LEGISLATIVE APPROPRIATIONS REQUEST
FISCAL YEARS 2028 AND 2029

Submitted to the Office of the Governor, Budget and Policy Division,
and the Legislative Budget Board

THE UNIVERSITY OF TEXAS SYSTEM ADMINISTRATION

August 2026

THE UNIVERSITY OF TEXAS SYSTEM ADMINISTRATION
TABLE OF CONTENTS

Schedules Not Included

Agency Code:	Agency Name:	Prepared By:	Date:	Request Level:
720	The University of Texas System Admin.	Derek Horton	August 2026	Baseline

For the schedules identified below, the U. T. System Administration either has no information to report or the schedule is not applicable. Accordingly, these schedules have been excluded from the U. T. System Administration Legislative Appropriations Request for the 2026-27 biennium.

Number	Name
2.D.	Summary of Base Request Objective Outcomes
2.G.	Summary of Total Request Objective Outcomes
3.C.	Rider Appropriations and Unexpended Balances Request
6.B.	Current Biennium One-time Expenditure Schedule
6.F.	Advisory Committee Supporting Schedule
6.J	Summary of Behavioral Health Funding
6.K	Budgetary Impacts Related to Recently Enacted State Legislation Schedule
6.L.	Interagency Contracts Schedule
Schedule 1A	Other Educational and General Income
Schedule 1B	Health Related Institution Patient Income
Schedule 8B	CCAP Revenue Bond - Issuance History
Schedule 8C	CCAP Revenue Bonds Request by Project

720 The University of Texas System Administration

The University of Texas System Administration (System Administration) submits the following Legislative Appropriations Request (LAR) for fiscal years 2028 and 2029 to the Governor's Budget and Policy Division and the Legislative Budget Board.

Overview of the UT System

Founded in 1883, The University of Texas System (UT System or System) is governed by a nine-person board of regents (Board of Regents) appointed by the governor and confirmed by the Texas Senate. Regents serve staggered six-year terms, with the terms of three expiring on February 1 of each odd-numbered year. The governor also appoints a non-voting student regent for a one-year term ending each May 31. (The composition of the Board of Regents is part of the organization chart in this LAR.)

The chancellor of the UT System, Dr. John M. Zerwas MD, is the chief executive officer, appointed by the Board. The Board has the responsibility to provide strategy and policy direction, oversight, and governance for the System. UT System Administration provides oversight, direction, and coordination for the nine academic and four health related institutions (listed as part of the organization chart) that make up the UT System, consistent with state law and Regents' Rules and System policies.

The UT System's contributions to Texas are unparalleled:

• UT System institutions educate more than 270,000 students – more than 1/3 of all students in Texas public institutions and 96,000 more than the next largest Texas university system – hailing from nearly every county in Texas.

• UT System institutions produced more than 67,000 graduates in the 2024-2025 academic year, over 26,000 more degrees and certificates than the next largest state system, and an increase in degrees and certificates awarded of more than 21 percent over the last decade.

• Over half (51%) of the degrees awarded by UT System academic institutions are in science, technology, engineering, or mathematics (the STEM fields) and health-related fields, higher than both the state (44%) and national (43%) proportions.

• 42% of the degrees and certificates awarded by public four-year higher education institutions in key fields (defined by the Texas Higher Education Coordinating Board [THECB] as computer science, engineering, mathematics, and physical science) in Texas were earned at a UT System academic institution.

• More than 157,000 UT graduates are working in Texas public schools.

• UT System institutions award 55% of the medical degrees and account for 65% of the resident physicians in accredited programs among Texas public institutions.

• Over 18,000 UT-educated physicians are practicing in Texas, with over 2,000 working in medically underserved areas.

• More than 5,300 medical and dental residents are providing health care and receiving advanced training at UT medical schools and affiliated hospitals.

• The UT System employs more than 138,000 faculty, health care professionals, and staff, making the System one of the largest employers in Texas.

• UT System health institutions provided more than 12.1 million outpatient visits in 2025.

• UT System research expenditures total over $5.2 billion, and federal research expenditures are the largest in the state and third largest in the country.

• UT System institutions collectively rank 4th in the Top 100 Worldwide Universities Granted US Utility Patents for 2025 released by the National Academy of Inventors. This translates to UT System institutions receiving a utility patent every 1.6 days.

• Innovation and technology from UT System institutions lead to the creation of a new company every 14 days and generate an invention disclosure every 9 hours.

• The economic impact of the UT System and its value to the Texas economy is also unequaled. The thousands of students who earned a degree from a System institution in 2024, as a group, earned $2.72 billion working in Texas in 2025 alone.

• It is the largest higher education university system in Texas, with an annual budget in FY 2026 of $33.3 billion, more than three times the size of the next largest state system of higher education.

Method of Funding the UT System

UT System Administration is financed primarily through the Available University Fund (AUF), made up of an annual distribution from the Permanent University Fund (PUF) and certain surface-related income directly deposited to the AUF. Some aspects of System Administration are self-funded in whole or in part, such as the oversight of the System's insurance and risk programs and management of University Lands, which is funded directly from the Permanent University Fund. Some programs receive separate state funding, such as the Texas Medical and Dental Schools Application Service, which manages applications to all the state's public medical and dental schools.

Most General Revenue received by System Administration does not support operations but rather is trusteed for other purposes, including debt service on the Natural Science and Engineering Laboratory at The University of Texas at Dallas, the statewide , the Trauma Research and Combat Casualty Care Collaborative (TRC4), Lone Star Stroke Initiative, Real Health AI, and the Texas Heart Institute The one exception is the multi-institution center in Laredo. The University of Texas Education and Research Center at Laredo (UT Center at Laredo) is a byproduct of the state's South Texas Border Initiative and related efforts to improve the accessibility and quality of higher education and services in South Texas.

UT System Priorities
Foremost among the UT System priorities is student success. The focus on our students takes many forms:
• The UT System Regents' Promise Plus Program provides free tuition and mandatory fees to qualified students from families with adjusted gross income of $100,000, up to a high of $125,000 at UT RGV.
• An emphasis on increasing retention, persistence, and four- and six-year graduation rates.
• Initiatives designed to promote financial well-being, effective advising, and the ability to succeed in the workforce upon graduation. This includes access to internships like the new Texas Legislative Fellowship program, focusing on civic participation and the UT System Credentials for the Future initiative provides micro credentials focused on workforce and industry needs at no cost to students and alumni of all 13 UT institutions. It is the largest skills-based credential program in American higher education.
• Understanding that some students occasionally need assistance outside the classroom to succeed and responding with programs to support mental health and well-being, including college and career readiness programs, health care support initiatives and 24-hour mental health hotlines and services.
• Measuring student success beyond the classroom by leveraging short-term and long-term post- collegiate earnings outcomes for UT graduates and assisting our students and recent graduates in launching successful careers.

UT System institutions significantly contribute to improving health, health care delivery, and health innovation across Texas by:
• Educating more than half of the state's degree recipients in health care professions with a 4-year degree or higher.
• Serving as a cornerstone of community health improvement through public health programs at all UT System health related institutions across the state.
• Constituting a statewide health care enterprise of UT System institutions, with special emphasis on cancer, neurosciences, and diabetes.
• Forming collaborations between The University of Texas MD Anderson Cancer Center, the nation's top cancer hospital, and sister institutions in Austin, San Antonio, and East Texas to provide high-quality cancer treatment, education, and research. Nowhere is the commitment and investment more evident than with the plans for the new Dell Medical Center in Austin that will serve as an integrated teaching hospital and cancer center.
• Drawing together the resources of all UT System institutions to address Alzheimer's, dementia, concussions, and post-traumatic stress disorder (PTSD).
• Enhancing access and delivery of mental health services to children and adolescents across the state through participation in the Texas Child Mental Health Care Consortium (Consortium). Selected by the Consortium Executive Committee to serve as its administrative support entity, the UT System stands ready to continue to assist the twelve health-related institutions, HHSC, and three mental health care organizations that comprise the Consortium as they further develop critical health care system improvements and vital services for children, adolescents, and women. Accordingly, the UT System supports continued funding for this transformational initiative.

Looking to the future, UT institutions are focused on remaining on the cutting edge of new and emerging technology, methods of learning and teaching, and ways to manage and use information. They are also using AI to enhance and expedite important research projects, deliver better and faster outcomes for patients, and allow students to use much larger amounts of data when completing projects. As Texas continues to grow, UT institutions continue to innovate and invest in the future by creating new opportunities and pathways for populations whose talents and contributions are essential to our nation's vitality and health.

UT System Needs for the 2028-2029 Biennium

The UT System would not be able to fulfill its vital education, research and health care mission without the continued support of the State of Texas through the Texas Legislature.

Formula funding provides a basic level of state support for operations, regardless of the institution's size or mission. This is an equitable and predictable source of funding that institutions rely on to educate, implement programs and initiatives that increase student success on their campuses, and achieve the statewide higher education goals while maintaining affordability and access. Increased formula funding across the General Academic Institution and Health-Related Institution formulas to address growth and inflation is fundamental to our ability to meet workforce needs, especially in critical health care workforce shortage areas.

Funding for additional graduate medical education (GME) positions to attract new doctors to come to and remain in Texas will also directly impact critical health care workforce shortages and continue to improve the quality of care delivered to Texans through our research advancements and clinical providers.

Research-based formula funding is especially key to the future of UT Austin as one of the state's two public academic flagships, as well as to the continued growth and success of UT's six additional Carnegie-classified R1 research institutions - UT Arlington, Dallas, El Paso, San Antonio, UT Health Houston, and UT Southwestern Medical Center. The UT System requests continued investment in those institutions through the Texas Research University Fund and the National Research Support appropriations. Additional investment in the Research Enhancement Formula and performance-based research formulas for UT health-related institutions will spur research and discovery and the subsequent commercialization of intellectual property, as well as enhance state and regional economic development, building this vital part of the state's intellectual infrastructure.

Other sources of funds are important for UT institutions' research efforts as well, such as the grants for cancer research, prevention, product development and recruitment through the Cancer Prevention and Research Institute of Texas (CPRIT), the new Dementia Prevention and Research Institute of Texas (DPRIT) passed by the 89th Legislature to accelerate research associated with Alzheimer's and dementia, and the recruitment of distinguished researchers to Texas from other states through the Governor's University Research Initiative (GURI). CPRIT will be reviewed for reauthorization next session, so full funding during this session would assist in continuing the program, accelerating progress and building a world where cancer is no longer a threat.

Serving veterans and their families remains a priority for UT institutions. We are grateful that the 89th Legislature maintained funding for the Hazlewood Legacy program and request that the 90th Legislature maintain at least that level of support.

Non-formula support funding for items across the UT System aids a wide range of goals and initiatives for our state and our institutions. Some items contribute to student success; others support institutions' unique research strengths or address state policy and health priorities; others build the infrastructure of state government; and some, over time, have come to provide essential funding for basic institutional operations. UT System recognizes the role of the state is to ensure Texas remains competitive and affordable. Each UT institution has submitted its Legislative Appropriations Request at 97% of base funding, consistent with the limits provided. While their approaches to the 3% reduction varied, each was carefully considered, and reviewed by the UT System.

At the core of the UT System's tuition setting process is a philosophy that tuition rates should be affordable and predictable, limited to the amount necessary to achieve institutional goals within the context of a comprehensive financial plan. This philosophy of prudent financial management requires thorough review of all sources of revenues, including state appropriations, to ensure that every dollar is used to its most impactful extent before increases to tuition and fees are considered. To help maintain affordability and access at all UT institutions, the System supports increases in funding for student financial aid, including TEXAS Grants and other financial aid programs.

As UT institutions grow and facilities age, campuses are faced with costly construction and facility renewal obligations. If, during the 90th Legislative Session, the Legislature considers passage of a capital construction assistance project (CCAP) bill, each UT institution has prepared and submitted a top priority capital project to help address those needs.

Legislative support is also necessary in less obvious ways, such as the state's contribution to employees' health insurance costs. The UT System appreciates continued support for the program.

Funding Requests 2028-2029 Biennium

The UT System Administration 2028-2029 funding request is submitted at 97% of the 2026-2027 base per the policy letter.

The UT System requests the continuation of funding existing non-formula support items and trusteed programs.

- UT Center at Laredo will continue to develop and expand the delivery of critically needed health-related academic and research programs in Laredo and the surrounding region. Through existing support, the Center now offers ten academic programs delivered by four UT System institutions, with five more in active development for Fall 2028. Should the 90th Legislature consider funding capital projects, UT System requests a $50 million CCAP for Clinical Research Facilities for the Laredo Center.
- The Trauma Research and Combat Casualty Care Collaborative's (TRC4) mission is to harness the capabilities and expertise of the UT System and leverage state and federal support to transform trauma care both in the civilian sector and on the battlefield. TRC4 pursues this mission through funding transformative, inter-institutional, and collaborative basic, clinical, and translational research that can be rapidly deployed to improve trauma care throughout the state of Texas and, ultimately, nationally, and internationally.
- Over the next biennium, Lone Star Stroke will shift from conducting innovative studies to implementing proven stroke care solutions across Texas, accelerating the translation of research into practice and improving prevention, emergency care, rehabilitation, recovery, and long-term outcomes.
- UT-REAL-Health-AI aims to create standardized best practices, make data sharing and model evaluation more efficient, and improve standardization across Texas for access to AI healthcare applications. The initiative also assists state institutions in the development of new and transformative AI healthcare delivery tools.
- Texas Heart Institute

Criminal Background Checks

System Administration's policy is to obtain criminal history information on all finalists considered for appointment to all positions, as they are all deemed security sensitive, as allowed by Government Code Section 411.094 and Education Code Section 51.125. All background checks are conducted with appropriate notice and consent measures when applicable.

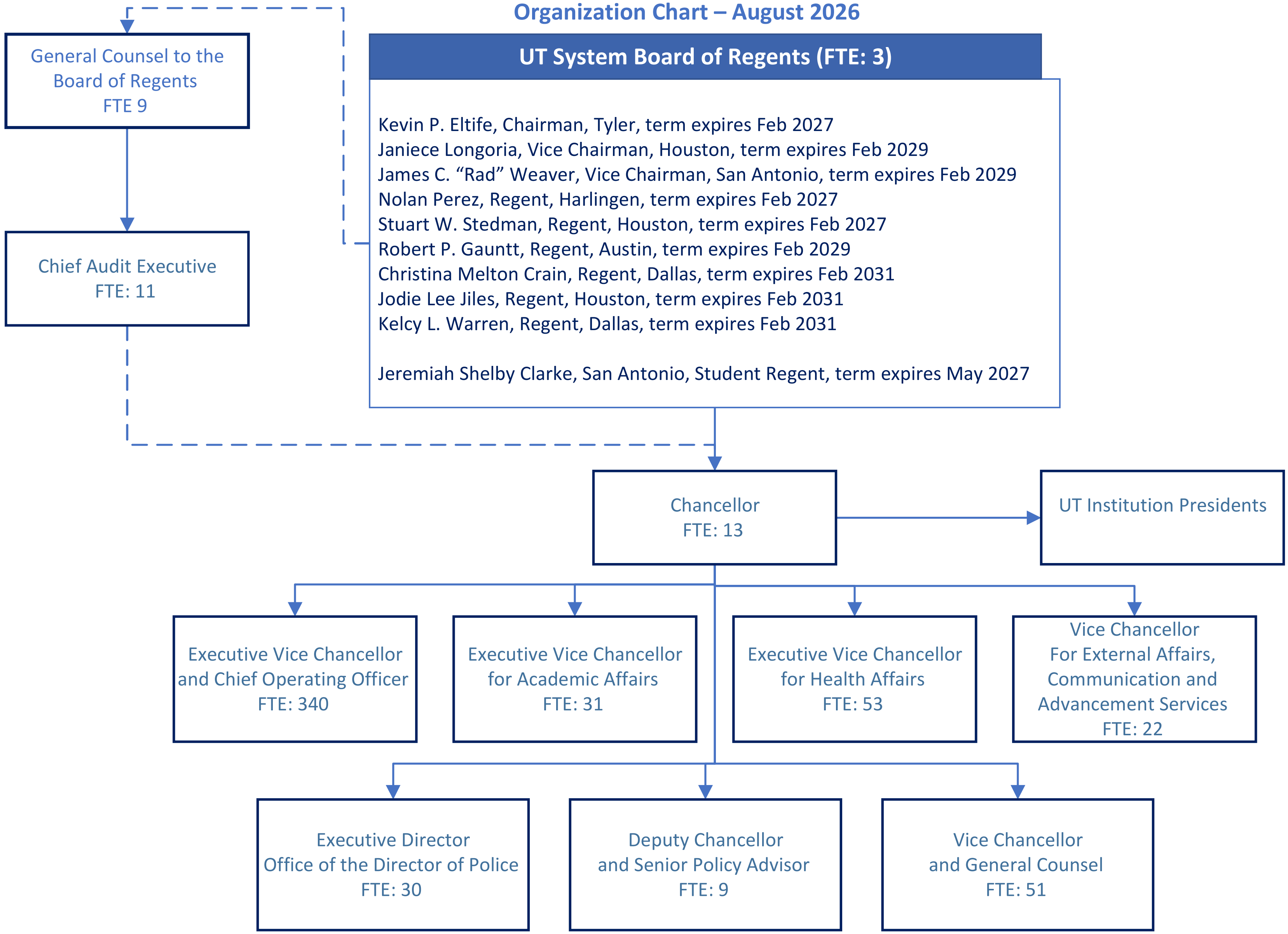
Programs Recommended for Consolidation of Elimination by the THECB

720 The University of Texas System Administration

Pursuant to Sec. 61.0512(f), Education Code, the following is a list of programs the Texas Higher Education Coordinating Board recommended for consolidation or elimination that the UT System Board of Regents approved for continuation:

The University of Texas at Austin:
• Ph.D. Architecture
• B.A. German
• B.S. Geosystems Engineering
• Ph.D./D.M.A. Music and Human Learning
The University of Texas at El Paso:
• M.S. Geophysics
The University of Texas Permian Basin:
• B.A. Spanish
Stephen F. Austin State University:
• M.A. Hispanic Studies
The University of Texas at Tyler:
• M.A. Communication
The University of Texas Health Science Center at San Antonio:
• M.S. Medical Health Physics
The University of Texas Medical Branch at Galveston:
• Ph.D. Clinical Sciences
• M.S. Aerospace Medicine

The University of Texas System
Organization Chart – August 2026



720 The University of Texas System Administration

Appropriation Years: 2028-29

	GENERAL REVENUE FUNDS		GR DEDICATED		FEDERAL FUNDS		OTHER FUNDS		ALL FUNDS		EXCEPTIONAL ITEM FUNDS
	2026-27	2028-29	2026-27	2028-29	2026-27	2028-29	2026-27	2028-29	2026-27	2028-29	2028-29
Goal: 2. Provide Infrastructure Support											
2.1.1. Debt Service - Nserb	1,308,120								1,308,120		
Total, Goal	**1,308,120**								**1,308,120**		
Goal: 3. Non-formula Support											
3.1.1. Multi-Institution Center - Laredo	13,279,136	13,279,136							13,279,136	13,279,136	
3.1.3. Real Health Ai	15,000,000	14,820,503							15,000,000	14,820,503	
3.2.1. Trc4	20,000,000	20,000,000							20,000,000	20,000,000	
3.5.1. Exceptional Item Request											8,720,000
Total, Goal	**48,279,136**	**48,099,639**							**48,279,136**	**48,099,639**	**8,720,000**
Goal: 7. Tobacco Funds											
7.1.1. Tobacco Earnings - Rahc							3,381,767	3,284,000	3,381,767	3,284,000	
Total, Goal							**3,381,767**	**3,284,000**	**3,381,767**	**3,284,000**	
Goal: 8. Trusteed Funds for Health Programs											
8.1.2. Heart Inst - Adult Stem Cell Pgm	3,163,982	3,069,062							3,163,982	3,069,062	
8.1.3. Stroke Clinical Research	4,275,000	4,146,750							4,275,000	4,146,750	
Total, Goal	**7,438,982**	**7,215,812**							**7,438,982**	**7,215,812**	
Total, Agency	**57,026,238**	**55,315,451**					**3,381,767**	**3,284,000**	**60,408,005**	**58,599,451**	**8,720,000**
Total FTEs									**444.1**	**563.1**	**0.0**

720 The University of Texas System Administration

Goal / *Objective* / STRATEGY	Exp 2025	Est 2026	Bud 2027	Req 2028	Req 2029
2 Provide Infrastructure Support					
1 *Provide Operation and Maintenance of E&G Space*					
1 **DEBT SERVICE - NSERB**	1,308,120	654,060	654,060	0	0
TOTAL, GOAL 2	**$1,308,120**	**$654,060**	**$654,060**	**$0**	**$0**
3 Non-formula Support					
1 *INSTRUCTIONAL SUPPORT*					
1 **MULTI-INSTITUTION CENTER - LAREDO**	6,805,945	6,046,268	7,232,868	6,639,568	6,639,568
3 **REAL HEALTH AI**	0	0	15,000,000	14,820,503	0
2 *Research*					
1 **TRC4**	0	20,000,000	0	20,000,000	0
5 *Exceptional Item Request*					
1 **EXCEPTIONAL ITEM REQUEST**	0	0	0	0	0
TOTAL, GOAL 3	**$6,805,945**	**$26,046,268**	**$22,232,868**	**$41,460,071**	**$6,639,568**

720 The University of Texas System Administration

Goal / *Objective* / STRATEGY	Exp 2025	Est 2026	Bud 2027	Req 2028	Req 2029
7 Tobacco Funds					
1 *Tobacco Earnings for Research*					
1 TOBACCO EARNINGS - RAHC	1,683,748	1,739,767	1,642,000	1,642,000	1,642,000
TOTAL, GOAL 7	**$1,683,748**	**$1,739,767**	**$1,642,000**	**$1,642,000**	**$1,642,000**
8 Trusteed Funds for Health Programs					
1 *Trusteed Funds for Health Programs*					
2 HEART INST - ADULT STEM CELL PGM	1,581,991	1,581,991	1,581,991	1,534,531	1,534,531
3 STROKE CLINICAL RESEARCH	2,488,428	1,781,176	2,493,824	2,073,375	2,073,375
TOTAL, GOAL 8	**$4,070,419**	**$3,363,167**	**$4,075,815**	**$3,607,906**	**$3,607,906**
TOTAL, AGENCY STRATEGY REQUEST	**$13,868,232**	**$31,803,262**	**$28,604,743**	**$46,709,977**	**$11,889,474**
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST*				**$0**	**$0**
GRAND TOTAL, AGENCY REQUEST	**$13,868,232**	**$31,803,262**	**$28,604,743**	**$46,709,977**	**$11,889,474**

720 The University of Texas System Administration

Goal / *Objective* / STRATEGY	Exp 2025	Est 2026	Bud 2027	Req 2028	Req 2029
METHOD OF FINANCING:					
General Revenue Funds:					
1 General Revenue Fund	12,184,484	30,063,495	26,962,743	45,067,977	10,247,474
SUBTOTAL	**$12,184,484**	**$30,063,495**	**$26,962,743**	**$45,067,977**	**$10,247,474**
Other Funds:					
822 Permanent Endowment FD UTRAC	1,683,748	1,739,767	1,642,000	1,642,000	1,642,000
SUBTOTAL	**$1,683,748**	**$1,739,767**	**$1,642,000**	**$1,642,000**	**$1,642,000**
TOTAL, METHOD OF FINANCING	**$13,868,232**	**$31,803,262**	**$28,604,743**	**$46,709,977**	**$11,889,474**

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

Agency code: **720** Agency name: **The University of Texas System Administration**

METHOD OF FINANCING	Exp 2025	Est 2026	Bud 2027	Req 2028	Req 2029
GENERAL REVENUE					
1 General Revenue Fund					
REGULAR APPROPRIATIONS					
Regular Appropriations from MOF Table (2024-25 GAA)	$10,963,179	$0	$0	$0	$0
Regular Appropriations from MOF Table (2026-27 GAA)	$0	$46,013,119	$11,013,119	$0	$0
Regular Appropriations from MOF Table (2028-29 GAA)	$0	$0	$0	$45,067,977	$10,247,474
LAPSED APPROPRIATIONS					
Article III University of Texas System Administration Rider 5 Multi-Institution Center - Laredo	$(348,972)	$0	$0	$0	$0
UNEXPENDED BALANCES AUTHORITY					
Article III University of Texas System Administration Rider 5 Multi-InstitutionCenter - Laredo	$1,219,349	$(593,300)	$593,300	$0	$0

Agency code: **720** Agency name: **The University of Texas System Administration**

METHOD OF FINANCING	Exp 2025	Est 2026	Bud 2027	Req 2028	Req 2029
GENERAL REVENUE					
Article III University of Texas System Administration Rider 4 - Stroke Clinical Research	$350,928	$(356,324)	$356,324	$0	$0
Article III University of Texas System Administration Rider 7 - REAL Health AI	$0	$(15,000,000)	$15,000,000	$0	$0
TOTAL, General Revenue Fund	**$12,184,484**	**$30,063,495**	**$26,962,743**	**$45,067,977**	**$10,247,474**
TOTAL, ALL GENERAL REVENUE	**$12,184,484**	**$30,063,495**	**$26,962,743**	**$45,067,977**	**$10,247,474**
OTHER FUNDS					
822 Permanent Endowment Fund Account No. 822, UT Regional Academic Health Center					
REGULAR APPROPRIATIONS					
Regular Appropriations from MOF Table (2024-25 GAA)	$1,378,000	$0	$0	$0	$0
Regular Appropriations from MOF Table (2026-27 GAA)	$0	$1,530,000	$1,530,000	$0	$0
Regular Appropriations from MOF Table (2028-29 GAA)					

Agency code: **720** Agency name: **The University of Texas System Administration**

METHOD OF FINANCING	Exp 2025	Est 2026	Bud 2027	Req 2028	Req 2029
OTHER FUNDS					
	$0	$0	$0	$1,642,000	$1,642,000
BASE ADJUSTMENT					
Revised Receipts - Distribution	$152,000	$66,000	$112,000	$0	$0
Revised Receipts - Interest	$153,748	$143,767	$0	$0	$0
TOTAL, Permanent Endowment Fund Account No. 822, UT Regional Academic Health Center	**$1,683,748**	**$1,739,767**	**$1,642,000**	**$1,642,000**	**$1,642,000**
TOTAL, ALL OTHER FUNDS	**$1,683,748**	**$1,739,767**	**$1,642,000**	**$1,642,000**	**$1,642,000**
GRAND TOTAL	**$13,868,232**	**$31,803,262**	**$28,604,743**	**$46,709,977**	**$11,889,474**

Agency code: **720** Agency name: **The University of Texas System Administration**

METHOD OF FINANCING	Exp 2025	Est 2026	Bud 2027	Req 2028	Req 2029
FULL-TIME-EQUIVALENT POSITIONS					
REGULAR APPROPRIATIONS					
Regular Appropriations from MOF Table (2024-25 GAA)	292.5	0.0	0.0	0.0	0.0
Regular Appropriations from MOF Table (2026-27 GAA)	0.0	470.5	534.5	0.0	0.0
Regular Appropriations from MOF Table (2028-29 GAA)	0.0	0.0	0.0	508.1	563.1
RIDER APPROPRIATION					
Art IX, Sec 6.10(b), Board or Administrator FTE Adjustment (2026-27 GAA)	3.1	0.0	0.0	0.0	0.0
UNAUTHORIZED NUMBER OVER (BELOW) CAP					
Unauthorized Number Over (Below) Cap	0.0	(113.0)	(90.4)	0.0	0.0
Comments: Unauthorized Number Over (Below) Cap					
TOTAL, ADJUSTED FTES	**295.6**	**357.5**	**444.1**	**508.1**	**563.1**

NUMBER OF 100% FEDERALLY FUNDED FTEs

720 The University of Texas System Administration

OBJECT OF EXPENSE	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
1001 SALARIES AND WAGES	$853,989	$765,546	$971,858	$971,858	$971,858
1002 OTHER PERSONNEL COSTS	$40,634	$15,650	$14,578	$14,578	$14,578
2001 PROFESSIONAL FEES AND SERVICES	$196,769	$41,524	$263,500	$263,500	$263,500
2002 FUELS AND LUBRICANTS	$368	$194	$0	$0	$0
2003 CONSUMABLE SUPPLIES	$8,800	$2,645	$32,655	$32,655	$32,655
2004 UTILITIES	$119,721	$81,378	$200,000	$200,000	$200,000
2005 TRAVEL	$3,446	$3,106	$20,000	$20,000	$20,000
2007 RENT - MACHINE AND OTHER	$8,202	$2,693	$0	$0	$0
2008 DEBT SERVICE	$1,308,120	$654,060	$654,060	$0	$0
2009 OTHER OPERATING EXPENSE	$7,257,764	$26,873,299	$22,372,277	$41,599,480	$6,778,977
4000 GRANTS	$4,070,419	$3,363,167	$4,075,815	$3,607,906	$3,607,906
OOE Total (Excluding Riders)	**$13,868,232**	**$31,803,262**	**$28,604,743**	**$46,709,977**	**$11,889,474**
OOE Total (Riders)					
Grand Total	**$13,868,232**	**$31,803,262**	**$28,604,743**	**$46,709,977**	**$11,889,474**

Agency code: **720** Agency name: **The University of Texas System Administration**

Priority	Item	2028 GR and GR/GR Dedicated	2028 All Funds	2028 FTEs	2029 GR and GR Dedicated	2029 All Funds	2029 FTEs	Biennium GR and GR Dedicated	Biennium All Funds
1	CCAP - Laredo	$4,360,000	$4,360,000		$4,360,000	$4,360,000		$8,720,000	$8,720,000
Total, Exceptional Items Request		**$4,360,000**	**$4,360,000**		**$4,360,000**	**$4,360,000**		**$8,720,000**	**$8,720,000**
Method of Financing									
General Revenue		$4,360,000	$4,360,000		$4,360,000	$4,360,000		$8,720,000	$8,720,000
General Revenue - Dedicated									
Federal Funds									
Other Funds									
		$4,360,000	**$4,360,000**		**$4,360,000**	**$4,360,000**		**$8,720,000**	**$8,720,000**
Full Time Equivalent Positions									
Number of 100% Federally Funded FTEs									

Agency code: **720** Agency name: **The University of Texas System Administration**

Goal/*Objective*/**STRATEGY**	**Base 2028**	**Base 2029**	**Exceptional 2028**	**Exceptional 2029**	**Total Request 2028**	**Total Request 2029**
2 Provide Infrastructure Support						
1 *Provide Operation and Maintenance of E&G Space*						
1 DEBT SERVICE - NSERB	$0	$0	$0	$0	$0	$0
TOTAL, GOAL 2	**$0**	**$0**	**$0**	**$0**	**$0**	**$0**
3 Non-formula Support						
1 *INSTRUCTIONAL SUPPORT*						
1 MULTI-INSTITUTION CENTER - LAREDO	6,639,568	6,639,568	0	0	6,639,568	6,639,568
3 REAL HEALTH AI	14,820,503	0	0	0	14,820,503	0
2 *Research*						
1 TRC4	20,000,000	0	0	0	20,000,000	0
5 *Exceptional Item Request*						
1 EXCEPTIONAL ITEM REQUEST	0	0	4,360,000	4,360,000	4,360,000	4,360,000
TOTAL, GOAL 3	**$41,460,071**	**$6,639,568**	**$4,360,000**	**$4,360,000**	**$45,820,071**	**$10,999,568**
7 Tobacco Funds						
1 *Tobacco Earnings for Research*						
1 TOBACCO EARNINGS - RAHC	1,642,000	1,642,000	0	0	1,642,000	1,642,000
TOTAL, GOAL 7	**$1,642,000**	**$1,642,000**	**$0**	**$0**	**$1,642,000**	**$1,642,000**
8 Trusteed Funds for Health Programs						
1 *Trusteed Funds for Health Programs*						
2 HEART INST - ADULT STEM CELL PGM	1,534,531	1,534,531	0	0	1,534,531	1,534,531
3 STROKE CLINICAL RESEARCH	2,073,375	2,073,375	0	0	2,073,375	2,073,375
TOTAL, GOAL 8	**$3,607,906**	**$3,607,906**	**$0**	**$0**	**$3,607,906**	**$3,607,906**

Agency code: **720** Agency name: **The University of Texas System Administration**

Goal/*Objective*/**STRATEGY**	**Base 2028**	**Base 2029**	**Exceptional 2028**	**Exceptional 2029**	**Total Request 2028**	**Total Request 2029**
TOTAL, AGENCY STRATEGY REQUEST	**$46,709,977**	**$11,889,474**	**$4,360,000**	**$4,360,000**	**$51,069,977**	**$16,249,474**
TOTAL, AGENCY RIDER APPROPRIATIONS REQUEST						
GRAND TOTAL, AGENCY REQUEST	**$46,709,977**	**$11,889,474**	**$4,360,000**	**$4,360,000**	**$51,069,977**	**$16,249,474**

Agency code: **720** Agency name: **The University of Texas System Administration**

Goal/*Objective*/**STRATEGY**	**Base 2028**	**Base 2029**	**Exceptional 2028**	**Exceptional 2029**	**Total Request 2028**	**Total Request 2029**
General Revenue Funds:						
1 General Revenue Fund	$45,067,977	$10,247,474	$4,360,000	$4,360,000	$49,427,977	$14,607,474
	$45,067,977	**$10,247,474**	**$4,360,000**	**$4,360,000**	**$49,427,977**	**$14,607,474**
Other Funds:						
822 Permanent Endowment FD UTRAC	1,642,000	1,642,000	0	0	1,642,000	1,642,000
	$1,642,000	**$1,642,000**	**$0**	**$0**	**$1,642,000**	**$1,642,000**
TOTAL, METHOD OF FINANCING	**$46,709,977**	**$11,889,474**	**$4,360,000**	**$4,360,000**	**$51,069,977**	**$16,249,474**
FULL TIME EQUIVALENT POSITIONS	**508.1**	**563.1**	**0.0**	**0.0**	**508.1**	**563.1**

720 The University of Texas System Administration

GOAL: 1 Provide Instructional and Operations Support

OBJECTIVE: 1 Provide Instructional and Operations Support

STRATEGY: 11 System Office Operations

Service Categories:

Service: 02 Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)						
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)						
FULL TIME EQUIVALENT POSITIONS:		**283.6**	**345.5**	**432.1**	**496.1**	**551.1**

STRATEGY DESCRIPTION AND JUSTIFICATION:

The purpose of this strategy is to provide effective management of the institutions and funds of The University of Texas System. The administration provides central services, oversight and coordination within U. T. System in the operations of the institutions and in reporting to U. T. Board of Regents and external entities.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

Various state laws and court decisions affecting higher education will have an impact on UT institutions and System Administration. Program decisions made by UT institutions require System Administration approval. Reporting requirements by the Board of Regents and other governing agencies impact the services provided by System Administration.

720 The University of Texas System Administration

GOAL:	1	Provide Instructional and Operations Support			
OBJECTIVE:	1	Provide Instructional and Operations Support	Service Categories:		
STRATEGY:	11	System Office Operations	Service: 02	Income: A.2	Age: B.3

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

STRATEGY BIENNIAL TOTAL - ALL FUNDS		BIENNIAL	EXPLANATION OF BIENNIAL CHANGE	
Base Spending (+)	Baseline Request (+)	CHANGE	$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
			$0	**Total of Explanation of Biennial Change**

720 The University of Texas System Administration

GOAL: 2 Provide Infrastructure Support

OBJECTIVE: 1 Provide Operation and Maintenance of E&G Space

STRATEGY: 1 Debt Service for the Natural Science and Engr. Building at UT - Dallas

Service Categories:

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

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
Objects of Expense:						
2008	DEBT SERVICE	$1,308,120	$654,060	$654,060	$0	$0
TOTAL, OBJECT OF EXPENSE		**$1,308,120**	**$654,060**	**$654,060**	**$0**	**$0**
Method of Financing:						
1	General Revenue Fund	$1,308,120	$654,060	$654,060	$0	$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		**$1,308,120**	**$654,060**	**$654,060**	**$0**	**$0**
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					**$0**	**$0**
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		**$1,308,120**	**$654,060**	**$654,060**	**$0**	**$0**

FULL TIME EQUIVALENT POSITIONS:

STRATEGY DESCRIPTION AND JUSTIFICATION:

This strategy includes funding pursuant to Education Code Section 55.17521 intended to reimburse The University of Texas System for debt service on long-term obligations related to the construction of a natural science and engineering research building at The University of Texas at Dallas in accordance with the economic development agreement entered into between this state and the Board of Regents of the U. T. System.

720 The University of Texas System Administration

GOAL: 2 Provide Infrastructure Support

OBJECTIVE: 1 Provide Operation and Maintenance of E&G Space

STRATEGY: 1 Debt Service for the Natural Science and Engr. Building at UT - Dallas

Service Categories:

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

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

STRATEGY BIENNIAL TOTAL - ALL FUNDS		BIENNIAL	EXPLANATION OF BIENNIAL CHANGE	
Base Spending (Est 2026 + Bud 2027)	Baseline Request (BL 2028 + BL 2029)	CHANGE	$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
$1,308,120	$0	$(1,308,120)	$(1,308,120)	2028-2029 funding level decreased to meet the mandated overall 3% reduction.
			$(1,308,120)	**Total of Explanation of Biennial Change**

720 The University of Texas System Administration

GOAL: 3 Non-formula Support

OBJECTIVE: 1 INSTRUCTIONAL SUPPORT

STRATEGY: 1 Multi-institution Center In Laredo

Service Categories:

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

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
Objects of Expense:						
1001	SALARIES AND WAGES	$853,989	$765,546	$971,858	$971,858	$971,858
1002	OTHER PERSONNEL COSTS	$40,634	$15,650	$14,578	$14,578	$14,578
2001	PROFESSIONAL FEES AND SERVICES	$196,769	$41,524	$263,500	$263,500	$263,500
2002	FUELS AND LUBRICANTS	$368	$194	$0	$0	$0
2003	CONSUMABLE SUPPLIES	$8,800	$2,645	$32,655	$32,655	$32,655
2004	UTILITIES	$119,721	$81,378	$200,000	$200,000	$200,000
2005	TRAVEL	$3,446	$3,106	$20,000	$20,000	$20,000
2007	RENT - MACHINE AND OTHER	$8,202	$2,693	$0	$0	$0
2009	OTHER OPERATING EXPENSE	$5,574,016	$5,133,532	$5,730,277	$5,136,977	$5,136,977
TOTAL, OBJECT OF EXPENSE		**$6,805,945**	**$6,046,268**	**$7,232,868**	**$6,639,568**	**$6,639,568**
Method of Financing:						
1	General Revenue Fund	$6,805,945	$6,046,268	$7,232,868	$6,639,568	$6,639,568
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		**$6,805,945**	**$6,046,268**	**$7,232,868**	**$6,639,568**	**$6,639,568**

720 The University of Texas System Administration

GOAL:	3	Non-formula Support		
OBJECTIVE:	1	INSTRUCTIONAL SUPPORT	Service Categories:	
STRATEGY:	1	Multi-institution Center In Laredo	Service: 19	Income: A.2	Age: B.3

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					**$6,639,568**	**$6,639,568**
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		**$6,805,945**	**$6,046,268**	**$7,232,868**	**$6,639,568**	**$6,639,568**
FULL TIME EQUIVALENT POSITIONS:		**12.0**	**12.0**	**12.0**	**12.0**	**12.0**

STRATEGY DESCRIPTION AND JUSTIFICATION:

The UT Education and Research Center at Laredo is a multi-institution teaching and research center delivering primarily health-related programs to students in the Laredo region. Previously a campus extension of The University of Texas Health Science Center at San Antonio (UTHSC-SA), in 2021 the Legislature transferred the control and operation of the Center to UT System to leverage the System's multiple institutions and resources to enhance the number and type of programs offered to students .

In 2021, existing non-formula funding that supports the basic administration and operations of the Center was transferred from UTHSC- SA to UT System for the same purpose. The Legislature also appropriates additional funding to provide start-up funding for the development of new academic programs. As these new programs mature and become supported by formula funding, start-up funding is redeployed to additional program development, furthering the Center's mission.

The Laredo Center is a byproduct of the state's South Texas Border Initiative and related efforts to improve the accessibility and quality of higher education and services in South Texas in response to the LULAC v. Richards lawsuit. The Center is an innovative and efficient approach that brings needed academic programs and research from multiple institutions across the state directly to students in Laredo and its surrounding counties.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

Additional information for this strategy is available in Schedule 9, Non-Formula Support.

720 The University of Texas System Administration

GOAL: 3 Non-formula Support

OBJECTIVE: 1 INSTRUCTIONAL SUPPORT

STRATEGY: 1 Multi-institution Center In Laredo

Service Categories:

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

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

STRATEGY BIENNIAL TOTAL - ALL FUNDS		BIENNIAL	EXPLANATION OF BIENNIAL CHANGE	
Base Spending (Est 2026 + Bud 2027)	Baseline Request (BL 2028 + BL 2029)	CHANGE	$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
$13,279,136	$13,279,136	$0		
			$0	**Total of Explanation of Biennial Change**

720 The University of Texas System Administration

GOAL: 3 Non-formula Support

OBJECTIVE: 1 INSTRUCTIONAL SUPPORT

STRATEGY: 3 Real Health Artificial Intelligence

Service Categories:

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

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
Objects of Expense:						
2009	OTHER OPERATING EXPENSE	$0	$0	$15,000,000	$14,820,503	$0
TOTAL, OBJECT OF EXPENSE		**$0**	**$0**	**$15,000,000**	**$14,820,503**	**$0**
Method of Financing:						
1	General Revenue Fund	$0	$0	$15,000,000	$14,820,503	$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		**$0**	**$0**	**$15,000,000**	**$14,820,503**	**$0**
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					**$14,820,503**	**$0**
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		**$0**	**$0**	**$15,000,000**	**$14,820,503**	**$0**
FULL TIME EQUIVALENT POSITIONS:						

STRATEGY DESCRIPTION AND JUSTIFICATION:

720 The University of Texas System Administration

GOAL:	3	Non-formula Support			
OBJECTIVE:	1	INSTRUCTIONAL SUPPORT	Service Categories:		
STRATEGY:	3	Real Health Artificial Intelligence	Service: 19	Income: A.2	Age: B.3

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029

Lack of AI standards has led to requests from across healthcare systems, industry, and regulators to establish coordinating platforms to ensure the quality, safety, and transparency of AI tools in healthcare. The University of Texas Research, Engineering, and Application Laboratory for Healthcare Artificial Intelligence (UT-REAL-Health-AI) addresses this critical need to inventory, measure, and monitor the performance, bias, and clinical impact of AI models across healthcare institutions, and ensure consistent and equitable deployment of safe and effective AI tools for the benefit of Texas patients.
UT-REAL-Health-AI aims to create standardized best practices, make data sharing and model evaluation more efficient, and improve standardization across Texas for access to AI healthcare applications. The initiative also assists state institutions in the development of new and transformative AI healthcare delivery tools.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

Additional information for this strategy is available in Schedule 9, Non-Formula Support.

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

STRATEGY BIENNIAL TOTAL - ALL FUNDS		BIENNIAL	EXPLANATION OF BIENNIAL CHANGE	
Base Spending (Est 2026 + Bud 2027)	Baseline Request (BL 2028 + BL 2029)	CHANGE	$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
$15,000,000	$14,820,503	$(179,497)	$(179,497)	2028-2029 funding level decreased to meet the mandated overall 3% reduction.
			$(179,497)	**Total of Explanation of Biennial Change**

720 The University of Texas System Administration

GOAL:	3	Non-formula Support			
OBJECTIVE:	2	Research	Service Categories:		
STRATEGY:	1	Trauma Research And Combat Casualty Care Collaborative	Service: 19	Income: A.2	Age: B.3

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
Objects of Expense:						
2009	OTHER OPERATING EXPENSE	$0	$20,000,000	$0	$20,000,000	$0
TOTAL, OBJECT OF EXPENSE		**$0**	**$20,000,000**	**$0**	**$20,000,000**	**$0**
Method of Financing:						
1	General Revenue Fund	$0	$20,000,000	$0	$20,000,000	$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		**$0**	**$20,000,000**	**$0**	**$20,000,000**	**$0**
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					**$20,000,000**	**$0**
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		**$0**	**$20,000,000**	**$0**	**$20,000,000**	**$0**

FULL TIME EQUIVALENT POSITIONS:

STRATEGY DESCRIPTION AND JUSTIFICATION:

720 The University of Texas System Administration

GOAL:	3	Non-formula Support
OBJECTIVE:	2	Research
STRATEGY:	1	Trauma Research And Combat Casualty Care Collaborative

Service Categories:

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

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029

Trauma is the leading cause of death for persons 45 years and younger, and combat casualty care is the primary challenge facing military medicine. Like on a battlefield, effective trauma care capabilities are especially salient in rural and other medically underserved areas of the state since the amount of time between the onset of a traumatic injury and the start of medical intervention is directly related to expected outcomes. Accordingly, improving trauma care is critically important to not only saving lives, but enhancing the recovery and quality of life for survivors.

Despite this substantial problem, trauma care research receives minimal funding support compared to other causes of death. In response, and with support from the Texas Legislature and in partnership with the Department of Defense, in 2022 the University of Texas System established the Trauma Research and Combat Casualty Care Collaborative (TRC4) to help deliver responsive, innovative research and solutions while developing a robust trauma care research enterprise across all UT System institutions to serve the state and nation. TRC4 awards research grants to support groundbreaking basic, clinical, and translational research, product development, and preventative measures to help improve care and reduce deaths caused from trauma, both on the battlefield and in the civilian sector.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

Additional information for this strategy is available in Schedule 9, Non-Formula Support.

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

STRATEGY BIENNIAL TOTAL - ALL FUNDS		BIENNIAL	EXPLANATION OF BIENNIAL CHANGE	
Base Spending (Est 2026 + Bud 2027)	Baseline Request (BL 2028 + BL 2029)	CHANGE	$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
$20,000,000	$20,000,000	$0		
			$0	**Total of Explanation of Biennial Change**

720 The University of Texas System Administration

GOAL: 3 Non-formula Support
OBJECTIVE: 5 Exceptional Item Request
STRATEGY: 1 Exceptional Item Request

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

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
Objects of Expense:						
2008	DEBT SERVICE	$0	$0	$0	$0	$0
TOTAL, OBJECT OF EXPENSE		**$0**	**$0**	**$0**	**$0**	**$0**
Method of Financing:						
1	General Revenue Fund	$0	$0	$0	$0	$0
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		**$0**	**$0**	**$0**	**$0**	**$0**
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					**$0**	**$0**
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		**$0**	**$0**	**$0**	**$0**	**$0**

FULL TIME EQUIVALENT POSITIONS:

STRATEGY DESCRIPTION AND JUSTIFICATION:

This strategy supports the Exceptional Item Request for CCAP Debt Service for new construction at the UT Education and Research Center at Laredo.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

Additional Information on this request is available in the associated Schedule 4.A Exceptional Item Request.

720 The University of Texas System Administration

GOAL: 3 Non-formula Support
OBJECTIVE: 5 Exceptional Item Request
STRATEGY: 1 Exceptional Item Request

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

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

STRATEGY BIENNIAL TOTAL - ALL FUNDS		BIENNIAL	EXPLANATION OF BIENNIAL CHANGE	
Base Spending (Est 2026 + Bud 2027)	Baseline Request (BL 2028 + BL 2029)	CHANGE	$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
$0	$0	$0		
			$0	**Total of Explanation of Biennial Change**

720 The University of Texas System Administration

GOAL: 7 Tobacco Funds

OBJECTIVE: 1 Tobacco Earnings for Research

STRATEGY: 1 Tobacco Earnings for the Lower Rio Grande Valley RAHC

Service Categories:

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

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
Objects of Expense:						
2009	OTHER OPERATING EXPENSE	$1,683,748	$1,739,767	$1,642,000	$1,642,000	$1,642,000
TOTAL, OBJECT OF EXPENSE		**$1,683,748**	**$1,739,767**	**$1,642,000**	**$1,642,000**	**$1,642,000**
Method of Financing:						
822	Permanent Endowment FD UTRAC	$1,683,748	$1,739,767	$1,642,000	$1,642,000	$1,642,000
SUBTOTAL, MOF (OTHER FUNDS)		**$1,683,748**	**$1,739,767**	**$1,642,000**	**$1,642,000**	**$1,642,000**
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					**$1,642,000**	**$1,642,000**
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		**$1,683,748**	**$1,739,767**	**$1,642,000**	**$1,642,000**	**$1,642,000**

FULL TIME EQUIVALENT POSITIONS:

STRATEGY DESCRIPTION AND JUSTIFICATION:

Funding for this strategy is derived from annual distributions of Permanent Health Funds established Section 63.101 of the Texas Education Code. These are appropriated for research and other programs that are conducted by the institution and that benefit the public health.

The proceeds are used by The University of Texas Health Science Center at Houston and The University of Texas Rio Grande Valley for activities related to the Regional Academic Health Centers and UTRGV School of Medicine located in the Lower Rio Grande Valley.

720 The University of Texas System Administration

GOAL:	7	Tobacco Funds		
OBJECTIVE:	1	Tobacco Earnings for Research	Service Categories:	
STRATEGY:	1	Tobacco Earnings for the Lower Rio Grande Valley RAHC	Service: 19	Income: A.2 Age: B.3

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

STRATEGY BIENNIAL TOTAL - ALL FUNDS		BIENNIAL	EXPLANATION OF BIENNIAL CHANGE	
Base Spending (Est 2026 + Bud 2027)	Baseline Request (BL 2028 + BL 2029)	CHANGE	$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
$3,381,767	$3,284,000	$(97,767)	$(97,767)	Budgeted 2028-29 is based on 2027 endowment distribution.
			$(97,767)	**Total of Explanation of Biennial Change**

720 The University of Texas System Administration

GOAL: 8 Trusteed Funds for Health Programs

OBJECTIVE: 1 Trusteed Funds for Health Programs

STRATEGY: 2 Heart Institute - Adult Stem Cell Program

Service Categories:

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

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
Objects of Expense:						
4000	GRANTS	$1,581,991	$1,581,991	$1,581,991	$1,534,531	$1,534,531
TOTAL, OBJECT OF EXPENSE		**$1,581,991**	**$1,581,991**	**$1,581,991**	**$1,534,531**	**$1,534,531**
Method of Financing:						
1	General Revenue Fund	$1,581,991	$1,581,991	$1,581,991	$1,534,531	$1,534,531
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		**$1,581,991**	**$1,581,991**	**$1,581,991**	**$1,534,531**	**$1,534,531**
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					**$1,534,531**	**$1,534,531**
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		**$1,581,991**	**$1,581,991**	**$1,581,991**	**$1,534,531**	**$1,534,531**

FULL TIME EQUIVALENT POSITIONS:

STRATEGY DESCRIPTION AND JUSTIFICATION:

Created in the 81st Legislature to provide pass-through funding to the Texas Heart Institute to conduct stem cell research. Beginning in 2016, funds were trusteed to UT System Administration.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

Additional information for this strategy is available in Schedule 9, Non-Formula Support.

720 The University of Texas System Administration

GOAL:	8	Trusteed Funds for Health Programs			
OBJECTIVE:	1	Trusteed Funds for Health Programs	Service Categories:		
STRATEGY:	2	Heart Institute - Adult Stem Cell Program	Service: 19	Income: A.2	Age: B.3

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

STRATEGY BIENNIAL TOTAL - ALL FUNDS		BIENNIAL	EXPLANATION OF BIENNIAL CHANGE	
Base Spending (Est 2026 + Bud 2027)	Baseline Request (BL 2028 + BL 2029)	CHANGE	$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
$3,163,982	$3,069,062	$(94,920)	$(94,920)	2028 and 2029 include a 3% reduction to base funding
			$(94,920)	**Total of Explanation of Biennial Change**

720 The University of Texas System Administration

GOAL: 8 Trusteed Funds for Health Programs
OBJECTIVE: 1 Trusteed Funds for Health Programs
STRATEGY: 3 Stroke Clinical Research

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

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029
Objects of Expense:						
4000	GRANTS	$2,488,428	$1,781,176	$2,493,824	$2,073,375	$2,073,375
TOTAL, OBJECT OF EXPENSE		**$2,488,428**	**$1,781,176**	**$2,493,824**	**$2,073,375**	**$2,073,375**
Method of Financing:						
1	General Revenue Fund	$2,488,428	$1,781,176	$2,493,824	$2,073,375	$2,073,375
SUBTOTAL, MOF (GENERAL REVENUE FUNDS)		**$2,488,428**	**$1,781,176**	**$2,493,824**	**$2,073,375**	**$2,073,375**
TOTAL, METHOD OF FINANCE (INCLUDING RIDERS)					**$2,073,375**	**$2,073,375**
TOTAL, METHOD OF FINANCE (EXCLUDING RIDERS)		**$2,488,428**	**$1,781,176**	**$2,493,824**	**$2,073,375**	**$2,073,375**

FULL TIME EQUIVALENT POSITIONS:

STRATEGY DESCRIPTION AND JUSTIFICATION:

720 The University of Texas System Administration

GOAL:	8	Trusteed Funds for Health Programs				
OBJECTIVE:	1	Trusteed Funds for Health Programs	Service Categories:			
STRATEGY:	3	Stroke Clinical Research	Service: 19	Income: A.2	Age: B.3	

CODE	DESCRIPTION	Exp 2025	Est 2026	Bud 2027	BL 2028	BL 2029

The Lone Star Stroke Research Consortium (LSS) was created by the 83rd Legislature to support research improving stroke systems of care across Texas. Since 2017, funding has been administered by the UT System Administration.

Stroke is the 5th leading cause of death nationwide but 3rd in Texas. Stroke is especially deadly to Texans living in rural areas, women, Hispanics, African Americans, and Texans over the age of 65. Despite medical advances, many regions in Texas fall behind in access to the high-quality acute stroke care needed for favorable outcomes. LSS works to develop and provide this access for Texas stroke survivors.

EXTERNAL/INTERNAL FACTORS IMPACTING STRATEGY:

Additional information for this strategy is available in Schedule 9, Non-Formula Support.

EXPLANATION OF BIENNIAL CHANGE (includes Rider amounts):

STRATEGY BIENNIAL TOTAL - ALL FUNDS		BIENNIAL	EXPLANATION OF BIENNIAL CHANGE	
Base Spending (Est 2026 + Bud 2027)	Baseline Request (BL 2028 + BL 2029)	CHANGE	$ Amount	Explanation(s) of Amount (must specify MOFs and FTEs)
$4,275,000	$4,146,750	$(128,250)	$(128,250)	2028 and 2029 include a 3% reduction to base funding.
			$(128,250)	**Total of Explanation of Biennial Change**

SUMMARY TOTALS:

OBJECTS OF EXPENSE:	**$13,868,232**	**$31,803,262**	**$28,604,743**	**$46,709,977**	**$11,889,474**
METHODS OF FINANCE (INCLUDING RIDERS):				**$46,709,977**	**$11,889,474**
METHODS OF FINANCE (EXCLUDING RIDERS):	**$13,868,232**	**$31,803,262**	**$28,604,743**	**$46,709,977**	**$11,889,474**
FULL TIME EQUIVALENT POSITIONS:	**295.6**	**357.5**	**444.1**	**508.1**	**563.1**

Agency Code:	Agency Name:	Prepared By:	Date:	Request Level:
720	The University of Texas System Administration	Derek Horton	August 2026	Base

Current Rider Number	Page Number in 2026–27 GAA	Proposed Rider Language
U. T. System Administration, Rider 3	III-107	**3. Estimated Appropriation and Unexpended Balance.** a. Included in the amounts appropriated above are estimated appropriations of amounts available for distribution or investment returns out of the Permanent Endowment Fund for the Lower Rio Grande Valley Regional Academic Health Center. b. Amounts available for distribution or investment returns in excess of the amounts estimated above are also appropriated. In the event that amounts available for distribution or investment returns are less than the amounts estimated above, this Act may not be construed as appropriating funds to make up the difference. c. All balances of estimated appropriations from the Permanent Endowment Fund for the Lower Rio Grande Valley Regional Academic Health Center, except for any General Revenue, at the close of the fiscal year ending August 31, 2027~~5~~, and the income to said fund during the fiscal years beginning September 1, 2027~~5~~, are hereby appropriated to The University of Texas System Administration and to any University of Texas institutions to which funds may be transferred by The University of Texas System Administration. Any unexpended appropriations made above as of August 31, 2028~~6~~, are hereby appropriated for the same purposes for fiscal year 2029~~7~~ to The University of Texas System Administration and to any University of Texas institutions to which funds may have been transferred by The University of Texas System Administration. *UT System requests that the dates in the rider be updated.*
U. T. System Administration, Rider 4	III-107	**4. Stroke Clinical Research.** Out of the funds appropriated above to The University of Texas System in Strategy C.1.2, Stroke Clinical Research, $4,275,000 in General Revenue over the biennium at The University of Texas System is for the administration of the statewide stroke clinical research network, Stroke System of Care Coordination (Lone Star Stroke). Any unexpended balances as of August 31, 2028~~6~~, are hereby appropriated for the same purpose for the fiscal year beginning September 1, 2028~~6~~. *UT System requests that the dates in the rider be updated.*

Current Rider Number	Page Number in 2026–27 GAA	Proposed Rider Language
U. T. System Administration, Rider 5	III-107 to III-108	**5. Multi-Institution Center - Laredo.** The University of Texas System is authorized to operate the Multi-Institution Center in Laredo. Notwithstanding Article III, Special Provisions Relating Only to State Agencies of Higher Education, Sec. 4 Transfer Provisions of this Act, The University of Texas System Administration may transfer appropriations to any general academic or health related institution from Strategy B.1.1., Multi-Institution Center - Laredo to be used for educational programs or other services operated at or related to the Multi-Institution Center - Laredo. Any unexpended balances as of August 31, 2028~~6~~, from the appropriations identified in Strategy B.1.1., Multi-Institution Center - Laredo, are hereby appropriated to The University of Texas System Administration or to any general academic or health related institution which may have received a transfer of this appropriation from The University of Texas System Administration for the same purpose for the fiscal year beginning September 1, 2028~~6~~. For purposes of the requirements of Article IX, Sec. 6.08 Benefits Proportional by Fund of this Act, appropriations made to The University of Texas System Administration and transferred to any general academic or health related institution to be used in relation to the Multi-Institution Center - Laredo shall be counted as if the transferred funds were directly appropriated to the respective institution. *UT System requests that the dates in the rider be updated.*
Special Provisions Relating Only to State Agencies of Higher Education, Section 4	III-291	**Sec. 4. Transfer Provisions.** 1. Intercomponent Transfers. With the approval of the respective governing board, appropriation transfers may be made among medically-related components and their associated system administration, among academic component institutions and their associated system administration, and among component technical colleges controlled by the board, and within each institution, transfers may be made between informational items of appropriation for the general academic institutions, health centers, health science centers, medical education programs, and technical colleges regardless of whether the informational items are monies from the General Revenue Fund or local funds in character. With the approval of the system administration, transfers may be made from the Texas A&M system to the Texas A&M System Agencies or among the Texas A&M System Agencies. Transfers may not be made from medically-related components to academic components or from academic components to medically-related components unless those components share institutional governance and accreditation except that transfers may be

Current Rider Number	Page Number in 2026–27 GAA	Proposed Rider Language
		made from schools of medicine, nursing, pharmacy, and allied health in academic components to medically-related components and from medically-related components into the health-related programs listed above in academic components. Transfers may not be made into the informational items setting the salary rate for the president, chancellor, or for any other line-item salary shown. Nothing in this section shall authorize the transfer of appropriations from Texas A&M University System Agencies to Texas A&M University. *(no other changes to the remainder of the rider)* *UT System requests this rider change relating to transferability between certain institutions within the System. Currently UT Tyler and UT Health Science Center at Tyler share a common president, administration, and accreditation. This is also true for UT San Antonio and UT Health Science Center at San Antonio. Although they remain separate in statute, they function as a single entity and are recognized as such by the UT System Board of Regents. It is requested that transferability of appropriated funds be allowed by this rider for this specific situation to account for shared costs borne by one institution or the other (e.g. the president of UT San Antonio and UT HSC San Antonio is on the payroll of UT San Antonio).*
Special Provisions Relating Only to State Agencies of Higher Education, Rider 26	III-299 to III-300	**Sec. 26. General Academic Funding.** Appropriations made in this Act for formula funding for general academic institutions will consist of four formulas and supplemental items. *(no changes requested for provisions 1 through 3 except routine updates)* **4. Supplemental Non-formula Items.** Institutions shall receive a direct reimbursement as applicable for staff group insurance (other educational and general income portion), workers' compensation insurance, unemployment compensation insurance, public education grants, organized activities, scholarships, ~~tuition revenue~~ capital construction assistance projects bond payments, and facility lease charges. Institutions may receive an appropriation for non-formula support items. Revenue derived from board authorized tuition would still be appropriated to the institutions levying the additional charges. *(no requested changes to Subsection 5 or the remainder of the rider except routine updates)*

Current Rider Number	Page Number in 2026–27 GAA	Proposed Rider Language
		UT System requests the editorial correction of Subsection 4 to reflect tuition revenue bonds being renamed capital construction assistance projects (CCAP) bonds.
Special Provisions Relating Only to State Agencies of Higher Education, Rider 27	III-300 to III-308	**Sec. 27. Health Related Institutions Funding.** Appropriations made in this Act for formula funding for health related institutions shall consist of four formulas plus supplemental non-formula items. *(no requested changes to Subsections 1-6 except routine updates)* **7. Supplemental Non-formula Items.** Institutions shall receive a direct reimbursement as applicable for staff group insurance, workers' compensation insurance, unemployment insurance, public education grants, medical loans, ~~tuition revenue~~ capital construction assistance projects bond payments, and facility lease charges. Institutions may receive an appropriation for non-formula support items and hospital and clinic operations. *(no requested changes to the Subsections 8 or the remainder of the rider except routine updates)* *UT System requests the editorial correction of Subsection 7 to reflect tuition revenue bonds being renamed capital construction assistance projects (CCAP) bonds.*
Special Provisions Relating Only to State Agencies of Higher Education, Rider 48	III-312 to III-313	**Sec. 48. Informational Listing-Designated Tuition.** The following is an informational list of estimated gross designated tuition amounts for fiscal years 2026 and 2027 as reported in Section 2: Selected Educational, General and Other Funds of the Legislative Appropriations Request for Institutions of Higher Education. 2026 2027 *(Institutions above SFASU omitted due to space considerations)* Stephen F. Austin State University 64,601,700 65,893,734 *(The remainder of the rider omitted due to space considerations)*

Current Rider Number	Page Number in 2026–27 GAA	Proposed Rider Language
		UT System requests an editorial change to correct the name of Stephen F. Austin State University in the listing of institutions within this rider.
Article IX, Section 6.08(g)	IX-31 to IX-32	**Sec. 6.08. Benefits Paid Proportional by Method of Finance.** *(Paragraphs (a) through (f) omitted due to space considerations)* (g) Each agency or institution of higher education (excluding a community or junior college) having General Revenue Fund appropriations and other sources of financing shall file with the Comptroller and the State Auditor a report demonstrating proportionality. The report shall be filed before November 20 following the close of the fiscal year for the salaries, wages, and benefits of the preceding year which ended August 31. The report shall be in a format prescribed by the Comptroller in collaboration with the Legislative Budget Board and the State Auditor's Office. The Comptroller shall have 180 days after the due date to review this report, after which the report is considered final and approved. This deadline shall not apply if an agency or institution of higher education has not satisfactorily resolved issues raised by the Comptroller. *(Paragraphs (h) through (l) omitted due to space considerations)* *U. System requests that a deadline for review of the Benefits Proportionality reports (APS 11 Reports) be established. In recent times reviews are often in excess of 18 months, making it difficult to administer the provisions of the Higher Education Group Insurance (HEGI) reallocation rider (Rider 6.a) on a timely basis. Appropriations lapse two years after the end of a fiscal year and this leaves little time to ensure an appropriate reallocation has occurred.*
Article IX, Section 7.04	IX-39 to IX-40	**Sec. 7.04. Contract Notification: Amounts Greater than $~~5~~100,000.** (a) In this section "contract" includes a grant, or agreement for the purchase or sale of a good or service, revenue generating contract, interagency or interlocal grant or agreement, purchase order, or other written expression of terms of agreement or an amendment, modification, renewal, or extension of such that was entered into or paid for, either in whole or in part by a state agency or institution of higher education.

Current Rider Number	Page Number in 2026–27 GAA	Proposed Rider Language
		(b) In this section "contract" does not include: (1) a contract with a value of less than or equal to $~~5~~<u>10</u>0,000 <u>unless it meets the notice requirements of Government Code, Section 322.020(a)(1) and (2)</u>, or (2) a contract paid for exclusively using federal grant monies for which all parties to the contract and the terms of the contract have been determined by the federal government. (c) In this section "contract" includes an amendment, modification, renewal or extension which increases a contract's value from a value less than or equal to <u>the value specified in (b)(1)</u>~~$50,000~~ to a value greater than <u>the value specified in (b)(1)</u>~~$50,000~~. (d) Before the 30th calendar day after awarding a contract or granting an amendment, modification, renewal, or extension, a state agency or institution of higher education shall report to the Legislative Budget Board in the manner prescribed by Legislative Budget Board all contracts, amendments, modifications, renewals, and extensions to which the agency or institution was a party. (e) A state agency or institution of higher education receiving an appropriation under this Act shall report a contract pursuant to this section without regard to source of monies or method of finance associated with the expenditure, including a contract for which only non-appropriated funds will be expended. (f) The Legislative Budget Board may conduct reviews of contracts required to be submitted under this section and valued at $1,000,000 or more. (g) The Director of the Legislative Budget Board may provide written notification to the Comptroller, the Governor, and/or the Legislative Budget Board detailing the requirements of this section that the agency did not meet and any recommendations to address identified risks related to the procurement or contract if the procurement or contract reported under this section is found to violate: (1) State of Texas Procurement and Contract Management Guide; or

Current Rider Number	Page Number in 2026–27 GAA	Proposed Rider Language
		(2) Any applicable statutes, rules, policies and procedures related to the procurement and contracting of goods and services, including compliance with conflict of interest disclosure requirements (h) The recommendations of the Director of the Legislative Budget Board may include: (1) enhanced monitoring by Legislative Budget Board staff; (2) auditing by the State Auditor's Office; (3) required agency consultation with the Quality Assurance Team and/or Contract Advisory Team; or (4) contract cancellation. (i) For contracts with an initial award value greater than $1 million, a state agency or institution of higher education shall provide notice of a contract for services for which the expected total value of the contract subsequent to amendment or renewal exceeds the total value of the initial contract award by 10 percent or more, in accordance with procedures established by the Legislative Budget Board, to: (1) the Governor; (2) the Lieutenant Governor; and (3) the Speaker of the House of Representatives. (j) A state agency or institution of higher education must provide the notice required under Subsection (i) not later than the 30th day after the date of the disclosure or discovery that the expected total value of the contract after amendment or renewal exceeds the total value of the initial contract award by 10 percent. The notice must include: (1) the amount of the cost increase; (2) the reason for the cost increase; and

Current Rider Number	Page Number in 2026–27 GAA	Proposed Rider Language
		(3) any opportunity the state agency had to lessen the cost or to purchase the service from another vendor after the first dollar of the increased cost was discovered or disclosed to the agency or institution. (k) The Legislative Budget Board shall establish the procedures for the notice required by Subsections (i) or (j). *UT System requests the revision of this reporting requirement in part to align the contract threshold with changes to 34 TAC §20.82 proposed by the Texas Comptroller of Public Accounts (TxCPA) related to delegated purchases. The proposed changes to 34 TAC §20.82 increase the delegation authority from $50,000 to $100,000. In proposing the increase in the delegation threshold, the TxCPA stated the reason was "to account for changes in the cost of goods." The proposed change to this rider mirrors the TxCPA threshold of $100,000 unless Government Code Section 322.020 otherwise requires that contract to be reported. The request to increase the minimum contract to be reported as a result of this rider is also to account for changes to the cost of goods over recent years.*
Article IX, Section 7.11	IX-41 to IX-43	**Sec. 7.11. Notification of Certain Purchases or Contract Awards, Amendments, and Extensions.** (a) In this section "contract" includes a grant, agreement, for the purchase or sale of goods or services, revenue generating contract, interagency or interlocal grant or agreement, purchase order or other written expression of terms of agreement, or an amendment, modification, renewal, or extension of such that was entered into or paid for, either in whole or in part by a state agency or institution of higher education. <u>In this section, a "contract" does not include the listed items which do not meet the notice requirements of Government Code, Section 322.020(a)(1) and (2).</u> (b) Until providing notice that satisfies the requirements of Subsections ~~7.11~~(c) and (d), an agency or institution of higher education appropriated funds in this Act may not expend any monies to make a payment on a contract<u>, as defined by Subsection (a),</u> if the expected amount of the contract exceeds or may reasonably be expected to exceed either of the following thresholds: (1) $10 million; or

Current Rider Number	Page Number in 2026–27 GAA	Proposed Rider Language
		(2) $1 million in the case of a contract awarded: (A) as a result of an emergency or following an emergency procedure allowed by statute; or (B) without issuing a request for proposal, request for bid, or other similar process common to participation in the competitive bidding processes required by statute, rule, or ordinary and commonly recognized state policies and procedures. (c) An agency or institution of higher education may not expend monies to make a payment on a contract under Subsection (b) until the notice required in this section is provided to the Legislative Budget Board. The notice shall be provided to the Legislative Budget Board: (1) within 15 calendar days of contract award; or (2) within 5 calendar days of contract award if the contract was awarded as a result of an emergency or following an emergency procedure allowed by statute. Such a purchase must be necessary to avoid an immediate hazard to life, health, safety or the welfare of humans, or to avoid an immediate hazard to property. (d) The notice required by Subsection (c) must include: (1) (A) information regarding the nature, term, amount and the vendor(s) awarded the contract; (B) a copy of the contract documents, including all appendices and attachments, and, if applicable, a finding of fact for major consulting contracts from the Governor's Office stating that the consulting services are necessary as required by Government Code, Section 2254.028(a)(3); (C) each request for proposal, invitation to bid, or comparable solicitation related to the contract; and (D) Subsections (d)(1)(B) and (C) shall not apply:

Current Rider Number	Page Number in 2026–27 GAA	Proposed Rider Language
		(i) to an enrollment contract described by Texas Administrative Code, Section 391.183 as that section existed November 1, 2013; (ii) to a contract of the Texas Department of Transportation that relates to highway construction or engineering, or is subject to Transportation Code, Section 201.112; (2) (A) certification signed by the executive director of the agency or other similar agency or institution administrator or designee of the agency or institution of higher education stating that the process used to award the contract, contract extension, or purchase complies with or is consistent with the following: (i) State of Texas Procurement and Contract Management Guide; and (ii) statutes, rules, policies and procedures related to the procurement and contracting of goods and services, including compliance with conflict of interest disclosure requirements; or (B) if the process to award the contract, contract extension, or procurement did not comply with the requirements of Subsection (d)(2)(A)(i) and (ii), or if these requirements are found to be inapplicable, the agency or institution of higher education shall provide either a legal justification for the inapplicability of the requirements or an explanation for the alternative process utilized, and legal justification for the alternative process; (3) certification by the executive director of the agency or other similar agency or institution administrator or designee of the agency or institution of higher education that the agency or institution has a process for: (A) verification of vendor performance and deliverables; (B) payment for goods and services only within the scope of the contract or procurement order; (C) calculation and collection of any liquidated damages associated with vendor performance; and (D) when, why, or how to apply corrective action plans for continuing poor vendor performance;

Current Rider Number	Page Number in 2026–27 GAA	Proposed Rider Language
		(4) certification by the executive director of the agency or other similar agency ~~or institution~~ administrator or designee of the agency ~~or institution of higher education~~ that the agency ~~or institution~~ will comply with the requirement to provide information to the Vendor Performance Tracking System when the contract is completed; and (5) any other information requested by the Legislative Budget Board before or after the Legislative Budget Board receives the notice as required by this section. (e) Except for a contract paid for exclusively using federal grant monies for which all parties to the contract and the terms of the contract have been determined by the federal government, a state agency or institution of higher education receiving an appropriation under this Act shall provide notice of a contract, as defined by Subsection (a), pursuant to this section without regard to the source of monies or method of finance associated with the expenditures, including a contract for which only non-appropriated monies will be expended. (f) If the agency does not satisfy the notification requirements of this section, the Director of the Legislative Budget Board may provide written notification to the Comptroller, Governor, and Legislative Budget Board detailing the requirements of this section that the agency did not meet and any recommendations to address identified risks related to the procurement or contract. The recommendations may include enhanced monitoring by Legislative Budget Board staff, auditing by the State Auditor's Office, required agency consultation with the Quality Assurance Team and/or Contract Advisory Team, or contract cancellation. (g) It is the intent of the legislature that a written notice certified as required by this section should be considered a "governmental record" as defined under Chapter 37, Penal Code. *UT System requests the revision of this reporting requirement to limit it to contracts required to be reported by the provisions of Government Code 322.020.* *UT System also proposes the deletion of references to “institution” in provision (d)(4) related to the Vendor Performance Tracking System. Pursuant to SB 799, 87th Leg RS, Section 7, which amended Government Code, Section 2155.089(c)(3)(C), contracts entered into by university systems and institutions of higher education are statutorily excluded from VPTS requirements.*

Current Rider Number	Page Number in 2026–27 GAA	Proposed Rider Language
Article IX, Section 17.09 (Paragraph (b)(10) only)	IX-82 to IX-84	**Sec. 17.09. Contract Management and Oversight.** *(Paragraph (a) omitted due to space considerations)* (b) Agencies and institutions should manage contracts consistent with state statute, the General Appropriations Act, and the State of Texas Procurement and Contract Management Guide and ensure proper oversight of contract processes including: *(intervening provisions (1) to (9) omitted due to space considerations)* (10) Ensure that vendor performance is reported to the Vendor Performance Tracking System (VPTS) and that VPTS data is used in selecting vendors for contract awards. <u>This provision does not apply to an institution of higher education.</u> *(subsequent paragraphs omitted due to space considerations)* *U. T. System requests the change to this requirement to reflect current statute. Pursuant to SB 799, 87th Leg RS, Section 7, which amended Government Code, Section 2155.089(c), contracts entered into by institutions of higher education are statutorily excluded from the requirement to include VPTS. Accordingly, changes are proposed to specifically exempt institutions of higher education from provision (b)(10).*

Agency code: **720** Agency name: **The University of Texas System Administration**

CODE	DESCRIPTION	Excp 2028	Excp 2029

Item Name: CCAP - Laredo Clinical Research Facilities
Item Priority: 1
IT Component: No
Anticipated Out-year Costs: Yes
Involve Contracts > $50,000: No
Includes Funding for the Following Strategy or Strategies: 03-05-01 Exceptional Item Request

OBJECTS OF EXPENSE:

		Excp 2028	Excp 2029
2008	DEBT SERVICE	4,360,000	4,360,000
	TOTAL, OBJECT OF EXPENSE	**$4,360,000**	**$4,360,000**

METHOD OF FINANCING:

		Excp 2028	Excp 2029
1	General Revenue Fund	4,360,000	4,360,000
	TOTAL, METHOD OF FINANCING	**$4,360,000**	**$4,360,000**

DESCRIPTION / JUSTIFICATION:

The facility will include a variety of laboratory and clinical space and equipment to host and support a broad range of clinical research activities. This facility will enable UT System institutions to conduct clinical research that serves the South Texas region, train and support clinical research specialists for the region, and partner with local healthcare providers to support the expansion of clinical research in the region.

EXTERNAL/INTERNAL FACTORS:

Requested debt service is based on $50 million of 20-year level term debt at 6% interest

PCLS TRACKING KEY:

DESCRIPTION OF ANTICIPATED OUT-YEAR COSTS :

Annual debt service

Agency code: **720** Agency name: **The University of Texas System Administration**

CODE	DESCRIPTION	Excp 2028	Excp 2029

ESTIMATED ANTICIPATED OUT-YEAR COSTS FOR ITEM:

	2030	2031	2032
OUT-YEAR ALL FUNDS:	$4,360,000	$4,360,000	$4,360,000

Agency Code: **720** Agency name: **The University of Texas System Administration**

GOAL: 3 Non-formula Support
OBJECTIVE: 5 Exceptional Item Request
STRATEGY: 1 Exceptional Item Request

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

CODE	**DESCRIPTION**	**Excp 2028**	**Excp 2029**
OBJECTS OF EXPENSE:			
2008	DEBT SERVICE	4,360,000	4,360,000
	Total, Objects of Expense	**$4,360,000**	**$4,360,000**
METHOD OF FINANCING:			
1	General Revenue Fund	4,360,000	4,360,000
	Total, Method of Finance	**$4,360,000**	**$4,360,000**

EXCEPTIONAL ITEM(S) INCLUDED IN STRATEGY:

CCAP - Laredo Clinical Research Facilities

Agency Code: **720** Agency: **The University of Texas System Administration**

COMPARISON TO STATEWIDE HUB PROCUREMENT GOALS

A. Fiscal Year - HUB Expenditure Information

Statewide HUB Goals	Procurement Category	% Goal	HUB Expenditures FY 2024 % Actual	Diff	Actual $	Total Expenditures FY 2024	% Goal	HUB Expenditures FY 2025 % Actual	Diff	Actual $	Total Expenditures FY 2025
11.2%	Heavy Construction	0.0 %	0.0%	0.0%	$0	$0	0.0 %	0.0%	0.0%	$0	$451
21.1%	Building Construction	15.3 %	23.9%	8.6%	$51,145,502	$214,014,767	15.3 %	17.1%	1.8%	$64,372,345	$376,514,671
32.9%	Special Trade	7.1 %	10.3%	3.3%	$91,779	$887,175	7.1 %	28.9%	21.8%	$776,669	$2,687,338
23.7%	Professional Services	18.2 %	30.0%	11.8%	$8,980,966	$29,946,490	18.2 %	31.7%	13.5%	$16,794,465	$52,937,526
26.0%	Other Services	2.6 %	4.8%	2.2%	$5,783,807	$120,430,032	2.6 %	6.7%	4.1%	$7,569,472	$112,511,831
21.1%	Commodities	21.1 %	43.4%	22.3%	$10,323,857	$23,801,844	21.1 %	23.3%	2.2%	$6,535,899	$28,020,396
	Total Expenditures		**19.6%**		**$76,325,911**	**$389,080,308**		**16.8%**		**$96,048,850**	**$572,672,213**

B. Assessment of Attainment of HUB Procurement Goals

Attainment:

UT System exceeded all of goals, or 100%, of the applicable agency HUB procurement goals in fiscal year 2024 and 2025.

Applicability:

UT System expected no heavy construction expenditures in FY 2024 or FY 2025, so we didn’t set goals in this procurement category.

Factors Affecting Attainment:

All goals were met that were established.

C. Good-Faith Efforts to Increase HUB Participation

Outreach Efforts and Mentor-Protégé Programs:

Through the U. T. System Board of Regents Rules and Regulations the HUB rules - Texas Administrative Code (TAC) Sections 20.281-20.298 are adopted. U. T. System Admin HUB Coordinator = Executive Director level.

• In fiscal year 2024, over $16.3 million was spent with minority and women-owned firms not certified as HUBs in building construction (4 firms - $16,136,661) and professional services (2 firms- $167,288)

• Attending 38 outreach events including

• Conducting over 100 HUB one-on-one meetings

• There were 5 active partnerships during the fiscal year

Fiscal Year 2025

Agency Code: **720** Agency: **The University of Texas System Administration**

- UT System Administration identified at least $20.18 million spent with noncertified MBEs in FY 202
- Attending 29 outreach events including 19 sponsored by HUB organizations:
- Conducting 245 HUB one-on-one meetings (updated from supplemental letter)
- Focus on Mentor Protégé Program
- We sponsored 3 partnerships in FY2025 – 2 construction and 1 professional services

HUB Program Staffing:

Providing six FTEs in support of System Administration and Systemwide HUB outreach and training.

Current and Future Good-Faith Efforts:

The University of Texas System has implemented the rules specified in the Texas Administrative Code , Title 34, Part 1, Chapter 20, Subchapter D, Division 1, Section 20.284(d) including the emergency (December 2, 2025) and permanent (May 12, 2026) amendments.

- Sponsoring the UT Systemwide HUB Construction Opportunity Webinar on September 24, 2025
- Hosting the UTS HUB Awards & Construction Outreach Event at the UT System downtown office building on October 28, 2025
- Exhibiting at the Bexar County Annual SMWVBO event on December 10, 2025
- Annually provide spot bids and/or exhibit at the Doing Business Texas Style Spot Bid Fair at the Dallas/Fort Worth Minority Supplier Development Council Expo, the Houston Minority Supplier Development Council Annual Expo, the Beaumont HUB Expo
- Monthly meetings with the UT System Office of Contracts and Procurement and UT System Supply Chain Alliance to discuss upcoming contracting opportunities, HUB strategies, and other issues
- With our online Vendor Information Form, we schedule several meetings each month with HUB firms to discuss opportunities

720 The University of Texas System Administration

	FY 2026 Revenue	FY 2027 Revenue	Biennium Total	Percentage of Total	FY 2028 Revenue	FY 2029 Revenue	Biennium Total	Percentage of Total
Appropriated Sources Inside The Bill Pattern								
State Appropriations (excluding HEGI & State Paid Fringes)	46,013,119	11,013,119	57,026,238	94.91%	43,998,287	10,048,287	54,046,574	94.44%
Tuition and Fees (net of Discounts and Allowances)	0	0	0	0.00%	0	0	0	0.00%
Endowment and Interest Income	1,530,000	1,530,000	3,060,000	5.09%	1,542,000	1,642,000	3,184,000	5.56%
Sales and Services of Educational Activities (net)	0	0	0	0.00%	0	0	0	0.00%
Sales and Services of Hospitals (net)	0	0	0	0.00%	0	0	0	0.00%
Other Income	0	0	0	0.00%	0	0	0	0.00%
Subtotal, Appropriated Sources Inside The Bill Pattern	**47,543,119**	**12,543,119**	**60,086,238**	**100%**	**45,540,287**	**11,690,287**	**57,230,574**	**100%**
Appropriated Sources Outside The Bill Pattern								
State Appropriations (HEGI & State Paid Fringes)	108,292	114,896	223,188	0.01%	116,070	117,280	233,350	0.01%
Higher Education Fund	0	0	0	0.00%	0	0	0	0.00%
Available University Fund	1,646,786,666	1,791,434,267	3,438,220,933	99.65%	1,902,569,667	2,055,677,333	3,958,247,000	99.70%
State Grants and Contracts	11,697,196	0	11,697,196	0.34%	11,697,196	0	11,697,196	0.29%
Subtotal, Appropriated Sources Outside The Bill Pattern	**1,658,592,154**	**1,791,549,163**	**3,450,141,317**	**100%**	**1,914,382,933**	**2,055,794,613**	**3,970,177,546**	**100%**
Non-Appropriated Sources								
Tuition and Fees (net of Discounts and Allowances)	0	0	0	0.00%	0	0	0	0.00%
Federal Grants and Contracts	59,700,000	105,200,000	164,900,000	65.83%	105,200,000	105,200,000	210,400,000	63.77%
State Grants and Contracts	0	0	0	0.00%	0	0	0	0.00%
Local Government Grants and Contracts	0	0	0	0.00%	0	0	0	0.00%
Private Gifts and Grants	849,000	1,050,000	1,899,000	0.76%	1,050,000	1,050,000	2,100,000	0.64%
Endowment and Interest Income	15,008,097	35,889,877	50,897,974	20.32%	35,889,877	35,889,877	71,779,754	21.76%
Sales and Services of Educational Activities (net)	7,935,799	8,423,822	16,359,621	6.53%	8,423,822	8,423,822	16,847,644	5.11%
Sales and Services of Hospitals (net)	0	0	0	0.00%	0	0	0	0.00%
Professional Fees (net)	0	0	0	0.00%	0	0	0	0.00%
Auxiliary Enterprises (net)	0	0	0	0.00%	0	0	0	0.00%
Other Income	2,046,000	14,406,434	16,452,434	6.57%	14,406,434	14,406,434	28,812,868	8.73%
Subtotal, Non-Appropriated Sources	**85,538,896**	**164,970,133**	**250,509,029**	**100%**	**164,970,133**	**164,970,133**	**329,940,266**	**100%**
Total Sources:	**1,791,674,169**	**1,969,062,415**	**3,760,736,584**	**100%**	**2,124,893,353**	**2,232,455,033**	**4,357,348,386**	**100%**

8. Summary of Requests for Facilities-Related Projects

90th Regular Session, Agency Submission

Agency Code: 720	**Agency:** University of Texas System Administrat		**Prepared by:** Derek Horton												
Date: August, 2026			**Amount Requested**												
			Project Category												
Project ID #	**Capital Expenditure Category**	**Project Description**	**New Construction**	**Health and Safety**	**Deferred Maintenance**	**Maintenance**	**2028-29 Total Amount Requested**	**MOF Code #**	**MOF Requested**	**Can this project be partially funded?**	**Requested in Prior Session?**	**Value of Existing Capital Projects**	**2028-29 Estimated Debt Service (If Applicable)**	**Debt Service MOF Code #**	**Debt Service MOF Requested**
1	New Construction	Laredo Clinical Research Facilities	X				$ 50,000,000		CCAP	Yes	No		$ 8,720,000	0001	General Revenue

720 The University of Texas System Administration

	Act 2025	Act 2026	Bud 2027	Est 2028	Est 2029
General Revenue Transfers					
Transfer from Coordinating Board for Texas College Work Study Program (2025, 2026, 2027)	0	0	0	0	0
Transfer from Coordinating Board for Professional Nursing Shortage Reduction Program	0	0	0	0	0
Transfer of GR Group Insurance Premium from Comptroller (UT and TAMU Components only)	50,863	68,287	73,750	0	0
Less: Transfer to Other Institutions	0	0	0	0	0
Less: Transfer to Department of Health, Disproportionate Share - State-Owned Hospitals (2025, 2026, 2027)	0	0	0	0	0
Other (Itemize)					
Allocation from Texas Higher Education Coordinating Board for Joint Admission Medical Program	0	11,696,794	0	0	0
Transfer for Texas Child Mental Health Care Consortium	1,331,881	1,672,707	1,672,707	0	0
Other: Fifth Year Accounting Scholarship	0	0	0	0	0
Texas Grants	0	0	0	0	0
B-on-Time Program	0	0	0	0	0
Texas Research Incentive Program	0	0	0	0	0
Less: Transfer to System Administration	0	0	0	0	0
GME Expansion	0	0	0	0	0
Subtotal, General Revenue Transfers	**1,382,744**	**13,437,788**	**1,746,457**	**0**	**0**
General Revenue HEF	0	0	0	0	0
Transfer from Available University Funds (UT, A&M and Prairie View A&M Only)	137,411,900	173,024,403	212,905,600	0	0
Other Additions (Itemize)					
Increase Capital Projects - Educational and General Funds	0	0	0	0	0
Transfer from Department of Health, Disproportionate Share - State-owned Hospitals (2025, 2026, 2027)	0	0	0	0	0
Transfers from Other Funds, e.g., Designated funds transferred for educational and general activities (Itemize)	0	0	0	0	0
Other (Itemize)					
Gross Designated Tuition (Sec. 54.0513)	**0**	**0**	**0**	**0**	**0**

720 The University of Texas System Administration

	Act 2025	Act 2026	Bud 2027	Est 2028	Est 2029
Indirect Cost Recovery (Sec. 145.001(d))	**0**	**0**	**0**	**0**	**0**
Correctional Managed Care Contracts	**0**	**0**	**0**	**0**	**0**

720 The University of Texas System Administration

		E&G Enrollment	GR Enrollment	GR-D/OEGI Enrollment	Total E&G (Check)	Local Non-E&G
GR & GR-D Percentages						
GR %	0.72%					
GR-D/Other %	99.28%					
Total Percentage	100.00%					
FULL TIME ACTIVES						
1a Employee Only		127	1	126	127	122
2a Employee and Children		44	0	44	44	47
3a Employee and Spouse		25	0	25	25	29
4a Employee and Family		45	0	45	45	52
5a Eligible, Opt Out		5	0	5	5	4
6a Eligible, Not Enrolled		4	0	4	4	3
Total for This Section		**250**	**1**	**249**	**250**	**257**
PART TIME ACTIVES						
1b Employee Only		0	0	0	0	0
2b Employee and Children		0	0	0	0	0
3b Employee and Spouse		0	0	0	0	0
4b Employee and Family		0	0	0	0	0
5b Eligble, Opt Out		2	0	2	2	0
6b Eligible, Not Enrolled		0	0	0	0	0
Total for This Section		**2**	**0**	**2**	**2**	**0**
Total Active Enrollment		**252**	**1**	**251**	**252**	**257**

720 The University of Texas System Administration

	E&G Enrollment	GR Enrollment	GR-D/OEGI Enrollment	Total E&G (Check)	Local Non-E&G
FULL TIME RETIREES by ERS					
1c Employee Only	113	1	112	113	116
2c Employee and Children	2	0	2	2	3
3c Employee and Spouse	64	0	64	64	65
4c Employee and Family	2	0	2	2	2
5c Eligble, Opt Out	7	0	7	7	7
6c Eligible, Not Enrolled	0	0	0	0	0
Total for This Section	**188**	**1**	**187**	**188**	**193**
PART TIME RETIREES by ERS					
1d Employee Only	0	0	0	0	0
2d Employee and Children	0	0	0	0	0
3d Employee and Spouse	0	0	0	0	0
4d Employee and Family	0	0	0	0	0
5d Eligble, Opt Out	0	0	0	0	0
6d Eligible, Not Enrolled	0	0	0	0	0
Total for This Section	**0**	**0**	**0**	**0**	**0**
Total Retirees Enrollment	**188**	**1**	**187**	**188**	**193**
TOTAL FULL TIME ENROLLMENT					
1e Employee Only	240	2	238	240	238
2e Employee and Children	46	0	46	46	50
3e Employee and Spouse	89	0	89	89	94
4e Employee and Family	47	0	47	47	54
5e Eligble, Opt Out	12	0	12	12	11
6e Eligible, Not Enrolled	4	0	4	4	3
Total for This Section	**438**	**2**	**436**	**438**	**450**

720 The University of Texas System Administration

	E&G Enrollment	GR Enrollment	GR-D/OEGI Enrollment	Total E&G (Check)	Local Non-E&G
TOTAL ENROLLMENT					
1f Employee Only	240	2	238	240	238
2f Employee and Children	46	0	46	46	50
3f Employee and Spouse	89	0	89	89	94
4f Employee and Family	47	0	47	47	54
5f Eligble, Opt Out	14	0	14	14	11
6f Eligible, Not Enrolled	4	0	4	4	3
Total for This Section	**440**	**2**	**438**	**440**	**450**

Higher Education Schedule 4: Computation of OASI
90th Regular Session, Agency Submission, Version 1
Automated Budget and Evaluation System of Texas (ABEST)

Agency 720 The University of Texas System Administration

Proportionality Percentage Based on Comptroller Accounting Policy Statement #011, Exhibit 2	2025 % to Total	2025 Allocation of OASI	2026 % to Total	2026 Allocation of OASI	2027 % to Total	2027 Allocation of OASI	2028 % to Total	2028 Allocation of OASI	2029 % to Total	2029 Allocation of OASI
General Revenue (% to Total)	0.7197	$17,246	0.7197	$17,763	0.7197	$18,296	0.7197	$18,845	0.7197	$19,410
Other Educational and General Funds (% to Total)	99.2803	$2,378,999	99.2803	$2,450,369	99.2803	$2,523,880	99.2803	$2,599,596	99.2803	$2,677,585
Health-Related Institutions Patient Income (% to Total)	0.0000	$0	0.0000	$0	0.0000	$0	0.0000	$0	0.0000	$0
Grand Total, OASI (100%)	100.0000	**$2,396,245**	100.0000	**$2,468,132**	100.0000	**$2,542,176**	100.0000	**$2,618,441**	100.0000	**$2,696,995**

Higher Education Schedule 5: Calculation of Retirement Proportionality and ORP Differential
90th Regular Session, Agency Submission, Version 1

Automated Budget and Evaluation System of Texas (ABEST)

720 The University of Texas System Administration

Description	Act 2025	Act 2026	Bud 2027	Est 2028	Est 2029
Proportionality Amounts					
Gross Educational and General Payroll - Subject To TRS Retirement	27,183,561	27,999,068	28,839,040	29,704,211	30,595,337
Employer Contribution to TRS Retirement Programs	2,242,644	2,309,923	2,379,221	2,450,597	2,524,115
Gross Educational and General Payroll - Subject To ORP Retirement	7,343,598	7,563,906	7,790,823	8,024,548	8,265,285
Employer Contribution to ORP Retirement Programs	484,677	499,218	514,194	529,620	545,509
Proportionality Percentage					
General Revenue	0.7197 %	0.7197 %	0.7197 %	0.7197 %	0.7197 %
Other Educational and General Income	99.2803 %	99.2803 %	99.2803 %	99.2803 %	99.2803 %
Health-related Institutions Patient Income	0.0000 %	0.0000 %	0.0000 %	0.0000 %	0.0000 %
Proportional Contribution					
Other Educational and General Proportional Contribution (Other E&G percentage x Total Employer Contribution to Retirement Programs)	2,707,692	2,788,924	2,872,591	2,958,768	3,047,532
HRI Patient Income Proportional Contribution (HRI Patient Income percentage x Total Employer Contribution To Retirement Programs)	0	0	0	0	0
Differential					
Differential Percentage	1.9000 %	1.9000 %	1.9000 %	1.9000 %	1.9000 %
Gross Payroll Subject to Differential - Optional Retirement Program	7,343,598	7,563,906	7,790,823	8,024,548	8,265,285
Total Differential	139,528	143,714	148,026	152,466	157,040

720 The University of Texas System Administration

Activity	Act 2025	Act 2026	Bud 2027	Est 2028	Est 2029
A. PUF Bond Proceeds Allocation	9,408,900	71,000,000	9,000,000	9,000,000	9,000,000
Project Allocation					
Library Acquisitions	5,000,000	6,000,000	6,000,000	6,000,000	6,000,000
Construction, Repairs and Renovations	2,408,900	63,000,000	1,000,000	1,000,000	1,000,000
Furnishings & Equipment	0	0	0	0	0
Computer Equipment & Infrastructure	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Reserve for Future Consideration	0	0	0	0	0
Other (Itemize)					
B. HEF General Revenue Allocation	0	0	0	0	0
Project Allocation					
Library Acquisitions	0	0	0	0	0
Construction, Repairs and Renovations	0	0	0	0	0
Furnishings & Equipment	0	0	0	0	0
Computer Equipment & Infrastructure	0	0	0	0	0
Reserve for Future Consideration	0	0	0	0	0
HEF for Debt Service	0	0	0	0	0
Other (Itemize)					
C. TSTC Endowment Allocation	0	0	0	0	0
Project Allocation					
Library Acquisitions	0	0	0	0	0
Construction, Repairs and Renovations	0	0	0	0	0
Furnishings & Equipment	0	0	0	0	0
Computer Equipment & Infrastructure	0	0	0	0	0
Reserve for Future Consideration	0	0	0	0	0
Debt Service	0	0	0	0	0
Other (Itemize)					

Date: 8/7/2026
Time: 12:35:14PM

Agency code: **720** Agency name: **UT Sys Admin**

	Actual 2025	Actual 2026	Budgeted 2027	Estimated 2028	Estimated 2029
Part A.					
FTE Postions					
Directly Appropriated Funds (Bill Pattern)					
Educational and General Funds Non-Faculty Employees	12.0	12.0	12.0	12.0	12.0
Subtotal, Directly Appropriated Funds	**12.0**	**12.0**	**12.0**	**12.0**	**12.0**
Other Appropriated Funds					
AUF	252.6	260.2	253.5	253.5	253.5
Other (Itemize) Transfer from THECB	4.8	4.5	9.6	9.6	9.6
Other (Itemize)	26.2	80.8	169.0	233.0	288.0
Subtotal, Other Appropriated Funds	**283.6**	**345.5**	**432.1**	**496.1**	**551.1**
Subtotal, All Appropriated	**295.6**	**357.5**	**444.1**	**508.1**	**563.1**
Non Appropriated Funds Employees	247.3	259.7	310.7	310.7	310.7
Subtotal, Other Funds & Non-Appropriated	**247.3**	**259.7**	**310.7**	**310.7**	**310.7**
GRAND TOTAL	**542.9**	**617.2**	**754.8**	**818.8**	**873.8**

Agency 720 The University of Texas System Administration

Project Priority:	Project Code:	Capital Construction Assistance Projects Revenue Bond Request	Total Project Cost	Cost Per Total Gross Square Feet
1	1	$ 50,000,000	$ 50,000,000	$ 1,000

Name of Proposed Facility:
Laredo Clinical Research Facilities

Project Type:
New Construction

Location of Facility:
Laredo, Texas

Type of Facility:
Academic and Research

Project Start Date:
09/01/2028

Project Completion Date:
09/01/2030

Gross Square Feet:
50,000

Net Assignable Square Feet in Project
32,500

Project Description

The facility will include a variety of laboratory and clinical space and equipment to host and support a broad range of clinical research activities. This facility will enable UT System institutions to conduct clinical research that serves the South Texas region, train and support clinical research specialists for the region, and partner with local healthcare providers to support the expansion of clinical research in the region.

Heart Institute - Adult Stem Cell Program

(1) Year Non-Formula Support Item First Funded:	2010
Year Non-Formula Support Item Established:	2010
Original Appropriation:	$500,000

(2) Mission:

Created by the 81st Legislature to provide pass-through funding to the Texas Heart Institute to conduct stem cell research. Beginning in 2016, these pass-through funds were trusteed to the UT System Administration.

(3) (a) Major Accomplishments to Date:

This item funds programs at the Texas Heart Institute

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

Continued funding of programs at the Texas Heart Institute

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

N/A

(5) Formula Funding:
N/A

(6) Category:

Trusteed Funds

(7) Transitional Funding:
N

(8) Non-General Revenue Sources of Funding:

N/A

(9) Impact of Not Funding:

Funding would no longer be made available to the Texas Heart Institute.

720 The University of Texas System Administration

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

The funding supports ongoing activities and does not have a specific time frame or completion point.

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

N/A

(12) Benchmarks:

N/A

(13) Performance Reviews:

The UT System passes these funds through to the Texas Heart Institute and does not establish performance metrics.

720 The University of Texas System Administration

Multi-Institution Center - Laredo

(1) Year Non-Formula Support Item First Funded:	2022
Year Non-Formula Support Item Established:	2022
Original Appropriation:	$3,601,508

(2) Mission:

The UT Education and Research Center at Laredo is a multi-institution teaching and research center delivering primarily health-related programs to students in the Laredo region. Previously a campus extension of The University of Texas Health Science Center at San Antonio (UTHSC-SA), in 2021 the Legislature transferred the control and operation of the Center to UT System to leverage the System's multiple institutions and resources to enhance the number and type of programs offered to students.

In 2021, existing non-formula funding that supports the basic administration and operations of the Center was transferred from UTHSC- SA to UT System for the same purpose. The Legislature also appropriates additional funding to provide start-up funding for the development of new academic programs. As these new programs mature and become supported by formula funding, start-up funding is redeployed to additional program development, furthering the Center's mission.
The Laredo Center is a byproduct of the state's South Texas Border Initiative and related efforts to improve the accessibility and quality of higher education and services in South Texas in response to the LULAC v. Richards lawsuit. The Center is an innovative and efficient approach that brings needed academic programs and research from multiple institutions across the state directly to students in Laredo and its surrounding counties.

(3) (a) Major Accomplishments to Date:

• Transformed the existing facilities into a multi-institution teaching center with new leadership and restructured and expanded support staff.
• Modernized, renovated, and expanded laboratory, classroom, and office space to meet academic and research program needs.
• Developed and implemented ten academic programs delivered by four different UT system institutions.
• Through an innovative partnership with Coursera, launched a series of targeted course offerings delivering upskilling, college preparation, and recognized career credentials to area residents.
• Hosted numerous public educational events and policy and research seminars, including those focused on Alzheimer's Disease and university sponsored conferences.
• Provided dementia care support and clinical trial opportunities through the Center's Dementia, Geriatric & Brain Health Clinic.
• Developed plans for a new three-story facility to accommodate existing and expanded programs, with construction scheduled for completion by 2028.
• Initiated planning for strategic partnerships with UT institutions and community stakeholders to expand autism resources and develop specialized mental health crisis solutions while increasing training, workforce development, and clinical learning opportunities.

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

Currently five new academic programs are being developed and are expected to launch by the fall of 2028. Several other programs are in the initial planning phase and will be implemented as funding allows. The UT Center at Laredo will continue to support the participating institutions in building their current programs in the pipeline and developing them to self-sufficiency. As these programs start up and mature, funding will be shifted to new programs. These new programs will be identified through collaborations with local educational institutions (including K-12, Laredo College, and TAMIU) and the local healthcare industry based on workforce demands, student interest, and capacity.

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

N/A

(5) Formula Funding:
N/A

(6) Category:

Instructional Support

(7) Transitional Funding:
N

(8) Non-General Revenue Sources of Funding:

N/A

(9) Impact of Not Funding:

Without funding, there would be insufficient support available to oversee the Center's basic operations and administration. There also would be no support to enable the continued start-up of the nascent academic programs underway or the new programs expected to be implemented in the next two years. Accordingly, the academic programs housed at the Center would be discontinued, and the buildings would be left vacant. The availability and quality of health-related higher education programs in Laredo and the surrounding area would be diminished.

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

Non-formula support is needed on a permanent basis.

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

N/A

(12) Benchmarks:

N/A

(13) Performance Reviews:

N/A

Stroke Clinical Research (Lone Star Stroke)

(1) Year Non-Formula Support Item First Funded:	2014
Year Non-Formula Support Item Established:	2014
Original Appropriation:	$2,250,000

(2) Mission:

When the Legislature created LSS, its vision was to build a statewide research network that generates new knowledge while ensuring all Texans benefit from advances in stroke care. Over the past decade, that vision has become reality. Through a hub-and-spoke model linking six academic medical centers and more than 50 rural and urban hospitals, LSS has conducted over 20 studies involving more than 26,000 Texans. These efforts have improved stroke diagnosis, treatment, prevention, rehabilitation, and telehealth while producing nationally recognized scientific contributions. Legislative investment has created a sustainable statewide infrastructure connecting researchers, clinicians, hospitals, EMS providers, rehabilitation specialists, and community partners. This network has expanded research access in rural communities, strengthened collaboration, attracted external funding, trained future stroke leaders, and enhanced Texas' ability to address emerging healthcare challenges. As stroke care needs have evolved, so has LSS. Initially focused on generating evidence to improve diagnosis and treatment, the Consortium now emphasizes implementation science and quality improvement to accelerate adoption of evidence-based care. By developing practical, scalable solutions spanning prevention, emergency treatment, rehabilitation, recovery, and long-term self-management, LSS translate scientific discoveries into routine practice and positioning Texas as a national leader in stroke care.

(3) (a) Major Accomplishments to Date:

Established one of the nation's largest statewide stroke research networks. LSS connects six academic medical centers and more than 50 rural and urban hospitals through a hub-and-spoke network supporting multicenter research and expanding access to innovative stroke care across Texas.
Advanced acute stroke care. Studies of telestroke access, imaging, treatment timing, emergency department protocols, secondary prevention, and rehabilitation have strengthened evidence-based care in Texas and influenced practice nationally.
Expanded research across the continuum of care. LSS broadened its focus beyond emergency treatment to include prevention, rehabilitation, recovery, caregiver support, and long-term self-management, with particular attention to rural and underserved communities.
Developed implementation-ready solutions. Programs such as VAST-TX and IT'S TIME expand access to multidisciplinary rehabilitation and establish infrastructure for remote neurological care statewide.
Strengthened statewide stroke systems. Through the SPEED initiative, LSS works with hospitals, EMS agencies, regional advisory councils, and stroke centers to improve emergency stroke transfers through standardized protocols, coordinated communication, and continuous quality improvement.
Together, these efforts demonstrate LSS's evolution from conducting research to implementing scalable solutions that improve stroke outcomes for Texans.

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

Over the next two years, LSS will shift from conducting innovative studies to implementing proven stroke care solutions across Texas, accelerating the translation of research into practice and improving prevention, emergency care, rehabilitation, recovery, and long-term outcomes.
Establish Texas as the nation's leading stroke implementation network. LSS will evolve into a statewide implementation science and quality improvement network that integrates clinical research, telehealth, data infrastructure, and statewide partnerships to identify best practices, evaluate outcomes, and rapidly disseminate successful strategies.
Transform rehabilitation access. Through VAST-TX and the IT'S TIME initiative, LSS will expand telerehabilitation services, improve recovery after stroke, reduce geographic disparities, and create scalable models of care for rural and underserved communities.
Modernize emergency stroke systems. Through the SPEED initiative, LSS will partner with hospitals, EMS agencies, regional advisory councils, and stroke centers to improve emergency stroke transfers. Standardized protocols, coordinated communication, and continuous quality improvement will reduce delays in access to advanced stroke therapies and strengthen stroke care statewide.
Together, these efforts will position Texas as a national leader in delivering evidence-based stroke care.

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

None

(5) Formula Funding:
N/A

(6) Category:

Trusteed Funds

(7) Transitional Funding:
N

(8) Non-General Revenue Sources of Funding:

None

(9) Impact of Not Funding:

Discontinuation of legislative funding would place Texas' progress in stroke research and care at risk. Without continued support, the state would lose the infrastructure that enables collaborative research, implementation science, quality improvement, workforce development, and statewide dissemination of evidence-based stroke care. Key initiatives such as VAST-TX, IT'S TIME, and SPEED would be delayed or unable to achieve statewide implementation, limiting efforts to expand rehabilitation access, improve emergency stroke systems, reduce geographic disparities, and strengthen rural healthcare partnerships.
The impact would extend beyond individual projects. Texas would lose a competitive advantage in attracting federal, foundation, and industry funding and would reduce opportunities for collaboration among academic institutions, healthcare systems, and community partners. Patients, particularly in rural and underserved communities, would face reduced access to innovative therapies, clinical trials, and evidence-based care.
Continued investment will build on a decade of success, accelerate the translation of research into practice, and ensure Texas remains a national leader in stroke innovation while improving outcomes for patients across the state.

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

The need for non-formula support for stroke research is ongoing. There is no specific benchmark or timeframe at which funding could be eliminated.

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

N/A

(12) Benchmarks:

Building on its accomplishments, during the next biennium, LSS will focus on achieving measurable statewide impact through broader implementation of evidence-based practices, expanded partnerships, improved access to care, and better patient outcomes.

Expand Texas' stroke network. LSS will continue growing participation among academic medical centers, community hospitals, rehabilitation providers, EMS agencies, regional advisory councils, and other healthcare organizations to strengthen collaboration and improve access to care.

Improve rehabilitation access. LSS will complete implementation and evaluation of the VAST-TX trial while expanding IT'S TIME to establish telerehabilitation infrastructure. Success will be measured through increased rehabilitation access, greater patient participation, broader adoption across partner institutions, and improved outcomes.

Improve emergency stroke care. Through the SPEED initiative, LSS will reduce Door-In-Door-Out transfer times, strengthen coordination among EMS and stroke centers, and improve access to advanced therapies. Performance measures include transfer efficiency, adoption of standardized workflows, and dissemination of best practices.

Strengthen the workforce. LSS will continue developing the next generation of clinicians, researchers, rehabilitation professionals, and implementation scientists through collaboration, mentorship, and statewide educational initiatives, ensuring Texas remains a leader in stroke research and care

(13) Performance Reviews:

N/A

Trauma Research and Combat Casualty Care Collaborative (TRC4)

(1) Year Non-Formula Support Item First Funded:	2024
Year Non-Formula Support Item Established:	2024
Original Appropriation:	$20,000,000

(2) Mission:

The Trauma Research and Combat Casualty Care Collaborative's (TRC4) mission is to harness the capabilities and expertise of the UT System and leverage state and federal support to transform trauma care both in the civilian sector and on the battlefield. TRC4 pursues this mission through funding transformative, inter-institutional, and collaborative basic, clinical, and translational research that can be rapidly deployed to improve trauma care throughout the state of Texas and, ultimately, nationally, and internationally.

TRC4 promotes the bidirectional translation of advances in trauma and critical care between the military and civilian sectors through collaboration between the integrated (military-civilian) regional trauma system in San Antonio and the full breadth of UT System partnering institutions and their associated regional trauma systems. TRC4 also sponsors training and clinical partnerships, facilitates cooperative alliances between institutions and with the Department of Defense and the Defense Health Agency, and promotes the diffusion of innovation through the annual UT System Trauma Research Symposium.

(3) (a) Major Accomplishments to Date:

• Successfully conducted 2 competitive grant cycles, resulting in the funding of 106 trauma and combat casualty care research projects addressing critical civilian and military healthcare priorities.
• Awarded more than $36 million in research funding across 10 higher education institutions, including 8 Directed Awards totaling $6.25 million and 98 Competitive Awards totaling $29.9 million, supporting innovative basic, translational, and clinical trauma research.
• TRC4-supported investigators have produced significant scholarly and translational outcomes, including 245 scientific presentations at local, national, and international meetings, 68 peer-reviewed publications, 9 intellectual property filings, and 92 follow-on grant applications, demonstrating substantial return on investment and positioning investigators for continued external funding.
• Established and strengthened strategic partnerships for Texas across the UT System, the Department of Defense, the Defense Health Agency, and military research organizations to accelerate the translation of research discoveries into improvements in trauma care.
• Hosted 3 UT System Trauma Research Symposiums in partnership with Department of Defense collaborators, bringing together academic, military, and industry leaders to promote collaboration and innovation in trauma and combat casualty care research.

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

- Continue translating TRC4-funded discoveries into clinical applications, medical technologies, and evidence-based practices that improve trauma care.
- Award up to $20 million in additional competitive and directed research grants to support high-impact, collaborative trauma and combat casualty care research.
- Expand collaborations among UT System institutions, the Department of Defense, the Defense Health Agency, industry, and other federal partners to accelerate innovation.
- Increase peer-reviewed publications, intellectual property disclosures, clinical studies, and commercialization opportunities generated by TRC4-supported research.
- Leverage TRC4-funded preliminary data to secure additional competitive federal research funding.
- Continue to strengthen TRC4's national reputation as a premier military-civilian trauma research collaborative and a trusted partner for advancing Department of Defense research priorities.
- Expand workforce development by supporting trainees and early-career investigators to sustain Texas' leadership in trauma and combat casualty care research.
- Host annual statewide research symposia to foster collaboration, disseminate research findings, and accelerate the translation of innovations into clinical practice.
- Advance the development of emerging technologies—including autonomous systems, advanced diagnostics, regenerative medicine, and next-generation medical devices—to improve outcomes following traumatic injury.

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

- One-time start-up funding of $2.5 million from the UT System Board of Regents.
- One-time in-kind support of $2.5 million in research equipment from the USAISR.

(5) Formula Funding:
N/A

(6) Category:

Research Support

(7) Transitional Funding:
N

(8) Non-General Revenue Sources of Funding:

- No recurring non-general revenue sources of funding available.
- Potential for federal research funding.

(9) Impact of Not Funding:

If not funded, the TRC4 would cease to award new grants, and trauma and combat casualty care research in Texas, and subsequent improvements to care and survivability, would decrease.

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

N/A

720 The University of Texas System Administration

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

N/A

(12) Benchmarks:

N/A

(13) Performance Reviews:

N/A

720 The University of Texas System Administration

UT REAL Health AI

(1) Year Non-Formula Support Item First Funded:	2026
Year Non-Formula Support Item Established:	2026
Original Appropriation:	$15,000,000

(2) Mission:

The mission of UT-REAL-Health AI is to leverage the collective strength, scale, and expertise of The University of Texas System to responsibly develop, evaluate, implement, and scale artificial intelligence tools in healthcare delivery for the benefit of all Texans. UT-REAL enables UT health-related institutions and academic medical centers to function as a coordinated learning health system for artificial intelligence by bringing together clinical, scientific, operational, educational, and technology leaders to establish common governance, shared adoption infrastructure, enterprise partnerships, workforce development, implementation science, and continuous evaluation.

UT-REAL serves as the translation layer between innovation and enterprise implementation. Through shared governance, monitoring capabilities, workforce education, collaborative pilot projects, reusable infrastructure, and strategic partnerships, innovations developed at one institution can be evaluated, refined, and disseminated across the UT System. As AI becomes increasingly important to statewide priorities such as rural healthcare transformation, cancer, dementia, and workforce modernization, UT-REAL provides the operational capability needed to translate these investments into measurable improvements in healthcare delivery, research, education, and operational excellence.

(3) (a) Major Accomplishments to Date:

• Established a persistent governance structure spanning every UT HRI through steering committees, multidisciplinary working groups, and recurring engagement with executive leadership.
• Created shared workforce capabilities through an AI Learning Portal, webinars, and one of the nation's largest healthcare AI workforce needs assessments.
• Supported twelve collaborative AI pilots designed for enterprise scalability in patient access, quality, health equity, and workforce efficiency.
• Developed AI governance playbooks, implementation guidance, monitoring capabilities, and a shared technology platform with UT-HIP.
• Developed an AI Maturity Framework in collaboration with national leaders and initiated campuses in scoring their maturity against it.
• Established enterprise partnerships with Microsoft, OpenEvidence, Qualified Health, Abridge, and others while implementing one of the nation's largest clinical generative AI deployments, making safe AI tools available to more than 100,000 members of the healthcare workforce.
• Re-negotiated ambient AI access for the entire UT System, transforming the pricing model to facilitate easy and affordable deployment with minimal financial risk for campuses while positioning UT System as a key innovation partner of the nation’s largest ambient AI platforms.
• Expanded the UT AI Symposium into a nationally recognized convening forum.

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

- Additional enterprise pilot deployments including initiation of Project Lantern focused on AI-enhanced identification of victims of human trafficking.
- Launch the AI Learning Portal and AI Maturity Framework systemwide.
- Operationalize the shared AI monitoring platform.
- Advance ambient AI into nursing and specialty care.
- Scale key initiatives in virtual nursing, agentic AI, and medical imaging.
- Continue enterprise procurement and co-development partnerships.
- Establish working group to standardize legal and contracting language across all HRI AI initiatives, building on experience from current partnerships.
- Establish direct negotiations with frontier labs (e.g. Anthropic and OpenAI) to maximize enterprise savings on token costs.
- Expand enterprise use of Epic AI agents as a first-line platform for extending the health acre workforce.

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

- Start-up funding of $10 million from the UT System Board of Regents.

(5) Formula Funding:
N/A

(6) Category:

Instructional Support

(7) Transitional Funding:
N

(8) Non-General Revenue Sources of Funding:

- No recurring non-general revenue sources of funding available

(9) Impact of Not Funding:

The principal asset created by UT-REAL-Health AI is an enterprise capability that enables the University of Texas System to innovate, evaluate, negotiate, govern, and deploy artificial intelligence as one broad organization. Without continued funding, institutions would increasingly return to independent governance structures, technology platforms, vendor contracts, procurement cycles, and implementation strategies, resulting in duplicated investment, higher costs, inconsistent responsible AI practices, and slower innovation. Enterprise agreements that synchronize contracting, governance, implementation, and operational workflows would become difficult or impossible to recreate once fragmented. Furthermore, the collaborative relationships, shared infrastructure, executive engagement, and national partnerships established through UT-REAL-Health AI would erode, diminishing Texas' ability to remain a national leader in responsible healthcare AI. The progress achieved thus far goes deeper than a list of accomplishments and represents a momentum that has built across the UT HRIs. Without continued support, this momentum would dissipate and set Texas back in its ability to lead in deploying AI for the benefit of patients.

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

N/A

720 The University of Texas System Administration

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

N/A

(12) Benchmarks:

N/A

(13) Performance Reviews:

N/A