

Appropriations Committee of the Pennsylvania House of Representatives
University of Pittsburgh Chancellor Patrick Gallagher
March 2, 2016

As Chancellor of the University of Pittsburgh, it is my honor to be here today and to represent the University before this committee.

As many of you know, Pitt's mission is to make the world better through knowledge. Since we became a public, state-related university more than 50 years ago, Pitt has worked closely with the commonwealth to deliver high-quality, high-value education to some of our nation's best and brightest students. At the same time, we provide critical community services locally and are a critical economic driver for our region and the state.

While the lack of state funding eight months into this year's budget cycle is concerning, I am here today to emphasize the critical need for a multiyear funding strategy. Without such stability and consistency, we cannot keep tuition costs under control, and we cannot keep playing such a vital role in our state's growth. At the same time, the budgetary difficulties that the commonwealth faces become much easier to address when the state's economy is growing. Pitt is a proven economic driver—both locally and statewide.

In this regard, we support Governor Tom Wolf's proposed five percent funding increase for state-related universities. Such a plan recommits the state to a partnership with Pitt while ensuring that we can carry out our public role and continue serving as a magnet—academically and economically—for the state.

Despite being chronically underfunded by the state—and now without funding—we have managed our resources, operations and costs as strategically and conscientiously as possible. For the 11th year in a row, *Kiplinger's Personal Finance* has ranked our Pittsburgh campus as the top value among all public colleges and universities in the state. And Princeton Review once again included Pitt in its "Best Value Colleges." It is clear that we are committed to keeping the cost of attendance as affordable as possible—and this is especially true for our in-state students, who make up nearly 70 percent of our student body.

We are a great value for our students, but we are also a great investment for the state. Over the years, Pitt has become a critical economic driver for the commonwealth. As a university, our annual economic contribution to the state is more than \$3.7 billion. With an appropriation of \$147 million, this translates to a \$25 economic return for every dollar that the commonwealth invests in Pitt.

In addition, our regional campuses continue to offer unparalleled academic and economic opportunities to communities in Greensburg, Bradford, Johnstown and Titusville. We support more than 33,800 jobs statewide. This makes us the second largest non-governmental employer in Allegheny County and the seventh largest in Pennsylvania. Equally important, we are one of the top 10 research universities in the country, attracting \$700 million in research funding each year.

Despite these compelling statistics, Harrisburg's support for Pitt is at its lowest levels in our 50-year history as a public university. Equally troubling: State funding—which accounts for 15 percent of our academic budget—fell dramatically just a few years ago, and it has flat-lined ever since. In fact, the most recent state funding passed—from last year's budget—is on par with state support received two decades ago.

Throughout this budget process, there has been a broad consensus of support for funding public higher education. We want to continue to partner with the state to end the current budget impasse and create a multiyear funding framework that advances higher education. And we want to strengthen Pennsylvania's future together.

With Pitt, the commonwealth, its residents and our students all gain. With Pitt, Pennsylvania wins.



Patrick Gallagher



UNIVERSITY OF
PITTSBURGH

**BUDGET
 PRESENTATION**
 TO THE
GENERAL ASSEMBLY
 OF THE COMMONWEALTH
 OF PENNSYLVANIA

2016-17



TABLE OF CONTENTS

CHANCELLOR'S STATEMENT	1
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MAKING AN IMPACT

New Initiatives Put Increased Emphasis on Innovation and Entrepreneurship	2
The Student Experience	3
Outstanding Faculty	4
Research Strength.....	4
Engaging with the Community	5
University of Pittsburgh at Bradford	7
University of Pittsburgh at Greensburg.....	8
University of Pittsburgh at Johnstown	9
University of Pittsburgh at Titusville.....	10
Conclusion	11

BUDGET REQUEST

A Culture of Accountability	11
Cost Savings, Efficiencies, and Revenue Enhancement Initiatives.....	11

LINE ITEM OVERVIEW

General Support.....	13
Rural Education Outreach.....	13
Former Line Items	14
Academic Medical Center Funding: School of Medicine.....	14
Academic Medical Center Funding: Dental Clinic, School of Dental Medicine	15
Academic Medical Center Funding: Western Psychiatric Institute and Clinic.....	16
Academic Medical Center Funding: Center for Public Health Practice.....	16
University of Pittsburgh FY 2016–17 Budget Request	18

TABLES AND MAPS

Commonwealth Appropriations: Line Items	19
University of Pittsburgh Headcount Enrollment by Campus, School, Level, and Status.....	20
FTE Headcount Enrollment by Campus, School, Level, and Status.....	21
Headcount Enrollment by Pennsylvania County	22
Alumni Residing in Pennsylvania by County.....	23



CHANCELLOR'S STATEMENT

In fulfilling its role as a major research university, the University of Pittsburgh continues to make a positive difference in the lives of our students, in our communities, throughout the Commonwealth of Pennsylvania, and in the world at large. Since Pitt became a public, state-related university in the mid-1960s, the Commonwealth has been a critical partner in our mission to provide Pennsylvania students with the opportunity to receive the highest-quality university education and to ensure that University research supports the economic vitality of the Commonwealth. One important component of that partnership, supported by Governor Tom Wolf's budget request, has been the commitment to restore past funding cuts so that the University of Pittsburgh has the resources to meet these critical goals and to reduce the tuition burden on students and their families.

The value of a University of Pittsburgh education continues to be widely recognized. For the 11th year in a row, our Pittsburgh campus has been ranked as the top value among all public colleges and universities in Pennsylvania by *Kiplinger's Personal Finance*. This nationwide ranking looks at four-year colleges and universities that combine outstanding education with economic value. Pitt's value extends beyond the benefits that accrue to students. As one of the top 10 research universities in the country, Pitt brings many benefits to the region and the Commonwealth. Pitt's research activities bring hundreds of millions of dollars into the region each year, attract top talent in high-growth fields, and provide the environment for preparing the next generation of professionals and entrepreneurs whose talents will fuel the prosperity of the Commonwealth. In today's knowledge-based economy, the value of high-quality higher education has never been greater. The Commonwealth benefits from having an educated populace, a globally competitive workforce, a vibrant research community, and support for increasing Pennsylvania's economic competitiveness in today's global economy.

The dual roles of providing educational opportunities for individual Pennsylvanians while functioning as a critical economic engine for both Western Pennsylvania and the entire Commonwealth are at the heart of our request for state funding. This request is consistent with Governor Wolf's goal to restore funding to Pennsylvania state-related universities over two years. Additionally, we request an increase in funding for our vital and highly regarded health sciences activities. While formally part of the Department of Human Services budget and therefore not included in this budget document, these programs are among the best in the country and play a critical role in advancing health science, driving economic growth, and teaching our next generation of health care professionals.

This budget request would bring Pitt's funding to a level that would enable us to continue to control costs to students and their families while ensuring that the value and quality of the education they receive remains at the highest level. The consolidated appropriation request level of \$184,562,000 which includes Pitt's Academic Medical Center funding from the Department of Human Services, for the 2016–17 fiscal year would allow us to offset inflationary increases for operating expenses, expand our innovation programs to drive economic growth for the region, and allow us to control tuition increases for in-state students.

Pitt is already taking steps in this direction. Through prudent management of our operations, we work hard to control and reduce costs on all five of our campuses while maintaining the expected quality of all aspects of our operations. However, current state appropriation levels, adjusted for inflation, represent the lowest percentage of state support since Pitt became a public university in the 1960s and consequently have shifted a greater financial burden to students and their families.

Anticipating near-term support for increased state funding, Pitt recently enacted a tuition schedule for the 2015–16 academic year that froze tuition at our four regional campuses and overall represented the lowest percentage tuition increase at Pitt in 40 years. Similarly, we have been systematically strengthening our research efforts, especially in areas that support economic growth in the Commonwealth. These steps are a measure of our commitment to our mission while keeping tuition levels as low as possible. However, absent increases in state support, these types of steps will not be sustainable in the long term.

At the University of Pittsburgh, we value our partnership with the Commonwealth of Pennsylvania, and we look forward to continuing to work together to promote the shared goal of a prosperous Commonwealth by providing the highest quality educational opportunities to its citizens and harnessing the full potential and impact of our researchers, innovators, and entrepreneurs.

Respectfully submitted,

Patrick Gallagher
Chancellor
University of Pittsburgh

MAKING AN IMPACT

The University of Pittsburgh, in its role as a major research university, continues to pursue new avenues of cooperation and partnerships that provide educational benefits to the students it serves, provides economic benefits to the Commonwealth, and enables discoveries from research that benefit countless lives worldwide. While the focus is, understandably, on the new, it is nonetheless worthwhile to keep in mind the original partnership under which the University of Pittsburgh became a state-related institution in 1966. The central tenet of this partnership was a promise from the Commonwealth of an annual appropriation to the University sufficient to offer Pennsylvania students a high-quality education at tuition significantly less than comparable private institutions and to support Pitt's expanding role as a regional anchor and engine of economic growth and vitality.

Despite several years of substantial fiscal challenges, the University of Pittsburgh has continued the sustained progress that has propelled it into the top ranks of American universities. Pitt's efforts have been widely recognized by outside entities such as the Princeton Review, which once again included Pitt in its "Best Value Colleges" list and ranked the University as one of the nation's best institutions for undergraduate education. "The University of Pittsburgh offers outstanding academics, which is the primary criteria for our choice of schools for the book," said Robert Franek, the Princeton Review's senior vice president/publisher and author of *The Best 380 Colleges*. More accolades come from *Kiplinger's Personal Finance*, which, for the 11th year, ranked Pitt as a top value in public higher education. Such rankings are particularly meaningful because they are based on the value of the education received, assessing both cost and quality.

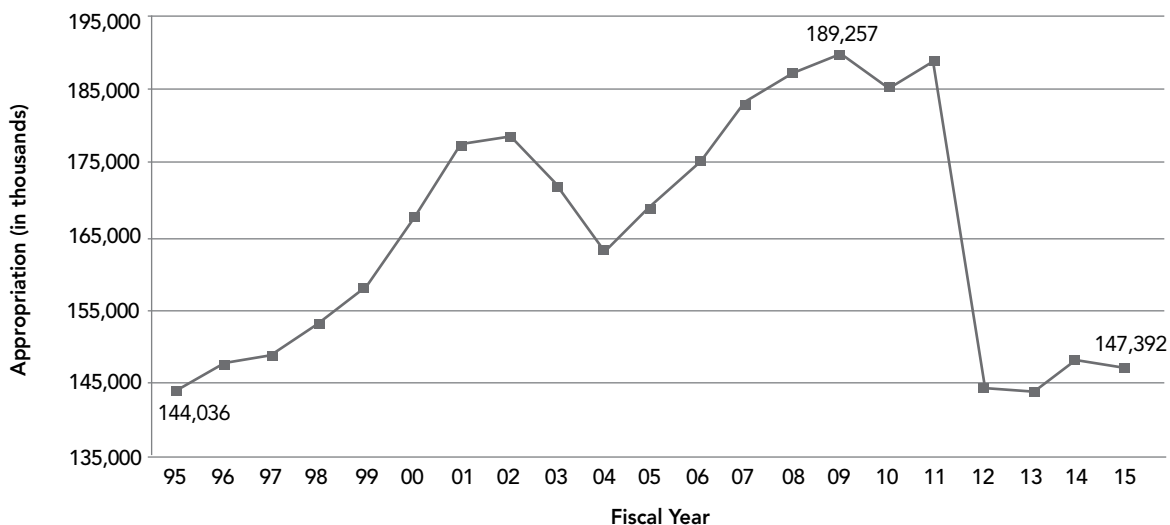
This record of accomplishment has been achieved during a time period of unprecedented fiscal challenges accompanied by large reductions in Commonwealth support. The University has worked diligently throughout this period to maintain the quality of all that it does, despite these cuts in support. Thanks to astute budget management, the University continues to pursue its mission, enhance quality, and serve the Commonwealth, but continued inadequate funding levels threaten to erode the quality represented by the examples that follow.

New Initiatives Put Increased Emphasis on Innovation and Entrepreneurship

The University of Pittsburgh Innovation Institute is the focal point of Pitt's initiative in innovation, commercialization, and entrepreneurship. Within the institute, there are a number of programs that support faculty and students in learning about and embarking on entrepreneurial efforts and in reaching out to the business community to take part in the region's small business ecosystem. Pitt's request for funding is in line with that goal and directly identifies the additional state funding needed for these initiatives.

1. **Student Start-up Program:** The institute proposes the creation of the following two-part program to provide effective pre- and poststart-up support and mentorship for students:
 - **Prestart-Up Program:** The institute has launched Blast Furnace, a student business accelerator that provides access to deep mentor networks, inspirational coworking space, and a rich curriculum for students working on start-ups to prepare them to create and grow their businesses. The Blast Furnace transfers knowledge about commercialization processes through

COMMONWEALTH APPROPRIATION FY 1995–2016*



*The University of Pittsburgh has not received Commonwealth appropriation for Fiscal Year 2016.

the creation of virtual start-ups facilitated by Innovation Institute personnel. The program provides hands-on experience as the driving force behind increasing start-up opportunities. To ensure the Blast Furnace Program is benchmarked on best-in-class opportunity translation efforts, the University of Pittsburgh Innovation Institute commits participants to a process that begins with education on innovation and entrepreneurship based on the Lean Launchpad business model curriculum.

- **Poststart-Up Program:** As student entrepreneurs reach the launch stage for their new ventures, the Institute's incubation program also calls for additional poststart-up support. At this stage, the students will move their ventures out of the University with the assistance of the poststart-up program, which will help to connect students with the regional business ecosystem. The institute's Blast Furnace will work with the Joseph M. Katz Graduate School of Business Institute for Entrepreneurial Excellence PantherlabWorks program to develop a hands-off strategy that will allow student entrepreneurs and their new ventures to receive additional business development assistance, mentoring, and other support.
2. **Expanding Pitt Ventures:** The Pitt Ventures program was successfully launched last year with the support of the McCune Foundation. Pitt Ventures is designed to engage Pitt innovators, local entrepreneurs, and regional economic development leaders who are committed to building a more innovative, entrepreneurial culture at the University and, ultimately, to starting more new companies based on Pitt innovations. Pitt Ventures deploys a multiphased approach involving a strong coalition of partners and an innovative multistage commercialization process that supports Pitt innovators from idea to commercialization.
 3. **Regional I-Corps Expansion:** Recently, the Kauffman Foundation ranked Pittsburgh last among the nation's 40 largest metropolitan areas in terms of start-up activity. One main issue identified for this low ranking is the lack of local entrepreneurs. Pitt can play a significant role in improving this situation by leveraging the work it is doing in its current National Science Foundation Innovation Corps (I-Corps) program. Through the creation of the regionally focused I-Corps Pitt Ventures program, which allows anyone with a Pitt affiliation to participate, more innovators will be able to move their innovations from idea to commercialization. By training more Pitt-associated individuals regionally, a greater number of Pitt-connected spin-offs and a better-trained local entrepreneurial workforce will be created.

4. **The Institute for Entrepreneurial Excellence (IEE),** part of the Innovation Institute, will provide one of its economic development specialists/business consultants to meet with faculty, staff, students, and members of the local business community at each of the regional campuses one day per week or as needed. IEE will offer specialized seminars and programs to supplement existing programs offered by the regional system.

The Student Experience

The most telling evidence of the value and quality Pitt offers can be found in the growing number of applicants.

Pitt continues to attract applications from increasing numbers of highly qualified students. First-year student applications to the University grew by nearly 11 percent on the Pittsburgh campus over the past two years and by more than 14 percent on the regional campuses in the past year. Including first-year students and transfers, Pitt welcomed 4,885 new undergraduate students to the Pittsburgh campus this year, 68 percent of whom are Pennsylvania residents. The quality of the applicants has continued to increase along with the numbers. The average SAT score for members of our entering class is 1297 and 50 percent of the applicants were in the top 10 percent of their high school classes.

Pitt has become not only a magnet for highly talented applicants but also a leading producer of high-performing students. Pitt undergraduates have claimed four Rhodes Scholarships, five Truman Scholarships, six Marshall Scholarships, a whopping 45 Goldwater Scholarships, two Churchill Scholarships, one Gates Cambridge Scholarship, and eight Udall Scholarships. Pitt also is among the nation's leading producers of Fulbright Scholars, Boren Scholars, Whitaker International Fellows, National Science Foundation Fellows, Critical Language Scholars, and Humanity in Action Scholars.

This remarkable level of student achievement reflects the exceptional levels of learning and growth occurring at the University of Pittsburgh and is clear evidence that Pitt is advancing its mission effectively. These public forms of recognition are accompanied by thousands of more personal triumphs, as our students use the power of higher education to build the platforms from which they will pursue their own dreams, the majority of them living, working, and raising their families in Pennsylvania.

As important as classroom education is, Pitt also has been a leader in developing programs to enhance the overall growth of our students and prepare them to embark upon lives of achievement and impact. Among many noteworthy efforts, some that stand out are the following:

- *The PITT ARTS program* is designed to expose students to the cultural richness of the greater Pittsburgh region. Participation in the PITT ARTS program has almost tripled over the past decade, rising to more than 64,000 last year.
- *The Office of Cross-Cultural and Leadership Development* has sponsored leadership and cultural programs since its inception in 2007, but few could have imagined the important role that this office would play during the 2014–15 academic year when our country experienced significant social unrest. The annual Martin Luther King Jr. Day programs and activities addressed the divisive issues facing our nation head on, highlighted by a social justice symposium with Marc Lamont Hill, an award-winning journalist, professor, and activist. Hill engaged a campus audience in a discussion about how universities are addressing race relations and facilitated an evening town hall meeting with students and members of Pittsburgh’s law enforcement community, including the Pitt Police Department.
- *Community service projects see 12,450 students participating annually*, providing a structure for students to pursue important projects, and hundreds of thousands of social work student internship hours are served annually in human service, nonprofit, and community-based organizations. During Pitt Make A Difference Day, more than 3,200 students performed service at 115 sites across the city. Pitt students, faculty, and staff generate \$70.1 million in charitable donations and volunteer services every year.

At Pitt, we have been fortunate to see the remarkable impact that a top research university can make in the lives of its students and in its home region. Our strong collective commitment, to individual students, to this region, and to the greater good is one key reason that Pitt has met each of the many challenges that have come our way and made our students an integral part of the community.

Outstanding Faculty

Pitt faculty members also have continued to build an impressive record of achievement and honors. Senior faculty members have been elected to groups such as the National Academy of Sciences, the Institute of Medicine, the American Academy of Arts & Sciences, the American Association for the Advancement of Science, the American Society for Clinical Investigation, the National Academy of Education, and the American Academy of Nursing. They have claimed some of the country’s most prestigious awards, including the National Medal of Science, the John T. and

Catherine D. MacArthur Foundation’s “genius grant,” the Lasker-DeBaakey Clinical Medical Research Award, the Charles S. Mott Prize in cancer research, and the Andrew W. Mellon Foundation Distinguished Achievement Award for exemplary contributions to humanistic studies.

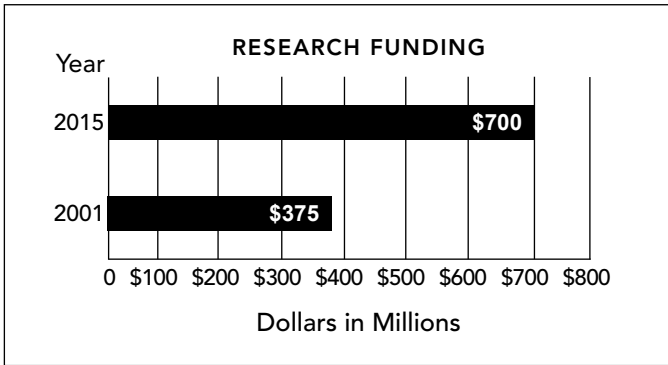
The accomplishments, recognition, and research support garnered by our faculty demonstrate that Pitt is building on its proud past, a legacy that includes developing the polio vaccine, the surgical techniques and drug therapies that have made human organ transplantation viable, and the creation of artificial insulin that saves millions of lives. Pitt faculty members are currently leading the way in areas as diverse as computer modeling, gerontology, philosophy of science, nanotechnology, and urban education.

Research Strength

At the University of Pittsburgh, undergraduates have the opportunity to engage in research, scholarship, and creative experiences with faculty members who are leaders in their fields. Pitt undergraduates can choose to engage in a variety of research experiences across schools, disciplines, and academic settings. Experience-based learning allows Pitt undergraduates to develop mentoring relationships with faculty, gain critical skills, clarify life goals, and strengthen career aspirations. The strength of Pitt’s research program can best be measured comparatively. Pitt ranks among the top 10 of all American universities in terms of the federal research and development support attracted by members of our faculty. The total University research funding from all sources was more than \$700 million. The U.S. Department of Commerce estimates that every \$1 million in research spending creates 36 new jobs, so those research dollars support more than 25,000 jobs. These knowledge-based jobs have helped to attract the world’s best and brightest scientists to Western Pennsylvania and to promote a culture of innovation and technology in the region.

Though the region’s more diverse 21st-century economy has other strengths, the “eds and meds”—with Pitt and the University of Pittsburgh Medical Center (UPMC) sitting at their heart—have been a powerful force for revitalization and transformation. The education and health services supersector now is the largest source of employment in the Pittsburgh metropolitan area. It is the only sector that has added jobs every year since 1995 and now is responsible for more than one out of every five local jobs.

University research has been a key source of economic growth. Pitt alone has attracted billions of dollars in sponsored research support to this region. That research, combined with Carnegie Mellon University’s, has provided



the foundation for such technology-based economic development initiatives as the Pittsburgh Digital Greenhouse, the Pittsburgh Life Sciences Greenhouse, the Pittsburgh Robotics Foundry, and the Technology Collaborative.

This success in research enables Pitt to serve as a vital economic engine in its home region. These research dollars imported annually by the University advance important work and are a widely recognized sign of academic strength. Along with creating jobs resulting from their research, Pitt scientists are contributing to product development and technology commercialization. Knowledge and technology transfer have created the foundation for commercial ventures that promote regional entrepreneurship, economic development, and job creation.

Though its primary missions are education, research, and community service, an institution as comprehensive as Pitt is central to the fiscal health and well-being of the larger community in which it operates. Pitt’s research endeavors,

as well as the University’s daily operations, provide ongoing financial benefits to the region’s economy. The University has a significant and positive impact on the regional economy through local expenditures, local government revenues, and the employment of residents.

The strength of the University and its employees enables Pitt to be a significant force in the local economy, with an annual total economic impact of \$3.7 billion.

Engaging with the Community

Pitt has become a model of community engagement, making its expertise available to neighborhood groups, organizations, state and local governments, and other public agencies in ways that are consistent with the University’s mission while contributing to the social, intellectual, and economic development of the region. Pitt has received the United Way’s Good Neighbor Award for three consecutive years and was named to the President’s Higher Education Community Service Honor Roll in 2013 and 2014.

A number of centers and initiatives showcase the University’s role in shaping regional policy and programs. Many are connected with professional schools, and some represent multidisciplinary engagement. Even initiatives with international scope, such as the University’s Center for Global Health, have strong local community and economic impacts.

Exhibit I

University of Pittsburgh’s Impact on the Regional Economy	
\$3.7 billion	Total economic impact generated by Pitt
\$145.2 million	Generated in local government revenues
33,800	Number of jobs supported by Pitt’s total economic impact
\$56.1 billion	Economic impact of earnings by more than 174,000 Pitt alumni who have graduated in the past 30 years and are living in Pennsylvania
\$513 million	Paid to local businesses for University goods and services
\$1 billion plus	Spent by students and employees for goods and services
\$700 million	Research funding annually
\$70.1 million	Annual volunteer services and charitable donations by Pitt faculty, staff, and students
More than 13,000 employees on five campuses: Pittsburgh, Bradford, Greensburg, Johnstown, and Titusville	
Sixty-six new patents were issued to the University in FY 2015, bringing Pitt’s patent total to 681.	
More than 100 start-up companies have been launched around Pitt technologies.	

Among some of the most timely and notable centers and initiatives are the following:

- ***The Homewood Children's Village (HCV)*** was founded in 2008 as a child-centered, comprehensive community initiative whose mission is “to simultaneously improve the lives of Homewood’s children and to reweave the fabric of the community in which they live.” HCV has partnered with residents, faith- and community-based organizations, local and state governments, the public school system, and local and national funders to help transform one of the city’s most challenged, yet most promising communities—Homewood. HCV has served more than 2,200 residents since its inception.
- ***The Ready Freddy Program***, created by the University of Pittsburgh Office of Child Development in collaboration with the Pittsburgh Public Schools and the United Way of Allegheny County, engages parents and community partners to improve the academic readiness of students in low-income urban communities. Over the last 10 years, the program has worked with more than 25 elementary schools in the Pittsburgh Public Schools, increasing on-time kindergarten enrollment to 99 percent and increasing the potential for future success for more than 12,000 young children.
- ***The Institute for Entrepreneurial Excellence*** at the University of Pittsburgh helps entrepreneurial business leaders to harness the power of innovation, collaboration, and knowledge to increase profit margins, create jobs, diversify revenue streams, connect to emerging markets, and secure new research and development dollars. A new initiative in 2014, Advancing Entrepreneurship in the Mon Valley Region, will help provide firms with access to capital, business and management education, and expand connections to other resources to help them deal with the economic challenges in this community. The most recent annual report showed that the institute served more than 1,500 clients, resulting in the creation of 72 start-up businesses, a \$14.5 million increase in client revenue, the creation or preservation of 543 jobs, and \$14 million capital raised.
- ***PittServes*** strives to empower members of the Pitt community to be engaged citizens on campus, off campus, and globally. PittServes bridges the academic and civic missions of the University by developing and modeling genuine partnerships with local communities; providing training and capacity-building programs for the campus community, and sponsoring and supporting a wide variety of civic engagement opportunities for students, including volunteer opportunities, internships, and community-based learning.
- ***The University Center for Social and Urban Research (UCSUR)***, in collaboration with Allegheny County, the City of Pittsburgh, and Carnegie Mellon University, has developed technology infrastructure that will provide policymakers and citizens with data-driven tools to improve the effectiveness of local government. The Western Pennsylvania Regional Data Center was launched in late 2015 and provides an open data platform for our partners in local government and community organizations as well as citizens across the region. It is the first government data portal in the world to include universities as a major partner.

In addition, through UCSUR, social and behavioral scientists collaborate with community partners on a range of social and economic research activities and build community capacity to understand and address critical urban issues and needs.
- ***The School of Education's Office of Child Development*** has sustained Allegheny County’s Early Childhood Initiative and aids a network of Family Support Centers that help parents in the county with early childhood education and school preparedness.
- ***The School of Law*** supports clinics in elder law, environmental law, family law, health law, immigration law, securities arbitration law, and tax law.
- ***The School of Medicine*** has operated the UPMC Matilda H. Theiss Health Center in the Oak Hill neighborhood of Pittsburgh for more than 45 years as part of its Medical Services to underserved populations.
- ***The Graduate School of Public Health*** operates a Centers for Disease Control and Prevention Academic Center of Excellence and Environmental Public Health Tracking that provides a geospatial analysis of environmental health indicators for Western Pennsylvania.
- ***The School of Dental Medicine*** operates its Dental Clinic, where students work with faculty to provide free or low-cost dental care to residents and special-needs patients from the surrounding community who may be unable to afford dental care. The dental school reports more than 40,000 individuals received \$2.9 million in fee reductions.
- ***The School of Pharmacy*** provides pharmacy care and services to those in need and those living in underserved communities.
- ***The Child Welfare Education for Leadership Program*** in the Pitt School of Social Work is a statewide training initiative linking schools of social work across Pennsylvania to support the professional

development of child welfare workers in the state. Pitt's child welfare program created the online course on Pennsylvania's child abuse reporting requirements for the Commonwealth. Since launching in November of 2014, more than 500,000 users have taken the course.

- **The Department of Pediatrics** founded the first pediatric bilingual/bicultural clinic in Southwestern Pennsylvania in 2002 and expanded it over the years to Salud Para Niños, a comprehensive health program for children. The clinic provides culturally and linguistically competent primary care for children and families, with a focus on prevention and empowering members of the Hispanic community to be informed about their health.
- **The Institute of Politics (IOP)** delivers timely information about critical policy issues affecting our region to elected officials, community leaders, and the public. IOP provides a neutral forum where that knowledge and associated diverse viewpoints are discussed, enriched, and applied toward improving the quality of life and economic vitality of the city of Pittsburgh and the Western Pennsylvania region.
- **The Center on Race and Social Problems (CRSP)** helps to lead America further along the path to social justice by conducting race-related research, mentoring emerging scholars, and disseminating race-related research findings and scholarship. CRSP is multidisciplinary in its approach and multiracial in its focus.

The modern history of the University of Pittsburgh has been characterized by strong levels of engagement and interaction with and support for its neighboring communities. The University's Office of Community and Governmental Relations representatives meet on a regular schedule with Oakland community groups and a number of other organizations. In addition, the University's faculty and staff support the United Way of Allegheny County financially and through volunteerism, the Central Blood Bank of Pittsburgh through monthly drives, and individuals and families in need by hosting a Christmas Day dinner in cooperation with the Salvation Army.

As community leaders, Oakland residents, neighboring institutions, City of Pittsburgh officials, and elected representatives regularly attest, the University has placed a strong emphasis on community consultation, engaging in extensive briefings, dialogue, and discussion regarding community concerns, University master plans, and individual construction projects. The University's public engagement efforts in the context of its campus master plan and construction of individual projects exceed the legal requirements imposed by the City of Pittsburgh.

Community service is a commitment shared by the Pitt community members at our Bradford, Greensburg, Johnstown, and Titusville campuses. The following are examples of how this commitment to outreach and service is realized in the daily activities of our faculty, staff, and students.

University of Pittsburgh at Bradford

- **Support for Workforce Training:** Pitt-Bradford was awarded \$200,066 through the Pennsylvania Department of Community and Economic Development in 2014-15 to support workforce training through the Workforce and Economic Development Network of Pennsylvania and worked with McKean, Potter, Warren, Elk, and Crawford counties to provide work-related training to 1,221 employees.
- **Division of Continuing Education and Regional Development:** During the past year, the Division of Continuing Education and Regional Development enrolled 874 participants in 102 continuing education courses; entered into 26 training contracts with local businesses that provided workforce-related training to 680 employees; organized eight youth summer camps that enrolled more than 100 children of various ages; coordinated 71 external events serving 6,495 people through Pitt-Bradford's Conference Services; and developed eight extensive summer event camps serving 908 participants from across the region, Commonwealth, and nation.
- **Center for Rural Health Practice:** The Center for Rural Health Practice identifies rural health issues and collaborates with local communities and faculty and staff to address these issues and formulate policy recommendations.
- **The Harry Halloran Jr. and American Refining Group Energy Institute:** The institute is dedicated to serving the region as a primary locus for new knowledge and innovative approaches to the strategic development of traditional, alternative, and renewable energy sources. Pitt-Bradford's Energy Institute collaborates closely with the energy industry in the development and delivery of both workforce training and academic programs in petroleum technology and energy science and technology. In the past year, the Energy Institute has engaged in consulting and research development with local companies such as American Refining Group, Inc.; TerraGreen Energy LLC; Onsite Drilling Solutions; Wave Particle Processing; and A E Resources, Inc. among others.

- **Allegheny Institute of Natural History:** Through Pitt–Bradford’s Allegheny Institute of Natural History, the faculty developed several service learning projects with ties to the expanding tourism sector. Activities during the past year included working with Leadership Warren County to expand the use of the Trailmaker application designed at Pitt–Bradford as part of the Appalachian Teaching Project, continuing a collaboration with the Allegheny National Forest to develop trail information as a way of promoting tourism in the region, and continuing partnership with Pennsylvania Kinzua Pathways in moving forward with the Jakes Rocks mountain bike trail. This work is invigorating service learning opportunities for students on the campus and tying faculty interests and courses directly to an expanding sector in the region in tourism and tourism management.
- **Community Engagement:** Pitt–Bradford students contributed a total of 3,700 community service hours to local organizations during the 2014–15 academic year.
- **Outdoor Adventure and Community Service Residential Living Community:** Projects included Adopt-a-Highway; the JDRF One Walk; Feeding the Spirit soup kitchen; Special Olympics; Weatherwood Nursing Home; Westmoreland County Food Bank, Inc.; Westmoreland County Parks & Recreation; and the Humane Society of Westmoreland County.
- **Phi Eta Sigma Freshman Honor Society:** Phi Eta Sigma held a Veterans Day luncheon, offering all veterans on campus and in the community and their families a free meal. More than 50 people attended. Phi Eta Sigma participated in the JDRF One Walk, donated toys, delivered valentines to a nursing home, and held its annual campus Slate Run creek cleanup.
- **American Red Cross Blood Drives:** The health center and American Red Cross Club held four drives and collected 117 units of blood.
- **Special Olympics:** Twenty Special Olympians watched the Pitt–Greensburg vs. Pitt–Bradford basketball game and played a basketball game during halftime. More than \$1,100 was raised for the Special Olympics program in Westmoreland County.

University of Pittsburgh at Greensburg

- **Community Arts Programming:** The Activities Board, Academic Village, Student Government Association, theater department, and Chorale offer lectures, music, theater, and other arts programming to the Greensburg-area community throughout the year.
- **Freshman Seminar:** Two hundred seventy-six freshman students each completed a minimum of three hours of community service.
- **Habitat for Humanity:** Thirty faculty members, staff members, and students participated in the Alternative Break trip to Pittsboro, N.C., to build a home, and students raised more than \$2,000 for the Habitat for Humanity in that area. The volunteers contributed more than 900 hours of service. Students regularly volunteered with both the Habitat for Humanity of Greater Pittsburgh and Central Westmoreland Habitat for Humanity chapters and staffed the Habitat ReStore in Irwin, Pa.
- **Housing and Residence Life:** Staff members, community assistants, and residents provided more than 400 hours of service to 15 community organizations.
- **Jeannette Head Start 18th Annual Holiday Party:** Students, faculty, and staff purchased and wrapped gifts to be given to 40 underprivileged children at a holiday party.
- **Juvenile Diabetes Research Foundation (JDRF) One Walk:** More than 1,500 walkers were on campus and raised more than \$43,000 for JDRF. Sixty students and staff members walked and raised \$2,000.
- **Student Government Association (SGA):** SGA’s annual faculty/staff vs. students basketball game raised \$4,200 for the Blackburn Center Against Sexual and Domestic Violence.
- **SGA Into the Streets:** Over five days in both the fall and spring terms, SGA partnered with 23 community agencies to offer service opportunities. More than 300 students and staff members provided more than 650 hours of service.
- **Student Organizations:** More than 300 student organization members provided more than 625 hours of service and raised more than \$6,000 for local and national charities.
- **United Way Day of Caring:** Pitt–Greensburg staff members painted the Westmoreland County Food Bank.
- **SGA Pitt Plus:** The program grew from 43 to 66 local businesses offering discounts to our students.
- **The Student Pennsylvania State Education Association:** The association provided more than 2,100 hours of service through its Lunch Buddies, Read for Life Long Learning, and several other programs.
- **QUEST 2015: Finding Your Future:** The academic advising, admissions, and career services offices offered five one-day camps for high school students. More

than 50 professionals from community businesses and organizations and 98 students participated.

- **Student-athletes** provided more than 1,020 hours of service and raised more than \$1,300 for projects that included the Salvation Army/WTAE-TV's Project Bundle-Up, Thanksgiving dinner and angel tree programs, the national Rape, Abuse & Incest National Network (RAINN) Day against sexual violence, cancer research, the Humane Society, Clelian Heights School for Exceptional Children, Shriners Hospital for Children, and the Special Olympics.
- **Student Services:** Staff members serve on the Westmoreland County suicide awareness and prevention task force and the boards of Blackburn Center Against Sexual and Domestic Violence, the Westmoreland County Pride Project, and the Westmoreland County branch of the American Red Cross.
- **Pitt Give a Thread Campaign:** Pitt-Greensburg contributed more than 8,500 articles of clothing to the University-wide drive.
- **Walk a Mile in Her Shoes:** More than 30 students, faculty members, and staff members participated in the annual event hosted by the Blackburn Center Against Domestic and Sexual Violence.
- **The Club Ice Hockey Team** participated in the Hockey Saves program for returning veterans. They donated \$800 to the organization and provided ice time to returning veterans and active duty service members.
- **Combined, Pitt-Greensburg students, staff, and faculty** raised more than \$8,000 and provided more than 5,300 hours of service to 66 different community and national organizations.

University of Pittsburgh at Johnstown

- **President's Higher Education Community Service Honor Roll:** In 2014, Pitt-Johnstown was named to the President's Higher Education Community Service Honor Roll for the fourth time.
- **Moxham Community:** When Pitt-Johnstown unveiled its new strategic plan in August 2014, a key component was a seven-year commitment to help strengthen the Johnstown neighborhood of Moxham. In the fall of 2014, Pitt-Johnstown students, faculty, and staff invested more than 1,500 hours in transforming a Moxham playground, and additional efforts have included providing assistance with the installation of security cameras throughout the

neighborhood, providing homework help at an after-school program, sponsoring a community movie night, and completing projects at the historic Russell House.

- **Real World Action Program:** The signature Real World Action Program has been nationally recognized for its innovative approach to student engagement. In 2013-14, 2,432 students (84 percent of the overall student body) were actively engaged in service-oriented work and projects, completing more than 17,000 hours of service that benefited 45 community organizations. The Real World Action Program has provided a formal vehicle for community service and engagement on the Pitt-Johnstown campus and introduces students to the rewards and benefits that serving others can provide.
- **Pitt-Johnstown @ Your Service:** This year-round initiative connects students, faculty, and staff with community organizations and events throughout the area. Through this distinctive program, members of the Pitt-Johnstown community have performed thousands of hours of service on projects that address areas of vital importance to Pitt-Johnstown and the community.
- **Windber Research Institute (WRI) Collaboration:** This highly successful collaboration connects Pitt-Johnstown faculty members and students with WRI scientists on projects that include research into prostate cancer in African American men and ongoing exchange of research interests, student internships, and real-world opportunities. These efforts are enabling WRI and Pitt-Johnstown to actively contribute to the improved health of the region and beyond.
- **Allegheny Innovation:** Through this entrepreneurship program, Pitt-Johnstown is creating a robust and systematic means for identifying, educating, and nurturing entrepreneurial talent among its students. Partners include Lift Johnstown; the Community Foundation for the Alleghenies; Young Professionals of the Alleghenies; Johnstown Area Regional Industries; Goodwill Industries of the Conemaugh Valley; the U.S. Small Business Administration; and local entrepreneurs, investors, and consultants. The goal of the group is to contribute to local economic development by systematically matching investors with entrepreneurs.
- **Johnstown Free Medical Clinic:** Nursing students participate in a clinical rotation at the Johnstown Free Medical Clinic, providing free medical and pharmaceutical care to low-income uninsured adults.
- **Tutoring Services for Local Schoolchildren:** The Education Division established a formal articulation agreement

with the Greater Johnstown School District, providing intensive tutoring for pre-K–8 students as a structured component of teacher preparation and the district’s Response to Instruction and Intervention program.

- ***Help, Understanding, Guidance, and Support (HUGS)***
Program: HUGS is helping to minimize the impact of divorce, separation, and custody disputes on children. Pitt–Johnstown developed and offers the program through a partnership with the Cambria County Court of Common Pleas. Since the program was launched in 1996, 8,000 parents, guardians, and grandparents have completed the four-hour educational seminar.
- ***Pasquerilla Performing Arts Center:*** The Pasquerilla Performing Arts Center advances the region’s cultural development through a wide range of programming. Events, including full-scale Broadway performances, large musical groups, dance troupes, and internationally known speakers, attract an average of 20,000 patrons annually. The center also offers the popular Stage Door Series for children in grades K-4. The center, through the involvement of its executive director, also is an active member of the Arts Coalition of the Alleghenies, which advocates for the region’s arts community.

University of Pittsburgh at Titusville

- ***Division of Continuing Education and Regional Development:*** During the past year, the Division of Continuing Education and Regional Development developed and delivered six continuing education courses, enrolling 27 participants from across the region.
- ***Day of Poetry:*** Pitt–Titusville hosted the Day of Poetry, featuring poetry written and read by local elementary, middle, and high school students—as well as works from the students at Pitt–Titusville on campus during National Poetry Month.
- ***HOTAfest:*** Heart of the Arts Folk Music and Arts Festival: Pitt–Titusville hosted this festival sponsored by the Titusville Council on the Arts in July 2015. More than 60 workshops were presented for hundreds of visitors from Pennsylvania, Ohio, New York, and Canada.
- ***Orientation Project:*** Each year during orientation, first-year students assist with volunteer projects at 10 sites in Titusville. This year the projects included working in city parks, sorting clothing at a local charity, preparing the YWCA Titusville facilities for its early years program, cleaning toys at the YMCA of Titusville, working on projects at the homestead of Ida Tarbell and at the Drake Well Museum, adopting a highway, and painting the Perry Street station.

- ***Student Engagement:*** The Office of Student Affairs provides opportunities each year for students to volunteer at agencies in the Titusville area. In 2014–15, students volunteered 871 hours, and donated 2,075 items to the Pitt Gives campaign and \$2,568 to community projects and events.

Conclusion

The University of Pittsburgh’s current levels of state support are equal to the levels of support received in 1995—in nominal dollars, with no adjustment for inflation. Of course, the University’s expenses have not remained flat over that extended period. In fact, over those years, the Consumer Price Index has risen by 57 percent and the Higher Education Price Index has risen by 86 percent. Dealing with a cost structure when state support has been at 1995 levels, then, is one very significant challenge. It also should be noted that Pitt enrollments have grown by nearly 3,000 students and our annual research expenditures have increased by more than \$500 million since 1995, providing the Commonwealth with a much higher rate of return on every dollar invested in Pitt.

Pitt’s administration is aggressively pursuing strategies to reduce financial and operating risk throughout the institution, with an ongoing focus on implementing revenue enhancement and cost-management measures to proactively position the University for growth.

The collective efforts of the entire University community are driven by the belief in the power of higher education and in society’s obligation to make high-quality university opportunities available at a reasonable cost. We know that the products of University research already have improved the human condition and now stand at the center of this region’s innovation-driven economy. At the University of Pittsburgh, we are aware of how fortunate we are to be part of a community that includes so many talented and committed individuals.

With gratitude for past support, we look forward to a strong partnership with the Commonwealth as we work to extend our university’s strong, unbroken, 229-year tradition of building better lives.

BUDGET REQUEST

A Culture of Accountability

By 1995, the University of Pittsburgh had come to the clear realization that it had to dramatically improve the quality of its programming if it were to serve the Commonwealth effectively by attracting and retaining the most talented students and faculty. The University implemented a long-term, systematic strategy to focus its investment in its core academic and student life programs. That strategy called for partnerships among the University, students and their parents, research agencies, alumni, friends, and the Commonwealth to provide the resources required to achieve the necessary improvements.

Unfortunately, due to the decline in Commonwealth support, a greater share of the burden has had to be carried by students, their parents, and private donors. Their support for the University has demonstrated that the value of a Pitt education and the contributions that Pitt makes to the people of the Commonwealth are widely recognized. Despite higher-than-hoped-for tuition levels necessitated largely by disproportionate cuts in Commonwealth support, both the number of applications and the qualifications of the students who enroll have improved greatly. Pitt's funded research base, in a highly competitive environment, also has increased significantly. Similarly, the University's successful capital campaign attracted tens of thousands of donors who contributed at record levels because of the high level of confidence they have in the University.

Competing as it must with institutions that have far larger resource bases, Pitt has been very careful and thoughtful in its expenditures. To that end, it has implemented a detailed investment strategy that it has followed faithfully each year.

The University of Pittsburgh is a far different institution from what it was 21 years ago, and its improvements have been annual and systematic. These changes have been the result of careful planning and an investment strategy that directed resources to high-priority areas. Each year, through the budget process, every unit of the University critically examines every aspect of its operation and reallocates its own existing resources toward emerging priorities. The budget process annually identifies specific pools of funds for investment by senior officers to areas of highest promise. Through this reallocation, the University has developed numerous new academic and student life programs that are highly attractive to students, attracted and retained a superior faculty, built a high-quality research environment, modernized the physical plant, implemented enterprise management systems, and developed world-class information technology and library systems.

Through its structured process of goal setting, reallocation of resources, and assessment of results, Pitt has put in place a culture of accountability that ensures the effective utilization of resources. The University is clear in its goals, has definitive strategies by which to attain those goals, and carefully measures its effectiveness in all of its efforts. Based on this culture, the University is well positioned to make the most effective use of additional investments, particularly by the Commonwealth.

Cost Savings, Efficiencies, and Revenue Enhancement Initiatives

The University of Pittsburgh continues to make impressive progress in its drive to ever-higher quality—in academic excellence, pathbreaking research, community outreach, and all other aspects of this major public research university—even as it has controlled its expenses by creating efficiencies, cutting costs, raising revenues from federal research grants and private fundraising, and tightening its overall budget. And Pitt continues to be a primary driver of the Western Pennsylvania economy.

All this has been accomplished in spite of state support that continues to dwindle: The University now receives less than 8 percent of its budget from the state versus more than 30 percent in the mid-1970s.

Pitt has done the best it could in the face of state budgets that have severely eroded the Commonwealth's original commitment to the University since it became state related in 1966. Pitt's record of doing more with less is equal to any university in the country. The sound financial management of the University has been recognized by a number of independent resources, including the Middle States Commission on Higher Education review team. Recently, Pitt received a long-term upgrade in its bond rating, from AA/positive outlook to AA+/stable outlook, from Standard & Poor's. That is worthy of particular note given the recently issued negative assessments regarding the general outlook for higher education. In its report, the rating agency stated: "The positive outlook reflects our view of the university's fundamental institutional credit strengths, including a strong and pro-active management team, which has generated consistently solid financial operations of a full-accrual basis despite a constrained state funding environment and successful completion of a capital facilities plan with limited additional debt planned." Other positive factors cited in the report included "stable enrollment, strong student demand, and strong student quality" and "good revenue diversity from student tuition and fees, research grants, gifts, endowment income, and state operating appropriations." Standard & Poor's affirmed the University's long-term credit ratings and

outlook concurrent with the issuance of the 2015 PANTHERS Notes in July 2015. Separately, Moody's Investors Service affirmed the University's long-term credit rating of AA1/stable outlook in July 2015.

How has Pitt accomplished so much during a time of diminishing state support? The following are examples of the cost-cutting and efficiency measures that have been implemented

- **Channeled Spending Program and Strategic Purchasing:** The University consolidated suppliers and negotiated better pricing and volume discounts, resulting in cumulative savings of more than \$120 million over the past five years.
- **Budget Cuts:** The steady erosion of state support has resulted in several University budget reductions totaling \$53 million over the past seven years.
- **Postretirement Medical Benefits:** The University has redesigned its postretirement medical benefits program to increase eligibility requirements and cap University contributions. Cumulative savings over the past four years were more than \$32 million.
- **Contract Negotiation:** The Office of Facilities Management purchases electricity and natural gas from various energy suppliers through pricing agreements that vary in length depending on market conditions. For electricity purchases, the market is closely monitored, and when rates are favorable, competitive pricing is obtained for various periods of time. Recently, while rates were trending downward, a five-year contract was locked in for the purchase of electricity from January 2012 through December 31, 2016. The five-year fixed-price contract is projected to save the University \$17 million when compared with the prior contract.
- **Energy Conservation:** Through energy conservation initiatives, the University achieved recurring utilities savings of \$3.4 million since FY 2001 and cumulative savings of \$55.6 million since 1996.
- **Information Technology and Telecommunications:** Through various improvements in IT and telecommunications strategy and sourcing, the University has saved \$8.3 million over the past four years.
- **Employee Benefits:** The University extended the employee vesting period for its defined contribution plan, saving \$4.7 million over the past four years.
- **Electronic Reporting:** Through the electronic distribution of departmental budget reports, student bills, paychecks, and other departmental reports, the University saves more than \$1.6 million annually through reduced paper usage, postage, printing, and labor costs.
- **Increased Productivity:** Since 1996, the Office of Facilities Management has grown by only 13 employees despite managing 140 capital projects per year during the past 20 years, compared with 40 projects per year during the four years prior to that. Also in that time period, it managed an additional 3.7 million square feet of property. In 2000, in the Office of Research Accounting, each grant accountant handled \$19 million in research grants. Today, each accountant handles nearly \$41 million in grants.
- **Administrative Restructuring:** The University has realigned resources to meet academic needs through administrative restructuring, which saved costs. The administration of the College of General Students has been moved into the Kenneth P. Dietrich School of Arts and Sciences. Major administrative restructuring has occurred in the School of Dental Medicine and at the Bradford and Titusville campuses. The School of Information Sciences programs now are overseen by a schoolwide council.
- **Programmatic Consolidation and Elimination:** Schools realign resources to meet student demand. As resources are directed away from programs with low student demand, those programs are either consolidated or formally removed from the course catalog. As a result of this process, 66 academic programs have been eliminated over the past 19 years.
- **Voluntary Early Retirement Plan:** In 2012, the University implemented a voluntary early retirement plan for qualified staff employees; 352 staff members participated in the program, resulting in a total savings of \$16 million.

In response to this challenging economic environment, it is clear that the University has focused on maximizing its resources; implementing efficiencies and costs saving programs; and carrying out its three-part mission of education, research, and public service without sacrificing quality.

LINE ITEM OVERVIEW

In the past, support for the University of Pittsburgh from the Commonwealth was distributed into various line items until FY 2010. With approval of that state budget, the historical nonmedical line items (Educational and General, Services for Teens at Risk, Disadvantaged Students, and Student Life Initiatives) were absorbed into one General Support funding line. The Rural Education Outreach line was included with General Support until FY 2012, when it was separated back to an individual line item within Pitt's appropriation. The University continues to allocate funding to these historical line items using the same proportion of each line item total from the FY 2009 budget.

Line Item: General Support

The University of Pittsburgh's Educational and General expense funding comes from two primary sources: the annual Commonwealth of Pennsylvania appropriation and tuition payments. These two revenue streams provide our major source of discretionary income. The Educational and General funding we receive determines our ability to continue our progress in meeting and maintaining the quality of our mission.

Although Pitt receives significant levels of funding in the form of sponsored research and private gifts, the vast majority of these dollars are designated by the donors and legally required to be used for their specified purposes. These funds cannot be reallocated to cover general operating expenses or to meet other urgent needs. The Educational and General funds are the dollars the University must stretch to keep faculty and staff salaries competitive, maintain facilities, invest in library collections, improve student access to technology, provide a safe environment for all members of the Pitt community, and enhance student extracurricular, community, and recreational learning opportunities.

The level of Commonwealth support for Educational and General purposes affects the tuition Pitt must charge its students. Over the years, even prior to the massive cuts in FY 2012, Pennsylvania has been a "low-appropriation/high-tuition" state. The University has worked diligently and extensively to implement cost-cutting and operational efficiencies to offset declining Commonwealth support while maintaining a high quality of education. Although Pitt has done much to streamline operations, the need to sustain excellence remains our primary concern. An adequate and predictable increase in our appropriation, as Governor

Wolf has proposed using a two-year strategy to restore past funding levels, is an essential element if Pitt is to address the issue of affordability as it continues to offer a quality education to qualified Pennsylvania students.

Rural Education Outreach

With the Rural Education Outreach line item, the University of Pittsburgh at Bradford continues to deliver educational services to the most rural populations in Pennsylvania (in McKean, Elk, Cameron, Forest, Potter, Crawford, and Warren counties). These funds enable Pitt-Bradford to dedicate resources to meet the region's special postsecondary, training, and business needs. Through new programs, computer/technology training, and business workshops, along with technical assistance, Pitt-Bradford continues to improve the workforce and the competitiveness of north-central/northwestern Pennsylvania.

Funds in the Rural Education Outreach line item support the academic degree programs in accounting, hospitality management, computer information systems and technology, and nursing. Additionally, the line item supports the professional development, workforce development, and business services administered by the unit of Continuing Education and Regional Development.

An economic impact study conducted in 2012 showed that Pitt-Bradford contributes more than \$67 million to the regional economy each year. Pitt-Bradford supports 740 jobs, with 555 direct jobs and an additional 184 positions produced by the indirect effects of the University's expenditures. Additionally, 56 percent of Pitt-Bradford graduates remain in the region, contributing significantly to an educated workforce.

Pitt-Bradford assumed administrative oversight of the University of Pittsburgh at Titusville (in Crawford County) in May 2012 as part of a restructuring plan aimed at increasing operational efficiencies and collaborative programming. The Rural Education Outreach line item also supports the integration and strengthening of Titusville.

The University respectfully requests an increase in the FY 2017 Commonwealth appropriation to \$184,562,000 (which includes Pitt's Academic Medical Center funding from the Department of Human Services) for General Support and Rural Education Outreach, with \$2 million of the restored funding targeted specifically to support new innovation and entrepreneurship initiatives.

Former Line Items

Services for Teens at Risk (STAR-Center)

Founded in 1986 with funding from by the Pennsylvania General Assembly, STAR-Center is in its 30th year of developing and disseminating best practices for prevention and treatment of youth suicide and suicidal behavior to education and health professionals, families, and youths at risk. Through research, clinical care, training, and outreach, STAR-Center has become a widely recognized resource on youth suicide prevention and has had a strong influence on national best practice guidelines.

State prevention initiatives: At the state level, STAR-Center continues to provide integral leadership and technical support for the Pennsylvania Youth Suicide Prevention Initiative (PAYSPI) and with a Substance Abuse and Mental Health Services Administration suicide prevention grant awarded to the state. STAR-Center will assist in generating webinars, training materials, and resources to be archived and freely accessible for educators, clinicians, and other professionals on the PAYSPI Web site and participation in a suicide prevention conference attended by 150 participants from 30 counties.

Annual conference and Web site: STAR-Center's annual conference in Pittsburgh attracted more than 300 professionals from educational and human services professions representing 20 counties. This program, which included keynote addresses and several workshops, is archived on the center's Web site. The site hosts free, downloadable manuals dealing with the treatment of depression, anxiety, and emotion dysregulation as well as a guide for postventions in schools following a tragic event. The past year, the site received 112,394 visits, averaging 308 visits per day.

Outreach: STAR-Center's outreach program continues to provide training and technical assistance to more than 1,250 individuals from 32 Pennsylvania counties, with a total of approximately 87,250 individuals and groups served in Pennsylvania since the program's inception. STAR-Center postvention specialists are on call to any organization or school 24 hours a day, 365 days a year, for timely assistance in coordinating an effective response when a suicide or other tragedy occurs.

Clinical Care: STAR-Center provides rapid and comprehensive outpatient assessment and treatment for depressed, anxious, and suicidal youth. This past year, 368 new patients were assessed, a 26 percent increase from last year. The center now offers an intensive outpatient program to divert patients from the hospital or to transition them from inpatient to outpatient care. The center also has added a second group serving 156 patients and provides bereavement

support for the community when family members have lost a loved one to suicide, Survivors of Suicide (SOS). This past year, 65 bereaved adults participated in one of the center's 12-week SOS groups.

Training and technical assistance: The STAR-Center has provided training for three sites to develop their own programs. It provided training opportunities in its clinic for psychiatric and pediatric residents and PhD and master's-level students to learn STAR-Center's methods in evidence-based assessment and intervention, training 34 professionals in the past year.

Research: The center continues to conduct cutting-edge research that is not funded by STAR-Center but informs its practice. Currently, the faculty members who work in STAR-Center hold five National Institute of Mental Health grants and three foundation grants devoted to the use of technology to extend and enhance interventions; testing psychological treatments for emotionally labile, suicidal youth; screening for suicidal youth in pediatric emergency rooms; developing brief and efficient diagnostic screenings for patients; and identifying novel biological tests and interventions for treatment-resistant depression and suicidal behavior.

To continue this critical work and to meet the increased demand for clinical care, training, and leadership in Commonwealth suicide prevention initiatives, the University is requesting a FY 2017 Commonwealth appropriation of \$184,562,000 which includes Pitt's Academic Medical Center funding from the Department of Human Services.

Academic Medical Center Funding: School of Medicine*

The School of Medicine is one of the nation's leading academic centers of basic and applied research. The school is the nucleus of the region's cutting-edge biomedical research initiatives and home to a growing number of world-class investigators engaged in research in accelerating fields like cell biology and drug discovery; immunology; developmental and structural biology; regenerative medicine; cancer diagnostics and therapeutics; molecular biology, genomics, and proteomics; bioinformatics and computational biology; neuroscience; precision medicine; and comparative effectiveness research. Since 1998, Pitt has consistently ranked among the nation's top 10 educational institutions and affiliates in National Institutes of Health research funding. In fiscal year 2014, the faculty of the University ranked fifth in dollars awarded, with more than \$456 million in total funding, much of which is attributable to the School of Medicine.

Although noted for research, the School of Medicine makes educating tomorrow's physicians its top priority. The school's curriculum melds medicine's scientific and humanistic aspects by emphasizing patient involvement from the first day of medical school. Students train in a broad variety of community settings, and each student engages in a research project aimed at cultivating creative and independent thinkers in medicine and biomedical science. The school's accreditation was renewed for the maximum period of eight years in 2011 by the Liaison Committee on Medical Education, the accrediting authority for MD degree programs in the United States and Canada.

In 2015–16, the School of Medicine has 583 MD students, of whom 273 (47 percent) are women, and 152 (26 percent) are from Pennsylvania. Approximately 15 percent of the students are from groups that are underrepresented within the medical profession.

Pitt's medical school also offers graduate studies in molecular genetics and developmental biology, biomedical informatics, cell biology and molecular physiology, cellular and molecular pathology, clinical research, medical education, molecular pharmacology, molecular virology and microbiology, immunology, integrative systems biology, neurobiology, computational biology, molecular biophysics and structural biology, and clinical and translational science. Following graduation, skilled scientists from all of these training programs will become the next generation of university researchers and teachers as well as leaders in the entrepreneurial workforce of the Commonwealth's biotechnology cluster.

The Center for Continuing Education in the Health Sciences serves approximately 168,000 physicians and other health professionals annually through formal courses, case conferences, and self-study activities. The center works with a variety of statewide constituencies to produce education that advances new models of health care, interprofessional practice, translation of best evidence into clinical care, improved health outcomes, and public health initiatives.

The 50 percent cut to Pitt's Academic Medical Center funding in FY 2012 resulted in further reduction of the tuition discount for Pennsylvania students. The ultimate result of this diminishing support is that the differential between in-state and out-of-state tuition will decrease to a level at which many Pennsylvania resident students will seek their medical education and training out of state. This reduction in the number of physicians receiving education and training in Pennsylvania could greatly reduce the pool of individuals willing to practice in the Commonwealth.

***Pitt's School of Medicine funding since 2006 is contained within the Academic Medical Center line in the Department of Human Services budget**

Academic Medical Center Funding: Dental Clinic, School of Dental Medicine*

The School of Dental Medicine provides dental care to patients through 14 on-site dental clinics. Specialties include dental anesthesiology, oral and maxillofacial surgery, orthodontics and dentofacial orthopaedics, pediatric dentistry, periodontics and preventive dentistry, dental hygiene, endodontics, prosthodontics, and restorative dentistry/comprehensive care. More than 40,000 patients from Southwestern Pennsylvania have been treated at the school in the past five years, and, in 2014, more than 100,000 procedures were performed.

The school's high-quality services are provided on a nondiscriminatory basis to a large number of patients who cannot afford to receive dental care elsewhere. The school's discounted fees saved uninsured self-pay patients more than \$2.9 million compared with estimated fees for the same services at private dental practices and the accepted contractual adjustments of more than \$540,000 for Medical Assistance patients, who constitute 34 percent of all clinic patients. This number includes almost 600 patients treated in the Center for Patients with Special Needs. Through both the summer Adolescent Screening Clinic and the annual Give Kids a Smile Day program, children and teens receive necessary treatment free of charge.

The clinics also serve as the foundation of the educational program of the School of Dental Medicine, in which many of Pennsylvania's future dental practitioners receive their training. To augment their experience in the school's clinics, students receive additional exposure to the dental public health needs of Pennsylvania residents through a mandatory curricular program called the Student Community Outreach Program and Education (SCOPE). During their external SCOPE rotation, students provide dental care in one of 20 federally qualified health centers throughout Western and south-central Pennsylvania under the supervision of adjunct faculty members. SCOPE creates valuable encounters between senior students, who will soon face decisions regarding locations in which to practice, and these adjunct faculty members who have dedicated their professional lives to serving Pennsylvanians in greatest need. Today, more than 7,500 School of Dental Medicine alumni, many of whom are adjunct faculty members, practice in nearly every county of the Commonwealth, across the country, and around the globe.

The school's mandate to provide meaningful patient care experiences for the students who will become the region's and the nation's future dentists while serving the unmet oral health needs of low-income citizens of the Commonwealth presents a compelling case for increasing public funding for school-based dental services. Specific areas of opportunity

are the restoration of the Commonwealth's 2012 cut to Pitt's Academic Medical Center funding and expansion of adult Medical Assistance coverage for more advanced procedures (root canals, crowns, bridges, dentures, etc.) performed in an academic medical center like Pitt's.

***Pitt's Dental Clinic (School of Dental Medicine) funding since 2006 is contained within the Academic Medical Center line in the Department of Human Services budget.**

Academic Medical Center Funding: Western Psychiatric Institute and Clinic*

Mental and behavioral health disorders remain the leading cause of years of life lost to disability and premature mortality in the United States and throughout the world, accounting for nearly 25 percent of the global burden of years lived with disability. Western Psychiatric Institute and Clinic (WPIC) of UPMC has been responding to this growing public health concern for more than 60 years.

The only university-based psychiatric program and part of the only state-related academic medical center in Western Pennsylvania, WPIC is home to the Department of Psychiatry of the University of Pittsburgh School of Medicine. WPIC integrates research, education, and clinical services and has provided many opportunities to bring the latest knowledge and best practices quickly into clinical settings and ultimately to individuals in need of care.

WPIC is a world leader in advancing the behavioral health field and setting the global standard for care. Ranked ninth among the psychiatric hospitals in the country by *U.S. News & World Report*, WPIC is at the forefront in the prevention and diagnosis of mental illness and/or addictive disorders and treatment of individuals recovering from the same. Many individuals and families from across Pennsylvania come to WPIC and its network sites for assessment and treatment in nationally recognized programs of clinical excellence.

In FY 2015, WPIC provided treatment and support to more than 32,000 individuals and families and received more than 130,000 inquiries through its 24-hour crisis telephone service, many of which required immediate intervention and care. WPIC has expanded the use of telepsychiatry services to eight sites, providing additional access to a full range of clinical expertise and consultation services from WPIC.

WPIC's Crisis Training Institute provides an array of training in crisis management, trauma-informed care, suicide intervention, mental health awareness, and critical incident stress management (CISM). CISM serves as the basis for the seven-plus-member WPIC Behavioral Health Response Team, which provides support to individuals within WPIC

and Allegheny County impacted by an adverse event. In the past fiscal year, approximately 130 individuals were trained in CISM to increase the Commonwealth's behavioral health response capabilities.

The leading provider of behavioral health workforce development and training in the Commonwealth, WPIC is an academic training center for medical students, psychiatric residents, other health professionals, students, and pre- and postdoctoral fellows.

Based on data from Federal Fiscal Year 2014—the most recent finalized numbers available from the National Institutes of Health—the University of Pittsburgh School of Medicine's Department of Psychiatry, housed at WPIC, remains number one nationally in NIH research funding among departments of psychiatry.

The 50 percent cut (approximately \$3.6 million) to Pitt's Academic Medical Center funding in FY 2012 has had widespread adverse effects on WPIC, including the inability to absorb the cost of care for indigent patients at WPIC's nearly 400 licensed beds and more than 50 ambulatory programs that historically have served the needs of more than 32,000 individuals and families in the region as well as staff reductions that reduce WPIC's research and training capacity and, thus, result in fewer grants and contracts and lost job creation.

***Pitt's Western Psychiatric Institute and Clinic funding since 2006 is contained within the Academic Medical Center line in the Department of Human Services budget.**

Academic Medical Center Funding: Center for Public Health Practice*

The Center for Public Health Practice (CPHP), established in 1995 with an appropriation from the Commonwealth of Pennsylvania, is a catalyst for engaged scholarship in public health through applied research, practice-based teaching, and professional service. CPHP's programs include workforce training, cutting-edge research and education in public health practice, and technical consultation and development for the Commonwealth's public health agencies.

CPHP was awarded a multimillion-dollar grant from the Health Resources and Services Administration to establish and operate the Mid-Atlantic Regional Public Health Training Center (MAR-PHTC). As one of the 10 centers in the national network, MAR-PHTC joins with partners at Drexel University, West Virginia University, Johns Hopkins University, and the Institute for Public Health Innovation to provide training for the public health workforce in Pennsylvania; West Virginia; Virginia; Delaware; Maryland;

and Washington, D.C., and claims public health informatics as its area of expertise. Target audiences include the current and future workforce. Skill-based training is developed and delivered in both face-to-face and distance-accessible modalities to address the assessed needs of the current workforce. Experiential learning opportunities—projects supported by faculty advisors and field placements—are provided to graduate students in schools of public health throughout the region. MAR-PHTC has partnered with the Allegheny County Health Department to conduct the annual Pittsburgh Summer Institute in Applied Public Health, a combined practicum and learning program that pairs students with public health professionals. This program has been recognized as a “Promising Practice” by the Health Resources and Services Administration.

The Public Health Adaptive Systems Studies project, based at CPHP, is one of nine national Preparedness and Emergency Response Research Centers funded by the Centers for Disease Control and Prevention.

The Pennsylvania Department of Health (PADOH) has requested and funded CPHP to conduct numerous preparedness and management-related trainings, including facilitating a hospital preparedness conference, assisting in the development of the PADOH strategic plan, facilitating the development of the State Health Improvement Plan, and developing online modules pertaining to the health of special populations.

Since 2009, funding from the Commonwealth of Pennsylvania to CPHP has been greatly reduced. This loss of core support reduces CPHP’s ability to compete for grants and contracts from federal agencies and other funding sources, multiplying the funding loss to millions of dollars. The impact of these cuts is felt in job losses, reduced educational capacity, and decreased research productivity, thereby affecting the Commonwealth as a whole.

***Pitt’s Center for Public Health Practice funding since 2006 is contained within the Academic Medical Center line in the Department of Human Services budget.**

THE UNIVERSITY OF PITTSBURGH FY 2016–17 BUDGET REQUEST

The University of Pittsburgh requests the following amounts in our appropriation for the upcoming fiscal year:

Line Items	FY 2016–17 Budget Request (in thousands)
General Support	\$165,090
<i>Allocated to Educational and General, Disadvantaged Students, Services for Teens at Risk, and Student Life Initiatives</i>	
Rural Education Outreach	2,905
TOTAL NONPREFERRED APPROPRIATION REQUEST	167,995
Academic Medical Center Funding* (through the Department of Human Services)	
School of Medicine	8,117
Dental Clinic	955
Western Psychiatric Institute and Clinic	7,125
Center for Public Health Practice	370
Total Academic Medical Center Funding	16,567
Grand TOTAL General Support and Academic Medical Center	\$184,562

* These line items are no longer contained in the University's nonpreferred appropriation bill. They are now funded through the Department of Human Services, together with matching federal Medicaid funds, pursuant to the "federalization" initiative implemented in FY 2006.

TABLES AND MAPS

UNIVERSITY OF PITTSBURGH
Commonwealth Appropriations: Line Items (In Thousands)

Line Item	FY 2015 Actual	FY 2016 Budget	FY 2017 Request	Increase/ (Decrease) over FY 2016 Budget	% Recommendation	FY 2017 Governor's Recommendation	Increase/ (Decrease) over FY 2016 Budget	%
General Support <i>Allocated to Educational and General, Disadvantaged Students, Services for Teens at Risk, and Student Life Initiatives</i>	\$133,993	\$140,693	\$165,090	\$24,397	17.34%	\$147,728	\$7,035	5.0%
Rural Education Outreach	2,300	2,500	2,905	405	16.20%	2,625	125	5.0%
<i>Total (excluding Academic Medical Funding)</i>	<i>\$136,293</i>	<i>\$143,193</i>	<i>\$167,995</i>	<i>\$24,802</i>	<i>17.32%</i>	<i>\$150,353</i>	<i>\$7,160</i>	<i>5.0%</i>
Academic Medical Center Funding through Department of Human Services								
School of Medicine *	5,434	5,906	8,117	2,211	37.30%	5,434	-472	(8.0%)
Total State and Federal Funding	639	694	955	261	31.91%	639	-55	(7.9%)
Dental Clinic *								
Total State and Federal Funding	4,770	5,188	7,125	1,937	37.31%	4,770	-418	(8.0%)
Western Psychiatric Institute and Clinic *								
Total State and Federal Funding	256	278	370	92	53.53%	256	-22	(7.9%)
Center for Public Health Practice *								
Total State and Federal Funding	\$11,099	\$12,066	\$16,567	\$4,501	37.30%	\$11,099*	(-967)	(8.0%)
<i>Total Academic Medical Center Funding</i>								
TOTAL ALL FUNDING	\$147,392	\$155,259	\$184,562	\$29,303	18.87%	\$161,452	\$6,193	3.99%

* The Academic Medical Center funds are aggregated within the Department of Human Services budget and include matching federal Medicaid funds. The amounts listed are estimates pending confirmation from the Department of Human Services.

* FY 2016 numbers are based on the approved budget. However, the University's funding was vetoed by the governor and Pitt's nonpreferred bill has not yet passed the General Assembly. As such, no FY2016 general support funding has been received.

HEADCOUNT ENROLLMENT BY CAMPUS, SCHOOL, LEVEL, AND STATUS
Pittsburgh Campus, Regional Campuses, and University Total
Fall Term 2015

	Undergraduate			Graduate			Doctorate- Professional Practice			Total -All Levels		
	Full- Time	Part- Time	Total	Full- Time	Part- Time	Total	Full- Time	Part- Time	Total	Full- Time	Part- Time	Total
	Pittsburgh Campus	10,480	397	10,877	1,336	69	1,405				11,816	466
College of General Studies	602	433	1,035							602	433	1,035
Joseph M. Katz Graduate School of Business				401	453	854				401	453	854
School of Education	199	9	208	469	277	746	34	163	197	702	449	1,151
Swanson School of Engineering	2,918	55	2,973	713	255	968				3,631	310	3,941
School of Law				34	17	51	454	2	456	488	19	507
Graduate School of Public and International Affairs				314	91	405				314	91	405
School of Social Work	83	12	95	449	156	605				532	168	700
School of Information Sciences	127	47	174	392	118	510				519	165	684
College of Business Administration	2,100	47	2,147							2,100	47	2,147
School of Dental Medicine	66	4	70	51	5	56	327		327	444	9	453
School of Nursing	543	9	552	153	95	248	68	97	165	764	201	965
School of Pharmacy	188		188	65	3	68	261		261	514	3	517
Graduate School of Public Health				436	164	600				436	164	600
School of Medicine				260	112	372	605	1	606	865	113	978
School of Health and Rehabilitation Sciences	581	8	589	576	62	638	179	11	190	1,336	81	1,417
University Center for Social and Urban Research					13	13					13	13
Total	17,887	1,021	18,908	5,649	2,890	7,539	1,928	274	2,202	25,464	3,185	28,649
Regional Campuses	2,744	72	2,816							2,744	72	2,816
Greensburg	1,471	91	1,562							1,471	91	1,562
Titusville	294	119	346							294	52	346
Bradford	1,334	119	1,453							1,334	119	1,453
Total	5,843	334	6,117							5,843	334	6,177
University Total	23,730	1,355	25,085	5,649	1,890	7,539	1,928	274	2,202	31,307	3,519	34,826

FTE ENROLLMENT BY CAMPUS, SCHOOL, LEVEL, AND STATUS
Pittsburgh Campus, Regional Campuses, and University Total
Fall Term 2015

	Undergraduate	Graduate	Doctorate- Professional Practice	Total -All Levels
Pittsburgh Campus				
Kenneth P. Dietrich School of Arts and Sciences	10,638.8	1,363.6		12,002.4
College of General Studies	775.2			775.2
Joseph M. Katz Graduate School of Business		582.2		582.2
School of Education	202.6	579.8	99.2	881.6
Swanson School of Engineering	2,940.0	815.0		3,755.0
School of Law		40.8	454.8	495.6
Graduate School of Public and International Affairs		350.4		350.4
School of Social Work	87.8	511.4		599.2
School of Information Sciences	145.8	439.2		585.0
College of Business Administration	2,118.8			2,118.8
School of Dental Medicine	67.6	53.0	327.0	447.6
School of Nursing	546.6	191.0	106.8	844.4
School of Pharmacy	188.0	66.2	261.0	515.2
Graduate School of Public Health		501.6		501.6
School of Medicine		304.8	605.4	910.2
School of Health and Rehabilitation Sciences	584.2	600.8	183.4	1,368.4
University Center for Social and Urban Research		5.2		5.2
Total	18,295.4	6,405.0	2,037.6	26,738.0
Regional Campuses				
Johnstown	2,772.8			2,772.8
Greensburg	1,507.4			1,507.4
Titusville	314.8			314.8
Bradford	1,381.6			1,381.6
Total	5,976.6			5,976.6
University Total	24,272.0	6,405.0	2,037.6	32,714.6



“... we look forward to continuing to work together to promote the shared goal of a prosperous Commonwealth by providing the highest quality educational opportunities to its citizens and harnessing the full potential and impact of our researchers, innovators, and entrepreneurs.”

PATRICK GALLAGHER
CHANCELLOR, UNIVERSITY OF PITTSBURGH





University of Pittsburgh

The University of Pittsburgh, as an educational institution and as an employer, values equality of opportunity, human dignity, and racial/ethnic and cultural diversity. Accordingly, as fully explained in Policy 07-01-03, the University prohibits and will not engage in discrimination or harassment on the basis of race, color, religion, national origin, ancestry, sex, age, marital status, familial status, sexual orientation, gender identity and expression, genetic information, disability, or status as a veteran. The University also prohibits and will not engage in retaliation against any person who makes a claim of discrimination or harassment or who provides information in such an investigation. Further, the University will continue to take affirmative steps to support and advance these values consistent with the University's mission. This policy applies to admissions, employment, and access to and treatment in University programs and activities*. This is a commitment made by the University and is in accordance with federal, state, and/or local laws and regulations.

For information on University equal opportunity and affirmative action programs, please contact: University of Pittsburgh; Office of Diversity and Inclusion; Katie Pope, Title IX Coordinator, and Cheryl Ruffin, 504 and ADA Coordinator; 500 Craig Hall; 200 South Craig Street; Pittsburgh, PA 15260; 412-648-7860.

For complete details on the University's Nondiscrimination Policy, please refer to Policy 07-01-03. For information on how to file a complaint under this policy, please refer to Procedure 07-01-03.

**Except where exempt by federal or state laws.*

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