapies.

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Another completely new area of research focuses on how the naturally occurring bacteria in the digestive tract impacts cancer immunotherapy. We are finding these bacteria, called the microbiome, affect essential processes such as immune response. An MD Anderson study found a connection between the bacteria present in late-stage melanoma patients' digestive tracts and their response to a widely used immunotherapy drug that stimulates the immune system to fight off disease. Greater diversity of bacteria in the gut microbiome is associated with both a higher response rate to treatment and longer progression-free survival. Since a person's microbiome can be altered by diet, exercise, antibiotics, probiotics or through transplantation of fecal material, treating the microbiome could open a completely new avenue of cancer treatment.

Moon Shots Program™

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 program brings together teams of researchers and clinicians to mount comprehensive attacks on major cancers. They work as part of thirteen disease-focused initiatives and ten platforms to support the program's team-science approach and accelerate the translation of data and discoveries for patients' benefit. The program has received \$453.5 million in private philanthropic commitments and has attracted new grants and contracts in excess of \$300 million. The ultimate goal is for all cancers to become moon shot efforts.

To aid the Moon Shots Program™, the APOLLO (Adaptive Patient-Oriented Longitudinal Learning and Optimization) program was created, which will combine more than 230,000 patients' medical histories and data, research data and clinical knowledge to help learn from every patient and to determine the best treatment decisions for each patient.

Additionally, the immunotherapy platform continues advancing immune-based therapies to make this game-changing treatment available to more patients. Currently, there are more than 150 clinical studies at MD Anderson that are being accelerated as a result of the Moon Shots Program™, investigating novel drug compounds as well as new approaches to improve the effectiveness of existing drugs. The program is also committed to advancing evidence-based cancer prevention and control practices, which have the potential to prevent up to 50% of cancers in future generations.

Education

In FY 2017, more than 7,000 trainees took part in educational programs, including physicians, scientists, nurses and many health professionals. MD Anderson offers degrees in ten bachelor's programs and two master's programs in allied health disciplines. Notably, 75% of surveyed graduates stayed 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.

More than 1,700 clinical residents and fellows come to MD Anderson each year to receive specialized training in the investigation and treatment of cancer. Nearly 400 graduate students are working on advanced degrees at the Graduate School of Biomedical Sciences, which MD Anderson operates jointly with UT Health. Almost 1,800

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research trainees are taught 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 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 through the Cancer Prevention and Control Platform.

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.

The Cancer Control Platform 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 approximately 30% of all cancer deaths in the United States. This year, almost 500,000 Americans and 6 million people worldwide will die from tobacco-related illnesses. In the next half-century, tobacco use will result in hundreds of millions of 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.

Currently, the institution serves as a scientific and clinical resource for legislative efforts to raise the minimum legal age to access tobacco and nicotine from 18 to 21. A 2015 report by the prestigious National Academy of Medicine (formerly the Institute of Medicine) predicts a 12% decrease in tobacco use and a 10% reduction in smoking-related mortality by increasing the minimum legal age.

Human Resources and Facilities

MD Anderson employs roughly 19,530 people, including more than 1,700 faculty. A volunteer corps of about 3,200 people contributed over 122,000 hours of service in FY 2017. MD Anderson's commitment to those who have served our nation's military earned the institution a spot on the 2015 Best for Vets employer list. In addition, the institution was acknowledged once again 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.

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Recent construction includes: the Zayed Building for Personalized Cancer Care, a \$361 million, 12-floor, 626,000-square-foot, research and development facility, which was supported by Tuition Revenue Bond funding during the 84th Legislative Session; and the Pavilion, a \$198 million project providing much-needed expansion of space for clinical, diagnostic and support services in the Main Building.

Research campuses in Bastrop County, Texas include: the Virginia Harris Cockrell Cancer Center Research Center, Science Park – Research Division and the Michale E. Keeling Center for Comparative Medicine and Research. 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. Our Houston Area Locations establish the institution's 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 affiliates in Florida, Oklahoma and Spain.

Houston Area Locations

Greater Houston: Bellaire, Bay Area, Katy, Memorial City, West Houston, Sugar Land, The Woodlands and The Woman's Hospital of Texas

Cancer Network

Affiliates

MD Anderson Radiation Treatment Center at American Hospital (Istanbul, Turkey);MD Anderson Radiation Treatment Center at Presbyterian Kaseman Hospital (Albuquerque, New Mexico)

Associate Members

Hospital Israelita Albert Einstein (Sao Paulo, Brazil);MD Anderson Cancer Center Madrid (Spain)

Partner Members

Banner MD Anderson Cancer Center (Gilbert, AZ);MD Anderson Cancer Center at Cooper (Camden, NJ);Baptist MD Anderson Cancer Center (Jacksonville, FL);Scripps MD Anderson Cancer Center (San Diego, CA);Summit Medical Group MD Anderson Cancer Center (Berkeley Heights, NJ);UT Health San Antonio and UT Health Northeast

In addition to physicians providing cancer care to patients at Harris Health System's Lyndon B. Johnson Hospital, MD Anderson is now the exclusive provider of breast

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radiology services for 15 of Memorial Hermann's breast care centers throughout the Houston area.

SIGNIFICANT ACHIEVEMENTS

MD Anderson faculty includes 10 National Academy of Medicine members, 6 National Academy of Sciences members and 4 Academy of Arts and Sciences fellows. This excellence is notable given that MD Anderson had only two National Academy of Medicine members five years ago.

The HUB & Federal Small Business Program was recognized for supplier diversity excellence in FY2018 with several accolades. The Program was nominated by the Houston Women's Business Council (WBEA) with the "WBEA Cutting Edge Award Greatest Utilization with WBEA WBEs" as well as nominated for the Houston Minority Supplier Development Council (HMSDC) "HMSDC Corporate Procurement Award for corporation with largest percentage increase in MBE expenditures over year." In 2017, the department was recognized with the "Corporate MBE Procurement" Award from HMSDC. In addition, MD Anderson was nominated for "Corporate Commitment" Award by HMSDC, as well as the "Advocate of the Year" by HMSDC.

STATE SUPPORT

General Revenue

The GR appropriation, \$193 million in FY 2018, accounted for 4.1% 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 \$24.2 additional dollars for cancer patient care, education and research for each \$1 of GR; and \$39 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 \$6.2 million in FY 2018 for tobacco-related research programs. A separate endowment for all HRIs provided \$2.6 million for these purposes. The following programs received settlement funds in FY 2018: Tobacco Outreach Education Program in Behavioral Science: \$1.1 million; Epidemiology – Mexican-American Cohort: \$1.1 million; Molecular Mechanisms Tobacco Carcinogenesis: \$.9 million; Fund for Innovative Research: \$3.5 million; Research Equipment: \$2.2 million.

10% General Revenue Reduction Option

To meet a 10% GR reduction in 2.5% increments for FY 2020-2021, special item funding will be reduced given that formula funding appropriations are not included in the LAR per LBB instructions. A 2.5% reduction is a loss of \$149,134 in the current Institutional Enhancement special item; the possible 10% reduction will result in a \$596,537 loss in the same strategy. Any reduction would affect the degree of support extended to the Cord Blood Research Program.

Formula Funding Recommendations

The Texas Higher Education Coordinating Board's HRI formula funding recommendations emphasize increases to account for program growth and inflation — a strategy benefiting all institutions. The total recommended increase by the board is \$164.2 million, which includes support for MD Anderson's Operations Formula.

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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 AND TUITION REVENUE BOND REQUEST

1) Restoration for the Rare and Aggressive Breast Cancer Research Program

Program funding was reduced in 2013 and 2017. This request fully restores funding reductions 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.

2) Tuition Revenue Bonds – Life Sciences Research Innovation and Discovery Initiative

The TMC 3 initiative is a vision to enhance collaboration, innovation, translation and commercialization in the Texas Medical Center. The rationale is that the collaborative and commercialization life sciences potential of Houston is underleveraged when compared to smaller cities with fewer institutions and less philanthropic and National Institutes of Health funding. Founding institutions are UTHealth, UT MD Anderson Cancer Center, Baylor College of Medicine, Texas A&M University System and the Texas Medical Center, Inc.

The project will develop a translational research campus on TMC-owned and UT System-owned land in the TMC Mid-Campus and UT System Research Park. The campus components include: four research buildings; collaborative space; shared core labs, office, meeting/conference/education space; building sites for industry; and parking. UT System institutions are collaborating to build a shared research facility, located in the UT Research Park, and focused on leveraging 2,000 investigators, staff and industry collaborators present in the UT Research Park, with a planned bridge connecting the South Campus to the TMC Mid-campus. The combined TRB request for UT System institutions is \$200 million, financed at 6% over 20 years.

Budget Overview - Biennial Amounts
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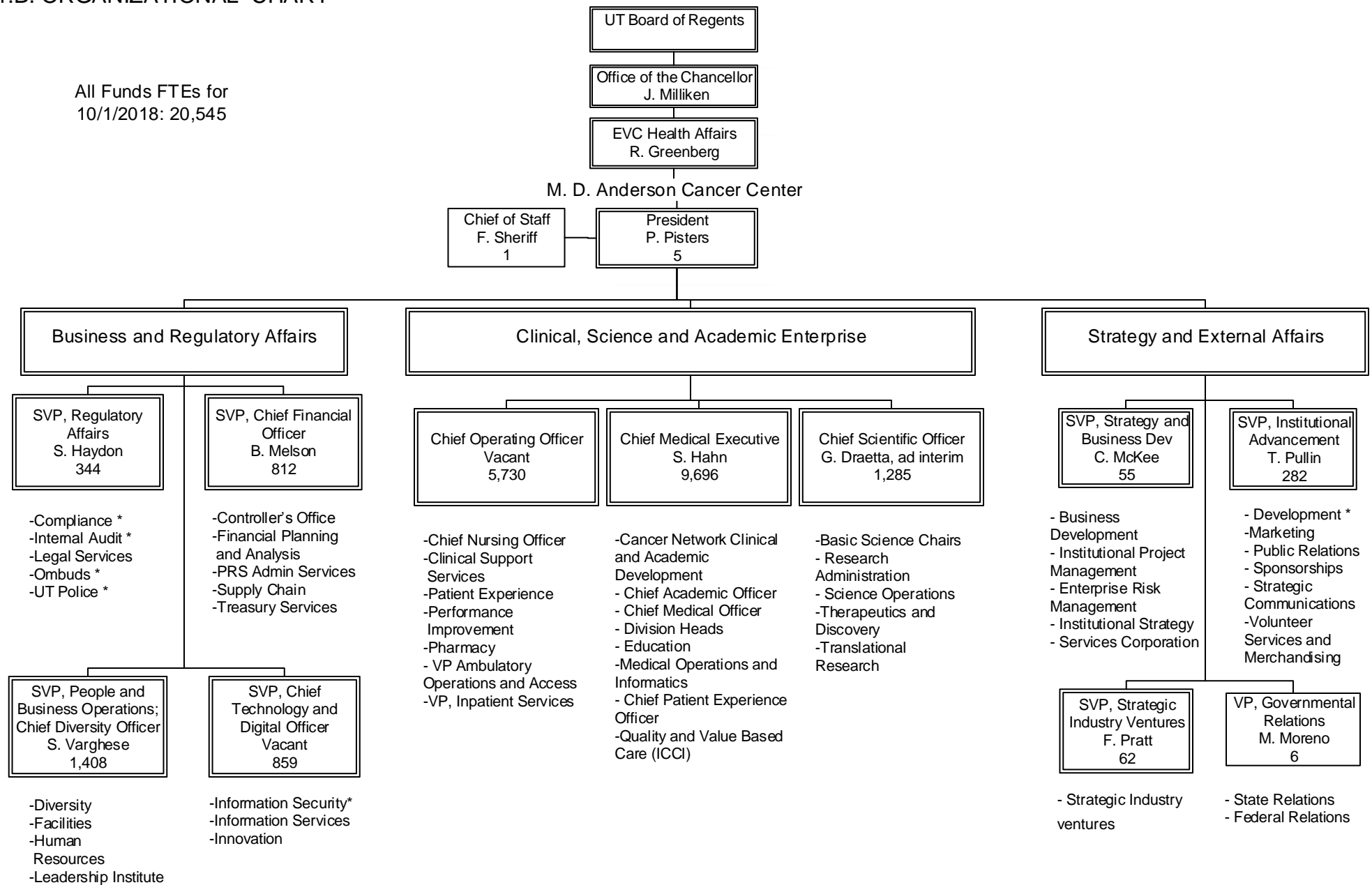
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Appropriation Years: 2020-21

	GENERAL REVENUE FUNDS		GR DEDICATED		FEDERAL FUNDS		OTHER FUNDS		ALL FUNDS		EXCEPTIONAL ITEM FUNDS
	2018-19	2020-21	2018-19	2020-21	2018-19	2020-21	2018-19	2020-21	2018-19	2020-21	2020-21
Goal: 1. Provide Instructional and Operations Support											
1.1.1. Allied Health Professions Training	5,511,705		1,031,060						6,542,765		
1.1.2. Graduate Medical Education	1,572,382								1,572,382		
1.2.1. Cancer Center Operations	264,801,714								264,801,714		
1.3.1. Staff Group Insurance Premiums			67,438	72,108					67,438	72,108	
1.4.1. Texas Public Education Grants			214,722	230,884					214,722	230,884	
Total, Goal	271,885,801		1,313,220	302,992					273,199,021	302,992	
Goal: 2. Provide Research Support											
2.1.1. Research Enhancement	21,122,758								21,122,758		
Total, Goal	21,122,758								21,122,758		
Goal: 3. Provide Infrastructure Support											
3.1.1. E&G Space Support	64,156,149		275,828						64,431,977		
3.2.1. Tuition Revenue Bond Retirement	22,655,124	22,654,350							22,655,124	22,654,350	17,440,000
Total, Goal	86,811,273	22,654,350	275,828						87,087,101	22,654,350	17,440,000
Goal: 5. Provide Non-formula Support											
5.1.1. Research Support	2,201,828	2,201,828							2,201,828	2,201,828	
5.1.2. Breast Cancer Research Program	3,040,000	3,040,000							3,040,000	3,040,000	960,000
5.2.1. Institutional Enhancement	723,543	723,543					4,287	4,328	727,830	727,871	
Total, Goal	5,965,371	5,965,371					4,287	4,328	5,969,658	5,969,699	960,000
Goal: 7. Tobacco Funds											
7.1.1. Tobacco Earnings - Ut Md Anderson							21,782,386	12,560,000	21,782,386	12,560,000	
7.1.2. Tobacco - Permanent Health Fund							7,816,119	5,250,116	7,816,119	5,250,116	
Total, Goal							29,598,505	17,810,116	29,598,505	17,810,116	
Total, Agency	385,785,203	28,619,721	1,589,048	302,992			29,602,792	17,814,444	416,977,043	46,737,157	18,400,000
Total FTEs									682.1	682.1	0.0

1.B. ORGANIZATIONAL CHART

All Funds FTEs for
10/1/2018: 20,545

The University of Texas System



*These functions have an administrative reporting relationship to the SVP/Chief and a functioning reporting relationship to the President.

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

Goal / Objective / STRATEGY	Exp 2017	Est 2018	Bud 2019	Req 2020	Req 2021
1 Provide Instructional and Operations Support					
1 <i>Instructional Programs</i>					
1 ALLIED HEALTH PROFESSIONS TRAINING (1)	3,575,790	3,254,829	3,287,936	0	0
2 GRADUATE MEDICAL EDUCATION (1)	845,847	786,191	786,191	0	0
2 <i>Cancer Center Operations</i>					
1 CANCER CENTER OPERATIONS (1)	132,400,857	132,400,857	132,400,857	0	0
3 <i>Operations - Staff Benefits</i>					
1 STAFF GROUP INSURANCE PREMIUMS	59,467	32,441	34,997	35,697	36,411
4 <i>Operations - Statutory Funds</i>					
1 TEXAS PUBLIC EDUCATION GRANTS	112,058	102,664	112,058	114,299	116,585
TOTAL, GOAL 1	\$136,994,019	\$136,576,982	\$136,622,039	\$149,996	\$152,996

2 Provide Research Support**1** *Research Activities*

(1) - Formula funded strategies are not requested in 2020-21 because amounts are not determined by institutions.

2.A. Summary of Base Request by Strategy

10/15/2018 4:42:03PM

86th 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 2017	Est 2018	Bud 2019	Req 2020	Req 2021
1 RESEARCH ENHANCEMENT (1)	10,486,168	10,561,379	10,561,379	0	0
TOTAL, GOAL 2	\$10,486,168	\$10,561,379	\$10,561,379	\$0	\$0
3 Provide Infrastructure Support					
1 Operations and Maintenance					
1 E&G SPACE SUPPORT (1)	29,312,411	32,215,808	32,216,169	0	0
2 Infrastructure Support					
1 TUITION REVENUE BOND RETIREMENT	11,327,949	11,327,175	11,327,949	11,327,000	11,327,350
TOTAL, GOAL 3	\$40,640,360	\$43,542,983	\$43,544,118	\$11,327,000	\$11,327,350
5 Provide Non-formula Support					
1 Research					
1 RESEARCH SUPPORT	1,158,857	1,100,914	1,100,914	1,100,914	1,100,914
2 BREAST CANCER RESEARCH PROGRAM	1,600,000	1,520,000	1,520,000	1,520,000	1,520,000
2 Institutional					

(1) - Formula funded strategies are not requested in 2020-21 because amounts are not determined by institutions.

2.A. Summary of Base Request by Strategy

10/15/2018 4:42:03PM

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Automated Budget and Evaluation System of Texas (ABEST)

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

Goal / Objective / STRATEGY	Exp 2017	Est 2018	Bud 2019	Req 2020	Req 2021
1 INSTITUTIONAL ENHANCEMENT	494,050	363,894	363,936	363,935	363,936
TOTAL, GOAL 5	\$3,252,907	\$2,984,808	\$2,984,850	\$2,984,849	\$2,984,850
7 Tobacco Funds					
1 Tobacco Earnings for Research					
1 TOBACCO EARNINGS - UT MD ANDERSON	4,409,184	7,298,133	14,484,253	6,280,000	6,280,000
2 TOBACCO - PERMANENT HEALTH FUND	3,312,931	5,176,061	2,640,058	2,625,058	2,625,058
TOTAL, GOAL 7	\$7,722,115	\$12,474,194	\$17,124,311	\$8,905,058	\$8,905,058
TOTAL, AGENCY STRATEGY REQUEST	\$199,095,569	\$206,140,346	\$210,836,697	\$23,366,903	\$23,370,254
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST*				\$0	\$0
GRAND TOTAL, AGENCY REQUEST	\$199,095,569	\$206,140,346	\$210,836,697	\$23,366,903	\$23,370,254

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

Goal / Objective / STRATEGY	Exp 2017	Est 2018	Bud 2019	Req 2020	Req 2021
<u>METHOD OF FINANCING:</u>					
General Revenue Funds:					
1 General Revenue Fund	190,579,332	192,891,184	192,894,019	14,309,685	14,310,036
SUBTOTAL	\$190,579,332	\$192,891,184	\$192,894,019	\$14,309,685	\$14,310,036
General Revenue Dedicated Funds:					
704 Est Bd Authorized Tuition Inc	90,080	69,750	90,080	0	0
770 Est. Other Educational & General	701,790	703,095	726,123	149,996	152,996
SUBTOTAL	\$791,870	\$772,845	\$816,203	\$149,996	\$152,996
Other Funds:					
802 Lic Plate Trust Fund No. 0802, est	2,252	2,123	2,164	2,164	2,164
810 Perm Health Fund Higher Ed, est	3,312,931	5,176,061	2,640,058	2,625,058	2,625,058
812 Perm Endow FD UTMD AND, estimated	4,409,184	7,298,133	14,484,253	6,280,000	6,280,000
SUBTOTAL	\$7,724,367	\$12,476,317	\$17,126,475	\$8,907,222	\$8,907,222
TOTAL, METHOD OF FINANCING	\$199,095,569	\$206,140,346	\$210,836,697	\$23,366,903	\$23,370,254

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

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

10/16/2018 2:40:44PM

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Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 506		Agency name: The University of Texas M.D. Anderson Cancer Center				
METHOD OF FINANCING		Exp 2017	Est 2018	Bud 2019	Req 2020	Req 2021
<u>GENERAL REVENUE</u>						
<u>1</u>	General Revenue Fund					
	<i>REGULAR APPROPRIATIONS</i>					
	Regular Appropriations from MOF Table (2016-17 GAA)	\$185,165,133	\$0	\$0	\$0	\$0
	Regular Appropriations from MOF Table (2018-19 GAA)	\$0	\$192,891,958	\$192,894,019	\$0	\$0
	Regular Appropriations from MOF Table (2020-21 GAA)	\$0	\$0	\$0	\$14,309,685	\$14,310,036
	<i>TRANSFERS</i>					
	84th Leg - THECB Rider 71, HB 100 Tuition Revenue Bond Debt Service	\$5,414,199	\$0	\$0	\$0	\$0
	<i>LAPSED APPROPRIATIONS</i>					
	FY 2018 Tuition Revenue Bond Lapse	\$0	\$(774)	\$0	\$0	\$0
TOTAL,	General Revenue Fund	\$190,579,332	\$192,891,184	\$192,894,019	\$14,309,685	\$14,310,036

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

10/16/2018 2:40:44PM

86th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 506		Agency name: The University of Texas M.D. Anderson Cancer Center				
METHOD OF FINANCING		Exp 2017	Est 2018	Bud 2019	Req 2020	Req 2021
TOTAL, ALL	GENERAL REVENUE	\$190,579,332	\$192,891,184	\$192,894,019	\$14,309,685	\$14,310,036
<u>GENERAL REVENUE FUND - DEDICATED</u>						
704	GR Dedicated - Estimated Board Authorized Tuition Increases Account No. 704					
	REGULAR APPROPRIATIONS					
	Regular Appropriations from MOF Table (2016-17 GAA)	\$0	\$0	\$0	\$0	\$0
	Regular Appropriations from MOF Table (2018-19 GAA)	\$0	\$0	\$0	\$0	\$0
	BASE ADJUSTMENT					
	Revised Receipts	\$90,080	\$69,750	\$90,080	\$0	\$0
	Comments: The 2018-2019 LAR was submitted with no estimate for Board Authorized Tuition. Subsequent to submission, MD Anderson received approval from the UT System Board of Regents to begin charging BAT starting in FY 2017					
TOTAL,	GR Dedicated - Estimated Board Authorized Tuition Increases Account No. 704	\$90,080	\$69,750	\$90,080	\$0	\$0
770	GR Dedicated - Estimated Other Educational and General Income Account No. 770					
	REGULAR APPROPRIATIONS					

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

10/16/2018 2:40:44PM

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Automated Budget and Evaluation System of Texas (ABEST)

Agency code:	506	Agency name:	The University of Texas M.D. Anderson Cancer Center			
METHOD OF FINANCING		Exp 2017	Est 2018	Bud 2019	Req 2020	Req 2021
<u>GENERAL REVENUE FUND - DEDICATED</u>						
	Regular Appropriations from MOF Table (2016-17 GAA)	\$833,796	\$0	\$0	\$0	\$0
	Regular Appropriations from MOF Table (2018-19 GAA)	\$0	\$918,810	\$918,810	\$0	\$0
	Regular Appropriations from MOF Table (2020-21 GAA)	\$0	\$0	\$0	\$149,996	\$152,996
<i>BASE ADJUSTMENT</i>						
	Revised Receipts	\$(132,006)	\$(215,715)	\$(192,687)	\$0	\$0
TOTAL,	GR Dedicated - Estimated Other Educational and General Income Account No. 770	\$701,790	\$703,095	\$726,123	\$149,996	\$152,996
TOTAL GENERAL REVENUE FUND - DEDICATED - 704, 708 & 770						
		\$791,870	\$772,845	\$816,203	\$149,996	\$152,996
TOTAL, ALL	GENERAL REVENUE FUND - DEDICATED	\$791,870	\$772,845	\$816,203	\$149,996	\$152,996
TOTAL,	GR & GR-DEDICATED FUNDS	\$191,371,202	\$193,664,029	\$193,710,222	\$14,459,681	\$14,463,032

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

10/16/2018 2:40:44PM

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Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 506		Agency name: The University of Texas M.D. Anderson Cancer Center				
METHOD OF FINANCING		Exp 2017	Est 2018	Bud 2019	Req 2020	Req 2021
<u>OTHER FUNDS</u>						
<u>802</u>	License Plate Trust Fund Account No. 0802					
	<i>REGULAR APPROPRIATIONS</i>					
	Regular Appropriations from MOF Table (2018-19 GAA)	\$0	\$2,164	\$2,164	\$0	\$0
	Regular Appropriations from MOF Table (2020-21 GAA)	\$0	\$0	\$0	\$2,164	\$2,164
	<i>RIDER APPROPRIATION</i>					
	Art III, Special Provisions, Section 60 (2016-17 GAA)	\$2,164	\$0	\$0	\$0	\$0
	<i>BASE ADJUSTMENT</i>					
	Revised Receipts	\$88	\$(41)	\$0	\$0	\$0
TOTAL,	License Plate Trust Fund Account No. 0802	\$2,252	\$2,123	\$2,164	\$2,164	\$2,164
<u>810</u>	Permanent Health Fund for Higher Education					
	<i>REGULAR APPROPRIATIONS</i>					

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

10/16/2018 2:40:44PM

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Automated Budget and Evaluation System of Texas (ABEST)

Agency code:	506	Agency name:	The University of Texas M.D. Anderson Cancer Center			
METHOD OF FINANCING		Exp 2017	Est 2018	Bud 2019	Req 2020	Req 2021
<u>OTHER FUNDS</u>						
Regular Appropriations from MOF Table (2016-17 GAA)		\$2,393,907	\$0	\$0	\$0	\$0
Regular Appropriations from MOF Table (2018-19 GAA)		\$0	\$2,519,678	\$2,519,678	\$0	\$0
Regular Appropriations from MOF Table (2020-21 GAA)		\$0	\$0	\$0	\$2,625,058	\$2,625,058
<i>RIDER APPROPRIATION</i>						
M.D. Anderson, Art III, Rider 5, UB Authority (2016-2017)		\$3,325,904	\$0	\$0	\$0	\$0
M.D. Anderson, Art III, Rider 5, UB Authority (2018-2019)		\$(2,559,732)	\$2,559,732	\$0	\$0	\$0
<i>BASE ADJUSTMENT</i>						
Revised Receipt - Distribution Adjustment		\$125,771	\$67,749	\$105,380	\$0	\$0

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

10/16/2018 2:40:44PM

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Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 506		Agency name: The University of Texas M.D. Anderson Cancer Center				
METHOD OF FINANCING		Exp 2017	Est 2018	Bud 2019	Req 2020	Req 2021
<u>OTHER FUNDS</u>						
	Revised Receipts - Interest	\$27,081	\$28,902	\$15,000	\$0	\$0
TOTAL,	Permanent Health Fund for Higher Education	\$3,312,931	\$5,176,061	\$2,640,058	\$2,625,058	\$2,625,058
<u>812</u>	Permanent Endowment Fund, UT MD Anderson Cancer Center					
	<i>REGULAR APPROPRIATIONS</i>					
	Regular Appropriations from MOF Table (2016-17 GAA)	\$5,970,000	\$0	\$0	\$0	\$0
	Regular Appropriations from MOF Table (2018-19 GAA)	\$0	\$6,120,000	\$6,120,000	\$0	\$0
	Regular Appropriations from MOF Table (2020-21 GAA)	\$0	\$0	\$0	\$6,280,000	\$6,280,000
	<i>RIDER APPROPRIATION</i>					
	M.D. Anderson, Art III, Rider 5 UB Authority (2016-2017)	\$7,347,789	\$0	\$0	\$0	\$0

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

10/16/2018 2:40:44PM

86th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code:	506	Agency name:	The University of Texas M.D. Anderson Cancer Center			
METHOD OF FINANCING		Exp 2017	Est 2018	Bud 2019	Req 2020	Req 2021
<u>OTHER FUNDS</u>						
M.D. Anderson, Art III, Rider 5 UB Authority (2018-2019)		\$(9,136,931)	\$9,136,931	\$0	\$0	\$0
M.D. Anderson, Art III, Rider 5 UB Authority (2018-2019)		\$0	\$(8,174,253)	\$8,174,253	\$0	\$0
BASE ADJUSTMENT						
Revised Receipts - Distribution Adjustment		\$150,000	\$70,000	\$160,000	\$0	\$0
Revised Receipts - Interest		\$78,326	\$145,455	\$30,000	\$0	\$0
TOTAL,	Permanent Endowment Fund, UT MD Anderson Cancer Center	\$4,409,184	\$7,298,133	\$14,484,253	\$6,280,000	\$6,280,000
TOTAL, ALL	OTHER FUNDS	\$7,724,367	\$12,476,317	\$17,126,475	\$8,907,222	\$8,907,222
GRAND TOTAL		\$199,095,569	\$206,140,346	\$210,836,697	\$23,366,903	\$23,370,254

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

10/16/2018 2:40:44PM

86th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

Agency code: 506	Agency name: The University of Texas M.D. Anderson Cancer Center				
METHOD OF FINANCING	Exp 2017	Est 2018	Bud 2019	Req 2020	Req 2021
FULL-TIME-EQUIVALENT POSITIONS					
REGULAR APPROPRIATIONS					
Regular Appropriations from MOF Table (2016-17 GAA)	747.7	0.0	0.0	0.0	0.0
Regular Appropriations from MOF Table (2018-19 GAA)	0.0	871.9	871.9	0.0	0.0
Regular Appropriations from MOF Table (2020-21 GAA)	0.0	0.0	0.0	682.1	682.1
RIDER APPROPRIATION					
Art IX, Sec 6.10(a)(2), Board or Administrator FTE Adjustment (2016-17 GAA)	16.7	0.0	0.0	0.0	0.0
UNAUTHORIZED NUMBER OVER (BELOW) CAP					
Unauthorized number over (Below) Cap	0.0	(189.8)	(189.8)	0.0	0.0
TOTAL, ADJUSTED FTES	764.4	682.1	682.1	682.1	682.1
NUMBER OF 100% FEDERALLY FUNDED FTEs					

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

10/15/2018 4:42:04PM

86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)**506 The University of Texas M.D. Anderson Cancer Center**

OBJECT OF EXPENSE	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
1001 SALARIES AND WAGES	\$168,404,371	\$168,010,465	\$168,010,466	\$3,366,708	\$3,366,709
1002 OTHER PERSONNEL COSTS	\$513,219	\$828,051	\$830,607	\$696,601	\$697,315
1005 FACULTY SALARIES	\$13,386,258	\$12,857,088	\$12,896,587	\$2,389,839	\$2,389,839
2001 PROFESSIONAL FEES AND SERVICES	\$590,042	\$656,237	\$633,966	\$54,489	\$54,489
2003 CONSUMABLE SUPPLIES	\$14,075	\$18,782	\$14,544	\$14,544	\$14,544
2004 UTILITIES	\$5,876	\$732,806	\$731,037	\$6,072	\$6,072
2005 TRAVEL	\$4,486	\$5,986	\$4,635	\$4,635	\$4,635
2007 RENT - MACHINE AND OTHER	\$1,596	\$2,130	\$1,649	\$1,649	\$1,649
2008 DEBT SERVICE	\$11,327,949	\$11,327,175	\$11,327,949	\$11,327,000	\$11,327,350
2009 OTHER OPERATING EXPENSE	\$1,785,140	\$4,327,784	\$4,242,050	\$780,271	\$780,271
4000 GRANTS	\$114,310	\$104,787	\$114,222	\$116,463	\$118,749
5000 CAPITAL EXPENDITURES	\$2,948,247	\$7,269,055	\$12,028,985	\$4,608,632	\$4,608,632
OOE Total (Excluding Riders)	\$199,095,569	\$206,140,346	\$210,836,697	\$23,366,903	\$23,370,254
OOE Total (Riders)					
Grand Total	\$199,095,569	\$206,140,346	\$210,836,697	\$23,366,903	\$23,370,254

2.D. Summary of Base Request Objective Outcomes

10/15/2018 4:42:04PM

86th 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 / Outcome	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
1 Provide Instructional and Operations Support					
1 Instructional Programs					
KEY 14 Percent Allied Health Grads Passing Certif/Licensure Exam First Try					
	90.00%	90.00%	90.00%	90.00%	90.00%
KEY 15 Percent Allied Health Graduates Licensed or Certified in Texas					
	100.00%	100.00%	100.00%	100.00%	100.00%
2 Cancer Center Operations					
KEY 1 Percent of Medical Residency Completers Practicing in Texas					
	29.00%	31.00%	30.00%	30.00%	30.00%
KEY 2 Total Uncompensated Care Provided by Faculty					
	76,907,485.00	83,573,013.00	85,543,965.00	88,110,284.00	91,194,144.00
KEY 4 Administrative (Instit Support) Cost As % of Total Expenditures					
	2.95%	2.87%	3.50%	3.50%	3.50%
KEY 5 Total Uncompensated Care Provided in State-owned Facilities					
	102,467,082.00	95,358,243.00	94,851,508.00	94,319,973.00	94,138,589.00
2 Provide Research Support					
1 Research Activities					
KEY 1 Total External Research Expenditures					
	539,621,032.00	536,090,747.00	530,596,720.00	541,208,654.00	552,032,827.00
2 External Research Expends As % of State Appropriations for Research					
	3,929.28%	3,958.12%	3,917.56%	3,995.91%	4,075.83%

2.E. Summary of Exceptional Items Request
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2018
TIME : 4:42:04PM

Agency code: 506

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

Priority	Item	2020			2021			Biennium	
		GR and GR/GR Dedicated	All Funds	FTEs	GR and GR Dedicated	All Funds	FTEs	GR and GR Dedicated	All Funds
1	Restoration of IBC	\$480,000	\$480,000		\$480,000	\$480,000		\$960,000	\$960,000
2	Joint MDA and UTHealth Research Bld	\$8,720,000	\$8,720,000		\$8,720,000	\$8,720,000		\$17,440,000	\$17,440,000
Total, Exceptional Items Request		\$9,200,000	\$9,200,000		\$9,200,000	\$9,200,000		\$18,400,000	\$18,400,000
Method of Financing									
	General Revenue	\$9,200,000	\$9,200,000		\$9,200,000	\$9,200,000		\$18,400,000	\$18,400,000
	General Revenue - Dedicated								
	Federal Funds								
	Other Funds								
		\$9,200,000	\$9,200,000		\$9,200,000	\$9,200,000		\$18,400,000	\$18,400,000

Full Time Equivalent Positions

Number of 100% Federally Funded FTEs

2.F. Summary of Total Request by Strategy
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE : 10/15/2018
TIME : 4:42:04PM

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

Goal/Objective/STRATEGY	Base 2020	Base 2021	Exceptional 2020	Exceptional 2021	Total Request 2020	Total Request 2021
1 Provide Instructional and Operations Support						
1 Instructional Programs						
1 ALLIED HEALTH PROFESSIONS TRAINING	\$0	\$0	\$0	\$0	\$0	\$0
2 GRADUATE MEDICAL EDUCATION	0	0	0	0	0	0
2 Cancer Center Operations						
1 CANCER CENTER OPERATIONS	0	0	0	0	0	0
3 Operations - Staff Benefits						
1 STAFF GROUP INSURANCE PREMIUMS	35,697	36,411	0	0	35,697	36,411
4 Operations - Statutory Funds						
1 TEXAS PUBLIC EDUCATION GRANTS	114,299	116,585	0	0	114,299	116,585
TOTAL, GOAL 1	\$149,996	\$152,996	\$0	\$0	\$149,996	\$152,996
2 Provide Research Support						
1 Research Activities						
1 RESEARCH ENHANCEMENT	0	0	0	0	0	0
TOTAL, GOAL 2	\$0	\$0	\$0	\$0	\$0	\$0
3 Provide Infrastructure Support						
1 Operations and Maintenance						
1 E&G SPACE SUPPORT	0	0	0	0	0	0
2 Infrastructure Support						
1 TUITION REVENUE BOND RETIREMENT	11,327,000	11,327,350	8,720,000	8,720,000	20,047,000	20,047,350
TOTAL, GOAL 3	\$11,327,000	\$11,327,350	\$8,720,000	\$8,720,000	\$20,047,000	\$20,047,350

2.F. Summary of Total Request by Strategy
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE : 10/15/2018

TIME : 4:42:04PM

Agency code: 506	Agency name: The University of Texas M.D. Anderson Cancer Center					
Goal/Objective/STRATEGY	Base 2020	Base 2021	Exceptional 2020	Exceptional 2021	Total Request 2020	Total Request 2021
5 Provide Non-formula Support						
1 <i>Research</i>						
1 RESEARCH SUPPORT	\$1,100,914	\$1,100,914	\$0	\$0	\$1,100,914	\$1,100,914
2 BREAST CANCER RESEARCH PROGRAM	1,520,000	1,520,000	480,000	480,000	2,000,000	2,000,000
2 <i>Institutional</i>						
1 INSTITUTIONAL ENHANCEMENT	363,935	363,936	0	0	363,935	363,936
TOTAL, GOAL 5	\$2,984,849	\$2,984,850	\$480,000	\$480,000	\$3,464,849	\$3,464,850
7 Tobacco Funds						
1 <i>Tobacco Earnings for Research</i>						
1 TOBACCO EARNINGS - UT MD ANDERSON	6,280,000	6,280,000	0	0	6,280,000	6,280,000
2 TOBACCO - PERMANENT HEALTH FUND	2,625,058	2,625,058	0	0	2,625,058	2,625,058
TOTAL, GOAL 7	\$8,905,058	\$8,905,058	\$0	\$0	\$8,905,058	\$8,905,058
TOTAL, AGENCY STRATEGY REQUEST	\$23,366,903	\$23,370,254	\$9,200,000	\$9,200,000	\$32,566,903	\$32,570,254
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST						
GRAND TOTAL, AGENCY REQUEST	\$23,366,903	\$23,370,254	\$9,200,000	\$9,200,000	\$32,566,903	\$32,570,254

2.F. Summary of Total Request by Strategy
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE : 10/15/2018
TIME : 4:42:04PM

Agency code: 506		Agency name: The University of Texas M.D. Anderson Cancer Center					
Goal/Objective/STRATEGY		Base 2020	Base 2021	Exceptional 2020	Exceptional 2021	Total Request 2020	Total Request 2021
General Revenue Funds:							
1	General Revenue Fund	\$14,309,685	\$14,310,036	\$9,200,000	\$9,200,000	\$23,509,685	\$23,510,036
		\$14,309,685	\$14,310,036	\$9,200,000	\$9,200,000	\$23,509,685	\$23,510,036
General Revenue Dedicated Funds:							
704	Est Bd Authorized Tuition Inc	0	0	0	0	0	0
770	Est. Other Educational & General	149,996	152,996	0	0	149,996	152,996
		\$149,996	\$152,996	\$0	\$0	\$149,996	\$152,996
Other Funds:							
802	Lic Plate Trust Fund No. 0802, est	2,164	2,164	0	0	2,164	2,164
810	Perm Health Fund Higher Ed, est	2,625,058	2,625,058	0	0	2,625,058	2,625,058
812	Perm Endow FD UTMD AND, estimated	6,280,000	6,280,000	0	0	6,280,000	6,280,000
		\$8,907,222	\$8,907,222	\$0	\$0	\$8,907,222	\$8,907,222
TOTAL, METHOD OF FINANCING		\$23,366,903	\$23,370,254	\$9,200,000	\$9,200,000	\$32,566,903	\$32,570,254
FULL TIME EQUIVALENT POSITIONS							
		682.1	682.1	0.0	0.0	682.1	682.1

2.G. Summary of Total Request Objective Outcomes
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation system of Texas (ABEST)

Date : 10/15/2018

Time: 4:42:04PM

Agency code: **506**

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

Goal/ Objective / Outcome

		BL 2020	BL 2021	Excp 2020	Excp 2021	Total Request 2020	Total Request 2021
1	Provide Instructional and Operations Support						
1	<i>Instructional Programs</i>						
KEY	14 Percent Allied Health Grads Passing Certif/Licensure Exam First Try						
		90.00%	90.00%			90.00%	90.00%
KEY	15 Percent Allied Health Graduates Licensed or Certified in Texas						
		100.00%	100.00%			100.00%	100.00%
2	<i>Cancer Center Operations</i>						
KEY	1 Percent of Medical Residency Completers Practicing in Texas						
		30.00%	30.00%			30.00%	30.00%
KEY	2 Total Uncompensated Care Provided by Faculty						
		88,110,284.00	91,194,144.00			88,110,284.00	91,194,144.00
KEY	4 Administrative (Instit Support) Cost As % of Total Expenditures						
		3.50%	3.50%			3.50%	3.50%
KEY	5 Total Uncompensated Care Provided in State-owned Facilities						
		94,319,973.00	94,138,589.00			94,319,973.00	94,138,589.00
2	Provide Research Support						
1	<i>Research Activities</i>						
KEY	1 Total External Research Expenditures						
		541,208,654.00	552,032,827.00			541,208,654.00	552,032,827.00

2.G. Summary of Total Request Objective Outcomes
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation system of Texas (ABEST)

Date : 10/15/2018

Time: 4:42:04PM

Agency code: **506**

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

Goal/ *Objective* / **Outcome**

	BL 2020	BL 2021	Excp 2020	Excp 2021	Total Request 2020	Total Request 2021
2 External Research Expends As % of State Appropriations for Research						
	3,995.91%	4,075.83%			3,995.91%	4,075.83%

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

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

Service Categories:

Service: 19 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020 ⁽¹⁾	BL 2021 ⁽¹⁾
Efficiency Measures:						
KEY 1	Avg Cost of Resident Undergraduate Tuition and Fees for 15 Sch	1,894.00	2,026.00	2,114.00	2,211.00	2,308.00
Explanatory/Input Measures:						
KEY 1	Minority Admissions As % of Total First-Year Admissions (All Schools)	33.60 %	63.40 %	63.40 %	63.40 %	63.40 %
KEY 4	Average Financial Aid Award per Full-Time Student	11,550.00	10,183.00	11,197.00	11,197.00	11,197.00
KEY 5	Percent of Full-Time Students Receiving Financial Aid	56.00 %	64.00 %	64.00 %	64.00 %	64.00 %
Objects of Expense:						
1001	SALARIES AND WAGES	\$1,269,938	\$1,589,488	\$1,589,488	\$0	\$0
1005	FACULTY SALARIES	\$1,768,544	\$1,079,472	\$1,118,971	\$0	\$0
2001	PROFESSIONAL FEES AND SERVICES	\$537,308	\$585,869	\$579,477	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$3,575,790	\$3,254,829	\$3,287,936	\$0	\$0
Method of Financing:						
1	General Revenue Fund	\$3,359,666	\$2,755,003	\$2,756,702	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$3,359,666	\$2,755,003	\$2,756,702	\$0	\$0

Method of Financing:

(1) - Formula funded strategies are not requested in 2020-21 because amounts are not determined by institutions.

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

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

Service Categories:

Service: 19 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020 ⁽¹⁾	BL 2021 ⁽¹⁾
704	Est Bd Authorized Tuition Inc	\$90,080	\$69,750	\$90,080	\$0	\$0
770	Est. Other Educational & General	\$126,044	\$430,076	\$441,154	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$216,124	\$499,826	\$531,234	\$0	\$0
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$0	\$0
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$3,575,790	\$3,254,829	\$3,287,936	\$0	\$0
FULL TIME EQUIVALENT POSITIONS:		12.8	10.2	10.2	10.2	10.2

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 2020-21 because amounts are not determined by institutions.

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

GOAL: 1 Provide Instructional and Operations Support

OBJECTIVE: 1 Instructional Programs

Service Categories:

STRATEGY: 1 Allied Health Professions Training

Service: 19

Income: A.2

Age: B.3

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	(1) BL 2020	(1) BL 2021
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EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		BIENNIAL CHANGE	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
Base Spending (Est 2018 + Bud 2019)	Baseline Request (BL 2020 + BL 2021)		\$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
\$6,542,765	\$0	\$(6,542,765)	\$(6,542,765)	Formula funded strategies are not requested in 2020-21
			<u>\$(6,542,765)</u>	Total of Explanation of Biennial Change

(1) - Formula funded strategies are not requested in 2020-21 because amounts are not determined by institutions.

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

GOAL: 1 Provide Instructional and Operations Support

OBJECTIVE: 1 Instructional Programs

STRATEGY: 2 Graduate Medical Education

Service Categories:

Service: 19

Income: A.2

Age: B.3

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020 ⁽¹⁾	BL 2021 ⁽¹⁾
Output Measures:						
KEY 1	Total Number of MD or DO Residents	153.00	153.00	156.00	156.00	156.00
Explanatory/Input Measures:						
KEY 1	Minority MD or DO Residents as a Percent of Total MD or DO Residents	10.46 %	13.73 %	16.67 %	16.67 %	16.67 %
Objects of Expense:						
1001	SALARIES AND WAGES	\$194,628	\$180,901	\$180,901	\$0	\$0
1005	FACULTY SALARIES	\$651,219	\$605,290	\$605,290	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$845,847	\$786,191	\$786,191	\$0	\$0
Method of Financing:						
1	General Revenue Fund	\$845,847	\$786,191	\$786,191	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$845,847	\$786,191	\$786,191	\$0	\$0
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$0	\$0
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$845,847	\$786,191	\$786,191	\$0	\$0
FULL TIME EQUIVALENT POSITIONS:		3.6	3.0	3.0	3.0	3.0

(1) - Formula funded strategies are not requested in 2020-21 because amounts are not determined by institutions.

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

GOAL: 1 Provide Instructional and Operations Support

OBJECTIVE: 1 Instructional Programs

Service Categories:

STRATEGY: 2 Graduate Medical Education

Service: 19

Income: A.2

Age: B.3

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020 ⁽¹⁾	BL 2021 ⁽¹⁾
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STRATEGY DESCRIPTION AND JUSTIFICATION:

The Graduate Medical Education (GME) formula allocates funding based on the number of medical residents in accredited programs. These funds shall be used to increase the number of resident slots in the State of Texas as well as faculty costs relating to GME.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

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

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL CHANGE</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2018 + Bud 2019)</u>	<u>Baseline Request (BL 2020 + BL 2021)</u>		<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$1,572,382	\$0	\$(1,572,382)	\$(1,572,382)	Formula funded strategies are not requested in 2020-21
			\$(1,572,382)	Total of Explanation of Biennial Change

(1) - Formula funded strategies are not requested in 2020-21 because amounts are not determined by institutions.

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

GOAL: 1 Provide Instructional and Operations Support
OBJECTIVE: 2 Cancer Center Operations
STRATEGY: 1 Cancer Center Operations

Service Categories:

Service: 22 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020 ⁽¹⁾	BL 2021 ⁽¹⁾
Output Measures:						
KEY 1	Total Number of Outpatient Visits	1,441,403.00	1,458,076.00	1,527,707.00	1,558,261.00	1,589,426.00
KEY 2	Total Number of Inpatient Days	202,411.00	207,071.00	208,810.00	212,986.00	217,246.00
Efficiency Measures:						
2	Net Revenue Per Equivalent Patient Day	4,889.49	5,310.08	5,466.69	5,707.87	5,959.69
Objects of Expense:						
1001	SALARIES AND WAGES	\$128,028,566	\$127,885,937	\$127,885,937	\$0	\$0
1005	FACULTY SALARIES	\$4,372,291	\$4,514,920	\$4,514,920	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$132,400,857	\$132,400,857	\$132,400,857	\$0	\$0
Method of Financing:						
1	General Revenue Fund	\$132,400,857	\$132,400,857	\$132,400,857	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$132,400,857	\$132,400,857	\$132,400,857	\$0	\$0
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$0	\$0
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$132,400,857	\$132,400,857	\$132,400,857	\$0	\$0
FULL TIME EQUIVALENT POSITIONS:		556.4	497.6	497.6	497.6	497.6

(1) - Formula funded strategies are not requested in 2020-21 because amounts are not determined by institutions.

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

GOAL: 1 Provide Instructional and Operations Support
OBJECTIVE: 2 Cancer Center Operations
STRATEGY: 1 Cancer Center Operations

Service Categories:

Service: 22 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020 ⁽¹⁾	BL 2021 ⁽¹⁾
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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.

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL CHANGE</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2018 + Bud 2019)</u>	<u>Baseline Request (BL 2020 + BL 2021)</u>		<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$264,801,714	\$0	\$(264,801,714)	\$(264,801,714)	Formula funded strategies are not requested in 2020-21
			<u>\$(264,801,714)</u>	Total of Explanation of Biennial Change

(1) - Formula funded strategies are not requested in 2020-21 because amounts are not determined by institutions.

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

GOAL: 1 Provide Instructional and Operations Support
OBJECTIVE: 3 Operations - Staff Benefits
STRATEGY: 1 Staff Group Insurance Premiums

Service Categories:

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

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
Objects of Expense:						
1002	OTHER PERSONNEL COSTS	\$59,467	\$32,441	\$34,997	\$35,697	\$36,411
TOTAL, OBJECT OF EXPENSE		\$59,467	\$32,441	\$34,997	\$35,697	\$36,411
Method of Financing:						
770	Est. Other Educational & General	\$59,467	\$32,441	\$34,997	\$35,697	\$36,411
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$59,467	\$32,441	\$34,997	\$35,697	\$36,411
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$35,697	\$36,411
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$59,467	\$32,441	\$34,997	\$35,697	\$36,411

FULL TIME EQUIVALENT POSITIONS:

STRATEGY DESCRIPTION AND JUSTIFICATION:

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

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

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

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

GOAL: 1 Provide Instructional and Operations Support

OBJECTIVE: 3 Operations - Staff Benefits

Service Categories:

STRATEGY: 1 Staff Group Insurance Premiums

Service: 06

Income: A.2

Age: B.3

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
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EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2018 + Bud 2019)</u>	<u>Baseline Request (BL 2020 + BL 2021)</u>	<u>CHANGE</u>	<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$67,438	\$72,108	\$4,670	\$4,670	Estimated changes in Proportionality %
			\$4,670	Total of Explanation of Biennial Change

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

GOAL: 1 Provide Instructional and Operations Support
OBJECTIVE: 4 Operations - Statutory Funds
STRATEGY: 1 Texas Public Education Grants

Service Categories:

Service: 20 Income: A.1 Age: B.3

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
Objects of Expense:						
4000	GRANTS	\$112,058	\$102,664	\$112,058	\$114,299	\$116,585
TOTAL, OBJECT OF EXPENSE		\$112,058	\$102,664	\$112,058	\$114,299	\$116,585
Method of Financing:						
770	Est. Other Educational & General	\$112,058	\$102,664	\$112,058	\$114,299	\$116,585
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$112,058	\$102,664	\$112,058	\$114,299	\$116,585
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$114,299	\$116,585
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$112,058	\$102,664	\$112,058	\$114,299	\$116,585

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:

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

GOAL: 1 Provide Instructional and Operations Support

OBJECTIVE: 4 Operations - Statutory Funds

Service Categories:

STRATEGY: 1 Texas Public Education Grants

Service: 20

Income: A.1

Age: B.3

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
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EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		BIENNIAL CHANGE	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
Base Spending (Est 2018 + Bud 2019)	Baseline Request (BL 2020 + BL 2021)		\$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
\$214,722	\$230,884	\$16,162	\$16,162	Change in growth of resident and non resident tuition between biennia.
			<u>\$16,162</u>	Total of Explanation of Biennial Change

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

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

Service Categories:

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

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020 ⁽¹⁾	BL 2021 ⁽¹⁾
Objects of Expense:						
1001	SALARIES AND WAGES	\$6,601,943	\$6,490,312	\$6,490,312	\$0	\$0
1005	FACULTY SALARIES	\$3,884,169	\$4,071,067	\$4,071,067	\$0	\$0
2009	OTHER OPERATING EXPENSE	\$56	\$0	\$0	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$10,486,168	\$10,561,379	\$10,561,379	\$0	\$0
Method of Financing:						
1	General Revenue Fund	\$10,486,168	\$10,561,379	\$10,561,379	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$10,486,168	\$10,561,379	\$10,561,379	\$0	\$0
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$0	\$0
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$10,486,168	\$10,561,379	\$10,561,379	\$0	\$0
FULL TIME EQUIVALENT POSITIONS:		44.1	39.9	39.9	39.9	39.9

STRATEGY DESCRIPTION AND JUSTIFICATION:

The Research Enhancement formula allocates a base amount of \$1,412,500 to each institution in addition to a percentage of the total research expenditures as reported to the Texas Higher Education Coordinating Board. The percent of additional funding above the base is established by the Legislature each biennium. These funds are used to support the research activities of the institution.

(1) - Formula funded strategies are not requested in 2020-21 because amounts are not determined by institutions.

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

GOAL: 2 Provide Research Support

OBJECTIVE: 1 Research Activities

STRATEGY: 1 Research Enhancement

Service Categories:

Service: 21

Income: A.2

Age: B.3

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020 ⁽¹⁾	BL 2021 ⁽¹⁾
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EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

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

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL CHANGE</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2018 + Bud 2019)</u>	<u>Baseline Request (BL 2020 + BL 2021)</u>		<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$21,122,758	\$0	\$(21,122,758)	\$(21,122,758)	Formula funded strategies are not requested in 2020-21
			\$(21,122,758)	Total of Explanation of Biennial Change

(1) - Formula funded strategies are not requested in 2020-21 because amounts are not determined by institutions.

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

GOAL: 3 Provide Infrastructure Support
OBJECTIVE: 1 Operations and Maintenance
STRATEGY: 1 E&G Space Support

Service Categories:

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

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	(1) BL 2020	(1) BL 2021
Objects of Expense:						
1001	SALARIES AND WAGES	\$28,408,185	\$28,072,523	\$28,072,523	\$0	\$0
2004	UTILITIES	\$0	\$724,965	\$724,965	\$0	\$0
2009	OTHER OPERATING EXPENSE	\$904,226	\$3,418,320	\$3,418,681	\$0	\$0
TOTAL, OBJECT OF EXPENSE		\$29,312,411	\$32,215,808	\$32,216,169	\$0	\$0
Method of Financing:						
1	General Revenue Fund	\$28,908,190	\$32,077,894	\$32,078,255	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$28,908,190	\$32,077,894	\$32,078,255	\$0	\$0
Method of Financing:						
770	Est. Other Educational & General	\$404,221	\$137,914	\$137,914	\$0	\$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS - DEDICATED)		\$404,221	\$137,914	\$137,914	\$0	\$0
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$0	\$0
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$29,312,411	\$32,215,808	\$32,216,169	\$0	\$0
FULL TIME EQUIVALENT POSITIONS:		119.7	107.1	107.1	107.1	107.1

(1) - Formula funded strategies are not requested in 2020-21 because amounts are not determined by institutions.

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

GOAL: 3 Provide Infrastructure Support
OBJECTIVE: 1 Operations and Maintenance
STRATEGY: 1 E&G Space Support

Service Categories:

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

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020 ⁽¹⁾	BL 2021 ⁽¹⁾
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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.

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL CHANGE</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2018 + Bud 2019)</u>	<u>Baseline Request (BL 2020 + BL 2021)</u>		<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$64,431,977	\$0	\$(64,431,977)	\$(64,431,977)	Formula funded strategies are not requested in 2020-21
			<u>\$(64,431,977)</u>	Total of Explanation of Biennial Change

(1) - Formula funded strategies are not requested in 2020-21 because amounts are not determined by institutions.

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

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

Service Categories:

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

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
Objects of Expense:						
2008	DEBT SERVICE	\$11,327,949	\$11,327,175	\$11,327,949	\$11,327,000	\$11,327,350
TOTAL, OBJECT OF EXPENSE		\$11,327,949	\$11,327,175	\$11,327,949	\$11,327,000	\$11,327,350
Method of Financing:						
1	General Revenue Fund	\$11,327,949	\$11,327,175	\$11,327,949	\$11,327,000	\$11,327,350
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$11,327,949	\$11,327,175	\$11,327,949	\$11,327,000	\$11,327,350
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$11,327,000	\$11,327,350
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$11,327,949	\$11,327,175	\$11,327,949	\$11,327,000	\$11,327,350
FULL TIME EQUIVALENT POSITIONS:						
STRATEGY DESCRIPTION AND JUSTIFICATION:						

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

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

Service Categories:

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

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
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The Tuition Revenue Bond Retirement strategy is for the debt service on four Tuition Revenue bond projects.

The first was funding of \$20,000,000 toward the total project cost of \$221,900,000 for the George and Cynthia Mitchell Basic Science Research Building (BSRBI). The facility is approximately 486,000 square feet, dedicated to research and the Graduate School of Biological Sciences.

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. The fourth project was funding of \$70,000,000 towards the Zayed building for personalized cancer care to accommodate the expanding research mission of M.D. Anderson and related programs focused on developing and advancing the most innovative therapeutics, diagnostics, early detection and prevention techniques to combat cancer.

Debt service for outstanding TRBs has been requested based on actual, known TRB debt service requirements for FY 2020 and 2021.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

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

GOAL: 3 Provide Infrastructure Support

OBJECTIVE: 2 Infrastructure Support

STRATEGY: 1 Tuition Revenue Bond Retirement

Service Categories:

Service: 10

Income: A.2

Age: B.3

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
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EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL CHANGE</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2018 + Bud 2019)</u>	<u>Baseline Request (BL 2020 + BL 2021)</u>		<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$22,655,124	\$22,654,350	\$(774)	\$(774)	Based on actual, known TRB debt service requirements for 2020-21
			<u>\$(774)</u>	Total of Explanation of Biennial Change

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

GOAL: 5 Provide Non-formula Support

OBJECTIVE: 1 Research

STRATEGY: 1 Research Support

Service Categories:

Service: 21

Income: A.2

Age: B.3

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
Objects of Expense:						
1001	SALARIES AND WAGES	\$865,189	\$836,164	\$836,164	\$836,164	\$836,164
1005	FACULTY SALARIES	\$293,668	\$264,750	\$264,750	\$264,750	\$264,750
TOTAL, OBJECT OF EXPENSE		\$1,158,857	\$1,100,914	\$1,100,914	\$1,100,914	\$1,100,914
Method of Financing:						
1	General Revenue Fund	\$1,158,857	\$1,100,914	\$1,100,914	\$1,100,914	\$1,100,914
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$1,158,857	\$1,100,914	\$1,100,914	\$1,100,914	\$1,100,914
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$1,100,914	\$1,100,914
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$1,158,857	\$1,100,914	\$1,100,914	\$1,100,914	\$1,100,914
FULL TIME EQUIVALENT POSITIONS:		4.9	4.1	4.1	4.1	4.1

STRATEGY DESCRIPTION AND JUSTIFICATION:

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

GOAL: 5 Provide Non-formula Support

OBJECTIVE: 1 Research

Service Categories:

STRATEGY: 1 Research Support

Service: 21

Income: A.2

Age: B.3

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
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Funding from the Research Support and Institutional Enhancement items support the U T MD Anderson Cancer Cord Blood Research Program with 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 units 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.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

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

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL CHANGE</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2018 + Bud 2019)</u>	<u>Baseline Request (BL 2020 + BL 2021)</u>		<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$2,201,828	\$2,201,828	\$0	\$0	N/A
			<u>\$0</u>	Total of Explanation of Biennial Change

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

GOAL: 5 Provide Non-formula Support
OBJECTIVE: 1 Research
STRATEGY: 2 Breast Cancer Research Program

Service Categories:

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

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
Objects of Expense:						
1001	SALARIES AND WAGES	\$377,885	\$358,991	\$358,991	\$358,991	\$358,991
1005	FACULTY SALARIES	\$1,222,115	\$1,161,009	\$1,161,009	\$1,161,009	\$1,161,009
TOTAL, OBJECT OF EXPENSE		\$1,600,000	\$1,520,000	\$1,520,000	\$1,520,000	\$1,520,000
Method of Financing:						
1	General Revenue Fund	\$1,600,000	\$1,520,000	\$1,520,000	\$1,520,000	\$1,520,000
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$1,600,000	\$1,520,000	\$1,520,000	\$1,520,000	\$1,520,000
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$1,520,000	\$1,520,000
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$1,600,000	\$1,520,000	\$1,520,000	\$1,520,000	\$1,520,000
FULL TIME EQUIVALENT POSITIONS:		6.7	5.8	5.8	5.8	5.8

STRATEGY DESCRIPTION AND JUSTIFICATION:

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

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

GOAL: 5 Provide Non-formula Support
OBJECTIVE: 1 Research
STRATEGY: 2 Breast Cancer Research Program

Service Categories:

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

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
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EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

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

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL CHANGE</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2018 + Bud 2019)</u>	<u>Baseline Request (BL 2020 + BL 2021)</u>		<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$3,040,000	\$3,040,000	\$0	\$0	N/A
			<u>\$0</u>	Total of Explanation of Biennial Change

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

GOAL: 5 Provide Non-formula Support
OBJECTIVE: 2 Institutional
STRATEGY: 1 Institutional Enhancement

Service Categories:

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

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
Objects of Expense:						
1001	SALARIES AND WAGES	\$87,614	\$88,379	\$88,380	\$88,379	\$88,380
2009	OTHER OPERATING EXPENSE	\$404,184	\$273,392	\$273,392	\$273,392	\$273,392
4000	GRANTS	\$2,252	\$2,123	\$2,164	\$2,164	\$2,164
TOTAL, OBJECT OF EXPENSE		\$494,050	\$363,894	\$363,936	\$363,935	\$363,936
Method of Financing:						
1	General Revenue Fund	\$491,798	\$361,771	\$361,772	\$361,771	\$361,772
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		\$491,798	\$361,771	\$361,772	\$361,771	\$361,772
Method of Financing:						
802	Lic Plate Trust Fund No. 0802, est	\$2,252	\$2,123	\$2,164	\$2,164	\$2,164
SUBTOTAL, MOF (OTHER FUNDS)		\$2,252	\$2,123	\$2,164	\$2,164	\$2,164
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$363,935	\$363,936
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$494,050	\$363,894	\$363,936	\$363,935	\$363,936
FULL TIME EQUIVALENT POSITIONS:		0.4	0.3	0.3	0.3	0.3

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

GOAL: 5 Provide Non-formula Support

OBJECTIVE: 2 Institutional

STRATEGY: 1 Institutional Enhancement

Service Categories:

Service: 21

Income: A.2

Age: B.3

CODE	DESCRIPTION	Exp 2017	Est 2018	Bud 2019	BL 2020	BL 2021
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STRATEGY DESCRIPTION AND JUSTIFICATION:

Funding from the Research Support and Institutional Enhancement items support the U T MD Anderson Cancer Cord Blood Research Program with 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 units 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.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

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

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL CHANGE</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2018 + Bud 2019)</u>	<u>Baseline Request (BL 2020 + BL 2021)</u>		<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$727,830	\$727,871	\$41	\$41	Based on actual revenue collected from the License Plate Trust Fund.
			<u>\$41</u>	Total of Explanation of Biennial Change

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

GOAL: 7 Tobacco Funds
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 2017	Est 2018	Bud 2019	BL 2020	BL 2021
Objects of Expense:						
1001	SALARIES AND WAGES	\$2,570,423	\$2,507,770	\$2,507,770	\$2,083,174	\$2,083,174
1002	OTHER PERSONNEL COSTS	\$453,752	\$795,610	\$795,610	\$660,904	\$660,904
1005	FACULTY SALARIES	\$1,194,252	\$1,160,580	\$1,160,580	\$964,080	\$964,080
2009	OTHER OPERATING EXPENSE	\$190,757	\$254,545	\$254,545	\$211,447	\$211,447
5000	CAPITAL EXPENDITURES	\$0	\$2,579,628	\$9,765,748	\$2,360,395	\$2,360,395
TOTAL, OBJECT OF EXPENSE		\$4,409,184	\$7,298,133	\$14,484,253	\$6,280,000	\$6,280,000
Method of Financing:						
812	Perm Endow FD UTMD AND, estimated	\$4,409,184	\$7,298,133	\$14,484,253	\$6,280,000	\$6,280,000
SUBTOTAL, MOF (OTHER FUNDS)		\$4,409,184	\$7,298,133	\$14,484,253	\$6,280,000	\$6,280,000
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$6,280,000	\$6,280,000
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$4,409,184	\$7,298,133	\$14,484,253	\$6,280,000	\$6,280,000
FULL TIME EQUIVALENT POSITIONS:		15.8	14.1	14.1	14.1	14.1

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

GOAL: 7 Tobacco Funds

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 2017	Est 2018	Bud 2019	BL 2020	BL 2021
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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.

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2018 + Bud 2019)</u>	<u>Baseline Request (BL 2020 + BL 2021)</u>	<u>CHANGE</u>	<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$21,782,386	\$12,560,000	\$(9,222,386)	\$(9,222,386)	Prior biennium represented prior year balances, interest income, and current year distributions.
			\$(9,222,386)	Total of Explanation of Biennial Change

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

GOAL:	7	Tobacco Funds	
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 2017	Est 2018	Bud 2019	BL 2020	BL 2021
Objects of Expense:						
2001	PROFESSIONAL FEES AND SERVICES	\$52,734	\$70,368	\$54,489	\$54,489	\$54,489
2003	CONSUMABLE SUPPLIES	\$14,075	\$18,782	\$14,544	\$14,544	\$14,544
2004	UTILITIES	\$5,876	\$7,841	\$6,072	\$6,072	\$6,072
2005	TRAVEL	\$4,486	\$5,986	\$4,635	\$4,635	\$4,635
2007	RENT - MACHINE AND OTHER	\$1,596	\$2,130	\$1,649	\$1,649	\$1,649
2009	OTHER OPERATING EXPENSE	\$285,917	\$381,527	\$295,432	\$295,432	\$295,432
5000	CAPITAL EXPENDITURES	\$2,948,247	\$4,689,427	\$2,263,237	\$2,248,237	\$2,248,237
TOTAL, OBJECT OF EXPENSE		\$3,312,931	\$5,176,061	\$2,640,058	\$2,625,058	\$2,625,058
Method of Financing:						
810	Perm Health Fund Higher Ed, est	\$3,312,931	\$5,176,061	\$2,640,058	\$2,625,058	\$2,625,058
SUBTOTAL, MOF (OTHER FUNDS)		\$3,312,931	\$5,176,061	\$2,640,058	\$2,625,058	\$2,625,058
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					\$2,625,058	\$2,625,058
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		\$3,312,931	\$5,176,061	\$2,640,058	\$2,625,058	\$2,625,058
FULL TIME EQUIVALENT POSITIONS:						

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

GOAL: 7 Tobacco Funds
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 2017	Est 2018	Bud 2019	BL 2020	BL 2021
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STRATEGY DESCRIPTION AND JUSTIFICATION:

This strategy includes the institution's allocation of the Permanent Health Fund for Higher Education. The purpose of these funds includes medical research, health education or treatment programs.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

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

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

<u>STRATEGY BIENNIAL TOTAL - ALL FUNDS</u>		<u>BIENNIAL CHANGE</u>	<u>EXPLANATION OF BIENNIAL CHANGE</u>	
<u>Base Spending (Est 2018 + Bud 2019)</u>	<u>Baseline Request (BL 2020 + BL 2021)</u>		<u>\$ Amount</u>	<u>Explanation(s) of Amount (must specify MOFs and FTEs)</u>
\$7,816,119	\$5,250,116	\$(2,566,003)	\$(2,566,003)	Prior biennium represented prior year balances, interest income and current year distributions.
			<u>\$(2,566,003)</u>	Total of Explanation of Biennial Change

SUMMARY TOTALS:

OBJECTS OF EXPENSE:	\$199,095,569	\$206,140,346	\$210,836,697	\$23,366,903	\$23,370,254
METHODS OF FINANCE (INCLUDING RIDERS):				\$23,366,903	\$23,370,254
METHODS OF FINANCE (EXCLUDING RIDERS):	\$199,095,569	\$206,140,346	\$210,836,697	\$23,366,903	\$23,370,254
FULL TIME EQUIVALENT POSITIONS:	764.4	682.1	682.1	682.1	682.1

3.A.1. PROGRAM-LEVEL REQUEST SCHEDULE
85th Regular Session, Agency Submission, Version 1

Agency Code: 506			Agency: The University of Texas M. D. Anderson Cancer Center				Prepared By: Tomas G. Guajardo				
Date: October 2018						18-19	Requested	Requested	Biennial Total	Biennial Difference	
Goal	Goal Name	Strategy	Strategy Name	Program	Program Name	Base	2020	2021	20-21	\$	%
A	Provide Instruction and Operations	A.1.1	Allied Health Professions Training		Allied Health Professions	\$6,542,765	\$0	\$0	\$0	(\$6,542,765)	-100.0%
A	Provide Instruction and Operations	A.1.2	Graduate Medical Education		Graduate Medical Education	\$1,572,382	\$0	\$0	\$0	(\$1,572,382)	-100.0%
A	Provide Instruction and Operations	A.2.1	Cancer Center Operations		Cancer Center Operations	\$264,801,714	\$0	\$0	\$0	(\$264,801,714)	-100.0%
A	Provide Instruction and Operations	A.3.1	Staff Group Insurance Premiums		Staff Group Insurance	\$67,438	\$35,697	\$36,411	\$72,108	\$4,670	6.9%
A	Provide Instruction and Operations	A.4.1	Texas Public Education Grants		Texas Public Education Grants	\$214,722	\$114,299	\$116,585	\$230,884	\$16,162	7.5%
B	Provide Research Support	B.1.1	Research Enhancement		Research Enhancement	\$21,122,758	\$0	\$0	\$0	(\$21,122,758)	-100.0%
C	Provide Infrastructure Support	C.1.1	E&G Space Support		Formula Funding - E&G Support	\$64,431,977	\$0	\$0	\$0	(\$64,431,977)	-100.0%
C	Provide Infrastructure Support	C.2.1	Tuition Revenue Bond Retirement		Tuition Revenue Bond Debt Service	\$22,655,124	\$20,047,000	\$20,047,350	\$40,094,350	\$17,439,226	77.0%
D	Provide Non-Formula Support	D.1.1	Research Support		Research Support	\$2,201,828	\$1,100,914	\$1,100,914	\$2,201,828	\$0	0.0%
D	Provide Non-Formula Support	D.1.2	Breast Cancer Research Program		Breast Cancer Research Program	\$3,040,000	\$2,000,000	\$2,000,000	\$4,000,000	\$960,000	31.6%
D	Provide Non-Formula Support	D.1.3	Institutional Enhancement		Research	\$727,830	\$363,935	\$363,936	\$727,871	\$41	0.0%
E	Tobacco Funds	E.1.1	Tobacco Earnings - MD Anderson		Tobacco Earnings - MD Anderson	\$21,782,386	\$6,280,000	\$6,280,000	\$12,560,000	(\$9,222,386)	-42.3%
E	Tobacco Funds	E.1.2	Tobacco - Permanent Health Fund		Tobacco - Permanent Health Fund	\$7,816,119	\$2,625,058	\$2,625,058	\$5,250,116	(\$2,566,003)	-32.8%
						\$416,977,043	\$32,566,903	\$32,570,254	\$65,137,157	(\$351,839,886)	-84.4%

3.B. Rider Revisions and Additions Request

Agency Code: 506	Agency Name: The University of Texas M. D. Anderson Cancer Center	Prepared By: Tomas Guajardo	Date: 08/03/2018	Request Level:
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Current Rider Number	Page Number in 2018-19 GAA	Proposed Rider Language
3	III-190	<p>Special Project Funding. Notwithstanding other provisions of this article, the Board of Regents of The University of Texas System is hereby authorized, subject to approval by the Texas Higher Education Coordinating Board: (1) to expend such amounts of its Permanent University Fund No. 45 bond proceeds and/or other bond proceeds and such amounts of its other available moneys as may be necessary to fund the following project either in whole or in part; (2) to accept gifts, grants, and matching grants to fund such project either in whole or in part; and (3) to acquire, construct, alter, add to, repair, rehabilitate, equip and/or furnish such project for The University of Texas M. D. Anderson Cancer Center: (a) research facilities and (b) administrative support facilities and related parking facilities.</p> <p><i>M.D. Anderson requests this rider be updated based on changes to SB 215 approved by the 83rd Legislature.</i></p>
5	III-190	<p>5. Estimated Appropriation and Unexpended Balance. Included in the amounts appropriated above are: (1) estimated appropriations of amounts available for distribution or investment returns out of the Permanent Endowment Fund for The University of Texas M.D. Anderson Cancer Center No. 812 and (2) estimated appropriations of the institution's estimated allocation of amounts available for distribution out of the Permanent Health Fund for Higher Education No.810.</p> <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, 2017 2019, and the income to said fund during the fiscal years beginning September 1, 2017 2019, are hereby appropriated. Any unexpended appropriations made above as of August 31, 2018 2020, are hereby appropriated to the institution for the same purposes for fiscal year 2019 2021.</p> <p><i>M.D. Anderson requests that the dates in the rider be updated for the next biennium.</i></p>

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

8	III-184	<p>8. Rare and Aggressive Breast Cancer Research Program. Of the amounts appropriated above in Strategy D.1.2, Breast Cancer Research Program, \$1,520,000 in fiscal year 2018 2020 and \$1,520,000 in fiscal year 2019 2021 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> <p><i>M.D. Anderson requests that the dates in the rider be updated for the next biennium.</i></p>
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4.A. Exceptional Item Request Schedule
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **10/15/2018**
TIME: **4:42:37PM**

Agency code: **506**

Agency name:

The University of Texas M.D. Anderson Cancer Center

CODE	DESCRIPTION		Excp 2020	Excp 2021
	Item Name:	Restoration of Breast Cancer Research Program		
	Item Priority:	1		
	IT Component:	No		
	Anticipated Out-year Costs:	Yes		
	Involve Contracts > \$50,000:	No		
	Includes Funding for the Following Strategy or Strategies:	05-01-02 Breast Cancer Research Program		
OBJECTS OF EXPENSE:				
1005	FACULTY SALARIES		480,000	480,000
	TOTAL, OBJECT OF EXPENSE		\$480,000	\$480,000
METHOD OF FINANCING:				
1	General Revenue Fund		480,000	480,000
	TOTAL, METHOD OF FINANCING		\$480,000	\$480,000

DESCRIPTION / JUSTIFICATION:

Program funding was reduced in 2013 and 2017. This request fully restores funding reductions for the Inflammatory Breast Cancer (IBC) Research Program and Clinic.

EXTERNAL/INTERNAL FACTORS:

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.

PCLS TRACKING KEY:

DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

Anticipate the continuation of the non-formula item in future years

4.A. Exceptional Item Request Schedule
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **10/15/2018**
TIME: **4:42:37PM**

Agency code: **506**

Agency name:

The University of Texas M.D. Anderson Cancer Center

<u>CODE</u>	<u>DESCRIPTION</u>	<u>Excp 2020</u>	<u>Excp 2021</u>
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ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

2022	2023	2024
\$480,000	\$480,000	\$480,000

4.A. Exceptional Item Request Schedule
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **10/15/2018**
TIME: **4:42:37PM**

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

CODE	DESCRIPTION	Excp 2020	Excp 2021
	Item Name: Joint MD Anderson and UT Health Research Bldg. Item Priority: 2 IT Component: No Anticipated Out-year Costs: Yes Involve Contracts > \$50,000: No Includes Funding for the Following Strategy or Strategies: 03-02-01 Tuition Revenue Bond Retirement		
OBJECTS OF EXPENSE:			
2008	DEBT SERVICE	8,720,000	8,720,000
TOTAL, OBJECT OF EXPENSE		\$8,720,000	\$8,720,000
METHOD OF FINANCING:			
1	General Revenue Fund	8,720,000	8,720,000
TOTAL, METHOD OF FINANCING		\$8,720,000	\$8,720,000

DESCRIPTION / JUSTIFICATION:

The TMC 3 initiative is a vision to enhance collaboration, innovation, translation and commercialization in the Texas Medical Center. The rationale is that the collaborative and commercialization life sciences potential of Houston is underleveraged when compared to smaller cities with fewer institutions and less philanthropic and National Institutes of Health funding. Founding institutions are UT Health, UT MD Anderson Cancer Center, Baylor College of Medicine, Texas A&M University System and the Texas Medical Center, Inc.

EXTERNAL/INTERNAL FACTORS:

The project will develop a translational research campus on TMC-owned and UT System-owned land in the TMC Mid-Campus and UT System Research Park. The campus components include: 4 research buildings; collaborative space; shared core labs, office, meeting/conference/education space; building sites for industry and parking. UT System institutions are collaborating to build a shared research facility, located in the UT Research Park, and focused on leveraging 2,000 investigators, staff and industry collaborators present in the UT Research Park, with a planned bridge connecting the South Campus to the TMC Mid-campus. The combined TRB joint request for UT System institutions is \$200 million, financed at 6% over 20 years. Actual debt service requested in this schedule is attributed to \$100 million for MD Anderson.

PCLS TRACKING KEY:

4.A. Exceptional Item Request Schedule
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: **10/15/2018**
TIME: **4:42:37PM**

Agency code: **506**

Agency name:

The University of Texas M.D. Anderson Cancer Center

CODE DESCRIPTION

Excp 2020

Excp 2021

DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

Anticipate the continuation of TRB debt service in future years

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

2022	2023	2024
\$8,720,000	\$8,720,000	\$8,720,000

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

Code	Description	Excp 2020	Excp 2021
Item Name:		Restoration of Breast Cancer Research Program	
Allocation to Strategy:		5-1-2 Breast Cancer Research Program	
OBJECTS OF EXPENSE:			
	1005 FACULTY SALARIES	480,000	480,000
TOTAL, OBJECT OF EXPENSE		\$480,000	\$480,000
METHOD OF FINANCING:			
	1 General Revenue Fund	480,000	480,000
TOTAL, METHOD OF FINANCING		\$480,000	\$480,000

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

Code	Description	Excp 2020	Excp 2021
Item Name: Joint MD Anderson and UT Health Research Bldg.			
Allocation to Strategy: 3-2-1 Tuition Revenue Bond Retirement			
OBJECTS OF EXPENSE:			
2008	DEBT SERVICE	8,720,000	8,720,000
TOTAL, OBJECT OF EXPENSE		\$8,720,000	\$8,720,000
METHOD OF FINANCING:			
1	General Revenue Fund	8,720,000	8,720,000
TOTAL, METHOD OF FINANCING		\$8,720,000	\$8,720,000

4.C. Exceptional Items Strategy Request
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2018
TIME: 4:42:37PM

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

GOAL: 3 Provide Infrastructure Support

OBJECTIVE: 2 Infrastructure Support

STRATEGY: 1 Tuition Revenue Bond Retirement

Service Categories:

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

CODE	DESCRIPTION	Excp 2020	Excp 2021
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OBJECTS OF EXPENSE:

2008	DEBT SERVICE	8,720,000	8,720,000
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Total, Objects of Expense		\$8,720,000	\$8,720,000
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METHOD OF FINANCING:

1	General Revenue Fund	8,720,000	8,720,000
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Total, Method of Finance		\$8,720,000	\$8,720,000
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EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Joint MD Anderson and UT Health Research Bldg.

4.C. Exceptional Items Strategy Request
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

DATE: 10/15/2018
TIME: 4:42:37PM

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

GOAL: 5 Provide Non-formula Support

OBJECTIVE: 1 Research

Service Categories:

STRATEGY: 2 Breast Cancer Research Program

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

CODE	DESCRIPTION	Excp 2020	Excp 2021
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OBJECTS OF EXPENSE:

1005 FACULTY SALARIES

480,000

480,000

Total, Objects of Expense

\$480,000

\$480,000

METHOD OF FINANCING:

1 General Revenue Fund

480,000

480,000

Total, Method of Finance

\$480,000

\$480,000

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

Restoration of Breast Cancer Research Program

6.A. Historically Underutilized Business Supporting Schedule
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Date: **10/15/2018**
Time: **4:42:37PM**

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

COMPARISON TO STATEWIDE HUB PROCUREMENT GOALS

A. Fiscal Year 2016 - 2017 HUB Expenditure Information

Statewide HUB Goals	Procurement Category	% Goal	HUB Expenditures FY 2016			Total Expenditures		HUB Expenditures FY 2017			Total Expenditures	
			% Actual	Diff	Actual \$	FY 2016	% Goal	% Actual	Diff	Actual \$	FY 2017	
11.2%	Heavy Construction	0.0 %	0.0%	0.0%	\$0	\$0	0.0 %	0.0%	0.0%	\$0	\$0	
21.1%	Building Construction	10.0 %	44.6%	34.6%	\$7,017,905	\$15,746,642	18.0 %	5.7%	-12.3%	\$5,654,311	\$99,728,564	
32.9%	Special Trade	12.0 %	8.0%	-4.0%	\$5,768,113	\$72,158,138	10.0 %	9.5%	-0.5%	\$1,977,487	\$20,925,409	
23.7%	Professional Services	33.0 %	67.9%	34.9%	\$2,920,937	\$4,300,261	25.0 %	43.2%	18.2%	\$4,146,678	\$9,597,965	
26.0%	Other Services	10.0 %	6.8%	-3.2%	\$28,287,681	\$414,618,588	10.0 %	8.0%	-2.0%	\$23,185,162	\$291,030,331	
21.1%	Commodities	2.5 %	1.6%	-0.9%	\$16,550,632	\$1,003,460,085	2.5 %	1.0%	-1.5%	\$9,890,129	\$977,267,887	
	Total Expenditures		4.0%		\$60,545,268	\$1,510,283,714		3.2%		\$44,853,767	\$1,398,550,156	

B. Assessment of Fiscal Year 2016 - 2017 Efforts to Meet HUB Procurement Goals

Attainment:

FY16: The agency fell below category goals for ST, OS and CC and far exceeded the PS goal. FY17: The agency fell below the goal for BC, ST, OS and CC and exceeding the PS goal.

Applicability:

The "Heavy Construction" category was not applicable to agency operations in either FY2016 or FY2017.

Factors Affecting Attainment:

Changes in recent years in healthcare have necessitated tight budgets and careful spending. In both FY16 and FY17, the agency placed on hold and rescheduled construction projects, negatively impacting BC and ST spend. This coupled with steep decline in spend across the board in FY17, particularly impacted IT Projects with a 50% decrease in budget and 30% decrease in personnel. Specialized pharmaceutical expenditures limit HUB availability resulted in an adverse impact on the agency's ability to meet HUB objectives. The agency's business as a dedicated cancer research and patient care center poses challenges to achieving HUB objectives. Purchases are restricted for clinical and research applications with limited (non-HUB) manufacturers or distributors. Additionally, many purchases are made through group purchasing organization, Premier Inc., to maximize the value of the funds entrusted to the agency. Specific areas of impact include specialized medical diagnostic equipment, pharmaceuticals and professional health services.

"Good-Faith" Efforts:

The agency made the following good faith efforts to comply with statewide HUB procurement goals per 1TAC Sec 34 TAC Sec. 20.284. Sponsored mentor protégé relationships for 4 HUB protégés, pursued 6 more; Reviewed over 980 HUB Plans for compliance; Monitored average of 240 subcontract plans monthly; Attended 130 Pre-proposal Meetings; Distributed bid request information on a monthly basis to 5 community advocacy groups; Hosted annual

6.A. Historically Underutilized Business Supporting Schedule
86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Date: **10/15/2018**
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Agency Code: **506** Agency: **The University of Texas M.D. Anderson Cancer Center**

Supplier EXPO for 80 HUB and SBC firms; Sourcing and HFSB staff participated in over 42 various networking events; Nimon nominated for "SBLO of Year," Nimon received "Arnold Yauch Achievement of Excellence" award from ISM-Houston, received "2016 Corporate MBE Procurement" award from HMSDC, MD Anderson nominated for "corporate commitment" award from HMSDC, AVP nominated for "Advocate of Year" via HMSDC. Audited all HSPs for identification back to PO's., routinely provide Sourcing & Purchasing with lists of potential HUBs for projects, distributed bids via emails to advocacy groups, routinely ffer review of draft HSPs.

University of Texas M.D. Anderson Cancer Center
Estimated Funds Outside the Institution's Bill Pattern
2018–19 and 2020–21 Biennia

	2018-19 Biennium				2020-21 Biennium			
	<u>FY 2018 Revenue</u>	<u>FY 2019 Revenue</u>	<u>Biennium Total</u>	<u>Percent of Total</u>	<u>FY 2020 Revenue</u>	<u>FY 2021 Revenue</u>	<u>Biennium Total</u>	<u>Percent of Total</u>
APPROPRIATED SOURCES INSIDE THE BILL PATTERN								
State Appropriations (excluding HEGI & State Paid Fringes)	192,891,958	\$ 192,894,019	\$ 385,785,977		\$ 192,892,988	\$ 192,892,989	\$ 385,785,977	
Tuition and Fees (net of Discounts and Allowances)	769,333	816,208	1,585,541		831,645	847,346	1,678,991	
Endowment and Interest Income	-	-	-		-	-	-	
Sales and Services of Educational Activities (net)	-	-	-		-	-	-	
Sales and Services of Hospitals (net)	-	-	-		-	-	-	
Other Income	2,164	2,164	4,328		2,164	2,164	4,328	
Total	<u>193,663,455</u>	<u>193,712,391</u>	<u>387,375,846</u>	<u>3.6%</u>	<u>193,726,797</u>	<u>193,742,499</u>	<u>387,469,296</u>	<u>3.3%</u>
APPROPRIATED SOURCES OUTSIDE THE BILL PATTERN								
State Appropriations (HEGI & State Paid Fringes)	\$ 16,032,685	\$ 16,032,685	\$ 32,065,370		\$ 16,032,685	\$ 16,032,685	\$ 32,065,370	
Higher Education Assistance Funds	-	-	-		-	-	-	
Available University Fund	-	-	-		-	-	-	
Sales and Services of Hospital (net)	3,687,001,000	3,960,528,799	7,647,529,799		4,118,949,951	4,283,707,949	8,402,657,900	
Other Income	4,717,000	10,015,307	14,732,307		10,415,919	10,832,556	21,248,475	
Endowment and Interest Income	51,440,252	55,557,141	106,997,393		57,779,427	60,090,604	117,870,030	
State Grants and Contracts	97,423	101,345	198,768		101,345	101,345	202,690	
Total	<u>3,759,288,360</u>	<u>4,042,235,277</u>	<u>7,801,523,637</u>	<u>73.1%</u>	<u>4,203,279,327</u>	<u>4,370,765,139</u>	<u>8,574,044,465</u>	<u>74.0%</u>
NON-APPROPRIATED SOURCES								
Tuition and Fees (net of Discounts and Allowances)	809,667	882,394	1,692,061		926,514	972,840	1,899,354	
Federal Grants and Contracts	175,156,666	173,304,638	348,461,304		176,770,731	180,306,146	357,076,877	
State Grants and Contracts	36,255,354	48,129,878	84,385,232		49,092,476	50,074,326	99,166,802	
Local Government Grants and Contracts	138,271,108	144,136,174	282,407,282		147,018,897	149,959,275	296,978,172	
Private Gifts and Grants	95,000,000	147,423,812	242,423,812		150,372,288	153,379,734	303,752,022	
Endowment and Interest Income	148,633,748	140,210,049	288,843,797		143,014,250	145,874,535	288,888,785	
Sales and Services of Educational Activities (net)	1,865,100	2,073,073	3,938,173		2,114,534	2,156,825	4,271,359	
Sales and Services of Hospitals (net)	-	-	-		-	-	-	
Professional Fees (net)	460,686,300	462,910,765	923,597,065		481,427,196	500,684,284	982,111,480	
Auxiliary Enterprises (net)	47,187,200	45,160,315	92,347,515		46,063,521	46,984,791	93,048,312	
Other Income	113,758,772	95,210,618	208,969,390		97,114,830	99,057,127	196,171,957	
Total	<u>1,217,623,915</u>	<u>1,259,441,716</u>	<u>2,477,065,631</u>	<u>23.2%</u>	<u>1,293,915,237</u>	<u>1,329,449,883</u>	<u>2,623,365,120</u>	<u>22.6%</u>
TOTAL SOURCES	<u><u>\$ 5,170,575,730</u></u>	<u><u>\$ 5,495,389,384</u></u>	<u><u>\$ 10,665,965,114</u></u>	<u><u>100.0%</u></u>	<u><u>\$ 5,690,921,361</u></u>	<u><u>\$ 5,893,957,521</u></u>	<u><u>\$ 11,584,878,881</u></u>	<u><u>100.0%</u></u>

6.I. Percent Biennial Base Reduction Options

10 % REDUCTION

86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Date: 10/15/2018

Time: 4:42:40PM

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			PROGRAM AMOUNT		TARGET
	2020	2021	Biennial Total	2020	2021	Biennial Total	2020	2021	Biennial Total

1 2.5 % General Revenue Reduction in Special Items

Category: Across the Board Reductions

Item Comment: The reduction in General Revenue in Institutional Enhancement will reduce special item funding that supports the Cord Blood Research Program in 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.

If continuing support from General Revenue is not provided, this program 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.

Strategy: 5-2-1 Institutional Enhancement

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$74,567	\$74,567	\$149,134
General Revenue Funds Total	\$0	\$0	\$0	\$74,567	\$74,567	\$149,134
Item Total	\$0	\$0	\$0	\$74,567	\$74,567	\$149,134

FTE Reductions (From FY 2020 and FY 2021 Base Request)

2 2.5 % General Revenue Reduction in Special Items

Category: Across the Board Reductions

Item Comment: The reduction in General Revenue in Institutional Enhancement will reduce special item funding that supports the Cord Blood Research Program in 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.

If continuing support from General Revenue is not provided, this program 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.

6.I. Percent Biennial Base Reduction Options

10 % REDUCTION

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Date: 10/15/2018

Time: 4:42:40PM

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			PROGRAM AMOUNT		TARGET
	2020	2021	Biennial Total	2020	2021	Biennial Total	2020	2021	Biennial Total

Strategy: 5-2-1 Institutional Enhancement

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$74,567	\$74,567	\$149,134			
General Revenue Funds Total	\$0	\$0	\$0	\$74,567	\$74,567	\$149,134			
Item Total	\$0	\$0	\$0	\$74,567	\$74,567	\$149,134			

FTE Reductions (From FY 2020 and FY 2021 Base Request)

3 2.5 % General Revenue Reduction in Special Items

Category: Across the Board Reductions

Item Comment: The reduction in General Revenue in Institutional Enhancement will reduce special item funding that supports the Cord Blood Research Program in 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.

If continuing support from General Revenue is not provided, this program 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.

Strategy: 5-2-1 Institutional Enhancement

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$74,567	\$74,567	\$149,134			
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6.I. Percent Biennial Base Reduction Options

10 % REDUCTION

86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Date: 10/15/2018

Time: 4:42:40PM

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

	REVENUE LOSS			REDUCTION AMOUNT			PROGRAM AMOUNT		TARGET
Item Priority and Name/ Method of Financing	2020	2021	Biennial Total	2020	2021	Biennial Total	2020	2021	Biennial Total
General Revenue Funds Total	\$0	\$0	\$0	\$74,567	\$74,567	\$149,134			
Item Total	\$0	\$0	\$0	\$74,567	\$74,567	\$149,134			

FTE Reductions (From FY 2020 and FY 2021 Base Request)

4 2.5 % General Revenue Reduction in Special Items

Category: Across the Board Reductions

Item Comment: The reduction in General Revenue in Institutional Enhancement will reduce special item funding that supports the Cord Blood Research Program in 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.

If continuing support from General Revenue is not provided, this program 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.

Strategy: 5-2-1 Institutional Enhancement

General Revenue Funds

1 General Revenue Fund	\$0	\$0	\$0	\$74,567	\$74,568	\$149,135
General Revenue Funds Total	\$0	\$0	\$0	\$74,567	\$74,568	\$149,135
Item Total	\$0	\$0	\$0	\$74,567	\$74,568	\$149,135

FTE Reductions (From FY 2020 and FY 2021 Base Request)

AGENCY TOTALS

General Revenue Total				\$298,268	\$298,269	\$596,537			\$596,537
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6.I. Percent Biennial Base Reduction Options

10 % REDUCTION

86th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Date: 10/15/2018

Time: 4:42:40PM

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

Item Priority and Name/ <u>Method of Financing</u>	REVENUE LOSS			REDUCTION AMOUNT			PROGRAM AMOUNT		TARGET
	2020	2021	Biennial Total	2020	2021	Biennial Total	2020	2021	Biennial Total
Agency Grand Total	\$0	\$0	\$0	\$298,268	\$298,269	\$596,537			\$596,537
Difference, Options Total Less Target									
Agency FTE Reductions (From FY 2020 and FY 2021 Base Request)									
Article Total				\$298,268	\$298,269	\$596,537			
Statewide Total				\$298,268	\$298,269	\$596,537			

8. Summary of Requests for Capital Project Financing

Agency Code: 506		Agency: The University of Texas M.D. Anderson Cancer Center		Prepared by: Tomas G. Guajardo								
Date: 08/03/2018				Amount Requested								
				Project Category				2020-21 Total Amount Requested	MOF Code #	MOF Requested	2020-21 Estimated Debt Service (If Applicable)	Debt Service MOF Code #
Project ID #	Capital Expenditure Category	Project Description	New Construction	Health and Safety	Deferred Maintenance	Maintenance						
1	Construction	Joint MD Anderson and UT Health Research Building	\$ 200,000,000				\$ 200,000,000		Tuition Revenue Bond	\$ 17,440,000	0001	General Revenue
Note: The combined TRB joint request for UT System Institutions is \$200 million, financed at 6% over 20 years. Actual debt service requested in LAR is attributed to \$100 million for MD Anderson												

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506 The University of Texas M.D. Anderson Cancer Center					
	Act 2017	Act 2018	Bud 2019	Est 2020	Est 2021
Gross Tuition					
Gross Resident Tuition	547,290	548,305	547,290	558,236	569,401
Gross Non-Resident Tuition	658,956	520,293	658,956	672,135	685,578
Gross Tuition	1,206,246	1,068,598	1,206,246	1,230,371	1,254,979
Less: Resident Waivers and Exemptions (excludes Hazlewood)	0	0	0	0	0
Less: Non-Resident Waivers and Exemptions	(348,092)	(272,941)	(348,092)	(355,054)	(362,155)
Less: Hazlewood Exemptions	(8,775)	(9,200)	(8,775)	(8,951)	(9,130)
Less: Board Authorized Tuition Increases (TX. Educ. Code Ann. Sec. 54.008)	(90,080)	(69,750)	(90,080)	(91,882)	(93,720)
Less: Tuition increases charged to doctoral students with hours in excess of 100 (TX. Educ. Code Ann. Sec. 54.012)	0	0	0	0	0
Less: Tuition increases charged to undergraduate students with excessive hours above degree requirements. (TX. Educ. Code Ann. Sec. 61.0595)	0	0	0	0	0
Less: Tuition rebates for certain undergraduates (TX. Educ. Code Ann. Sec. 54.0065)	0	0	0	0	0
Plus: Tuition waived for Students 55 Years or Older (TX. Educ. Code Ann. Sec. 54.013)	0	0	0	0	0
Less: Tuition for repeated or excessive hours (TX. Educ. Code Ann. Sec. 54.014)	0	0	0	0	0
Plus: Tuition waived for Texas Grant Recipients (TX. Educ. Code Ann. Sec. 56.307)	0	0	0	0	0
Subtotal	759,299	716,707	759,299	774,484	789,974
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)	(112,058)	(102,664)	(112,058)	(114,299)	(116,585)
Less: Transfer of Funds (2%) for Physician/Dental 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					
Net Tuition	647,241	614,043	647,241	660,185	673,389

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506 The University of Texas M.D. Anderson Cancer Center					
	Act 2017	Act 2018	Bud 2019	Est 2020	Est 2021
Student Teaching Fees	0	0	0	0	0
Special Course Fees	0	0	0	0	0
Laboratory Fees	0	0	0	0	0
Subtotal, Tuition and Fees (Formula Amounts for Health-Related Institutions)	647,241	614,043	647,241	660,185	673,389
OTHER INCOME					
Interest on General Funds:					
Local Funds in State Treasury	1,556	7,107	1,556	1,556	1,556
Funds in Local Depositories, e.g., local amounts	0	0	0	0	0
Other Income (Itemize)					
Subtotal, Other Income	1,556	7,107	1,556	1,556	1,556
Subtotal, Other Educational and General Income	648,797	621,150	648,797	661,741	674,945
Less: O.A.S.I. Applicable to Educational and General	(29,790)	(10,509)	(17,518)	(18,552)	(19,647)
Local Funds Payrolls					
Less: Teachers Retirement System and ORP	(29,275)	(10,210)	(17,214)	(17,731)	(18,263)
Proportionality for Educational and General Funds					
Less: Staff Group Insurance Premiums	(59,467)	(32,441)	(34,997)	(35,697)	(36,411)
Total, Other Educational and General Income (Formula Amounts for General Academic Institutions)	530,265	567,990	579,068	589,761	600,624
Reconciliation to Summary of Request for FY 2017-2019					
Plus: Transfer of Funds for Texas Public Education	112,058	102,664	112,058	114,299	116,585
Grants Program and Physician Loans					
Plus: Transfer of Funds 2% for Physician/Dental Loans	0	0	0	0	0
(Medical Schools)					
Plus: Transfer of Funds for Cancellation of Student	0	0	0	0	0
Loans of Physicians					
Plus: Organized Activities	0	0	0	0	0
Plus: Staff Group Insurance Premiums	59,467	32,441	34,997	35,697	36,411
Plus: Board-authorized Tuition Income	90,080	69,750	90,080	91,882	93,720
Plus: Tuition Increases Charged to Doctoral Students	0	0	0	0	0
with Hours in Excess of 100					

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	Act 2017	Act 2018	Bud 2019	Est 2020	Est 2021
Plus: Tuition Increases Charged to Undergraduate Students with Excessive Hours above Degree Requirements (TX. Educ. Code Ann. Sec. 61.0595)	0	0	0	0	0
Plus: Tuition rebates for certain undergraduates (TX Educ.Code Ann. Sec. 54.0065)	0	0	0	0	0
Plus: Tuition for repeated or excessive hours (TX. Educ. Code Ann. Sec. 54.014)	0	0	0	0	0
Less: Tuition Waived for Students 55 Years or Older	0	0	0	0	0
Less: Tuition Waived for Texas Grant Recipients	0	0	0	0	0
Total, Other Educational and General Income Reported on Summary of Request	791,870	772,845	816,203	831,639	847,340

Schedule 1B: Health-related Institutions Patient Income

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	Act 2017	Act 2018	Bud 2019	Est 2020	Est 2021
Health-related Institutions Patient Income:					
Medical Patient Income	3,338,929,522	3,680,395,600	3,960,528,799	4,118,949,951	4,283,707,949
Dental Patient Income	0	0	0	0	0
Interest on Funds in Local Depositories	39,632,329	63,358,625	55,557,141	57,779,427	60,090,604
Other (Itemize)					
Other Operating Revenue	7,931,832	8,985,104	10,015,307	10,415,919	10,832,556
Less: OASI Applicable to Other Funds Payroll	(76,471,995)	(78,601,553)	(86,433,848)	(91,535,861)	(96,939,037)
Less: Teachers Retirement System and ORP Proportionality for Other Funds	(75,148,566)	(76,366,101)	(84,938,018)	(87,486,159)	(90,110,743)
Less: Staff Group Insurance Premiums Applicable to Other Funds	(152,801,783)	(150,882,942)	(172,706,944)	(176,161,083)	(179,684,304)
Total, Health-related Institutions Patient Related Income	3,082,071,339	3,446,888,733	3,682,022,437	3,831,962,194	3,987,897,025
Health-related Institutions Patient-Related FTEs	13,140.6	12,955.6	13,683.5	14,402.2	15,156.8

Schedule 2: Selected Educational, General and Other Funds

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	Act 2017	Act 2018	Bud 2019	Est 2020	Est 2021
General Revenue Transfers					
Transfer from Coordinating Board for Texas College Work Study Program (2017, 2018, 2019)	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)	7,386,054	7,616,206	7,963,687	7,963,687	7,963,687
Less: Transfer to Other Institutions	0	0	0	0	0
Less: Transfer to Department of Health, Disproportionate Share - State-Owned Hospitals (2017, 2018, 2019)	0	0	0	0	0
Other (Itemize)					
Texas Veteran's Commission - Hazlewood	1,028	1,115	1,115	1,115	1,115
Transfer from THECB - Rider 71 Tuition Revenue Bond	5,414,199	0	0	0	0
Other: Fifth Year Accounting Scholarship	0	0	0	0	0
Texas Grants	0	97,423	97,423	97,423	97,423
B-on-Time Program	0	0	0	0	0
Texas Research Incentive Program	0	0	0	0	0
Less: Transfer to System Administration	0	0	0	0	0
GME Expansion	0	0	0	0	0
Subtotal, General Revenue Transfers	12,801,281	7,714,744	8,062,225	8,062,225	8,062,225
General Revenue HEF for Operating Expenses	0	0	0	0	0
Transfer from Available University Funds (UT, A&M and Prairie View A&M Only)	0	0	0	0	0
Other Additions (Itemize)					
Increase Capital Projects - Educational and General Funds	0	0	0	0	0
Transfer from Department of Health, Disproportionate Share - State-owned Hospitals (2017, 2018, 2019)	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
Other (Itemize)					
Permanent Fund - Military and Veterans Exemption	594	643	643	643	643
Gross Designated Tuition (Sec. 54.0513)	545,664	525,094	586,588	630,583	677,876

Schedule 2: Selected Educational, General and Other Funds

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	Act 2017	Act 2018	Bud 2019	Est 2020	Est 2021
Indirect Cost Recovery (Sec. 145.001(d))	78,163,410	78,397,900	79,965,858	81,565,175	83,196,479
Correctional Managed Care Contracts	0	0	0	0	0

Schedule 3B: Staff Group Insurance Data Elements (UT/A&M)
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	E&G Enrollment	GR Enrollment	GR-D/OEGI Enrollment	Total E&G (Check)	Local Non-E&G
GR & GR-D Percentages					
GR %	5.00%				
GR-D/Other %	95.00%				
Total Percentage	100.00%				
FULL TIME ACTIVES					
1a Employee Only	7,626	381	7,245	7,626	3,552
2a Employee and Children	2,561	128	2,433	2,561	946
3a Employee and Spouse	1,306	65	1,241	1,306	537
4a Employee and Family	2,605	130	2,475	2,605	1,327
5a Eligible, Opt Out	117	6	111	117	47
6a Eligible, Not Enrolled	18	1	17	18	17
Total for This Section	14,233	711	13,522	14,233	6,426
PART TIME ACTIVES					
1b Employee Only	99	5	94	99	260
2b Employee and Children	20	1	19	20	14
3b Employee and Spouse	6	0	6	6	20
4b Employee and Family	12	1	11	12	14
5b Eligible, Opt Out	20	1	19	20	13
6b Eligible, Not Enrolled	17	1	16	17	25
Total for This Section	174	9	165	174	346
Total Active Enrollment	14,407	720	13,687	14,407	6,772

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	E&G Enrollment	GR Enrollment	GR-D/OEGI Enrollment	Total E&G (Check)	Local Non-E&G
FULL TIME RETIREES by ERS					
1c Employee Only	2,456	123	2,333	2,456	617
2c Employee and Children	96	5	91	96	24
3c Employee and Spouse	967	48	919	967	243
4c Employee and Family	113	6	107	113	28
5c Eligible, Opt Out	42	2	40	42	11
6c Eligible, Not Enrolled	34	2	32	34	9
Total for This Section	3,708	186	3,522	3,708	932
PART TIME RETIREES by ERS					
1d Employee Only	0	0	0	0	0
2d Employee and Children	0	0	0	0	0
3d Employee and Spouse	0	0	0	0	0
4d Employee and Family	0	0	0	0	0
5d Eligible, Opt Out	0	0	0	0	0
6d Eligible, Not Enrolled	0	0	0	0	0
Total for This Section	0	0	0	0	0
Total Retirees Enrollment	3,708	186	3,522	3,708	932
TOTAL FULL TIME ENROLLMENT					
1e Employee Only	10,082	504	9,578	10,082	4,169
2e Employee and Children	2,657	133	2,524	2,657	970
3e Employee and Spouse	2,273	113	2,160	2,273	780
4e Employee and Family	2,718	136	2,582	2,718	1,355
5e Eligible, Opt Out	159	8	151	159	58
6e Eligible, Not Enrolled	52	3	49	52	26
Total for This Section	17,941	897	17,044	17,941	7,358

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	E&G Enrollment	GR Enrollment	GR-D/OEGI Enrollment	Total E&G (Check)	Local Non-E&G
TOTAL ENROLLMENT					
1f Employee Only	10,181	509	9,672	10,181	4,429
2f Employee and Children	2,677	134	2,543	2,677	984
3f Employee and Spouse	2,279	113	2,166	2,279	800
4f Employee and Family	2,730	137	2,593	2,730	1,369
5f Eligible, Opt Out	179	9	170	179	71
6f Eligible, Not Enrolled	69	4	65	69	51
Total for This Section	18,115	906	17,209	18,115	7,704

Schedule 4: Computation of OASI
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Proportionality Percentage Based on Comptroller Accounting Policy Statement #011, Exhibit 2	2017		2018		2019		2020		2021	
	<u>% to Total</u>	<u>Allocation of OASI</u>	<u>% to Total</u>	<u>Allocation of OASI</u>	<u>% to Total</u>	<u>Allocation of OASI</u>	<u>% to Total</u>	<u>Allocation of OASI</u>	<u>% to Total</u>	<u>Allocation of OASI</u>
General Revenue (% to Total)	5.4970	\$4,449,915	5.0016	\$4,138,871	4.7520	\$4,313,129	4.7520	\$4,567,724	4.7520	\$4,837,347
Other Educational and General Funds (% to Total)	0.0368	\$29,790	0.0127	\$10,509	0.0193	\$17,518	0.0193	\$18,552	0.0193	\$19,647
Health-Related Institutions Patient Income (% to Total)	94.4662	\$76,471,995	94.9857	\$78,601,553	95.2287	\$86,433,848	95.2287	\$91,535,861	95.2287	\$96,939,037
Grand Total, OASI (100%)	100.0000	\$80,951,700	100.0000	\$82,750,933	100.0000	\$90,764,494	100.0000	\$96,122,137	100.0000	\$101,796,031

Schedule 5: Calculation of Retirement Proportionality and ORP Differential

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Description	Act 2017	Act 2018	Bud 2019	Est 2020	Est 2021
Proportionality Amounts					
Gross Educational and General Payroll - Subject To TRS Retirement	992,138,686	995,173,716	1,112,403,636	11,145,775,745	1,180,149,017
Employer Contribution to TRS Retirement Programs	67,465,431	67,671,813	75,643,447	77,912,751	80,250,133
Gross Educational and General Payroll - Subject To ORP Retirement	183,110,823	192,813,005	205,307,130	211,466,343	217,810,334
Employer Contribution to ORP Retirement Programs	12,085,314	12,725,658	13,550,271	13,956,779	14,375,482
Proportionality Percentage					
General Revenue	5.4970 %	5.0016 %	4.7520 %	4.7520 %	4.7520 %
Other Educational and General Income	0.0368 %	0.0127 %	0.0193 %	0.0193 %	0.0193 %
Health-related Institutions Patient Income	94.4662 %	94.9857 %	95.2287 %	95.2287 %	95.2287 %
Proportional Contribution					
Other Educational and General Proportional Contribution (Other E&G percentage x Total Employer Contribution to Retirement Programs)	29,275	10,210	17,214	17,731	18,263
HRI Patient Income Proportional Contribution (HRI Patient Income percentage x Total Employer Contribution To Retirement Programs)	75,148,566	76,366,101	84,938,018	87,486,159	90,110,743
Differential					
Differential Percentage	1.9000 %	1.9000 %	1.9000 %	1.9000 %	1.9000 %
Gross Payroll Subject to Differential - Optional Retirement Program	102,932,876	114,649,610	115,410,181	118,872,487	122,438,661
Total Differential	1,955,725	2,178,343	2,192,793	2,258,577	2,326,335

Schedule 6: Constitutional Capital Funding
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Activity	Act 2017	Act 2018	Bud 2019	Est 2020	Est 2021
A. PUF Bond Proceeds Allocation	10,868,184	6,078,000	7,280,000	7,000,000	7,000,000
Project Allocation					
Library Acquisitions	0	0	0	0	0
Construction, Repairs and Renovations	0	0	0	0	0
Furnishings & Equipment	2,000,000	2,330,000	2,280,000	2,000,000	2,000,000
Computer Equipment & Infrastructure	0	0	0	0	0
Reserve for Future Consideration	0	0	0	0	0
Other (Itemize)					
PUF Bond Proceeds					
PUF Bond Proceeds	8,868,184	3,748,000	5,000,000	5,000,000	5,000,000
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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Date: 10/15/2018
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Agency code: **506** Agency name: **UT MD Anderson Cancer Ctr**

	Actual 2017	Actual 2018	Budgeted 2019	Estimated 2020	Estimated 2021
Part A.					
FTE Postions					
Directly Appropriated Funds (Bill Pattern)					
Educational and General Funds Faculty Employees	66.0	60.4	60.4	60.4	60.4
Educational and General Funds Non-Faculty Employees	698.4	621.7	621.7	621.7	621.7
Subtotal, Directly Appropriated Funds	764.4	682.1	682.1	682.1	682.1
Other Appropriated Funds					
Other (Itemize)	13,140.6	12,955.6	13,683.5	14,402.2	15,156.8
Subtotal, Other Appropriated Funds	13,140.6	12,955.6	13,683.5	14,402.2	15,156.8
Subtotal, All Appropriated	13,905.0	13,637.7	14,365.6	15,084.3	15,838.9
Non Appropriated Funds Employees	6,556.4	6,577.4	6,671.1	6,804.5	6,940.6
Subtotal, Other Funds & Non-Appropriated	6,556.4	6,577.4	6,671.1	6,804.5	6,940.6
GRAND TOTAL	20,461.4	20,215.1	21,036.7	21,888.8	22,779.5

Schedule 7: Personnel
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Date: 10/15/2018
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Agency code: **506** Agency name: **UT MD Anderson Cancer Ctr**

	Actual 2017	Actual 2018	Budgeted 2019	Estimated 2020	Estimated 2021
Part B.					
Personnel Headcount					
Directly Appropriated Funds (Bill Pattern)					
Educational and General Funds Faculty Employees	66.0	61.0	61.0	61.0	61.0
Educational and General Funds Non-Faculty Employees	711.0	630.0	630.0	630.0	630.0
Subtotal, Directly Appropriated Funds	777.0	691.0	691.0	691.0	691.0
Other Appropriated Funds					
Other (Itemize)	13,353.0	13,027.0	13,733.0	14,452.0	15,206.0
Subtotal, Other Appropriated Funds	13,353.0	13,027.0	13,733.0	14,452.0	15,206.0
Subtotal, All Appropriated	14,130.0	13,718.0	14,424.0	15,143.0	15,897.0
Non Appropriated Funds Employees	6,747.0	6,728.0	6,863.0	7,000.0	7,140.0
Subtotal, Non-Appropriated	6,747.0	6,728.0	6,863.0	7,000.0	7,140.0
GRAND TOTAL	20,877.0	20,446.0	21,287.0	22,143.0	23,037.0

Schedule 7: Personnel
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Date: 10/15/2018
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Agency code: **506** Agency name: **UT MD Anderson Cancer Ctr**

	Actual 2017	Actual 2018	Budgeted 2019	Estimated 2020	Estimated 2021
PART C.					
Salaries					
Directly Appropriated Funds (Bill Pattern)					
Educational and General Funds Faculty Employees	\$18,852,446	\$18,723,209	\$19,678,092	\$20,071,654	\$20,473,087
Educational and General Funds Non-Faculty Employees	\$49,563,924	\$45,505,659	\$47,098,357	\$48,040,325	\$49,001,131
Subtotal, Directly Appropriated Funds	\$68,416,370	\$64,228,868	\$66,776,449	\$68,111,979	\$69,474,218
Other Appropriated Funds					
Other (Itemize)	\$1,217,029,370	\$1,168,849,272	\$1,290,504,026	\$1,316,314,107	\$1,342,640,389
Subtotal, Other Appropriated Funds	\$1,217,029,370	\$1,168,849,272	\$1,290,504,026	\$1,316,314,107	\$1,342,640,389
Subtotal, All Appropriated	\$1,285,445,740	\$1,233,078,140	\$1,357,280,475	\$1,384,426,086	\$1,412,114,607
Non Appropriated Funds Employees	\$0	\$0	\$0	\$0	\$0
Subtotal, Non-Appropriated	\$0	\$0	\$0	\$0	\$0
GRAND TOTAL	\$1,285,445,740	\$1,233,078,140	\$1,357,280,475	\$1,384,426,086	\$1,412,114,607

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

Project Priority:	Project Code:	Tuition Revenue Bond Request	Total Project Cost	Cost Per Total Gross Square Feet
1	1	\$ 200,000,000	\$ 511,000,000	\$ 738
Name of Proposed Facility: Joint MD Anderson & UT Health Research Bldg		Project Type: New Construction		
Location of Facility: Texas Medical Center Campus		Type of Facility: Research		
Project Start Date: 09/01/2019		Project Completion Date: 01/01/2023		
Gross Square Feet: 692,750		Net Assignable Square Feet in Project 423,550		

Project Description

The project will develop a translational research campus on TMC-owned and UT System-owned land in the TMC Mid-Campus and UT System Research Park. The campus components include: 4 research buildings; collaborative space; shared core labs, office, meeting/conference/education space; building sites for industry; and parking. UT System institutions are collaborating to build a shared research facility, located in the UT Research Park, and focused on leveraging 2,000 investigators, staff and industry collaborators present in the UT Research Park, with a planned bridge connecting the South Campus to the TMC Mid-campus. The combined TRB request for UT System institutions is \$200 million, financed at 6% over 20 years.

Schedule 8B: Tuition Revenue Bond Issuance History

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Authorization Date	Authorization Amount	Issuance Date	Issuance Amount	Authorized Amount Outstanding as of 08/31/2018	Proposed Issuance Date for Outstanding Authorization	Proposed Issuance Amount for Outstanding Authorization
2001	\$20,000,000	Jan 23 2003	\$20,000,000			
		Subtotal	\$20,000,000	\$0		
2003	\$20,000,000	Nov 4 2004	\$20,000,000			
		Subtotal	\$20,000,000	\$0		
2006	\$40,000,000	Feb 14 2008	\$1,036,000			
		Feb 15 2008	\$1,036,000			
		Aug 15 2008	\$1,417,000			
		Jan 6 2009	\$23,480,000			
		Feb 18 2009	\$1,520,000			
		Aug 3 2009	\$2,813,000			
		Mar 25 2010	\$8,698,000			
		Subtotal	\$40,000,000	\$0		
2015	\$70,000,000	May 10 2016	\$35,000,000			
		Jul 1 2016	\$15,000,000			
		Aug 22 2016	\$20,000,000			
		Subtotal	\$70,000,000	\$0		

Schedule 8C: Tuition Revenue Bond Requests by Project

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Agency Code: **506**

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

Project Name	Authorization Year	Estimated Final Payment Date	Requested Amount 2020		Requested Amount 2021	
Mitchell Basic Science Research Building	2001	8/15/2023	\$	1,549,650.00	\$	1,550,700.00
Infrastructure Improvements	2003	8/15/2023	\$	1,760,300.00	\$	1,626,650.00
Center for Targeted Therapy	2006	8/15/2024	\$	2,600,300.00	\$	2,733,000.00
Building for Personalized Cancer Care	2015	8/15/2027	\$	5,416,750.00	\$	5,417,000.00
			\$	11,327,000.00	\$	11,327,350.00

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Breast Cancer Research Program

(1) Year Non-Formula Support Item First Funded: 2008

Year Non-Formula Support Item Established: 2008

Original Appropriation: \$2,000,000

(2) Mission:

Research

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.

(3) (a) Major Accomplishments to Date:

Since establishment in 2007, the Morgan Welch Inflammatory Breast Cancer (IBC) Research Program and Clinic at MD Anderson Cancer Center leads the way in diagnosis, treatment, translational research and collaboration for this aggressive disease. These efforts have lead to improved survival of patients with IBC in the State of Texas as well as at the National Level. State funding has been instrumental in supporting the creation of a premier program with the largest clinical trial portfolio in the world. Our state-funded research has led to the publication of 267 manuscripts in high impact peer-reviewed scientific journals, with a high citation index score of 29 among all research groups investigating IBC. The National Cancer Institute (NCI) "IBC Fact Sheet" lists ten scholarly works from the research of the program among it's eighteen citations. Increased community outreach includes a monthly Facebook Live talk, quarterly newsletter, and annual luncheon to "meet and greet" patients, advocates and researchers. In 2017 the program hosted it's 10th Anniversary IBC Conference, drawing IBC researchers from around the world. The summary of the meeting was featured in peer-reviewed journal.

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

Accomplish in two years:

1. Continue to improve survival outcomes in patients with IBC. We have already shown improved local disease control and overall survival in our clinic treated with our contemporary IBC-specific triple modality therapies (chemotherapy/targeted therapy/immunotherapy, surgery, radiation therapy).
2. We will develop treatments that will be effective but also reduces side effects. Our IBC patients are at very high risk of developing side effects from various systemic chemotherapies/targeted therapy and lymphedema. Within two years we expect that we will decrease the side effects of our current therapy by being more specific to IBC and decrease lymphedema rates using these novel surgical approaches, and thus increase the quality of life for IBC patients.
3. We will use the liquid biopsy to identify IBC patients at high risk for relapse, monitor the disease status, and also identify novel targets for therapy from the blood of patients with IBC. This technology reduces the need for painful needle biopsies, allows for earlier intervention and should improve monitoring and outcomes of all cancer patients.
4. Improve patient and physician education on IBC by providing educational information on a state, national, and international scale via social media, as well as in Texas and our local community.
5. Develop a pioneering roadmap to connect IBC expertise throughout the MDA and UT System Network.

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(4) Funding Source Prior to Receiving Non-Formula Support Funding:

None

(5) Formula Funding:

This item does not generate formula funding.

(6) Category:

Research Support

(7) Transitional Funding:

N

(8) Non-General Revenue Sources of Funding:

No other sources of funding.

(9) Impact of Not Funding:

The consequence of not providing program funding would impact all patients affected by inflammatory breast cancer, the general public and state employees. IBC has a median overall survival of only 4.75 years compared to 13.4 years for non-IBC patients. The median age of patients diagnosed with IBC is 5.25 years younger than that of non-IBC patients. IBC is considered an orphan disease, where there is a significant lack of funding through industry or other grant mechanisms. Clinically, the program currently has nine ongoing clinical trials with as many as 425 patients. These clinical studies are supported by an additional ten laboratory studies with 3,935 patients. If funding were discontinued these critical patient-based studies would be detrimentally affected.

State funding is vital for survival of a program that continues to be a leader in inflammatory breast cancer discovery and treatment. Support from the State of Texas will continue to build a comprehensive infrastructure to support importantly relevant and dedicated clinical and translational research, develop specialized IBC resources and to further reduce lives lost from this aggressive disease.

(10) Non-Formula Support Needed on Permanent Basis/Discontinuu

Permanent Basis

(11) Non-Formula Support Associated with Time Frame:

N/A

(12) Benchmarks:

N/A

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(13) Performance Reviews:

1. Maintain the IBC database, and compare local/regional control rates, survival outcomes, and quality of life outcomes over time. Such a database is not possible elsewhere due to the relative rarity of this disease. With this database, we should also be able to show a continuous improvement in outcomes over time. Maintain and expand an IBC-specific clinic that is one of the largest in the world (seeing approx. 100/patients per year), and allows us to offer expertise not available elsewhere, as well as facilitates a gathering of vital research information to translate into improved cure rates. We should also be able to show an increase in the number of patients seen over the next two years (25%).
 2. Gather data on quality life outcomes that will show improvement over the next two years.
 3. We plan to publish five clinically oriented papers based on ongoing clinical trials that will change current practice within two years.
 4. We expect to publish five paradigm shift papers that will lead to novel diagnostics and treatments for patients with IBC within two years.
 5. Enroll > 50 IBC cases per year on protocols to identify better treatments.
 6. Minimum two trainees per year developing clinical or research expertise to contribute to the future of this disease.
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Institutional Enhancement (Research)

(1) Year Non-Formula Support Item First Funded:	2000
Year Non-Formula Support Item Established:	2000
Original Appropriation:	\$1,000,000

(2) Mission:

Research

Funding from the Research Support and Institutional Enhancement items support the U T MD Anderson Cancer Center Cord Blood Research Program with 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 units 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.

(3) (a) Major Accomplishments to Date:

More than 30,000 cord blood units have been banked from five Houston Hospitals, and 1900 of those units have been transplanted into patients with no other therapeutic options. This has allowed the team to pioneer the use of novel cord blood derived cells for the treatment of cancer. Katy Rezvani MD PhD has developed cord blood natural killer cells genetically manipulated to express a chimeric antigen receptor (CAR) targeting CD19+ tumors. These NK-CAR cells are producing very impressive responses in leukemia (CLL) and lymphoma patients with no toxicity. These results will likely change the standard of care for patients with otherwise fatal cancers, Elizabeth Shpall MD has developed strategies to expand cord blood hematopoietic cells in the laboratory to make the doses higher and thus the recovery faster when transplanted into patients. Has developed a strategy called fucosylation to enhance the homing of cord blood to the bone marrow, by putting a sugar molecule on the surface of the cells. Both have demonstrated more rapid recovery compared to unmanipulated cord blood, making the transplants safer from infections and bleeding. The team is now combining expansion and fucosylation to try and make the recovery in cord blood patients even faster. They are also developing cord blood tissue derived mesenchymal stromal cells (MSCs) which can be life-saving when used to treat graft versus host disease, the most serious and often fatal complication following stem cell transplantation.

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

NK-CAR cells are being developed to target other cancers including acute myelogenous leukemia (AML), T cell leukemia and several solid tumors such as lung, pancreas and ovarian cancers. We are combining cord blood expansion and fucosylation to maximally enhance the recovery time of the cells when infused into patients which may allow us to do cord blood transplants as an outpatient. Cord blood tissue-derived MSCs and MSC-derived exosomes will be used for the eradication of GVHD, and to treat cancer patients who have developed cardiac injury from chemotherapy (anthracyclines) and cancer patients who have developed respiratory failure. Additionally we are developing cord tissue MSCs, and MSC-derived exosomes as vehicles to deliver gene therapy to patients with otherwise fatal tumors such as glioblastoma and pancreatic cancer.

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(4) Funding Source Prior to Receiving Non-Formula Support Funding:

Prior to the budget reductions for FY 2012 - 2013, the MD Anderson Cord Blood Research Program received funding from the legislature through the Texas Health and Human Services Commission.

(5) Formula Funding:

This item does not generate formula funding.

(6) Category:

Institutional Enhancement

(7) Transitional Funding:

N

(8) Non-General Revenue Sources of Funding:

General Revenue support is instrumental in advancing the field of cord blood transplantation and these funds have been leveraged to generate around \$17 million external funding for the program for the biennium.

(9) Impact of Not Funding:

Inability to continue the cutting edge research which will allow us to treat cancer patients who have very few options. This includes those with refractory cancers for whom we are developing NK-CAR therapies. It also includes cancer patients with refractory GVHD which is often fatal without MSCs as well as cancer patients with chemotherapy induced heart and lung disease, all of whom may be cured with cord tissue derived MSCs.

(10) Non-Formula Support Needed on Permanent Basis/Discontinuu

Permanent Basis

(11) Non-Formula Support Associated with Time Frame:

N/A

(12) Benchmarks:

N/A

(13) Performance Reviews:

The MD Anderson Cord Blood Bank has been accredited by the Foundation for the Accreditation of Cellular Therapy (FACT), accepted into the networks of the National Marrow Donor Program (NMDP) and Health Resources and Services Administration (HRSA) and has recently received their FDA Biological license (one of 8 cord banks in the world who have received this license) which moving forward will be required to release clinical cords for transplant in the United States.

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Research Support

(1) Year Non-Formula Support Item First Funded:	2002
Year Non-Formula Support Item Established:	2002
Original Appropriation:	\$2,000,000

(2) Mission:

Research

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(5) Formula Funding:

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(6) Category:

Research Support

(7) Transitional Funding:

N

(8) Non-General Revenue Sources of Funding:

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(10) Non-Formula Support Needed on Permanent Basis/Discontinuu

Permanent Basis

(11) Non-Formula Support Associated with Time Frame:

N/A

(12) Benchmarks:

N/A

(13) Performance Reviews:

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