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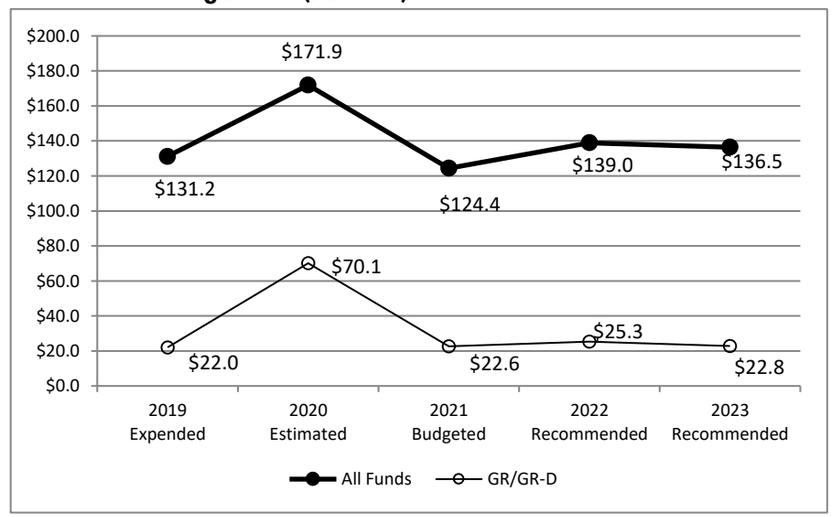
M. Katherine Banks, Director
Michael Cooper, LBB Analyst

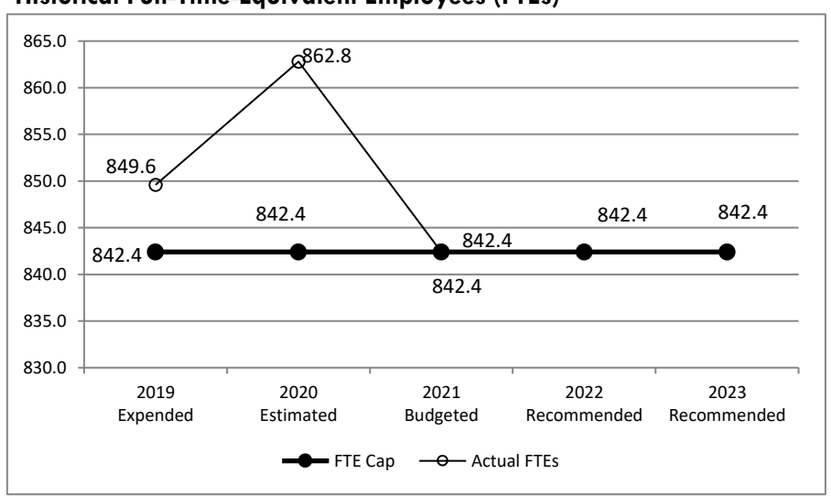
Method of Financing	2020-21 Base	2022-23 Recommended	Biennial Change ($)	Biennial Change (%)
General Revenue Funds	$91,921,062	$47,216,203	($44,704,859)	(48.6%)
GR Dedicated Funds	$842,767	$842,767	$0	0.0%
Total GR-Related Funds	*$92,763,829*	*$48,058,970*	*($44,704,859)*	*(48.2%)*
Federal Funds	$107,416,104	$140,306,036	$32,889,932	30.6%
Other	$96,045,465	$87,042,555	($9,002,910)	(9.4%)
All Funds	**$296,225,398**	**$275,407,561**	**($20,817,837)**	**(7.0%)**

	FY 2021 Budgeted	FY 2023 Recommended	Biennial Change	Percent Change
FTEs	842.4	842.4	0.0	0.0%

Historical Funding Levels (Millions)



Historical Full-Time-Equivalent Employees (FTEs)



Agency Budget and Policy Issues and/or Highlights

Texas A&M Engineering Experiment Station (TEES) conducts research, provides continuing education, and develops technology to assist industry and the engineering workforce. TEES performs engineering and technology research on water, defense, energy, manufacturing, and the environment across the state of Texas.

The bill pattern for this agency (2022-23 Recommended) represents an estimated 85.0% of the agency's estimated total available funds for the 2022-23 biennium.

Texas A&M Engineering Experiment Station
Summary of Funding Changes and Recommendations - House

	Funding Changes and Recommendations for the 2022-23 Biennium compared to the 2020-21 Base Spending Level (in millions)	General Revenue	GR-Dedicated	Federal Funds	Other Funds	All Funds	Strategy in Appendix A
SIGNIFICANT Funding Changes and Recommendations (each issue is explained in Section 3 and additional details are provided in Appendix A):							
A)	Recommendations include a $45.0 million reduction in funding for Army Futures Command cooperative agreement.	($45.0)	$0.0	$0.0	$0.0	($45.0)	1.1.1
B)	Recommendations include updated infrastructure support formula amounts, resulting in a biennial increase of $298,302 in General Revenue. Also included is an $8.5 million reduction due to removal of other funds from infrastructure strategy.	$0.3	$0.0	$0.0	($8.5)	($8.2)	3.1.2
OTHER Funding Changes and Recommendations (these issues are not addressed in Section 3 but details are provided in Appendix A):							
C)	Decrease in debt service of $3,161 in General Revenue attributed to Center for Infrastructure Renewal.	$0.0	$0.0	$0.0	$0.0	$0.0	3.1.3
G)	Increase in federal research awards, primarily driven by TEES's work with Army Futures Command.	$0.0	$0.0	$32.9	$0.0	$32.9	1.1.1, 1.2.1
H)	Decrease in interagency contracts.	$0.0	$0.0	$0.0	($0.5)	($0.5)	1.1.1
TOTAL SIGNIFICANT & OTHER Funding Changes and Recommendations (in millions)		**($44.7)**	**$0.0**	**$32.9**	**($9.0)**	**($20.8)**	As Listed
	SIGNIFICANT & OTHER Funding Increases	$0.3	$0.0	$32.9	$0.0	$33.2	As Listed
	SIGNIFICANT & OTHER Funding Decreases	($45.0)	$0.0	$0.0	($9.0)	($54.0)	As Listed

NOTE: Totals may not sum due to rounding.

Texas A&M Engineering Experiment Station
Selected Fiscal and Policy Issues - House

1. **Infrastructure Support.** Funding to Texas A&M System agencies for infrastructure support within Brazos County is calculated using the General Academic Institutions' Infrastructure Support formula rate. Infrastructure support funding totals $11,553,930 for the biennium, an increase of $298,302 from the 2020-21 biennium.

2. **Five-Percent Reduction.** As a part of the 2020-21 biennium five percent budget reductions, the agency submitted General Revenue reductions totaling $4,376,843. Recommendations for the 2022-23 biennium continue the implementation of these reduced funding levels, while allowing for the transfer of funding between strategies reflected in the agency's base request (see Appendix A). The 2020-21 biennium five percent reductions as submitted by the agency are as follows:

	Proposed Reduction Item	FY2020	FY2021	Total FTE
1.	**Article I Rider 37 Army Futures Command.** Reduced GR allocated to TEES's partnership with Army Futures Command.			
	Strategy 1.1.1	$2,500,000	$0	0.0
2.	**Reduce Outreach for Nuclear Power Institute.** Reduced outreach activities to local educational partners.			
	Strategy 1.3.1	$566,243	$566,244	0.0
3.	**Personnel Reduction for Nuclear Power Institute.** Reduced FTEs for workforce development activities.			
	Strategy 1.3.1	$350,000	$350,000	5.0
4.	**Service Reductions at Energy Systems Laboratory.** Reduced program offerings.			
	Strategy 1.1.1	$22,178	$22,178	0.0

Texas A&M Engineering Experiment Station
Rider Highlights - House

New Riders

5. Collaboration with Army Futures Command. New rider specifying the use of $2.5 million in General Revenue for the agency's collaboration the US Army Futures Command.

Texas A&M Engineering Experiment Station
Items Not Included in Recommendations - House

		2022-23 Biennial Total					
		GR & GR-D	All Funds	FTEs	Information Technology Involved?	Contracting Involved?	Estimated Continued Cost 2024-25
Agency Exceptional Items Not Included (in agency priority order)							
1)	Critical Need in Manufacturing Workforce Development - Agency Requests General Revenue for workforce development programming for the advanced manufacturing industry in Texas.	$5,000,000	$5,000,000	13.0	Yes	No	$0
*	Method of Finance Removal - Agency requests the removal of Federal Funds, Appropriated Receipts, and Indirect Cost Recovery from the agency's bill pattern.		($222,860,890)				
TOTAL Items Not Included in Recommendations		**$7,500,000**	**($215,360,890)**	**13.0**			**$0**

* Item not submitted with priority order.

Texas A&M Engineering Experiment Station
Appendices - House

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Texas A&M Engineering Experiment Station
Funding Changes and Recommendations by Strategy - House -- ALL FUNDS

Strategy/Goal	2020-21 Base	2022-23 Recommended	Biennial Change	% Change	Comments
RESEARCH PROGRAMS A.1.1	$251,463,084	$234,016,722	($17,446,362)	(6.9%)	Recommendations include: • $47,500,000 reduction in General Revenue due to the removal of a one-time appropriation from the Trusteed Programs in the Office of the Governor for the agency's agreement with Army Futures Command; • $2,500,000 increase in General Revenue to restore funding for the agency's agreement with Army Futures Command reduced by the five-percent reduction; • $9,681,898 reduction in General Revenue due to redistribution to 1.2.1, 1.3.1, and 3.1.2; • $32,749,846 increase due to a projected increase federal funds in sponsored research awards; • $498,634 decrease in interagency contracts; • $4,787,048 increase in Indirect Cost Recovery redistributed from 3.1.2; • $197,276 increase in other funds.
TECHNOLOGY TRANSFER A.2.1	$3,413,032	$3,538,370	$125,338	3.7%	Recommendations include: • $67,162 increase in General Revenue redistributed from other strategies; • $58,176 increase in Other Funds allocated to this strategy to enhance technology transfer activities.
WORKFORCE DEVELOPMENT A.3.1	$8,843,867	$9,174,201	$330,334	3.7%	Recommendations include: • $190,248 increase in General Revenue redistributed from other strategies to support increased workforce development activites; and • $140,086 increase in Federal Funds.
Total, Goal A, ENGINEERING RESEARCH	**$263,719,983**	**$246,729,293**	**($16,990,690)**	**(6.4%)**	
INDIRECT ADMINISTRATION B.1.1	$7,257,176	$7,523,686	$266,510	3.7%	Recommendations include: • $158,586 decrease in General Revenue due to a redistribution to other strategies; • $404,978 increase in Indirect Cost Recovery reallocated from 3.1.2; and • $20,118 increase in Other Funds.

Texas A&M Engineering Experiment Station
Funding Changes and Recommendations by Strategy - House -- ALL FUNDS

Strategy/Goal	2020-21 Base	2022-23 Recommended	Biennial Change	% Change	Comments
INFRASTRUCTURE SUPPORT B.1.2	$15,644,426	$11,553,930	($4,090,496)	(26.1%)	Recommendations include updated infrastructure support formula amounts, resulting in an increase of $298,302 in GR. Base levels include other funds used to supplement infrastructure support strategy, these are not included in recommendations.
CENTER FOR INFRASTRUCTURE RENEWAL B.1.3	$9,603,813	$9,600,652	($3,161)	(0.0%)	Recommendations include updated debt service payment amounts.
Total, Goal B, INDIRECT ADMINISTRATION	**$32,505,415**	**$28,678,268**	**($3,827,147)**	**(11.8%)**	
Grand Total, All Strategies	**$296,225,398**	**$275,407,561**	**($20,817,837)**	**(7.0%)**	

Texas A&M Engineering Experiment Station
Summary of Federal Funds - House
(Dollar amounts in Millions)

Program	Est 2020	Bud 2021	Rec 2022	Rec 2023	2020-21 Base	2022-23 Rec	2022-23 Rec % Total	Recommended Over/(Under) Base	% Change from Base
Engineering Grants	$11.4	$11.4	$12.8	$12.8	$22.9	$25.6	**18.3%**	**$2.8**	**12.1%**
Basic Scientific Research	$1.1	$1.1	$9.2	$9.2	$2.2	$18.5	**13.2%**	**$16.3**	**744.2%**
Nuclear Energy Research, Development and Demonstration	$4.8	$4.8	$5.4	$5.4	$9.6	$10.7	**7.6%**	**$1.2**	**12.3%**
Computer and Information Science and	$4.3	$4.3	$4.8	$4.8	$8.6	$9.6	**6.9%**	**$1.0**	**12.1%**
DoD Maintenance	$1.6	$1.6	$3.7	$3.7	$3.1	$7.5	**5.3%**	**$4.4**	**141.2%**
Air Force Defense Research Sciences	$3.2	$3.2	$3.6	$3.6	$6.4	$7.2	**5.1%**	**$0.8**	**12.3%**
Basic and Applied Scientific Research	$2.4	$2.4	$2.7	$2.7	$4.7	$5.3	**3.8%**	**$0.6**	**12.3%**
Education and Human Resources	$2.4	$2.4	$2.5	$2.5	$4.7	$5.1	**3.6%**	**$0.3**	**6.6%**
Research and Technology Development	$2.0	$2.0	$2.2	$2.2	$4.0	$4.5	**3.2%**	**$0.5**	**12.3%**
Technology Transfer	$1.8	$1.8	$2.1	$2.1	$3.7	$4.1	**2.9%**	**$0.5**	**12.3%**
Office of Energy Research Financial Assistance Program	$1.3	$1.3	$1.5	$1.5	$2.6	$2.9	**2.1%**	**$0.3**	**12.3%**
Renewable Energy Research and Development	$1.2	$1.2	$1.3	$1.3	$2.4	$2.6	**1.9%**	**$0.3**	**12.3%**
Mathematical and Physical Sciences	$1.2	$1.2	$1.3	$1.3	$2.3	$2.6	**1.9%**	**$0.3**	**12.3%**
Electricity Delivery & Energy Reliability, Research - Stimulus	$1.0	$1.0	$1.1	$1.1	$2.0	$2.2	**1.6%**	**$0.2**	**12.3%**
All Other Grants	$14.2	$14.2	$15.9	$15.9	$28.3	$31.8	**22.7%**	**$3.5**	**12.3%**
TOTAL:	**$53.7**	**$53.7**	**$70.2**	**$70.2**	**$107.4**	**$140.3**	**100.0%**	**$32.9**	**30.6%**

Texas A&M Engineering Experiment Station
FTE Highlights - House

Full-Time-Equivalent Positions	Expended 2019	Estimated 2020	Budgeted 2021	Recommended 2022	Recommended 2023
Cap	842.4	842.4	842.4	842.4	842.4
Actual/Budgeted	849.6	862.8	842.4	NA	NA

Notes:

a) Agency's five-percent reduction included a 5.0 FTE reduction in the 2020-21 biennium.
b) 2020 actuals reflect final SAO numbers.