



**AGENDA
FOR MEETING
OF
THE UNIVERSITY OF TEXAS SYSTEM
BOARD OF REGENTS**

August 12-13, 2026
Austin, Texas

Wednesday, August 12, 2026

PUBLIC HEARING OPPORTUNITY, PURSUANT TO TEXAS EDUCATION CODE SECTION 54.0513, REGARDING PROPOSED TUITION AND FEE RATES FOR THE PROPOSED PH.D. IN PUBLIC HEALTH PROGRAM AT U.T. SAN ANTONIO AND TO ESTABLISH TUITION RATES FOR THE NEWLY APPROVED SCHOOL OF OPTOMETRY PROGRAM AT U.T. RIO GRANDE VALLEY *1:00 p.m.*

COMMITTEE MEETINGS *1:15 p.m. - 3:30 p.m.*

CONVENE THE BOARD IN OPEN SESSION TO RECESS TO EXECUTIVE SESSION PURSUANT TO *TEXAS GOVERNMENT CODE*, CHAPTER 551 *3:30 p.m.*

1. Individual Personnel Matters Relating to Officers or Employees – Section 551.074

U.T. System: Discussion and appropriate action regarding individual personnel matters relating to appointment, employment, evaluation, compensation, assignment, and duties of presidents (academic and health institutions); U.T. System Administration officers (Executive Vice Chancellors and Vice Chancellors); other officers reporting directly to the Board (Chancellor, General Counsel to the Board, and Chief Audit Executive); Board members; and U.T. System and institutional employees; including any interim appointments

2. Negotiated Contracts for Prospective Gifts or Donations – Section 551.073

U.T. System Institutions: Discussion and appropriate action regarding proposed negotiated gifts, including potential naming features

3. Consultation with Attorney Regarding Legal Matters or Pending and/or Contemplated Litigation or Settlement Offers – Section 551.071

- a. **U.T. System Board of Regents: Discussion with Counsel on pending legal issues**

- b. **U.T. System Board of Regents: Discussion and appropriate action regarding legal issues concerning pending legal claims by and against U.T. System**

4. Deliberations Regarding the Purchase, Exchange, Lease, Sale, or Value of Real Property – Section 551.072

Wednesday, August 12, 2026 (cont.)

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5. Deliberation Regarding Security Devices, Security Audits, or Cybersecurity Measures – Sections 551.076, 551.0761, and 551.089

U.T. System Board of Regents: Discussion and appropriate action regarding safety and security issues, including security audits and the deployment of security personnel and devices, and cybersecurity measures, policies, or contracts intended to protect critical infrastructure facilities

RECONVENE THE BOARD IN OPEN SESSION FOR POSSIBLE ACTION ON EXECUTIVE SESSION ITEMS 4:30 p.m.

RECESS 4:45 p.m.

Thursday, August 13, 2026

RECONVENE THE BOARD IN OPEN SESSION TO CONSIDER AGENDA ITEMS 9:00 a.m.

STANDING COMMITTEE RECOMMENDATIONS AND REPORTS TO THE BOARD 9:05 a.m.

1. **U.T. System Board of Regents: Approval of Consent Agenda and consideration of any item referred to the full Board** 6
2. **U.T. System Board of Regents: Discussion and appropriate action regarding proposed appointments to the Board of Directors of The University of Texas/Texas A&M Investment Management Company (UTIMCO)** 7
3. **U.T. System: Annual Meeting with Officers of the U.T. System Employee Advisory Council** 8

RECESS TO EXECUTIVE SESSION PURSUANT TO TEXAS GOVERNMENT CODE, CHAPTER 551 10:00 a.m.

1. Individual Personnel Matters Relating to Officers or Employees – Section 551.074
 - a. **U.T. System: Discussion and appropriate action regarding individual personnel matters relating to appointment, employment, evaluation, compensation, assignment, and duties of presidents (academic and health institutions); U.T. System Administration officers (Executive Vice Chancellors and Vice Chancellors); other officers reporting directly to the Board (Chancellor, General Counsel to the Board, and Chief Audit Executive); Board members; and U.T. System and institutional employees; including any interim appointments**
 - b. **U.T. System: Discussion and appropriate action regarding individual personnel matters relating to appointment, employment, evaluation, compensation, assignment, and duties of presidents (academic and health institutions); U.T. System Administration officers (Executive Vice Chancellors and Vice Chancellors); other officers reporting directly to the Board (Chancellor, General Counsel to the Board, and Chief Audit Executive); Board members; and U.T. System and institutional employees; including any interim appointments, and related personnel aspects of the operating budget for Fiscal Year 2027**

Thursday, August 13, 2026 (cont.)

- c. **U.T. System: Discussion and appropriate action concerning individual personnel matters relating to appointment, employment, evaluation, compensation, assignment, and duties of U.T. System and institutional employees including employees covered by Regents' *Rules and Regulations*, Rule 20204, regarding compensation for highly compensated employees, and Rule 20203, regarding compensation for key executives**

2. **Negotiated Contracts for Prospective Gifts or Donations – Section 551.073**

U.T. System Institutions: Discussion and appropriate action regarding proposed negotiated gifts, including potential naming features

3. **Consultation with Attorney Regarding Legal Matters or Pending and/or Contemplated Litigation or Settlement Offers – Section 551.071**

- a. **U.T. System Board of Regents: Discussion with Counsel on pending legal issues**
- b. **U.T. System Board of Regents: Discussion and appropriate action regarding legal issues concerning pending legal claims by and against U.T. System**
- c. **U.T. Austin: Discussion and appropriate action regarding legal issues associated with entering into a short-term ground lease of approximately five acres of land located at the north side of East Martin Luther King Junior Boulevard between Robert Dedman Drive and Interstate Highway 35, in Austin, Travis County, Texas with The 2033 Higher Education Development Foundation or a subsidiary thereof, for the purpose of designing and constructing certain site enabling improvements, including the relocation of utilities and other infrastructure to accommodate the future development of a multipurpose arena and of a student housing complex; and a related finding of public purpose**

4. **Deliberations Regarding the Purchase, Exchange, Lease, Sale, or Value of Real Property – Section 551.072**

U.T. Austin: Discussion and appropriate action regarding entering into a short-term ground lease of approximately five acres of land located at the north side of East Martin Luther King Junior Boulevard between Robert Dedman Drive and Interstate Highway 35, in Austin, Travis County, Texas with The 2033 Higher Education Development Foundation or a subsidiary thereof, for the purpose of designing and constructing certain site enabling improvements, including the relocation of utilities and other infrastructure to accommodate the future development of a multipurpose arena and of a student housing complex; and a related finding of public purpose

5. **Deliberation Regarding Security Devices, Security Audits, or Cybersecurity Measures – Sections 551.076, 551.0761, and 551.089**

U.T. System Board of Regents: Discussion and appropriate action regarding safety and security issues, including security audits and the deployment of security personnel and devices, and cybersecurity measures, policies, or contracts intended to protect critical infrastructure facilities

RECONVENE THE BOARD IN OPEN SESSION TO CONSIDER ACTION,
IF ANY, ON EXECUTIVE SESSION ITEMS AND AGENDA ITEMS

11:45 a.m.
approximately

Thursday, August 13, 2026 (cont.)

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4. U.T. System: Discussion and appropriate action regarding a) the nonpersonnel aspects of the operating budgets for Fiscal Year 2027, including Permanent University Fund Bond Proceeds allocations for Library, Equipment, Repair and Rehabilitation Projects and for the Faculty Science and Technology Acquisition and Retention program, b) a revision of the previously approved Fiscal Year 2027 Operating Budget Rules and Procedures, c) appropriation of Available University Funds (AUF) for a supplement to the U.T. System self-insurance funds and additions to the Promise Plus AUF endowment, and d) a finding that expenditure of the AUF is appropriate
5. U.T. System: Discussion and appropriate action regarding personnel aspects of the U.T. System Administration and institutional operating budgets for Fiscal Year 2027
6. U.T. Austin: President's Report on the review of the core curriculum

13

27

28

ADJOURN

12:00 p.m.
approximately

1. **U.T. System Board of Regents: Discussion and appropriate action regarding Consent Agenda items, if any, assigned for Committee consideration**

RECOMMENDATION

The Board will be asked to approve the Consent Agenda beginning on [Page 144](#).

2. **U.T. System Board of Regents: Discussion and appropriate action regarding proposed appointments to the Board of Directors of The University of Texas/Texas A&M Investment Management Company (UTIMCO)**

RECOMMENDATION

Chairman Eltife may recommend action concerning appointments to the UTIMCO Board of Directors.

3. **U.T. System: Annual Meeting with Officers of the U.T. System Employee Advisory Council**

INTRODUCTION

The U.T. System Employee Advisory Council (EAC) will discuss the Council's work and planned activities, utilizing the summary on the following pages.

BACKGROUND INFORMATION

The U.T. System Employee Advisory Council (EAC) was established in August 2000 to provide a vehicle for communication and to facilitate the flow of ideas and information between and among the Board of Regents, U.T. System Administration, and the institutions. The EAC functions to define, analyze, and make recommendations on employee issues to the U.T. System Administration, the Chancellor, and the Board of Regents.

Council officers are:

Chair: Ms. Jitenga Knox, Administrator, Center for Innovation in Health Informatics, University of Texas at Arlington

Vice Chair: Mr. William McWhorter, Senior Practice Manager – Correctional Managed Care, University of Texas Medical Branch at Galveston

Secretary: Mrs. Mercedes Ojeda, Assistant Director – Department of Community & Family Health, University of Texas Permian Basin

Historian: Ms. Mary Katherine Camp, Talent Acquisition Program Lead, University of Texas Health Science Center at Houston



The University of
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U.T. SYSTEM
Employee
Advisory
Council

Employee Advisory Council (EAC) FY 2025-2026 Committee Overview and Topics

Overview

The following committees represent strategic initiatives designed to comprehensively support institutions in their efforts to enhance employee engagement, strengthen professional development, foster collaboration, and improve the overall employee experience across the institution. Through a combination of networking opportunities, recognition programs, and employee-focused resources, these committees support a workplace culture that values connection, appreciation, wellbeing, and continuous improvement.

Each committee is charged with addressing a distinct aspect of the employee experience while maintaining alignment with broader institutional goals related to engagement, collaboration, professional growth, operational excellence, and organizational culture.

Committee Topics

1. Employee Networking & Collaboration Committee

Purpose

To strengthen professional connections across institutions, promote knowledge sharing, and foster collaboration that improves employee effectiveness and organizational innovation.

Scope of Work

The committee develops and supports professional networking communities that connect employees with similar responsibilities across institutions to share expertise, address common challenges, and identify opportunities for collaboration.

Current Focus Areas

- Change Management Community
- Talent Acquisition Network
- Learning & Development Network

Accomplishments

- Successfully launched and expanded systemwide professional networks.
- Re-established Learning & Development collaboration forums.
- Created ongoing communication channels and shared resource repositories.
- Developed opportunities for cross-institutional problem solving and professional development.

THE UNIVERSITY OF TEXAS AT ARLINGTON • THE UNIVERSITY OF TEXAS AT AUSTIN • THE UNIVERSITY OF TEXAS AT DALLAS
THE UNIVERSITY OF TEXAS AT EL PASO • THE UNIVERSITY OF TEXAS PERMIAN BASIN • THE UNIVERSITY OF TEXAS RIO GRANDE VALLEY
THE UNIVERSITY OF TEXAS SAN ANTONIO • STEPHEN F. AUSTIN STATE UNIVERSITY • THE UNIVERSITY OF TEXAS AT TYLER
THE UNIVERSITY OF TEXAS SOUTHWESTERN MEDICAL CENTER • THE UNIVERSITY OF TEXAS MEDICAL BRANCH AT GALVESTON
THE UNIVERSITY OF TEXAS HEALTH SCIENCE CENTER AT HOUSTON • THE UNIVERSITY OF TEXAS MD ANDERSON CANCER CENTER



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Strategic Impact

- Reduces duplication of effort across institutions.
- Promotes adoption of best practices.
- Increases talent mobility and retention.
- Strengthens organizational knowledge sharing.
- Supports a unified institutional culture and collaborative workforce.

Future Objectives

- Achieve full institutional participation.
- Expand networking opportunities into additional professional disciplines.
- Measure outcomes related to collaboration, employee engagement, and operational efficiencies.

2. Employee Recognition & Engagement Committee

Purpose

To strengthen employee engagement, morale, retention, and organizational culture by promoting meaningful recognition practices that acknowledge contributions across all employee groups.

Scope of Work

The committee develops practical, sustainable, and inclusive recognition strategies that encourage institutions to build cultures of appreciation through employee-led and leadership-supported initiatives. The committee's work emphasizes low-cost, high-impact approaches that can be adopted across academic, clinical, administrative, hybrid, and remote work environments.

Key Initiative

Development and deployment of the **Elevating Recognition Toolkit**, a comprehensive resource providing guidelines, examples, and best practices for implementing meaningful employee recognition programs across institutions.

Accomplishments

- Developed a scalable recognition framework adaptable to diverse institutional environments.
- Created practical recognition tools and resources for leaders and employees.
- Promoted recognition practices that support faculty, staff, student employees, and remote workers.
- Established a culture-focused approach that complements existing formal recognition programs.

Strategic Impact

- Improves employee engagement and workplace satisfaction.
- Supports retention and workforce wellbeing.
- Reduces burnout through increased appreciation and recognition.
- Reinforces institutional values.
- Strengthens organizational culture through consistent and meaningful recognition practices.



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Future Objectives

- Expand dissemination of the Elevating Recognition Toolkit across institutions.
- Encourage leadership and employee participation in recognition initiatives.
- Incorporate recognition practices into onboarding and employee development programs.
- Measure employee engagement and recognition effectiveness through institutional feedback and workforce metrics.

3. Employee Experience & Perks Committee

Purpose

To enhance employee engagement, awareness, and access to institution-specific resources and benefits through a centralized information platform.

Scope of Work

The committee is leading the development of a systemwide employee perks resource designed to provide a single access point for institution-specific benefits, discounts, wellness resources, and employee programs.

Key Initiative

Creation of a centralized Employee Perks Portal that:

- Increases visibility of available employee benefits.
- Simplifies access to institution-specific resources.
- Supports employee wellness and engagement efforts.
- Promotes transparency and equity across institutions.

Strategic Impact

- Improves employee awareness of available resources.
- Supports recruitment and retention initiatives.
- Strengthens institutional branding and employee experience.
- Reduces administrative burden through centralized information sharing.

Future Objectives

- Launch and maintain a centralized resource hub.
- Establish governance and maintenance processes.
- Track employee engagement and utilization metrics.
- Expand content based on employee feedback and institutional needs.



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Key Priorities and Impact

Together, these FY 25-26 committees create a comprehensive framework that strengthens workforce capability, supports institutional growth, enhances employee engagement, promotes collaboration, and advances a culture of excellence across the enterprise.

Employee Networking & Collaboration

- Expands systemwide professional networks that facilitate knowledge sharing, best-practice adoption, and cross-institutional collaboration.
- Supports operational efficiencies, workforce development, and organizational innovation.

Employee Recognition & Engagement

- Promotes meaningful and inclusive recognition practices through the Elevating Recognition Toolkit.
- Enhances employee engagement, morale, wellbeing, and retention while reinforcing institutional values.

Employee Experience & Perks

- Developing a centralized Employee Perks Portal to improve awareness and access to employee benefits, wellness resources, and institutional programs.
- Supports recruitment, retention, and employee satisfaction through improved resource accessibility.

4. **U.T. System: Discussion and appropriate action regarding a) the nonpersonnel aspects of the operating budgets for Fiscal Year 2027, including Permanent University Fund Bond Proceeds allocations for Library, Equipment, Repair and Rehabilitation Projects and for the Faculty Science and Technology Acquisition and Retention program, b) a revision of the previously approved Fiscal Year 2027 Operating Budget Rules and Procedures, c) appropriation of Available University Funds (AUF) for a supplement to the U.T. System self-insurance funds and additions to the Promise Plus AUF endowment, and d) a finding that expenditure of the AUF is appropriate**

RECOMMENDATION

Chancellor Zerwas, with the concurrence of the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Health Affairs, the Executive Vice Chancellor and Chief Operating Officer, and the presidents of the U.T. institutions, recommends

- a) approval of the nonpersonnel aspects of the U.T. System Operating Budgets for Fiscal Year 2027, including Educational and General Funds, Auxiliary Enterprises, Grants and Contracts, Designated Funds, Restricted Current Funds, Medical, Dental, Nursing, and Allied Health Faculty Services, Research and Development Plans;
- b) approval of a revision to the previously approved Fiscal Year 2027 Operating Budget Rules and Procedures;
- c) that the Chancellor be authorized to make editorial corrections to the approved budget and that subsequent adjustments be reported to the U.T. System Board of Regents through the Consent Agenda subject to the requirements of the Budget Rules and Procedures;
- d) allocation of Permanent University Fund (PUF) Bond Proceeds in the amount of \$107,830,700 directly to the institutions and U.T. System Administration consisting of \$82,007,700 to fund Library, Equipment, Repair and Rehabilitation (LERR) Projects for Fiscal Year 2027 and \$25,823,000 as an additional one-time LERR allocation in lieu of student technology and library fee increases;
- e) allocation of PUF Bond Proceeds in the amount of \$32,992,300 to provide additional funding to build and enhance research infrastructure to attract and retain the best qualified faculty through the Faculty Science and Technology Acquisition and Retention (STARs) program for Fiscal Year 2027. Funding authorized may be used by institutions in either the Faculty STARs or the related Rising STARs programs to take advantage of recruitment and retention opportunities presented by the institutions;
- f) appropriation of \$97,000,000 of AUF in Fiscal Year 2026 to the U.T. System self-insurance funds with specific allocations determined by the Executive Vice Chancellor and Chief Operating Officer;

- g) appropriation of \$65,000,000 of AUF in each of Fiscal Year 2026 and 2027 to contribute additional principal to the AUF funded endowment at U.T. System Administration that supports the Promise Plus program;
- h) a finding that expenditure of AUF for the purpose of providing operational support to the U.T. System institutions and identified in the U.T. System Administration Operating Budget for Fiscal Year 2027 as Direct Campus Support and in support of the U.T. System self-insurance funds is appropriate under the U.T. System's responsibilities to oversee and coordinate the activities and operations of the U.T. institutions, with the intent that expenditures will benefit all academic and health institutions.

BACKGROUND INFORMATION

Dr. Derek Horton will present the following recommended items:

Fiscal Year 2027 Operating Budgets

Allocations from PUF Bond Proceeds

- Fiscal Year 2027 LERR Budget, including one-time LERR
- Fiscal Year 2027 Faculty STARs program, including Rising STARs

Allocations from AUF

- U.T. System self-insurance funds
- Promise Plus Endowment contributions

Budget materials titled "Operating Budget Summaries and Reserve Allocations for Library, Equipment, Repair and Rehabilitation and Faculty STARs" will be available online at <https://utsystem.edu/offices/budget-and-planning/operating-budget-summaries>.

Included in the U.T. System Administration Operating Budget for Fiscal Year 2027 is a \$140,000,000 allocation of AUF for Direct Campus Support to provide assistance to U.T. academic and health institutions. The additional AUF appropriation to be contributed to the System's various self-insurance funds will bolster plan reserves to absorb future losses and will reduce future insurance premiums charged to U.T. institutions. The contribution from AUF to the existing Promise Plus endowment for Fiscal Year 2026 and 2027 will increase the corpus to provide additional support for ongoing costs related to the Promise Plus scholarship program.

The Operating Budget Rules and Procedures for Fiscal Year 2027 were approved by the Board on February 19, 2026. The revision to the Operating Budget Rules and Procedures will remove reporting and approval of tenure awards as a budget change due to an alternative reporting and approval process having been developed by the Offices of Academic and Health Affairs. Removal of the tenure approval process from the budget rules will reduce the administrative burden on the U.T. institutions.

The total allocations of PUF Bond Proceeds for LERR, including the one-time LERR allocation in lieu of student technology and library fee increases, and Faculty STARs is presented in the Fiscal Year 2027 LERR and Faculty STARs Budget and is subject to the budget rules and

expenditure guidelines adopted therein. In accordance with the budget rules for LERR and Faculty STARs, the Chancellor is authorized to approve allocations to institutions within the program totals authorized by the U.T. System Board of Regents if specific allocations are not included when the initial budget is adopted.

The PUF Bond Proceeds appropriated as indicated above must be spent in accordance with Article VII, Section 18 of the Texas *Constitution*. PUF Bond Proceeds may only be used for acquiring land either with or without permanent improvements, constructing and equipping buildings or other permanent improvements, major repair and rehabilitation of buildings and other permanent improvements, acquiring capital equipment, and acquiring library books and library materials.

Executive Vice Chancellor and Chief Operating Officer Jonathan Pruitt has determined that new distributions totaling \$9,650,000 from the Internal Lending Program (ILP) included in the U.T. System Administration Operating Budget based on Board approval of this item, revenues generated through the ILP will exceed amounts needed to maintain a sufficient interest rate buffer to meet principal and interest due on external debt and to provide necessary liquidity.

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Fiscal Year 2027 Annual Operating Budget

Derek Horton
Associate Vice Chancellor and Deputy Chief Financial Officer

U.T. System Board of Regents Meeting
Meeting of the Board
August 2026



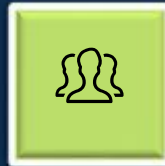
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About The University of Texas System

Size, scale, and diversity of the U.T. System exceeds all other higher education systems in the state.



FY 2027 budget is almost **four** times the size of next largest Texas system



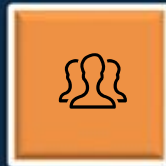
More than 160,000 faculty, staff, and medical professionals – one of the largest employers in Texas



Research expenditures in FY 2025 of \$5.21 billion – largest in the state and second largest in the country



Continues to carry AAA credit rating with each of three credit rating agencies: Moody's, Standard & Poor's, and Fitch



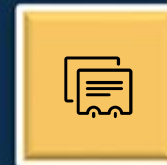
More than 12.1 million patient visits in 2025



270,046 students – producing more than 1/3 of bachelor degrees and almost 56% of medical degrees in Texas



69,415 graduates in AY 2025 – more than any other system in Texas



Receives a patent every 1.35 days; invention disclosure every 8.8 hours



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U.T. System Office of the Chief Financial Officer

2

Introduction to the FY 2027 Annual Operating Budget



Continued growth
in health care
activities



Continued
increases in
investment income



Focus on
affordability



Inflationary
impacts increasing
operations and
maintenance costs
across
all institutions



Increases in
scholarships and
fellowships



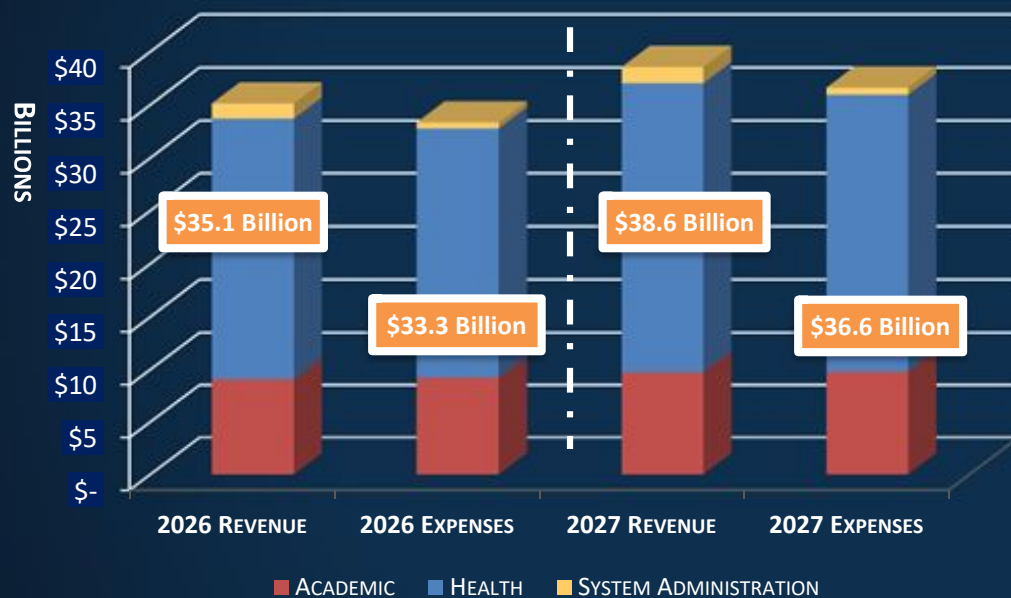
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3

Budget Highlights

TOTAL BUDGETED REVENUE AND EXPENSES FY 2026 AND FY 2027



BUDGETED REVENUE

\$38.6 BILLION IN FY 2027

\$3.5 BILLION OR 10.0% MORE THAN FY 2026

MAJOR DRIVERS

- SALES & SERVICES OF HOSPITAL & CLINICS - \$1.8 BILLION
- FEDERAL SPONSORED PROGRAMS - \$602 MILLION
- LOCAL AND PRIVATE SPONSORED PROGRAMS - \$305 MILLION

BUDGETED EXPENSES

\$36.6 BILLION IN FY 2027

\$3.3 BILLION OR 9.9% MORE THAN FY 2026

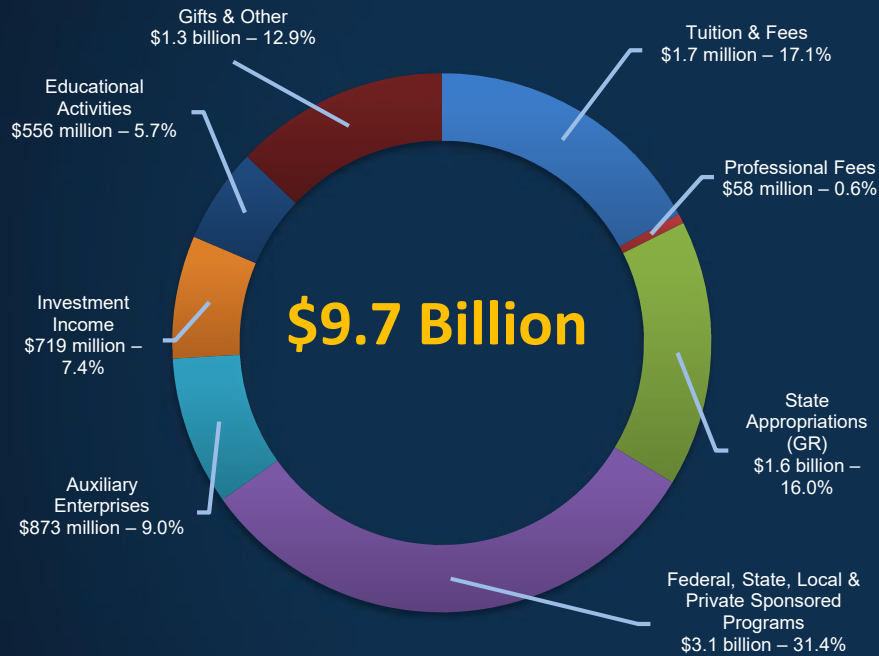
MAJOR DRIVERS

- PERSONNEL COSTS - \$1.9 BILLION
- OPERATIONS, MAINTENANCE, AND TRAVEL - \$1.7 BILLION
- SCHOLARSHIPS AND FELLOWSHIPS - \$206 MILLION

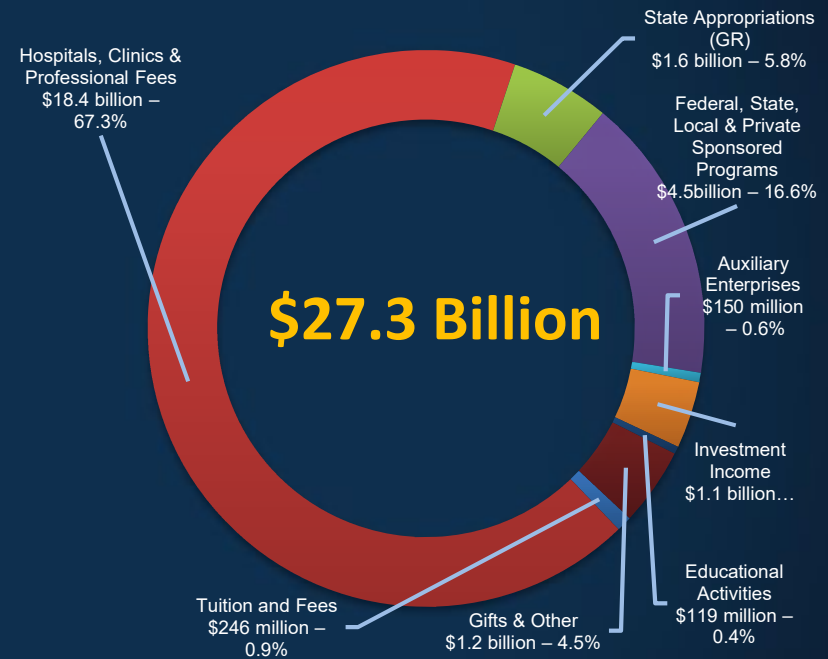
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FY 2027 Budgeted Revenue

ACADEMIC INSTITUTIONS



HEALTH INSTITUTIONS

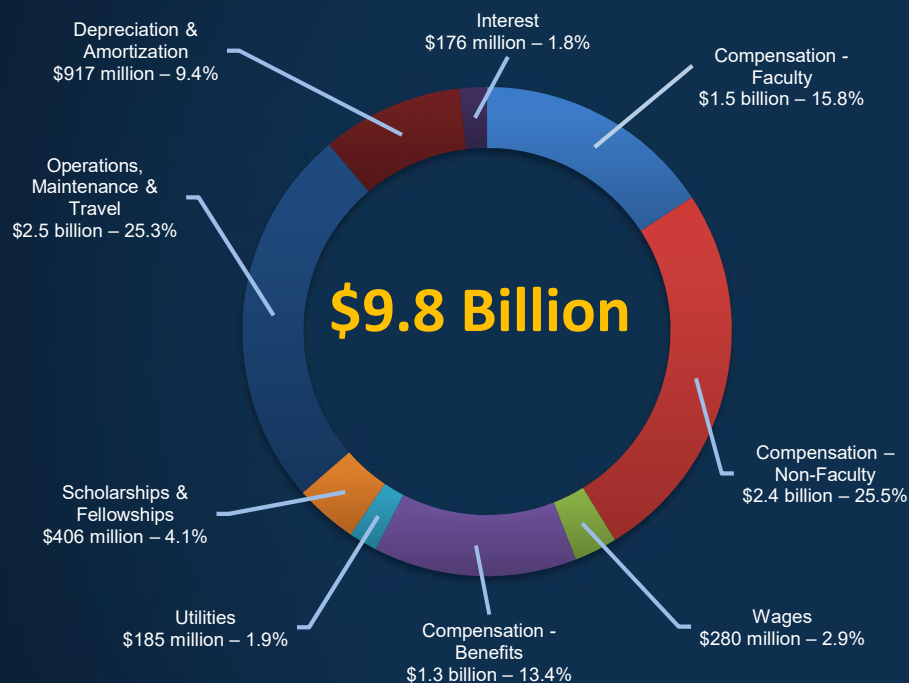


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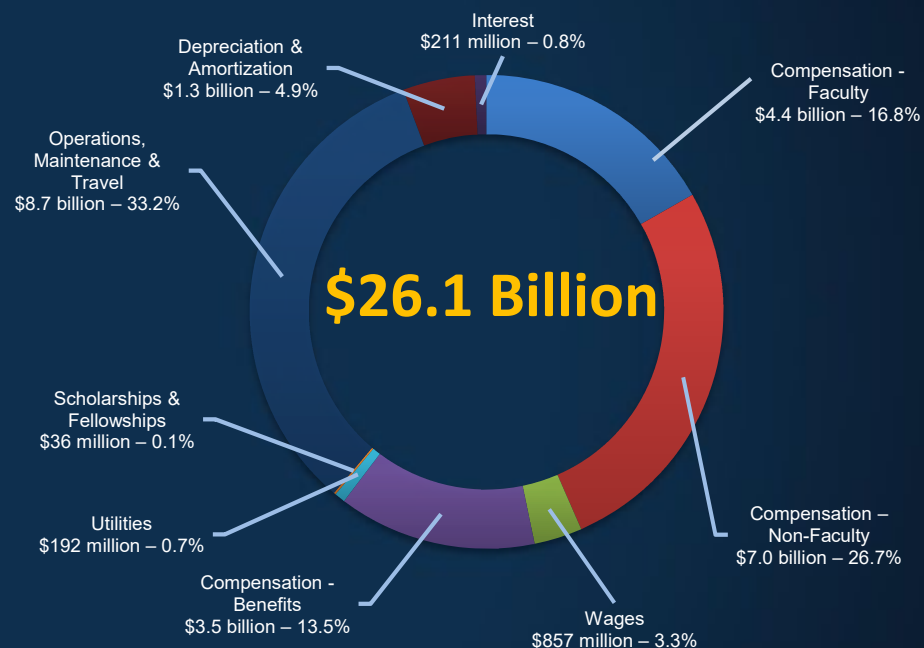
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FY 2027 Budgeted Expenses

ACADEMIC INSTITUTIONS



HEALTH INSTITUTIONS



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U.T. System Office of the Chief Financial Officer

U.T. System Academic Institutions – FY 2026-2027 Budget *(\$ millions)*

	FY 2026 Revenue	FY 2026 Expenses	FY 2026 Margin	FY 2026 Margin Ratio	FY 2027 Revenue	FY 2027 Expenses	FY 2027 Margin	FY 2027 Margin Ratio
U.T. Arlington	\$ 876.7	\$ 840.4	\$ 36.3	4.1%	\$ 914.0	\$ 877.1	\$ 36.9	4.0%
U.T. Austin	4,568.6	4,114.9	453.7	9.9%	5,108.7	4,427.0	681.7	13.3%
U.T. Dallas	907.0	814.1	92.9	10.2%	906.1	841.0	65.1	7.2%
U.T. El Paso	563.8	540.5	23.3	4.1%	602.1	579.5	22.6	3.8%
U.T. Permian Basin	109.6	104.4	5.2	4.8%	109.3	105.1	4.2	3.8%
U.T. Rio Grande Valley	747.3	727.0	20.2	2.7%	771.7	764.3	7.4	1.0%
U.T. San Antonio	816.5	793.5	23.1	2.8%	881.2	834.7	46.4	5.3%
Stephen F. Austin State University	226.9	220.9	6.0	2.6%	240.1	234.5	5.7	2.4%
U.T. Tyler	216.3	210.2	6.2	2.8%	209.7	200.1	9.6	4.6%
TOTAL	\$ 9,032.7	\$ 8,365.9	\$ 666.9	7.4%	\$ 9,742.9	\$ 8,863.3	\$ 879.6	9.0%



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Expenses are adjusted net of depreciation and amortization

U.T. System Office of the Chief Financial Officer

U.T. System Health Institutions – FY 2026-2027 Budget (\$ millions)

	FY 2026 Revenue	FY 2026 Expenses	FY 2026 Margin	FY 2026 Margin Ratio	FY 2027 Revenue	FY 2027 Expenses	FY 2027 Margin	FY 2027 Margin Ratio
U.T. Southwestern Medical Center	\$ 6,391.1	\$ 5,974.3	\$ 416.8	6.5%	\$ 7,266.4	\$ 6,828.4	\$ 438.0	6.0%
U.T. Medical Branch - Galveston	3,703.2	3,486.4	216.8	5.9%	3,998.9	3,773.0	226.0	5.7%
U.T. Health Science Center - Houston	2,824.5	2,730.3	94.2	3.3%	3,027.0	2,900.2	126.9	4.2%
Health Science Center at U.T. San Antonio	1,869.3	1,765.5	103.8	5.6%	2,034.0	1,947.8	86.2	4.2%
U.T.M.D. Anderson Cancer Center	9,375.1	7,932.0	1,443.1	15.4%	10,401.9	8,896.7	1,505.2	14.5%
Health Science Center at U.T. Tyler	494.9	466.0	28.9	5.8%	550.1	521.5	28.7	5.2%
TOTAL	\$ 24,658.1	\$ 22,354.5	\$ 2,303.6	9.3%	\$ 27,278.3	\$ 24,867.5	\$ 2,410.8	8.8%



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Expenses are adjusted net of depreciation and amortization

U.T. System Office of the Chief Financial Officer

U.T. System Administration Budget (\$ millions)

	FY 2026 Adjusted Budget	FY 2027 Proposed Budget	\$ Increase (Decrease)	% Change
U.T. System Administration Operations (AUF)	\$ 67.7	\$ 73.3	\$ 5.5	8.2%
U.T. System Administration – University Lands (PUF)	36.1	41.0	4.8	13.3%
U.T. System Administration Service Departments and Other (Non-AUF)	67.5	82.9	15.4	22.8%
U.T. System Administration	\$171.4	\$197.2	\$ 25.8	15.0%

Excludes the following components of the U.T. System Operations Budget

- State General Revenue Funded programs for Lone Star Stroke, Texas Child Mental Health Care Consortium (TCMHCC), U.T. System Multi-Institution Center in Laredo, and REAL- Health-AI
- Sponsored programs includes grants and federal support through the Employee Group Waiver Program (EGWP) for Medicare Part D retiree prescription drug coverage
- Capital Construction Assistance Projects (CCAP) and PUF Debt Service
- Depreciation and capitalized lease amortization net of capital outlay
- Self-insurance claims activity and certain systemwide software licenses centrally negotiated and reimbursed by U.T. institutions

U.T. Systemwide Budget (\$ millions)

	FY 2026 Adjusted Budget	FY 2027 Proposed Budget	\$ Increase (Decrease)	% Change
U.T. Systemwide Operations				
Direct Campus Support (AUF)	\$115.3	\$140.0	\$24.7	21.4%
Regents' Research Excellence Program	23.7	25.5	1.8	7.5%
State General Revenue Funded Programs *	35.8	39.9	4.1	11.6%
Sponsored Programs **	61.4	106.7	45.3	73.8%
U.T. System Building/CCAP/PUF Debt Interest (all institutions)	263.1	240.7	(22.4)	(8.5)%
Depreciation and Capitalization Lease Amortization	11.1	9.3	(1.8)	(16.6)%
U.T. Systemwide Operations***	\$510.4	\$562.0	\$51.6	10.1%

* State General Revenue Funded programs include Lone Star Stroke, Texas Child Mental Health Care Consortium (TCMHCC), and REAL-Health-AI

** Sponsored programs includes grants and federal support through the Employee Group Waiver Program (EGWP) for Medicare Part D retiree prescription drug coverage

*** Excludes self-insurance claims activity and certain Systemwide software licenses centrally negotiated and reimbursed by U.T. institutions

	FY 2026 Adjusted Budget	FY 2027 Proposed Budget	\$ Increase (Decrease)	% Change
U.T. Systemwide PUF Allocations				
Library, Equipment, Repair and Rehabilitation	\$ 82.0	\$82.0	-	-
One-Time LERR – In Lieu of Student Technology and Library Fee Increases	-	25.8	25.8	-
Faculty Science and Technology Acquisition and Retention	33.0	33.0	-	-
Total	\$115.0	\$140.8	\$25.8	22.5%



The University of
Texas System

U.T. System Office of the Chief Financial Officer

Additional Allocations

- \$65 million of AUF in each of FY 2026 and 2027 to contribute additional principal to the Promise Plus endowment to provide additional support for ongoing program related costs.
- \$97 million of AUF for increased Direct Campus Support in FY 2026 to bolster self-insurance reserves and reduce future institutional premiums.

5. **U.T. System: Discussion and appropriate action regarding personnel aspects of the U.T. System Administration and institutional operating budgets for Fiscal Year 2027**

RECOMMENDATION

Chancellor Zerwas, with the concurrence of the Executive Vice Chancellor for Academic Affairs, the Executive Vice Chancellor for Health Affairs, the Executive Vice Chancellor and Chief Operating Officer, and the presidents of the U.T. institutions, recommends that approval be granted regarding personnel aspects of the U.T. System Administration and U.T. institution operating budgets for Fiscal Year 2027 as included in the previous Agenda Item.

See also the Executive Session items related to the individual personnel aspects of the U.T. System Operating Budgets

6. U.T. Austin: President's Report on the review of the core curriculum

President Davis will report on the status of The University of Texas at Austin's review of its core curriculum.

In the fall of 2025, President Davis charged a committee of 22 distinguished faculty members to review the current general education curriculum and make recommendations for improvement. The U.T. Austin Core Curriculum Task Force worked diligently for the past year and consulted a broad cross section of U.T. Austin faculty, academic leaders at other non-U.T. universities, U.T. Austin students, and the U.T. Austin President's Faculty Advisory Board.

Respected U.T. Austin faculty and the U.T. Austin leadership agree that the institution should fundamentally revise the core curriculum to prepare students to flourish in a complex future. U.T. Austin should deliver a rigorous common undergraduate learning experience so that students develop a foundational body of knowledge of shared traditions, learn to evaluate claims, engage evidence, challenge assumptions and exercise sound judgment in a modern world where information is abundant, but wisdom is scarce.

President Davis will outline the content of a proposed new core curriculum to accomplish this vision. President Davis will further discuss a proposed process and timeline to adopt and implement an improved core curriculum.