

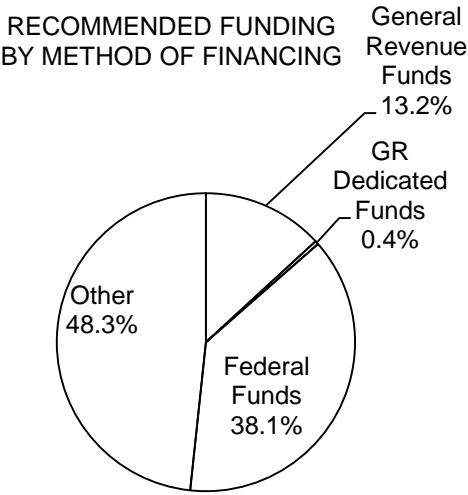
Section 1

Texas A&M Engineering Experiment Station  
Summary of Recommendations - Senate

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Dr. Katherine Banks, Director

Demetrio Hernandez, LBB Analyst

Method of Financing	2014-15 Base	2016-17 Recommended	Biennial Change	% Change
General Revenue Funds	\$33,824,560	\$31,038,814	(\$2,785,746)	(8.2%)
GR Dedicated Funds	\$917,541	\$924,086	\$6,545	0.7%
Total GR-Related Funds	\$34,742,101	\$31,962,900	(\$2,779,201)	(8.0%)
Federal Funds	\$98,467,832	\$89,954,656	(\$8,513,176)	(8.6%)
Other	\$106,147,022	\$113,963,028	\$7,816,006	7.4%
All Funds	\$239,356,955	\$235,880,584	(\$3,476,371)	(1.5%)



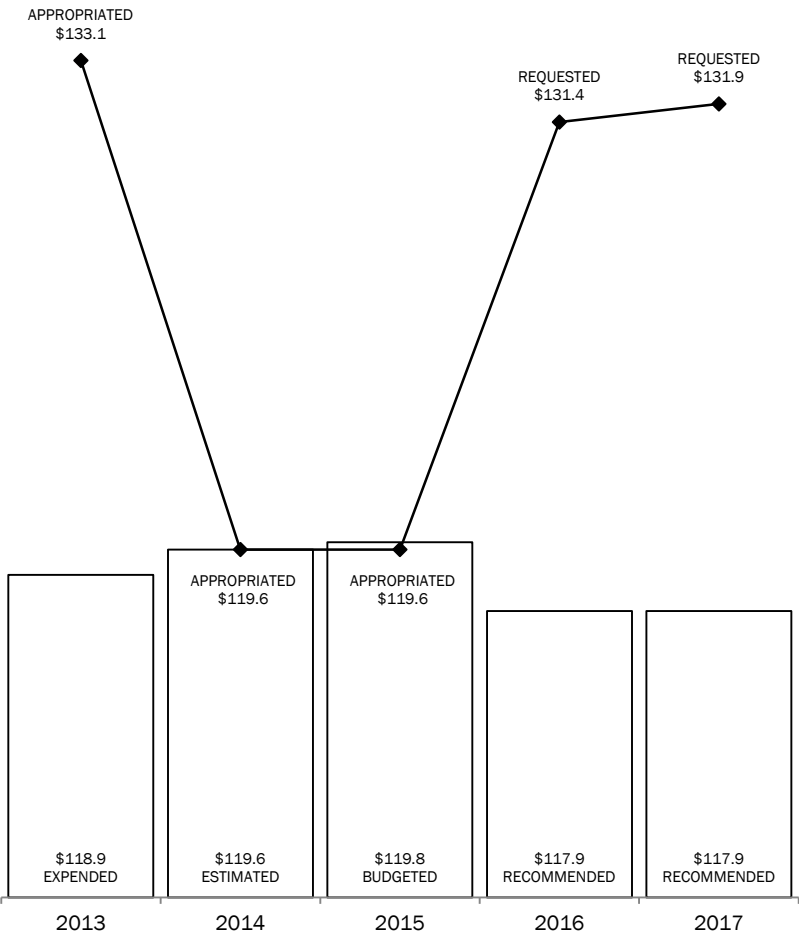
	FY 2015 Budgeted	FY 2017 Recommended	Biennial Change	% Change
FTEs	880.0	880.0	0.0	0.0%

The bill pattern for this agency (2016-17 Recommended) represents an estimated 86.7% of the agency's estimated total available funds for the 2016-17 biennium.

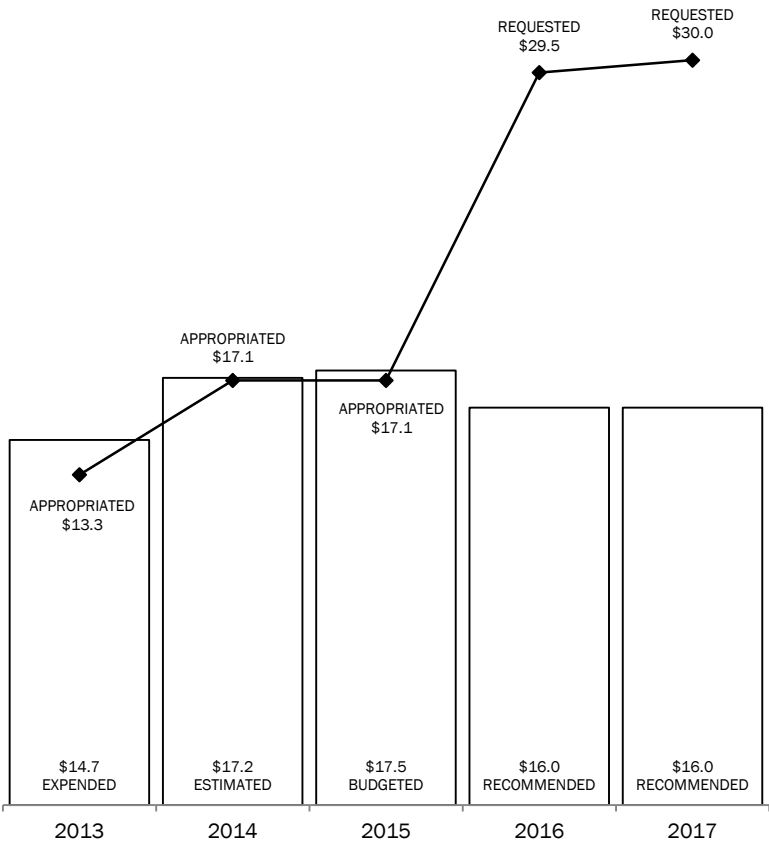
Section 1  
Texas A&M Engineering Experiment Station  
2016-2017 BIENNIUM  
IN MILLIONS

TOTAL= \$235.9 MILLION

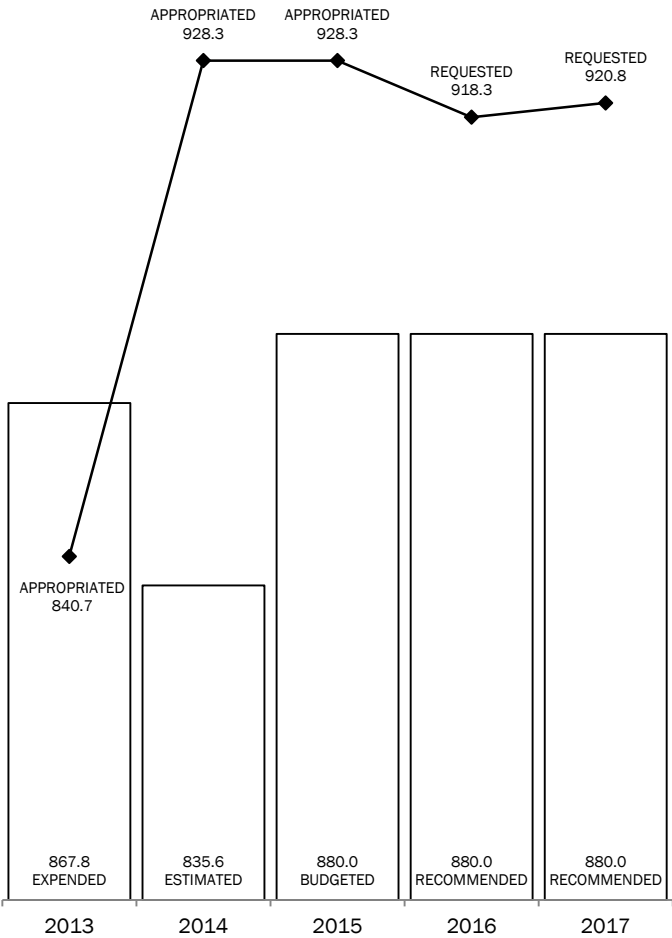
ALL FUNDS



GENERAL REVENUE AND  
GENERAL REVENUE-DEDICATED FUNDS



FULL-TIME-EQUIVALENT POSITIONS



Section 2

Texas A&M Engineering Experiment Station  
Summary of Recommendations - Senate, By Method of Finance -- ALL FUNDS

Strategy/Goal	2014-15 Base	2016-17 Recommended	Biennial Change	% Change	Comments
RESEARCH DIVISIONS A.1.1	\$146,686,881	\$150,685,862	\$3,998,981	2.7%	
MULTI-INSTITUTIONAL OUTREACH A.1.2	\$54,207,940	\$52,103,106	(\$2,104,834)	(3.9%)	
TECHNOLOGY TRANSFER A.2.1	\$1,350,424	\$1,080,000	(\$270,424)	(20.0%)	
EDUCATIONAL PROGRAMS A.3.1	\$9,953,596	\$7,170,436	(\$2,783,160)	(28.0%)	
<b>Total, Goal A, ENGINEERING RESEARCH</b>	<b>\$212,198,841</b>	<b>\$211,039,404</b>	<b>(\$1,159,437)</b>	<b>(0.5%)</b>	
STAFF GROUP INSURANCE B.1.1	\$4,956,916	\$4,816,798	(\$140,118)	(2.8%)	
WORKERS' COMP INSURANCE B.1.2	\$49,968	\$52,080	\$2,112	4.2%	
UNEMPLOYMENT INSURANCE B.1.3	\$59,252	\$62,410	\$3,158	5.3%	
OASI B.1.4	\$2,559,526	\$2,599,572	\$40,046	1.6%	
OPTIONAL RETIREMENT PROGRAM B.1.5	\$106,206	\$108,780	\$2,574	2.4%	
<b>Total, Goal B, STAFF BENEFITS</b>	<b>\$7,731,868</b>	<b>\$7,639,640</b>	<b>(\$92,228)</b>	<b>(1.2%)</b>	
INDIRECT ADMINISTRATION C.1.1	\$5,863,704	\$6,381,316	\$517,612	8.8%	
INFRASTRUCTURE SUPPORT C.1.2	\$13,562,542	\$10,818,622	(\$2,743,920)	(20.2%)	
INFRASTRUC SUPP-OUTSIDE BRAZOS CNTY C.1.3	\$0	\$1,602	\$1,602	100.0%	Recommendations include a \$1,602 increase in General Revenue associated with a reallocation between the A&M System agencies for infrastructure support for outside Brazos County.
<b>Total, Goal C, INDIRECT ADMINISTRATION</b>	<b>\$19,426,246</b>	<b>\$17,201,540</b>	<b>(\$2,224,706)</b>	<b>(11.5%)</b>	
<b>Grand Total, All Strategies</b>	<b>\$239,356,955</b>	<b>\$235,880,584</b>	<b>(\$3,476,371)</b>	<b>(1.5%)</b>	Recommendations also include an increase of \$250,051 in General Revenue and General Revenue-Dedicated related to the biennialized 2014-15 salary increase. Recommendations include a decrease of \$3.0 million in General Revenue related to a pilot program related to preventing wildfires caused by power lines. Recommendations also reflect a decrease of approximately \$8,513,176 in anticipated Federal Funds, which includes a reduction of \$4,816,482 associated with the ARPA Energy Financial Assistance Program, \$1,647,124 associated with the Centers for Homeland Security, as well as reductions in numerous other federal programs. Finally, recommendations include an increase of \$7,816,006 in Other Funds.

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

Infrastructure Support

- 1. Section 50 of the Special Provisions Relating Only to State Agencies of Higher Education provides that funding at Texas A&M System agencies for infrastructure support inside Brazos County is calculated using the Texas A&M University General Revenue rate. Funding amounts are adjusted to align with the formula funding decisions for the General Academic Institutions. Currently, infrastructure support inside Brazos County for the Texas A&M System agencies is funded at the 2014-15 base levels.
- 2. Funding for infrastructure support outside Brazos County includes a new methodology based on actual square footage. General Revenue funding for infrastructure support outside Brazos County is equal to 2014-15 funding levels and is proportionally allocated to each agency by its respective percentage of total square footage. 2014-15 appropriated amounts in this table may differ from base amounts in Section 2 due to funding reallocations by the agencies.

Recommended Infrastructure Support for Outside Brazos County (General Revenue)

Institution	2014-15 Appropriated	Actual Square Footage	Percentage of Actual Square Footage	2016-17 Appropriated	2014-15 to 2016-17 Increase/ (Decrease)
556 Texas AgriLife Research (TAR)	\$6,231,926	1,123,511	67.34%	\$6,296,812	\$64,886
555 Texas AgriLife Extension Service (TAEX)	\$1,502,600	195,083	11.69%	\$1,093,358	\$(409,242)
712 Texas Engineering Experiment Station (TEES)	\$0	286	0.02%	\$1,602	\$1,602
727 Texas Transportation Institute (TTI)	\$0	36,258	2.17%	\$203,210	\$203,210
716 Texas Engineering Extension Service (TEEX)	\$0	56,353	3.38%	\$315,836	\$315,836
576 Texas Forest Service (TFS)	\$1,465,814	231,986	13.91%	\$1,300,185	\$(165,629)
557 Texas Veterinary Medical Diagnostic Laboratory (TVMDL)	\$149,781	24,822	1.49%	\$139,116	\$(10,665)
Total	\$9,350,121	1,668,299	100.00%	\$9,350,121	\$0

Section 3b

Statutory Authority		Mission & Functions	2014-15 Base All Funds	2016-17 Rec. All Funds	2014-2015 Base GR/GR-D	2016-17 Rec. GR/GR-D	2014 Level FTEs	2016-17 Rec. FTEs
Texas A&M AgriLife Research (TAR)	Education Code, Title III, Section 88.201	Conducts research in the agricultural, environmental, and life sciences. Goals include enhancing the competitiveness of agricultural industries and natural resource conservation. AgriLife Research administers the honey bee regulation and feed and fertilizer programs. Research highlights include: ecosystem research, conservation, and sustainable agriculture.	\$ 140,482,844	\$ 141,087,174	\$ 108,064,844	\$ 108,844,528	987.7	987.7
Texas A&M AgriLife Extension Service (TAEX)	Education Code, Title III, Section 88.822	Provides training and educational programs including 4-H through county extension agents. Extension agents are supported by federal, state, and county funding. AgriLife Extension also provides wildlife and insect management services including feral hog abatement and boll weevil eradication.	\$ 133,222,282	\$ 133,702,344	\$ 86,619,858	\$ 87,108,474	1031.1	1031.1
Texas A&M Engineering Experiment Station (TEES)	Education Code, Title III, Section 88.501	Conducts engineering and technology research with a focus on interdisciplinary research. Research highlights include: energy, water, manufacturing, and the environment.	\$ 239,356,955	\$ 235,880,584	\$ 34,742,101	\$ 31,962,900	880.0	880.0
Texas A&M Transportation Institute (TTI)	Education Code, Title III, Section 88.603 & 88.803	Identifies and solves transportation problems through research. Develops and implements new technologies for current and future transportation needs. Works closely with the Texas Department of Transportation, as well as local and regional transportation agencies across the state.	\$ 118,330,085	\$ 120,086,455	\$ 4,310,847	\$ 17,211,511	434.7	434.7
Texas A&M Engineering Extension Service (TEEX)	Education Code, Title III, Section 88.501	Provides training, technical assistance, and emergency response to enhance public safety and security. Texas Task Force 1 is deployed for emergency response and search and rescue operations.	\$ 154,336,526	\$ 152,130,356	\$ 15,639,833	\$ 16,009,906	555.2	555.2
Texas A&M Forest Service (TFS)	Education Code, Title III, Section 88.102	Provides wildfire prevention, detection, and suppression services. The Texas Wildfire Protection Plan is the agency's wildfire response model.	\$ 115,072,569	\$ 113,175,193	\$ 107,382,441	\$ 105,261,131	558.2	558.2
Texas A&M Veterinary Medical Diagnostic Laboratory (TVMDL)	Education Code, Title III, Section 88.708	Provides fee-based veterinary medical diagnostic services and drug testing services which contributes to an animal and zoonotic disease surveillance system. Responds to potential high consequence and/or emerging disease events.	\$ 38,078,151	\$ 37,480,410	\$ 17,763,126	\$ 17,843,568	165.0	165.0
Total			\$938,879,412	\$933,542,516	\$374,523,050	\$384,242,018	4,611.90	4,611.90

Section 3c

Texas A&M Engineering Experiment Station  
FTE Highlights - Senate

Full-Time-Equivalent Positions	Expended 2013	Estimated 2014	Budgeted 2015	Recommended 2016	Recommended 2017
Cap <sup>1</sup>	840.7	928.3	928.3	880.0	880.0
Actual/Budgeted	867.8	880.0	880.0	NA	NA
Schedule of Exempt Positions (Cap)					

<sup>1</sup>Recommendations include a reduction of 39.5 Full-time Equivalent (FTE) positions from the current FTE cap of 928.3, in alignment with the agency’s request.

Section 4

Engineering Experiment Station  
Performance Review and Policy Report Highlights - Senate

Reports & Recommendations	Savings/ (Cost)	Gain/ (Loss)	Fund Type	Included in Introduced Bill	Action Required During Session
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NO RELATED RECOMMENDATIONS

**Section 5**

**Texas A&M Engineering Experiment Station  
Rider Highlights - Senate**

- 4. (Delete) **Prevention of Wildfires Caused By Power Lines.** Recommend deletion of Rider 5, Prevention of Wildfires Caused by Power Lines, and to decrease biennial General Revenue appropriations by \$3 million related to this item, as the program was identified as a pilot study by the agency. Pilot study results are pending and targeted for release in early 2015, according to the agency.



Section 6

Texas A&M Engineering Experiment Station  
Items not Included in Recommendations - Senate

Agency Exceptional Items Not Included - In Agency Priority Order	2016-17 Biennial Total	
	GR & GR-Dedicated	All Funds
1. Cyber Advanced Manufacturing Initiative (CAMI) General Revenue funding for 15.5 FTEs in 2016 and 16 FTEs in 2017 and cybermanufacturing in San Antonio and cloud support in College Station for engineering product design and technology.	\$ 8,090,000	\$ 8,090,000
2. Center for Infrastructure Renewal General Revenue funding for new facility. Funding for biennium includes debt service for \$65,000,000 capital funding to be shared with Texas A&M Transportation Institute.	\$ 11,333,994	\$ 11,333,994
3. Elementary Engineering Education Academy (E3A) General Revenue funding for 14 FTEs in 2016 and 16 FTEs in 2017 for an online program to mentor 5000 elementary teachers and 500 school leaders in integrating engineering into curriculum for Pre-K through 5th grades.	\$ 5,000,000	\$ 5,000,000
Total, Items Not Included in the Recommendations	<u>\$ 24,423,994</u>	<u>\$ 24,423,994</u>

Section 7

Texas A&M Engineering Experiment Station  
Summary of 10 Percent Biennial Base Reduction Options - Senate

Biennial Reduction Amounts								
Priority	Item	Description/Impact	GR and GR-Dedicated	All Funds	FTEs	Potential Revenue Loss	Reduction as % of Program GR/GR-D Total	Included in Intro Bill?
1	Reduction of Research Programs	The reductions would reduce 4.0 FTEs in research support and program development for the Nuclear Power Institute (NPI) and Texas Emissions Reduction Plan (TERP).	\$1,139,510	\$1,139,510	4.0	\$5,722,026	12.3%	No
2	Reduction of Collaborative Programs	The reductions would reduce 1 FTE and would have an impact on the agency's collaborative efforts with other universities and community colleges.	\$357,610	\$357,610	1.0	\$1,754,198	4.1%	No
3	Reduction of Education Programs	The reductions would reduce 1 FTE and the scope of the Nuclear Power Institute (NPI) program.	\$77,476	\$77,476	1.0	\$417,668	2.1%	No
4	Reduction of Research Programs	The reductions would reduce the agency's scope of the Energy Systems Laboratory (ESL) and Texas Emissions Reduction Plan (TERP).	\$90,452	\$90,452		\$452,260	1.0%	No
5	Reduction of Indirect Administration	The reduction would reduce 5.0 FTEs in indirect administration and support services.	\$674,852	\$674,852	5.0	\$0	12.8%	No
TOTAL, 10% Reduction Options			\$2,339,900	\$2,339,900	11.0	\$8,346,152		

Texas A&M Engineering Experiment Station  
Summary of 10 Percent Biennial Base Reduction Options - Senate  
Agency 10% Reduction Options by Category of Reduction

